

# BENEFITS AND COSTS CHECKLIST

**A** -- Attended to (yes, OK, answer(s) known, done, etc.)

**N** -- Not attended to (not applicable, not needed, little or no risk, etc.)

## **A    N            BENEFITS AND COSTS**

- |                          |                          |  |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | 1. Work out the benefits and costs separately for each recommendation.   |
| <input type="checkbox"/> | <input type="checkbox"/> | 2. Team members discuss each recommendation, searching for advantages and disadvantages.                                 |
| <input type="checkbox"/> | <input type="checkbox"/> | 3. Use the benefit and cost worksheets.  |
| <input type="checkbox"/> | <input type="checkbox"/> | 4. Contact accounting, purchasing, vendors, engineering, finance etc. as needed.   |
| <input type="checkbox"/> | <input type="checkbox"/> | 5. Avoid overly precise measurements since they will be based on estimates of the next year's activity.                  |
| <input type="checkbox"/> | <input type="checkbox"/> | 6. Avoid guesswork where empirical data can be obtained, prices, work counts, distances, times, occurrence factors, etc. |
| <input type="checkbox"/> | <input type="checkbox"/> | 7. State disadvantages as well as advantages. The balance should be favorable.   |

## **BENEFIT AND COST CATEGORIES**

- |                          |                          |  |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | 8. Improved productivity – output/input (cost per unit)  |
| <input type="checkbox"/> | <input type="checkbox"/> | 9. Reduced labor cost. (Use work sheet and measurements.)  |
| <input type="checkbox"/> | <input type="checkbox"/> | 10. Changes in overtime pay.   |
| <input type="checkbox"/> | <input type="checkbox"/> | 11. Reduced material cost. (Use the work sheet and check prices.)  |
| <input type="checkbox"/> | <input type="checkbox"/> | 12. Equipment purchase where the dollar amounts are small. (Use the work sheet and check prices.)              |
| <input type="checkbox"/> | <input type="checkbox"/> | 13. Equipment purchase where the dollar amounts are large. (Get help from finance, a banker, vendors.)         |
| <input type="checkbox"/> | <input type="checkbox"/> | 14. Equipment rental. (Use the work sheet and check prices.)   |
| <input type="checkbox"/> | <input type="checkbox"/> | 15. Facilities cost. (Get help, engineering, vendors.)   |
| <input type="checkbox"/> | <input type="checkbox"/> | 16. Floor space savings. (Get help, engineering.)  |
| <input type="checkbox"/> | <input type="checkbox"/> | 17. Faster speed of processing. (If a minor issue, use the work sheet. If a major issue, prepare a time line.) |
| <input type="checkbox"/> | <input type="checkbox"/> | 18. Error reduction. (Use the work sheet.)   |
| <input type="checkbox"/> | <input type="checkbox"/> | 19. Reduced paper handling. (Use the work sheet.)  |
| <input type="checkbox"/> | <input type="checkbox"/> | 20. Increased sales. (Get estimates from people thoroughly familiar with the market.)                          |
| <input type="checkbox"/> | <input type="checkbox"/> | 21. Reduced credit losses.   |
| <input type="checkbox"/> | <input type="checkbox"/> | 22. Reduced discounts lost.  |
| <input type="checkbox"/> | <input type="checkbox"/> | 23. Interest income increases.   |
| <input type="checkbox"/> | <input type="checkbox"/> | 24. Reduced taxes.   |
| <input type="checkbox"/> | <input type="checkbox"/> | 25. Reduced shipping costs, demurrage, etc.  |
| <input type="checkbox"/> | <input type="checkbox"/> | 26. Reduced legal risk.  |
| <input type="checkbox"/> | <input type="checkbox"/> | 27. Improved safety.   |
| <input type="checkbox"/> | <input type="checkbox"/> | 28. Improved comfort.  |
| <input type="checkbox"/> | <input type="checkbox"/> | 29. Improved morale.   |
| <input type="checkbox"/> | <input type="checkbox"/> | 30. Improved flexibility.  |
| <input type="checkbox"/> | <input type="checkbox"/> | 31. Easier training.   |
| <input type="checkbox"/> | <input type="checkbox"/> | 32. Easier decision making.  |
| <input type="checkbox"/> | <input type="checkbox"/> | 33. Reduced maintenance problems   |
| <input type="checkbox"/> | <input type="checkbox"/> | 34. Smoother workflow.   |

For understanding business processes: Graham Process Mapping Software at [www.processchart.com](http://www.processchart.com)

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