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STRATEGIC PROCESS MANAGEMENT

IF DELIVERING SERVICE QUALITY IS AN ORGANISATION'S GOAL, IT NEEDS MORE THAN QUALITY SERVICE PROGRAMMES OR EVEN STRONG LEVELS OF STAFF COMMITMENT. FIRST AND FOREMOST, THE COMPANY MUST BE 100% ALIGNED BEHIND THE BUSINESS PROCESSES CONNECTING IT WITH THE CUSTOMER. THIS IS THE ONE AND ONLY ROUTE FOR ACHIEVING REAL SERVICE EXCELLENCE AND CONSISTENTLY EXCEEDING CUSTOMER EXPECTATIONS.

"THAT'S NOT MY JOB"

Even in organisations with established quality initiatives, there is still the resounding cry of "that's not my job". And maddening as it might sound, it is often the case. In fact, "post-quality", barriers between job functions may be higher than ever. People may have a clear understanding of what they're supposed to be doing – but they may also be equally unclear on how that fits with everybody else's role and the overall strategy of the business. Another common scenario "post-quality" is that the numbers seem to be great, but customers still seem to be unhappy.

The reason is that since the post-War period, the majority of businesses have been broken into departments – smaller units each responsible for a particular aspect of the company's operations. Part of the rationale behind creating individual departments derives from techniques first learned on the production line – eg, it makes sense to have particular individuals specialising in a particular task, because if a job is broken down onto simple, manageable tasks, each step tends to be quicker and is much easier to replicate.

Corporate plans follow this model, creating what are in effect companies within companies – it's not uncommon, of course, for a large department to include marketing and sales functions, as well as its own administration procedures and delivery/despatch facilities.

The problem is, many rigidly departmentalised businesses tend to reflect their derivation from the production line rather too closely. They will often be adept at producing high volume, stereotyped goods – but they will do so in an 'introverted' way, driven more by the demands of their own internal systems than by the needs of individual customers.

So, in reality, it's all too easy for businesses of this kind to lose sight of what they actually exist to do. As the founder of a major North American retailer has realised: "we're in business to render a service that is so good people are willing to pay a profit in recognition of what we're doing for them..."

THE QUALITY GAP

In these more introverted environments, no amount of quality programmes, ISO 9000 accreditation or employee training will shift the business' emphasis from its systems to its customers. None of these factors can overcome the inherent flaws of an organisation that is still broken down into narrow, isolated departments or job functions – as indeed most businesses still are. In fact, we can describe the majority of businesses as being set up vertically: there are blocks – 'silos' – of functional management, each with their own processes and procedures. However, most processes involving the customer operate horizontally – cutting across departments and necessitating collaboration, quick response and a combination of the resources found in each silo.

AchieveGlobal's work with clients therefore starts with helping organisations to recognise the interrelationships among various job functions and how they all come together to form 'strategic processes' - the integrated work flows that are essential to operating the business and satisfying customers.

Take the following processes as examples; it is immediately obvious that they break across categories and relish a broader company involvement:

- Resource planning
- Order fulfilment
- Developing new products/services
- Ongoing customer support

How can these needs be reconciled with the apparent dominance of the silo-based organisation: can the latter effectively – and economically - be changed?

RE-ALIGNING THE BUSINESS

AchieveGlobal works extensively with businesses of every size, in every sector, on these important alignment issues. The result is Strategic Process Management – a branded methodology investigating and re-configuring company structures according to the most productive, company-facing criteria. Strategic Process Management is one of the most important foundation stones in successfully boosting levels of customer satisfaction – because it focuses on the essential alignment factor, rather than say, simply coaching front-line staff in principles of customer care.

Without Strategic Process Management, a customer may well respond positively to front-line contact, only to become disappointed or disillusioned when the organisation fails to follow through. In the course of a customer query, for example, how many businesses will blatantly contradict themselves? At every turn, companies of this kind reveal that they simply cannot cope with the demands of fast-moving, horizontal processes. Seamless, excellent customer service depends on engaging and (if

necessary) re-tuning the organisation as a whole – not a cosmetic adjustment more likely to increase the number of complaints and the general level of customer bewilderment.

When a business really takes the time and trouble to re-evaluate its structure and customer focus, the results can be startling.

"In four months, AchieveGlobal helped us reduce the time to close our month end from 16 to 9 days" – Financial Services Company

"Using Strategic Process Management, we reduced our branch opening time by 50% in six months" – Loan Provider

FOUR REALITIES

Strategic Process Management re-aligns the organisation not only in terms of its physical structure, but in relation to vital management controls like workflow measurement and management. It also re-instates the role of the individual employee, and his/her level of involvement in how the business works – factors too often overlooked in the departmentalised model.

In fact, Strategic Process Management is grounded in four fundamental observations about the way most organisations operate:

1) Companies have internal conflicts on the vertical /horizontal axis.

As we have seen, organisations may be structured vertically, but most of the work takes place horizontally. Work rarely gets done in a single department; rather, it flows among several groups, which each add value and 'push' the product towards the final customer. Strategic Process Management gives managers the tools to stop viewing the organisation as a series of narrow, vertical departments, and instead see it as it is – a network of interrelated horizontal processes.

2) All work processes consist of definable, repeatable and predictable activities – even in white-collar, professional and service jobs.

Even in endeavours that call for considerable creativity and originality, there are still many repeatable elements that can be defined, standardised and measured. Strategic Process Management shows managers how to find those aspects in every process, and manage them for a dependable, predictable outcome.

3) If a process can't be measured, it can't be managed.

Without objective, numerical data, it is impossible to know how a process is performing, where it needs improving, and how well the improvement measures are succeeding. Strategic Process Management teaches people both the art and science of management, to help them manage processes creatively, reliably and effectively.

4) Effective work processes depend on involved, empowered employees.

If employees feel improvements are made at their expense, they will either leave or refuse to contribute their best. In Strategic Process Management, employee teams receive the responsibility and training they need in order to have a real say in improvements and the effects they will have on everyone's work.

A NEW, CUSTOMER-FACING STRUCTURE

The ‘four realities’ highlight, in broad strokes, the essential groundrules and management criteria of the new organisation. Strategic Process Management can then hone in on six key areas crucial to business performance and profitability. It will –

- Identify the ‘critical few’, strategic-level processes that are vital to the business.
- Tie quality-improvement efforts to the highest-priority strategic objectives.
- Understand how work processes cut across multiple departments or functional groups.

- Create performance measures and improvement objectives within the context of the entire business and its customer needs.
- Bring together cross-functional teams to analyse the work, identify improvement opportunities and solve the problems that are standing between the status quo and key performance goals.
- Pinpoint exactly which steps the work processes must change for the business to increase customer satisfaction and operate more cost-effectively.

PUTTING STRATEGIC PROCESS MANAGEMENT INTO PRACTICE

Strategic Process Management can supercharge the organisation to move toward greater effectiveness; it does so via three distinct phases of action.

1) Focus

With direction set by senior management, teams identify and analyse the company’s most vital strategic processes, to find where improvements will yield the greatest pay-offs.

2) Document and standardise

Teams specify and standardise every step in their processes, and identify customers’ requirements and expectations.

3) Improve and innovate

Teams make the improvements or innovations that will increase operating efficiency and effectiveness, and improve customer satisfaction.

Throughout each phase, teams develop and use rigorous yet practical systems of measurement. Team members monitor each process’s performance, document the effects of change and make further adjustments to help their processes operate even better.

'Up-close' controls of this kind – combined with the added-value benefits of teamwork – can make a powerful difference to corporate performance.

A leading US supplier of building materials believes that these work practices have "caused us to be so much more competitive in our market. We are giving better service, our costs are lower, and our productivity is continuing to increase."

A multi-national car parts supplier also credits AchieveGlobal with reducing their product launch time by 25% in six months.

And a major cable installation company claims that by using Strategic Process Management they have cut their average installation time from 10 to 8 days.

Levels of stringent monitoring mean that the full pay-back of Strategic Process Management isn't restricted to the company's re-alignment with customer needs – a lot of the value is in clear, verifiable methods of working. The business is not only targeting its sources of revenue more effectively, but commercially assessing its success in meeting those new goals.

And the real benefit of working with AchieveGlobal is that although our experts are always available for consultation, our goal is to make an organisation's people self-sufficient in the process, training and assisting each team formed to manage the critical few strategic processes to realise permanent quality improvement.

"In four months, our response to orders declined from an average of 10 days (and a worst case of 36 days) to a standardised 6 days." - Metal Parts Supplier.