The background image shows a wooden boardwalk with railings leading down a grassy dune towards the ocean. The sky is blue with scattered white clouds. The boardwalk is made of wooden planks and has wooden railings on both sides. The grass is dry and yellowish-brown. The ocean is visible in the distance with white waves crashing against the shore.

The Critical Step Most Companies Never Take

Process Improvement Best Practices

By Mark Hodgson

Contents

Setting	3
Our Client	4
“Give Us What We Want & Don't Bug Us!”	5
Pitfalls of Undocumented Process	6
Immediate Benefits	7
Long Term Benefits	8
A Little Overwhelmed	9

Setting

The documentation of organizational processes has become highly regarded in a great deal of industries in recent years. It has come to be known as one of the hallmarks of being a “best in class” organization. There is considerable value that can be acquired from having processes documented. Most of the hard work is up front, but where most companies drop the ball is keeping the documentation up-to-date and all this requires is organizational commitment.

Organizations commonly document processes to enhance quality control, to adapt to industry regulation and/or standards or to recognize inefficiencies within internal processes. Additionally more and more industries have affiliated themselves with organizations like ISO (International Organization for Standardization) that require process documentation in order for that organization to become certified. Not being certified in an environment that is dominated by ISO certified service providers can render a business out of the game.

Irrespective of the motivation, there are significant benefits that result from process documentation but the lion’s share of benefit comes in time and only to those who have the perseverance for keeping the documentation current.

The following synopsis concerns a typical organization that experienced a process documentation effort and some of the pitfalls and benefits that were encountered early on. Once new processes have incorporated into an organization, perseverance and leadership are required to continue to reap the benefits.



Our Client

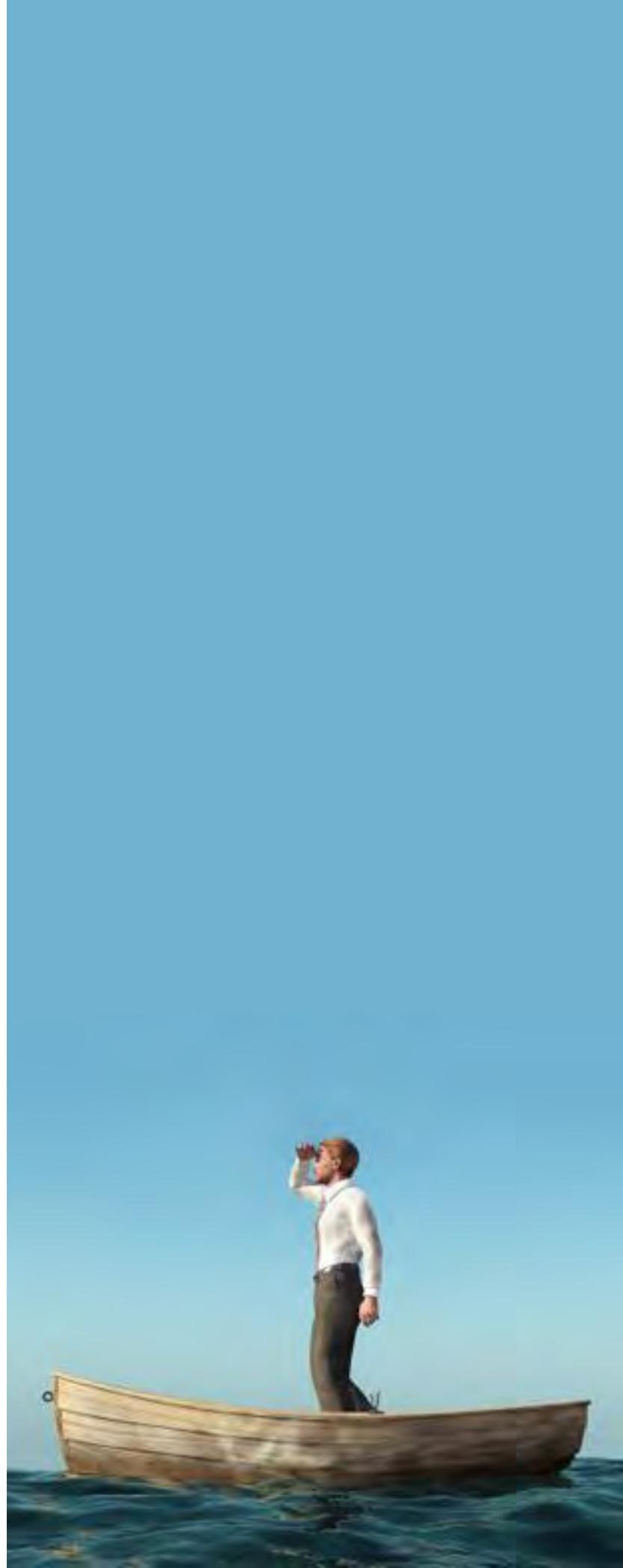
Recently, a project involved a client that employed a small group of highly skilled individuals performing a complex and specialized process. These individuals were routinely putting in extra hours to keep up with their ever-growing volumes of work which because of their skill set was very expensive to maintain and not easily transferred to others should they desire to take time off.

The result was twofold: the individuals were impaired because very little time was being invested in their personal development and the organization as a whole was impaired because this specialized skill set resided with individuals and not with the organization.

As typically happens in organizations, issues akin to this begin to grow and one day some sort of trigger occurs that forces the organization to take action.

Having not taken a proactive approach when the issues began, organizations often determine they don't possess the skill set and/or manpower required to implement the changes in the required timeframe and thus turn to third parties to resolve these issues for them.

Often when an organization comes to the conclusion they have a problem or need a solution for a particular aspect of their business they have the solution in mind. Consequently the solution involves implementing something that will change a current business process.



“Give Us What We Want & Don’t Bug Us!”

At this stage from the organization’s perspective the request seems pretty simple, “Give us new processes and train our people on the new solution” and “Limit the disruption to our people because they are very busy.” But as most organizations discover once an experienced third party has been engaged, these seemingly superficial requests are rarely straight forward.

Attempting to integrate some new solution to a process whose foundation was built on a sequence of bandages over time only further embeds the inefficiencies and makes the subsequent processes even more resistant to future change.

THE KEY TO SUCCESS

A critical success factor when documenting legacy processes and/or creating new processes is to ensure the right individuals are selected as Subject Matter Experts (SMEs).

Habitually businesses will do all they can to protect the smooth operation of the core business and thus will offer up 3rd and 4th choices as SMEs instead of just taking a little more time to plan for the appropriate individuals. It may require a little bit more planning, but it is their expertise that pays the largest dividends for as long as you have the process in place.

Ensure the right individuals are selected as Subject Matter Experts

Senior management need to support the effort by recognizing that a Subject Matter Expert needs to be selected because he/she possesses the appropriate knowledge (not selected simply because they are the most available) and the SME needs to be a willing participant who will devote the necessary time to the project activities. Many projects fail because the wrong SMEs have been assigned or the SMEs are simply not participating sufficiently to contribute to project success.



- Firstly, it is quite rare that an organization has their processes mapped and even rarer that the mapping is current. Usually the legacy process is undocumented and performed slightly differently depending on who is performing the process.
- Legacy business processes are rarely thoughtfully designed from beginning to end. Usually they evolve over time as new systems or staff is brought in or following some downsizing activity. Consequently this type of evolution ends up incorporating ineffectual steps, inefficiencies, redundancy and waste into the process.

Pitfalls of Undocumented Process

As for the organization in this discussion, the legacy process was undocumented and this attributed to several additional ongoing issues:

- Steps were sometimes missed or performed in a differing order in most instances reducing the quality of the output.
- At times, results were slightly different in presentation causing conflicting interpretations.
- No templates were being utilized necessitating a build from scratch documentation each time.
- No lessons learned were being documented which allowed for the same mistakes to occur over and over.
- There was no formal document change process or version control in place to enable the reader to understand which practices or steps had been enhanced or why, which degraded buy-in to the change.

THE RESCUE PLAN

The OPTIMUS | SBR team partnered with this organization to help them resolve their issues.

Having completed our initial evaluation, our first step was to document the existing process by way of SME interviews. We then analyzed the results for efficiency. Our goal was to design a new process that would be efficient, reduce man-hours and risk, and essentially eliminate the issues that were occurring.

We delivered a Process Guide that not only detailed the legacy process, but the new enhanced process with the corresponding detailed steps. Also included in our Process Guide was process mapping methodology and practices so that this enhanced methodology could be leveraged in other areas of the organization.

The implementation was successful due to the rigorous process of gathering disparate inputs, synthesizing varied data and anticipating common process pitfalls. The keen engagement of the project sponsor was also key.



Immediate Benefits

The project which was less than 2 months in duration, gave rise to the following short term results:

- **Cooperating Stakeholders-**
Stakeholders, previously perceived as obstacles to the process were now seen as partners because they understood their role and significance to the process.
- **Risk Reduction-**
Risk to the organization had been reduced because the process ensured all steps were completed in the correct sequence, in a standard format so that results were consistently interpreted irrespective of the performer or reader.
- **Enhanced Institutional Memory-**
Risk was further reduced by incorporating a lessons learned process. Errors and best practices were discussed at the end of each cycle of the process and as appropriate systematically included in future cycles of the process. Additionally, if an employee left the organization, they wouldn't take

their experience with them; it would be kept within the organization.

- **Time Reduction-**
Standardized templates reduced the hours required to produce the result.
- **Cost Reduction-**
The designed and now documented process reduced the need for expertise and allowed for less experienced staff to learn and perform steps in the process without having to outsource the task or have them undertaken by senior staff which is less cost effective.
- **Increased Employee Satisfaction-**
Utilizing the new process, staff previously doing the work will spend less time performing these activities, thereby increasing their availability to utilize their expertise more effectively within the department and organization overall; in turn this also promotes greater employee satisfaction and development.

Risk to the organization had been reduced because the process ensured all steps were completed in the correct sequence, in a standard format





Future Benefit Requires Perseverance

Long Term Benefits

After the initial documentation and integration of new processes, organizations come to the most critical stage of the implementation, which is keeping all the stakeholders engaged on an ongoing basis. The hard part is over; Stakeholder engagement can be as simple as keeping the topic on a monthly agenda so that it's continually in mind. This just just requires a little perseverance.

With ongoing deployment of process engineering and mapping practices, enhanced with a process for change requests together with regularly scheduled process reviews, the long term results the organization should expect are significant.

A key benefit is the reduced time and effort required to effect other changes

- **Reduced time and effort for change-** Reduced time and effort to implement modifications when necessary, create new processes, integrate other systems, design work-arounds or contingency plans for system failures.

- **Increased organizational knowledge-**
Departmental knowledge of process mapping and workflow depictions enables internally driven improvement elsewhere within the department and may also reach other groups within the organization.
- **Supplements training-**
The Process Guide and Maps are beneficial to orienting new employees, reducing training time and developing formal training materials where necessary.
- **Establishment of best practices-**
The format of the Process Guide may be used by other groups within the organization to establish best practices for process development, presentation training and implementation.

4. As small cumulative changes occur within the business individuals get lazy (or too busy) and start making changes without updating the process documents thinking that they will push the effort off to a “rainy day”.
5. New technology is implemented and the organization is so busy struggling with the new technology, the process documentation is ignored.

BE ON THE LOOK-OUT FOR POST-IMPLEMENTATION PITFALLS

Regrettably as soon as the documented processes become misaligned with what is actually occurring in the operational world all of the effort and benefit may go to waste. Unfortunately many organizations never see these benefits due to a number of factors.

1. The Sponsor who initiated the effort leaves their position and momentum to keep the processes up to date disperses.
2. The motivation for mapping the processes in the first place was just to check a box, i.e. a certification or employee bonus.
3. The organizational structure changes and new individuals in positions adopt contradictory priorities.



A Little Overwhelmed

Initially, after engaging third parties this partner felt a bit overwhelmed believing they took on more than they had anticipated or could manage. But after partnering with us what was delivered was considerably more than expected, and well appreciated by the client due to the immediate benefits.

If this Client is able to keep the momentum going with continued sponsorship, these benefits can only continue to grow.



About Us

OPTIMUS|SBR is a Toronto-based management consulting firm focused on supporting executive leadership in solving problems and facilitating change for large organizations.

Those We Work With

A diverse client base of multi-national, corporate, public sector, and private interests across a broad array of industry sectors and segments.

For more information visit www.OptimusSbr.com or contact us at 416-649-6000 or info@optimussbr.com

This publication contains general information only and OPTIMUS | SBR is not, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor.

OPTIMUS | SBR shall not be responsible for any loss sustained by any person who relies on this publication.

Copyright © 2012. OPTIMUS | SBR All rights reserved.

September 2012