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Step Wisely

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Is it difficult for your organization to prioritize projects? According to Ray Trotta, author of the newly published, "Translating Strategy into Shareholder Value," projects should be prioritized according to the shareholder value they can achieve. This book provides a step-by-step approach on how your organization can use economic, strategic, operational and valuation filters to select, analyze or eliminate strategic initiatives.

The foundation of the book is the Step Wise Approach to Value (SWAV), which is a methodology that provides both strategic and financial tools for evaluating potential strategic alternatives. Trotta defines strategic alternatives as "initiatives undertaken for the purpose of increasing shareholder value."

The book, which is published by the American Management Association, can be used to evaluate external strategic alternatives, such as merger and acquisitions, as well as outsourcing opportunities. It was also designed to help analyze the potential value and risks of internal alternatives, including IT investments and process reengineering, as well as help allocate an organization's resources.

Ray Trotta is a partner and cofounder of iValue, a technology-valuation firm.