

CASE STUDY: MAKING PROCESS IMPROVEMENTS STICK

How to ensure full return on investment and global process compliance?
Read about our consistent method for real process execution.



SUMMARY

A regional headquarter of an international organisation recognised that process changes were not adopted by local units as planned. This resulted in unpredictable business outcomes and a risk of failing to meet legal compliance standards. Through the implementation of our process compliance approach, the organisation achieved sustained process compliance, higher employee motivation and reduced business risks.

The following case study was performed in 2006 for 15 countries in EMEA for a global company in the high tech industry, listed at the NYSE.

STARTING POSITION: BUSINESS CHALLENGES

- Business results of single countries and for the region not predictable
- High volatility of business results
- Compliance risks
- Business risks (e.g. closing of low-profit contracts with delivery risks)
- No standard business processes in place
- Inefficiencies and double-work

PROJECT GOALS AND SCOPE

A regional business process management (BPM) team was set up to overcome the above challenges and to drive process standardisation for the region. In particular, the regional management set these key goals:

- Identify best practices in single countries and leverage them for the region
- Develop a standard process definition applicable for all countries
- Improve the maturity for business process management in the different countries
- Drive strategic and operational changes to real execution in all countries
- Ensure that all defined processes are really executed by the local employees

Project scope: end-to-end processes demand-to-close, order-to-cash and delivery plus some supporting processes for the business unit “Field Services”.

METHODS, TOOLS AND DELIVERABLES

The team identified as key challenges the missing regional process standards and the insufficient execution of defined process steps in all countries. One main reason for the latter was the overload by numerous parallel initiatives that had to be applied by the countries. The team defined the standard processes and created a methodology to overcome particularly the process execution issue to be applied in all countries of the region. This method encompassed the following key elements:

- Detailed definition of the scoped end-to-end processes as reference for each country
- Detailed process execution rules for each process step (frequency, quality etc.)
- Assessment framework with process execution maturity levels for benchmarking and a clear improvement plan from one level to the next

- On-site process assessments for each country, resulting in an execution level per process and a detailed action list for achievement of the next levels
- Action follow-up calls to ensure implementation of all actions
- Governance framework to ensure regularly updates of the process definition under involvement of all relevant stakeholders

ACHIEVEMENTS / RESULTS

All stated goals have been achieved. In particular the following issues improved significantly:

- The management and employees in all countries understood the positive impact of business processes and the real execution of all defined process steps.
- The regional management understood the difference between launched initiatives, their local “implementation” and the real execution by the employees. New initiatives were launched more carefully, and the BPM team accompanied their execution.
- The countries improved their process execution maturity level, resulting in more compliance, more alignment, more efficiency and effectiveness (beside other positive effects).

INTERESTED TO BENEFIT YOURSELF?

Contact us through email at contact@newpaceconsulting.com or call us on +41 21 601 02 49.

We are there to answer your questions and provide you with all required information.