To simplify or not to simplify? That is the question . . . !

by John Golding, Six Sigma Group

You know the situation. On one side we have the systems professionals saying they can speed up the processes and make us more efficient, on the other side we have the methods people saying we should not spend money to help us do the wrong things quicker, and of course you have the date for systems implementation moving closer (because it hardly ever moves the other way!).

So what do you do? Most of us accept that it's coming. We have enough on our plate just trying to ensure that the system goes in smoothly never mind trying to tweak the processes as well!

There is another way which is about balancing time required to fix a process against the amount of waste in it.

OK, but there is a bit more to it. Back office processes are usually efficient but not effective and front office processes are usually vice versa.

By effective, I mean doing the right things for the customer (adding value). For example, the customer requires office water replenishment on a regular basis so a kanban system is set up that provides replacement water within 2 hours of a phone call. Great service but at what cost . . . assuming that they meet the delivery target.

Whilst 'efficient' means doing things right (but not necessarily the right things). For example we make engines for motor vehicles and we need to keep our people busy so we load all the large jobs to keep the machines running (great for the utilisation/efficiency calculation). Trouble is, we end up with a set of parts that don't allow us to assemble a complete engine.

So we would like to be both effective **AND** efficient.

Here's a suggested approach to help gain focus on which activities to improve, and which to leave.

Step 1 Develop a customer requirements list

Step 2 Sketch a high level process map for the business

Step 3 Compare the activities to the requirements and make a judgement on which activities are the most influential

Step 4 Perform a health check on those influential activities

Step 5 Use an Ease *vs* Benefit Matrix to prioritise the red activities

Step 6 'Rough cut' the ideal new process

Step 7 Reflect on how close you can get to the preferred way of working

Step 8 Input these requirements to functional specification document

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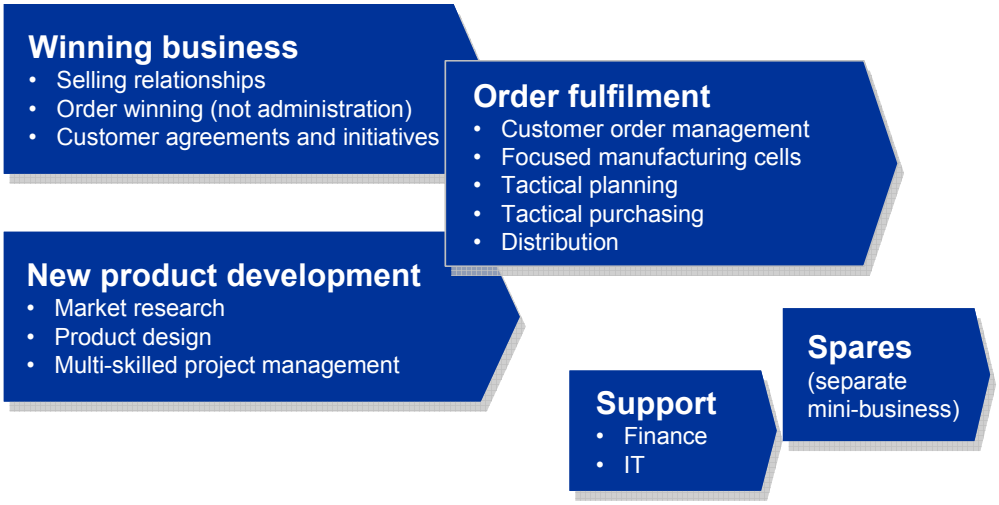
Step 1 : Develop a Customer Requirements list. Reflect on what customers require, this will ultimately drive what's important in the process(es). This is an example Customer Requirements list for the provision of car spares.

- On time delivery of items ordered
- Good quality
- Courteous service
- Appropriate price etc.

Step 2 : Sketch up a high level process map for the business



Step 3 : Compare your Customer Requirements list with key process activities and make a judgement as to which activities are the most influential.

Customer Requirements / Importance to Customer / Process Activity		Selling relationships	Order winning (not administration)	Customer agreements and initiatives	Customer order management	Focused manufacturing cells	Tactical planning	Tactical Purchasing	Distribution	Etc	Etc . . . .
On time delivery of items ordered	9			1	9	4		9	9		
Good quality	4	9				4					
Courteous service	4	4			4						
Appropriate price etc.	9	4	9	4			4	9	1		
Scores		88	81	45	97	52	36	162	90		

Key influential process activities

KEY

Influence of Process Activity on meeting Customer Requirements:

☐ No Influence 1 Weak Influence 4 Medium Influence 9 Strong Influence

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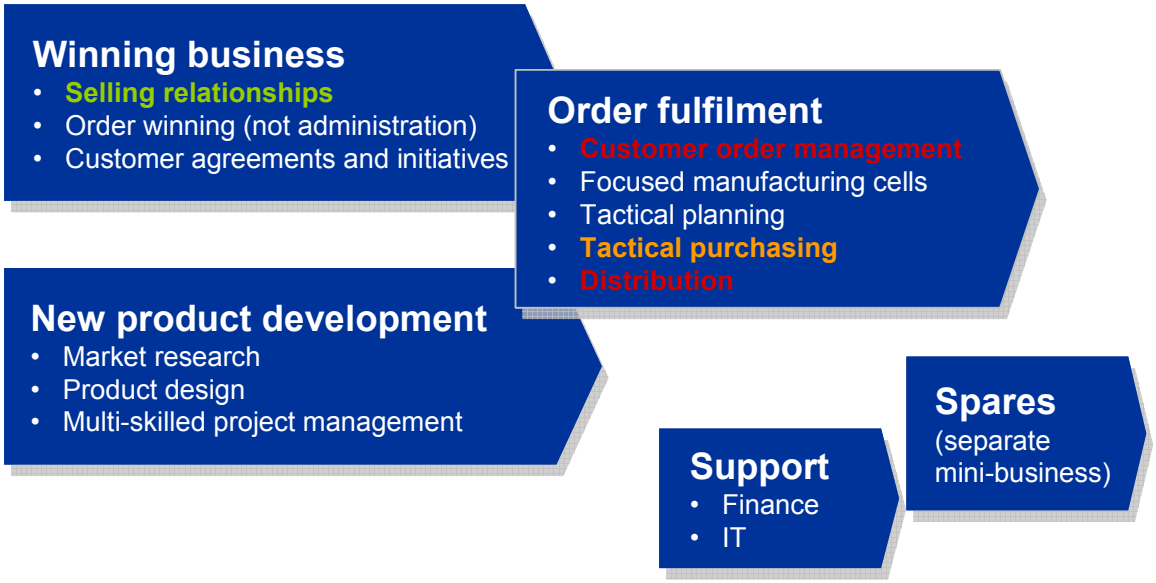
Step 4 : For those influential activities, how healthy are they? (**ill**–**limping**–**healthy**)

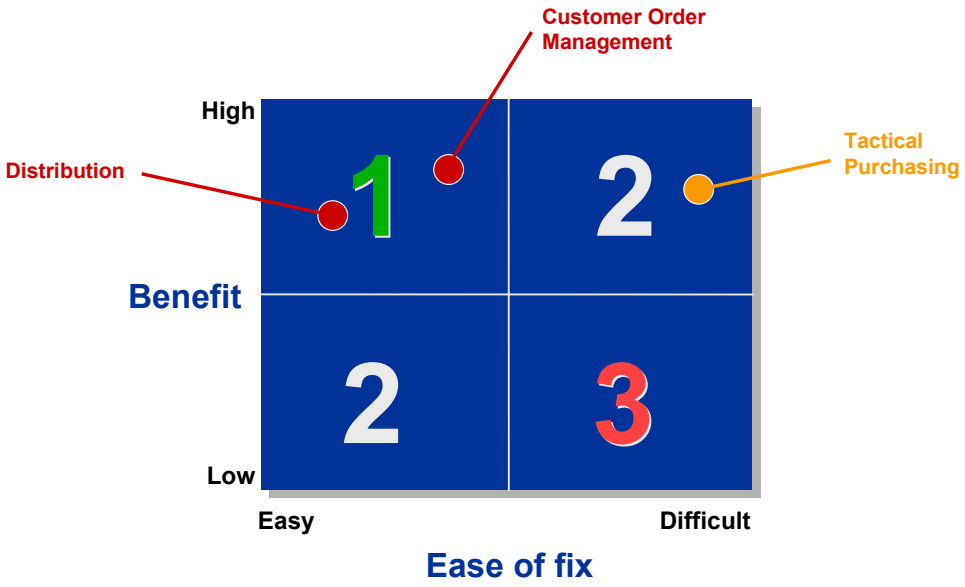


Focus on **ill**/**limping** influential activities. These are:

- Customer order management
- Distribution
- Tactical purchasing

We have dropped Selling Relationships from the priority list.

Step 5 : Use the Ease *vs* Benefit Matrix to prioritise areas to address, and hence decide what you can do in the allotted time.



We would focus on Customer Order Management and Distribution (easy to fix, high benefit) since Tactical Purchasing is hard to fix, but has high benefit.

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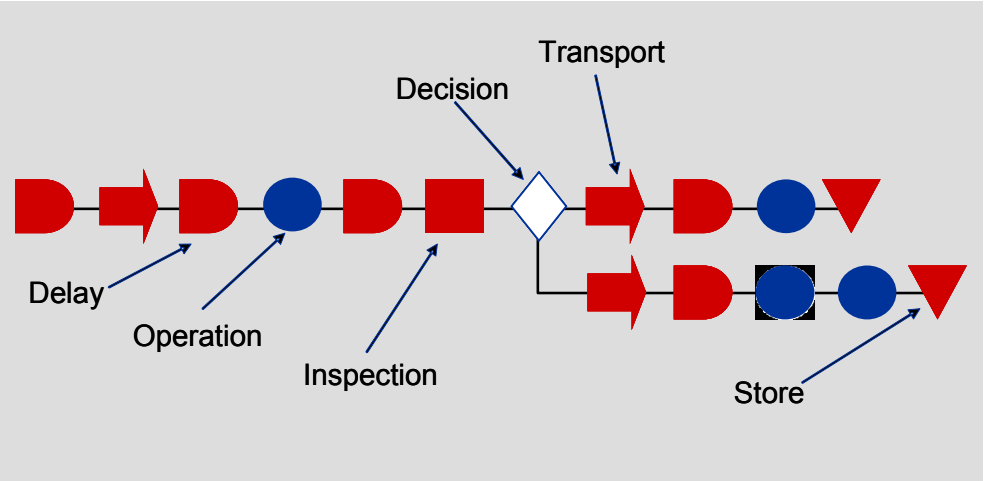
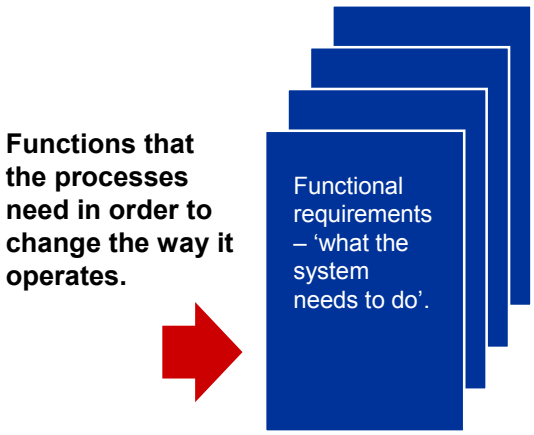
Step 6 : Rough-cut how the process *ideally* needs to change to best meet the customer requirements by process mapping the current process for Customer Order Management and Distribution and developing a new process that better meets customer needs. This usually gives a simpler more streamlined process.



Step 7 : Consider practically how close the new 'system' can get to this preferred way of working and modify the new process accordingly. We need to be pragmatic here!

Step 8 : Input these requirements to the functional requirements document for the system.



Of course, the performance of the process before and after the change would need to be assessed.

Perfect, no. Pragmatic, yes. An ongoing activity, you bet!

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