Managing Process Improvement

Generating Breakthroughs in Process Performance

The strategy was in place. Senior management, after seeking middle management's input, had selected four breakthrough improvement objectives, each vital to the success of the business. "When we took the strategy to our people, they responded enthusiastically," recalls the CEO of the property and casualty insurance company. "They supported the strategic goals, and they were excited to be part of such an ambitious and clearly defined plan of attack."

Still, senior management worried that employees—and middle managers in particular—lacked the cross-functional perspective and process improvement skills they would need to fulfill the strategy. "We had implemented total quality management, so everyone understood that our key work processes flow across different functions," the CEO recalls. "But, in practice, most of our improvement efforts were confined *within* functions. To produce the targeted breakthroughs, we had to generate far more strategic, cross-functional process improvements."

The company asked ODI to train its managers and employees in *Managing Process Improvement.*

Managers learned how to identify critical work processes; lead cross-functional improvement efforts; and measure, track, and review process improvement. At the same time, all managers and employees were taught to apply a powerful seven-step customer-focused improvement cycle for analyzing, improving, and continuously monitoring work processes.

In implementing *Managing Process Improvement,* senior managers sponsored cross-functional process management teams (PMTs) keyed to critical work processes. The PMTs also commissioned quality action teams to pursue specific improvement opportunities within functions. Over the next eighteen months, the insurance company achieved its targeted process performance breakthroughs.

Teams of managers and employees
- Tripled the number of coverage options the company could offer its customers
- Reduced the time required to process applications by 66 percent
- Achieved the lowest rate of disputed claims in the industry

Coverage Options

Application Processing Time

Disputed Claims
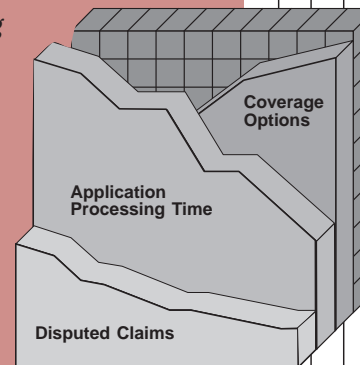
Total quality management (TQM) should dramatically improve all your major work processes. It should make your operations more effective, more efficient, and more capable of meeting your customers' requirements. In other words, it should generate quality improvements that unmistakably contribute to your business success.

In many organizations, however, employees lack the skills and structure they need to bring about strategically significant advances in process performance. Improvement activity is not targeted to critical work processes. And middle managers are neither disposed nor prepared to lead the cross-functional improvement efforts required to achieve process performance breakthroughs.

Managing Process Improvement

ODI's *Managing Process Improvement* prepares your managers and employees to make your key work processes more effective (better able to meet customer needs), efficient (able to meet customer needs at lower cost), and flexible (more responsive to changing customer requirements).

Specifically, *Managing Process Improvement* teaches your managers and employees how to

- Identify the "right" processes to target for improvement
- Link process improvement efforts to the goals and objectives of the organization, business unit, or department
- Apply appropriate tactics for initiating, coordinating, and supporting process improvement activities
- Create a system for measuring, tracking, and reviewing improvement activities

Program Materials and Services

Managing Process Improvement training materials and services include a participant workbook, facilitator certification, and executive consulting.

The participant workbook is divided into three modules.

- "A Process View of Work"—explains why viewing work as a process is vital to achieving breakthroughs in productivity and customer satisfaction; develops a common language and conceptual architecture for process improvement; and stresses the practical and strategic benefits of pursuing process improvement in your organization.

  Exercises and presentations include "What Is a Work Process?" and "What Gets in the Way."

- "Leading Process Improvement"—prepares managers to identify the most important improvement projects, select and support process improvement teams, determine when to start and stop team activity, and effectively review process improvement activities.

  Exercises, presentations, and process improvement tools include "Assessing Your Likelihood of Success," "Process Selection Matrix," "Relationship Diagram," and "Strategy Selector."
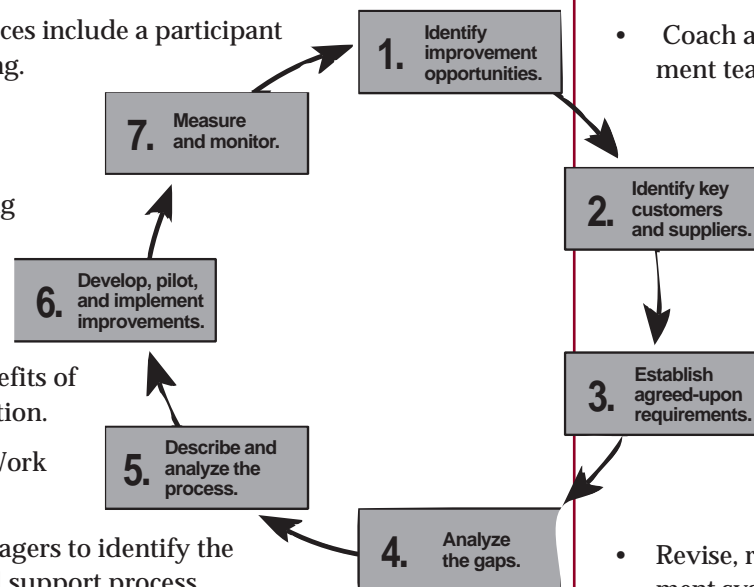
- "Improving Work Processes"—prepares all employees to apply the seven-phase process improvement blueprint to analyze work processes, identify gaps in work process performance, and pursue breakthroughs in process performance.

  Exercises, presentations, and process improvement tools include "Cross-Functional Flowchart," "Impact Wheel," "Data Source Menu," and "Measures Development Guide."

Consulting Services

ODI can provide expert consulting support for your implementation of *Managing Process Improvement.* Specifically, we can work with your organization to

- Coach and counsel senior-level process management teams
- Plan, schedule, and prioritize your efforts to achieve breakthroughs in process performance
- Identify the best in-house resources to deliver *Managing Process Improvement* training
- Create corporate, divisional, and on-site support structures for process management teams
- Revise, review, and modify your process measurement systems

1. Identify improvement opportunities.
2. Identify key customers and suppliers.
3. Establish agreed-upon requirements.
4. Analyze the gaps.
5. Describe and analyze the process.
6. Develop, pilot, and implement improvements.
7. Measure and monitor.

Facilitator Certification

ODI will certify individuals from your organization to serve as facilitators of *Managing Process Improvement.* Facilitator certification prepares your people to train their colleagues in *Managing Process Improvement* concepts and skills. Your trained facilitators also provide timely and expert assistance to managers at every stage of the process improvement effort.

Benefits

Managing Process Improvement provides the conceptual framework, organizing structure, and concrete skills your managers and employees need to achieve breakthroughs in work process performance. The program teaches all employees how to apply a seven-phase process improvement blueprint. It also prepares your middle managers to lead strategic, cross-functional process improvement efforts.

About Organizational Dynamics, Inc.

Organizational Dynamics, Inc. (ODI) is a global management consulting, research, and training company that has been helping organizations manage change, improve quality and productivity, and enhance customer satisfaction since 1970. ODI is headquartered in Boston, London, and Singapore, with offices in major cities throughout the United States and the world.

More than 150 experienced professionals stand behind ODI's consulting services and training programs, which have been used by more than 2,000 organizations and over 250 medical centers and hospitals around the world. ODI works with many of the top 100 Fortune companies and other leading business, government, and healthcare organizations. Our clients include ABB, AirTouch Communications, BellSouth, British Airways, Caltex, CIBA-GEIGY, Columbia HCA, Citizens Utilities, Cox Communications, DOD, Electrolux, EPA, Eveready, Federal Express, General Electric, Gillette, the Hong Leong Group, Hybritech, Lufthansa, NASA, Nestlé, Overlook Hospital, Philips Electronics, Procter & Gamble, Saudi Aramco, SKF, TCI, Union Carbide, UNUM, the U.S. Coast Guard, the United States Postal Service, and Volkswagen.

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Measuring Process Improvement

Often, the greatest challenge in process measurement is determining what to measure. *Managing Process Improvement* prepares participants to measure process improvement in terms of increased effectiveness, efficiency, and flexibility.

☐ **Effectiveness**

How well the products and services supplied to your customers meet their requirements

Examples:

- Does the customer believe that the product or service is a good value?
- Can I provide the support that my customer needs?

☐ **Efficiency**

How well you are using the organization's resources to satisfy customers

Examples:

- Cycle time
- Productivity

☐ **Flexibility**

How well the process can respond to changing requirements and new challenges

Examples:

- Lead time
- New product time to market

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