

Business Health Check

Before you can grow your business you need to review your current situation and identify the areas that will need work before you can tackle your plans for expansion.

The following checklist is designed as a self-assessment tool to get you thinking about how ready you and your business are to face the challenges ahead.

Read each item carefully and assess your businesses **current capability** in each area.

The rating scale provided based on the following guide:

- 1** = Does not exist
- 5** = Exists to some degree but needs work
- 10** = Exists to high degree

<i>For this item, the current capability of my business is ...</i>	Does not Exist	Exists at high level
	1.....	5.....10
FINANCIAL MANAGEMENT		
1. Cash flow is consistent	1.....	5.....10
2. The business has several sources of revenue i.e. not reliant on one or two clients	1.....	5.....10
3. Peak periods/slow periods have been identified	1.....	5.....10
4. Revenue is increasing on an annual basis	1.....	5.....10
5. Profitability is improving on an annual basis	1.....	5.....10
6. Average spend is steady or increasing	1.....	5.....10
7. There are no or few outstanding debts beyond 45 days	1.....	5.....10
8. Sales targets are in place	1.....	5.....10
9. Expense budgets have been set	1.....	5.....10
10. Salaries represent less than 35% of turnover	1.....	5.....10
11. Rent represents less than 10% of turnover	1.....	5.....10
12. The business owner draws a salary from the business	1.....	5.....10
13. Quality management systems are in place (e.g. quality improvement, risk management)	1.....	5.....10

14. Financial systems are in place (e.g. accounting software, regular financial reports, processes for accepting payment, credit control procedures)	1.....5.....10
15. Record keeping systems are in place	1.....5.....10
16. Delivery systems are in place for ensuring your product or service reaches the market effectively	1.....5.....10
SYSTEMS, POLICIES & PROCEDURES	
17. Current systems are sufficient to cope with increased volume	1.....5.....10
18. Organisational chart exists – identifies job roles and responsibilities for staff and owner/manager	1.....5.....10
19. Training and staff assessment policies and procedures are fully documented and easily accessible	1.....5.....10
20. Troubleshooting/grievance management procedures are in place	1.....5.....10
21. Intellectual property/copyright management systems are in place	1.....5.....10
22. Communication/client feedback systems/procedures are in place	1.....5.....10
23. Communications system for keeping staff informed e.g. memos, regular meetings, briefing sessions are in place	1.....5.....10
24. Systems are in place for selecting and dealing with suppliers	1.....5.....10
REGULATORY COMPLIANCE	
25. Appropriate insurances are currently held (e.g. buildings/contents, workers compensation, public liability, professional indemnity)	1.....5.....10
26. Business is compliant with relevant industry legislation/regulations/ licensing	1.....5.....10
27. Business is compliant with Occupational Health and Safety regulations	1.....5.....10
28. Business registration, BAS registration in order	1.....5.....10

PEOPLE & SKILLS CAPABILITY	
29. You and your staff have necessary expertise to operate and manage your business	1.....5.....10
30. You spend the majority of your time managing or developing the business rather than working in a technical role	1.....5.....10
31. You or your staff have the skills required to carry out administration tasks	1.....5.....10
32. You or your staff have the necessary skills to market, promote and sell products and services	1.....5.....10
33. Staff structure is in place including job descriptions	1.....5.....10
34. Staff evaluation processes are in place and occur on a regular basis	1.....5.....10
RESOURCES	
35. Current equipment copes well with existing level of business	1.....5.....10
36. Current equipment will cope with increased level of business	1.....5.....10
37. Funds are available for expansion activities e.g. research and development	1.....5.....10
38. Business premises and facilities are appropriate and can cope with increased volume or changed target markets	1.....5.....10
MARKETING AND PUBLICITY	
39. The business has a consistent image in the marketplace	1.....5.....10
40. The business has a distinct "position" in the market e.g. experts in the field, top end of the market, high volume specialists	1.....5.....10
41. You or your staff have the necessary skills to sell your product or service in the marketplace	1.....5.....10
42. You have a consistent conversion rate of prospects to clients	1.....5.....10
43. The business has sufficient/up-to-date marketing collateral e.g. website, brochures or newsletters	1.....5.....10

44. Funds are available for marketing and promoting services	1.....5.....10
45. A culture of sales and marketing exists within the organisation	1.....5.....10
46. Awareness of competitors and strategies are in place to position services in relation to competitors	1.....5.....10
47. Marketing plan or strategies are in place for increasing awareness e.g. publicity, advertising	1.....5.....10
48. Marketing plan or strategies are in place for generating new clients, reaching target markets	1.....5.....10
PERSONAL SKILLS	
49. Time management	1.....5.....10
50. Staff management	1.....5.....10
51. Delegation to staff or contractors	1.....5.....10
52. Communication skills	1.....5.....10