

FIRMSCONSULTING

Hello!

Our mission is to find and nurture the next generation of leaders whom will make a lasting values-based impact by solving mankind's most pressing problems, and to build the firm which attracts the finest educated professionals by constantly embracing the costs of our values.

It takes us over one year to plan, execute and develop each training program study. Each study is curated and crafted by former McKinsey, BCG *et al* senior partners to help you *understand, follow* and *replicate* consulting engagements so you may confidently acquire the skills taught.

Great care is taken to make the training as realistic as possible while providing compelling and captivating narrated episodes to improve your experience.

This map is the overview and logic behind the Market Entry Strategy training program. This training program is only available to FC Insiders.

By following the arrows one can track the evolution of a strategy engagement. The numbers correspond to the videos within our StrategyTraining.com website which is only available to FC Insiders.

Please note that the only way to become an FC Insider, and access all the content on StrategyTraining.com, is to become a Premium member for 6 months, in good standing, on the Firmsconsulting.com website. The majority of our content is only available to FC Insiders.

Thank you for giving us this opportunity to earn your trust.

Best wishes,
Kris Safarova
Partner

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Accountability of the EM stream or partner



Accountability of the market analyses and sizing stream



Accountability of the financial analyses stream



Signifies a critical piece of information during the data gathering

MARKETS

Mexican President Signs Financial Overhaul Into Law

Changes Set to Boost Country's Growth Potential

By ANTHONY HARRUP and AMY GUTHRIE

Jan. 9, 2014 4:03 p.m. ET

Mexican President Enrique Peña Nieto signed into law Thursday changes in the country's financial and banking laws, capping a year of economic overhauls passed in 2013 by Congress that officials expect will raise Mexico's long-term growth potential.

Starting in 2014, Mexico's financial system will be more solid, and "a true engine of growth" for the economy, Mr. Peña Nieto said at an event .

The changes seek to strengthen the country's banking and securities regulator to increase competition and lower the cost of borrowing. Government development banks would be given more scope for lending to small- and medium-size businesses, which often lack access to credit.

The overhaul will also reduce the risk to banks by making it quicker and easier for lenders to collect on loan guarantees in the case of nonpayment.

"The financial reform adds to other significant transformations achieved in 2013," Mr. Peña Nieto said, a reference to changes in areas such as telecommunications and energy that seek to improve competition and investment that Congress passed last year.

Mexico is an important profit center for international banks. The country's two largest banks are units of [Banco Bilbao Vizcaya Argentaria SA](#) of Spain, and [Citigroup Inc.](#) of the U.S., which together control more than a third of Mexican bank deposits.

Commercial bank lending to the private sector has slowed after a rapid expansion in the wake of the 2008-09 global financial crisis, with outstanding loans at the end of November up 6.8% in real terms from a year before, according to the Bank of Mexico.

Mr. Peña Nieto said the development banks aim to increase lending this year by 15%.

The overhaul also seeks to prompt Mexican banks to lend more of the money they receive in deposits from the public, rather than parking it in safe but less productive financial investments.

Javier Arrigunaga, the head of the Mexican banks association and chief executive of Citigroup's Mexican unit, Grupo Financiero Banamex, said in December that banks "will do our best to expand credit penetration for the private sector."

Bank of Mexico Governor Agustin Carstens said at the event on Thursday that a doubling of credit as a percentage of gross domestic product, from the current 26% to 52%, would add a half percentage point to economic growth on a permanent basis.

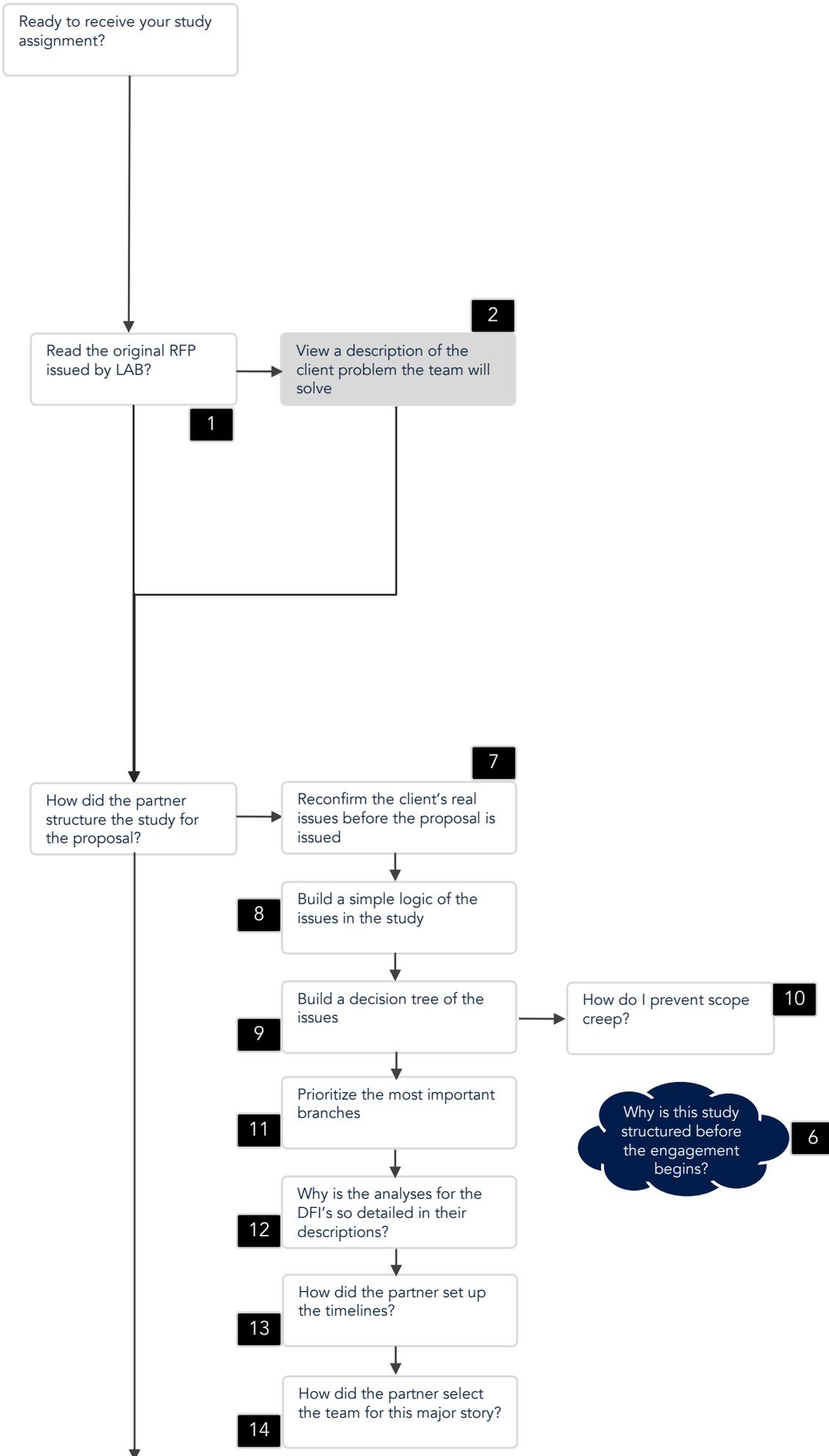
That could be achieved within eight years if current credit growth rates were doubled, he said.

Officials see the financial overhaul as an important complement to the other structural changes passed last year by Congress, such as promoting competition in telecommunications and allowing private companies back into the country's oil and gas industry for the first time in 75 years.

Source: <http://online.wsj.com/articles/SB10001424052702303754404579310852089741302>

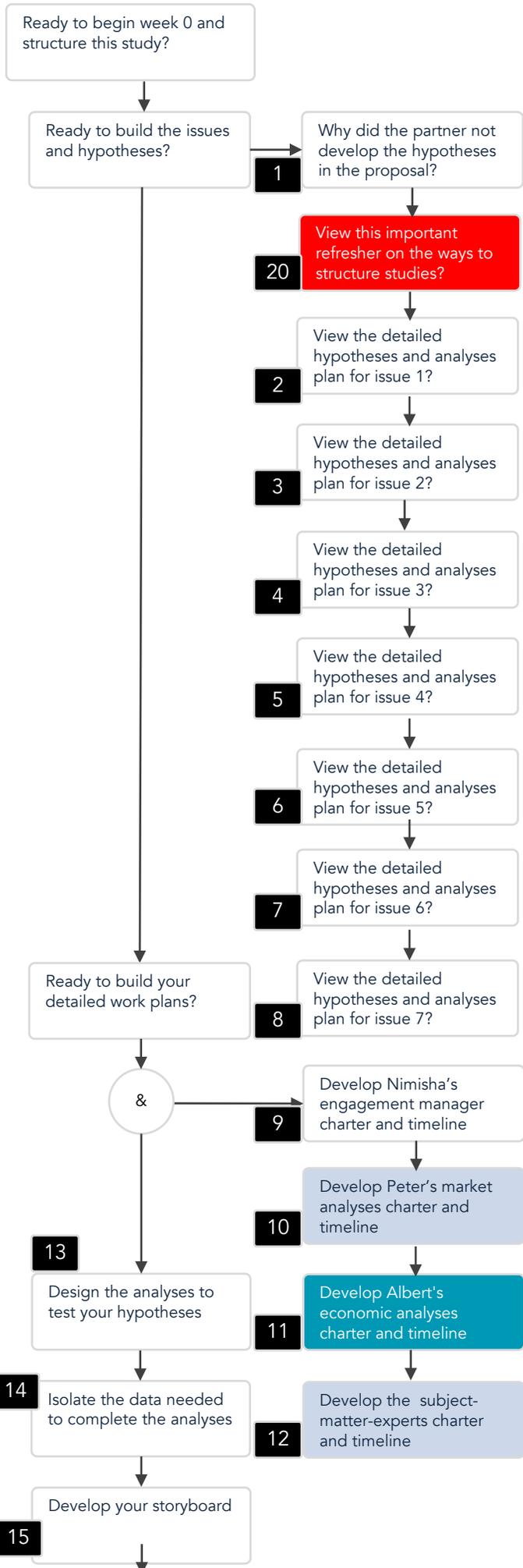
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5 days



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1 day



Curated Explanations

Detailed written notes and guides, on the right, can be viewed on [Firmsconsulting.com](https://firmsconsulting.com)

Curated explanations

1. The client and study background
2. Managing the client and introducing the team
3. Strategy considerations 1 and 2
4. Strategy considerations 3 and 4
5. Strategy considerations 5, 6 and 7
6. Strategy consideration 8, on M&A
7. The parity trap and how McKinsey overcomes it
8. How a boutique firm will overcome the parity trap – Ranatunga Doctrine
9. 1st team conference call
10. Framing the study
11. 2nd team conference call on banking products
12. Focus interview invitation letter
13. Partner role and setting expectations
14. Designing the team onboarding
15. Expenses and expectations exchanges
16. Tips for communicating with partners
17. Booking update meetings, focus interviews and shadow studies
18. Effectively using case studies
19. Displaying high standards
20. Challenges from the bank's internal strategy unit

16 Hold an expectations exchange with your manager

17 Ready to review the final interview list and sign it off?

18 Why are these detailed work plans so important?

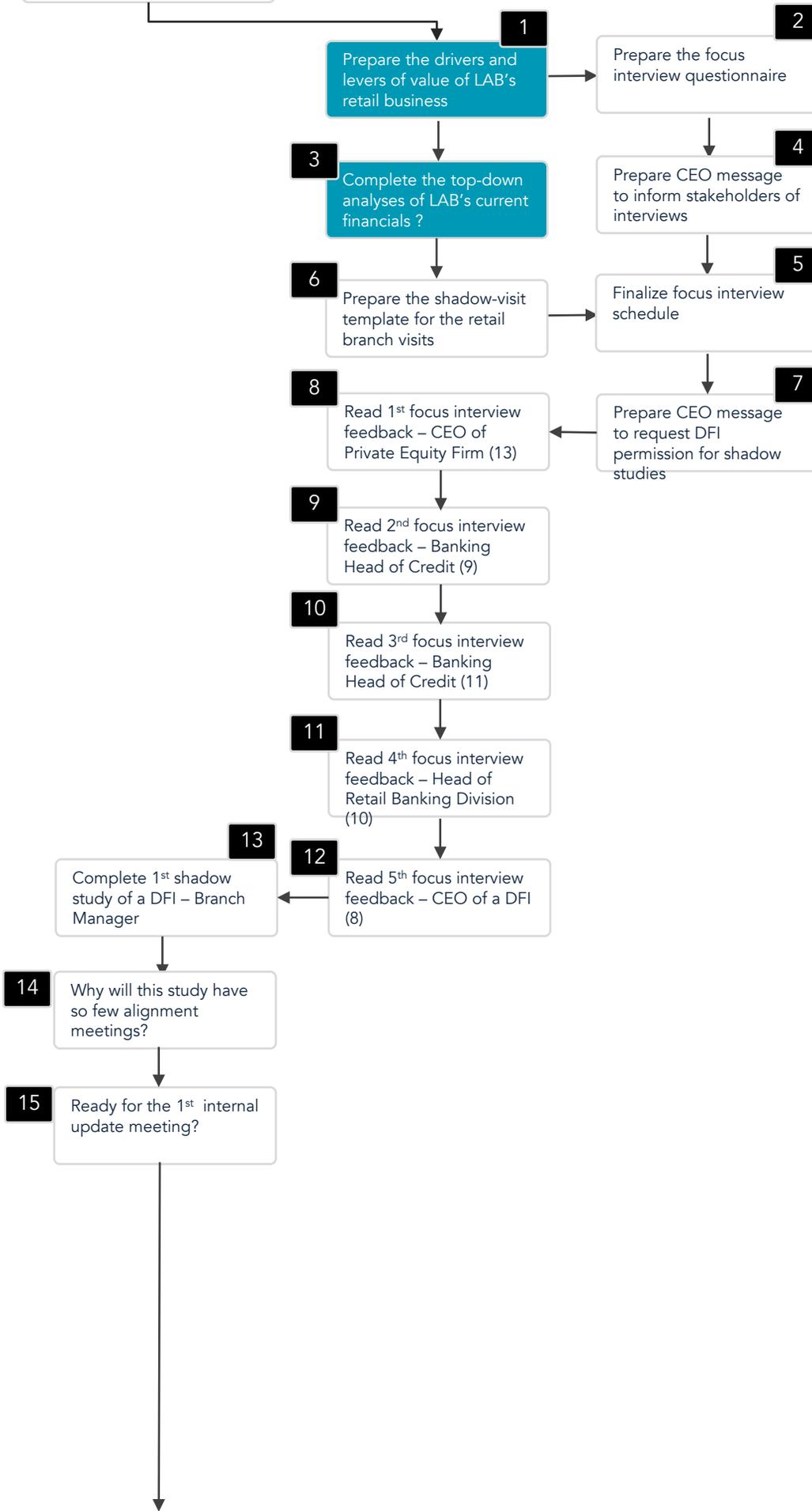
19 What is the partners role on tough studies and how is he/she managed?

- 21. Required reading on strategy
- 22. Mentoring, modeling and models
- 23. Nimisha & Battle of Dien Bien Phu
- 24. Cost of capital battle
- 25. Advice for female managers
- 26. Image management on a study
- 27. Reading data sets and final key planning
- 28. Insights from the contracted SME
- 29. Refining the team's structure
- 30. Objective functions and case studies
- 31. Setting up the engagement office
- 32. Lesson 1: Train for disasters
- 33. Lesson 2: Build a firm, not the team or a person
- 34. Lessons from onboarding the team
- 35. Friday prep before Monday morning start
- 36. Managing the client as Bain responds
- 37. Lesson 3 & 4: Releasing employees and bad losers
- 38. Lesson 5: Partners should never relinquish control

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Ready to begin week 1 of the study?

5 days



Week 1

1. Day 1 critical items set-up
2. Lessons for boutique consulting firms
3. Prepping for the 1st focus interview
4. Lessons from Day 1 interviews
5. Things which annoy a partner
6. Day 2 and the top-down financial analyses
7. Eye-opening focus interview notes
8. Wrapping up Day 2 planning
9. Criticism, teamwork and rest
10. More lessons for a boutique firm
11. Bonding with the client as Day 3 wraps up
12. Day 4 begins with a key insight
13. Summary of crucial meetings
14. Preparing for New Mexico shadow study
15. Recapping day 4 and some lessons
16. Case study best practice from Sara Carbonero
17. Myth of complex analyses and balancing the training demands
18. Weekend work on case studies; sources and the halo effect
19. Shadow study field notes + brilliant insight
20. How to present to clients
21. Shadow study agent visit field notes

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3 days

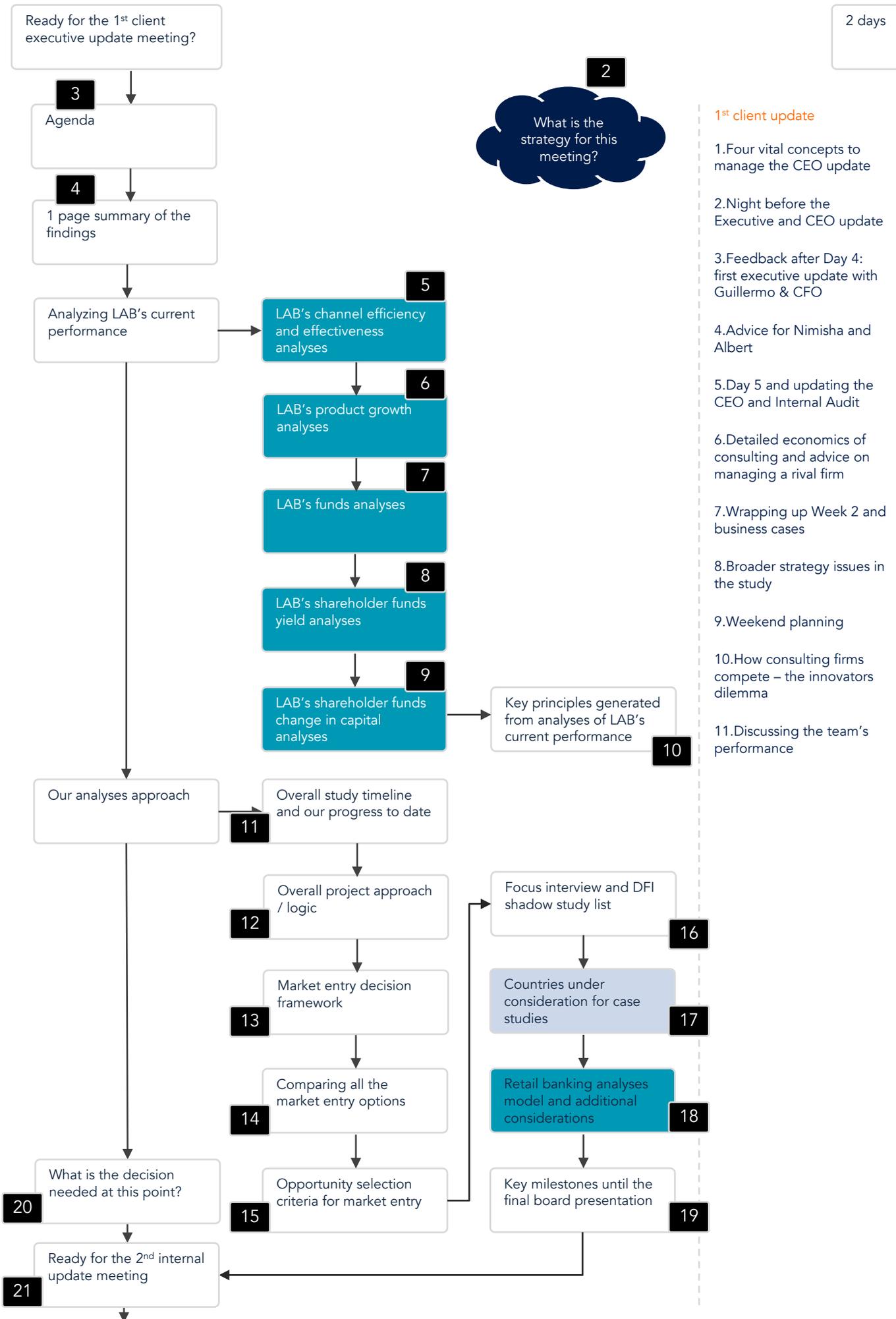


Week 2

1. Day 1 planning for the week and lessons in great management
2. Morning team meeting discussion
3. Detailed business case update meeting
4. Case studies and wrapping up Day 1
5. Day 2 and lessons on confidence building
6. Lessons for the client from Nelson Mandela
7. Wrapping up a key milestone for the study
8. Day 3, a recap on teamwork and our activities
9. Bringing it all together
10. Lessons on managing the team

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2 days

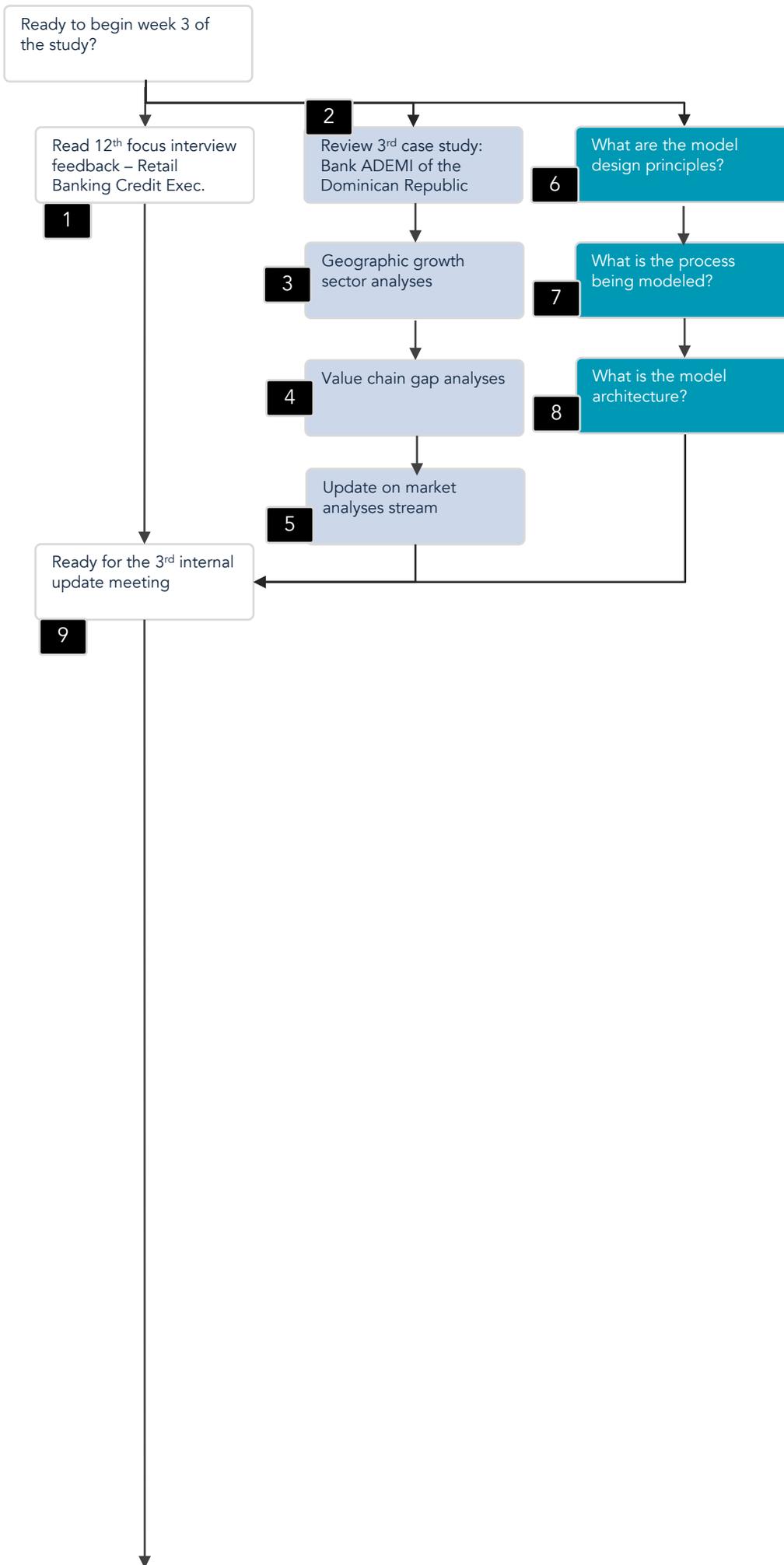


1st client update

1. Four vital concepts to manage the CEO update
2. Night before the Executive and CEO update
3. Feedback after Day 4: first executive update with Guillermo & CFO
4. Advice for Nimisha and Albert
5. Day 5 and updating the CEO and Internal Audit
6. Detailed economics of consulting and advice on managing a rival firm
7. Wrapping up Week 2 and business cases
8. Broader strategy issues in the study
9. Weekend planning
10. How consulting firms compete – the innovators dilemma
11. Discussing the team's performance

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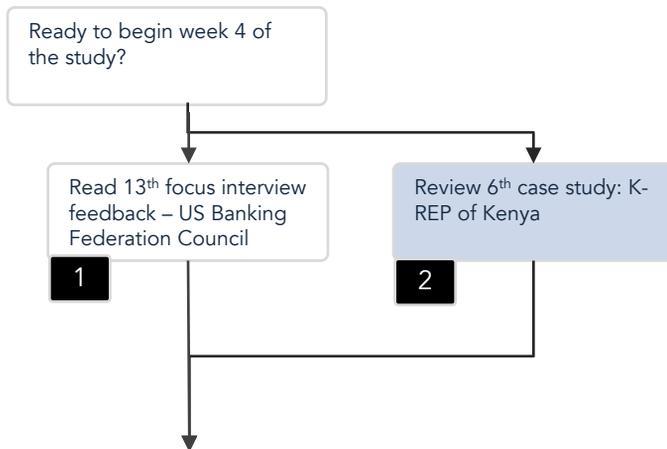
5 days



Week 3

1. Day 1 lessons from the Bank Rakyat case study
2. Financial analyses lessons and modular thinking
3. Strategy considerations and the interest rate paradox
4. More modeling planning updates from Day 1
5. Day 1 night-time reading lessons from Reagan & Gorman
6. Day 2 and the sustainability paradox for the client
7. Key Issue 1 & 2: Banking client's strategy trade-off
8. Major study validation & myth about partner roles
9. Free client work and crucial hypotheses techniques
10. Key Issue 3: LAB's alignment with other banks and lessons from Hitler & Apartheid
11. Implications from Key Issues 1,2 and 3 and psychology of beating elite firms
12. How efficient is our analyses?
13. Charters, timelines and closing thoughts for a busy Day 2 of Week 3
14. Wrapping up the week
15. Managing racism
16. Weekend planning
17. Key insights from the legislative analyses
18. A courageous CEO and how McKinsey/BCG compete
19. Incredible DFI salaries and other financial insights
20. Managing bias and tear-inducing anecdotes

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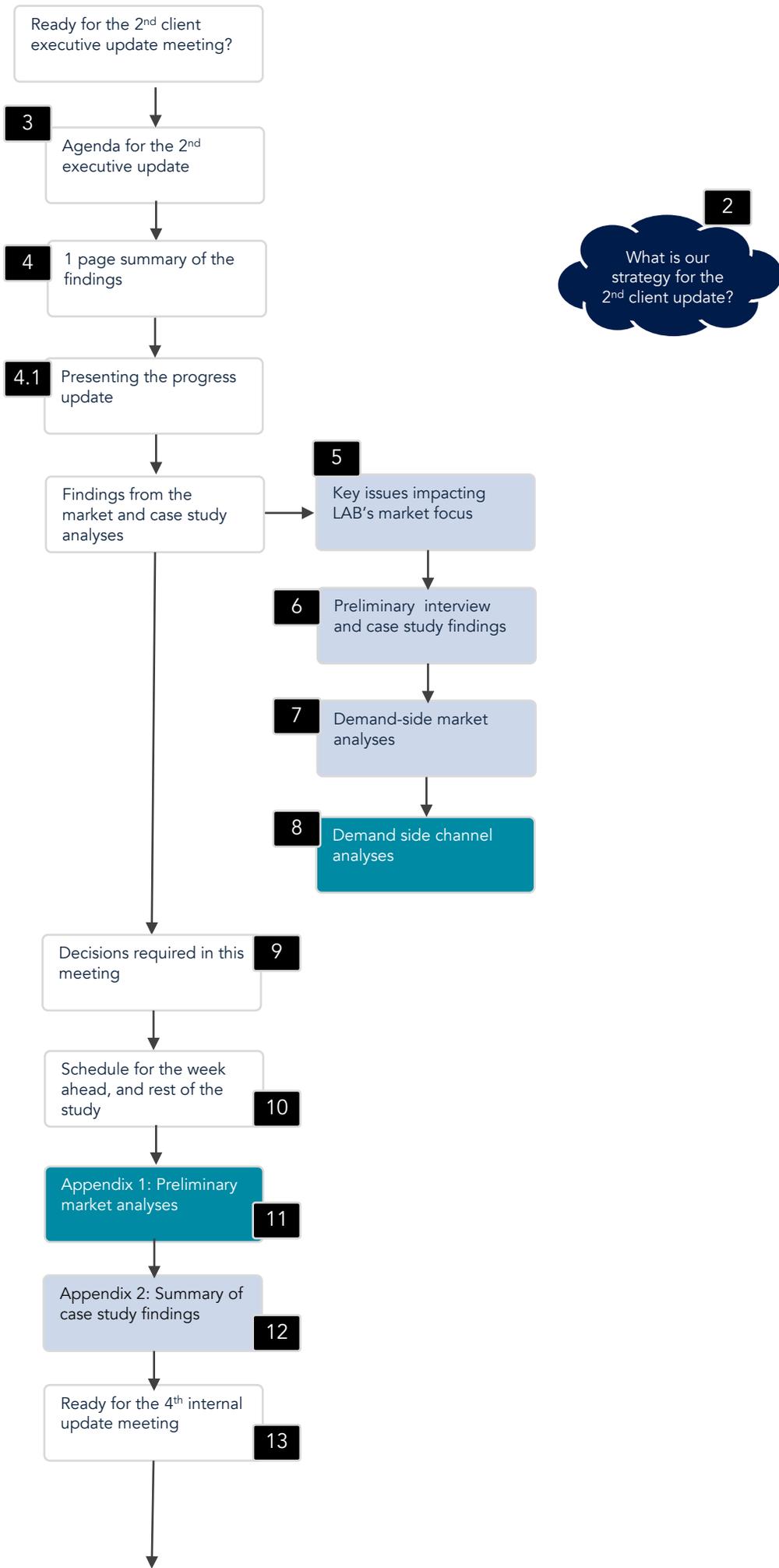
4 days

Week 4

1. Day 1 emphasis on case studies and letter from entrepreneur
2. Pivotal client update meeting and new strategy work
3. Peter's exceptional work on the case studies
4. Day 2 planning and motivating international travel
5. How to critically review success case studies and business case ideas
6. Key insight: the disconnect between the strategy and operations
7. Day 3 and initial review of the financial model analyses
8. Day 4: misunderstanding "doing what is in the client's best interests"
9. Day 5 and the 2nd major client update and the failure of market entry thinking

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1 day



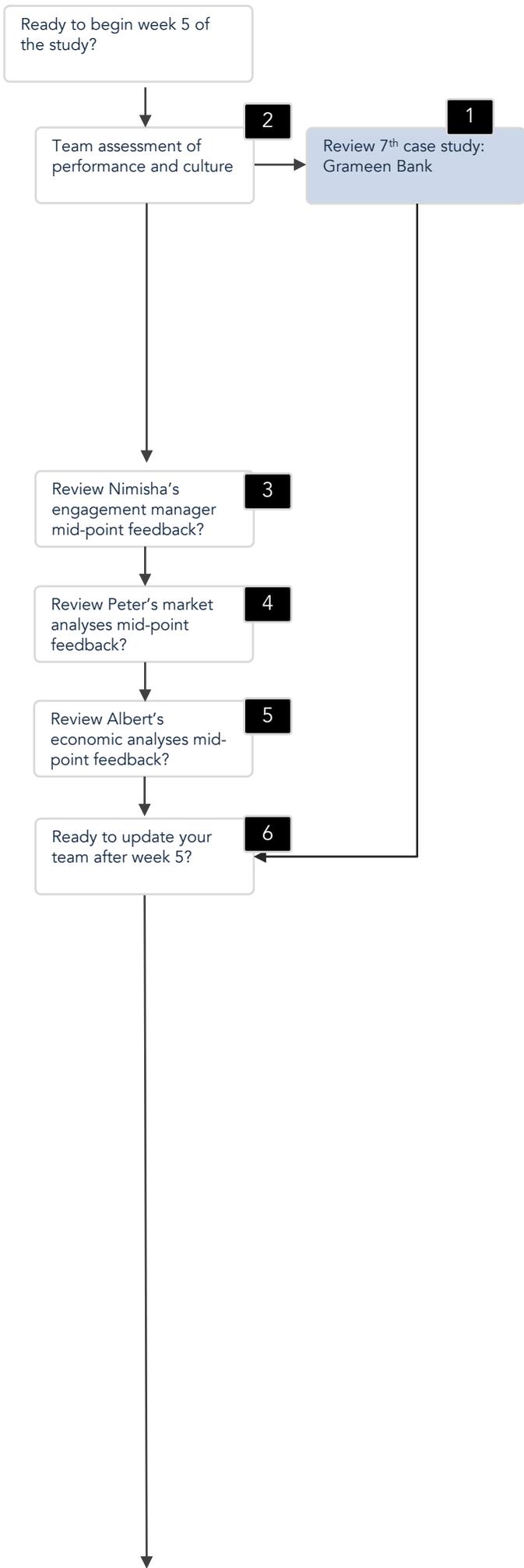
2nd client update

1. Day 4: misunderstanding "doing what is in the client's best interests"

2. Day 5 and the 2nd major client update and the failure of market entry thinking

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5 days



Week 5

1. Day 1 and discussing the initial findings
2. How does one define poverty?
3. More findings discussed before the CEO recommendation meeting
4. Implications of the findings for the client and the preliminary recommendations
5. Too many consultants are like laptop designers from the 2000's
6. Measuring success and summarizing our recommendations
7. Questions about the recommendations and mid-point feedback

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1 day

Ready to begin week 6 and understand the business case analyses for this study?

Step 1: Options for entering the retail market **1**

Step 2: Develop a process flow of the option being modeled **2**

Step 3: Map out the revenue drivers and levers **3**

Step 4: Map out the cost drivers and levers **4**

Step 5: Create the approximate 1-page description of the model **5**

Set up the validation and design principles **6**

Step 6: Determine the variables being modeled **7**

Break down the segments for analyses **8**

Break down the sectors for analyses **9**

Step 7: Build the model architecture **10**

Step 8: Set limits to the scope of the study **10**

Set limits to the filter criteria **11**

Set limits to customer segments **12**

Set limits to products and services **13**

Set limits to the geographic focus **14**

Step 9: Set the key assumptions **15**

Week 6

1. Day 1 changes to the study and more insights

2. Economic traps and social fetishes, and feedback on meetings

3. Managing clients and are the DFIs mismanaged?

4. Key management step: Day 3 and preparing midpoint feedback

5. Key management step: mid-point feedback and offers for interns

6. Changes to the study direction and planning for the alignment study

7. Day 5 and a little gift for the client – credit guarantee analyses

8. How Nimisha and her non-lvy background outshone many of the other interns

9. Key discussion: product decisions and impact on LAB's balance sheet

10. Being a part of such complex strategy studies

Step 10: Innovative way to plot and present data and strategy implications

16

Understanding the credit guarantees benefits calculation

17

Using the Du Pont approach to structure the benefits case

18

Building the benefits formula

19

Graphically depicting the break-even analyses for clarity

20

Calculating the breakeven line

21

Calculating the breakeven number

22

Graphically depicting the magnitude of the claims problem (part 1)

23

Graphically depicting the magnitude of the claims problem (part 2)

24

Graphically depicting the magnitude of the claims problem (part 3)

25

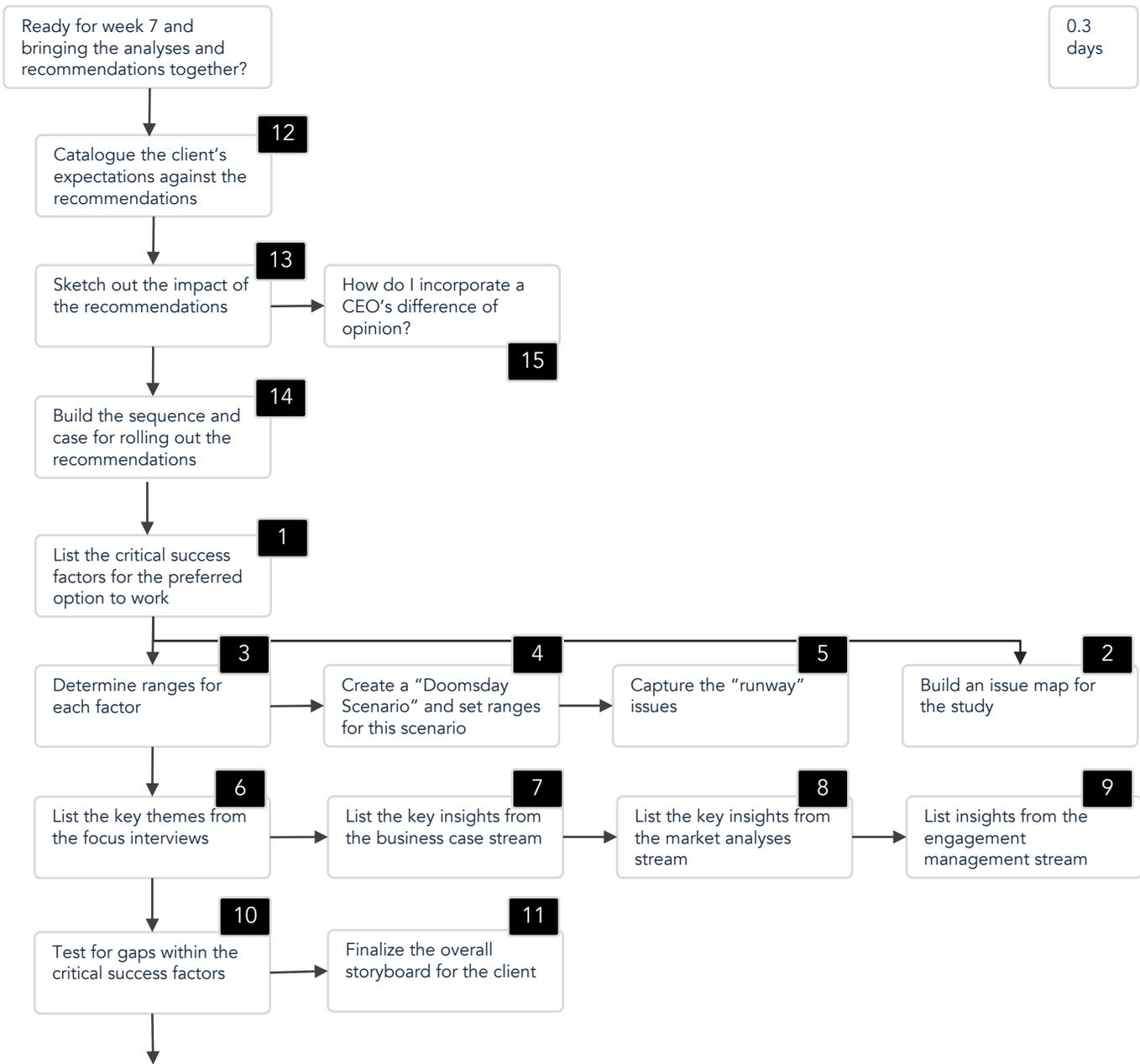
Expected claims on future business

Ready for the 6th internal update meeting?

26

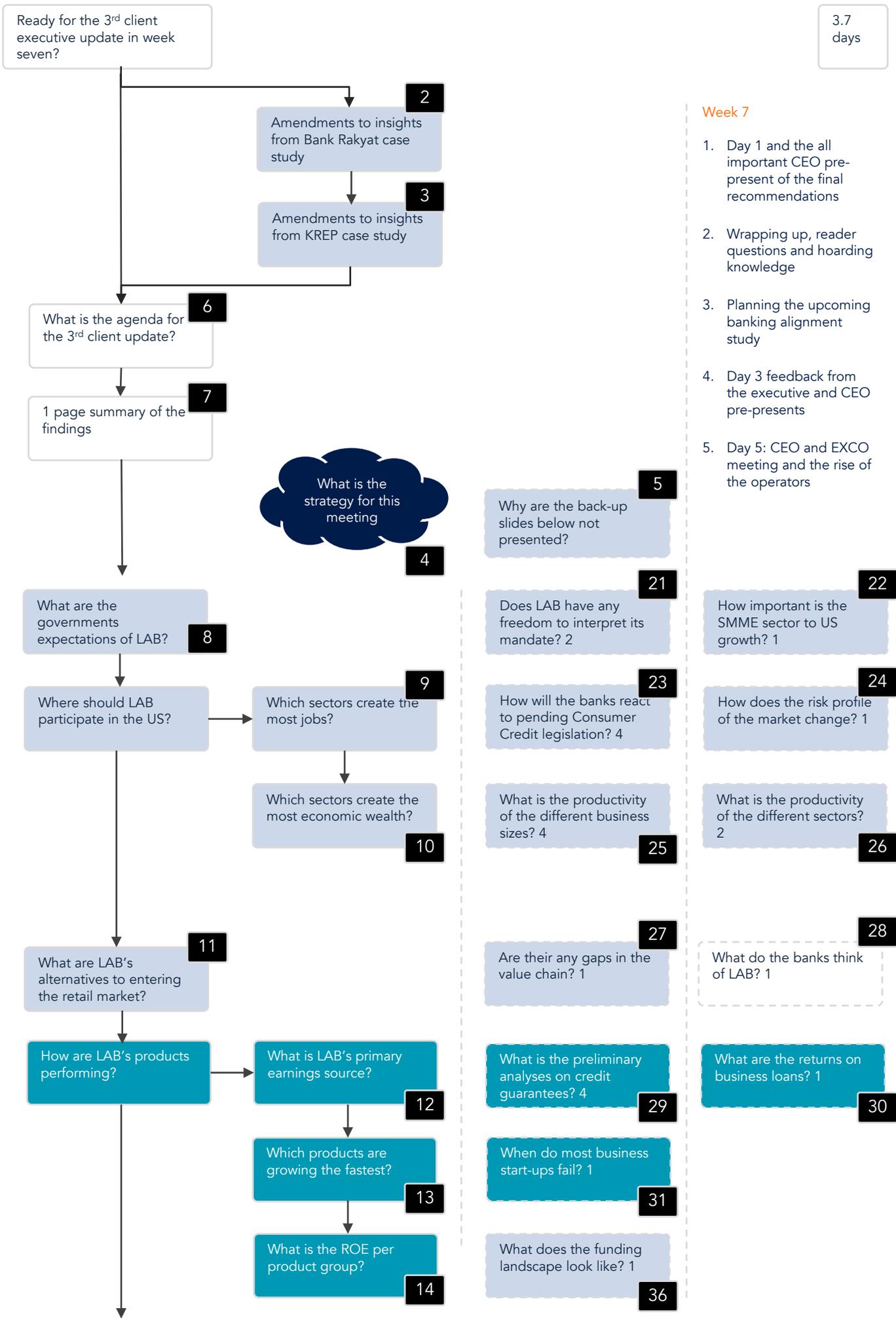
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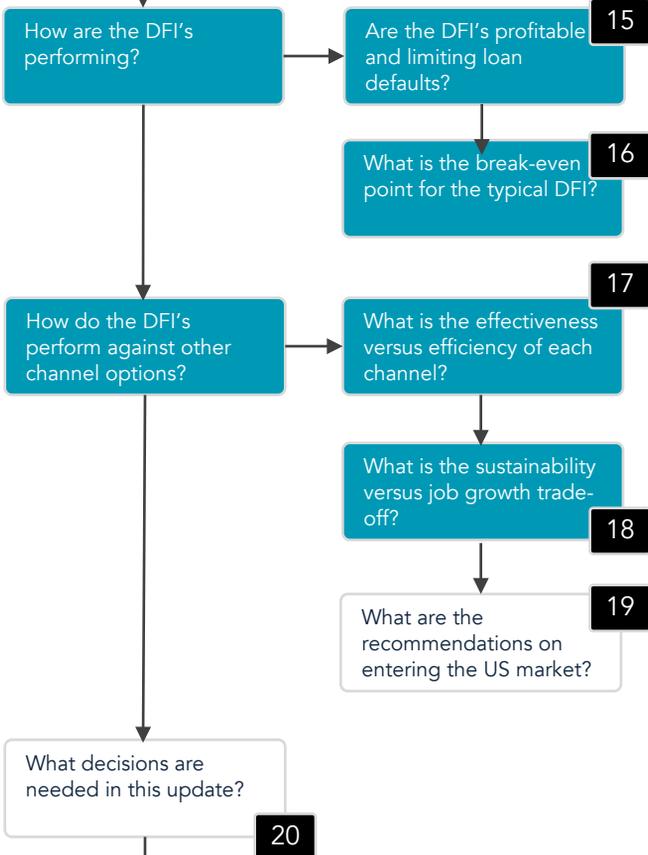
0.3
days



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3.7 days





How do DFI's perform on cost to create a sustainable job? 1 32

Do DFI's recover their full operating costs? 1 33

What type of products do the channels want from LAB? 1 34

Is the DFI channel sustainable? 1 35

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1 day

Ready to adjust the study at the end of week 7?

Prepare letter of proposal to change scope of the study

1

Recommendation 1: Do not enter the retail market directly

LAB agreed and did not enter the retail market

Recommendation 2: Immediately fix credit guarantee products

LAB agreed and requested a plan to fix the products

Study awarded to McKinsey & Company (FC declined the study)

Recommendation 3: Restructure LAB for its new role

LAB agreed and issued an RFP for the study

Study awarded to Bain & Company (FC declined the study)

Recommendation 4: Determine if banks need to align better

LAB agreed and Firmsconsulting conducted the study

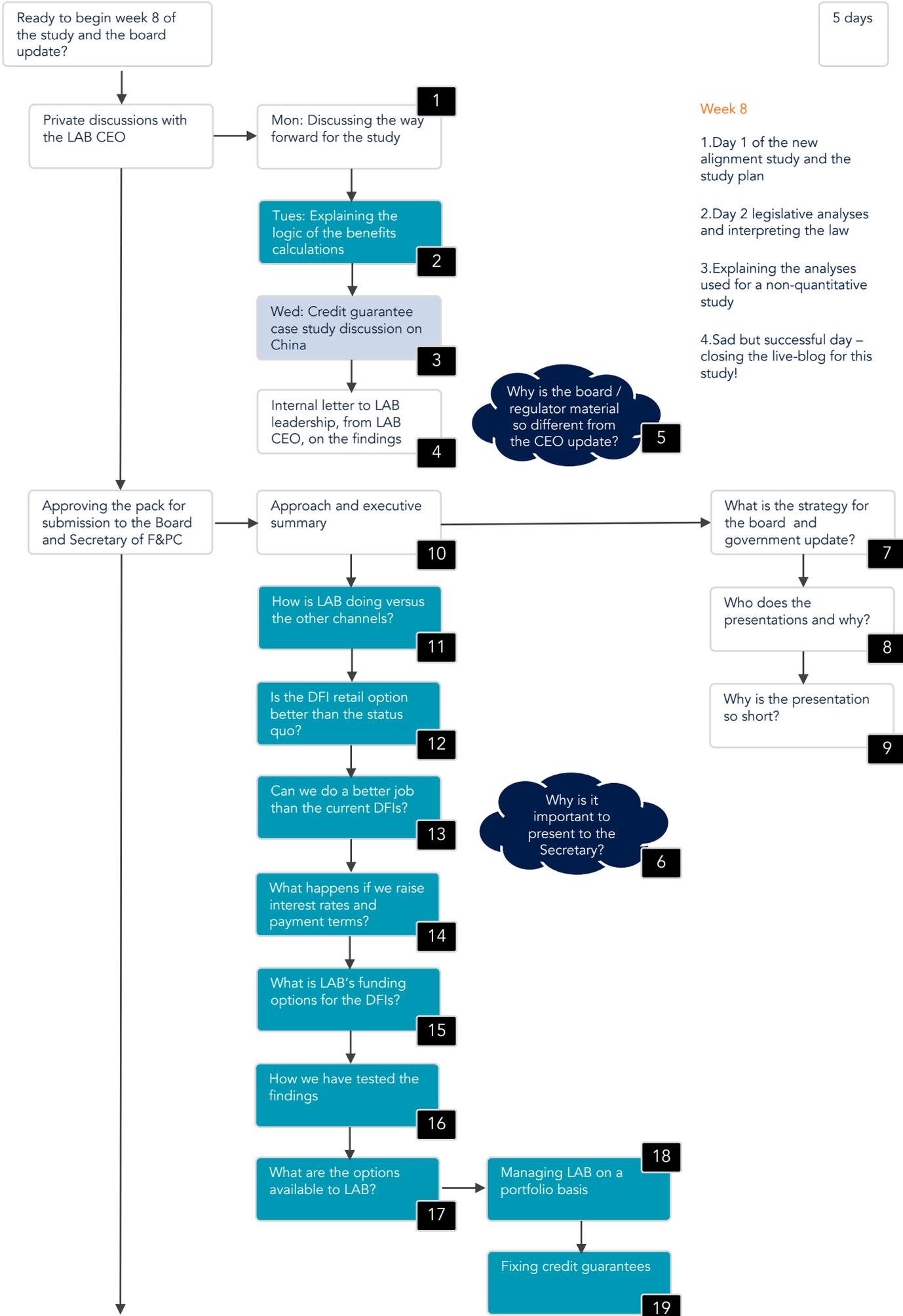
This study will be published at a later date!

Why is the scope of the study changing?

3

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5 days



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