J Davis Consulting LLC

Joan Davis, Principal

jdavisconsulting@verizon.net

Process Reinvention Case Study

Integrated Suite of Services

- ❖ Business Problem Solving

- ❖ Requirements Definition

- ❖ Transition Planning

SITUATION: Organization needs to quickly understand the scope of compulsory enterprise-wide changes, and to adapt the organization, processing, and systems to meet the deadlines imposed by Regulatory Authorities.

Contents:

Process Reinvention Case Study

Design & Plan Implementation of an Enterprise-Wide Reengineering

Case Overview

A Court Order mandated changes in the Client's business directive, causing a major shift in function and resulting in significant reduction in workforce. This analysis was undertaken as the organization began to gain a better understanding of what this challenge entailed, with a fixed 3 month period in which to assess the impact and plan the transition; further complicating the assignment, some process changes were effective immediately.

Approach

The project began in November, charged with defining the immediate *tactical* and longer term *strategic* approaches for supporting this new environment. Analysis objectives included:

- Clarify goals & stakeholders under the new directive.

- Compare the former processing models with requirements under the new directive, designing a new workflow and removing obsolete functions.

- Identify value-added system interactions required to support the new workflow.

- Identify the current (*as is)* systems support suitable as short term (*tactical*) solutions.

- Examine the gap between the tactical support design and system support requirements going forward.

J Davis Consulting LLC followed a collaborative approach to fulfill these objectives, conducting leadership interviews, focus groups, and workshops with processing and technology subject matter experts. The project deliverables were submitted to the Client within the 3 month timeframe. The publications included analysis findings and group recommendations in both high level overview presentation format and as an electronic package of supporting material and project artifacts.

What the Clients had to say …

"The documentation was invaluable in my presentation."

"… [the results are] <u>beyond</u> a nice job when we consider that some of the business rules were still not defined at the outset."

"extremely impressive planning documents"

"Thanks for really thinking this through and making it work."

This Organization realized the following benefits by following this approach:

■ Project demand on the valuable time of internal resources was cut to just a few hours by using collaborative workshops and review iterations.

■ Analysis both broad & deep, the product of enterprise-wide representation and "engineered" solutions.

■ Neutral, professional facilitation guided participants through difficult, sensitive subjects, including legal matters, staff reductions, outsourcing functions, and shutting down systems.

■ Integrated repeatable process used for analysis and publishing, enabling the Client to later drill further into the "to be" workflow detail independently using the same tools.

■ Printed and electronic documentation of analysis findings subsequently served many purposes:

  o supported Leadership Meetings with Regulators
  o basis for staff retraining
  o high level technical architecture reference
  o workflow was later translated into narrative description for on-line procedural references
  o workflow supported imaging technology impact assessment to examine points of paper management
  o Use Case mapping to business function supported CBA for systems application proposals
  o continuous improvement efforts to forecast and streamline business activities over time

Project Details

Requirements and Change Navigation Plan in Only 3 Months

Week By Week Progress

Project Planning

Week 1   Project goal setting completed; Scope of Analysis determined; value of background "as is" material evaluated; developed proposed approach and timeline.

Stakeholder Analysis

Week 2   Initiated analysis activity.

Week 3   Completed high level understanding of the business interactions between Client, oversight entities, business partners, and service providers.

Process & System Requirements Analysis

Week 4   Completed 1st iteration "to be" workflow models for 9 core processes; identified all "as is" functions no longer applicable; initiated Issues Log management of workflow anomalies and resource gaps.

Week 5   Completed Use Cases definitions and mapping to process activities.

Week 6   Completed model refinements; published workflow diagrams and narrative; completed Use Case models detailing organizational responsibility during system interactions.

Week 7   Completed workflow & Use Case refinements for exception processing; initiated final design edits/signoff process.

Week 8   Conducted cross-functional walkthrough of "to be" process & system utilization; completed Use Case models detailing application responsibility during system interactions; completed Use Case scenario listing (i.e., each Use Case with it's purpose when invoked during a workflow activity).

Week 9   Published final workflow design & Use Cases package; completed analysis of technology gaps.

Transition Planning

Week 10   Conducted Technical Solutions workshop evaluating alternatives to address technology gaps in the near and long term; transitioned Issues Log to Client Leadership team to prioritize and coordinate change program assignments.

Week 11   Initiated publication review cycle & final edits.

Week 12   Published IT assessment of transition impact outlining the following topics: "as is" system support, interim tactical approach, potential gaps, and proposed strategic solutions; published Project Final Report and Exhibits.

The analysis project was completed at the end of Week 12.

Artifacts

The business models depicted below represent the *Process Owners' View* delivered in the 3rd week of analysis and became the basis for discovery of requirements within the processing environment. This material was the result of a series of interviews with Senior Leadership and a ½ day collaborative focus group conducted on the subject of managing work under the new business directive.
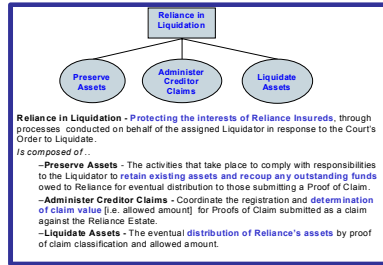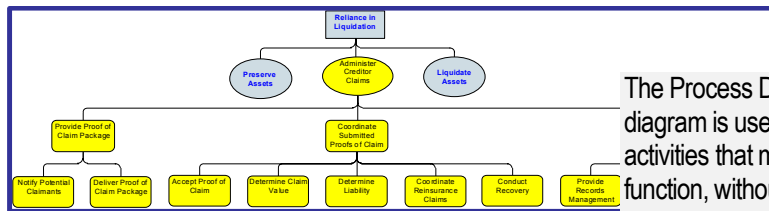

FUNCTION HIERARCHY

The Function Hierarchy diagram is used to develop the new process structure and define the functional objectives.
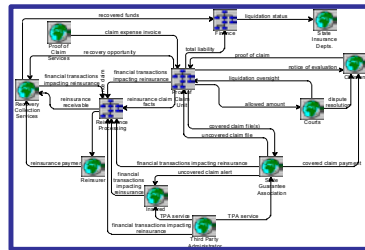
STAKEHOLDER INTERACTIONS

The Stakeholder Interactions diagram is used to identify the key internal & external process roles, and define their interdependencies in terms of deliverables or expectations.

PROCESS DECOMPOSITION

The Process Decomposition diagram is used to define the activities that make up each function, without concern for organizational responsibility.

Results

The Management Focus Group participants collaborated to finalize business goals; impacts on organization, process, and technology; and transition issues. Their conclusions are recapped below:

- Acknowledgement that the new business directive would have many impacts on the organization, process, and technology that supported the Client's former goals.

- Requirements of new oversight groups, business partners, and roles within the organization to handle business needed to be addressed.

- Many prior functions, including marketing, new business, and regulatory compliance, were no longer applicable. These were now supplanted with new activities necessary to meet processing and record-keeping requirements under the new directive. The workflow also needed to now address handling by external entities.

- The technology infrastructure would be impacted by new and renewed calls for automated support to access historical records, share documents, administer business records, and respond to aggregated financial information.

- Certain transition elements would influence success and warranted attention as potential problem areas:

  - Lower staffing levels and the use of outsourced resources
  - Addressing an initially high volume of the responses from a mass mailing.
  - Supporting inquiries, business partner needs, and resolving returned mail were highlighted as areas for attention.
  - Processing efficiency and staff competencies were impeded by the use of multiple legacy systems that supported some functions that would continue for a period under the new environment.
  - Accurate records management would be challenged by the integration of external records, off-site file handling, and responses processed without full documentation.
  - This information set the stage for the next phase of analysis – Requirements Definition. The Management group set the guiding principals for the process design.
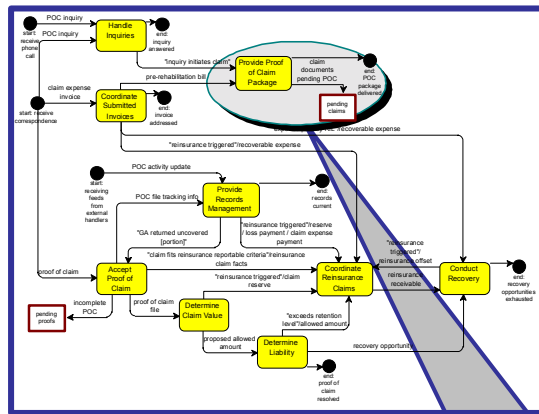
Phase 2 Requirements Definition

Activities during the Requirements Definition Phase were sequenced to remain focused on the new business drivers, delivering first workflow, then required systems support, and lastly the technical implementation.

A. Process Analysis

Artifacts

The business models depicted below represent the *Process Participants' View* delivered in the 6th week of analysis and generated the initial inventory of transitional issues and longer term requirements to support the new processing environment. This material was the result of a series of workshops conducted with Functional Directors and processing Subject Matter Experts to identify internal roles and responsibilities, key events that trigger activity, and the flow of work, information, and deliverables.

Process Interaction Diagram is used to define the interdependencies or deliverables across the core processes in scope, without concern for organizational responsibility.

PROCESS INTERACTIONS

Activity or Workflow Diagrams are used to define the flow of events that comprise a processes in scope and the resulting activity and deliverables, assigning responsibility to a role, organization, external party, or system.
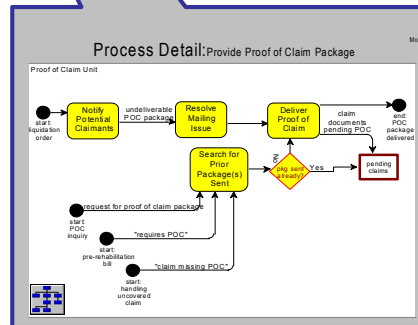
ACTIVITY / WORKFLOW

Results

Small groups worked from existing "as is" workflow diagrams to make adjustments and designed new workflow that would fulfill the Organization's objectives under the new business directive. During the facilitated refinement of the initial "to be" model drafts, the Processing Focus Group participants collaborated to finalize responsibilities, information flow, deliverables, and transition issues.

Each of the 9 business processes in scope were modeled as flows of activities and decisions responding to an event. Each of the resulting workflow diagrams captured the following information:

- Triggering events and conditions
- Possible outcomes
- Process issues
- Process participants
- Processing exceptions

This information was reorganized and filtered to support the next phase of analysis – Transition Planning. The Activity Diagrams also served immediately as the basis for discovery of requirements for supporting systems.

B. Systems Usage Analysis

Artifacts

The business models depicted below represent the *System Users' View* delivered in the 6th week of analysis and served as the basis for discovery of interim and strategic supporting systems. This material was the result of a series of workshops conducted with Functional Directors and processing Subject Matter Experts (SME) on the subject of system interactions required while processing business under the new directive.
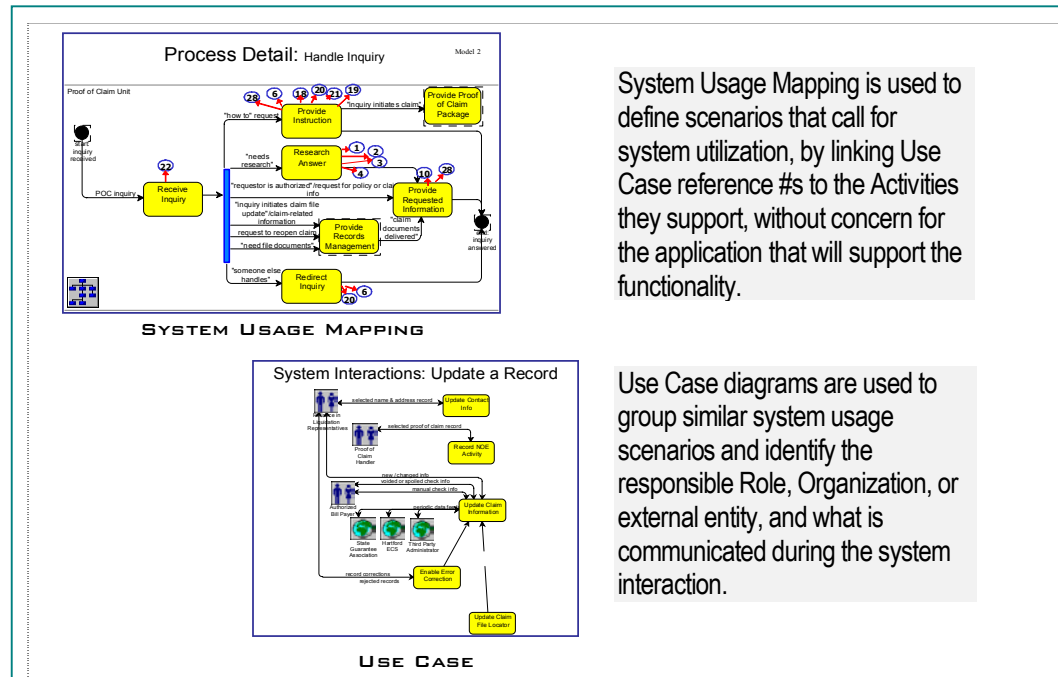
System Usage Mapping is used to define scenarios that call for system utilization, by linking Use Case reference #s to the Activities they support, without concern for the application that will support the functionality.

Use Case diagrams are used to group similar system usage scenarios and identify the responsible Role, Organization, or external entity, and what is communicated during the system interaction.

Results

The Systems Utilization Focus Group participants worked from the "to be" workflow diagrams to identify system utilization scenarios - *Use Cases* that occur during each activity in the new workflow - and defined the purpose of the system interaction. The analysis identified 32 Use Cases representing the following types of automated support required under the new business directive:

- Logging on to secure systems.
- Searching for a relationship to the enterprise.
- Accessing contact information.
- Accessing historical records.
- Analyzing financial transactions.
- Communicating and sharing information with others.
- Making expense payments.

This information was reorganized and filtered to support the next phase of analysis – Transition Planning. The Use Case Diagrams also served immediately as the basis for assessment of the Client's existing supporting systems.

C. Systems Architecture Analysis

Artifacts

The business models depicted below represent the *System Architect's View* delivered in the 8th week of analysis and generated the initial inventory of Information Technology gaps in the Client's capability to support the new processing environment. This material was the result of a series of workshops conducted with processing Subject Matter Experts (SME) and representatives from IT's architecture, applications, and data groups, on the subject of the technical infrastructure that would support system interactions required under the new business directive.

Use Case diagrams are also used to identify the system(s) responsible for a usage scenario and what is communicated during the system interaction.
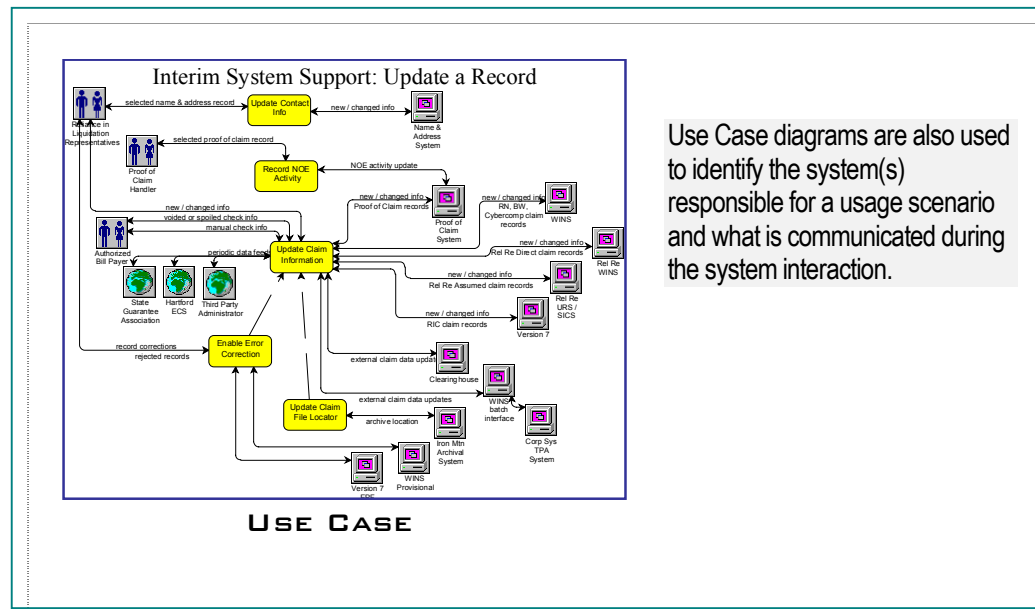
Results

Small groups extended the Use Case diagrams to identify existing or proposed applications that would satisfy the system utilization scenarios.   During the facilitated workshop the Systems Architecture Focus Group collaborated to examine gaps in the automated capabilities required under the new business directive. Some functions were found to currently have limited or no formal support, and needed to be prioritized for resources & funding:

■ Producing standard communications.
■ Supporting inquiries, finding standard answers, and delivering documentation.
■ Aggregating financial transactions.

This information set the stage for the technical recommendations formulated in next phase of analysis – Transition Planning.

Phase 3 Transition Planning

Artifacts

Matrices and lists were produced as Transition Planning tools for reference during post-project Client activities associated with building business cases and

implementing recommendations. These publications were the result of workshops conducted with representatives from technical and business areas on the subject of assessing gaps, solutions, and priorities. Subsequent feedback during the publication review process generated additional ways to extend the usability of project materials.

- **Technical Transition Planning Document.** Expanded the Use Case Definitions to include current implementation details, issues, and proposed solutions.
- **Issues Log Assignments.** Transitioned the remaining open resource and process issues to the Client Leadership team to prioritize and coordinate change program assignments.
- **Use Case Scenarios.** Recapped each workflow element that calls for a given Use Case, along with the business purpose and impact if not available.
- **As Is Application Inventory.** Recapped technology elements found in the Client's current environment, along with the supported Use Cases (or prior function if identified as obsolete).

The Project Final Report delivered in the 12th week of analysis presented an Executive Summary and Analysis Results recapping the following topics:

- Enterprise Objectives
- Interim Structure of Organization, Processes, and Technology
- Influencing Factors
- Obsolete Elements
- Transition Recommendations

Results

Small groups collaborated on factors that would influence a smooth transition to the new business directive. A final review cycle via e-mail enabled key project participants to evaluate the draft Final Report publication and the inventory of artifacts generated during the project.

The analysis as published in the Final Report resulted in defined goals, new roles and workflow, and the identification of automation needs. The findings were supported by supplemental exhibits that detailed stakeholder interactions, workflow, system interactions, and supporting technical architecture. The Final Report made recommendations on the following transition topics:

- Organization
    - Leadership & staffing
    - Staff location(s) and facilities
    - Skills, in terms of technical and systems knowledge
    - Outsourcing opportunities
- Process
    - Channeling incoming phone call inquiries.
    - Supporting information and documentation needs of new process partners.
    - Processing mass mailing responses.
    - Tracking physical and electronic file locations.
    - Correcting errors and reflecting changes in mailing addresses across enterprise records.

- o Triggering alerts on high financial risk situations
- o Reporting management and operational information.
- o Correcting errors causing rejected electronic feed records.
- ■ Technology
  - o Method for prioritizing technical initiatives
  - o Low-cost, low-effort solutions where systems support requirements are not currently being met:
    - Utilizing the e-mail / *Lotus Notes* infrastructure to support electronic communication records, and to generate standard letters.
    - Utilizing the internet/intranet infrastructure to support self-help answers to *frequently asked questions.*
    - Producing CD-ROMs of records for business partners & internal use..
    - Automated production of coding sheets for business partners.
  - o Longer term cost control opportunities:
    - Consolidation of redundant systems.
    - Reducing the number of computer platform environments, as operational systems are streamlined and retired.

The Client's next steps targeted prioritization of business needs in order to appropriately plan and budget for the business and technology resources required to implement solutions.

For more information on how J Davis Consulting LLC can help you with your *Blueprint to Success*,
write to Joan Davis, Principal, at JDavisConsulting@verizon.net
or visit J Davis Consulting LLC