



## Management tool #A-1: ©

### BUSINESS 'KEY CHALLENGE' AUDIT SHEET®

#### 7 important things that the 'Business Key Challenge Audit' will tell you about your business:

Simply put, every business is trying to get from where they are now, to some better place they commit to be, with higher sales, more loyal customers, a more effective team, world-class operational efficiency and improved profitability. The problem is that many businesses are not clear about where 'here' is. They're not being realistic about the challenges they face, nor are they in agreement about how to fix them.

The 'Business Key Challenge Audit' process is important and insightful. By taking just a few minutes for you and your management and supervisory team to independently and honestly complete this 1-page exercise (see Page 2), then analyzing the results, here's some of what you'll discover...

1. The number of challenges that your business faces, now and in the foreseeable future. Challenges that require your urgent time and attention.
2. Is there agreement on what those challenges are? Did most team members put their Xs in the same place...or do you have wide disagreement about what needs fixing? *"Is everyone singing from the same hymn sheet?"* If you can't even agree on what needs fixing, how can you start taking effective action?
3. Which challenges are most important and need to be addressed first? Typically, these are the challenges that get the highest number of votes from you and your team.
4. Which members of your management team 'get it'...and which don't? Did some team members X off only 3-4 challenges, while most checked off 12 to 18? Do those who checked off just a few simply not 'get it'...or are they disengaged from the company and their job?
5. Are you, as the boss, truly in touch with the challenges of the business, as seen by your team ...or are you in a state of 'comfortable denial'?
6. It will be revealing to chat with those who X'd off some items that most others did not. Ask them why they saw that particular item as a challenge in the business. Often, what is first thought to be a marginal and minority view turns out to be a valid and highly important insight from one person or department within the business.
7. The 'Business Key Challenge' exercise, properly executed, will start a process of open and frank discussion, debate, innovation, decision, action and implementation that will make a major impact on the growth and profitability of your business.

**Important note:** For each decision that you and your team make to address a challenge, get very specific about **what action will be taken, by whom, by when, measured how and rewarded how.** Remember, businesses don't die from a single shot to the head...they slowly and surely from a thousand uncompleted tasks.


## BUSINESS 'KEY CHALLENGE' AUDIT SHEET©

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Full name:		Title & Division or Department:	
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Clients around the world, in over 40 different industries, find this **Key Challenges Audit Sheet** most helpful in identifying the specific areas in their business that need focus and innovation. It will take 4 minutes.

Each member of your Management and Supervisory team and a cross-section of Front-line Staff will complete this Audit Sheet by **putting an X beside each challenge** that you currently face, or might face over the next 3 to 5 years.

		<b>Business Key Challenge Audit</b>
1		We face increased <b>competition</b> and/or shrinking margins.
2		We need to better <b>understand</b> our target customers...who they are, why they buy and what they <i>really</i> want.
3		We need to do a better job of creating and delivering compelling <b>customer value and experiences</b> that will "grab" our target customers, clearly differentiate us and grow our bottom line. We need to be more innovative.
4		We need to <b>do more business</b> with existing customers and attract new and profitable customers.
5		Some of our current and target customers may not be aware of <b>all the value we offer</b> .
6		We <b>don't charge as much as we should</b> , because of a lack of confidence in our value, or for some other reason.
7		We need to <b>communicate our value story</b> more effectively in a marketplace suffering from increased competition, customer confusion, cynicism and communication overload.
8		We need to find innovative and affordable ways to <b>promote our business</b> in a market where traditional advertising is too expensive.
9		We need or want to <b>increase our bottom-line profitability</b> by at least ____%.
10		Our industry faces <b>trust or image issues</b> that we must overcome to create customer confidence.
11		We're 'under attack' from <b>offshore competitors</b> , 'private label', or by <b>new technologies</b> that threaten our business.
12		We face changes in <b>societal values, concerns, trends or preferences</b> that make what we sell less desirable.
13		We serve a <b>shrinking or declining market</b> and need to reinvent or relocate ourselves.
14		Our business is <b>seasonal, cyclical...or both</b> , which creates cash flow, staffing and other challenges.
15		We face <b>regulatory or environmental restrictions</b> or oversight that make operating our business a challenge.
16		We need to find, motivate and retain <b>top performers</b> at every level of our organization.
17		There's a need to <b>improve our focus and productivity</b> . We need to create a culture of commitment and accountability...and we must deal more effectively with non-performance.
18		We need to <b>train and develop our staff</b> more effectively in order to grow the business and remain competitive.
19		We need more <b>clarity and consistency</b> from the top.
20		We need more effective and consistent <b>implementation</b> of our ideas, decisions and processes.
21		We need to create true <b>two-way communication</b> throughout our organization in a way that improves service, efficiency, innovation, profitability and employee satisfaction.
22		We need a <b>clearer Vision</b> for the future of our business...and a <b>Plan</b> to get us there.
23		We do not have the <b>working capital</b> we need to operate or grow the business effectively.
24		Our <b>industry and our market are changing quickly</b> . Our current business model may not get us where we need to be. So, we need to redefine and/or reinvent some aspects of our business.
25		There's a lack of clarity about <b>who will lead, manage and/or own</b> our business in the future.