

Turning Strategic EBITDA Targets into Operational Execution Discipline

A diversified manufacturing enterprise set aggressive EBITDA improvement targets as part of its corporate strategy—only to discover a structural disconnect between headquarters ambition and factory-floor reality. This case demonstrates how **Fortis & Peak** bridges the execution gap across Strategy, Finance, and Operations.

CROSS-EXECUTIVE VALUE CREATION

STRATEGIC PROOF

OPERATIONS & EFFICIENCY

The Structural Disconnect

Despite strong financial ambition, the organization faced a cascade of execution failures rooted in three disconnected organizational realities. Strategic EBITDA targets were defined at headquarters without grounding in operational constraints. Financial planning cycles owned by the CFO organization relied on historical cost structures and static assumptions. Meanwhile, production units contended with capacity fluctuations, supply chain variability, and inefficient resource allocation—none of which were reflected in the financial plan.

The result was predictable: missed margin targets in key business units, production bottlenecks limiting output flexibility, cost overruns driven by operational inefficiencies, and conflicting priorities between finance and operations. EBITDA targets were mathematically correct—but operationally misaligned.

Strategy Reality (CEO Level)

EBITDA targets set top-down.
Growth and margin expectations not tied to operational constraints.

Financial Reality (CFO Level)

Budgeting based on historical cost structures. Limited visibility into production variability. Static assumptions in dynamic conditions.

Operational Reality (COO Level)

Production capacity fluctuations, supply chain variability, and inefficient resource allocation decisions.

The Executive Challenge

How can the CEO ensure EBITDA targets are not just financial aspirations—but operationally executable realities across the production network?

This is the central question facing leadership teams in complex manufacturing enterprises. When strategy, finance, and operations operate in silos, even the most rigorous financial modeling fails to translate into shop-floor performance. The challenge is not analytical—it is structural. Closing the execution gap requires a unified planning architecture that connects margin goals to the operational drivers that actually produce them.

The Fortis & Peak Intervention

Fortis & Peak deployed a five-part intervention designed to translate financial ambition into operational execution discipline. Each component addressed a specific failure point in the strategy-to-execution chain.

1

EBITDA-to-Operations Translation Model

Deconstructed EBITDA targets into operational drivers—linking margin goals directly to volume, cost per unit, yield, and efficiency metrics.

2

IBP Fusion™ — Integrated Business Planning

Unified strategy, finance, and operations into one synchronized planning cycle, replacing siloed budgeting and aligning production plans with financial targets.

3

Production Reality Mapping

Modeled real production constraints—machine capacity, labor availability, supply variability—to identify feasibility gaps in EBITDA assumptions.

4

Scenario-Based Financial Planning

Built multiple EBITDA scenarios based on demand fluctuations, cost volatility, and capacity constraints to enable CFO-COO alignment on trade-offs.

5

PeakFlow OS — Execution Layer

Connected operational KPIs directly to financial outcomes with real-time visibility into EBITDA impact and exception-based alerts for margin deviation.



The Transformation Approach

The intervention reframed EBITDA not as a financial target to be reported, but as an operationally executable system to be managed. This required dismantling legacy planning structures and replacing them with an integrated, real-time performance architecture.

From

- EBITDA as a financial target
- Fragmented planning across functions
- Static production assumptions
- Finance sets targets, operations reacts

To

- EBITDA as an operationally executable system
- Integrated finance-operations planning
- Real-time margin execution control
- Strategy, finance, and operations co-create executable performance

Measurable Impact

The integrated execution model delivered quantifiable improvements across every dimension of the strategy-to-operations alignment challenge. Planning reliability increased, margin deviations were resolved faster, and EBITDA targets moved from aspiration to achievement.

+5–9%

EBITDA Improvement

Realization rate of targets actually achieved vs. planned

30%

Misalignment Reduced

Reduction in planning misalignment between finance and operations

+25%

Plan Adherence

Improvement in production plan adherence across business units

- ✔ Margin deviation resolution time reduced from **weeks to days**, with higher forecast reliability achieved across all business units.



The Key Insight

EBITDA is not achieved in the finance department—it is produced on the factory floor.

The organization's strategic outcome was a fundamental shift in how performance is understood and managed. Instead of finance setting targets and operations reacting, strategy, finance, and operations now co-create executable performance. EBITDA transformed from a financial expectation into a managed operational outcome system—one where every production decision carries a visible margin consequence.

When finance and operations speak different languages, EBITDA becomes an assumption—not an outcome. Fortis & Peak bridges that gap by translating financial targets into operational drivers, aligning planning cycles through IBP Fusion™, and enabling real-time execution visibility through PeakFlow OS.

About Fortis & Peak

This Operations & Efficiency Strategic Proof demonstrates how **Fortis & Peak Consulting & Investment** enables organizations to redefine strategic direction and realign operating models to unlock sustainable growth. We combine the rigor of top-tier advisory with a distinctly hands-on approach—translating strategy into measurable performance, operational discipline, and scalable execution.

We engage selectively with organizations that seek clarity at the top, precision in execution, and results that endure well beyond the engagement.



Translate Financial Targets

Deconstructing EBITDA goals into the operational drivers that actually produce margin performance on the factory floor.



Align Planning Cycles

Unifying strategy, finance, and operations through IBP Fusion™ to replace siloed budgeting with synchronized execution.



Enable Real-Time Visibility

Connecting operational KPIs to financial outcomes through PeakFlow OS for exception-based margin management.

Get in Touch

www.fortisandpeak.com

info@fortisandpeak.com



Fortis & Peak
Shaping What's Next

Our Commitment

Clarity at the top. Precision in execution. Results that endure well beyond the engagement.