



## Toolkit Template Business Processes and Documentation

Objective: This template has been developed to assist you when documenting business processes as they are structured in the normal, everyday operation of your business. They include support and line operations in the front office as well as back office operations.

The business owner is responsible to oversee all of these operations, as well as perform a specific function. If you are a sole proprietor and independent dentist, then your function is skilled dentistry. Other line functions include your hygienist and possibly other dental skillsets. Your support personnel and functions include your dental assistant as well as the office receptionist, bookkeeper, and possibly others.

A small office may have many roles and functions in one person; for instance, you may be the only dentist but also do Accounts Payable and Payroll, while your receptionist monitors Accounts Receivable and performs the collection function.

Each business can be distinctive in its organization, but in each business, certain basic functions must be accomplished.

Ideally, each function should have a 'desk manual'. This is a procedure for accomplishing a certain function or group of activities. Think of it as a quick 'cheat sheet' if an employee calls in sick for a day or two, and you must hire a temporary to fill the position. Since the temporary is just that, you do not want to spend a lot of your time training him or her, but after a brief introduction would want that temporary to have something to reference that you have approved.

Some functions require only a few pages of documentation, while others require many pages with organization and division by frequency, volume, or other metric. For instance, your receptionist may only require a few pages to discuss how you like the phone answered, how to greet people coming in, and how to distribute mail coming in; but your accountant will have daily, weekly, monthly, and yearly procedures, some manual and some computer- focused. An accountant who handles both A/P and A/R should



document each of these functions in different desk manuals.

An easy way to have desk manuals produced is to have personnel document their activities each day, in chronological order, then proof the procedures by following them on a different day. This latter activity will allow each person to edit and insert items that are second nature to them in performing their job. A second level of verification would be to perform cross-training on each position (when there is a backup available with the appropriate credentials and skillset). The designated backup would use the desk manual to perform the function and enhance the manual each time it was necessary to ask a question. And each function should have a backup for vacation and illness,

If you are wondering why it is necessary to document a simple position such as a receptionist, or a common position such as accounting when you have two accountants, think of what would happen to your business if they went to lunch together and had a car accident!

The discussion above has focused on one front-office and one back-office role. These two roles are ubiquitous and every business has them.

What is more

complicated is the roles and responsibilities of the key personnel in your firm. In small

firms, it is typical that their roles are in hiatus during illness and vacation, or a vacation, to them, is one where they monitor the business and only respond to emergencies. It is important to remember that the planning for a BOE event is one that would take one or more key players completely out of the business for a period of time. When you think of it this way, preparing a desk manual for yourself, one that ensures continuing successful operation of your business, is no longer onerous.

#### Line Functions

- Sales
- Business Objective Function (e.g., CPA, financial advisor, doctor, dentist)

#### Support Functions

- Front Office
  - Receptionist
  - Public Relations
- Back Office



- Sales support
- Marketing
- Regulatory Compliance and Legal
- Accounts Receivable
- Accounts Payable
- General Ledger and general reporting
- Information Technology support services
- Human Resources (hiring, dismissal, reviews, raises)
- Payroll
- Inventory
- Purchasing

### Separation of Duties and Defined Roles and Responsibilities

It is important for all businesses to have duties and roles carefully defined with checks and balances to minimize the potential for financial mismanagement or theft. Having a designated deputy as the authorization authority for most regular transactions limits the opportunity for fiscal malfeasance.