

The benefits of documenting your business

Getting the business know-how from people's heads on to paper takes effort and money, so is it worth it? The evidence suggests it's a good investment.

Value | Profitability | Success | Efficiency | Continuity | Investment | Time-saving | Proven

- If you ever wanted or *needed* to sell your business most serious buyers would regard a documented business a superior proposition. In a competitive market this would differentiate your business and would almost certainly help persuade a buyer to proceed and acquire the business. Therefore documentation increases the **value** of your business.
- By documenting your business you start to understand how it *actually* works rather than how it seems to work. With this understanding you can then start improving the efficiency of the processes. You start working 'on' rather than always 'in' your business. Therefore documentation leads to increased **productivity** and **profitability**.
- For the new owner an operations manual is an instant source of know-how and information. They can 'turn the key' on their first day which will directly increase the likelihood of the business succeeding. Less trial and error and more production and output from day one. It's better to be busy being productive and creative than fighting fires caused by poor procedures and wrong assumptions. Therefore documentation is an important element of business **success**.
- They say that knowledge gives confidence. When training new staff would it be of any value to have their daily and weekly tasks already written down? They could refer to it whenever they need the information. You want them to get off to a good, positive start and for them to understand the important detail of their job. Therefore documentation **saves time, boosts confidence** and **reduces training costs**.
- Documenting your policies, processes, practices and procedures will help your business run more independently. Less micro-management of personnel is required because personnel can perform their tasks autonomously and depend less on their manager. Employees can also initiate and implement improvements and therefore documentation makes people more **resourceful, satisfied** and **productive**.
- Typically the most successful businesses capture their processes and procedures, practice them and then continuously improve them. They depend less on the skill of a select few 'stars' and instead hire people who are willing to learn the ways of the business. Therefore documentation is **proven** in the world of business.
- Are you prepared for the situation where a key employee is unexpectedly absent or leaves? Much valuable information about the business is stored only in people's heads. But if their replacement could refer to the accumulated know-how they could carry things on at the required quality level, and therefore maintain **customer service** and **business continuity**. Done thoughtfully the documentation will contain the relevant knowledge of everyone in the business, which would otherwise be forgotten or has walked out the door.
- If your business was ever subject to an audit good documentation would show that you are doing things professionally and may **reduce the duration** and **inconvenience** of the audit. It would show the auditor who does what, when and how in your business and where information is stored and used. It would also help your cause when it comes time to **borrow** for business growth.
- Are you missing out on sales opportunities because business information is not readily available? Having the intellectual capital of your business available to all will help you win tenders and make sales and secure the future of your business. Therefore documentation is an **investment** not a cost.

To find out more about increasing the value of your business by documenting it, contact:

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