



Brian Tracy University **Business Assessment**

Congratulations! You have taken the first step to increased business success.

By analyzing and comparing your current business against the reasons for business success and business failure, you will gain key insights necessary to improve your sales and profitability.

You've heard it said that, "What you don't know can't hurt you."

Well, in business, the opposite is true: "What you don't know can cause you to fail."

To get the most out of this analysis, follow these steps:

1. Read each reason for business success or failure and give yourself a grade of 1-10, worst to best, in each area.
2. Collect your answers on the chart at the end to give yourself a snapshot of your business today.
3. Identify your strongest and weakest areas:
 - You should be above a "7" on the reasons for business success.
 - You should be below a "3" on the reasons for business failure.
4. Complete the exercises at the end and answer the seven questions.
5. Make a commitment to take at least one action immediately.

6. If this exercise is helpful to you, enroll in “Increase Your Profits!” or “Start Your Own Business!” at Brian Tracy University – www.briantracy.com - to learn the essential skills you need to achieve business success.
7. Take one lesson (or more) each week and complete the simple assignments attached.

You will be on your way to financial independence.

The Ten Keys To Business Success

Give yourself a grade of 1-10 in each area.

1. Your **product** or service is *well suited* to the needs of the current market.
 - a) You are selling, delivering and getting paid for your product or service.
 - b) You are earning a comfortable profit on sales.
 - c) Your customers are happy.

Grade:	1	2	3	4	5	6	7	8	9	10
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2. You have developed a **complete business plan** before you commenced operations.
 - a) You have analyzed your business and your market and you have a complete plan for sales, marketing and business operations.
 - b) You have planned out every detail of your business and you work your plan each day.

Grade:	1	2	3	4	5	6	7	8	9	10
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3. You have done a **complete market analysis** of your product and its most attractive features.
- a) You have determined your *competitive advantage* in your market and are prepared to exploit it.
 - b) You have a complete advertising, marketing and promotion plan for your product/service.
 - c) You have a complete sales methodology and process to achieve the sales targets you have set.

Grade:	1	2	3	4	5	6	7	8	9	10
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4. You have created a system for bookkeeping, accounting and **complete financial control**.
- a) You have a budget for each business activity.
 - b) You continually measure your results against your projections.
 - c) You move quickly whenever there is a variance from your projections.

Grade:	1	2	3	4	5	6	7	8	9	10
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5. There is a high degree of **competence**, capability and integrity on the part **of the key people**.
- a) You have clear job and responsibility descriptions for each function.
 - b) You have carefully selected and placed competent people in each important job.
 - c) There is no one in your business who you would not hire back again today if you had it to do over.

Grade:	1	2	3	4	5	6	7	8	9	10
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6. You are **well organized**, manage your time well, and have measures of performance for each key job.
- a) You always work on your most important tasks.
 - b) Everyone knows exactly what results are expected of them, and how they will be measured and rewarded.
 - c) You regularly review key result areas and standards of performance for each person, including yourself.

Grade:	1	2	3	4	5	6	7	8	9	10
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7. You are clear, **determined and persistent** in your desire to succeed and profit.
- a) You have clear goals for yourself and your business in every area.
 - b) You focus on solutions rather than problems.
 - c) As far as you are concerned, "Failure is not an option!"

Grade:	1	2	3	4	5	6	7	8	9	10
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8. You **communicate clearly** and effectively with all the key people in your business.
- a) Everyone knows your business goals and how they fit in to accomplishing them.
 - b) You have regular information-sharing meetings with your staff; there are no secrets.
 - c) You keep your bankers and your partners regularly informed about development in the business.

Grade:	1	2	3	4	5	6	7	8	9	10
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9. There is **strong** momentum in **sales** and a continual emphasis on profitable **marketing**.
- a) You follow a written marketing plan that generates a steady stream of qualified leads.
 - b) You have specific sales targets that you are committed to hitting – daily, weekly, monthly.
 - c) You have a successful sales process that turns prospects into customers most of the time.

Grade:	1	2	3	4	5	6	7	8	9	10
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10. Everyone in your company thinks continually about acquiring, satisfying and keeping customers. There is a continual **focus on customer acquisition**.
- a) The purpose of a business is to create and keep a customer; all profits come from that.
 - b) Customer satisfaction is the only measure of business success in the long term.
 - c) If you are succeeding in this area, your customers are so happy with you that they recommend you to their friends.

Grade:	1	2	3	4	5	6	7	8	9	10
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The more you practice the 10 reasons for business success, the greater will be your sales and profitability.

Area **Reasons for Business Success**

Your Score?	1	2	3	4	5	6	7	8	9	10
1. Product Fit										
2. Business Plan										
3. Market Analysis										
4. Complete Fin. Control										
5. Key People										
6. Well Organized										
7. Determined/Persistent										
8. Communication										
9. Sales & Marketing										
10. Focus on Cust. Acquisition										

Total Score: Add all numbers and divide by 10. **Score:** _____

- Score: 91 – 100 = Excellent
- 81 – 90 = Above Average
- 71 – 80 = Good
- 60 – 70 = Average
- Below 60 = Below Average

Your business should average “7” or more. One key weakness can be enough to put you out of business.

What is your plan to **improve** your scores? Brian Tracy University will show you how to do it.

Reasons for Business Failure

There are many common reasons for business failure. Every business owner is weak in one or more of these areas. Give yourself a grade of 1-10 in each area; how much does this problem apply to you? Ask your staff and spouse to grade your company as well.

1. **Lack of direction** – No goals, plans, blueprints for action. As a result, everyone in the business is reacting and responding to daily pressures, focused on operating rather than managing.

- a) The business does not have a written business plan, thought out in detail before beginning business operations.

Without a clear, written plan, you are like a carpenter attempting to build a house without a blueprint.

- b) The business owner has not decided upon his/her business values, vision, mission and purpose.

As a result, the business lurches from one problem or crisis to the next, like a drunk going from lamppost to lamppost.

- c) The business owner does not have clear, written goals and plans to guide him/her in the areas of business, money, family and health.

Without written goals and plans, you are like a person traveling in an unfamiliar land with no road signs or road maps.

Grade:	1	2	3	4	5	6	7	8	9	10
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2. **Impatience** – the entrepreneur is unrealistic about how long it takes to achieve business results.
- a) Everything takes place at least three times as long as you calculated.
 - b) Everything costs at least twice as much as you thought it would.
 - c) Nothing works properly the first time, or the first few times.

Grade:	1	2	3	4	5	6	7	8	9	10
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3. **Greed** – the entrepreneur thinks he can make a lot of money quickly and easily.
- a) Many businesses fail because the owner is looking for a way to make a quick killing, become an instant millionaire.
 - b) “The only thing easy about money is losing it.” (John D. Rockefeller).
 - c) “Making money is like digging with a pin; losing money is like pouring water on the sand.” (Japanese Proverb).

Grade:	1	2	3	4	5	6	7	8	9	10
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4. **Action Without Thinking** – is the cause of every failure.
- a) Inexperienced entrepreneurs often commit time and money foolishly, without considering the consequences.
 - b) Acting impetuously, without taking the time to get the facts and think it through, can cost you a fortune in time and money.
 - c) “No matter how far you have gone on the wrong road, turn back.” (Turkish Proverb).

Grade:	1	2	3	4	5	6	7	8	9	10
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5. **Poor Cost Control** – many entrepreneurs spend too much money on unnecessary things, especially at the beginning.
- a) Resolve to conserve cash at all times, in every situation.
 - b) Never buy if you can rent; never rent if you can borrow; never do it in-house if some other company can do it rather than you.
 - c) Practice frugality, frugality, frugality in all things.

Grade:	1	2	3	4	5	6	7	8	9	10
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6. **Poor Quality of Product/Service** – what you are offering is not excellent, better in some way than that of your competitors.
- a) You must be better, faster, cheaper in at least three ways to break into a competitive market.
 - b) You need a “Unique Selling Proposition,” a value that only you can offer your customers.

Grade:	1	2	3	4	5	6	7	8	9	10
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7. **Insufficient Working Capital** – the business owner was too optimistic and impatient.
- a) Accept that it takes a long time to get started and begin generating cash from sales.
 - b) You need six months of cash reserves before starting your business.

Grade:	1	2	3	4	5	6	7	8	9	10
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8. **Bad or Non-Existing Budgets** – many business owners are flying by the seat of their pants. They do not know their exact financial situation.
- a) You need complete budgets, with every expense itemized, plus a 20% “fudge factor” to run your business.
 - b) Take the time to get accurate costs and expenses for every activity of your business.

Grade:	1	2	3	4	5	6	7	8	9	10
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9. **Inadequate Financial Records** – the business owner either does not know how to maintain them, or is too busy.
- a) You must know exactly how much money you have, how much you owe, how much is owed to you and the deadlines for receipt/payment of all amounts.
 - b) Set up a complete bookkeeping/accounting system so you always know where the money is, and where it is going.

Grade:	1	2	3	4	5	6	7	8	9	10
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10. **Loss of Momentum in the Sales Department** – the number one reason for business failure is low sales.
- a) A drop in sales reduces cash flow and can lead to the collapse of the business.
 - b) Get everyone in your company thinking about sales and customers all the time. Make sales the top priority of one or more people who are good at selling.

Grade:	1	2	3	4	5	6	7	8	9	10
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11. **Failure to Anticipate Market Trends** – products and services today have shorter and shorter life spans.

- a) Look ahead one, two, three years; where is the market going? What are the trends?
- b) What products are you offering today that you wouldn't introduce again today, if you could start over?
- c) What changes are taking place in customer wants, needs, desires, preferences?

Grade:	1	2	3	4	5	6	7	8	9	10
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12. **Lack of Managerial/Business Ability or Experience** – fully 90% of companies started by people with no business experience go broke within two years.

- a) Learn about and study every detail of the business, including customers, competitors, sales, costs, finances and accounting.
- b) Read, listen, attend seminars; commit yourself to continuous learning in your field.

Grade:	1	2	3	4	5	6	7	8	9	10
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13. **Indecisiveness** – success in business in a fast-moving, competitive market requires quick decision-making.

- a) Because of the fear of failure, some people are paralyzed in the face of difficulties and setbacks.
- b) Because of the fear of rejection, many people avoid confronting others; companies often go broke because they keep a poor performer in a key position.

Grade:	1	2	3	4	5	6	7	8	9	10
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14. **Bad Human Relations** – the inability to get along well with others inside or outside your business can cause business failure.

- a) Negative, hostile, angry people are often critical, complaining, and unkind to staff, suppliers and even customers.
- b) “A man without a smile should never open a shop.” (Chinese Proverb).

Grade:	1	2	3	4	5	6	7	8	9	10
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15. **Diffusion of Effort** – because of poor planning the business owner is constantly reacting, eventually becoming overwhelmed with too much to do.

- a) The owner, and each person, must have clear priorities in each area of the job.
- b) Keep asking, “What is the most important use of my time, right now?”
- c) Ask, “What can I, and only I do, that if done well, will make a real difference?”

Grade:	1	2	3	4	5	6	7	8	9	10
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Conclusion

The solution to common business problems is usually to do the opposite of what you did, or didn't do, to cause the problem in the first place.

Area

Reasons for Business Failure

Your Score?	1	2	3	4	5	6	7	8	9	10
1. Lack of Direction										
2. Impatience										
3. Greed										
4. Action W/out Thinking										
5. Poor Cost Control										
6. Product/Service Quality										
7. Insufficient Wkg. capital										
8. Business Budgets										
9. Inadequate Fin. Records										
10. Sales Momentum										
11. Market Trends										
12. Managerial Experience										
13. Indecisiveness										
14. Bad Human Relations										
15. Diffusion of Effort										

Add up your total and divide by 15 to get your average score.

Score: _____

A score above "3" is a danger area that can sink your business.

Complete your answers to the seven questions.

What is your plan to **reduce** your score?

Action Exercises

1. List three reasons why your business is **underperforming** today.

1. _____

2. _____

3. _____

2. List three things you could do immediately to **improve results** in your business.

1. _____

2. _____

3. _____

3. List three areas where you could **cut back** on costs or expenses without hurting your business.

1. _____

2. _____

3. _____

4. List three things – products, services, activities, people – that you would **not get into** or start up again today, if you had it to do over?

1. _____

2. _____

3. _____

5. List three reasons why your customers should **buy from you** rather than from your competitors?

1. _____

2. _____

3. _____

6. List three actions you could take immediately to **improve your sales and marketing**.

1. _____

2. _____

3. _____

7. List three **key skill areas** where you would like to improve to make your business more successful.

1. _____

2. _____

3. _____

What **one action** are you going to take immediately as the result of your answers to the above questions?

What do you do now?

If this lesson has been helpful to you, your next step is to:

Enroll in the [Increase Your Profits!](#) program and turn your business into a wealth generating machine. [Click here](#) to learn more.

OR

Enroll today in the [Start Your Own Business!](#) business program and begin moving toward greater business success. [Click here](#) to learn more.

Each program is divided into **three courses** of **ten lessons** each. These lessons can be taken anytime, anywhere, and require about 30-40 minutes to complete.

In addition, you receive over \$1,300 worth of materials in the form of books, workbooks, CD's and other support.

If you are serious about your business future, enroll in **Increase Your Profits!** or **Start Your Own Business!** at Brian Tracy University's [College of Entrepreneurship and Business Success](#).

We look forward to working with you.

Best regards,

A handwritten signature in black ink, appearing to read "Brian Tracy", with a horizontal line underneath it.

Brian Tracy
www.briantracyu.com