

8 Best Practices of Great Businesses

By Jacques Nel (MBA, MSc), Indus Consulting (Pty) Ltd, www.indus.co.za

1. **Manage processes, not people. Focus not on what they do, but on how they do it.**
 - a. Process management incorporates everyone and everything.
 - b. Process management can result in decreases I costs, increases in quality and an increase in available time.
 - c. Process management improves customer satisfaction, increase staff retention and business profits.
 - d. Re-evaluate inherited processes. Can we do things better, simpler or more effective?

2. **Use techniques like process mapping and benchmarking to achieve continuous improvement.**
 - a. Draw a map of the activities that make up a key process. Sort activities in 2 groups, namely value adding and non-value adding activities. How much time is spent on each activity? Can an activity be removed without affecting the final product/service? Could time spend on activities be shorten? What is the time that competitors typically spend on similar activities? Is the time spent on an activity realistic?

3. **Value incremental gains.**
 - a. Everything adds up.
 - b. Establish a culture of continuous improvement.
 - c. Encourage staff to come forward with suggestions.
 - d. Imagine the ideal customer experience and strive to provide it.
 - e. See problem solving as a cross-functional systemic and collaborative approach.

4. **Measure performance by customer satisfaction.**
 - a. Retaining your customer base is critical to your business success.
 - b. Do you know what your customers think of your business its products/services?
 - c. Customer surveys (formal or informal) are a good way to ascertain if your company has met its customers' expectations.
 - d. Surveys can also serve to benchmark future performance and comparisons.

5. Introduce new products faster than competitors.

- a. Think fast (forecast, anticipate, spot trends, brainstorm, evaluate ideas and let the best idea win).
- b. Make decisions fast (get rid of bureaucracy; establish guiding principles constantly reassess 80/20 principle, etc.).

6. Design new products for efficient manufacture.

- a. Customers and their needs come first.
- b. Understand competition.
- c. Test prototypes, product performance and market reaction/susceptibility.
- d. Involve all critical departments.
- e. Monitor and measurement criteria.
- f. Effectively motivate staff.
- g. Leadership buy in and energy/drive.
- h. Staff empowerment and cross-functional team cooperation.

7. Treat suppliers and customers as partners.

- a. Customers influence every part of the business and are the foundation of your business's success.
- b. Customer partnership – forging long-term relationships that create synergies of knowledge, security and adaptability.
- c. Customer partnership will enable: the right product at the right time, custom made solutions, solving customer problems, reconnection and creating shared values.

8. Manage inventory in superior fashion.

- a. JIT (just in time) manufacturing. Producing necessary quantities at the necessary time.
- b. EOQ (economical order quantity) – order the right amount of raw materials and inventory.
- c. Forecast future sales (based on historic values, seasonality and customer trends).