



The Leadership Role in Achieving Efficiency and Effectiveness



Richard Mallory, MM, PMP

Principal Consultant, Senior Project Manager

CPS HR Consulting

Efficient and effective programs

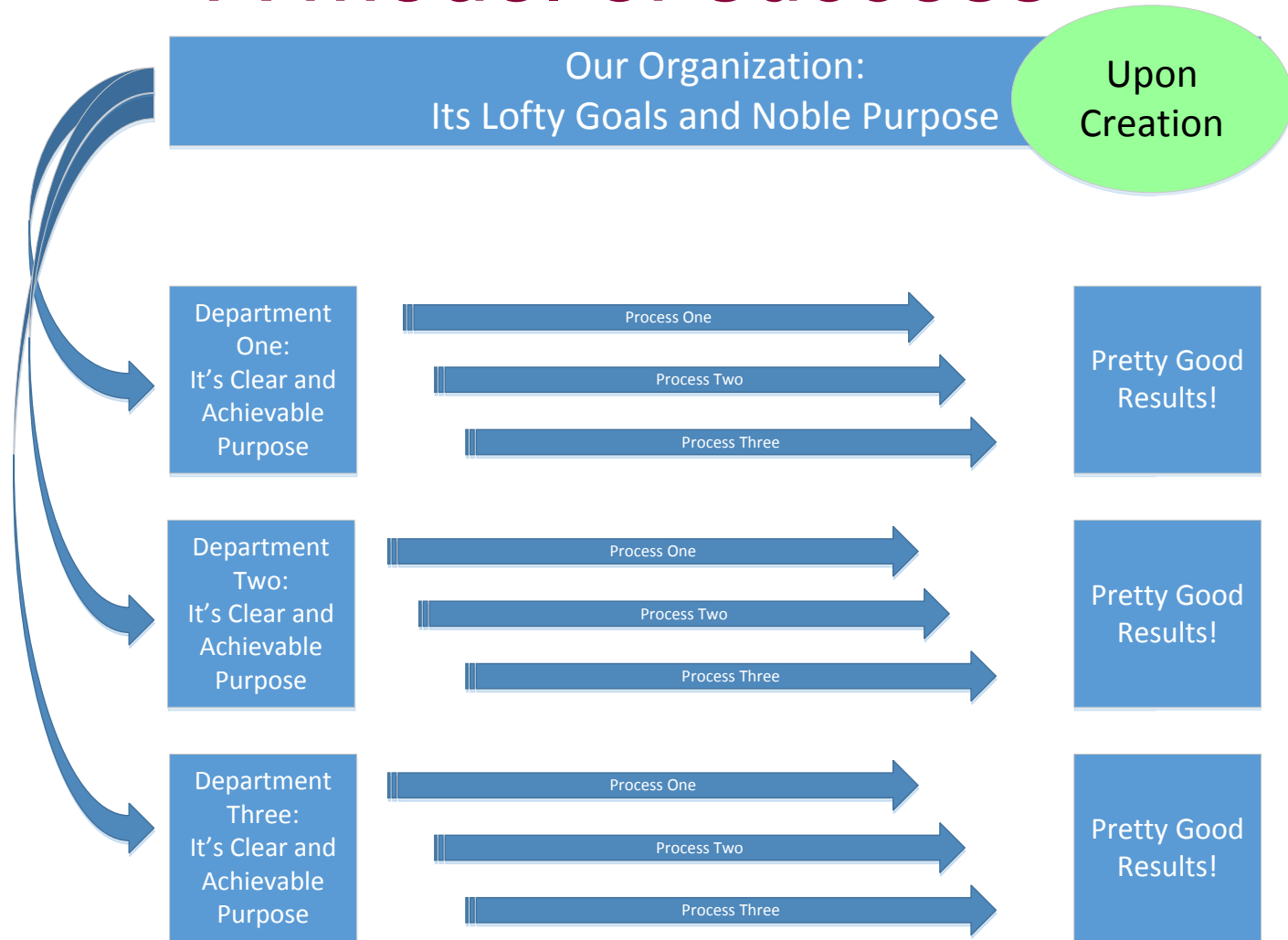
- **Results:** Does it meet its mandates? Is it producing outputs that meet expectations and requirements?
- **Cost and Resource Commitment:** Is it affordable? Do we have sufficient resources to do what we need done?
- **Quality:** No obvious waste and error. No long delays and waiting. No audit findings.
- **Comparison:** Does it perform as well as other similar entities?
- **Secondary Indicators:** Is there any other evidence of undesirable impacts? (Example, employee complaints or poor morale?)
- **Management Standards:** Is the program and its component parts under management control?

Management's ultimate goal

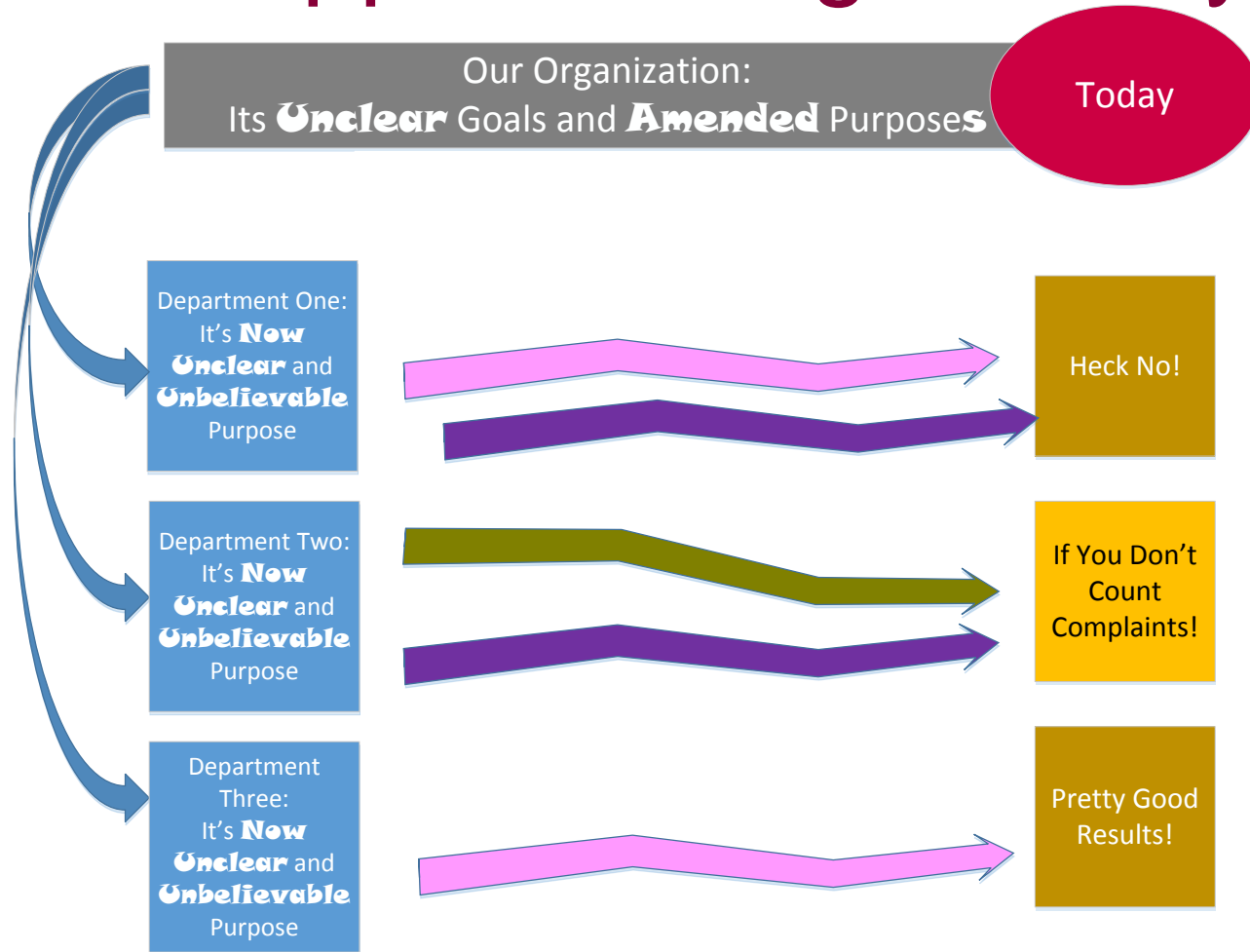
- Positive results every time
- Driving out failure through elimination of waste and variability
- A proactive system based on quality assurance and quality control – we don't want to find out about problems after they have occurred!



A model of success



What happens along the way?



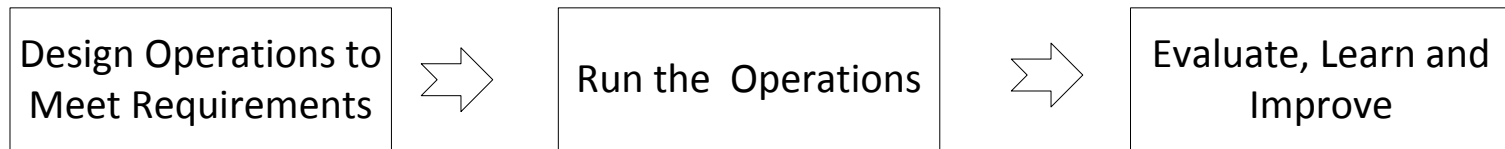
Areas of management

- People-related tasks
- Work-related tasks
- Quality of work focus

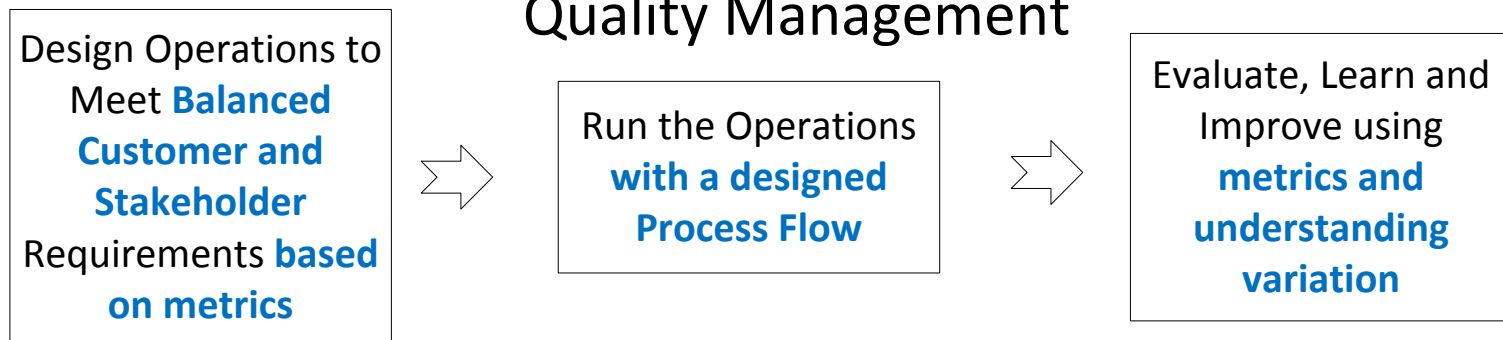


Traditional management vs. quality management

Traditional Management

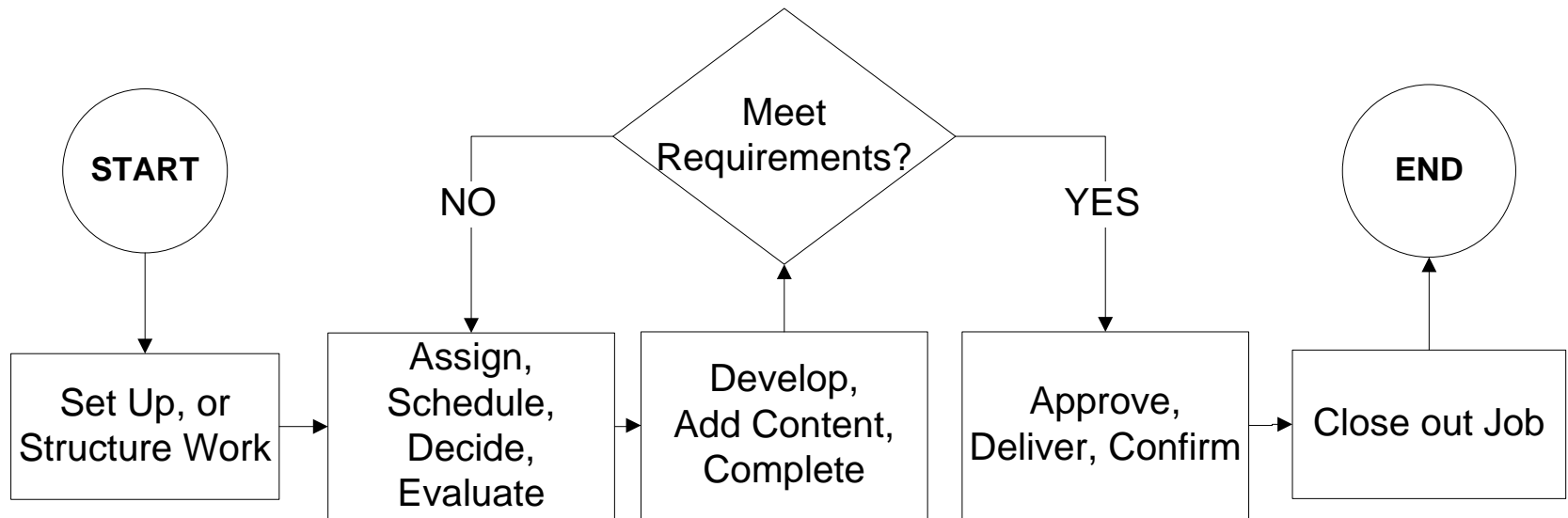


Quality Management

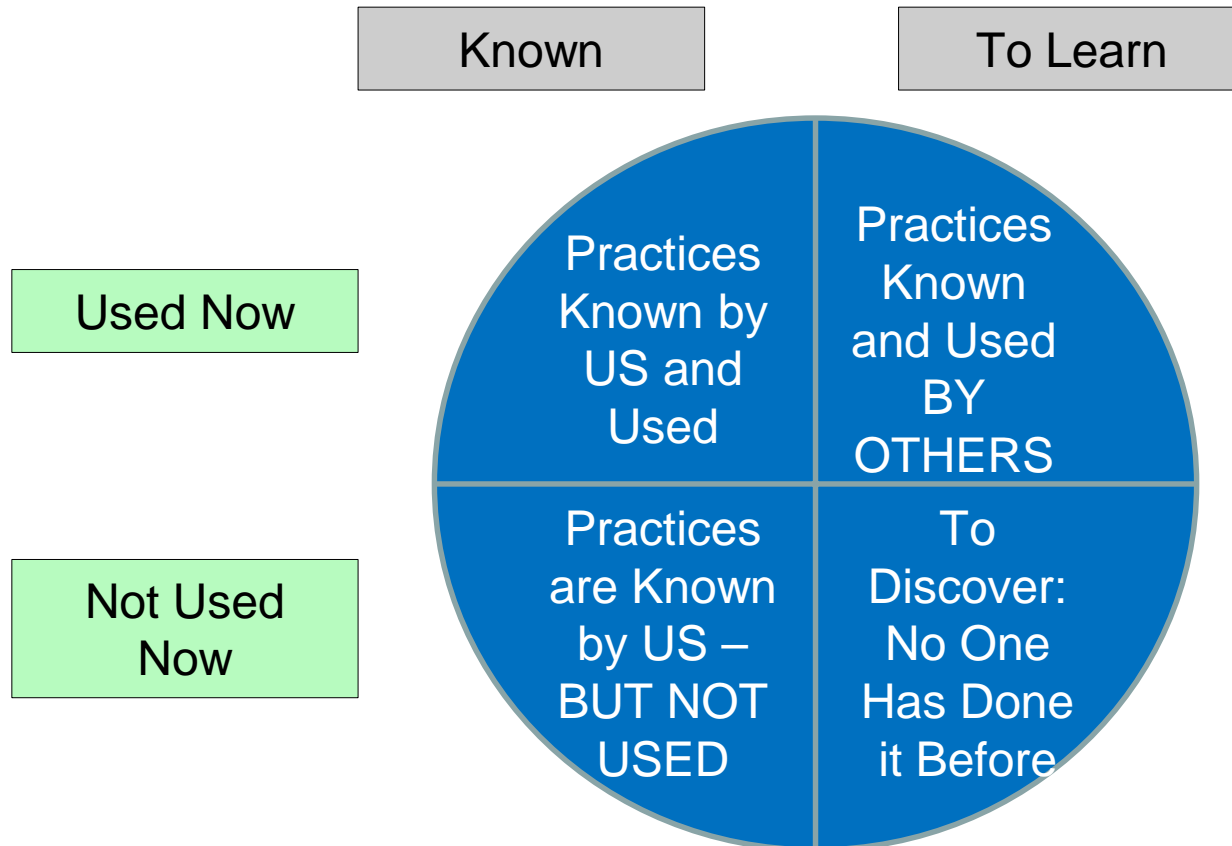


Definition of a process

A set of defined incremental activities that transform an input to a valuable output for an end-user or customer



Best practice suffers entropy over time



We live in a sub-optimized world. Best Known practices must be created, re-built and maintained

Progressive steps in process management: actions/achievements

- Standardize / standard process
- Streamline / validate
- Measure / test
- Improving / capable
- Innovating / excellent



The process management standard

Standard Process and SOP	Measurements	Process improvement / employee empowerment
<p>0 – Process is not standardized.</p> <p>1 – A process flowchart or SOP exists. May not be current or complete.</p> <p>2 - Process flowchart or SOP exists and is current/ complete.</p> <p>3 - Process flow is regularly updated. Aim is clear and periodic feedback is obtained.</p> <p>4 – Flowchart or SOP is regularly referenced and is used for training. Regular feedback is provided.</p> <p>5 – Flowchart is uniformly used at an auditable standard. It is linked to metrics and continuous improvement efforts.</p>	<p>0 – Customer requirements are unknown.</p> <p>1- Some customer requirements have been established, but are often based on dissatisfaction, waste, or error.</p> <p>2 – Customer requirements have been established and validated.</p> <p>3 - Key process measures exist, and at least one is regularly updated.</p> <p>4 – Several key process measures - validated with customer requirements, and regularly updated.</p> <p>5 –The process is stable, and performing within control limits. Measures are linked to benchmarks.</p>	<p>0 – No systematic improvement efforts. No employee involvement.</p> <p>1 – A few process improvements - all based on management initiatives.</p> <p>2 – A few process improvements based on employee suggestions.</p> <p>3 – A fact-based structure for analysis and problem solving is in place.</p> <p>4 – The work force participates in continuous improvement and it follows an established problem solving structure – tools are used.</p> <p>5 – There is evidence of continuous systematic improvement and measurable, positive results.</p>

Process certification allows for a scorecard

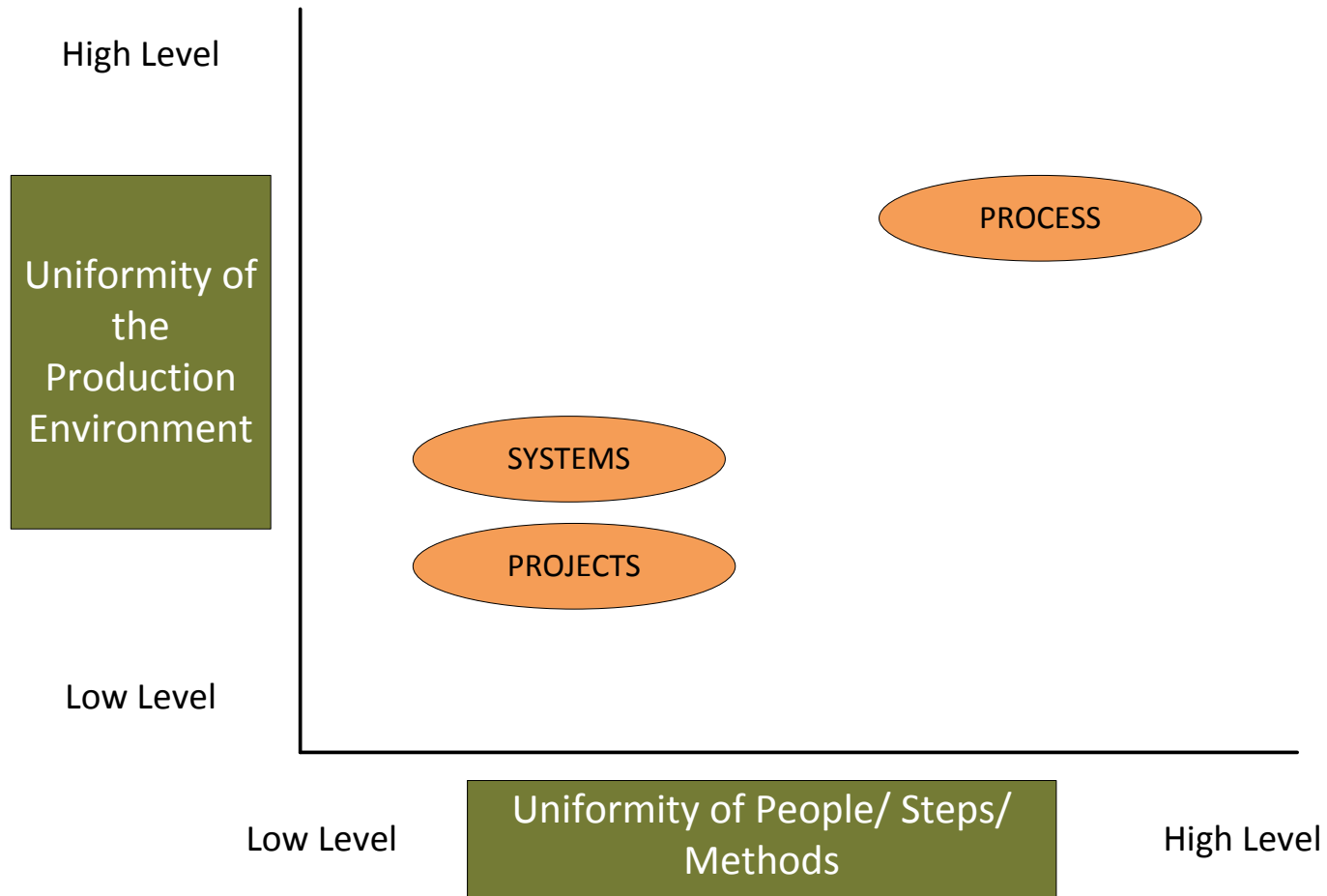
Division 1	Division 2	Division 3	Division 4
90	35	45	75
65	95	80	100
75	95	85	45
25	60	65	55
65	70	90	80
70	80	65	50
		Overall Organization	69.2

Where each manager certifies key processes, the Division and Department Scorecard is apparent!

The work of executives

- Goal setting and performance reporting
- Budget development
- Budget oversight
- Capital investment
- Program oversight
- Project management

Unifying theory of work management



Process does not describe all work

Work is produced in varying environments

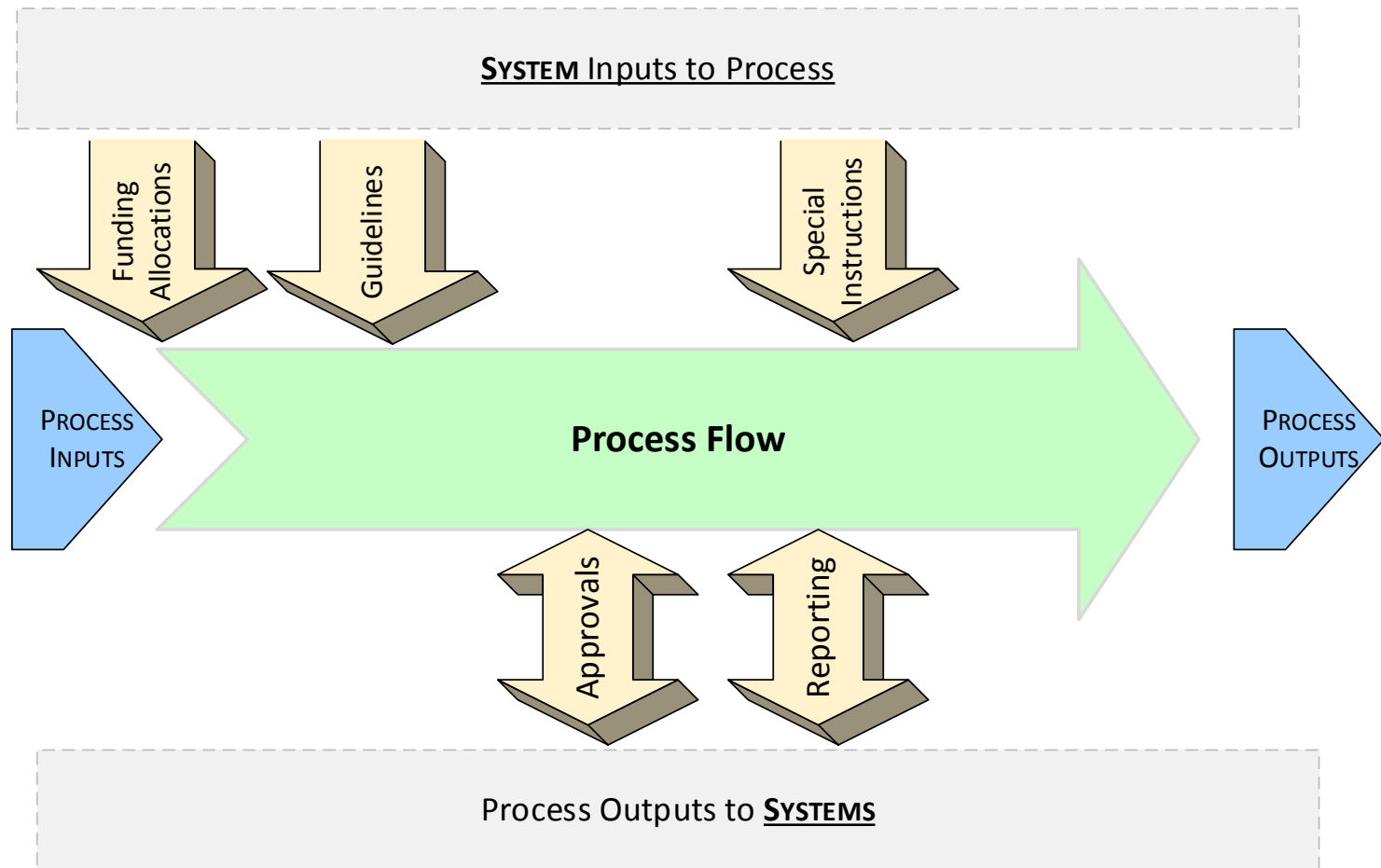
<p>High Frequency Low Variation (of Tasks/ Methods)</p> <p>PROCESS Licensing Actions Benefit Determinations Routine Program Action</p>	<p>High Frequency High Variation (of Tasks/ Methods)</p> <p>SYSTEM or PROCESS Legal Actions Accident Investigations IT Help Desk</p>
<p>Low Frequency Low Variation (of Tasks/ Methods)</p> <p>SYSTEM or PROCESS Capital Needs Analysis Design/ Construct Civil Contract Actions</p>	<p>Low Frequency High Variation (of Task/ Methods)</p> <p>SYSTEMS Strategic Plan New Technology Projects HR Recruitments</p>

Need to recognize systems as a part of structured management

- They influence, define and control processes, often based on a higher-level viewpoint
- They may be:
 1. Repeated less often
 2. Have lower volume of activity
 3. Have more uncontrollable intervening factors
 4. Have factors outside of span of control
- Quality tools can be used to improve them, but not with the same rigor of analysis as process



Systems interaction with process



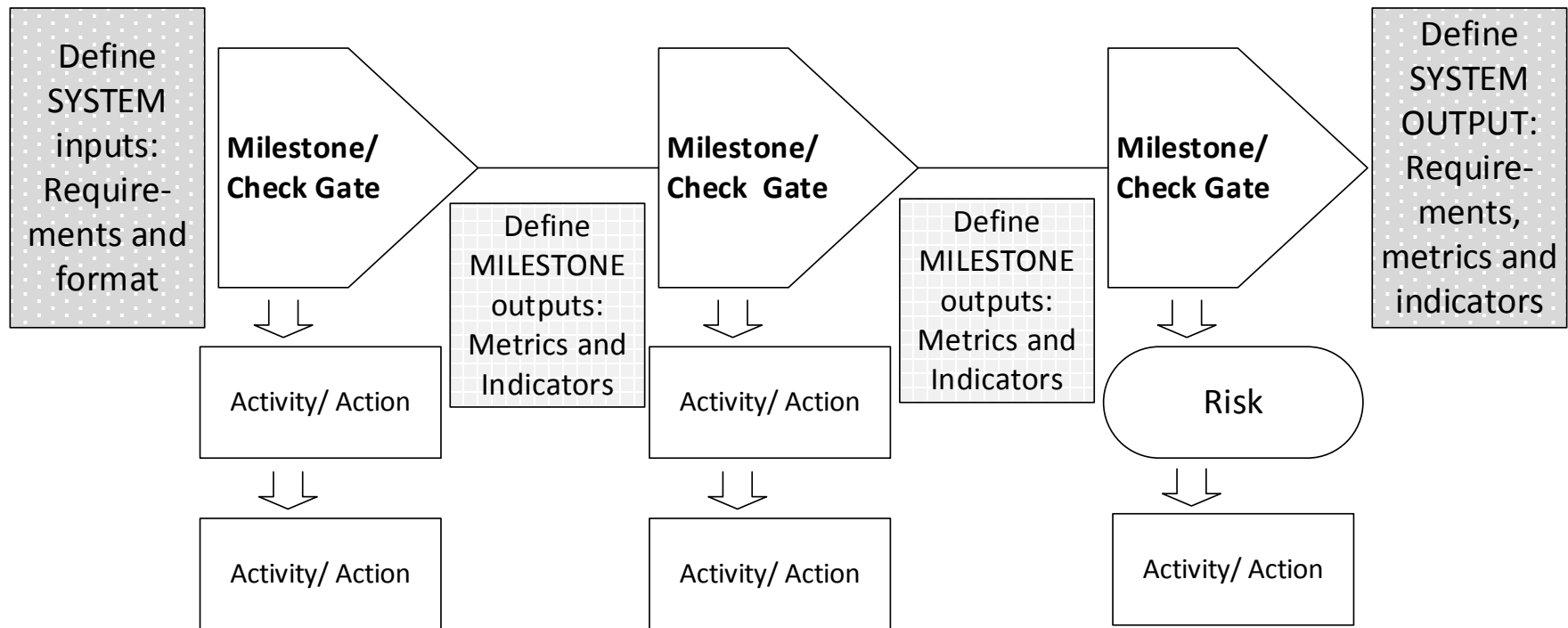
What makes systems manageable?

- They have a purpose
- Share common resources, under a leadership umbrella.
- Predictable scenarios occur
- We can define success criteria – based on users of outputs – customers
- A defined set of things that bring end results into being.
- Rules of operation – procedure
- Can create scenario analysis
- Contingency planning
- Approach/ deployment/ learning and innovation

Score and manage the maturity of each system

- Establish its aim or purpose, with metrics and indicators representing success
- Establish 'customers' who are users of the outputs
- Define the personnel to be accountable and responsible for its positive result
- Define standard operating practice, defined best practice
- Map primary activities that create the desired outcome
- Map contributing actions and activities
- Obtain regular feedback against criteria
- Plan for known intervening variables and risks

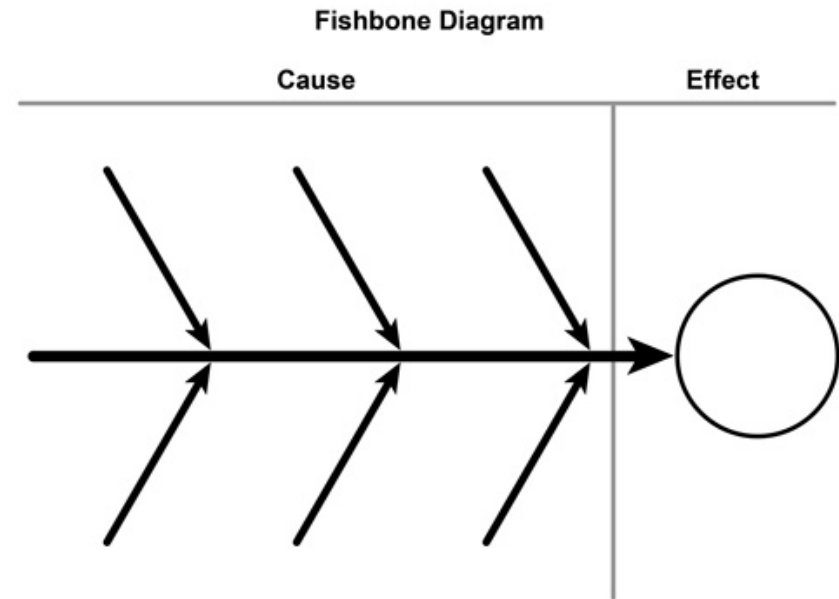
Systems analysis and improvement



Identify system points of constraint

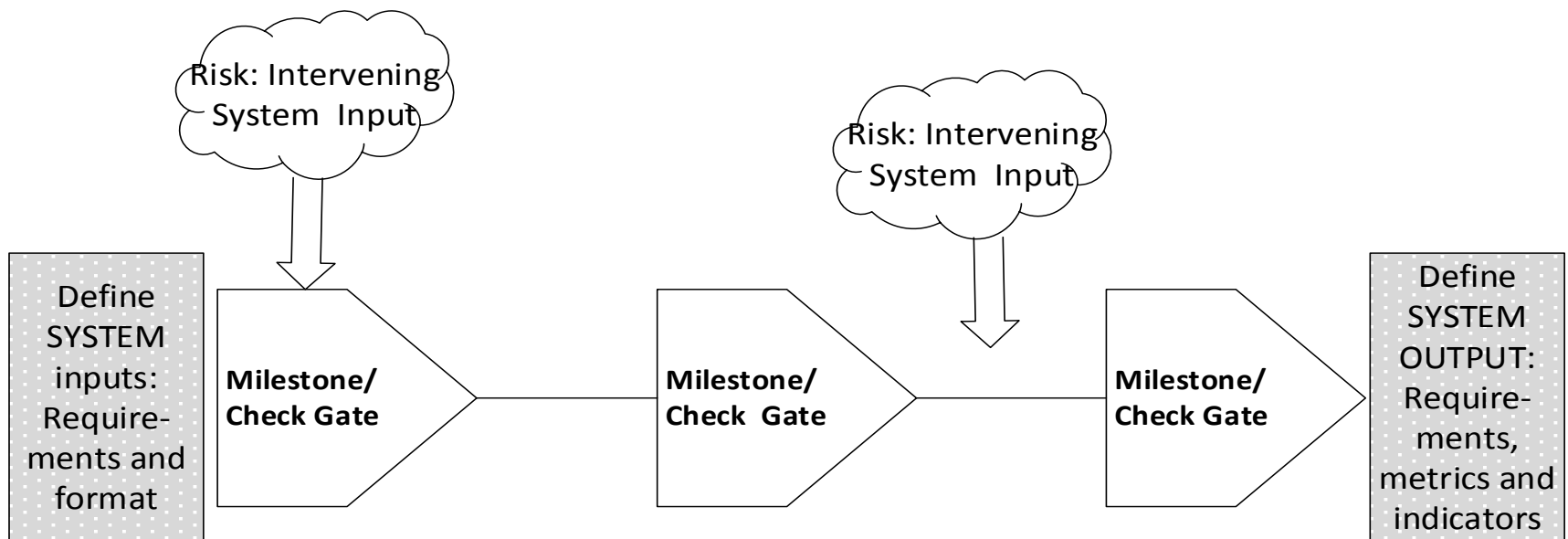
Then Use Problem Solving Tools:

- Root cause analysis
- Force field analysis
- Inter-relationship diagram



Identification of risk and uncontrollable factors

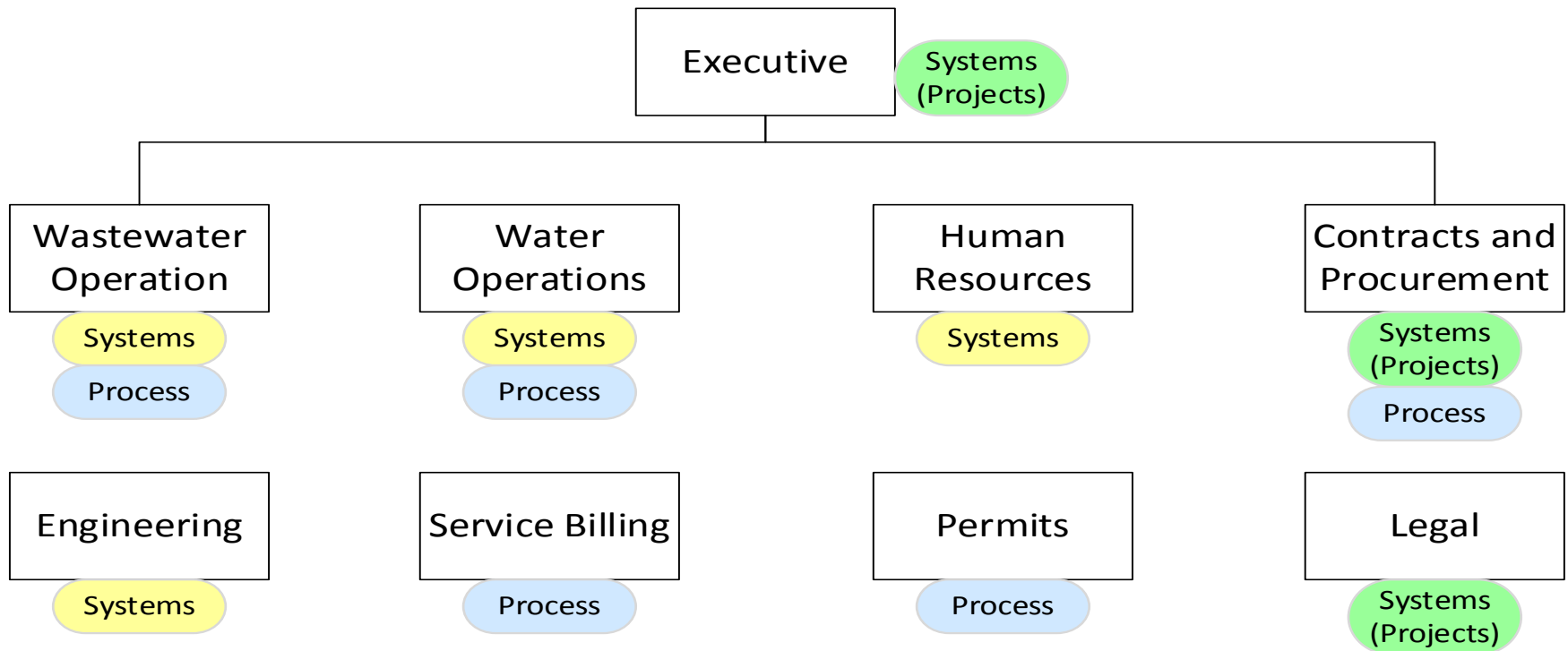
Identification of System Risks



System Management Standard

Systems Purpose and Structure	Goal Directedness Through Measures and Feedback	Management of Intervening Variables and Risk	Alignment, Evaluation, and Improvement
<p>5 –There is documented evidence of an ordered system that delivers uniform and predictable quality outputs over multiple operational cycles. The ordered system is supported by a system map and supporting documented covering all tasks, accountabilities, and contributing factors. Major intervening variables and system risks have been identified. The system map links to process maps as necessary to accomplish organizational goals, and requirements statements for process inputs or outputs are built into systems requirements. System deployment is specific to the means used to manage the system and to ensure its continuing operations according to design. Operational deployment is supported by responsibilities and accountability for each contributing resource group, and through the use of indicators and performance measures for all principal activity groups. There is evidence of the use of this system management structure for three or more years.</p>	<p>5 – Performance feedback and objective measures are linked to this system and all its defined activity groups. Positive levels and trends exist for the entire system and for all its principal activities. Several indicators and measures are available for each defined activity group. There is evidence that the performance of this defined system has improved and contributed to improving organizational outcomes over three or more years.</p>	<p>5 – Risks are actively managed by the risk manager and the risk owner, and progress is reported to management on a regular basis. System design and structure has been modified to lessen the impact or occurrence of intervening variable and risks. There is documented evidence of the use of analysis to lessen risk and system impacts. There is documented evidence of systems learning and improvement. There is evidence of systematic risk identification, tracking, analysis, and controls or mitigations in place.</p>	<p>5 – There is evidence of continuous systematic annual improvement, participated in by all defined systems personnel. There are measurable, positive results on outcomes, and in each activity group, with demonstrated positive relationships to all dependent processes.</p>

Suddenly the quality scorecard is organization-wide



Systems management anticipates:

- All managers and supervisors will be required to identify and manage key processes, and that affirming the maturity of those key processes will be done yearly
- All executive managers, program managers and project managers will be required to identify and report on the maturity of key systems yearly
- Executive management will align the map, and ensure all systems flow from itsd business plan, its mission and values, and are specific to each Division



Using process and systems management together

These two standards together:

- Create a virtual quality framework that will resist disruption of leadership change
- Shift the focus of quality to every leader and manager
- Create a plug and play quality model with great vigor and specificity
- Provide a highly effective organizational report card that evaluates its overall organizational efficiency and effectiveness
- Ensure sustainability



Resources

- *Quality Standards for Highly Effective Government* [amazon books](#) or [Trafford.com](#)
- Video Introduction – *New Look at Quality Systems – Auditable Standards:*
<http://videos.asq.org/new-look-at-quality-systems-auditable-standards>
- ASQ Government Division web page: <http://asq.org/gov/>
- Workbook on Systems Mapping and Improvement will be completed for those interested in notice of its availability.



Questions?

Richard Mallory: rmallory@cpsshr.us