

This tool is developed to establish knowledge about the company's abilities to use numbers and key figures to navigate and lead the company. The analysis is also used to find areas where financial performance can be improved. The gap analysis shows current situation and how important it is based on input from the entrepreneur.

When we estimate the degree of crisis a company is in, it is always good to start with an evaluation of the validity of the figures that the company owner has to navigate by. This means that we need to try to estimate "how close" the he/she is with the financial information. In many cases this can be covered in relation to the conversation, where questions about routine and processes are asked in connection with the handling of financial data in the company. In other situations, this tool can be a help for the owner to see his own/ or the company's weak points. BUT it is important to point out that we focus on the positive things/elements regarding the company/ the owner – The things that works and in relation to the necessary trust mentioning the mistakes is not always good for the collaboration. In the excel model it is possible to carry out revisions/ translations of chosen questions for the subjects that are considered most relevant. Note that the "format" needs to be maintained.



The Financial Gap analyses - input:

In the input area of the Excel sheet you as questions in the following areas:

Use the questions as a guideline. It's important to get the truth for the company owner to establish a real picture of the situation.

Have a conversation around the topics instead of ask the questions directly.

Current situation ←
How important the entrepreneur find this area is for his business

Finance- Bookkeeping	1. ...Do you book keep every day ?	1	3
	2. ...Are bills/salary/vat being paid on time	3	4
	3. ...Do you know how a reminder procedure for missed payment should be ??	4	3
	4. ...Do you know if bank account, tax and salary is in balance?	2	2
	5. ...Does the finance department/book keeping have any control funtion?	6	3
	6. Do you have a updated balance sheet/stament ready every month end.?	3	2
	7 ...is your terms of payment a conscious choice?	2	3
	8 ...Do you have a ERP/bookeeping system in place?	5	2
Analysis	9...Does your company have a well crafted budget for this fiscal year ?	3	6
	10 ...Do you have an overveiw of cashflow shortterm and longterm ?	3	6
	11 ...Do you know which product/segment is the most profitable ?	1	6
	12. Do you know how big the order pipline is?	6	6
Management	13...Do you use key figures to control your company (i.e. inventory turnover rate or credit terms)?	4	6
	14 ...Do you use measureable goals and do you follow up (budget control)?	5	6
	15. Do you take action on budget deviations?	2	6
	16. Does the company have the right competences in place in all 4 positions ?	3	6
	17. Does the company have a board (control funtion)?	4	6
	18 ...Do you ever talk to anybody about financial performance in your company ?	3	6
	19...Do you listen to advice from the board/control funtion ?	3	6
	20. Do you react on advice from the board/controlfuntion ?	3	6
Numbers for control	21 ...Do you ask for help if a problem occur ?	4	6
	22 ...Do you use concrete measurable financial goals (kpi) ?	1	6
	23. Do you know what your bank is interested in ?	2	6
	24. Are you able to use financial data to develop new ideas for your company ?	3	6
	25 ...can you fast get the numbers you need ?	4	6
	26... Do you share the KPI's with your bank and other key stakeholders ?	5	6

Financial – Bookkeeping
Questions around bookkeeping and daily routines

Scale questions from 1 to 6 where 6 is the best. Type current situation from 1 to 6 and from 1 to 6 - how important the topic is for the entrepreneur.

Analysis
Questions regarding what you must have in place to do an analysis of the company

Scale questions from 1 to 6 where 6 is the best. Type current situation from 1 to 6 and from 1 to 6 - how important the topic is for the entrepreneur.

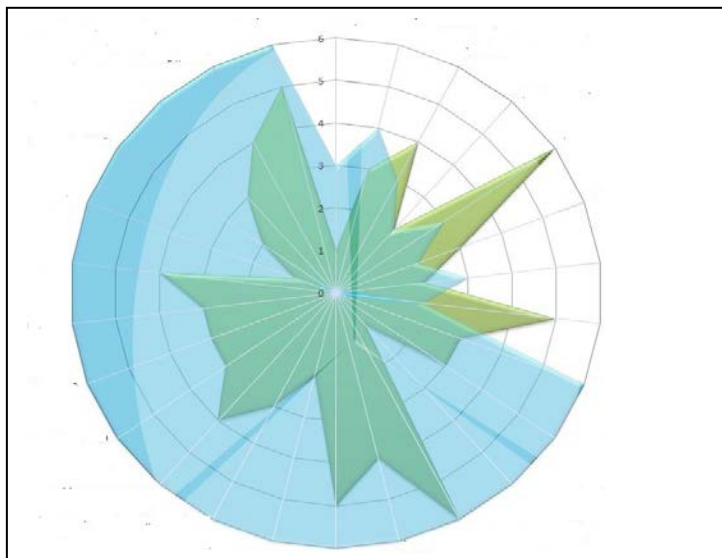
Watchdog
Questions regarding the owner’s support functions. Does the company owner has a support function which can help do the necessary control and keep an eye on important issues?

Scale questions from 1 to 6 where 6 is the best. Type current situation from 1 to 6 and from 1 to 6 - how important the topic is for the entrepreneur.

Numbers for control
Questions regarding numbers that are vital to follow. Does the company use specific KPI’s to control the company?

Scale questions from 1 to 6 where 6 is the best. Type current situation from 1 to 6 and from 1 to 6 - how important the topic is for the entrepreneur.

When the input area of the excel, sheet is completed the go to the next tab in the excel sheet “spider web to print”
Tab no. 2 in Excel sheet - “Spider web to print”.



Green area shows current situation. Blue area shows how important the entrepreneur think these areas are.

Use the Spider web to identify the most important areas to begin with and prioritize the areas in the action plan (tab no 3 in excel sheet)

Action plan for financial gap analysis						
	Problem	Decision	Next action	Recources	Responsible	KPI goal (1 to 6)
Finance - Bookkeeping						
Analysis						
Watchdog						
Numbers for control						

