

# SMART SYSTEMS

Measure to manage profit and the environment in your business

# 10

Straightforward advice to help vehicle repairers get ahead in today's business environment

Running a smart, efficient business means knowing the cost and value of what enters and leaves your premises, and how value is added – or lost – in between. This adds to your profit and your book value.

Resource-efficient businesses know this means measuring not only supplies and sales, but waste as well.

The systems they use to do this are fully integrated into their business management processes because of the value they add to the financial bottom line.

## KEY POINTS

You can't manage what you don't measure.

In order to run an efficient operation, you need to know how much you are paying for supplies and wastes as a percentage of sales by looking at your:

- financial systems
- management systems
- staff training
- new building plans

## FINANCIAL SYSTEMS

Set up an accounting system that lets you track all your major costs – don't just keep invoices in files where you have to dig through to add up what your paint, power or water supply and waste contracts cost you each year.

Make sure this system tells you how much you are paying for supplies and wastes as a percentage of sales – that way you can benchmark your business performance and set up a process of continual improvement – 5% a year will add up pretty quickly to some significant dollar savings.

## MANAGEMENT SYSTEMS

- make environmental management an integral part of your business systems, not an add-on that can drop off
- involve staff in developing new environmental and business management procedures – if they contributed to it, they're more likely to follow it

- prepare an environmental inspection and maintenance schedule with daily, weekly, monthly, quarterly and annual jobs – for example, you should inspect and maintain pollution control and stormwater systems every day, and electrical equipment as per the manufacturer's specs
- write the new responsibilities into staff job descriptions
- to work out who will do what by when: set some action targets that are SMART – for example:
  - **S**pecific  
investigate more efficient paint guns
  - **M**easurable  
payback period less than 18 months
  - **A**chievable  
spread cost over 2 financial years if necessary
  - **R**esponsibility-assigned  
John
  - **T**ime-based  
by the end of December
- you may or may not end up preparing an environmental management plan or policy, like the example overleaf. But be sure to diary an annual review of your environmental savings when you do your end-of-year accounts – then set some new targets

## STAFF TRAINING

- train your staff in the environmental and financial aspects of their work and any new procedures you develop – for example, show them where stormwater drains are, how to clean up a spill and what to do with leftover paint
- make sure that all your employees understand what they need to do. If English is a second language for them, show them what to do and get them to do it, as well as explaining in words and using written signs and procedures

## NEW BUILDING PLANS

If you are moving to new premises or altering your current premises, contact your city or district council first to see what their requirements are. Then build in the environmental opportunities and responsibilities outlined in these fact sheets to set yourself up to make big savings for your business bottom line and your local environment!

## ENVIRONMENTAL MANAGEMENT PLANS (EMP)

A plan will help you formalise your commitment to this smart business concept and clearly signal your values and what you intend to achieve to your staff and customers.

Some ideas for you to use in preparing your plan are in the box below:

### ACME PANELBEATERS LTD

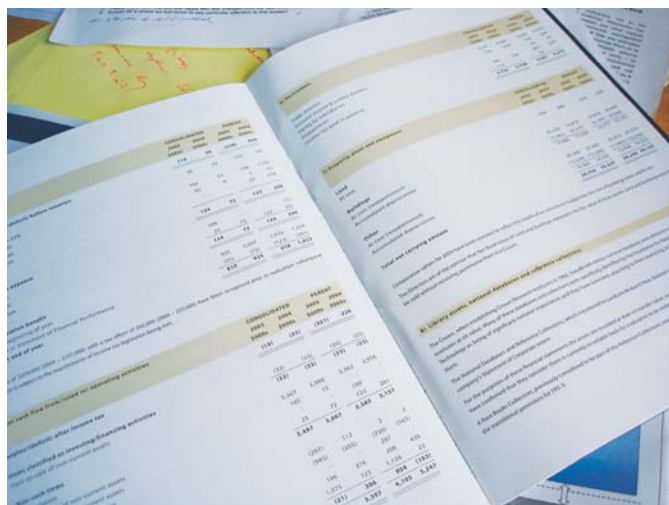
#### ENVIRONMENTAL MANAGEMENT PLAN

##### Our environmental commitment and policy

This business cares about the environment and we ask our customers to do the same. We will do our best to continually improve our environmental performance and to make sure that our activities do not harm the water, air or soil.

##### Our plan

1. At least twice a year we will use an environmental checklist to work out where we can make some environmental improvements.
2. Every day we will check all the stormwater drains on our premises to make sure that no oil, chemicals or litter is going into them.
3. At the end of each day we will clean and tidy up all work areas.
4. Twice a year one of us will look at opportunities for reusing or recycling some of the wastes that are currently going into our waste skip.
5. We aim to clean up any spills and leaks as they happen. We keep spill clean-up material in a designated space.
6. By the end of this year we will put in a bunded area for storing our liquid wastes and chemicals.



## FIND OUT MORE FROM

- your local, district or regional council
- your local sustainable business network [www.sustainable.org.nz/](http://www.sustainable.org.nz/)
- Christchurch City Council’s Target Zero programme [www.ccc.govt.nz/targetzero/](http://www.ccc.govt.nz/targetzero/)
- the Enviro-mark™ certification programme [www.landcareresearch.co.nz/research/sustain\\_business/enviromark/](http://www.landcareresearch.co.nz/research/sustain_business/enviromark/)
- The Natural Step [www.naturalstep.org.nz](http://www.naturalstep.org.nz)

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