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by llamawerx

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Chaos to order

Chaos: a state of extreme confusion and disorder

Order: a state of peace, freedom from unruly behavior, and respect for law and proper authority

Process: a series of actions, changes, or functions bringing about a result

Our business and personal lives lie somewhere on the continuum from chaos to order. Move too far into chaos and you'll feel your life slipping out of control. Stray too far into order and you'll find yourself chafing. Somewhere in the middle is a "sweet spot".

Businesses have a "sweet spot" too. As they grow, many attempt to move from the chaotic to the orderly. How do they do this? One way is by formalizing processes and applying process improvement techniques.

Every organization, small or large, start-up or 100 year old bellwether has a way of doing business – a process. It might be formal or informal; rigid or flexible.

Businesses attempting to change their "sweet spot" usually look to improve one of the following: repeatability, efficiency or quality. Sometimes external forces like clients, competitors, partners or regulations initiate change too. Regardless of the stimulus,

organizations apply one of two primary techniques to facilitate change.

1. Continuous Process Improvement
2. Business Process Reengineering

Continuous process improvement relies on gradual, incremental improvements to existing business processes; it is characterized as being slow and methodical. Business process reengineering (BPR) focuses on radical change based on a clean slate; it promises the quickest rewards. BPR rose to prominence in the 1990s.

Unfortunately, some estimates show 70% of BPR projects fail with the three biggest obstacles being:

1. Lack of sustained management commitment and leadership
2. Unrealistic scope and expectations
3. Resistance to change

From these statistics, it appears the radical nature of BPR is too radical for most organizations. Is there a "sweet spot" here too? A middle ground?

Sweet Spot Reengineering

Sweet spot reengineering blends continuous improvement and BPR into a four step process based on continuous improvement interspersed with radical change.

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Sweet Spot Reengineering

1. Establish a baseline – a comprehensive collection of existing processes.
2. Analyze existing processes to understand their interactions.
3. Implement changes with the greatest benefit. Seek radical change.
4. Reevaluate continuously.

Instead of changing all the processes at once, focus on those with the greatest benefit and let the change sink in before embarking on others. Radical changes made incrementally take advantage of shifts in the business environment.

When pursuing process improvement, keep the following points in mind.

Focus on the *external* customer. If you build a product, somebody buys it. If you sell a service, somebody subscribes to it. Every process should tie back to the external customer. Internal customers such as other departments are the friction of business. If you find your processes focusing on internal customers, consider oiling or eliminating the friction.

Budget the time. Rome wasn't built in a day and your current processes didn't appear overnight. Take time to

introduce change gradually, measure the results, and don't be afraid to retract the change if it isn't working out.

Don't give up. Changing the status quo requires a learning curve. Along with the learning curve comes a drop in productivity. Expect this and ride through it; it should improve. If it doesn't, re-evaluate and change.

Do the math. People + process + technology = success. People, processes, and technology exist in a symbiotic relationship. Like a three-legged stool, overemphasis of one leads to instability.

Live on the edge. Once you have decided how much process you "think" you need, apply a little less. Later, it's easier to add more than to remove it.

Flexible & realistic. Put processes in place that are flexible and realistic for your company. Understand that people will find ways to bypass a process they find unworkable.

Change is inevitable. By applying these techniques, you will be better prepared to navigate your organization on the continuum from chaos to order. While searching for the "sweet spot" in an ocean of change, avoid the doldrums of order and the rocks of chaos.

Bon voyage!

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