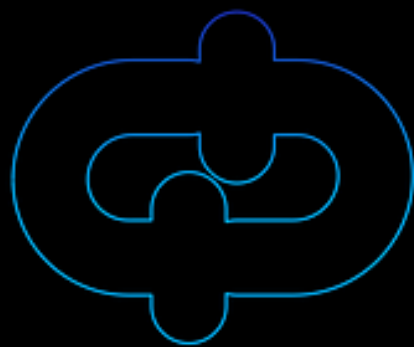




**HOW TO CREATE A SYSTEMIC
SYSTEM FOR YOUR
*STARTUP***

By Dr Sylvan Lightbourne



FUTURE
FUTURISTIC

STARTUP

**in @ Why Every Startup Needs A
Systemic Approach For Success**

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Introduction

When it comes to running a successful company, it is important to remember that your business, as well as the markets you serve, are not static, but are in a constant state of flux. This means that over time you'll need to refine and redesign your systems and controls.

The more you grow, the more that growth will require you to evolve your systems. Rapid growth will continue to make increasing demands on your outdated systems. The systems that worked for a \$500,000-a-year business will no longer be sufficient

to cope with a \$5 million company. This is why you need to approach your systems and controls as a work in progress as you continue to scale your business.

As you grow your business, your policies and controls must grow with you if you want to run a successful business

What Is Systemization

Many startups, when they hear the word “systemization,” turn to the idea of an endless array of meetings that create a ton of action items that must be followed up on at the next meeting so even more action items can be created.

In short, people believe that systemization is nothing more than an ongoing, convoluted series of processes that only make running a business more complicated. This couldn’t be further from the truth.



Having a systemized business does not mean that you will be caught up in so many policies and procedures that you lose all ability to work on anything productive and it is not about filling time or creating the illusion of being busy.

Systemization is not about creating a machine and being dominated by that machine. Systemizing your business does not have to be complicated. True systemization is about creating a stable functioning procedure that knows what needs to be done, has a way to do it, and gets the job done.

When you have a truly systemized business, you free up more of your time to focus on more important aspects of your business, like marketing, strategy, and product creation.

When your company is systemized correctly, the procedures make sense and always have a purpose. With systemization, everyone in the business knows what to do and when to do it. There are no endless meetings to deal with, no complicated policies to follow, and no time wasted with spinning the wheels.

However, when organized properly, the tasks can be completed in a reasonable amount of time, leaving the rest of the day to work on something more interesting, like converting more prospects to buying customers, creating a new product line, or writing new sales copy.

True business systemization, frees you, while a lack of systemization creates endless work and stifles your ability to succeed.

Why You Need Systemization

There are many benefits that you can gain by systemizing your online business. With a sound system, people in your organization have a clear understanding of the work they need to perform and what is expected of them.

Without policies, there are many unanswered questions, and quality and service cannot be guaranteed. Now that you understand why it's good to have a systemized business let's explore the benefits that you can gain.



Reduce Costs

Managing your email inbox or reading through piles of mail isn't the most efficient use of your time. As the business owner, your time would be better spent analyzing new business opportunities or developing new product lines.

Delegating many of the day to day tasks that are required to run a business, can free up your time so you can focus your energy on the activities that will allow you to grow your business and increase revenues.



Increase Efficiency

Documenting procedures allows you to discover any unnecessary steps that you may be taking. When you record your systems, you provide yourself with the opportunity to improve the process, which can result in cutting costs and freeing up your valuable time to grow your business. It can also help you complete tasks with fewer mistakes.

Taking the time to document new procedures and re-document existing procedures can provide you with opportunities to make the daily tasks more efficient and freeing up your time to focus on growing business revenue.



Improve Performance

Businesses that lack procedures often have employees that have their own way of handling tasks. While this can make your employees happy, it can also lead to inefficiencies.

Not having documented procedures can lead your team to complete the same function in different ways. Recording the best way to perform the task will allow everyone to become more efficient in his or her jobs and improve their performance.



Improve Communication

One of the biggest killers of time and profit in a business is miscommunication. When there are no documented procedures in place, internal and external communication becomes a huge issue. When you have clearly written procedures, there are fewer arguments over how things should be done.

Scale Your Business

Having procedures in place for training new staff will reduce the stress your current staff endures when training new team members.

Following documented hiring procedures will allow you to hire the right people for each job and they'll be able to follow procedures without requiring additional assistance. When your new hires receive better training, they can become more productive at their jobs.

They can be trained in a way that reduces the number of mistakes being made and improve their overall performance. When your employees perform better, you can gain more sales and have fewer errors to deal with, ultimately cutting costs.



Measure Your Progress

While the money coming into your business is one way to measure your progress, being able to measure your marketing efforts or the development process of new products will provide you with a better picture of the health of your company.

If your business is organized and has clear documentation of your procedures in place, you will be able to quickly check on these things, as well as other areas of concern and obtain real-time data on how they are doing.

Meet Deadlines

Without having a basic plan in place for each day, the daily activities that are needed to keep your business operating can begin to build up, eventually creating a bottleneck and bringing other essential tasks to a halt.

For example, if you aren't posting your Accounts Receivables and Payables on a regular schedule, you can find yourself with a lot of work when it comes time to pay your employees or calculate taxes for the current quarter.

Having an organized, well-documented system in place, ensures that you won't run into situations where you have to drop other tasks to play catch-up.



Free up More Time

When your business is systematic in its functions and operation, it frees up your time, so you can focus on the activities that will help your business grow.

Instead of spending the afternoon responding to emails, you can work on your marketing efforts or promote your business at local business events.

Business systemization provides you with the opportunity to spend your time on those endeavors without having to worry that your company operations have halted because you're away from the office.



How To Systemize

Whether you already own a startup business and find yourself constantly exhausted from the daily work, or you are planning on starting one in the future, there is still plenty of time for you to get into the swing of systemizing your business. Once you start working on the steps outlined in this guide, you may begin to realize that many of them are simply common sense.



Step 1-Identify Redundancies

To start systemizing your business, you need to begin by listing all the general functions that you do both daily and through the course of the week.

It doesn't matter if you are a brick and mortar business, an online business, or a hybrid business that involves an Internet presence as well as a physical site.

Accounting

When it comes to your business's income and expenses, you have to create some sort of process for keeping track of what comes in and what goes out.

Having business systems in place for your accounting tasks will allow you to ensure that you are profitable, as well as making sure you have the appropriate records to back up your tax filings, that you have paid your vendors, and that your customers are paying you within your set terms.

It is also essential to make sure that your paying your employees on time and have the right amount of taxes being deducted from their pay.

Here are some of the other accounting systems that can be systemized.-Purchasing - Tracking credit card purchases -Accounts payable -Accounts receivable -Deposits to the bank -Cutting checks -Payments on taxes- Profit and loss statements -Invoicing -Daily cash out -Petty cash -Employee expenses - Payroll

Administration

Somebody has to ensure that the day to day tasks are being accomplished. Depending on the size of your business, this may involve a central manager or supervisor, or several managers who oversee one or more departments.

Administration is an essential area of your business to systemize because of the high turnover rate that most administrative roles see. Implementing a series of systems can help to reduce training time and keep you from having to explain to new hires how the phone needs to be answered every time a new employee joins the team.

Here are the administrative tasks that should be systemized.

-Opening and closing procedures -Phone greeting -Mail processing -Office maintenance -Filing -Paper management - Document production -Inventory management -Order processing -Creating orders

Marketing

-Promotions -Marketing calendar - Advertising -Direct mail -Advertising creation system - Social media -Content creation -SEO systems - Newsletter templates

No matter how good your products are unless people know that are around, there is no chance of ever getting your online business off the ground.

Marketing involves creating strategies, learning how to reach niche markets, how to position your product, writing compelling marketing copy and general marketing collateral. Marketing your business is probably one of the areas where you spend most of your time.

You are most likely focusing your efforts on generating new leads and getting more people to call you. These efforts can be efficiently systemized and delegated to other members of your staff. Here are some other marketing systems that you can systemize.

Sales

Many people tend to lump sales and marketing together. However, to create a truly systemized business, they must be treated as different functions within the company.

While marketing is about getting the general word out about your business, sales are about following leads and converting prospects into paying customers.

Some of the sales systems that you can systemize are as follows:

-Referral program -Customer retention -Sales procedures -Lead generation -Lead management -Sales script

Technology

-IT management -Data backup -Computer repairs -Electronic information storage - Client files -Project files -Point of sales system - Financial data management

It is almost impossible to operate any kind of business without having reliable resources in place that can help you keep your website functioning correctly, your servers running, and your workstations from losing critical data.

Your business needs to have clear systems in place for managing both your paper and electronic organization to ensure that your sensitive business information is protected and easily accessible.

Implementing data management systems in your business will help you stay organized. You need to ensure that your data management systems include a data backup system. This will ensure your data and business are protected in the event something happens to your server or computer software.

Human Assets

Even if you only have one other person involved in your online business, someone has to make sure that you are functioning within the guidelines and regulations that apply to the kind of business you are running.

Managing HR policies and procedures can get very involved, so it is essential that this particular function is controlled by someone else who has an eye for detail and who can assimilate a lot of data.

Along with creating systems for hiring, firing, and training employees, your HR systems will include documented processes for the following:

-Recruitment -Retention -Incentive programs -Employee reviews -Employee feedback process -Employee training -Professional development -Ongoing training -Job descriptions and role profiles -Uniforms and dress code

Customer Relation

-Incoming phone call script -Outgoing phone call script -Customer service standards -Customer retention strategy -Customer communications -Ongoing customer communication strategy -Customer liaison policies

Another critical area that you need to consider systemizing is your customer relations.

This includes everything that a customer sees and touches in your business, along with the interactions they will have with your staff.

Establishing a system for your customer relations will ensure that any new employees will understand how your business handles customers.

This allows you to maintain a high level of customer service. These customer relations systems are perfect for getting your business systemized.

Purchasing

No matter how lean you run your startup business, you will be required to purchase items for your business from time to time.

While you may only be buying general office supplies, a software program from time to time, or promotional materials, having a process in place can ensure that you never run out of the items that you need.

It is essential to have someone in your company that is capable of establishing relationships with your vendors and can maintain the rapport to ensure that you are getting the best prices on the goods and services that you are purchasing.

Some of the purchasing systems that you can systemize include:

-Inventory -General supply orders -Shipping materials -Evaluating pricing -Policy compliance -Filing paperwork

Communication

-Internal memos -Fax cover template - Letterhead -Team meeting agenda -Internal emails -Newsletter templates -Sales letter templates -Meeting minutes -Reports - Internal meetings -Scheduling

Communication is an essential aspect of any business and is often one of the most time-consuming pieces.

Sales letters, email cover letters, internal memos social apps, team platforms, newsletters, and reports; are all types of communications that need to be created on a regular basis by different people within the organization.

Most of the time the communication systems that you use in your business aren't much different from one to the next. However, each one is created by a different person, from scratch.

Your communication systems provide a massive opportunity for systemization. Systemizing these communication systems ensures that you will have consistency in your business.

Step 2-Organizing & Prioritizing

Once you've identified all the recurring tasks in your business, it is time for you to organize and prioritize those functions.

Depending on the size of your business, you might be able to combine some of the tasks into a single, general category, as long as your business remains relatively small. It's also important to remember that you can always split categories later on as it becomes necessary

Product Dev

Before you can even start a business, you need to have a core product or service that you can offer to potential customers.

This makes product development one of the most critical functions in your business and thus should be placed at the top of your priority list.

Product development is likely to continue to remain high throughout the course of business since you will need to continually improve and refine your product over time for it to stay competitive in your market.

Coming up with new products that will compliment your core line will also be a function that you will have to perform throughout your time in business.

Admin Accounting

For small businesses, combining the administration and accounting functions makes sense. You can hire a single office manager who can take care of the day to day clerical tasks as well as posting credits and debits to the books.

As your company expands, you can split these two functions into separate teams. Before you can start selling your product or services, these two areas of your business must be structured and in place

Tech Support

Sales Marketing & Customer Support

When you are first starting your startup business, these business functions can be combined and handled by one or two people.

Over time, as your business gets off the ground and continues to grow, you will need to split these functions into their own department and have separate policies documented for the processes that go along with each task.

After you have analyzed your list and prioritized the functions according to their importance and need for getting your business up and running, the next step is developing the policies and procedures that will be essential for keeping your business running, even when you aren't in the office.

You cannot successfully run an online business if you don't have a functioning website or if you have problems with your equipment.

Having someone who knows how to build and manage a site and keep your equipment running is essential to have in place before you make your first sale

Step 3-Developing Policies & Procedures

When you have your priorities in order, it is time for you to begin developing the policies and procedures that will be at the core of your business. These policies and procedures will keep each of the essential functions of your business running smoothly so you can focus your time and effort on growing your business.

Developing policies and procedures is nothing more than creating a logical process that can be documented in a training manual. They must be as relevant for a team of three as they would be for a group of three hundred. Here are some examples to help you begin crafting the procedures for each of the essential functions of your business.

Sales Marketing & Customer Support

The sales, marketing, and customer support departments will need to have clearly defined instructions on how to interact with the public.

Marketing will need guidelines for how to create compelling ads that appeal to consumers while the Sales and Customer Support departments will be representing the company when approaching prospective customers and taking care of existing ones.

Accounting

You should have policies in place that include guidelines to how frequently posting should be done to Payables and Receivables, when taxes should be determined, how to handle employee payroll, and how to track expenses.

Administration

The administration policies and procedures should include guidelines on how to schedule employees, how to draft letters and general correspondences, how to arrange and maintain the filing system, booking travel for department personnel, and ordering office supplies. Sales, Marketing, and Customer

Step 4-Documenting The Process

For your business systems to work correctly, they need to be clearly documented so that there is no opportunity for miscommunication or confusion on what should be done in any given situation. While recording your processes and procedures can be intimidating, there are some excellent resources for managing this

Step 5-Implement The Process

Once you have started documenting your processes and procedures, you'll want to take them for a beta test. Start implementing the processes to determine if the basic structure is sound.

Don't be upset if you run into bumps along the way, no business, no matter the size, gets it completely right the first time. As you do a test run on the processes, consider whether the process has the potential to be tweaked along the way to ensure that your company is capable of running smoothly when you're away.

As your company grows, you will find it necessary to add positions to various departments, adjust policies and procedures to accommodate new laws and regulations, or create new departments by splitting older ones. If your primary system is sound, these new developments in your company will be relatively painless to deal.

Step 6-Diagram The Flow Of Your Startup

It isn't enough for you to merely identify and prioritize the functions in your business. You also need to ensure that there is a logical ebb and flow between each of these essential areas.

While this may seem redundant once you've figured out what each department is supposed to do, you can think of it as creating the jewels that go into the necklace.

They may be beautiful in their own right, but if they aren't correctly linked, nobody can wear them. Here are some ideas to help you with the diagramming and definition of the communication flow within your business.

Taking the time to diagram the various processes will help you in a couple of ways.

First, it will make it clear whether or not the policies and procedures that you have implemented are working correctly.

Secondly, it will help you and your team spot any areas where you can improve communication, more clearly define procedures, and which steps can be streamlined to save you both time and money.

-Start with diagraming how things flow through each department. For example, a new customer order begins with Sales, makes its way to Order Processing, then finds its way to Shipping, and finally ends with billing.

At some point, Customer Support will need to be involved in following up and making sure the customer is happy with their purchase.

-Next, identify who is responsible or accountable for each progression in the flow.

-Evaluate how long it takes for the flow of the order to make its way through the process and determine if any areas need improvement.

How To Document

When documenting your business systems and creating an SOP, it is essential to include both how the task is done and the reason why the task is done and the importance of the task to the overall success of the business.

Your employees must understand that no matter how menial they might think a function is, it is, in fact, an essential part of the overall design for the success of the business.



Naming Conventions

The first thing you need to do before you even put pen to paper, is to develop a standardized naming convention for the documents you are going to create.

Having a standardized naming convention will allow you to remain consistent and will make it easier for employees to find the correct material. While you may only have a few documented procedures to start with, as your business grows, so will your SOP.



Writing Your Procedures

Your standard operating procedures are nothing more than instructions for completing a given task.

To fully understand the process that you're documenting, you need to put yourself in the shoes of those who will be performing the task and write the document from their perspective.



**TURN OFF
CELL PHONES**



Numbering The Steps

Every procedure should list all the actions that need to be done to complete the task. To keep things simple, record the action steps in sequential order, starting at 1 and continue working upward. The most critical aspect of numbering the actions steps is keeping the style consistent. Don't change styles in the middle of creating your SOP.

By numbering each step in the procedure, you ensure that the reader will start in the correct place and it removes any ambiguity or misunderstanding that could happen if you don't number the steps. Numbering also ensures that there is an agreed upon way for all employees to perform the same task.

Employee Buy- In

As you develop and revise your new business systems, involve your employees as much as you can. Your employees are the ones who have been completing the tasks and will be the ones who will be using the newly documented systems moving forward.

You can even have the employees develop the initial draft of the processes, leaving you to review and establish the final versions. This can help to speed up the process and gives your staff ownership of the process.

Developing and documenting processes for your business will allow you to systemize your processes to help free up your time to focus on the more critical tasks related to running your business and keep your business running smoothly when you're out of the office



Creating The Action Steps

The action steps are nothing more than the individual steps that are performed in each procedure. Most of the systems that you will document will be presented as a sequence.

However, you also need to consider other factors, like multiple choices when performing a task, any secondary functions that may need to be completed, and other related procedures. To finalize the system, it can help to put it in context.

You want to consider where the system occurs in the larger scheme of things and if there is anything the user should complete before getting started and things that should be avoided.



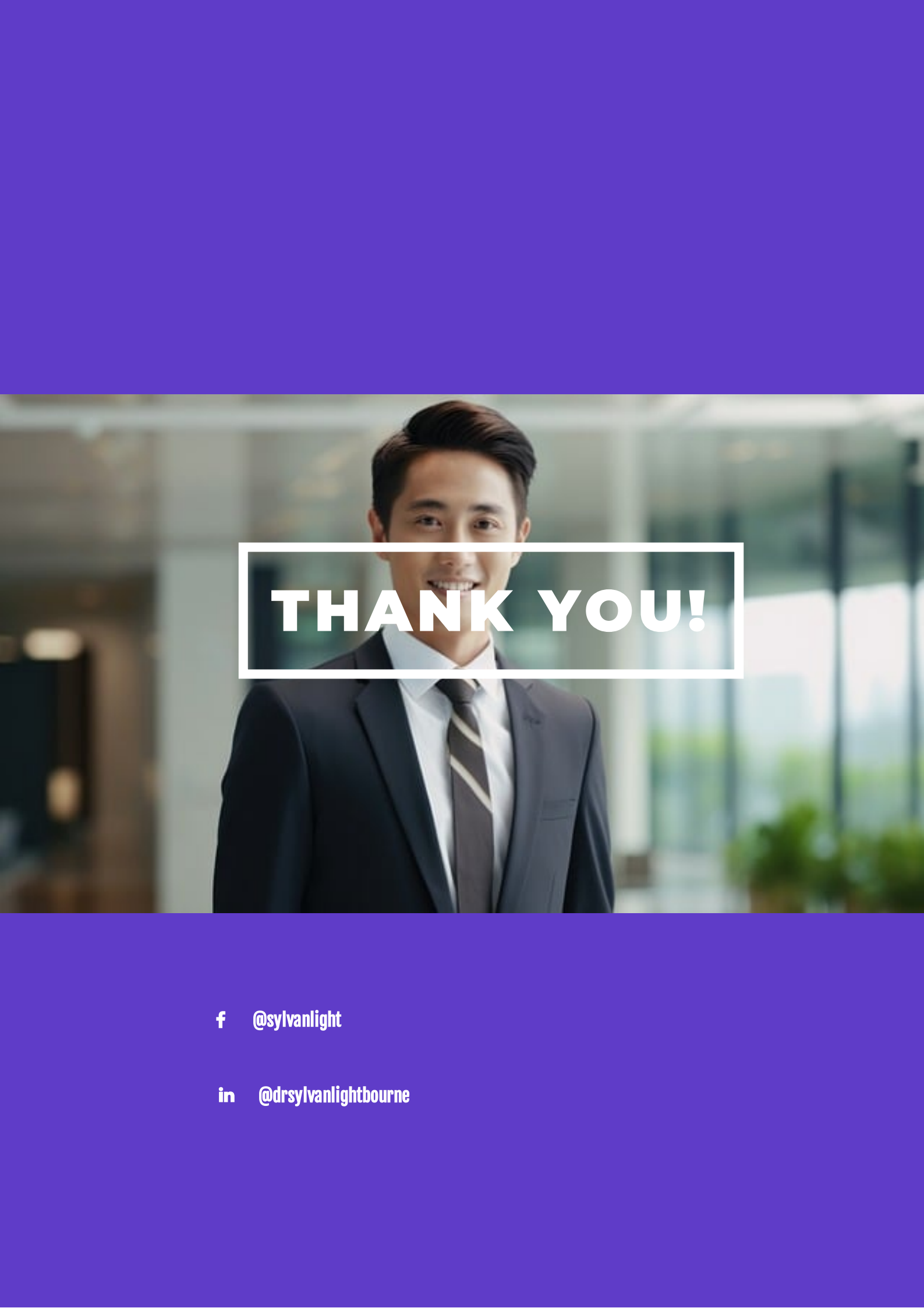
Implementing A New SOP

After you’ve documented your business systems, you will need to begin implementing them in your daily operations. Before you fully implement them, you will want to take the time to test and measure each documented process to ensure that it works, without your involvement.

Implement the new systems for a period, like a week or a month. Allow your employees to use the documentation that you've created to follow the new processes. At the end of the agreed upon timeframe, speak with your staff, vendors, suppliers, and customers and ask them for their feedback.

Use this feedback to revise and improve the systems. You will need to do this on a regular basis to keep all of the processes up-to-date.



A smiling man in a dark suit, white shirt, and striped tie stands in front of a blurred office background. A white rectangular box with a thin border is centered over his chest, containing the text 'THANK YOU!' in bold, white, uppercase letters.

THANK YOU!

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