

Save time with systems and processes

A business system or process is the identified and preferred way of doing a particular task or function in your business. These systems are usually developed and refined over time, through trial and error, and come to represent the way you do business.

Formalising and documenting the important processes and systems in your business will help to ensure that your employees adopt and implement identified best practice. This will have an impact on the effectiveness of your business and the efficiency of your employees, and ensure that you have control over your business and are able to supply a consistent standard of product or service to your customers.

Whether your business systems are manual or computerised, they will allow you to manage and control your business more effectively. They also provide a base from which you can look for ways to improve the way you do business, and thereby improve the profitability of your business.

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The way you do business

Business systems or processes define the way you do business. Whether your systems are presented as an annotated flow chart or contain detailed written notes on who performs, what, when and how, your business systems will define how things are done in your business.

Documenting your systems is important. This ensures that:

- The processes are thought through and logical
- Problem areas or bottlenecks are easily identified
- Employees know what is expected of them
- Your staff should be able to fill in if a key employee falls ill or leaves unexpectedly.

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Compliance

Your business systems and processes will help to ensure compliance in a number of areas. This includes meeting legal and statutory requirements, product specifications or client requirements, as well as internal policies and decisions.

For example, developing and documenting a system for your financial staff with monthly tasks and deadlines will ensure that you do not miss important GST or tax payment deadlines. This ensures your business meets its legal obligations, and that you do not have to pay fines or penalties.

Similarly, production systems and processes will help to ensure compliance with expected standards. Regardless of whether the requirements are customer requirements or more rigorous ISO-type specifications, putting the right systems in place will go a long way to ensuring that you deliver the right quality product, consistently, and on time.

Putting systems in place, like customer limits on a computerized accounting package, will help to ensure that staff are unable to dispatch goods if your customer's order is about to take them over their credit limit.

Your systems will ensure compliance on many levels within your business.

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Measure and improve performance

Once you have documented systems and processes, you have a clear baseline against which you can measure performance. This will allow you to monitor the productivity and performance of your staff. It will also provide a base from which you can look to improve performance.

It is a good idea to meet with key staff and ask them if there are ways to improve productivity and performance. You might find that dividing the labour and allowing staff to specialise in certain functions will lead to greater productivity.

If you have one member of staff who consistently performs better than other staff, find out if they are doing things differently and see if this can be replicated to improve overall productivity.

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Systems give you greater control

Putting systems in place not only tells your staff what you expect of them, it also gives you greater control over your business. You will know what outcomes to expect, and be able to monitor the performance of staff, or departments, by comparing their actual performance against your expectations.

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Use technology

Technology provides easy ways to introduce business systems and processes. Most computerised accounting packages will allow you to implement a number of checks and balances into your systems, to prevent problems from simple clerical errors to fraud.

Customer relationship management software will help in implementing systems for your sales staff. It will make it easy to run a direct mail shot, email customers who made a purchase last month, or remind staff to make a follow-up call to clients or simply post a birthday wish.

Supply chain management software can also be useful for introducing systems and process control in the production chain, ensuring that raw goods are ordered in time, that production is on schedule and that goods or services will be delivered on time.

[Learn about systems and processes on our online training lesson on developing efficient systems.](#)

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