

AUSTRIAN CAPITAL THEORY AT WORK

Organizational design, cutting-edge business structures, and high-response business models.



Step 1

MAKE SURE YOU CAN ANSWER THIS QUESTION:

What does our firm do uniquely to create customer value?

- Measured by future revenue streams from customers.
- Built on unique value perceptions:
 - Absolute value (“worth it”)
 - Superior to direct and indirect substitutes
 - Preferred now (versus choice of delayed purchase)

Step 2

ATTEMPT TO DIVIDE AND GROUP ASSETS

Which assets and asset-resource combinations contribute to unique value creation?

Non-Contributing Assets (Candidates)	Contributing Assets	Unclear
<ul style="list-style-type: none"> - Real Estate - Overhead - Compliance - Benefits / HR - Accounts Receivable - Inventory 	<ul style="list-style-type: none"> - Finished goods production - Customer Service - Customer-facing tech - Consumer research - Marketing - Selected supplier contracts 	<ul style="list-style-type: none"> - Non customer-facing tech - Selected supplier contracts



Step 3

REPEAT AND REVIEW

Repeat and review this analysis frequently. What has changed in consumer preferences or the market environment? Should my asset combinations be revised or re-organized?