

# BUSINESS IMPROVEMENT FORM

Date: \_\_\_\_\_

- 1** List your top customer complaints. Consider surveys, interviews, feedback forms, external sources (social media, review websites). Make sure employees provide input.

- 2** List your top employee complaints. Consider surveys, interviews, feedback forms, past employees. New hires are a good source for what is confusing or frustrating. Older employees may be used to how things work.

- 3** Review financial data, and list top concerns. Look at bills, monthly sales, inventory, wages and salaries, and miscellaneous expenses. Review prior complaints above to see how they relate to the finances.

- 4** Review issues listed above, and determine top 3 issues that need addressing right away. Customer complaints should be weighted the highest. Gather more data to take emotion out of issues and improve prioritization.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

- 5** What are the negative consequences, if these problems aren't resolved in a timely manner?



**6** Use the **Problem Solving Worksheet** provided to determine the root cause(s) for each problem. The root cause should be a process breakdown, not a person or department. Assume that everyone is trying to do a good job.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**7** Provide a list of potential solutions to each root cause. Start with simple and easy solutions first. Problems with many root causes may require a brand new process, or the use of technology to greatly improve.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**8** List the actions and responsibilities for those who will be implementing these solutions, along with an expected completion date. Strive for 30 days or less. Quick improvements are critical.

ACTION	NAME	DUE DATE	INITIALS

**9** After the solutions have been implemented, go back and check to see if the problems have gone away, or are greatly reduced. Gather additional data as needed.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**10** Describe how you will communicate the success of the effort to employees and customers. Describe the celebration or gifts or benefits you will provide to the team members involved in the improvements.

REPEAT PROCESS – BACK TO TOP



# PROBLEM SOLVING WORKSHEET

Date: \_\_\_\_\_

Problem: \_\_\_\_\_

Now describe the problem statement more clearly. Provide additional data or information, so that everyone will have a better understanding of what issue is being worked on. Don't rush through this step!

Team Leader : \_\_\_\_\_

Team Members (3-6 people ideal): \_\_\_\_\_

Determine the root cause of the problem using the 5 Why's approach (or other accepted approach). If multiple reasons could have caused it, investigate to determine exact reason by looking at a recent incident. You may need to have multiple paths, which can lead to multiple root causes. Use a different sheet of paper for those situations.

Why could the original problem have happened? Investigate, then proceed to next question

Why could that problem have happened? Investigate, then proceed to next question

Why could that problem have happened? Investigate, then proceed to next question

Why could that problem have happened? Investigate, then proceed to next question

Why could that problem have happened? Investigate, then continue if necessary

Describe the potential solutions that could be implemented to fix the root cause(s). Consider short and long term solutions. Submit results back to manager.



## Business Improvement Process – Help Guide

This seems simple, I already improve my business every day. Why do I need this form?

- You don't listen to your customers, so you don't think there are any problems.
  - You don't listen to your employees, so you don't think there are any problems.
  - You are too busy dealing with the problems to actually spend time fixing them.
  - You know what the problems are, but don't know how to fix them.
- 1) Gather feedback and complaints from your customers and external sources (online review sites, social media, emails, phone messages, etc). If you don't have many issues, ask for the input from your customers directly (formal surveys, personal discussions, phone calls, email, etc). Even loyal customers can give you good ideas, and they will be honest with you, because they really want you to succeed. That being said, former customers are even better sources of information with extremely valuable input, but that can be harder to obtain.
  - 2) Gather feedback from your employees on what problems they have with the business, and what problems they hear about from the customers. They are often the first line of defense when problems occur with customers. They are probably frustrated having to deal with the complaints. These should be the problems that make them not as eager to want to come to work each day.
  - 3) Gather data on internal financial data, and determine what trends and problems can be seen (poor sales on weekends, decreasing sales dollars per order/customer, sales/orders going down, raw materials getting more expensive, profit margins going down, wages/expenses going up). There is usually some business problem at the root of most financial issues in a business. This review of your data is critical to helping you figure out which one(s).
  - 4) Combine data and information together into a list of Top 3 problems. This will keep the list of problems manageable, and as the business owner or manager, you can direct your employees to focus on the biggest issues that will impact the financials the most.
  - 5) What will happen if these problems aren't addressed right away? Employees will quit, customers won't come back and worst of all, they will complain to others. The whole purpose of this step is to admit that you have problems that need improvement. If you don't think you have anything that needs fixing, go back to step 1, and dig deeper.
  - 6) Gather employees in an improvement team, and assign a leader in charge of fixing these problems. Start with the top problem, and complete the following steps, using the Process Improvement form provided.

Clarify the problem with additional data or information, so the employee team has a clear understanding of what issue they are improving. Don't let them wander off on another related issue or topic, as there are always other problems that can be addressed.

Analyze problem down to the root cause. Interview people who know the problem well, and ask a lot of questions. Use the 5 Why's approach, to ask why at least 5 times. You are trying to go beyond a single individual making a mistake. You need to identify the process breakdown that led to the mistake. For more complicated problems, you might try and experiment to see if the problem happens under certain circumstances, to see if it truly is the root cause.



As shown in the example forms, some problems will have multiple root causes, and each one must be addressed in order to have an impact on the problem. If you find many different issues with a process, you might want to look at software, benchmarking other businesses, or redesigning the process from scratch, since only making minor improvements may not allow you to fully resolve all the issues.

- 7) Have the team brainstorm and research possible improvements to the root causes. Some solutions may be simple, others may require a lot of investigation. Present the problems to your employees to see what ideas they have. Many have experience working in other companies or related businesses with similar problems, and can provide some great ideas.
- 8) Implement as many of the simple solutions as quickly as possible. For the other solutions that require some investment, discuss alternative solutions that are less expensive, or that can be setup temporarily to see if it will work. The simpler it is, the easier it will be to follow and maintain. Make sure you aren't jumping to conclusions on what the real issue is. For example, a software system to track your inventory might be cool, but maybe a sheet of paper with a list of suppliers with phone numbers and reorder points is really what is needed.
- 9) After the solutions have been implemented, check back to see if the results have improved. If possible, gather data to see if the numbers have improved. Sometimes the results get better naturally, because you're telling your employees to make it better. This can lead to short-term improvements, but the real underlying issues haven't been resolved, and the problems will probably come back later.
- 10) Thank your team for working on the problem, reward them with a special gift or benefit, and re-start the process with the next problem on the list. This is a never-ending process. However, your problems will start to move away from reactive issues (such as customer complaints and employee frustration) to proactive issues and risk mitigation, such as "how to handle the busy weekends", and "opening the second location"!

