

Business Finance Solutions has designed a short (lite) and comprehensive (full) version of the Business Snapshot Tool™ to help business owners and entrepreneurs conduct a self-assessment of the strengths and weaknesses of their business.

Business Finance Solutions helps small and lower middle-market businesses obtain working capital and equity to grow. During our decades of combined experience in finance, marketing, management, sales, and business education, we have learned the score your enterprise receives on this self-assessment is a good predictor of your potential for ability to attract outside investment as well as overall sustained success.

The tool asks both strategic and tactical questions about how you view and operate your business.

The Business Snapshot Tool is made of four sections:

Part 1: Enterprise Management

This section asks you to examine your business practices, processes, accounting and financial strength, and ability to adapt to changing marketplace. Your management team provides the strength and backbone of your enterprise.

Part 2: Business problem your enterprise solves or is going to solves

All business enterprises are created to meet a demand in their market. We call this demand the business problem your business solves or in the case of start-up businesses, plans to solve. Having a solid knowledge and vision of the challenges your business will help solve is critical to understanding the best way to meet your market's demand.

Part 3: Your solution to the business problem

Experienced airplane pilots plan their flight plan before starting a cross country trip. They design a route that will get them there with a minimum amount of risk, on time, and with the appropriate resources employed. As they make their way across country, they evaluate new data that develops during their trip. They may have to navigate around turbulence, avoid storms, or take advantage of following winds to get to their destination using less fuel. Think of your solution to the business problem you are solving as an aircraft pilot might think about carrying a plane across the United States. This is your short, medium and long-term solution to the business problem.

Part 4: Enterprise performance return on investment (ROI)

If your business is a for-profit business, then you should have a measurable goal for obtaining a return on your investment of time and money. There are many ways to measure return on investment. Different kinds of companies might use different measurements of success. The important consideration is that your enterprise decide which measurement metrics best help you manage your business for profitable growth.

Questions are not ordered in any priority, and not all questions apply to every business. If a question doesn't apply to your business enterprise, put a large **X** in the scoring blank for that question. This way your average score will not be affected by those questions that don't apply to you.

Feel free to download this tool or refer it to others. www.bfs-usa.com/business-snapshot-tool

Part 1: Enterprise Management

Please score each item that applies to your business on a 1 (worst) to 10 scale (best). If an item doesn't apply, put an X in the blank. At the end of this section, compute an average of each section.

	Do you prepare historical financial statements to operate business, prepared monthly?
	Do you have trusted advisors (CPA, attorney, risk manager, banker or financial consultant, HR)?
	Do you have a list of specific financial measurements are important to your business?
	Do you have at least three-year proforma financial statements prepared (balance sheet, income statement, statement of cash flows)?
	Do you use regular cash flow forecasting to understand when external financing will be necessary?
	Do you have written description of business processes and contingency plans?
	Do you encourage and participate in continuing education for yourself and your employees?
	Do either you or one of your managers have strong domain expertise in your industry?
	Do you have clearly written goals and objectives for your business venture?
	Can you state what your business does in 1 minute or less (elevator pitch)

	Total of all scores
	Average of all scores that are filled in. (Total score ÷ number of items filled in)

Part 2: Business problem your enterprise solves or is going to solves

	Do you and your team have a clear vision of the business or consumer problem you are going to solve with your services/products?
	Have you conducted any market research (focus groups, formal and informal surveys, etc.)?
	Do you know who your top five competitors are in the industry space you plan on occupying?
	Do you know both the strengths and weaknesses of your key competitors and can you easily name them?
	Do you know the approximate size of the market problem/opportunity using a measurable metric?
	Does the market opportunity cover a minimum of two geographical AND vertical boundaries?
	Does your company have more than one way to solve the most critical business problem you are solving for your customer?
	Do you understand the pricing strategy of your key competitors?
	Have you formulated a profile of your most desirable customer?
	Does management review change its definition of the business problem when circumstances warrant?

	Total of all scores
	Average of all scores that are filled in. (Total score ÷ number of items filled in)

Part 3: Your solution to the business problem

Please score each item that applies to your business on a 1 (worst) to 10 scale (best). If an item doesn't apply, put an X in the blank. At the end of this section, compute an average of each section.

	Is your solution to business market problem difficult to copy by a new competitor?
	Do you have legal protections for your intellectual property (trademarks, patents, etc.)?
	Is your solution to the business problem scalable?
	Is your solution to the business problem environmentally friendly?
	Can you list 3 key barriers of entry to your marketplace that you have crossed that may be difficult for other competitors?
	Do you have a strong branding program for your enterprise/product/service?
	Do the members of your team that are domain experts recognized as such by the marketplace?
	Does your solution include significant customer customization or value added? i.e. price is less significant than product or service?
	Do your sales force (including management) use 90-day (or similar) plans for their sales goals and objectives?
	Do you have a program to ask your customers how you might improve your product or service?
	Total of all scores
	Average of all scores that are filled in

	Total of all scores
	Average of all scores that are filled in. (Total score ÷ number of items filled in)

Part 4: Enterprise performance return on investment (ROI)

	Do you know how your performance metrics compare to others with similar SIC or NAICS codes?
	Does everyone in your business know what their measurable individual contributions are toward the overall enterprise performance goals?
	Do you ask your customers to evaluate your performance based on service and value?
	Can you usually tell another what your average gross and net profits are?
	Do you consult with a CPA or other financial expert on a regular basis to determine cause and effect of changes to your financial statements?
	Do you and your management team sit down once a year and review the last 12 months and formulate a financial performance improvement plan for the next 12 months?
	If you have inventory, do you review the mix of inventory items at least once a year to determine if your inventory is turning (selling) as fast as you need it to?
	Do you calculate your EBITDA at least once a year?
	Can you operate your business using balance sheet, income statement, & statement of cash flows?
	Do you have bylaws, an organizational agreement, any corporate resolutions or other formal documents outlining the way you plan on doing business?

	Total of all scores
	Average of all scores that are filled in. (Total score ÷ number of items filled in)

