

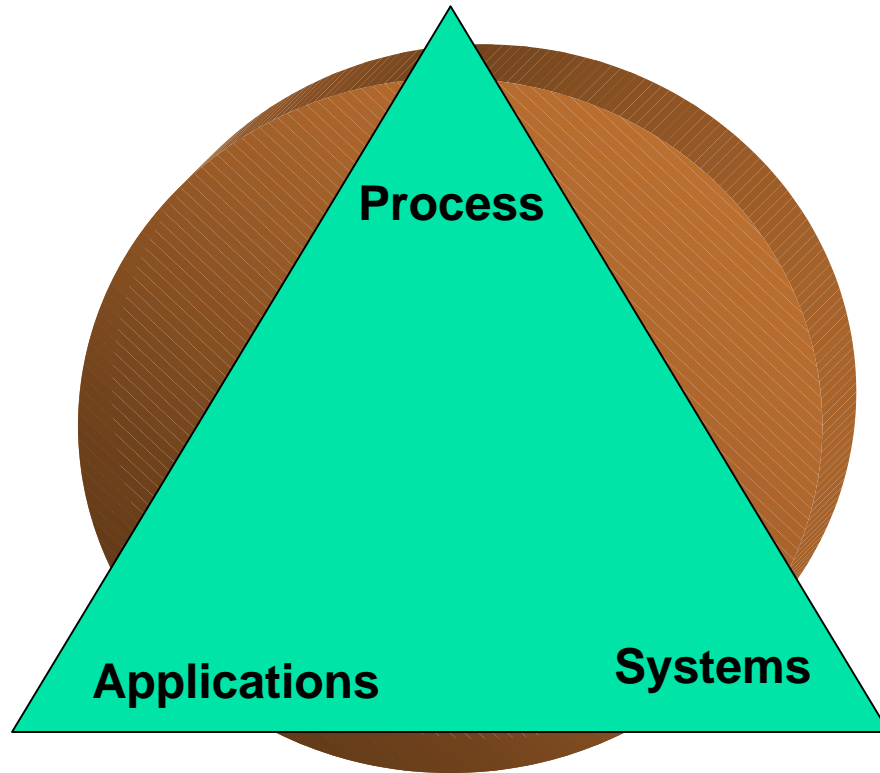
BPM Think Tank Europe 2008

Culture – The forgotten variable A Case Study

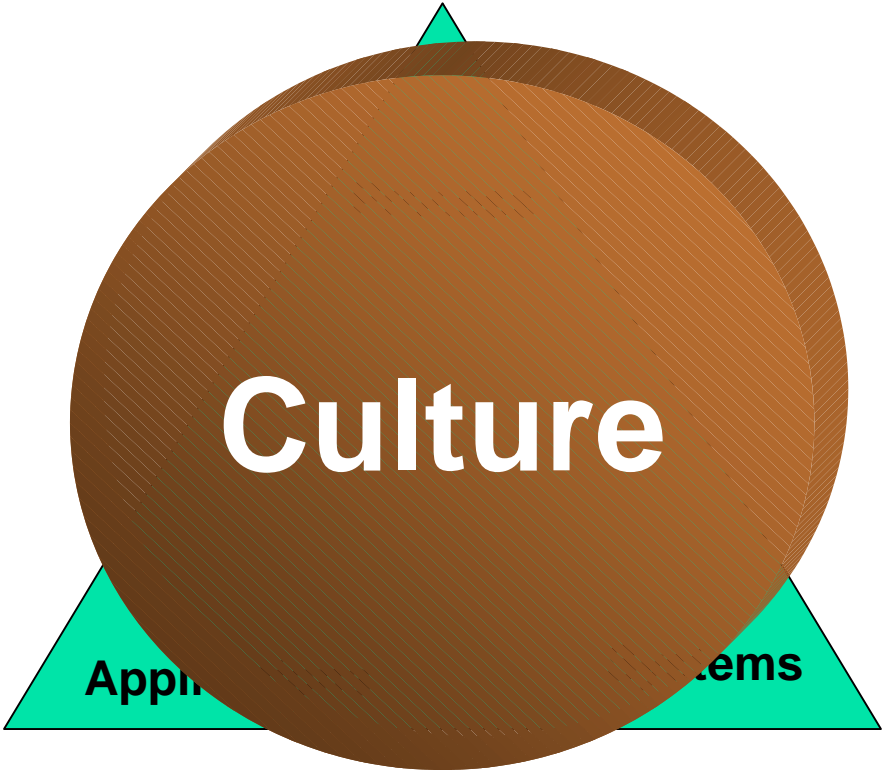
David Broadbent – Business Process Consultant
Parity Solutions
Date: 11th November 2008.



Elements Involved in Change



Elements Involved in Change



People

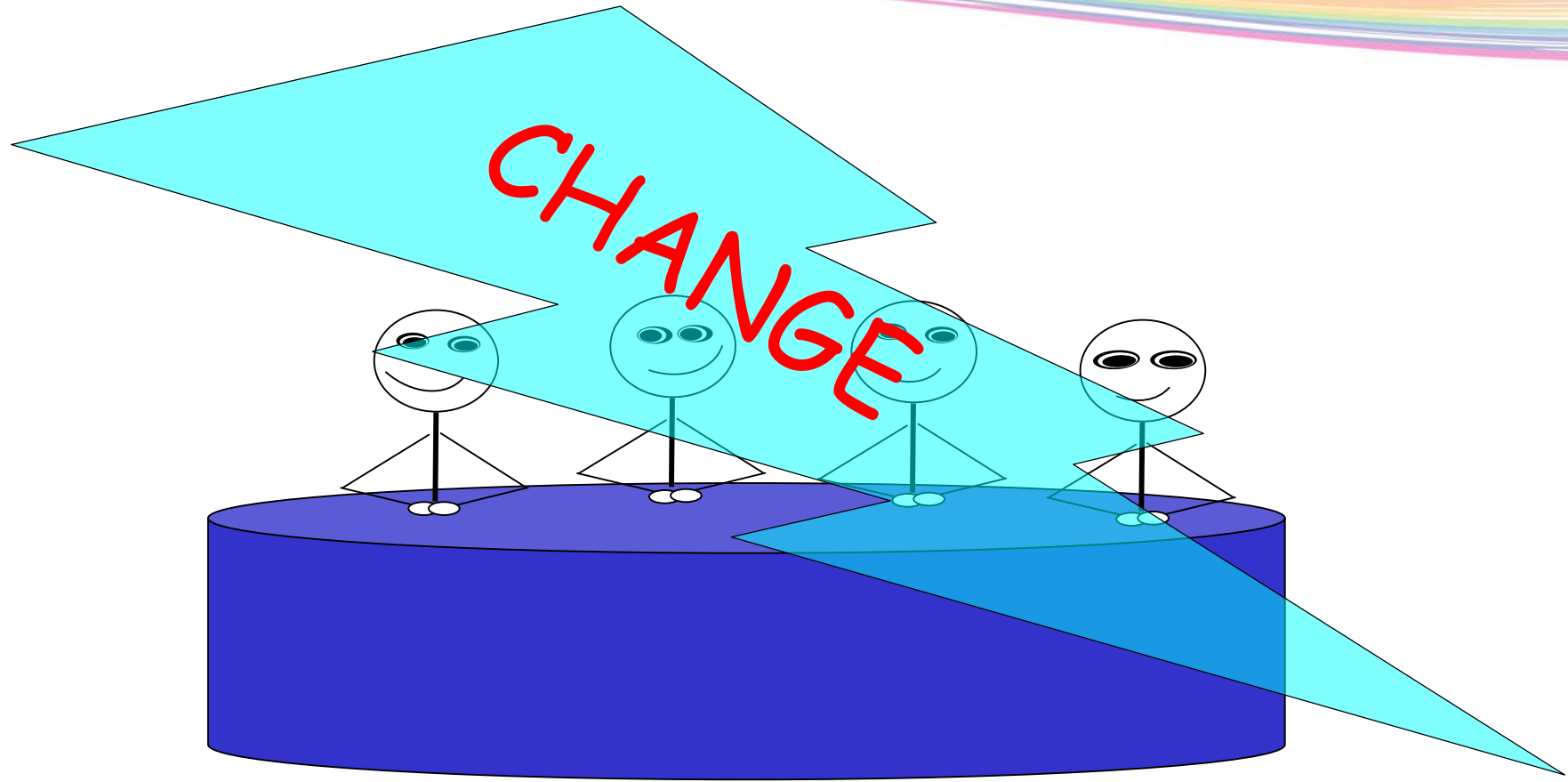


People Fear Change

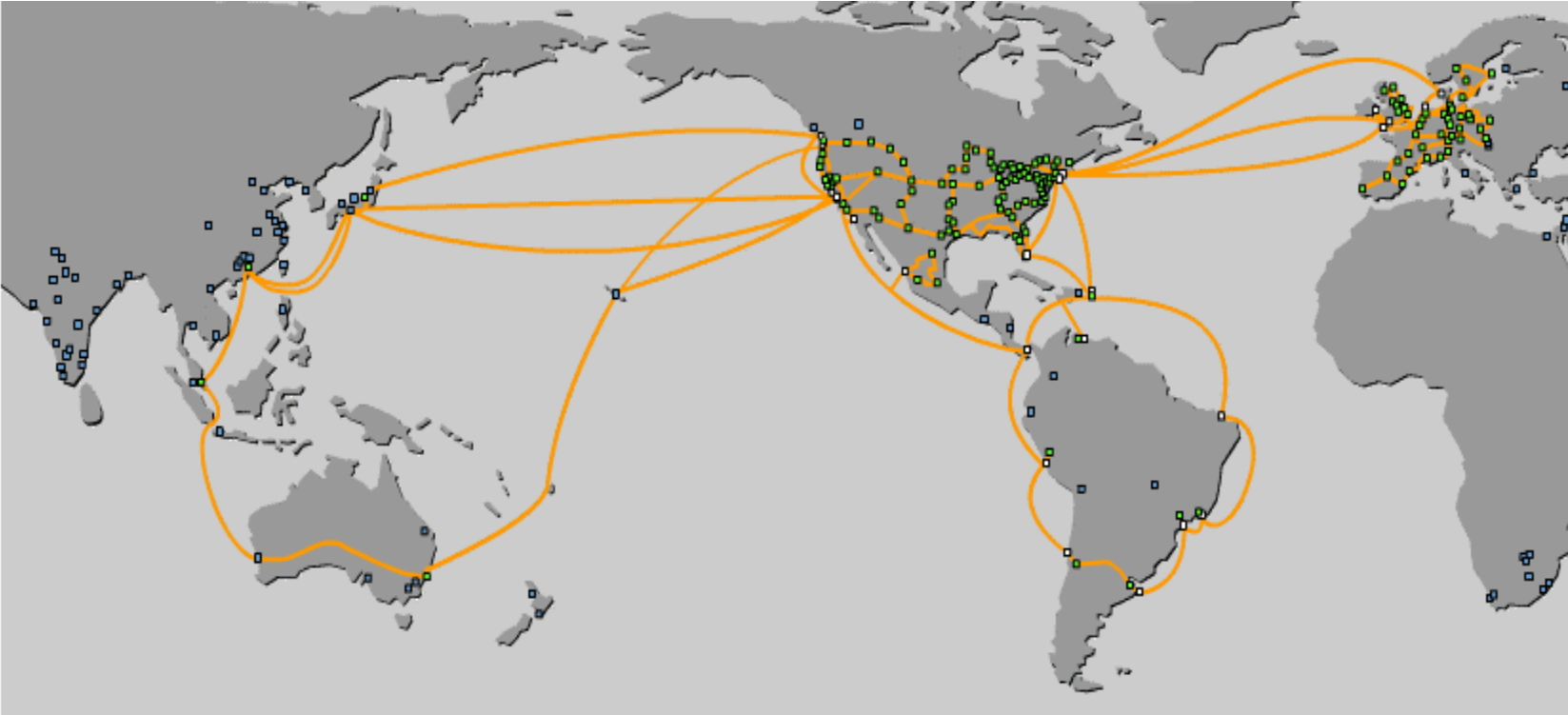


People Fear the unknown

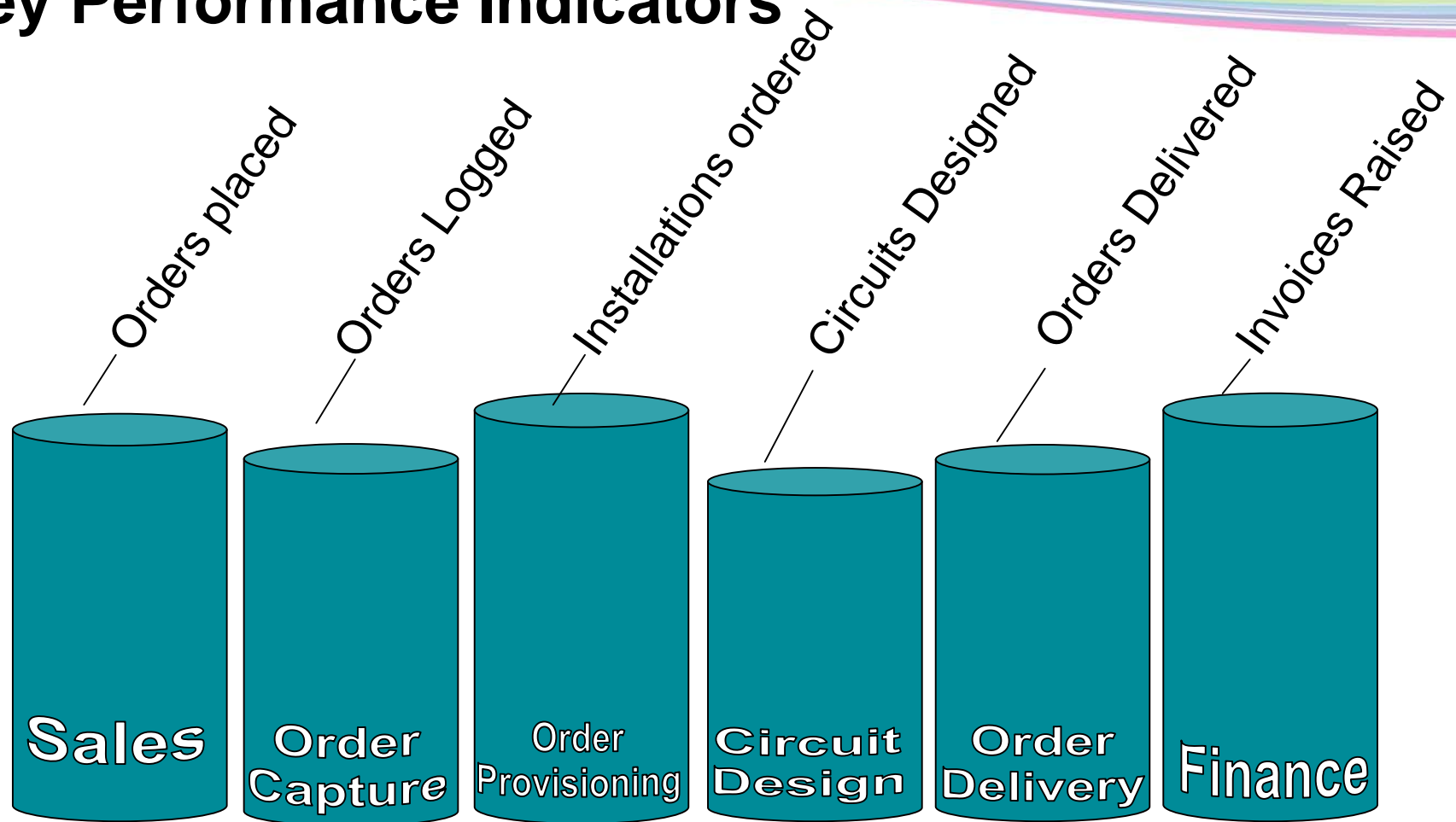




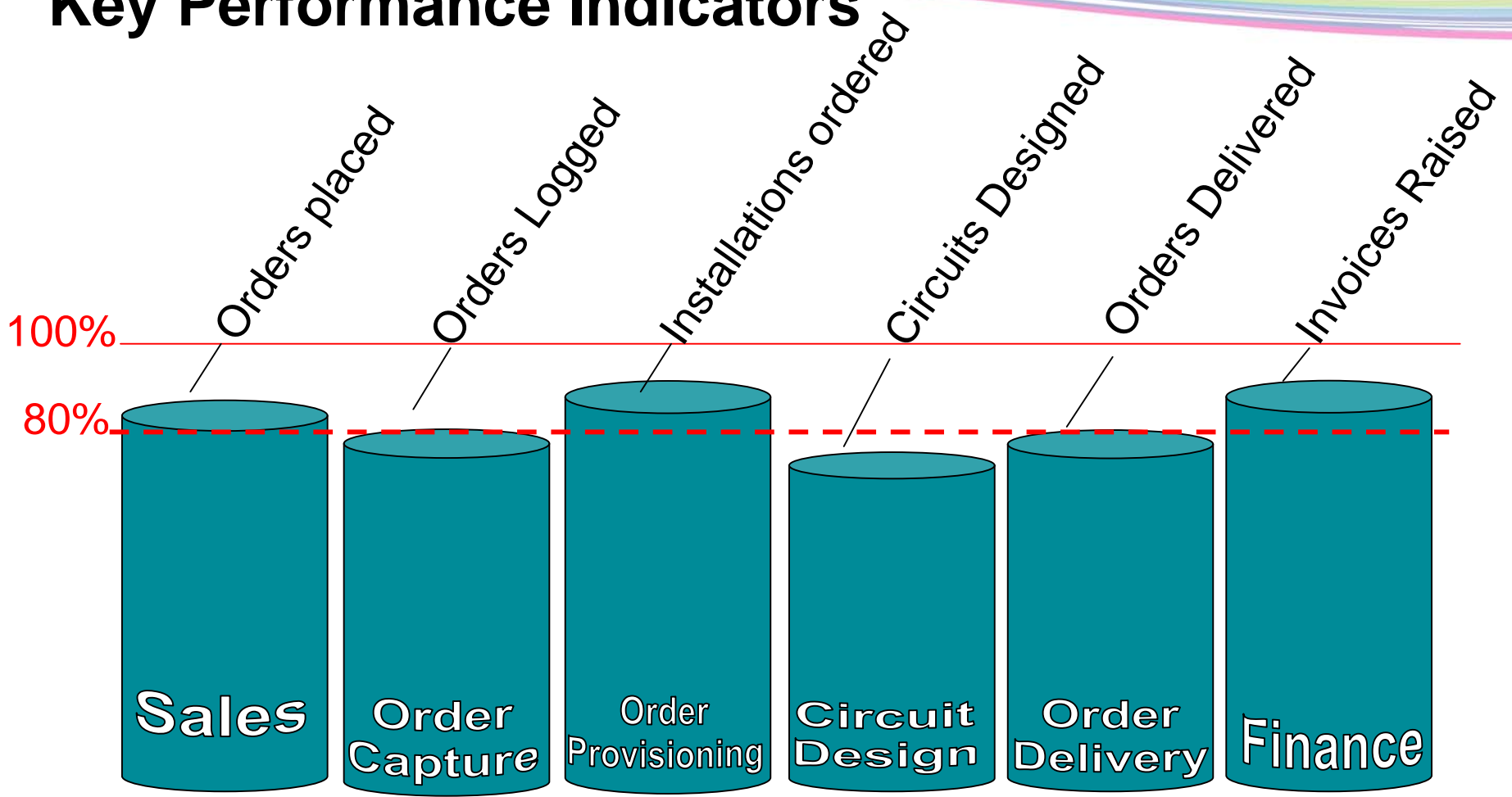
Teleco. Global Network – Year 2000



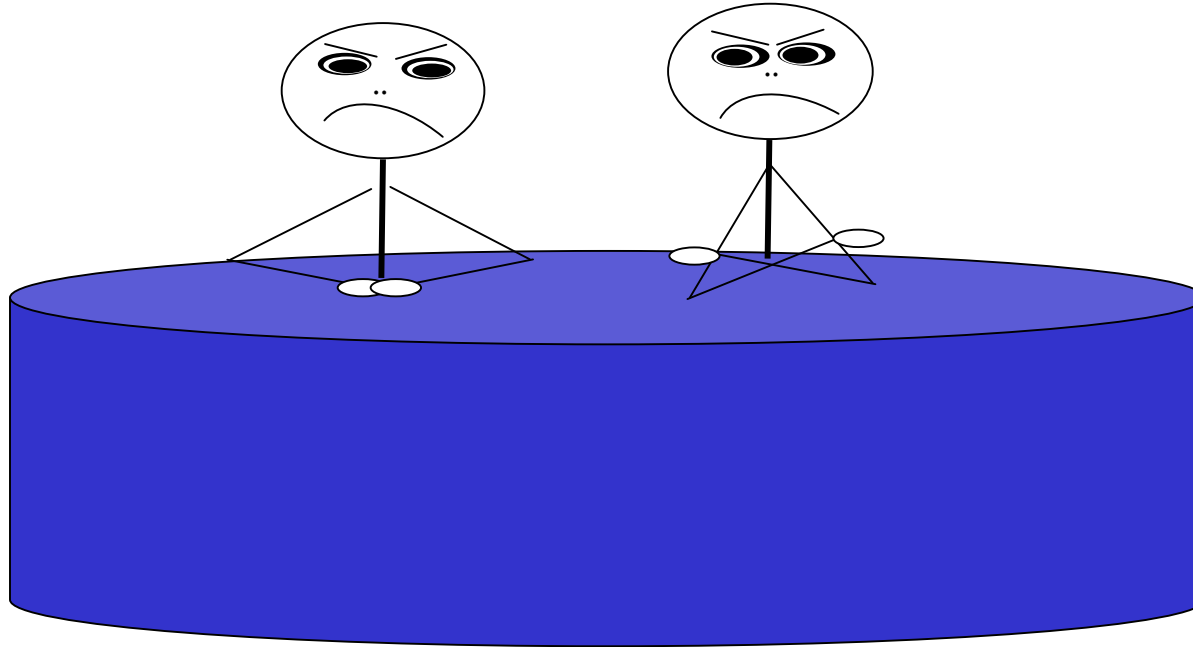
Key Performance Indicators

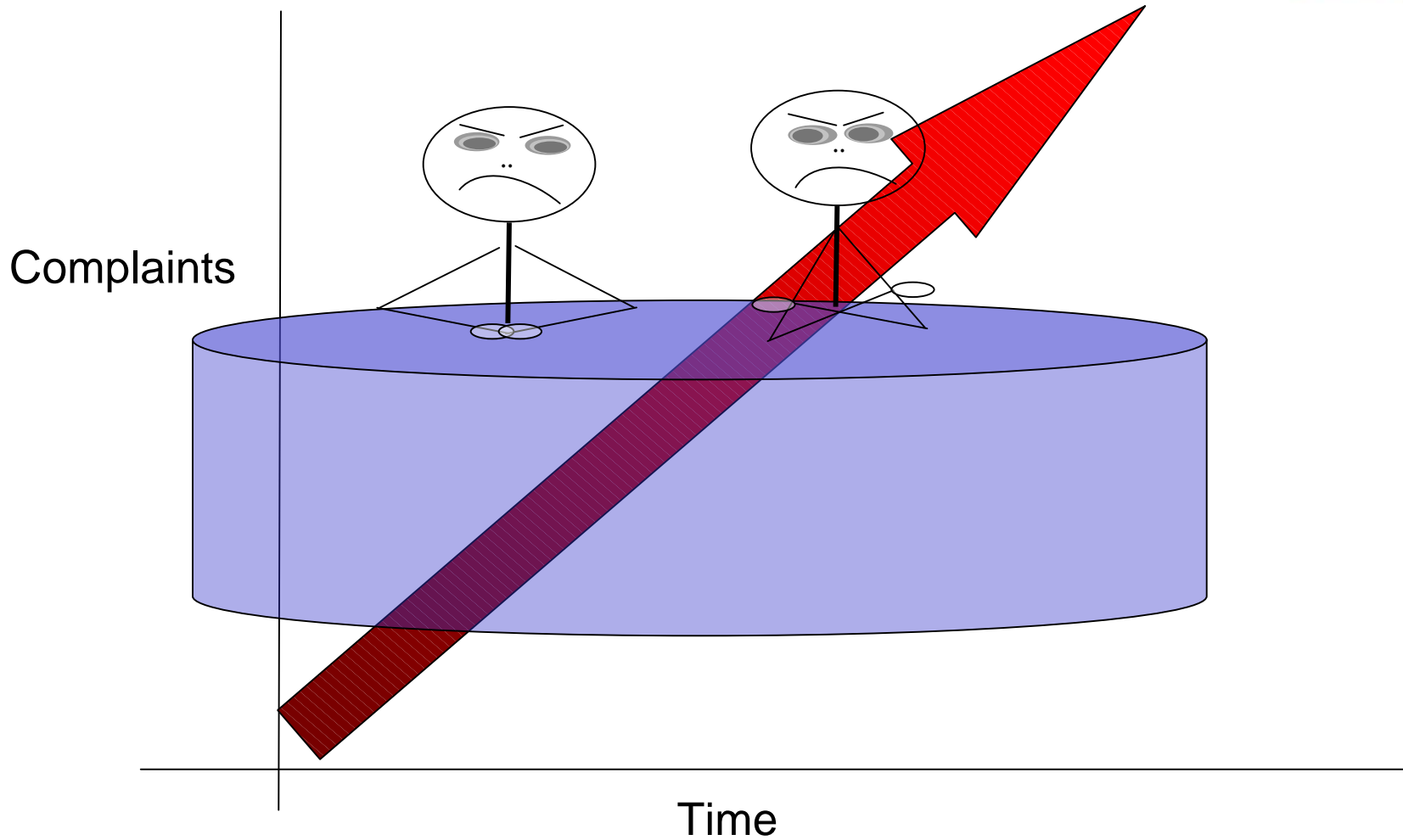


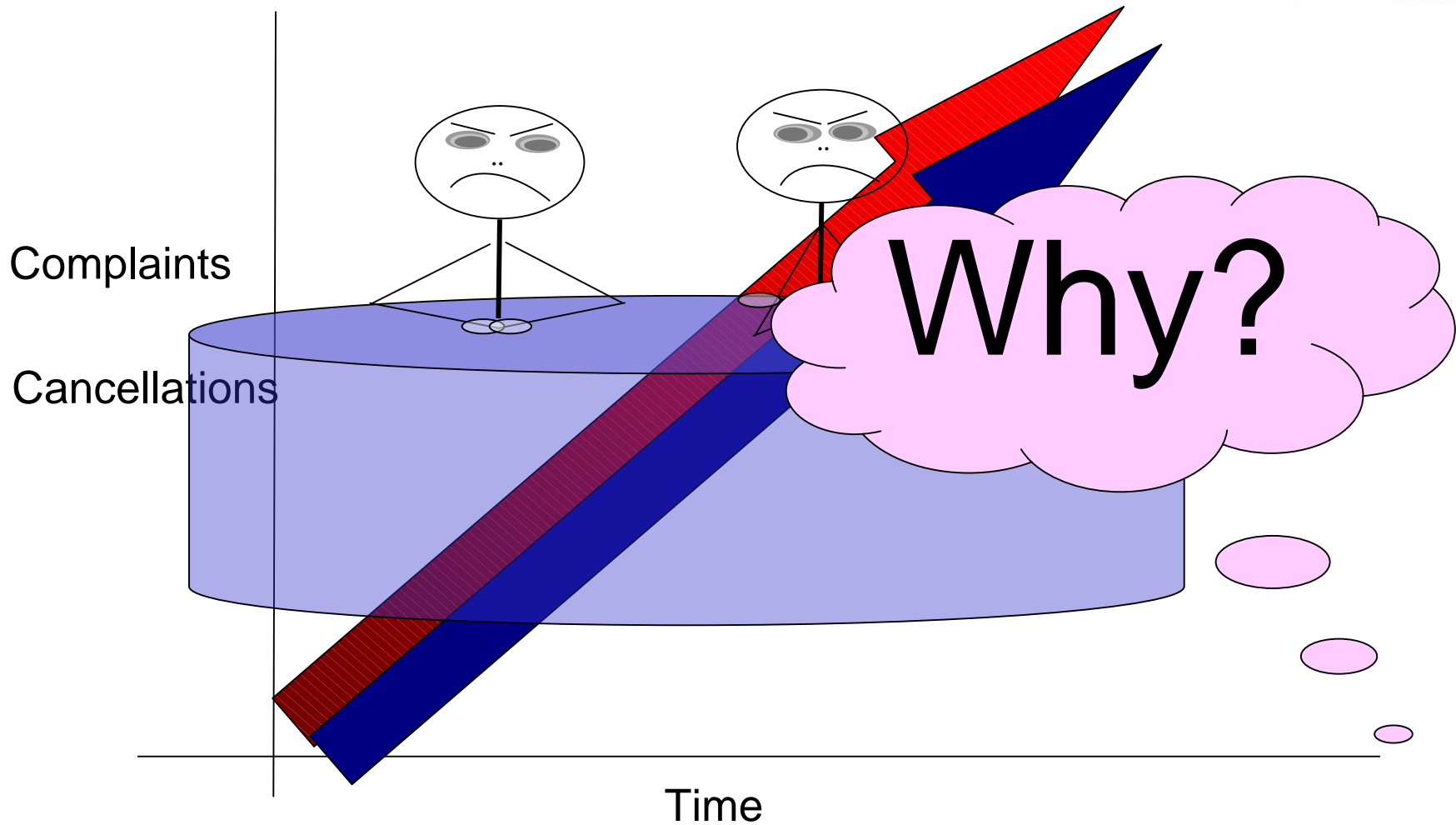
Key Performance Indicators



Customers not happy







Circuit Provision

- On Net Services Delivered in 30 Days
- Off Net Services Delivered in 60 Days
- No Net Services Delivered in 90 Days



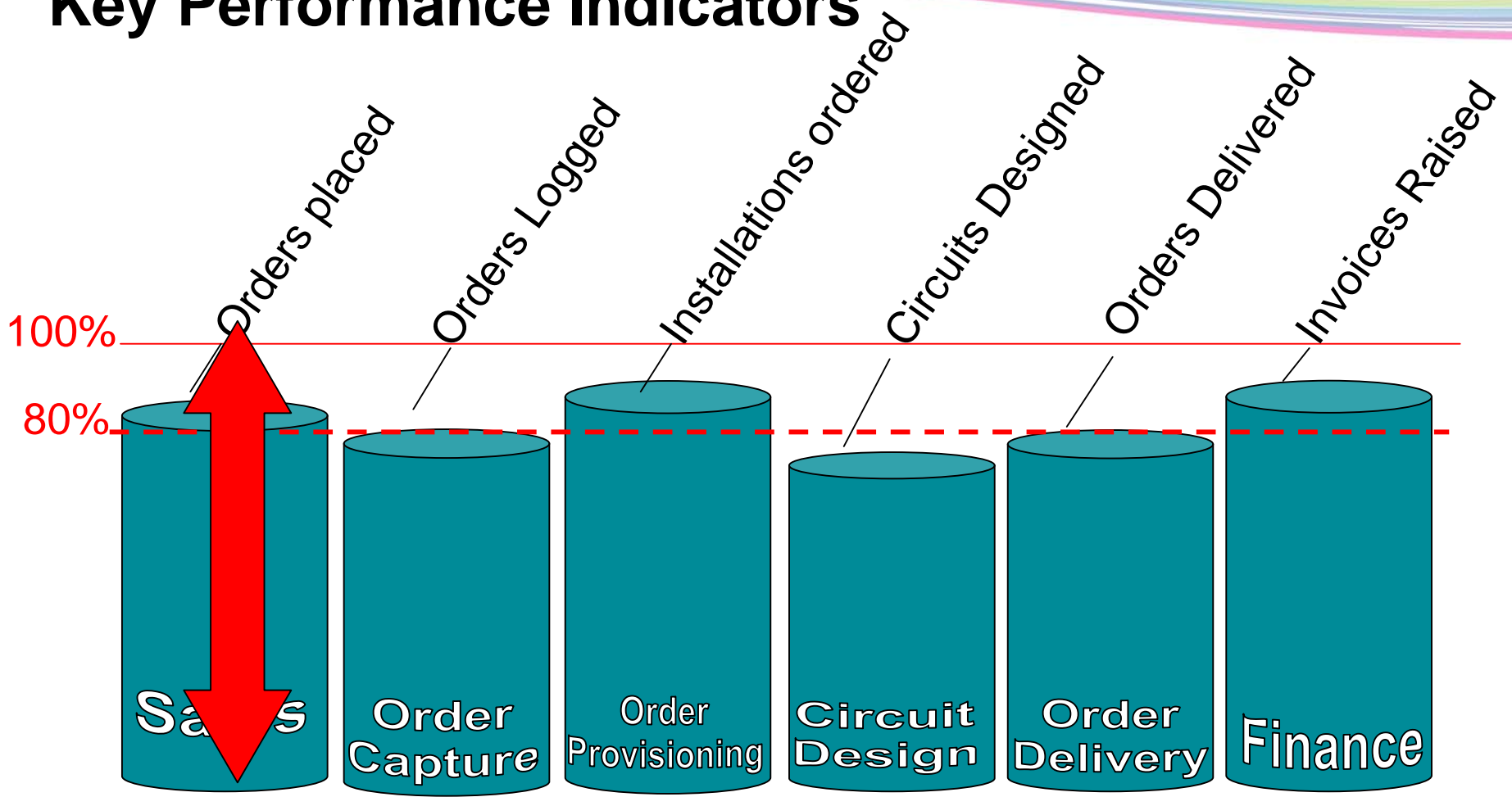
Circuit Provision – November

- On Net Orders taken in October (90)
- Off Net Orders taken in October (90)
- No Net Orders taken in August (90)
- **Only 12% of Orders Met Expectation**

Metrics?



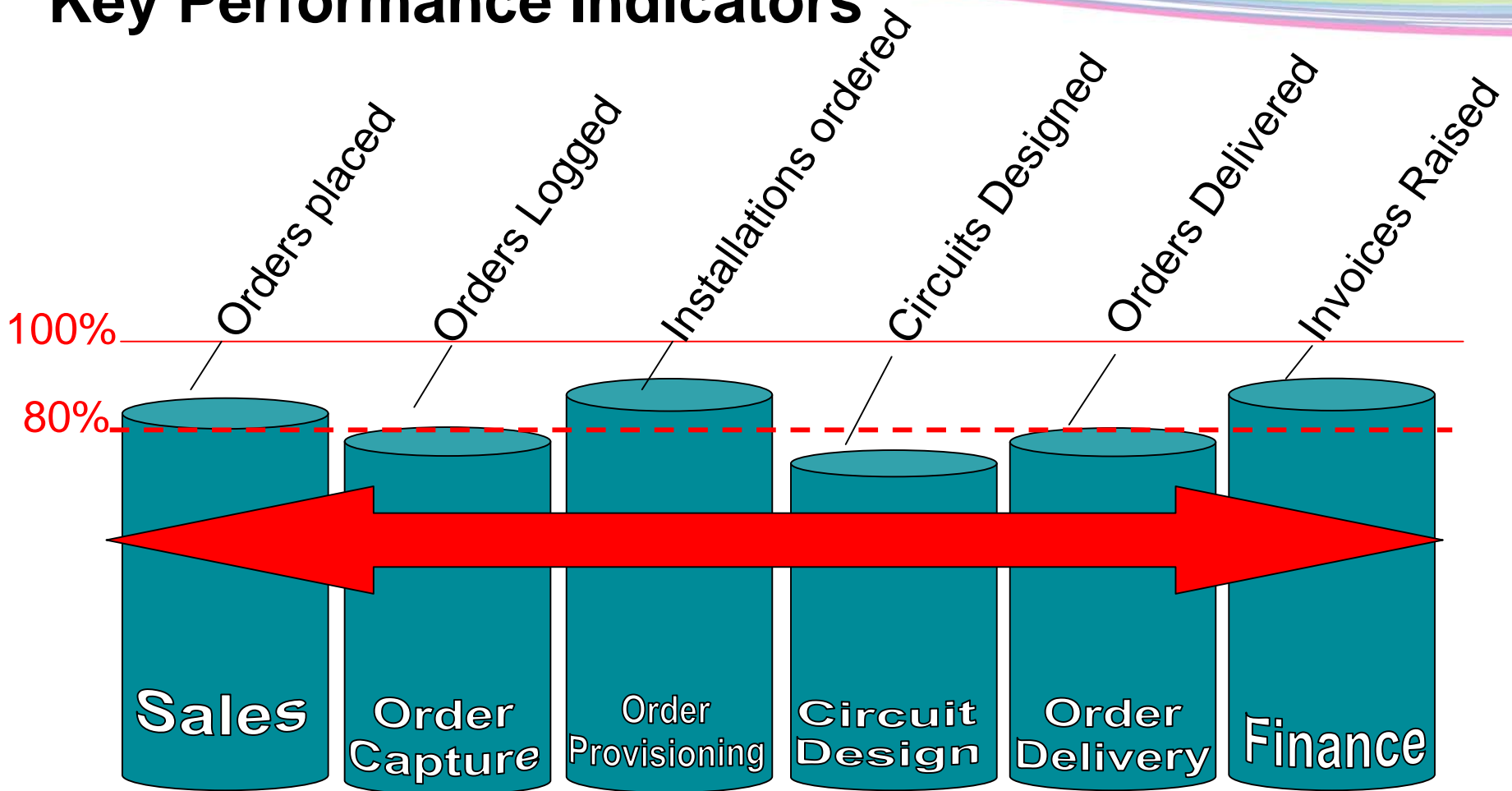
Key Performance Indicators



All metrics vertical within silos



Key Performance Indicators



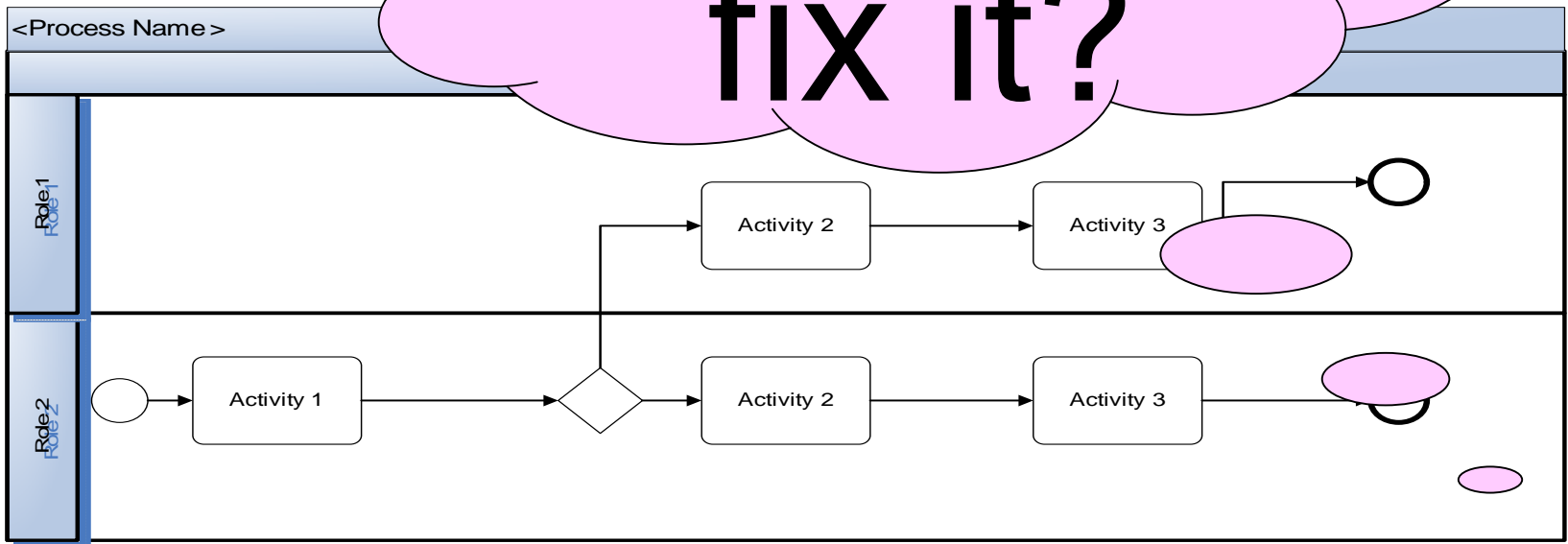
No end to end cross functional metrics



The Problem?

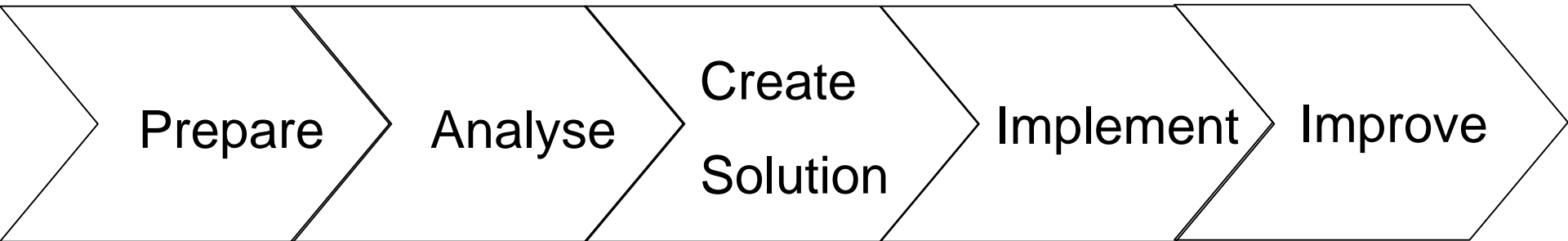
They didn't understand.

How to fix it?

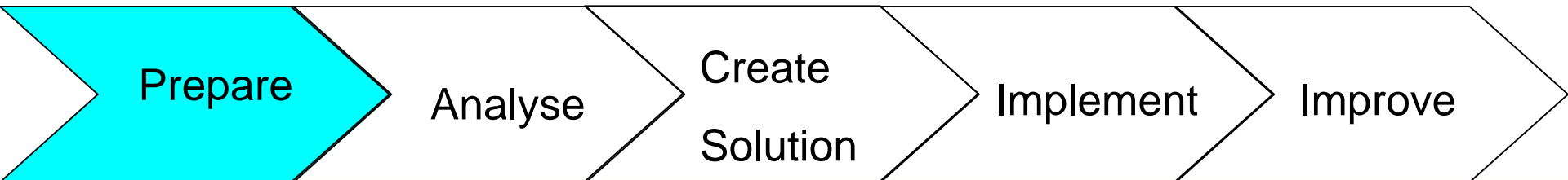
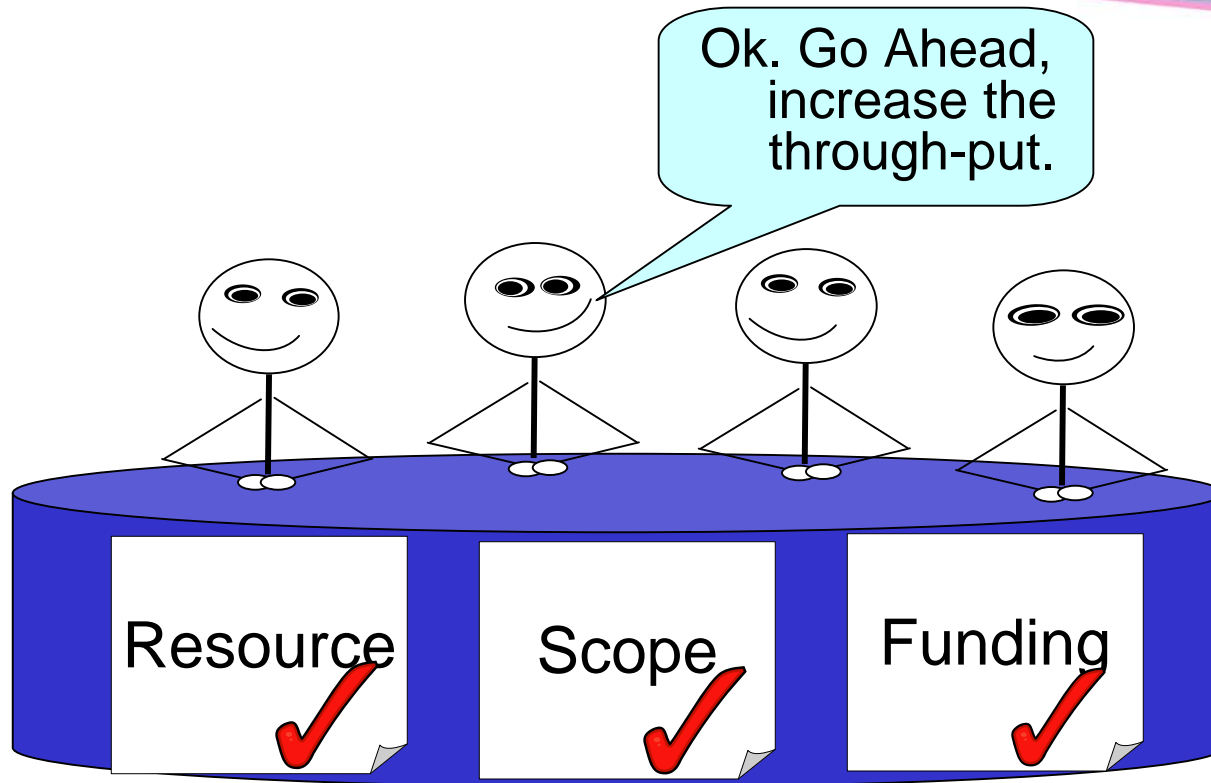


The Approach

Best of Breed paper - Muthu, Whitman & Cheraghi. Wichita State University 1999

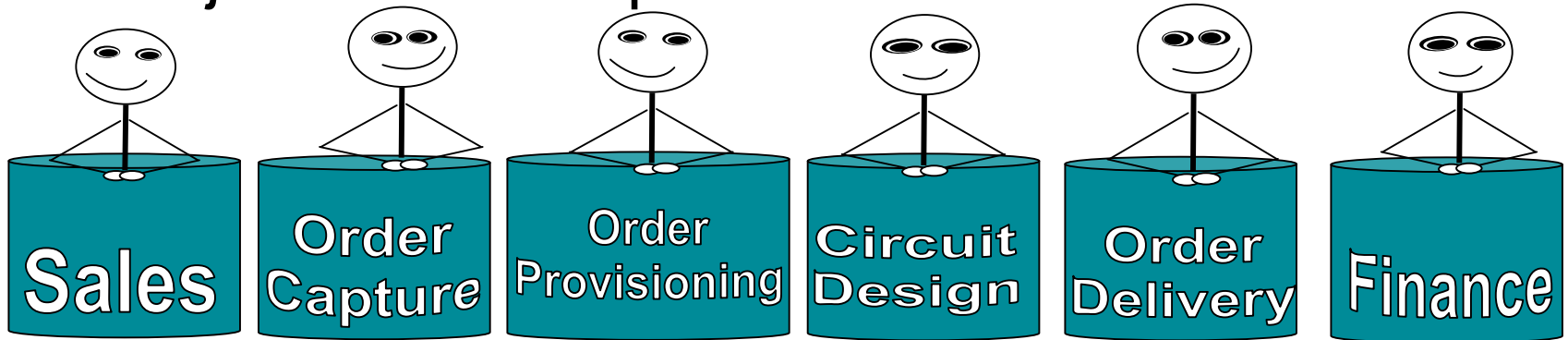


Gaining Senior Management Buy-in

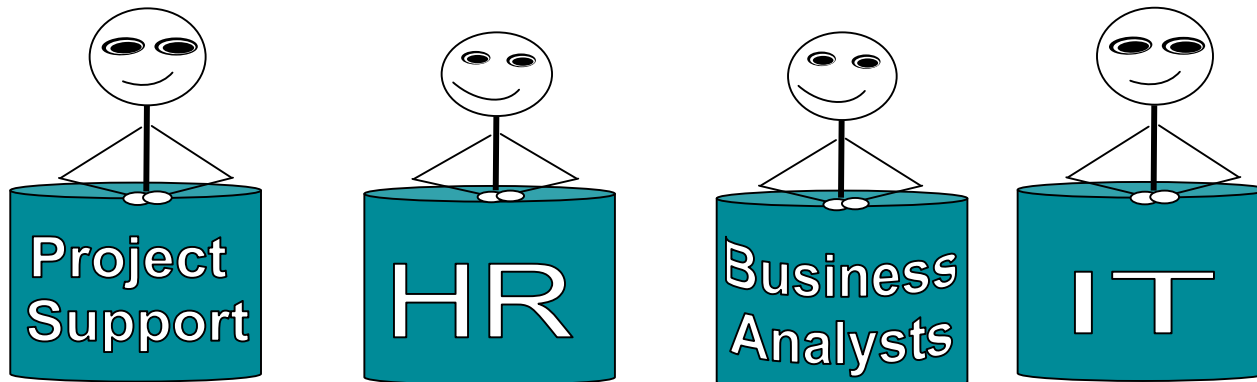


Assembling the team

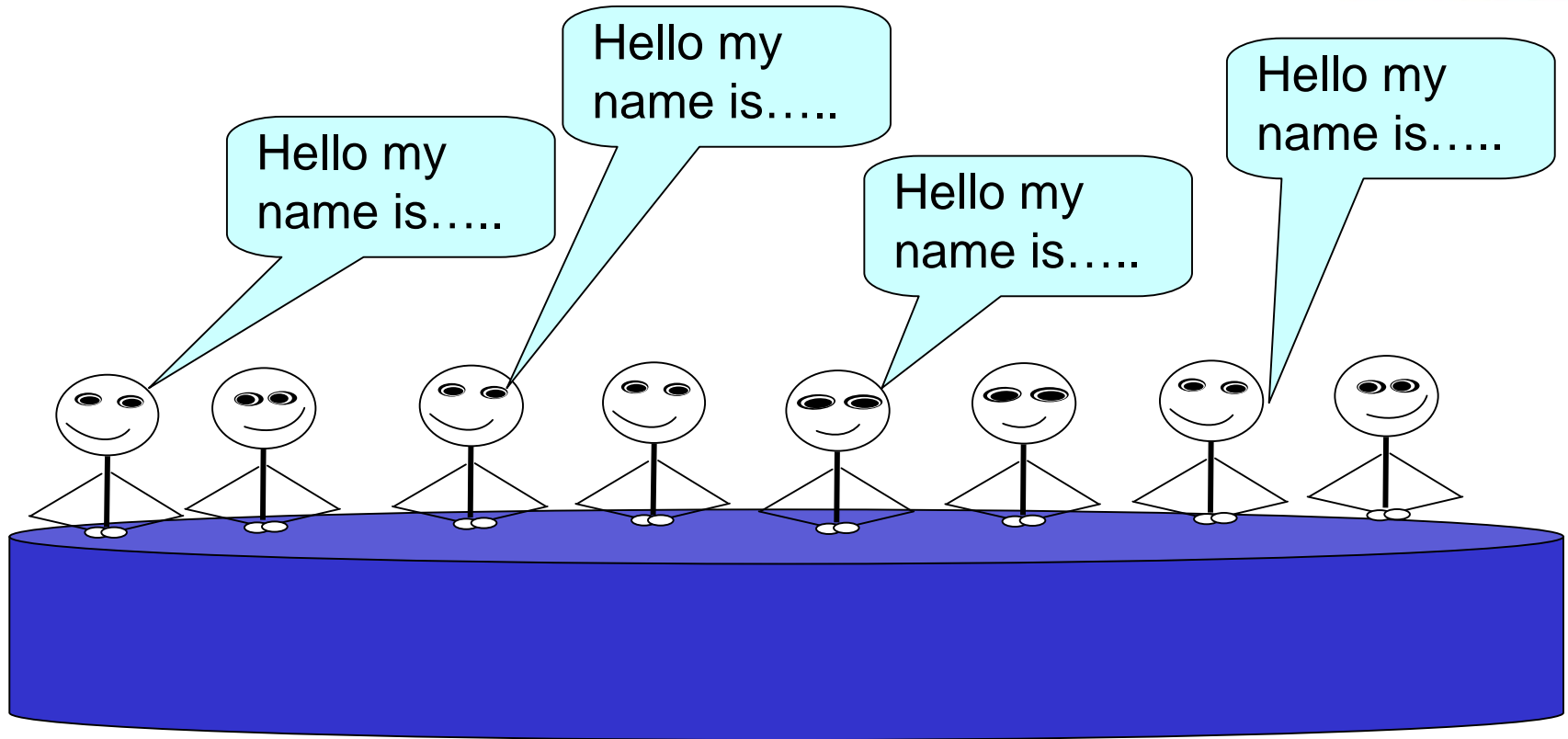
Subject Matter Experts



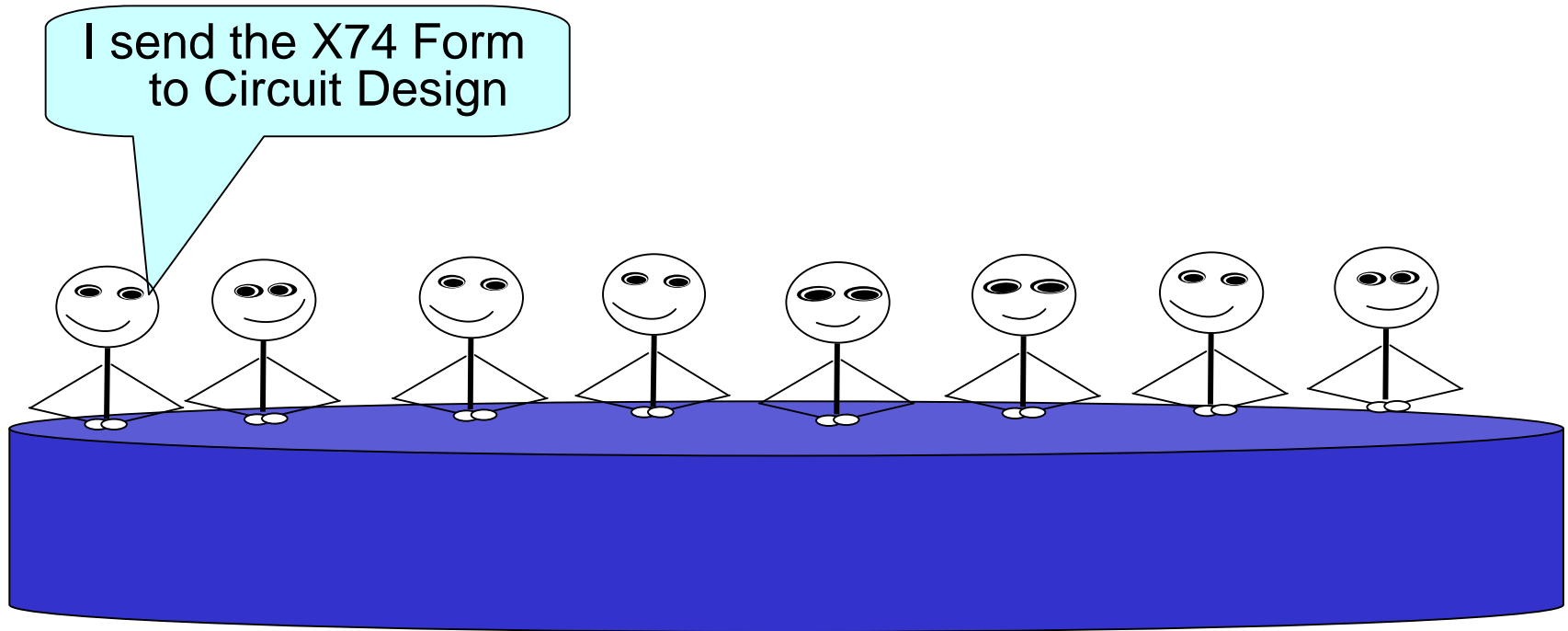
Support Experts



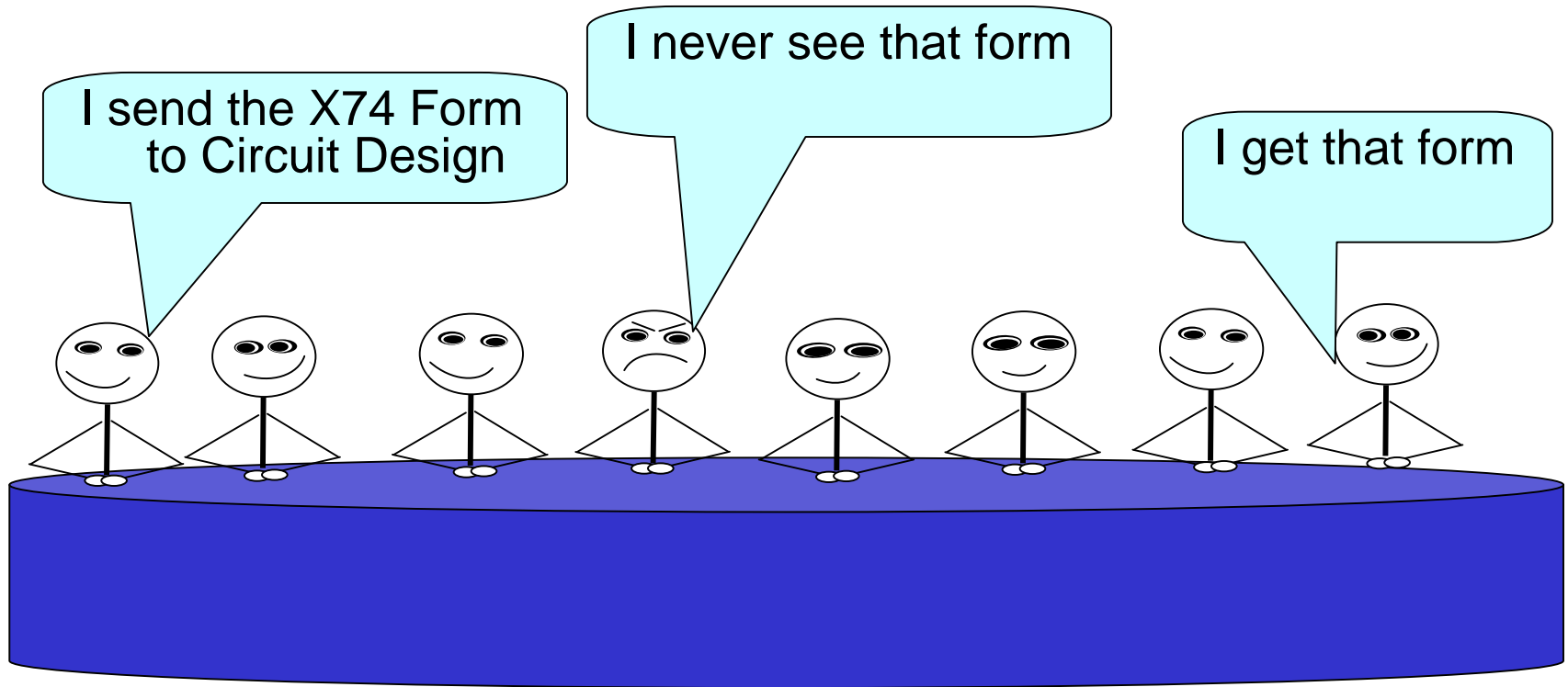
First Meeting



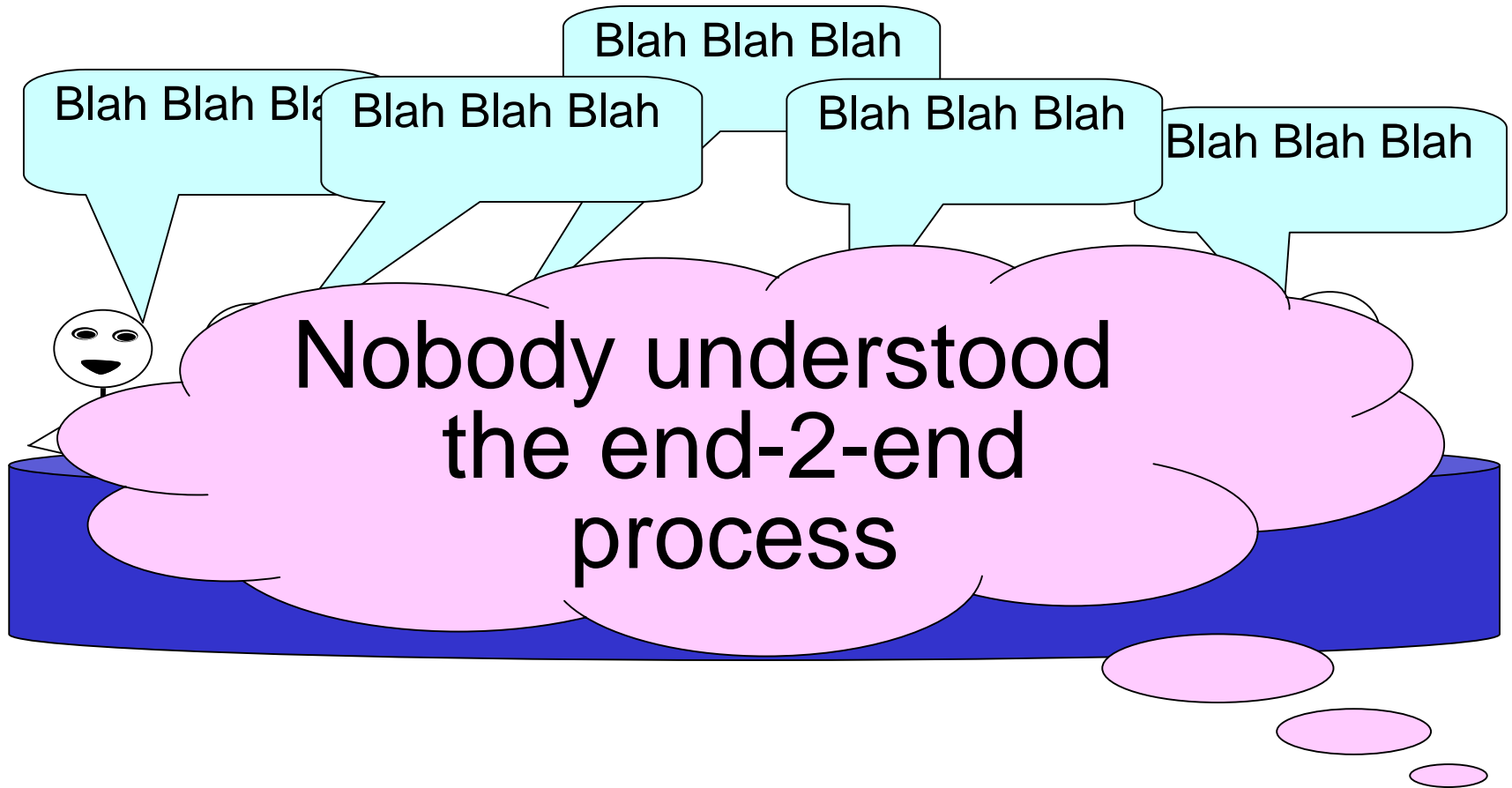
High Level Mapping



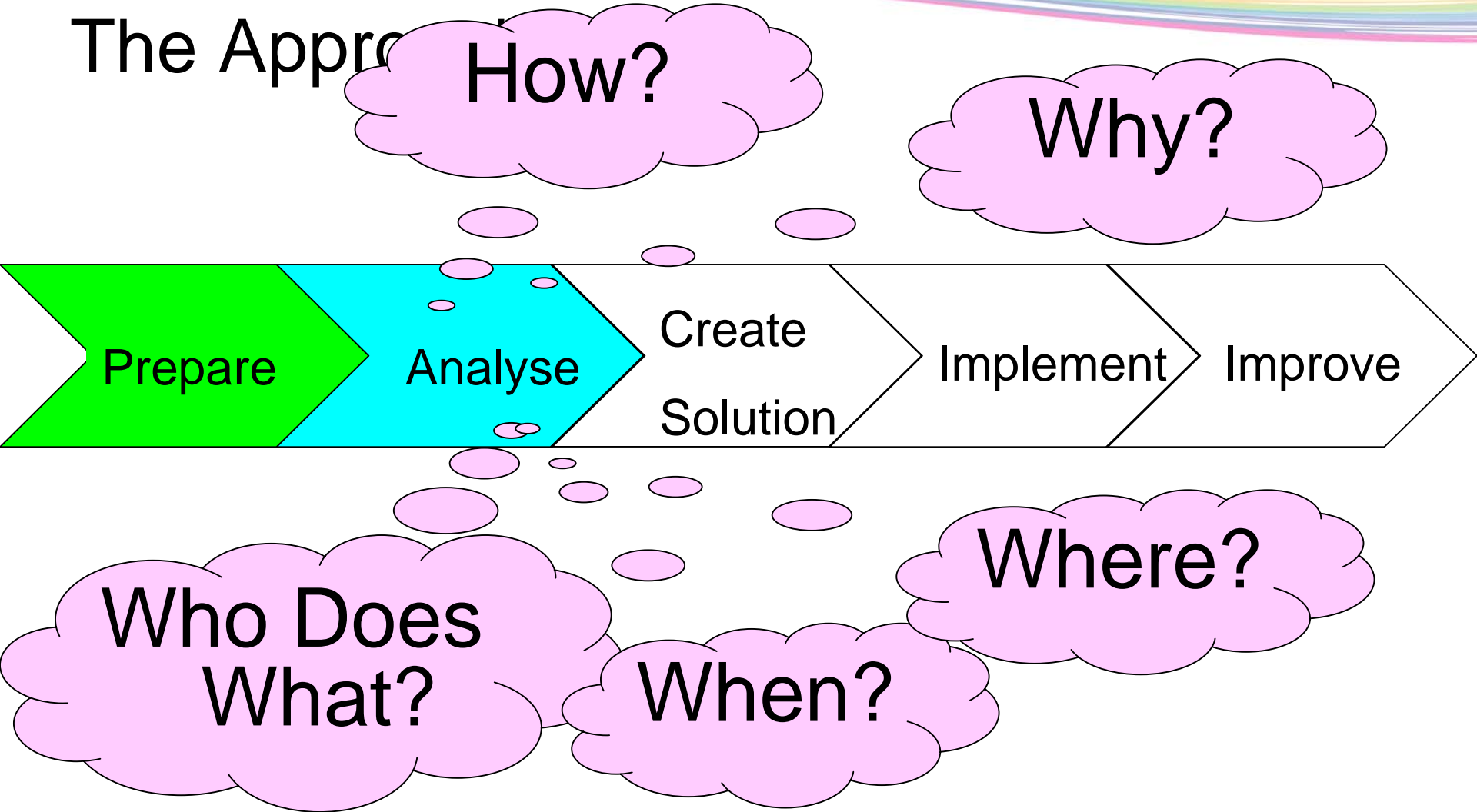
High Level Mapping



High Level Mapping



The Approach



Process Levels of Detail

- Level 1 – Business Lifecycle Hierarchy Level
- Level 2 – Departmental Process Level
- Level 3 – Role Process Level
- Level 4 – Functional Dynamic Level



Process Level 1

Level 1 – Business Lifecycle Hierarchy (WHY)

This will include:

- The high level business lifecycle
- Business goals & strategies
- Process Owners
- KPIs and Reporting at Operational / Analytical / Exception levels



Process Level 2

Level 2 – Operational Departmental Processes (WHERE – Locations) this includes:

- Departmental areas where the lifecycle takes place
- Deliverables & Dependencies
- Stakeholders
- KPIs and Reporting in terms of Frequency and Distribution



Process Level 3

Level 3 – Role Processes (WHO - DOES – WHAT – WHEN – WHERE – in the process) this includes:

- Defined Roles (Grades / Authority etc)
- Workflow Objects
- Process Timings [inc wait time]
- Business Governance
- Data Element Definitions



Process Level 4

Level 4 – Functional Dynamic (HOW) this includes:

- Applications used
- Systems used
- Screen shots
- Data entry with error codes
- Skills requirements of user
- Security clearance of users
- Authority to approve transactional activities
- Form ownership



Sales

Order Capture

Analysis

80

70 Order Provisioning

50

Circuit design

Order delivery

55

Finance

15

45

Why?

Pipeline of Orders per week

15

45

55

50

70

80

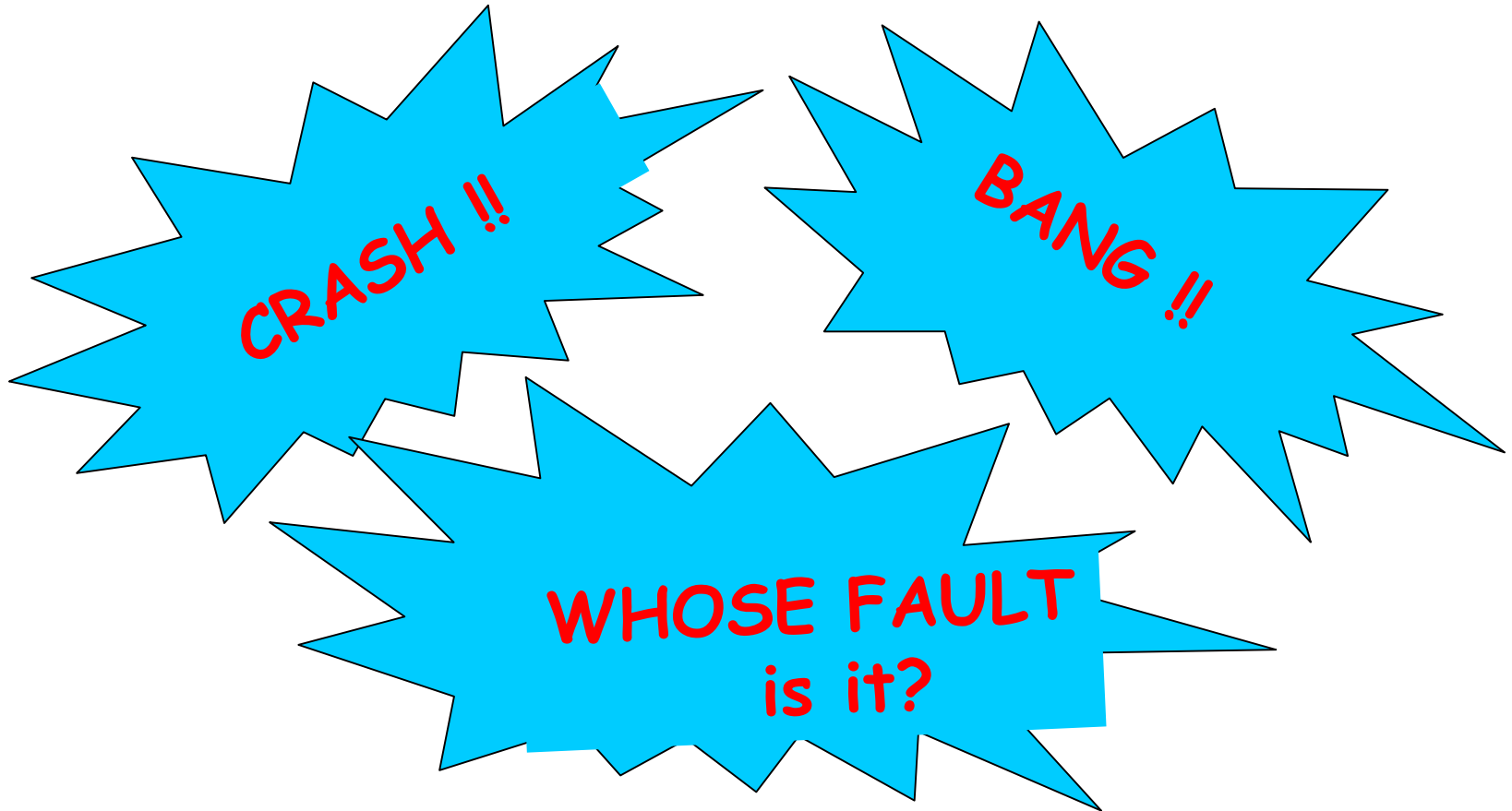


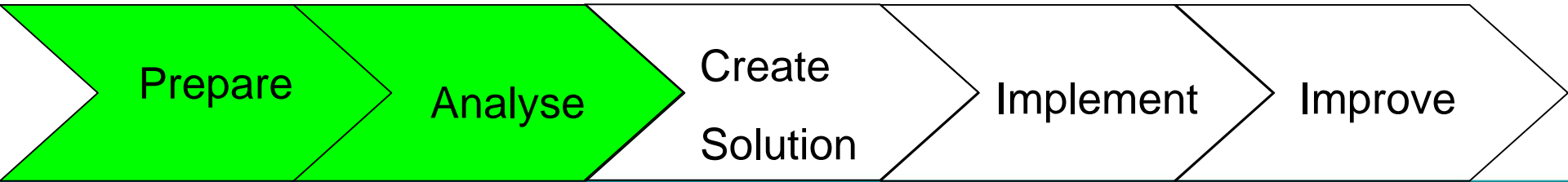
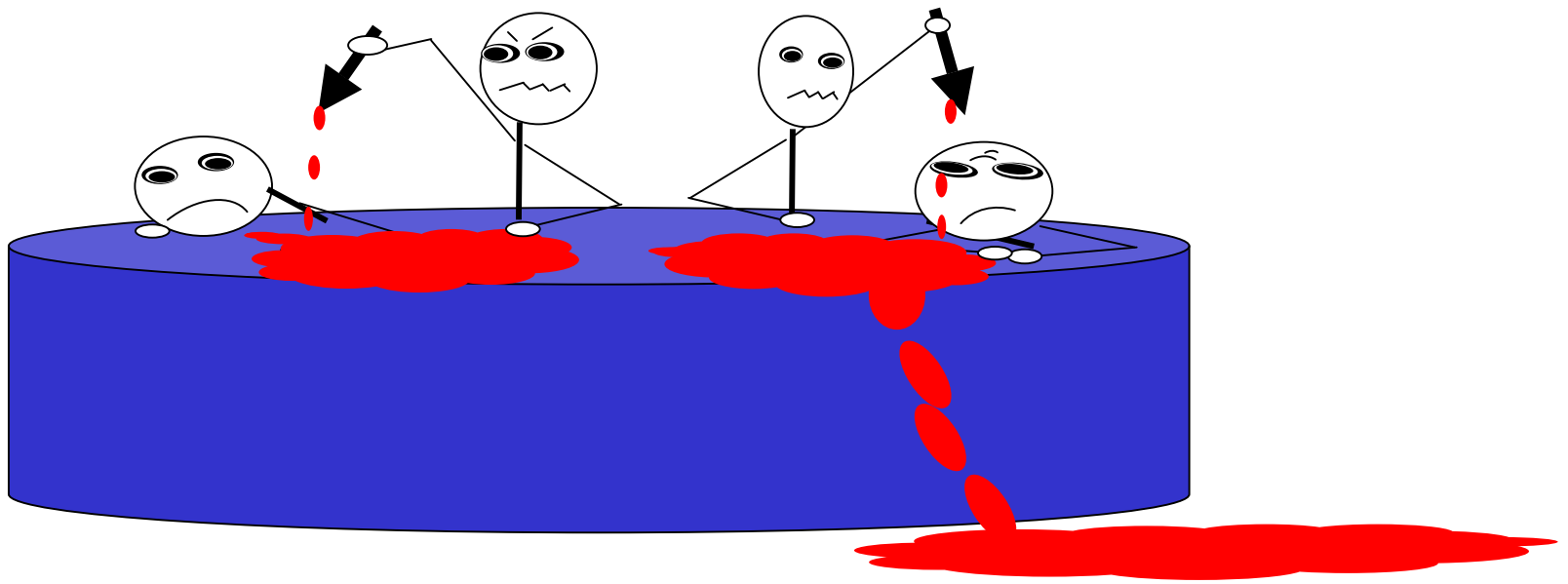
Constraint Analysis

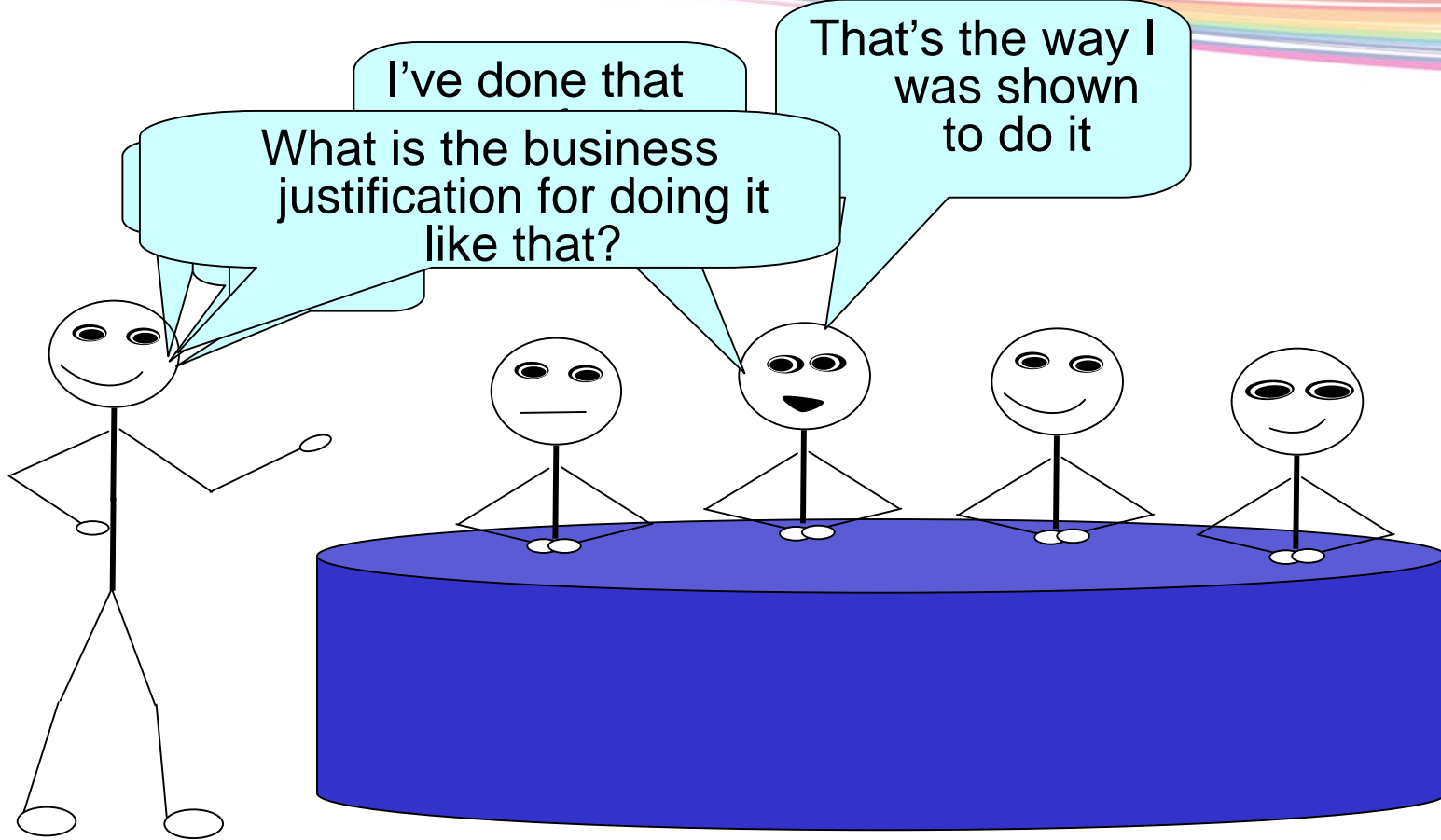
- 4 x Design Engineers using 2 x PCs due to an IT purchase ban to save money
- Circuit Design were getting 25 pieces of info, of which only 6 were relevant and they needed an additional 14 pieces of information to design a circuit
- Sales bonus point was at 'Order placed'
- Sales did not always provide all the information required
- Forms arrived as paper print outs and faxes so had to be re-typed leading to typing errors

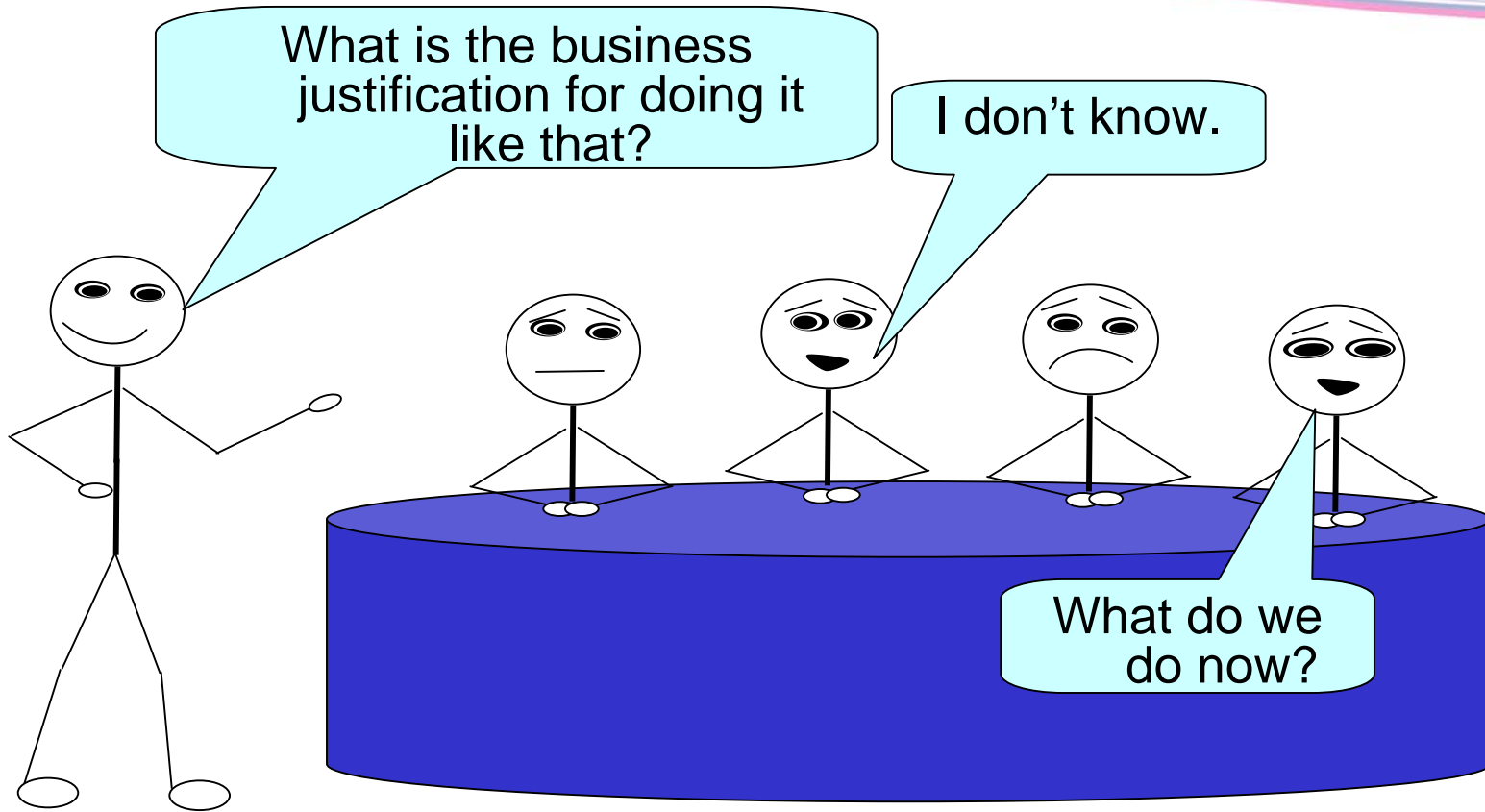


~The Fighting Started ~









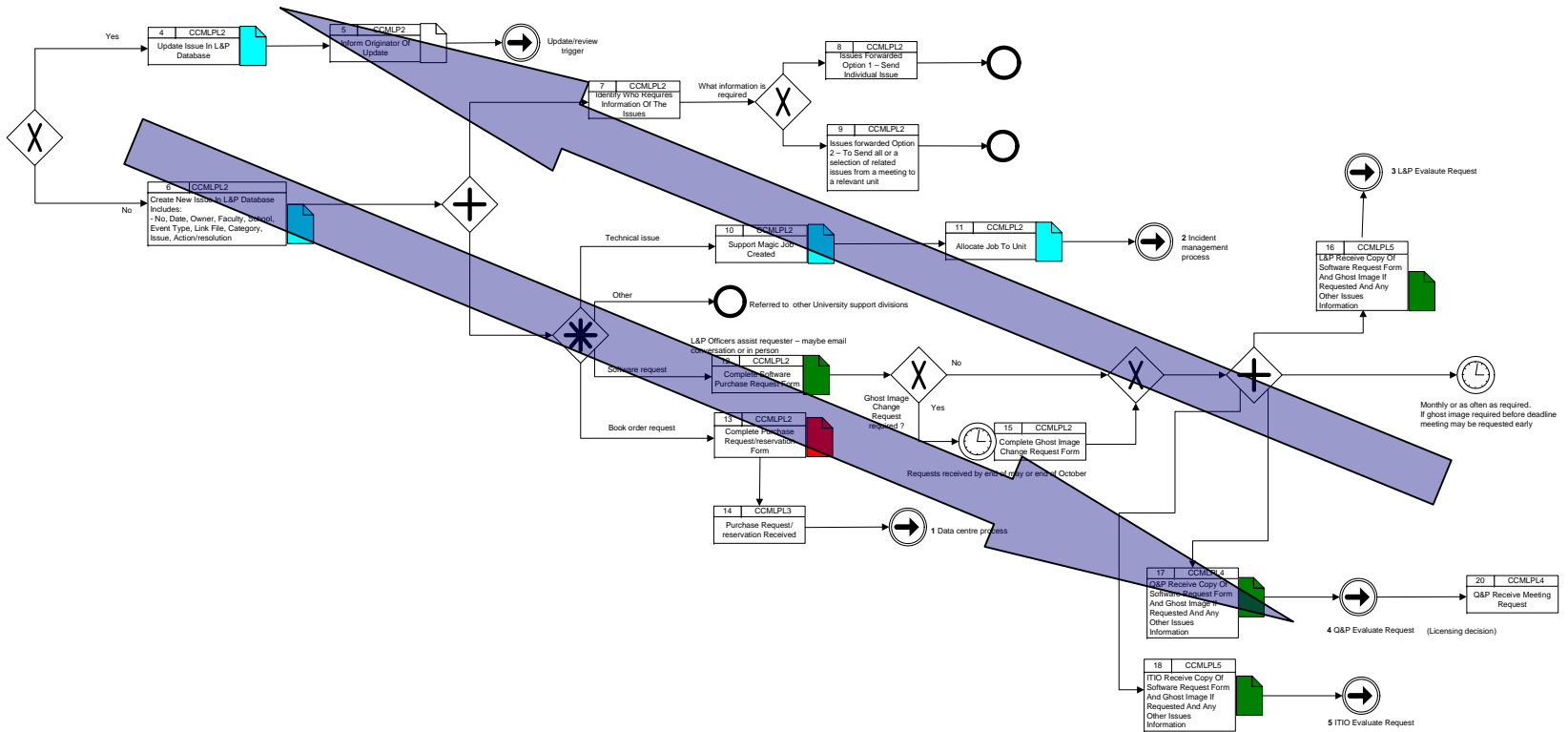
Ready to Change?

The significant problems we face cannot be solved at the same level of thinking we were at when we created them

Albert Einstein



Process Requirements



New Identity

Team Named

Project Named





Change Champions



New Identity

Team Named ***Change Champions***

Project Named



M.O.R.S.E

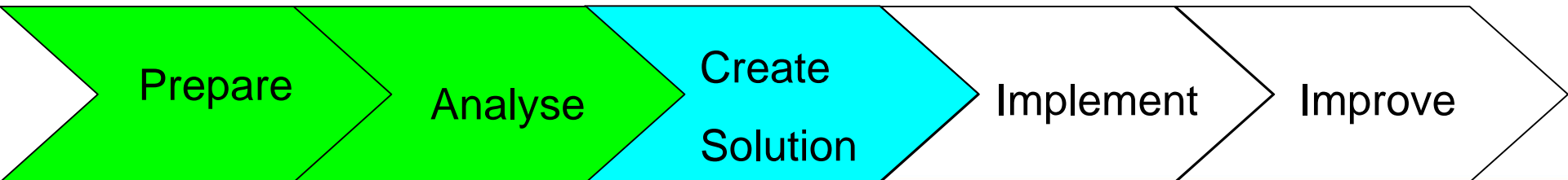
Meeting Our customerS Expectations

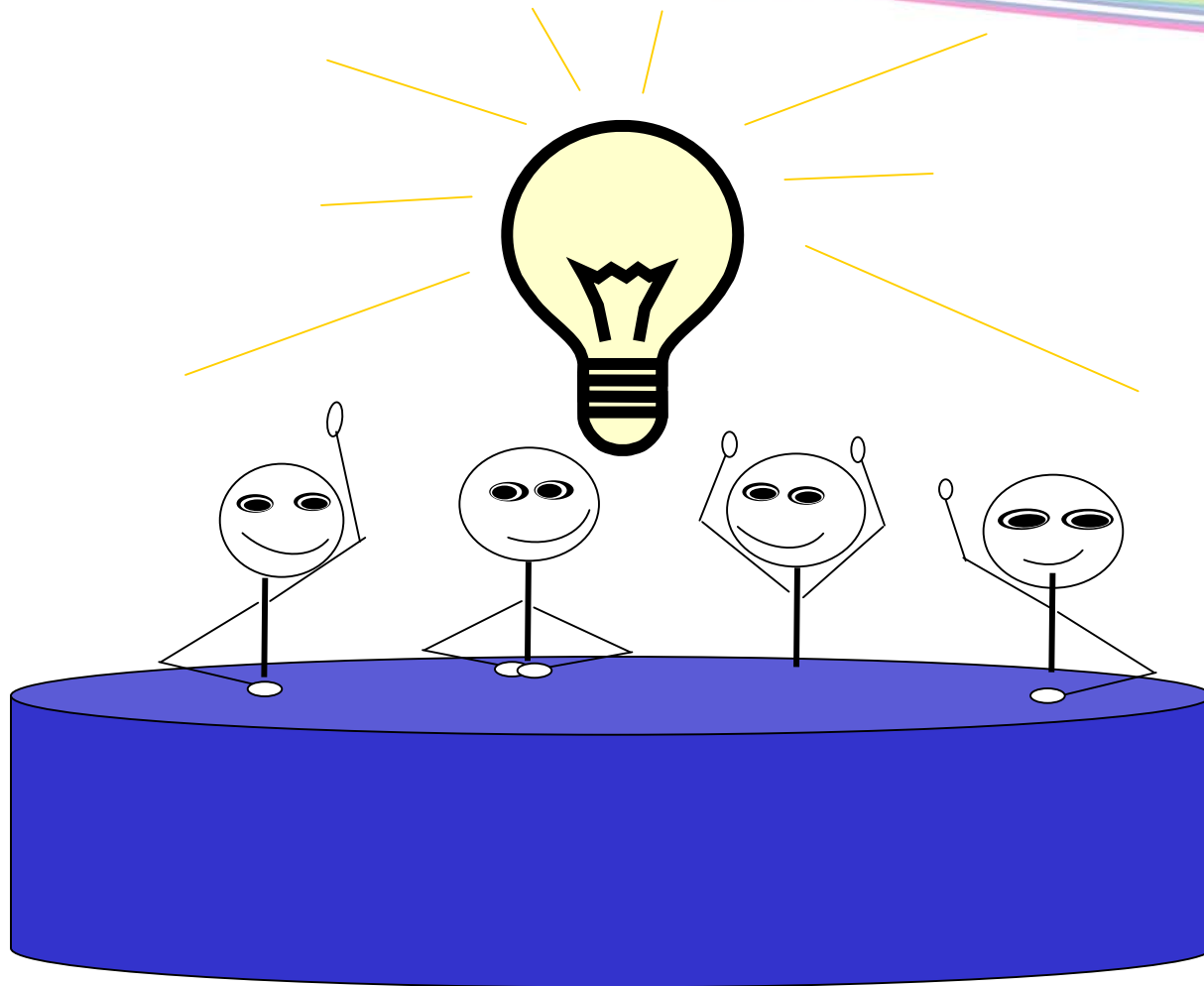


New Identity

Team Named **Change Champions**

Project Named **M.O.R.S.E**





Solution

- Operational.
 - A PC for each of the Circuit Design Engineers
 - Access to the Order Capture application to 'copy & paste' order info direct into Circuit Design application
 - Order form and applications had extra fields added
 - Technical Support Person appointed to the Sales team when the forms needed filling out
- Cultural
 - The team 'Owned' the solution because they created it
 - Sales bonus point moved to 'Delivery' instead of 'Order
 - Incentives changed to reflect end-to-end process
 - Change Champions from Order Capture & Sales **volunteered** to collect the additional information

Prepare

Analyse

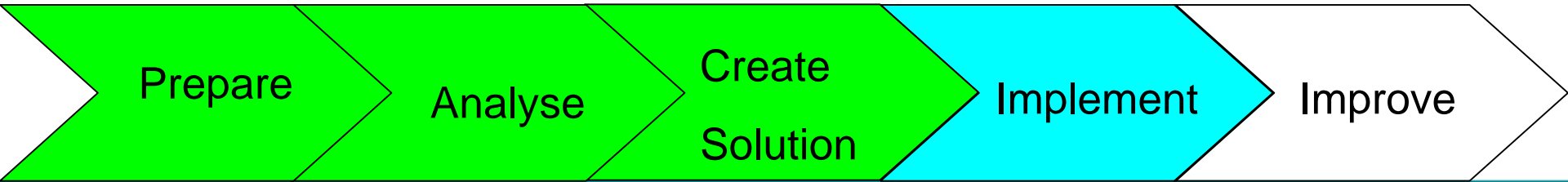
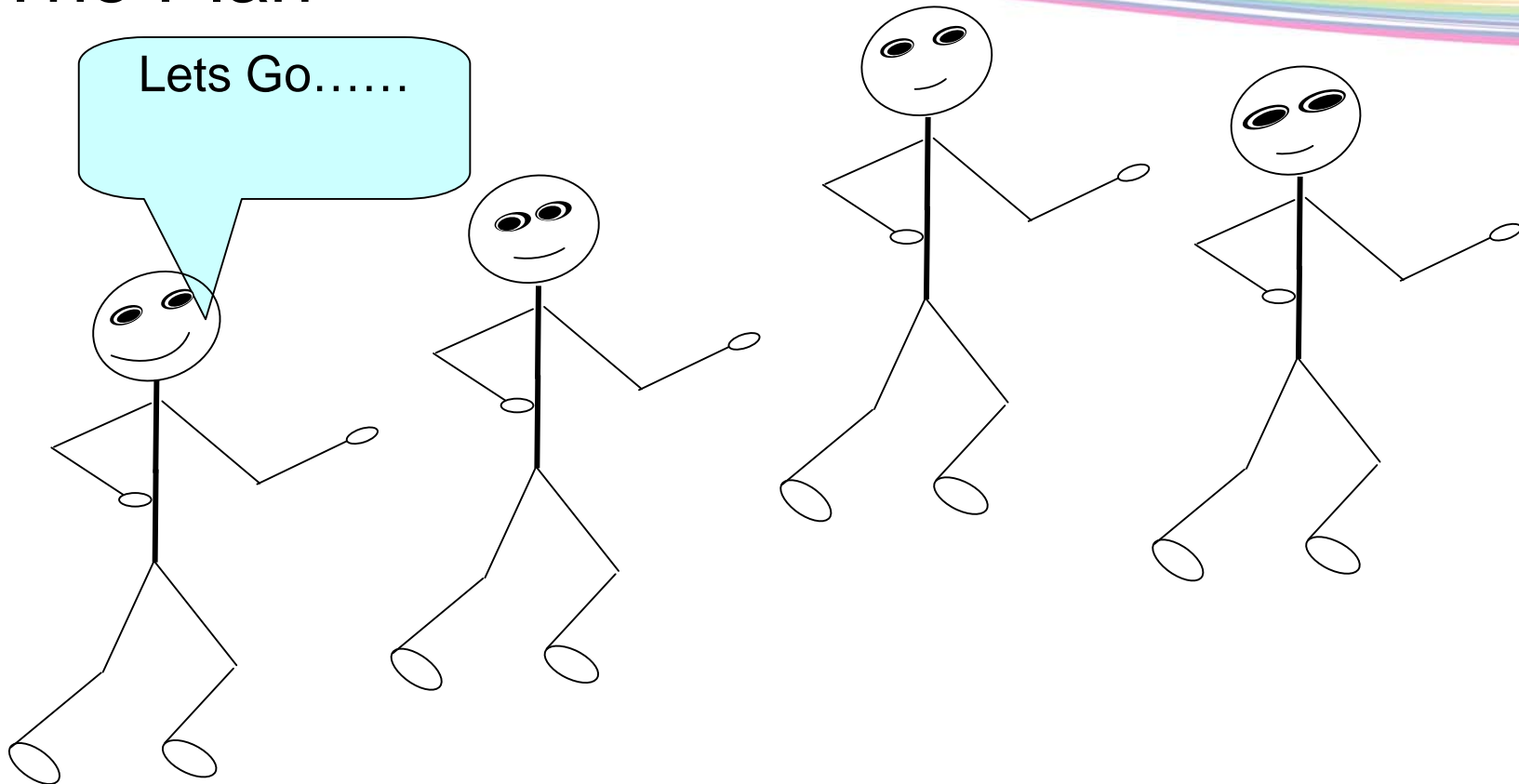
Create
Solution

Implement

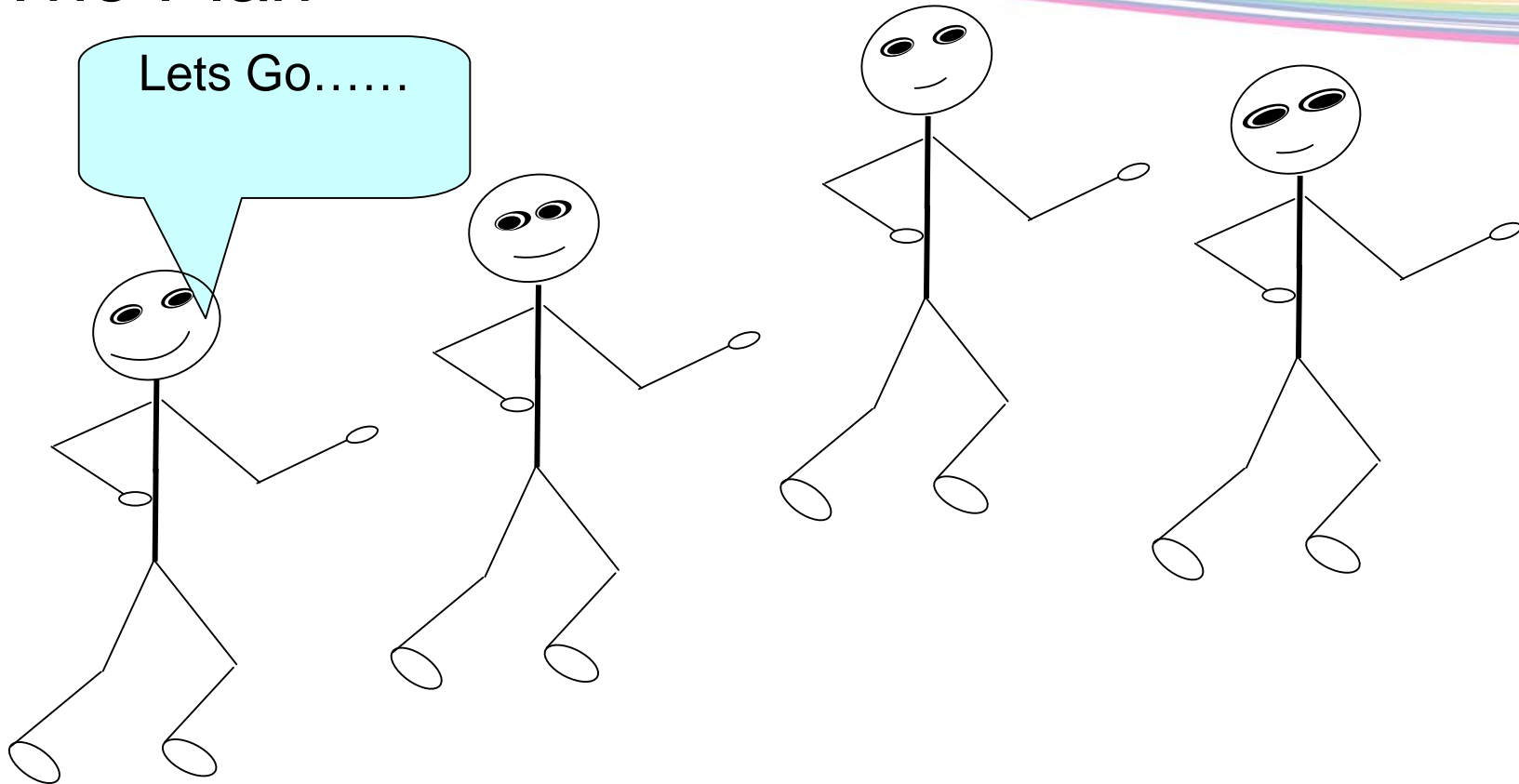
Improve



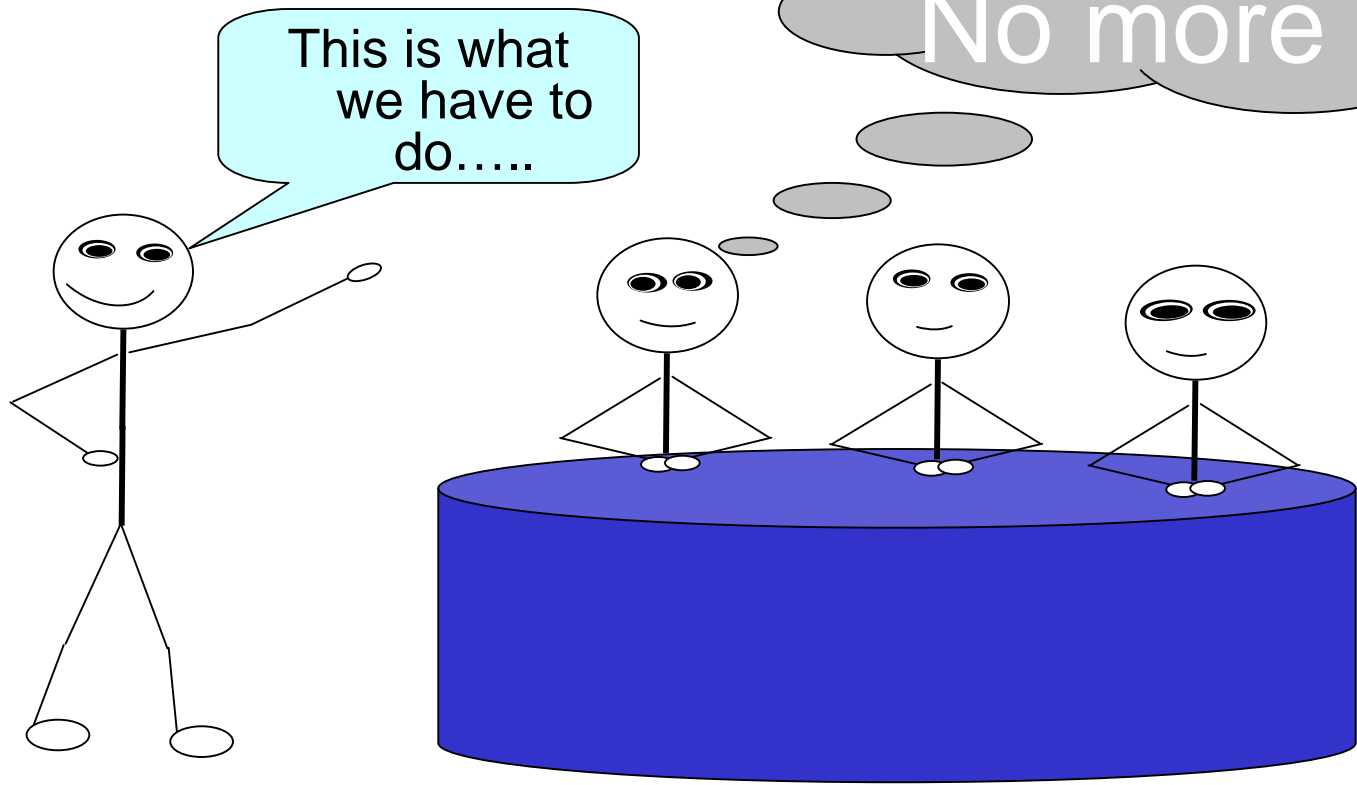
The Plan



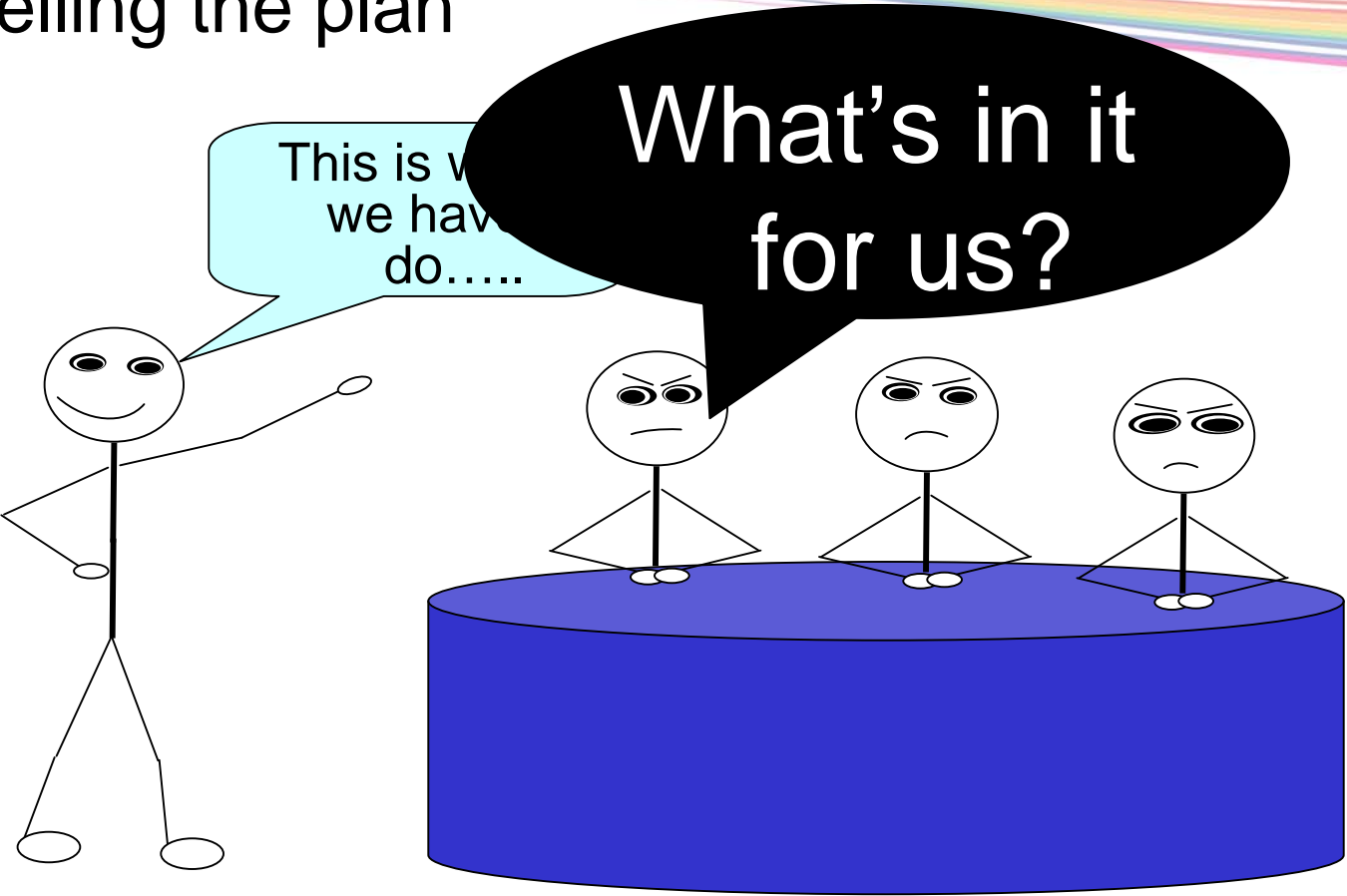
The Plan



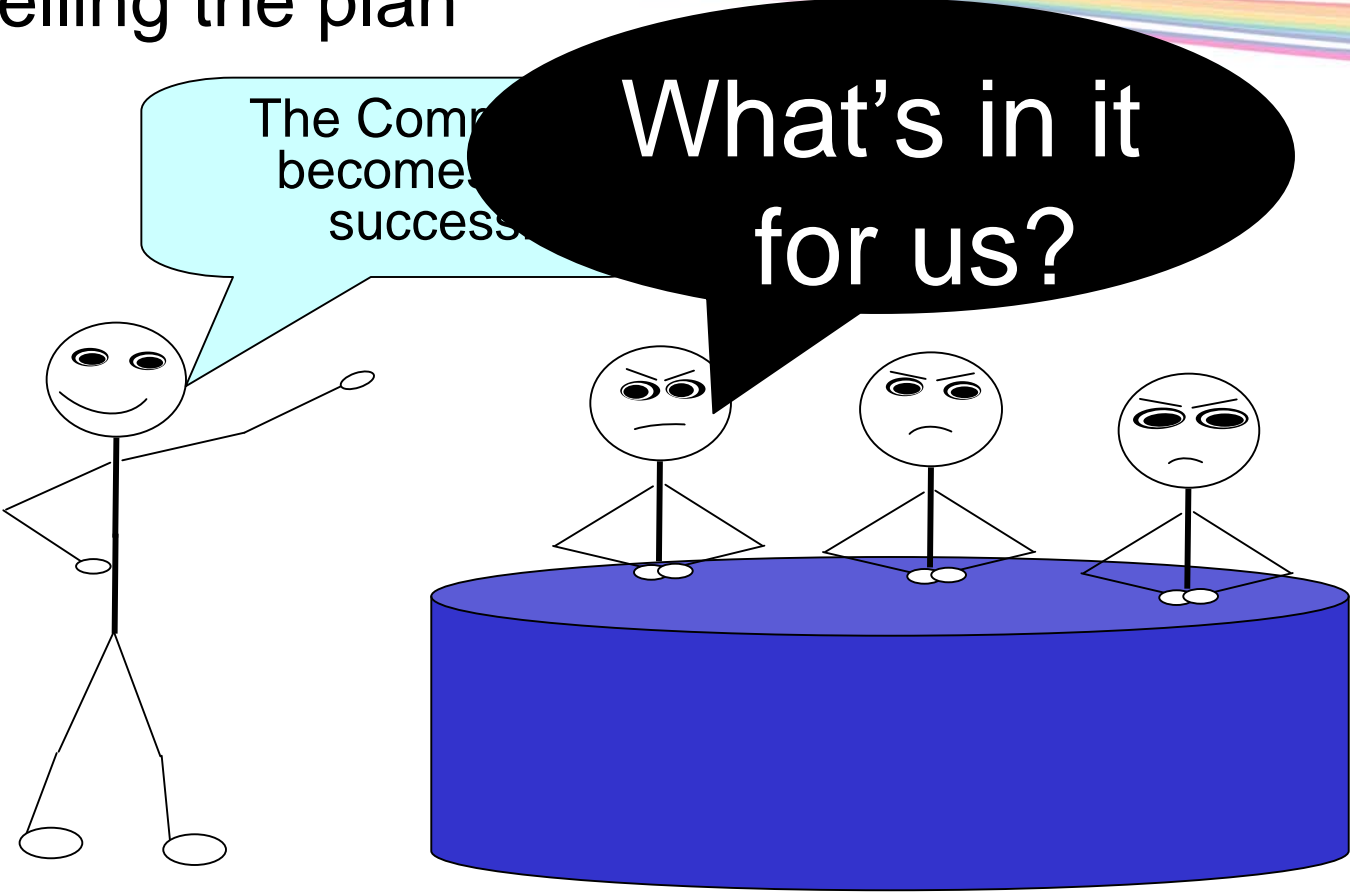
Selling the plan



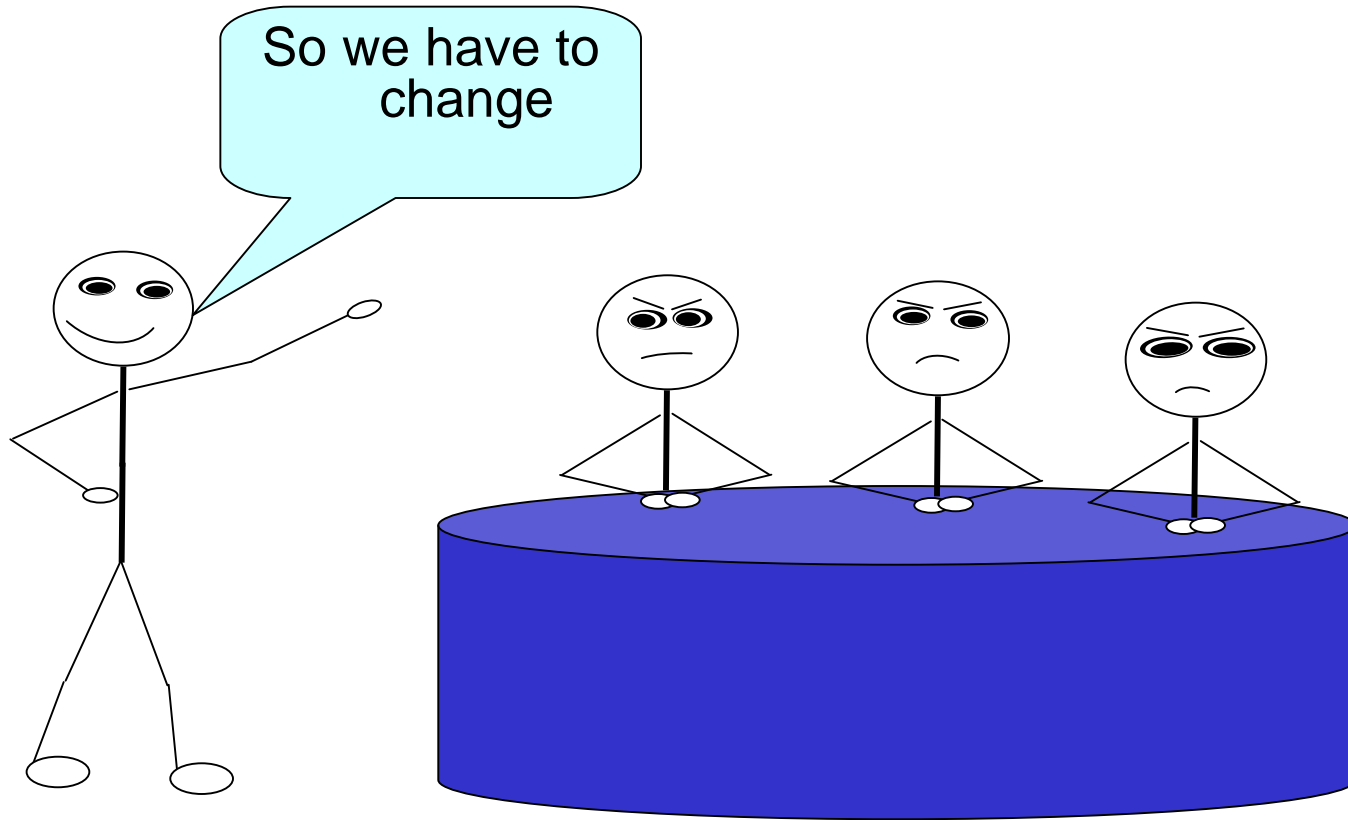
Selling the plan



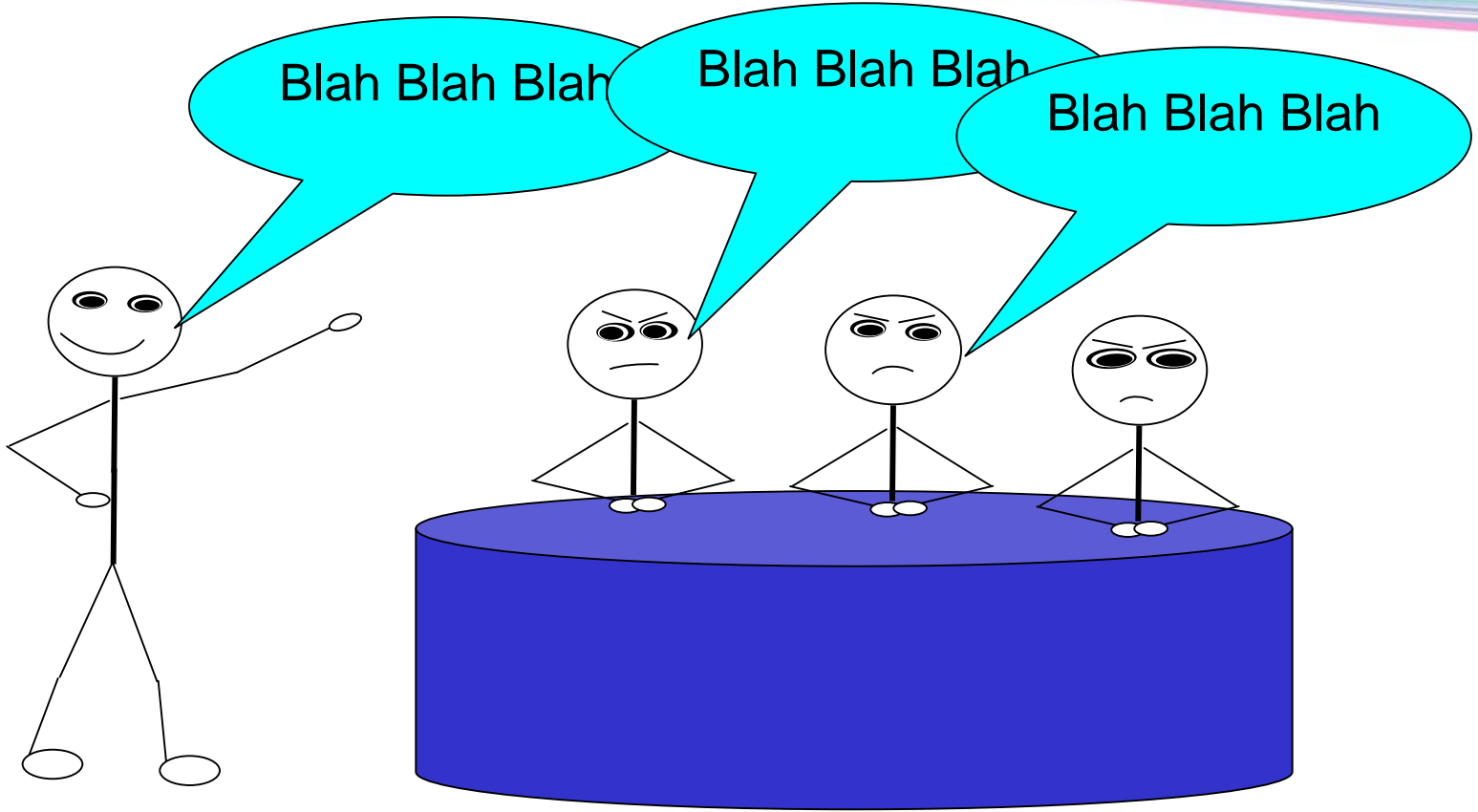
Selling the plan



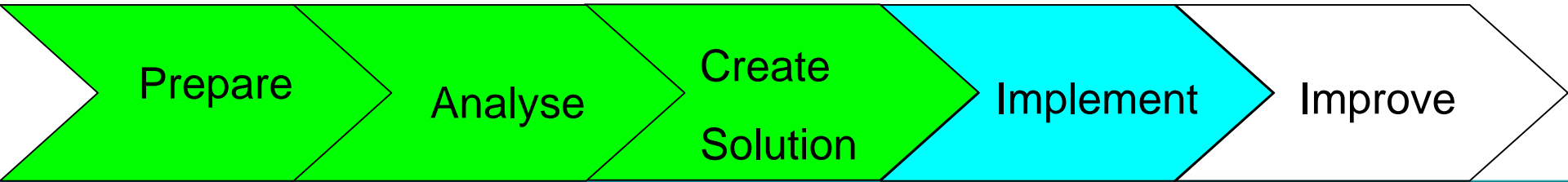
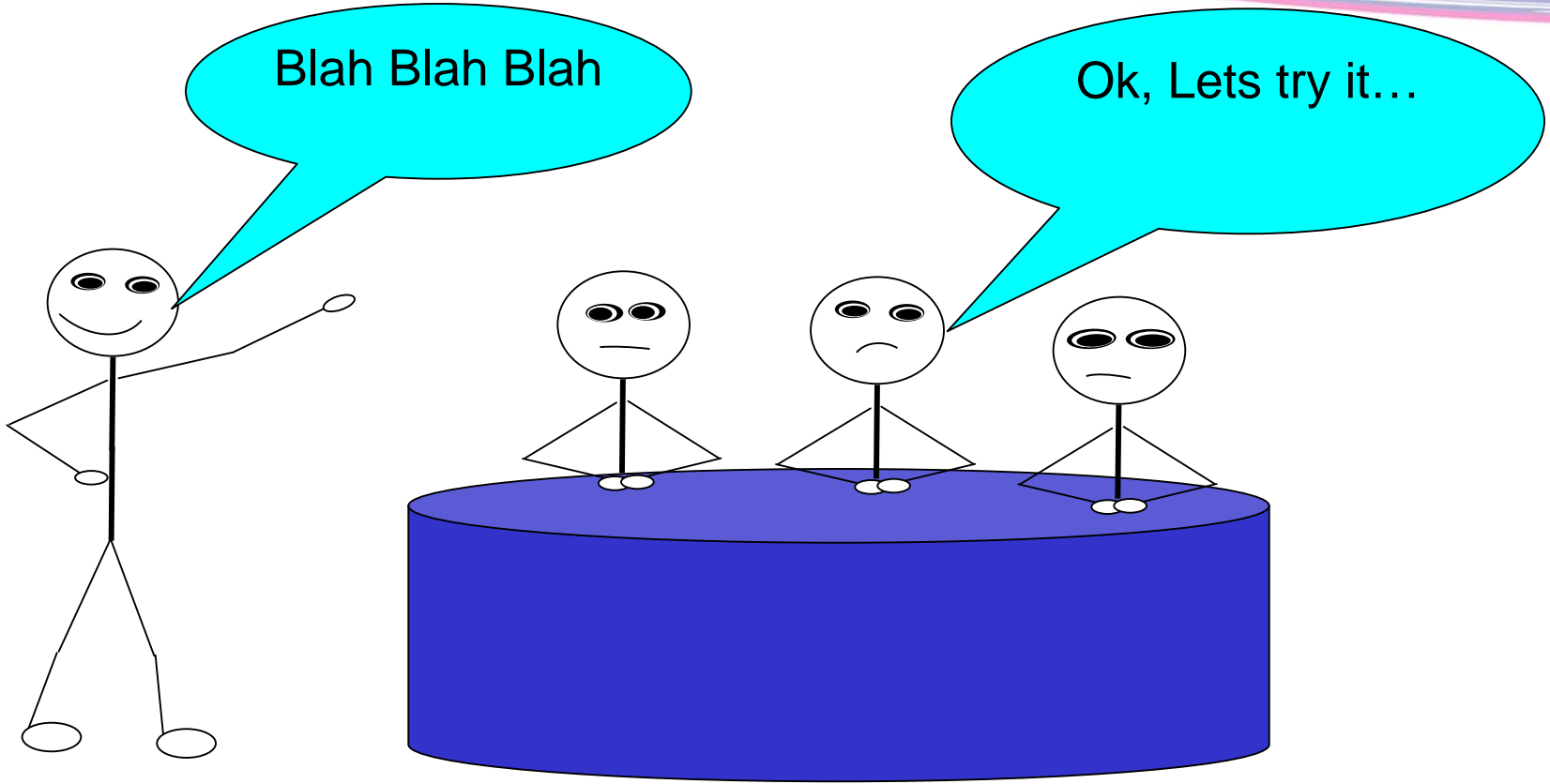
Selling the plan



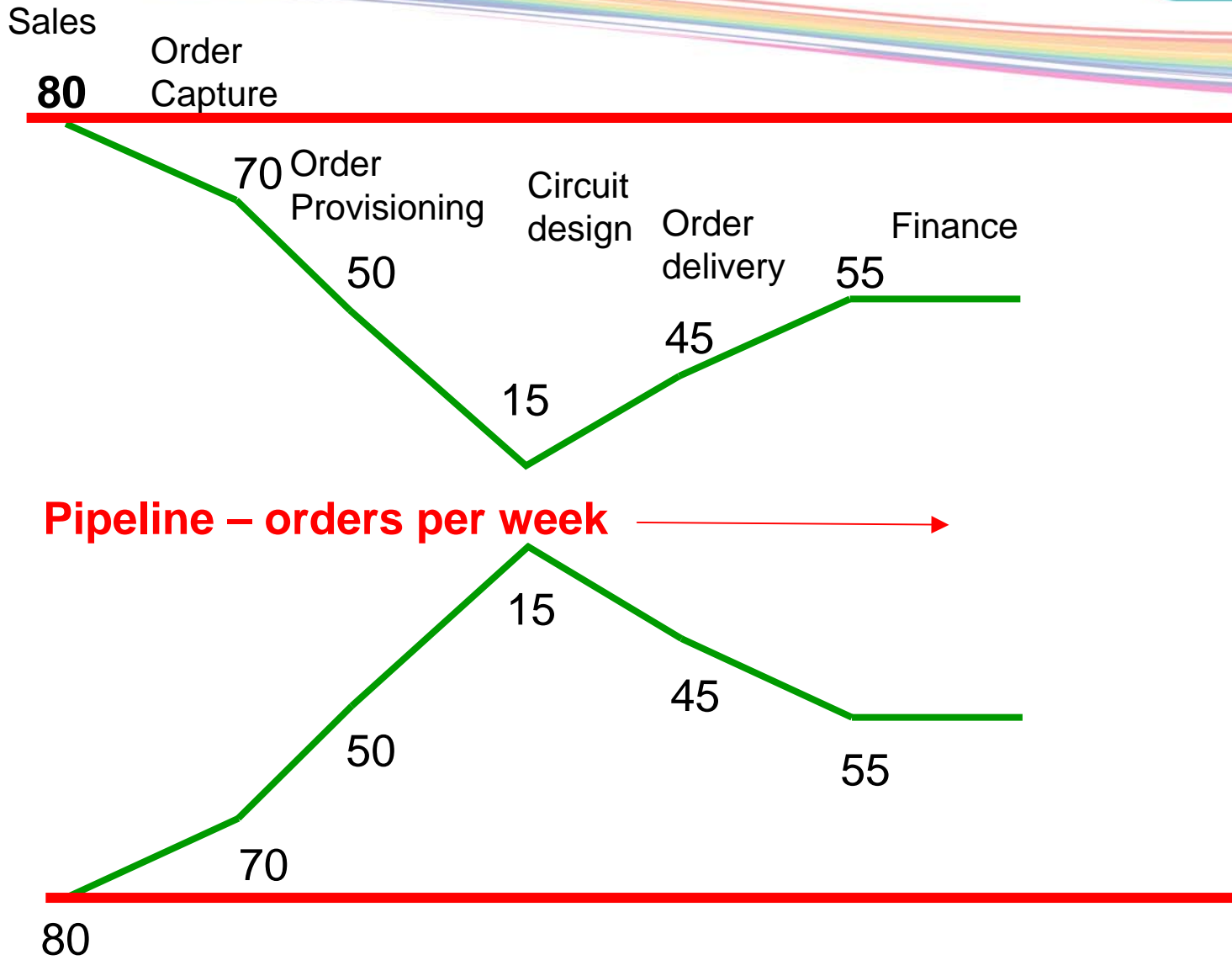
Selling the plan



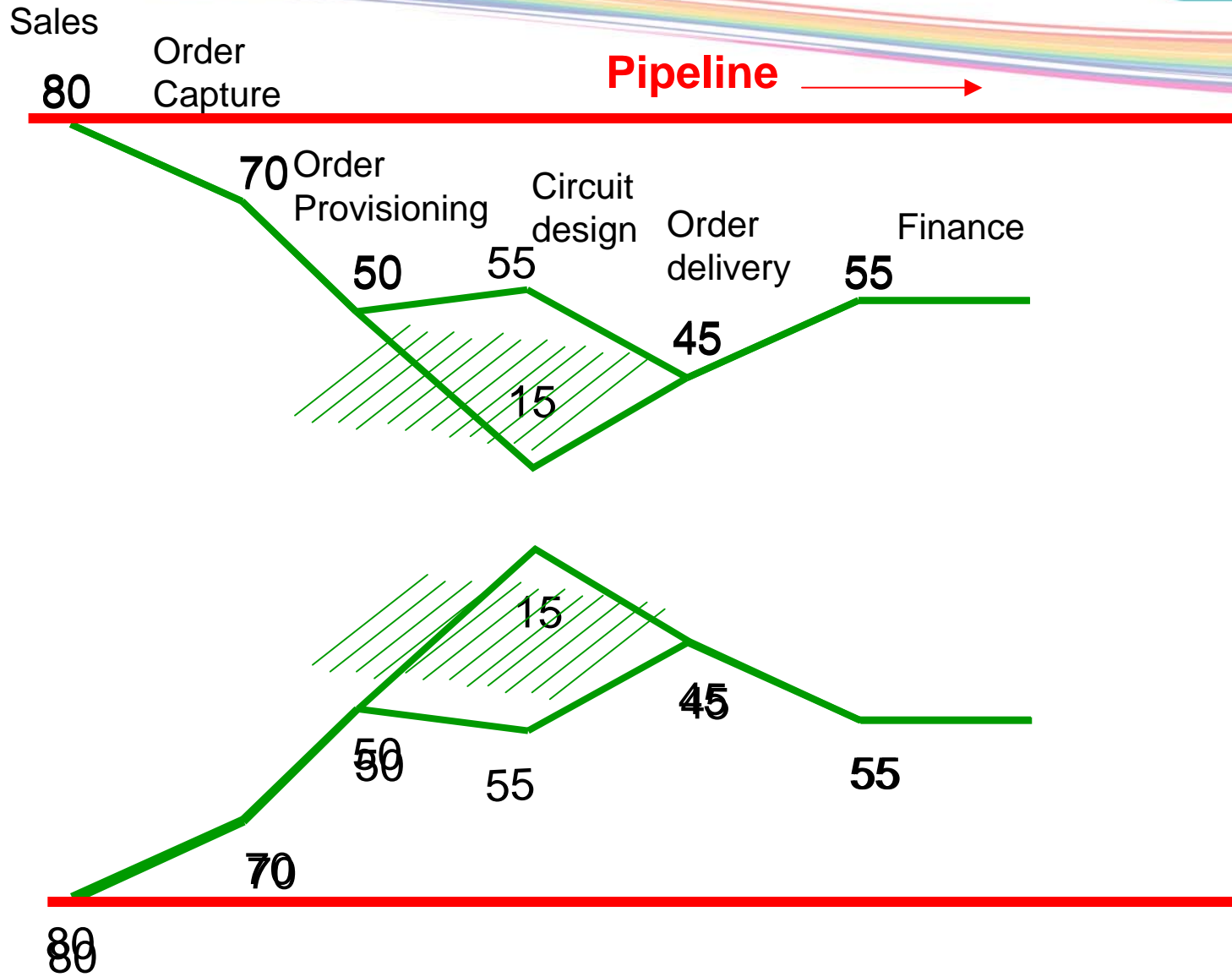
Selling the plan



The plan



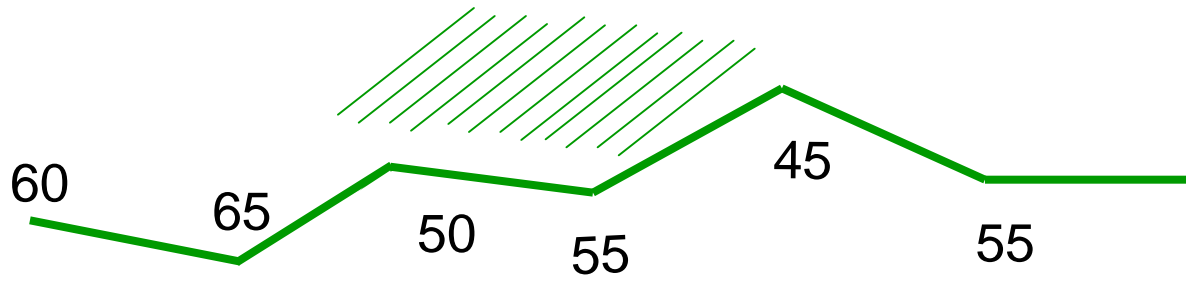
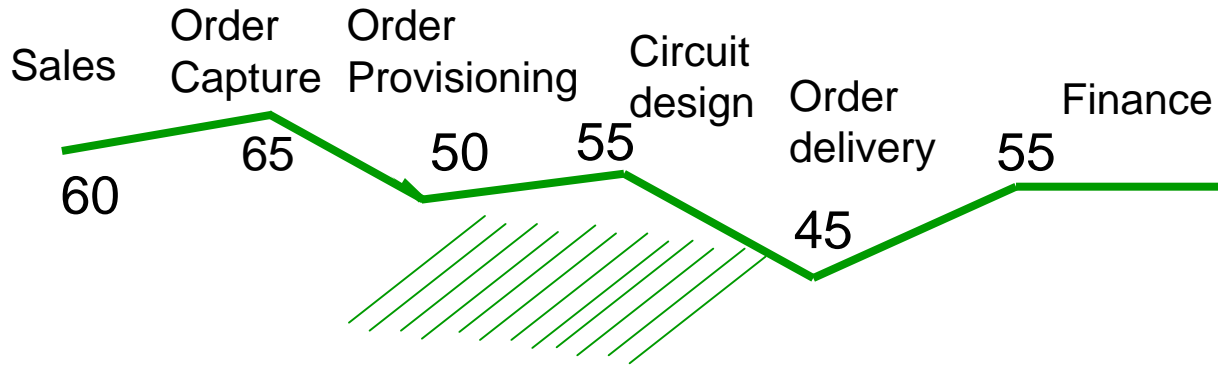
The plan



The plan



Pipeline →



Enterprise Architecture changes

- Some Process changes
- Some Applications changes
- No System changes
- Major changes in Culture



Results of Culture Change

- More time spent on creating 'Solutions' than whose 'Fault' it was.
- The project was on time and to budget because problems found in the 'business as usual' processes kept 'out of scope' and became the next phase of the programme
- On time deliveries for all three services {30-60-90 days) went from **12%** to **60%** 'Meeting Expectations' within three months of implementing the changes
- Sales started to see an increase in follow on sales because the company was meeting the expectations they had set.
- Major cultural issues addressed

Prepare

Analyse

Create
Solution

Implement

Improve



Cultural Issues to be addressed

- No Cross Functional
Change Champions became cross functional communications channel
- No
Full understanding of the end-to-end process requirements, metrics changed
- KPI's only
Senior Management ownership of processes
- Support culture focused on collaborative 'Solutions' to customers complaints rather than blame
- Continual Improvement made staff less fearful of change. So resistance to change decreased



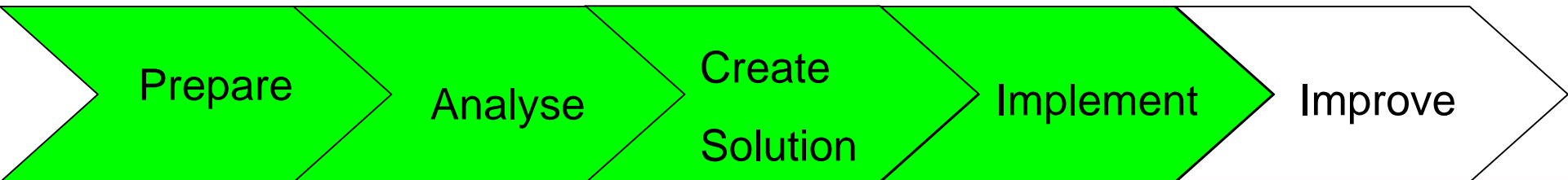
Conclusion

They had moved from a 'Blame Culture'

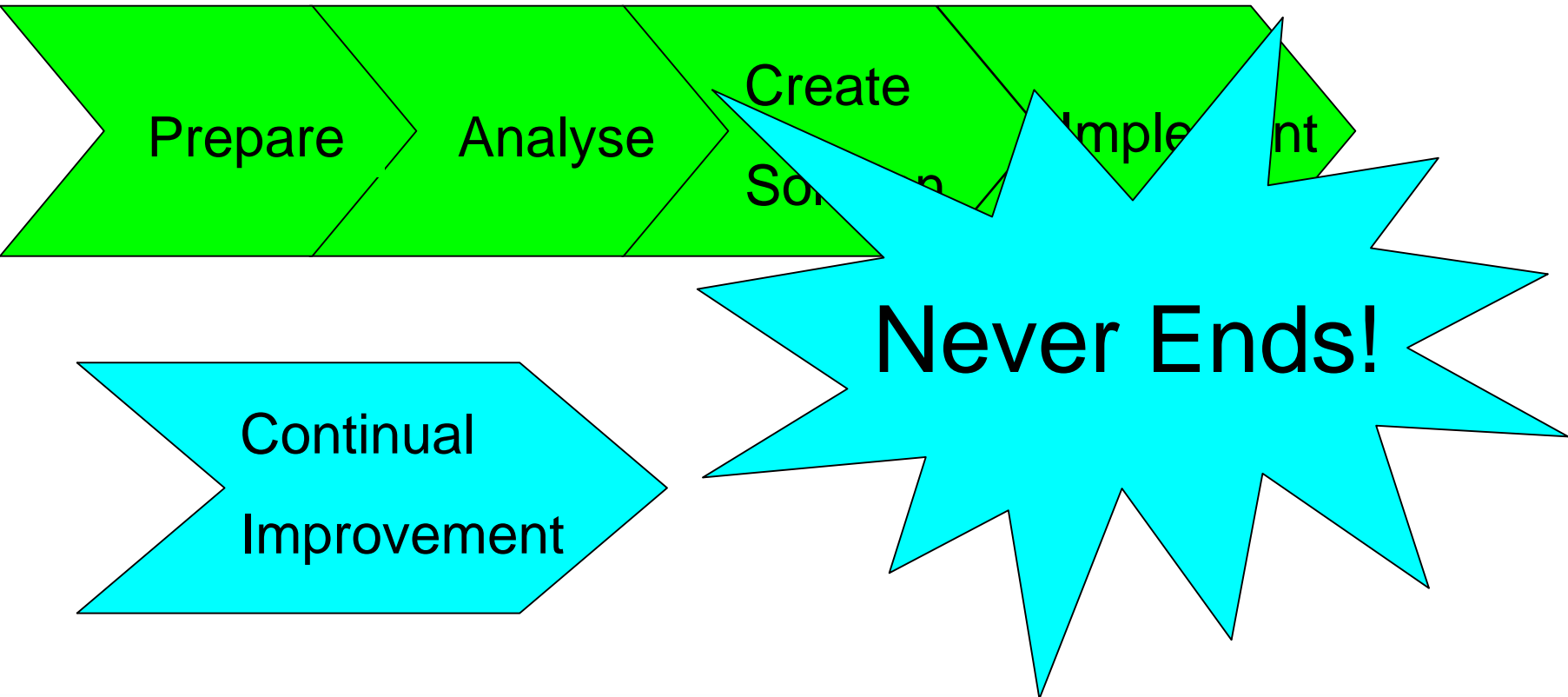
To a 'Support Culture'

Through 'Collaboration'

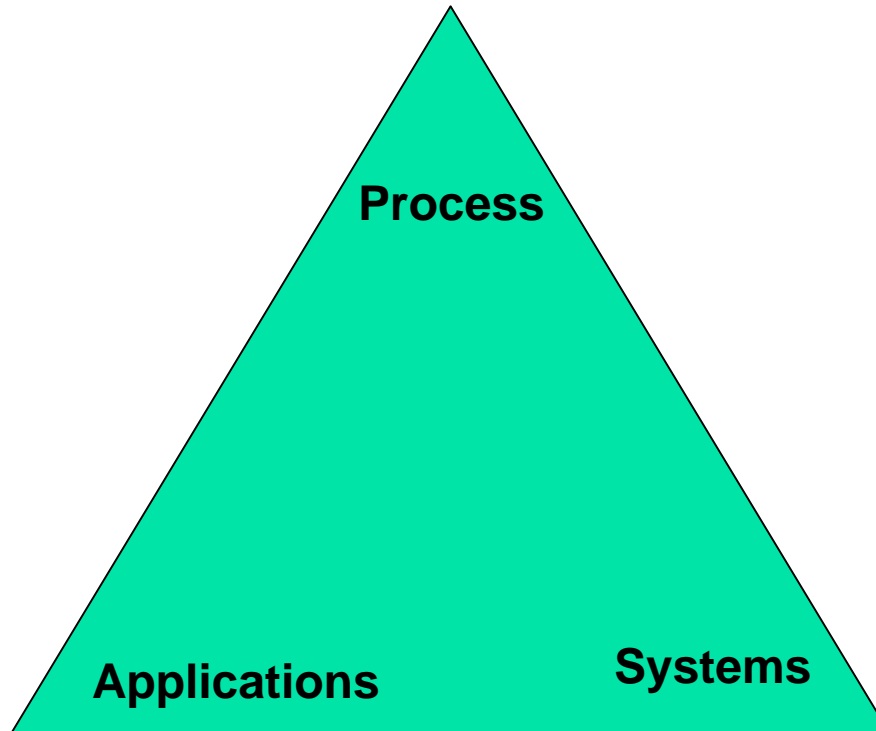
So can we complete our 'Approach'



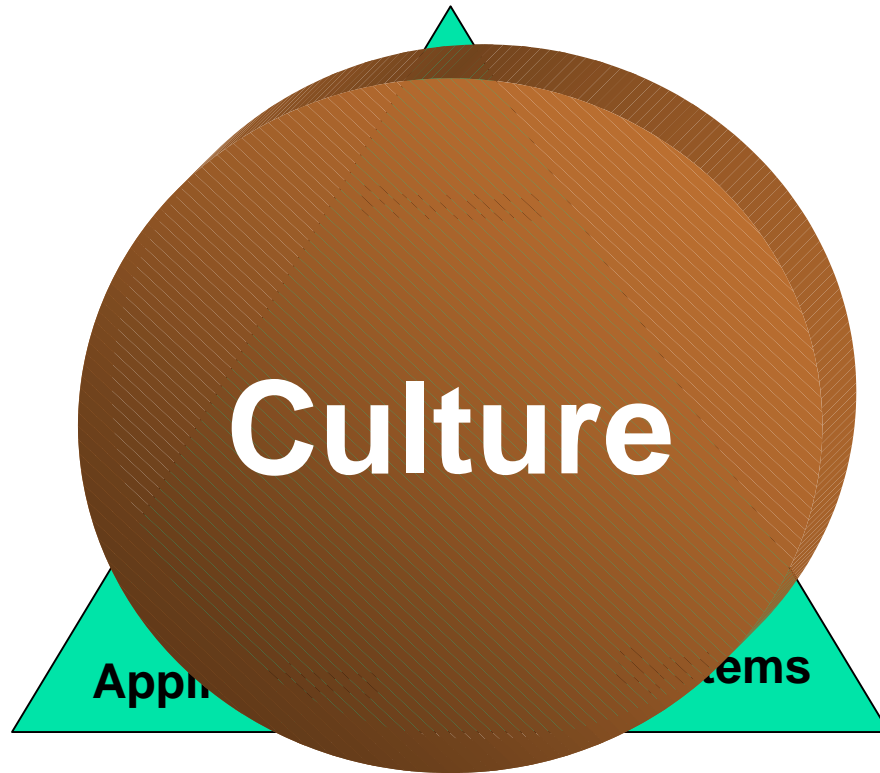
The Approach



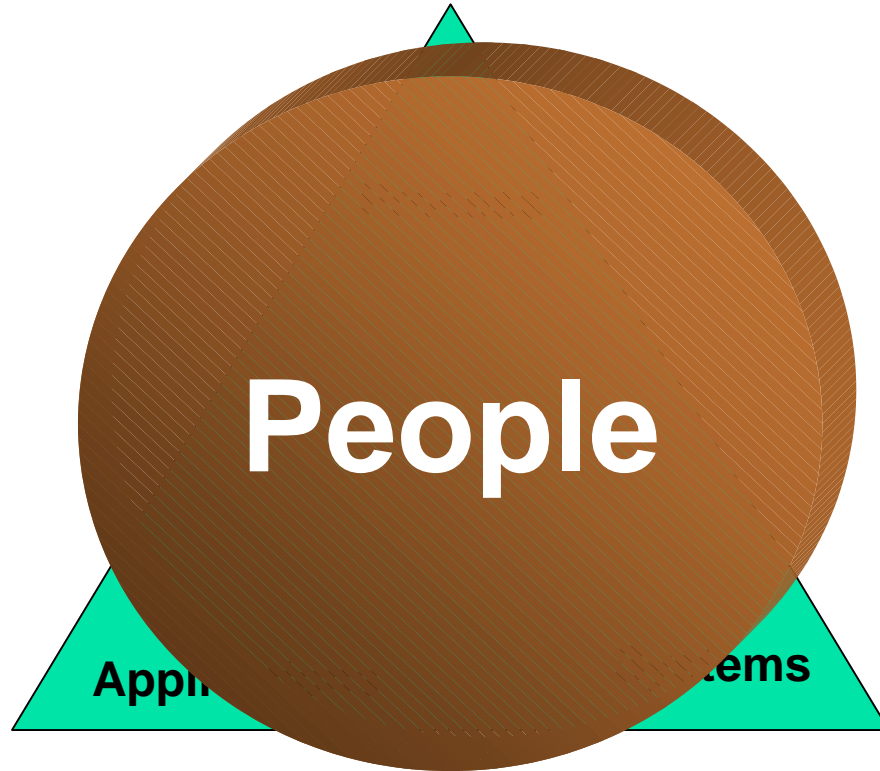
Elements Involved in Change



Elements Involved in Change



Elements Involved in Change



Questions

?



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Culture – The forgotten variable A Case Study

David Broadbent – Business Process Consultant
Parity Solutions
Date: 11th November 2008.

