



Down The Drain: How To Avoid Wasted Effort & Boost Your ROI From Process Improvement

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[Purpose

- Like many corporate pitches, software, cars, training courses, a company's processes and methods can grow and become unwieldy over time.
- Think about your PC: programs are installed over time, patches are made, new releases of programs are installed, patches are patched and things start to clog the system.

[Purpose

- Similarly there's lots of attention paid to processes prior to a major milestone (e.g. CMMI appraisals, ISO9001 audits, etc)
- Yet within a year or two, the company has degraded in process maturity – perhaps not as bad as it was before, but certainly on the way.
- In this presentation we look at common causes and what can be done to get things back on track.

[Purpose

- Well known article from Wharton Business School “Quality Fade”
<http://knowledge.wharton.upenn.edu/article.cfm?articleid=1776>
- The straw that broke the camel’s back – in reverse
 - Take out piece by piece



Some of the warning signs

- Some of the warning signs:
 - Multiple versions of templates, forms
 - Different procedures but no one is sure which one to use
 - Procedures that are unnecessary or seem superfluous
 - Processes that were implemented but have never been reviewed or streamlined for effectiveness
 - Processes that take a long time to train new staff
 - Procedures/authorities that require more than 1-3 signatures

[True Story...

- We worked with a client who had one form that required between 7-10 signatures for approval.
- Not even with a large organisational hierarchy should this been needed – let alone being inefficient

A few more warning signs

- Staff find it difficult to follow a process – though they still get their job done effectively
- Even conscientious staff don't want to go through “the system” because it takes too long or is just too painful
- More time is spent on getting the requirements of the process right, than getting the actual work done.

[The burning questions

- What was the problem that was being solved?
- Why did we do this originally?
- Do we still have the problem?
- Do we know what it was?

[The burning questions

- But isn't this obvious?
- In-depth interviews of 17 organisations

What are some reasons?

- Orders from HQ
 - This won't cut it long term – sure we've got a mandate to do it, but what's the real problem we can address?
 - What issues were intended to be solved, which issues were actually solved, and what issues do we still have? (again?)



[What are some reasons?

- Managers, sponsors move on
 - Are the current management convinced of it's benefit, or was the benefit realised years ago and it just seems an imposition now?
 - Are we simply carrying on tradition or ritual and the benefit is no longer there
 - This is particularly important where sponsor drive is very strong



[What are some reasons?

- Accessibility/simplicity of procedures
- Means became an end to themselves
 - Getting in the way of 'real business'
 - Divorced from the realities of business (though this often happens during a SPI project)
- Business model or structure has moved on and the QMS hasn't
 - Management goals, style and intensions no longer match
 - E.g. major re-organisation, change is customers, large increase/decrease in staff

[What are some reasons?

- Decreasing demand for company's products/services
- Lack of induction/ongoing training
 - Awareness of new staff
- No tailoring of standards, processes
 - It has become a one-size-fits-all

[What are some reasons?

- Ownership – Not Invented Here
 - Proactive vs reactive
 - Staff involvement in drafting
- Improve everything
 - Big bang approach
- Too many audits, assessments
 - Staff are audited out

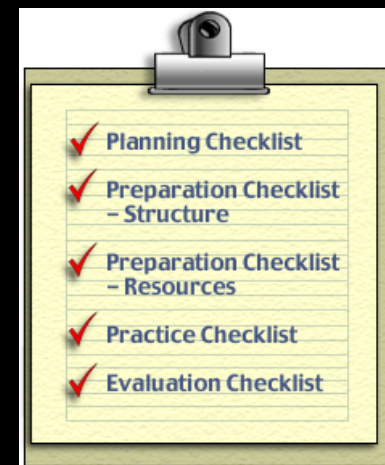
[What are some reasons?

- Lack of responsiveness
 - Actual process and procedure writing are in a constant state of 'catch-up'



[OK, OK, so what can we do?

- Allocate someone to perform an initial review to understand what is good for the business and helps staff
- Inventory what we have
 - Support from managers, team leaders, employees
 - Who is still doing what – currency of process
 - Who is still going through the motions
 - What processes exist
 - What metrics exist – what is trending



[OK, OK, so what can we do?

- Put someone in charge
 - Ensure that focus is obtained
 - Ensure operational business/projects are not interrupted
- Identify path forward
 - Management vision
 - Team Leader/staff vision
 - Gaps

[OK, OK, so what can we do?

- Identify pain points & determine activities to address
- Prioritise by reviewing problems and issues that staff currently have “top of mind”,
- And
- Align these with what the business needs and where it is heading.

[OK, OK, so what can we do?

- Form a tigerteam to identify and then plug the leak of where the system is failing -> where staff are currently operating outside the system to get their job done.
- Identify seldom-used processes, templates and forms and move them into a quarantine area. If they are required more than once every six months move them back to the main process area/repository

[OK, OK, so what can we do?

- Amalgamate process steps and then processes themselves to simplify and reduce the number of required activities to the bare minimum (and this is not zero)
- Devise a vision of the PI initiative
 - Involve as many stakeholders as possible

[OK, OK, so what can we do?

- Find and institutionalise



When Can We Do This?

- Use Post-Implementation Reviews, Project Reviews, Project Post Mortems, Agile Retrospectives as an opportunity to kickoff the process and assess what is used, what is working, and what is broken.
- Make it fun and the team members will be happy to contribute.

What Good Will This Do?

- This is a great opportunity to get buy-in from team members, as you can demonstrate to them that the system/process is too complex and that you need to streamline/simplify it to make their lives easier.
- A great way to sell the initiative and good for business too.

What Good Will This Do?

- In performing this streamlining, you can cut cost from the bureaucracy that will
 - Improve productivity – in the RIGHT areas
 - Improve morale – we're modernising our systems and processes
 - Reduce our BS index, and
 - Make your company more relevant to customers.

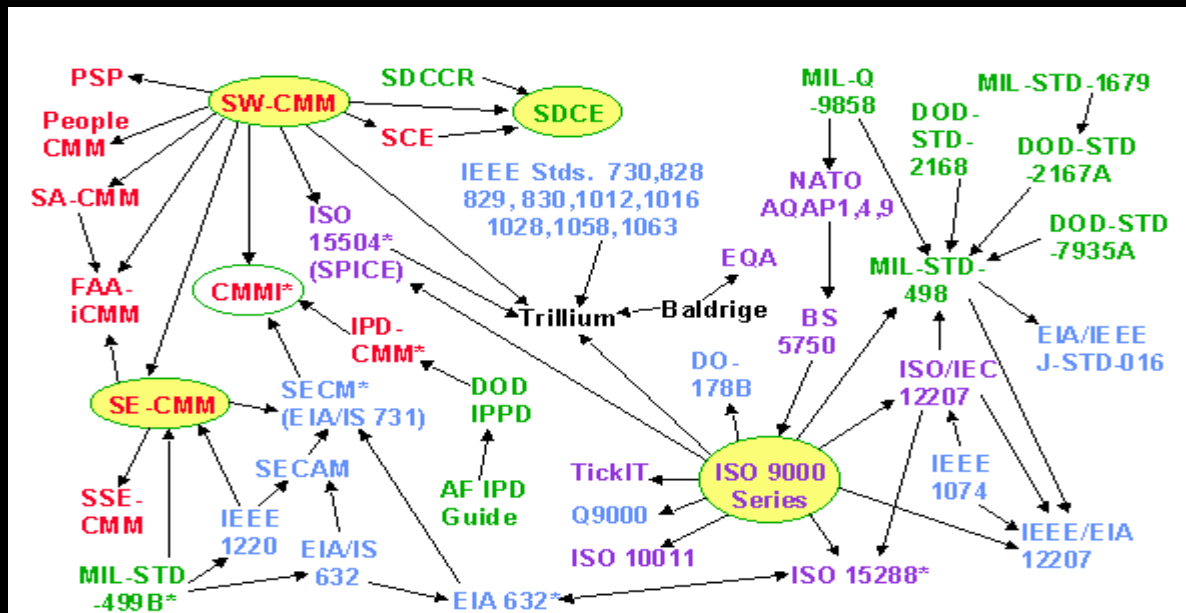
[Takeaways

- Be crystal clear about the purpose of the process improvement effort:

What problem are we solving through our process improvement initiative and how will we know when we've solved it?

Takeaways

- Do you know if the standards and methods you're using are appropriate for solving the problem?



Takeaways

- Recommended reading:

ARE YOUR LIGHTS ON?

How to Figure Out
What the Problem
REALLY Is

Donald C. Gause
Gerald M. Weinberg

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What to know more?

We help you improve your bottom line by focusing on:

- Streamlining and renewing business processes and quality systems
- Accelerating decision making through OODA (Observe, Orient, Decide, Act) and metrics systems
- Assessing and getting value from your critical business and technology practices
- Providing a focus on solving your underlying problems and delivering results that are relevant to your customers.

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