

Continuous Process Improvement:  
Analyzing Your Work Processes to  
Discover Opportunities for Improvement



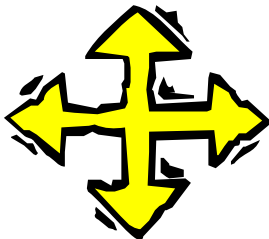
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## Things to Consider



- ▶ Many processes are created haphazardly over time, and many times are never analyzed for defects. The phrase “this is how we have always done it” may not be reason enough to continue a particular process.
- ▶ Do your homework. Don’t do something rash that may cause more problems than it solves.
- ▶ The power to change processes lies in the hands of the managers – those with the authority to change the systems within their departments.



# Continuous Process Improvement: Analyzing Your Work Processes to Discover Opportunities for Improvement

## Introduction and Definitions

Processes exist all around us. For example, we follow a certain process to make chocolate chip cookies. We usually begin by going to the cupboard to find a recipe. Once we’ve done that we follow the recipe, which is, *a set pattern of steps and instructions* for combining certain ingredients. This pattern includes preheating the oven, greasing and flouring cookie sheets, measuring and mixing ingredients, and baking the dough for a specific length of time.



Although that is a rather simple example, and many smaller steps have been omitted, it illustrates that fact that we follow certain steps for completing various tasks.

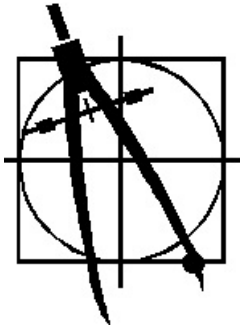
By definition, *a process is a series of steps or tasks that lead to an end goal*. Processes exist in all offices, from the executive office to the accounting office. Examples of business processes include: payroll, institutional travel, application for employment, retirement procedures, and procedures for cleaning a building. And each of these processes could consist of various other processes.

Executive management has the responsibility of overseeing all work processes in a general sense, as well as directing the work processes within their own offices. It is also their responsibility to fully utilize the resources of the organization and to keep the organization fiscally stable. They are responsible for organizational strategy and providing the structural guidelines to provide value for their customers.

Departments have the responsibility of analyzing and improving their own areas and supporting the executive management team in the overall vision for the organization.

Analyzing work processes is important to the organization. But why? And is it really worth the effort?

► Manage the process, not the goods. We are often so busy “fighting fires” that we do not take the time to analyze the way we do things and change them.



► Most new managers tend to take the processes they inherit “as is” and then try to get the most out of them (efficiency), instead of working smarter by analyzing the processes and making improvements where necessary.

► Businesses should have a strong customer service philosophy. Not only does it provide value for people, it also keeps you in business. After all, in most cases, your customers pay your bills.



Analyzing work processes is necessary to discover where improvements can be made, and to discover areas where tradition is not serving the best interests of the organization. The following story serves well as an example:

*There was a woman who always cut the ends off of her roast before she cooked it. Observing this, her husband inquired, “Why do you always cut the ends off the roast before you put it into the oven?” The woman explained, “Cutting the ends off makes the roast taste better. My mother used to always do this.” Not fully satisfied with her answer, he called his mother-in-law. He asked her, “Why do you always cut the ends off the roast before you put it into the oven?” His mother-in-law explained, “Cutting the ends off makes the roast taste better. My mother used to always do this.” Really curious now, he calls grandmother and asks, “Why do you always cut the ends off the roast before you put it into the oven?” To which grandmother replied, “I never did have a pan big enough for the roast.”*

Tradition does not always best serve the needs of the organization. Sometimes we *need* to change. And in a market where things are changing at a rapid pace, organizations *must* change to sufficiently meet the demands of the customers. As the world changes, customers express different needs. And one of the main goals of an organization should be to create value for customers ... that is, if you want to stay in business (even if your business is education).

Thus, it is important to align your processes to serve your customers. This necessitates keeping informed of current patterns and trends and surveying your customers to find out what their needs are. This leads to step number one.

### **Step 1 - Find Out Where You Need to Improve**

Ask your customers where you need to improve. They are a source of instant and readily available information. Take them seriously and try to address their legitimate concerns. The downfall of many organizations is assuming that they know best how to serve the needs of their customers without even asking the customers what their needs actually are. Survey your customers, internal and external, and discover the areas where you need improvement. And remember, *internal* customers (your coworkers) can provide you with valuable information. After all, they, too, are consumers of the services that you provide.

► When surveying your customers, remember that your coworkers are also customers of the service that your company provides. Ask them about their feelings and strongly consider them.

► The late Dr. W. Edwards Deming, a well known organizational expert, suggested that when evaluating processes to find opportunities for improvement the following items should be examined: people, machines, methods, material, and environment.



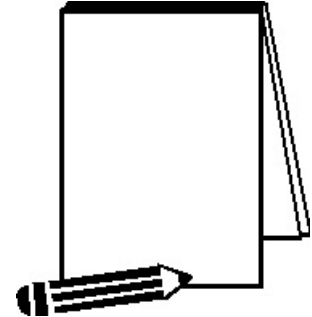
► Develop your policies using statistical evidence. Collect the data.

► Gather the data. Find out how you are doing. Measure errors, fluctuations in cost, accidents, waiting time, returns, etc. Base your decisions on statistics instead of “gut feelings.”

Some good warning signs that you may need to address your work processes include the presence of errors, complaints, employee absenteeism, increased costs, calls to the president, “end runs” (attempts to get around certain processes), overtime, and employee turnover. And even where these don’t exist, it is still wise to keep close to the customer.

In an effort to discover the needs and expectations of your customers and where you need to improve, *you will want to create a survey and administer it to your customers.*

In developing the survey it is necessary to identify your processes and the services that you provide so you can implement these into your survey. Also remember, when designing your survey, some common customer concerns are: timeliness, cost, quality, accuracy, functionality, availability, and the way they are treated by the employees that they come into contact with.



## Step 2 - Identify the Processes to Be Improved

Using the suggestions that you received by administering the survey, create a list of processes that need improving. After creating the list of work processes, prioritize them – as that you cannot address all of them at one time. Be sensitive to the suggestions that are discovered through the survey procedure and the possible causes of these problems, but do not begin your analysis yet.

## Step 3 - Measure to Find Out How You Are Doing

Before analyzing your work processes and the information that you receive from the survey, validate the information that you received from your customers with hard data. Find out if what you are hearing is true, or is just hearsay. And if the information is true, find out, for example, what percentage of the time it *is* true.

You may be tempted to leave this step out, but do not. Spend the time gathering the data. Why? Because we are often “too close to the forest to see the trees,” so to speak. *We are so close to our operations, and so used to the day-to-day routines that we fail to see the reality and magnitude of the situation. Gathering the actual information can be very revealing.*



► Processes that are too complex and do not add value to the customer not only waste time and money, but also increase your chance for errors.

► Continuous process improvement, although frightening to some employees, is actually a way of *establishing* job security, not diminishing it. If you fail to meet your customers needs, they will take their business where they can get their needs met. Change is often necessary for survival.

► Job security doesn't necessarily mean that everyone will be doing the exact same thing for 30 years. With changes in processes come changes in duties.

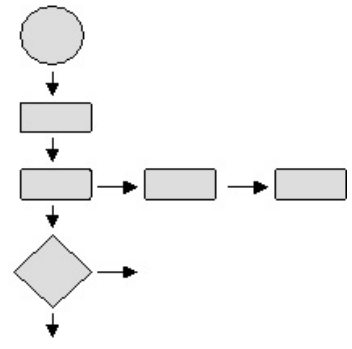
► Analyzing work processes and making improvements takes time and energy. It can be a daunting task, but it is well worth the effort.

### Step 4 - Set Goals

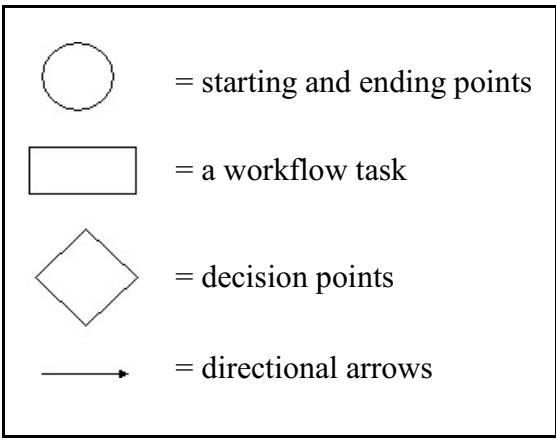
Set some general goals for improvement. Identify 5-10 things that you would like to improve, and commit yourself to accomplishing these things.

### Step 5 - Chart the Process

Flowchart one of the processes that you have chosen to work on. Flowchart the process *as is*. Establish a starting point and an ending point. List all tasks involved in the process in the order that is currently established. (There is an example in the back of this booklet.)



Flow chart basics are as follows:



### Step 6 - Analyze the Flowchart and Write Down Ways to Improve

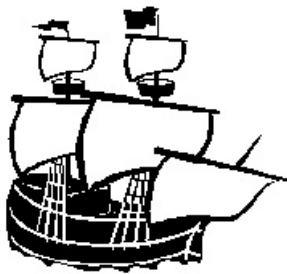
Now it is time to identify opportunities to streamline, improve, and modify the process to add value to the customer. *In your analysis, identify whether each task is essential, or is adding value to the customer.* If the task is not essential or adding value to the customer, consider cutting it out. Be sensitive to those tasks and items that are required by law. Otherwise, *identify redundancies and unnecessary complexities and determine to make some changes.* After identifying those things that need changed, it is helpful to prioritize them.

► Be mindful of your values as an organization. Clarify your values, mission, vision, and philosophy. Don't just blindly and irresponsibly give the customers whatever they want.



► Anticipate the possible problems that will surface with the changes that you propose to implement.

► Don't be afraid to act once you arrive at a well thought out decision. Don't find excuses *not to act* because you don't want to "rock the boat."



► Experts say that approximately 85% of work problems are caused by work processes, *not people*.

The changes that you make may well affect other offices, too. Remember this when drawing up plans to implement the change. Be sensitive to how the changes will affect other offices. Be aware of the "domino effect," and plan to implement the changes that you want to make on a smaller scale first.

## Step 7 - Implement the Improvements

During the implementation phase it is important to take note of a few items. First, it is very important to be sensitive to the psychological and sociological implications that this change will have on the organization. Change is a frightening thing for most people and managers have a sociological and psychological responsibility to their employees. Don't misunderstand, this does not mean to forgo any changes. It simply means being aware and sensitive to the needs and feelings of those who will be affected by the changes that you make.

Managing change effectively requires effort, skill, and insight. When contemplating making changes, consider the following:

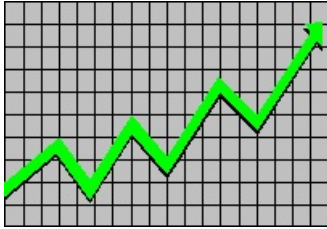
- Most people resist change, and many are threatened by new ideas. Be sensitive to their fears and concerns, and open to their suggestions.
- People don't like the "run around," and prefer managers to be upfront with them about the situation. Communicate, wisely and empathetically, with the people involved what you are doing. Express the "givens" in the situation, and be flexible on the rest.
- Clear up any misunderstandings that people have so they understand clearly what changes will occur and what will be expected of them.

Second, the employees that you supervise may need some additional training to succeed in their new assignments. Provide this as needed.

Third, be sure to follow through on the proposed changes. *It does little good to philosophize and theorize and make plans if ultimately nothing is done.* Just because you have spent the day "in the board room" and made big plans doesn't mean that your customers feel any different about the services that they receive. Growth takes action and frequently involves some risk.

Finally, after implementing the plans you will most likely have some loose ends to tie up. Tie up loose ends and address any problems that

► Continuous process improvement is not a one-time experience. Problems arise as changes occur in the world which alter how we do things. Continue to analyze your processes and make changes where necessary.



may have surfaced during the implementation process.

### **Step 8 - Follow Steps 1-7 for the Other Processes that You Have Identified that Need Improving**

Most likely, you have other processes that you have identified that need addressing. Although analyzing these work processes and making improvements takes time and energy, the effort is worth it. You will ultimately be saving yourself a lot of frustration, and may well save money and other resources. Ultimately, it will help you to better serve your customers, one of which is you.

### **Step 9 - Continue to Pursue Process Improvements**

Remember, change is a constant. You will continually need to analyze your work processes and make improvements.

Continue to survey your customers to find out where you can improve and better serve them. Continue to identify processes that you can improve. Continue to collect the data so you know exactly how you are doing. Continue to analyze your work processes. Continue to modify processes to make them better. Continue to improve.

## References

1. Analyzing Work Processes: Finding Opportunities for Improvement [a company training booklet with restricted availability], © 1989 by Zenger-Miller, Published by Zenger-Miller, San Jose, CA
2. Continuous Process Improvement, Richard Chang, © 1994 by Richard Chang Associates, Published by Jossey-Bass/Pfeiffer, San Francisco
3. Continuous Quality Improvement, Robert J. Gelina, Ph.D., © 1993 by Robert J. Gelina, Ph.D., Published by the Center for Continuous Quality Improvement, Iowa State University, Ames, Iowa
4. Managing Change, [a company training booklet with restricted availability], © 1986 by Zenger-Miller, Published by Zenger-Miller, San Jose, CA
5. Unchaining the Chain of Command, Paul Rubinyi, Ph.D, © 1998 by Crisp Publications, Published by Crisp Publications, Menlo Park, CA

## Recommendations for Further Reading

1. At America's Service, Karl Albrecht, © 1988 by Dow Jones-Irwin, Published by Warner Books, NY
2. Continuous Process Improvement: Simplifying Work Flow Systems, George D. Robson, © 1991, Published by Free Press
3. The Dance of Change, Peter M. Senge, © 1999 by Peter M. Senge, Published by Doubleday – Division of Random House
4. The Deming Management Method, Mary Walton, © 1986 by Mary Walton, Published by Perigee Books, NY
5. Flight of the Buffalo, James Belasco and Ralph Stayer, © 1993 by James Belasco and Ralph Stayer, Published by Warner Books, NY
6. Managing the Change Process: A Field Book for Change Agents, Team Leaders, and Reengineering Managers, David K. Carr and Kelvin J. Hard, © 1995, Published by McGraw-Hill
7. Managing Transitions: Making the Most of Change, William Bridges, © 1991 by William Bridges and Associates, Inc., Published by Addison-Wesley, Reading, Massachusetts
8. Process Mapping: How to Reengineer Your Business Processes, V. Daniel Hunt and Daniel V. Hunt, © 1996, Published by John Wiley & Sons



## Supplemental Material

### Dr. W. Edwards Deming's 14 Management Principles:

(Reference: Continuous Quality Improvement, Robert J. Gelina, Ph.D., © 1993 by Robert J. Gelina, Ph.D., Published by the Center for Continuous Quality Improvement, Iowa State University, Ames, Iowa)

1. Create constancy of purpose towards improving products and services, allocating resources to provide for long-range needs rather than short-term profitability.
2. Adopt the new philosophy for economic stability by refusing to allow commonly accepted levels of delays, mistakes, defective materials and defective workmanship.
3. Cease dependence on mass inspection by requiring statistical evidence of built-in quality.
4. Reduce the number of suppliers for the same item by eliminating those that do not qualify with statistical evidence of quality; end the practice of awarding business solely on the basis of price.
5. Search continually for problems in the system to constantly improve processes.
6. Institute modern methods of training to make better use of all employees.
7. Focus supervision on helping people do a better job; ensure that immediate action is taken on reports of defects, maintenance requirements, poor tools, inadequate operating definitions or other conditions detrimental to quality.
8. Encourage effective, two-way communication and other means to drive out fear throughout the organization and help people work more productively.
9. Break down barriers between departments by encouraging problem solving through teamwork, combining the efforts of people from different areas such as research, design, sales and production.
10. Eliminate use of numerical goals, posters and slogans for the work force that ask for new levels of productivity without providing methods.
11. Use statistical methods for continuing improvement of quality and productivity, and eliminate work standards that prescribe numerical quotas.
12. Remove all barriers that inhibit the worker's right to pride of workmanship.
13. Institute a vigorous program of education and retraining to keep up with changes in materials, methods, product design and machinery.
14. Clearly define top management's permanent commitment to quality and productivity and its obligation to implement all of these principles.

## **Supplemental Material**

### An Example of a Work Process Flowchart:

(Reference: Analyzing Work Processes: Finding Opportunities for Improvement [a company training booklet with restricted availability], © 1989 by Zenger-Miller, Published by Zenger-Miller, San Jose, CA)