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World Publishing Expo 2013

» Methods and Tools for Superior Workflows «

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Intro | Superior workflows and process management

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Why superior workflows are of growing importance

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From

„THE MARKET“

to

MANY TARGET GROUPS

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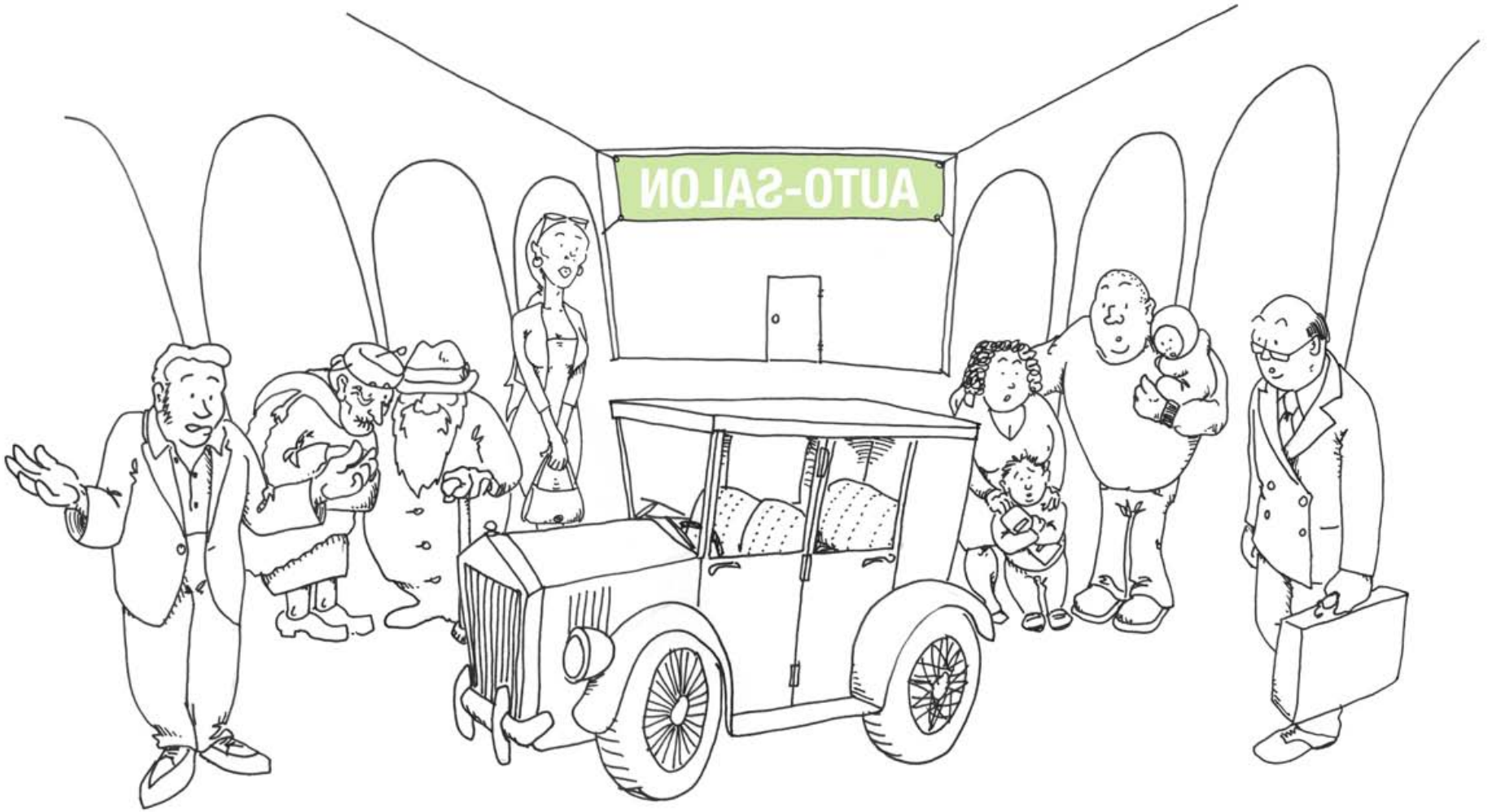

„Sorry folks, but the boss said we´d do it like the newspaper guys...“

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From print to multichannel-strategies

Then and now

„Good ol´ days“

- Few channels and few products
- Stable processes
- Easily manageable

„Today“

- More channels– print, online, mobile, social, events etc.
- Channels need handling and coordination
- High complexity, often low insight into for instance process costs

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More Business Models

Many, Many More Products

Many, Many More Processes – Operative and Steering Processes

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Mastering complexity and a multitude of processes are becoming critical success factors for publishers [1]

Success factor process management

- Value creation takes place in more or less well structured business processes
- Managing these processes is critical for ensuring lasting market success
- Thus, process management is one of the most important management tasks

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Mastering complexity and a multitude of processes are becoming critical success factors for publishers [2]

Success factor process management

- Process management comprises
  - continuous surveillance of the business processes,
  - their optimization and
  - their adaption to changing market requirements, business models and strategies
- Often, this task is carried out “on the go” – which may or may not be sufficient

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Why workflows often are rather inferior – and what can be done

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There is a number of reasons why processes can be rather inferior

Process deficiencies (1)

Lack of transparency	People involved at different stages of the process have no or insufficient knowledge of necessities „at the other end“ of the process; consequences of their actions (or lack thereof) are ignored
Alleged necessities	Complexity, unreasonable tasks and procedures are accepted as is rather than questioned
Exceptions rule!	Processes are designed based on the exception, not based the rule
We´re all humans	Personal preferences, skill levels and above all habits influence actual workflows and hinder unpleasant decisions

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There is a number of reasons why processes can be rather inferior

Process deficiencies (2)

Value creation numbness	The true success factors may be unclear, management objectives may be hindering – whatever the cause, value creation of processes is often not the main focus
Lack of role clarity	Tasks, responsibilities and decision making competencies must be defined, aligned and adopted – which is not always the case
No process ownership	Who´s in charge of identifying deficiencies, designing, implementing and controlling optimized workflows? Who ensures process optimization as opposed to departmental optimization of workflows?
One shot approach	Process design is often understood as a one shot task – but do remember: old habits die hard

„We need to become more efficient! Let´s start by documenting our current processes, so that we can then optimize them.“

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Our customer´s challenges...

1 publishing house

20 man-days input

~5% of all processes documented

400+ man-days estimated for documentation of as-is-processes

› **0** optimization achieved

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Our recommendation: Manage your processes, don´t simply “optimize” once...

The seven steps to effective process management

1	**Defining objectives**	Which goals do we want to achieve with process management?
2	**Ensuring mutual understanding**	Which is our mutual understanding of our future process management approach?
3	**Defining project scope**	Which processes shall be managed and which are the consequences for process management?
4	**Setting the organizational frame**	How must we organize our company in order to best support superior workflows?
5	**Defining methodology**	Which methods and tools shall we employ for managing our processes?
6	**Visualizing and operationalizing**	How can we visualize, operationalize and implement newly designed processes?
7	**Establishing process management**	How can we establish process management effectively?

1 | Defining the objectives

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Question #1: Which is our strategy and which implications does this have concerning process management?

Basic strategic options for news organizations

Cash out existing business	Take-over of other news organizations	Diversification
Lack of growth potential demands cost reduction	Profitable growth requires leveraging synergies	Growth is pursued by product and business model innovation
➲FOCUS ON WORKFLOW OPTIMIZATION	➲FOCUS ON CROSS-ORGANIZATIONAL SYNERGIES AND WORKFLOW EFFICIENCY	➲FOCUS ON WORKFLOW DIVERSITY, INNOVATION AND CHANGE MANAGEMENT

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Question #2: Which are our core problems regarding workflows?

Key questions for identifying objectives

Key Questions	"NO"	Implication
Are our processes **productive**? Are they adding value within a well functioning business model?		➲ Conduct value analyses ➲ Optimize business model using the Business Model Generation-method ...
Are our processes **effective**? Do they lead to results with the desired outcome quality?		➲ Audit quality management ➲ Analyze management and employee skill set ...
Are our processes **efficient**? Is our process quality high and the required input low?		➲ Analyze workflows ➲ Design, implement and control optimized workflows

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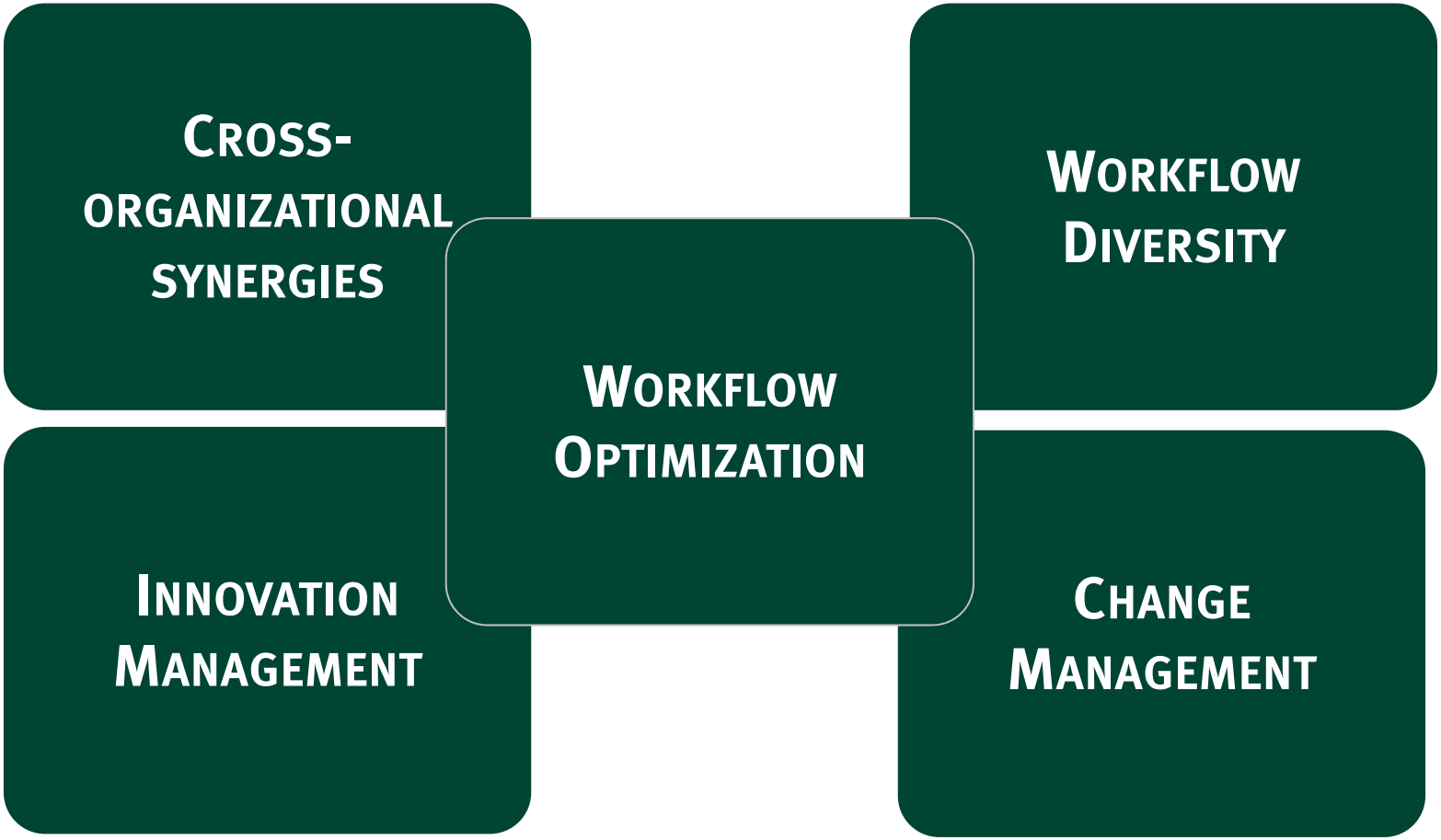
Question #3: Which set of objectives is relevant?

Set of objectives



2 | Ensuring mutual understanding

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Let´s talk about: our basic understanding of process management

Alignment

Production Principles

- Single-item production
- Arts and crafts
- Manufacture
- Industrial production 1.0 (Tayloristic)
- Industrial production 2.0 (high automation, high flexibility)

➲ **Which production principles do we apply today?**

➲ **Which to we want to apply in the future?**

Degree of Process Orientation

- Processes as the result of adjusting workflows over time and across people and departments
- Processes as a leadership and management tool

➲ **Which degree of process orientation is given in our organization?**

➲ **Which degree of process orientation is best for the future of our organization?**

3 | Defining project scope

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Based on your objectives and theses concerning potential for improvement you will find a suitable starting point

Finding the starting point

Direct value creation, begins and ends at the customer	**Core process**		**Supportive process**	Internal processes which support value creation
Repetitive, frequent and stable process	**Standard process**	**And don´t forget: The different process types do have inter-dependencies !**	**Special process**	Special cases, varies in frequency and scope
Constantly repeating process with no explicit terminus	**Daily business process**		**Project (process)**	Timely limited, nonrecurring, clear goals

4 | Setting the organizational frame

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Without an adequately process oriented organizational and management structure – you just might fail :-|

Overview of the organizational frame

Organizational Structure

Primary Structure

- Divisions, departments, teams
- Product oriented, functional, matrix
- Caution: Functional structures have low process orientation!

Secondary Structure

- Boards and committees, regulated communication, projects
- Caution: An overboarding secondary structure indicates problems in the primary structure!

Process Organization

Operative Processes

- Process design (as-is vs. conceptualized)

Steering Processes

- Planning and deployment of resources
- Definition of priorities
- Management of bottlenecks

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Without an adequately process oriented organizational and management structure – you just might fail :-|

Setting the organizational frame

- ☑ How do the organizational structure and the process organization **interact** in our company?
- ☑ Do we need to **adjust** our **primary organizational structure** before optimizing processes?
- ☑ Do we need to **adjust** our **secondary organizational structure** before optimizing processes?
- ☑ Will we need to **adapt** our organizational structure in order to optimize processes?
- ☑ Can the process management **objectives** be reached within the existing organizational setting?
- ☑ Which **limitations** are given due to the existing organizational setting?
- ☑ Did we choose the **right starting point** for implementing process management?
- ☑ Did we define a suitable and **realistic project scope**?

5 | Defining methodology

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Process management comprises controlling and optimization of existing and designing new processes

Process management tasks

1	Controlling of existing processes
2	Analyzing and re-designing existing processes
3	Designing new processes
4	Implementing new or altered processes

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In all cases, processes should fulfill a set of criteria

Superior workflow checklist

Process Organization

- ☑ Clear process definition
- ☑ Precise and comprehensive role description (tasks, responsibilities, competencies)
- ☑ End-to-end know-how concerning process procedure
- ☑ Workable standards and rules
- ☑ Consistent procedures with an adequate level of flexibility

Process Efficiency

- ☑ Low communication and attunement needs
- ☑ No non-value-creating steps
- ☑ No duplicate steps nor tasks
- ☑ Optimal degree of automation
- ☑ No media discontinuity

Time

- ☑ Avoidance of idle times
- ☑ Avoidance of / minimal set-up-times
- ☑ Avoidance of unnecessary interfaces

Quality

- ☑ Fail-save
- ☑ High result quality
- ☑ High process quality
- ☑ High (internal and / or external) customer satisfaction

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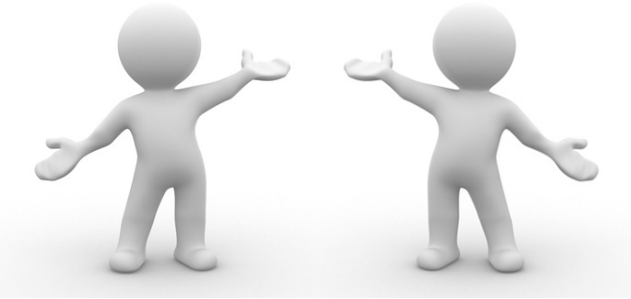
2 Analyzing and re-designing existing processes

Step 1: The team



Recruit the best team possible:

People from different ends of the process

and / or

People with no stakes in the process (for instance external)

and maybe even

The person that first comes to mind when asked: Who do you definitely not want on the team?

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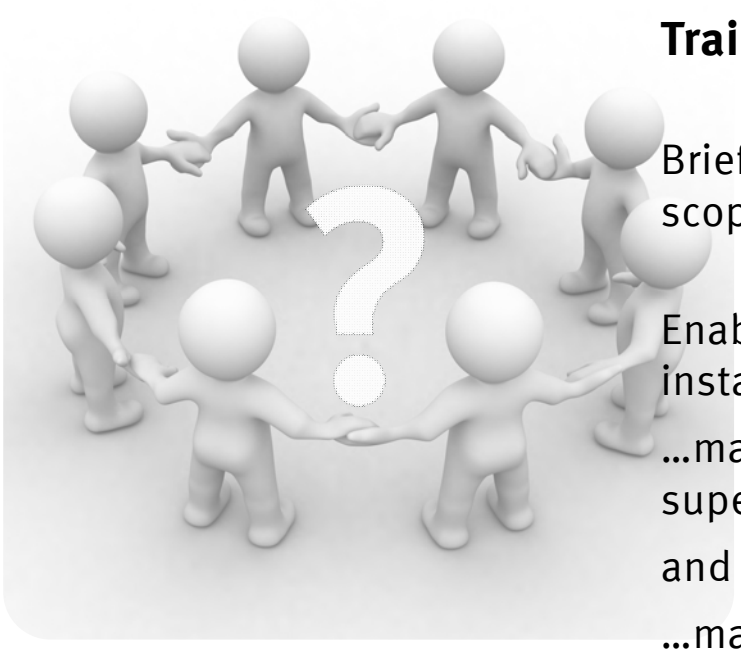
Analyzing and re-designing existing processes

Step 2: Training



Train your team:

Brief the team on the strategy, the objectives and the scope of the project

Enable your team to overcome selective perception for instance by

…making the team familiar with the requirements for superior workflows

and

…making sure the method is fully understood by all team members

and

…giving them the big picture behind the process

Familiarize your team with question techniques

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Analyzing and re-designing existing processes

Step 3: Walk-through preparation

Prepare your team for a walk-through:

Define the roles during the walk-through

You might want your team to take different perspectives: The customer, the money, the management, the other department…

Make sure one team member documents the process neutrally (“white hat”)

Make sure the rest of the team documents their first impressions, their ideas, the problems they saw etc.

Equip your team with the checklist

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Step 4: The walk-through

Take your team to a walk-through:

Pretend you're an ad, you´re a customer complaint, you're an article, you´re an app…

Simulate the process by following it step-by-step: What triggers me? Which is my starting point? How am I handled at this point? When and why and how will I be transferred to next process point? Who will take care of me there?

Watch how you are being worked on and ask the processors open questions: Why is this step important? How does it create value? Is this step always carried out in the same manner? Why is it carried out in this manner? What is the worst mishap that has ever happened? What is the greatest success that has ever occurred? Which are critical incidents? And so on.

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Analyzing and re-designing existing processes

Step 5: Documentation

Document the walk-through:

Use Post-its or stattys to sketch out the as-is-process

Use different colors for problems, ideas, questions…

Deliberately take in the customer perspective

Identify points of interest, strengths, weaknesses and optimization potential along the process

Return to the big picture you gave the team in their training: Which objectives? Which role does the process play? …

Take a break – give your brains some incubation time

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Analyzing and re-designing existing processes

Step 6: Re-design

Develop ideas for re-designing the process:

Again, work with Post-its or stattys to sketch out possible to-be-workflows

Always remember: they´re only ideas
and the first idea is often not the best idea

Therefore: iterate, discard, take a different angle

Make sure the whole team speaks their mind

Discuss disadvantages, advantages, chances, risks as openly as possible

Document your pre-final concept

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Analyzing and re-designing existing processes

Step 7: Quality assurance

Ensure high quality of your design:

Simulate a walk-through based on your concept

Document the prerequisites for implementing your concept: HR, IT, primary organizational structure, secondary organizational structure, steering processes

Document the consequences of implementing your concept and identify KPIs for controlling the process

Hold your concept against the project objectives, the project scope and the “superior workflow checklist”

Use the Business Model Canvas for a final check: Did you enhance the value proposition? The cost structure? The…

6 | Visualizing and operationalizing

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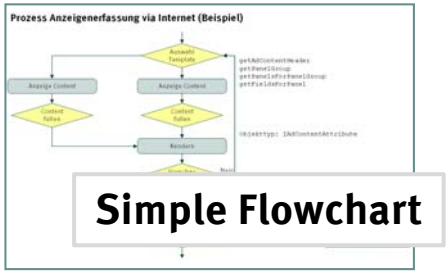
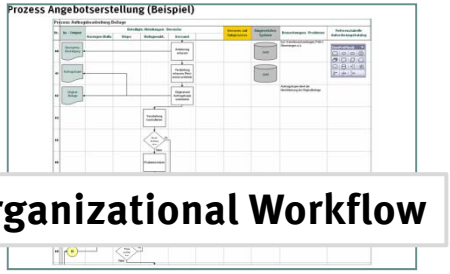
To be honest: We haven´t found the one best way to visualize processes

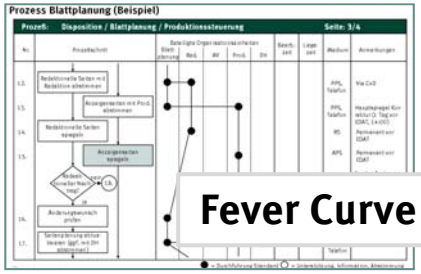
Alternatives of visualizing processes



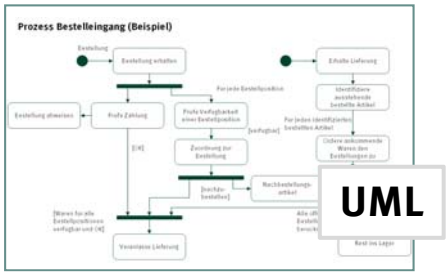
Simple Flowchart



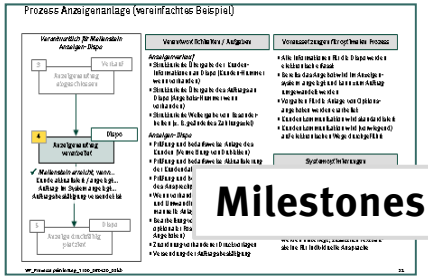
Organizational Workflow



Fever Curve

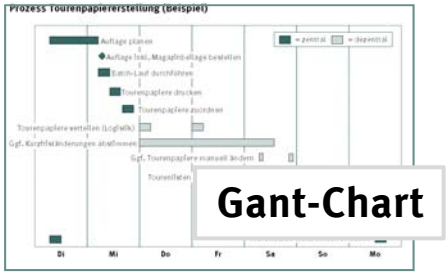


UML

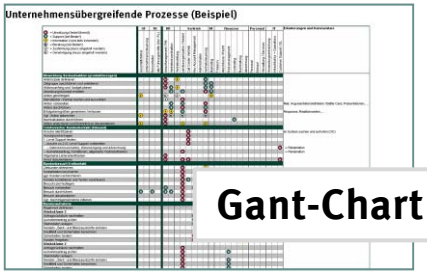


Milestones

Table



Gant-Chart



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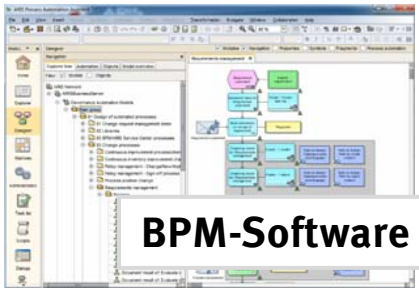

BPM-Software

7 | Establishing process management

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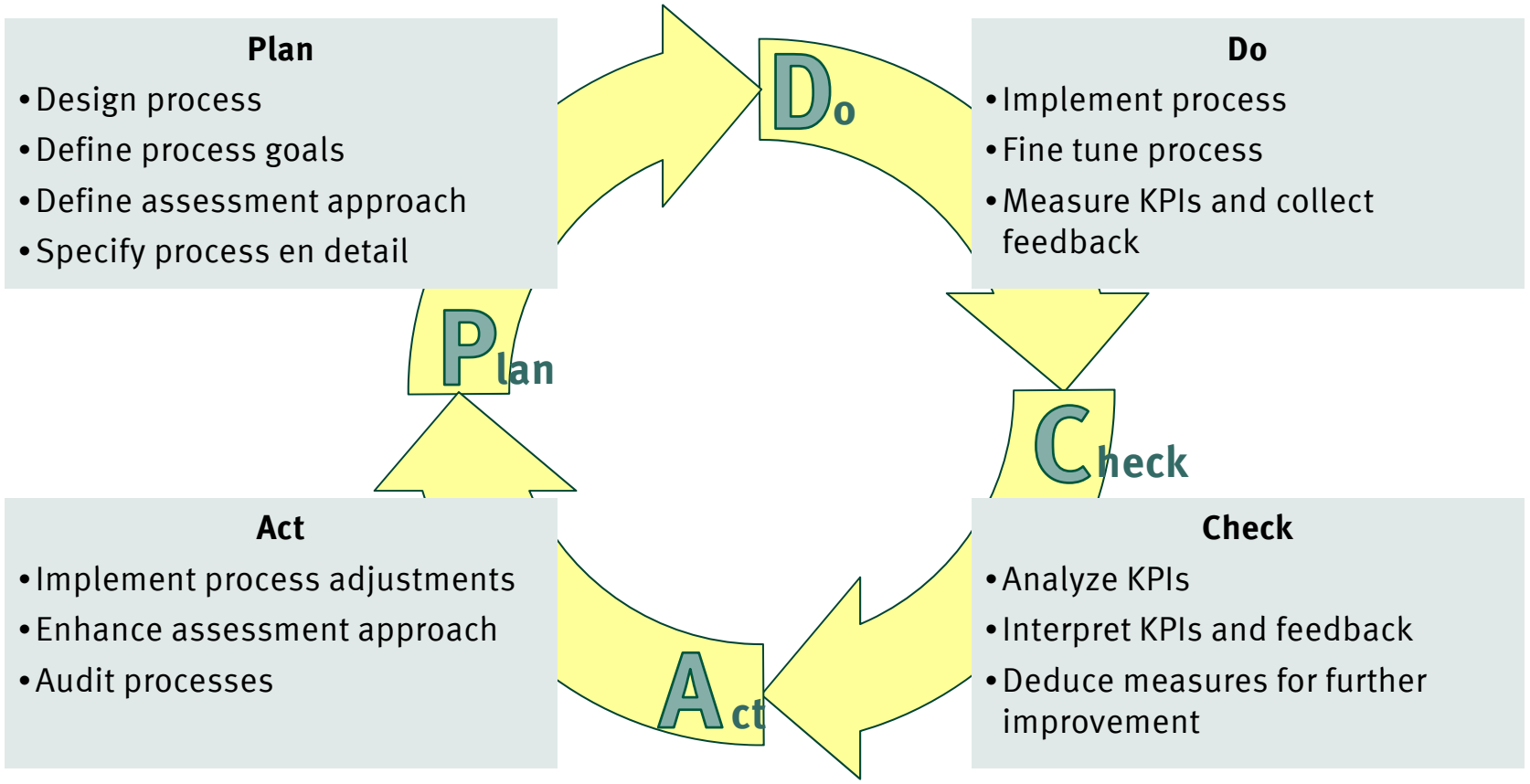
The PDCA-cycle is a good framework for implementing process management

The PDCA-cycle



That´s all, I hope you enjoyed it!

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