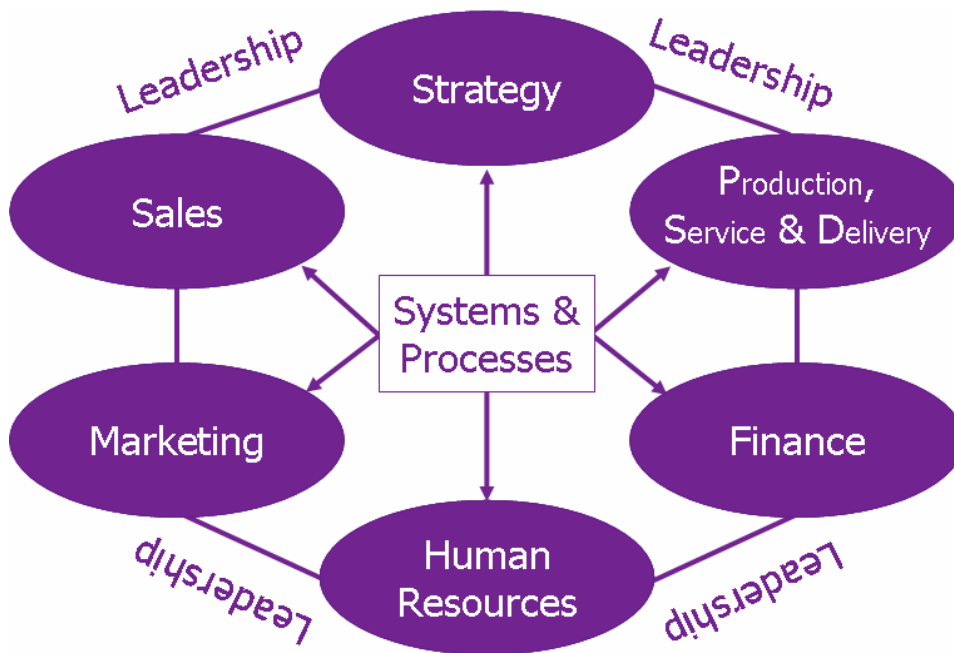


## '8 Factor' Business Health Check



For many Small & Medium Enterprises the need to improve business performance is clear but deciding what areas should be addressed, in what priority and how any improvement should be measured often leads to action being delayed or not implemented at all.

Without a clear analysis of the existing situation together with a tangible return on investment measure, it's difficult to justify the management time and budget allocation necessary to specify and undertake actions that 'gut feel' says will be worthwhile. This Business Health Check is designed to help business owners objectively evaluate the strengths and development needs of their enterprise.

Since 1985 Prosell has been at the forefront of providing Clients with proven, objective-led business performance improvement solutions. Based on its research Prosell has identified 8 factors that are vital in ensuring a business is effective.

The key to evaluating how well these factors have been mastered within your business is to collect data that allows an objective analysis to be made. To help you build a snapshot your own enterprise, on the following pages each factor broken down into 9 areas you can assess.

For each of the 72 areas you should use the following scoring system:

- 1 = I disagree with this statement
- 2 = I am uncertain or we are not very effective
- 3 = I agree with this statement

Once you have completed the snapshot you can create your own analysis or alternatively send it to Prosell by post or fax and we'll create a graphed analysis for you.

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# Prosell

## Factor 1: Strategy

	Question	Score	Supporting Data
1	The company has a clear strategy		
2	The company is meeting its strategic objectives		
3	The company has a written business plan		
4	We formally review and update the plan on a regular basis, compare planned v actual performance and conduct analysis on any gaps		
5	I am happy with the overall profitability of the business		
6	The business will increase revenue and profit by at least 10% in this fiscal year		
7	We conduct benchmark analysis against our industry averages		
8	We have completed a SWOT analysis within the last 12 months		
9	I am happy with my life/work balance		
<b>Total Strategy score out of possible maximum of 27</b>			

## Factor 2: Sales

	Question	Score	Supporting Data
1	Each salesperson has an agreed target		
2	We have weekly sales reports to provide data on target achievement		
3	Salespeople are held accountable for achieving their targets		
4	Our company revenue, margin & profit targets are being met		
5	All product mix targets are being met		
6	My salespeople attempt to up-sell or cross-sell in every appropriate transaction		
7	I know the strengths & development needs of my sales team		
8	All of our salespeople understand our products and the benefits they offer		
9	My sales team is stable – there is no unplanned attrition		
<b>Total Sales score out of possible maximum of 27</b>			

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## Factor 3: Marketing

	Question	Score	Supporting Data
1	We measure the effectiveness of all advertising and direct mail campaigns		
2	We track our enquiry to sale conversion rate		
3	We know our average transaction value		
4	We track annual spend per customer		
5	We conduct customer satisfaction surveys to understand the quality of our product and service		
6	We have a customer loyalty scheme		
7	Every member of our team understands our Unique Selling Proposition		
8	We are happy with the margin we make on our products and services		
9	We know the strengths and weaknesses of our key competitors		
<b>Total Marketing score out of possible maximum of 27</b>			

## Factor 4: Production, Service & Delivery

	Question	Score	Supporting Data
1	Each member of the PSD team has a target		
2	We have weekly PSD reports to provide data on target achievement		
3	We meet our defined service delivery targets more than 90% of the time		
4	We have a customer query and complaint handling process		
5	We offer a customer satisfaction guarantee		
6	There is no re-working required in any area of PSD delivery		
7	Our inventories are within budget		
8	We regularly review our processes and costs		
9	There is no tension between PSD and sales		
<b>Total PS&amp;D score out of possible maximum of 27</b>			

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## Factor 5: Finance

	Question	Score	Supporting Data
1	We have a documented cash flow		
2	The company hasn't had a cash flow crisis in the last 24 months		
3	We have no loan payments overdue		
4	I am satisfied with my debtor days		
5	Suppliers invoices are routinely paid on time		
6	We understand the profit we make on each product category		
7	I am satisfied with my break even level (revenue to cost ratio)		
8	There is a written annual budget for each function of the business		
9	There are clear expenditure procedures in place		
<b>Total Finance score out of possible maximum of 27</b>			

## Factor 6: Human Resources

	Question	Score	Supporting Data
1	There are job descriptions and KPIs for every person in the business		
2	There is a results based incentive program in place for every employee that matches the goals of the business		
3	Every member of the business is operating at their full potential		
4	We have annual employee engagement surveys to understand the climate of our workplace		
5	All members of staff are trained in OH&S and Compliance		
6	There is a documented induction program for new employees		
7	We have a training and development program in place for all members of the management team		
8	We have a training and development program in place for all members of staff		
9	Everyone is trained to use the technology and systems relevant to their role		
<b>Total Human Resources score out of possible maximum of 27</b>			

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## Factor 7: Leadership

	Question	Score	Supporting Data
1	There is a clear vision for the business that all employees understand and are committed to		
2	The values we hold to be important are understood and shared by all members of the business		
3	I am happy with the company's culture		
4	There are clear and achievable performance standards for the business and team members		
5	We communicate regularly with employees to ensure they understand how we're performing as a business		
6	I regularly give feedback (positive & negative) to my employees about their performance		
7	I encourage feedback and ideas from my team		
8	Decisions are made at the lowest possible level		
9	I explain the objectives of tasks but leave how they are accomplished to my team		
<b>Total Leadership score out of possible maximum of 27</b>			

## Factor 8: Systems & Processes

	Question	Score	Supporting Data
1	If I was off sick or on holiday the business could run without my intervention		
2	There are clear levels of delegated authority for all functions within the business		
3	There are effective computer systems in place for all functions of the business		
4	We have an effective customer database		
5	I am happy with our web presence		
6	There are clear and published schedules and agendas for management meetings, team meetings and company meetings		
7	There are reporting systems in place for every function of the business		
8	All of the company's processes are clear and documented		
9	We are able to audit process effectiveness		
<b>Total Systems &amp; Processes score out of possible maximum of 27</b>			