



The ties that bind just might be a little loose

Your company's processes deserve ongoing attention.

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What makes a company successful? Is it a great idea? A superior product? A strong brand?

It's really a combination of multiple factors, but they all revolve around one key factor – execution, or the way the business creates and delivers its product or service.

If you boil everything down to a basic level, a company is a group of people working together to get something done. When those people are working toward the same goals and are in sync and working efficiently – using a series of integrated, dependent activities that we typically call *processes* – the rest of the puzzle often falls into place and success follows.

It's the process that ties employees' efforts together, and helps them pull in the same direction.

Of course, achieving and maintaining that state of excellence is an ongoing challenge. The processes developed by people seeking to maximize quality, timeliness, ease of effort and other factors often erode over time.

In the last Plaid Group newsletter, we discussed how the use of a flow diagram – also called a *process map* – can help people better understand the disconnects that get in the way of getting things done. Solving these issues can pay huge dividends for business managers because processes are what guide people's and departments' efforts.

In other words, your company's operational and financial results rely heavily on your processes, so it makes sense to pay close attention to how, and how well, they're working.

Which processes 'need a little love?'

Chances are that your organization has some processes in need of attention. It's easy to identify ailing processes. Just ask people what frustrates them the most about their jobs. You'll quickly uncover some areas that need a little "process improvement love."

Do you need a flow diagram to get started? Not necessarily. The diagram itself is a valuable tool that helps people visualize how work moves from one person to another or from department to department. It gives everyone involved in the process a shared understanding of the mechanics that tie them together.

But, you can still make a significant impact without the formality of a process map. The key is to uncover the areas where processes break down, and generate ideas for solving those issues. The best place to do this is in a group work session where employees brainstorm ways to make a process faster, less cumbersome, more intuitive, less aggravating and more predictable.



Do you have workflow processes that need attention? Conflicts, bottlenecks and communication issues are three factors that can keep your company from working most effectively.

To get started, focus the discussion on three common issues related to process problems:

- Conflict
- Traffic jams
- Communication

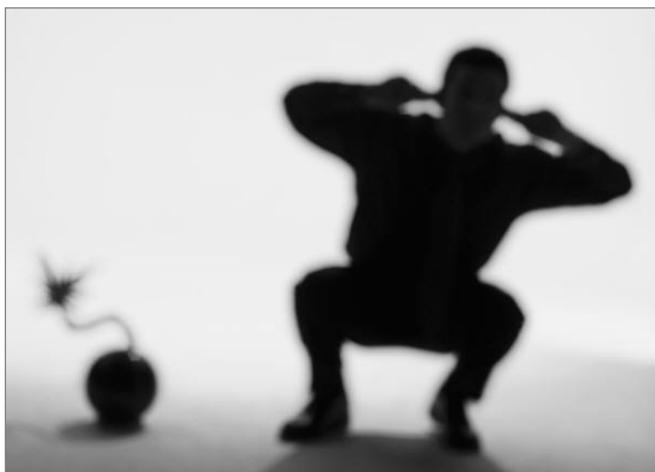
Conflict can be a good thing!

It's important to address peoples' hot buttons first – the issues that matter most to them. And those typically revolve around conflict of some kind.

People often consider conflict to be a problem. But in the context of business improvement, I love conflict! It's a mother lode of ideas for improvement.

And not just any improvements, but ones that people passionately care about.

A person who is vocal about his/her discontent can be a real gift to the organization. Not only do vocal people help you identify problems, but they also have a stake in correcting them. If guided to do so, they can be great resources for analyzing and solving problems.



Don't avoid conflict ... embrace it! When explored, conflict can lead to significant improvements.

Here are some sample questions for the team to answer when exploring conflict:

- Where does tension, conflict, or frustration exist between coworkers? Between departments? Between the company and customers? Between the company and its suppliers?
- What causes the friction? It's often tied to unmet expectations, peoples' pet peeves, things they've lived with and known problems that aren't addressed.
- What initiatives were started, but never finished? Are those efforts still worth doing? Abandoned

efforts are a drain on morale and can signal a lack of commitment from leaders.

The answers to these questions often reveal a lack of shared understanding about issues such as:

- Responsibilities – what each person expects from others.
- Hand-offs – the effects of one person's work results on the next.
- Feedback – communication between people or departments that lets everyone know how specific connections are working.

Traffic jams cause workload pile-ups

Solving bottlenecks in a work flow can deliver dramatic results that benefit customers, employees and suppliers.

Think of the last time you found yourself in a traffic jam (probably this morning!) How did it make you feel? You wanted to make progress, but you were forced to stop again and again.

That's aggravating on the road, and it's no fun at work, either. Here are some good questions for identifying and addressing bottlenecks in your organization:

- Where does work "pile up" in the process, and what are the common causes? Issues such as resource shortages, slow computer networks, poorly maintained tools, and rework caused by mistakes can all cause bottlenecks.
- Are reviews for completeness and accuracy conducted early in the process – before the area where the work piles up?
- Listen to your intuition. Where does the workflow not make sense? Where does it seem convoluted?
- Is work evenly distributed among similar positions? How do you know? How do you monitor it?
- Do indispensable people exist? What happens when a go-to person goes on vacation? Consider documenting the job procedures, creating checklists, and using technology to simplify the job. Then cross-train others who can pitch in to handle peak work loads and fill in to allow time off.

'We need better communication'

I've yet to work with a company where the people didn't mention "communication" as an opportunity for improvement. But they rarely say what they need!

It's important to define not only the type of information people require to do their jobs properly, but also how they'd like to receive that communication. Often, the information is available but it's in a format that's not helpful to the people who need it – for example, it's buried in an e-mail versus a chart that hangs on the wall in the break room.

Here are some important communications topics to discuss when making process-related improvements:

- Expectations and Feedback. What do two parties expect for each other to do? How will they hand work off to one another? How will they ensure that they're working together effectively? Everyone needs to understand what the next person in the process needs from them to maintain quality and timeliness.
- Ripple Effects. Each person's role in the process flow impacts people down the line – it can make their jobs simple, or make them harder to do or more time consuming. Does each person understand how his/her actions affect others in the process?
- Work Load. How are projects communicated, especially when deadlines are critical?
- Resources. How are changes in resources, especially labor, communicated?
- Deadlines. "ASAP" causes confusion because it establishes no deadline. Be specific. How soon is soon enough? Where do vague deadlines and other time requirements cause delays for others?



Make sure employees receive information in the right way.

Don't forget to set goals

Of course, goal-setting is a critical component of process improvement. Be sure to define goals as part of the process mapping effort and present them as reminders at each process-related group discussion.

To ensure that your work is on task, the group can use this simple sentence to track progress, with the criteria being the goals you've previously set:

"We'll know the process is working well if <criteria 1>, and <criteria 2> and <criteria 3> and ..."

For example, a Receivables Manager might say:

"Our process is working well if each invoice is complete and accurate, is sent within three business days, and our Collection Effectiveness Index exceeds 92."

That helps paint a clear picture of the target you're aiming to hit.

The overall objective of this kind of brainstorming is to involve your employees in not only identifying areas of improvement, but also in developing solutions to conflict, bottlenecks and communication.

The results are worth it. Investing in process improvement leads to improved use of resources, better quality work and higher employee morale. What are you waiting for?

More Information? If you'd like to learn more about improving your company's processes for better productivity and profitability, please send an E-mail to info@plaidgroup.com, visit our web site at www.plaidgroup.com, or call us at 713-627-3569. The Plaid Group publishes a free bimonthly e-mail newsletter filled with insights and ideas you can use to enhance your company's operational performance, spur growth and increase bottom-line profits. To subscribe, change your e-mail address or unsubscribe, please visit www.plaidgroup.com/newsletters_subscribe.asp.

Author's Note: **Tim Smith** is a Principal with The Plaid Group. The Plaid Group helps companies simplify and stabilize their business operations to improve financial performance and gain a competitive edge.