

# The Rapid Improvement Project

A simple strategy for improving operational efficiency

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## Improving performance. The human factors.

In most organisations senior management and staff are all too often aware of the processes that are not performing in the most efficient way possible. However they do not have the time or support to evaluate the return on investment that improving the process will bring.

If you can think of a process that needs improving in your organisation then you have taken the first step on the road to improved performance, **awareness** of the need for change. Clearly just having a gut feeling for the need for change will not convince everyone, so you will need to define this awareness with some hard evidence.

We often hear the phrase “nobody likes change” therefore it must be difficult to achieve successfully. We disagree with this statement, as a species our success has been due to our ability to change, had we not been so adaptable we would have met the same fate as the Dodo a long time ago.

What makes humans different is our ability to create the **desire** for change, and successfully communicate this to others. We may need to persuade others to buy into our vision of the way the work should be done in a more efficient manner. This vision and desire for change needs to be proactively endorsed from the top of the organisation as it will be the motivator for the success of the project.

Many organisations find that implementing change can be difficult to achieve successfully, but it can be done quickly and easily if the change team have the **knowledge** and access to the toolkit that will help them through the process.

Knowledge can be acquired through training in the change management process and the tool sets that support it. If new software systems are being introduced such as a CRM, ERP or Building information modelling, then training will also be required in these systems as well.

Creating a common understanding of the current value chain with the key stakeholders provides a sound basis from which to analyse the current way of working. Creating this visual view of the process clearly identifies where value is added, waste is generated, how effectively resources are being used and the costs for each stage of the process.

By creating scenarios of the new ways of working stakeholders can quickly evaluate the costs and benefits of these alternatives until the optimum solution is arrived at.

By referring back to the current state users will be able to evaluate the return on investment that making the change will deliver, and most importantly what impact the changes will have on other areas of the business. Making one part of the business process efficient only adds value if waste and inefficiency have been taken out of the whole process, and not just passed onto another department or subcontractor who will ultimately pass the costs back to you.

Involving key staff in the development of the optimised business processes ensures their buy in to the new process and they will help train and encourage colleagues to adopt the new way of working much faster.

Empowering these key staff to be part of the continuous improvement team for that process ensures that they are accountable for maintaining the process in the future.

Dissemination of process ownership is the starting point for the delivery of exceptional performance to clients.

As well as knowledge acquired through training and experience, change teams must be able to demonstrate they have the **ability** to implement the change and achieve the desired performance levels. After all learning to drive does not give you the ability to race a formula one car (though some teenagers' may disagree with that).

There are a number of factors that can impact on an organisations skill levels including the time to develop the required skill levels and the availability of resources. Pearce Consulting have been supporting many clients with their improvement projects providing a broader perspective, challenging key assumptions and specialist skill sets to support the change team.

The building blocks for the change process are now in place. The new way of working has been created which adds real value to the customers. Staff have been trained in the new way of working. Suppliers and subcontractors are aligned with the new process and customers appreciate the added value we have created for them.

We now need to make sure that the momentum is maintained to ensure staff continue using the new process, to fine tune it and adapt it to integrate with changes that are being made elsewhere. In short we need to **reinforce** the change to prevent one of the most common causes of failure in change projects "snap back".

Once a change has been implemented if no reinforcement has been provided then when problems arise staff could revert back to the old ways of working. This is not through any malicious intent on the part of individuals but through a failure in the system.

It is usually because;

- the processes and procedures are not robust enough
- staff find them difficult to follow or can't easily access them from the management system.
- the new forms get lost
- It just becomes too difficult to operate the new way of working and in order to get the job done staff revert to the old way.

In one international drinks manufacturer the performance improvement team spends 80% of their time reinforcing previous improvement projects.

Techniques for reinforcing change include recognising and rewarding success for achieving change targets. Obtaining feedback from staff, suppliers and customers that are affected by the change. Auditing and measuring performance of the new process.

## The rapid improvement project

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.

Key to every project we undertake is developing appropriate content which engages with the users at all levels and can be managed quickly and effectively. Our objective is to create processes which help our clients achieve:

- **Fast work cycle times.**
- **Right first time in terms of outputs for all work.**
- **Lean cost for doing the work.**
- **Processes that are focused on achieving clients' needs.**

## Delivering a successful project

There are many ways to approach a rapid improvement project but we at PCL are confident that we can provide:

1. a rapid solution to evaluate, analyse and improve the existing ways of working that will add value to our customers and reduce costs and risks.
2. training to staff to use the new processes and procedures.
3. measure performances to ensure targets are achieved.
4. train senior employees to own their processes and provide them with the skills to drive further performance improvements in the future.

It is easy to focus on the definition phase, and relatively simple to identify areas for improvement. We strongly believe that the second point, training staff to use the improved processes and procedures is the critical part of the project.

Lack of adoption dramatically impacts the potential benefits you are expecting from your project.

Our objective is to create an improved way of working which engages with the process owners, stakeholders and users, so that staff can consistently deliver an effective high quality service to clients.

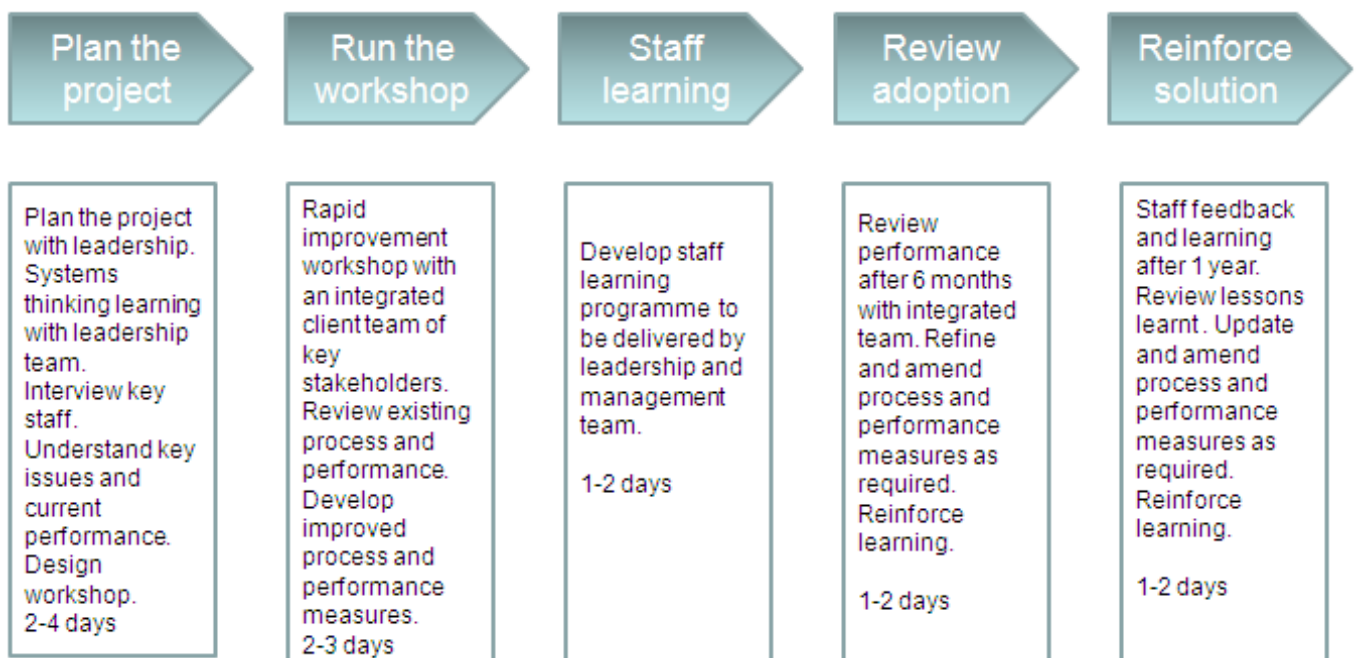
Improved performance is generally driven through a series of initiatives, and the more effective their **adoption** by all staff the quicker the organisation can reap the rewards.

Implementing change is also about communicating new ways of working to staff, suppliers and clients and ensuring these are understood and adopted.

To do this effectively requires a **common process language**, understood by everyone involved in delivering the change. It should be jargon-free and accessible to all.

### Key stages in a typical rapid improvement project:

Outlined below are the key stages in a typical rapid improvement project with the key tasks and approximate durations.



## Sustaining the improvement

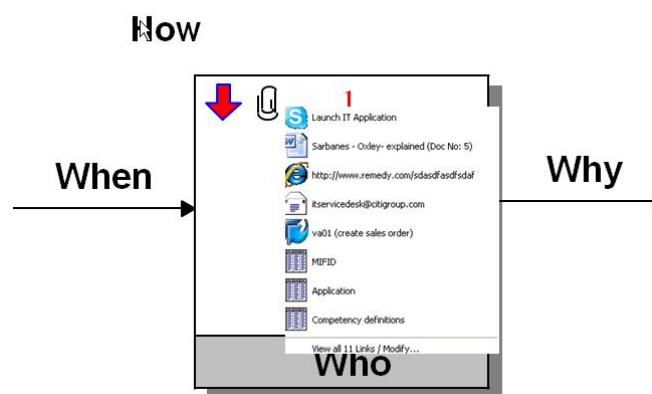
The key to sustainable improvement is to get all employees to use the system as their single point of reference for **process** (how they do their job), **documents** (what they need to do their job), and **metrics** (how well are they doing their job).

Staff will then have access to the tools to deliver exceptional performance consistently to clients and ensure that the outputs from their work provide the correct information to drive the next stage in the process.

Staff will need to be trained to use the new processes efficiently and should be encouraged to contribute to further improvements. We will develop the training required by users at all levels to enable them to achieve maximum adoption of the new process, which will help prevent them from reverting to the old ways of working.

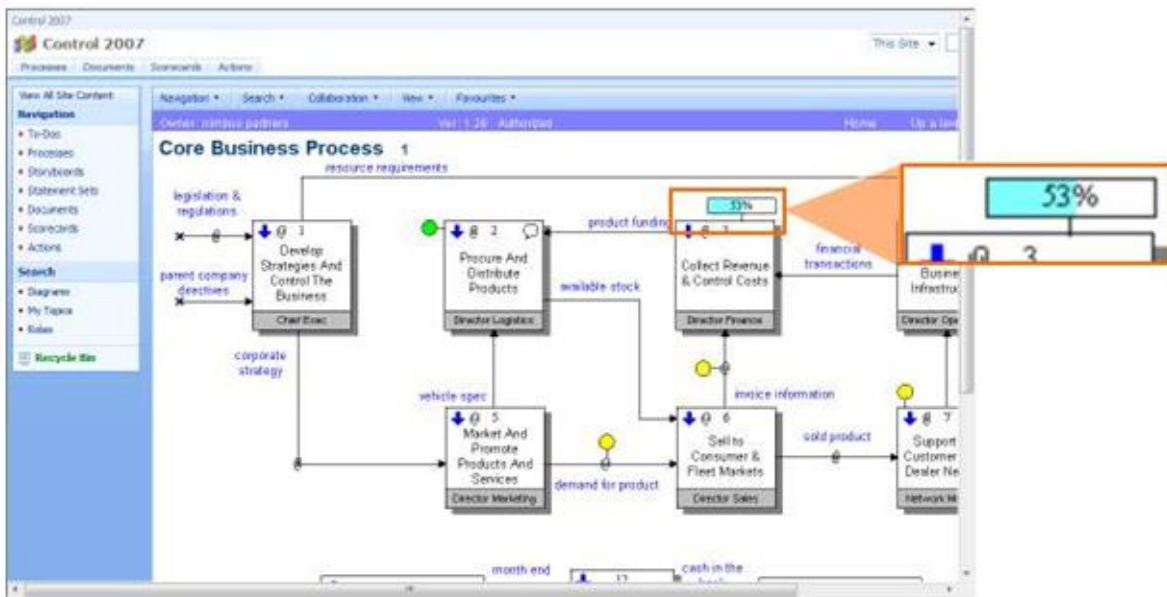
In their book 'Common approach Uncommon Results' Ian Gotts and Richard Parker demonstrate that, however many initiatives are instigated, performance will not improve without significant adoption of the new ways of working. A 50% adoption rate will only produce a 25% success rate.

In many organisations compliance is seen as a 'tick in the box' exercise that only needs involvement from the HSEQ team. Yet customers, regulators and investors depend on rigorous adoption of compliance standards to ensure that the processes meet the quality and safety standards that have been set. Linking compliance standards to the activities in the processes enables users to understand the importance of achieving these requirements which will improve quality, safety and reduce risk to the business,



*Attachments linked to activities*

Making the process sustainable should also include linking dynamic performance measures to the key activities 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*

**Reinforce improved solutions;**

Once established the new process 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 and the impact of changes can be fully evaluated.

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.

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 will be to ensure this transfer happens effectively.

Our goal is to ensure your staff hit the ground running with the improved process, that they 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.

## Typical benefits we have achieved with 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:** 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. **Reduced risk - Consistent business operation:** Transparency of the business processes across the organisation from the central IMS platform helps disseminate current best practice, and delivers a more consistent service to clients.
4. **Improved Quality Assurance and Health & Safety Compliance:** The integration of Quality, Environmental, and Health and Safety procedures into the day to day processes, ensures these are easily accessible to all users reducing the risk non compliance and accidents.

**If you would like to know more about implementing a rapid improvement project....**

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