WORKSHEET - EVALUATING MANAGEMENT PERFORMANCE

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| By: |  |
| Date: |  |

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|  | **YES** | **NO** |
| **1. We operate with a complete and up-to-date business plan that includes:**  |
|  | A) One- and three-year projections |  |  |
|  | B) A capital budget |  |  |
|  |
| **2. We operate with an annual marketing plan that includes:** |
|  | A) Precise sales and profit goals and timetables |  |  |
|  | B) Strategies and tactics for the next three years |  |  |
|  | C) Budgets, Forecasts, and Benchmarks |  |  |
|  | D) A tentative sales plan |  |  |
|  | E) The demographics of our target markets |  |  |
|  | F) A thoughtful definition of the markets we serve |  |  |
|  | G) A definition of the needs/wants our products and services fill |  |  |
|  | H) An analysis of the growth potential of our markets |  |  |
|  | I) A competitive analysis |  |  |
|  | J) A definition of our “Unique Selling Proposition” |  |  |
|  | K) Projections for other products or services that could be developed |  |  |
|  | L) Timetables for research and development |  |  |
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| **3. We use monthly budgets and statements that include:** |
|  | Thorough and up-to-date records |  |  |
|  | Cash flow budget |  |  |
|  | Profit and Loss (Income) Statement |  |  |
|  | Balance sheet |  |  |
|  | Deviation analysis |  |  |
|  | Ratio analysis |  |  |
|  | Standard cost comparisons |  |  |
|  | Cash reconciliation |  |  |

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| **4. We have developed an information base that allows us to:** |
|  | Keep track of new developments in the industry |  |  |
|  | Obtain and study key trade information |  |  |
|  | Understand what “state of the art” means in this business |  |  |
|  | Provide customers with the best available information pertaining to our products and services |  |  |
|  | Keep all our employees adequately informed |  |  |
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| **5. The business is properly capitalised since:** |
|  | Capitalisation is based on worst-case planning |  |  |
|  | We have emergency funds (or access to them) |  |  |
|  | We have discussed this with our commercial banker |  |  |
| **6. I understand the value of the business because I’ve made use of:** |
|  | Professional appraisers |  |  |
|  | Present value methods to evaluate terms |  |  |
|  | Professional tax planning counsel |  |  |
|  | Accurate, timely financial information |  |  |
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| **7. We strive to improve production, quality, and operations by:** |
|  | Keeping the plant in top condition |  |  |
|  | Maintaining safe conditions |  |  |
|  | Establishing high standards |  |  |
|  | Standing behind our products and services |  |  |
|  | Not tolerating shoddy performance |  |  |
|  | Working for consistency |  |  |
|  | Using our company’s “look” as a statement to our markets |  |  |
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| **8. Personnel decisions are based on humane, carefully considered policies that include:** |
|  | Checklists to make sure objectives are clear |  |  |
|  | Communication, to make sure objectives are understood |  |  |
|  | Written job descriptions |  |  |
|  | Regular progress and performance evaluations |  |  |
|  | Fair hiring practices |  |  |
|  | Fair wage scales |  |  |

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| **9. As for my own personal/managerial skills, I work hard to:** |
|  | Develop my problem-solving abilities |  |  |
|  | Always stay calm |  |  |
|  | Be objective |  |  |
|  | Avoid investments in my own ego |  |  |
|  | Listen to my employees |  |  |
|  | Plan changes in our course to minimise negative effects |  |  |
|  | Make decisions promptly |  |  |
|  | Always get the facts behind problems |  |  |
|  | Accept my own limitations |  |  |
|  | Delegate tasks that can be done more efficiently by someone else |  |  |
|  | Analyse all available options |  |  |
|  | Develop my reading/study habits |  |  |
|  | Improve my skills |  |  |
|  | Consider and evaluate risks |  |  |
|  | Be positive with customers, employees, associates |  |  |