

MANAGEMENT CONCERNS CHECKLIST

WHAT ARE YOUR MOST SERIOUS MANAGEMENT CONCERNS?

After you've identified your enterprise's growth stage, using the Business Characteristics Checklist, use this checklist to focus on the management concerns you're facing now – and may face at the next stage of business growth. It may be helpful to first circle current concerns, as a step towards seeking solutions.

Growth Stage	1. Concept	2. Inception	3. Survival	4. Growth	5. Expansion	6. Maturity
Cash Management	<ul style="list-style-type: none"> • Access to venture capital network • Management by cheque book • Valuation of business 	<ul style="list-style-type: none"> • Negative balances • Payments delayed 	<ul style="list-style-type: none"> • Cash outflow exceeding inflow • Marginal bank balances • Surprised lenders 	<ul style="list-style-type: none"> • Bankability • Absence of financial and tax strategy for generating cash 	<ul style="list-style-type: none"> • Debt service exceeding cash flow • Prohibitive covenants • Customers demand special terms 	<ul style="list-style-type: none"> • Sustained periods of negative cash flow • No formal investment strategy
Asset Management	<ul style="list-style-type: none"> • Controlled spending on promotion, networking and travel 	<ul style="list-style-type: none"> • Not conserving cash • Imprudent purchasing 	<ul style="list-style-type: none"> • Poor turnover of assets • Emphasis on sales vs. profit • Buying vs. Leasing • Inadequate capital 	<ul style="list-style-type: none"> • Excessive increases in overhead and personnel • Stock shortages • "Vintage" receivables • Short-term financing 	<ul style="list-style-type: none"> • No co-ordination of operating plan with financial conditions • No Return on Investment of Capital Investment Analysis 	<ul style="list-style-type: none"> • Declining margins • Business segments not evaluated for "Return on Assets" • No capital budgets

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Marketing	<p>Not developing meaningful, unique product attributes</p> <p>Lack of identity and brand awareness</p>	<ul style="list-style-type: none"> • Getting above noise level of competition • Low market acceptance • Potential loss of vendors or customers 	<ul style="list-style-type: none"> • Cost pressures on quality of product or customer service • Predatory competitors • Low repeat business • Product failures 	<ul style="list-style-type: none"> • Absence of market feedback • High product returns • Not meeting sales targets • Growing backorders • Competitor “knock-offs” • Customer complaints • No strategic marketing plan 	<ul style="list-style-type: none"> • Not meeting volume and mix targets • Low growth • Shrinking market share • Not relating marketing expenses to sales targets • No key account programmes 	<ul style="list-style-type: none"> • Not low cost provider • No evaluation of the profitability of channels • No assessment of advertising and promotion effectiveness
Organisation behaviour	<ul style="list-style-type: none"> • Adapting to environment “real-time” • Continuous education • Acting swiftly – leaving details for later 	<p>“Emperor’s new clothes” syndrome</p>	<p>Absence of external advice</p> <p>Denial of internal feedback</p>	<p>Avoidance of difficult decisions about roles, authority and responsibility</p>	<ul style="list-style-type: none"> • New executives’ values clash with culture • Layers of slow decision making • Lack of delegation 	<ul style="list-style-type: none"> • Reduced communication and co-operation among functional units • Unhealthy competition for power

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Management Reporting	<ul style="list-style-type: none"> Virtual network 	<ul style="list-style-type: none"> Keeping running total in head No budget 	<ul style="list-style-type: none"> Late data Unanticipated results; no feedback No interim reports 	<ul style="list-style-type: none"> Budget is the plan No flash reports Over-ridden or inadequate internal systems No strategic planning No contingency planning 	<ul style="list-style-type: none"> No feedback and analysis of profitability and performance No buy-in to operating plans Blurred accountability for corrective action 	<ul style="list-style-type: none"> Control systems not documented Measurements not related to success factors Reporting not tied to management incentives
Information systems / internet solutions	<ul style="list-style-type: none"> Initial PC / Internet Applications 	<ul style="list-style-type: none"> Selecting best systems at lowest cost Application support Security of data 	<ul style="list-style-type: none"> Upgrading without assessing needs, alternatives and employees 	<ul style="list-style-type: none"> Developing customised applications, Systems non-responsive to customers and employees No systems plan No decision support 	<ul style="list-style-type: none"> No timely reports on sales, stocks, key customer positions Information systems driving the business No disaster recovery plan No control environment 	<ul style="list-style-type: none"> Absence of integration for business and systems plans Inability to selectively analyse customer and product data

For a broader look at your business, give copies of this checklist to other members of your management team and compare their assessments with yours. By sharing opinions, you'll be able to better anticipate problem areas and plan for the future.