Process Management

WHY Engage in Process Management? What's in it for You/Me?

This is about getting clear about work processes, customer requirements, and understanding the measures created around them. Employees get involved and can see the big picture, learn about performance measures, customer driven requirements, and systemic improvements. Managers gain through building in a sense of holistic management with their employees of work products and services.

In addition, several elements of process management touch criteria in the Baldrige assessment. If divisions are focusing on pieces of Baldrige, this will inevitably affect and help out those efforts. Specifically the customer service, process management, performance measures, and results sections.

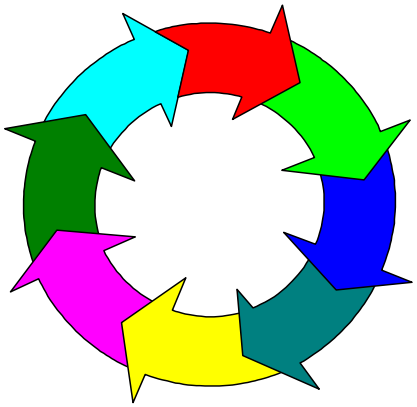
Note: some groups may have parts of these steps completed already – this just serves as a reminder of a holistic approach to process management. For example, your group may be very familiar with the process because of completing a quality ream recently that documented and flow charted some processes. Instead of reinventing the wheel, look at the other sections and ask yourself if you need to focus there.

The Cycle of Improvement

Build in the expectation that we will regularly check in with the customer(s) and stakeholders to ensure we are meeting their needs. We will incorporate those requirements into our systems and processes. We will check that the process is healthy and producing the product and services well. And, we have the tools and methodologies to sustain an improvement cycle.

Give staff the ability to monitor the health of the key processes they contribute to. Give them the responsibility and appropriate authority to make changes based on the data generating from the measures and improvements.

1) Identify your main process
2) Flow Chart
3) Identify your customers and stakeholders
4) Determine Key Customer Requirements
5) Validate Customer Requirements
6) Incorporate into Process
7) Create and Monitor Measures
8) Continuously Improve Process

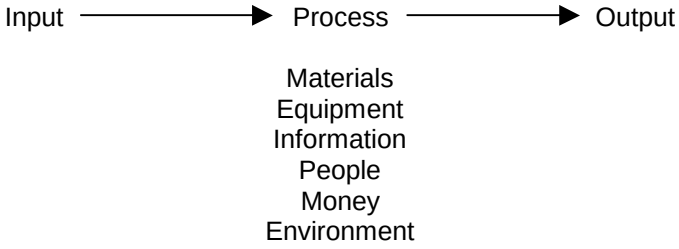


Process Identification

A process is a series of steps, tasks or activities that converts inputs into an output. A work process adds value to the inputs by changing them or using them to produce something new.

Input – the materials, equipment, information, people, money, or environmental conditions needed to carry out the process.

Output – the product or service that is created by the process; that which is handed off to the customer.



Example:	Tax refund request is received by DOR	Request is evaluated and processed	Customer receives refund check or notice of denial

It's important to understanding a "step" versus a "process" when discussing your processes. Steps are *within* a process. Sometimes there are very complicated steps we undertake within a process – such as a policy decision. It's equally important to know how processes work within systems.

For the example above, there are many divisions who have pieces of the refund process. In fact, you might consider at a high level the refund system – is made up of several division's refund processes. These processes affect and need each other to complete the transaction. That's why whenever we make changes to our processes we test them first – in order to make sure we don't adversely affect another unit or division's process.

Key questions: What are your <u>key</u> business processes? Name them.

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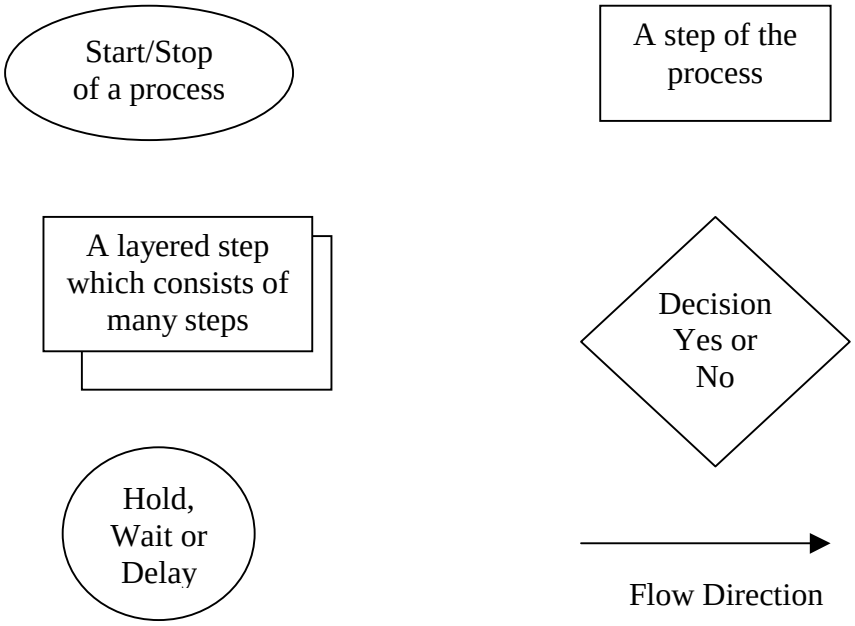
Tip: Don't get mired down in selecting processes at too high or too low a level. Find processes that make sense to your unit – perhaps there are 2-3 KEY business processes within your work group, however there may be other that you contribute to or need but they may not be the key to your distinct work outputs.

Flow Charting

Flow charting is the act of drawing symbolically the steps of the process. It is a great tool for documenting the process and for seeking information on efficiencies. There are some common flow charting symbols and different models attached for your use and consideration.

Key Questions: When was the last time your unit flow charted its key business processes? Are they current? If not, spend some time and document your process. You may be surprised at what you find!

Tips: While flowcharting, it's important to document the delays (i.e. wait time for a decision) and decisions within the process. These are two primary areas to focus on improving so that the process can be streamlined. Also – look for the number of people involved in any kind of review – this is another prime target for error and time delays.



Customer and Stakeholder Identification

Customers are the people or groups who receive the direct output from your process—the next in line. Whether your customers are internal or external, they use your output as an input to their work process(es).

Stakeholders are the people or groups who care about this process or the output. They may have considerable influence over the process, but are not the direct recipients of the output. Senior managers or legislators are examples of key stakeholders.

Key Questions: Who are the customers of this process? Who are the stakeholders of this process?

Who are the main Customers of this process?

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Who are the key Stakeholders?

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Tip: Remember you can have both internal and external stakeholders and customers to your process(es). Try not to mistake who your direct customers are with stakeholders.

Also, if you find people are answering that "the citizens of Washington State" are our customer – perhaps they have mixed up the direct customer idea with that of a stakeholder. The general citizens must be a direct recipient of our output to be a true customer. Rather, in this example, perhaps a better category for the citizens are general stakeholders.

Key Customer Requirements

What are your customer's needs, wants, and expectations of your output? Customers generally express requirements around the characteristics of timeliness, quantity, fitness for use, ease of use, and perceptions of value. It is the customer who should determine what quality characteristics they care about from the process—not what we think they need.

Key Question: "What do we think customers care about?" – then document your response. Next—validate it—ask your customer! Determine the most appropriate, timely, and cost-efficient method to gather this information.

We believe our key customer requirements in this process are:

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Here's how we intend to validate what our customers really want:

Tip: The Research Division has agreed to serve as coaches in helping to determine approaches to validate customer requirement.

If you select a process to gather your customer requirements, consider whether other divisions or work units have similar customers or processes. Perhaps you can partner with those other groups in contacting the customer. This is important so that we don't inundate customer groups with questions, feedback, etc.

Also, have a discussion with your group about seeking customer satisfaction and requirements on a regular basis. What does regular mean to you? How often should we ask customers what they want in the process? How satisfied they are with the process?

Incorporate Key Customer Requirements in the process

After you have been through the validation of customer requirements, ensure you have those elements in the process and output(s). Use your staff to help you modify the process so that you are meeting the customer needs and requirements.

Create Performance Measures around Customer Requirements and Internal Needs

Based on the information collected and validated from your direct customers, create a series of meaningful performance measures to monitor the key requirements from your customers. For example, if your customer cares about timeliness – create a measure or two that will tell you how fast your process is. If they care about accuracy, create measures around percentages of errors found, etc.

Consider how you will display and share this information will all staff and managers.

Measures should be created to tell you whether the process is getting better, worse, or whether it is staying the same.

Measures can be best expressed by indicating WHAT is to be measured and couple that with the UNIT of MEASUREMENT. For example, documents per week, errors per form, calls per person.

Key Question: What are some potential performance measures for this process? Base them on your customer requirements and find meaningful enough ones that will tell you the overall health of the process.

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Tip: It's important to weigh the cost of gathering the data for a measure with the time and money you have available. It may take you several tries to find some meaningful measures.

Also, write your performance measures clearly without acronyms. Make it clear for people who are not familiar with your process to understand how you are doing.

Finally, you should have at least one measure for each key requirement of your customers.