Managing for Results

1. Leadership
2. Team Effectiveness
3. Communication
4. Strategy & Planning for Results
5. The Changing Workplace
6. Conflict Resolution
7. **Process Management**
8. Managing Performance
9. Due Diligence
10. Managing Diversity

Agenda

- Overview
- Developing a Process Perspective
- Why Process Orientation?
- Workflow, Types of Work
- Successful Processes
- Managing Processes
- The 6-Point Checklist
- Process Improvement vs. Reengineering
- Process Mapping and Review
- Redesign and Implementation
- Conclusion

Objectives

- discuss the concepts of Process Management
- distinguish between Process Improvement and Reengineering
- map a work process
- review a process for inefficiencies

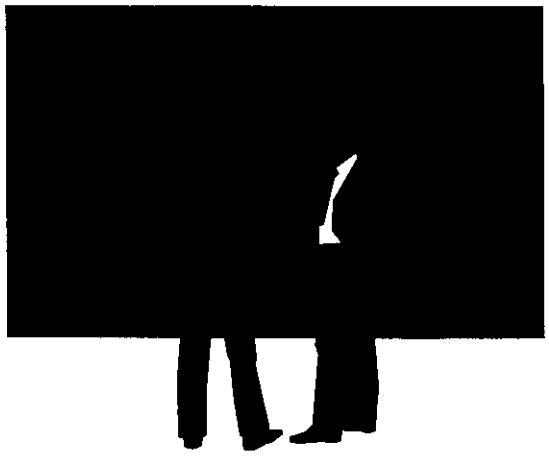
Systems and Processes

A SYSTEM is a network of independant parts that come together to achieve a specific purpose. The parts of systems are connected by relationships and processes.

PROCESSES are:

- the way work gets done
- a series of activities that transform inputs into outputs
- a group of tasks that create value for the customer

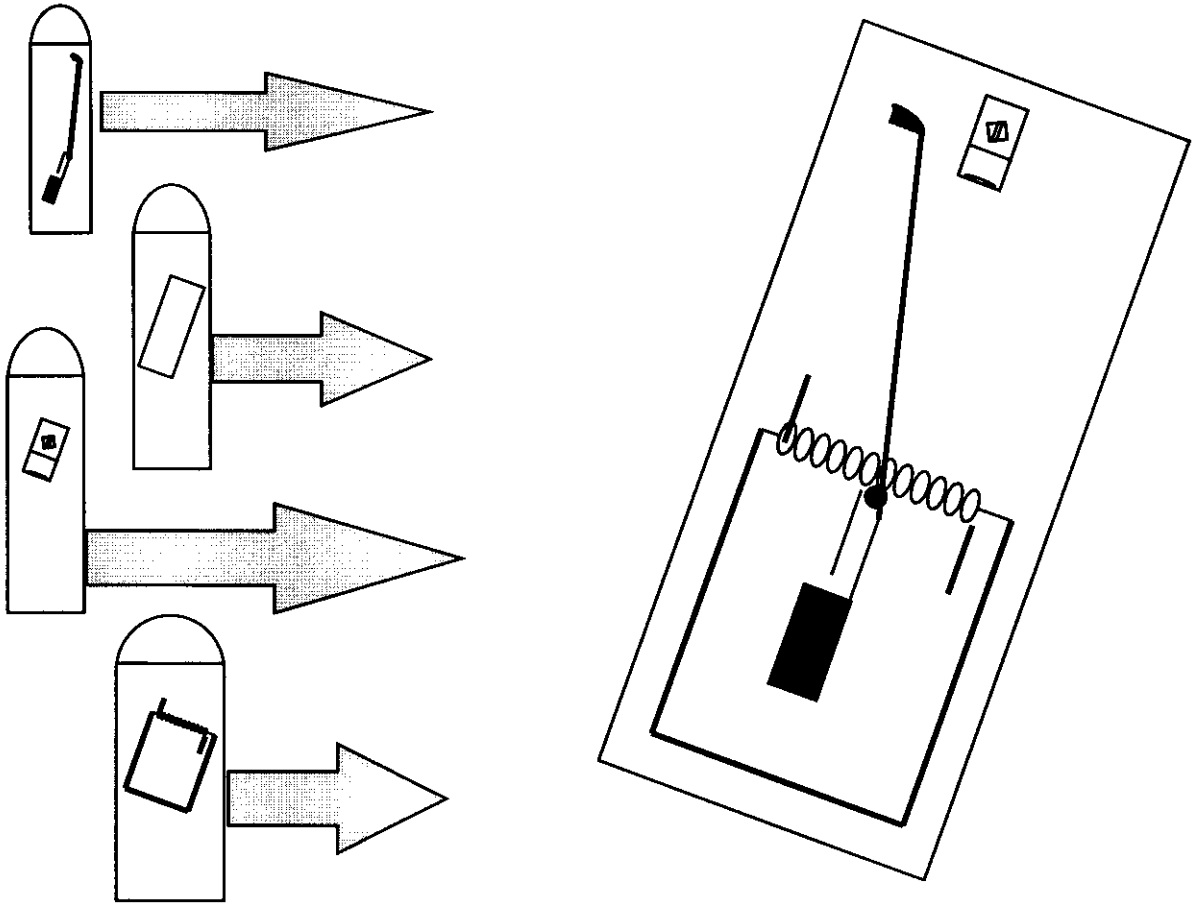
Why a Process Orientation?



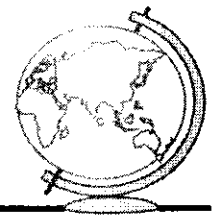
Processes are the heart of an enterprise, how it creates and delivers value to its customers.

It is important that we manage the ways by which we accomplish work and work goals, to do the right things, in the right way, at the right time, without wasting resources. We must apply both people-oriented and technical skills to process management !

Process Orientation Focusses on the End Result



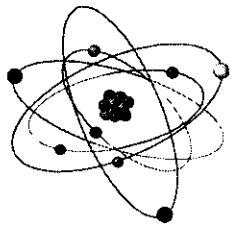
Why a Process Orientation?



- Key Business Objectives are dependent on cross-functional business processes.
- products and services that go to the customer result from a variety of processes.
- as business environments change, business processes can react too slowly or be ignored.
- Lack of process management results in business processes becoming obsolete, overextended, bureaucratic, rigid, inefficient and non-competitive.
- Quality problems exist largely because the processes don't make sense any more.

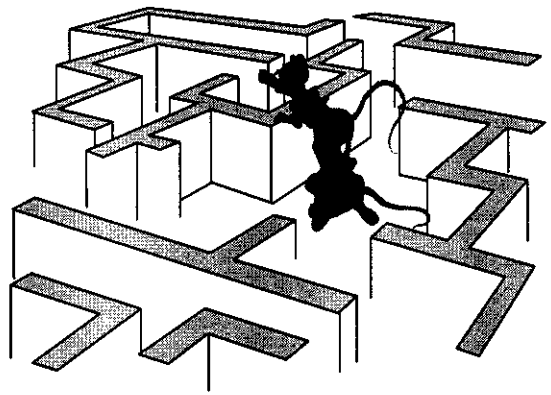
Process Observations

- everything in life is a process
- life is a spaghetti of intertwining processes
- even the simple processes are more complicated than they first appear
- most processes involve a multitude of people
- the opportunity of things going wrong is a function of the length of the process and its' complexity
- every process has some sort of regulation mechanism
  - Carl Aspler, GE Canada

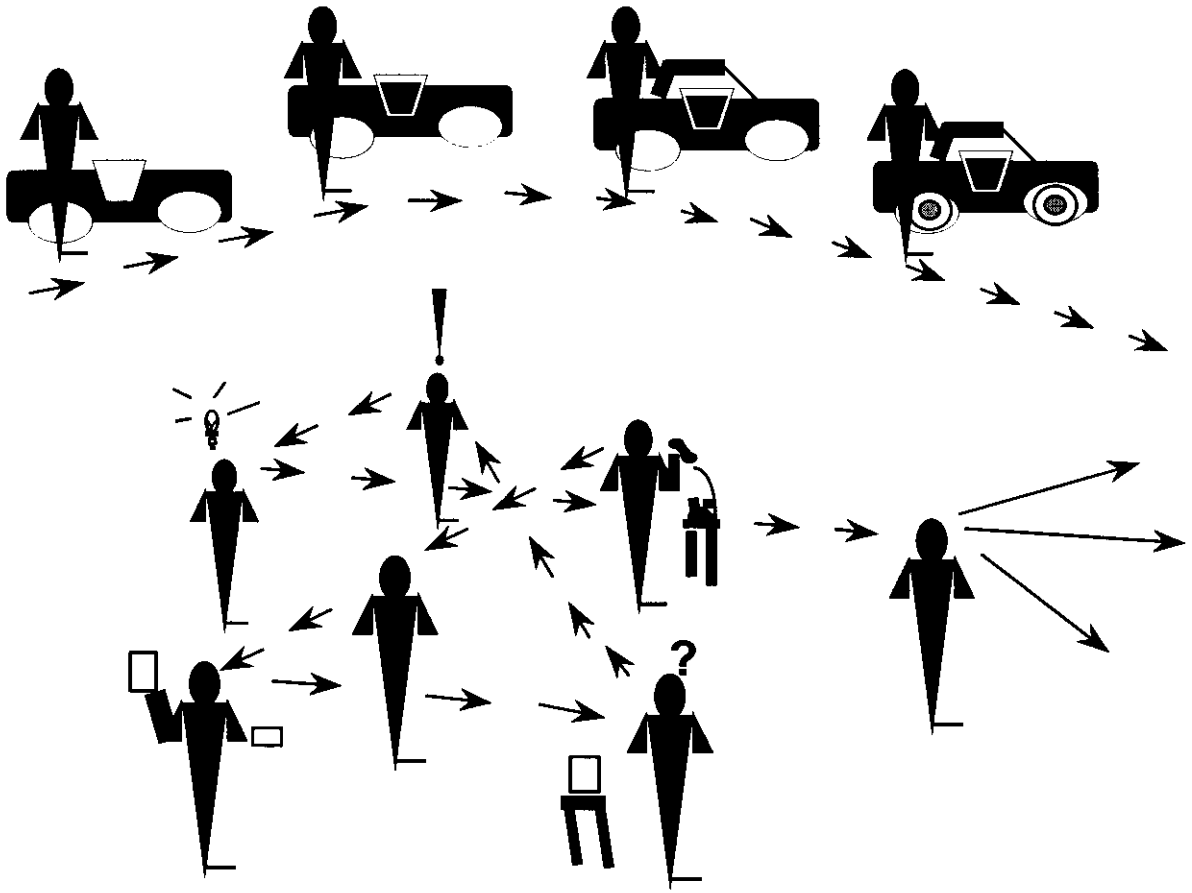


Without Process Orientation We Risk:

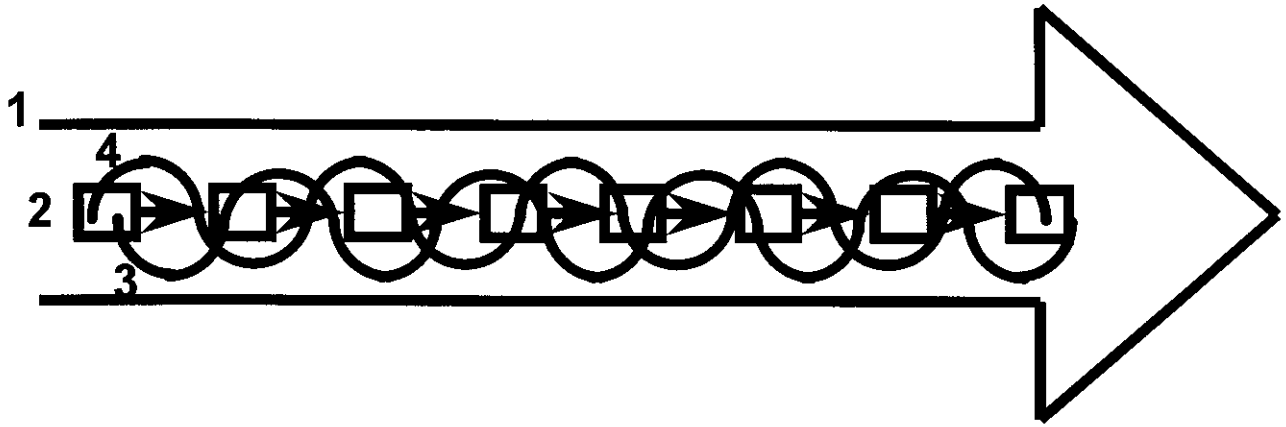
- losing touch with customers
- losing stakeholder confidence
- territorial silos that inhibit cooperative work
- missing opportunities for improvement
- becoming obsolete
- losing out to competition
- rise in overhead costs
- lower productivity
- going out of business



Work Flow



Four Types of Work



1. Strategic Work
2. Core Work
3. Support Work
4. Management Work

VALUE

In managing work processes, it is important that we consider:

Value- Adding Tasks, where we work for the customer,

Non-Value Adding Tasks, where we work for ourselves, and

Waste, where we work for nobody.

Successful Processes

EFFECTIVE

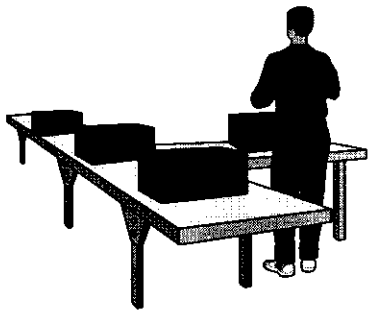
- achieve the desired result, as defined by customer needs, stakeholder expectations, and business realities
- all activities add value and waste is eliminated

EFFICIENT

- accomplish the desired result with minimum use of resources, without compromising on quality
- minimal interfaces, steps, activities, no duplications
- common information sources, simple

Managing a Process

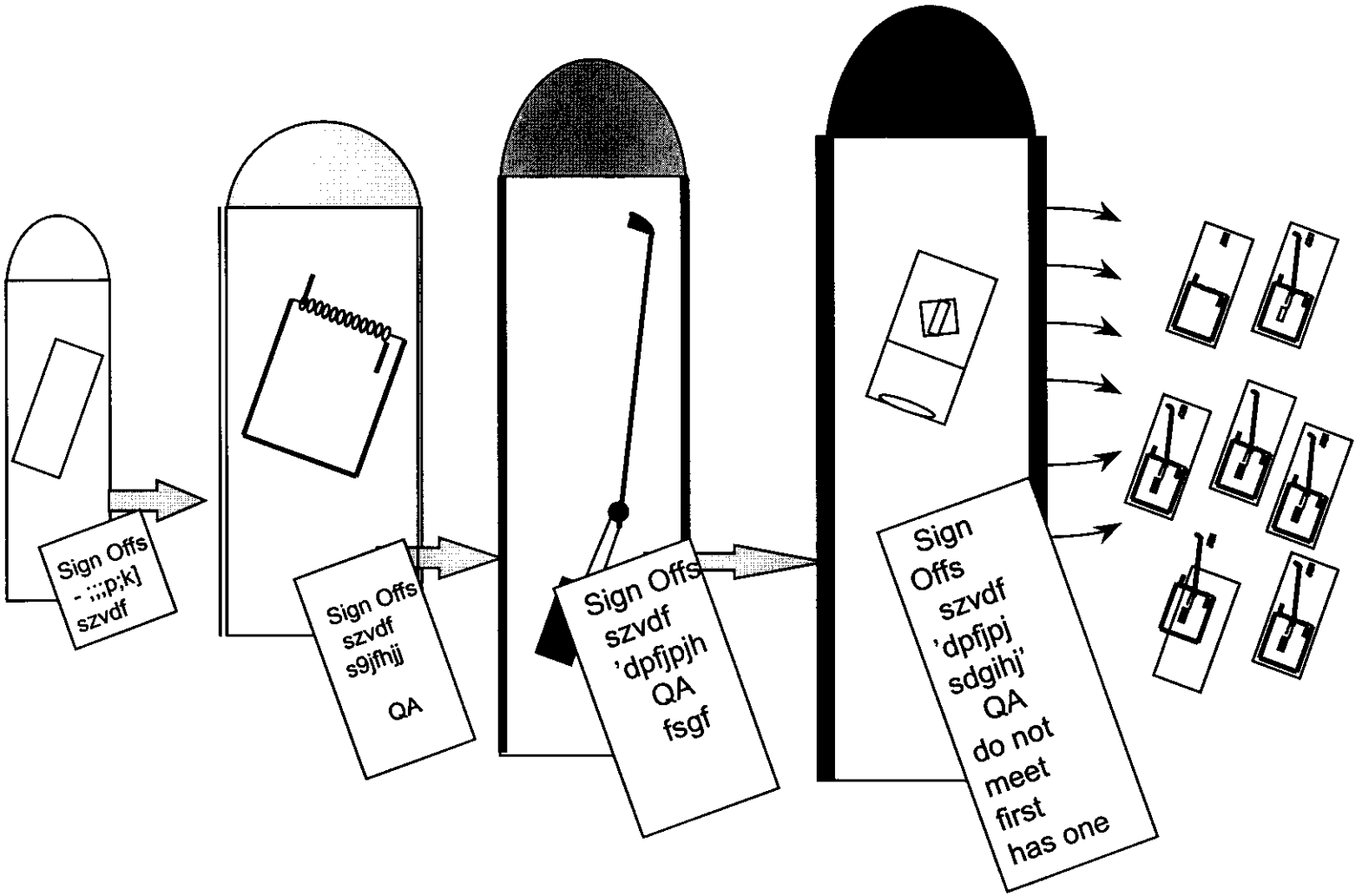
- Managers manage the Process
- Employees manage the Work



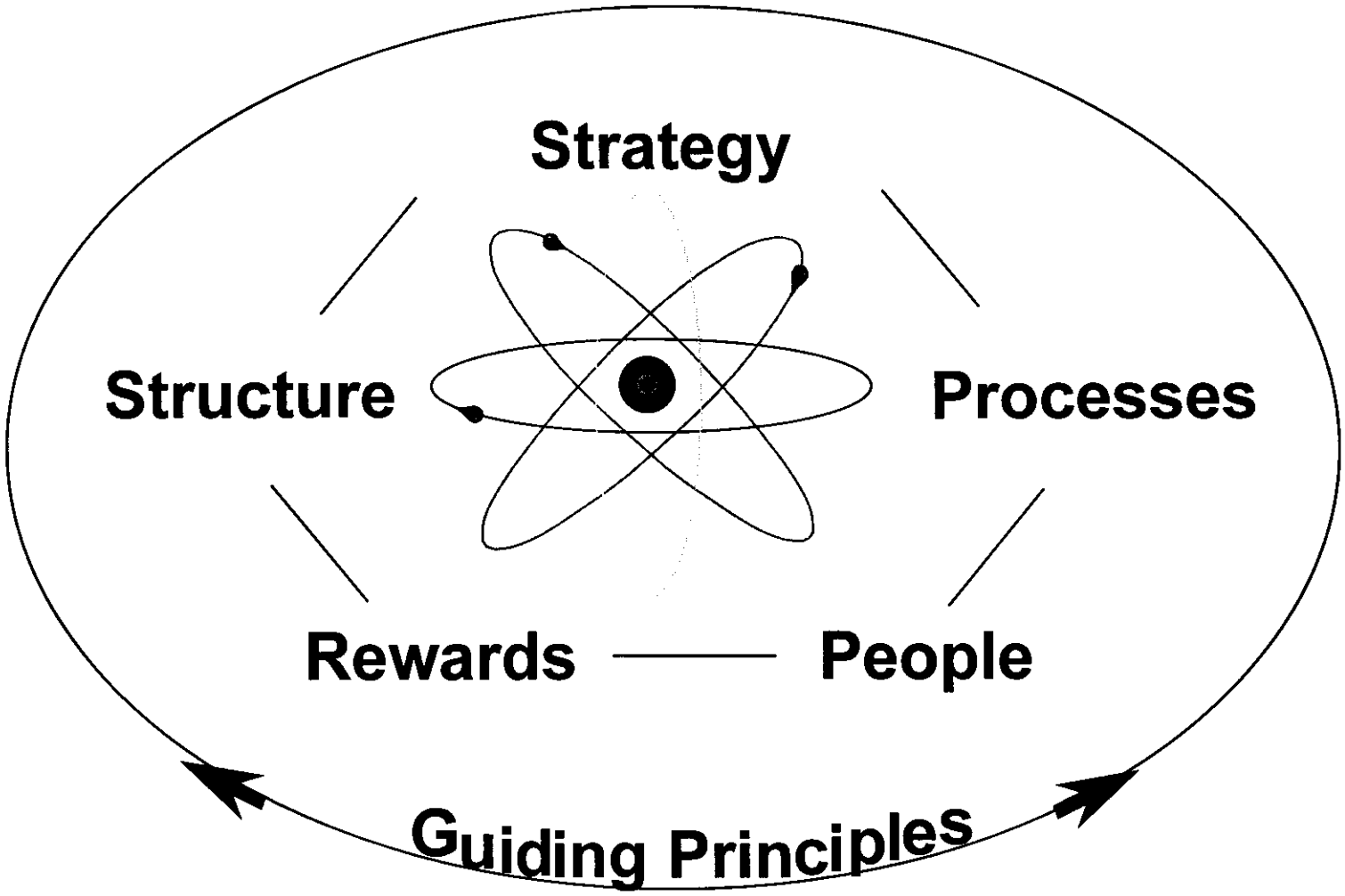
Managing a Process Means

- ensuring team members know the process
- ensuring team members know roles and responsibilities
- establishing direct performance measures
- establishing process measures
- resourcing the process
- coaching and guiding team members
- reviewing process efficiency and effectiveness
- determining how change impacts on the process
- implementing positive changes to the process
- managing issues, boundaries, & resolving problems

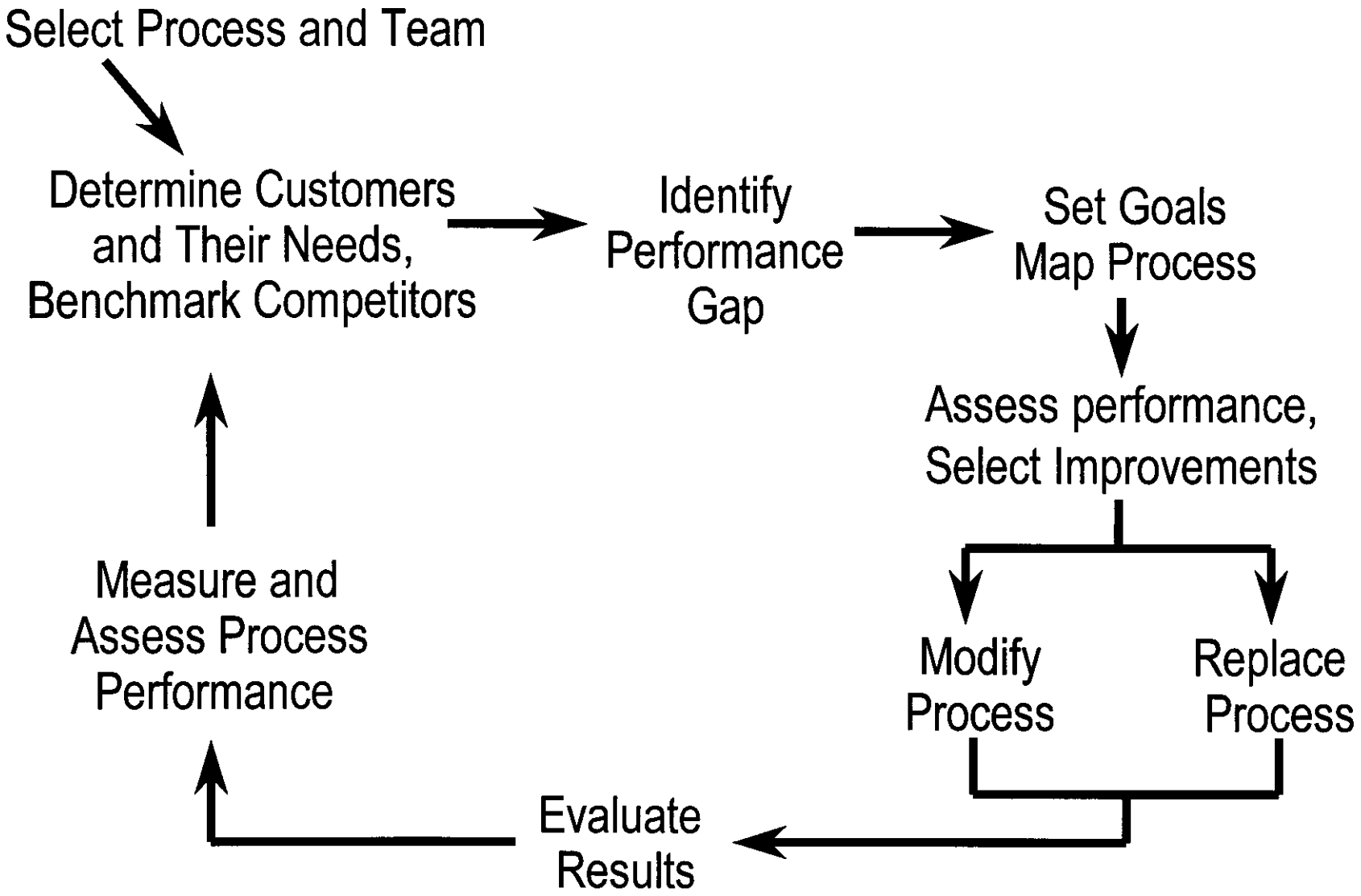
Process Issues to be Managed



6-Point Checklist



Process Improvement Cycle



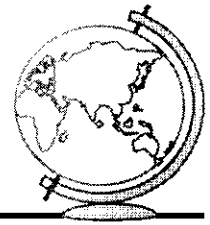
Process Improvement vs Reengineering

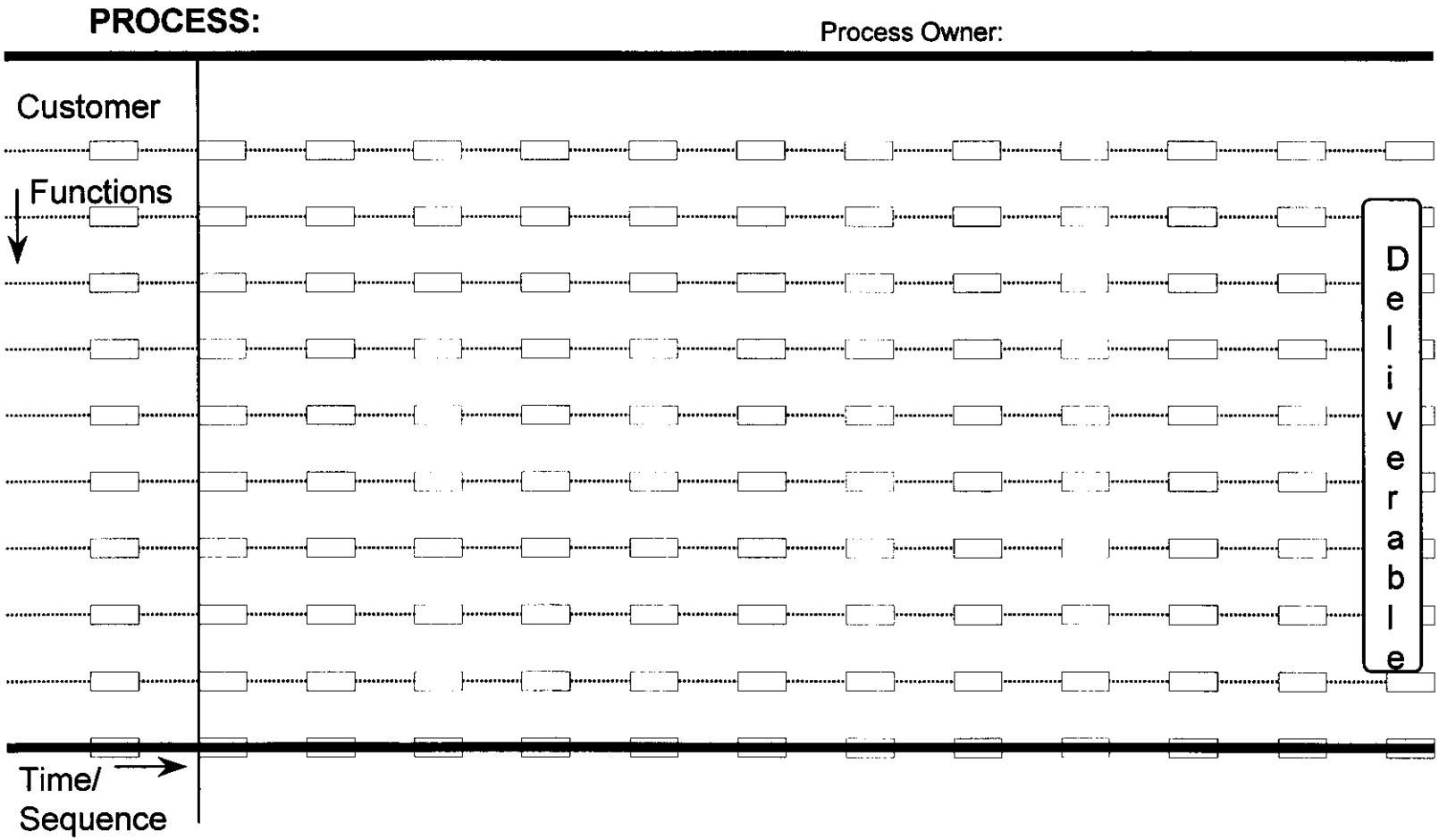
PROCESS IMPROVEMENT	REENGINEERING
Refines Processes	Re-invents Processes
Incremental Steps	Quantum Leaps
Bottom - Up	Top - Down
IT Useful	IT Essential & Enables
a way of life	disruptive

The Reengineering Process

Mobilization →	Diagnosis →	Redesign →	Transition
identify process to be reengineered	bound and scope process	develop vision	establish measures
appoint process owners	map current process	create breakthrough design concept	implement pilot
assign team members	understand customer needs & stakeholder objectives	identify improvements	realize initial benefits
formulate BPR strategy, schedule	identify weaknesses in exisiting design	develop and test models, learn, improve	develop support infrastructure
determine process prioritization	set targets for new designs	develop implementation plan	rollout
			institutionalize
			implement succeeding releases
Leadership	*Resources*	*Insight*	*Design*
Get organized....	*Get oriented...*	*Get creative...*	*Get real*

Process Mapping





Benefits of Using a Process Map

- enables you to see the whole process
- helps to see how events are linked
- helps to see who is involved
- provides a basis for thinking through a difficult process in a simplified, visible manner
- helps to identify areas where work can be taken out, simplified, consolidated
- helps the team to focus on facts and operations rather than personalities.

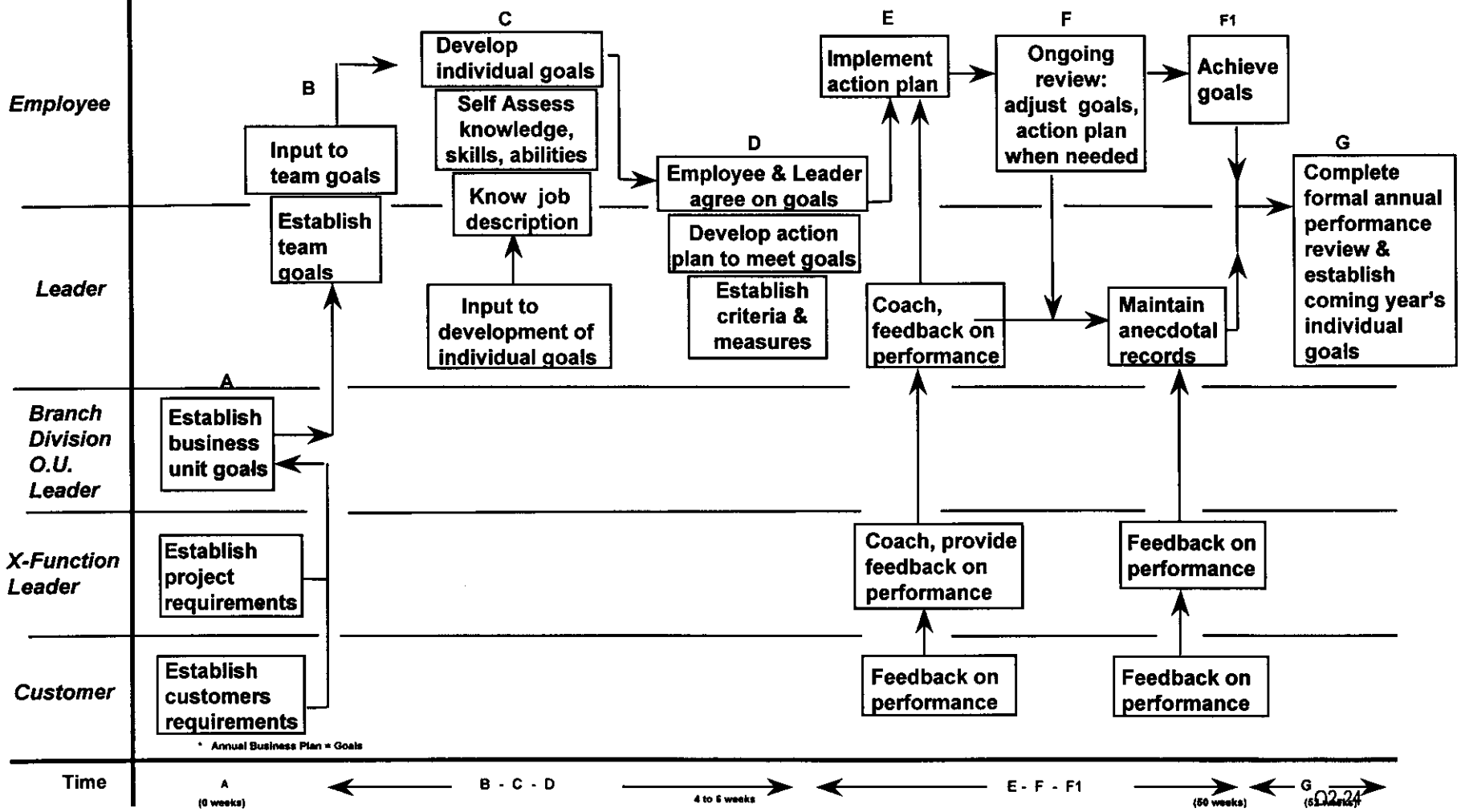
Process Mapping Procedure

- Have all cross functional team members describe their activities as related to the process.
- Ensure each activity is logical. Record these as an action "verb - noun" combination - with inputs and outputs.
- Sequence activity steps in order.
- Record work times for each activity step.
- Record times between activity steps.
- Construct a rough version of the process map, then review and finalize it.

A Process Map

Customers:
Senior manager,
Supervisor,
Employee

PERFORMANCE APPRAISAL PROCESS (Owner - W. Xyzhr)



The Most Common Mistakes...

- relabelling functions as processes
- taking an introspective point of view
- failing to specify inputs and outputs
- drawing boxes first
- using inappropriate names
- being influenced by structural considerations
- diverging from the business strategy
- expecting to get it right immediately

Processes Must Add Value

- Real Value:

  value that the customer recognizes as contributing to the product or service

- Business Value:

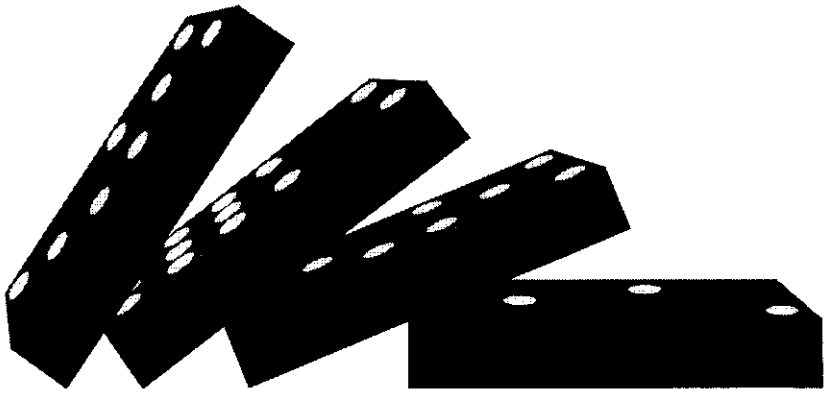
  value in a process step that ensures safety or quality of the operation

- No Value:

  any activity that does not add real or business value

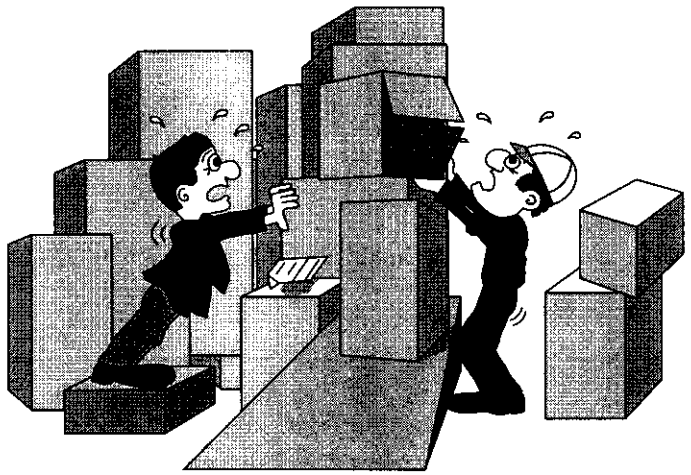
Common Process Inefficiencies

- Controls
- Hand-Offs
- Duplication
- Error Correction
- Territorialism and Silos
- No-Value Added Activities
- Lack of Knowledge of the Process



Effects of Process Deficiencies

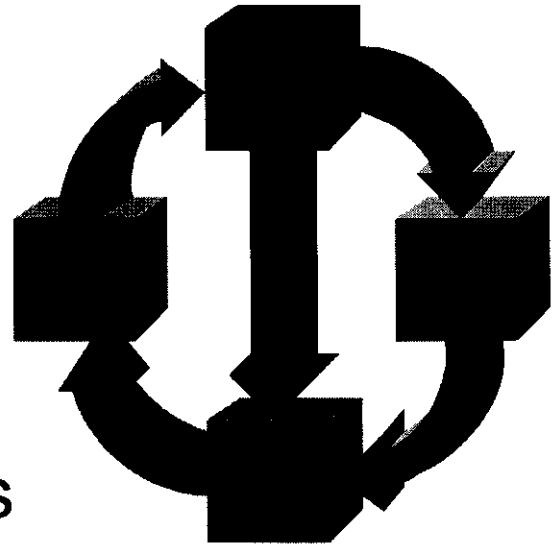
- delays, slow cycle time
- cost overruns, high overhead
- bottlenecks or backlogs in work flow
- critical issues lost
- blurred accountability
- employee dissatisfaction
- customer dissatisfaction



Process Review

- examine each step of the mapped process for purpose, value and significance
- look beyond the group for information and facts
- consider each step using the 6-point checklist
- examine the complete process to discover: *why* it is done, *what* it looks like, *how much* work and resources usage is involved, *who* is involved, and *insights* into the workings of the process
- focus on what is of VALUE

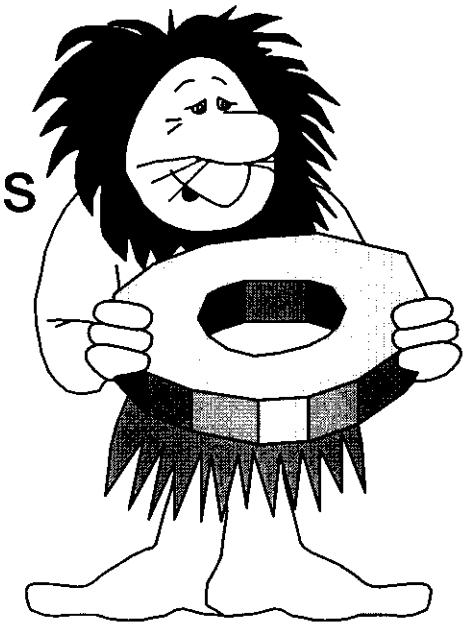
Redesign Patterns



- relocate work
- minimize connections
- reorder steps
- centralizing or decentralizing
- integrating and compressing tasks
- coordination of experts
- eliminating non-value adding work
- decreasing number of outputs
- increasing alternatives for customers
- reduce overhead and management
- make decisions earlier or later

The Redesign Mindset

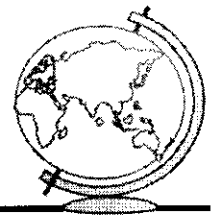
- think: customer customer customer!
- focus on leverage points
- increase value
- ask: “Is it worth it?”
- emphasize simplicity
- apply the right performance measures
- pursue the ideal
- test the limits
- treat problems as design issues
- avoid the familiar



Implementation

- do as quickly as possible
- monitor changes
- apply chosen metrics
- identify unforseen problems
- expect and deal with mistakes as they occur
- always look for opportunties to improve more
- if a large change, start with a small pilot group to pre-test the new process
- keep the customer involved

Summary



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