

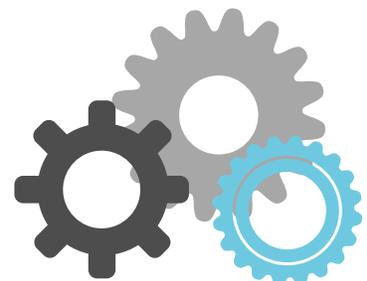


While businesses come in all different shapes and sizes, there are essential systems that every business must have to be successful. In a nutshell, systems are the way that things are done in your business. These core systems and the sub-systems within, provide a framework for how the business is operated. While a business might start out without systems (otherwise known as winging it), things start to come unstuck as it grows and brings on more team members, it becomes chaotic.

A system creates control; it guides priorities, creates predictability, generates accountability and a way to measure success. If your systems are in your head, you don't really have systems until they are written down and can be executed by someone else. Once documented into procedures, these systems become easier to manage, improve and monitor. Your systems ensure that you are not wasting time every time you need to take action and that you get a consistent result.

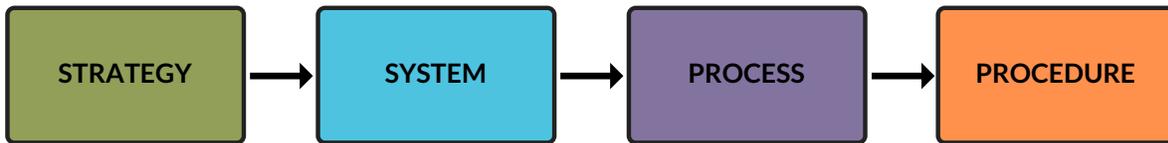
A system can be applied over and over again.

Success requires strategic thinking, your strategies and the systems that sit behind the strategy will elevate your business above all the others.



The following diagram explains where systems fit in the scheme of things in your business.

Unravelling Strategy, Systems, Processes and Procedures



Strategy

A strategy is the high-level long term plan to achieve your goals.

System

Systems are a set of processes, procedures and routines that work together to create an outcome.

Process

Your processes are a series of steps taken to achieve an outcome - The WHAT you do.

Procedure

Your procedures are a set of detailed actions conducted in a specific manner. Your procedures are the detailed instructions that support your processes - The HOW you do it.

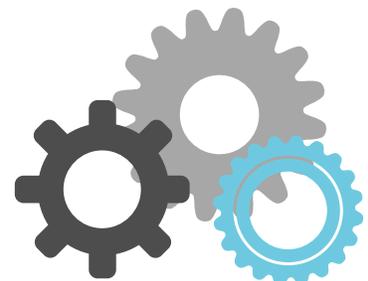
Let's dive into the 7 Systems

1. Strategic Management System

Strategic management strategies set the direction of the business and spell out the overall goal. The strategic management systems will help you to achieve that goal.

Examples:

| | | |
|--|----------------------------------|----------------------------|
| Business Direction & Objectives (Growth) | Systems and Process Management | Business Metrics/KPI's |
| Culture | Team Development | Cashflow Strategy |
| Marketing & Sales Strategy | SWOT | Quality Assurance Strategy |
| Recruitment Strategy | Internal Communications Strategy | Market Research |



2. Marketing System

Otherwise known as a Lead Generation System. For marketing to be effective, you need to start thinking of marketing as a set of actions to achieve a marketing goal. When these actions are combined, they become your marketing system.

A marketing system is a routine that you execute as defined in your marketing strategy to generate business.

Examples of online and offline marketing processes:

| | | |
|----------------------|---------------------|------------------|
| Facebook Advertising | Merchandise | Qualifying Leads |
| Social Media Posting | Content Development | Public relations |
| Website & SEO | Referrals | Joint Ventures |
| Email Marketing | Print Advertising | Direct Outreach |

3. Sales System

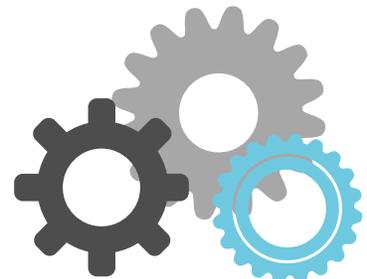
Otherwise known as a Lead Conversion System. For your sales system to be effective, think about the sales actions you need to carry out to achieve your sales goals. When these actions are combined, they become your Sales system.

Examples:

| | | |
|----------------------------------|-------------------------|---------------------------|
| Customer Relationship Management | Discovery Consultations | Workshops & Presentations |
| Sales Re-Conversion | Prospecting | Loyalty Program |

4. Operations System

Otherwise, known as your Delivery System, Client Fulfilment or Production. This is the functional area of the business referred to as the overseeing, designing and controlling the process of service/product delivery. There are many different terminologies you can use to describe this part of your business, depending on the type of business you are. If you are a printing business, the people using print machines are in the production department. If you are a Digital Agency, your Account Managers are managing client projects. The exact systems in the operations area of business also vary for business to business. The operations system aim; is to deliver the highest quality products or services.



Examples:

| | | |
|--------------------------|-----------------------------|-----------------------------|
| Customer Service | Job Costing/Project Scoping | Onboarding/Induction |
| Product/Service Delivery | Quality Assurance | Project and Task Management |

5. Administration System

Administration refers to the processes, activities or behind the scenes of running a business. Administration can be subjective and mean different things to different businesses; however, the essence is that it includes everything in the engine room.

Examples:

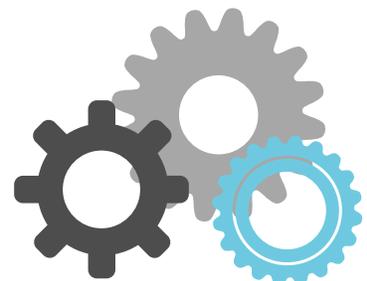
| | | |
|----------------------------------|--------------------------------------|---------------------------|
| Information/Knowledge Management | Software, Hardware and IT Management | Legal Management |
| Document Management | Calendar Management | Workplace Health & Safety |
| Inventory Management | Scheduling | Travel Arrangements |

6. Cash Flow System

The cash flow system or finance is the lifeblood of the business as it manages all money matters. After all, a business can not operate without predictable cash flow. Cash flow systems have the responsibility of money coming in (Accounts Receivables) and money going out (Accounts Payable).

Examples:

| | | |
|---------------------|---------------------|-----------------------|
| Accounts Receivable | Bookkeeping | Budgeting |
| Accounts Payable | Financial Reporting | Expenses Management |
| Payroll | Debt Collection | Cash Flow Forecasting |



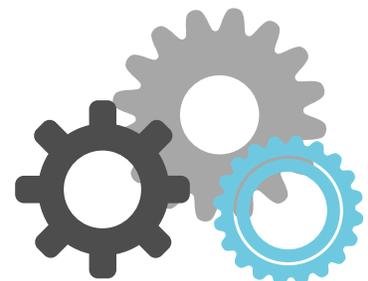
7. People Management System (HR)

Your people are your assets. Their performance and happiness equate heavily to your success or failure. Your people management system assists in a whole range of management including recruitment, ongoing support, direction, benefits and training. The focus of these processes is to hire the right people and to bring out the best in them.

Examples:

| | | |
|----------------------|--------------------------------|--------------------|
| Communication | Staff Happiness Management | Training Schedules |
| Onboarding/Induction | Records Management | Exit Process |
| Hiring Process | Performance Management Process | Leave Applications |

The 7 Systems That Every Business Must Have To Be Successful



These 7 systems form the foundational systems that most businesses need to operate effectively. There are of course additional systems that apply to other business depending on the industry. Some that come to mind are:

- Legal systems
- Compliance Systems such as Work Health and Safety
- Purchasing or Procurement
- IT Systems

Without systems you don't have a business - you ARE the business.

Action Steps

Use the 7 systems as your checklist to identify if you have a functioning system in each area that gives you a satisfactory and predictable result. Well done if you can answer yes to all 7. If on the other hand, you see gaps in your systems infrastructure, it's time to work on your strategy first. Work out what is the outcome that you want, then figure out the process that you will need to get you that result.

Defining your strategy, systems, processes and procedures is step number 2 in [The Process To Successful Business Systemisation](#).

If you need some help and are looking for a framework to help systemise your business for growth and freedom, book in a [free 45 minute Systems Strategy Call](#) and let's see where the best starting point is for you.

