Suggested Process of Continual Service Improvement (IT CSI)

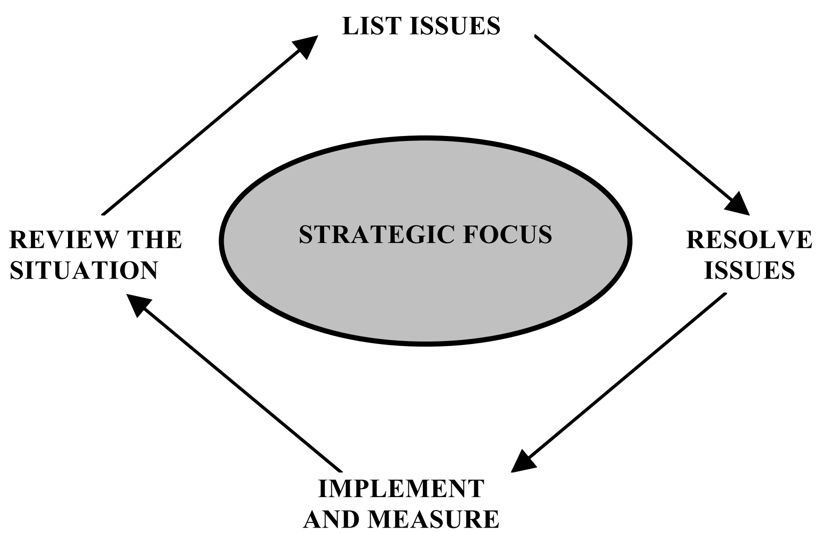
THE MODEL AND STRUCTURE

We need to accept that it is not the organization that is resolving and removing all performance barriers, but rather the individuals working in such an organization. This is why we employ people in organizations; not just to insert the bolts and tighten the nuts, but to resolve the peripheral concerns that occur around the physical action of the job. How do people resolve these concerns? By using their brains – by thinking through the concerns.

The questions are firstly, "How well do we prepare or develop people to handle these issues effectively?" And secondly, "How effective are our existing procedures, systems and structures in enabling people to resolve these issues effectively?" We need to create a balance between the development of **critical thinking skills** and an **enabling environment**. IT Divisions today are faced with tremendous continual changes and challenges, and if we are to survive and develop in the future, we need to do things differently. The IT landscape has changed so much over the last few years that "doing nothing" and "old" methods are no longer effective.

The single most important prerequisite for real improvement is that each individual in the organization is focused on the real issues facing the organization now and that these individuals are supported by their superiors and the organizational system. The only distinctive variable between successful and non-successful IT divisions is the IT professional working in that division. It is all about how effective each IT staff member is at solving issues at source.

The real issues facing the organization can be identified only when the answer to this question is found: "For what reason do we exist as an IT organization?" Once agreement has been reached, we need to identify those things inhibiting this goal and begin a process of ongoing improvement, involving every individual, solving issues at source and organizations removing the barriers for improvement. The Results Multiplier approach does just this. It is a means of mobilizing every individual towards the strategic focus within the framework of an ongoing process of improvement.



This process involves a basic approach of listing all the issues and challenges inhibiting the CSI Focus, resolving the priority issues and challenges, then implementing the resolutions and corrective actions and lastly reviewing the situation on an ongoing basis to check progress towards the Improvement Objective. A failure on any of these elements will result in the failure of the process. However, to make each of these phases work effectively, we must not forget about the principles and practices of change management. KEPNERandFOURIE® utilizes the following three roles within an organization to apply the principles of change management:

1. **Accountable Sponsor**

   Without this person, nothing will happen. This senior line manager/leader is the catalyst for sponsoring change. They pay for the project and want to see a return on investment. They are also required to "walk the talk" to demonstrate their support of the initiative. We need to find and appoint this "sponsor" and Mandate Giver that would be partaking in this initiative.

2. **Program Coordinator**

   This is normally a staff function person such as Service Management, Employee Development, or Engineering. The Coordinator has the following responsibilities:
   - Provide logistical support.
   - Arrange presentation days between problem solving teams and senior management.
   - Organize training sessions to transfer critical skills to key workers.
   - Arrange feedback sessions to the various problem solving teams and/or individuals.

3. **Facilitators**

   These will be the people who will be thoroughly trained in problem-facilitation skills to enable them to facilitate any company incident/problem at any level in the organization. They will be on call for line managers who want to address certain problem issues as identified in the program. They would be utilized highly effectively to handle both crises situations and in-depth investigations to resolve problems. They will help to prepare recommendations and coach line managers on how to identify the correct stakeholders and information sources to be invited to the various problem solving meetings. The most effective use of facilitators is when they are dedicated full time to the CSI initiative.

THE PROCESS

1. Phase 1: Identify the Improvement Focus

IT Top management must agree on the answer to the following question, "For what reason do we exist as an organization?" The answer, which is the absolute core of any business, must become the focus for any improvement process. The focus and implementation strategy should be communicated to all levels.

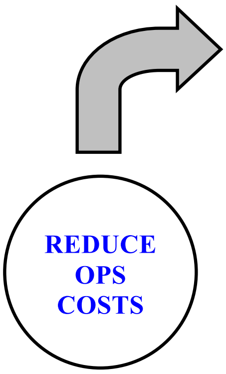
The following could be typical examples of such an Improvement Focus:
- Reduce operational costs
- Improve productivity or throughput

- Doing more with less (in this case is it the combination of the two focuses above)
- Reduce both downtime and rework
- Something very specific such as “reducing IM mean-time-to-restore”

Once the improvement focus has been determined, we need to look at pegging the existing performance levels in certain performance indicators. For example, if we had to look at reducing operational costs, your performance indicators (metrics) could be any or a combination of the following:

- MTR and MTTR
- Escalations
- Critical service uptime
- Recurring incidents

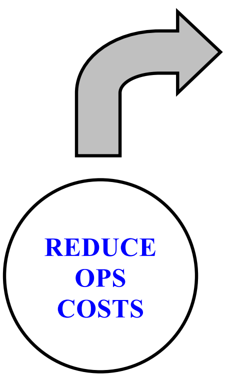
The following is a typical example of the type of indicator (metric) we are talking about and this again would be customized for each IT division.



FACTOR/METRIC	NOW	6 MONTHS
• MTR	• 7 hours	
• MTTR	• 12 days	
• System uptime	• 99.3%	
• Level of P3 escalations	• 72%	
• Recurring Incidents	• 23%	

As seen from the example, you would insist on the existing way (metric) of measurement in each performance indicator and what it is for the “now” situation. If no measurement method exists for a performance indicator, then one must be found or the performance indicator needs to be changed.

Once this has been done, you would insist on a “window period” for achieving results and coach line management to set an objective for the program. Record an objective indicator for each performance factor to be measured. Make sure this is a realistic goal and that every stakeholder buys into this and confirms the target. Again the following is a typical example:



FACTOR/METRIC	NOW	6 MONTHS
• MTR	• 7 hours	• > 4 hours
• MTTR	• 12 days	• > 5 days
• System uptime	• 99.3%	• < 99.6%
• Level of P3 escalations	• 72%	• > 33%
• Recurring Incidents	• 23%	• > 10%

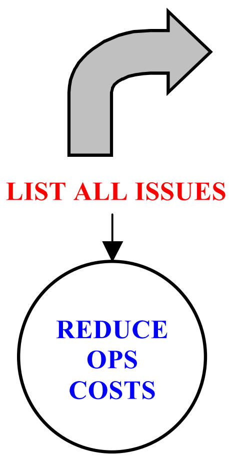
The benefits of doing this will be the following:

- Everyone is aware of the focus.
- Everyone is sensitive to it.
- It makes measurement possible.
- It makes it visible.
- Progress is visible.
- Serves as a basis for reward and recognition

The other major benefit in doing this is that IT management will be able to see the potential savings and impact on the bottom line visibly, and without much effort. They will be able to see “what is in it for them”. For example, based on the above hypothetical metrics we could ask the following:

- What it is worth to your division to reduce MTR from 7 hours to below 4 hours?
- What it is worth to your division to reduce MTTR from 12 days to less than 5 days?
- What it is worth to your division to improve uptime from 99.3% to 99.6%?
- What it is worth to your division to reduce P3 escalations from 72% to less than 33%?
- What it is worth to you to reduce recurring incidents from 23% to less than 10%?

2. Phase 2: List all the issues



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Normally the major barriers to the improvement focus/objective are obvious and may include things like inability to solve incidents quickly and accurately, testing procedures not adequate, projects failing, slow decision making processes and bottlenecks. In order to begin the process of continual improvement, specific problems are obtained from each level by means of “focus groups”, and presented to IT management for vetting. The trained facilitators conduct these “focus groups”. The benefits of doing this are:

- Valuable suggestions are obtained
- Problems are made visible, which may otherwise have remained hidden
- All levels are involved from the very beginning, which fosters ownership and commitment.

These problems are divisionalized and prioritized with the improvement focus and metrics in mind, and then responsibilities and deadlines are allocated.

The facilitators play a very important role in this phase. This provides the opportunity to unearth all deep-rooted problems and for everyone to contribute to the list.

The following are some actions that will take place during this phase:

1. Each facilitator conducts a “discovery” meeting with certain groups to complete a PriorityWise application.

2. All the documentation is submitted to the accountable person (sponsor) and collated to obtain the overall priorities for the IT division and/or department as it relates to the improvement focus.

3. The accountable person (sponsor) issues a mandate for problem resolution and decisions to be recommended.

4. Facilitators interpret their priorities and identify team members to help with problem resolution. At this point a very important psychological effect comes into play. Due to this “bottom-up” and then “top-down” approach we create a common focus and a mutually agreed “agenda” to be worked on, which is really very motivational to both parties.

3. Phase 3: Resolve the issues

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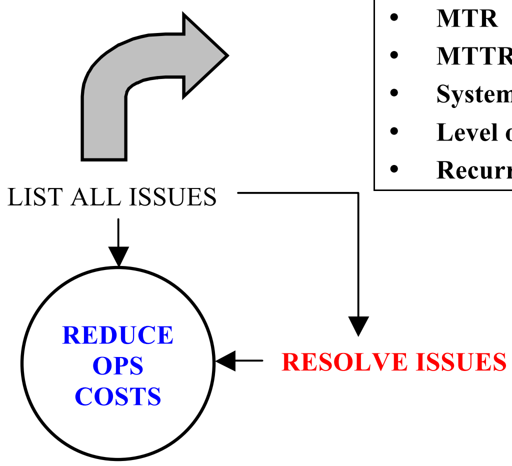


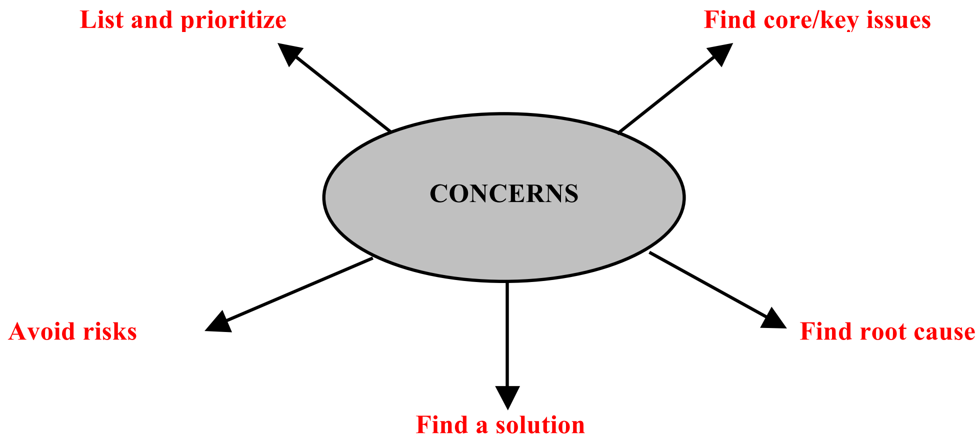
This is a critical phase. If people are not provided with the skills and the opportunities to resolve the problems, the improvement process will be very short lived. It is internationally accepted that there are no better techniques than the KEPNERandFOURIE type of problem solving technology in resolving problems no matter what their nature or level of complexity. Internal facilitators are trained to facilitate teams at all levels in the organization in the resolution of problems.

The thinking skills required by individuals must assist them to resolve the full spectrum of concerns faced in the workplace. We can place concerns into definite categories, which assists greatly in selecting the most appropriate approach for a specific concern.

Examples:

- When faced with vague and complex concerns such as "connectivity problems", "poor SME support", and "time zone problems", we need to obtain a common focus of core issues involved before action can be taken.
- When faced with a specific incident such as "dropping connection", "DNS issue" or "website down", both technical and root causes need to be found before action is taken.
- When faced with concerns such as "we need to improve the design of….", "we need to select a new supplier" and "we need to improve certain coding methods", they imply that we need to create a new solution or choices need to be made.
- When faced with concerns such as "ensure project success", "prevent rollbacks" and "launch a new update", we need to identify potential risks and avoid them.
- When faced with a multitude of concerns, we need to list all the specific issues we are facing and prioritize them so that action is taken on core/key priority issues.

This approach simplifies the resolving of concerns as it describes five different thinking approaches.



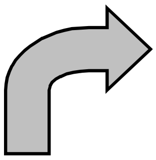
Although all individuals in an organization need to have effective thinking skills, the type and complexity of the concerns that people face at different levels do vary. Therefore, the thinking skills provided must be tailored to suit the need. For example, a senior system engineer is faced with an integration issue on a new software platform. Although many attempts have been made, he is unsure about what is causing the compatibility issues. Or, a programmer on a packaging machine dashboard notices a specific indicator flashing all the time and does not know why. Both these individuals require problem-solving skills, but at different levels of complexity.

So, the resolution phase needs strong skills at various levels. The facilitator, problem owner and their project/problem-solving team now gather and analyze the relevant information to resolve the priority issues using the problem-solving skills and content knowledge of all the key people involved.

The following actions will be performed:

1. The facilitator and the team meet to resolve the priority issues using the appropriate KEPNERandFOURIE thinking dimension.
2. Recommendations are made to the accountable person (sponsor) or to the line person to consider them for implementation.

4. Phase 4: Implement and measure



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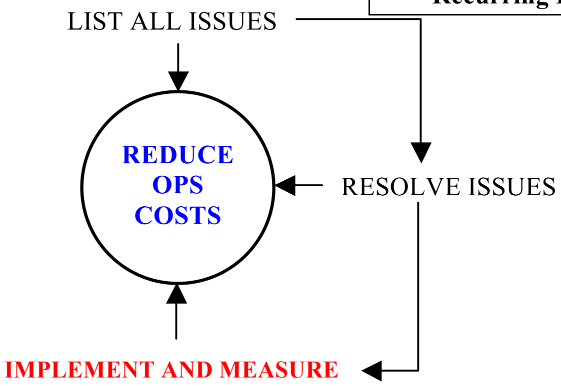


This is the stage when a recommendation made by a team was successful and supported by Line and it now calls for the implementation of the resolution. The problem situation now needs to be removed or rectified and this is where all the team members will see the fruits of their labor. This is where the organization will discover the level of commitment to improve matters, because tis is the most challenging phase of the whole improvement cycle.

The second component of this phase is to see whether the problem-solving team was successful in their thinking. Has the resolution had any impact on the problem, i.e.:

- Did it remove the cause?
- Has the situation returned to normal or even better than normal?
- Did it have a positive impact on the bottom line?

Lastly, we also have to ask whether it has influenced any of the performance indicators set at the beginning of the program?

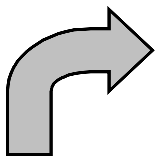
All problems/issues are resolved according to their priority rating. Because this rating is done with the improvement focus in mind, management can rest assured that resources will be allocated to those constraints that really affect the well-being and bottom line of the IT division as a whole. We also utilize the Pareto principle, which means that we are addressing those problems that would have a major effect on the bottom line.

The following actions will be performed at this stage:

1. Obtain permission for resolution/action.

2. Plan implementation with the same or a new team.
3. Monitor results of rectification/implementation.
4. Measure and give feedback on the results to management.

5. Phase 5: Review the situation



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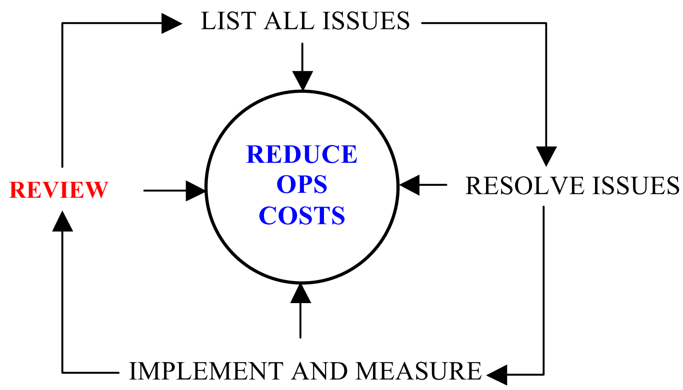

In order to ensure that the improvement focus always remains the centre of attention at all levels, the lists of priority issues should be reviewed regularly. Procedures are instituted to ensure that a constant flow of improvement suggestions, issues and challenges is obtained from all levels. As incidents/problems are resolved or priorities change, so the lists are updated to ensure that the correct focus is maintained. This approach to ongoing improvement is free of bells and whistles, unnecessary structures and procedures, and it becomes a way of life.

The review takes place on two levels. Level one is to see whether all the priority issues have been addressed and resolved. Level two is to review the improvement objective/focus. Do we continue with the existing focus and launch the next wave of resolutions or do we review the focus altogether and move onto another area?

This review is normally performed at the end of the window period set at the beginning of the program and will consist of the following actions:

1. Collect and collate all the results obtained during the six-month period.
2. Check the results against the improvement focus and the objectives.
3. Decide on whether to continue with the existing focus or to get a new one.
4. Start with lists again to determine new priorities.

SUMMARY

This approach will continue to produce positive results as long as the following are in place:

- The role players as indicated are in force and active in their roles.
- Facilitators are active and monitored, solving the priority issues systematically.
- Continuous measurement and feedback on results and progress is ever present.

This approach is unique for the following reasons:

- It uses existing company structures.
- Existing work practices are modified to accommodate this kind of initiative
- Key people are coached and trained to do the job.
- Trained facilitators are used.
- There is a common focus between management and workforce.
- It uses proven problem-solving methodology.
- The problem solving technology stays with the individuals and the skills are transferred to company employees for future use.

This approach will have the following benefits for the company:

- It creates a thinking workforce.
- Problem solving takes place at source.
- A common approach/language for problem solving is established.
- Cross-silo collaboration is improved
- It is possible to cover a vast number of issues over a short period or time.
- It results in more effective meetings.
- Employees take responsibility for their own situations.

The company employees will benefit in the following ways:

- They will be empowered and add value to their jobs.
- There will be an increase in self-worth and self-esteem.
- Employees acquire personal and business coping skills.
- The abovementioned approach contributes to their level of job satisfaction.