PULSELIFEX

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FREE BUSINESS RESOURCE

Commercial & Execution Risk Review

Identify commercial risk before it becomes expensive to resolve.

A practical review for SMEs, manufacturers, importers, and growing businesses.

Strong businesses are not protected by trust alone.

HOW TO USE THIS TOOL

Work through each area honestly. The more items checked, the higher the priority to address.

Step 1	Read each statement. Check every item that reflects your current business reality.
Step 2	Score each section. Sections with more than 3 items checked are high-priority.
Step 3	Note which areas create the most concern — these are where risk is highest.
Step 4	Use your results as the starting point for a focused discussion with PulseLifeX.

SECTION A — VENDOR & SUPPLIER AGREEMENTS

Evaluate the strength of your current supplier and vendor agreements.

A1 ■ **Key supplier or vendor relationships are managed without a written agreement**

Business arrangements that rely solely on trust or verbal understanding carry significant risk.

A2	■	**Existing agreements have not been reviewed in more than 12 months** Outdated agreements may not reflect current pricing, terms, or business requirements.
A3	■	**Agreements do not clearly define quality standards, delivery terms, or penalties** Vague agreements create disputes and give the other party room to underdeliver.
A4	■	**There is no standard template or process for creating new vendor agreements** Each agreement is created from scratch, creating inconsistency and risk.
A5	■	**It is unclear which party owns the intellectual property in key relationships** IP ownership ambiguity can become a significant commercial problem if a relationship ends.
A6	■	**Agreements do not include clear termination or exit clauses** Without exit provisions, ending a supplier relationship can be legally complex and costly.

SECTION A SCORE ______ / 6

Score: ______ / ______

SECTION B — COMMERCIAL AGREEMENTS & PAYMENT TERMS

Assess how well your commercial agreements and payment structures protect the business.

B1	■	**Payment terms with customers or suppliers are inconsistently applied** Terms that are not enforced consistently create cash flow risk and set poor expectations.
B2	■	**There are no clear payment milestones tied to deliverables or performance** Paying in full before delivery — or without milestones — increases financial exposure.
B3	■	**The business has experienced payment disputes or delayed payments in the last 12 months** Recurring payment issues often signal structural problems in agreement terms.
B4	■	**Sales or service agreements are made without written confirmation of terms** Verbal or informal commercial agreements are difficult to enforce if disputes arise.
B5	■	**Credit terms extended to customers are not backed by formal credit agreements** Extending credit without formal terms creates recovery risk if customers default.
B6	■	**The business does not have a standard commercial agreement template for new clients** Inconsistent commercial terms across clients create legal and financial risk.

SECTION B SCORE ______ / 6

Score: ______ / ______

SECTION C — DOCUMENTATION & RECORD KEEPING

Evaluate whether your business documentation supports accountability and legal protection.

C1 ■ **Key business agreements are not stored in a single, organised, accessible location**
Agreements scattered across emails, personal drives, or physical files create access and continuity risk.

C2 ■ **Important documents do not have clear version control or approval records**
Without versioning, it is difficult to know which agreement is current and who approved it.

C3 ■ **Delivery and acceptance of goods or services is not formally confirmed in writing**
Undocumented delivery acceptance creates disputes about whether obligations were fulfilled.

C4 ■ **There are no signed records of key business decisions or approvals**
Decisions made verbally or by email alone are difficult to prove or defend if challenged.

C5 ■ **The business cannot quickly locate critical agreements if required for a dispute or audit**
Document retrieval that takes hours or days is a sign of poor document management.

C6 ■ **Regulatory or compliance documentation is not systematically maintained**
Missing compliance records can result in regulatory penalties or loss of business licenses.

SECTION C SCORE ______ **/ 6**

Score: _____ / _____

SECTION D — APPROVAL & AUTHORISATION PROCESSES

Review whether purchasing decisions and commitments are made through a structured process.

D1 ■ **Purchase orders or commitments can be made without a formal approval process**
Unauthorised purchasing exposes the business to financial and supplier relationship risk.

D2 ■ **There is no defined spending authority limit for different roles in the business**
Without authority limits, large financial commitments can be made without oversight.

D3 ■ **New suppliers are onboarded without a formal evaluation or approval process**
Untested suppliers create quality, delivery, and commercial risk from the first order.

D4 ■ **The business has experienced unauthorised purchases or cost overruns**
Past incidents are a clear signal that approval controls are insufficient.

D5 ■ **Contract or agreement renewals happen automatically without review**
Auto-renewing agreements may continue on terms that no longer serve the business.

SECTION D SCORE ______ **/ 5**

Score: _____ / _____

SECTION E — EXECUTION & DELIVERY RISK

Assess the risk of failing to deliver on commitments made to customers or partners.

E1 ■ **Customer commitments are made without confirming internal capacity to deliver**
Over-committing without capacity checks creates delivery failures and damages trust.

E2 ■ **There is no structured process for managing delivery timelines and milestones**
Without milestone tracking, delivery delays are often discovered too late to manage.

E3 ■ **When a delivery or project falls behind, there is no standard escalation process**
Without escalation protocols, delays compound before they are properly addressed.

E4 ■ **Key project or delivery information is known only to the responsible individual**
Single points of knowledge create risk if that person is unavailable.

E5 ■ **Customer or partner complaints or escalations are handled inconsistently**
Inconsistent complaint handling erodes trust and creates reputational risk.

E6 ■ **There is no post-delivery review process to learn from what went well or poorly**
Without structured review, the same execution problems recur across projects.

SECTION E SCORE **_____ / 6**

Score: _____ / _____

RESULTS SUMMARY

Transfer your section scores here.

Section	Area	Your Score	Items	Priority
A	Vendor & Supplier Agreements	_____ /	6	
B	Commercial Agreements & Payment	_____ /	6	
C	Documentation & Records	_____ /	6	
D	Approval & Authorisation	_____ /	5	
E	Execution & Delivery Risk	_____ /	6	
	TOTAL	_____ **/**	**29**	

INTERPRETATION GUIDE

0 – 7 items	Your commercial foundations are in reasonable shape. Review annually and maintain documentation discipline.
8 – 16 items	Commercial risk is present and likely to increase with growth. Prioritise the highest-scoring sections first.
17 – 29 items	Significant commercial exposure exists. A structured commercial foundations review is strongly recommended.

READY TO STRENGTHEN YOUR COMMERCIAL FOUNDATIONS?

This tool identifies where commercial risk exists. PulseLifeX helps you build the agreements, processes, and safeguards to address it.

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