SCALE Up TO KEEP Up

Many businesses equate scaling up to adding new employees who can maximize growth capabilities. Although personnel is a factor, scaling business operations is the industry's terminology for preparing your business for success regardless of size. The Minority Business Development Agency (MBDA) is dedicating the month of April to operations and helping you prepare your business for growth.

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» If your business is **Micro (2-14 employees)** you are small enough to establish processes and procedures quickly and make easy adjustments that won't compromise the organization. You are also large enough to test the processes amongst your internal departments. A good place to start is by developing administrative Standard Operating Procedures (SOPs) for recruitment, onboarding, and accounts payable processes. Consider these recommendations before drafting your SOPs:

1   Employee inclusion. Various departments should provide input to build a comprehensive suite of SOPs. Employees value the opportunity to share their voice on processes and procedures. They feel personally invested in the company's success.
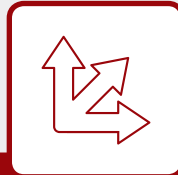
2   Flexibility. As a micro-sized business, processes and infrastructures are more likely to change quickly because best practices are still being defined. Set a frequent schedule, every 3-6 months, to review your SOPs and ensure they are up to-date with your changing environment. Once the business infrastructure stabilizes, SOPs can be reviewed on an annually basis.

3   Detailed explanation. Most SOPs explain how a task is executed, but good SOPs also explain what problem is being solved. If employees do not understand why a process is in place, over time, the problem may no longer exist and the processes may become redundant—resulting in discontinued or revised SOPs.

» If you are a **Small (15-49 employees)** business, you are in a transformational phase and your operational infrastructure should be more comprehensive. It's time to process map your entire company from start to finish. Process maps organize all aspects of your business. Business owners with a well-organized process map could hand over a flash drive on how to generate new business, execute projects, create business methodologies and approaches, run project conference calls, implement employee development, and all other aspects of their business. This content should live in one file, map or diagram to include instructions and procedures for your business. Process maps create the following advantages for your business to thrive:

1   Discrepancies. Truly understanding how processes should work brings insights to the team about where hidden discrepancies lie. This presents an opportunity to strengthen underlying weaknesses in the processes.

2   Involvement. Similar to employee inclusion, reviewing process maps as a team provides insights on the frustrations and strengths across departments. This process helps achieve mutually beneficial solutions and a collective buy-in.

» A priority for a **Medium (50-499 employees)** size business is ensuring your business is ready for you to walk away. At this point, you know all the traps of your business, industry, and operations so your company is more efficient, and therefore reflects the lessons learned. At this point, your greatest challenge is employee and quality management as you grow and scale. It's not uncommon for businesses to solicit a third-party organization to review processes. The International Organization for Standardization or ISO 9001 certification is audited based on an extensive sample of its sites, functions, products, services and processes. The auditor presents a list of problems (defined as "nonconformities", "observations", or "opportunities for improvement") to management that should be addressed. Determining whether your business is ready to scale up requires an equal balance between preparing your business for operational success and pursuing new business. Items that should be considered prior to hiring a third party auditor include:

1   **Set your objectives.** Results are dependent on a clear understanding of what is trying to be achieved. If process improvement is initiated without the true goal of improving the way you do business, the impact of any of your efforts will be minimal.

2   **Top-down approach.** Management must be invested in process improvements for it to become a part of the company culture. If employees do not observe that management is connected to the cause they are less likely to care, which can leave holes in processes. Results from a third-party auditor will not be as effective until internal cultural issues are addressed.

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For more information on how to maximize your infrastructure for greater operational success, visit **www.mbda.gov/grow**.

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