

Working ON your business, not IN it



**Working on your business, not in it**

Traditionally businesses are compared to well-oiled machines but we believe a better analogy would be an organism that will survive or die according to how well it performs its sole function: to find, keep and profitably serve its customers.

The question that needs to be asked throughout the whole life of any business is “how do I “**systematically**” give my customers the best results? The results of the business need to become “system” dependent not “people” dependent.

The trick is to **pretend** that your business is a prototype for many others like it. Not just like it ...but exactly like it. That is to **pretend** you are going to franchise your business. We are not saying that you should, you might, but that is not the objective but if you are going to franchise the business you need to be able to describe how it works. Your business then becomes your product.

The process for working **on** your business not **in** your business include the following steps:

- Articulate intent
- Know the flow
- Master the measures
- Engage the people
- Drive the learning

Let’s now flesh out each of these steps in more detail.

**Articulate intent**

The “intent” or the “purpose” of your organisation is to profitably deliver value to your customers. Value is decided by the customer; you need to determine how they see value. This part of the process is characterised by thrashing out, articulating and promoting the “*benefits*” and “*capabilities*” that your products and services deliver to your customers so that everyone in the organisation understands. The purpose defines “why” you do what you do.

As can be seen from the table the purpose of the organisation is fundamentally different to what you do.

Organisation	What is done	Why it’s done; the purpose
School	We teach children (to pass exams)	We want to inspire a quest for lifelong learning...we help each student find their passion
Security Co.	We provide security services	People and assets are protected
Kodak	We make cameras and film	...memories are captured and shared

**Know the flow**

Once the “purpose” has been defined you need to codify the methods for systematically delivering value. This starts with the production of a flow chart or diagram that shows how the various parts of your organisation work together in order to deliver value to your customers. At a very basic level we start with the idea that most organisations have very few top-level processes, an example would be:





	<p>Work can then begin on examining the parts of the system so that cost and waste are reduced and effectiveness and efficiency is increased. Where required, codifying these processes as part of the relevant ISO management system or book of best practice.</p> <p>The resulting book of best practice says “this is how we do things here”, without any kind of guide everybody will do things differently. The book of best practice provides staff with a written account of how to get stuff done in the most effective and efficient way. It also brings new people up to speed quickly so they can be more productive sooner.</p>
<p><b>Master the measures</b></p>	<p>Given that the purpose of the company is to deliver value to customers, the performance management system should really start with what the customers want and think of the products and services you provide and the processes and practices involved in doing so.</p> <p>Customers are usually interested in what happens at the beginning and the end of your processes; The customer may request a quote at the start of the process and receives a service or takes delivery of a product at the end. These are the parts of the business where you have direct contact with the customer, so they need to be measured and compared against their expectations.</p> <p>The remainder of the performance measurement system is built around the internal flow of work through the organisation with the aim of reducing waste and increasing profitability. Looking at data using Performance Prediction Chart™ provides a powerful method for predicting future performance, improving performance and for making better decisions from better data.</p>
<p><b>Engage the people</b></p>	<p>When you intentionally build your business and your systems around the talents of ordinary people you will be forced to ask difficult questions about how to produce extraordinary results without extraordinary (and expensive) people.</p> <p>Providing staff with the thinking, tools and techniques necessary to improve their activities, recognising that people work in a system and the leaders job is to work <b>on</b> the system, to improve it, with their help.</p> <p>The objective is to create the very best “system” through which good people can be leveraged to produce superior results.</p> <p>That is not to say that people are unimportant. People bring the systems to life and it is only the people that can help you improve it.</p>
<p><b>Drive the learning</b></p>	<p>Learning to learn how to bring all of these ideas together in order to drive real and sustainable improvement so that staff are continually asking the question ...what is the best way of doing this?</p> <p>It has been said that great businesses are not built by extraordinary people but by ordinary people doing extraordinary things. However, for ordinary people doing extraordinary things, a system, a way of doing things, a book of best practice is absolutely necessary in order to balance the inevitable differences in the skills your people have.</p> <p>Consequently, the “system” becomes the tool your people use improve the way in which work is done; the way in which work works. Systems are implemented to both drive and codify a process of creative destruction and ongoing change so that value is continually created for the customer.</p>
<p><b>Conclusion</b></p>	<p>The last thing a company wants to do is provide a sterling service with the first order, job, or contract only to take it away with the products or services provides on subsequent orders. It is critical that the same products and services are produced and delivered in the same way each time every time</p> <p>Go to work <b>on</b> your business rather than <b>in</b> it, act as if it were the prototype for a universal franchise.</p> <p>For a consultative meeting please contact a member of our sales team on 020 8460 3345. Alternatively, e mail us at sales@stadius.co.uk</p>

