DIRECTIONAL REINVESTMENT SCREEN

A growth idea can be attractive and still be financially blocked.

This public sample uses self-reported figures to identify the likely binding constraint before a deeper, evidence-based review.

BINDING CONSTRAINT

DOWNSIDE SURVIVABILITY

The current cash balance only covers the stated six-month stress threshold. The proposed deployment would break that floor.

CURRENT CASH	PROPOSED DEPLOYMENT	SURVIVAL RULE
$150,000	**$30,000**	**6 months**
Self-reported	Growth initiative	Owner-defined floor

STRESS MONTHLY BURN	CURRENT STRESS RUNWAY	POST-DEPLOYMENT RUNWAY
$25,000	**6.0 months**	**4.8 months**
After 40% revenue shock	At current cash	Below stated floor

WHAT THE SCREEN MEANS

Under the stated assumptions, the full $30,000 should not be funded from current cash while preserving the six-month survival rule.

WHAT IT DOES NOT MEAN

It does not prove the initiative is bad. It means a safer structure, more liquidity, lower downside burn, or better evidence is needed.

DIRECTIONAL STATUS

DEPLOYMENT BLOCKED UNDER CURRENT ASSUMPTIONS

EVIDENCE MAP

What the directional screen used - and what it could not verify.

A free Constraint Package should surface the likely constraint without pretending that unverified inputs are final.

INPUTS USED

- Monthly revenue: $100,000
- All-in monthly operating expenses: $85,000
- Current cash: $150,000
- Proposed deployment: $30,000
- Downside revenue shock: 40%
- Required survival duration: 6 months

EVIDENCE LEVEL | SELF-REPORTED

CALCULATED SCREEN

NORMAL CASH FLOW	STRESS CASH FLOW
+$15k per month	**-$25k** per month
LIQUIDITY FLOOR	**DEPLOYABLE NOW**
$150k 6 x stress burn	**$0** under stated rule

The model is internally consistent, but only as reliable as the inputs and the assumption that expenses remain fixed during the shock.

EVIDENCE NEEDED BEFORE A DECISION PACKET

- Fixed vs. variable cost behavior
- Taxes, payroll, debt, and protected reserves
- AR, AP, and 13-week cash timing
- Revenue concentration and durability
- Expected payback and KPI linkage
- Whether the deployment can be staged or reversed

CONFIDENCE

DIRECTIONAL - ENOUGH TO NAME THE LIKELY CONSTRAINT, NOT ENOUGH TO AUTHORIZE CAPITAL MOVEMENT.

Fictionalized example. A paid Decision Packet verifies source records and labels uncertainty by evidence level.

FIX-FIRST PLAN

The decision becomes supportable only when the constraint changes.

Three routes can restore the stated six-month survival floor. Each requires verification before money moves.

01

Add liquidity

UNLOCK

Build at least $30,000 above the current modeled survival floor, subject to verification of all protected obligations and reserves.

02

Reduce downside burn

UNLOCK

Lower the stress-case monthly burn from $25,000 to $20,000 or less through a verified cost-flex plan.

03

Stage or restructure the deployment

ALTERNATIVE

Split the commitment into measurable phases, tie releases to leading indicators, or fund it from incremental cash rather than protected liquidity.

FIX-FIRST CHECKLIST

- Build a 13-week cash forecast with actual collection and payment timing.
- Separate fixed, variable, and discretionary costs under a downside case.
- Confirm taxes, payroll, debt service, reserves, and other protected cash.
- Define the deployment KPI, payback window, milestone releases, and stop condition.
- Re-run the decision using source-backed inputs.

NEXT PAID STEP

REINVESTMENT DECISION PACKET

Verify the evidence, test alternatives, and label what is allowed, conditional, or blocked.