

## Executive Summary

Supply Chain Options **Q.1**

Resource Management **Q.2**

Real-Time Reality **Q.3**

All Hands on Deck **Q.4**

The Punch-List **Q.5**

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Services”*

Pop Quiz is a quick and effective access to real-time information as well as keeping everyone honest.

## POP-Quiz for your Management Team.

### *ACCUMERIC—Risk & Advisory Group*

In light of recent market uncertainties, many companies have been caught flat-footed. Even highly prepared businesses demonstrated very little self-direction. Instead of devising their own plans, businesses heavily relied on mimicking their counterparts' moves.

If anything is to be learned from this recent market adjustment, companies must realize the quality of information they have about their own operations. In periods of crisis, managers rely on timely and accurate information to “react” and more importantly, “to plan” for impending concerns affecting their business. What has become apparent is that managers of companies with successful product and service lines are more susceptible or more likely to commit passive management as the need for managerial effort becomes less visible for their respective practices. Quite the contrary, even operations that appear self-sufficient require active supervision to steer it clear from current market bumps and those still forthcoming.

A pop-quiz may help identify the gaps between operations and to determine your team's “crisis-readiness” score. Below are simple, yet effective, ways to test your managers' knowledge and response time.

### **Name your Top-5 Key Suppliers? And you're Top-5 to replace them?**

What we have learned is that it is no longer enough to know which vendors you routinely use and pay for supplies and services to keep your business running smoothly, it is equally important to maintain an alternative supplier list (just in case) and keep it up to date. Apart from securing competitive terms, bids and keeping your suppliers honest, an Alternative Vendor List also ensures your lifeline does not become overly reliant on the success, relationship or business continuity of a single point of contact.

### **Name your limit? And your outstanding balance while you're at it?**

Studies indicate that over 90 percent of businesses in the U.S. rely on credit to either attract customers or to consume goods and services for their own operations. With the rise of financial markets and the sophistication that has trickled down to storefront operations, more companies have embraced the power of credit. Unfortunately, wielding this power requires a great deal of care and responsibility as credit may provide a line of opportunity for growth, but it also can serve as a noose contributing to an operation's demise.



## Is your team prepared?

A thoughtful policy of cash and credit is central to the proper management and financial health of a company and should be taken seriously. The misuse of credit as if it were cash, and exactly cash, is where companies get into trouble. Those who utilize credit but neglect to weigh the benefits acquired by cash over the cost of cash in acquisition often impair rather than improve a company's position.

Managers who know their daily deposit balances, market overdraft and lines of credit rates, current emergency funds values and liquidity ratios are far better poised to make informed decisions and manage the affairs of the company with care and authority.

### **How many days does it take to access "real-time" information?**

"What were our total sales 30-minutes ago?" Can your manager give you an answer without having to call another person? If the answer is anything but yes, then the next question is... "why not?"

Many claim access to "real time" information about their operations, but the reality is that managers rarely have this instant access. If your managers have to call to request these reports from someone else, who, in turn, may have to check and reconcile the accounts before making it available, then by definition this cannot be real time. Simply put, real time information is real information available right now, really.

Real time information is essential during normal conditions and its importance is felt even more so now. Whether you seek to curb inventory levels or to optimize employee time and production, having real time information equips decision-makers in finding the balance of benefit and cost.

### **Name your right hand men/women? And of them, how many know their roles in times of emergencies?**

If your general manager has to pause to think, chances are management does not have an emergency plan or policy in effect as of today. When hand selecting your team and assigning them to specific posts and responsibilities, it is important to consider their discipline and capacity, but also their persona as a fit to their roles and the people they will lead in their respective functions. As part of contingent planning involve leadership planning that bears in mind the hard and soft points of your personnel. In furtherance of the spirit, here are additional questions to ponder:

- Has your team earned your confidence?
- Are their natural talents/experience enough?
- Do you have real innovators and free-thinkers?
- Can you scale your team's complacency and readiness for the challenges?

### **In Order of Priority, List the Projects you will tackle in the next 2-days?**

It is an interesting experiment to compare your manager's mental list against your own. This helps to measure the timing and the committed resolve of the team in the most transparent manner. In general, the issue that holds the most value for your manager will likely be the first item on his presented list. Knowing this and making the appropriate adjustment to his list will realign both management's expectations and your own.

Though a perfect score in this five question test may be a positive sign, it is the notion of periodic self-evaluation that is the real lesson of this exercise. Matters which occupy your manager's mind will more than likely absorb his time and resources. The exercise will afford you the opportunity to recalibrate when necessary.

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