



MODULE 3

Operational Management Checklist

Process	Comment	Date Completed or N/A	Needs Additional Analysis (✓)
Does your client's business practice? <ul style="list-style-type: none"> Follow-up Attention to detail Sense of urgency <i>(See Module 3 Introduction and Section 3.1)</i>			
Does management? <ul style="list-style-type: none"> Inspire Encourage Challenge <i>(See Section 3.2)</i>			
Is immediate intervention practiced regarding problem solving? <ul style="list-style-type: none"> What happened? What caused this to happen? Could it have been prevented? What was the result of this happening? <i>(See Section 3.3)</i>			
Are principles of time management practiced? <ul style="list-style-type: none"> Set goals Monitor progress Keep prioritized "to-do" list Avoid distractions Delegate <i>(See Section 3.4)</i>			

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<p>Does the company run an:</p> <ul style="list-style-type: none"> Effective operation, or Efficient operation <p>(See Section 3.5)</p>			
<p>Are company processes reviewed for improvement?</p> <ul style="list-style-type: none"> Are proper improvement steps taken? Are improvements measured? Are there achievable results? <p>(See Section 3.6)</p>			
<p>Review supply chain management process for improvement:</p> <ul style="list-style-type: none"> Forecasting Purchasing decisions and contracts Production decisions Scheduling Inventory decisions Transportation Financing Customer requests <p>(See Section 3.7)</p>			
<p>Questions related to forecasting, pricing, inventory, and scheduling:</p> <ul style="list-style-type: none"> How are raw material and inventory ordering needs determined? How do you determine the timing of when orders will arrive? Is there an excess of some raw materials and inventory waiting on other components to arrive? What steps have you taken to improve this process? 			

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<ul style="list-style-type: none"> How much money is tied up in raw materials or inventory while waiting on other components to arrive? Are competitive bids always obtained prior to ordering? Have vendors changed within the last couple of years? Is consideration given to using alternate components or stocking other inventory items? <p>(See Section 3.7.1)</p>			
<p>Questions related to transportation costs:</p> <ul style="list-style-type: none"> Are normal shipping charges incurred on materials and inventory or are additional charges for expedited shipments incurred? If expedited shipping charges are incurred, why were these incurred? What are the circumstances surrounding the payment of additional charges? Are these additional charges passed through to customers? What could be done to eliminate these additional charges? <p>(See Section 3.7.2)</p>			
<p>Review financing costs:</p> <ul style="list-style-type: none"> Are financing costs factored into the selling price of products sold? Have suppliers been surveyed to secure best financing terms? Could working capital loans be more beneficial than vendor financing? <p>(See Section 3.7.3)</p>			

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<p>Review specific customer requests:</p> <ul style="list-style-type: none"> Are specific customer requests normal for business? Is a profit determination for additional time, effort, and materials involved made prior to accepting specific customer requests? <p>(See Section 3.7.4)</p>			
<p>Are changes within the business handled properly?</p> <ul style="list-style-type: none"> Planning stage Taking the lead Handling employee resistance Securing employee buy-in <p>(See Section 3.8)</p>			
<p>Is change accomplished with?</p> <ul style="list-style-type: none"> Strong leadership Clearly stated goals Delegation Creation of teams Motivation Employee incentives Open communication Fostering of problem-solving environment Planning for change Development of employee leaders <p>(See Section 3.8)</p>			

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<p>Review possible outsourcing for:</p> <ul style="list-style-type: none"> ■ Accounting ■ Recruiting ■ Information Technology ■ Human Resources ■ Payroll ■ Legal ■ Marketing ■ Selling ■ Call Centers ■ Travel ■ Document Management ■ Teleconferencing <p>(See Section 3.9)</p>			
<p>Review Human Resources for:</p> <ul style="list-style-type: none"> ■ Understanding importance of employees (See Section 3.10.1) ■ Tips for hiring (See Section 3.10.2) ■ Probing interview questions for job applicants (See Section 3.10.3) ■ Inquire about performance reviews (See Section 3.10.4) ■ Discuss promotions and the Peter Principle (See Section 3.10.5) ■ Discuss importance of a company culture (See Section 3.10.6) ■ Does company have team building activities? (See Section 3.10.7) ■ Does company have an employee handbook? (See Section 3.10.8) ■ Understand importance of payroll and related functions (See Section 3.10.9) 			

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<p>Review technology for hardware:</p> <ul style="list-style-type: none"> ■ Is correct hardware being used? ■ Are computers networked for efficiency? <p><i>(See Section 3.11.1)</i></p> <p>Review software:</p> <ul style="list-style-type: none"> ■ Are business needs being adequately handled with current software? ■ Can other software improve efficiencies? <p><i>(See Section 3.11.2)</i></p> <p>Does business take advantage of “big data” available?</p> <ul style="list-style-type: none"> ■ Is data analyzed? ■ Is data cross-referenced to certain activities and/or events? <p><i>(See Section 3.11.3)</i></p> <p>Review business files:</p> <ul style="list-style-type: none"> ■ Are they protected? ■ Are they backed up? ■ Is there file sharing among employees? ■ Should a document management system be considered? <p><i>(See Section 3.11.4)</i></p> <p>Is hardware and software secure?</p> <ul style="list-style-type: none"> ■ Are there system safeguards? ■ Are there written policies for personal use? ■ Are all preventive measures taken to secure all systems? <p><i>(See Section 3.11.5)</i></p>			

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<p>Is Internet utilized to full capacity?</p> <ul style="list-style-type: none"> Have all opportunities been explored (SEO, pay-per-click, e-commerce, etc.?) <p><i>(See Section 3.11.6)</i></p> <p>Are smartphones utilized to enhance business?</p> <ul style="list-style-type: none"> Is business website mobile friendly? Are apps used that could make business more productive? <p><i>(See Section 3.11.7)</i></p>			
<p>Dysfunctional business: Review various red flags for possible indications of a dysfunctional business:</p> <ul style="list-style-type: none"> No leadership No training No communication No teamwork No loyalty No qualification for promotions No response to requests or inquires No fairness with employees <p>Discuss areas of concern delicately and diplomatically</p> <p><i>(See Section 3.12)</i></p>			