Work better. Get Consected

Seven Steps to Escaping Process Chaos

You want to your business to be more productive

You are afraid that important decisions are lost in email

Your critical business processes seem too complex and time-consuming

A practical guide to improving business processes in your organization

Dreaming About Process Perfection

The dream of all good businesses is to be lean, efficient and highly profitable. The best approach has always been to remove the biggest bane of good business: chaotic processes. We all know that paper documents, manual processes and email destroy employee productivity and present a risk to a business by accident error or through fraud. Automated workflows on the other hand deliver employee efficiency, mitigate risks and provide visibility into operations. To work better, it is essential to improve processes all across your organization, not just focus on a single pain point. Those companies that have been successful know that there is a secret to doing this, in a way that truly transforms the business.

Dreams Don't Equal Reality

Companies have a lot to gain from the dream of process perfection, but for the majority, the goal of automating a significant number of business processes is still a long way off. There are three major hurdles that they have yet to overcome:

- the investment required in software and consulting services is enormous, obscuring the potential business benefits
- an inability to improve more than one or two processes, limiting the overall positive impact
- the fact that process improvement has become a time-consuming software project, preventing workers who know the workflows from contributing to their improvement

The result is that there are many competing vendors for business process management (BPM) software in the marketplace who believe that they sell a better product than the other guys. The hidden reality is that what they offer is generally the same: highly complex software, costly licenses and consulting services. There is no doubt that the products work, but you must be prepared to spend months analyzing process requirements and building custom solutions, potentially spending hundreds of thousands of dollars along the way.

Your problem is that like many organizations, you have reached the point of no return, where your business needs to improve, to be more cost effective, to compete better in your marketplace, to make your customers happier, or to avoid issues from the auditors or regulators. You have to do something, but the huge investment option does not seem appealing. There must be some secret to fulfilling your process improvement dreams.

PC = Process Chaos

Think about all the investment you have in desktop PCs and the preinstalled office software you paid for. Can you can use that software to make your processes better?

Believe it or not, putting a PC with a word processor and email on everybody's desk almost killed the dream of efficiency and control. The PC gave everyone the power to produce ad-hoc documents, print them out, or store them to the shared file-system known as the 'P: Drive' (or any other letter) that is supposed to represent a public, shared place for losing documents. Add to that the chaos of cluttered email inboxes and the ability to send a message to anybody about anything with zero control and virtually no audit. For these reasons, PC equals 'Process Chaos'.

Most documents produced in the so called office 'productivity suites' and email go completely against the vision of managing processes better. Word documents and emails are often generated quickly by workers to fill a void in a process, and subsequently can not be rapidly understood or used by the recipient. Rather than helping improve matters, these ad-hoc documents reinforce the problems you have with your processes.

The dream of efficient and well controlled processes has been lost in a quagmire of printed emails and ad-hoc sign-off documents. It is not the fault of the tools, but the lack of a real option to manage workflows that leads to their inappropriate application.

Sounds Familiar?

The majority of companies suffer from process chaos, so it is often hard to recognize the source of the problem, or that it can be solved. To reinforce the point, let's do a tour of some real-world companies.

First stop, welcome to a medium-sized company of independent insurance brokers. They work quickly to get commercial clients a good deal on a range of insurance needs. In doing so, the individual agents correspond through ad-hoc emails directly with potential clients at every stage in the quote process, copying, pasting and firing out emails as needed. The company has contracts with individual insurers that guarantee the brokers will perform the regulatory requirements for due diligence of new customers (to prevent fraud, money-laundering, etc). With email and ad-hoc sign-offs, how does the company demonstrate that it is following best practices for due diligence? What happens when the client has an issue with a contract in the future? Where is all the supporting information? If it is printed in a file, what is the guarantee that the filed papers show the requirements were met?

On our second stop, we visit a mid-sized accounting and consultancy company, with several hundred employees and a need to manage a constant flood of requests to Human Resources for changes to benefits, recruiting and onboarding the new employees. The workload is growing and they need to increase capacity without growing the HR team to be bigger than the core business teams they are aiming to support. Centering all these processes on email makes the HR team's job tough, since it is rare that employees do little more than fire an email, with insufficient information, to the director of HR. Communication of important changes to employee information is not tracked; new employees fail to get paid; reviews are not performed. The ad-hoc process is chaos and nobody is happy.

Everywhere you look, there are processes that could benefit from being improved, and employees crying out for it to be done. If it is so bad, they should just sort it out for themselves, right? The reality is that without a change to the tools employees have available, change is impossible.

A Six Minute Risk Assessment

Try this simple test to see where the risk is in your organization – it will take no more than six minutes. Grab two large sheets of paper and just remember that there are no right or wrong answer in this test. Try to treat this like a brainstorming exercise and not to fixate on any one answer. Ready? You may start...

Step 1: Think about the departments in your organization

Time: 30 seconds

Write nothing. Sit and think about all the departments in your organization, the employees working feverishly, and the customer that you try to please, because you are proud to do so and they pay the bills. Visualize the work. Hear the buzz of activity. Feel the pressure of employees doing critical tasks.

Step 2: Write down the key manual processes

Time: 90 seconds

Take a deep breathe and on the first sheet of paper start jotting down the key processes you have in your organization that rely on email or paper documents, and alongside each write down the name of the department the process is in.

Step 3: Identify the most important processes at a glance

Time: 60 seconds

From your long list, pick the top five processes for the amount of time they take, the number of workers involved or the revenue they generate. Circle them, highlight them, underline them...

Step 4: For each process, write down the key steps and who performs them

Time: 3 minutes

For each of the top five processes, write down the major steps that generate forms, emails, decisions or require approvals. For each step, write down the role or group of employees (not individual names of people) that create this data, decision or document.

Your time is up. Put your pen down and put your papers to one side. You'll need them again later.

If you are not already feeling a little uncomfortable with what you have just written, remember that emails and Word documents are not good mechanisms for enforcing controls or capturing important contractual or personal information from customers or employees. They slow people down, make it harder to win or retain customers, and are a risk when things go wrong. If you have a feeling that these documents are core to your processes, you probably already know where your problems are. So what was the point of the test?

Many business improvement projects are initiated by the manager that shouts the loudest. You have just taken control of the selection process, either by being an executive who has spent some time identifying for yourself where the issues lie in your business, or by being a manager armed with the information required to make a better case to your boss.

Note:

As an alternative to the six minute test, drop an email to your auditor asking where they perceive the biggest issues are in your processes or internal controls, in the paper trail you have to support decisions, or in the ability to find all the contracts for a customer. Be warned that the response you get back may give you more than six minutes of thinking to do.

Progress, not Perfection

The most important point to remember is that ad-hoc email messages are often used as a substitute for real processes. Replacing the email and template documents used in the substitute process, with the right workflow tool reduces the risk of the process falling apart and ensures that all decisions made can be audited. Even better, it reduces the burden of random PC generated documents and emails impacting the productivity of your employees.

The reason that so many organizations have failed to capitalize on the promise of business process management is not the workflow automation technology itself (it delivers work fine), it is the way that the software has made wide ranging improvement so difficult. Each process a company wants to improve becomes a complex, risky software project that requires a new investment in software and the time of the most valuable workers in your organization. To succeed, your company needs to refocus on what is important.

Getting away from process chaos requires you to improve most of your chaotic business processes, not just a handful. Many process management vendors today hide the fact that their software rarely gets applied to more than two processes in an organization. Why? Because the software projects they require get completely carried away with every little detail of just a single process, taking weeks or months to complete.

We all know the 80:20 rule. Try applying it to process improvement in this way: *base great business processes on the knowledge that good judgment is aided by a little structure, rather than a huge structure supported by little judgment*. Providing the many processes you have with a little structure to support your people will get you much farther in radical change of your business than 3-6 months re-engineering a single process.

An organization that is keen to increase the productivity of its workers, reduce its risk of loss due to fraud, or increase the retention and revenue earned from clients, must take all of its painful processes and do something to improve them.

At this point you may already be convinced. You have already identified five of the processes that need the most help, and you are likely to write down five more that just come to mind before you finish reading. Remember the 80:20 rule. You need progress, not perfection for each of these processes. Trying to get a perfect solution for each problem will lead you into lengthy, expensive analysis, and still leave you with a dozen chaotic manual processes yet to be tackled.

Dream On

There are many barriers to you improving the five business processes that you wrote down in our six minute test. But before we talk about them, let's reiterate the benefits from actually making a change. By automating many of its business processes, an organization can achieve:

1) Increased productivity
2) Better customer satisfaction, and the revenue opportunities that come from it
3) Reduced financial risk from lawsuits and fraud
4) Ability to collect money you are owed
5) Opportunity to grow the business without growing headcount in non-profitable areas
6) Improved employee satisfaction
7) Simplified audits with fewer errors or risks uncovered

If It Was That Easy, Every Organization Would Have Done It

There are many barriers to fixing your processes. A major one is cost. Enterprise software for business process management (BPM) can be hugely expensive, for the software licenses, ongoing maintenance and time consuming analysis and implementation projects. This type of software is designed to be everything to everyone, making it hard to implement what it should be for you.

This is where the buzzwords come in: software as a service (SaaS), cloud computing, multi-tenant software. Call it what you will, there is a whole class of software-based solutions available that are designed to deliver business improvement, without the fluff, the huge implementation projects or the enormous up-front license costs. This style of online software service typically provides solutions that target a major business problem, shaping themselves to a specific organization through configuration alone. And they have the benefit that you don't have to invest huge sums of money to prove to yourself that they work well for you.

Improve your Five Processes without Software Projects

There is a simple, step-by-step thought process that can help you improve your business processes faster, without getting wrapped up in complex business process management software, consultants with expensive design methodologies, or dragging lines around on a Visio diagram that nobody ever sees.

The hidden message here is that with the right solution you can improve your five processes, plus a dozen more in the time it typically takes a traditional vendor to design and implement a solution for a single process. Let's not get greedy though, so find those two sheets of paper you were previously scribbling on.

Remember the four steps we tested ourselves on:

Step 1: Think about the departments in your organization
Step 2: Write down the key manual processes
Step 3: Identify the most important processes at a glance
Step 4: For each process, write down the key steps and who performs them

Not only are we using those four steps to help you identify what processes need attention, this effort is actually core to improving those processes. With just three more steps you have everything you need to leap ahead in your process improvement exercise:

Step 5: Define the major type of information to be captured in each process

Are you trying to capture information about a new employee and use that to ensure a smooth onboarding process? Maybe you are dealing with customers wanting to add new services to a current contract. Or you have new leads from your marketing campaigns that have to be tracked through a sales process. What is the name of the 'thing' you are trying to capture, and do you need any specific information about it? If necessary, find the template email or spreadsheet that gets used today to hold the information about the 'new employee', 'new service request', 'sales lead', etc.

Step 6: Think of what messages workers send to one another in a typical workflow

Take the example of you email or paper-based workflow today. Who starts the process, where do they send message to next, where are decisions and sign-offs made, and where do subsequent messages get sent to? For many processes you can write down the typical flow quickly in under 12 lines. For example, in a typical insurance company, underwriting a new customer follows this simple flow: (a) agent receives a request for a new policy; (b) underwriter prepares a quote; (c) agent confirms the quote details with the customer; (d) underwriter updates the quote; (e) agent confirms the new details and receives the customer's go-ahead; (f) a policy is generated and sent to the customer; (g) the customer pays the premium; (h) the payment is recorded and renewal reminder set up.

In this example there are eight messages sent, though there may be room to split them up a little, later on. The important thing is that there is no need to identify all of the 'ifs, buts and maybes' in the process. The 80:20 rule applies, as long as you use a workflow automation tool that can fill the gaps.

Step 7: Identify which workers have which roles

By identifying who does what, you've made the link to the roles you wrote down in Step 4. This is what makes the roles of workers and the activities they perform have some real meaning. It also makes sure that you haven't been tempted to write down your workflow in terms of the individual people involved (Bob sends the quote to Mary. Mary changes it and sends it to Tracy). Only by taking individuals out of the activities can you eventually see where tasks are being done 'because we always did it that way'.

Congratulations! You made it to the end of your seven steps. You may even be surprised at how obvious or intuitive it was to rapidly identify and describe your major processes that need rescuing from email chaos.

Sounds Easy, Because it is Easy

The reality is that the information you have written down in these seven steps is all that is needed to improve (not perfect) your business processes. The information captured is just enough to get a new improved process in place, without wasting time implementing a huge project based on false assumptions. This information should be the basis for any new workflow you try to improve, independent of the tool you choose to use.

Consected and the Seven Steps

The seven steps follow the same thought process that is used in the Consected online system to configure improved business processes that deliver work to users. Consected is unique in the way that it allows you to configure these seven steps directly, to get your processes up and running immediately. With this minimal information, you and your trusted employees can configure secure, online, automated business processes that are available for use by your workers as soon as you hit 'Go'. Simple, step-by-step 'wizards' ask you questions about your seven steps, provide examples to help you, and use your entries to set up a new automated workflow service.

An added benefit of Consected is that its use is not limited to just your internal employees (unless you want it to be). Unlike software deployed in your server room, you can configure the Consected service to be made available to external users as well, such as agents, clients, remote employees and job applicants. This ensures that external users can easily become part of your automated processes, avoiding complex and untraceable hand-offs of work between your employees and the external contributors to the processes. Most importantly, you retain control of who sees what, so your private data is always secure.

With Consected the aim is to simplify the configuration of your processes around the seven steps. Since business improvement benefits from ongoing refinement, Consected does not limit you to these seven steps. Enhancing your workflows based on information and experience is essential, using what you have learned from your processes running in practice. With Consected, you get some unique tools to see what is actually happening in a particular process, so that you can tweak the configurations to tighten up the workflow or make it more flexible, subsequently making it easier to use. This is fast, so your teams can rapidly respond to changes in the requirements of the business, without distracting you from the other workflows you are already improving.

What you can Expect with Consected

1. Configure and run improved business process services in just seven steps
2. Gain efficiency, mitigate risks and run processes better than your competitors
3. Make huge savings compared to investing in traditional process management software

What Now?

To see the value of using the right tool for your process improvement needs, set us a challenge to configure one of your top five processes right in front of your eyes: contact us at info@consected.com to see for yourself.