

There's A System For That

Tammy Hawthorne was not enjoying her business as much as she used to. It seemed like she was always “putting out fires” instead of working on the really important things that would grow her business and increase its value. Although extremely organized in her approach to business, Tammy was suddenly feeling overwhelmed. She seemed to be “bouncing” from one problem to another, and she felt like her managers were delegating work to her, instead of the other way around. Tammy decided that her organization was too haphazard, and that she needed to implement some systems. But where should Tammy begin?

The most successful companies establish systems and processes to standardize their work, to enhance productivity, and to ensure consistency in all they do. Systems and processes are often best developed by those doing the work, rather than imposed from the top down.

Designing and documenting systems and processes can be a daunting activity. The amount of detail that you decide to take on as a business owner will depend on your own strengths, the size of your business, and the size of your team. The design and documentation of systems and processes for each business is necessarily unique. The first step is to develop a timeline within which you would like to complete a framework for your systems and processes.

Next, you will need to list all the activities in the business for which a process must be developed and documented. Departments, employees, client processes, outsourcing partners, technology, or back-office systems are all things that need to be considered. The end result will be a series of pictures and lists moving from macro to micro levels of detail. Ultimately, you want to account for every activity taking place in the business, including what input comes in to enable that activity, and what output flows from that activity. **The value in your systems and processes will come from refining them on an ongoing basis.**

The guidelines and manuals you create are working documents that will change as the business grows. By having them in writing, you or the people involved in the actual tasks can continually improve and refine them. Using, combining, and modifying processes will increase the efficiency of every employee, and allow you to spend more of your time thinking about your business at the macro levels.

Your systems and processes will undergo constant evolution. Create a process for regular system reviews. Process manuals should be frequently updated so that your documentation continues to be a relevant resource for you and your employees. A properly maintained process description can serve as the ideal training tool for a new employee.

You should also create a system for implementing changes to individual processes. The annual review could result in larger changes that impact several employees or departments. These changes will need to be reviewed and discussed in more detail. Discussion should include both what is changing and the reasons for those changes. **Your team will appreciate your efforts to continuously improve the business.**

When you are in the process of building your business the majority of time is spent on doing rather than documenting. During this time, the few employees you have figure out how to get the job done by asking questions, and through trial and error. But you've established a rhythm of sorts, and things seem to be working.

Any number of things, however, can destroy this equilibrium. Documenting systems and processes will help you not only in training new employees, but also in gaining efficiency, improving consistency, and being prepared if you lose someone who knows how everything works! In addition, this documentation will add value to your business as you grow and transition.

If your business is repeatable and systematized it is easier to predict results, and is therefore more valuable to a potential buyer.