

1.1 Management and Leadership

Management and leadership play an important role by setting the company's direction and workplace environment, and by inspiring and motivating employees.

	Question	Never	Rarely	Occasionally	Frequently	Always
1	Are your company's goals linked to its vision and mission? If you don't have vision or mission statements, select "Never".					
2	Are your company's short-term goals shared with all employees?					
3	Are employees with potential leadership skills identified and developed?					
4	Does your company do succession planning for key positions?					
5	Do management and leaders allocate their time equally to administrative, production, and improvement activities?					

1.2 Innovation

In business, innovation (*the process where original ideas bring significant positive change to products, services, or processes*) often results from ideas that the company adopts in order to further satisfy customer needs and expectations. To qualify as an innovation, an idea must be replicable and economical, and meet a specific need.

	Question	Never	Rarely	Occasionally	Frequently	Always
1	Do you see your company as innovative?					
2	Does your company use a system or process to support innovation?					
3	Do customers have input into your innovation process?					
4	Are environmental impacts considered during the innovation process?					
5	Has innovation been a successful investment for your company?					
6	Does your company develop new products?					
7	Does your company follow a product development process?					

1.3 Productivity

A systematic approach to managing productivity allows companies to be more effective and efficient. Setting goals, evaluating work processes, and identifying opportunities and acting upon them are fundamental components of a successful approach.

	Question	Never	Rarely	Occasionally	Frequently	Always
1	Does your company manage productivity by setting goals and measuring the results?					
2	How often does your company evaluate work processes and flows?					
3	Does your company identify opportunities for productivity improvement?					
4	Does your company use action plans to implement the identified opportunities?					
5	Does your company benchmark itself against others?					
6	Are employee incentives linked to productivity achievements?					

1.4 Technology

Technology solves practical problems through the application of scientific knowledge. It is particularly important in the manufacturing and business environments. Rate your technology use in the following categories.

Supply Chain							
	Question	All manual	Using spreadsheets	Unintegrated software	Integrated system	Specialized software	N/A
1	Shipping						
2	Receiving						
3	Warehousing						

Design and Engineering					
		Manual	Stand-alone software or spreadsheet	Fully integrated system	N/A
1	Estimating				
2	Design / drawing / engineering				
3	CNC coding				

Production Technology							
		Manual & power tools	Single machines	Dedicated machinery including CNC technology	Partial work cells with some continuous flow	Material handling & integrated robotics	N/A
1	Cutting / breakout						
2	Machining (drilling, edging, etc.)						
3	Assembly						
4	Sanding						
5	Finishing						

1.5 Researching Technology and Staying Current

Keeping up with the latest in technology is necessary for any business owner or manager. You do not need to know it all, but you do need to know who does.

	Question	Never	Rarely	Occasionally	Frequently	Always
1	Does your company attend machine shows?					
2	Does your company attend seminars or workshops?					
3	Does your company subscribe to, and read, trade magazines and journals?					
4	Does your company use the services of consultants?					
5	Do suppliers visit and demonstrate their products and services?					

1.6 Training

In any company, employees are key stakeholders. When properly trained, employees are more adept with new technology, work faster with fewer mistakes, require less supervision, accept responsibility, and become better communicators.

	Question	Never	Rarely	Occasionally	Frequently	Always
1	Is orientation training provided to new employees?					
2	Does your company develop training plans for existing employees?					
3	Are employees cross-trained in a variety of jobs which they rotate across regularly?					
4	Do the experienced workers mentor new employees?					
5	Is management and leadership training provided to supervisors and lead hands?					
6	Do employees receive training when new technology is introduced?					
7	Is there a safety component in all machine or process training?					
8	Are training achievements and plans considered during performance reviews?					

1.7 Culture

Culture is the character and personality of your organization. It's what makes your organization unique. The workplace culture is the sum of your company's values, traditions, beliefs, interactions, behaviours, and attitudes.

	Question	Never	Rarely	Occasionally	Frequently	Always
1	Do employees understand their role in helping the company achieve its goals?					
2	Does your company recognize and reward people whose efforts support its goals?					
3	Does your company encourage employees to suggest ways to improve its products, services, and the way they work?					
4	Do employees share information between teams and work areas?					
5	Does your company provide employees with flexible work hours?					
6	Does your company give consideration to ergonomics?					
7	Does your company give consideration to environmental sustainability?					

1.8 Employee Benefits

Many small and medium companies believe they can't afford employee benefits, but the long-term implication of not offering benefits can have a negative impact. What benefits do your company offer to its employees?

	Question	No employees	Some employees	All employees	N/A
1	Medical				
2	Disability				
3	Pension				
4	Life insurance				
5	Education				

2.1 About Your Company

Tell us about your facility		
1	What is the size of your manufacturing plant?	sq. ft.
2	What is the size of your office space?	sq. ft.
Tell us about your employees		
3	How many production employees (e.g., manufacturing) are on your payroll?	
4	How many office employees (e.g., design, engineering, sales, administration) are on your payroll?	
5	How many other employees (e.g., installers, truck drivers) are on your payroll (Excluding contractors)?	
Let's talk dollars and cents		
6	What is your average entry-level wage for production employees?	\$ /h
7	What is your average wage for experienced production employees?	\$ /h
8	What is your average entry-level wage for office employees?	\$ /h
9	What is your average wage for experienced office employees?	\$ /h
10	What is your total annual payroll?	\$
11	What is the value of your inventory?	\$
12	What are your annual sales?	\$

2.2 Financial Indicators

How are you utilizing your capacity?		
Improving capacity utilization can drastically reduce unit costs, thereby helping the business to gain an edge and stay ahead of its competitors. Although reaching the maximum capacity rate of 100% is quite difficult, you can focus on increasing the utilization rate and enjoy greater profits in the long run. Let's determine your business's utilization rate!		
13	Thinking about your production facility, what amount of POTENTIAL annual sales could be generated in a year, if your company was working "flat out" and two shifts per day?	\$
Is your gross margin on track?		
Watching gross margin is the quickest way to determine if your business is on track or not. Monitoring gross margin also acts as an early warning system. The gross margin represents the percent of sales that the company keeps after paying the manufacturing costs associated with producing the goods sold. Let's determine your gross margin!		
14	What is the total annual cost of the material used in creating the goods (e.g., cost of raw materials, finishes, hardware)?	\$
15	What is the total fully loaded direct labour cost (staff on production floor) associated with producing the goods?	\$
How do you control your indirect costs?		
Controlling your indirect costs (also known as operating expenses) can make a huge difference on your profit margin. It's commonly thought that operating expense control happens out of necessity, not as an on-going business practice. However, expense control takes practice and needs to be consistent. Let's determine your operating expense ratio!		
16	What are your annual indirect costs (also known as operating expenses)? The indirect costs include all expenses other than the above direct costs. These include sales commissions, advertising, promotional materials, rent, utilities, supplies, and computers, as well as compensation of the company's officers and marketing, sales, finance, and office staff.	\$

Is your business growing?

Your nominal revenue can grow due to new business, as well as increases or decreases in pricing or changes in direct costs. If you are only watching the overall or "nominal" change in revenue, there is no quick way to know the actual or real growth of your company. Let's determine your real growth!

17	How much did your annual sales change (in percentage points) from the previous year?	%
18	How much did your average product price change (in percentage points) from the previous year?	%
19	How much did your annual direct costs change (in percentage points) from the previous year? Direct costs include the cost of the material used in creating the goods, as well as the cost of raw materials, finishes, hardware, transportation, etc., along with the fully loaded direct labour costs (e.g., staff on production floor, installers) used to produce the goods.	%

How stable is your revenue?

Many companies are concerned about their month-to-month and year-to-year financial stability. As a result, they focus on core revenue impact (CRI) which represents the portion of overall costs covered by recurring "core" sales (purchases by repeat customers) versus non-recurring "one-off project" sales (one-time customers). There is no right or wrong answer for your business. However, if you are highly dependent on one-time customers, you may be at higher risk of revenue fluctuation. On the other hand, while higher core revenue may decrease volatility, it may also translate into lower average rates and profitability. Each business will find its own balance.

20	What is the percentage of total sales from repeat customers ("core") versus non-repeat customers ("one-off projects")?	%
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