

eBook

Tips for Keeping Your Process 'Fresh'



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Introduction

It is often said that we live in a fast-moving world, where the pace of change is increasing. Dominant titans of industry are challenged by nimble start-up firms that utilize technological and social resources in ways that in previous years would have seemed impossible. All of this plays out in an increasingly globalized world where political, economic and environmental factors in one part of the world can have a serious (negative or positive) knock-on effect elsewhere. Successful organizations, both new and established, continue to innovate and react to changes in their business environments. They constantly scan their market and the wider domain trying to predict what might happen in future. They assess their internal strengths and weaknesses, as well as the external opportunities and threats, and plan how they will sail through the choppy and often uncharted water! This requires a high level of innovation, coupled with the ability and desire to keep processes and propositions 'fresh' and relevant for the customer. As Brad Power observed in the Harvard Business Review back in 2012:

"With accelerating changes in technology, competition, regulation, and globalization, so too has the half-life of any business process." (Power in HBR, 2012)

As you would expect, this consistent commitment to staying relevant requires a significant level of flexibility and adaptability. In this eBook we examine how to build adaptability into an organization's business processes so that they can be kept fresh, and so that they stay truly aligned with the customer's needs, wants and demands. In doing so, we might find that regular analysis of our processes become a conduit for the very innovation that is needed to keep the organization at the forefront of its industry.

Knowing What to Adapt by Knowing our Business Environment:

Often, when undertaking process analysis or process improvement initiatives, it is tempting to jump straight in and start to look for ‘low hanging fruit’. We see a problem or an opportunity, carry out some root cause analysis, and we (quite understandably) gravitate towards finding a solution or a set of quick-wins. In some cases, this will be absolutely the right approach—often time is of the essence. Yet it is always worth being aware of the wider external environment and ecosystem that our organization operates in. The environment may present us with opportunities or constraints that we hadn’t considered, and may help us assess which parts of our process need to change, adapt or scale.

A good starting point is to consider the constraints, opportunities and threats that exist within our industry and domain generally. This might include carrying out a STEEPLE analysis, where Social, Technological, Economic, Environmental, Legal and Ethical factors are considered. This is illustrated in the diagram below:

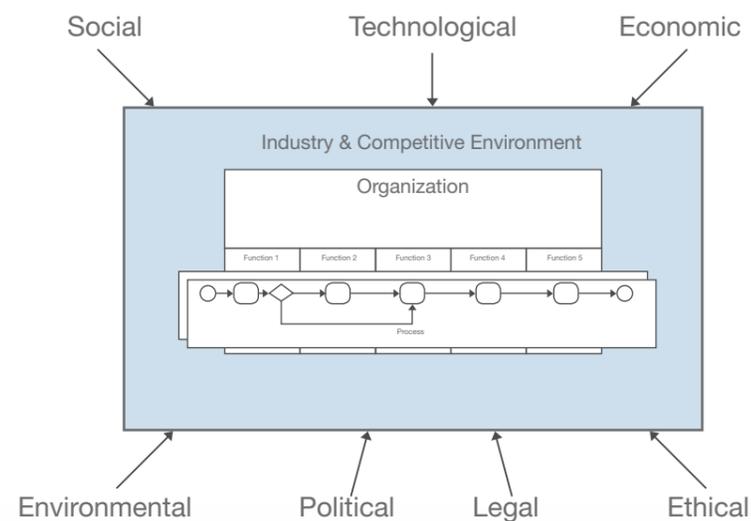


Figure 1: STEEPLE Factors

Each of the STEEPLE elements are considered in turn, and relevant analysis and brainstorming is carried out to assess what factors might be relevant. The STEEPLE elements are often very relevant as they may affect or constrain how we can design or redesign our process, and which parts need to stay ‘fresh’ and adaptable. They may even call into question whether the entire process itself is relevant. Imagine if you were asked to undertake a process improvement opportunity for a DVD rental business. The owner notices that there are fewer customers, and feels sure that if ‘self-service’ check-out terminals were introduced the problem would be solved. This would reduce costs and enable the shop to open 24 hours.

Of course, this might be a useful idea—but when examined alongside a STEEPLE analysis we might note that there has been a significant increase in online streaming media technologies (from the ‘T’ in STEEPLE), that there is a social trend away from using DVDs and towards ‘on-demand’ media (from the ‘S’ in Steeple) and our competitive analysis might show that there are many new ‘substitutes’ for DVD rentals—include legal streaming sites, as well as illegal file-sharing networks. This would suggest that the root cause of the business problem may not be process related at all. In fact, a better use of time might be to consider how processes could be used to underpin a different business model entirely, or to aim the current business model at a new market. Rather than re-jigging a dusty old process, we may need to design entire new processes from scratch in order to fulfil a new value proposition or strategic imperative.

As alluded to above, it can also be very illuminating to carry out a competitive analysis, to understand who an organization is competing with (and how the competitors’ value propositions differ). This helps us to ensure that we don’t get surprised when a competitor suddenly ‘ups their game’, and our customers’ expectations rise accordingly. More detailed tips and techniques for exploring the external business environment, including STEEPLE, can be found in my previous eBook “Processes don’t exist in a vacuum”. All of these things help us to understand the context in which our organization is operating in, and help us to understand what is changing and what else is likely to change. Whilst nobody can forecast the future with certain accuracy, at least with analysis and forethought we can design our processes to be flexible and adaptable in the areas where we anticipate that change is coming.

Keeping the Customer Close to Drive an Evolving Process

One of the challenges with well-established processes is that they have often become very well embedded into the collective consciousness of the organization. In some ways, this is a good thing—it means that the processes work consistently, that there is a well understood division of labor, and things just seem to ‘work’.

Yet if these processes have remained substantively unchanged for a significant period of time, they may have effectively become frozen in time. There may be a passive resistance to changing them, and in some cases people might not even be able to recall why things are undertaken in a particular way or why certain rules or criteria are applied. It may even become difficult for people to imagine how the process could change, and in extreme cases may roll out justifications such as:

“ If it ain’t broke, don’t fix it; and
...but we’ve always done it that way, why does it need to change? ”

A key to avoiding this is to build the expectation and anticipation of change into our processes from the very outset—effectively avoiding them from getting frozen in the first place. One way to contribute towards this is to instill and encourage people throughout the process to suggest and implement controlled (and agreed) incremental changes. Often the people who really know what needs to change about a process to keep it ‘fresh’ and relevant are those closest to the customer and the work itself—and by harnessing this innovation (and empowering those on the front line) we can avoid process stagnation.

This can be achieved by building in feedback mechanisms and measures throughout the entire process. These feedback mechanisms may assess the continued effectiveness of a step, a task or an entire process. Where organizations sometimes fail is in understanding that market expectations change—what was considered excellent customer service five years ago might be considered average (or even below-par) service now. It is therefore important to ensure that alongside traditional quantitative performance indicators (e.g. “What % of work are we clearing within the time frame published in our customer charter”) it is also important to take into account qualitative and less structured feedback (“How quickly are our competitors doing it”) as well as external process-wide feedback (“Are our customers happy?”, “Are our staff happy?”, “What feedback are staff and customers giving us?”).



These are questions that should be asked and considered, to differing extents, throughout all levels of the organization—not just by senior managers. There was once a view that we should ‘de-skill’ processes as much as possible, take away any natural variation and boil it down to a rigid and constrained list of unbreakable instructions that anyone can follow. Perhaps this worked when the pace of change and the immediacy of communication was slow. Yet if we exist in a changing and volatile environment, with increasing competition from a global marketplace (where customers can switch providers at the ‘click of a mouse’) is this still sensible? Many would argue it is not.

With a focus on empowering those closest to the work—within boundaries—we gain a rich insight into what the customer really wants and how they really behave. By challenging everyone throughout the organization to continually look for improvement opportunities, we discover a wide range of potential solutions. As Rafe Sagarin observed:

“The practical way to start becoming adaptable is easy: Stop giving orders and start issuing challenges.[...]. 3M (hardly a nimble startup) used challenges to massively reduce its environmental footprint. Rather than having the CEO order all employees to recycle more, the company challenged employees to produce solutions. The result was more than 8,000 environmentally and financially beneficial changes...” (Sagarin in HBR, 2013)

It can be valuable to allow small, controlled experiments within processes to see what works more effectively. By instilling ownership of the process—but more importantly the customer experience and the process outcomes—throughout the organization, we help cultivate a culture where regular change and adaptation is the new normal. After all, the reality is that process “workarounds” are going to be developed whether we like it or not—and where a “workaround” is developed it is indicative that the process step never really worked, or the customers’ demands have changed. Rather than viewing these as shadowy, unofficial and bad—why not share them center stage? They present opportunities for experiments and even wider holistic process improvement. (Of course, not every workaround is valid or useful, but they warrant investigation nonetheless).

The Forgotten Link: Strategy

Another important element to consider when looking to improve and adapt our processes is the strategic direction of the organization, including how it is choosing to compete in the marketplace. An organization that is aiming to be the “lowest cost” in its marketplace will have different priorities to one that is looking to provide “exceptional luxury”. It is very important to ensure that our process and any proposed changes align with the organization’s strategy. This highlights the importance of everyone in an organization having sufficient knowledge of an organization’s mission, vision, objective and strategies—and communication of these is crucial. Organizations act in a coherent and joined up way if everyone is pulling in the same direction.

Leading on from this, at a higher level (when considering which parts of a process need to be kept “fresh”), it is worth examining the organization’s business plan and any relevant forecasts. Of course, forecasts are ultimately just educated guesses, but they often give us valuable insight into the types of changes that will be hitting us in the future. If we know that our organization is launching into a new geographical market, then our process may need to adapt to meet new regulatory requirements—and we may even need multilingual staff (and multilingual/multi-currency systems). If we know that there is a plan to run a major advertising campaign and increase our customer base 10-fold, then it would be prudent to put a significant focus on scalability of the process and ensuring that it is possible to ‘ramp up’ when needed. This may involve examining how exceptions and manual workarounds are handled—as volumes increase, what was once manageable can soon become a chaotic mess!



Engender Collaboration: A Single Source of the Truth

One of the challenges preventing small incremental changes in the past has been assessing whether there is any knock-on impact, or even knowing how to communicate the change out. In fact, we may have found that the end-to-end process had never been mapped, meaning that even the smallest of potential changes becomes increasingly effortful. With multiple process artifacts, models, help guides and procedures spread across the organization (in various printed files, network drives and fileshares) we may find that our ability to adapt and innovate is affected.

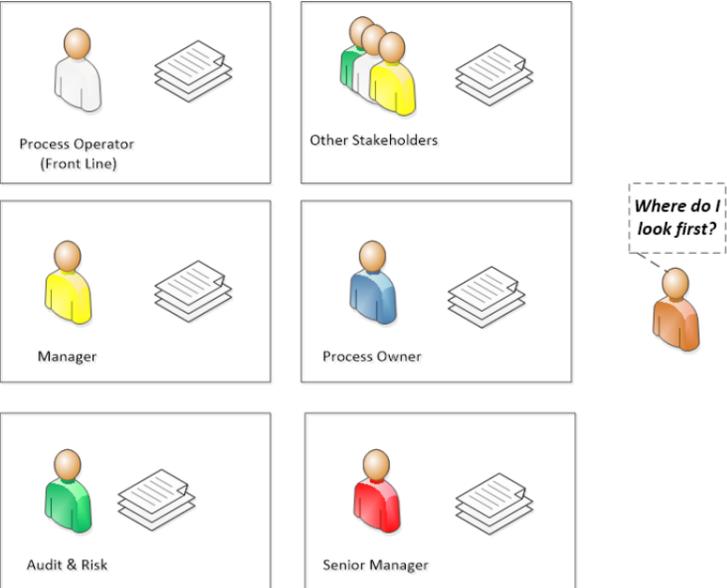


Figure 2: Information Silos

Having a single repository, where process information is stored, accessed and controlled (in a common and shared notation) can be extremely valuable. This allows anyone in the organization to view the process or task that they are interested in—at the level of detail that they need—so that they can diagnose process problems and look for further opportunities. It prevents process design re-work, and ensures that the right information is available in the right format when needed.

Aluminum	\$289.00	\$354.01	18.80%
Chrome	\$666.00	\$727.27	9.20%
Nickel	\$421.00	\$453.84	7.80%
Bauxite	\$730.00	\$791.32	8.40%
Cotton	\$162.00	\$196.34	21.20%
Flax	\$172.00	\$187.92	9.30%
Textiles	\$243.00	\$230.40	-5.10%

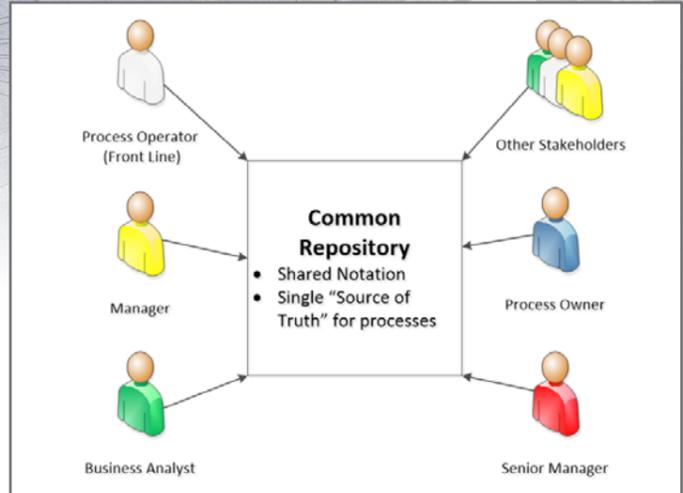
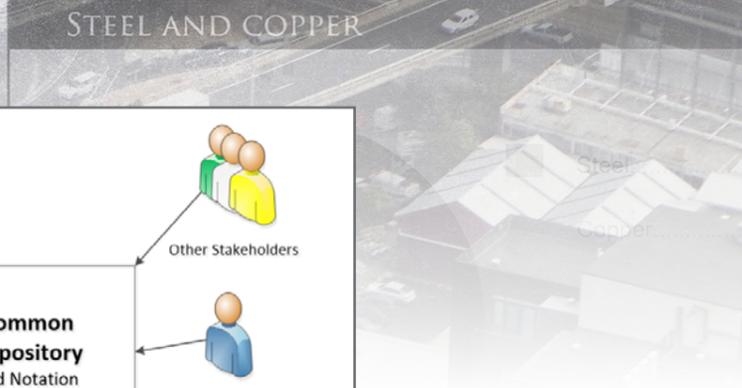
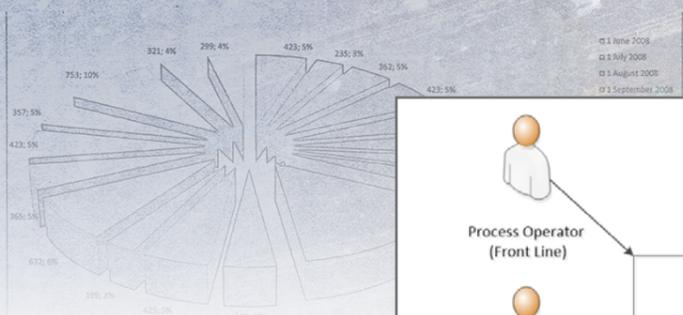
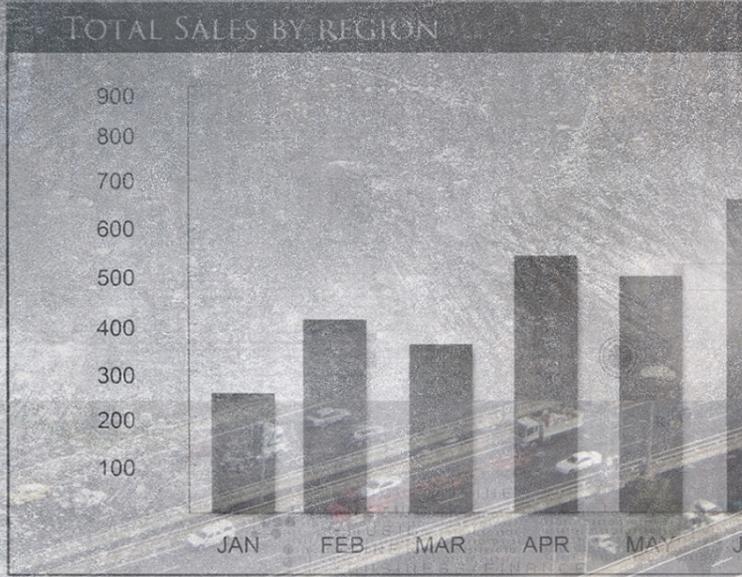
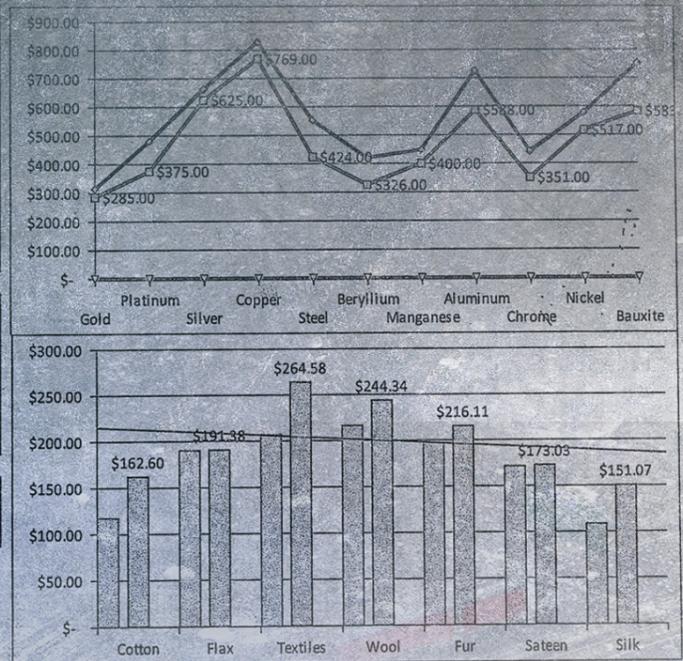


Figure 3: Common Repository

Then, when there is the suggestion that a small incremental change (or a larger change) is needed to keep the process “fresh”, it is much easier to create a conversation and drive a decision.

Conclusion

Whatever domain or industry our organizations reside within, change is a constant feature. “Freezing” our processes and forgetting about them is not a viable option. By building the expectation of change, and by ensuring that regular feedback is sought from a range of stakeholders, we can ensure our processes remain “fresh” and relevant. In doing so we ensure that we are offering a service that is effective, efficient and aligns without external environment as well as our organization’s strategic direction. This will help drive better outcomes for our customers, our internal and external stakeholders.

References

Power, Brad. "The Next Wave of Process Strategy". Harvard Business Review (2012): n. pag. Web.

[Available at <https://hbr.org/2012/10/when-it-comes-to-operational>]

Reed, Adrian. Processes Don'T Exist In A Vacuum: The Importance Of Analyzing The External Business Environment. 1st ed. Orbus, 2016. Web.

[Available at: www.orbussoftware.com/resources/downloads/processes-don%E2%80%99t-exist-in-a-vacuum/]

Sagarin, Rafe. "To Become More Adaptable, Take A Lesson From Biology". Harvard Business Review (2013): n. pag.

[Available at <https://hbr.org/2013/03/to-become-more-adaptable-take>]

Further Reading

Readers interested in the topics raised in this paper may find the following resources useful:

Cadle, J., Eva, M., Hindle, K., Paul, D., Rollason, C., Turner, P., Yeates, D. and Cadle, J. (2014). Business Analysis. Swindon: BCS Learning & Development Limited.

IIBA, (2015). Guide to the business analysis body of knowledge. Toronto: Ontario: International Institute of Business Analysis.

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Adrian Reed is a Consulting Lead Business Analyst who is passionate about the analysis profession. He is Principal Consultant and Director at Blackmetric Business Solutions (www.blackmetric.co.uk), where he provides business analysis consultancy and training solutions to a range of clients in varying industries. He is also a director of the UK chapter of the International Institute of Business Analysis (IIBA). Adrian is a true advocate of the analysis profession, and is constantly looking for ways of promoting the value that good analysis can bring.

You can read Adrian's blog at <http://www.adrianreed.co.uk> and follow him on Twitter at <http://twitter.com/UKAdrianReed>



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