

# Building Effective Business Management Systems

By Frank Sahlen

The following is content from the business foundations series. If you want to learn the specifics of the concepts in this article, then please check out the School of Business courses.

Systems are to business what progressions are to teaching skills. Imagine teaching in a Sports Instruction or Educational setting without a curriculum, or running a busy front office or handling a birthday party without a "script" of some sort to follow. However, many small businesses run exactly like that ... with no SYSTEM to run their day-to-day operations.

If a "turn-key" business is the VISION, then the ROADMAP is a systematic approach to continuous improvement. The "secret" is the "layered synching" of key management aspects.

Just as CONDITIONING is the KEY to the development of a top level athlete, BUSINESS SYSTEMS are the KEY to profitable and "turn-key" business operations! Business Operational CHECKLISTS are equivalent to LEARNING PROGRESSIONS in terms of quality and safety.

**KEY:** In most situations, there is not just ONE right answer; developing your knowledge of a RANGE of successful business practices is your best path. A range of solutions available to a

company is equal to "range of motion" when building flexibility in an athlete.

Here is an overview of the basic Business Systems Categories necessary in most service businesses. Please note that although not yet a universal truth, the proper development order is:

- MANAGEMENT/ADMINISTRATION (strategy, systems, business value, leadership)
- MARKETING (internal, external, public relations, social media)
- PEOPLE (the entire lifespan experience of a person in your company)
- INFORMATION TECHNOLOGY (database, front office, customer service, company data)
- FINANCE (principles, analysis, pricing, financing expansion)
- FACILITIES (space allocation, space productivity, space maintenance)

- RISK MANAGEMENT (safety, insurance, legal, handling crisis moments)
- INSPIRATION (motivation, success formulas, goal setting, change, innovation)

This order may seem rather arbitrary, but there is a definite need in small businesses to ***get the systems components in the right order***. If the systems are addressed in order, it makes tackling the next system that much easier. Further, if the tasks within each system are taken in order, it makes tackling the next task that much easier.

After all, the goal is to make our business or program easier to run and administer. You may find items in one system that you feel actually belong in another system. For example, although it is a management item, the Annual Plans and Strategy for individual programs (i.e., Preschool Gymnastics, Birthday Parties, Day Camps) show up in the People System section to illustrate what a Program Manager or Director does as part of his/her position.

It's not right or wrong, it's just the natural overlap between the systems. The Systems Journey is an exciting and rewarding one. See you on the path!

Whether you are an owner, director or a key staff member, the best dollars you can spend in business are the ones that encourage and increase professional development.

For owners and directors, these courses create an understanding of systems and a "common business language." For key staff and program managers, your career opportunities really open up when you arm yourself with the business systems knowledge to succeed. Check out the School of Business on page 28 for the complete Business Foundations Series. ✨

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