Project Managing Business Process Improvement Initiatives

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Overview

Business process improvement initiatives prove to be some of the more challenging projects for project managers. This is for a number of reasons, including:
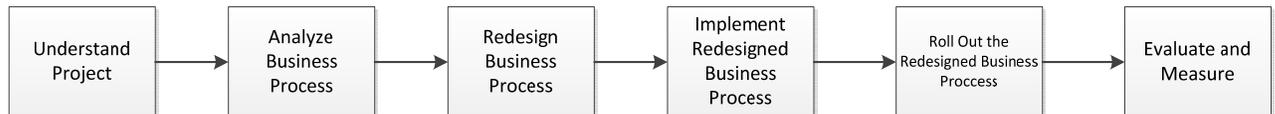
- Most such projects affect the entire business, and it takes a significant amount of time to understand those affects

- There are many "moving parts" and trying to get the right resources secured for the project at the right time is frequently difficult to accomplish

- Some project managers can't get past the fact that the process improvement initiative is an actual project and <u>not</u> an operation

- The work of the business must keep moving forward even with changes in processes

One project manager I know at an IT services firm has told me he dreads being assigned a business process improvement project. It makes him feel as if he doesn't even know how to manage projects because he inevitably encounters a problem during the process.

This Article will focus on how to make managing a business process improvement projects less stressful for project managers.

How to Manage Business Process Improvement Initiatives

There are several steps necessary to effectively manage a business process improvement initiative. We'll discuss each of these steps in further detail.

Understand Project	→	Analyze Business Process	→	Redesign Business Process	→	Implement Redesigned Business Process	→	Roll Out the Redesigned Business Proccess	→	Evaluate and Measure

Six Phase Approach to Managing Business Process Improvement Initiatives

Of key importance as you work through the process is ensuring that you have team members skilled in:

- Modeling, analytical and design techniques

- Research, interviewing, and group facilitation techniques

- Communication and change management

- Representing all business units affected by the project

- Training

Let's take a closer at these areas. First, you'll want to search for the best team members - those with the expertise necessary to help ensure a successful project. I've successfully delayed projects until the key team members could be made available.

Certainly you'll need individuals with expertise in the processes being evaluated and redesigned, a business analyst to help with requirements gathering, individuals with experience managing change initiatives, individuals with process redesign expertise, and representative individuals

from every department or business unit being affected by the project. For the latter group, in addition to management level staff, you will want to include those employees actually doing the work from day-to-day because they will bring a perspective management simply doesn't have. Trainers are also needed to ensure that all employees affected by the change know how to utilize the new processes.

Support Teams

Consider a process advisory team to support the project - individuals who represent the perspective of a particular department or business unit being affected-- to be the pilot test group. You can bounce ideas off of the team members to get their perspective on how a particular process may help them to perform their tasks. While your advisory team will not be involved in the project day-to-day, they will serve as your "test crew" and will help you promote the project within the company.

Also consider establishing Checkpoint Review Teams to make recommendations on whether to proceed with aspects of the project at your "go/no go" decision points. These team members should be separate from your day-to-day team and will help with quality testing, communications, risk identification and provide general guidance for you, the project manager.

Change Management

If you do not already have a change management framework in place, it is highly recommended that you implement one prior to taking on a large business process improvement initiative. Change management is a significant component of such initiatives. We are not talking about how to handle changes that occur on the project, although that is certainly key as well! Rather, we are talking about managing staff expectations around changes. Change is hard , and in order to ensure success in business process improvement initiatives, you must have a plan in place to educate, prepare, and enable staff to accept and embrace the changes that will affect their jobs. Do not shortchange this process. Regular, honest and continuous communications are essential. Never underestimate how much time you will need to "sell" the initiative to the organization. And never forget that someone "on board" in the beginning could suddenly turn into a detractor. Keep those being effected up to date on the project and its status and check in frequently with them to be sure they are still feeling confident and comfortable with what is happening.

Several Skills Needed

The process above requires you to have more than just strong technical project management skills. You'll also need:

- Facilitation skills

- The ability to build strong working relationships

- Affective communication and presentation skills

- The ability to influence others

- Team leadership skills

In fact, I'd suggest that more important than your technical project management skills are your people skills. Your ability to make connections with others, gain their confidence and make them comfortable with what is happening are essential components of a successful project.

The Six Phases of Managing Process Improvement Initiatives

Let's look at the six phases identified above in more detail. But first, remember this - as project manager, you must continuously monitor and control business process improvement projects. Never shortchange the amount of time required to actually manage the project to ensure a successful conclusion. Such initiatives are definitely not "hands off" projects and require your constant attention to detail. But first…the project team kick-off meeting…

Project Team Kick-Off Meeting

Before the project even launches, hold a meeting with the entire project team. If the team is not co-located, I'd highly recommend making the case to get the team together face-to-face for at least a day. If possible, ask the project sponsor and other key stakeholders to participate. This important project team kick-off meeting enables you to:

- Communicate the importance of the initiative and its impact on the organization
- Review project objectives and benefits to the organization
- Answer questions and address concerns (remember - some of your project team members may also be impacted by the coming changes!)
- Set expectations for status reporting and regular communications
- Enable the team members to become acquainted with each other, thus raising their comfort level and confidence in working with each other
- Work with the team to establish processes and procedures around:
    - Problem solving
    - Decision making
    - Escalation of problems

Phase 1: Understand the Project Need

In this initial phase of the project you are:

- Developing an initial description of the problem to be solved
- Developing your preliminary project plan, including key checkpoints for go/no go decisions
- Identifying your stakeholders
- Identifying the full project team
- Determining the preliminary project scope
- Determining desired performance improvements in the business
- Preparing the preliminary business case for the change in process
- Developing the process vision statement (work with key executive stakeholders to determine their vision of a "to be" process.)
- Developing preliminary communication plans
- Setting preliminary timelines and budgets
- Determining training needs and implementation/roll out plans

This information is required for approval to move forward with the initiative. Don't work in a bubble; get your initially identified team members involved in this phase - they will have expertise you don't have and will bring a different perspective to the project.

Most particularly in this initial phase, project managers often find it challenging to identify who will be effected by the project - frequently they forget some key stakeholders. Remember that your stakeholders include everyone who will be impacted by the project in any way. There are direct stakeholders and indirect stakeholders.

For example, let's assume you are changing processes for how customer information is captured into your Customer Relationship Management System. You likely have remembered to include Sales and Marketing in your stakeholder list; but have you considered:

- The actual customer - who will want to be aware of what information is being captured and how it is being used

- The receptionist and other administrative personnel - individuals who may have first contact with the customer

As a best practice, just when you think you have identified all stakeholders - step back and reconsider your list, and add anyone you may have missed.

Ideally in this early phase of the project you'll want to have a few key team members in place:

- Individuals with expertise in analysis and redesign of processes

- Individuals who represent the department/business unit being effected

These individuals can help to ensure that you are getting all the necessary information to move to the next step, i.e. approval to move forward with the project.

Be sure your business case includes, at a minimum, information on:

- The initial problem statement

- Process or processes that are part of the project scope

- High level schedule

- Initial resource requirements

- Initial budget requirements

- Potential project risks

- Expected ROI

If you don't fully understand the project and who will be impacted, you are unlikely to have a successfully conclusion.

Phase 2: Analyze the Current Business Process

Once you have approval to move forward to Phase 2, update your project documents to reflect any changes or additional information you have received.

This phase focuses on looking closely at the current process that is to be changed. Gather information on the current ("as is") process through a variety of ways, including:

- Interviews

- Focus groups

- Surveys

- Observation (of individuals working with the current process)

The "as is" model of the process will enable you to see where the gaps are and where improvement opportunities exist. You'll also determine the root cause of the problem.

Your team members in this phase include a process analyst, a process modeler, a facilitator for focus group workshops and your process advisory team members.

Don't hesitate in this phase to speak one-on-one with those using the current process specifically to learn their ideas for how they might improve their job performance. I have found that individuals who are using the process day-after-day frequently have ideas and suggestions on how to make

their job easier (and they may be using those methods already). Don't assume this information will come out during the formal interview process. Make a point to ask them specifically about it.

Once you have developed your "as is" process, validate it with those doing the job to be sure you incorporated everything.

Once your data is gathered and you have developed and validated the "as is" process, present your findings formally to the sponsor and key executive stakeholders for approval to move on to the next phase of the project.

Phase 3: Redesign of the Business Process

In Phase 3 you will focus on best practice research and on developing a redesign of the business process - your "could be" options.

Stakeholder input is absolutely essential at this point. Not just from the management/executive level, but those individuals who are actually using the process or will need to do so. Anyone impacted by the change should be involved in some way - whether they participate on teams providing input in redesigning the process or are available to bounce ideas off of and test theories. You and your team will be working quite extensively with the stakeholders throughout Phase 3.

Take these steps:

- Do some research
    - What are current best practices?
    - What are some innovative ideas in use by competitors?
        - Remember - competitive information often attracts the attention of executives
- What are the criteria for the new process? This will affect the "could be" options. E.g.,
    - Customer calls answered by the second ring
    - Data entered into a customer relationship system accurately 100% of the time
    - Packages delivered to the correct address 100% of the time
- Determine relational importance of the criteria for the new process - prioritize based on company needs
- What are the "could be" options for the process?
    - Use brainstorming techniques to capture all possibilities then narrow down to 2 - 3 of the best options to test with stakeholders
- Design "could be" processes based on the criteria
    - Will the "could be" process options enable the criteria to be met?
- Socialize with all relevant stakeholders the 2 - 3 "could be" processes mapped out and get feedback
- Develop a "to be" option from the 2 - 3 "could be" options based on:
    - Which process best meets the needs
    - Which process gets the most "thumbs up" from stakeholders
    - Which process, when implemented, will meet all stakeholder needs and business objectives

o   Think about requirements around technology, facilities, equipment and training needs

You might, for example, take the best of all "could be" options to develop a final "to be" option for presentation to the executive stakeholders.

A straw model development of the new process ("to be" option) is a great way for those stakeholders effected to see how it might work for them. Get a small pilot group to try it out.

Presentation to Executives

When presenting your "to be" option for go/no go decision to the executive stakeholders, be sure to be prepared to discuss:

- Impact on technology, facilities, equipment
- Training needs
- Budget requirements
- Benefits to the organization
- Potential risks in implementation

Be prepared to present a detailed plan for implementation and roll out of the new process, along with plans for evaluating its success and measuring it against the established criteria.

All of this should be included in your updated business case and updated project plan. Once approval is obtained from the executive stakeholders, move to Phase 4.

Phase 4: Implement the Redesigned Process

Phase 4, implementing the redesigned process, includes finalizing the "to be" process your team designed based on any feedback and final decisions from the executive stakeholders. Remember that the current team members may not have the skills to assist in the implementation phase so be sure to pull together the team that will oversee implementation. Again, some representative group from those business units/departments affected should be included on the team.

Undoubtedly there are sub-projects involved - be sure to identify all of them. For example:

- Human Resources to develop new roles and responsibilities or to provide training the new process
- Information Technology to secure new hardware and develop software
- Operations to develop policies and procedures around the new process

The members of your process redesign team should be assigned in the sub-project teams so that there is consistency and valuable information and insight is not lost.

Of key importance to you as the project manager, is to maintain regular meetings with all sub-project team leads to ensure information sharing, problem resolution and continued control and maintenance of the required timeline, budget and quality expectations. It is important that all sub-teams follow the same processes around documentation, status reporting, testing procedures, etc.

In Phase 4 you are focused on keeping the sub-project teams working toward a common goal. I have met with great success in using a collaboration portal to ensure coordination among all sub-teams and to keep all necessary data and information accessible by all team members and stakeholders.

Pilot Group

A pilot group should run through the entire process from start to finish looking for any issues that may arise. Do not underestimate the importance of proper and thorough testing of the new process. This will be a large component of the time required to complete the project and is essential to be done prior to full roll out and implementation of the process company-wide.

Make any changes or "tweaks" based on the pilot group's testing results, retest, and prepare for full roll out.

Presentation to the Executive Stakeholders

Your presentation to the executive stakeholders should focus on the finalized process, including results of the testing done by the pilot group. Present your plan for full roll out company-wide including:

- Communications strategies
- Training plan
- Timeline for roll out
- Plan for evaluation and measurement of impact on the business

Phase 5: Roll Out the Redesigned Process

In Phase 5, you may have yet another team in place for roll out. These team members may include individuals to assist in training staff on the new processes and also being available to answer questions and ensuring everyone utilizing the new process is confident and comfortable in their abilities to perform their roles.

Be sure to spend time communicating throughout the organization (remember you should have been communicating status all along to everyone) - the more people know, the more comfortable and confident they feel, and - the more they have anticipated and bought into the future change.. Ask your pilot group to help communicate the new process to their colleagues. Having worked with the new process, they can be invaluable champions. They can answer questions and address the concerns of their peers who are less familiar with the new process. Use a variety of methods to communicate:

- Email
- "Lunch and Learn" discussions
- Company portal
- Internal newsletter
- Small group meetings

Be sure that training is provided to everyone who will be using the new process and that they feel comfortable before they are sent off to use it. Ensure training programs include hands-on practice time.

The more confident those affected by the change feel - they have been well trained, they understand why the change is happening and the benefits that will accrue to the organization and to them, they feel a part of the solution - the more likely you will have a successful roll out of a new process within the organization.

Phase 6: Evaluate and Measure

A cross-functional continuous improvement team - comprised of individuals from all departments effected - should be put in place to evaluate and monitor the new process and measure against business impact criteria put in place by the executives.

Be sure a team is also available - a few "go to" people - for questions, concerns and comments that arise as the process is used. Even though it has been tested, you may still find that some small adjustments are required as it is being fully utilized within the organization.

Gather together all stakeholders and team members for a debriefing meeting to discuss what went well on the project and where improvements are required for future projects. Capture these lessons learned for use on future process improvement projects.

Summary

Of key importance in any process redesign project - regardless of its size or impact within the organization - is not to underestimate the time needed to communicate beforehand and getting potential champions on board with the change. Ensure a change management process is followed throughout and affectively plan for, including any contingencies. There will be issues - be prepared for them by developing a comprehensive project management plan for the initiative.

Taking a project management approach to business process improvement initiatives increases the likelihood of success and adoption throughout the organization.

Adopt these best practices to ensure a successful process improvement project:

- Develop a comprehensive project management plan including:
    - Change management plan
    - Communications plan
    - Risk management plan
    - Testing plan
    - Training plan
    - Roll out, measurement and evaluation plan
- Continuous communication keeps everyone moving toward the same objective
- Monitoring and controlling is essential as is having the right people on the project team and the project sub-teams at the right time
- Process improvement experts are essential on the team
- Rely on employees from throughout the organization who will be impacted by the change to help provide ideas, suggestions, test out theories and help you to socialize the initiative

While these are challenging initiatives for all project managers - even the most seasoned - the better prepared you are for the project, the more likely you'll have a successful conclusion.

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Author

Gina Abudi, MBA, President of Abudi Consulting Group, LLC has 20+ years' experience in project and process management and management/leadership strategy, including strategic learning and development programs, and business impact and ROI. She is co-author of The Complete Idiot's Guide to Best Practices for Small Business (Alpha Books, 2011) and President of the PMI® Massachusetts Bay Chapter Board of Directors. Gina can be reached via her website: http://www.AbudiConsulting.com.

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