

Built to Scale: How Great Processes Drive Business Growth

When businesses are new, things are often done by intuition.

There's no right answer to any question. There's no "best way" to do things.

That is, until you want to grow. At that point, you need clear instructions. You need a way to get the entire team in line for the way things will be done so that everyone is executing from the same playbook.

In other words, you need process.

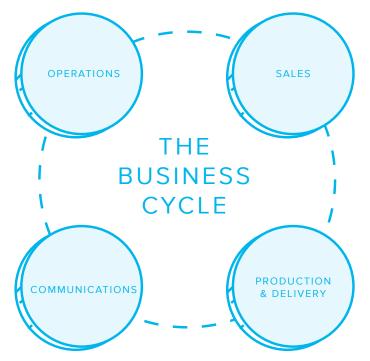
Process is the lynchpin of sustainable, predictable growth. It's what holds things together. It's what separates a business from a group of people who happen to work in the same office.

Every great business centers around a core system of processes. No major car manufacturer would survive if each of their cars was hand-assembled from memory. Each car would be slightly different, most cars probably wouldn't pass inspection. It would be a nightmare.

Likewise, if a business is growing through an ad hoc series of actions and decisions, those start to fall apart as you grow larger. Small gaps will become chasms. Confusion and inconsistency will become chaos. And if employees are operating from their own playbook, there's no way to deliver a consistent product or experience.

Achieving scale requires a level of repeatable and predictable systems. Refining and developing these systems is how companies are able to go from thousands of customers to millions.





Whether your company is a startup looking to scale or an enterprise company looking to find new growth opportunities or scaling new parts of the business, great process is key.

You can help put your business on track for growth by considering the various processes within your company and how to create systems that are built to scale. Let's take a look at a few.

Sales Processes That Scale

Imagine if every single sales contract required your CEO to personally sign off. Now, imagine that you make 1,000,000 sales per year. Assuming that the CEO worked all 365 days out of the year, they would have to sign over 2,700 contracts per day. That would take a lot of time.

Needless to say, that could never scale.

But, the problems are not always obvious bottlenecks like requiring a CEO's signature. There are friction points all throughout the sales cycle that can become problematic as your business grows.

For instance, not having a clear sales process can lead to stalled deals or confusion about deals in progress. Failing to define how leads should be scores or deals should be weighed can make revenue projections unreliable or impossible to predict.

Having a consistent and measurable sales pipeline is key and it requires you to have the right steps in place to track and measure revenue opportunities.

How do sales opportunities flow through your pipeline? Are there breakdowns that occur along the



path to purchase? If you increase your leads by 10%, how much additional revenue can you expect to generate?

Many companies struggle to grow beyond a specific plateau in sales or revenue because they lack the systems they need to measure and forecast new opportunities. Sure, they have had success to a point. But, without a clear and repeatable process to generate leads and drive them through the entire sales process, it's difficult or impossible to grow and forecast how that revenue will move throughout the pipeline.

In an <u>article for Fast Company</u>, entrepreneur and author Faisal Hoque explains this critical part of the equation. "It's one thing to sign up a few customers," he writes. "It's another thing to design and implement sales processes that can be successfully deployed again and again at ever greater scale."

In order to unlock large-scale growth, you need a predictable sales process that allows you to both close a high volume of sales in a predictable way and understand what your sales pipeline will look like in the future.

Production & Delivery That Scales

Sales are only one step in the overall business cycle.

Production and delivery processes also need to be carefully constructed as scaleable and repeatable systems. Many companies have fallen victim to a growth in demand or sales that they can't deliver because they have not figured out how to scale production.

This may seem like a "good" problem to have, but growing a business is difficult enough without encountering problems in the core production or delivery of your product.

Your company should invest in rock-solid processes before attempting to grow or scale the business.

For some companies, this may mean ensuring that you have a repeatable process to source, hire, and retain workers. In other cases, it may be that your production or delivery process is entirely contingent upon technology–you need the right hardware or software to deliver what you're selling.

In either case, perform a full audit of your production systems to identify any bottlenecks or inefficiencies that may cause a headache as your business grows. Develop new systems as necessary.

With <u>new digital tools</u>, there is much efficiency to be found that will help you build systems that can grow with your company and won't break down at scale.

Communication & Support That Scales

Underpinning all of your company's functions is the role of communication.

You need process to avoid chaos. In communication this is perhaps most apparent. There is no



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communication if it isn't orderly-it becomes a mob, noisy, and completely unmanageable.

Being the CEO with an open-door policy works perfectly well until you have a 3,000-person company and people are lined up outside to come talk to you directly. The same is largely true for any of your systems that involve how people inside your team will communicate with each other or how they will communicate with the outside world.

Without the right communication processes, you can expect a breakdown in the flow of information. Not only do you need systems in place for how individuals and teams will communicate directly, but how teams, department, and tools will communicate as well.

How will the product team communicate issues to the engineering team? How will data from sales flow through to systems used for support?

Groove CEO Alex Turnbull shares some of their <u>growing pains</u> along the path to scale their business. Chief among them is the realization that they need to build better systems and automate as much as possible, or else the team would drown in busy work that grew exponentially with their growing business.

"Scaling our business has forced us to look very carefully at ways to take repetitive tasks out of the hands of our team," Turnbull writes. "These systems have played a huge role in freeing us up to focus on the more important challenges we face."

Having the right systems in place for efficient communication can ease many of the problems associated with any growing business.

Operations That Scale

It's not surprising that operations—which itself is largely responsible for creating scalable business processes—also needs to have systems that are designed to grow with the company.

Operations are the backbone of your business. They're how things get done-literally.

So, it's worth considering what systems you can put in place for how to execute and manage your business operations at scale. As you grow and add new teams, new employees, and new customers, how will your operations apparatus grow?

Again, this applies to both the world of startups, where operations themselves must be designed for exponential growth, and also to enterprise companies, where operations need to be able to accommodate and manage new markets, industries, or opportunities that arise.

This requires the right people, the right knowledge, and the right tools.

Friction Scales, Too

What's most important to remember here is that processes are meant to be reduce friction, complexity, and uncertainty. They're put in place to create efficiency and allow businesses to focus on their core products or services without having to spend massive amount of time and money to solve the same



problems over and over again.

Every kind of company faces this same reality. Even "innovative" companies lauded for their forwardthinking business practices face the inevitability of friction and complexity.

"As a system scales, whether it is a manufacturing plant or a service like ours, the enemy is complexity," writes Kent Beck, a programmer at Facebook. "If you don't confront complexity in some way, it will eat you."

Inefficient systems and processes can quickly put a stranglehold on new growth and dampen even the most lucrative opportunities. What begins as a small problem--a tedious task or time-consuming process–becomes a monumental burden when magnified 2, 3, or 10x.

This means that not only do businesses need to have processes in place, but they need to be designed to scale from inception.

As businesses grow, so does the scope and impact of each process. And if those processes are problematic –if they're not efficient and well designed – then they introduce growing problems that can



outpace the growing success found elsewhere in the company.

On the HelloSign blog, we talk a lot about digital transformation.

While it's not the only way to achieve a level of scalable process, it's a common denominator for all types of businesses. From manufacturing to online marketplaces, digital workflows allow companies to scale almost any aspect of their business and put in place the predictable and repeatable systems they need to get to the next level.



Don't let friction scale faster than your business.

Invest in developing great processes that will provide the foundation–and uncover new opportunities–for business growth.