THE SYSTEM FOR SYSTEMS

Build a business that works without you.
Many business owners struggle to grow their business past a certain point—
it’s as though it reaches a plateau based on limiting conditions often invisible to the owner themselves. In this short report I’d like to share with you a break-through concept so disarmingly simple, it’s easy to underestimate its power. This is the single idea that moved me from a Level 2 entrepreneur to Level 3¹.

But before revealing the concept, it’s important to understand the context in order to fully get the “Ah-ha!” moment I know you’ll have—so let me set the scene. Also, if I may be so bold, I’ll make some assumptions, too.

I’ll assume you already have a great product or service—one which you truly believe in. People find you through your existing marketing, word of mouth and the creditability you’ve built up in the market place.

¹ Based on David Jenyns' 4 stages of entrepreneurship.
Over the years your business has grown but you’re starting to notice something—you’ve stalled, you’re not moving forward like you once were.

You work a 60+ hour work week, money always seems tight no matter much business you bring in, you’re overwhelmed and frustrated with your slow progress—it just feels like you’re on the hamster wheel. To top it off, you seem to be the only one in your business with answers.

Like most business owners, your diary or “to-do” list is probably 50 pages long, detailing all the things you *should* be doing. One by one, you check them off, but the list never seems to get shorter.

You might have employed staff, recruited them to help you complete some of the tasks on your list but you’re still not getting ahead. In fact, initially when you hired them, you thought they’d lighten your load by getting some of your work done but now you actually find you’re busier than ever.

Sure you’re getting more “stuff” done than before, but you spend most of your time putting out fires and you never seem to get to your own list of “to-do’s”.

The good news is, this is normal. Every business owner goes through this phase. The sad news is, most stay there! They never figure out the secret to break free. They just keep doing the same old thing expecting that at some point things will miraculously change.

So what’s the secret?
It’s the same secret Richard Branson used to scale the Virgin companies. Which is the same secret Tim Ferris, author of the *4-Hour Work Week*, uses and it’s also the same secret shared in the recent movie about McDonald’s creator Ray Kroc, called *The Founder*.

**Systems. Yes, the secret is systems.**

At some point, to grow your business to the next level, you need to create business systems, processes and procedures. Systems do many things, but 2 of the most significant for our purposes here is that...

1. Systems will run your business more efficiently, help it grow quicker and allow it to make more money!
2. Systems release you from the day-to-day operations, giving you the freedom to work “on” the business rather than “in” it.
You might even intuitively know that business systems are the answer to many of your troubles but...

“Dave, how am I going to find the time to document everything I'm doing and create systems when I barely have the time to drink my coffee before it goes cold?”
This is the point where most entrepreneurs get stuck. But I can assure you now that, if nothing changes, and you don’t make a move creating systems—in 12 months’ time, you’re going to be in the same position you’re in right now—stuck.

How can I be so sure? Because I was stuck, where you are right now, for the first 10 years of my business career.

So what changed me? One of my business mentors asked me, “Why don’t you just hire an expert systems consultant to create the systems for you?”

My first reaction was “I don’t have the money to hire a consultant to do that sort of work...” At that stage, I didn’t have a multi-million dollar business like my mentor, so I didn’t go out and hire a consultant.

But, that question from my mentor did in fact set off a chain reaction in my brain. I started to question whether or not I should be the one creating systems and after some deep soul searching, it became clear that I was not. My job is to spearhead new business and drive innovation.

So, let me liberate you by saying...
As the business owner, you’re the worst person to create systems within your company. And the best news is, you don’t have to create the systems yourself—I’m going to give you the system that enables your team, and the people you work with, to do it for you.

Using the **System for Creating Systems**, any team member can document, organise and optimize how they did things—this system completely takes you out of the loop! This system, coupled with a few smart team members, will set off a chain reaction in your business like knocking down the first domino in a series.

So, here it is... my **System for Creating Systems** - [click here](#).

**Please note:** We’re always testing, tweaking and improving it so the active link above ensures you’re reviewing the most recent version.
This document outlines the process for extracting, documenting, and optimising business systems (also referred to as: procedures, processes, SOPs) for maximum efficiency.

By following and modeling this system, any team member can produce a completed system document. This document is an excellent example of a completed system – from the overview, to the structure, to the formatting. That's not to say your systems will be to this standard with your first draft but rather one to aspire to. Systems often take time to mature with regular use and continued improvement.

**Note:** It is the responsibility of every team member within an organisation to document, improve and teach others how to complete tasks within their role. This creates business efficiency and new opportunities for each team member.

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**Smart operating procedure**

**Step 1. Identify the result you want this system to deliver.**
- For example, “A Perfectly Baked Cake”.

**Step 2. Identify who best produces the result.**
- This maybe you, someone within your organisation, a known expert or an external consultant.

**Step 3. Determine the best method of capturing the process.**
- Video recording, screen recording, audio recording, interview or another means.
• The aim is to make the capturing of steps easy for the person sharing their knowledge.
  • **Suggestion!** The ideal method to capture a task is by video recording as it's being done. This way the person doing the task can simply talk through what they're doing and why – and their actions are visible to the person learning.

**Step 4. Record the task being completed.**
• If required, organise a suitable time to record the process.
• Don’t heavily script or plan the shoot and continue shooting even if mistakes are made. In fact, it’s best to keep recording and explain mistakes if/when they happen and what was done to fix them.

**Step 5. Upload the file for easy sharing.**
• If you recorded a video, upload it to your private video service (eg. Wistia, Vimeo, Viddler, Private YouTube video, Dropbox, AmazonS3 etc).
• If you captured the process by some other means (audio interview, etc), upload it to a file storage/sharing service (eg. Dropbox).

**Step 6. Create new system in systemHUB.**
• Identify the best location for the system.
  • **Suggestion!** Create folders based on business departments (Sales, Finance, Operations, etc.) and subfolders as needed.
• Keep the system names clear, concise and contains keywords that team members would use when looking to locate it.
• Add an overview that covers: what is the system is about and what results/deliverables are achieved from following the system.
• If applicable, post the link to the video of the task being completed in the videos section.
• If applicable, post the link to any other files used in capturing the process in the “Supporting Notes” section.
• Assign the system’s primary owner (the person who is taking ownership of the system) and secondary owner (usually a ‘backup’ person for the task).
• Assign any additional team members who should be able to view/assist in the system’s development.
• **Change the status** of the new system to to reflect the stage it’s in:
• **Grey – New system, nothing done.** You may be just ‘dumping’ data in a system with this status but haven't looked at organising anything in it yet.
• **Yellow – Under construction.** You have started working on the data in the system, but it's not at a point where others can use it yet.
• **Green – Ready to be used.** The system is completed enough to the point that others can reference it and get to the end result by following the steps.
• **Red – Do not use.** The system may be obsolete, incorrect or inaccurate, so you don't want others to use it. But it may have some value in it still so you don't want to delete it altogether.

  • Notify the new system's owner (if not you) that the system is ready for review.

**Step 7. Create the step-by-step documentation.**

  • The new primary owner of the system (which may be you) should either complete or delegate this step.
  • That person should watch the video recording (or reference the link/s supplied in the Supporting Notes section) and note down the steps to a linear fashion. That is, Step 1. Do this. Step 2. Do that.
  • Save those directly into the “Smart Operating Procedure” section.
  • Include additional sub bullet points for further details and clarification comments.
    • **Suggestion!** Once done, a reader should be able to get a good overview by simply reading the numbered steps – bulleted items simply provide extra detail for someone new to the task.
  • All steps should be clear enough to allow anyone with a basic understanding of the subject to complete the system.
    • **Suggestion!** Ensure that the formatting of the text is uniform. Each step should have its own number and each number should have bullets only relating to that step.
  • Also ensure email templates and/or any documents mentioned in the system are attached to the relevant spot in either the “email templates” and/or “attachments” sections.
  • Add any additional useful information which isn't necessary to be added within the SOP itself (sort of like a ‘footnote’ in a book) in the “Supporting Notes” section at the bottom of the system.
Step 8. Review system on the next use.
• Review the system on the next iteration of the task.
  • **Suggestion!** With fresh eyes, review the entire system from top to bottom with fresh eyes.
  • As you work through the task using the system, add any missed steps and/or make improvements where necessary.

Step 9. Submit for review and discussion.
• Once satisfied, the system is ready for review by the supervisor and/or to be discussed at a team meeting.
  • **Suggestion!** System owners are responsible for having their systems reviewed and approved.
  • Reviewers can add comments to a system with suggested changes.
  • The system gets tweaked based on additional feedback.
  • The system owner makes adjustments and replies to comments regarding any changes.
  • Once done, the system’s status is set to green - indicating it’s now ready to use.
    • **Suggestion!** You can also notify assigned users that the system is now ready for use.

Step 10. Teach this system to another team member.
• Ideally it’s best for the system owner to teach their SOP to someone who hasn’t previously done it before.
• During this process, areas of confusion, issues and missed points can easily be spotted and fixed.
  • **Suggestion!** This is best taught in 3 steps – 1. Show the task being completed 2. Do the task together 3. Allow the task to be completed by the team member and review and give feedback.
  • Continue step 3 until the team member completes the tasks successfully without feedback required.

Step 11. Use every time the task is to be completed.
• When new team members needs to complete the task, they’re assigned access to view the system.
• The system is improved and tweaked at each opportunity making it as simple/efficient as possible.
  • **Suggestion!** Unless you are a system owner or secondary owner, suggested changes should be made as a comment on the system itself - to be then reviewed and approved by the system owner.

### Videos


Supporting Video: TEDx Presentation: A Better Life With Simple Systems

### Supporting Notes

• Suggested Reading:
  - [The System for Creating Systems](#) - David Jenyns
  - Checklist Manifesto – Atul Gawande
  - The E-Myth Revisited – Michael E. Gerber
  - Built to Sell – John Warrillow
  - Work the System – Sam Carpenter
WELCOME TO THE NEXT LEVEL.

This step-by-step procedure is just the start. Once you start seeing the positive results from systemisation, you’ll want to systemise every aspect of your business.

But a word of caution: there’s more to making systems work in your business than just having a collection of word documents floating around for your team to use. Although that’s a start, it’s not effective.

Keep an eye out for my next email and I’ll share a decision tree I use to help identify which parts of a business you should systematise first. Congratulations on taking the next step—now stick with it, you’re on the right path and the rewards are worth it!

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Read bio - click here.
Your Systems. Organised.
A home for your business processes, checklists and SOPs.

Get started