



AMS Business Improvement Diagnostic Service

Overview



AMS Business Diagnostic Service

The Management Practice (TMP) now provides an online AMS Business Improvement Diagnostic Service for their Licensed Associates to implement within a target market on a specifically targeted business subject area.

The first client to use this service was the National Institute of Accountants for whom TMP created a customised "Financial Management Diagnostic" program. The NIA then invited their 14,000 members to participate in an online self-assessment so that the NIA could generate a National Benchmark of Financial Management in Small Business. This national benchmark provided NIA with a "market rating" of the key areas of financial management gave NIA very specific input that assisted them to better target the provision of the most valuable services to their Members. The consolidated responses from all the Members combined with an individual analysis of each Member's responses, also provide the Members themselves with a roadmap for their own business improvement in Financial Management. This analysis was facilitated by TMP analysis tools that both NIA and their Members used to achieve rapid focus at a very low cost. Examples of the diagnostic reports are included in the attachments to this document.

The NIA is just one example of the power of the AMS Diagnostic Service.

The purpose and benefits of any of the AMS Diagnostic Services are similar to the NIA Diagnostic; i.e. to identify weak business areas within the individual organisations that participate in the Diagnostic. The results will generate business improvement opportunities for the companies that participate, the Licensed AMS Associate that conducts the diagnostic program, and the sponsoring organisation that provides access to the target market.

Each AMS Diagnostic is managed by a Licensed AMS Associate and separately controlled by TMP. All responses are collected into their own SQL database for subsequent analysis and consultation by the AMS Associate with participating clients and respondents.

AMS Diagnostics are currently available for the following business areas:

- AMS Whole-of-Business Management (Tight-5)
- Sales & Marketing Management
- Human Resource Management
- Financial Management
- Information Technology Management - ITIL (Version 3) Compliant
- Occupational Health & Safety
- National Packaging Covenant Compliance



- ISO9001 Compliance
- AMS Sustainability Assessment

Within each of these AMS Diagnostic areas TMP then work jointly with the AMS Licensed Associates, and any sponsoring organisation, to construct individual "Diagnostic Campaigns".

The AMS Associate will be expected to have the "subject matter knowledge" in the selected area of the Diagnostic so that the Associate can provide the on-going business improvement services required by any business that participates in the Diagnostic.

To illustrate this "mass response" process, we have used the NIA example.

This "real" example then provides an understanding of the simplicity and value of the AMS Diagnostic Service and how it strengthened the TMP alliance with the National Institute of Accountants and provided a sensible business introduction for TMP (and their AMS Associates) to the NIA Member companies.

The reason this example together was that we have found from our experience that it is sometimes difficult for people to visualise the marketing concepts that are in our mind (in particular the way that a particular online interactive process works) without actually pressing some buttons and "going through the experience".

The rest of this document is therefore an explanation of the actual AMS Diagnostic process, from which you should be able to see the possibilities of how to apply our service to any organisation. Hopefully this will provoke lateral thinking and encourage you to start building something that has value for any organisation with whom you are affiliated.

Any of our AMS Diagnostic Services can be implemented immediately via our AMS website, or via any client's website, or via any other website (i.e. affiliated organisations). The AMS Diagnostic Service is incredibly flexible and can be applied to many different applications with the diagnostic questions being customised to fit a variety of situations.

"Diagnostics" can be used in conjunction with a range of different applications that can take the form of Assessments, Tests, Questionnaires, Surveys or Feedbacks, and can cover Market Research, Client Services, Product Acceptance, Compliance, etc, etc. The common objective is to identify "deficiencies" that create opportunities for improvement.

The wording of all questions can be customised (within each campaign) and can be anything that is appropriate. Also the answer formats can be customised for any question. So this example only illustrates one specific variant of a diagnostic.



There are six (6) components that make up an AMS Diagnostic Campaign:

1. The Engagement component.

This can either be a webpage link on any website, a customised webpage on our website (which is one option that I have illustrated in this example), or an engagement "selling" email with a link directly to the diagnostic included within the email (the NIA example of such an email is in Attachment #1).

2. The Diagnostic component.

This is the actual assessment questionnaire that is created for a particular target market and can be customised with a range of different answer formats. The example that I have created is a cut down version of an existing diagnostic. A diagnostic questionnaire should ideally take no longer than 20 minutes to complete.

3. The "thank-you" and Next Step component.

At the conclusion of the diagnostic component a [Submit] button is selected which immediately displays a "Thank-you" webpage. This webpage explains to the participant the Next Steps in the process and sets their expectation.

4. The Email Feedback component.

All input to the diagnostic is captured in a database and the individual responses of each participant are sent back to each person in an email format as a record and confirmation of the answers they gave to the questions.

5. The Consolidated Report component.

This report is the consolidation of all responses to the diagnostic giving percentages of responses to all questions in all areas. This forms the Consolidated Benchmark Report for the whole diagnostic and is normally issued to all participants (either free, or at a reduced cost in appreciation for their participation).

6. The Consultation and Analysis component.

All responses are collected into a unique database for each diagnostic campaign. The results are extracted using TMP analysis tools to produce a Personalised Report of Findings that is tailored to the results of each respondent and on which a large range of conclusions can be based.

Further AMS Improvement consultation is provided by the Associate.

Each diagnostic that is developed is assigned its own unique email address so that all responses can be controlled by the Diagnostic Coordinator. This document highlights to you the business improvement potential that this process can generate and it clearly illustrates an efficient method of quickly identifying business improvement opportunities from "mass market" of a variety of organisations.

The only criteria for a potential Diagnostic Campaign is that the sponsoring business;

- has a "mass" audience to engage in the campaign, and
- wants to improve the service that they are providing their customers.

Any suggestions that you have to strengthen this program should be addressed to Richard Burley at The Management Practice and would be greatly appreciated.



ATTACHMENT #1

The Engagement Component

Two examples of AMS diagnostic engagement are illustrated:

- An HTML email that has a link direct to the Diagnostic within the text; and
- A Webpage to which a respondent is directed from another website.



The Management Practice

Thinking ahead



September 2007

TO: All NIA Members

The NIA has worked with "The Management Practice" to develop a "National Financial Management Assessment Diagnostic" to be conducted exclusively with our members.

We would like to invite all members to participate by completing this online assessment diagnostic.

Our study aims to assess business performance and create benchmarks in all areas of "financial management" being performed in Australian small businesses. Results of this National Assessment will be made available FREE to all NIA Members that participate by responding to the online assessment questionnaire.

Members who participate in the assessment will receive:

- + a FREE copy of the Australian Financial Management Benchmark Report (resulting from the consolidation of all member input).
- + a better understanding of the "Financial DNA" of your business by identifying the areas of financial management risk
- + a return email with a copy of your input to enable you to compare your assessment of your own business against the national benchmark
- + the data that you need to chart your own road map for subsequent financial management improvements, and
- + automatic enrolment in the 2008 online Diagnostic Audit to enable you to track your Financial Management improvements over the next 12 months.

This assessment is being conducted by "The Management Practice" and will only take you about 15 minutes to complete. To start the assessment, just click the START button below.

START

The information that you provide will be kept in the strictest confidence and no individual data will be used. Only general data will be shared with the NIA.

If you have any questions regarding the National Financial Management Assessment then please contact "The Management Practice" on 02-9431 5305.

Thank you for your participation.

Regards,

Rona Booth
General Manager - Marketing and Member Services

[NIA website](#) | [privacy policy](#) | [unsubscribe](#)

Example of a website Engagement Page

The screenshot shows a Windows Internet Explorer browser window displaying a website page. The browser's address bar shows the URL: <http://www.actionmanagement.com.au/documents/NIA-FMsurvey.html>. The page features the Action Management logo (an infinity symbol) and the text "Action Management". The main heading is "The Management Practice". A prominent red banner reads "Exclusive to NIA Members only!". Below this, a yellow box contains the text "Financial Management Diagnostic for NIA Members" and a "START" button. To the right, a section titled "The National Institute of Accountants has commissioned a Financial Management Diagnostic study." includes a list of benefits: "Obtain a FREE consolidated report with our appreciation of your participation", "Get a detailed understanding of your Financial DNA", "Compare your Financial Management Performance to our National Australian benchmark", "Identify your areas of financial management risk", and "Create your own road map for subsequent financial management improvements". A quote from the NIA 2006 Annual Report highlights the implementation of a web-based business planning software system. The page also includes contact information for Richard Burley and Rona Booth, and a "Close Window" button.

FREE Business Seminar - Windows Internet Explorer

http://www.actionmanagement.com.au/documents/NIA-FMsurvey.html

File Edit View Favorites Tools Help

FREE Business Seminar

Action Management

The Management Practice

Exclusive to NIA Members only!

Financial Management Diagnostic for NIA Members

START

Consolidated Diagnostic Report is FREE for participating NIA Members

The National Institute of Accountants has commissioned a Financial Management Diagnostic study.

The Management Practice has been retained to conduct this study for the NIA and to make the results available free to all NIA Members that participate in the assessment.

How well is the "financial management" function performed in your business?

- Obtain a FREE consolidated report with our appreciation of your participation
- Get a detailed understanding of your Financial DNA
- Compare your Financial Management Performance to our National Australian benchmark
- Identify your areas of financial management risk
- Create your own road map for subsequent financial management improvements

Understand where your business needs to improve

NIA NATIONAL INSTITUTE OF ACCOUNTANTS

Quote from the NIA 2006 Annual Report Highlights:

"The implementation of a web-based business planning software system commenced across the organisation. Called the Action Management System, it will provide real-time reports and feedback of progress in the key strategic projects across the organisation."

Contact The Management Practice (Richard Burley) 0412-860 403

Contact NIA Diagnostic Coordinator (Rona Booth) 1800-063 600

Close Window

Close Window

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ATTACHMENT #2

The Diagnostic Component

- The example shown in this attachment is the “dummy” Diagnostic that illustrates the range of different answers that are available depending on the question asked.

NIA Financial Management Diagnostic

Analysing the effectiveness of the Financial Management of your Business

Page 1 of 7

The total questionnaire will require approximately 15 minutes to complete. Answer all six (6) Sections. Do not answer any question that is not applicable to your Business (i.e. leave the button unchecked).

PLEASE REGISTER FOR THE DIAGNOSTIC

1. Please enter your full name

2. Please enter the name of the Business being reviewed

3. Please enter your Email address (double-check for typos)

Page 1 of 7

Next Page

NIA Financial Management Diagnostic

Analysing the effectiveness of the Financial Management of your Business

Page 2 of 7

The total questionnaire will require approximately 15 minutes to complete. Answer all six (6) Sections. Do not answer any question that is not applicable to your Business (i.e. leave the button unchecked).

SECTION (1.1) MANAGING OF PLANS, BUDGETS & FORECASTS

4. 1.11 - How would you rate the quality of the financial planning & forecasting of the business?

- Not done at all
- Done very poorly
- Done poorly
- Done satisfactorily
- Done very well
- Done exceptionally well

5. 1.12 - How well does the business track & report on cost overruns of actual against budgets?

- Not done at all
- Done very poorly
- Done poorly
- Done satisfactorily
- Done very well
- Done exceptionally well

SECTION (1.2) ACCOUNTING & MANAGEMENT OF COSTS

6. 1.22 - How accurately do you think that the business reports on cost of sales?

- Not done at all
- Done very poorly
- Done poorly
- Done satisfactorily
- Done very well



ATTACHMENT #3

The Thank-you & Next Steps Component

- The example shown in this attachment is the standard reply webpage that displays the next steps in the diagnostic process and sets the expectation of the respondent.


FREE Business Seminar - Windows Internet Explorer

http://www.themanagementpractice.com/phpESP/public/NIAdiagnosticcompletionpage.html

File Edit View Favorites Tools Help

FREE Business Seminar

The Management Practice



Action Management

**Thank you for participating in the
NIA Financial Management Diagnostic.**

Your input will remain strictly confidential and your individual responses will only be discussed with the person who completed the assessment or someone who is personally approved by them.

NIA
NATIONAL INSTITUTE OF ACCOUNTANTS

The Management Practice (TMP) has been authorised to conduct this diagnostic on behalf of the NIA.

[Contact TMP](#) if you have any technical questions about the online diagnostic process.

TMP are the authors of the Action Management System (AMS).

The NIA use AMS for better operational management of their own business.

The NIA Financial Management Diagnostic is being conducted exclusively for Members of the NIA.

The NIA would like all Members to complete the diagnostic.

Please assist us in this regard by encouraging other Members to participate

NEXT STEPS:

- (1) Within 48 hours you will receive an email with a copy of your input to the diagnostic assessment that you have just provided.
- (2) As soon as your input has been assimilated with the other NIA Member responses, we will prepare a Consolidated National Benchmark Results report and email it to you FREE of charge. This will enable you to compare your own assessment against the National benchmark and to therefore identify the areas of your financial management that should be improved.
- (3) Finally, you will have the option of purchasing an AMS National NIA Benchmark Analysis Report (a detailed management evaluation and cross-tabulation of your results against the National benchmark) that includes a FREE telephone consultation with a licensed AMS business advisor to help you interpret your own results.

Close Window

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ATTACHMENT #4

The Email Feed-back Component

- **This email is sent to each respondent and provides a copy of all questions and how they were answered.**

Richard J Burley

To: John Troughton
Subject: FW: Response from survey: NIA_FM_Diagnostic [48]

Hi John,
The following is a summary of the input that we received from you to the NIA Financial Management Diagnostic.

Thank you for your participation.

You will receive your FREE consolidated report as soon as all Member input has been received.

Kind Regards,
Richard Burley,
The Management Practice
"Your Path to Business Excellence"
133 Alexander Street
Crows Nest NSW 2065
Phone: 02-9431 5305
Mobile: 0412-860 403

=====
Please enter your full name
John Troughton

Please enter the name of the Business being reviewed
GFW

Please enter your Email address (double-check for typos)
jtrought@bigpond.net.au

1.11 - How would you rate the quality of the financial planning & forecasting of the business?
Done very well

1.12 - How well does the business track & report on cost overruns of actual against budgets?
Done satisfactorily

1.22 - How accurately do you think that the business reports on cost of sales?
Done satisfactorily

1.23 - In your view, how effectively does the business segment and assess profitability by product and/or service?
Done poorly

1.32 - How rigorous are the business costing projections for new product/service introduction?
Done poorly

1.33 - To what level does the business track product lifecycle costing and profitability against forecasts?
Done poorly

1.42 - How well does your business communicate the values & code of ethics of the business?
Done satisfactorily

1.43 - To what level does the business define the roles & responsibilities of staff members?
Done satisfactorily

- 1.52 - How effectively does the business detect non-conformance in Financial Management?
Done satisfactorily
- 1.53 - How adequately have the key performance indicators (KPI's) of the business been established and measured?
Done poorly
- 2.12 - How adequate are the new account credit approval processes in the business?
Done very well
- 2.14 - How well does the business report on credit/collection history of its customers?
Done very well
- 2.23 - Do you think that the business invoices their customers as quickly as they possibly could or should?
Done satisfactorily
- 2.24 - How do you rate the accuracy of customer invoices issued by the business?
Done very well
- 2.31 - Do you think that debtor collection procedures are adequately documented and followed?
Done poorly
- 2.32 - Do you think that the business makes it easy as possible for customers to pay?
Done satisfactorily
- 2.44 - Are existing systems adequate to reconcile overdue invoice balances for follow-up?
Done satisfactorily
- 2.45 - To what extent is the business tracking the debtor collection effectiveness of internal staff?
Done poorly
- 2.51 - To what extent are debtor policies and procedures adequate to minimise write-offs?
Done satisfactorily
- 2.52 - How effective is reporting of invoice adjustments and write-offs to ensure conformance to business policy?
Done poorly
- 3.12 - Do you think that the business has adequate accounting policy documentation?
Done very well
- 3.15 - In your view are staff adequately trained in the accounting procedures of the business?
Done very well
- 3.22 - To what degree has the business set up controls on journal entries, expense allocations & accruals?
Done very well
- 3.23 - How adequate are the monthly audits & reconciliations done on inter & intra company financial transactions?
Done very well
- 3.31 - How would you rate the adequacy of the fixed asset database kept by the business?
Done satisfactorily
- 3.34 - Does the business regularly revalue assets and is this value accurately reflected in the Balance Sheet?

Done satisfactorily

3.42 - Do you think that Directors have all management reports fully disclosed to them prior to Board meetings?

Done poorly

3.43 - To what degree are reports from the financial system further manipulated or changed prior to distribution (i.e. revised in Excel)?

Major changes made to some reports

3.51 - How effective is control of capital expenditure through formal documented processes?

Done satisfactorily

3.54 - Do you think that project reporting is adequate to track performance and costs against budgets?

Done poorly

4.11 - To what extent does the business track variances between Purchase Orders and Supplier invoices?

Done satisfactorily

4.12 - How thorough is the process of approving supplier invoices for payment?

Done satisfactorily

4.21 - How well do the business policies control staff approval limits?

Done satisfactorily

4.25 - Does the business adequately track expenses against budgets in all areas?

Done very well

4.31 - Are published staff policies & procedures adequate to comply with "Workplace Relations" legislation?

Done poorly

4.35 - How effectively do you think the business tracks and reports on the personal productivity of accounting/office staff?

Done poorly

4.41 - How efficiently and accurately do you think that employee data is entered into the payroll system?

Done very well

4.42 - How strictly are employment contracts implemented for all staff?

Done satisfactorily

4.51 - How adequate are the policies and procedures for taxation documented by the business?

Done very well

4.14 - How well does the business utilise the general ledger to directly manage GST?

Done very well

5.11 - How adequately are the procedures documented for governance of treasury operations?

Done very well

5.13 - How rigorous is the reporting of non-compliance to standards notified to the Board & Management?

Done poorly

5.23 - How well does the business forecast cash-flow for management review?

Done satisfactorily

5.24 - To what level does the business proactively manage & oversee banking relationships?

Done very well

5.33 - To what degree does the business validate interest & fees charged on bank accounts?
Done poorly

5.35 - How thoroughly are bank accounts reconciled and reported to management?
Done very well

5.41 - How well documented are the guidelines for managing financial intermediary relationships?
Done poorly

5.44 - How well does the business report on debt and investment anomalies?
Done satisfactorily

5.51 - How effectively does the business manage its interest rate risk?
Done satisfactorily

5.52 - How effectively does the business manage its foreign exchange risk?
Done very well

6.11 - Over the next 12 months how do you think that interest rates will change?
Slight increase

6.12 - To what extent do you think that your business will recruit new staff in the next 12 months?
Slight net increase

6.13 - To what extent do you think that your business will hire new accounting staff over the next 12 months?
Stay the same

6.14 - To what extent do you think that the cost of living (CPI) will change over the next 12 months?
Rise slightly

6.15 - To what extent do you think that the Australian dollar exchange rate will trend against the US dollar?
Strengthen slightly

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ATTACHMENT #5

The Consolidated Report Component

- This report shows the consolidated answers for the entire respondent sample with a statistical spread in both absolute and percentage terms of how the questions were answered.



NIA Financial Management Diagnostic **FREE copy of Consolidated Report of Findings**

Hi there NIA Member,

Thank you again for your participation in the NIA Australian National Diagnostic on Financial Management in Small/Medium Business that concluded on the 1st of November. This email is being sent to **only NIA Members who completed the Diagnostic Survey**.

Just to refresh your memory, the NIA requested that our company (The Management Practice), conduct the diagnostic analysis on their behalf. Responses were received from NIA Members throughout the month of October and we have now compiled a report of the results.

A copy of this "Consolidated Report of Findings" is therefore now available for you to [download here](#) as promised. This is FREE of charge with our appreciation for your participation. Nearly 700 members responded to the online questionnaire, so the combination of these results provides us with a very accurate "benchmark" of the current performance of Australian businesses in all the areas of Financial Management that were assessed by the diagnostic questionnaire.

However it is probable that you did not keep a copy of the answers that you submitted to the Diagnostic, so you may not be easily able to compare your own results with this Consolidated Report.

So to assist you in your personal analysis of how your business compared, we are offering you a **FREE 20-minute "telephone feedback" of your own results**. During this time you can not only discuss the Consolidated Findings, but we will also give you a personal comparison of your results against the National benchmark.

During this free 20-minute discussion and analysis, we may also be able to suggest ways for you to effectively address the "areas of concern" that will be highlighted so that you can immediately focus on improving your Financial Management performance.

Simply reply to this email with your telephone number and one of our representatives will contact you and schedule a mutually convenient discussion time.

Kind regards,
Richard Burley
The Management Practice
133 Alexander Street
Crows Nest NSW 2065
Phone: 61-(0)2-9431 5305
Mobile: 61-(0)412-860 403

"Use the Action Management System to instantly improve any business"

OUR WEBSITE
is full of AMS Information

DOWNLOAD
a one-page CEO Overview

Download HOW WE DO IT
or call us for an online Demo

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AUSTRALIAN NATIONAL FINANCIAL MANAGEMENT DIAGNOSTIC

CONSOLIDATED REPORT OF FINDINGS

OCTOBER 2007

Executive Summary

This Financial Management Diagnostic was conducted in October 2007 covering the businesses in which our NIA Members are involved. Predictably 32% of responses were received from Accounting Practices with the next largest input being 7% from manufacturing companies. The remainder was spread over a broad range of SME areas. Our questions and analysis covered a wide cross-section of Financial Management and were aimed at identifying those areas of Financial Management that were being done unsatisfactorily by the greatest number of businesses. The consolidation of this Member input is now being made available to all Members and will be used by NIA to identify more targeted training and other services that will benefit our Members.

We would like to thank all Members who gave the 45 minutes of their time and completed the diagnostic questionnaire and we hope that these Members take advantage of the FREE personal 30 minute consultation to assess their own results against the National Consolidated results published in this Report. Requests for a FREE Consultation can be made online with The Management Practice at www.themanagementpractice.com/NIAfree.html and in conjunction with this free consultation a Personalised Report of Findings analyses each Respondents assessment. This report is (optionally) available from The Management Practice for a small nominal charge following the free consultation.

As you review your own relative strength in each area of the Diagnostic, you should consider the following comments on some of these areas and use them as a “trigger” to simulate your thinking in the development of the appropriately targeted business improvement projects.

Quality of the financial planning & forecasting of the business (Q7).

Quality has associated with it aspects such as timeliness, accuracy, research, inclusiveness of other staff, completeness, transparency etc. The Finance Section is a service to the rest of the business and should behave accordingly. Services are a ‘means of delivering value to customers by facilitating outcomes customers want to achieve, without the ownership of specific costs and risks’. To assess the “quality” of the Finance Section and its operations, a survey of its customers should be taken.

Business tracking and reporting on cost overruns of actual against budgets (Q8).

Everyone in management agrees that budgets should be set and monitored. It continues to be frustrating that many businesses do not do this or do not do it conscientiously. Discipline is needed with a simple system to establish the strategies, determine the operations, finalise the budgets and track the performance, but having this information all in the same system (and with the “Complete Scorecard”) simplifies the whole process. The cost overruns report should include the projects in the business as well as all the actions.

Adequacy of tracking on cost of sales expenses (Q9).

With the sophistication of the accounting, logistics and budgeting tools there is no excuse not to be able to track expenses in all areas of the business.

Effectiveness of segmentation and assessment of profitability by product and/or service (Q10).

A danger in KPI reporting is that information is reduced so that only a few KPI's are seen. This can lead to amalgamating results that obscure the actual performance of the business from a decision making point of view. Fine detail is imperative to distinguish between performing and non-performing products, services and parts of the business. Breaking the actions in the business into small parts allows these to be analysed and reported on independently.

Tracking of product lifecycle costing and profitability against forecasts (Q12).

All businesses obtain revenue from goods and services and if they are not costed right, including the upfront and lifetime costing, they will put the business in jeopardy. Allocating responsibility for establishing the costs and tracking performance is critical to ensure the job is done and the performance monitored and that under performing products do not subsidise the most profitable ones. Tools should also be available for staff to do this to a standardised model.

Business communication of values and code of ethics (Q13).

Values are to be lived but if they are not communicated the staff do not know the expectations of the business in relation to their behaviour, irrespective of how well they may meet other performance expectations in the business. By making business actions transparent and available to all, this meets the communication requirements, but tracking performance either at the business level or in the individual's performance dialogue is essential to ensure that the values are "in" or incorporated into the business culture.

Business definition of the roles and responsibilities of each staff member (Q14).

The first step in a business is to clearly define what actions the business has to undertaken and with what performance to be successful. The second step is to allocate these actions to individuals, and by the collation of actions undertaken by individuals define the role and performance expectations for each and all staff members. This is easy to state and do but frequently it is not done or not done well.

Effectiveness of business detection of non-conformance in Financial Management (Q15).

Risk in the financial area is not only that due to "money management" but also the business management. Systems to track the financials in the business, although expensive in time, are extensive and accurate. Systems to track the non-conformance of the management actions are virtually non existent. If it doesn't show up indirectly in the financials, it is not picked up. Systems to manage all actions in the business, not just the financial ones, do exist and should be used more extensively.

Adequacy of the establishment and measurement of the key performance indicators (KPI's) - (Q16).

Managing any business depends on having available performance measures that are accurate, appropriate and current to allow decisions to be made about the adjustment to the business needed to create more value. In fact too many measures are not a negative and the danger is to try and simplify it to "just a few", but in reducing the number losing good and necessary information. In fact the trend is to have more measures in order to make the performance measures more "complete" and directly related to persons in the business that are accountability for the actions. How many is the right number? More than 100 may be the right number, but it is not just the number, can performance be viewed on one page and is it the complete performance or scorecard?

Adequacy of new account credit approval processes within the business (Q17).

The value of a client depends on their ability to pay as well as buy. Taking on a new account is a serious business and it is imperative to have in place a "new account credit approval process". Monthly there should be a report to say not only how many new accounts have been established but also that they have been subjected to the approved approval process, as registered in the list of processes.

Adequacy of business reporting on the credit/collection history of its customers (Q18).

Some data on the credit worthiness of customers is hard to get but once a customer has a record with the business there are questions that can be asked about the customer in terms of their speed of payment, completeness of payment, method of payment etc, all of which can lead to decisions that can be made about them including their profitability to the business. These decisions should not be made with isolated data; it must be as complete as possible.

Adequacy of debtor collection procedures (Q21).

That there are problems in this area is a surprise as it the first and easiest part of business in the accounting area to resolve.

Tracking of debtor collection effectiveness of internal staff (Q24).

Tracking debtors and recovering outstanding debts is a simple but often not well executed process in the business. Individuals can differ widely in their ability to conduct this area of business, and although it will be a measure of their competence when employed, it is essential to track both the overall performance of the business and the individuals involved. It becomes a measure in the Performance Review of the appropriate staff.

Adequacy of debtor policies and procedures to minimise write-offs (Q25).

Write-offs occur after the event. They are the lag indicator. What are the lead indicators? What is a KPI based on a procedure or policy that may reduce the chance of a write-off? Management is responsible to "anticipate" and minimise the need for a write-off or writ-down.

Effectiveness of invoice adjustments & write-offs to ensure conformance to business policy (Q26)

It is easy to make a write off and if it is made by the business owner then the implications are understood. If the invoice adjustment or write off is made within the policy guidelines then it is necessary to know that it has conformed. It is too easy to adjust invoices e.g. at the end of the financial period and these may or may not conform to good practice let alone business policy. Policies must be documented, transparent and easily accessible.

Adequacy of accounting policy documentation (Q27).

Critical to the management and accounting best practice in the business is the documentation of the policies. To have these in a common place available to all is essential for conformance in any modern practice. A coherent management system that ties together all elements of the business ensures that it used as well as being documented.

Adequacy of staff training in the accounting procedures of the business (Q28)

Constant revision of the accounting regulations and consequently the procedures requires continual training and the Professional Bodies have a major responsibility to ensure that courses are available. It is the responsibility of the business to ensure that staffs meet their training requirements and that procedure are kept up to date.

Monthly audits & reconciliations to manage inter & intra company financial transactions (Q30).

Discipline is required to include these components into the monthly audit check list.

Adequacy of the fixed asset database kept by the business (Q31).

The accuracy of the fixed asset database is critical to the business and more critical when GHG accounting is introduced.

Regular revaluation of assets and accurate reflection in the balance sheet (Q32).

The action management assessment that has been made has as a primary aim ensuring that the assets of the businesses are understood and that value in the business can be determined as a return against assets. Without continual revision of the asset value, decisions as to where to invest in the business will be put at risk, especially at times when the values are constantly changing.

Report manipulation after extraction from the financial system prior to distribution (Q34).

The ideal report is the one created by the reporter/user so they have instant access to it, without it having to have data collected, inputted, analysed, reformatted, distributed and read. If this is not possible the management system for collection and organisation of reports must allow the capability to export to common formats of which Excel seems to be the most universal.

Effectiveness of control of capital expenditure through formal documentation processes (Q35).

Capital expenditure has to be managed so the principles of management apply to this area like any other management area. It should be mounted as a project within prescribed areas of the business and managed accordingly with all documents, cost benefit analyses and budgets included in the “knowledge” associated with the particular capital expenditure item. Setting up these projects and especially the measures and targets is critical to the success of the investment of capital in the business. Transparency is critical.

Adequacy of project reporting to track performance and costs against budget (Q36).

While it is obvious that a project should be tracked against budget, often some activities in the business are not regarded as being projects and so are not tracked. There is a need for simple project systems to not only track the projects but to ensure that all the activities in the businesses are registered as a project or an action. This will allow all activities to be tracked and reported on, including exception reports direct to the CEO. Projects are an action (and sub-actions) with a use by date; actions in the business must go on for ever.

Business tracking of variances between Purchase Orders and Supplier invoices (Q37)

The process of taking a purchase order, preparing supplier invoices, providing logistics provider’s data and the acceptance of the delivery should all be automated and checked constantly. Non-conformance is flagged immediately. Many systems are not automated so that there is a need to check variances and register these as “incidents” as soon as possible. This will allow instant follow up to satisfy clients at the same time as ensure the financial transactions are complete and correct.

Adequacy of staff policies & procedures to comply with “Workplace Relations” legislation (Q41).

The continual changes that are made to “Workplace Relations” legislation require businesses to update their procedures. Access to a standard site for the information would be useful so that the site could keep the content current. This could then be transferred to the management system maintained by the business.

Effective business tracking and reporting on personal productivity of accounting/office staff (Q42).

The performance, profitability and productivity of most businesses are directly linked to the competence and capability of the staff. Measuring personal productivity is critical to interpreting the profitability of the business. Proper measures and targets have to be established, agreed and then tracked using appropriate systems, to report performance. Without also tracing “errors” or “incidents” there can be misinformation in that productivity may be high but rework may eat up the benefits of high productivity.

Employment contract implementation for all staff (Q44).

Effectively engaging staff in the business involves both the hirer and the hired. The business must specify what it wants done and with what effectiveness and the staff must commit to achieving the goals. The contract, explicit or implicit, should have the opportunity for regular “dialogues” between the parties. The linking of business objectives with accountability of particular staff with regular performance reviews can be simply done in a professional management system.

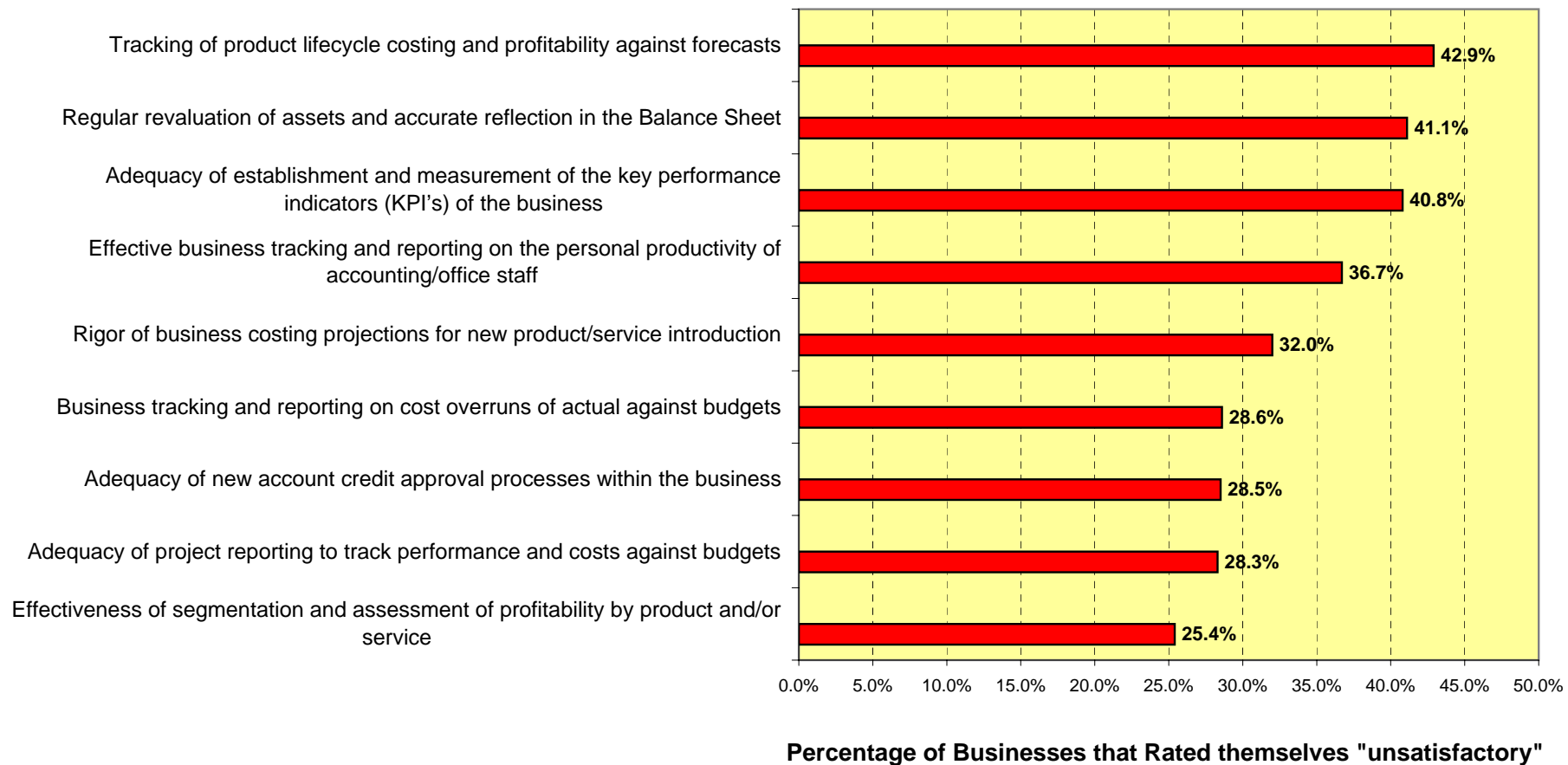
Business forecasting of cash-flow for management review (Q49).

All managers agree that cash flow management is critical to the business. As advocates of “Anticipatory Management” the need to “forecast” the cash flow situation is imperative for any business and there are tools available to do it. The forecast allows management to make better informed decisions on the future course of the business.

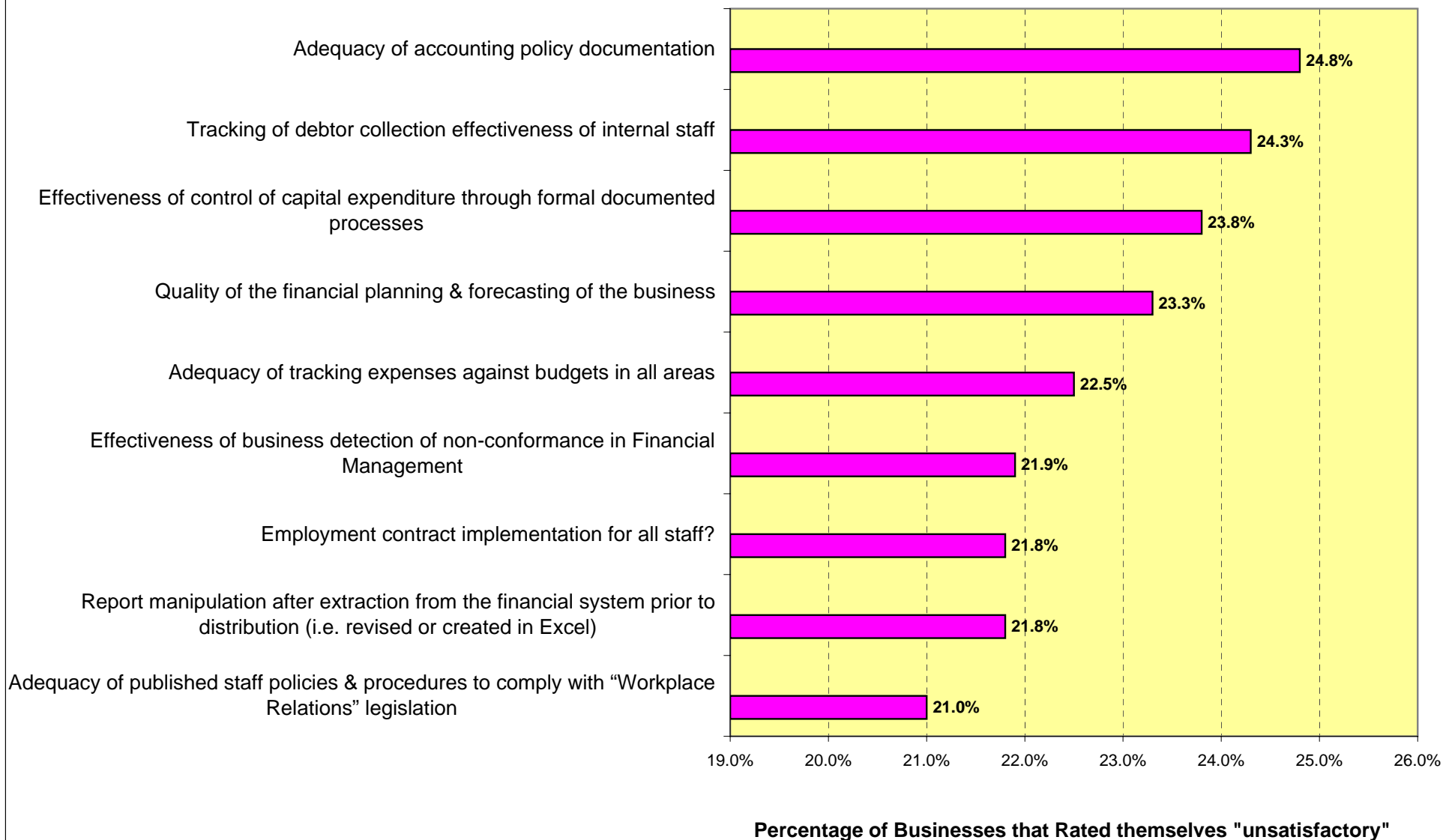
Business validation of interest & fees charged on bank accounts (Q51)

Banks do change fees and interest rates quite frequently and although the amounts appear to be small the collective impact can be significant.

**Figure #1: Primary areas of "unsatisfactory" Financial Management
(As rated by 25% to 43% of businesses)**



**Figure #2: Secondary areas of "unsatisfactory" Financial Management
(As rated by 20% to 25% of businesses)**



**Figure #3: Tertiary areas of "unsatisfactory" Financial Management
(As rated by 15% to 20% of businesses)**

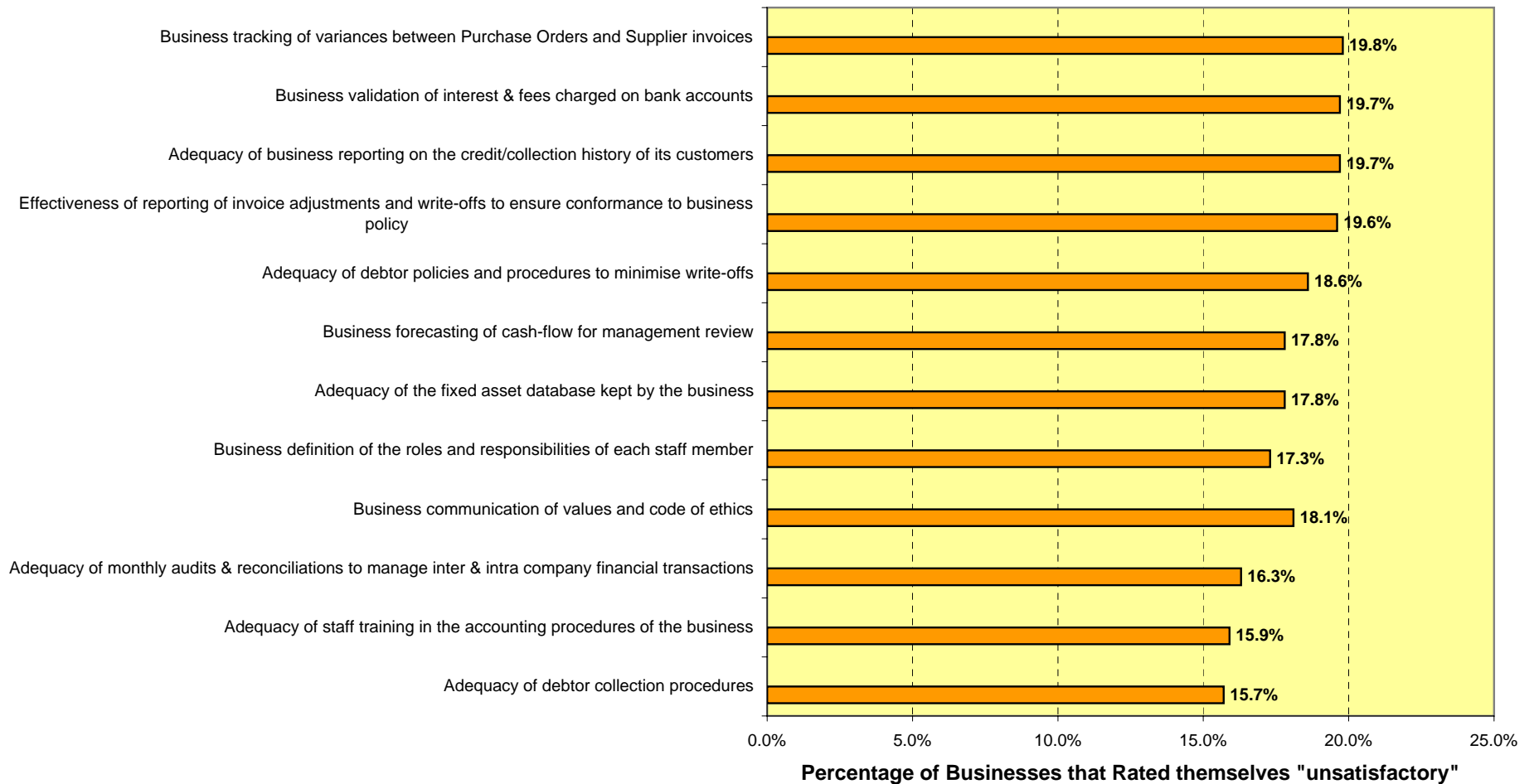
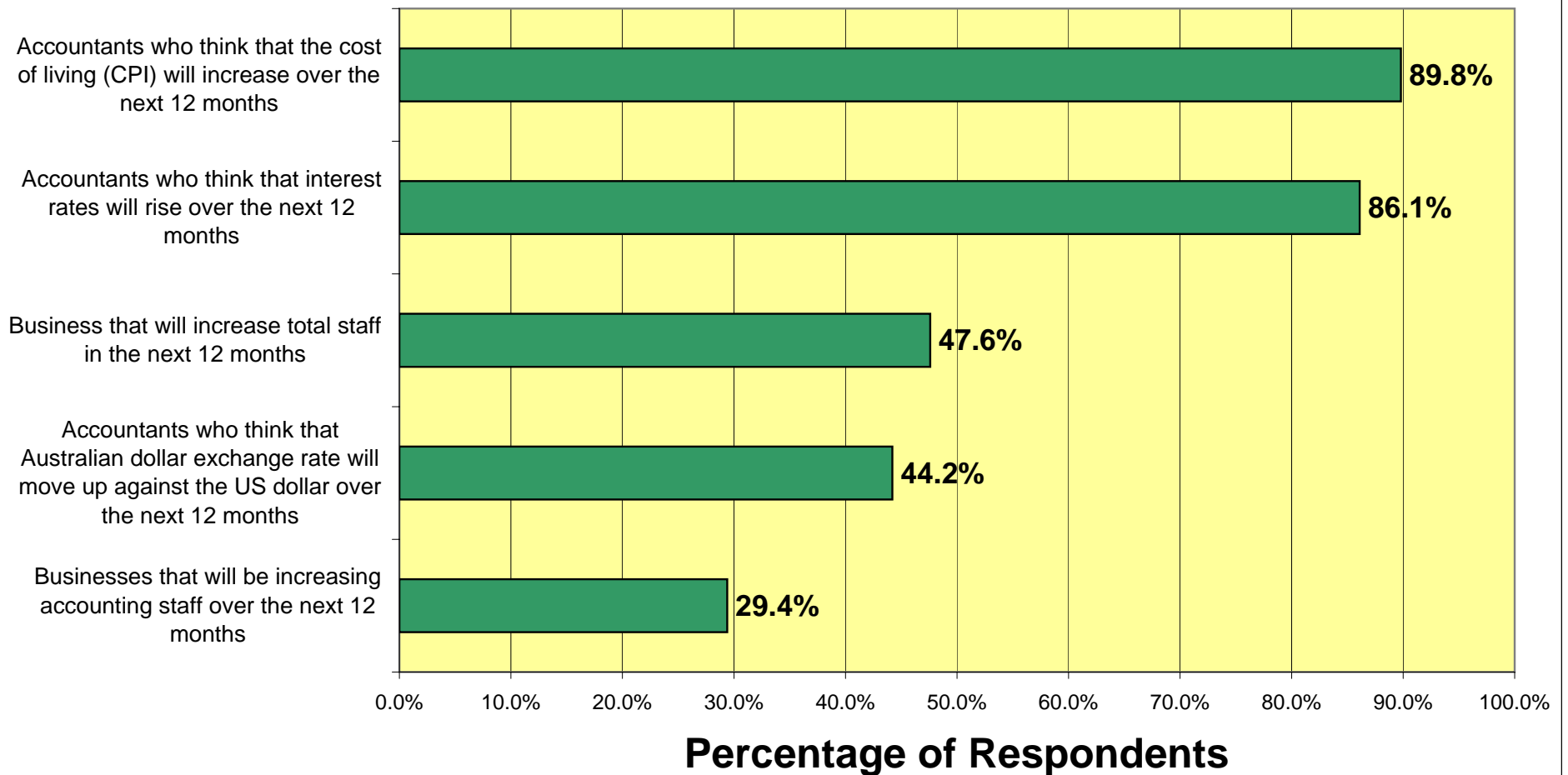


Figure #4: Economic & Employment Indicators



APPENDIX

Consolidated Answers
to each of the individual questions
asked in the
NIA Financial Management Diagnostic

These consolidations form the current performance benchmark for Financial Management in Small/Medium Business in Australia.

Companies should compare their own assessment of their own performance against these National results as an indicator of where they should be focussing on improving the Financial Management within their organisations.



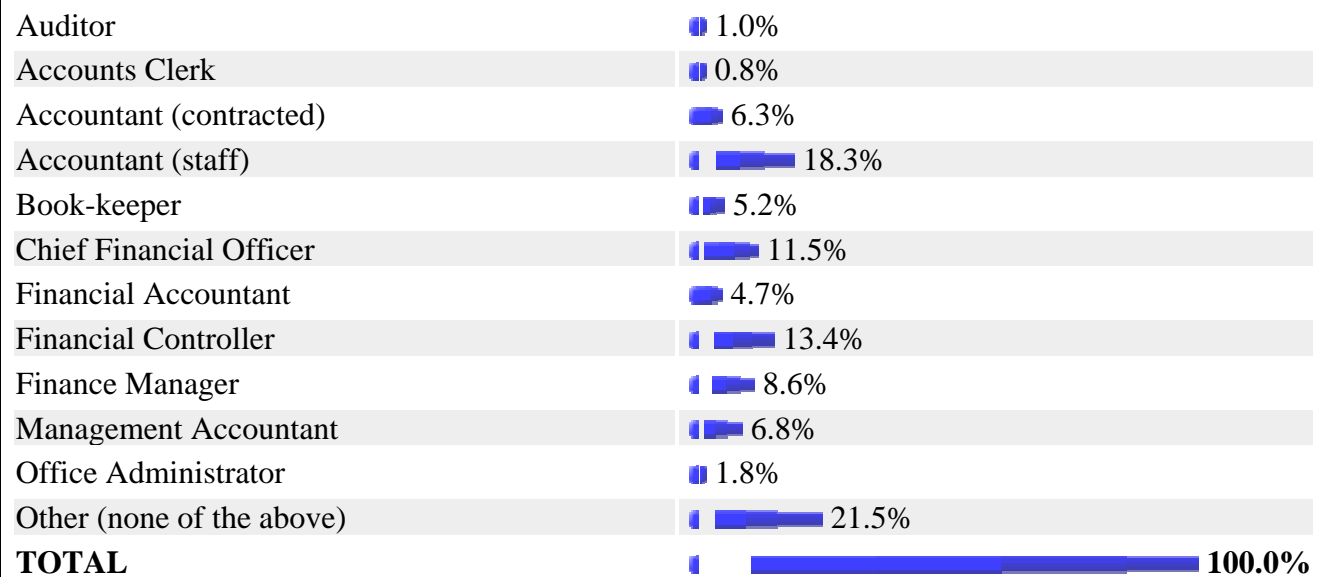
National Financial Management Diagnostic - Consolidated Report

Analysing the effectiveness of the Financial Management of your Business

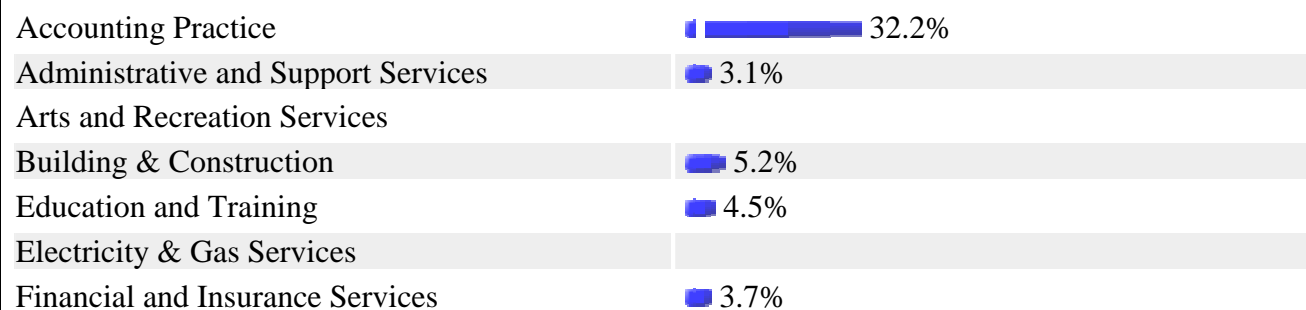
Thank you to all the NIA Members who participated in this Diagnostic. Strict confidentiality will be maintained over all of your responses. Any data submitted or feedback provided on specific organisations will only be provided to the individuals who responded or to nominees approved by the respondent.

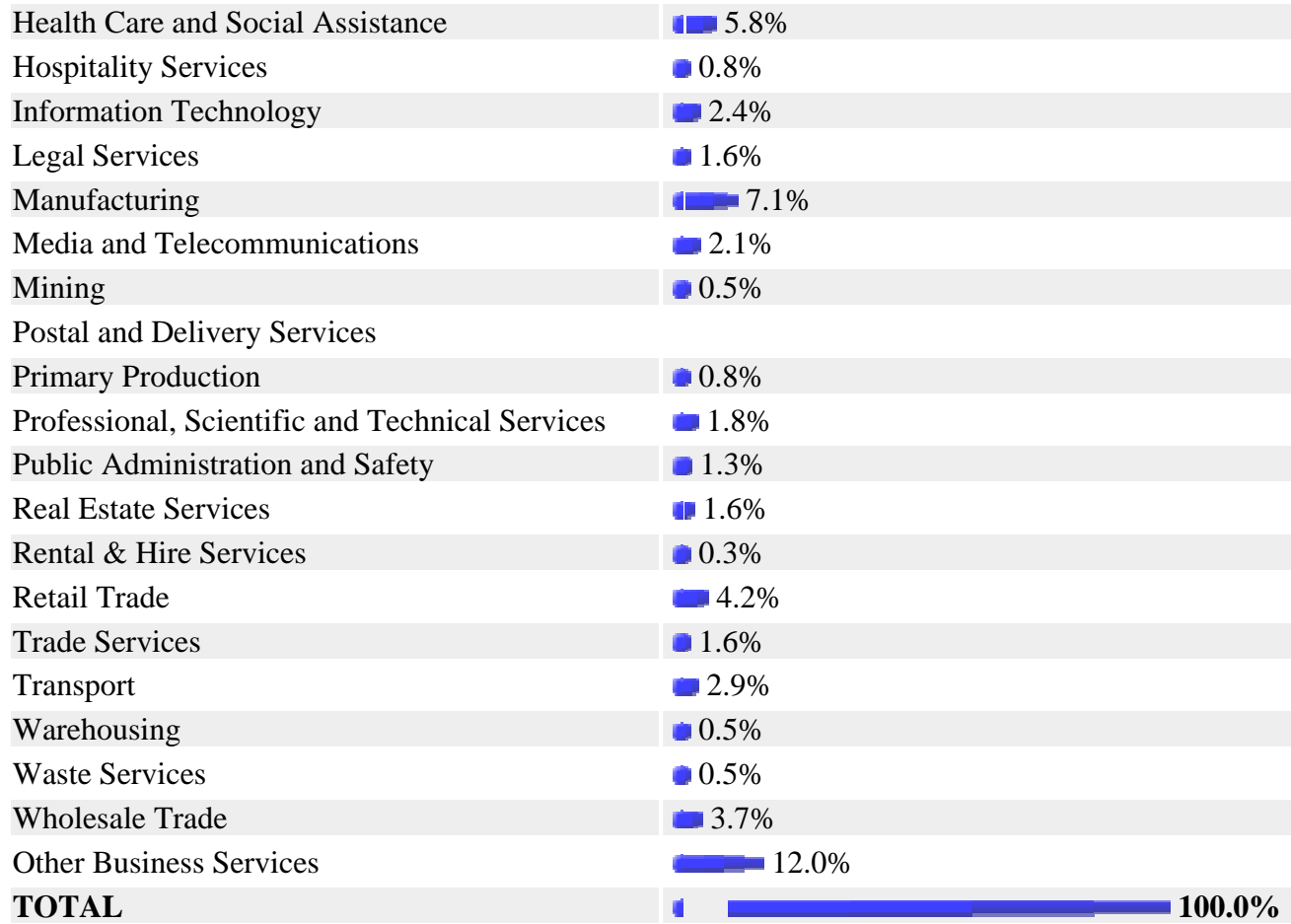
This Consolidated Report is provided FREE of charge to all respondents in appreciation for participation.

Job categories of respondents.



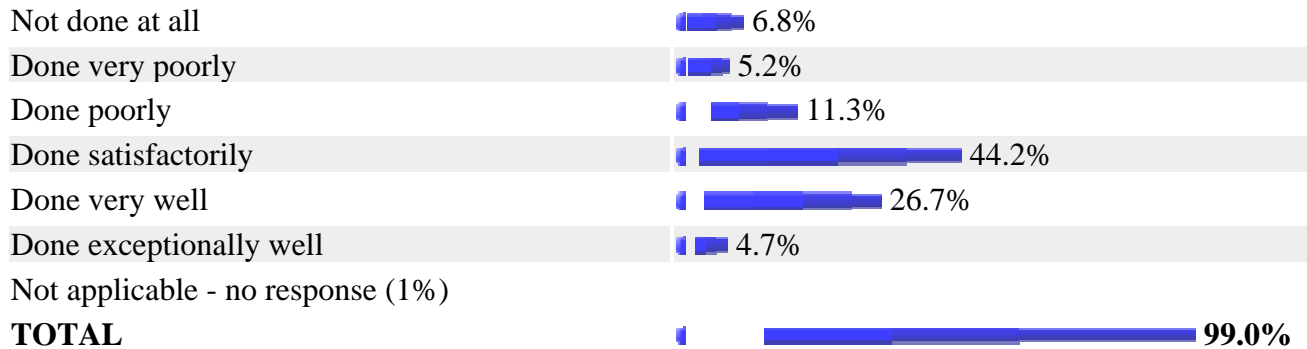
The Industry groups that were covered by the diagnostic.



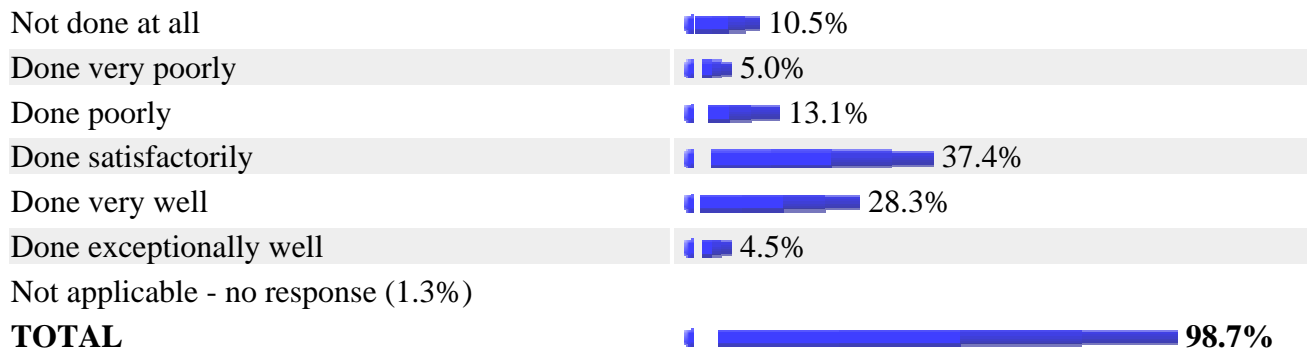


SECTION (1.1) MANAGING OF PLANS, BUDGETS & FORECASTS

7. (1.11) - How would you rate the quality of the financial planning & forecasting of the business?

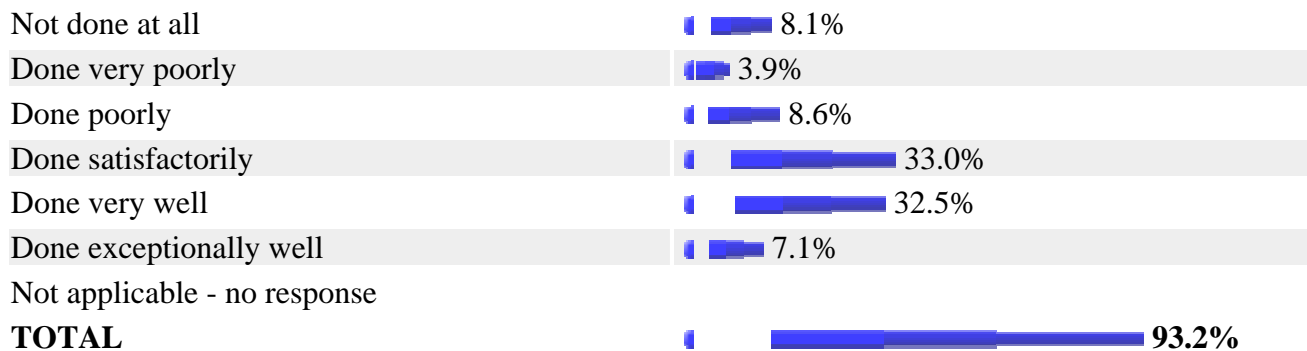


8. (1.12) - How well does the business track & report on cost overruns of actual against budgets?

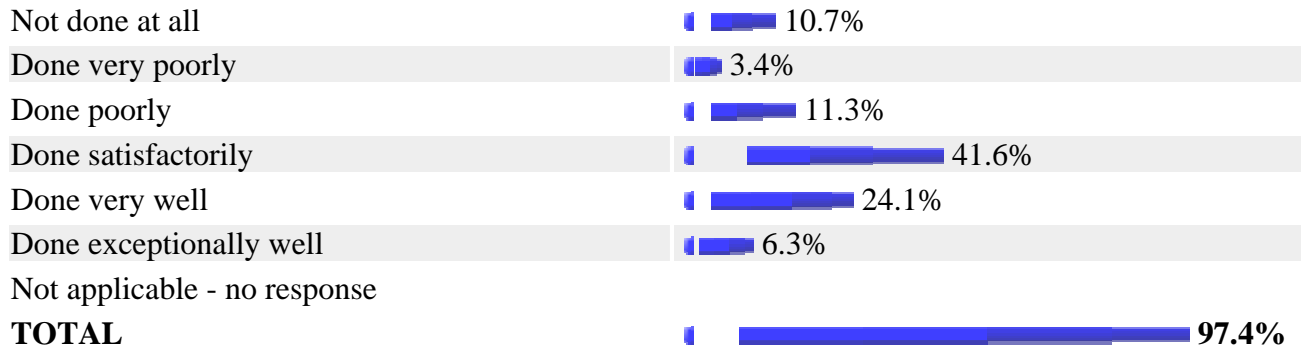


SECTION (1.2) ACCOUNTING & MANAGEMENT OF COSTS

9. (1.22) - How accurately do you think that the business reports on cost of sales?

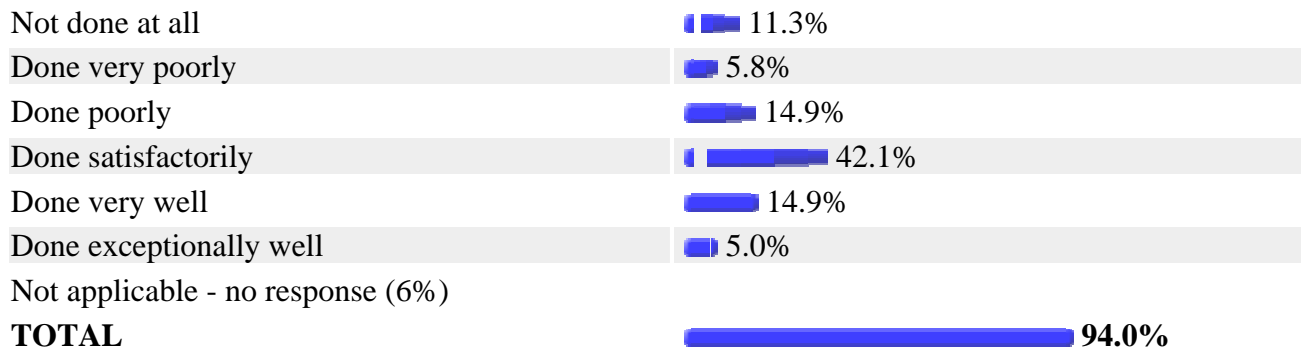


10. (1.23) - In your view, how effectively does the business segment and assess profitability by product and/or service?

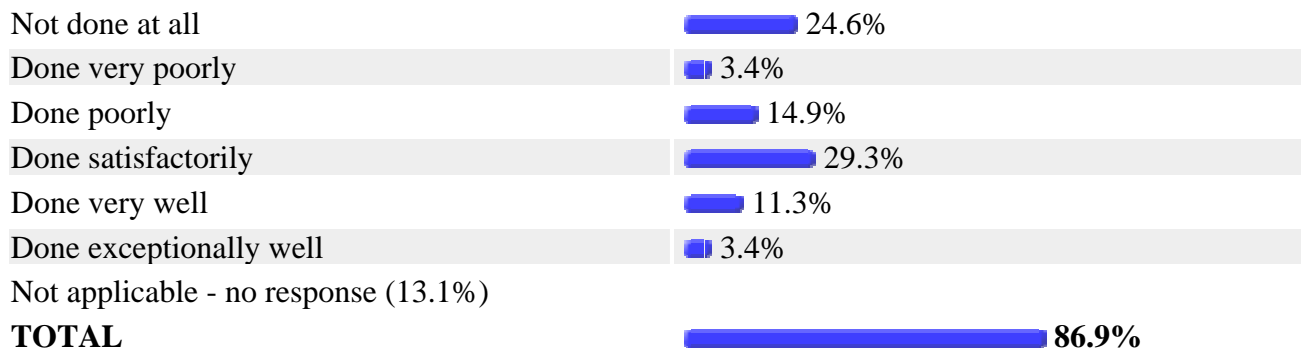


SECTION (1.3) EVALUATION & MANAGEMENT OF PRODUCT PERFORMANCE

11. (1.32) - How rigorous are the business costing projections for new product/service introduction?

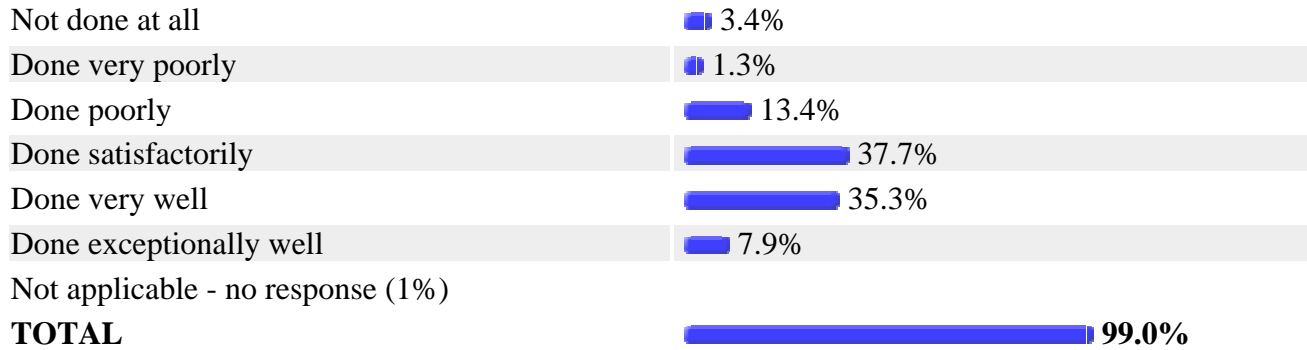


12. (1.33) - To what level does the business track product lifecycle costing and profitability against forecasts?

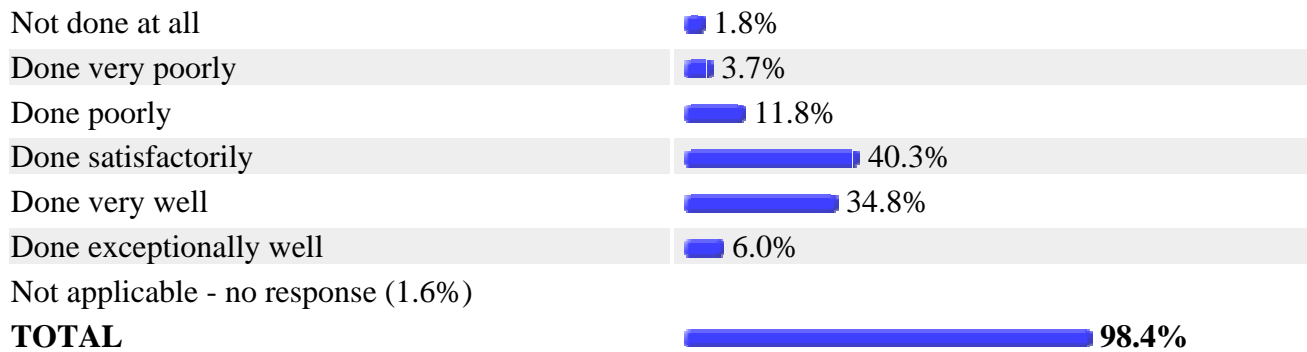


SECTION (1.4) IMPLEMENTATION OF EFFECTIVE INTERNAL CONTROLS & PROCEDURES

13. (1.42) - How well does the business communicate it's values & code of ethics?

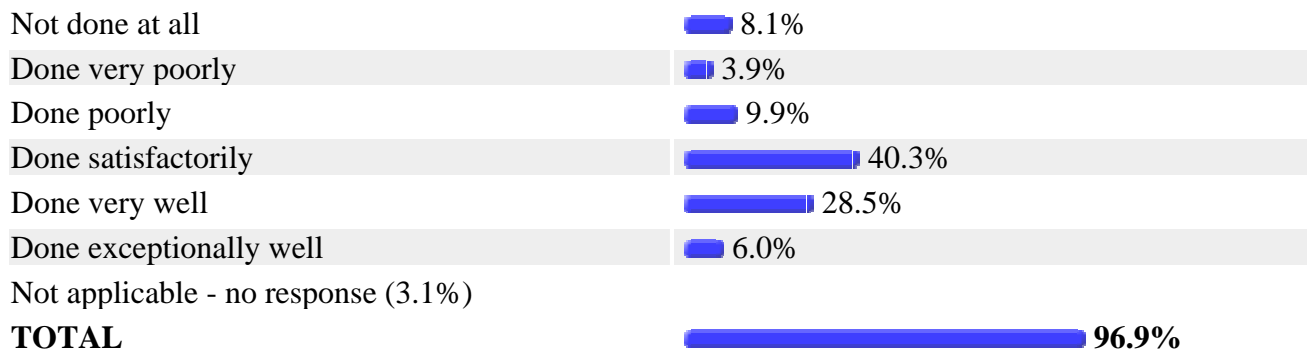


14. (1.43) - To what level does the business define the roles & responsibilities of each staff member?

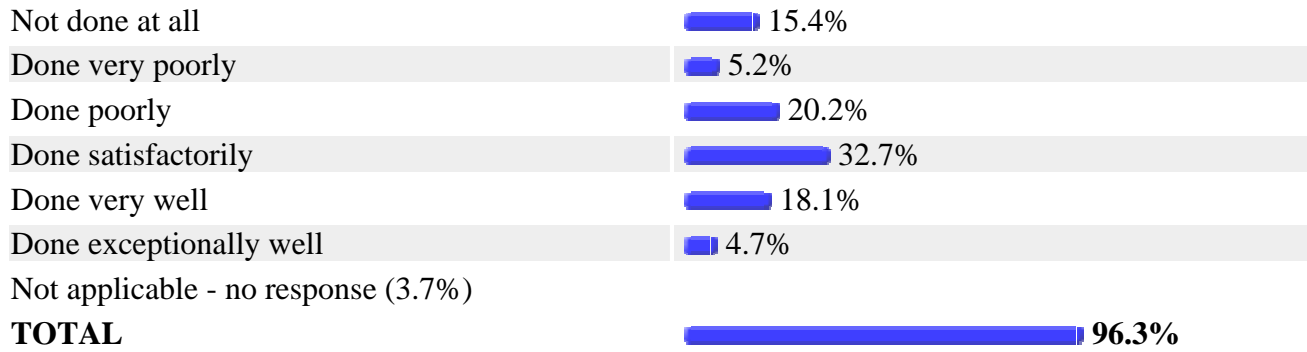


SECTION (1.5) OPERATING & REPORTING TO STANDARDS OF COMPLIANCE

15. (1.52) - How effectively does the business detect non-conformance in Financial Management?

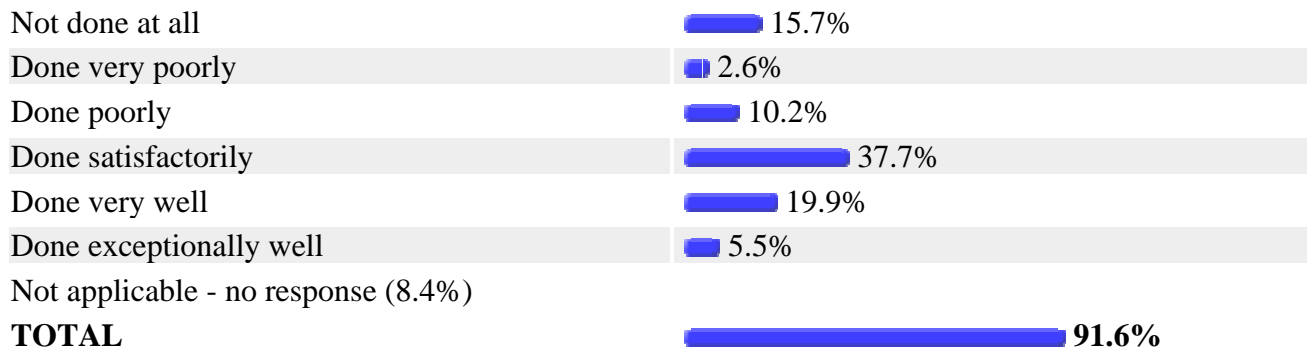


16. (1.53) - How adequately have the key performance indicators (KPI's) of the business been established and measured?

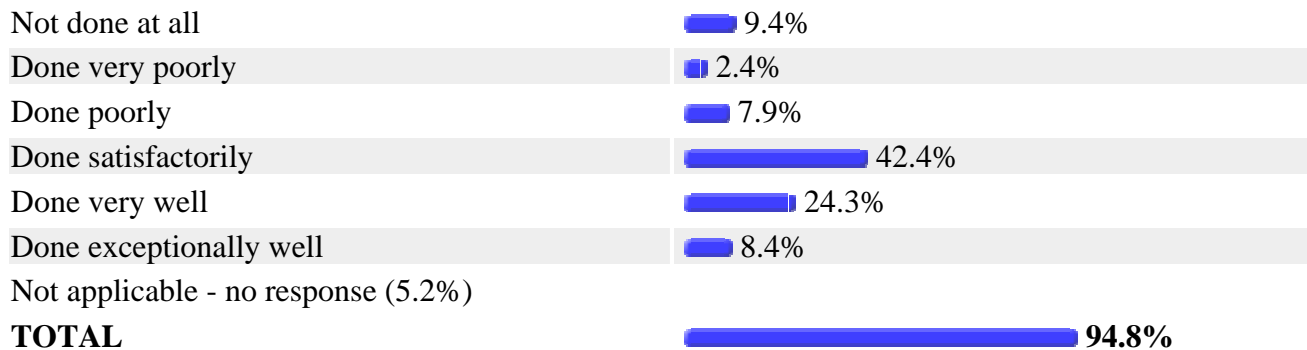


SECTION (2.1) CONTROL OF CUSTOMER CREDIT

17. (2.12) - How adequate are the new account credit approval processes within the business?

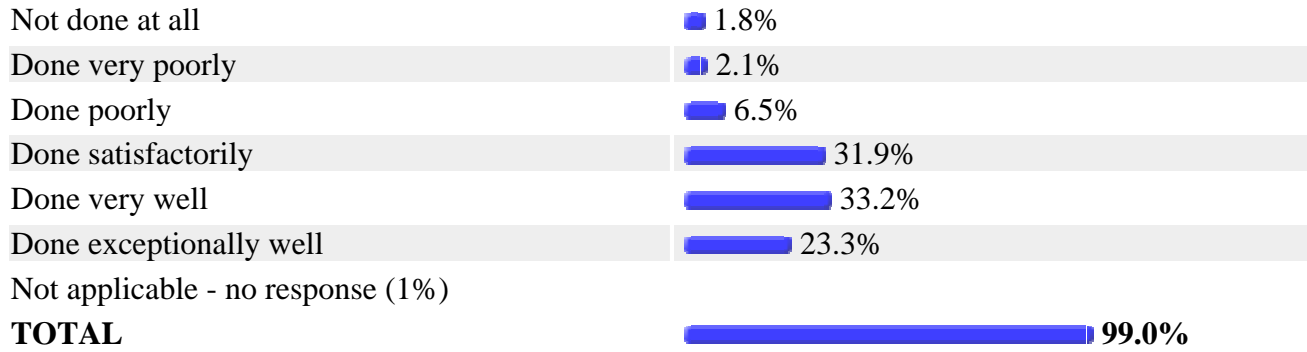


18. (2.14) - How well does the business report on the credit/collection history of its customers?

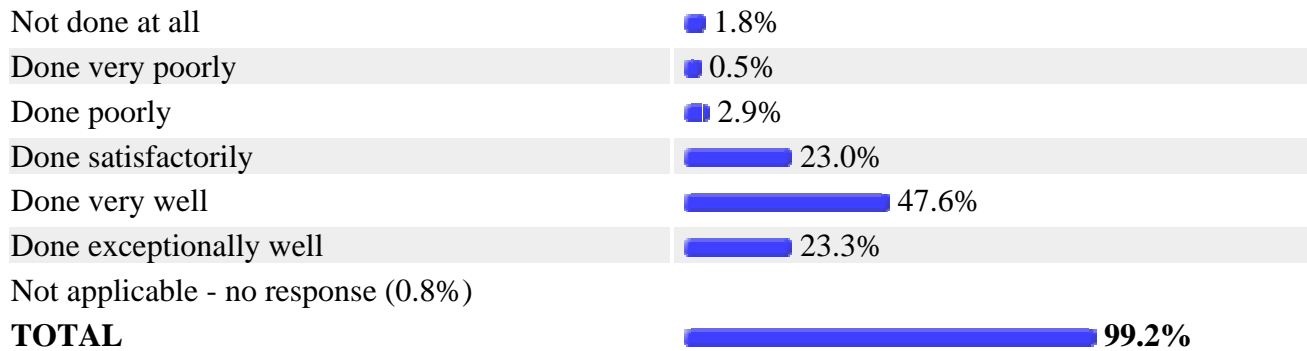


SECTION (2.2) EFFICIENCY OF CUSTOMER INVOICING

19. (2.23) - Do you think that the business invoices their customers as quickly as they possibly could or should?

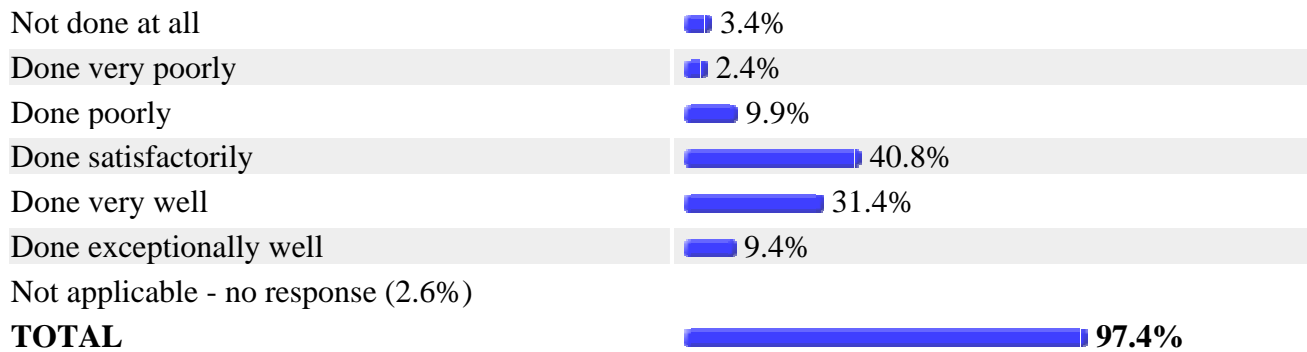


20. (2.24) - How do you rate the accuracy of customer invoices issued by the business?

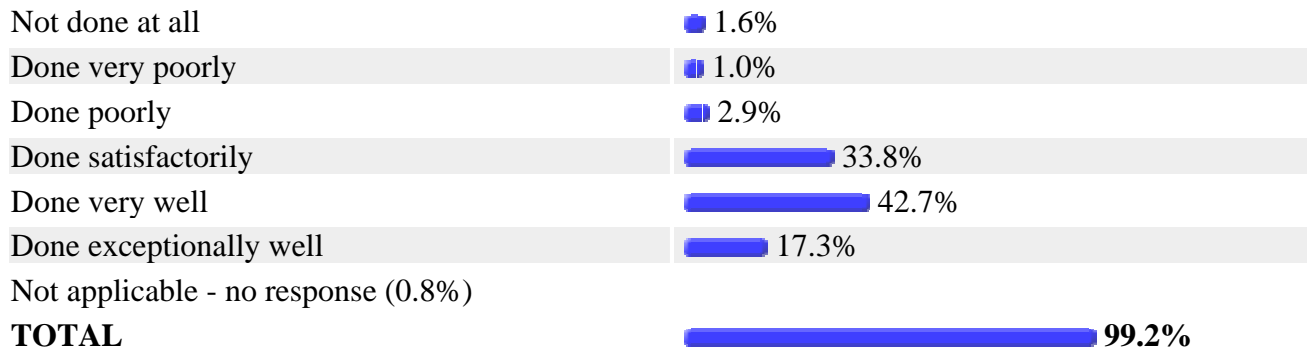


SECTION (2.3) CONTROL OF ACCOUNTS RECEIVABLE

21. (2.31) - Do you think that debtor collection procedures are adequately documented and followed?

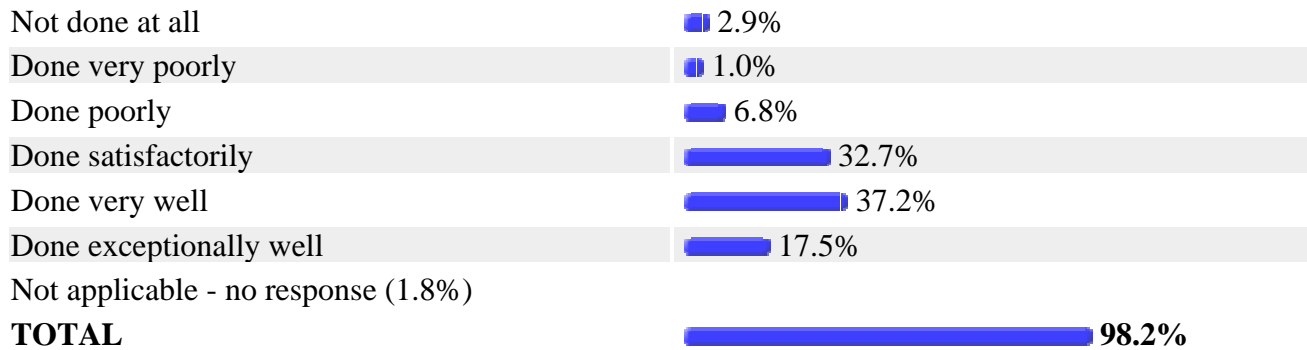


22. (2.32) - Do you think that the business makes it as easy as possible for customers to pay?

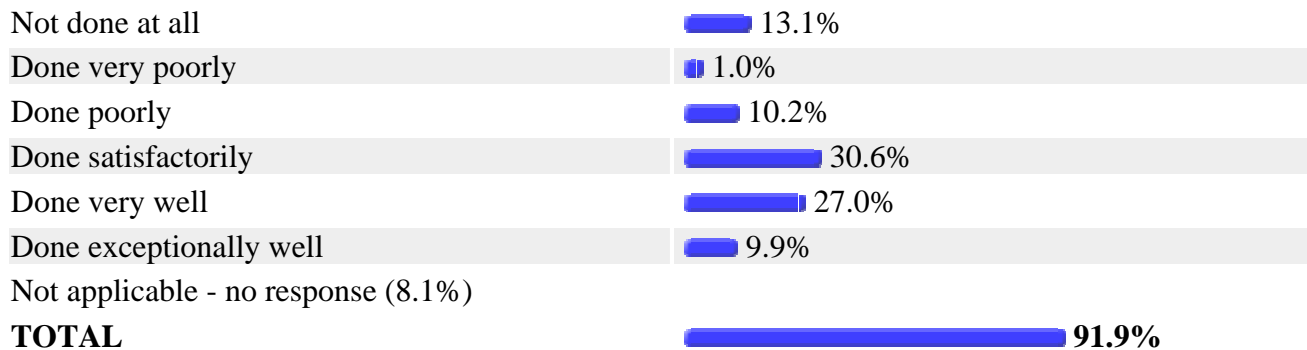


SECTION (2.4) EFFECTIVENESS OF CASH COLLECTION PROCESSES

23. (2.44) - Are existing systems adequate to reconcile overdue invoice balances for follow-up?

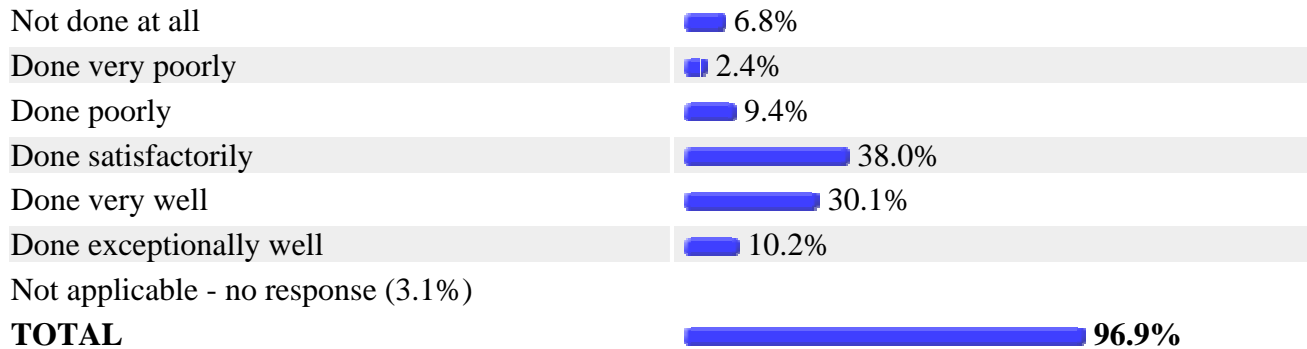


24. (2.45) - To what extent is the business tracking the debtor collection effectiveness of internal staff?

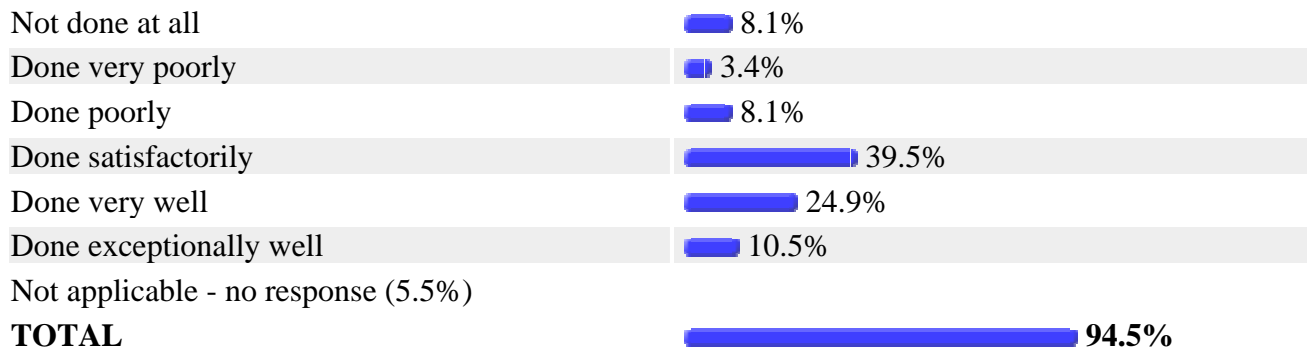


SECTION (2.5) AUDITABLE PROCESS FOR ADJUSTMENTS & WRITE-OFFS

25. (2.51) - To what extent are debtor policies and procedures adequate to minimise write-offs?

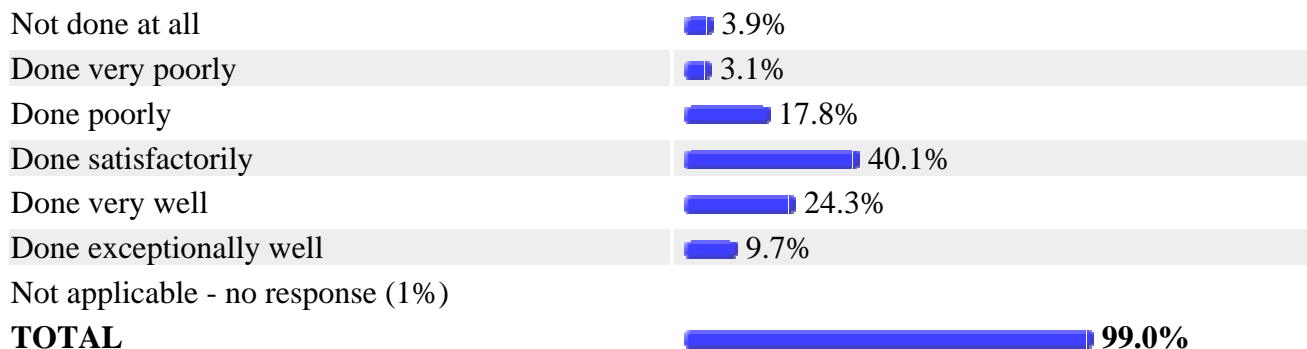


26. (2.52) - How effective is reporting of invoice adjustments and write-offs to ensure conformance to business policy?

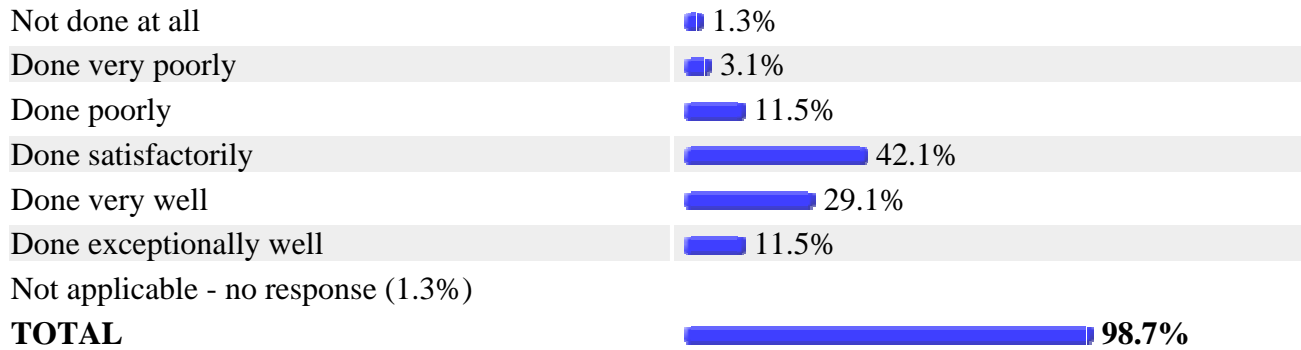


SECTION (3.1) DOCUMENTATION OF POLICIES & PROCEDURE STANDARDS

27. (3.12) - Do you think that the business has adequate accounting policy documentation?

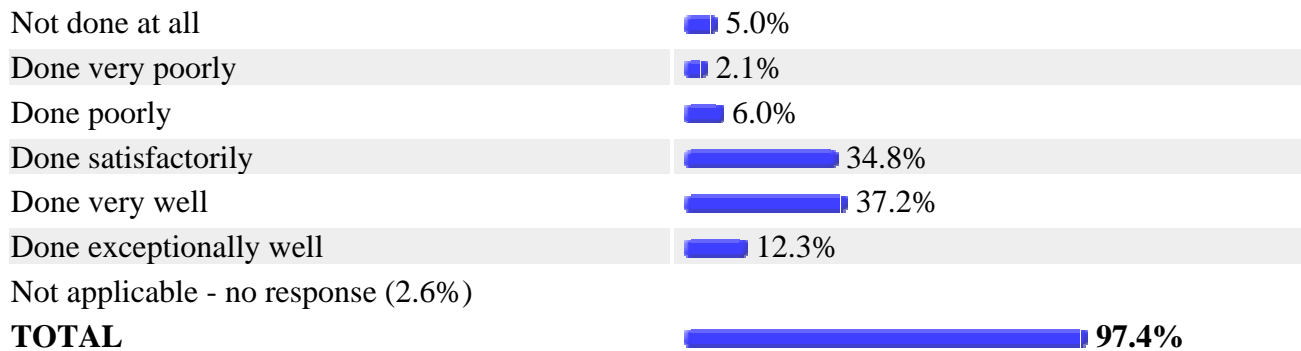


28. (3.15) - In your view are staff adequately trained in the accounting procedures of the business?

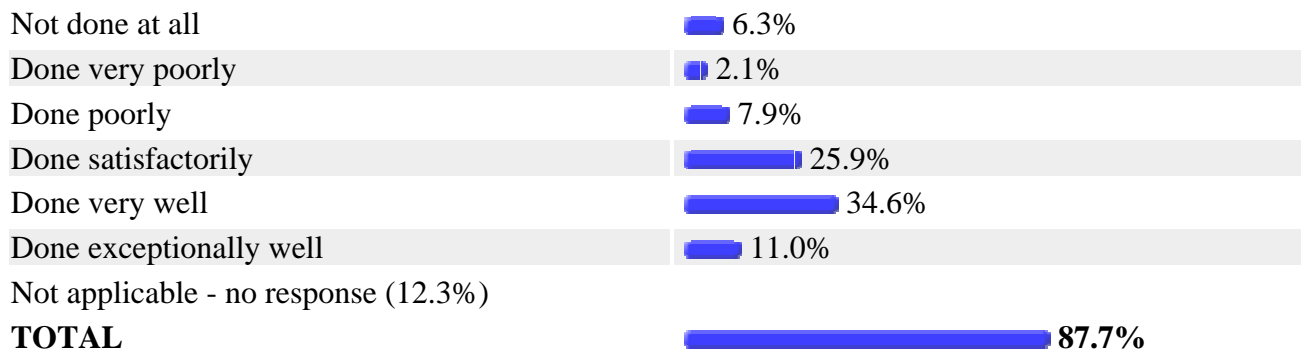


SECTION (3.2) COMPLIANCE TO ACCOUNTING STANDARDS

29. (3.22) - To what degree has the business set up controls on journal entries, expense allocations & management?

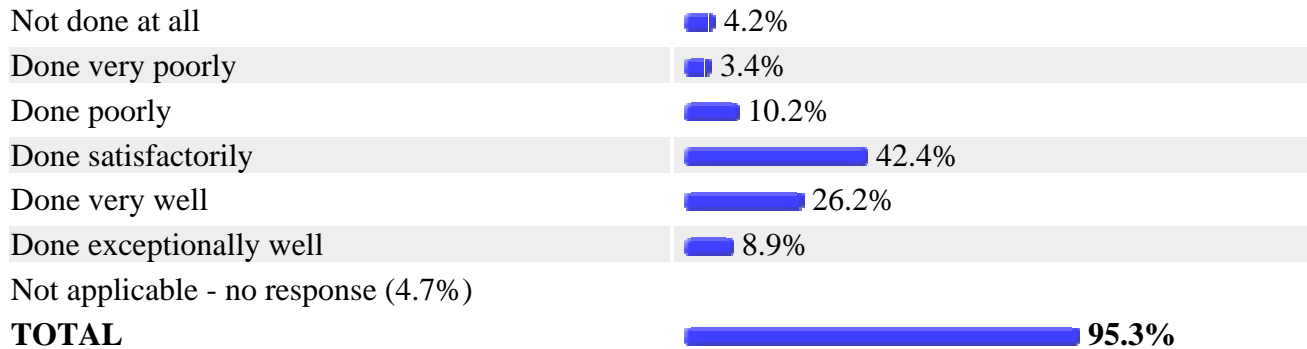


30. (3.23) - How adequate are the monthly audits & reconciliations to manage inter & intra company financial transactions?

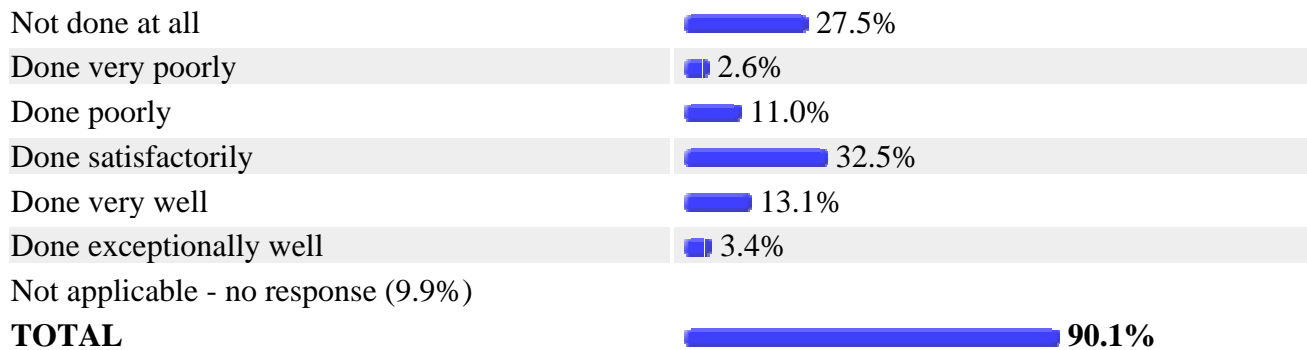


SECTION (3.3) RIGOR OF FIXED ASSET ACCOUNTING

31. (3.31) - How would you rate the adequacy of the fixed asset database kept by the business?

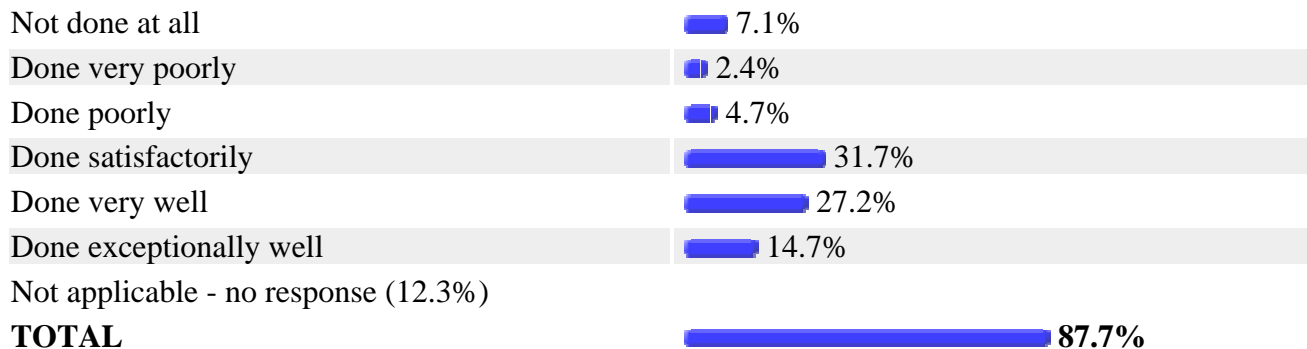


32. (3.34) - Does the business regularly revalue assets and is this value accurately reflected in the Balance Sheet?

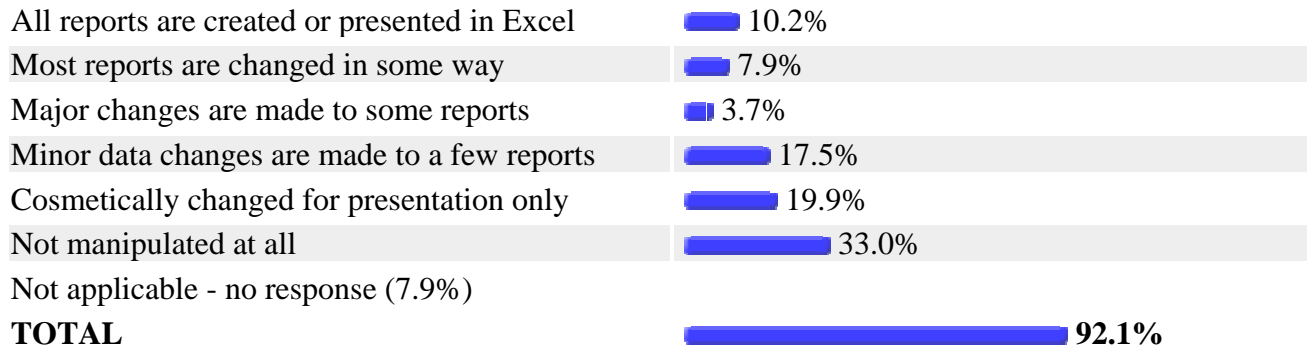


SECTION (3.4) ADEQUACY OF FINANCIAL REPORTING

33. (3.42) - Do you think that Directors have all the necessary management reports fully disclosed to them prior to Board meetings?

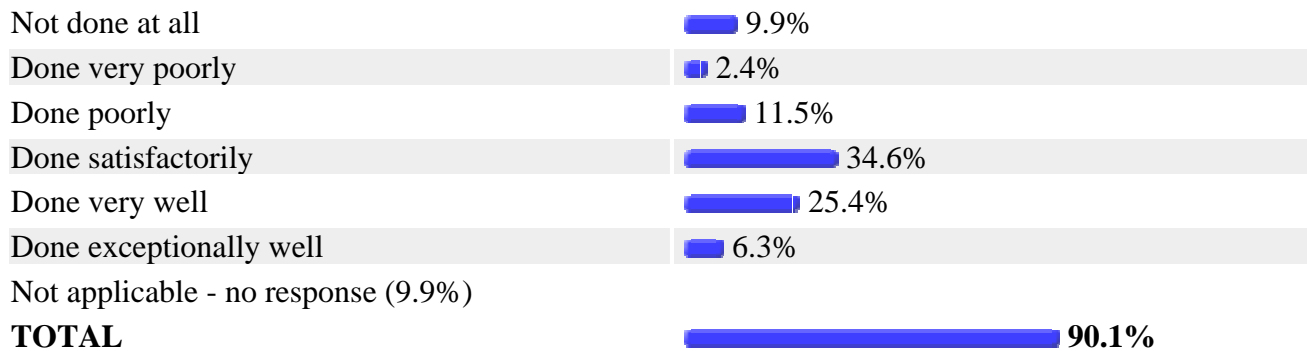


34. (3.43) - To what degree are reports from the financial system further manipulated or changed prior to distribution (i.e. revised in Excel)?

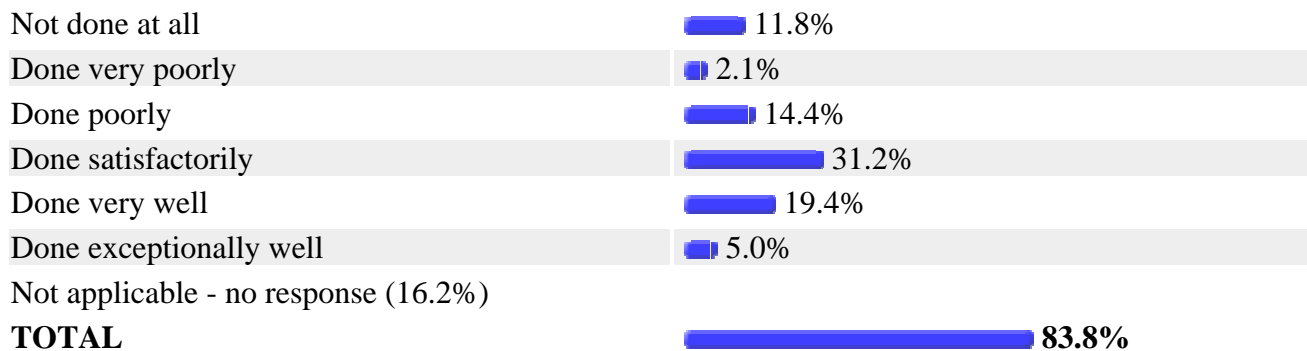


SECTION (3.5) MANagements of Assets & Projects

35. (3.51) - How effective is the control of capital expenditure through formal documented processes?

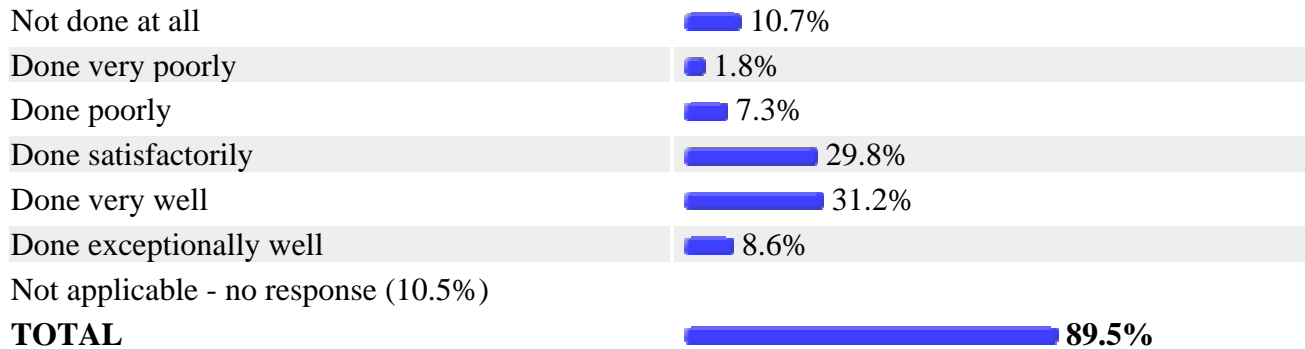


36. (3.54) - Do you think that project reporting is adequate to track performance and costs against budgets?

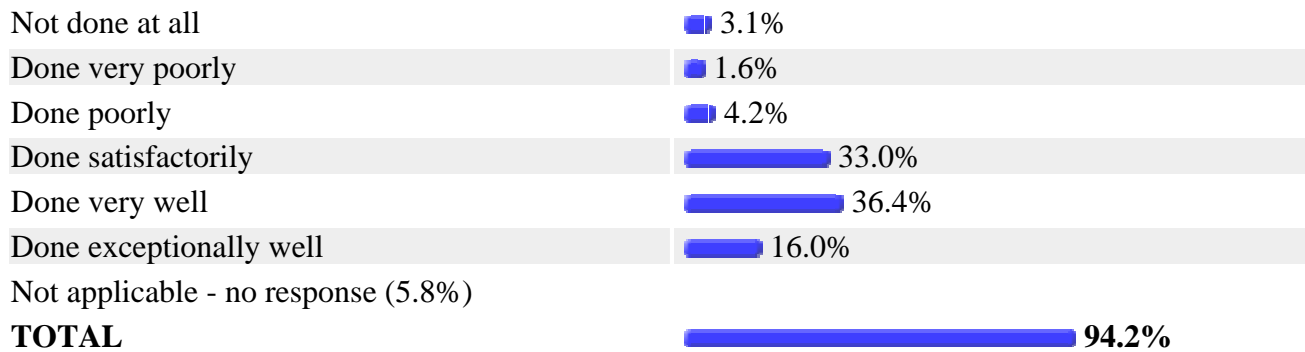


SECTION (4.1) MANAGING SUPPLIERS & CREDITORS

37. (4.11) - To what extent does the business track variances between Purchase Orders and Supplier invoices?

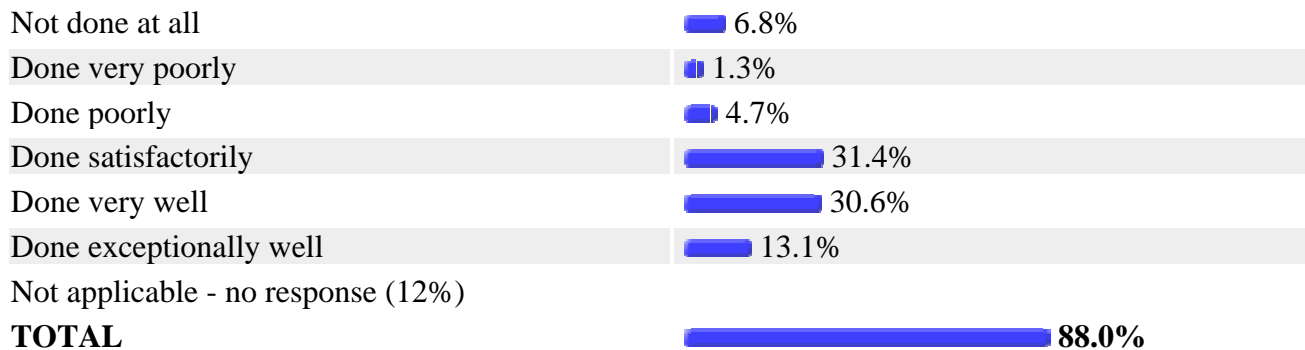


38. (4.12) - How thorough is the process of approving supplier invoices for payment?

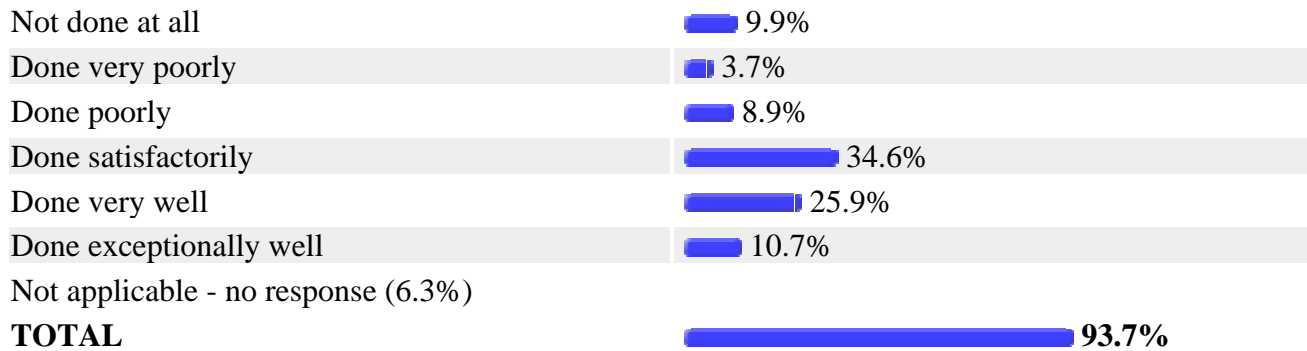


SECTION (4.2) MANAGING BUSINESS EXPENSES

39. (4.21) - How well do the business policies control staff approval limits?

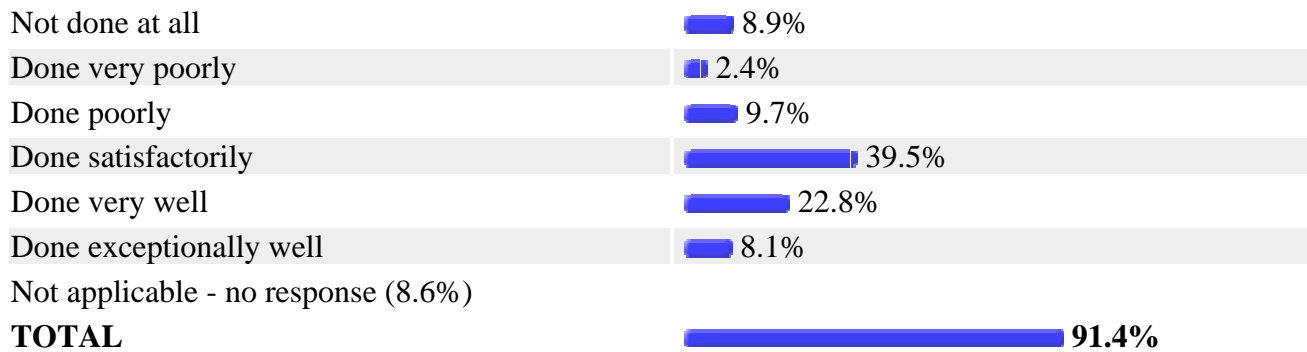


40. (4.25) - Does the business adequately track expenses against budgets in all areas?

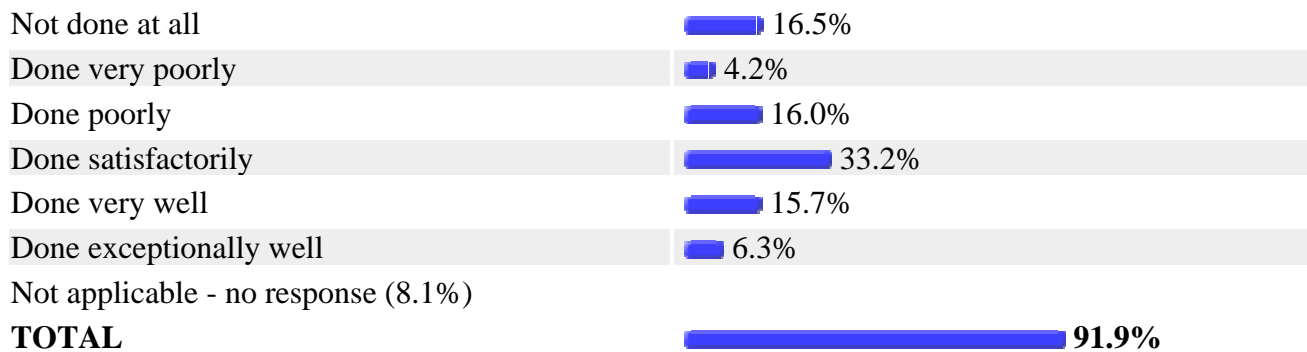


SECTION (4.3) MANAGING STAFF TIME & PERFORMANCE

41. (4.31) - Are published staff policies & procedures adequate to comply with “Workplace Relations” legislation?

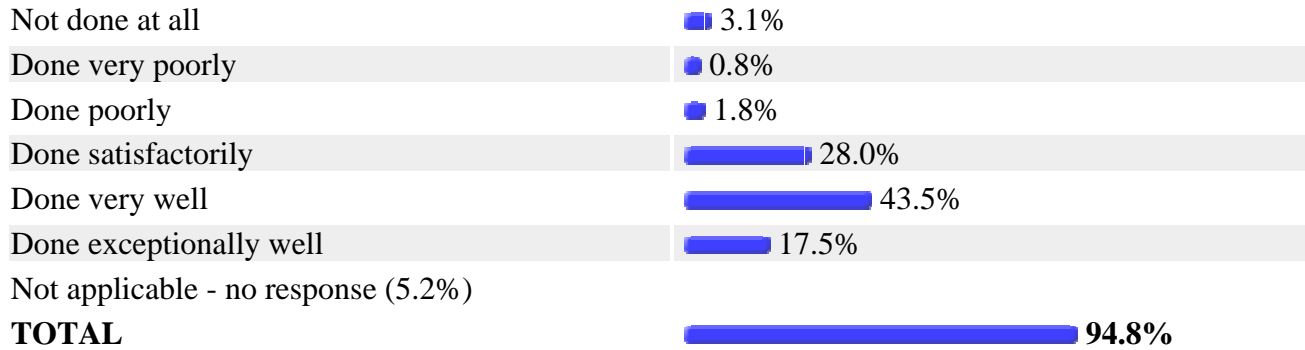


42. (4.35) - How effectively do you think the business tracks and reports on the personal productivity of accounting/office staff?

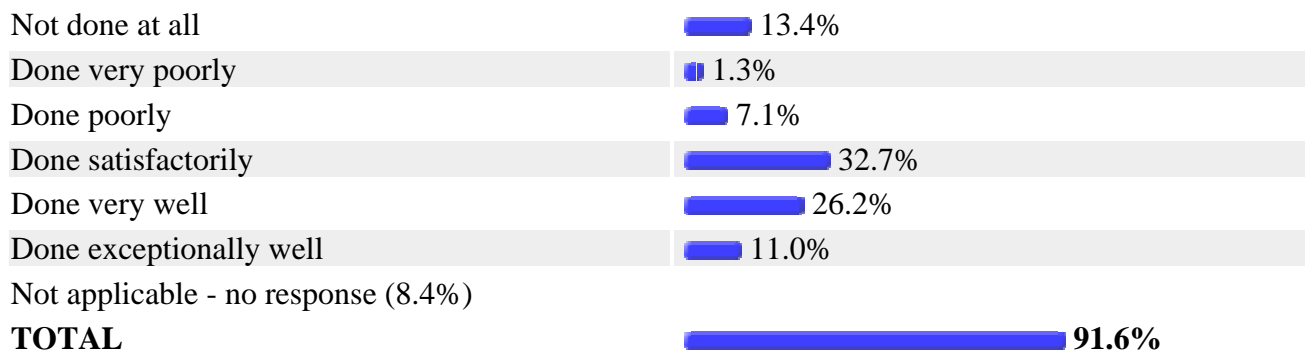


SECTION (4.4) MANAGING PAYROLL & SALARY ADMINISTRATION

43. (4.41) - How efficiently and accurately do you think that employee data is entered into the payroll system?

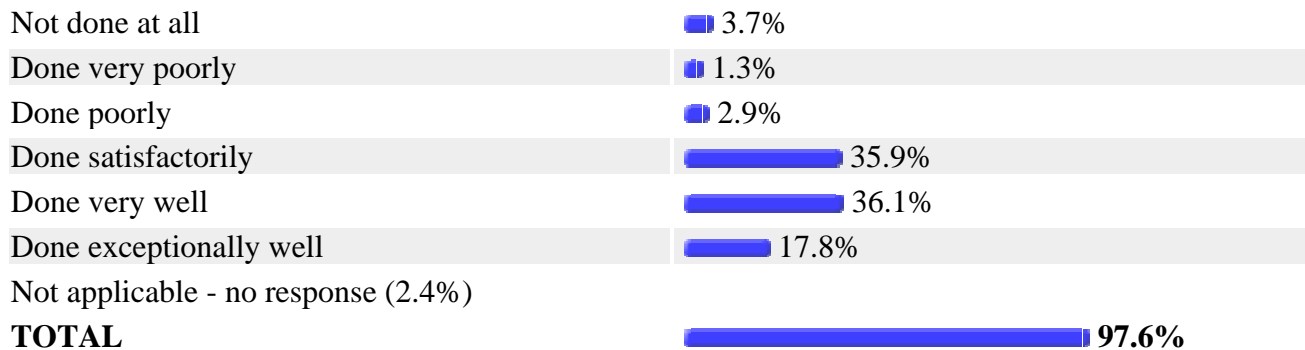


44. (4.42) - How strictly are employment contracts implemented for all staff?

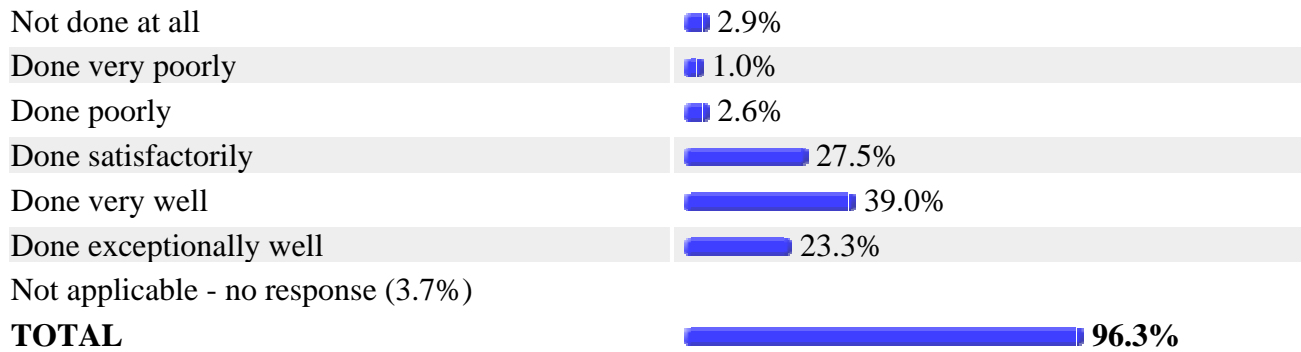


SECTION (4.5) PROCESSING TAX PAYMENTS

45. (4.51) - How adequate are the policies and procedures for taxation documented by the business?

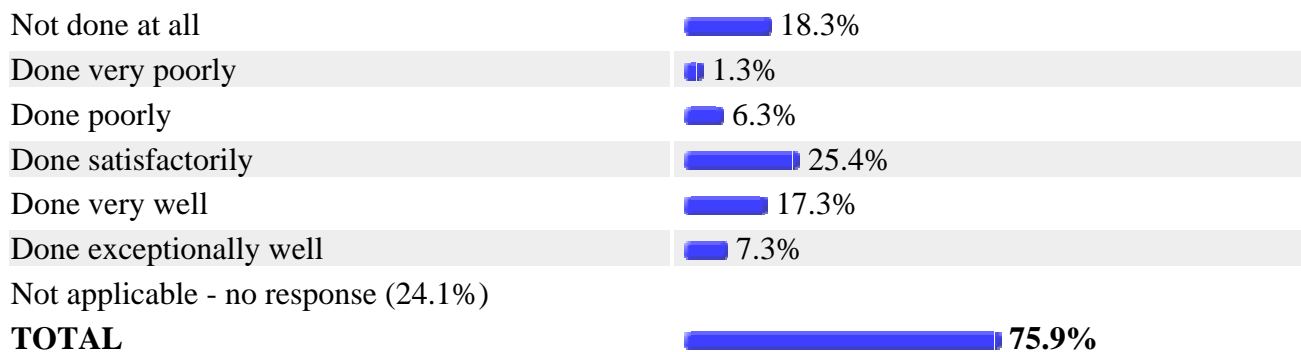


46. (4.14) - How well does the business utilise the general ledger to directly manage GST?

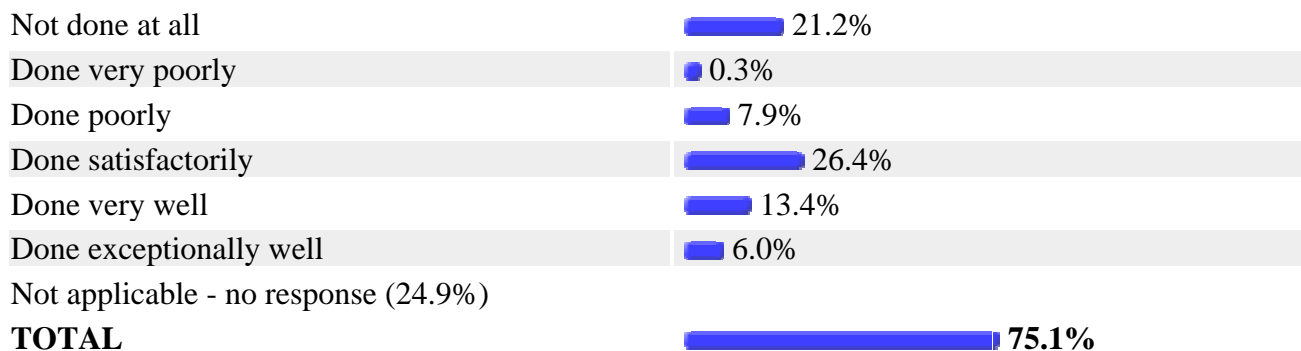


SECTION (5.1) TREASURY POLICY & PROCEDURE STANDARDS

47. (5.11) - How adequately documented are the procedures for governance of treasury operations?

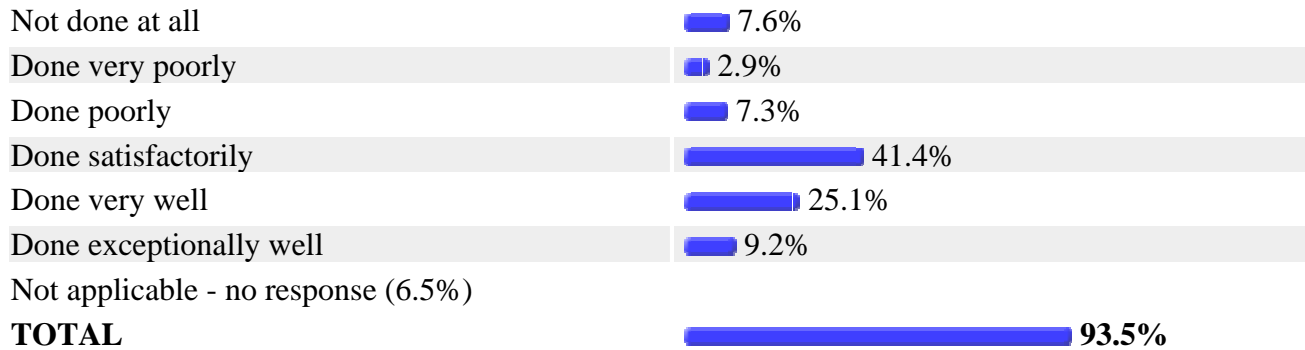


48. (5.13) - How rigorous is the reporting of “non-compliance to standards” notified to the Board & Management?

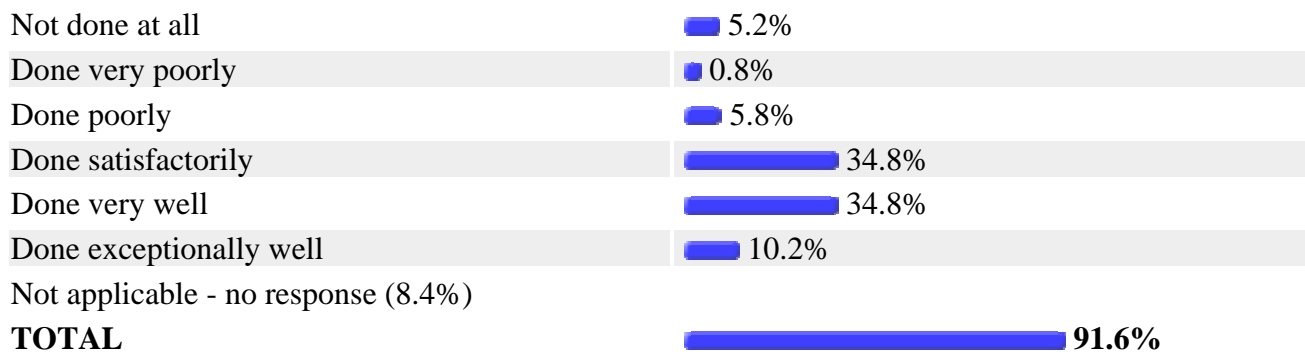


SECTION (5.2) MANAGING CASH

49. (5.23) - How well does the business forecast cash-flow for management review?

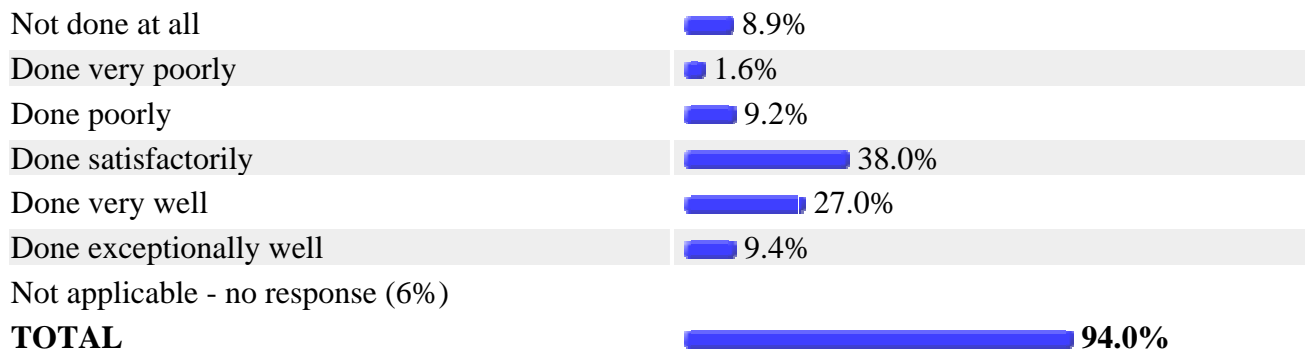


50. (5.24) - To what level does the business proactively manage & oversee banking relationships?

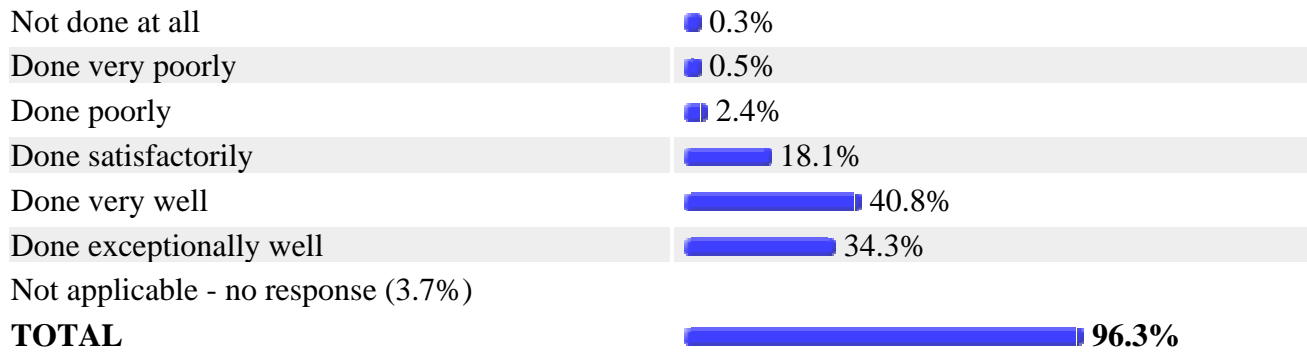


SECTION (5.3) MANAGE BUSINESS BANK ACCOUNTS

51. (5.33) - To what degree does the business validate interest & fees charged on bank accounts?

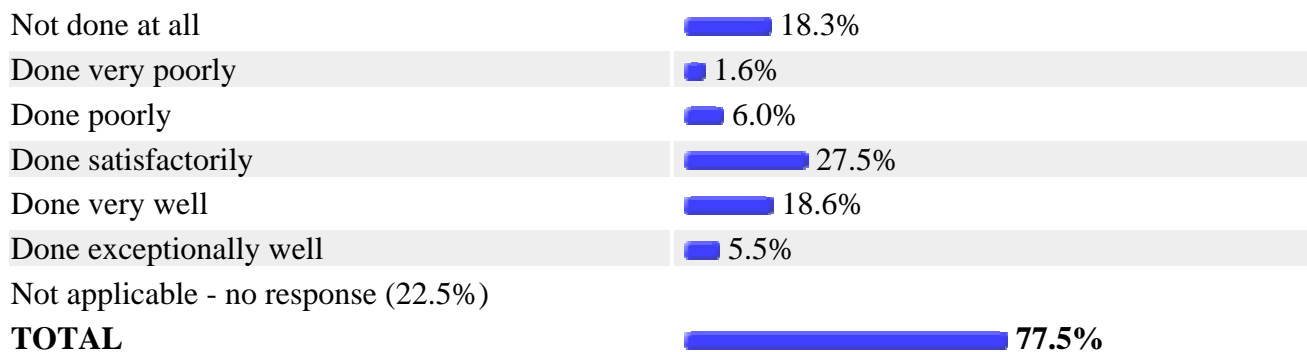


52. (5.35) - How thoroughly are bank accounts reconciled and reported to management?

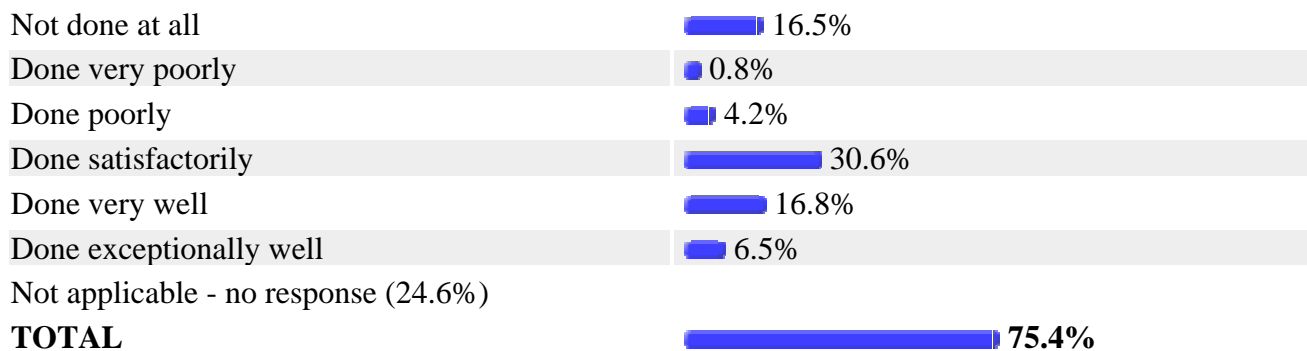


SECTION (5.4) MANAGING DEBT & INVESTMENTS

53. (5.41) - How well documented are the guidelines for managing financial intermediary relationships?

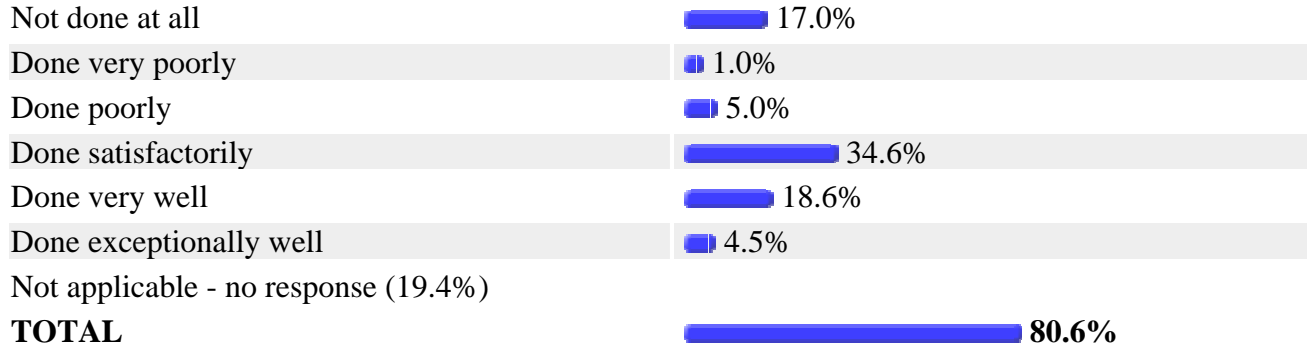


54. (5.44) - How well does the business report on debt and investment anomalies?

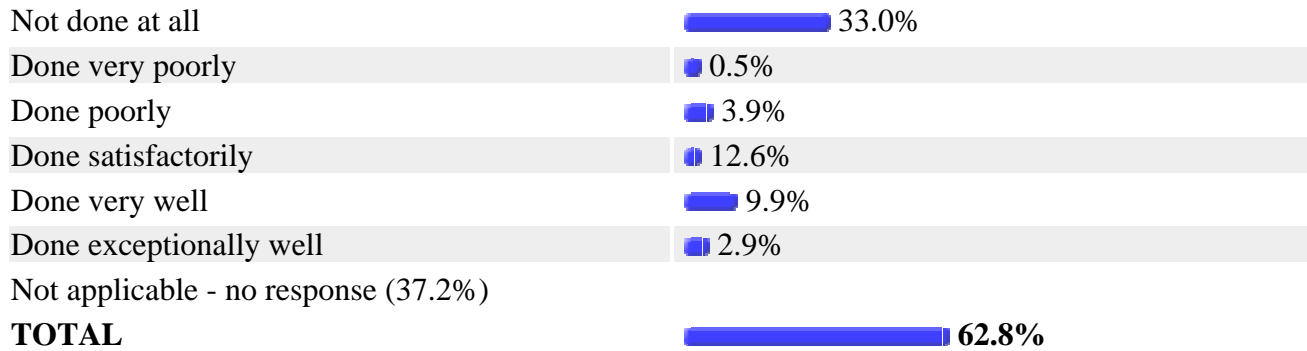


SECTION (5.5) ... MANAGING FINANCIAL RISK

55. (5.51) - How effectively does the business manage its interest rate risk?

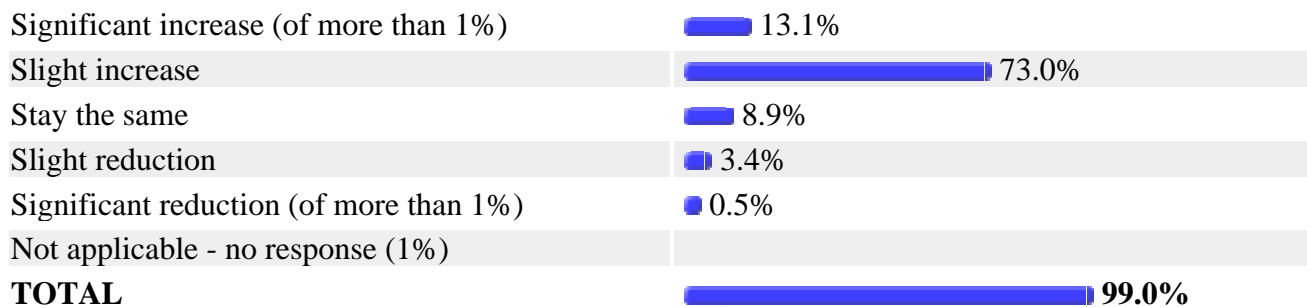


56. (5.52) - How effectively does the business manage its foreign exchange risk?

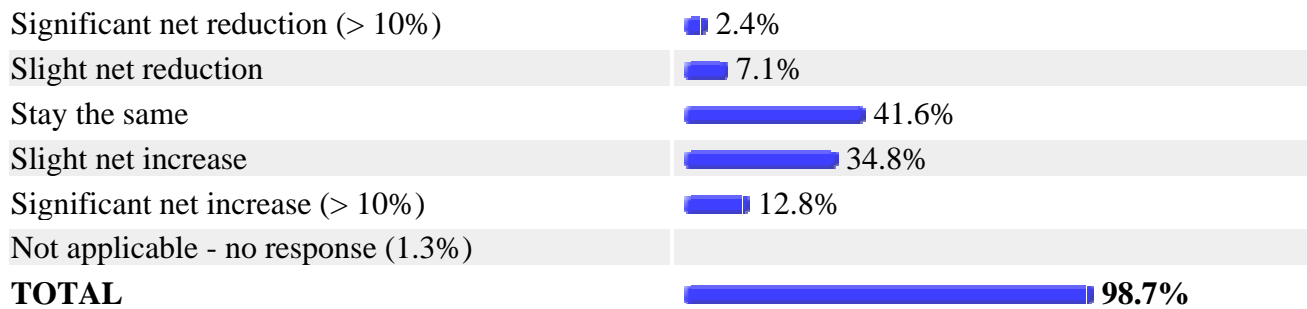


SECTION (6.1) ... ECONOMIC & EMPLOYMENT INDICATORS

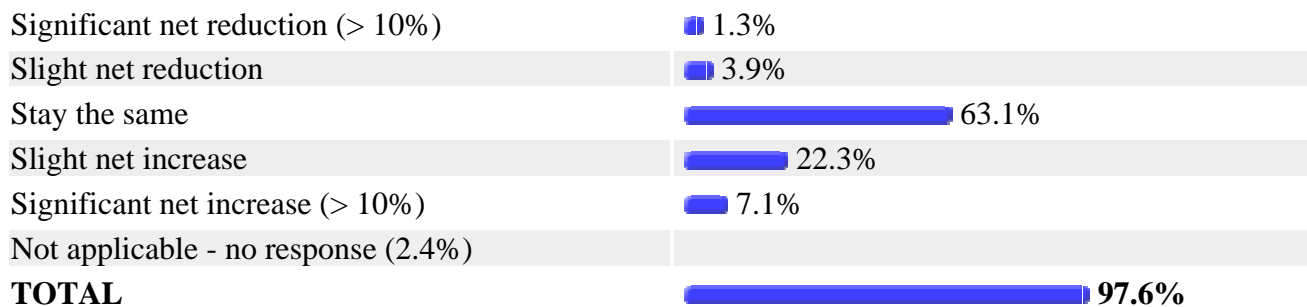
57. (6.11) - Over the next 12 months how do you think that interest rates will change?



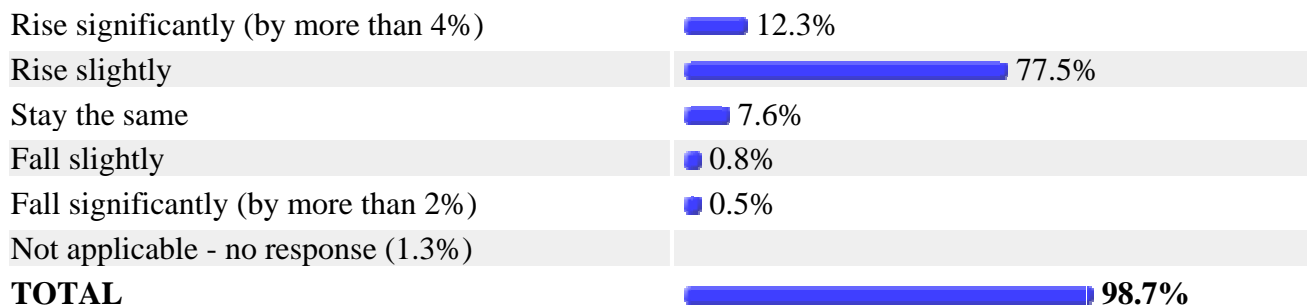
58. (6.12) - To what extent do you think that your business will increase total staff in the next 12 months?



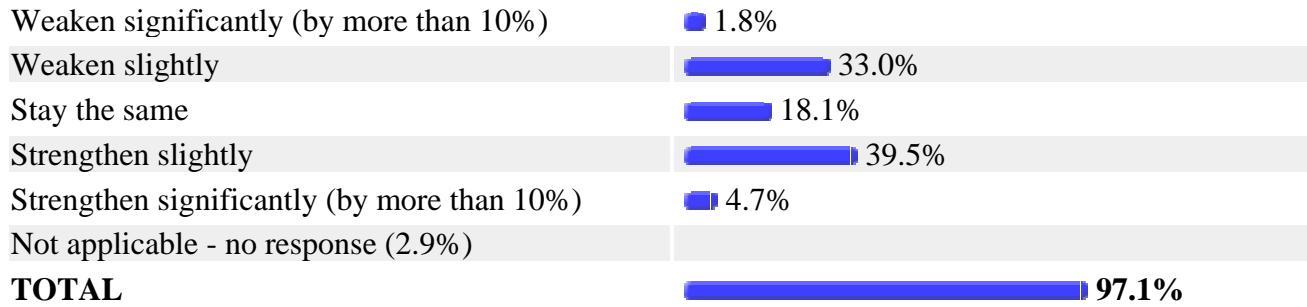
59. (6.13) - To what extent do you think that your business will increase accounting staff over the next 12 months?



60. (6.14) - To what extent do you think that the cost of living (CPI) will change over the next 12 months?



61. (6.15) - To what extent do you think that the Australian dollar exchange rate will trend against the US dollar over the next 12 months?



ATTACHMENT #6

The Analysis & Consultation Component

This component illustrates the standard analysis that can be performed by the TMP tools using the data collected in the Diagnostic Database:

- A Personalised Report of Findings for each Respondent; and
- The final page is an optional cross-tabulation analysis that can be provided to provide a greater level of insight into where improvements need to be made.



AUSTRALIAN NATIONAL FINANCIAL MANAGEMENT DIAGNOSTIC

PERSONALISED REPORT OF FINDINGS

Respondent 103

Richard Burley

OCTOBER 2007 SURVEY

Executive Summary

This personalised report is only available to those NIA Members who provided their input by participating in the NIA Financial Management Diagnostic conducted in October 2007.

Working with The Management Practice (a Business Improvement company based in Sydney), the National Institute of Accountants sought input from its Members to establish and measure the “general health” of Financial Management in Member companies and then across small/medium businesses in Australia.

Responses were received from 700 Member businesses and the results have been stored for the NIA in a confidential database and analysed for trends for the following objectives:

1. To provide NIA Members with an objective assessment of the Financial Management of their own business, and
2. To therefore lead to a better focus by the NIA on the support and services needs of their Members.

This personalised report is an analysis of the answers given by you (the respondent) to the diagnostic with various comparisons to a consolidation of the answers to every question given by the entire market sample.

This personalised report (with the unique respondent Company data results) has been purchased by the responding NIA Member following a free 20-minute telephone consultation and discussion provided to all Members by The Management Practice in gratitude for the Member’s participation in the Diagnostic.

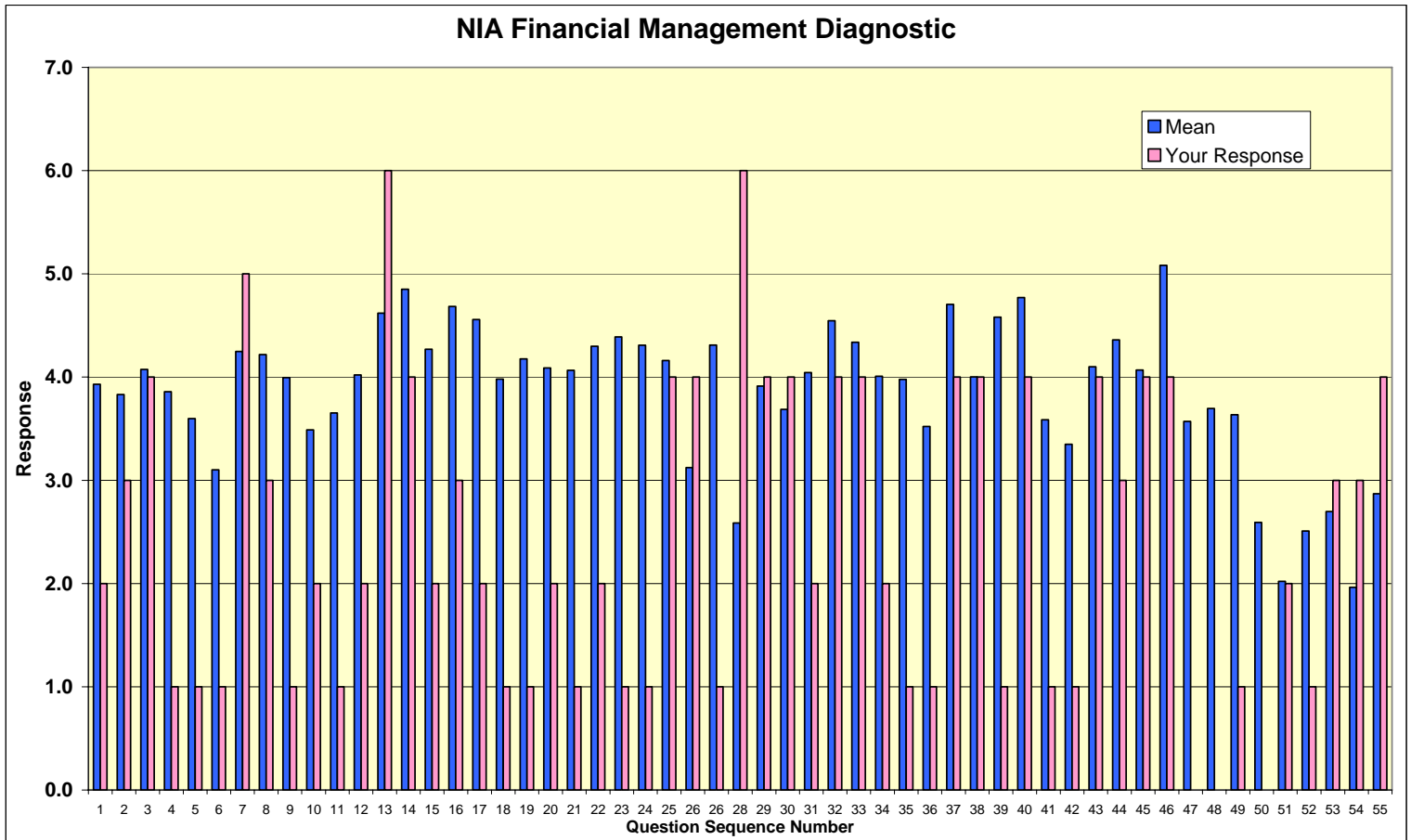
This report is in three Sections.

1. The Consolidated Comparison of your responses to each question compared to the Median of all responses to the same question.
 - ◆ The larger the lower the level of Your Response (pink) to the Mean (average of all respondents), then the more need there is to “raise your standards” to those practiced by your peers, and the more attention is required to rectify this discrepancy.
2. Areas of Greatest Concern
 - ◆ This is a list of all your responses in “worst first” order of the Financial Management within your business. These items are listed in each Ans. Category. An Ans. of “1” signifies that this item scored a “Not done at all” rating by you. A rating of “2” categorises an item as “Done Very Poorly”. A rating of “3” is “Done Poorly”. Ratings for “4” to “6” range from “Satisfactory” to “Done Exceptionally Well” respectively. A rating of “NA” means that you rated this as “Not Applicable” to that business.
3. Detailed Positioning of Each Response relative to the Ratings of all other respondents
 - ◆ There is one graphical analysis for each question that was answered. The question being addressed is at the top of each figure.
 - ◆ The percentage points on the graph line represent the percentage of respondents who answered at that specific level (shown on the horizontal axis at across the bottom of each graph).
 - ◆ The “pink dot” on the graph line represents the position of your answer on the response curve and shows where your answer was position relative to all other responses.

By studying these graphs and charts you should be able to easily conclude the areas of your Financial Management that require attention. The Management Practice can optionally assist you in this regard and has developed an On-line Business Improvement System (called Action Management - AMS) for specifically this purpose.

The National Institute of Accountants already use AMS to assist them in their business improvement.

1. THE CONSOLIDATED COMPARISON OF YOUR RESPONSE TO EACH QUESTION COMPARED TO THE MEAN (Ave) OF ALL RESPONSES TO THE SAME QUESTION



In Section 1, above, your major concerns should focus on the “pink” columns (Your Response) that are lower than the level of the “blue” columns (Mean - Average Response of all participants). The greater the lower gap difference, then the greater should be your concern.

You should think of the “blue” values as the Benchmark of Small/Medium businesses in Australia.

It would therefore be logical to conclude that Your Response (pink) then needs to be increased to at least match the benchmark level in order to “raise your standards” to those practiced by your peers.

The greater the gap then the more business attention is likely to be required to rectify this difference.

The next page (Section 2.) shows a table of all the questions listed in your “weakest first” order. So by matching the Question Sequence Numbers to Section 1, it should be now easy for you to prioritise which of your weakest areas should be addressed first.

In Section 3, each of the questions is graphed against the distribution of responses so that you can assess the spread (distribution) of answers that were received to each question. Typically this distribution will form into a “bell curve”. A flatter curve illustrates a wide diversity of assessed performance.

By viewing your own assessed position in relation to the other Diagnostic responses it should become clear to you where you are “out of step” with other businesses and therefore which areas of your Financial Management in your business require improvement.

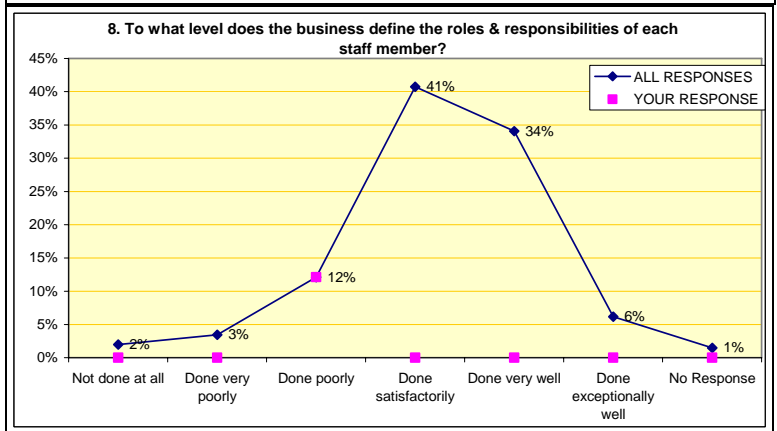
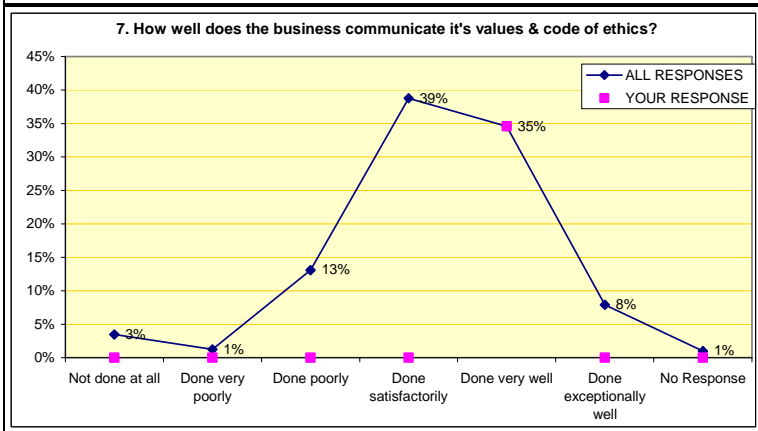
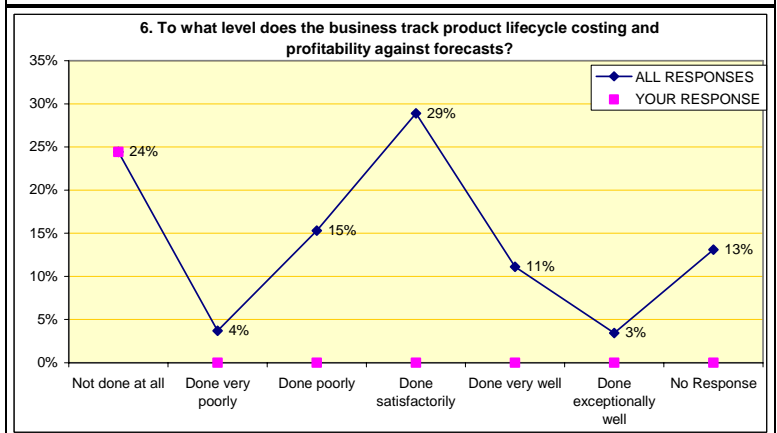
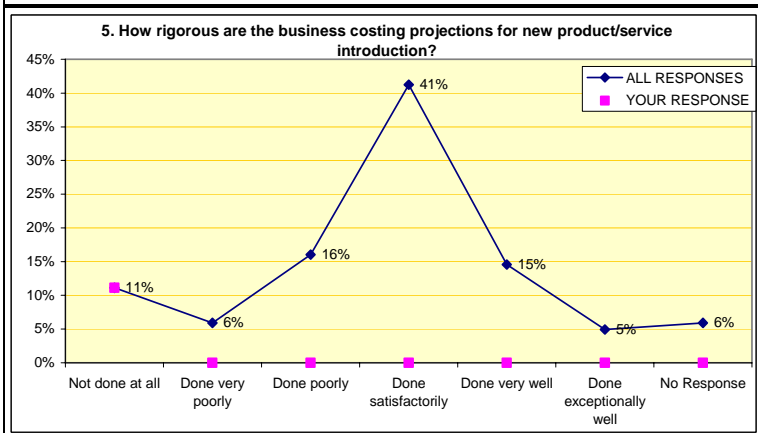
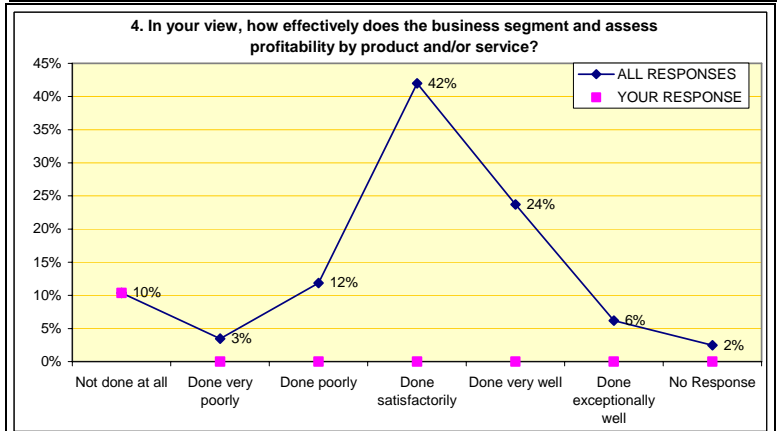
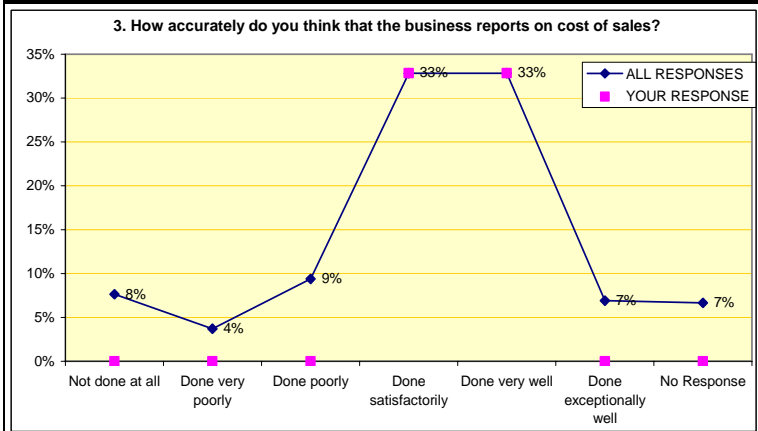
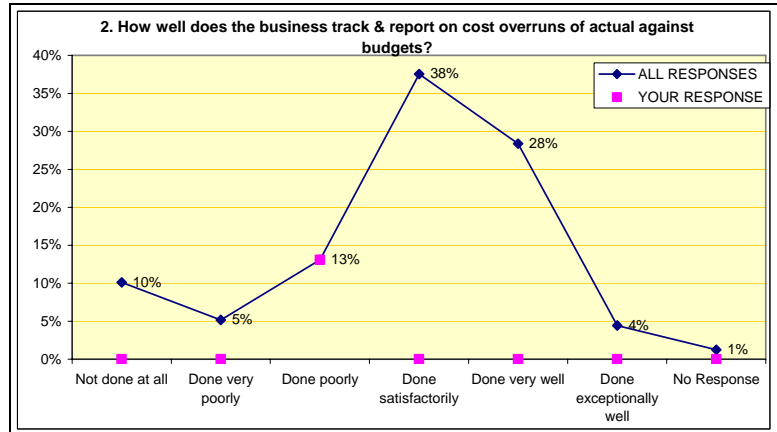
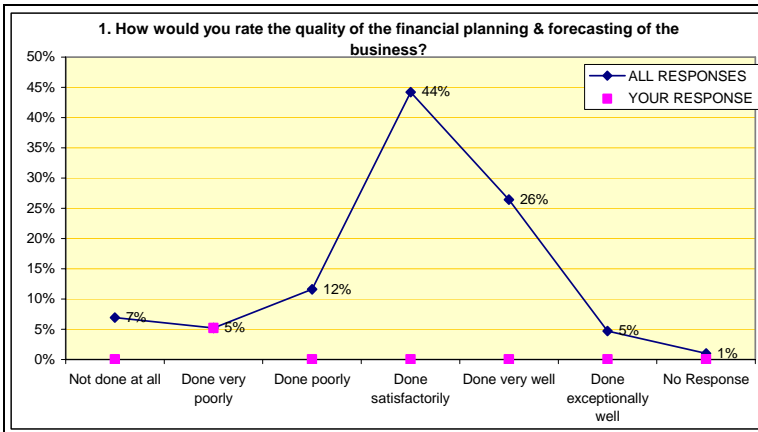
2. AREAS OF GREATEST CONCERN

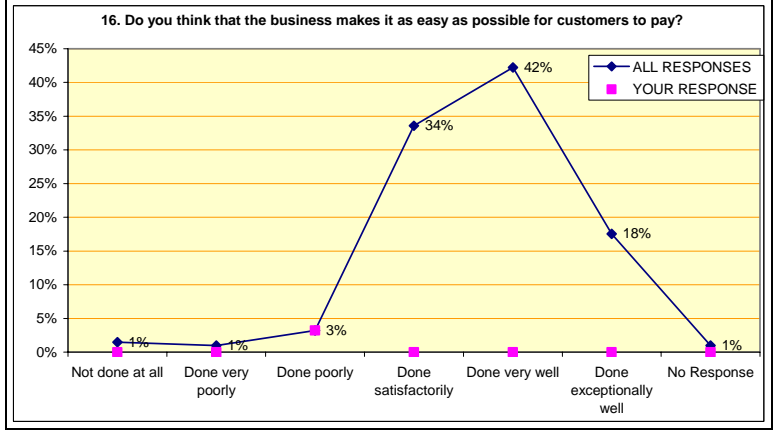
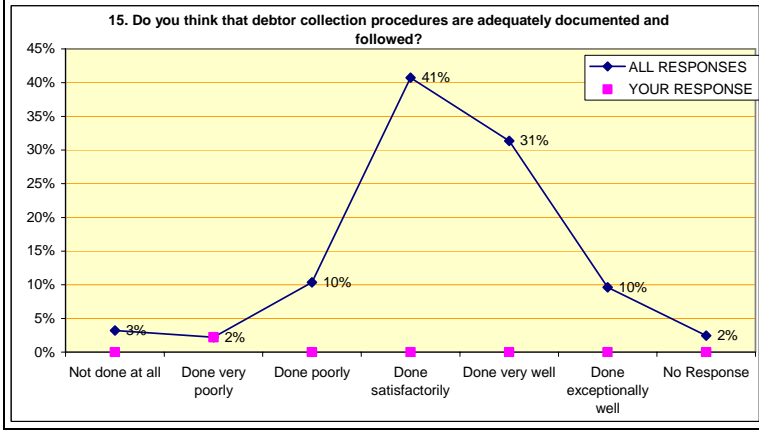
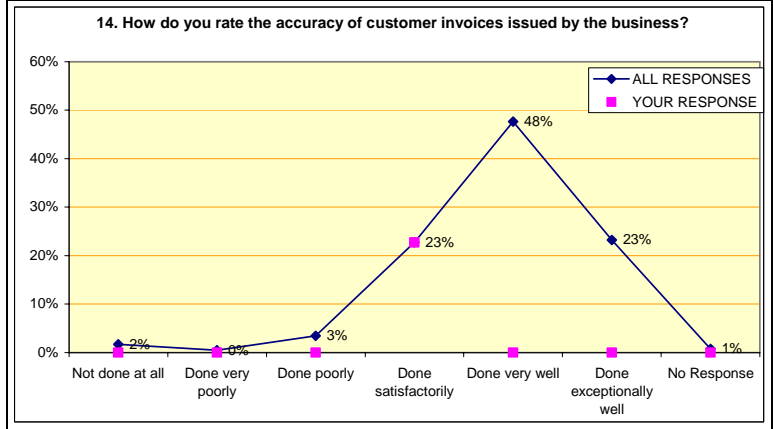
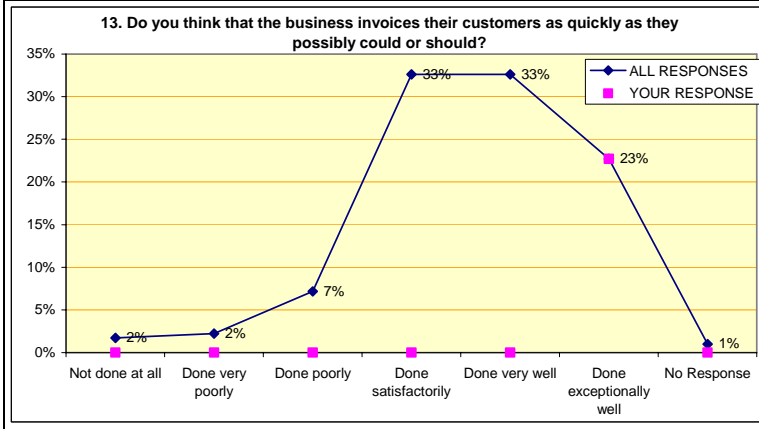
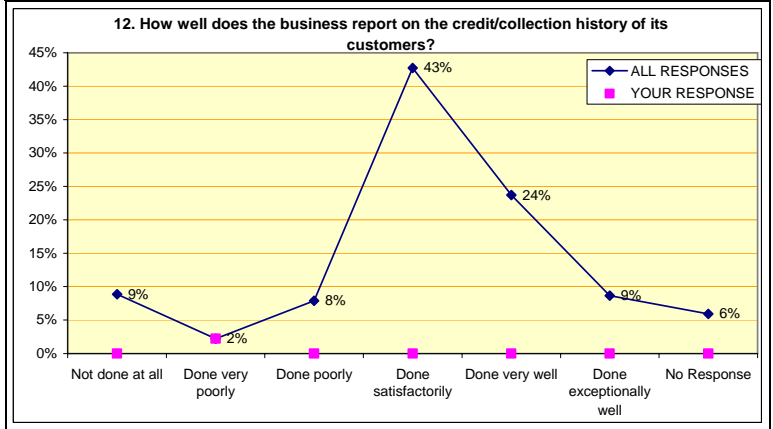
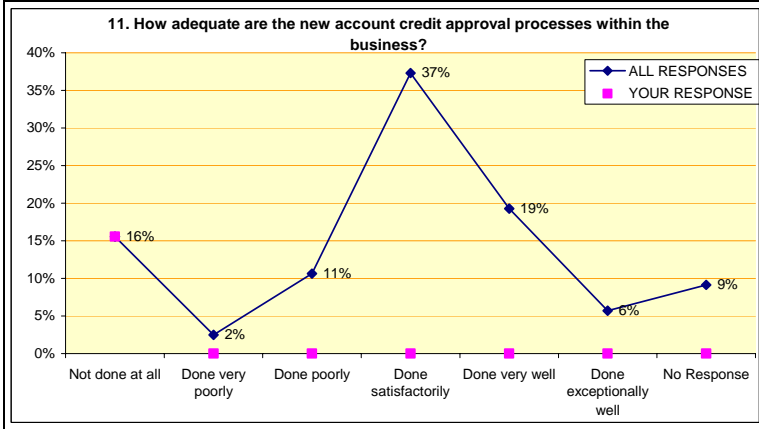
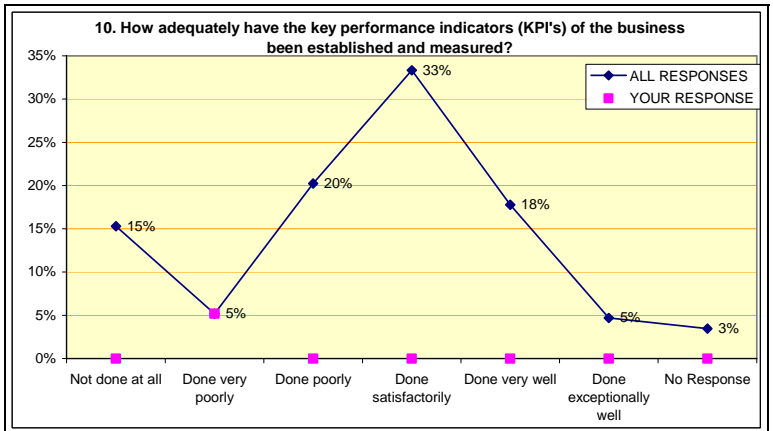
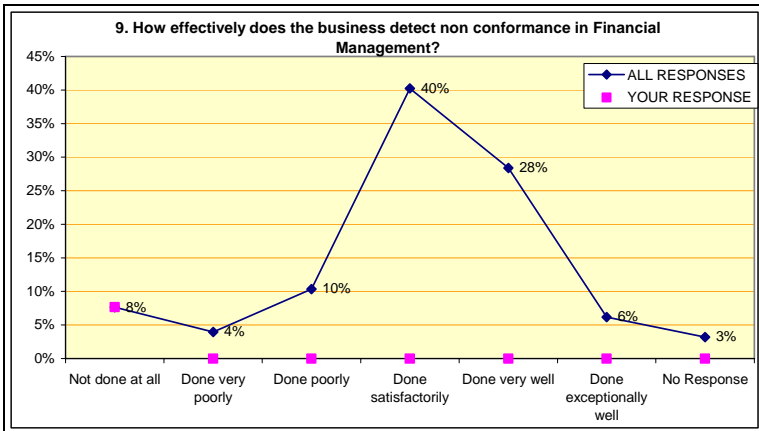
The chart below shows the list of the Financial Management questions and your answers given for your business.

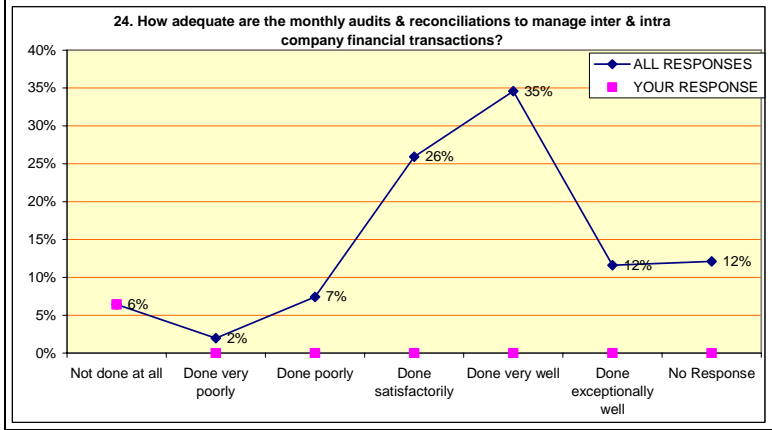
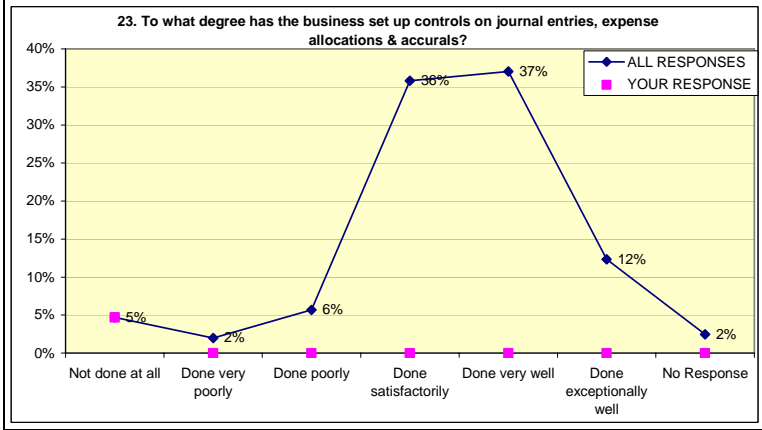
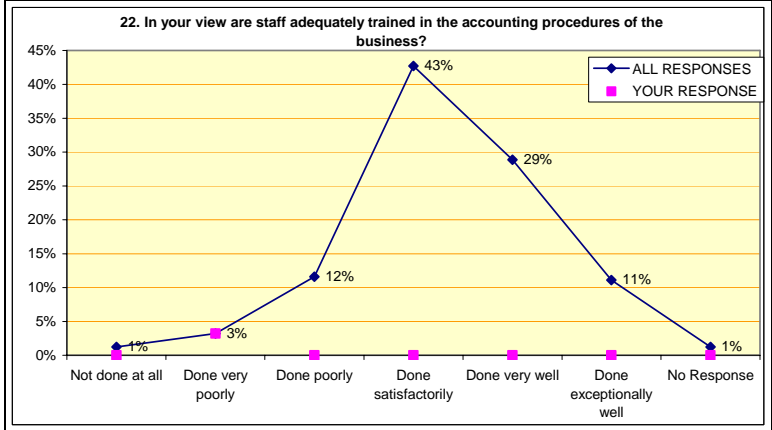
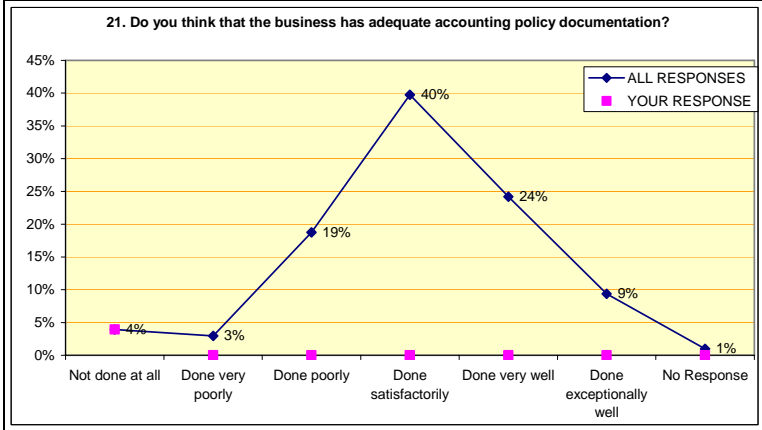
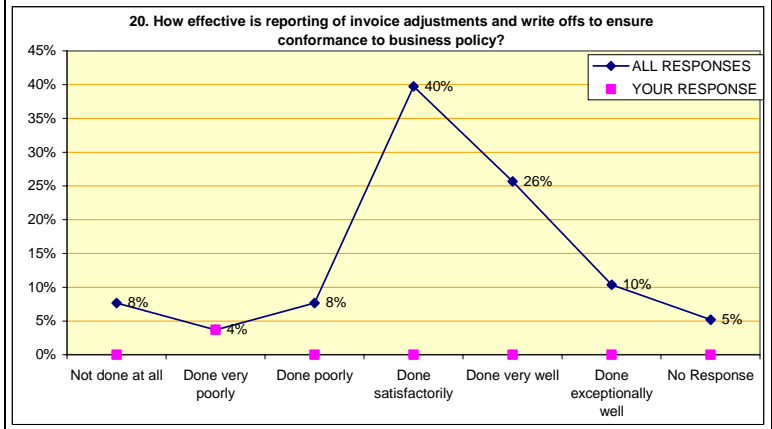
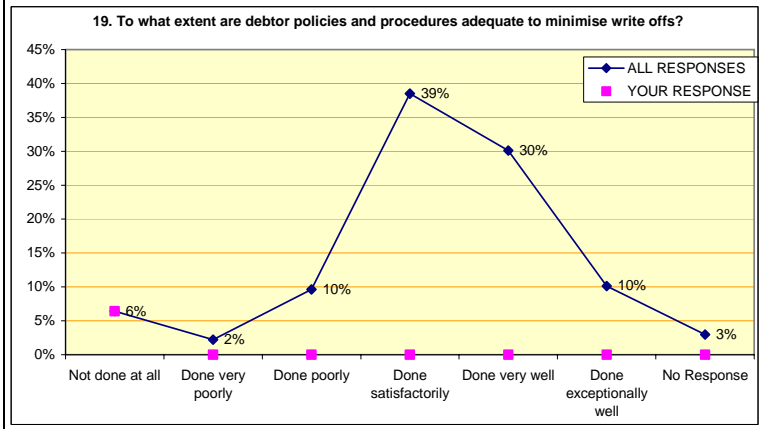
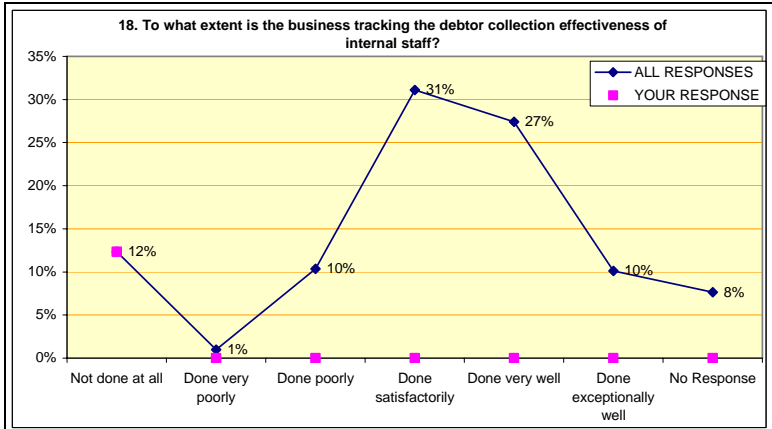
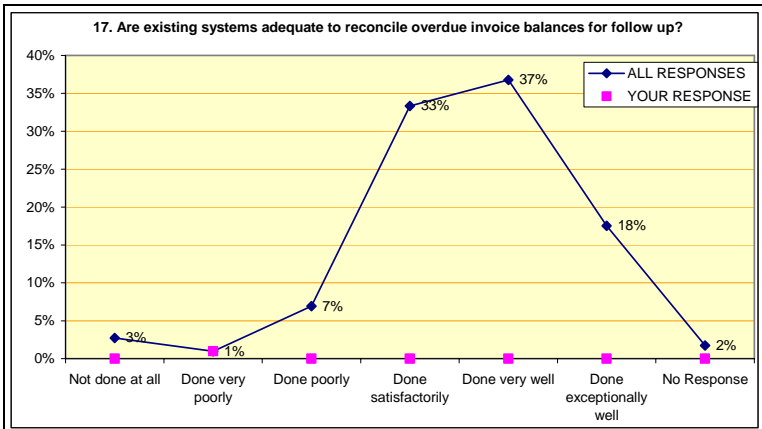
These items are listed in the priority of weakest first. An Ans. of "1" signifies that this item scored a "Not done at all" rating by you. A rating of "2" categorises an item as "Done Very Poorly"; a "3" is "Done Poorly", a "4" is "Satisfactory". An "NA" was rated by you as "Not applicable". So obviously the "1" and "2" ratings are the areas of Greatest Concern"

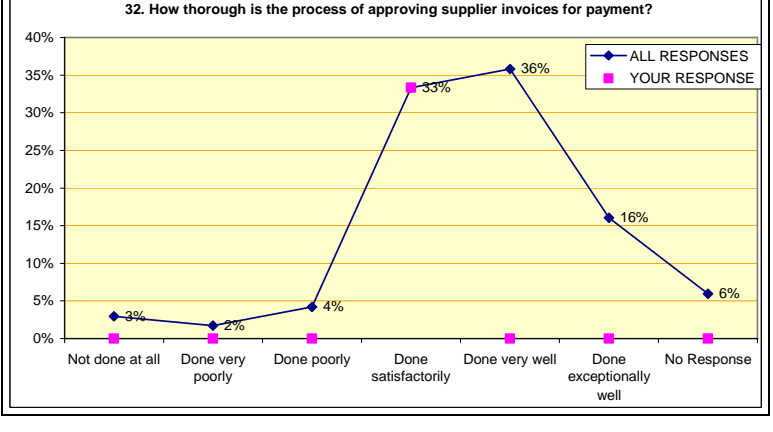
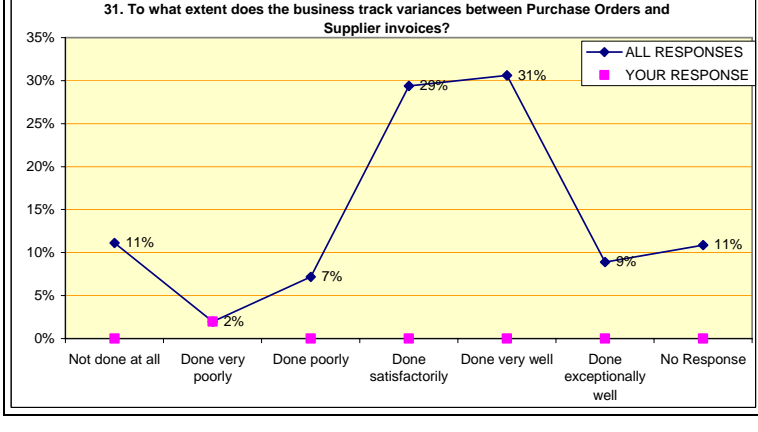
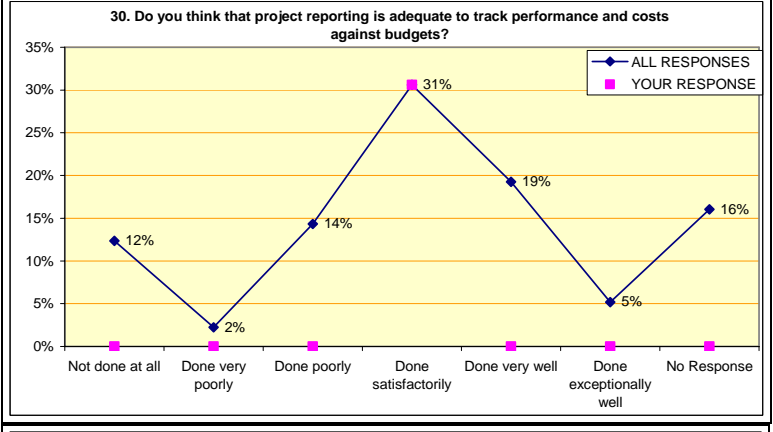
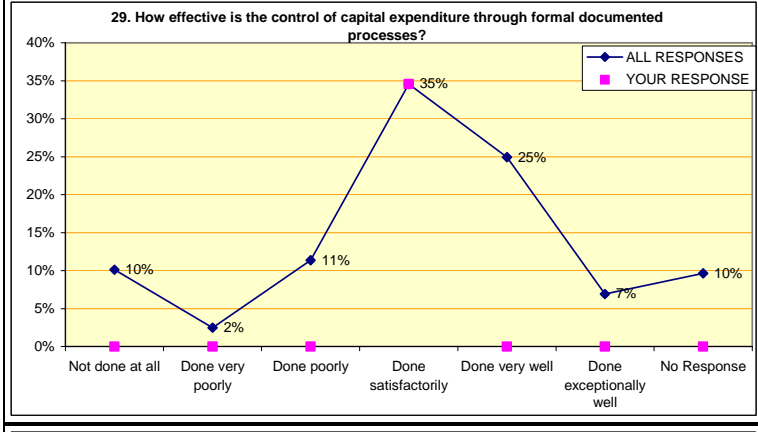
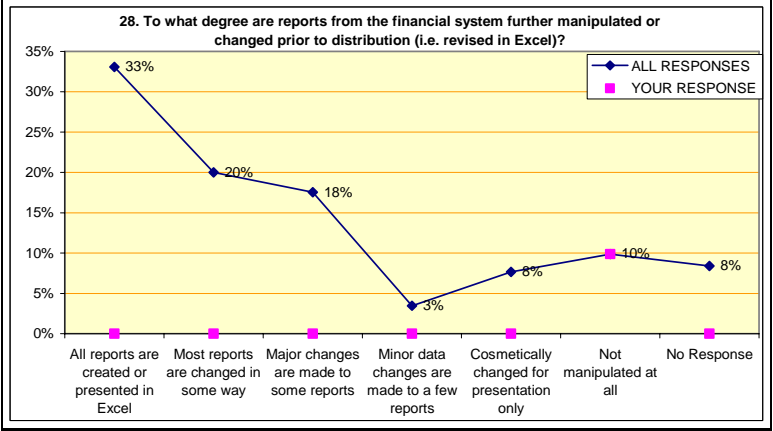
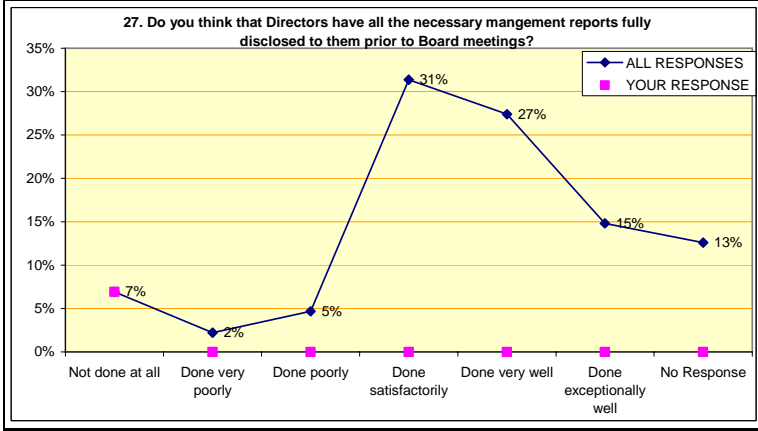
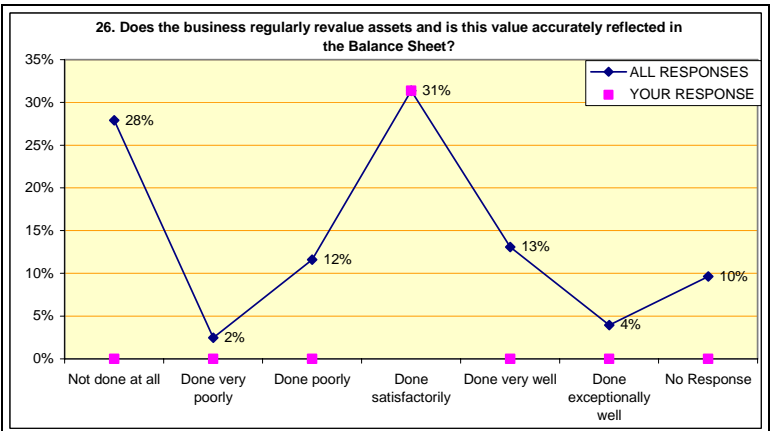
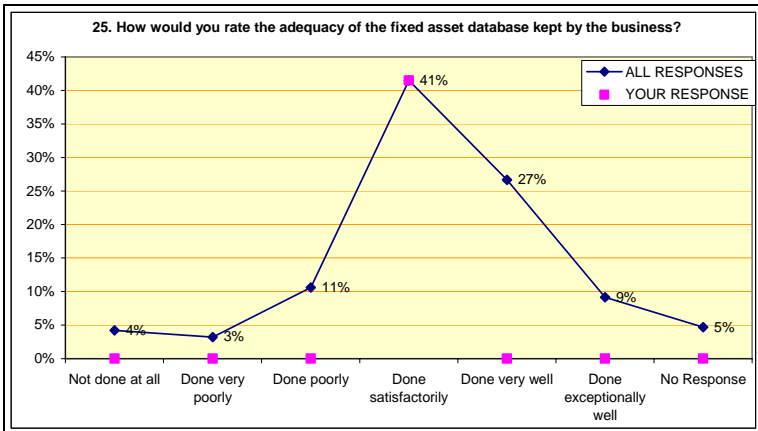
Seq.	ID#	Diagnostic Question	Ans.
4	1_23	4. In your view, how effectively does the business segment and assess profitability by product and/or service?	1
5	1_32	5. How rigorous are the business costing projections for new product/service introduction?	1
6	1_33	6. To what level does the business track product lifecycle costing and profitability against forecasts?	1
9	1_52	9. How effectively does the business detect non conformance in Financial Management?	1
11	2_12	11. How adequate are the new account credit approval processes within the business?	1
18	2_45	18. To what extent is the business tracking the debtor collection effectiveness of internal staff?	1
19	2_51	19. To what extent are debtor policies and procedures adequate to minimise write offs?	1
21	3_12	21. Do you think that the business has adequate accounting policy documentation?	1
23	3_22	23. To what degree has the business set up controls on journal entries, expense allocations & accruals?	1
24	3_23	24. How adequate are the monthly audits & reconciliations to manage inter & intra company financial transactions?	1
27	3_42	27. Do you think that Directors have all the necessary magement reports fully disclosed to them prior to Board meetings?	1
35	4_31	35. Are published staff policies & procedures adequate to comply with "Workplace Relations" legislation?	1
36	4_35	36. How effectively do you think the business tracks and reports on the personal productivity of accounting/office staff?	1
39	4_51	39. How adequate are the policies and procedures for taxation documented by the business?	1
41	5_11	41. How adequately documented are the procedures for governance of treasury operations?	1
42	5_13	42. How rigorous is the reporting of "non compliance to standards" notified to the Board & Management?	1
49	5_51	49. How effectively does the business manage its interest rate risk?	1
1	1_11	1. How would you rate the quality of the financial planning & forecasting of the business?	2
10	1_53	10. How adequately have the key performance indicators (KPI's) of the business been established and measured?	2
12	2_14	12. How well does the business report on the credit/collection history of its customers?	2
15	2_31	15. Do you think that debtor collection procedures are adequately documented and followed?	2
17	2_44	17. Are existing systems adequate to reconcile overdue invoice balances for follow up?	2
20	2_52	20. How effective is reporting of invoice adjustments and write offs to ensure conformance to business policy?	2
22	3_15	22. In your view are staff adequately trained in the accounting procedures of the business?	2
31	4_11	31. To what extent does the business track variances between Purchase Orders and Supplier invoices?	2
34	4_25	34. Does the business adequately track expenses against budgets in all areas?	2
2	1_12	2. How well does the business track & report on cost overruns of actual against budgets?	3
8	1_43	8. To what level does the business define the roles & responsibilities of each staff member?	3
16	2_32	16. Do you think that the business makes it as easy as possible for customers to pay?	3
44	5_24	44. To what level does the business proactively manage & oversee banking relationships?	3
3	1_22	3. How accurately do you think that the business reports on cost of sales?	4
14	2_24	14. How do you rate the accuracy of customer invoices issued by the business?	4
25	3_31	25. How would you rate the adequacy of the fixed asset database kept by the business?	4
26	3_34	26. Does the business regularly revalue assets and is this value accurately reflected in the Balance Sheet?	4
29	3_51	29. How effective is the control of capital expenditure through formal documented processes?	4
30	3_54	30. Do you think that project reporting is adequate to track performance and costs against budgets?	4
32	4_12	32. How thorough is the process of approving supplier invoices for payment?	4
33	4_21	33. How well do the business policies control staff approval limits?	4
37	4_41	37. How efficiently and accurately do you think that employee data is entered into the payroll system?	4
38	4_42	38. How strictly are employment contracts implemented for all staff?	4
40	4_52	40. How well does the business utilise the general ledger to directly manage GST?	4
43	5_23	43. How well does the business forecast cash flow for management review?	4
45	5_33	45. To what degree does the business validate interest & fees charged on bank accounts?	4
46	5_35	46. How thoroughly are bank accounts reconciled and reported to management?	4
7	1_42	7. How well does the business communicate it's values & code of ethics?	5
13	2_23	13. Do you think that the business invoices their customers as quickly as they possibly could or should?	6
28	3_43	28. To what degree are reports from the financial system further manipulated or changed prior to distribution (i.e. revised in Excel)?	6
47	5_41	47. How well documented are the guidelines for managing financial intermediary relationships?	NA
48	5_44	48. How well does the business report on debt and investment anomalies?	NA
50	5_52	50. How effectively does the business manage its foreign exchange risk?	NA

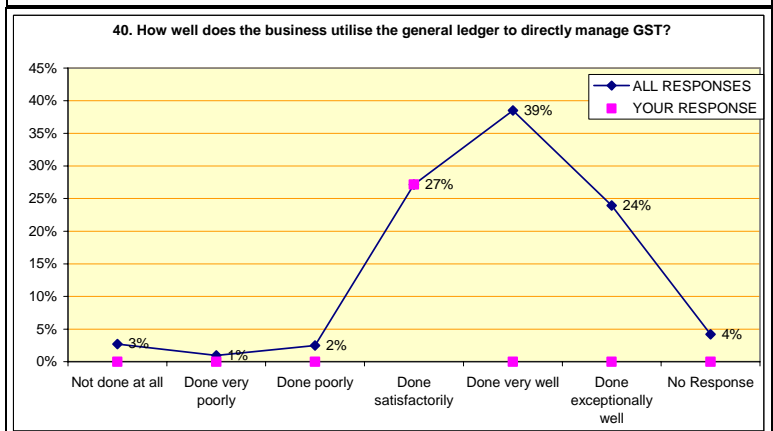
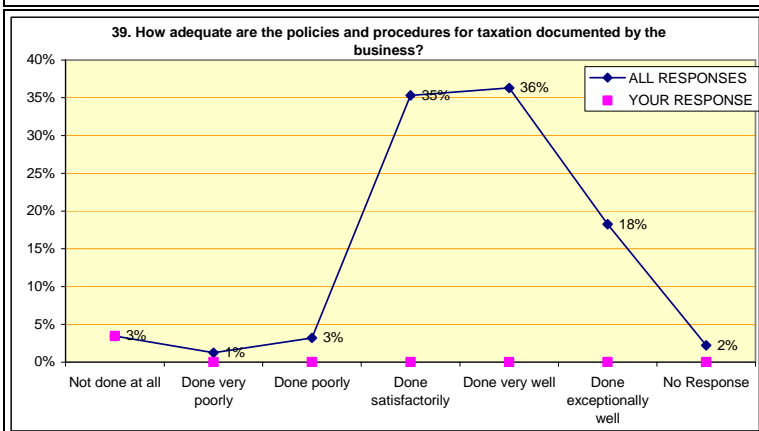
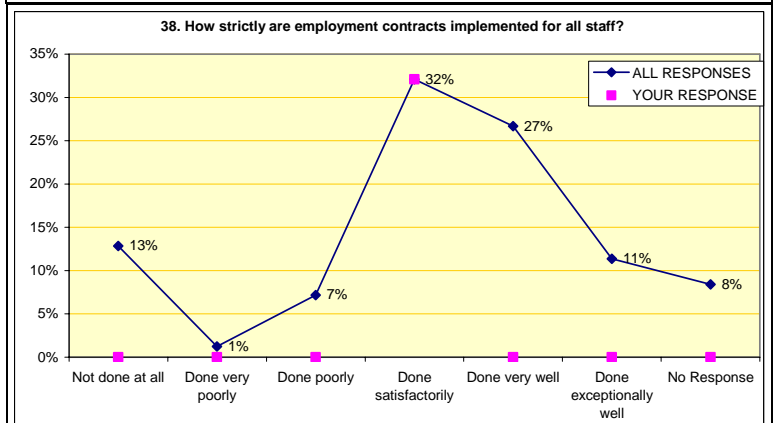
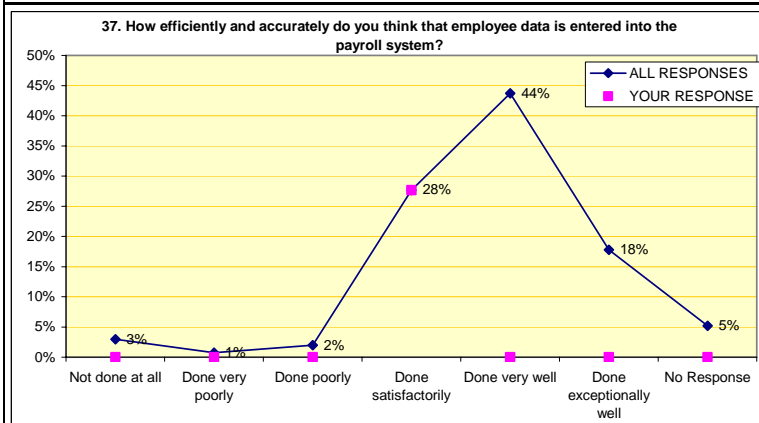
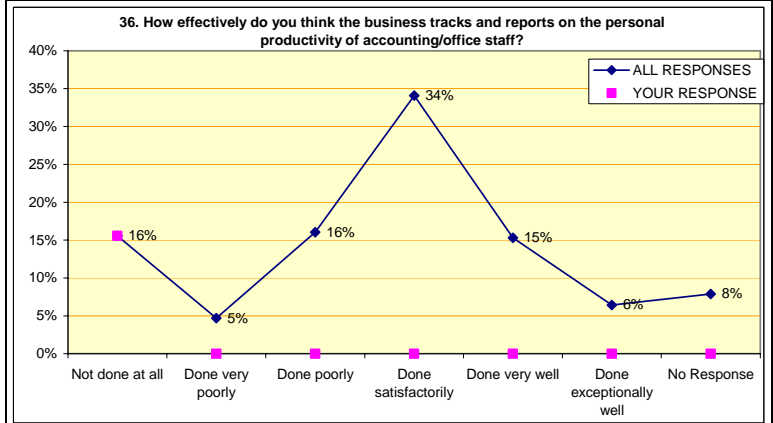
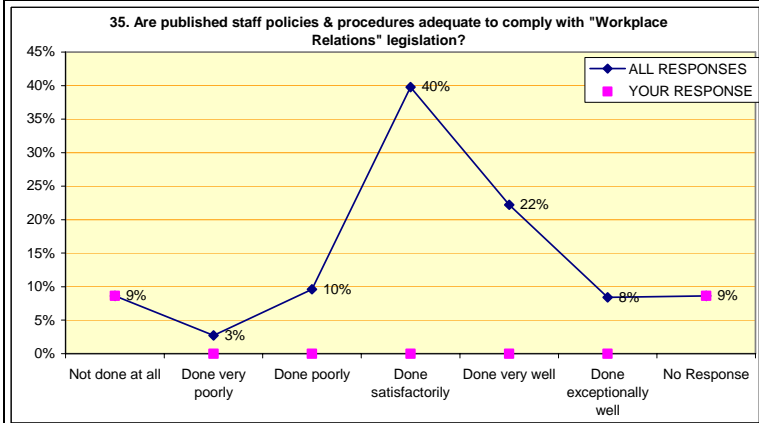
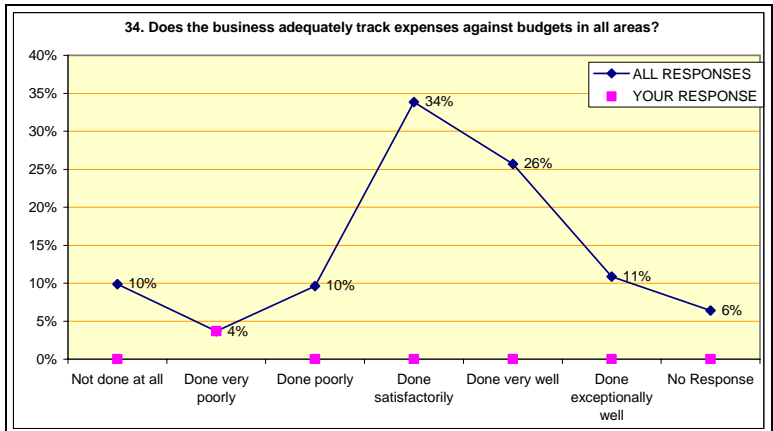
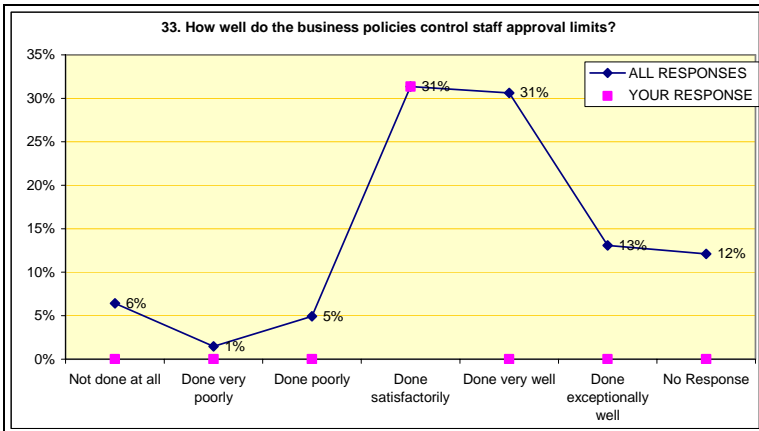
3. POSITIONING OF EACH RESPONSE RELATIVE TO THE RATINGS OF OTHERS

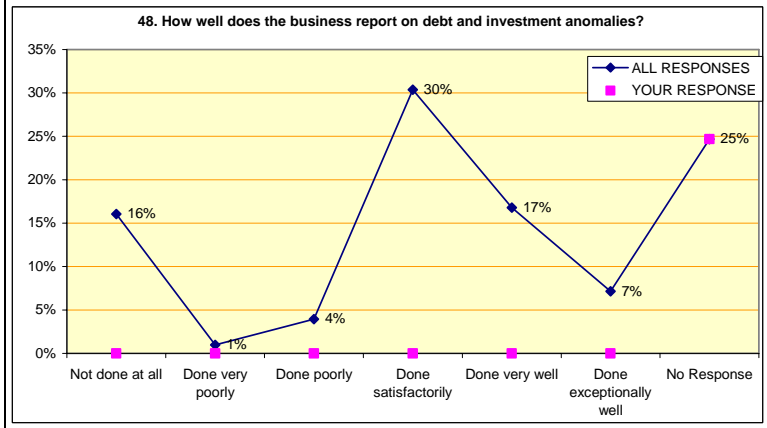
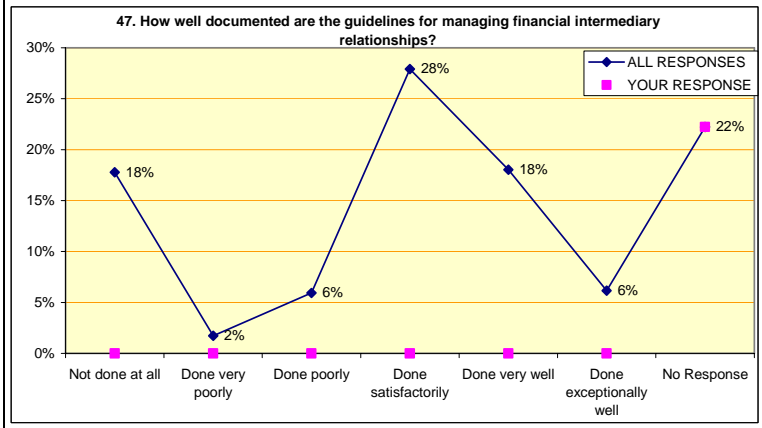
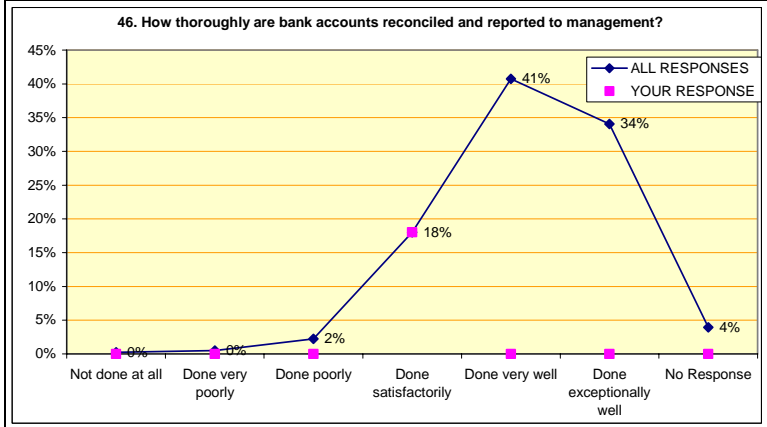
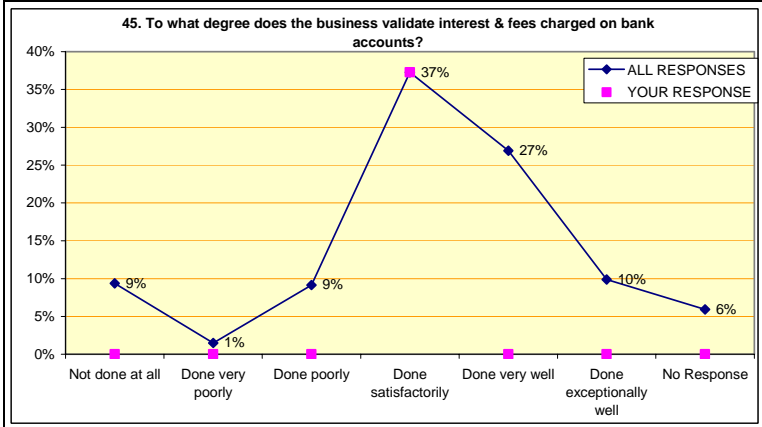
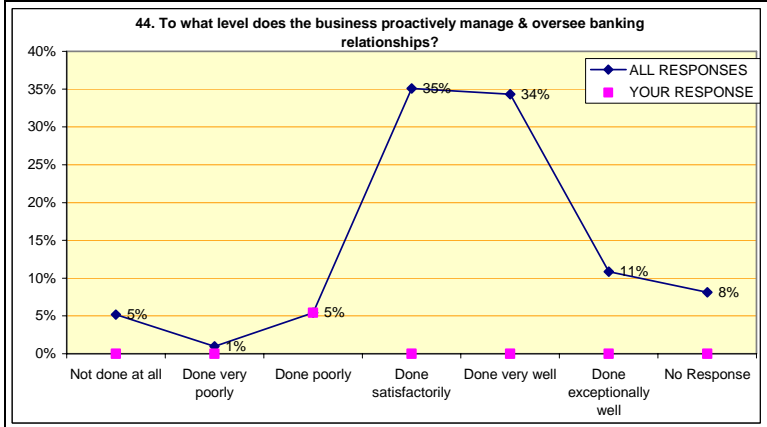
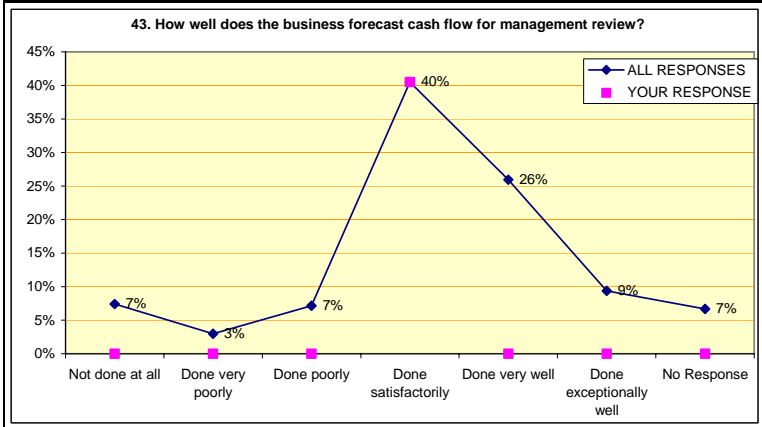
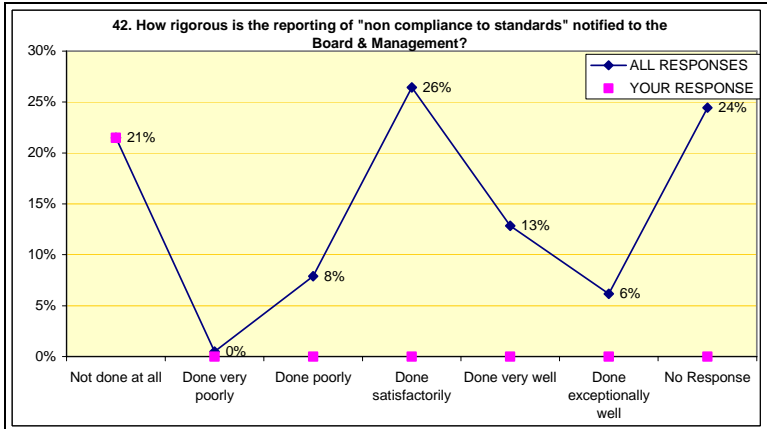
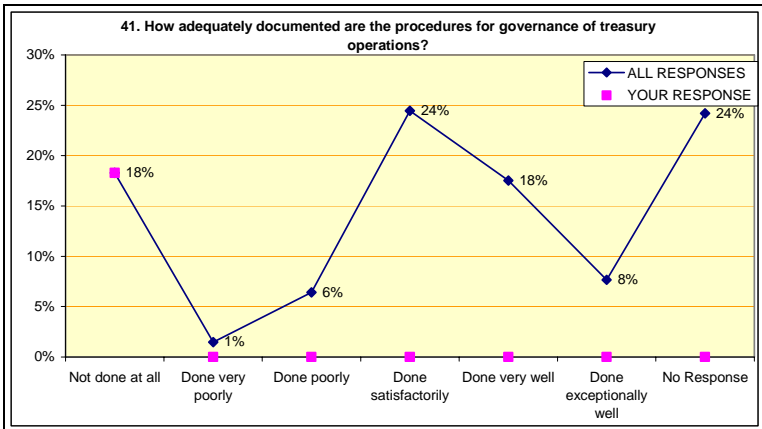


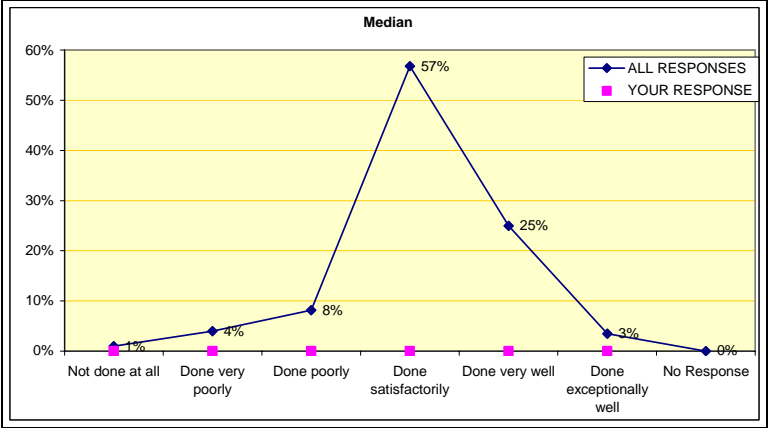
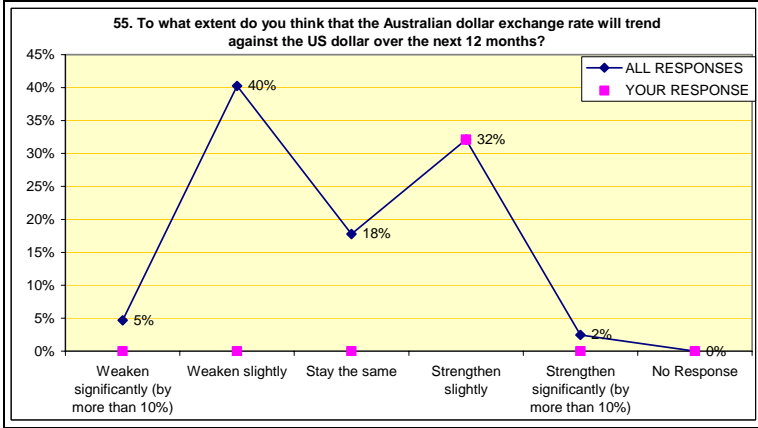
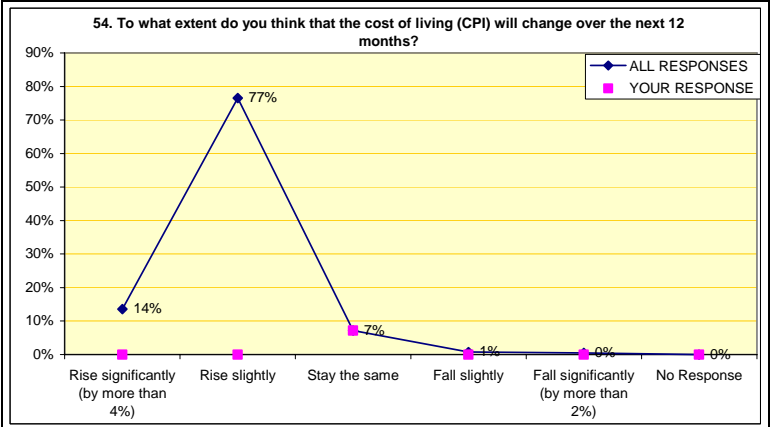
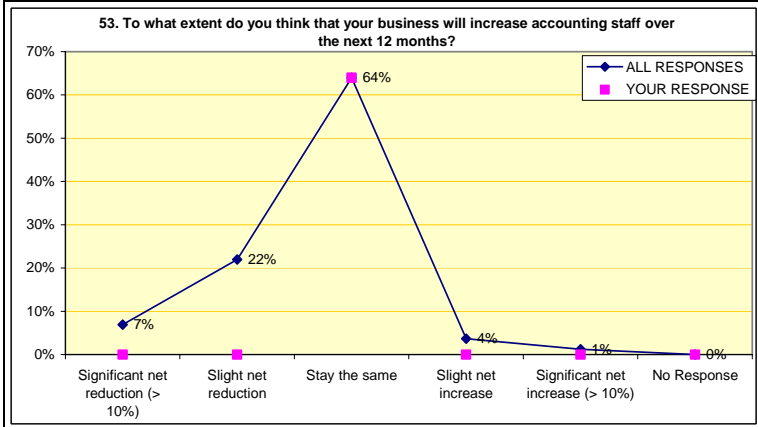
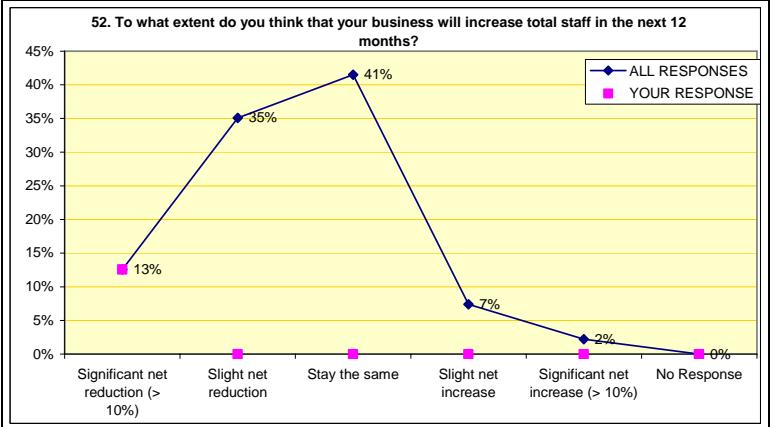
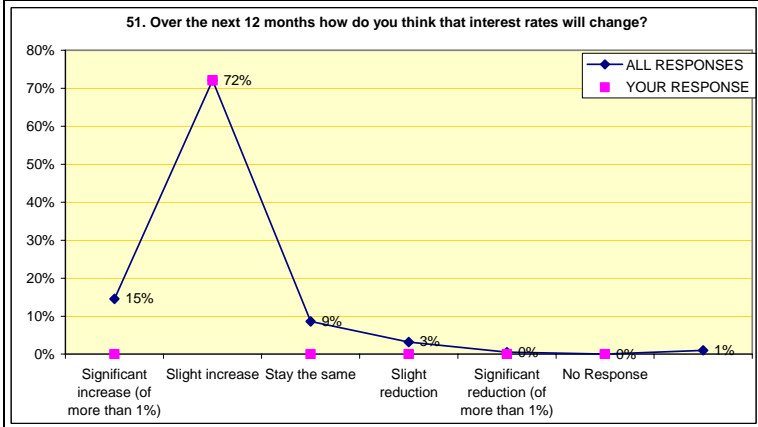
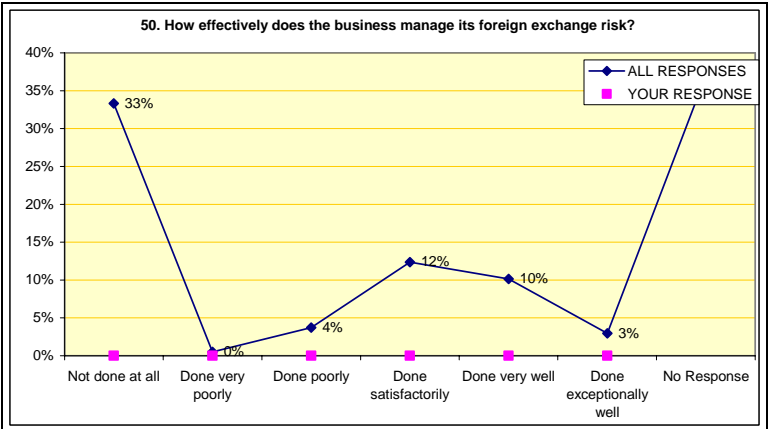
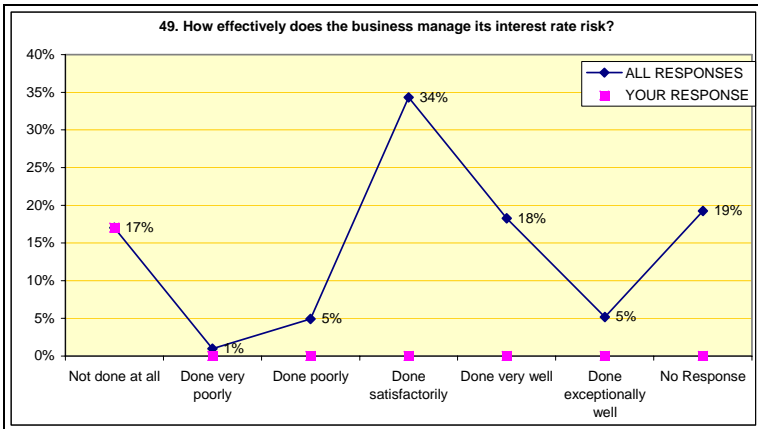












CROSS TABULATION ANALYSIS

Q1.43 - To what level does the business define the roles & responsibilities of staff members?

versus

Q4.35 - How effectively do you think the business tracks and reports on the personal productivity of accounting/office staff?

	Not done at all	Done very poorly	Done poorly	Done satisfactorily	Done very well	Done exceptionally well	Totals
Not done at all:	0	0	0	0	0	0	0
Done very poorly:	0	0	0	0	0	0	0
Done poorly:	0	0	0	0	0	0	0
Done satisfactorily:	1	0	1	0	0	0	2
Done very well:	0	0	1	0	0	0	1
Done exceptionally well:	0	0	0	0	0	0	0
TOTALS	1	0	2	0	0	0	3