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IFAC.org Costing Stages of Maturity Self-Assessment

I describe here an assessment that an organization can conduct itself to determine what stage number of 8 stages their organizations level of "costing maturity" is at.

I perform this one-day assessment for my clients, but I am providing this in case you prefer to do this yourself.

.. 1 .. To start, click on the 2nd of the 4 "Learn More" links titled "*Gary Cokins IFAC Evaluating the Costing Journey Paper*". This takes you to a document that I authored for the International Federation of Accountants (www.ifac.org). IFAC is like the United Nations of Global Institutes with 180+ global accounting institutes (e.g., AICPA/CIMA, IMA). Review the paper to understand how it defines the 8 stages of costing maturity that is the figure on page 7.

[Here is a link](#) to a pdf file of the paper that you can download.

.. 2 .. Next download the second attached file in the 4th "Learn More" link titled "Gary Cokins IFAC Cost Maturity Questionnaire Spreadsheet Template". It is an Excel spreadsheet with this file name: Gary Cokins IFAC Cost Maturity questionnaire Template.xls

The spreadsheet has data in it from a fictitious company. (1) Save the file with a new file name. (2) Then replace that data with data of your organization.

The purpose of the spreadsheet is to measure the relative expenses that are (1) product-related and standard service line-related, (2) cost-to-serve related (e.g., channel distribution, customer service, selling, marketing, administrative), and (3) business sustaining (e.g., legal, grounds maintenance). For within each category the relative spending of indirect and shared expenses (i.e., commonly called overhead) compared to direct expenses will be distinguished.

.. 3 .. After the spreadsheet is completed with actual financial data, typically from the prior fiscal year's income statement, you can determine which IFAC costing stage of maturity # your organization is at. My experience is 95% of organizations are at stage #5 or lower.

If you need help, e-mail me at gcokins@garycokins.com