

What It Really Takes to Deliver

Making the business case for the next opportunity, commitment, or change

The business case is not complete until leadership understands what the business will have to support.

A growing personal care brand is considering an opportunity to sell six products through a large national retailer. The sales forecast is attractive. Its leadership wants to know whether the account will be worth taking on.

That answer depends on more than expected sales and product margin. The retailer may require different packaging, opening stock, reliable replenishment, and payment terms that leave the brand funding inventory before it collects cash. The opportunity also depends on who will manage orders, deductions, and changes once the account is live.

What looks like a sales decision becomes a decision about the business behind those sales. The requirements can change the cash needed, the return, and the best way to begin.

This paper examines that question for leaders of growing and mid-market branded consumer products and manufacturing businesses. It applies when a new opportunity is taking shape, a major commitment is under consideration, or an investment has not produced its expected benefit.

Why the question deserves attention now

Businesses are trying to grow while costs are rising. The Federal Reserve Banks' 2026 survey report reflects that pressure. Reaching customers and growing sales remained the leading operational challenge for surveyed U.S. employer firms. Rising costs were their leading financial challenge. Among firms that applied for financing, only 42% received the full amount they sought. [1]

Those findings do not tell a particular company what to do. They make the funding assumptions behind a commitment harder to leave unexamined. An attractive return still needs a workable route through the cash demands that come before it.

The situations in this paper are illustrative and draw on operating conditions encountered through prior principal experience. They are not presented as M5 client engagements. Details have been adapted or combined where appropriate to illustrate the decision principles discussed.

Delivery Changes the Return

A forecast describes an expected result. A complete business case also accounts for what the company must do, fund, and sustain to produce it. The second part can change the first.

A lower purchase price can come with larger minimum orders and more cash held in stock. A faster machine can add little saleable output if changeovers, staffing, or inspection still limit production. A new planning system can provide better information while purchasing decisions continue to follow a separate spreadsheet.

Some of the work is easy to miss because capable people already make it happen. A senior leader approves every exception. A supplier absorbs a scheduling change. Someone reconciles orders in a spreadsheet that is absent from the system report. These arrangements keep the business moving, but the next customer, facility, or acquisition may require more than they can support.

Profit, cash, and capacity answer different questions

Profit

What remains after the costs of serving the opportunity, including the work it adds.

Cash

How much must be paid, and when, before the business collects the money it expects.

Capacity

What the business can reliably deliver alongside the commitments it already has.

Cash timing

BDC's explanation of the cash conversion cycle connects inventory, customer payment, and supplier payment timing. That relationship helps explain why stronger sales can increase the money tied up in the business even when the sales are profitable. [2]

Value, funding and delivery

A worthwhile result, the money to fund it, and a workable way to deliver it are different tests. HM Treasury's 2026 Green Book considers value, affordability, and delivery separately for UK public investment. The setting differs, but the distinction is useful here. [3]

A requirement left out of the decision is still a requirement the business will have to meet.

The next three sections show where this matters: before accepting an opportunity, when choosing how to deliver it, and when deciding what to do about a benefit that has not arrived. These are different decision moments, not a sequence every business must follow.

Before Growth Becomes a Commitment

What the account requires

Return to the personal care brand considering an account with a large national retailer. Leadership is deciding whether to commit to a six-product launch, agree to the launch date, and accept the retailer's terms.

The proposed assortment may need packaging bought in quantities larger than the first order. Opening stock and replenishment inventory may have to be funded before the retailer pays. Freight, deductions, and the work of managing the account can reduce what the brand keeps from the sales.

These are not details to resolve after the commercial decision. They determine whether the proposed account is attractive on the terms being offered.

The opening terms can change

A six-product launch and a three-product launch create different commitments. The narrower assortment may reduce packaging purchases and inventory exposure. A different launch date may allow the business to build stock without disrupting current customers. Revised payment terms can change the funding needed even when the sales forecast stays the same.

Someone also needs to own replenishment, order accuracy, deductions, and retailer requests. That work may fit within the current team, require added support, or be better handled with a partner. The cost and responsibility belong in the decision.

Leadership is choosing the conditions under which the opportunity is worth pursuing.

The recommendation could be to proceed as proposed. It could be to start with fewer products, negotiate terms, use a partner, or defer until the required funding and support are available. Each choice preserves a different amount of the opportunity and commits a different amount of the business.

The starting point follows the finding. If packaging minimums drive the cash exposure, resolve the assortment and supplier quantities before accepting the launch commitment. If the account remains attractive at a slower sales rate with its full service costs included, leadership has a stronger basis for proceeding.

Compare the Full Cost

A food business is considering bringing production in-house. The current partner charges more per unit than the projected internal cost. Leadership also wants more control over timing, quality, and new products.

The unit-cost comparison is useful, but incomplete. Internal production needs premises, equipment, people, quality controls, maintenance, and enough volume to use the operation well. A partner's quote may exclude freight, minimum runs, storage, or the work that remains inside the business.

Compare on the same basis	Produce in-house	Use a production partner
Money committed	Equipment, premises, start-up stock, and the transition	Deposits, minimum runs, stock, and any transition
Cost at realistic volume	Staffing, setup time, waste, maintenance, and unused capacity	Quoted charges, freight, storage, and retained internal work
Responsibility retained	Daily production, quality, scheduling, and equipment care	Product requirements, forecasts, quality oversight, and partner management
Ability to change	What the operation can support as products and volume change	What the agreement and the partner's capacity allow

A lower unit cost is not the same as a better use of the business's money.

NIST's investment-analysis guide warns that overlooking existing systems, processes, and skills can understate costs and overstate benefits. Those requirements belong alongside the equipment price. [4]

If the internal cost advantage depends on keeping equipment well used, establish credible volume before ordering it. Until then, retaining the partner may be the better choice. A staged move or a combination of internal and partner production needs to earn its place on the same basis: service, return, transition cash, and retained responsibility.

An acquisition or a new facility raises the same question at a different scale: what else must be in place for the investment to produce the result being used to justify it?

Before Funding the Next Answer

A household products business invested in a planning system to improve stock availability and reduce inventory. Months later, cash is still tied up in slow-moving products. People continue to use spreadsheets to decide what to buy.

Leadership may be considering more software, outside support, or another role. Before funding that response, it needs to establish what is preventing the expected inventory benefit.

What may be preventing the benefit

Supplier minimums may require purchases above the rate of demand. Inventory records may be unreliable. Late changes to promotions may invalidate the plan. The system may need configuration or training. The purchasing team may lack authority to challenge orders. Several of these conditions can be present at once, but they call for different decisions.

What completion does not settle

The Project Management Institute's benefits framework assigns responsibility for benefits to business owners and continues measurement after the project is handed over. It distinguishes delivering a project from sustaining the operating and behavioral changes needed for its benefits. [5]

That distinction matters here. If buying decisions still follow an old spreadsheet, completing the software installation has not established that inventory will fall. If supplier minimums are the main cause of excess stock, more reporting alone will not change the purchase commitment.

Money already spent does not establish the value of spending more.

The relevant comparison is what each next move could achieve from here, what it would cost, and what must change for the benefit to appear. Leadership might revise purchasing terms, correct records, clarify decision authority, improve use of the current system, or narrow the expected benefit. Replacement is another option, but it needs its own case.

If purchasing minimums explain the excess stock, begin with purchase quantities and supplier terms before funding replacement software. The next commitment should address the condition preventing the benefit. That may mean improving the first investment or stopping further spending on a result the business can no longer reasonably expect.

A Recommendation Must Resolve the Choice

Understanding the requirements can change the terms of the retail opportunity, which production route is preferable, and where the next dollar should go after an investment. The work behind the result can change the value, the choice, and the starting point.

The objective, economics, and work behind the result need to be considered together. Not every unanswered question needs a study. An uncertainty about funding, volume, or delivery responsibility deserves attention when it could change the choice.

Different findings lead to different paths

Path	When the evidence supports it
Proceed	The proposed terms, economics, funding, and delivery requirements support the commitment.
Modify	A change to the terms, scope, timing, or approach creates a more attractive and workable choice.
Partner	Another party can meet a requirement on better terms, with retained responsibilities understood.
Defer	A condition that matters to the decision cannot yet be met or established.
Stop	The expected result does not justify the remaining commitment under credible conditions.

A list of possible improvements leaves the most important judgment unfinished. Leadership needs a recommended path, the reason for it, and a starting point. It should also know what change in conditions would warrant reconsidering that recommendation.

The question is whether the result is worth what the business will have to do to achieve it.

Before a commitment, that answer can change its size, terms, timing, or delivery route. After an investment, it can change where the next dollar goes. Leadership has a stronger basis for deciding when it understands what achieving the result will require.

Prior principal experience

Before M5, principal Kunthearath Nhek-Morrissey built the operations needed for a growth-stage food and beverage business to serve wholesale, B2B, retail, and direct-to-consumer customers. The work included production, sourcing, inventory, and co-manufacturing.

She also proposed and built an integrated regional supply chain function for a North American agribusiness. The work brought together roles, governance, and operating decisions that had previously been separated.

About M5

M5 is a principal-led advisory firm for growing and mid-market branded consumer products and manufacturing businesses. We start with what leadership is trying to accomplish and the decision it needs to make.

That might mean deciding whether a new retail account is worth its cash and service demands, whether to produce in-house or use a partner, or why an investment has not delivered its expected benefit. The starting point is the decision in front of leadership.

We establish what the business can support, what the result could be worth, and what would have to change to achieve it. We compare the credible choices and recommend where to begin.

An initial project gives leadership an evidence-based view of the business situation, the economics and requirements that matter to the decision, and M5's recommendation on where to begin. Where implementation support is needed, M5 can lead separately scoped work with an accountable principal.

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Sources

[1] Federal Reserve Banks. [2026 Report on Employer Firms](#). Published March 2026. Surveyed September–November 2025; 6,525 U.S. employer firms with 1–499 employees. A convenience sample, not a census of M5's market. The 42% figure refers to financing applicants.

[2] Business Development Bank of Canada. [Cash conversion cycle](#). Practice guidance on inventory, receivables, and payables; supports the cash timing relationship.

[3] HM Treasury. [The Green Book 2026](#). UK public investment appraisal guidance; used for its distinction between value, affordability, and delivery.

[4] National Institute of Standards and Technology. [Investment Analysis Methods](#). Douglas S. Thomas, October 2017, NIST AMS 200-5. Sections 4.1–4.2 address capabilities and organizational change that can alter investment costs and benefits.

[5] Project Management Institute. [Benefits Realization Management Framework](#). Practice framework on benefit ownership, measurement, and sustaining changes after delivery.

The sources support the stated relationships and context; they do not establish outcomes for the illustrated businesses. The separately attributed prior principal accounts reflect work before M5.