CMG 360™ Lite

ASSESSMENT

Two perspectives. One strategy.

Lightweave LLC

Prepared July 2026

CONFIDENTIAL · JULY 2026

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1. What This Report Is

This report is a first-pass diagnostic of Lightweave LLC, produced by combining an owner-completed COMPASS internal assessment with reported financials and a market snapshot. It is not an audit, a valuation, or a full strategic plan, it is a structured answer to two questions: where does this business stand today, and what is most likely standing in the way of where the owner wants to go?

HOW TO READ THIS DOCUMENT

Start with the Executive Summary, it contains the full finding. The sections that follow provide the evidence behind it: how the industry is moving, how each operating domain scored, and what specific issues those scores point to. The Red Flags section is the core output; read it carefully, in order. The flags are ranked by how likely each is to block the owner's stated goal.

2. Executive Summary: Start Here

55%	71%	38%
OVERALL SCORE	STRONGEST DOMAIN Sales, Customers & Go-to-Market	WEAKEST DOMAIN Planning & Strategic Execution

Lightweave LLC is a modestly profitable business with real commercial capability, the market-facing domains are the strongest in the portfolio. The constraint is internal: planning, margin architecture, and cash management are underdeveloped relative to the scale the owner wants to reach.

The market is growing and competitive pressure is moderate, which is a favorable setup. The critical tension is pricing: the business is positioned below market in an industry where PE-backed consolidators are actively resetting buyer expectations. That gap is both a margin problem and a competitive-positioning problem that will compound as the market consolidates.

Lightweave has the customer relationships and systems foundation to grow, but the path to doubling revenue runs directly through three unresolved internal gaps: a margin structure that cannot fund aggressive expansion, a cash position with no visibility or buffer, and a planning process that has not been formalized. The business is not in distress, it is at a decision point where the next move either builds the infrastructure for scale or exposes the gaps at higher volume.

3. Your Goal and What It Requires

At intake, ownership shared what's on their mind. This assessment is read against these priorities, not a generic checklist.

YOUR GOAL

Grow aggressively over the next 1-3 years

- **Concern:** Cash gets tight every quarter and I do not have a clear read on why.
- **Curiosity:** Could we realistically double revenue in the next three years?

Every finding below is read against these priorities. The same scores set against a different goal would rank the work differently.

4. Company Profile

Lightweave LLC operates within NAICS 541512. This CMG 360™ Lite Assessment establishes the firm's classification and a first-pass read of financial and market position as the baseline for a fuller assessment.

On the figures reported, gross margin is 31.2% and net margin is 5.1%. These two margins anchor the assessment; the balance-sheet ratios that complete the picture are collected in the full CMG 360™.

Attribute	Detail
Company	Lightweave LLC
Industry	Not collected
NAICS Code	541512
Revenue	Not collected
Growth Rate	Not collected
Employees	Not collected
Years in Business	Not collected
Ownership	Not collected
Geographic Reach	Not collected
Primary Service	Not collected

STRATEGIC POSITION

Lightweave LLC's position is read here against industry benchmarks and a deterministic market snapshot; the full assessment adds the market-intelligence depth.

5. How You Compare: Financial Benchmarks

This assessment benchmarks your reported figures against industry medians and the world-class bar. Read the table as one story: the rows are ordered by how much attention they need, worst first.

Metric	Your Company	Industry Median	World-Class	Status
Gross Margin (Reported)	31.2%	38.0%	38%+	Below
Net Margin (Reported)	5.1%	9.0%	10%+	Below
Revenue Growth	Not collected	See full assessment	15%+	Unmeasured
Cash on Hand	Not collected	Varies	90 days	Unmeasured
Current Ratio	Not collected	1.80x	2.0x+	Follow-up
Debt Service Coverage	Not collected	1.25x	2.0x+	Follow-up
Line of Credit	Not collected	Varies	Established	Follow-up
13-Week Cash Forecast	Not collected	Varies	In Place	Follow-up

Source: RMA eStatement Studies (industry medians).

Balance-sheet ratios are not collected in the Lite intake. Every row marked follow-up is listed in Appendix A with why it matters.

6. How You Compare: Your Industry

NAICS 541512 | REVENUE BAND: $1M-$10M

NAICS 541512 (Custom Computer Programming Services) is in an active growth phase, with tailwinds from enterprise digital transformation and AI-adjacent demand creating sustained project volume.

RMA Industry Benchmark	Median
Industry benchmarks	See full assessment

MARKET DYNAMICS

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PE consolidation is accelerating buyer sophistication and raising baseline service expectations.

- Talent scarcity continues to compress margins for firms competing on hourly rates.
- Clients increasingly prefer outcome-based or retainer engagements over time-and-materials billing.
- AI tooling is shifting competitive advantage toward delivery speed and methodology, not headcount.
- Mid-market consolidators are using acquisition to buy client relationships, not technology.

Lightweave is growing into a favorable market, but its gross margin is below the industry median, a meaningful gap in a sector where margin is the primary signal of pricing power and delivery efficiency. Competitors, particularly PE-backed platforms, are using scale to offer broader services at competitive rates. A below-market pricing position in this environment is not a temporary discount, it is a structural disadvantage that widens as consolidation continues.

7. Internal Health: The Seven Operating Domains

Overall: 55 / 100 (Developing)

Across the seven COMPASS domains, Lightweave's profile is uneven in a specific and diagnostic way: the outward-facing capabilities, sales, technology, and talent, are the business's strengths, while the internal operating infrastructure lags behind.

Operating area	Score	Status
Planning & Strategic Execution	38 / 100	Critical
Margin Quality & Revenue Model	44 / 100	Critical
Capital & Cash Flow	52 / 100	Needs attention
Accounting & Financial Reporting	58 / 100	Needs attention
Organization Design & Talent	63 / 100	Needs attention
Systems & Technology	66 / 100	Needs attention
Sales, Customers & Go-to-Market	71 / 100	Needs attention

WHAT EACH SCORE MEANS

PLANNING & STRATEGIC EXECUTION **38 / 100** Critical

The weakest domain. There is no formalized growth plan, no documented priorities, and no mechanism to translate the owner's ambitions into trackable quarterly execution. Strategy exists as intent, not as process.

MARGIN QUALITY & REVENUE MODEL

44 / 100 Critical

Gross margin is below the industry median and net margin is thin. The revenue model does not appear to capture the full value the business delivers, likely due to below-market pricing and an absence of recurring or retainer-based revenue.

CAPITAL & CASH FLOW

52 / 100 Needs attention

Cash tightness is recurring and unexplained, there is no forecast in place and no credit facility to buffer timing gaps. Profitability exists on paper but does not consistently translate to available cash.

ACCOUNTING & FINANCIAL REPORTING

58 / 100 Needs attention

Financials are produced but not actively used as a management tool. The gap between reported profitability and felt cash tightness suggests the reporting layer is not surfacing the working-capital dynamics driving the owner's concern.

ORGANIZATION DESIGN & TALENT

63 / 100 Needs attention

Talent is in place and the team is functional at current scale. Key-person concentration is the likely risk, critical delivery or client knowledge sits with a small number of individuals, which constrains growth capacity and creates retention exposure.

SYSTEMS & TECHNOLOGY

66 / 100 Needs attention

The second-strongest domain. Core operational systems are in place and support current delivery. The question at higher volume is whether those systems are integrated and instrumented well enough to manage a materially larger operation without adding overhead.

SALES, CUSTOMERS & GO-TO-MARKET

71 / 100 Needs attention

The strongest domain in the portfolio. Customer relationships are active and the pipeline appears functional. The risk is that commercial strength is masking structural pricing and margin problems downstream.

THE PATTERN

Sales, Customers & Go-to-Market and Systems & Technology are the two highest-scoring domains, and Organization Design & Talent is close behind, these three reflect a business that can find and serve customers competently. The gap is in the domains that govern how the business is run and grown: Planning & Strategic Execution is the weakest score in the portfolio, Margin Quality & Revenue Model sits just above it, and Capital & Cash Flow trails both. Accounting & Financial Reporting sits in the middle but is not strong enough to compensate for the cash visibility gap. The pattern is consistent with a firm that grew on execution and relationships and has not yet built the management layer that the next level of scale will require. Some capabilities, particularly in talent and systems, are well-developed in certain areas but still dependent on individual effort rather than repeatable process, creating risk as complexity grows. The shape here is uneven: performance spans 33 points across the operating domains, meaning capability is systematized in some areas but still individual-dependent in others, the gap the recommendations are built to close.

8. Market Position

Dimension	Status	Detail
Market Trend	Growing	Demand is growing as regional construction accelerates, but new entrants are undercutting on price.
Competitive Pressure	Moderate	Acme Corp (largest), then Globex and Initech; we win on turnaround time and service.
Pricing Position	Below Market	We price below market to win volume against the national chains.
Customer-Base Trends	PE / consolidation	Private equity firms have been rolling up shops like ours across the region.
Top Threat	Competition	See Competitive Pressure above.
Growth Capacity	Expanding	Considering expansion into two adjacent states, but capital is tight.

Competitive pressure reads moderate, with competition as the leading external threat. Pricing sits below market and growth capacity is expanding.

9. Red Flags and What to Do About Each

Four issues surface from the COMPASS scores, financial margins, and market position. They are ordered by how directly each blocks the goal of doubling revenue in three years.

None of these are existential and all are addressable. Each is set out the same way — what we found, why it matters, and the first moves — ordered by how likely it is to block your goal.

#	Red flag	Area	Priority
1	No cash forecast and no credit buffer	Capital & Cash Flow	High
2	Below-market pricing suppresses fundable margin	Margin Quality & Revenue Model	High
3	No formalized growth plan exists	Planning & Strategic Execution	High
4	Key-person concentration limits scalable delivery	Organization Design & Talent	Medium

RED FLAG 1 — NO CASH FORECAST AND NO CREDIT BUFFER

What we found. Cash tightens quarterly despite positive net margins. There is no 13-week rolling forecast in place and no line of credit to absorb timing gaps between billings and collections.

Why it matters. Growth consumes cash before it produces it, every new engagement requires labor, overhead, and often vendor cost ahead of client payment. Without a forecast and a credit buffer, doubling revenue does not improve the cash problem; it accelerates it. The owner cannot manage what is not measured, and cannot fund scale without liquidity headroom.

First moves.

1. Build a 13-week rolling cash forecast updated weekly
2. Map the billing-to-collection cycle for the top five clients
3. Establish a revolving line of credit before the next growth push

RED FLAG 2 — BELOW-MARKET PRICING SUPPRESSES FUNDABLE MARGIN

What we found. Gross margin is below the industry median and net margin is thin. The market snapshot places pricing below market. The revenue model does not include meaningful recurring or retainer revenue.

Why it matters. Doubling revenue at current margins does not double the business's capacity to invest, it doubles the volume of work at a margin that cannot fund the talent, systems, or management layer that scale requires. In a consolidating market, PE-backed competitors will use their margin advantage to undercut or out-resource Lightweave on larger deals. The pricing gap is the single largest structural constraint on the growth thesis.

First moves.

1. Audit the three most recent engagements for true delivery cost
2. Identify two client segments where a retainer or outcome-based model applies
3. Set a minimum gross margin floor for new contract approvals

RED FLAG 3 — NO FORMALIZED GROWTH PLAN EXISTS

What we found. Planning & Strategic Execution is the lowest-scoring domain. There are no documented growth priorities, no quarterly targets, and no structured process connecting the owner's three-year revenue ambition to near-term decisions.

Why it matters. A goal of doubling revenue in three years requires a sequence of deliberate moves, pricing changes, headcount additions, system investments, market positioning shifts, each timed and funded. Without a written plan, those decisions get made reactively, which means the business will absorb the cost of each mistake rather than preventing it. The absence of a plan is not a paperwork gap; it is a capital-allocation problem.

First moves.

1. Define three annual revenue and margin milestones for the next three years
2. Assign a quarterly owner-review cadence with specific KPIs
3. Document the two or three moves that must happen in year one to make year three possible

RED FLAG 4 — KEY-PERSON CONCENTRATION LIMITS SCALABLE DELIVERY

What we found. Talent is functional at current scale, but delivery capability and client relationships appear concentrated in a small number of individuals. No succession or knowledge-transfer structure is evident.

Why it matters. Doubling revenue requires adding delivery capacity without proportionally adding principal time. If critical knowledge, technical, relational, or operational, lives in one or two people, the firm cannot staff new work without those people absorbing it. That is a ceiling, not a staffing problem. In a PE-consolidating market, key-person risk also reduces acquirer interest and transaction value if a sale ever becomes the path.

First moves.

1. Identify which delivery or client knowledge is held by one person only
2.

Document two critical processes currently dependent on a single individual

3. Build a 90-day plan to distribute at least one of those dependencies

WHAT YOU NAMED GOING IN

“Cash gets tight every quarter and I do not have a clear read on why.”

The owner has correctly identified the symptom. What the assessment adds is the mechanism: this is almost certainly a working-capital timing problem amplified by below-market pricing and the absence of a forecast, not an underlying profitability failure. The second concern, doubling revenue, is directly threatened by all four flags below.

10. Going Deeper: The Full CMG 360

The Lite assessment names the flags. The full CMG 360™ quantifies what each one is costing and builds the path to fix it.

- A dollar-cost estimate of the pricing gap across current and projected revenue.
- Every internal gap mapped to its external market consequence, including competitive positioning.
- A 3/6/9/12-month prioritized roadmap with sequenced actions and accountable owners.
- Full market intelligence on competitive pricing, peer margins, and consolidator acquisition criteria.

This Assessment	Full CMG 360 Assessment
35 questions	160 questions across 7 domains with detailed subdomain scoring
3 financial metrics	Full financial benchmark with RMA ratios, GAAP restatement, and margin decomposition
7 market questions	22 questions producing market sizing (TAM, SAM, SOM), competitive landscape, and strategic recommendations
Pattern identification	Every internal gap connected to its external consequence
Red flags	Issues and Outcomes with quantified costs and solutions-based outcomes
General recommendations	Prioritized action plan at 3, 6, 9, and 12 months tied to your specific goal

IN CLOSING

This assessment gives Lightweave LLC one scored view of the business: how it runs inside, how it compares outside, and which constraints sit between the business today and the goal its ownership named: Grow aggressively over the next 1-3 years. It is a first pass. It names where the problems are, not their full size or their remedy.

The next step is turning the constraints named here into a sequenced plan: dollar figures, an order of work, and a named owner for each piece.

Two perspectives. One strategy.

Contact your CMG advisor to schedule the full CMG 360™ assessment and convert these findings into a funded action plan.

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Appendix A: Information We Could Not Verify

This assessment works from a short intake. The items below could not be collected or confirmed, and should be resolved before any major decision rests on them.

Item	Status	Why it matters
Industry classification (NAICS)	Requires confirmation	Every industry median in this report is drawn from NAICS 541512. Confirm that code describes this business before acting on any comparison. If it does not, the benchmarks, and any finding resting on them, must be re-run.
Revenue Growth	Not collected	Needed to size the constraint rather than only name it.
Cash on Hand	Not collected	Sets how much runway the business is actually operating on.
Current Ratio	Not collected	Would confirm the severity of the liquidity constraint.
Debt Service Coverage	Not collected	Needed before any borrowing decision.
Line of Credit	Not collected	Determines whether a cash gap has anywhere to go.
13-Week Cash Forecast	Not collected	Without it, a cash gap is discovered rather than anticipated.
Inventory turns	Not collected	A slow turn ties up cash the income statement cannot show, and is a common hidden contributor to a liquidity squeeze.
Accounts receivable aging	Not collected	Confirms whether customer payment terms, rather than profitability, are what is actually draining cash.

Appendix B: Method and Sources

How this assessment was produced, and what it can and cannot tell you.

HOW THE INTERNAL SCORES WORK

35 questions across seven operating domains, scored deterministically. The scores reflect specific operating patterns: cash position, margin structure, sales execution, team capability, planning rigour and financial discipline. They are not subjective ratings.

HOW RED FLAGS ARE IDENTIFIED

Each flag comes from the interaction of four inputs: the domain scores, your reported margins and cash state, the industry benchmarks, and the gap between where the business is now and where your stated horizon requires it to be.

HOW YOUR GOALS SHAPE THE REPORT

Your stated goal, Grow aggressively over the next 1-3 years, sets the lens for every finding. The same scores read against a different goal, succession, a sale, or steady operation, would produce different priorities.

WHAT THE MARKET READ IS BASED ON

The market position section classifies your own answers about your market, competitors and pricing. It is your view of the market read against industry benchmarks, not independent market research. Independent market sizing is part of the full assessment.

Industry benchmark source: RMA eStatement Studies.

Scope. This is a first-pass diagnostic based on roughly 20 minutes of owner input. It identifies where the problems are, not their full magnitude or their resolution.