



How to Eliminate Errors and Increase Efficiency



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How to Stop Playing Perpetual Catch-Up with Your Work

What does the average workday look like in your organization? Does it run like a well-oiled engine; where every employee completes his or her tasks without any mistakes? Does every employee know how to find the information they need to complete their work without having to embark on an epic cross-department fact-finding odyssey just to find it? Do the new employees in your organization have a clear set of training criteria that they can teach themselves without extensive supervision?

In the most organizations, the answer to these questions is "no." The average workday for people in most organizations is best described as a type of manageable chaos, where workers are playing perpetual catch-up in order to stay on top of their assignments. This rings true for the most skilled workers and the least - but why?

There are many answers to this question, but consider another question: how much time have the members of your organization invested into building efficient systems for handling routine work? The answer is usually "not much."

A system isn't necessarily a giant IT project - it's really just a standard, well-documented way of going about some set of related tasks, and lack of systems is a major reason why many workers are stuck playing perpetual catch up.

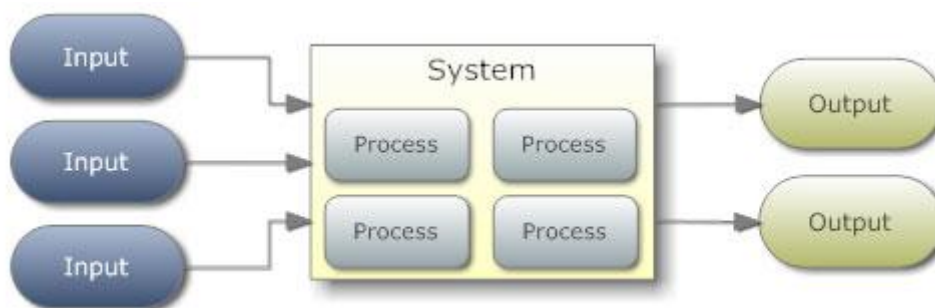
Why processes and systems?

Pretend for a moment that you are an accountant for your company - suppose you are tasked with monitoring all of the accounts receivable for a number of customer accounts. What would happen if you don't use a bookkeeping system to keep track of all of the debits and credits on those accounts? In all likelihood bad things like cash flow or public relations problems would ensue depending on the circumstances because you would inevitably foul up the accounting without some sort of system to track and manage it.

This is why accountants have used systems like double-entry accounting for centuries - because their work would be impossible without it. Systems allow accountants and other workers to attack routine problems with efficient and organized solutions.



A system is simply a way to manage, organize, and perform work on a number of interrelated entities (accounts, debits, and credits towards) using processes (sending invoices, collecting receipts, journaling transactions, and posting) with the goal of producing some output (account balances and financial statements to that effect).



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By organizing some of your routine work into systems you can deliver results and stay on top of your work without having to constantly play catch-up due to the performance benefits of systems and processes.

The benefits of systems

Systems can benefit you and every other worker in the following ways:

1. **More predictable results** - systems depend on process, which are standardized ways of going about tasks. If you follow the same process every time you work on a routine task, the quality and amount of time it takes to produce your output becomes more predictable because you always follow the same steps to produce it.
2. **More efficient methods** - when you take the time to actually illustrate the steps you take towards completing some task, you will likely find some ways your process can be dramatically improved and made to be more efficient.
3. **Easier to train new employees** - if you use a well-defined accounting system for your own work as an accountant, you'll find that it is much easier to train new accountants on how to use a system than it is to simply throw them into the deep end of the pool and hope they "figure it out."
4. **Makes it easier to describe on-the-job problems to others** - if one accountant says to another "I came across several discrepancies when I tried posting account A to the ledger - could you please send me the source documents so I can verify what's in the sales journal?" they automatically know the context and the nature of the problem based upon the fact that they use the same accounting system and the terminology they use is specific to the inner-workings of that system. If they both invented their own systems in parallel and tried to describe this problem to each other it would require a much more laborious and error-prone explanation. Systems give the people who use them a common lexicon, which makes it easier to communicate and resolve problems that occur on the job.
5. **Increases transparency and accountability** - when multiple workers within an organization use the exact same system to perform some part of their routine work, it becomes substantially easier to hold each individual accountable for their performance. If worker C consistently produces half the work that workers A and B can do in the same period of time, then it's easy to tell that worker C is a sub-par performer relative to everyone else using that system.

The "Visual Process Discovery" solution will help you learn how to use processes to construct basic systems for your own work and the work of people who report to you. The next step in this solution is to understand the role of processes in a system and how to architect them properly.

Visual Process Discovery

One of the best methods for making yourself and your company more efficient is to use Visual Process Discovery to organize your work into systems. One of the best examples of a successful business system is the double-entry bookkeeping system, which has been used by accountants since the thirteenth century at least. Systems like these endure the test of time because they work.

In this solution you will learn how to discover processes and build systems for yourself and others in your place of work. Remember, a system is simply a well-organized way of going about some set of related tasks - it doesn't have to be, and probably shouldn't usually be, a giant IT project every time.

In the abstract, systems contain three things:

1. **Inputs** - the incoming data, ideas, requests, events, and so forth that enter a system.
2. **Processes** - the workflows used for producing desired outcomes based upon the nature of the input.
3. **Outputs** - the final result of a process.

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Inputs and outputs are easy enough to understand - you begin with one and end with the other. There might be multiple inputs and outputs or perhaps somewhat complicated inputs and outputs, but at the end of the day everybody understands in principle what they are.

Processes comprise the trickier portion of designing business systems, and here's why:

1. Most people's work is disorganized and chaotic, yet processes require them to organize their work into well-defined sequences of steps - easier said than done.
2. People who define and create processes have to be able to think systematically, which most people cannot.
3. Many processes involve multiple people and other "moving parts" - this adds a degree of complexity to the practice of designing processes and systems.

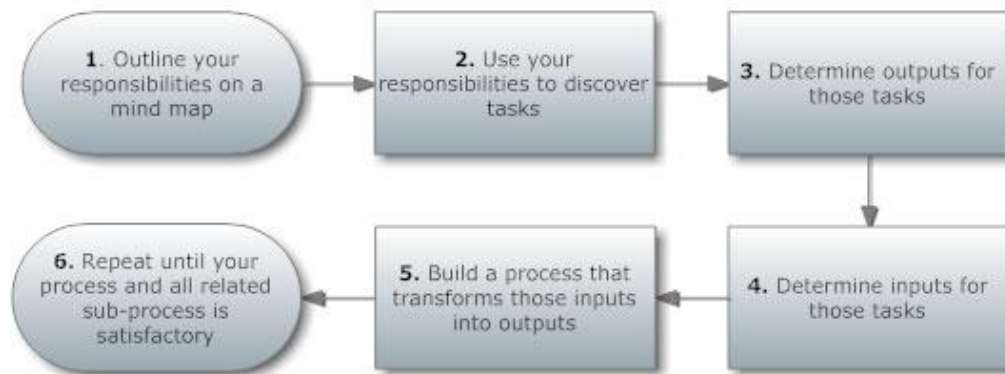
How to discover processes

There are thousands of books on the subject of defining processes, business process management, ISO 9000, and so forth, but frankly that's way beyond what the typical person needs to begin defining processes and building systems for their own work or that of their direct reports.

What you need is a methodology that allows you to see how your responsibilities fit within your organization and lets you easily build systems around those responsibilities. The best way to do this is to do it visually because using visuals like mind maps, org charts, and flowcharts will help you see past chaos in your workplace and discover clear areas where processes and systems can be used to create order and organization. Additionally, using visuals to build systems makes it substantially easier to communicate how those systems work to anybody else who might need to know how to use them.

The Visual Process Discovery method for and creating process-focused systems works like this:

Visual Process Discovery at a Glance



The "Responsibilities Map"

The first step to discovering the processes you need to systematize your work is to map all of your responsibilities on a "Responsibilities Map," which is a special type of mind map suited specifically for this purpose. Imagine you work for a company with the following organization chart for its marketing department:

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Org Chart for Example Corporation, Inc. Marketing Department

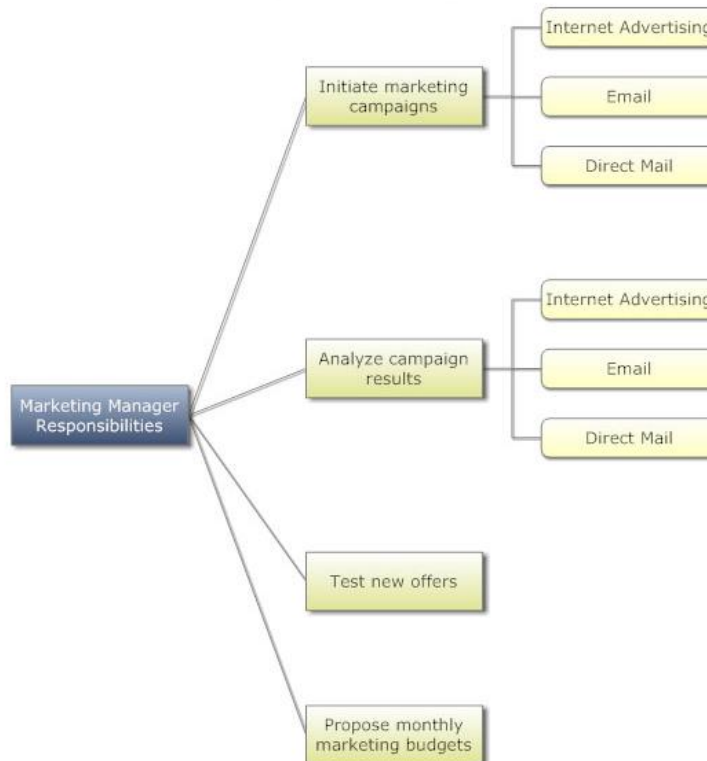


You're the Marketing Manager - you report to the VP of Marketing and you have two marketing specialists who report to you. Your primary responsibility is overseeing and executing marketing campaigns and tactics.

The first step to discovering the processes you need to make yourself and your company more effective and less chaotic is to outline your responsibilities using a Responsibilities Map. Start a Responsibilities Map with your job title as the central topic, and then add each major responsibility a topic and any significant sub-responsibilities as sub-topics.

Essentially all you're doing is using a mind map to depict the formal responsibilities listed in your job description. This is the starting point for discovering processes and building systems visually, and it takes only a few minutes.

Responsibilities Map



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The above Responsibilities Map shows you how to get started. You begin by enumerating your highest-level responsibilities, "Initiate marketing campaigns," and any significant sub-responsibilities, such as "Initiating direct mail campaigns."

The next step is to outline all of the tasks you have to execute in order to fulfill these responsibilities within your organization.

Using Your "Responsibilities Map" to Discover Processes

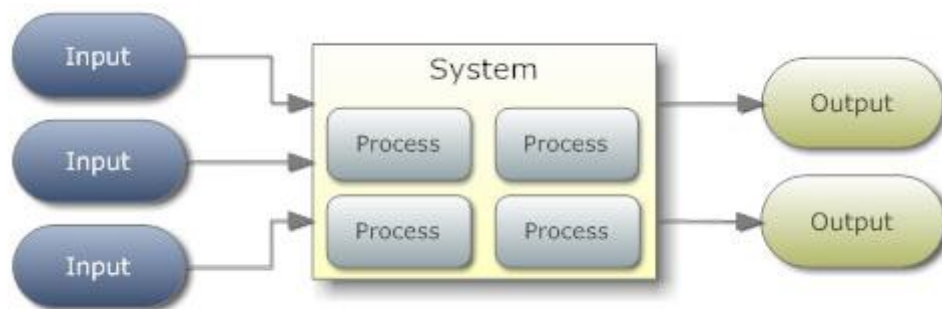
Based on the Responsibilities Map you built earlier, you have determined that your primary responsibilities as a marketing manager are thus:

1. Initiate marketing campaigns
 - a. Internet Advertising
 - b. Email
 - c. Direct Mail
- Analyze campaign results
- Test new offers
- Propose monthly marketing budgets

Now you need to determine which tasks are required to meet these responsibilities. Here are the steps you need to follow in order to do this:

1. Begin by defining the outputs for your responsibilities;
2. Determine what inputs you need in order to achieve those outputs; and
3. Discover your processes by documenting the steps you need to take in order to transform those inputs into outputs.

Take "analyzing campaign results" for instance - what system do you use to fulfill this responsibility? Here's what a generic system looks like:



Most people don't have well-defined systems for their work, hence the chaos and resultant inefficiency in the workplace mentioned earlier. So you and others need to begin with the ultimate outputs from your system as your starting point. Your initial systems diagram would look something like this for "analyzing campaign results:"

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System for Analyzing Results of Marketing Campaigns

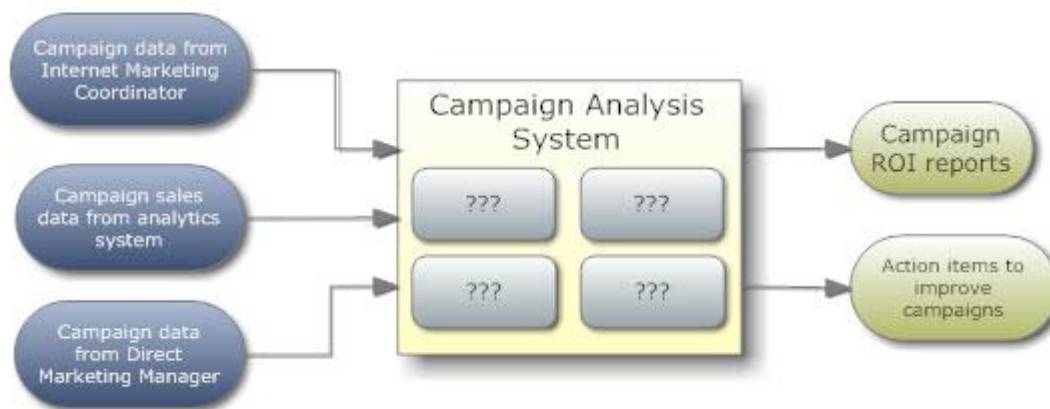


Based on your history in this position with the company, you've determined that the major outputs you produce in order to meet this responsibility are campaign ROI reports and lists of action items to improve the campaigns you analyze. This is where you've kicked off Visual Process Discovery for your campaign analysis system.

The next thing to do is to consider the inputs that launch this system and ultimately lead you to producing the campaign return-on-investment (ROI) reports and the campaign improvement action items, the two outputs you routinely produce in order to fulfill your campaign analysis responsibilities for your organization.

So what inputs go into this system? Depending upon what type of campaign it is (internet, email, or direct mail), you will need cost figures and other metrics from the marketing specialists who report to you. Additionally, you will need sales numbers from your analytics system to see how many sales are attributed to each campaign on each of these mediums. Here's what the updated system diagram might look like:

System for Analyzing Results of Marketing Campaigns



You now have the inputs and outputs of your system - but how do you go from inputs to outputs? You get there using processes.

Based upon the system's inputs and outputs, you can determine that your campaign analysis system has processes for these tasks at least:

1. Measuring campaign costs against resultant sales;
2. Projecting future sales for campaigns based on historical trends; and

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3. Measuring the campaign's metrics against historical baselines for each medium (internet, email, and direct mail.)

There might be additional tasks and processes in this system that you haven't accounted for yet and you will discover them once you begin documenting your processes using flowcharts.

Constructing Processes from Inputs and Outputs

Flowcharts are the best and most common tool for depicting processes visually, and thus you should use them in the course of discovering and defining your own systems and processes.

Suppose you're trying to build a process for the first task handled by this campaign analysis system: measuring campaign costs against resultant sales. Without thinking too much about that, what might it look like?



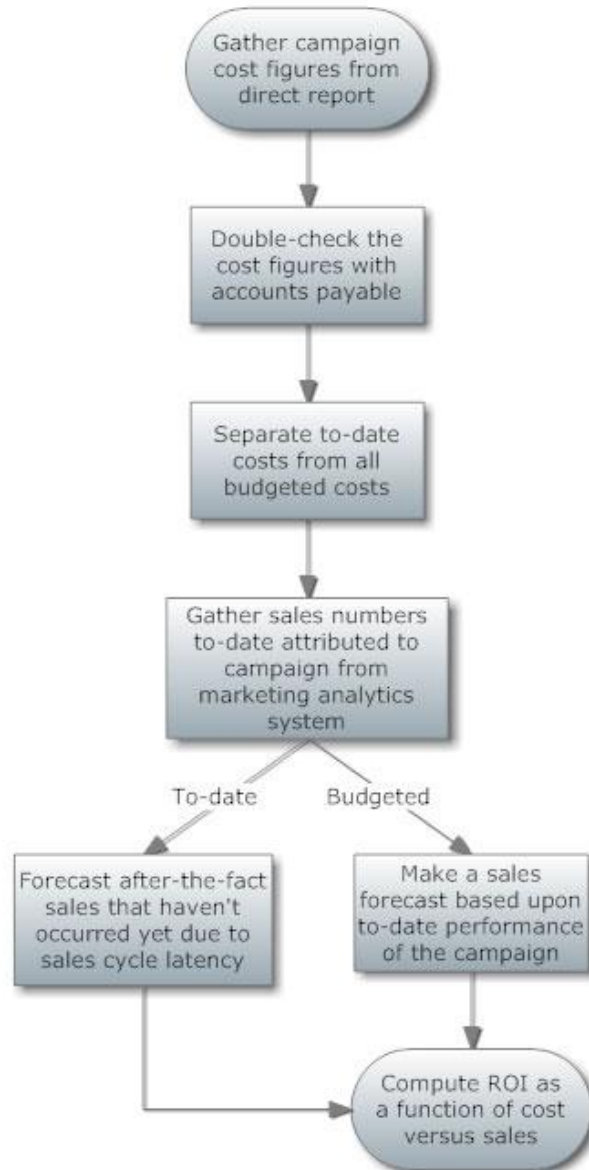
This is what an extremely simple version of this process might look like - and this is an acceptable starting point. But as an experienced marketer you might look at this and notice a few missing items:

1. What's the timeframe for this report? Is this a missing input for this system and process?
2. What about hidden costs and double-checking your reports' numbers?
3. Are these costs-to-date or all budgeted costs for a given campaign? What has already been spent versus what's going to be spent?
4. What about future sales that will be incurred from this campaign? The latency of the sales cycle has to be accounted for in ROI figures.

Developing and documenting processes is often iterative, because the people who take the time to organize their work into systems will discover missing steps, unnecessary steps, or less efficient steps in the course of illustrating their work in flowcharts. The second iteration of this flowchart might look like this:

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Campaign ROI Calculation Process (2nd Pass)



In the second iteration of this flowchart you can spot some areas where you might need to add additional detail or even sub-processes eventually. For instance, how exactly do you cross-check your reports' numbers with accounts payable in the finance department? However, you don't need to do any more work on this process in order to understand the concept of Visual Process Discovery.

Why You Should Build Systems

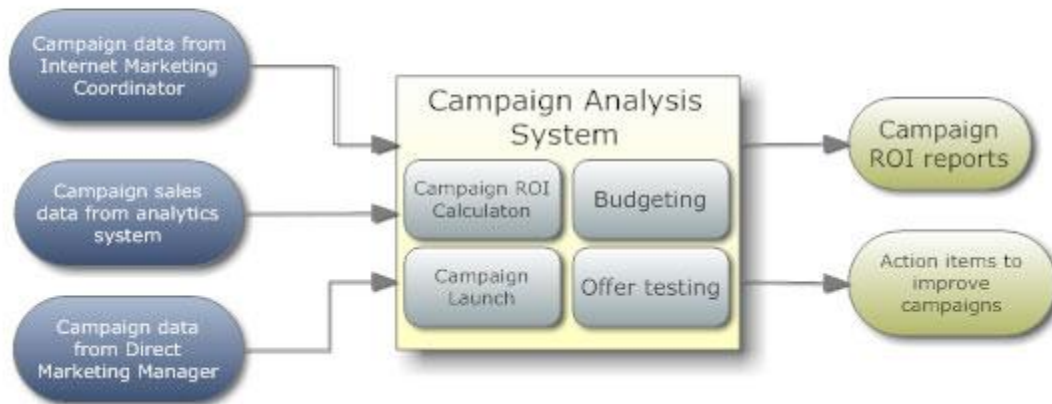
In order to build a complete work system for each of your major area of responsibilities you need the follow the three-step process described earlier for each of them. The benefits will be tremendous - you'll spot inefficiencies in the old ways you used to perform your work; you'll be able to more easily train new reports on how to perform key

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tasks; your own work will be better organized; and you'll be able to get more done in less time than it used to take before.

If you finished mapping all of the processes needed to fulfill your campaign analysis responsibilities as a Marketing Manager for Example Corporation, Inc. then your system diagram might look something like this:

System for Analyzing Results of Marketing Campaigns



Each of these processes, if constructed correctly, is well-defined and illustrates how to undertake relatively complicated tasks in a manner that is systematic and organized. It is a major improvement over the average chaotic, ad-hoc work environment familiar to most workers.

Systems are really just collections of related processes with well-defined inputs and outputs. You can just as easily view this system as a collection of four or more flowcharts. When you sit down and actually start using Visual Process Discovery, you'll discover more and more high-level processes and even some key sub-processes. It's a self-propelling system that enables everyone to build reliable business systems for themselves.

Ultimately, you should look to build systems in each area of your business. In most cases you'll find that the return on investment from taking the time to do so is substantial.

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