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Can your business survive for two weeks without you?

After the pre-Christmas rush dies down, it is tempting for smaller businesses to take advantage of the Christmas and New Year period to just shut the doors and send everyone on holiday for one or two weeks.

For the workshop owner, it's probably the only time in the year they can sneak away from the business to enjoy a break with their family and clear their brain for another busy year.

But if it means shutting the workshop down, the break will come at a substantial cost. Rent, wages and insurance still must be paid when the doors are shut. The net result of a full closure is that many workshops reopen with the bank balance well and truly in the red and it can often take a couple of months to get the cashflow back under control.

A TaT member we know recently took a three-month holiday of a lifetime from his business.

The business survived, and the bank balance stayed in the black. TaT Biz asked him how he managed to leave the business for three months. His response was very simple.

‘Get your systems and procedures in place and give your staff the responsibility to run the business. You will be surprised how much responsibility staff will take when you ask them’.

Three months is a long time, and not everyone can manage that much time away. But it would be nice to be able to take a one or two week holiday without having to shut the business down.

Here are some tips on how to prepare your business to run without you.

Document the procedures

The business owner needs to build and clearly document the systems, policies, and procedures for staff to follow. Without this documented guidance they will just do it their way and that can only lead to frustration and confusion. The core processes that must be documented may include taking bookings, greeting customers, ordering stock and preparing invoices.

Build a responsibility schedule

There are four very distinct roles in a workshop – owner, technician, service advisor and administration. In a larger business each role might be performed by different people while in smaller workshops one person might be responsible for multiple roles.

List the tasks for each of the roles. For example, the service advisor will be responsible for answering the phone, taking bookings, greeting customers and processing invoices.

This topic was covered in detail in July 2015 (Responsibility schedule). Visit www.tat.net.au/capricorn where you will find templates and a short video that explains how to draw up responsibility schedules.

The completed schedule then serves as a checklist of the additional tasks that staff members will be required to undertake while the boss takes a holiday.

Train your staff

Don't expect staff to immediately take on extra or new responsibilities the day you walk out the door on holiday. Take the time to train them. If a technician is going to take on your service advisor role while you are away, swap roles for a week. Better for them to make a few mistakes while you are still around, rather than while you are away.

Appoint someone to be in charge

You must appoint a leader. Someone has to take on leadership responsibility. Without a nominated leader in charge, it becomes too easy for staff to avoid taking responsibility for anything. Decisions still must be made in your absence, so your appointed leader will be responsible for making those decisions and dealing with issues the best way they can.

Once you have selected the leader, make sure that all staff are aware of the decision. If your choice of leader has the potential to cause friction in the workshop, take the time to sit down privately with all concerned and discuss the reasoning for your decision.

Set realistic targets

If there are four people actively working in a business and one is away, you essentially have lost 25% of your workforce.

Realistically, you must expect output and sales will be down. However, this doesn't mean that the business can't operate profitably, and breaking even would be a worse case scenario.

Sit down with your appointed leader and set realistic targets that might cover a range of variables such as the number of vehicles per day or week, dollar sales and technician productivity.

Ask for extra commitment from staff

As our friend earlier explained, it is amazing how staff will rally to assume extra responsibilities when the owner is away. A holiday really isn't a holiday if staff are constantly phoning the owner for advice when they are trying to relax and forget work. Ask everyone to make an extra effort to come to work on time, minimise sick days, support each other and work extra hard to make the business run as smoothly as possible.

Arrange staff holiday schedules so that staff don't feel burnt out and in need of a holiday themselves, just as you start packing your bags. Ensure that key staff have had a recent holiday.

If you want the freedom that should come with being a business owner make sure you prepare the business so it can run without you for a week or two.

The place to start is www.tatbiz.net.au/capricorn

Just go for it