

## THE FINANCE OPERATING INDEX

1 2 3 4 5

*The standard for finance velocity and precision.*

For each statement below, rank your business on a scale of 1 to 5 where 1 is weak and 5 is strong.

### **SPEED OF INSIGHT**

- |   |   |                          |                          |                          |                          |                          |
|---|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1 | We receive accurate financial reports by the 10th of every month without needing to ask for them.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 | Our tax, legal and banking obligations 100% compliant, causing zero anxiety for ownership.          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 | The finance function is lean, leveraging systems rather than adding headcount for brute force.      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 | Every finance reporting package explains <i>why</i> things happened, not just <i>what</i> happened. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

### **FLOW OF THE TREASURE**

- |   |   |                          |                          |                          |                          |                          |
|---|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 5 | We can predict our cash position 13 weeks out with 90%+ accuracy.                               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 | We collect from customers faster than we pay vendors (or have a strategy to manage the gap).    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7 | We have access to sufficient capital to survive a 3-month revenue shock.                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8 | Our working capital is optimized to self-fund our growth, or we have the capital plan in place. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

### **PROFIT FROM PRECISION**

- |    |  |                          |                          |                          |                          |                          |
|----|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 9  | We know the exact Margins of every product or service, and capture all changes in scope. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10 | Our pricing model is based on great data and value, rather than "cost-plus" or guessing. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11 | We clearly distinguish between our fixed overhead and the variable costs of business.    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12 | We run a standardized ROI model to predict and validate every "Go / No-Go" decision.     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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### RESOURCES OPTIMIZED

- |    |   |                          |                          |                          |                          |                          |
|----|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 13 | Every person on the finance team knows exactly what they are accountable for.                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14 | Our Revenue per Employee consistently grows year-over-year.                                   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15 | Our tech stack is integrated, avoiding manual spreadsheets to bridge the gap between systems. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16 | We have the right mix of lower-cost execution roles and high-value strategic roles.           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

### BE AN INVESTABLE ASSET

- |    |   |                          |                          |                          |                          |                          |
|----|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 17 | We know what the business is worth today and exactly which "levers" will double that value.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 18 | Our 3-year strategic plan is financially modeled, fully funded and tracked monthly.           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 19 | Our Return on Invested Capital (ROIC) proves we are building wealth, not just servicing debt. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 20 | Data across our organization is real-time, paper-less, accurate and secure.                   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Total count in each column

0	0	0	0	0
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Multiplier

1 2 3 4 5

Multiply count x the multiplier

0	0	0	0	0
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Now add up all 5 results, and the sum is your organization's **Finance Operating Index**.

Total

0%

To find out more about building a finance function, growing your finance team or improving finance efficiency and value visit [easworld.com/in-the-vault](https://easworld.com/in-the-vault)