

# 'System' is not a dirty word

Many business owners treat the idea of systems with suspicion and disdain. For some they smack of faceless, uncaring corporatism. For others they suggest inflexibility, a particular concern perhaps for those who pride themselves on personal service.

Yet my experience helping countless business owners franchise their operations has convinced me that failing to systemise is to pass up real opportunities for increasing productivity, improving profit and reducing stress.

In fact, systemisation can enhance any business, whatever its type, sector, or size – it will even work for micro-businesses and solopreneurs – and you can create viable systems for every element of your business, from sales, marketing and stock control through to customer service, fulfilment and manufacturing.

A system is actually no more than a repeatable way of doing things to achieve a particular outcome. In other words, with a system, when 'A' happens, 'B' is done and 'C' results.

## With a system, when 'A' happens, 'B' is done and 'C' results.

It's a simple equation that produces significant business benefits, like these:

**One** Systems ensure the consistency of your service or product by removing the variables that affect quality, performance and delivery. Systems take the best of what you do, then make sure the same happens not by chance, but every time.

**Two** Systems remove unnecessary 'think time'. Because you know what needs to be done, you can begin work immediately without having to reinvent the wheel each time.

**Three** Systems stop mistakes happening. When there's a set sequence to follow, tasks don't get forgotten or missed.

**Four** Systems remove uncertainty, the enemy of good business, because they make clear to everyone what tasks and activities must be done to generate a successful outcome.

**Five** Systems help you make the best use of resources by cutting out time-consuming and expensive duplicated or unnecessary tasks. So systems streamline businesses and make them more efficient.

**Six** The very act of setting up a system makes you think afresh about your business – what it does, and how it does it. This forces you to reassess how core functions could work more effectively.

**Seven** When systems are up and running, it becomes easier to spot when things are going wrong. If everybody is doing their own thing, you are never quite sure what's working and what's not.

**Eight** Systems create a basis for future improvement and adjustment. You can see much more clearly where inefficiencies and bottlenecks are slowing things down or impacting on quality.

**Nine** Systems are teachable. Contrast this with the small business where knowledge is kept inside people's heads, and only transferred to others slowly and on a 'need to know' basis. In this environment, new employees take far longer to learn the ropes. When there are systems, anyone can be shown 'the way we do things'.

**Ten** Systems can add value to your business.

customer greeting scripts and refining day-to-day operational procedures, its owner fell ill and decided to sell.

Under normal circumstances, Speedy Lube would only have been of interest to a mechanic or a garage owner, but with systems already in place, it was bought by a professional person who saw a moneymaking opportunity they could just slip into. That's why they were also willing to pay 50% more than they would have done for a similar business without systems in place.

## Steps to a system

The good news is that systemising a business isn't difficult when done in the right way. Here are the broad principles behind it:

- Decide what you want to achieve right at the start. For instance, is your focus going to be on speed of delivery, price of product or quality of service? That will determine what systems you need to develop.
- Pick apart and understand what you already do to achieve your best results. Identify what works and discard what doesn't.
- Make your systems as simple as possible. The more complicated and difficult they are to use, the less likely they are to be sustainable.
- Test your systems to see how well they work, and make adjustments as necessary.
- Be prepared to have to sell-in the benefits of a new system to colleagues and staff. You are likely to encounter resistance from those who are comfortable with the old way of doing things, or believe that 'if it ain't broke, don't fix it'.
- Revisit your systems regularly to make sure they're still delivering. Don't expect to get everything right first time.

Systems allow you to maximise the power of your business, not just improving output, but also the quality of all that you do. So, far from being a dirty word, 'system' should be in the vocabulary of every business owner.

**Brian Keen, How to Franchise Simply**

To learn the secrets of how to systemise your business simply and painlessly, read the Spring issue of *Inside Small Business* magazine.



## Case study

Speedy Lube is a drive-in car servicing business in Coffs Harbour that I helped systemise in preparation for becoming a franchise.

Unfortunately, after standardising documents, creating uniforms, developing