



Stefan Gauci Scicluna



FREE CHECKLIST FOR FOUNDERS AND BUSINESS OWNERS

Operational excellence and AI: the founder's checklist

56 quick checks to see how well your business runs, where AI could save your team time, and what to fix first.

TIME NEEDED

About 20 minutes

FOR

Founder-led firms of roughly 10 to 150 people

YOU'LL GET

A score for seven areas, including AI

Before you start

When I sit down with a founder for the first time, I ask roughly the questions in this booklet. Most owners know their business inside out, but very few have stepped back and looked at the plumbing: who owns what, which numbers get looked at, what happens when they're away for a fortnight. I've put the questions on paper so you can do the first pass yourself, with a coffee and your own honest answers.

Stefan Gauci Scicluna

Compliance, quality and fractional COO adviser

How to use the checklist

- **Answer for how things are today**, not how they'll be once the new system is in. If it only happens when you remember, the answer is "partly".
- **Score each line**: 2 points for yes, 1 for partly, 0 for no. Each of the seven areas has eight checks, so the most you can score in an area is 16.
- **Ask one or two of your managers** to do it separately. Where your answers differ from theirs, you've usually found the problem.
- **Turn to page 7** to add up your scores and see which area to tackle first.

Yes = 2 points

Partly = 1 point

No = 0 points

The seven areas

1. Rhythm and decisions

Who decides what, and how often the business stops to look at itself.

2. Processes and documents

Whether the work is done the same way, from the right version, by anyone trained.

3. Money and numbers

How fast you invoice, get paid, and spot the costs of getting things wrong.

4. People and competence

Who can do which job, and whether you can prove it.

5. Suppliers and outsourcing

The firms you rely on, and how you'd know if one was letting you down.

6. Compliance, risk and quality

Your obligations, your risks and the complaints that tell you something.

7. AI and automation

Whether routine work is handled by software, which AI tools your people use, and the safeguards around them.

1. Rhythm and decisions

Score ____ / 16

If every decision goes through you, the business moves at the speed of your inbox.

Check	Yes	Partly	No
1 There's a short operations meeting every week, at the same time, with notes of who's doing what.	☐	☐	☐
2 Once a month you sit down and review the business against a few agreed figures, not just the bank balance.	☐	☐	☐
3 It's written down who can approve a quote, a discount, a refund or a purchase, and up to what value.	☐	☐	☐
4 If you were away for two weeks, standard quotes and approvals would still go out on time.	☐	☐	☐
5 Actions agreed in meetings are followed up at the next one, and they don't quietly disappear.	☐	☐	☐
6 There's a plan for the next 12 months, and you look at it at least every quarter.	☐	☐	☐
7 Your managers know the three or four things the business is focusing on this quarter.	☐	☐	☐
8 You spend less than half your week on day-to-day firefighting.	☐	☐	☐

2. Processes and documents

Score ____ / 16

Work that lives in people's heads walks out of the door when they go on holiday or leave.

Check	Yes	Partly	No
9 Your main processes, from enquiry through to invoice, are written down somewhere people can find them.	☐	☐	☐
10 Each of those processes has one named person who owns it and keeps it up to date.	☐	☐	☐
11 Staff work from the current version of forms, templates and procedures, and old copies are removed.	☐	☐	☐
12 A new starter could follow the written process and do the job to an acceptable standard.	☐	☐	☐
13 When something goes wrong, the process is changed so it doesn't happen again, rather than someone just being told off.	☐	☐	☐
14 Work is checked before it reaches the client, and you know who checks it.	☐	☐	☐
15 Your systems (CRM, accounts, job tracking) are actually used, and data isn't kept in private spreadsheets.	☐	☐	☐
16 Processes are reviewed at least once a year, and the review date is recorded.	☐	☐	☐

3. Money and numbers

Score ____ / 16

The money a business loses through rework, late invoices and slow payers rarely shows up as one line in the accounts.

Check	Yes	Partly	No
17 Work is invoiced within a few days of being finished, and someone checks that it was.	☐	☐	☐
18 You know, roughly, how many days your customers take to pay you on average.	☐	☐	☐
19 Overdue invoices are chased on a set schedule, by a named person, not when someone notices.	☐	☐	☐
20 You track how often work has to be redone, and you can estimate what that costs.	☐	☐	☐
21 Discounts, credit notes and write-offs are recorded with a reason, so you can see patterns.	☐	☐	☐
22 You know which clients, products or services make you money and which ones quietly lose it.	☐	☐	☐
23 Management figures are ready within two weeks of the month ending.	☐	☐	☐
24 You have a cash forecast for at least the next three months, and it's updated.	☐	☐	☐

4. People and competence

Score ____ / 16

Clients, inspectors and insurers increasingly ask you to show that the person doing the job was trained to do it.

Check	Yes	Partly	No
25 Every role has a short written description of what it's responsible for.	☐	☐	☐
26 You have a simple matrix showing who is trained and signed off for which tasks.	☐	☐	☐
27 New starters follow a set induction, and there's a record that they completed it.	☐	☐	☐
28 At least two people can do each critical task, so one absence doesn't stop the work.	☐	☐	☐
29 Training that the law or your clients require is tracked, with renewal dates.	☐	☐	☐
30 Managers have regular one-to-ones with their team, and the main points are noted.	☐	☐	☐
31 People know who to go to with a problem when you're not around.	☐	☐	☐
32 When someone leaves, their knowledge is handed over before their last day, not after.	☐	☐	☐

5. Suppliers and outsourcing

Score ____ / 16

You can hand a task to a supplier, but if it goes wrong your client still holds you responsible.

Check	Yes	Partly	No
33 You keep a list of your key suppliers and outsourced services, and someone owns each relationship.	☐	☐	☐
34 New suppliers are checked before you use them, for example insurance, references and any licences they need.	☐	☐	☐
35 Every key supplier has a written agreement, and you know where it is.	☐	☐	☐
36 You look at how key suppliers are performing at least every few months, using something more than gut feel.	☐	☐	☐
37 If a supplier holds your clients' or staff's personal data, the data protection terms are in place.	☐	☐	☐
38 You know what you'd do if your most important supplier stopped trading tomorrow.	☐	☐	☐
39 Supplier invoices are checked against what was ordered before they're paid.	☐	☐	☐
40 Contract renewal dates are diarised, so nothing rolls over without a decision.	☐	☐	☐

6. Compliance, risk and quality

Score ____ / 16

Most compliance trouble starts with an obligation nobody knew belonged to them.

Check	Yes	Partly	No
41 You have a list of the laws, licences and client requirements that apply to you, each with an owner.	☐	☐	☐
42 Your main business risks are written down, scored and reviewed at least twice a year.	☐	☐	☐
43 Complaints are logged, answered within a set time and reviewed for patterns every month.	☐	☐	☐
44 Incidents and near misses are recorded, and the fix is followed through to the end.	☐	☐	☐
45 You could hand an inspector or a big client's auditor your key documents within a day.	☐	☐	☐
46 Policies such as data protection, health and safety and anti-bribery are current and staff have read them.	☐	☐	☐
47 Someone other than the person who did the work checks your key controls from time to time.	☐	☐	☐
48 You'd be comfortable if a buyer or investor did due diligence on your business next month.	☐	☐	☐

7. AI and automation

Score ____ / 16

AI saves real time on work that's already organised. Put it on top of a messy process and you just get the mess faster.

Check	Yes	Partly	No
49 You know which jobs in the business are repetitive enough for software or AI to take on.	☐	☐	☐
50 There's a written rule on which AI tools staff may use, and what they may use them for.	☐	☐	☐
51 Staff know not to paste client or personal data into public AI tools.	☐	☐	☐
52 Anything AI drafts for a client or a regulator is read by a person before it goes out.	☐	☐	☐
53 Routine reminders, such as payment chasers and renewal dates, go out automatically rather than from memory.	☐	☐	☐
54 The data in your systems is tidy enough for automation or AI to work from.	☐	☐	☐
55 People who use AI tools have had some basic training on what those tools do well and badly.	☐	☐	☐
56 In the last six months you've tried AI on a real task and measured how much time it saved.	☐	☐	☐

Where AI fits in your operation

What AI can take on in each area, and what should stay with your people.

Area	AI can take on	Stays with people
Rhythm and decisions	Meeting notes, action lists and the first draft of the monthly report	Deciding priorities and signing off
Processes and documents	Turning a recorded walkthrough into a draft procedure	Checking it matches how the job is really done
Money and numbers	Spotting overdue invoices and drafting chaser emails	Talking to a client who can't pay
People and competence	Tracking training renewals and drafting short refreshers	Judging whether someone is competent
Suppliers	Pulling renewal dates and key terms out of contracts	Negotiating and deciding to renew
Compliance, risk and quality	Watching for rule changes and sorting complaints by theme	Deciding what a change means for you



Rules still apply to AI

Data protection law covers any personal data you put into an AI tool, and EU rules on AI are being phased in. A short written AI policy and a person who checks the output cover most of the risk for a growing firm.

Add up your score

Write each area's score in the boxes below, then add them together. The total is out of 112.

Rhythm / 16	Processes / 16	Money / 16	People / 16	Suppliers / 16	Compliance / 16	AI / 16
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Total	What it usually means	Where to go next
91 to 112	A well-run operation	You're in good shape. Keep the weekly and monthly meetings going as you take on more people, and get someone from outside to look at it once a year.
64 to 90	Solid, with gaps	Most growing firms I see score somewhere in here. Take the two areas where you scored lowest and put your energy there first.
35 to 63	Running on effort	Things get done because your people put in extra effort to cover for what's missing. Give each gap an owner and a date over the next 90 days, and you'll usually notice the difference within a quarter.
Under 35	Founder-dependent	Nearly every decision still comes to you. Begin with area 1, since the other fixes won't last unless there's a regular meeting to check them.

i Start with your lowest area, not your favourite

It's natural to want to work on the part of the business you like most. In my experience the area with the lowest score is the one costing you money, so if any area came in under 8 out of 16, deal with that one first.

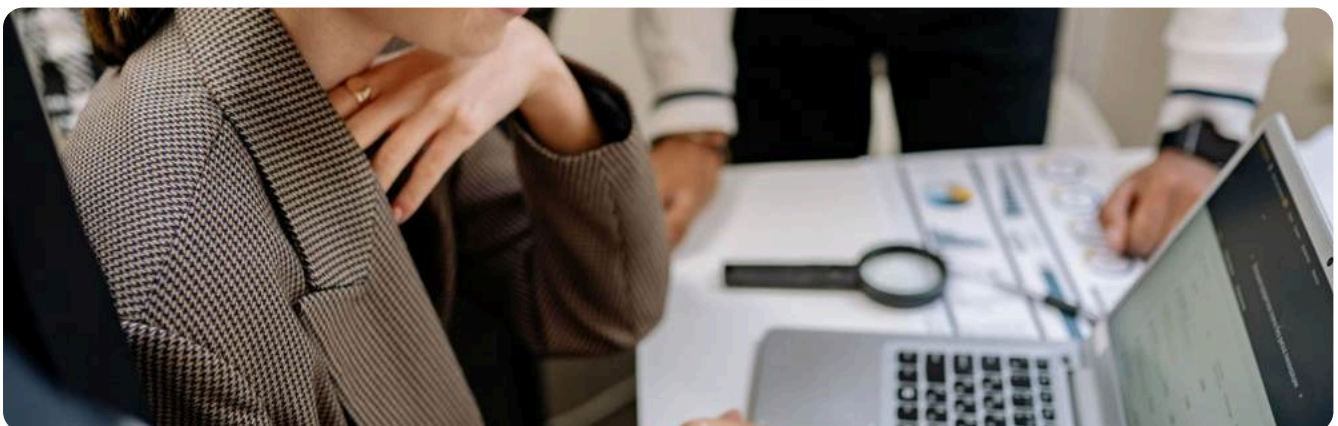
What each low score tends to cost you

If this area is low	You'll probably recognise
Rhythm and decisions	You work late, approvals take days and your team waits on you
Processes and documents	Mistakes come back, and work stalls when a key person is off
Money and numbers	Money comes in late and some jobs earn less than you thought
People and competence	Quality varies by person, and you can't show a client training records
Suppliers and outsourcing	A supplier lets you down without warning, or a contract renews by itself
Compliance, risk and quality	You dread inspections, client audits or a buyer's questions
AI and automation	Staff spend hours on routine admin, or use AI tools with nobody checking

What operational excellence looks like

A well-run operation has these eleven things in place. Tick the ones you already have; whatever's left is the gap between where you are and where you want to be.

Tick what's already true for you		Done
1	There's a weekly operations meeting, a monthly review and a quarterly look at the plan, and each one has notes.	☐
2	Your managers know what they can approve, and up to what value, without coming to you.	☐
3	Your main processes are written down, and each one has a person who keeps it up to date.	☐
4	You follow four or five figures every month, such as rework, complaints, late jobs or payment days.	☐
5	Work is invoiced as soon as it's done, late payers are chased on set days and there's a cash forecast.	☐
6	You have a record of who is trained for what, and two people can cover each critical job.	☐
7	Your key suppliers are on a list, with an agreement, an owner and a renewal date for each.	☐
8	The laws, licences and client requirements that apply to you are listed, each with someone responsible.	☐
9	Complaints, incidents and audit findings are logged, and somebody checks that the fix actually worked.	☐
10	Once a month you get one short report, laid out the same way, that tells you what needs a decision.	☐
11	Routine admin is automated, and AI is used where it saves time, under a written policy and with a person checking the output.	☐



Several boxes still empty?

That's the work a fractional COO does with you. The next page shows what changes for you once they're filled.

Fixing the gaps: where a fractional COO comes in

A fractional COO is a senior operations person you share. You agree two to four days a month in writing, and that's what you pay for. Part of the job is spotting where AI can safely take work off your team.

Your week back

Once people know what they can approve, and routine admin is automated, far fewer things need you.

Costs you can see

We choose a few numbers in the first month, for instance rework or how long clients take to pay, and look at them monthly.

More revenue kept

When invoices leave the day a job closes and somebody chases late payers every week, a lot less money gets written off.

A team that runs without you

If somebody is on holiday or off sick, the person who owns that process knows what to do, so the work carries on.

Inspections without panic

Somebody owns each obligation and each risk, and the documents are ready before anyone asks.

A business worth more

A firm that can run without its founder is easier to sell, borrow against or bring an investor into.

How it runs, over three to six months

WEEKS 1 TO 2

Diagnostic

I spend two or three days going through how you operate, your compliance file and where AI could help, then give you my findings and a 90-day plan.

BEFORE WE START

Agree the days

We settle on two, three or four days a month and write that into the agreement.

MONTHS 1 TO 3

Work the plan

I work through the plan with your people. The weekly meeting and monthly report start in the first month.

MONTHS 4 TO 6

Hand over

Someone on your team takes over the monthly review, and I spend fewer days with you.



What the role doesn't include

- I'm not appointed a director. Hiring, spending and signing stay with you.
- I don't hold regulated roles, such as an FCA senior manager function, and I don't give legal advice.
- If the work needs more than four days a month for long, you need a full-time hire, and I'll tell you.

Talk it through

Send me your scores, or bring this booklet to a call. I'll tell you which area I'd start with and whether you need a fractional COO at all.



About Stefan Gauci Scicluna

From 2005 to 2015 I ran Vista Group Malta, my own packaging and consulting business, and I've started and run businesses in training, property and accreditation since then. I've lectured on compliance management, governance and internal audit since 2013. My work follows ISO 37301 for compliance, ISO 31000 for risk and ISO 9001 for quality. I have a B.Com from the University of Malta and an MA from the College of Europe, and I'm finishing a doctorate in business administration. Most of the firms I work with are in professional services, healthcare, training or manufacturing, across the UK, the EU and Malta.



Book a 30-minute call

Let me know which two areas scored lowest and where most of your week goes. I'll suggest where I'd begin.

Free. No preparation needed.



Book a call



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This is a self-check for your own use. It isn't an audit, a certification or legal advice. I set the score bands from what I've seen in practice, not from a published study, and before agreeing any engagement I check it against my own companies for conflicts.