

## JPAbusiness Business Health Check Template

### Rate your business health

When thinking about the state of your business today, please allocate a score of 1, 2 or 3 to the following Business Health Factors (1=below your expectations, 2=meets your expectations, 3=exceeds your expectations).

Please be honest with your rating – your business, its customers and staff, are counting on it!

Business Health Factors	What to consider	Rating (Circle your choice)
<b>Consistency of business systems and processes</b>	Consistent business systems and processes ensure regularity of business performance, which is critical to delivering customer service and efficient outcomes.	<b>1 2 3</b>
<b>Staff performance</b>	People are key to driving business performance – are you getting value from your investment in people? Are your expectations and staff job responsibilities being met?	<b>1 2 3</b>
<b>Financial performance</b>	Are your expectations regarding the financial performance of the business being met? Are you a solvent business (i.e. consistently meeting current financial commitments), and are you also meeting financial projections and budgets?	<b>1 2 3</b>
<b>Billing, invoicing and debtor management</b>	Are your customers meeting your payment terms? Are billing processes and follow-up timely and in close proximity to when services or products are provided or sold?	<b>1 2 3</b>

<b>Cash flow</b>	Cash flow is the blood in the veins of your business, allowing you to operate day to day. Is the blood flow strong or weak? Does the business experience periods of tight or constrained cash flow that impact day-to-day operations?	<b>1 2 3</b>
<b>Creditor payments</b>	Are you meeting your obligations and commitments to suppliers? Are you meeting your statutory payments to parties such as the ATO?	<b>1 2 3</b>
<b>Work-in-progress</b>	The strength and diversity of your WIP is a measure of the business maintainable earnings. Do you have a solid order book into the future?	<b>1 2 3</b>
<b>Job management and project delivery</b>	In order to manage risk and meet customer expectations, you need to know exactly where projects are up to, in terms of scope, delivery and financial processes, such as invoicing.	<b>1 2 3</b>
<b>Quality of job delivery</b>	Are you actively and dynamically measuring the quality outcomes of what you produce/sell/provide? Or do you only find out about quality when you get a complaint?	<b>1 2 3</b>
<b>Client servicing</b>	Are your clients' expectations being met? Measure this by seeking feedback from clients, and keep track of repeat business and customer retention.	<b>1 2 3</b>
<b>Organisation and scheduling</b>	Do you feel in control of the day-to-day activities your business undertakes? Are tasks planned, scheduled, prioritised?	<b>1 2 3</b>

**Risk management** Do you have an active process within the business for identifying and addressing key risks – payment, market, customer, safety – that may dramatically impact the fortunes of your business? **1 2 3**

**Staff culture** Is your people culture conducive to a positive, open and interactive team environment that is rewarding for the business and the individuals that work within it? **1 2 3**

**Business value and return** Are you maintaining and growing the value of your business? Are you getting a decent remuneration as an owner working in the business for your day-to-day work, as well as a return on the funds you have employed? **1 2 3**

**Business sustainability** Successful businesses look to the future and learn from the past. They develop practical, realistic plans and forecasts, supported by management and risk mitigation processes. How well does your business do this? **1 2 3**

Total score.....

## What your results mean:

**30 plus** If you scored 30 or more, chances are your business has a sound health for the years ahead. You might want to consider strategic growth opportunities or other refinements to assist with your longer-term success.

**20 – 30** If you scored between 20 and 30, chances are you'll be experiencing some aches and pains, either internally with regards to delivery and performance, from a cash flow or financial perspective, or from other factors. Consider seeking the advice and assistance of an advisor to explore and recommend some remedies.

**Below 20** If you scored below 20, chances are it's time for some significant 'surgery'. A performance review or other such options, including restructure, turnaround plan or possible sale or divestment, may need to be considered.