

For-Profit Organizational Assessment Questionnaire

(takes 15-20 minutes to complete)

Description

This free assessment tool can be used to get a reasonable impression of the quality of the most important practices in your for-profit organization. It can be done by one or more people from your organization.

You could use results of this assessment tool to: 1) do an internal analysis as part of an overall strategic planning activity, 2) assess how well your organization compares to various best practices and 3) develop a common understanding among leaders regarding what needs to be done to improve your organization.

The tool focuses especially on the presence of various best practices typically needed for an organization to evolve to the next life cycle or level of development. See the life cycle model at <http://tinyurl.com/y6fuft6c> . This focus tends to get the most valid responses because you are asked if the practices are indeed there or they are not.

(This tool should be completed by the CEO and employees. A separate tool should be used to evaluate the Board and be completed only by the Board members and the CEO. It is available at <https://managementhelp.org/misc/forprofit-board-eval-fml.pdf> .)

Directions

The tool is divided into different categories, including: Legal, Human Resources, Strategic Planning, Market Research, Advertising, Public Relations, Customer Service and Sales, and Financial Management.

Next to each practice are the choices: Met, Needs Work, Not Applicable and Don't Know. After reading each, place a check mark under one choice to rate how well your organization does that practice today. Do not skip any questions. It is most valid, by far, if each person does it alone and anonymously.

If your organization is a corporation, then your organization does have a Board of Directors. So those practices are very relevant to your organization. Otherwise, ignore mention of a Board.

Analyzing Your Results

1. Collect everyone's completed assessment tool and also print one uncompleted copy of the tool.
2. On the uncompleted copy, next to each practice, write down the total of Not Met's and Don't Know's for that practice, e.g., 4 Not Met's and 2 Don't Know's = a total of 6 for that practice.
3. Any practice with a total of more than half of the respondents should be implemented in the organization over the next year or so. For example if there were 9 respondents, then any practice with a total of 5 or more should be implemented. If there were 10 respondents, then a total of 6 or more should be implemented.

The practices should be implemented in the general order that the categories are listed in the tool, including: Legal, Human Resources, Strategic Planning, Market Research, Advertising, Public Relations, Customer Service and Sales, and Financial Management. In a year or so, you might do this same assessment again to see if you have evolved to the next life cycle.

(This tool is provided by Authenticity Consulting, LLC (www.authenticityconsulting.com) and has been adapted for for-profits from a tool used with permission from the Greater Twin Cities United Way.)

Information in this assessment is not to be taken as legal advice.

Conformance to Legal Filings and Regulations

Rating *	Indicator	Met	Needs Work	N/A	Don't Know
E	a. All relevant legal filings are current and have been made according to the laws and regulations of the for-profit's country.				
E	b. The organization is registered with and has filed its annual report with the appropriate governmental agency, e.g., its annual corporate report.				
E	c. Tax reports are filed on a regular basis, including for federal, states/provincial, sales tax and any local taxes.				
E	d. Federal and state/provincial payroll taxes withholding payments are current.				
E	e. Quarterly and annual payroll report filings are current.				
E	f. If the organization has qualified employee health, welfare and/or retirement benefit plans, they meet with all the federal and state/provincial laws.				
E	g. Organization acknowledges and discloses to their Board and auditor any lawsuits or pending legislation which may have a significant impact on the organization's finances and/or operating effectiveness.				
E	h. When the Board of Directors makes decisions, a quorum is present and minutes are maintained.				
E	i. Federal, state/provincial and/or local filings and payments are current.				
E	j. Organizations with employees represented by a union must have copies of the union contracts on file.				
E	k. Organizations that distribute stock do so according to rules and regulations of their country (for example, the Securities and Exchange Committee (SEC) in the USA).				
E	l. Corporations ensure that compensation and financial management practices conform to rules and regulations of their country (for example, the Sarbanes Oxley Act of 2002 in the USA).				
Indicators ratings: E=essential; R=recommended; A=additional to strengthen organizational activities					

Governance (Board of Directors)

Rating *	Indicator	Met	Needs Work	N/A	Don't Know
E	a. The organization has at least the minimum number of members of the Board of Directors as required by their bylaws, federal statute and/or state/provincial statute.				
E	b. The roles of the Board and the Chief Executive Officer are defined and respected, with the Chief Executive Officer delegated as the executive of the organization's operations and the Board focused on policy and planning.				
R	c. The Chief Executive Officer is recruited, selected and employed by the Board of Directors. The Board provides clearly written expectations and qualifications for the position, as well as reasonable compensation.				
R	d. The Board evaluates the Chief Executive Officer's performance on a regular basis in accordance with Board-approved personnel policies.				

Governance (Continued)

R	e. The Board of Directors acts as governing trustees by actively participating in strategic planning for the overall organization.				
R	f. The Board's nominating process ensures that the Board retains expertise to effectively guide the strategic direction for the business and represent its stockholders.				
R	g. The Board members receive regular training about the general responsibilities of any governing Board.				
R	h. Training includes rules and regulations applying to Boards of publicly traded companies.				
A	i. New Board members are oriented to the unique aspects of the organization: the organization's mission, bylaws, policies and products. This information is provided to each Board member in the form of a Board manual.				
A	j. Board organization is documented with a description of the Board and Board committees' responsibilities.				
R	k. Each Board committee has a specific work plan that specifies the purpose and goals of the committee.				
E	l. Bylaws conform to federal and/or state/provincial statutes and have been reviewed by legal counsel.				
R	m. The bylaws should describe: a) how and when notices for Board meetings are made; b) how members are elected/appointed by the Board; c) what the terms of office are for officers/members; d) how Board members are rotated; e) how ineffective Board members are removed from the Board; and f) a stated number of Board members to make up a quorum which is required for all policy decisions.				
R	n. The Board of Directors reviews the bylaws annually.				
R	o. The Board has an annual calendar of meetings that specifies which responsibilities are done on which dates. The Board also has an attendance policy which requires that a quorum of the organization's Board meets at least quarterly.				
R	p. Each Board meeting has a written agenda and the materials relating to significant decisions are given to Board members in advance of the meeting.				
E	q. All Board members attend meetings, unless otherwise excused, and actively participate in those meetings, as well.				
R	r. Board meetings are focused on strategic matters that lead to strategic and policy decisions that are followed by the organization.				
A	s. Board has a process for handling urgent matters between meetings.				
R	t. The organization maintains a conflict-of-interest policy and all Board members and executives sign it, to acknowledge and comply with the policy.				
Indicators ratings: E=essential; R=recommended; A=additional to strengthen organizational activities					

Human Resources (Including Role of CEO)

Rating *	Indicator	Met	Needs Work	N/A	Don't Know
E	a. The organization has a written personnel handbook/policy that is regularly reviewed, updated and approved by Board a) to describe the recruitment, hiring and standard work rules for all employees and b) to maintain compliance with government employment laws and regulations. (For example, in the USA, this includes: Fair Labor Standards Act, Equal Employment Opportunity Act, Americans with Disabilities Act, Occupational Health and Safety Act, Family Leave Act, Affirmative Action Plan if required, etc.)				
E	b. The organization follows nondiscriminatory hiring practices.				
R	c. The organization provides a copy of or access to the written personnel policy to all members of the Board, the Chief Executive Officer and all employees. All employees acknowledge in writing that they have read and have access to the personnel handbook/policies.				
R	d. The organization has job descriptions including qualifications, duties, reporting relationships and key indicators.				
R	e. The organization's Board of Directors conducts an annual review/evaluation of its Chief Executive Officer in relationship to a previously determined set of expectations.				
R	f. The Chief Executive Officer's salary is set by the Board of Directors in a reasonable process and is in compliance with the organization's compensation plan.				
R	g. The organization requires employee performance appraisals to be conducted and documented at least annually.				
A	h. The organization has a compensation plan and a periodic review of salary ranges and benefits is conducted.				
A	i. The organization has a timely process for filling vacant positions to prevent an interruption of products or disruption to organization operations.				
A	j. The organization has a process for reviewing and responding to ideas, suggestions, comments and perceptions from all employees.				
A	k. The organization provides opportunities for employees professional development and training with their job skill area and also in such areas as cultural sensitivity and personal development.				
A	l. The organization maintains contemporaneous records documenting employees' time in each product.				
Indicators ratings: E=essential; R=recommended; A=additional to strengthen organizational activities					

Strategic Planning

Rating *	Indicator	Met	Needs Work	N/A	Don't Know
R	a. The organization conducts strategic planning to establish clear goals for the business and employees.				
E	b. The organization has a clear, meaningful written mission statement which reflects its purpose, values and customers served.				
R	c. The mission statement is reviewed and modified regularly as necessary to reflect changes in the environment.				
E	d. The Board formally approves the written strategic plan and monitors status of its implementation.				
R	e. All key stakeholders participate in the planning process.				
R	f. The plan was developed by evaluating the quality of internal operations and then identifying strengths and weaknesses of the organization.				
R	g. The plan was also developed by researching external trends (political, economic, societal, technological, markets, etc.) and then identifying opportunities and threats facing the organization.				
R	h. The planning process identifies organization's most critical priorities.				
R	i. The plan sets specific and measurable goals that address these priorities.				
E	j. The plan integrates all the organization's activities around a focused mission.				
R	k. The plan prioritizes the goals and sets timelines for their accomplishment.				
A	l. The plan establishes an evaluation process and performance indicators to measure the progress toward the achievement of goals in the strategic plan.				
R	m. Through specific action plans, resources (human, financial, etc.) are allocated to insure the accomplishment of the goals in a timely fashion.				
Indicators ratings: E=essential; R=recommended; A=additional to strengthen organizational activities					

Market Research

Rating *	Indicator	Met	Needs Work	N/A	Don't Know
E	a. Market research has verified there are specific target market(s) that have specific need(s) for the organization's products.				
R	b. Market research has verified what each target market is willing to pay for the product.				
E	c. Market research has verified the optimum pricing structure for each target market for the product.				
R	d. Market research has verified the optimum packaging, or method of providing the product, for optimum access and convenience of access for each target market.				
E	e. Market research has identified all or most of the competitors for the product for each target market, and the organization has established a unique value for proposition for the overall business that sets it apart from its competitors.				
Indicators ratings: E=essential; R=recommended; A=additional to strengthen organizational activities					

Advertising and Promotions

Rating *	Indicator	Met	Needs Work	N/A	Don't Know
E	a. The organization has established a unique value proposition for each product, which specifies why each target market should buy the product from that business rather than from its competitors.				
E	b. The organization has developed powerful descriptions of the product that conveys the unique benefits of the product to each target.				
E	c. Descriptions of the product are customized and delivered (advertised) in communication channels (TV, radio, etc.) most preferred and accessible by each target market.				
R	d. Advertisements are evaluated to ensure they increase or sustain sufficient customer purchases.				
R	e. Customers are asked where they heard about the product and what led them to buy from the organization.				
R	f. Specific responsibilities are established to ensure that advertisements are delivered and evaluated on a timely basis.				
Indicators ratings: E=essential; R=recommended; A=additional to strengthen organizational activities					

Public Relations

Rating *	Indicator	Met	Needs Work	N/A	Don't Know
R	a. The organization has identified each of the major types of stakeholders that should have a positive image of the company, including customers, investors, community leaders, etc.				
R	b. The organization has articulated the image that it wants each different stakeholder group to believe about the organization, for example, investors to trust the company, community leaders to see the company as a good neighbor, etc.				
E	c. Various means and tools are identified to cultivate the preferred image among the various stakeholder groups, for example, advertisements, public presentations, contributions to neighborhood efforts, etc.				
R	d. Specific responsibilities are established to ensure the means and tools are utilized by certain dates.				
Indicators ratings: E=essential; R=recommended; A=additional to strengthen organizational activities					

Customer Services and Sales

Rating *	Indicator	Met	Needs Work	N/A	Don't Know
E	a. Target markets (identified from market research) are regularly reviewed to generate leads for making sales.				
E	b. Leads are contacted on a regular basis to generate awareness, interest and closings/contracts for each product.				
R	c. All employees who work with customers are trained on best practices in customer service.				
R	d. Customer satisfaction, product defects and product-returns are measured regularly and results are used to update product design and delivery and also update trainings on customer service.				
R	e. Performance indicators (financial, etc.) exist for each product and the progress toward each indicator is evaluated on a regular basis.				
R	f. Adjustments are made to production, delivery and communication regarding the product as based on results of the evaluation.				
R	g. All product activities are highly integrated to accomplish optimum effectiveness in production, delivery and communication about products.				
R	h. Specific responsibilities are established to ensure the means and tools are utilized by certain dates.				
Indicators ratings: E=essential; R=recommended; A=additional to strengthen organizational activities					

Financial Activities

Rating *	Indicator	Met	Needs Work	N/A	Don't Know
E	a. The organization follows accounting practices which conform to generally accepted standards.				
E	b. The organization has systems in place to provide the appropriate information needed by Board members and employees to make sound financial decisions and to fulfill government requirements (for example, the requirements of the Internal Revenue Service in the USA).				
R	c. The organization prepares timely financial statements including the balance sheet, income statement and cash flow statement which are clearly written and useful for the Board members and employees. (Note that these statements might be referred to by different names in various countries.)				
R	d. The organization prepares financial statements on a budget versus actual (comparative basis) to achieve a better understanding of their finances.				
E	e. The organization develops an annual comprehensive operating budget which includes costs for all operations and also sources of revenue. This budget is reviewed and approved by the Board of Directors.				
R	f. The organization monitors a) unit costs of products through the documentation of revenue and expenses for each product, and b) costs for central administrative operations.				
E	g. The organization prepares cash flow projections.				
R	h. The organization periodically forecasts year-end revenues and expenses to assist in making sound management decisions during the year.				
E	i. The organization reconciles all cash accounts monthly.				

E	j. The organization has a review process to monitor that Board members and management are receiving appropriate and accurate financial information.				
E	k. If the organization has billable contracts or other service income, procedures are established for the periodic billing, follow-up and collection of all accounts, Includes documentation to substantiate all billings.				
E	l. Government contracts and purchase of service agreements are in writing and are reviewed by management to monitor compliance with all written conditions.				
E	m. Payroll is prepared following appropriate federal and state/provincial regulations and organizational policy.				
E	n. Persons employed on a contract basis have met all federal and state/provincial requirements for this form of employment. (In the USA, disbursement records are kept so 1099's can be issued at year end.)				
E	o. Organizations that purchase and sell merchandise take periodic inventories to monitor the inventory against theft, to reconcile general ledger inventory information and to maintain an adequate inventory level.				
R	p. The organization has a written fiscal policies and procedures manual and follows it.				
E	q. The organization has documented a set of internal controls, including handling of cash and deposits and approval over spending and disbursements.				
E	r. The organization has a policy identifying authorized check signers and the number of signatures required on checks in excess of specified dollar amounts. Also, those who signs checks are not the same as those who approve invoices. This helps to avoid fraud and theft of funds.				
E	s. All expenses of the organization are approved by a designated person before payment is made.				
R	t. The organization has a written policy related to investments.				
R	u. Capital needs are reviewed annually and priorities established.				
R	v. The organization has established a plan identifying actions to take in the event of a reduction or loss in funding.				
R	w. The organization has established, or is actively trying to develop, a reserve of funds to cover at least three months of operating expenses.				
E	x. The organization has suitable insurance coverage which is periodically reviewed to ensure the appropriate levels and types of coverage are in place.				
E	y. Board members and employees who handle cash and investments are bonded to help assure the safeguarding of assets.				
Indicators ratings: E=essential; R=recommended; A=additional to strengthen organizational activities					