

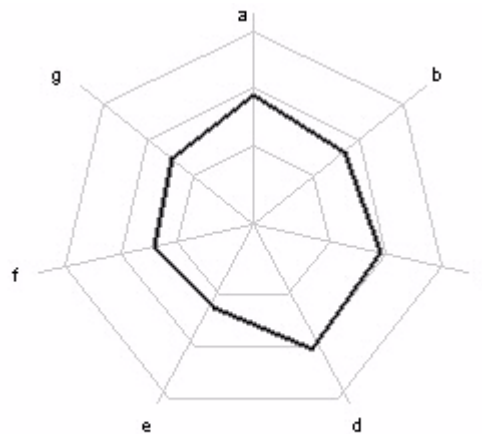
Management Report

Name
Cooper Advisory Pty Ltd

Report
Management

Business
Acme Widget Pty Ltd

Index
43



- a: Management Capability
- b: Senior Management Skills
- c: Planning Status
- d: Performance Targets
- e: Marketing Management
- f: Production Management
- g: Growth Management

Management Capability

Strengths

- Management awareness of the company's financial position

In need of attention - medium term payoff

- Management of key functions
- The CEO's senior management experience
- Reliability of management information

In need of attention - longer term payoff

- Management awareness of production operations
- Use of independent outside advisers for their opinions
- Dependence on a few key people
- Effective external shareholders
- Management succession planning
- Effective scrutiny of company activities by outsiders

Senior Management Skills

In need of attention - medium term payoff

- Skills in managing business growth
- Skills in building sales
- Ability to install systematic reporting arrangements

In need of attention - longer term payoff

- Skills in negotiation and deal-making
- Experience in production management
- High level network of business contacts
- Training and experience in management
- Entrepreneurial focus
- Training and experience in sales and marketing
- Training and experience in accounting

Planning Status

- | | |
|---|--|
| Strengths | <ul style="list-style-type: none">▪ Thoroughness of One Year Business Plan▪ Thoroughness of Cash Budgets |
| In need of attention - medium term payoff | <ul style="list-style-type: none">▪ Thoroughness of Market Development Plan▪ Identification of departures from plan▪ Effectiveness of Production Planning system▪ Staff involvement in the planning process |
| In need of attention - longer term payoff | <ul style="list-style-type: none">▪ Usefulness of Five Year Strategic Plan▪ Comprehensiveness of Mission Statement▪ Thoroughness of the company's Training Plan▪ Comprehensiveness of Capital Budgets |

Performance Targets

- | | |
|---|---|
| Strengths | <ul style="list-style-type: none">▪ Targets for Sales by Salesperson▪ Sales targets by Product |
| In need of attention - medium term payoff | <ul style="list-style-type: none">▪ Profitability targets▪ Targets for Key Financial Ratios |
| In need of attention - longer term payoff | <ul style="list-style-type: none">▪ Sales targets▪ Sales Growth targets▪ Targets for growth in Market Share▪ Output targets▪ Target returns from R&D and Innovation▪ Targets for growth in Company Value |

Marketing Management

- | | |
|---|--|
| In need of attention - medium term payoff | <ul style="list-style-type: none">▪ Identification and targeting of market segments▪ Integration of product development with market planning▪ Continual development of internal marketing capability▪ Integration of customer surveys with market planning▪ Integration of sales analysis with market planning |
| In need of attention - longer term payoff | <ul style="list-style-type: none">▪ Market research management plan▪ Competitor monitoring program▪ Motivation of sales team by marketing objectives▪ Export market development program▪ Advertising management plan |

Production Management

- | | |
|---|---|
| In need of attention - medium term payoff | <ul style="list-style-type: none">▪ Processes designed and managed for flexibility▪ Quality Management systems▪ Links between production and Continuous Improvement▪ Automation of production scheduling |
|---|---|

**In need of attention -
longer term payoff**

- **Production costing systems**
- **Production monitoring systems**
- **Equipment is just as good as it needs to be**
- **Integration of production with supply chain management**
- **Consistent achievement of delivery targets**
- **Staff skills are just as good as they need to be**

Growth Management

**In need of attention -
medium term payoff**

- **Plans for Sales growth**
- **Market expansion plan**
- **Plans for increasing the valuation of the company**
- **Export development plan**
- **Awareness of merger or acquisition opportunities**

**In need of attention -
longer term payoff**

- **Capital recruitment and investment plan**
- **Capability to expand to meet sales growth**
- **Staff recruitment and development plans**
- **Productivity improvement plan**
- **Plans for expanding the business's premises**