GROWERTALKS

Growers Talk Business

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Recipe for Success

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As entrepreneurs we're often known for getting it done. Whatever it takes, we do it and make it happen, yet we experience different challenges along the way. The difficulty is when the same challenge continues to happen. This causes us to look for the solution, often searching for the root cause and efforts to resolve the challenge.

This led me to think—how do businesses like McDonald's and others effectively duplicate in multiple countries and successfully deliver the same product, taste and quality, resulting in customer trust and confidence anywhere we see that brand? I've also observed most successful businesses have a well-organized operational structure or organizational chart. The org chart gives clarity on who is who, who they report to and the process flow of how to elevate a challenge. Pondering this, I've come to one major conclusion: We must document our processes and organize the structure of execution.

Process

The Challenge: Without a well-documented process, referred to as a standard operating procedure (SOP), our ability to replicate consistently is jeopardized. Think about it as if you were to bake a cake, which, in most cases, you would use a standard recipe. If the recipe isn't followed, the taste would be significantly different. And if the recipe isn't documented, multiple people couldn't replicate it. The result is inconsistent quality, which can lead to customer dissatisfaction and credits given, affecting financial outcomes. The solution: Develop your SOP.

■ In production, this could be items like crop cards where you track each task done to a crop. This forms critical data, which when analyzed can be used to adjust crop timing and treatments. The result is optimized production, cutting waste in treatments, labor and, even worse, outright dumps.

■ Look at your sales process, especially as we may have peak seasons where we must bring in additional staff to support the workload. Written SOPs facilitate training of new staff, giving them the ingredient list to consistently do the job they're being asked to do.

■ In finance, think of your accounts receivable (AR) collections process. Quickly we learn when we bring in a new staff member who isn't trained in detail, our average AR days can quickly grow, ultimately possibly affecting company cash flow.

■ Think of your production planning cycle—what's the complete process for a spring hanging basket ready for sale May 10? What happens when the person who's always completed these processes is suddenly not capable of executing this task? The new person with no experience could miss critical timelines in ordering cuttings, pots, tags, sleeves, etc.

■ The SOP process doesn’t necessarily prevent a situation where somebody simply forgot, but it certainly will help you in a check-off type system with shared knowledge on how to achieve success.

■ I would encourage you to consider how you can either start or improve your current SOP process. Start simple! As our businesses become more complex and margins finer, it’s critical our processes are designed to avoid error and waste.

Structure

Structure can make the difference of winning or losing, being profitable or going bankrupt. Small business structure can simply be natural when working with just a few employees because it’s often very clear who’s in charge and who makes the decisions. The larger our business becomes, the more difficult it can be to determine who’s actually the decision maker and where the buck actually stops. Certainly, as we grow from a smaller business to a larger business, we learn structure is essential in terms of chain of command.

The org chart:

■ Can give a clear visual picture of who is who in your organization. It also establishes a clear chain of command. This gives role clarity when it comes to who’s responsible and it can lead to greater satisfaction with a sense of achievement.

■ The org chart is a living document, as people change and roles change—and even the process might change. Keep your org chart current. Assure all key team members are familiar with the org chart.

■ The org chart can be used to develop role clarity, which is critical for team members to understand what their objectives are and what’s considered success.

■ The org chart, along with role clarity, can help you avoid questions about who’s responsible and make it easier to solve challenges.

■ I don’t believe the org chart should be designed to show who’s at the top—the goal is to give a clear understanding of who to go to in any given situation. Look at it from the point of who’s in charge in an emergency on a Saturday morning when the normal management team may not be present—is there a clear chain of command? Who calls who for help?

I’m not writing this article because we do this so well—we’re learning every day and finding how essential it is we have a good process and organizational structure. This gives us the ability to consistently improve our processes and quality, and reduce waste and optimize everything we do.

The goal: Deliver consistent results for our customer while reducing stress within our company’s teams. **GT**

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