

TEPAP II – Taking Inventory of Process Improvement in Governance & Financial Management Practices – 2026 Scorecard *Wittman Consulting*

- Agenda Focus: last step in process improvement → assessing progress

Bottom Line: Where are you in your execution journey? **If you reviewed Farm Management Proficiency Test and Process Improvement Checklists, how would you score?**

Survival → Stable → Professional → Institutional

Use following outline to score your progress and action plan going forward:

Mission, Vision and Values *Critical Core Guidance Directives*

- Are these in place?
 - How has it affected the professional climate or culture in your business?
 - What strategies helped you get this in place?
- If you still need it:
 - Obstacles keeping you from the finish line?
 - Opportunities for your business if fully implemented.
- Special issues related to this topic:
 - Who benefits from seeing these guidance documents in print?
 - How can a **Culture Audit** identify “aspirations” vs. “we’re living it”?
 - What do we do when some stakeholders don’t share mission, vision, values?

Planning

- Are effective operational and strategic planning processes in place?
 - How has it affected professional climate or culture in your business?
 - What strategies helped you get this in place?
- If you still need it:
 - Obstacles keeping you from finish line?
 - Opportunities for your business if fully implemented.
- Special issues related to this topic:
 - Knowing how to do budgeting vs. DOING IT
 - Differentiating cashflow planning from *proforma performance measurement*
 - Building effective Strategic Planning Process integrated with operating plan

Organizational Structure and Role Definition

- Are these in place (organization chart, job descriptions, and performance standards)?
 - Do you apply the same standard to owner/managers as other employees?
 - How has it affected the professional culture in your business?
 - Do you have clarity and alignment concerning job roles in the business?
 - What strategies helped you get this in place?
- If you still need further execution:
 - Obstacles keeping you from finish line?
 - Opportunities for your business if fully implemented.
- Special issues related to this topic:
 - Making “board function” more visible and transparent
 - Extending career path to include the “board chairman/mentor”
 - How do we build governance with ***multiple entities involved?***
 - Management Succession – who will be next CEO?
 - Making the Transition from CEO to Board Chair Formation and use of advisory board members and/or peer networks
 - How are following roles emerging in your business:
 - Bookkeeper → Office Manager → Controller → CFO
 - Human Resource Director

Policy Definition

- Are detailed policies written, ratified, accessible and reviewed on a timely basis?
 - How has it affected the professional climate or culture your business?
 - What strategies helped you get this in place?
- If you still need to execute:
 - Obstacles keeping you from finish line?
 - Opportunities for your business if fully implemented.
- Special issues related to this topic:
 - Defining areas where policy definition is needed?
 - ***“Policy before the need” ...or “wait for the fight”?***
 - Family employment policy
 - Ownership capital entry and exit policy
 - Reviewing ACTUAL vs *intended* contributions of capital based on operating agreements, capital contributed, revenue share agreements, etc.
 - Compensation Structure
 - Buyout Policy or *guiding principles for buyout framework*
 - Business Benefit Continuation

Standard Operating Procedures

- What SOPs are formally documented and used in the operation?
 - How have SOPs affected the professional climate or culture in your business?
 - What strategies helped you get this in place?
- If you need further:
 - Obstacles keeping you from the finish line?
 - Opportunities for your business if fully implemented?
- Special issues related to this topic:
 - What SOP documentation is essential based on enterprise mix, business size and complexity, etc.
 - How many have adopted a Safety Policy since TEPAP I?
 - Fixing accountability for “leading the process” vs. “creating SOPs”
 - Class Discussion: Innovative ideas for putting these in place?

Communication Culture

- Are formal structures for managing personality styles and communication in place?
 - Do you display Conduct for communicating professionally?
 - Personality style profiling: What tools are you using to promote positive communication and culture?
 - What protocols do you follow to share records openly?
 - Structure for Meetings – Staff, Management, Owners, Family
- If in place:
 - How have these tools affected professional climate or culture?
 - What strategies helped you get this in place?
- If you still need further execution:
 - Obstacles keeping you from finish line?
 - Opportunities for your business if fully implemented.
- Special issues related to this topic:
 - Expanding use of DISC profiles or similar tools across stakeholder base
 - Strategizing optimal mix of meetings – what meetings are needed; who should attend; designing agendas (Example: 12-month board meeting cycle)

Performance Measurement and Management Control

- What key practices related to this area are in place?
- For those disciplines “in place”
 - How has it affected professional climate or culture your business?
 - What strategies helped you get this in place?

- If improved measures are needed:
 - Obstacles keeping you from finish line?
 - Opportunities for your business if fully implemented.

- Special issues related to this topic:
 - Are performance evaluations standard part of management culture; how do employees and owners embrace this tool?
 - Does CEO evaluation differ from process for other employees?
 - Where do you score in mastering these Top Ten Financial Literacy topics:
 - cash vs. accrual profitability analysis
 - Refining cost vs. market valuations; managing unrealized gains and calculating deferred taxes
 - Trend analysis—Key Ratios, annual reports
 - Implementing book versus tax depreciation schedules
 - Calculating Unrealized Gain & Deferred taxes
 - Cost/unit to produce each marketable commodity
 - Why paying tax is a GOOD THING TO DO
 - Cashflow Budgeting & Pro Forma Income Projections
 - Using models to optimize Capital Asset Acquisitions
 - Capital Debt Repayment Capacity
 - DuPont Model applications