

RAUTENBERG & COMPANY

Full Potential Plans:

Value Creation Beyond Optimism.



“VALUE CREATION” is among the most frequently invoked terms in the investment industry – and one of the least rigorously defined. For Arndt Rautenberg and Eike Gerrit Büllingen of Rautenberg & Company, the differentiator is discipline.

A **FULL POTENTIAL PLAN** is not about doing more, but about structuring ambition into a small number of truly decisive interventions. Impact follows focus.

FULL POTENTIAL PLANNING in a challenging macro environment

The German economy has been navigating a prolonged period of stagnation. Growth has been subdued, sentiment cautious and the outlook restrained at best. International competition has intensified, while domestic demand has lacked the vitality one would expect from the leading European economy.

In such an environment, investor and management attention naturally shifts. Protecting the downside takes precedence over pursuing the upside. We hear this consistently from clients: resilience first, ambition later.

Yet financial investors cannot defer value creation indefinitely. Revenue and earnings growth do not emerge from patience alone – nor do attractive returns result from a passive “buy and wait” strategy. Multiple expansion without operational progress is a fragile thesis. Sustainable value creation demands deliberate intervention – and certainly not just a new label on the website or a refreshed colour scheme. True value creation is neither cosmetic nor mechanical; it is tailored, reflecting the competitive positioning, structural realities and specific economics of the company itself. Unlocking this potential requires discipline: analytical depth, structured prioritisation and the willingness to challenge established assumptions.

That is the essence of a Full Potential Plan. Done properly, its reward is meaningful: A strengthened business model capable of scaling with confidence and delivering structurally superior long-term returns.

ALIGNMENT BEFORE MOMENTUM

Value creation rarely fails for lack of ideas. Repeatedly, we observe it stalling where expectations diverge and incentive structures are misaligned. Investors and management do not always share the same horizon – or the same appetite. Following a change in ownership, shareholder ambition frequently exceeds the trajectory management has been pursuing.

This divergence is hardly surprising, because incentive structures reward different outcomes. In our experience, particularly in markets with strong family-business traditions, management teams often lean towards caution. Preserving legacy and limiting risk can take precedence over accelerating growth. An honourable instinct, but rarely a catalyst for structural value creation. “If it works, do not break it” remains a powerful operating principle. The result is incrementalism: sensible initiatives, carefully sequenced and individually defensible.

Structural and genuinely bold value creation is less obvious – and rarely comfortable. It requires a recalibration of ambition, clarity on strategic intent and, at times, the willingness to depart from established patterns. It challenges the status quo rather than merely refining it. Alignment, therefore, is not a procedural exercise. It is the prerequisite for momentum.

FULL POTENTIAL PLANS:

From Intent to Impact

Ambition without structure rarely translates into value. A Full Potential Plan is about doing the few right things at scale – not about doing more. It enforces the discipline required to convert intent into measurable outcomes. Its purpose is straightforward: to identify the few initiatives capable of materially shifting revenue, earnings and valuation – not a catalogue of sensible ideas, but a focused set of high-impact levers with clear ownership, disciplined sequencing and committed resources.

In our experience, five steps are required to turn aspiration into impact.

1

Baselining

2

Ambition Setting

3

Prioritisation of High-impact Levers

4

Elimination of Dilutive Activities

5

Operationalisation

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To me, a Full Potential Plan is the masterpiece of value creation – if done properly, it aligns vision and bold ambition with structured planning and execution.

Arndt Rautenberg
Founder and Managing Partner

1

BASELINING

Every Full Potential Plan begins with intellectual honesty. The starting point must be unambiguous: competitive positioning, revenue quality and unit economics, organisational capability and capital structure. Without clarity on the baseline, ambition remains theoretical. Overestimating strengths breeds complacency, while underestimating constraints breeds frustration. Precision at this stage determines credibility later.

2

AMBITION SETTING

With the baseline established, ambition must be recalibrated: Too little ambition extends the status quo. Too much – detached from operational reality – erodes commitment. The right balance lies in defining a trajectory that is bold yet defensible. Boldness may mean doubling revenue within the holding period, entering adjacent markets, structurally expanding margins, or targeting 4x value. While examples differ by situation, the principle does not. Ambition must stretch – but it must carry conviction. When quantified and aligned, bold targets concentrate effort. They define priorities and set the tone.

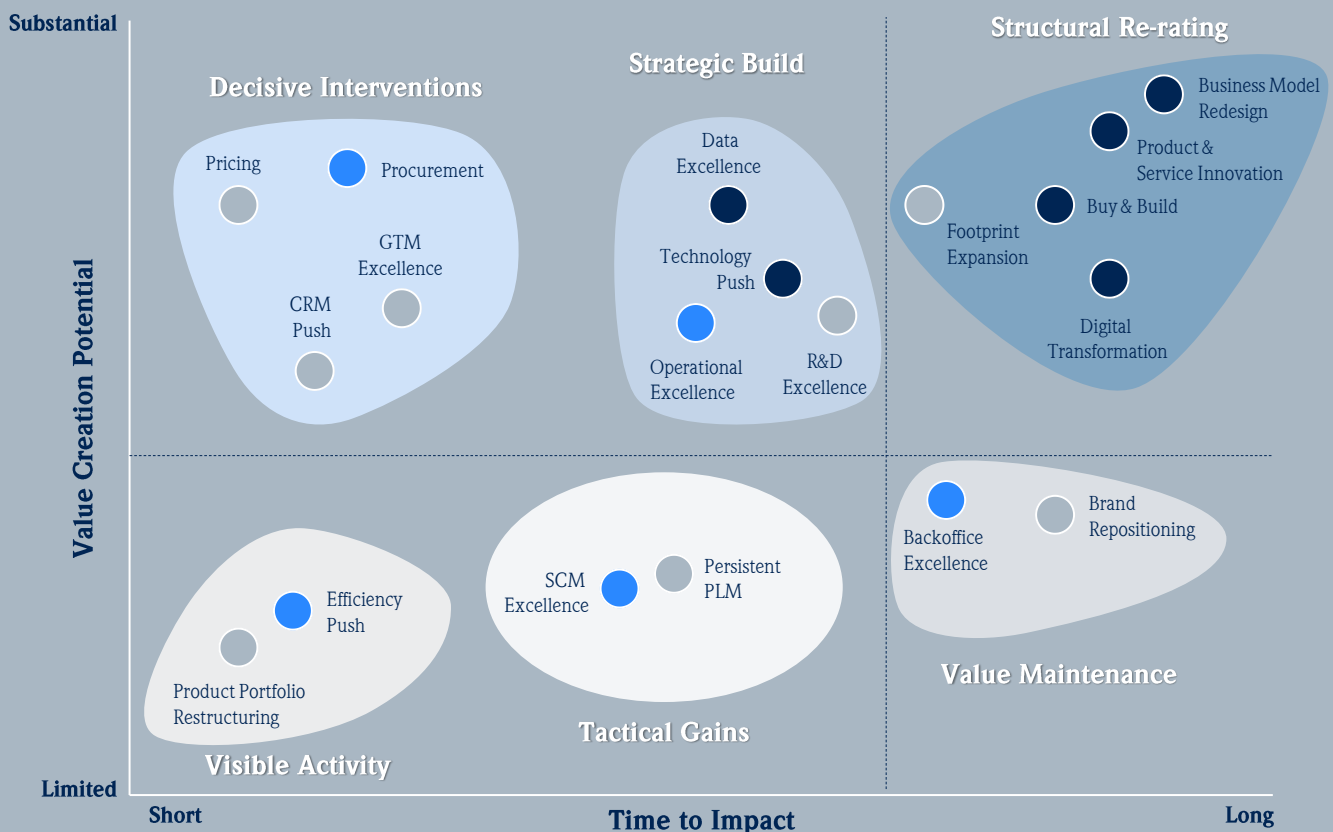
PRIORITISATION OF HIGH-IMPACT LEVERS

3

A Full Potential Plan concentrates management time, organisational energy, and capital on the initiatives that can genuinely shift the economics of the business. Value levers are not abstract; they are defined interventions designed to materially improve competitive positioning, revenue quality, margin structure, or capital efficiency.

Importantly, these levers extend beyond top-line growth. They may reshape the company's footprint or portfolio, redesign the business model, recalibrate the value chain, alter pricing architecture or reconfigure cost structures. The principle is simple: less, but consequential. It is unrealistic to assume that a company possesses six or eight transformative levers – and can activate them simultaneously. Three or four well-defined, rigorously quantified and properly sequenced levers are typically sufficient to change its trajectory of an enterprise.

Our recent work across multiple situations has allowed us to codify recurring value creation initiatives. And while each company requires a tailored approach, certain archetypes reappear – differentiated by their impact potential and the time required to translate ambition into measurable results:



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An investment's full potential is not unlocked by opportunistic M&A or incrementalism in strategy execution. It requires ambition, paired with disciplined delivery: Shoot for the moon – and make sure you get there.

Eike Gerrit Büllingen
Partner

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ELIMINATION OF DILUTIVE ACTIVITIES

Prioritisation alone is insufficient if legacy initiatives continue to absorb attention and capital. Organisations tend to accumulate projects – pilots, side streams, redesigns – each individually defensible, but collectively dilutive. Dispersion of focus is rarely visible at first. Its effects are.

A Full Potential Plan requires the discipline, and occasionally the courage, to discontinue what does not materially contribute to the defined ambition. Subtraction is often the fastest form of acceleration.

5

OPERATIONALISATION

Ambition and prioritisation create direction, but only execution creates value. Defined levers must be translated into concrete programmes with accountable owners, clear milestones and measurable success criteria. Without explicit metrics, change efforts remain diffuse. Progress becomes anecdotal, momentum fades.

Well-defined KPIs establish discipline. They create transparency, enable course correction and provide management with a continuous feedback loop. Consistency, not enthusiasm, drives results.

If the ambition is structural change, then the measures must be equally structural – embedded in governance, incentives and capital allocation. Only then does strategy become economic reality.

LEADERSHIP AND EXECUTION

Even the most rigorous Full Potential Plan is only as strong as its execution. Across multiple situations, we have observed that ambition translates into value only when three conditions are met.

- 1 First, the right team. Structural change requires specific capabilities and sufficient capacity. Talent is not a soft factor; it is a structural prerequisite.
- 2 Second, disciplined and transparent execution. Progress must be measurable. Deviations must trigger action. Consistency, not optimism, delivers outcomes.
- 3 Third, leadership. Bold programmes create uncertainty. They hence require clarity in communication, decisiveness in prioritisation and resilience under pressure. Alignment is not achieved through consensus alone, but through direction.

Execution demands more than coordination – it demands authority. Only then does a Full Potential Plan translate analysis into economic impact, delivering structurally superior value for shareholders and management alike.

Closing Perspective

A Full Potential Plan is not a guarantee of success, nor is it a substitute for judgement. It is, however, a disciplined mechanism to translate ambition into structural value creation. It forces clarity where ambiguity persists, prioritises where dispersion prevails, and anchors bold ambition in operational reality.

In our experience, the differentiator is not the quality of ideas. It is the willingness to pursue them – with focus, courage and consistency.

Full Potential Plans are strategically consequential and transformative by design. Few organisations have undertaken such an exercise with full rigour. An external perspective therefore matters: Distance creates clarity, and experience sharpens calibration.

About the Authors



Arndt Rautenberg
Managing Partner

Arndt Rautenberg is Founder and Managing Partner of Rautenberg & Company and advises financial sponsors and their portfolio companies as well as corporates on strategy, value creation and transactions, with a particular focus on technology-driven sectors.

He began his career at Boston Consulting Group and went on to build and scale a technology advisory and investment firm, which he and his partners sold to Sapien (NASDAQ), where he subsequently served on the executive board. He then joined Deutsche Telekom as Chief Strategy Officer, responsible for group strategy and portfolio management. Arndt studied business administration at WHU – Otto Beisheim School of Management and at Georgetown University, and attended executive education at Harvard Business School.

Today, his work centres on helping investors unlock full potential through focused, high-impact interventions, including growth strategies, transformations and transactions across the investment lifecycle.



Eike Gerrit Büllingen
Partner

Eike is Partner and works out of our Düsseldorf office.

He is an experienced growth strategist and M&A-enabler with a strong track record in Smart Infrastructure, Building Technology Solutions and Cybersecurity. Eike has built his deep expertise across a three-digit number of Value Creation & Exit Readiness Programmes, Commercial Due Diligences as well as M&A Lead Advisory projects.

Eike joined us back in 2014, bringing professional experience from different positions in venture capital, strategy and transaction advisory. He holds both M.Sc. and B.Sc. in Business Administration from WHU – Otto Beisheim School of Management, and benefits from years of international experience gathered in China, Ireland, Japan, Spain and the UK.

About Rautenberg & Company

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Rautenberg & Company advises financial investors and their portfolio companies as well as corporates and medium-sized companies in all phases of a transaction: from initiation and preparation of successful sales processes across their support and implementation to planning and realization of value creation. The market-leading offer consists of two key components – Strategy and Value Creation advisory and Corporate Finance / M&A advisory, led by a highly experienced and exceptionally competent team.

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