

Systems *and* Procedures

Sign World – John Hadfield of KiM Quoting Software



DEVELOPING A SYSTEM OR PROCEDURE IS A PROVEN WAY TO SUCCESS

IT never ceases to amaze me just how one business prospers and another flounders! In my day-to-day travels across Australia, New Zealand and beyond, I witness absolutely stand-out businesses who make business look easy and others that struggle to make ends meet. WHY?

In the last 2 issues of VI magazine we covered in some detail 'pricing strategies' and knowing your business costs. So, yes that is certainly a key reason businesses fail to meet their owner's expectations. What are some of the other issues that are vital to success? It is never usually one key factor or secret formula. May I suggested a series of tangible steps and methods whereby virtually any business who covers off the basics, is paving their own road to a better business and adding value to their business.

This article is all about the foundations to creating a solid business, which aims to provide freedom, reputation, enhanced values and most important profitability. What is it? Systems and procedures, ahh, you say – boring! Well, I would love to hear another side of the story, however my observations clearly point to a high rate of successful companies I visit and see have systems in place. Yes, BORING they may appear to a creative person whose sole driving goal is to 'get the job done' and forget about the paperwork! I hear it all the time, we are too busy to fill in miles of paperwork, record the specifics of the job or worry about capturing times and materials on a do and charge project. To those who falling the 'too busy' category – stop reading now! However, those of you who know the value of a system or method have already started their own journey to improvement. I will suggest you have already learnt how just a few simple forms will improve the repeatability of a project, or make finding a electronic file on your computer systems.



So, YES you invested a little time to create procedure I call it – single outlay = multiple return. SO – MR. The alternative is single outlay – single return SO – SR this offers little in long-term value to building and investing back into your business.

EXPLORE YOUR ORGANISATION CHART – WHERE DO I FIT INTO THE BUSINESS?

Step one: Understand what each role is and which role is linked to others.

In simple terms an 'org chart' is a depiction of the roles of people in the business. In all honestly even for a 2–3 person business you will be doing

many, many roles. Like manager, graphic artist, sales person, maker of the goods and maybe even installing or delivering it. Who knows, you may also be the accountant, administrator and let's throw in janitor for good measure. Ask yourself one simple question 'If I wish to grow the business how can I pass on skills, jobs and knowledge to others AND when will be the right time?' The answer is – your organisation chart is help make this decision'. The very act of planning your Org Chart builds the first foundation stone of who is who and what to they do.

The larger the business the more critical Org Charts become. Consider losing an employee who has been in the company for some time...

YES they will cover several roles in the org chart. Therefore when you look to replace or outsource the work, the pathway is clearer than without an org chart. The diagram below is a front office representation of a typical small business – at a guess many readers can relate to how many labels your name may be responsible for. However, fear not, this is key to shedding roles as your business grows.

LET'S WRITE A JOB DESCRIPTION – WHAT AM I SUPPOSED TO DO HERE?

Step Two: In your understanding that the org chart is 'where you fit' then the next question should be "what do I do?" Therefore in a job description, the aim is to set out a range of specifications to assist the person in actually doing the role, and perform his or her job to the best of their ability within a scope of understood limits or skills.

Increasingly as businesses grow the owners often misinterpret employees - who truly wish to do their best - may struggle at times because they don't have a clear understanding or formal job description. Additionally, as employees and contractors alike

become integrated into the business, then it only stands to reason that perhaps additional skills and responsibility will warrant additional reward. Equally, a well-defined and developed job description will provide a cornerstone to employee appraisals and reviews.

Increasingly wise employers add the essence of vital risk management tools and statements that ensure the employees conduct their day-to-day roles in accordance to safe work practices, clear work place guidelines on ethical consideration regarding race, beliefs and personal matters in



accordance to their local state or government guidelines.

A few government web sites Google searches will uncover a host of relevant information, here are a couple I suggested: www.xxx.gov.au

WORK INSTRUCTIONS – HOW YOU DO IT.

Step Three: Ok, now comes the fun part! Develop instructions that describe a task function or practical written steps on the actual information used to make something work, use a printer or the steps to say 'now name computer file'. Don't underestimate the power and value these simple written documents will enhance your business!

Think about some real life examples many readers witness. McDonald's are legendary for their documentation and teaching uniform delivery of fast foods from their Hamburger Universities across the world. Daily, millions of Australians buy products and services from franchise like Bakers Delight, Jim's Mowing or the growing Sign-A-Rama sign franchisees. Have you pondered why the franchises achieve a higher

than average rate of success in today's difficult business environment? Clearly, the investment companies make in SO – MR delivers the goods. More than ever it is an understanding that the asset value of quality work instructions builds over time.

Therefore realistically, during the development of work instructions you are in fact building your arsenal of tools to cover almost any foreseeable situation. Here is a couple to spark your interest:

- Develop a back up plan for your data on your computers
- Create a disaster recovery plan for the meltdown of your computers, or what would you do in the catastrophic event of a fire? And don't think this can't happen. Recently, we had a client lose everything in a fire.
- Work instructions can also include your marketing plan, so when work slows – you already have a plan.

This month's **FREE** download is series of samples – an organisation chart, a free job description and work instruction.

To assist you we have uploaded them and other useful business tools on our web site, so please read download the templates for your use. <http://kim.net.au/downloads>

