



Tool 7.7 Furniture-As-A-Service Readiness Assessment

Tool 7.7 FaaS Readiness Assessment

Phase 7 – Implementation and Operation

Questionnaire

DIMENSION	ASSESSMENT QUESTION	SCORE (1–5)	READINESS LEVEL	EVIDENCE / NOTES
VALUE PROPOSITION & MARKET READINESS				
	1. Is there a clearly defined value proposition for Furniture-as-a-Service (FaaS)?	1	Not in place	
	2. Have the target customer segments for the FaaS offering been clearly identified?	1	Not in place	
	3. Has customer willingness to adopt a service-based model been assessed or validated?	2	Initial	
PRODUCT & DESIGN READINESS				
	4. Are products designed for durability and extended lifetimes?	2	Initial	
	5. Are products designed to enable repair or refurbishment?	2	Initial	
	6. Do products include modular components that allow upgrades or component replacement?	3	Partially implemented	
SERVICE & OPERATIONAL CAPABILITY				

Cover

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Dashboard

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Objective of the Tool

The FaaS Readiness Assessment is a structured diagnostic tool designed to help furniture organisations evaluate their preparedness to design, pilot, and scale a Furniture-as-a-Service (FaaS) business model. By mapping readiness across twelve dimensions, the tool produces a readiness profile that identifies where an organisation has established the necessary foundations and where significant gaps remain before a FaaS model can be viably launched or expanded.

The tool is grounded in the business model innovation and product-service systems literature (Tukker, 2004; Mont, 2002; Bocken et al., 2016), which holds that successful transitions to service-based circular models require concurrent readiness across market, product, operational, financial, and organisational domains. Applied to the furniture sector context, these dimensions span value proposition clarity, design for longevity and modularity, reverse logistics capability, digital traceability, and — critically — the financial architecture that makes recurring-revenue asset-based models economically viable.

What the Tool Is

The assessment covers thirty-six diagnostic questions across twelve readiness dimensions, using a 1–5 readiness scale. Results are automatically aggregated per dimension and visualised as a radar chart, offering a clear snapshot of the organisation's FaaS readiness profile and enabling targeted prioritisation of development actions. The twelve dimensions include eight capability areas common to most circular service model transitions, augmented by four financial and operational dimensions specific to asset-ownership business models: upfront investment readiness, payback period and contract duration alignment, lifecycle loop profitability modelling, and asset utilisation planning.

When to Use the Tool

The FaaS Readiness Assessment is particularly useful when organisations are:

- Evaluating whether to launch a FaaS pilot or subscription-based service model and needing to understand the gaps that could compromise viability.
- Following up on a circular business model ideation exercise and wishing to operationalise a shortlisted FaaS concept through a gap analysis.
- Conducting a baseline assessment before entering a product-service system pilot, circular partnership programme, or investor readiness process.
- Preparing a readiness dossier to present to leadership, boards, or potential financing partners in support of a FaaS investment case.
- Comparing FaaS readiness across product lines, business units, or partner organisations within a shared circular ecosystem.
- Identifying specific priority areas for investment, capability-building, or process redesign before or during a FaaS transition.
- Monitoring the development of FaaS readiness over time by re-applying the tool at defined intervals, such as before and after a pilot phase.

How to Use the Tool

The tool is structured as a four-sheet Excel workbook. Each sheet performs a distinct function in the assessment workflow. The process is designed to be completed in sequence, beginning with the Cover sheet and working through to the Dashboard.

- Read the Cover sheet. Open the Cover sheet first. It explains the tool's objective, the twelve readiness dimensions, the five-point readiness scale, and the step-by-step workflow. Familiarise yourself and your facilitation team with the scope and terminology before entering any scores.
- Complete the Questionnaire sheet. For each of the thirty-six diagnostic questions, enter a score between 1 and 5 in the Score column. Use the readiness scale as your reference. Scores should reflect the current state of the organisation, not aspirations or intentions. Where uncertainty exists, reach a consensus score through team discussion rather than defaulting to a midpoint.
- Review the Results sheet. Dimension scores are automatically calculated as averages of the three questions in each dimension. The Results sheet displays each dimension's average score, the corresponding readiness level label, and a short interpretation statement. Review findings as a team to validate whether aggregated scores reflect collective experience.
- Examine the Dashboard. The Dashboard sheet generates a radar chart visualising the organisation's FaaS readiness profile across all twelve dimensions. A larger shaded area indicates stronger overall readiness. Narrow or asymmetric profiles reveal concentrated gaps in specific dimensions requiring prioritised attention.
- Translate findings into action. Use the readiness profile and dimension-level interpretations to identify priority development areas. Dimensions scoring below 3.0 typically require foundational capability-building actions before a FaaS pilot can proceed. Link identified gaps to the FRANCESCA Circular Transition Roadmap (Tool 9.1) to translate assessment findings into structured objectives, owner-assigned actions, and time-bound implementation plans.

Expected Output

Completing the tool produces:

- A scored readiness profile covering thirty-six diagnostic questions across twelve FaaS readiness dimensions, providing a granular map of the organisation's preparedness.
- Dimension-level average scores (1–5) with readiness level labels (Not in place / Initial / Partially implemented / Well implemented / Leading practice) and short interpretive guidance for each dimension.
- An overall FaaS readiness score summarising the organisation's aggregate readiness across all twelve dimensions, with a readiness band label (Early stage / Developing / Established / Advanced).
- A radar chart visualisation of the readiness profile across all twelve dimensions, suitable for inclusion in management presentations, investment cases, or external partnership documentation.
- A prioritised list of readiness gaps and development areas derived from dimension-level results, with particular attention to the four financial dimensions that define the economic viability of a FaaS model.
- A live diagnostic instrument that can be re-applied at future intervals to track readiness progress over time, particularly between successive pilot phases.

Assessment Dimensions

The framework covers twelve readiness dimensions. Each dimension contains three diagnostic questions probing distinct readiness areas within that domain. The first eight dimensions address the core capability and operational requirements for any circular service model. Dimensions nine through twelve address the financial and operational architecture specific to asset-ownership and recurring-revenue models.

Assessment Dimension	Focus
Value Proposition & Market Readiness	Assesses whether a defined FaaS value proposition exists, target customer segments have been identified, and customer willingness to adopt a service-based model has been validated.
Product & Design Readiness	Evaluates whether products are designed for durability, repairability, and modularity, enabling the extended lifecycles and iterative deployment cycles that FaaS models require.
Service & Operational Capability	Reviews the organisation's capacity to deliver FaaS services end-to-end, including service process definition, reverse logistics capability, and maintenance and repair infrastructure.
Revenue Model & Financial Readiness	Assesses whether service-based pricing structures have been defined, lifecycle cost analyses have been conducted, and residual value estimation methods are in place.
Circularity & Lifecycle Management	Examines whether take-back systems, refurbishment pathways, and end-of-life material recovery processes are defined and operational.
Digital & Data Readiness	Evaluates the organisation's capacity to track products across their lifecycle, manage lifecycle data, and integrate Digital Product Passports or equivalent traceability systems.
Organisational & Cultural Readiness	Assesses leadership commitment to FaaS, the presence of internal skills for service-based model operation, and the cross-functional collaboration structures needed to support the transition.
Ecosystem & Partnerships	Reviews whether partnerships with repair providers, logistics operators, and secondary market channels are in place to sustain the circular flows FaaS models depend on.
Upfront Asset Ownership & Investment	Assesses whether the total capital investment required to build and fund the FaaS asset pool has been estimated, and whether depreciation models and financing strategies are in place.
Payback Period & Contract Duration	Evaluates whether target payback periods have been defined for asset investments, and whether contract durations and scenario analyses are aligned with those payback timelines.
Lifecycle Loop Profitability	Reviews whether full-lifecycle revenue and cost projections have been modelled across use, return, refurbishment, and redeployment loops, including refurbishment costs and residual value recovery.
Asset Utilisation Rates	Assesses whether target asset utilisation rates have been defined, whether utilisation can be tracked on an ongoing basis, and whether low-utilisation scenarios have been modelled for financial impact.

Readiness Scale

Each diagnostic question is scored on a five-point readiness scale. The scale is designed to reflect real organisational development stages rather than ideal states, enabling honest self-assessment and productive team dialogue.

Score	Readiness Level
1	Not in place — No relevant practice, process, or capability exists.
2	Initial / Awareness — Efforts are ad hoc or informal, without systematic embedding.
3	Partially implemented — Implemented in some areas but not consistently across the organisation.
4	Well implemented — Consistently practised, supported by clear processes and accountabilities.
5	Leading practice — Systematically embedded, regularly reviewed, and continuously improved.

Scores of 1 indicate that no relevant capability is in place. Scores of 2 reflect emerging awareness or informal experimentation. Scores of 3 indicate partial adoption. Scores of 4 reflect well-established capabilities with consistent deployment. Scores of 5 reflect leading practice: systematic, embedded, and subject to ongoing review and improvement. When scoring in a facilitated team context, aim for consensus through discussion rather than averaging independently submitted scores. Significant disagreement on a score is itself valuable diagnostic information and should be noted.

Sheet-by-Sheet Guide

Cover *Provides the tool's conceptual foundation and user guide.*

Purpose

This sheet orients the user before any data entry begins. It explains the tool's objective, summarises the twelve readiness dimensions and the five-point scale, and provides a condensed step-by-step workflow. Reading the Cover sheet is the recommended first step for any new user or facilitation team.

Guidance

All users should read the Cover sheet before completing the Questionnaire. When using the tool in a facilitated workshop setting, the facilitator may use the Cover sheet content as the basis for a brief framing presentation before beginning the scoring exercise. Particular attention should be given to the four financial dimensions (A–D), which differ from conventional capability assessments and may require preparatory discussion of the organisation's asset economics before scoring.

Questionnaire *Contains all thirty-six diagnostic questions organised by readiness dimension.*

Purpose

This sheet is the primary data entry interface for the tool. It contains all thirty-six diagnostic questions, structured across twelve readiness dimensions with three questions per dimension. For each question, the user enters a score from 1 to 5. The Readiness Level column automatically translates each score into the corresponding label (Not in place / Initial / Partially implemented / Well implemented / Leading practice).

Guidance

Scores should reflect current organisational reality, not aspirations or intentions. Enter a score of 1 if a capability is fully absent rather than leaving the cell empty, as blank cells will prevent the Results sheet from calculating accurate dimension averages. All thirty-six questions should be answered before proceeding to the Results sheet.

The Evidence / Notes column to the right of the Readiness Level column is available for teams to record supporting observations, examples, or areas of disagreement. Populating this column is optional but strongly recommended in facilitated workshop settings, as it provides the narrative context needed to interpret scores and inform subsequent action planning.

When scoring the four financial dimensions (A through D), teams should involve finance, operations, and commercial leadership alongside product and sustainability functions. These dimensions assess the financial architecture of the FaaS model — including capital commitment, contract economics, and utilisation assumptions — and require input from those responsible for investment decisions and commercial modelling.

Results *Aggregates scores and provides dimension-level readiness interpretations.*

Purpose

This sheet automatically computes the average score for each of the twelve readiness dimensions based on the scores entered in the Questionnaire sheet. It provides a summary view of the organisation's FaaS readiness profile, presenting each dimension with its average score, readiness level label, and a short interpretation statement. An overall FaaS readiness score is computed as the unweighted average across all twelve dimensions.

Guidance

Use this sheet as the primary output for team debriefs, leadership discussions, and investment readiness conversations. Pay particular attention to dimensions scoring below 3.0, which fall in the Initial or Partially implemented bands and typically represent the highest-priority areas for capability development before a FaaS pilot or commercial launch.

The priority improvement areas section at the bottom of the sheet automatically lists all dimensions scoring below 3.0. This list should be used as the starting point for action planning. Dimensions scoring 4.0 or above represent established foundations to build upon and protect during the transition.

When reviewing the financial dimensions (A–D) in the Results sheet, note that low scores in these dimensions often reflect genuine knowledge gaps rather than operational shortcomings. A score of 1 or 2 on Dimension C (Lifecycle Loop Profitability) may indicate that the financial modelling work required to validate the FaaS business case has not yet been undertaken, rather than that the model is unviable. In such cases, the recommended action is to initiate the modelling work, not to delay the assessment.

Dashboard *Visualises the readiness profile as a radar diagram across all twelve dimensions.*

Purpose

This sheet generates a radar chart based on the twelve dimension scores from the Results sheet. Each axis of the radar represents one readiness dimension, with the outer boundary corresponding to a score of 5 (Leading practice). The shaded area represents the organisation's current FaaS readiness profile. A larger and more symmetrical shaded area indicates stronger and more balanced readiness. Narrow or asymmetric profiles — particularly if concentrated in the financial dimensions (A–D) — reveal where foundational work is most urgently needed before a viable FaaS model can be launched.

Guidance

Use the radar chart as a communication tool for leadership presentations, board briefings, investor meetings, or ecosystem partnership discussions. The visual format enables non-technical audiences to grasp the overall readiness picture and the relative priority of different development areas at a glance. When re-applying the tool at a future date — for example, following a pilot phase or a capability investment programme — overlay successive radar charts to make readiness development visible over time. The chart can be exported directly from Excel for inclusion in management reports, circular transition plans, or funding applications.



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