



STANDARDIZE AND OPTIMIZE FUTURE STATE BUSINESS PROCESSES PRIOR TO TOOL IMPLEMENTATION

BY MARC RESCH

A few days after leading and completing a technology cutover and migrating a large business division to a new system, I overheard a senior executive make comments to her colleagues along the lines of, "I expected a lot of stress and confusion this week. I see none of that. Everyone is calm. It's like nothing even happened around here." In other words, it was a seamless transition. All the months of hard work in preparing the business for this big event were worth it just to hear those words. Change doesn't have to be hard, *if we are prepared for it*. We must prepare all impacted areas of our businesses to be ready for the change that our projects will bring. This includes preparing the business to alter, and even discard, their current Business As Usual processes, in which they're very comfortable and familiar, and embrace entirely new and improved processes. This can be achieved by *standardizing business processes*.



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By standardizing, do I mean documenting? You betchya! I'm not even going to try to sugarcoat it. If we are to expect our business users to perform their responsibilities and execute new processes resulting from our projects, there better be documentation to support them and guide them along the way. The lack of stress and confusion by the senior executive can be attributed to the availability of solid process documentation. If the business users ran into any confusion with the new system, they had a sound process in place that they could easily follow.

Let's say you're the lucky person chosen to host and prepare a special dinner for your family and friends on Saturday night. They brainstormed dinner ideas and decided on something special, in fact, extravagant, and something you've never even thought about preparing: Beef Wellington (filet steak coated with pâté de foie gras and duxelles, wrapped in puff pastry) with a Crème Brulee desert (rich custard base topped with a contrasting layer of hard caramel). Wow! That would make even Wolfgang Puck quiver in his boots. Challenging? Intimidating? Sure is, but

what's the first thing you're going to do? You find a recipe. You Google it. You search for and find a documented recipe in which you're most comfortable. You then become very familiar with it and when it's show time, you follow it with precision. Since preparing this gourmet feast is a new process for you, you rely on a recipe, which is process documentation, to guide you through each of the process steps required to put a delectable meal on the table.

After you impressed your dinner guests with a successful and delicious meal, you decide to do it again, but this time better and quicker. You look for ways to streamline the process, enhance the taste and reduce the cooking time. You ultimately end up with a new and improved recipe that better accommodates your sensory needs. This is the continuous improvement process in action. After the 2nd time around, you do it again. There is always room for improvement.

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Just as with learning and mastering a gourmet meal, we must standardize our processes by first documenting them, and then we enhance, streamline and update them in the spirit of continuous improvement. A documented process includes all actions from start to finish required to deliver a product, service or deliverable as desired by the customer. There are many tools we can use for documenting processes, and we must use the most appropriate ones for our specific business purposes.

SOME OF THESE PROCESS TOOLS INCLUDE THE FOLLOWING:

- Standard Operating Procedures (SOPs)
- Checklists
- User / Training guides
- Process maps
- Flow charts
- Swim-lane diagrams
- Customer service scripts
- Testing scripts
- Screen shots
- SIPOC diagrams

If you are still on the fence regarding the importance of standardized processes and are not sure your company, department or project team even needs them, go ahead, and take a shot at answering these questions:

DO YOU:

- Chase information in order to complete a task?
- Jump through multiple approvals and decision loops?
- Constantly get interrupted when trying to complete a task?
- Always wait on someone else to complete a task?
- Engage in expediting (reports, purchases, materials, etc.)?
- Find work lost between organizational silos?

IS YOUR COMPANY, DEPARTMENT, OR PROJECT TEAM:

- Not meeting goals or expectations?
- Performing rework?
- Not completing deliverables on time?
- Working overtime?
- Performing busy work?
- Experiencing downtime?
- Encountering higher than expected costs?

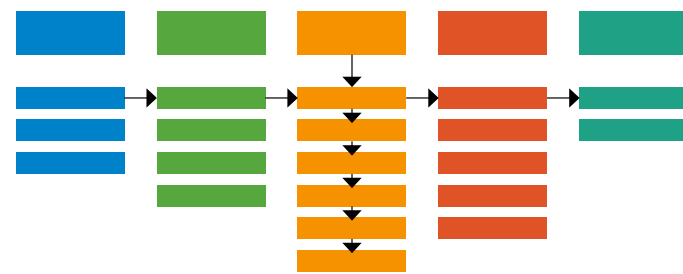
If you answered no to these questions, congratulations! Your work environment is a fine-tuned, well-oiled machine. If you answered yes to many of these questions, however, process improvements are definitely required.

As we standardize our business processes, we must continuously look for ways to streamline and enhance them. This is achieved by identifying all the process steps that add little to no value, only waste, and then eliminating them or reducing them as much as feasibly possible. These wasteful process steps usually add only cost and/or time to a product, service or deliverable. A great mnemonic tool to leverage when identifying the waste within your business processes is **D O W N T I M E** :

- **Defects:** Inspection, repair and rework of a product, service or deliverable to fulfill customer requirements.
- **Over-production:** Production in excess of demand.
- **Waiting:** Idle time in which no value-added activities take place.
- **Non-utilized talent:** Any failure to fully utilize the time and talents of people.
- **Transportation:** Transport of parts and materials beyond the minimum required to complete task.
- **Inventory:** Unnecessary supplies or materials that are not currently needed to perform a job.
- **Motion:** Any movement of people which does not add value to the product or service.
- **Extra-processing:** Taking unneeded steps to complete a process.

Leverage this mnemonic tool as you analyze your processes to identify and eliminate all waste. Waste is all around us, but it's not hard to spot once you know where to look. Take proactive measures in not only identifying all the waste, but reducing or eliminating it. Your processes will run much more smoothly.

I find the **SIPOC diagram** to be the most effective tool in documenting process workflows, especially when accompanied by a Swim-lane diagram. A SIPOC is a high-level process map that identifies the primary and critical elements of an entire process flow. It brings together Suppliers, Inputs, Process steps, Outputs, and Customers, allowing everyone involved to visualize the end-to-end process more clearly. SIPOCs can be used for every process and every business.

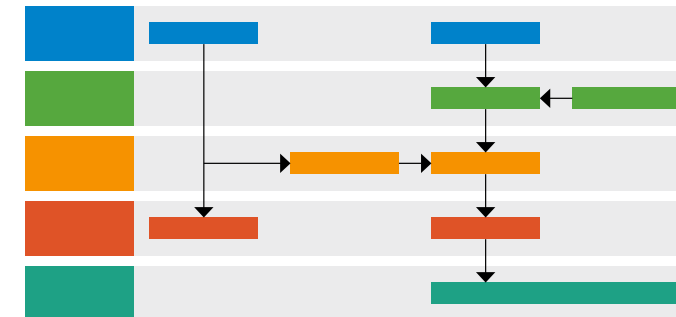


You can begin mapping the business process immediately by utilizing the SIPOC tool. Start by identifying a few of the key players and stakeholders involved in a process and let the fun begin! You'll be amazed how many light bulbs will go off and ideas generated by walking them through the SIPOC approach. Completing the SIPOC diagram doesn't have to be a sequential process; you can re-visit any process component of the tool at any time. For instance, I always like to start with the customers because the process is in existence in the first place to serve them. Customers always come first!

I find it useful to add a few more components to the tool to gain an even better understanding of the end-to-end process. I call this a **SIPOC on Steroids**, or just simply, albeit less fun, an enhanced SIPOC. These additions include 1) Process name, 2) Process owner, 3) Requirements

and 4) Systems used. Table 10.1 shows the construct of an enhanced SIPOC with descriptions and examples.

Once you have the SIPOC completed, I recommend producing **swim-lane diagrams**, flow charts or process maps for a visual representation of the end-to-end process. Your customers and business users will greatly appreciate having a visual graphic to leverage when walking through the process. A picture truly is worth 1,000 words! Figure 10.2 shows an example of a swim-lane diagram.



We must always keep the business first and foremost in our minds and take proactive measures in preparing them for the change that is coming. Standardizing on processes is a great way to do this. It's ideal to have experienced process experts on a project team to drive process development, improvement and documentation efforts, but such a luxury isn't always possible. Since project managers operate in a world that is process driven, I postulate that PMs can be very effective in not only managing, but performing process mapping activities. Know the business inside and out and begin standardizing and optimizing business processes. You'll be able to add 'Process Expert' to your resume in no time at all!

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