

## THE SMALL BUSINESS MANAGEMENT AUDIT

### 1. Basic Planning

Yes No

A. The company has a clearly defined vision and mission	_____	_____
1. There is a written vision and mission statement	_____	_____
2. The company is carrying out the mission	_____	_____
3. Employees understand and share the mission	_____	_____
B. The company has a written sales plan	_____	_____
1. Target market has been identified	_____	_____
2. New product lines are continually developed	_____	_____
3. Targeted customers are being reached	_____	_____
4. Sales are on target	_____	_____
C. The company has an annual budget	_____	_____
1. The budget is used as a guide	_____	_____
2. The budget is used as a control	_____	_____
3. Actual expenditures are compared against budgeted expenditures	_____	_____
4. Corrective action is taken when expenses are over budget	_____	_____
5. The budget is realistic	_____	_____
D. The company has a pricing policy	_____	_____
1. Products or services are competitively priced	_____	_____
2. Prices are increased when warranted	_____	_____
3. New prices are placed on last-in goods when the Price on old stock gets changed	_____	_____

**2. Employees****Yes    No**

- |   |       |       |
|---|-------|-------|
| A. Employees know what is expected of them                    | _____ | _____ |
| 1. Each employee has only person to report to                 | _____ | _____ |
| 2. Supervisors have authority that meets their Responsibility | _____ | _____ |
| 3. Employees are adequately trained                           | _____ | _____ |
| B. Each employee has a job description                        | _____ | _____ |
| 1. Employees can accurately describe what they do             | _____ | _____ |
| 2. Work load is distributed fairly                            | _____ | _____ |
| 3. Employees receive feedback on performance                  | _____ | _____ |
| 4. Employees are rewarded for good performance                | _____ | _____ |
| 5. Employees are familiar with company policies               | _____ | _____ |
| C. Regular employee meetings are conducted                    | _____ | _____ |
| 1. Employees' ideas are sought                                | _____ | _____ |
| 2. An agenda is prepared and distributed                      | _____ | _____ |

**3. Advertising and Promotion****Yes    No**

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|--|-------|-------|
| A. The owner has an advertising and promotion plan         | _____ | _____ |
| B. The owner uses effective advertising and promotion      | _____ | _____ |
| C. The owner uses effective merchandising techniques       | _____ | _____ |
| D. The owner evaluates advertising and promotional efforts | _____ | _____ |