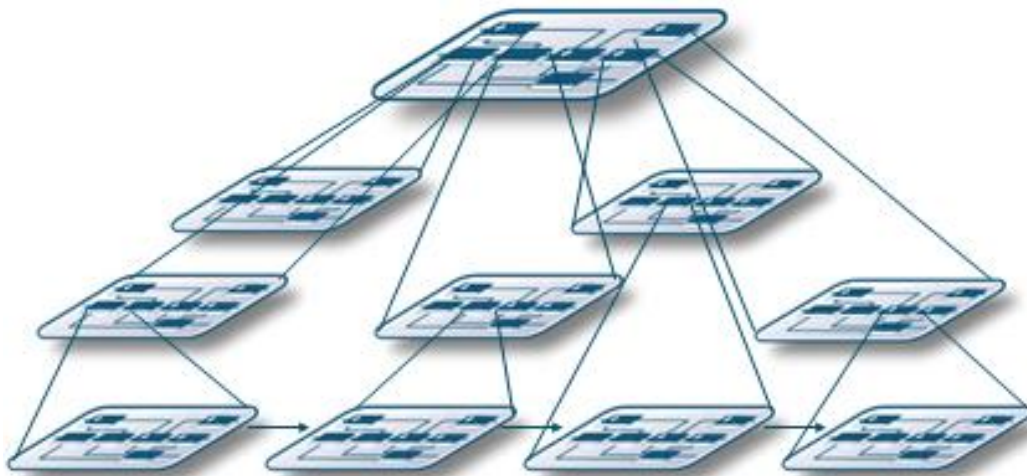


Creating an Intelligent Operations Manual

from strategy deployment to operational excellence

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Improve performance and achieve exceptional results.

Pearce Consulting Ltd help clients design develop and implement management systems which we refer to as an **“Intelligent Operations Manual”** for the whole business. The objective for developing and deploying the manual throughout the business is to reducing costs and improving efficiency.

This paper outlines the approach we have developed which supports and leverages a variety of standard methodologies that will drive the improved ROI across a range of initiatives that organisations are already conducting or are about to embark upon.

Taking a systems thinking approach, we help our clients establish the processes and procedures that will add value to their customers and generate improved returns to the business. The system integrates with the company knowledge base and other IT systems providing users with a **“single source of the truth”** enabling each team member to complete tasks more efficiently, with greater consistency, and with the overall strategic goal in mind.

We and our associates have implemented systems and carried out operational improvement projects in over 700 companies worldwide including; BP Lubricants Europe, Balfour Beatty Infrastructure Services, AWE, Mouchel Group, Taylor Wimpey, ZBP, Capita-Symonds, Fitzpatrick Contractors, Llewelyn Davies Yeang, Back Group, Toyota, Lockheed Martin, Avaya, GSK, Schroders, Brunel University, Vodafone, Dar Al Handassah.

At Pearce Consulting Ltd we understand why implementing a new strategy or undertaking improvement projects can be a daunting task, however we have the expertise and experience that has enable our clients to:

1. **Create an Intelligent Operations Manual for the whole business**
2. **Improve the efficiency of specific processes running rapid Improvement projects**
3. **Establish improved innovation processes that generate real value from continuous improvement.**

Successfully implementing a new management system for the business is about changing behaviours and achieving improved performance levels as a result. The reason for the change could be new products or services, a reorganised structure for the organisation or new processes required to meet changing legislation.

Effective business leaders set vision and direction, create the frameworks (people, processes and measures) and prioritise activities (based on allocation of budget). To successfully deliver this strategy they need to paint a picture of the successful outcome. **A clear, simple story that inspires and motivates, and creates the awareness and desire for change.**

In order for the awareness and desire for change to become a reality staff at all levels must be involved in the change process and need the knowledge and ability to make the change happen. To become more effective and efficient at making change successful many organisations are looking to develop a central Business Management System based around their operational and support processes. These are the day to day activities and tasks performed by all staff throughout the organisation to deliver value to clients

Whether tackling an individual project or evaluating an organisations' strategic goals, the introduction of a systems thinking approach means organisations can create the vision, translate that vision into clear action plans and allocate appropriate resources and responsibilities to make

the change successful and sustainable.. One of the key factors in the delivery of any successful outcome is the adoption rate. How many times have Senior Executives launched a directive “**to cut costs by 15% within the year**”, without staff understanding how that relates to their individual performance measures and goals, and what type of impact the changes might have on their customers.

We understand that change is **not one-size-fits-all**. Every organization, based on its culture, maturity and market conditions addresses change in a different way to ensure that the desired results are achieved.

We believe that starting point for successful performance improvement is to create an intelligent operations manual for the business.

The way we work reflects our belief that consulting advice should be practical and hands on and most of all should deliver tangible results that provide real benefits to our clients’.

Our consulting approach will challenge key assumptions, as we believe that only by looking beyond the obvious will we find the solutions that can radically improve business performance.

- We will work **with** you to develop an inclusive project plan that **engages** with key members of your team, and identifies clear targets and objectives for the success of the project.
- We consider it a given that the route to **rapid results** and **lasting success** lies in transferring skills to your core internal team who will ultimately drive the success of the project . Without skills transfer, the benefits attainable will be significantly reduced.
- We will leave you feeling that working with us has been really **valuable experience**
- We will not **overstay** our welcome and will always work within the agreed **budgets and timescales**.
- We will develop a **positive, can do** and **honest** relationship
- We will be focused on results and always aim to **exceed** your expectations.

Pearce Consulting have been running rapid improvement projects for clients for a number of years, which deliver reduced costs and improved performance.

PCL developed a business management system for Llewelyn Davies Yeang, architects and planner.
Processes are now transparent, easy to maintain and can be accessed by staff throughout the organisation. The system includes quality checks for all stages of design development including the 1:50 design process for PFI hospital projects. As a result, Llewelyn Davies Yeang has completely satisfied the Wren’s PI requirements.
Gavin Urquhart, Associate Director, comments, “We now have a system, with robust, quality controlled documentation, that enables us to capture, manage and easily communicate to staff, the corporate knowledge we have built up over years”.

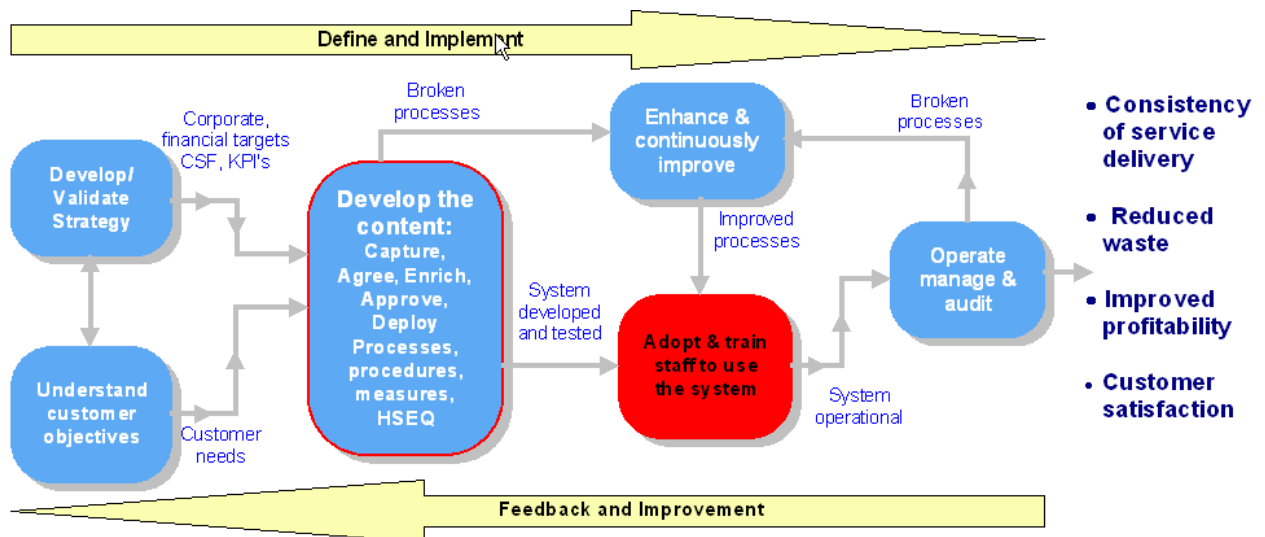
“Capturing and mapping our current project process in a workshop environment with Pearce Consulting Ltd was a valuable experience for all the team, rapidly identifying areas requiring process improvement and additional management controls. Working with Pearce Consulting Ltd to rationalise the process and incorporate control gateways has given the University an efficient process for the delivery of capital and maintenance projects” Colin Naish, Director of Projects, Brunel University.

Creating an Intelligent Operations Manual

Creating an operations manual requires drive and vision from senior management together with the knowledge and skills in change management that will support your change team. To achieve this requires:

- Clear direction and leadership from the top of the organisation.
- Hierarchical ownership of processes throughout the organisation.
- A team approach to process improvement
- A business process model supported by a technology platform.

Once these are in place the model for the business can be developed based on the key activities below. Our objective is to create an integrated model so that the impact of change can be understood throughout the organisation.



The business process model.

Develop and validate a strategy

The vision for an organisation may be the product of one person's thinking but the development and validation of that vision into a clear strategy requires input from all stakeholders. Deployment and validation of the strategy by key stakeholders is essential for achieving buy-in from staff throughout the organisation.

Understand customer objectives

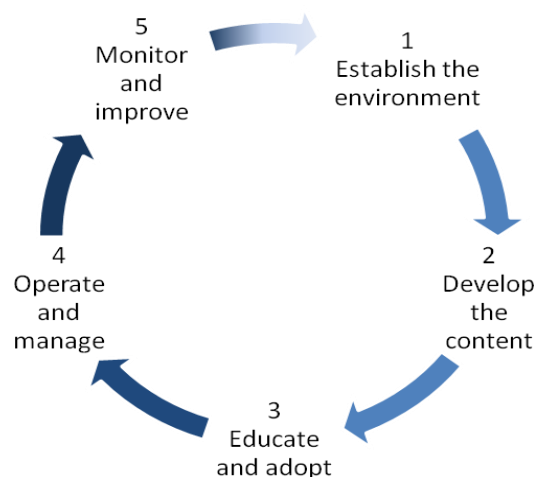
Only by understanding customer requirements, objectives and targets can measures and KPI's be established that form the basis for performance improvement.

Develop the content of business processes and procedures

Recent developments in collaborative web based process management software mean it is now possible to significantly reduce the time taken to develop the content of a system by up to 50%.

As an independent consultant we have used a number of software solutions and help clients select the software most appropriate for their use. The experience we have gained over the last 8 years has enabled us to develop a library of standard core and support processes that can easily be adapted to suite client's particular ways of working, thus significantly reducing the development time.

The process for creating an intelligent operations manual.



1. Establish the environment

Whatever platform is chosen, it needs to be established so that users can easily find the information, the forms, input screens, and examples of current best practice that is relevant to them in completing their daily tasks. The platform must also be easy to manage and update so that change can be implemented quickly and with the minimum of disruption. The system should be web based for ease of access world wide and should incorporate change control and audit capability. It should also support the integration of compliance requirements and ongoing measurement in order to monitor performance and quality.

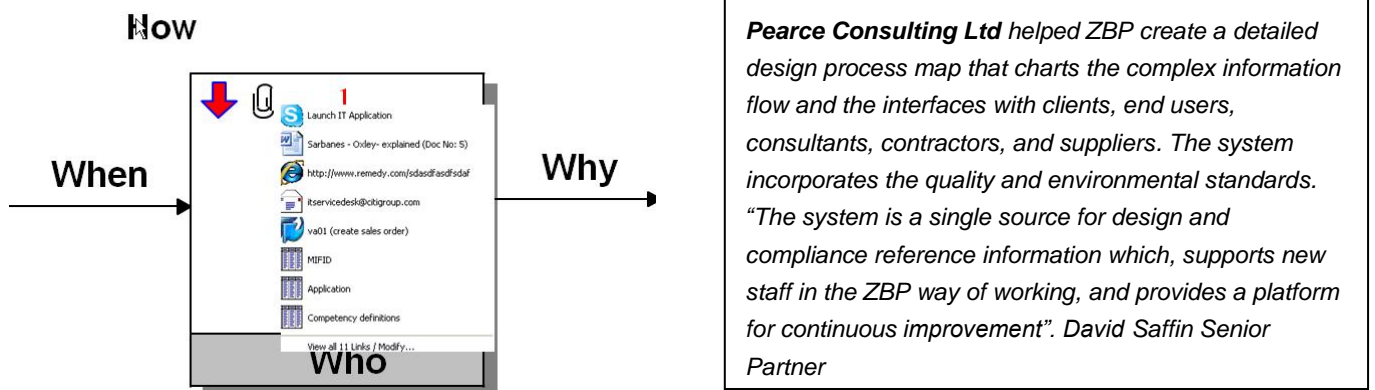
2. Develop the Content

Most companies already have 80% to 90% of the core information in written procedures, departmental flow charts, and walking round in people's heads. Our objective is to bring all this information together on to one intelligent platform of integrated processes and procedures and make it easily available to all staff.

We have a proven track record in assisting clients create this holistic view of their business focussed around adding value to customers' requirements. The business processes should provide links into workflow applications, documents and forms used on a day-to-day basis. The key to success is to get all employees to use the system as their single point of reference for process (how they do their job), documents (what they need to do their job), and metrics (how well are they doing their job).

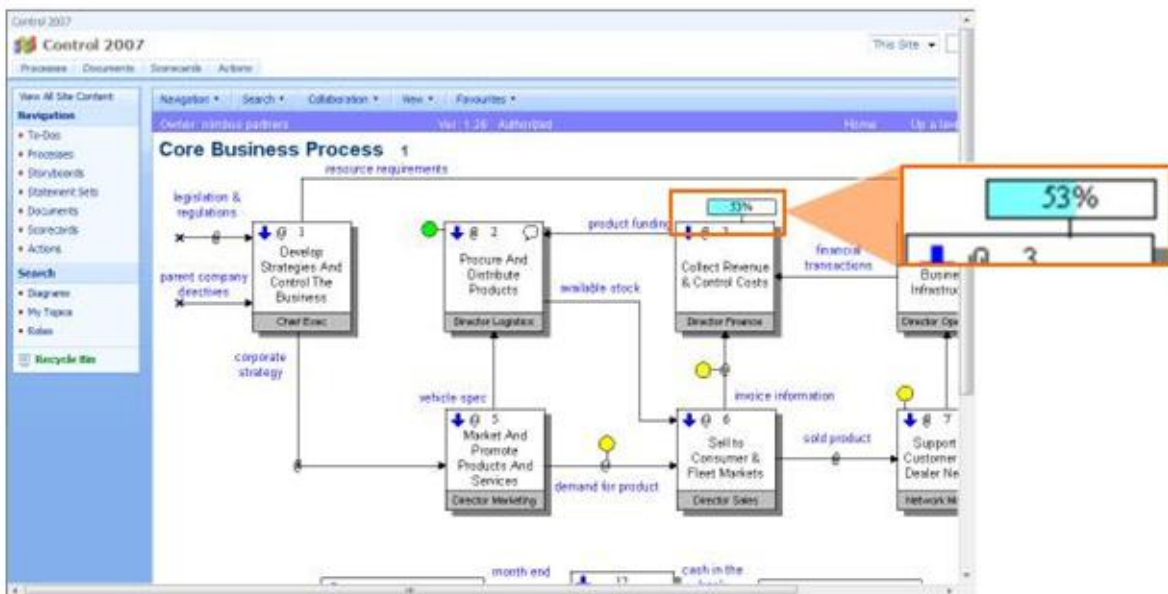
Staff will then understand how the outputs and outcomes from their activities drive the next stage in the process.

In many organisations compliance is seen as a ‘tick in the box’ exercise that only needs involvement from the Health & Safety, Environment and quality team. Yet customers, regulators and investors depend on rigorous adoption of compliance standards to ensure that the processes conform to the standards. Linking clauses in standards to the activities in the processes enables users to understand the importance of achieving compliance to produce exceptional service delivery to clients.



Attachments linked to activities

Enriching the process should also include linking dynamic performance measures to the system to keep managers informed of the performance of their processes, essential in ensuring that both company strategic and client objectives are being achieved.



Measuring performance of a process

3. Educate and Adopt

The key to improved performance lies in making sure the agreed processes are adopted and implemented across the organisation or department. Staff need to be trained to use the system efficiently and be encouraged to contribute to its further development. PCL provide bespoke training to users, authors and administrators to enable them to achieve maximum benefits from the system, which helps prevent them from reverting to the old ways of working.

In their book 'Common Approach Uncommon Results' Ian Gotts and Richard Parker demonstrate that, however many initiatives are instigated, performance will not improve without significant adoption of the new processes and ways of working. A 50% adoption rate will only produce a 25% success rate.

4. Operate and Manage

Once established the system will become a valuable asset to the organisation which needs to be maintained and managed to ensure it continues to contribute to the efficient running of the business.

Processes should be regularly reviewed by the process owners and key stakeholders to ensure they are efficient and effective. Interfaces with other processes need to be managed to ensure the inputs and outputs meet the requirements of other process owners.

PCL undertake regular reviews and audits of clients system to monitor the overall performance and usage of the system against industry benchmarks. Staff, customer and supplier surveys also provide valuable feedback on process performance.

5. Monitor and Improve

With performance measures linked into the system, processes that are broken or underperforming can easily be identified. At PCL we have carried out process analysis and improved projects using various techniques from a simple peer review to full blown Lean Sigma analysis. All business improvement initiatives, whether aimed at reducing costs, improving customer satisfaction, or implementing workflow tools, rely on a common understanding of current ways of working so that a clear change plan can be developed for implementing the new ways of working.

Most importantly, changes must be **adopted** in a sustainable environment for customers and the company to benefit from the initiative. Engaging with the users so that they feel part of the solution and encouraging feedback from them is vital for implementing change projects and for encouraging future process improvement initiatives.

We consider it a given that the route to rapid results and lasting success lies in transferring skills to the clients' team who will ultimately drive the success of the project. Without skills transfer, the benefits attainable will be significantly reduced and one of our prime objectives is to ensure this transfer happens effectively.

Our goal is to ensure you hit the ground running, that you run in the right direction, and that your team learn the skills and methods to allow you to keep running once our involvement has reduced to one of coach, whether regularly present or on the end of a phone line.

The benefits

Examples of various projects where we have achieved significant benefits for our clients;

1. Process Improvement projects

1. **Reduced operating costs:** Analysis and redesign of the tender and construction process identified **£1m of savings** for one major UK contractor.
2. **Reduce training costs;** Analysis and improvement of the training course booking process **saved one client £40k p.a.**
3. **Process capture.** Capturing 400 business processes in live workshops has saved one company **£93,000** compared to using traditional techniques.
4. **Developing an IMS.** Designing and developing an integrated information management system using control 2007 saved one company over **£400,000**. The ease of use of the system significantly improved adoption and use by staff at all levels.
5. **Marketing process.** Analysing a clients existing marketing processes identified savings of over **£35,000 p.a.** that could be achieved by implementing a standard CRM system.

2. **Mergers and Acquisitions integration:** Implementing a system to integrate the business and construction processes in a recent acquisition reduced the time taken to integrate the two companies' processes from **a planned 16 months to 4 months**, and resulted in substantial cost benefits being achieved earlier.
3. **Process focused accountability:** Making key staff accountable for processes throughout the organisation devolved ownership and was a key driver for continuous improvement.
4. **Reduced risk - Consistent business operation:** Transparency of the business processes across the organisation from the central IMS platform helped disseminate best practice, and delivered a more consistent service to their clients.
5. **Improved Quality Assurance and Health & Safety Compliance:** The system allowed the integration of Quality, Environmental, and Health and Safety procedures into the day to day processes, and ensured they were easily accessible to all users.
6. **Manage and monitor** the implementation of IT systems such as ERP, CRM, and KM. A Dutch utility developed a comprehensive map of their business processes giving the ERP implementers a clear understanding of the way the business operated which enabled them to implement the standard version of SAP in a **record 4 months**.

“Since the introduction of our process management systems in 2000 sales have increased by 50% and profitability is up. Customer satisfaction has risen from 73% in 2001 to 90% in 2004, non-value adding costs and contractual claims on projects delivered have been reduced. On one project, a saving of £1m was made on the £7m building services element.” Andrew Elliott, Head of Business Excellence TWC.

“Pearce Consulting Ltd helped us to develop our end to end project management process map. This has been a valuable exercise for us as a company and is being recognised by leading clients as a major step forward in the management of projects.” Jonathan Goring, Director of Capita Symonds Group.

Some of the Companies who have implemented an intelligent operations manual:



If you would like to know more about creating an Intelligent Operations Manual for your business....

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