

IMPROVEMENT SKILLS CONSULTING LTD.

“Simply, improvement...”



Process Management: An Introduction

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“Process: It’s what we used to call work, before you Consultants got involved.”

What is Process Management?

All work is a process. 100% of your organisation’s results are achieved by your people operating your processes. If you want to get different (usually better) results, you have to get people to design, operate and continuously improve your processes.

The European Foundation for Quality Management (EFQM) defined Process Management as “How we design, manage and improve processes in order to support our Policy and Strategy and fully satisfy, and generate increasing value for, our customers and stakeholders”.

Process Improvement is therefore a sub-set of Process Management and many organisations are very familiar with how to involve teams of staff in improvement projects. What they may be less familiar with is how to create a process managed organisation and how to manage processes on a daily basis.

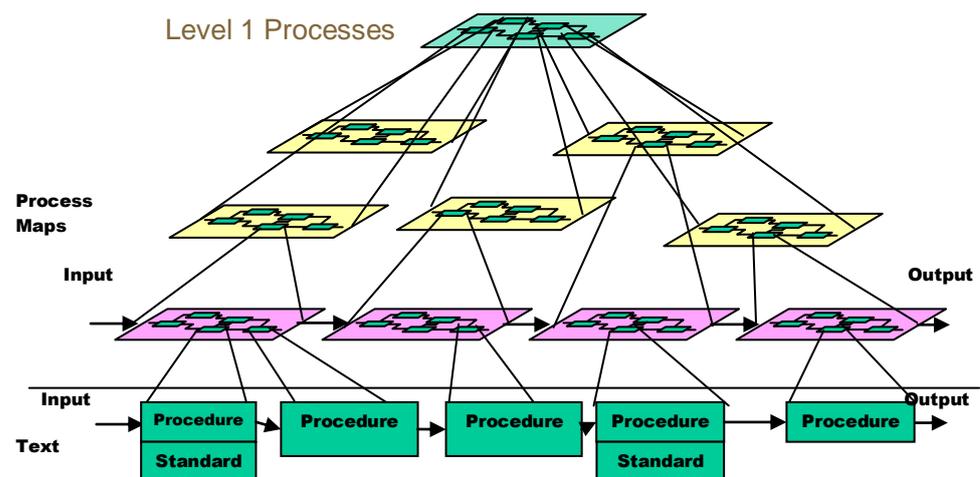
In our experience, organisations need three elements in place for successful process management:

-  A business process model and supporting infrastructure
-  An approach for team-based process improvement
-  An approach for day-to-day process management

We’ll give a brief overview of each of these elements, below. For more details, please see our other articles and case studies.

A Process Model and Infrastructure

All organisations can be described through a business process model. This is a hierarchical diagram developed from a high level and drilled down to lower levels of details.



The top-level diagram is typically split into customer-facing and support/enabling processes. Some organisations add a third type: management/governance processes.

Customer-facing processes are those in the “value chain” that enable the organisation to add value for its external customers

- They'd typically include:
 - Developing products and services
 - Winning business and new work from customers
 - Delivering customers' requirements
 - Providing post-delivery services (e.g. technical support)

Support processes usually reside in the functions such as IT, HR, Finance, Procurement

Management processes include business planning, performance management and performance improvement

There are unlikely to be more than 8-12 processes, in total, on the top-level model (ideally, fewer than that).

The other infrastructure elements we'd expect to see put in place having developed the process model, is the role of Process Owners. They exist to be champions for end-to-end performance and improvement of their process. Each top-level process should have a single, named Process Owner.

Education for Process Owners and their teams should include:

- Principles of Process Management
- Their role and responsibilities
- Tools and techniques for process definition, analysis and improvement

A useful tool for helping Process Owners to assess the health of their process is a Maturity Model:

| Process Capability & Maturity | | |
|--|------------------------|--|
| Continuous process improvement (incremental and innovation) Common causes of variation are identified and improved Processes are agile and "best in class" | Optimising | |
| Targets, standards and measures are used Special causes of variation are identified and corrected | Quantitatively Managed | Performance is predictable |
| Organisation-wide focus Value chains are identified | Defined | All processes are documented Measurements are defined |
| Departmental & Team focus | Managed | Some organised processes Performance is repeatable |
| Initial | | No organised processes Ad hoc and reliant on "heroics" Performance is not repeatable |

There are several variations on this approach, but they provide a set of staged criteria to define increasing levels of process maturity and capability. Process Owners should have agreed targets for the health of their processes.

A team-based process improvement approach

Some processes are inevitably “broken”. Perhaps they are prone to errors, are very expensive and slow, or simply don’t deliver what their customers require.

For these, you need process improvement teams whose task is to re-design the process to overcome its deficiencies. One of the improvement approaches teams might use is DMAIC:

- Define the process, the problem and the customer’s requirements
- Measure current performance
- Analyse performance to identify root causes of deficiencies
- Improve the process by re-designing it to meet customer requirements
- Control the process to ensure it continues to meet requirements

Teams might use this approach to carry out an improvement project over a period of several weeks or months; or they might adopt a Kaizen Blitz (rapid improvement project approach) to deliver benefits in a week, or less.

These teams will also need training and facilitation support in how follow the DMAIC approach and to use a range of improvement tools and techniques relevant to the process being worked on. The tools could include those from the Lean or Six Sigma toolkits, but you should only use the ones that will really help you achieve your improvement objectives.

An approach for day-to-day process management

All processes need to be “managed”; some will need to be improved first as there is little point in stabilising an inherently broken process.

Day-to-day management is the responsibility of the local Process Owner whose task is to ensure the process operates to meet its customers’ requirements. The Maturity Model described above provides a useful framework for gradually improving the capability of any process.

Day-to-day management is then likely to include performance monitoring and corrective action – checking/measuring to see that standards and targets are being met and taking appropriate action if they are not. It also means recognising when corrective action is no longer enough and initiating a process improvement project team (using DMAIC).

Other activities for the Process Owner include carrying out regular reviews to ensure any new customer requirements and performance targets are identified, understood and built into the process operating standards.

Key skills for Process Owners and staff are data collection, measurement, analysis and the use of a systematic corrective action cycle.

Where to start...

If your aim is to create a process-managed organisation, you'll need to be working at all three elements of our model. The order in which you do things will depend on your improvement priorities. If you have “broken” processes, don't wait too long before setting up process improvement teams. But, having fixed your process(es), they will then need to be managed day-in, day-out.

If you want to take a more strategic approach to process improvement, for example to consider how your processes might be re-engineered to achieve step-changes in performance, you will need a business process model. It provides the context within which all process management is done.

The potential benefits

Experience tells us that establishing a process-managed organisation does not happen as a quick fix. It takes time, planning and commitment, particularly from senior management who will have to take on initial roles as Process Owners.

The potential benefits include:

- Processes which are understood from end to end and which can demonstrably be said to be “best in class”
- A more involved and enthused workforce, who operate their processes consistently and improve them continuously
- Reduced costs through having implemented Lean processes with low variation and error rates
- Improved customer service for both internal and external customers

Our track record

Our consultants have been helping organisations in the private and public sectors to manage and improve their processes for nearly two decades. We have supported European Quality Award winners in their approach to process management.

We are not wedded to a particular methodology. We help clients identify their improvement goals and then develop an approach to achieve these; invariably ensuring their people develop the skills to make further improvements themselves.

Please contact us for more information about how we can help you to manage and improve your processes.

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© 2008 Improvement Skills Consulting Ltd.
204 Blind Lane, Flackwell Heath, High Wycombe HP10 9LE
Phone 07850 728506 • Fax 0871 221 5638
E info@improvement-skills.co.uk • W www.improvement-skills.co.uk