

**OBJECTIVES AND STANDARDS
OF PERFORMANCE
IN FINANCIAL MANAGEMENT**

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AMERICAN MANAGEMENT ASSOCIATION, INC.

11	1.	MEASUREMENT IS THE NAME OF THIS GAME
11		The Effective Executive
12		Use of Job Objectives
14		Use of Standards of Performance
14		Companies Provide Help
15		Measurements in Financial Management
16		Approaches of Selected Companies
16		Pittsburgh National Bank
17		General Mills Incorporated
19		Diamond Alkali Company
21		And So . . .
23	2.	ILLUSTRATIVE STANDARDS AND OBJECTIVES
23		The Use of the Illustrative Standards and Objectives
24		Areas of Responsibility for Finance and Control
25		Organization, Staffing, and Development
27		Policy and Procedure
30		Liaison with Other Executives and Functions
31		Capital Structure
33		Accounting
34		Profit Planning and Budgeting
39		Financial Relations
41		Cash Management
44		Tax Management
45		Risk Management
46		Capital Expenditure
48		Merger and Acquisition
49		The Management Information System
51		EDP, Systems, Methods, and Communications Hardware
55		Credit (Receivables)
57		Inventory Management
58		Auditing
61	3.	OBJECTIVES IN FINANCE AND CONTROL
62		Calumet & Hecla, Inc., Division A
64		A Large, Diversified Manufacturer of Consumer and Industrial Products
73	4.	STANDARDS OF PERFORMANCE IN FINANCE AND CONTROL
74		The Standard Oil Company (Ohio), Senior Vice
		President-Finance
76		Univis, Inc., Vice President and Controller; Plant
		Accountant; Corporate Financial Analyst; Corporate
		Accounting Manager
90		The Western Company, Secretary-Treasurer and
		Manager-Finance

100 **The Pillsbury Company, Senior Computer Analyst**
 102 **Rockwell Manufacturing Company, Director of Corporate**
 Systems and Data Processing; Manager of Taxes

107 SUGGESTED READING

Exhibits

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| 21 | 1. | <i>Performance Review Cycle (Diamond Alkali Company)</i> |
| 22 | 2. | <i>Performance Review Form (Diamond Alkali Company)</i> |
| 25 | 3. | <i>Illustrative Standards of Performance and Objectives
for Organization, Staffing, and Development</i> |
| 28 | 4. | <i>Illustrative Standards of Performance and Objectives
for Policy and Procedures</i> |
| 30 | 5. | <i>Illustrative Standards of Performance and Objectives
for Liaison with Other Executives and Functions</i> |
| 31 | 6. | <i>Illustrative Standards of Performance and Objectives
for Capital Structure</i> |
| 33 | 7. | <i>Illustrative Standards of Performance and Objectives
for Accounting</i> |
| 35 | 8. | <i>Illustrative Standards of Performance and Objectives
for Profit Planning and Budgeting</i> |
| 40 | 9. | <i>Illustrative Standards of Performance and Objectives
for Financial Relations</i> |
| 42 | 10. | <i>Illustrative Standards of Performance and Objectives
for Cash Management</i> |
| 44 | 11. | <i>Illustrative Standards of Performance for Tax
Management</i> |
| 45 | 12. | <i>Illustrative Standards of Performance for Risk
Management</i> |
| 46 | 13. | <i>Illustrative Standards of Performance and Objectives for
Capital Expenditure</i> |
| 48 | 14. | <i>Illustrative Standards of Performance and Objective
for Merger and Acquisition</i> |
| 49 | 15. | <i>Illustrative Standards of Performance and Objectives
for the Management Information System</i> |
| 52 | 16. | <i>Illustrative Standards of Performance and Objectives
for EDP, Systems, Methods, and Communications Hardware</i> |
| 56 | 17. | <i>Illustrative Standards of Performance and Objectives
for Credit (Receivables)</i> |
| 58 | 18. | <i>Illustrative Standards of Performance for Inventory
Management</i> |
| 59 | 19. | <i>Illustrative Standards of Performance and Objectives
for Auditing</i> |