

MAPPING PROCESSES

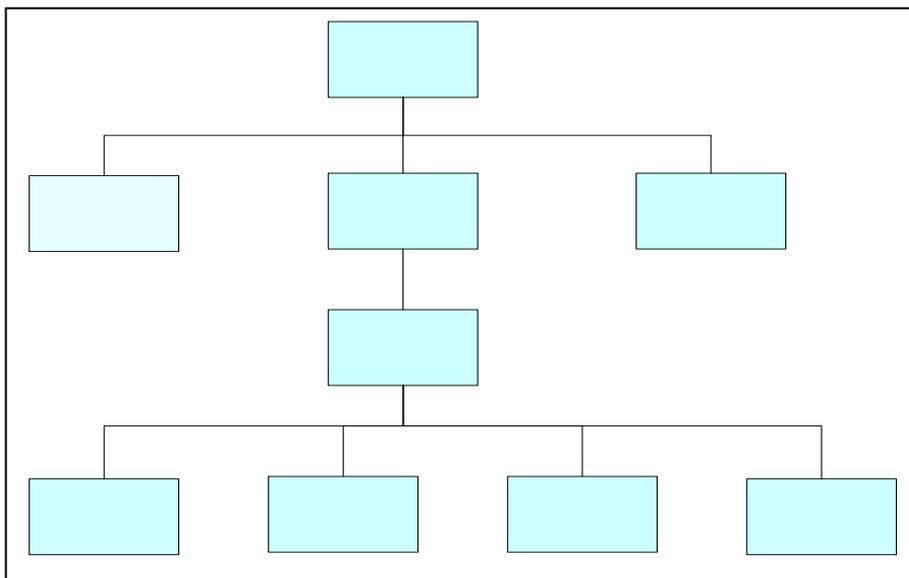
INTRODUCTION

The following step-by-step guide is intended for managers by providing them with a method for mapping processes, changing [re-engineering] them and supporting the overall aim of improving value adding activities within their own and client organisations.

The guide consists of a four step process, which can be used where single or multi-disciplinary teams deliver services and can be extended to evaluate processes which cross a number of functional boundaries.

For this purpose, we can define added value as the delivery and/or increase in realisable and measurable benefits resulting from a change to a process or service. On the one hand, these can include desired outcomes such as reduced resources, turnaround times and, direct / indirect costs. On the other hand, they can include increased efficiency & effectiveness, as well as, increased perceptions and acknowledgement of added value by others, etc.

1. PROCESS DECOMPOSITION



What Is It?

A process decomposition diagram breaks large processes down into smaller processes or identifiable steps.

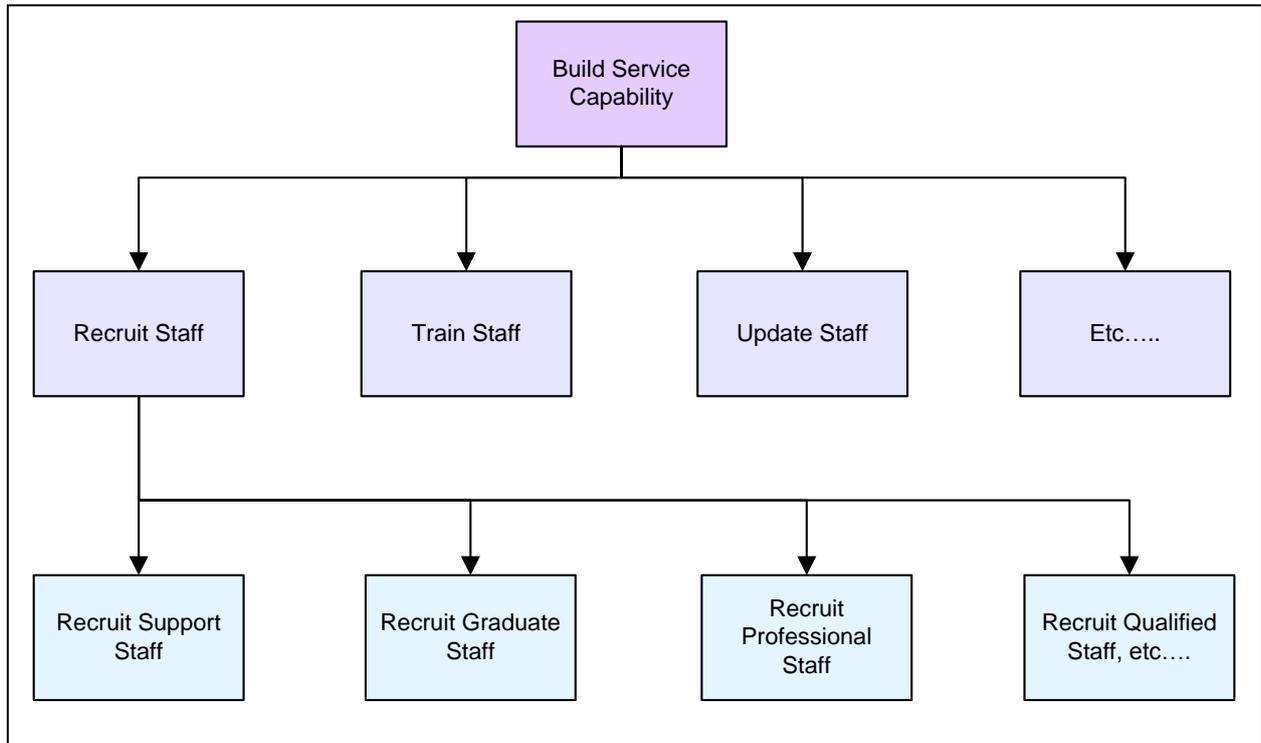
When Do You Use It?

When you have a complex series of processes and activities, a decomposition diagram can help to define the boundaries and scope of a particular process. It also promotes clear thinking by providing a top-down picture of the larger process, to which it relates. This may identify a dependency.

How Do You Do It?

1. Start with the largest process that you do, e.g. 'Build Service Capability'
2. Break it down into smaller processes, e.g. 'Recruit staff', 'Train staff', 'Update staff'
3. Break each smaller process down, e.g. 'Recruit support staff', 'Recruit graduate trainees', 'Recruit professional staff'
4. Continue breaking down each process until you have sufficient information to clarify thinking

Example (extract)



2. PROCESS FLOWCHART

What Is It?

A process flowchart graphically represents the activities that comprise a process. Using a standard set of symbols, flowcharts show the sequential tasks, actions, activities, decision and feedback points that occur in a process. A group or series of related processes and process flowcharts can start to create a topographical picture of how the various activities of an organisation fit and work together, as well as, identifying their interdependencies.

When Do You Use It?

A flowchart is typically used to:

- Understand how an existing activity is performed
- Investigate where and why bottlenecks or errors might occur
- Help design a new flow of work
- Provide the basis for change

How Do You Develop A Flowchart?

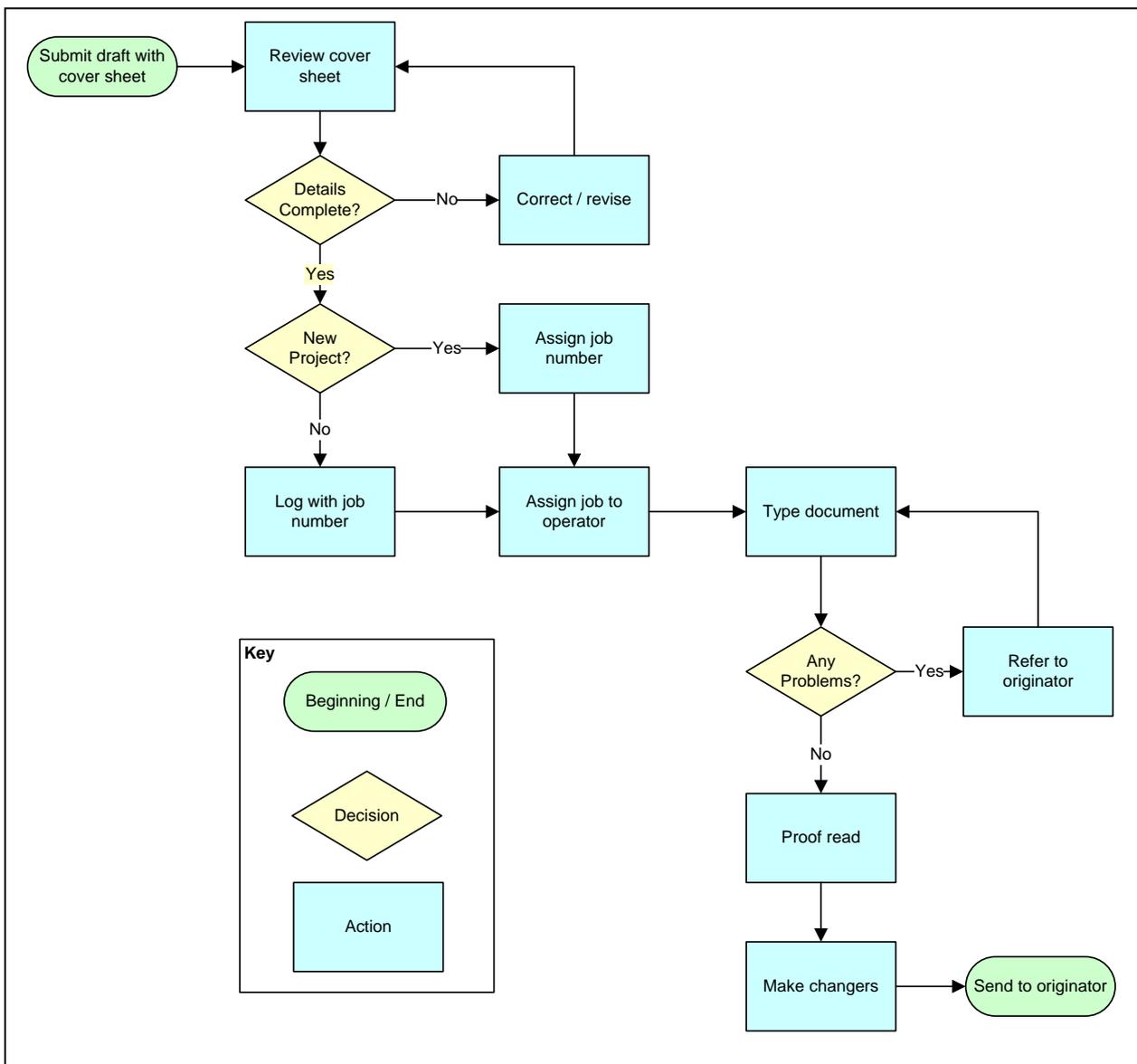
Creating a flowchart is not a scientific process. To draw the chart, you should:

- Write a clear, narrative-based description of the tasks, actions, activities, decision and feedback points that comprise the ‘process’ as it currently works

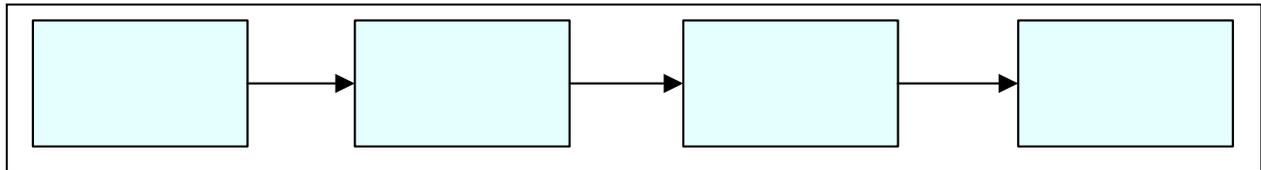
- Match the tasks, actions, activities, decision and feedback points in the description with the appropriate flowchart symbols
- Draw the symbols on a sheet paper in the sequence they occur, from top to bottom and left to right (post-it notes are excellent for this task). Alternatively, you can use one of a number of proprietary software packages that have this capability.
- Label each symbol with arrows to indicate the direction of the flow, e.g. of each task, action, activity, decision and feedback point
- Connect each symbol with arrows to indicate the direction of the flow
- Title the chart and review it for accuracy and completeness

Example

Document Processing Flowchart



3. PROCESS MAP



What Is It?

A process map is a picture of how a process works, indicating the direction of both work-flow and activity

When Do You Use It?

When you need a simplified and common understanding of how a particular process works. It is especially valuable where a process is complex [spans the function, department, business unit or enterprise], has multiple dependencies [inputs and outputs to and from other processes] or crosses a number of departmental boundaries [these are commonly referred to as swim-lanes].

How Do You Draw A Process Map?

1. Before drawing a process map, you should:

- Determine what inputs start the process and what outputs end the process. Typically, a process begins with a customer request and ends with an output to the customer. This could be an article, e.g. a report or a service, etc
- Identify the activities or steps that generate the output
- Identify who participates in or is responsible for each activity

2. After completing these initial activities, you should:

- Identify the main activity stream 'as is' not 'as should be'. Ensure all activities are at the same level of detail
- Identify who or what performs the activity
- Express the activity as follows: active verb plus object, eg attend meeting, review files
- Document critical inputs and outputs:
 - Inputs: all documentation, information or other material used in the activity
 - Outputs: all products, services or results of the activity
- Document, where appropriate:
 - Resource consumption (hours, £)
 - Cycle time
 - Volume
- Document any problem loops in the same way (see example below)

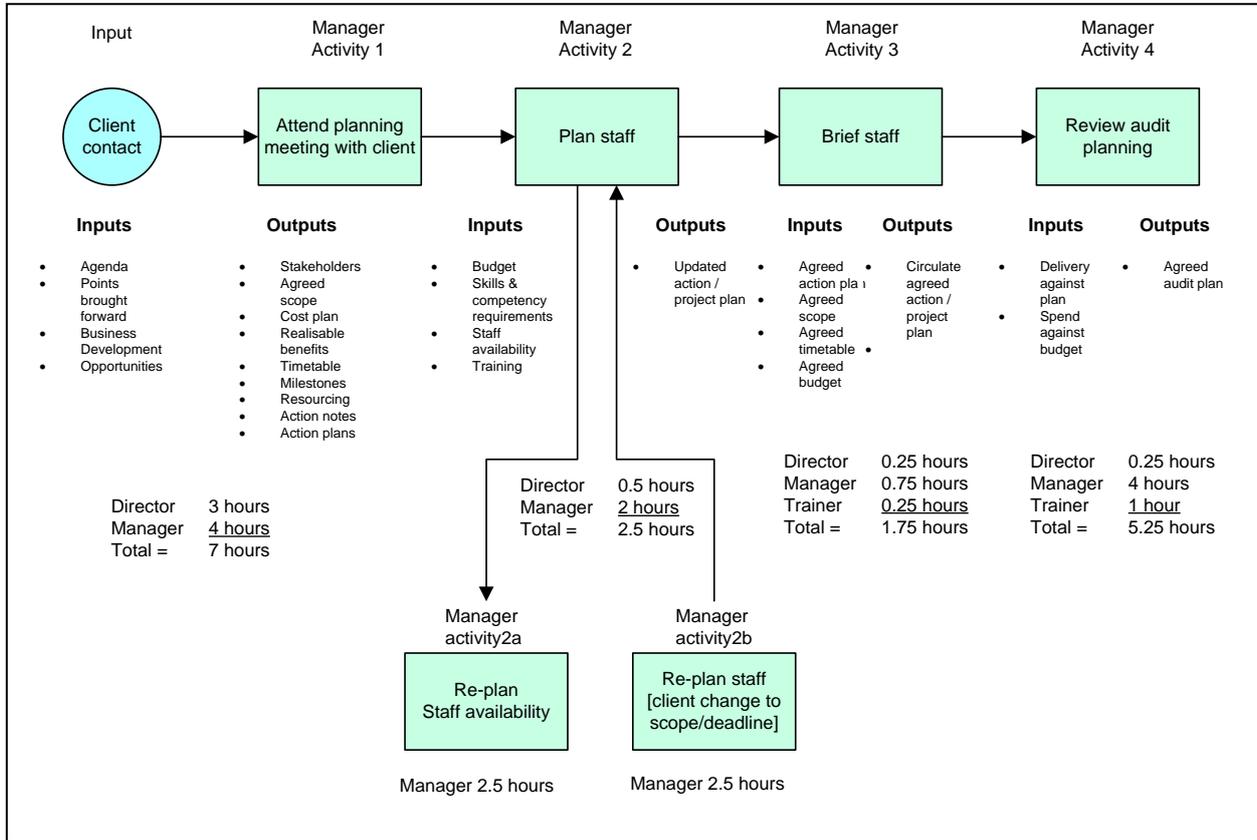
Hints and Tips

10 x techniques is a helpful method with the objective of restructuring a process to come within 10% of the best practice (benchmark) within the industry - where benchmark data is available.

When documenting the process, it is often helpful to note each activity on a Post-it note. It is then very easy to move each Post-it note around, while the debate takes place about what actually happens in the process.

Example

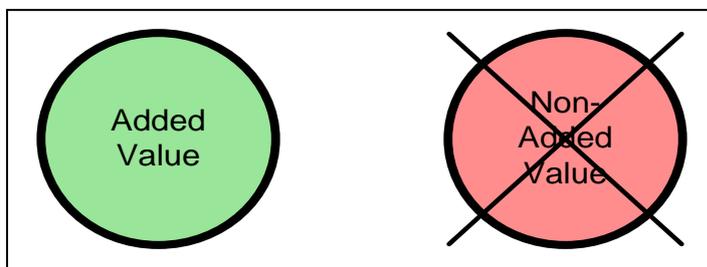
Process Map: Project Assignment Management



4. PROCESS VALUE ANALYSIS

What Is It?

Process value analysis is a way of identifying whether an activity adds value to a process from the process owners or client’s point of view.



When Do You Use It?

This is at the ‘Analyse Situation’ stage following the kick-off meeting on the clients’ site and it is prudent to involve clients in changes to operational processes delivering services under contract or business-to-business processes established as part of the system of management and reporting. The focus is to identify activities which are redundant, inefficient or ineffective in a process. You often discover in a multi - disciplinary team, that activities are done because they have always been done that way, rather than because they add value.

How Do You Do It?

1. Firstly, you need to have broken your process down into its component activities;
2. There are three potential types of activity to consider:
 - 2.1 Value added: an activity that converts resources into products or services consistent with client requirements, e.g. producing a report (input: information from the client; activity: writing the report; output: report for client. Writing the report is likely to be a value added activity).
 - 2.2 Non – value added: an activity that does not contribute to meeting client requirements and can be eliminated with no adverse effect on or deterioration in product or service, e.g. re-typing a report
 - 2.3 Business added value: an activity which, whilst not adding value from the client’s point of view, is necessary from your own organisation’s point of view, i.e. the supplier. For example, whilst reviewing Health & Safety Inspection reports adds no value for the client, your own business and regulatory environment requires Health & Safety Inspection reports be reviewed by someone other than the person who prepared it.
3. Decide on the basis of the evidence available to you for each activity, whether it is value added, non-value added or business added value.
4. Eliminate all non-value added activities, where reasonably practicable. For example, in Project Assignment Management (See the example above), if the participation of an Operations Director is not Value-added/Business value-added, adjust the process activity input, time and resource cost and re-document the process. This might include introducing delegated authority for resource planning to this level of manager. **Remember**, change will have an operational, financial and commercial impact and must involve engagement with and consultation between the process owner(s) and key stakeholders, which will require consultation and approval at senior level within the business.

Simplistically, there must be a measureable benefit and outcome, e.g. this could generate an immediate cost saving and long-term improvement in value-added decision making and effectiveness. For example, considering our example above:-

Assume 1 x Operations Director’s total O/H @ £117,7k/pa (basic of £90k + 30% for O/H) ÷ 1720hrs/pa (40 hr week) = £68/hr. Assume savings of £68/hr x 4hrs from the process activity = £272. Assume an estimated 25 meetings/pa for the Operations Director = £6.8k/pa from one process activity. In management accounting terms, this is an opportunity cost as the value of the benefit gained is realised when the Operations Director is released to perform more value adding activities. Improved value added for both client and suppliers business is also to be derived by increasing the delegated authority of an Operations Manager, which flows from their increased responsibility and accountability for direction and performance at the client interface

Hints and Tips

- There are generally no sacred cows
- There is a tendency to try and argue that an activity or resource is value added because you cannot imagine dropping it from the process. Challenge your analysis carefully. If in doubt seek a second opinion!
- There are a number of possible problems and actions which recur and the following list suggests a number of possible options. For example:

Problem	Possible Action
Quality control weaknesses	Re-design the process
Duplication of work	Eliminate the activity
Fragmentation of work	Combine the activities

Misplaced work	Transfer the activities
Complexity	Simplify work flow and methods
Bottlenecks and delays	Change methods and critically review dependencies
Review and approval	Self-inspection to agreed standards
Re-work and errors	Eliminate root causes
High set-up costs	Change methods
Low value outputs	Perform less frequently, e.g. can they be batched
Non-value outputs	Eliminate

There are a few proven and essential steps in Process Value Analysis, which include establishing:

- A clear understanding of the benefit(s) to be realised and the desired outcome
- A proven and agreed method that will deliver the benefits and change sought
- An assurance-based audit trail through which to track and validate benefits, e.g. savings and value-added activities, as they are delivered or brought on-line. This will also help avoid a recurrent problem around change of the 'double counting' of benefits by other related or dependent processes
- Simple and effective KPI's to measure the effectiveness of both the changes made and the improvements in the functionality and lifecycle of the process. These should be from an agreed baseline
- An evidence based approach, upon which the success of the whole endeavour rests

These steps should be simple and be able to capture the related inputs, outputs, improvements, benefits and outcomes.