IMPROVE PRODUCTIVITY AND

AGILITY WITH

PRIME

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PRIME

FIRST EDITION

A Proven Tool for Achieving
Business Productivity and Agility

By Mark Khabe
Co-Founder of primebpm.com

Dedication

I would like to dedicate this eBook to our staff and past clientele who provided their honest feedback about each one of our products and services. This feedback has helped us to design and build products and deliver services which truly meet the needs of the customer.

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PREFACE

Welcome to the eBook-**Improve Productivity and Agility with PRIME.**

I would like to share with you the result of a recent survey. The survey gathered information from conference attendees who are focused on business improvement in the Queensland Government (Australia). The attendees were asked what their highest priority is for this coming year, 2017. Amazingly, 46% expressed that productivity improvement and agility were the highest priorities on their agenda.

One can safely assume that this priority is based on the need to do more with less and the ability to respond to the rapidly changing economic landscape.

This is not surprising to me at all. In the early years of our company PRIME, PRIME was a consulting firm focused on providing business improvement services. Our clientele ranged from large private sector firms like Vodafone, GE and Rolls Royce to local, state and federal government agencies. More or less, our clientele shared a similar objective - to do more with less. Our focus was to improve their level of productivity and integrate into

their organisation proven ways to become more agile.

Based on working with such clients and delivering over 300 consulting projects over a period of almost 15 years, PRIME BPM was created. PRIME is a software tool that is a replica of the PRIME consulting approach and its analytical tools. A tool our customers now use to drive continuous business improvement in their organisation.

This eBook describes how to achieve Business Productivity and Agility with PRIME. I truly hope this book strengthens your understanding of how to easily and effectively drive continuous improvement in your organisation.

INTRODUCTION

This eBook firstly defines the terms Productivity and Agility and explores the reasons why these terms are so important to business. Secondly, this eBook discusses the key contributors that enable your organisation to become more agile and productive. Furthermore, it introduces the PRIME tool and discusses how each module in the tool contributes to improving your organisation's productivity and agility.

In closing, the eBook discusses the importance of continuous improvement in the organisation.
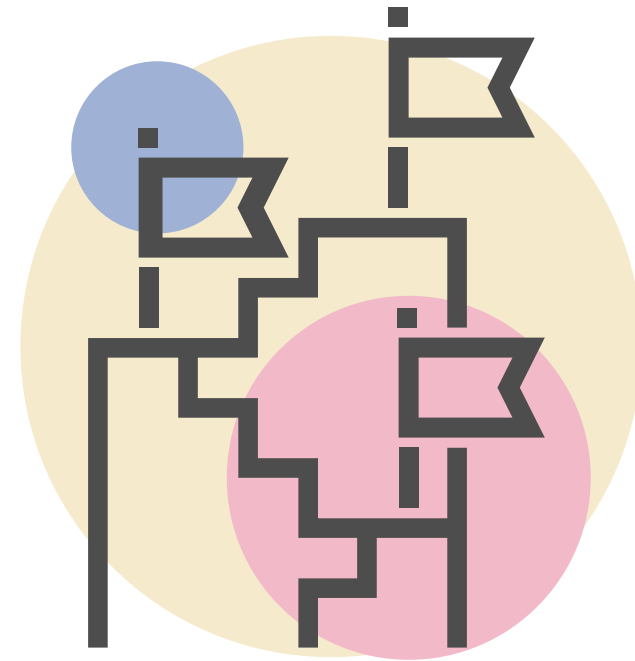
DEFINING PRODUCTIVITY AND AGILITY

So, what is productivity?

The answer is quite simple. based on our last fifteen years of experience, we define productivity as taking your output and dividing it by your input.

As an example, just look at your output and decide what resources within your organisation are producing that output. Whether it is cars, ships, houses or if you are in the service industry, then the output would be whatever defines your service to your client.

Whilst producing or servicing your clients, some of the inputs that you use would obviously be labor, machinery, computer software, etc. The resources you need to make the output are referred to as the inputs.

The more you produce with less, or with the same amount of input, the higher your productivity is.

Then what is agility?

Business agility enables an organisation to respond rapidly to changes in the internal and external environment without losing momentum or vision.

Agility revolves around three components. These are the ability to:

- **sense,**
- **create, and**
- **respond to change quickly.**

Responding to change quickly is becoming of paramount importance as the political, economic and digital environment are raidly changing. So, the more agile your organisation becomes, the better your organisation is equipped to sense and react to changing business environments.

Let's quickly review. Higher productivity is all about producing more outputs with the same or less resources or inputs. Whereas, agility is being able to quickly respond to upcoming changes.

WHY DO PRODUCTIVITY AND AGILITY MATTER?
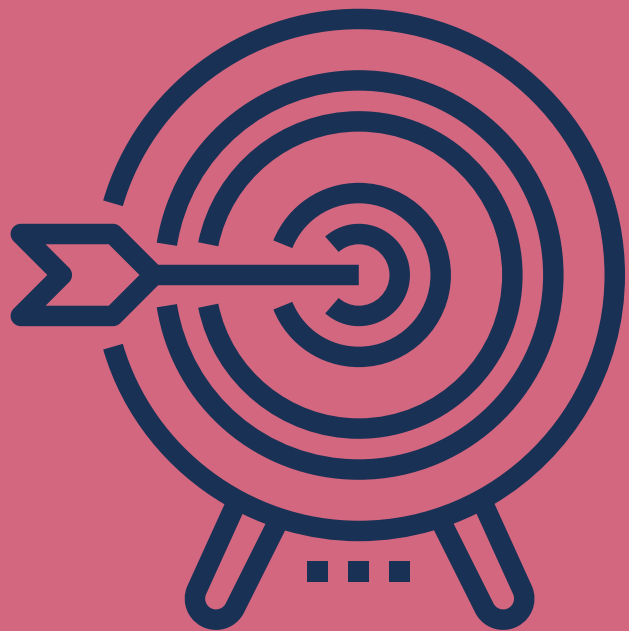
Improving agility is becoming particularly important in the business environment. Why, you might ask.

There are a number of reasons for this and we will discuss each in detail.

COST

In recent years, we have observed that in some private enterprises and in most government agencies, revenue is declining. As a result of this, cost pressures arise, particularly in government, we can imagine what is happening. The population is increasing, but the country's revenue is dropping, therefore, creating more and more cost pressure.

In private enterprises, global competition is causing the same effect, in turn, both government and private enterprises must either increase their revenue by producing and selling more or meet their customers' expectation with less or the same level of resources.

The latter is only possible through improving the organisation's productivity.

LIMITED RESOURCES

When an organisation is feeling financial pressure, it may implement a hiring freeze, making it almost impossible to fill vacant positions within the organisation. This type of restriction creates pressure on service delivery. This cost pressure may also extend to resources other than human resources, such as stopping the purchase of software to address the shortages of human resources. Organisations are then forced to find innovative ways to produce more with the same or less resources.

CUSTOMER DEMANDS AND EXPECTATIONS

With the increase of mobile technology and accesibility, customers expect answers quickly-in real time. Not only do they want a response, they are also seeking the right answer to their questions. Clearly, the customers' demands and expectations are increasing and organisations need to be agile to respond to and meet their demands.

This increase in expectation also stretches to the capability of our products and services. I have seen software vendors demonstrate their product and hearing the prospective customer ask, can it do this, can it do that? Funnily enough, I have also heard the demonstrator respond by saying - the sotware doesn't drive itself, there is something left for you to do!

Organisational agility enables us to respond effectively to our customers' demand and expectations.

RATE OF CHANGE IN ECONOMIC AND POLITICAL ENVIRONMENTS

It is not new that the organisation operates in a global economic and political environment. There have been strategic relationships in place between countries for decades, however, what has changed is the rate at which information travels and that it is now everyone who receives this information.

For example, when the American President signs an executive order on improving accountability in the department of veteran affairs, your average person in outback Australia would have never known. Now, he is the recepient of this news instantly via Twitter.

Receiving this news real time, reactions to this news can also be instant, hence rapidly changing the business environment. This certainly presents volatility and causes organisations' strategic plans to be short lived. For this reason, organisations need to be agile to respond to political and economic changes as they arise.

HOW TO ADDRESS PRODUCTIVITY
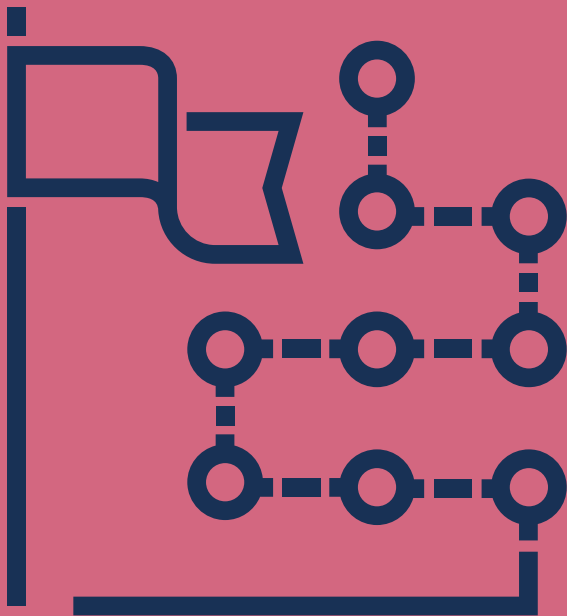
Productivity can be improved by addressing these three key pillars:

- **People**
- **Processes**
- **Technology**

These three key pillars will be discussed in detail below so that there will be an understanding of how each of these can influence organisational productivity.

PEOPLE

The People Pillar refers to the mindsets and attitudes of people in the organisation. Over a period of time, this builds and represents the organisation's culture.

As part of a recent study, large for profit and not-for-profit organisations from across the globe were surveyed to assess how organisational productivity relates to organisational culture. It was found that by improving employee engagement, the organisation's productivity

also improved by 21%.

This is a huge gain. It was found that an engaged workforce also reduces absenteeism and employee turnover, in turn improving productivity.

PROCESSES

The Process Pillar refers to the conceptual sequence of activities that enables people in a business to do what they are supposed to do. This sounds simple, but it is often an area of concern for many organisations. Why? Because most organisations do not have clarity in the roles or responsibility of each person and the staff are unaware of what is expected of them. Worse still, accumulate this dilemma over a period of time and a lack of direction results. Hence, the key to improving productivity is to address the lack of direction through creating process transparency.

Secondly, process transparency enables the identification of waste in processes. Waste removal makes processes more efficient, in turn driving productivity. Waste is discussed shortly.

TECHNOLOGY

The Technology Pillar is the opportunity to improve productivity and agility by way of implementing or enhancing existing technology. It is also used as guiding rail to keep the process on track - to make it easier to follow the process.

If an organisation can identify and remove or reduce waste, it greatly improves business processes. Hence, the key is to leveraging technology to streamline processes and become more efficient - to do more with less, hence improving productivity.

To address the process and technology pillars, it is important that we learn how to identify and remove waste.

IDENTIFYING AND REMOVING WASTE

Waste in the organisation is anything that does not add value, but that is easier said than being able to actually identify waste in the organisation. Most activities done in the organisation can be placed into any of the following categories:

- **An activity done directly for the customer.**
- **An activity done to keep the business afloat.**
- **An activity done because you believe there is no other way to do it more efficiency and effectively.**

Let's walk through how to apply this logic.

Take a closer look at the tasks/activities performed in your organisation. That is, the day to day activities that form part of a business process. Firstly, ask yourself a simple question: "Will the customer be, or is a customer, willing to pay you for the activity?" If the answer is "yes" then that task is actually adding value directly to the customer.

For example, answering questions from the customer via the telephone is something the customer may be willing to pay for. Take another example, if you are doing accounting activities, you are likely doing this to comply. In this sense, the tasks are not necessarily adding value directly to the customer, but you have to do these in order to operate the business. We refer to these activities as "business value adding" activities.

All other activities/tasks that do not fit into either one of these two categories are considered as waste.

Once you identify your waste, then it is time to focus on waste removal. This process should begin with documenting your business process. Consider each step within the process and ask yourself: " Are these steps really adding value to the business or to the customer?" if the task is not, then the next step is to determine why you are doing the "wasteful" step. Next, redraw the process by removing the wasteful step and create the new process that is productive and efficient.

Current state – costly process
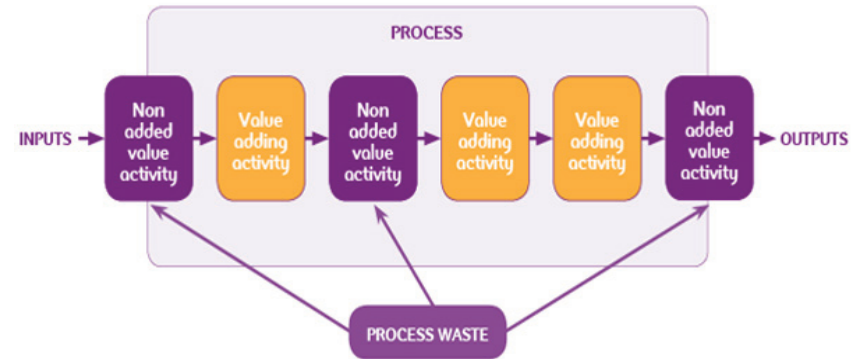
Future state – Efficient process
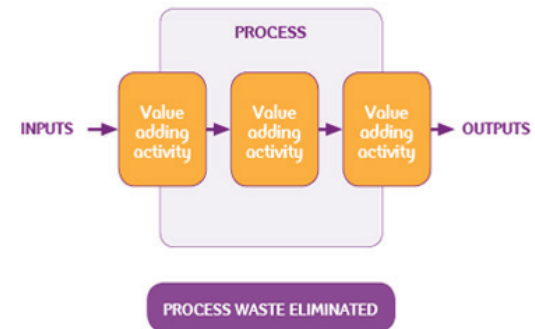
HOW TO ADDRESS AGILITY
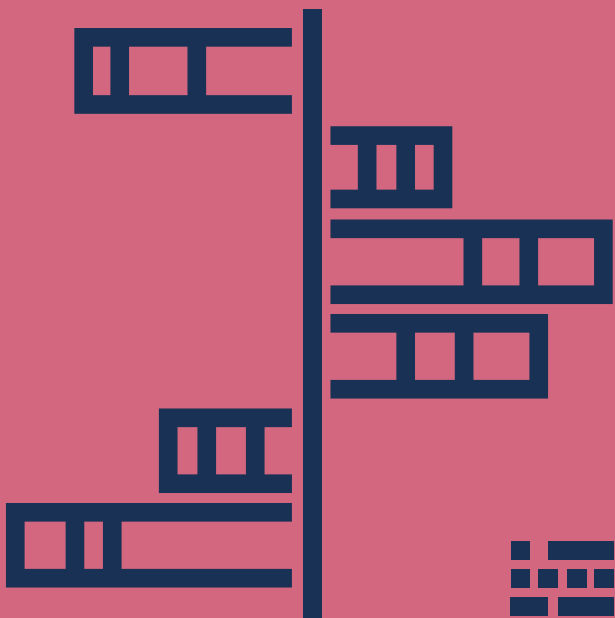
I have written a lot about productivity improvement, now let us shift our focus to agility.

There are five key characteristics by which an agile organisation is easily identified. These are:

1 **Innovation -** Agile companies foster innovation in the organisation, which leads to agile operations.

2 **Transparency -** Transparency in communication, processes and even in procedures.The key is to make sure that everyone knows what activities they are to do. If legislation should change, agile companies are able to quickly look at their processes and determine the possible impacts and make changes accordingly.

3 **Creativity -** Highly agile organisations are four times more likely to support creativity and ten times more likely to support taking risks.

4 **Collaboration -** This helps improve an organisations' employee engagement, which in turn impro responsiveness.

Clearly there are very close links between productivity improvement and agility. If your organisation can address even just two or three of those components above, then it can significantly improve its agility.

This is how PRIME can help.
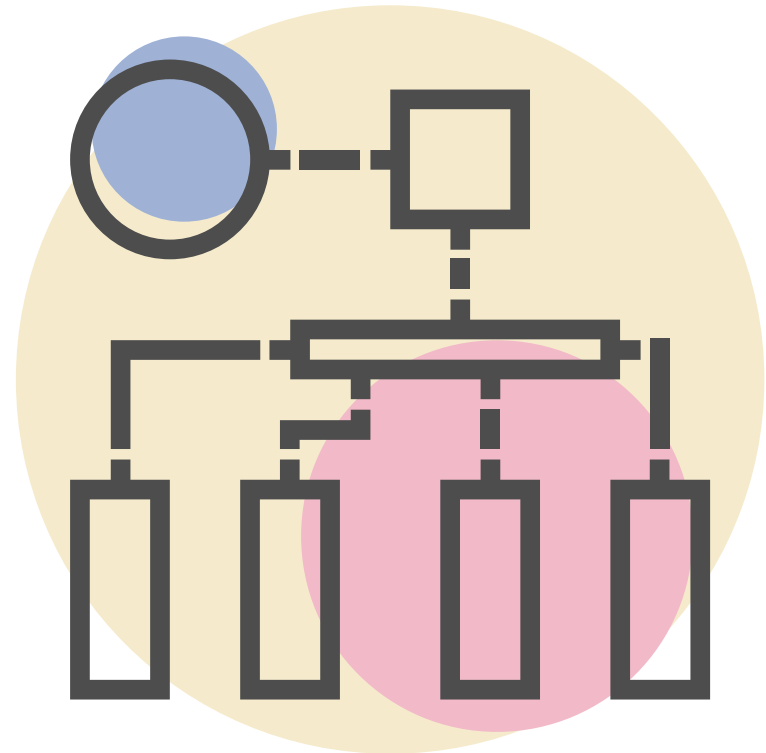
PRIME – A PROVEN TOOL TO IMPROVE PRODUCTIVITY AND AGILITY

I have introduced the definition of productivity and agility and covered why these are such challenging areas for today's organisations. Next, let's explore how our technology can be used to make your organisation agile and productive.

PRIME is a cloud-based business process management and business improvement solution. As it is cloud-based, servers and complex IT infrastructure are not needed, hence no maintenance.

To use PRIME you simply receive a user ID and password and can use this to access the system from anywhere you have an Internet connection.

PRIME contains six core modules:

- **Administration**
- **Library**
- **Designer**
- **Analyser**
- **Improvement**
- **Collaboration**

PRIME LIBRARY AND DESIGNER

In the PRIME Library module, you are able to create a hierarchy of the business processes in your organisation. See figure 1 for an example. This is the first step toward creating organisational transparency. Once you build your hierarchy of business process names, then you can drill down and start mapping each business process. The mapping is done in the Designer Module, however, it can be also easily accessed via the PRIME Library. The business process provides a more detailed view of the business, hence adding to the transparency of the organisation.

In addition, PRIME has the functionality to underpin each task within a business process with a procedure. The procedure describes how the task needs to be performed and includes screenshots. It also provides clarity of role and its responsibility in the process, hence this is how PRIME provides operational business transparency. With both business processes and procedures well documented, employees will know what they are to do and how they are expected to do it.

PRIME ANALYSER

PRIME is the go-to for automated analysis. Once your process map is documented and its supporting documentation is recorded, the PRIME Analyser analyses your processes for you. PRIME automatically identifies where the waste is and how much the waste component in the process is actually costing your organisation on a daily basis.

It is this information that enables you to make a strong business case for change - that is, to remove those waste components represented by non-value adding tasks.

PRIME IMPROVEMENT

In the PRIME Improvement module, you can log all your business improvement ideas and track them from approval to implementation. Many organisations can generate a list of improvements, but the key is tracking these to see if they are actually being implemented to increase productivity.

PRIME COLLABORATION

Earlier, I mentioned that becoming agile is the result of employee engagement and collaboration. In the Collaboration module, you can publish all your business processes and procedures for all staff to see. Every staff member will be able to view the processes, follow procedures and also suggest innovative business process improvements. This collaborative approach to innovation drives the organisation to higher levels of agility and productivity. Within PRIME, you can also study the impact of proposed process improvements before implementing changes company-wide.

To illustrate the above capability, lets assume the business is experiencing issues with the process "recruit candidate."

Using the Library module, illustrated in figure 1 below, I am going to locate the Human resource library and within it I will click on the process "recruit candidate." This enables me to drill down deeper into the process.
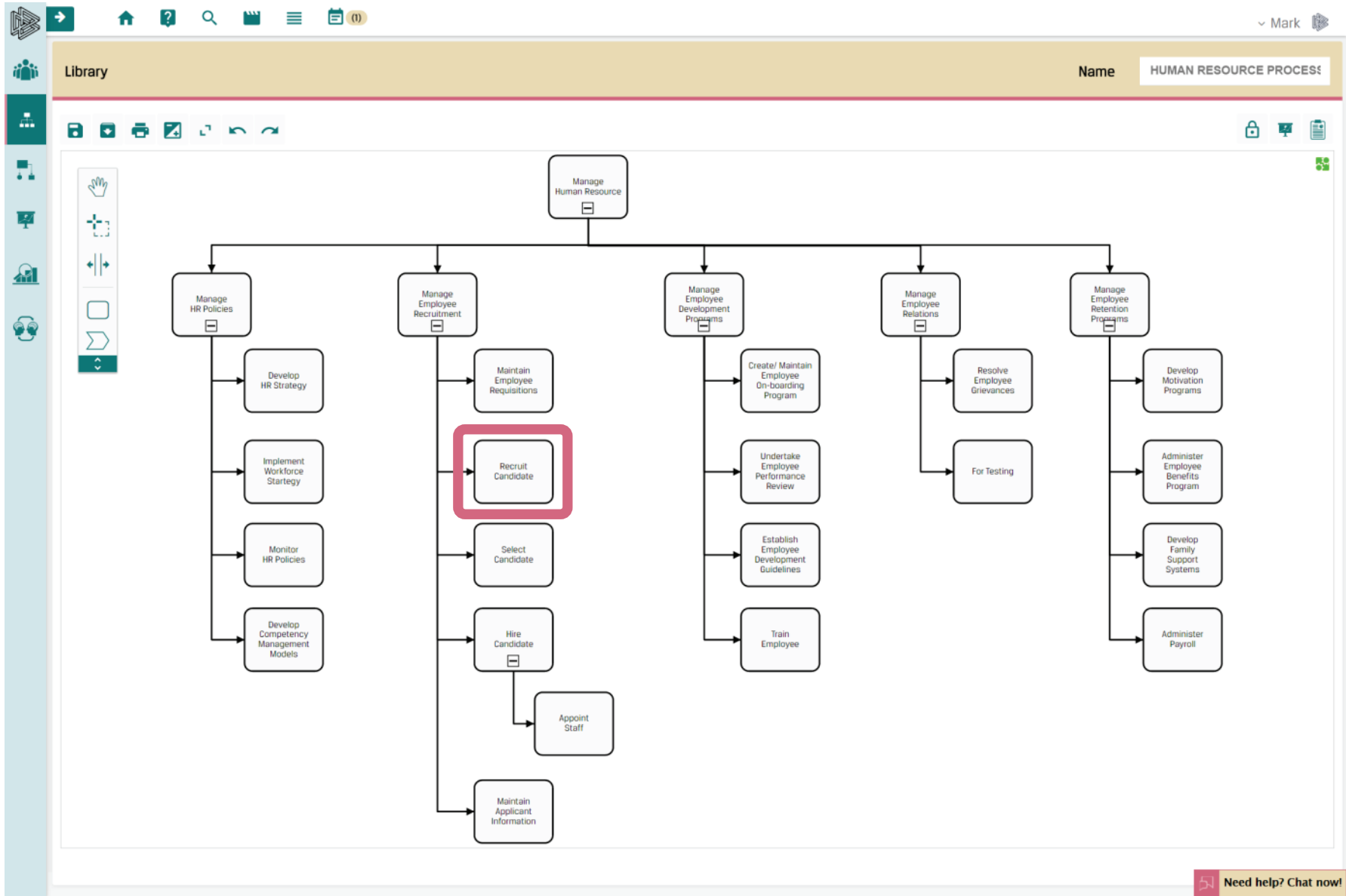
FIGURE 1 - BUSINESS PROCESS LIBRARY

Figure 2 shows the process map for "recruit candidate." This process map is easily created using drag and drop symbols. It provides a multidimensional view of the process, including roles, tasks, applications and documents which constitute this process. Immediately, this creates transparency and absolute clarity in roles and responsibility for your organisation.
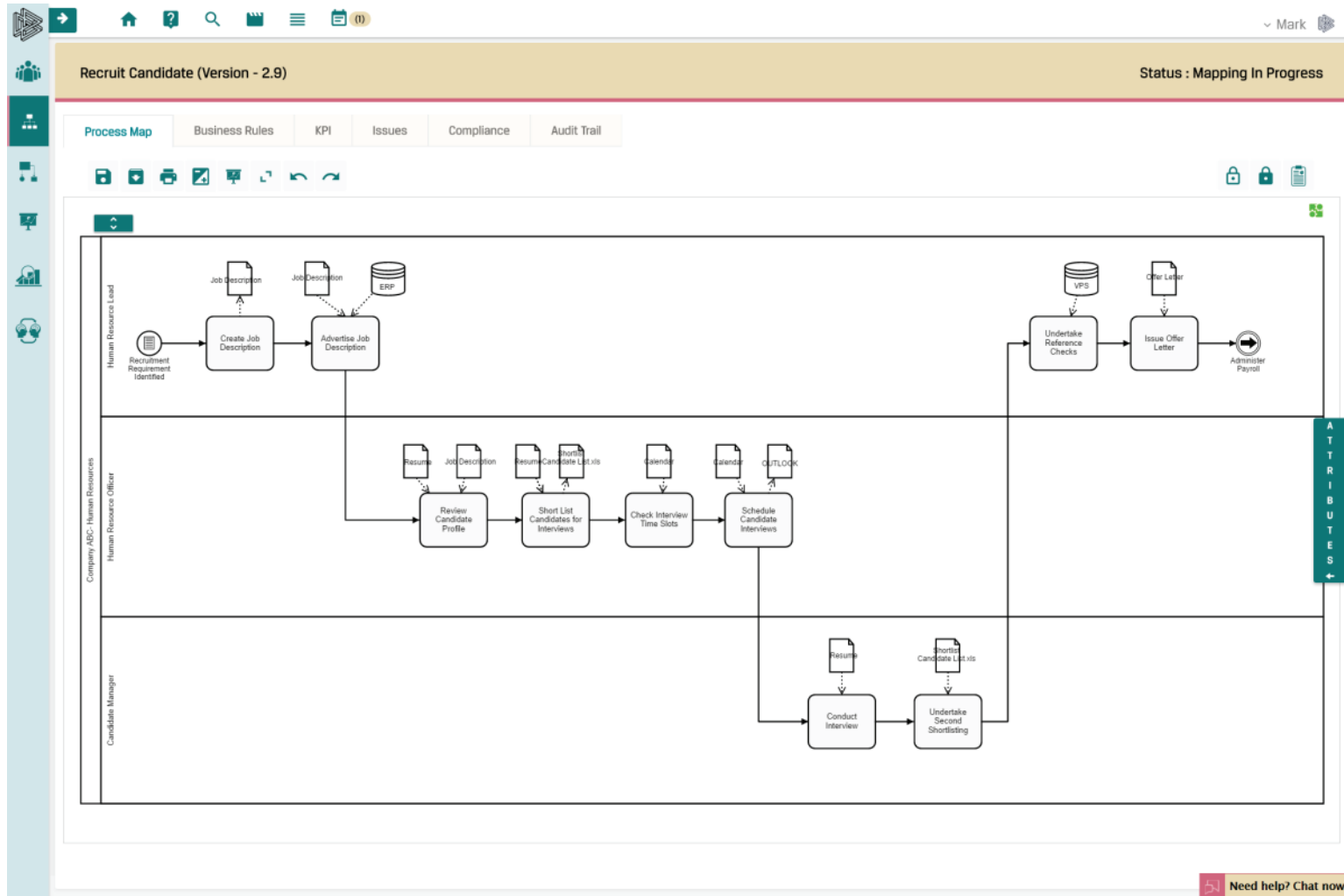
FIGURE 2 - BUSINESS PROCESS MAP/MODEL

In addition to the basic, multidimensional view, additional process information can also be recorded against the process. This may include business rules, KPIs, process issues and compliance requirements. Again providing more transparency into the process.

In addition to process information, with PRIME, you can also record information about the task. This is illustrated in figure 3. The RACI chart at the task level records who is responsible for each task, who is accountable and who should be consulted or stay informed about changes to the task, the duration of the task and whether the task is business value adding or customer value adding. This data is used to eliminate waste and increase productivity.
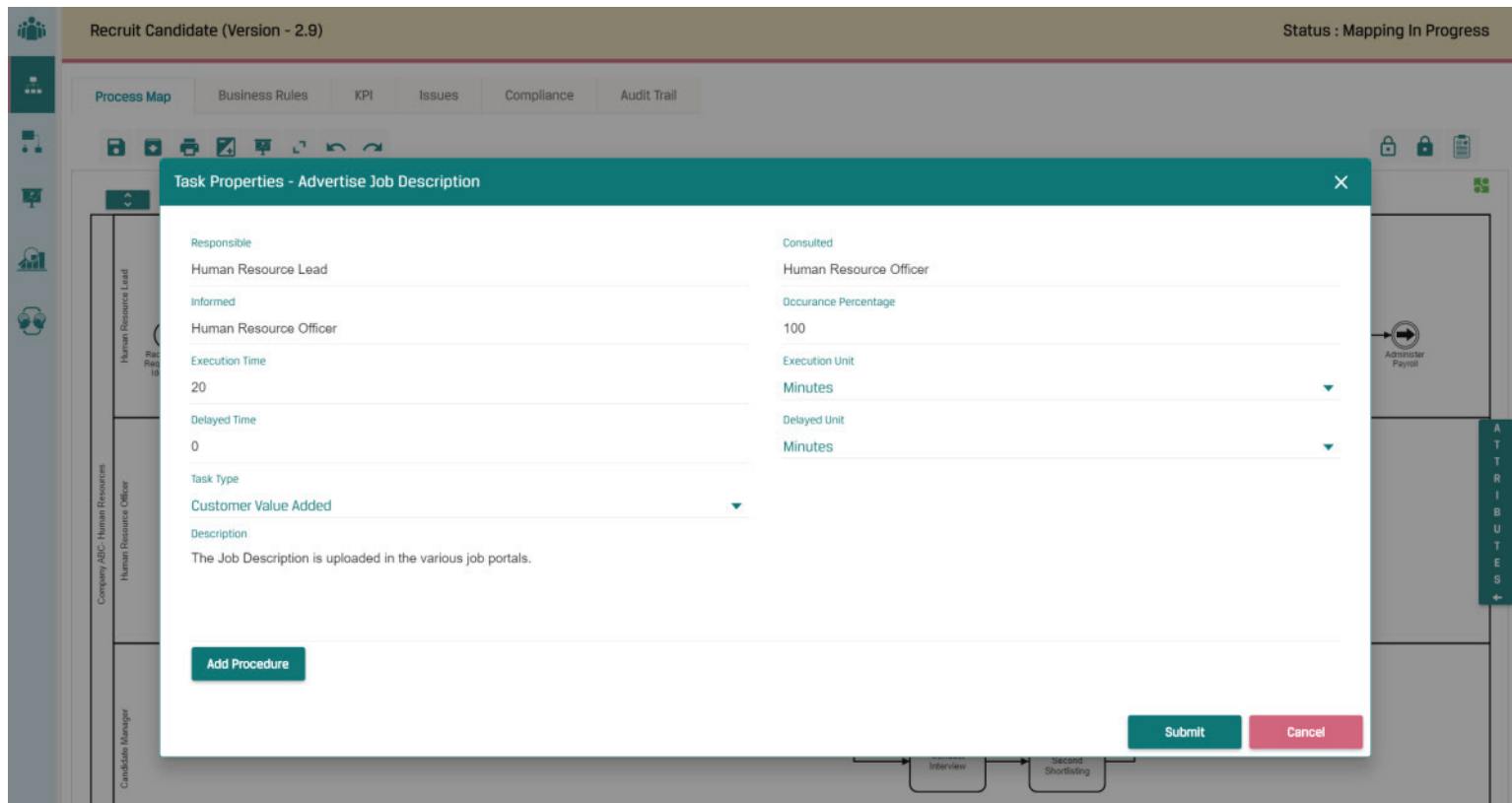
FIGURE 3 - TASK INFORMATION

Hence, even before PRIME performs analysis, a degree of agility has been achieved as there is now clarity of the roles and responsibilities for each task and process.

With the process and tasks information recorder, you can now use PRIME to perform process analysis. A variety of analysis techniques are available in PRIME.

For example, PRIME can help you quickly identify and quantify the amount of money and time spent on fulfilling non-value adding tasks. Figure 4 and 5 below illustrates this. In this way, PRIME gets you better positioned to eliminate waste and boost your organisation's efficiency.
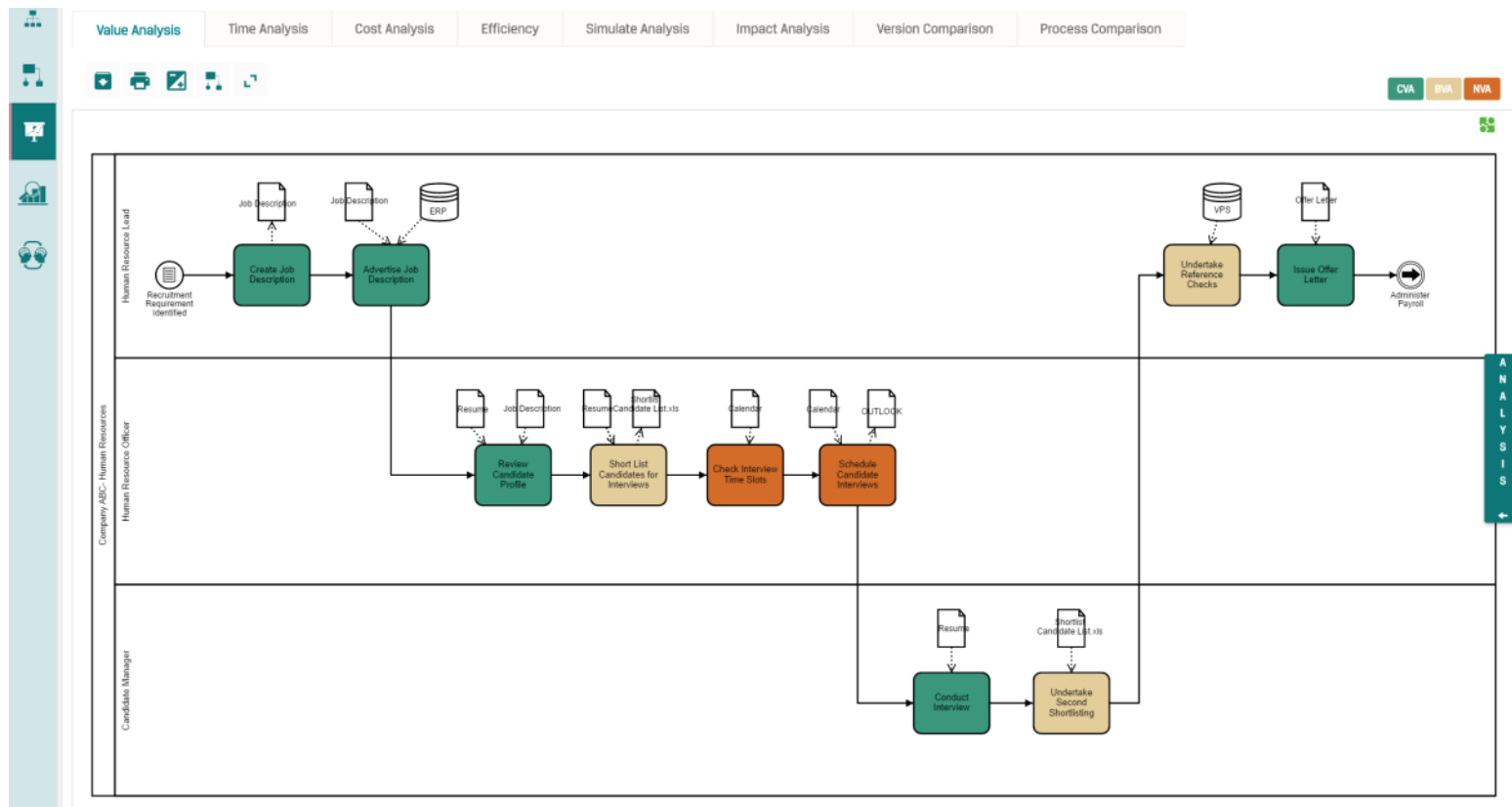
FIGURE 4 - VALUE ANALYSIS
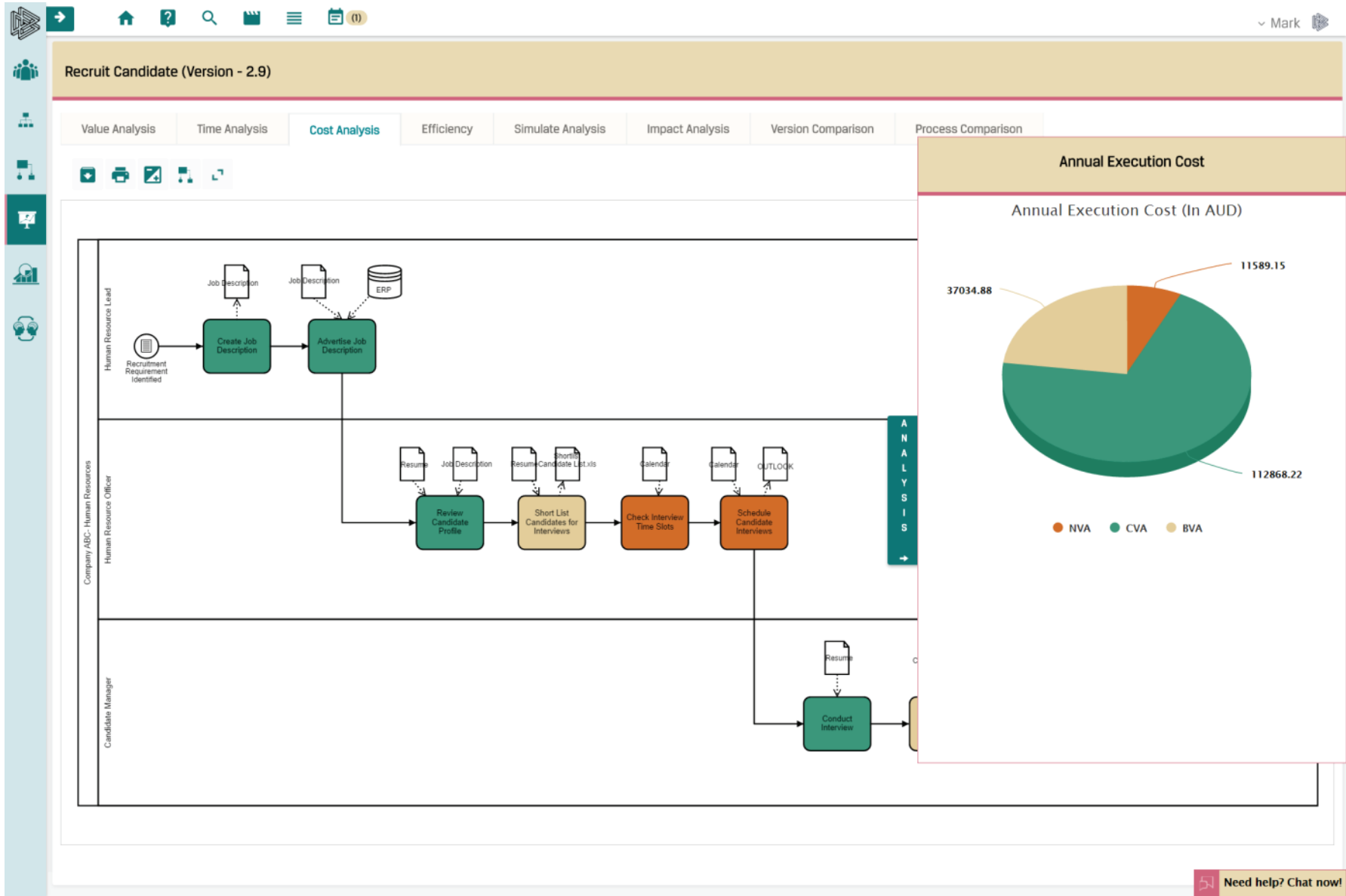
FIGURE 5 - ANNUAL EXECUTION COST

Using the waste that you have just identified in your process, with PRIME, you can begin to create different scenarios to eliminate the waste.

This is done by clicking on the task, changing the parameters and removing the non-value adding activities. In this way, PRIME enables you to pre-determine the cost and time savings the process change can provide. This approach also reduces the risks associated with implementing the change as the impact is easily visualized before implementing. No doubt, it is comforting to know this information before making the change to confirm it has a positive impact on the organisation's productivity and eventual bottom line.
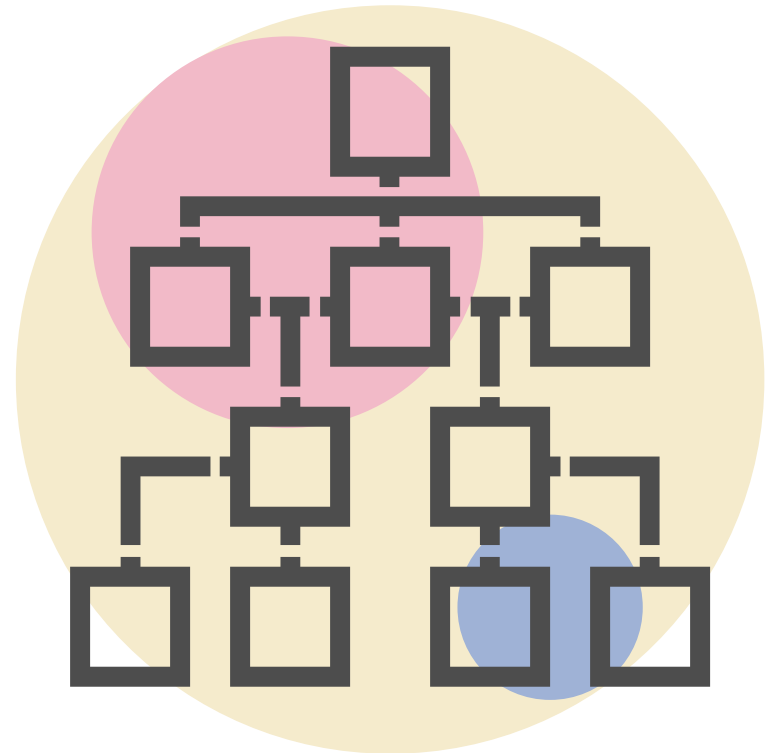
CONTINUOUS IMPROVEMENT WITH PRIME
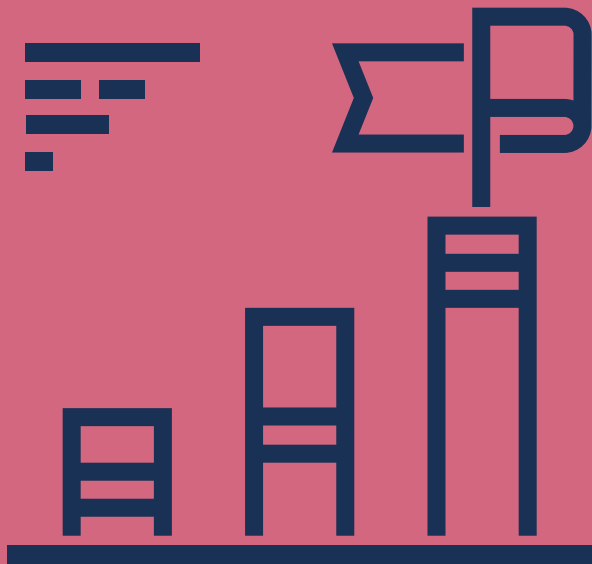
Once a process has been improved, the changes are recorded and the new process is published for all staff to see and follow. But as I mentioned earlier, agility is all about adapting to changes in the business environment. Hence, finding solutions or responses to the change is an ongoing activity.

PRIME has a central repository (figure 6) where all improvement ideas can be logged real time. That is, whenever a staff member identifies an opportunity for improvement, he/she can easily log it into PRIME.

PRIME
Process Performance

FIGURE 6 - IMPROVEMENT REPOSITORY

This improvement suggestion is then considered for implementation.

Everytime a new improvement is suggested, the Process Analyser can be used to explore and assess if the suggestion meets the organisation's strategic objective. In addition, it can assess if the improvement drives benefits relating to cost or business productivity.

The figure below shows the PRIME Improvement dashboard which tracks the status of the improvement. That is, has the improvement been rejected, is it approved, deferred, in progress or completed.
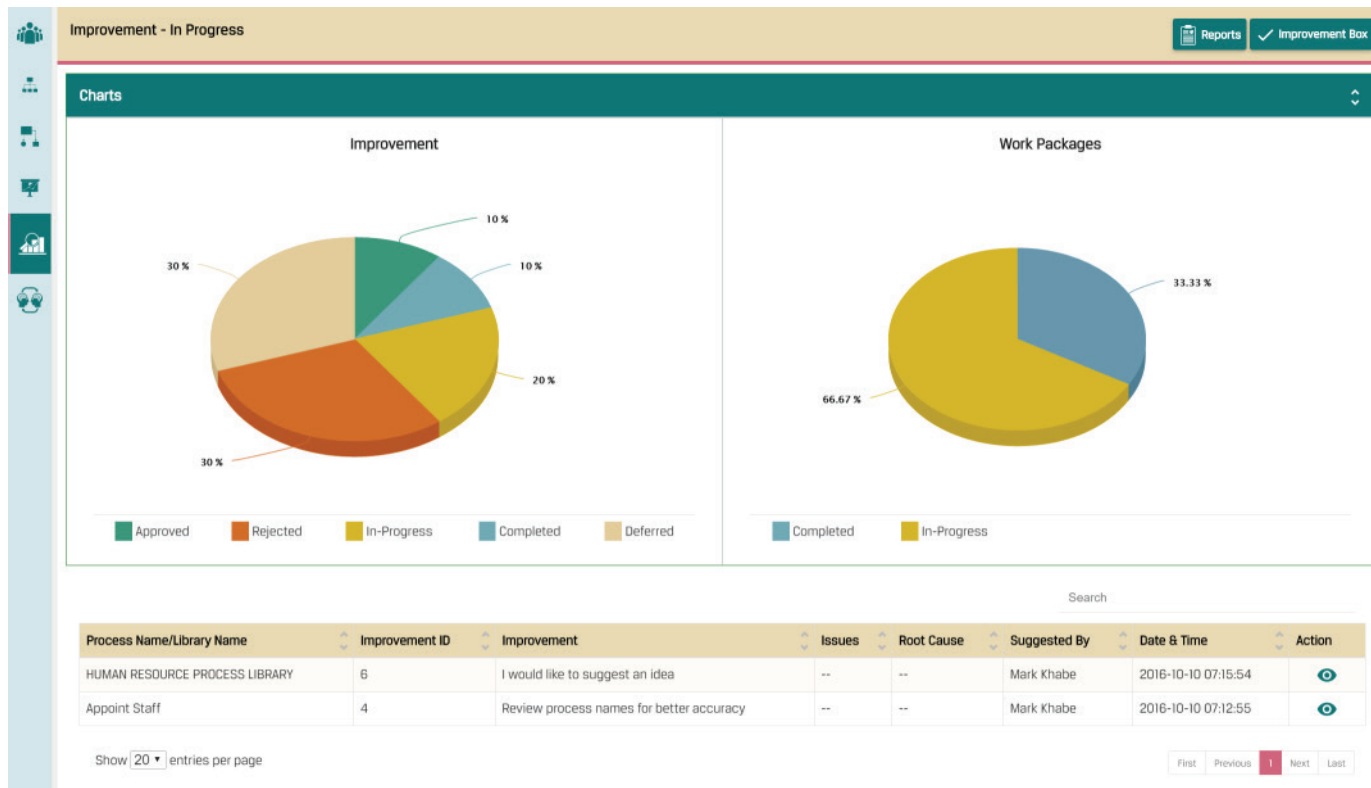

FIGURE 7 - TRACKING BUSINESS IMPROVEMENTS

Using the PRIME Improver module facilitates continual process improvement and helps your organisation stay competitive and, above anything else, agile.

PRIME
Process Performance

FINAL WORDS FROM MARK

Congratulations! If you have made it to this point, you are serious about improving your organisation's agility and productivity.

I know I've provided you with a lot to think about in this eBook, but you now have the knowledge to turn the information into an action plan.

Here are a few final thoughts I'd like to share with you before I finish up.

Rome was not built in a day

Do not try and improve the whole business at once! Change takes time and overwhelming the organisation with many changes at once will upset most. Start with one process at a time please!

Build credibility first

Identify the process that has a high frequency of occurrence, for example, a process that is done daily. In addition, select the process that has a high volume, for example, the process is done 50 times per day.

Making improvements to a high volume, high frequency process is sure to pack a punch in the time and cost savings, hence building credibility for your work.

Drive the journey

Don't just document the current state process and leave it there. The current state process map is an input to improvement, hence there is no need for the maps to be aesthetically pleasing. Therefore, get the current state out of the way as quickly as possible and start on the most important journey - analyse, improve and implement. Drive it forward.

Watch the 10-minute product demo

This eBook has introduced you to only some of PRIME's functionality. Hop online today and view with the 10-minute product demonstration at:

www.primebpm.com/get-a-demo/

PRIME TRAINING

Business Process Management 1 Day Executive Course

This course explains the concept of business process management, and how it can be applied in the organisation to achieve continuous business improvement. Regardless of the industry vertical to be analysed, this course offers an overview of a domain and tool independent methodology to identify, document, analyse and improve business processes.

In addition, this course covers the critical success factors for making the effort successful and provides the opportunity to discuss and understand the consequences of undertaking, or not undertaking business improvement.

This course has specifically been designed to benefit individuals who need a high-level understanding of Business Process Management.

Audience:

Anyone who is:

- Planning to initiate Business Improvement in their organisation
- A project sponsor for a Business Improvement initiative
- A senior level person who will need to make decisions as part of organisational change
- Needing to adopt a "process orientated" way of thinking

Course Benefits:

On completion of this course the participants can:

- Develop a business process improvement strategy
- Form a business improvement team
- Direct a business process management/ improvement initiative
- Manage business transition

Process Analyst 3 Day Foundation Course

As market conditions continue to change, organisations must respond faster that ever to remain competitive. In addition, more and more pressure exists to do more with less.

Transparency into the organisations business processes is key for identifying the most appropriate changes and business process improvement opportunities.

This course teaches a tool independent methodology - PRIME® (PRocesses In a Monitored Environment) to identify, document, analyse and improve business processes. It provides the course participant with all the skills to provide complete process transparency of the organisation, identify the most suitable business improvement/s and manage the subsequent change.

Audience:
This course is ideal for those who:

- Need to contribute on an operational level to a Business Process Improvement initiative

- Are responsible for identifying, mapping and/or analysing business processes

- Are responsible for undertaking change in the organisation

- Need to adopt a "process orientated" way of thinking

- Are seeking to gain a new skillset or change in career direction

Course benefits:
On completion of this course the participants can:

- Identify business processes

- Model business processes

- Analyse business processes

- Improve business processes

- Monitor business processes

- Manage business process change

- Lead business process improvement/ management initiatives

Thank You!

I hope you have enjoyed reading this eBook as much as I have enjoyed sharing my passion.

If you do have an extra moment, do join our blog via our website to receive the latest tips and techniques on how to improve your business processes. I also look forward to connecting with you on LinkedIn.

As you can imagine, it is not a small task to write an eBook. So, if you wish to share this eBook with someone, you are most welcome to do so. However, rather than forwarding it, please request them to visit our website to download it.

Thanks again and I wish you an agile and productive future!

MARK KHABE

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ABOUT THE AUTHOR

Mark Khabe is a passionate Business Process Management and IT professional and Cofounder of BPM Consultancy PRIME PMG and the BPM Tool, PRIME BPM. Over the last 15 years, Machieveark has helped numerous organisations around the globe achieve continuous business improvement.

Masters educated at the Queensland University of Technology, Mark's career started out as a Business Analyst and thereafter progressed in establishing a co-owned Business Process Management consultancy firm. During the consultancy firm years, for around a decade, Mark assisted organisations in building their improvements strategies. These organisations included GE, Rolls Royce, Sanofi, Suncorp, Vodafone, AMP and many state and local government agencies. Mark built these strategies to achieve various objectives such as cost reduction, productivity improvement, process standardisation, system implementations and integrations etc.

Recently, Mark co-founded PRIME BPM - a tool that enables organisations to drive continuous business improvement using the best of breed methodologies such as Lean/Six Sigma/BPM. PRIME BPM is used by large corporate and government agencies to drive consistency in their business improvement objectives.

Mark is passionate about technology and focused on solving problems through technology within the Business Improvement industry.

In his spare time Mark spends time with his wife and loves going for long runs and climbing steep mountains.

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