outserve.

A Practical Guide to People and Process Optimisation

For super-smart businesses (like yours).

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Who is this for

This ebook is designed for entrepreneurs looking to expand and elevate their product-based businesses, encompassing ecommerce, manufacturers, wholesale, distributors, and anyone keen on online sales.

Within this ebook, you will discover a professional methodology for implementing systems and navigating change management.

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"At Outserve, we help your business work better by integrating world-class software with your people and processes.

We hire brilliant, talented, dedicated individuals who never let a challenge hold them back. Our team are experts in their subject matter and thrive on setting your business up for success."

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Product sales is easily one of the most dynamic and challenging business landscapes out there.

Product sales is easily one of the most dynamic and challenging business landscapes out there. Whether it's retail, wholesale, D2C or B2B Ecommerce, or manufacturing, product sales presents huge opportunities for growth, but that can come at a real price.

From international sales, creating new products, dealing with inventory management, handling shipping and fluctuating stock levels, plus all the transactions taking place – there's so much that needs to be controlled and managed.

In this world where technology reigns supreme and competition is fierce, it's become an almost default approach that the solution to any of your problems is going to be software-driven.

Purchase order planning, production, inventory management, stocktakes - there's just so much to consider. There's a huge temptation to bring in all-singing, all-dancing software systems that promise to free up your time and make life simple. Unfortunately, these platforms often fail to deliver on their goals.

Failing to think about your people and your processes can sabotage your efforts to use software platforms to their fullest potential.

Where's the proof? Right here:

"25% of ERP projects were late or cancelled completely with about another 55% considered to have missed the expectations that stakeholders had for the project."

Gartner research, 2018

Why Prioritise People and Process over Software?

In a small- to medium-sized business (SME) a significant percentage of new system 'fixes' fail to achieve their goals because there's no clarity around which process this software is supposed to be optimising. Or, worse, you've no idea who is responsible for implementing and sustaining that process.

Defining what your business does internally, and who does it, is absolutely vital. Despite this, lots of product-driven companies use software as a starting point, when it should come in two or three steps down the line.

Let's consider an example:

- Your customer sees a squishy yellow sofa on your website and adds it to their cart

- They decide to buy that sofa, and go to check out

- They successfully complete their purchase using PayPal

- Now, you don't happen to have the sofa in stock, because it's made to order - so you have to send the request to your manufacturing department (whether that's internal to your business, or through a third party)

- They produce the sofa in 3-4 weeks, gather the customer information from you, and ship it directly to them

That's quite a nice, orderly process. But what happens when your processes are overly complex?

Or the customer orders an additional item, like a dining table that you do have in stock, but the sofa still has to be custom-made by your external supplier?

Do you ship both items separately, or together? Do you have to alert the warehouse manually, and forget to do it? What if the person responsible for sending those requests is off sick?

There are so many points where information needs to be handled quickly and accurately in this example alone. How many gaps are you leaving open in your processes for errors to fall through? Do you even know where your gaps are if your processes aren't mapped and understood?

The whole customer experience could be at risk.

Having clear processes, conversely, sets up any software you do bring in for success, especially from an automation perspective. If you're using artificial intelligence (AI) and/or automation in your business, having a defined process they can automate will save you a huge amount of time, money, and effort.

People > Process

At Outserve, we always put people before process. This is because if you don't have the right people in-house to execute your process, it doesn't matter how good the process might be - it won't get done.

Worse still, you might have someone in-house who is responsible for that process, but there's no one else who can step into their shoes in the event of absence. That means two things:

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1. ↗ That poor soul will never get to take a holiday (business owners who do everything - do you feel seen?!)
2. ↗ If they are ill or injured, your business might grind to a halt. Yikes!

Here's another reason why it's so important to define and articulate your processes quickly. If you need someone to take over or stand in, and they don't know what to do to get the job done from start to finish, there's very little point in them taking over that process in the first place. Being able to describe your process from end to end is key.

To that end - what are some challenges to consider from a people and process perspective?

You'll have your own nuanced frustrations, but we've listed seven of the most common issues our clients run into.

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↗ 1.Purchase Order Processing and Planning:

Drowning under a pile of purchase orders from multiple suppliers? Never sure what you need to order, when things are arriving, what hasn't arrived, or even what price you'll end up paying? Sounds like your PO planning might need some TLC. As if organising all these separate orders wasn't enough, you also need to make sure you process them all efficiently, too, to make sure you're not overstocked or stocked out!

Coordinating various vendors, tracking order statuses, and reconciling invoices can be a quiet nightmare for so many businesses, especially during peak seasons or promotional periods.

Figuring out which processes you need to have in place to get stuff done (and who will be responsible for them) is essential.

The good news is that once you've identified who's doing what, you can implement PO systems, integrate them with forecasting tools, and automate your order processing. You've got clarity on what's going on, you've prevented any breakdowns, forecasts are more accurate, and processing time has gone down.

Win, win, win.

2. Inventory and Stock Management:

How do you strike that delicate balance between stocking enough inventory to meet customer demand and minimising excess stock? Inaccurate demand forecasting, seasonal shifts in demand, and shelf-life considerations also add serious complexity to inventory management.

Not for the faint of heart, inventory is often the core issue that so many retailers struggle with, ricocheting between "too much" and "not enough". This can get doubly difficult if you're thinking about renting warehouse space (but more on that later).

Identifying who manages and controls inventory, especially if it's external to your business, is vital. Who orders stock, and when?

Who's responsible for identifying trends and forecasting, and who makes the decision to order more or less of something? This is essential information you have to have to hand.

On that point, who is accurately tracking your stock figure and how are they verifying it?

Defining processes to keep your stock management practices consistent is crucial for any product based business. Without them you'll never trust your stock figure.

Once you do have trust in your stock, and you've clarified your stock-related processes, you can think about implementing retail inventory management software. One of our favourite partners for this is Unleashed.

It's sophisticated and detailed but maintains an intuitive, straightforward interface for users. Simply put, you've got a powerful system that anyone can be taught to use. It also packs brilliant demand-forecasting algorithms and predictive analytics to help you prioritise high-demand items and figure out the right volume for reorders.

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↗ 3. Assemblies and Manufacturing:

Business involved in manufacturing or assembly operations? We hate to say it, but you've probably experienced challenges in coordinating all your production processes.

You've got to oversee managing your bill of materials (BOM), keeping them updated as production shifts, and optimising assembly workflows. Ensuring seamless integration between manufacturing and retail operations while maintaining product quality and meeting customer demand is tricky, to say the least, and can only get trickier if you're also managing manufacture through third parties

Who tracks work orders, monitors assembly line performance, and takes action if something slips?

What processes do you have in place when something does go wrong?

Do you have a team in place to figure out what needs to be produced, and then plot flexible approaches and strategies to production, so you can respond to the market as it changes?

If not, that's definitely something you need to consider. When those great people are in place, you can then look at implementing software that actually meets their needs and helps them make data-driven decisions. Before looking at software to help with production, make sure you know what questions you need the software to answer, in order to support your processes and really help your production team.

Then when you're choosing and implementing software, make sure the software answers the questions!

↗ 4.Stocktakes:

Is there anything product businesses dread more than a difficult stocktake? Whether we like it or not, it's essential that you reconcile your physical inventory with what your records show, to identify discrepancies, and ensure inventory accuracy.
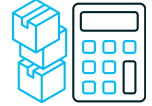
Manual stocktaking processes, inventory shrinkage, and operational disruptions during stocktaking activities are just some of the frustrations that can rear their ugly heads, and – you've guessed it! – you need people to handle them, and a clear process that solves these issues when they arise.

Things like barcode scanning technology, mobile inventory management apps, and specific software systems can all help hugely – but only if you've got people in place who know how to use them, they've been installed correctly, and you've got watertight steps to follow.

But when those steps are followed, you get a streamlined stocktaking process, a jaw-dropping degree of accuracy, and far fewer manual errors. But, don't be afraid of walking before you can run.

Even a simple process run with diligence trumps a complex setup spilling over with scanners, batch codes, and automation if it's not being run with the right processes!

↗ 5. Logistics and Distribution:

Could figuring out optimal transportation routes, managing deliveries, and making sure that stuff arrives on time be any more complex? Oh! You also need to try to minimise shipping costs while delivering top-notch customer service. Coordinating logistics operations, managing carrier relationships, and mitigating delivery delays all pose real challenges for any product business.
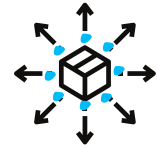
Again, the temptation is to dive straight into implementing transportation management systems (TMS) with route optimisation capabilities, real-time tracking functionalities, and carrier management features (and a partridge in a pear tree!). You know the drill by now, though, and without understanding how the product gets from the warehouse floor to the inside of the lorry, to the customer's front door, you just can't use software effectively.

Get clear on who does what, and what needs to be done, though, and you can then start to use software tools the way they're designed to be.

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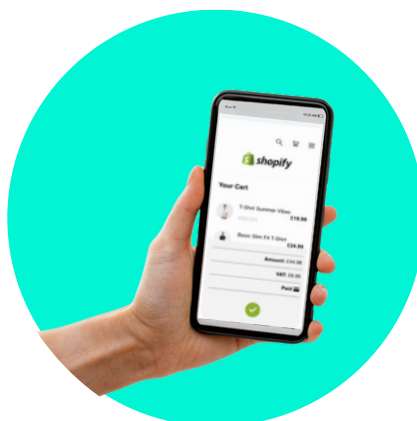
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↗ 6. Warehousing:

Need to make the most of your warehouse space, organise inventory for efficient picking and packing, and minimise fulfilment errors? Yep, we thought so. It's hard to oversee everything from managing your warehouse layout, to optimising storage set-up, and maintaining inventory accuracy (another tedious stocktake, anyone?)

Who handles oversight for your space? Where are they getting their information from? Are there multiple sources of data, which could confuse how you figure out what needs to go where? Who's picking and packing for you? What pick strategy should they use? Do they know exactly what they need to do, and when? What happens when something goes wrong?

Finding the answers to these questions is a fundamental step in becoming more streamlined and efficient, and creates a solid foundation for any software to come in and give you a clear, accurate picture of what is where, and when (and how much it might be costing you in rented space!). Just like manufacturers though, once you do get clear on this, and the right systems are in place, your team can make data-driven decisions with confidence and clarity.

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↗ 7. Reporting:

Last, but not least – reporting! Creating accurate and timely reports on KPIs like sales performance, inventory turnover, and customer satisfaction is vital for any product business.

Why? Those reports (should!) contain information that helps you to make informed business decisions and drive improvements. The thing is, managing disparate sources, consolidating data from multiple systems, and making sure that data is reliable can be really hard to do, especially if you're not sure you can even trust the data sources in the first place (often a symptom of errors caused by poorly defined processes...)

Figuring out where you get your data from, and who reports what information (and when!) – these are the building blocks for reports that you can truly rely on. Identifying the reporting processes that work best in your business means that any software can work around what you need it to do, not the other way around.

Of course – all of this is great in theory, but let's take a look at a real-life example of putting people and processes first for software success.

Case Study: Cotswolds Distillery

As your business grows, your processes, SOPs, and systems need to develop at the same time, or you will develop bottlenecks. You might also need to make some strategic hires, or train your team in more than one process. As we noted earlier - it can be very easy for manufacturing, wholesale, or retail businesses more broadly speaking, to become victims of their own success.

The Cotswolds Distillery is a brilliant company that makes fantastic whiskies and gins from their warehouse in the south of England. A complex operation, the Cotswolds Distillery is a multi-channel business that sells across B2B, on-trade, off-trade, supermarkets and D2C, through their own retail shops and their own website.

As you can imagine - smart stock management is essential in coping with demand and growing their business.

The Cotswolds Distillery has multiple warehouses (both bonded and non-bonded - more on that in another eBook!) - and access to regular management information was absolutely essential for their senior team.

The company approached Outserve because they knew they needed a smart stock management system to control purchase orders, assemblies, and sales orders, enabling them to see live stock levels of finished goods at any time.

Where did we start? You guessed it! With people and processes.

↗ Solution

Knowing how quickly the Cotswolds Distillery was growing, we took a cloud-focused approach, and integrated a dream team of Xero, Unleashed, Shopify, A2X, Lightspeed (formerly known as Vend), and data analysis. The beauty of this approach was that it had scalability baked in - crucial to the company's success now, and in future.

As we got to know the business, its goals, staff, and approach, we also identified the need to hire more people. There simply weren't enough staff available to keep everything running smoothly in case of accident or emergency, but having their own processes explained so clearly made onboarding new hires a breeze.

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Practical Strategies for Optimising People and Processes

So what can you do to make sure any future systems are set up for success? As we've discussed, the very best starting place is taking some time to figure out exactly what your business processes are - and who's responsible for keeping them running smoothly.

Try and think about this as holistically as you can and take a 360 approach - that way, you'll also spot any gaps in your process, and can take proactive steps to put something in place. Even if a process is external to your business, you still need to identify what happens and who's in charge (and how you can still access information when you need it).

If you do find that there's only one person in your business who knows how to do something, turn that into a training priority - especially if that person is the owner of the business!

1.Put pen to paper and draw out your processes using boxes and arrows.

2.Clarify who does what at each step of the process (even if some of it is external, such as warehouse dropships, for example!) This step will involve plenty of questions! The more pragmatic and methodical you can be in interrogating each step, the clearer your end process will be.

3.Clearly explain to people what the process is and create standard operating procedures to enable effective handovers. These don't have to be onerous written documents necessarily- recording SOPs as videos can be more engaging and less time consuming both to make and to use.

4.Identify any training needs so your people can take over in the case of an accident or illness

5.Seek external expertise when you need to. There are specialists out there who've helped businesses in a similar position to you design processes and train their people.

About Outserve

- **Founded 2008**
- **15+ years of service**

- **10+ awesome team members**
- **100+ happy clients and counting**

Founded in 2008, and based in the UK, Outserve is a team of brilliant people who want to help you grow and scale your business.

You should have access to the best software on the market, and have it implemented in a way that works with your people and processes.

We're on a mission to help founders get back to doing what you do best – by freeing up your time and energy so you can make smart, data-driven decisions that unlock real growth.

Offering a wide range of much-needed services for small to medium enterprises, our team delivers everything from software implementation and integration to accountancy, bookkeeping and even data migration.

You can learn more about what we do on our Solutions page.

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We hire brilliant, talented, dedicated individuals who never let a challenge hold them back. Our team are experts in their subject matter and thrive on setting your business up for success

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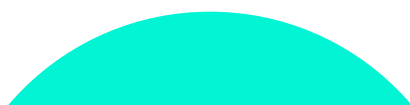
People ● Process ● Platform

Book your free People & Processes Health Check

As a thank you for reading this, we're offering you a complimentary consultation call to get you started on the right path with everything we've talked about here.

You can book your call **here** - but if you'd rather connect with us on social media, you can find Outserve on LinkedIn, YouTube, and via our website.
We can't wait to hear about your business.

Next Step

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