



## Business Development Questionnaire

A preliminary assessment to discover hidden potential in your business.

Owner / Director Name:

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Business Name:

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This questionnaire will help identify the areas of potential profit improvement in your business. It will also provide an indication of how I can help you achieve that potential.



1. How many years have you been an owner/director of this business? \_\_\_\_\_

2. How many years have you been involved in owning or managing any business? \_\_\_\_\_

3. Did you establish the business or acquire it? \_\_\_\_\_

4. Are you happy with the financial return you are getting from the business?

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5. If you are not happy with the financial return, what return would you like to be getting?

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6. On average, how many hours in a typical week do you spend working in your business?

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7. How many hours would you like to spend working your business?

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8. What do you consider to be the biggest challenges confronting your business? (Rank them in order of concern from 1 to 16 with 1 = most concerning. Ignore any items that are not applicable and in the space provided record any challenges that have not been listed.)

Lack of capital for expansion		Price competition	
Lack of sales		Lack of time to do what needs to be done	
Cash flow		Not enough customers	
Slow – paying customers		Supplier problems	
Lack of skilled people		Production / operational problems	
Difficulty getting employees focused		Government regulations	
Internet based competition		State of the economy	
Taxation		Technological issues	

Other Challenges....specify


9. If you had access to unlimited finance what would you do to improve the business?

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10. What key performance indicators do you use to monitor the progress of your business?

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11. Do you set targets as a reference point for managing your business? \_\_\_\_\_

12. If you answered yes to question 11, what things or activities do you set targets for?

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13. Do you have formal action plans that set out precisely what you need to do to achieve the targets you set for the business?

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**14. Who is responsible for monitoring profitability?** (Tick as many as is appropriate)

- You
- One of your fellow owners/directors
- A member of your team (non-owner/director)
- External accountant/bookkeeper
- Nobody

**15. If you are responsible for monitoring profit, how often do you monitor it?**

- Annually
- Quarterly
- Monthly
- Weekly
- As required

**16. If someone other than you monitors profit, how often do they report results to you?**

- Annually
- Quarterly
- Monthly
- Weekly
- As required

**17. Irrespective of who is responsible for monitoring profit, does the monitoring function include comparisons of actual and targeted profit?**

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18. What is the main reason you went into business?

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19. Do you feel you are achieving this? If you answer “no” can you explain why you think you are not achieving your plans?

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20. What is the current value of your business, that is, if it were to be sold what would be the asking price?

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21. How much would you like your business to be worth when it is time for you to sell it?

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22. Other than profits, what are some of the things that determine the value of your business?

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23. The objective of the next 2 sections of this questionnaire is “paint a picture” of *your* perception of the businesses commitment to client service.

Rate your opinion on each statement on a scale of 1 to 5 where 1 = never, 2 = rarely, 3 = sometimes, 4 = usually 5 = always

**General customer orientation**

	1	2	3	4	5	n/a
1. Taking care of customers is a top priority in this business and is considered more important than cost control.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. We listen to our customers’ needs, and we act on them. ....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. We have a <b>formal</b> process to discover customers’ wants, needs, and expectations. ....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. If we ever lose a customer, we know why or we find out why. ....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Our repeat business is greater than the average for our industry. ....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Our day-to-day activities are in harmony with our goals for customer satisfaction. ....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. <b>Everyone</b> in our organisation believes that customer care is critically important. ....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. If a customer has a complaint, we look at it from the customer’s point of view, not just our point view. ....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



**Management style and culture**

1    2    3    4    5    n/a

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|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 9. The people who manage this business don't just talk about excellent Customer service—they practice it themselves. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. The people who manage this business are predominantly risk takers. ....  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Team members are given authority to solve customer problems without fear of recrimination. ....                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. Managers stress customer care is our major competitive weapon. ....  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. Our managers communicate effectively and are good motivators. ....   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. People at all levels participate in decision making.....   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. People in different departments work well together. ....   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. Things go wrong because of poor communication. ....  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 18. The goals set by management are clear and achievable. ....   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**24. What are the frustrations, if any, that you have with your business?**

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25. If you were starting out in business again, with the benefit of hindsight, what would you do differently?

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26. If you were to sell your business in the next few years, and if retirement was not an option, what would you do after the sale?

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27. Talking about retirement, how much capital, in today's dollars, do you think you would need to fund your retirement?

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The following questions are designed to give us an insight into how you manage your business.

28. Do you have a business plan?

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29. Do you know the breakeven level of sales revenue?

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30. Are cash flow projections prepared by you or for you?

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31. Do you regularly examine the difference in contribution to profit made by different customers or customer groups and different product/service offerings? (Regularly in this instance means monthly or quarterly)

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32. Do you set performance standards and or productivity targets for individual employees?

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33. Do you have a written operations manual that identifies performance standards for each function within the business?

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34. Describe what would happen to your business if you were forced to be away for 4 months.

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35. To what extent do you involve team members, across all levels, in the following decisions?

	Always	Often	Sometimes	Never
Price changes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
New products and or services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hiring or firing team members	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Capacity expansion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Process design or system changes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marketing plans or initiatives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

36. Do you hold regular management meetings to review progress?

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38. List the 3 major time wasters in your business, the things that consistently prevent you from achieving what you would like to get done.

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

39. Throughout the course of a year how much of your time would you estimate is allocated among the following activities. Then allocate the percentage of time you would prefer to devote to each activity (As a guideline, think of 10% as being 200 hours)

Activity	Actual Percent	Preferred Percent
Doing technical work or supervising the work of others (i.e., making, delivering, or doing the things the business does for its customers)		
Doing clerical or general administrative work (e.g., writing up the books, visiting bankers, collecting debts, preparing the payroll, talking with reps and suppliers)		
Marketing the products or services of the business (e.g., preparing quotes, talking to potential customers, preparing Marketing Plans, or initiatives) Note: if you are in retail, please include shop floor selling as technical work.		
Thinking about the business and where it's heading, developing your competitive strategy, looking at ways to improve quality or productivity, training and developing the skills of your team members		
Other...(details)		



40. Take a moment to think about other businesses in your industry that you admire. What do you think is the reason for their success?

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I now want to find out information in respect of your role as a leader in the business. Except for the first and last question, all other questions in this section can be answered simply by ticking a box.

41. What is the purpose of your business, why does it exist?

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42. Does your business have a vision (strategy) statement?

Yes  No  Not sure

43. Can you write a brief statement that summarizes the business vision?

Yes  No  Not sure

44. Is the vision statement formally communicated to everyone in the business?

Yes  No  Not sure

45. Is the vision statement clearly understood by people at all levels of the business?

Yes  No  Not sure

46. Do you think that most of your employees would be able to write a brief statement (without assistance) that summarizes the businesses vision?

Yes  No  Not sure

47. Do you find your vision statement helpful when making decisions about products, services, customers, users or markets?

Yes  No  Not sure

48. Do your direct reports and senior management/administrative team members refer to the vision statement when making decisions about products, services, customers, users or markets?

Yes  No  Not sure



49. Are you satisfied with the amount of time you have committed to empower people in the business to use the vision statement?

- Yes                       No                       Not sure

50. Is the current vision statement the result of an attempt by you and your direct reports to reach consensus on the future direction of the organisation?

- Yes                       No                       Not sure

51. Does the business vision have internal critics?

- Yes                       No                       Not sure

52. Do you know where (departments, job categories, employee types, geographic locations, etc.) the key critics are located?

- Yes                       No                       Not sure

53. Does the business offer training to employees at all levels, in the use and/or application of the vision to their work?

- Yes                       No                       Not sure

54. Is all training, internal and external, related to the use and/or application of the businesses vision?

- Yes                       No                       Not sure

55. Does management include an evaluation of the use and/or application of the vision in performance appraisals?

- Yes                       No                       Not sure

56. Does your business utilise a separate process to determine *what* it wants to become (i.e. visioning) to the process that determines *how* to get there (i.e. strategic planning)?

- Yes                       No                       Not sure





57. Does the business have a clearly recognised and understood *driving force* (e.g. products, markets served, technology, natural resources, low cost production, profit/return, distribution/sales, capacity)?

Yes

No

Not sure

58. Briefly describe what the most significant elements of the culture of the business. (i.e. what is important to the business.)

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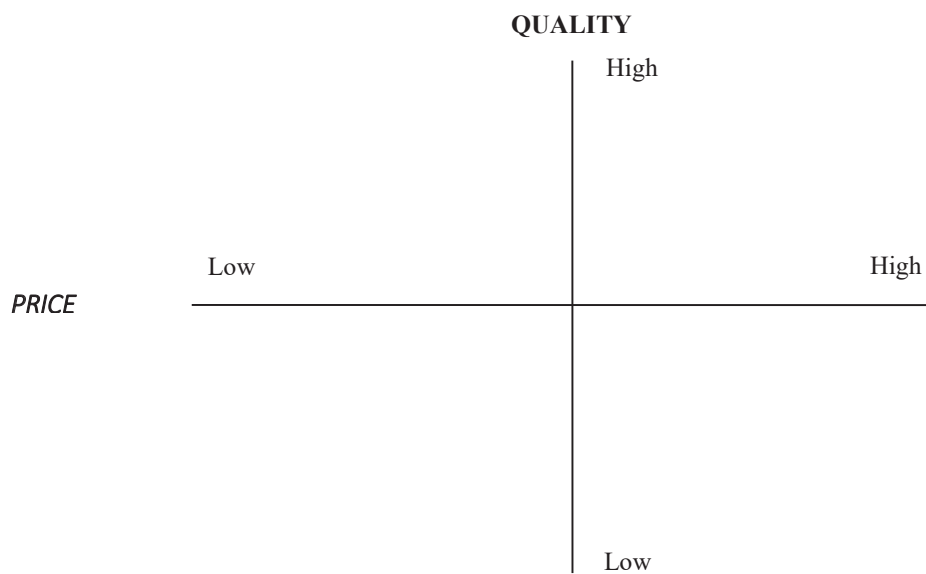
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## Products & Services

59. The diagram below represents 4 possible combinations of price and quality. In which of the quadrants would you place the products and services offered by your business? Place a “X” in the appropriate quadrant. If you offer a range of products and services that occupy more than one quadrant, place more than one X on the diagram and record your estimate of the percentage of sales represented by the sales in any particular quadrant.





## Customers

60. Do you maintain a data base of your customers that includes their names & email address?

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61. What proportion of your total revenue is accounted for by your biggest customer?

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62. What proportion of your total revenue is accounted for by the top 20% (in sales value) of customers?

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63. What do you believe are the 3 most important reasons why customers deal with you?

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

64. What are 3 frustrations customers experience when dealing with businesses in your industry?

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_



65. Approximately how many customers do you have? (If you have no idea it is ok to say so)

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66. How many new customers did your business win during the past 12 months?

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67. How many customers did you lose to competitors over the past 12 months?

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68. Of the customers you won, what percentage were referred to you by existing customers?

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69. How often in the past 12 months have you formally asked a customer to refer new customers to you?

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70. Of the customers that left, what percentage have since been visited by a director?

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71. Summarise last year's advertising strategy and indicate how well it worked.

Poor

Excellent

Media	Used (✓)	\$ Spent	1	2	3	4	5	6
Television								
Radio								
Yellow Pages								
Website								
Newspapers								
Magazines								
Flyers / Coupons								
<b>Social Media</b>								
Referrals								
Phone (cold calling)								
Face-to-face cold calling								
Direct marketing								
Other...								

72. How do you track the effectiveness of your advertising?

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73. What is conversion rate of leads to sales?

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74. If you quote for jobs, what percentage of quotes do you win?

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Thank you.

I hope completing this questionnaire has been a valuable experience for you. Perhaps the process has made you think about certain aspects of the business you have not thought about previously, and almost certainly it would have made you think about some aspects of the business that do require attention but for whatever reason have been let slip.

During our upcoming course I will have an opportunity to discuss many of the areas that have been addressed by the questionnaire. I am certain you will find the discussions both stimulating and challenging.

Philip Arnfield  
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