

UNIT 15: MANAGING BUSINESS ACTIVITIES TO ACHIEVE RESULTS



1



LECTURER: JUDITH ROBB-WALTERS

» UNIT 15: MANAGING BUSINESS ACTIVITIES TO ACHIEVE RESULTS



LO 3. Be able to monitor appropriate systems to improve organisational performance.

» THE BASIC SYLLABUS

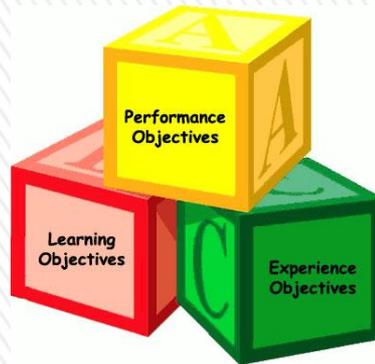


1. Understand the importance of business processes in delivering outcomes based upon business goals and objectives.
2. Be able to develop plans for own area of responsibility to implement operational plans.
3. Be able to monitor appropriate systems to improve organisational performance.
4. Be able to manage health and safety in the workplace.



» LEARNING OBJECTIVES

- » Be able to monitor appropriate systems to improve organizational performance



- » At the end of the class the students should be able to:
- » Report on the wider implications of proposed changes within the organisation



» OVERVIEW

- » When seeking to improve the performance of an organization, it's very helpful to regularly conduct assessments of the current performance of the organization. Assessments might be planned, systematic and explicit (these often are the best kinds of assessments) or unplanned and implicit. Well-done assessments typically use tools, such as comprehensive questionnaires, SWOT analyses, diagnostic models (we often use these models without recognizing or referring to them as such), etc., along with comparison of results to various "best practices" or industry standards.

» **IMPORTANCE OF DEVELOPING A CONTINUAL IMPROVEMENT CULTURE AND HOW TO INVOLVE OTHERS.**

- » Continual improvement is a type of change that is focused on increasing the effectiveness and/or efficiency of an organisation to fulfil its policy and objectives. It is not limited to quality initiatives. Improvement in business strategy, business results, customer, employee and supplier relationships can be subject to continual improvement. Put simply, it means 'getting better all the time'.

» **IMPORTANCE OF DEVELOPING A CONTINUAL IMPROVEMENT CULTURE AND HOW TO INVOLVE OTHERS.**

- » All managerial activity is either directed at control or improvement. Managers are either devoting their efforts at maintaining performance, preventing change or creating change, breakthrough or improvement. If businesses stand still they will lose their competitive edge, so improvements must be made to keep pace and stay in business.

» **IMPORTANCE OF DEVELOPING A CONTINUAL IMPROVEMENT CULTURE AND HOW TO INVOLVE OTHERS.**

- » Continual improvement is far more than a set of techniques. For many organisations, it involves a radical change in attitudes. The defence of the status quo, and resistance to innovation, cannot be treated as normal management behaviour. A fear of reprisals for reporting problems has to be replaced by congratulating people for identifying an opportunity to improve. Hoarding of good ideas within departmental walls must be a thing of the past as people share their knowledge and experience in the search for greater collective success.



» PLANNING

- » Once any decision has been made, it is necessary to plan how to implement the steps necessary to make it effective. Planning requires a knowledge of, among other things, available resources, possible timescales
- » for implementation and the likely outcome under alternative scenarios.

» PROPOSING



- » An organizational development intervention proposal typically summarizes a problem and recommends a solution. To write such a document, you need to do some research first. This usually involves talking to personnel at every level of your organization to get their perspective. Then, you have the information you need to make a suggestion based on your experience, observations and defined constraints. Writing a good proposal helps you get the buy-in and sponsorship you need for the intervention to ultimately be a success

» IMPLEMENTING AND EVALUATING

» CHANGE

- » *Change is the only constant.*
- » – *Heraclitus, Greek philosopher*
- » Many originate with leadership and change management guru, John Kotter. A professor at Harvard Business School and world-renowned change expert, Kotter introduced his eight-step change process in his 1995 book, "Leading Change." We look at his eight steps for leading change below.

» IMPLEMENTING AND EVALUATING » CHANGE



» Step 1: Create Urgency

- » For change to happen, it helps if the whole company really wants it. Develop a sense of urgency around the need for change. This may help you spark the initial motivation to get things moving.
- » This isn't simply a matter of showing people poor sales statistics or talking about increased competition. Open an honest and convincing dialogue about what's happening in the marketplace and with your competition. If many people start talking about the change you propose, the urgency can build and feed on itself.



» IMPLEMENTING AND EVALUATING » CHANGE

» Step 2: Form a Powerful Coalition

- » Convince people that change is necessary. This often takes strong leadership and visible support from key people within your organization. Managing change isn't enough – you have to lead it.
- » You can find effective change leaders throughout your organization – they don't necessarily follow the traditional company hierarchy. To lead change, you need to bring together a coalition, or team, of influential people whose power comes from a variety of sources, including job title, status, expertise, and political importance.
- » Once formed, your "change coalition" needs to work as a team, continuing to build urgency and momentum around the need for change.

» IMPLEMENTING AND EVALUATING » CHANGE



- » **Step 2: Form a Powerful Coalition**
- » Convince people that change is necessary. This often takes strong leadership and visible support from key people within your organization. Managing change isn't enough – you have to lead it.
- » You can find effective change leaders throughout your organization – they don't necessarily follow the traditional company hierarchy. To lead change, you need to bring together a coalition, or team, of influential people whose power comes from a variety of sources, including job title, status, expertise, and political importance.
- » Once formed, your "change coalition" needs to work as a team, continuing to build urgency and momentum around the need for change.

» IMPLEMENTING AND EVALUATING » CHANGE



- » Step 3: Create a Vision for Change
- » When you first start thinking about change, there will probably be many great ideas and solutions floating around. Link these concepts to an overall vision that people can grasp easily and remember.
- » A clear vision can help everyone understand why you're asking them to do something. When people see for themselves what you're trying to achieve, then the directives they're given tend to make more sense.



» IMPLEMENTING AND EVALUATING » CHANGE

- » Step 4: Communicate the Vision
- » What you do with your vision after you create it will determine your success. Your message will probably have strong competition from other day-to-day communications within the company, so you need to communicate it frequently and powerfully, and embed it within everything that you do.
- » Don't just call special meetings to communicate your vision. Instead, talk about it every chance you get. Use the vision daily to make decisions and solve problems. When you keep it fresh on everyone's minds, they'll remember it and respond to it.
- » It's also important to "walk the talk." What you do is far more important – and believable – than what you say. Demonstrate the kind of behavior that you want from others.

» IMPLEMENTING AND EVALUATING » CHANGE



- » Step 5: Remove Obstacles
- » If you follow these steps and reach this point in the change process, you've been talking about your vision and building buy-in from all levels of the organization. Hopefully, your staff wants to get busy and achieve the benefits that you've been promoting.
- » But is anyone resisting the change? And are there processes or structures that are getting in its way?
- » Put in place the structure for change, and continually check for barriers to it. Removing obstacles can empower the people you need to execute your vision, and it can help the change move forward.

» **IMPLEMENTING AND EVALUATING**
» **CHANGE**



» **Step 6: Create Short-Term Wins**

- » Nothing motivates more than success. Give your company a taste of victory early in the change process. Within a short time frame (this could be a month or a year, depending on the type of change), you'll want to have some "quick wins. Add to My Personal Learning Plan " that your staff can see. Without this, critics and negative thinkers might hurt your progress.
- » Create short-term targets – not just one long-term goal. You want each smaller target to be achievable, with little room for failure. Your change team may have to work very hard to come up with these targets, but each "win" that you produce can further motivate the entire staff.

» IMPLEMENTING AND EVALUATING

» CHANGE



- » Step 7: Build on the Change
- » Kotter argues that many change projects fail because victory is declared too early. Real change runs deep. Quick wins are only the beginning of what needs to be done to achieve long-term change.
- » Launching one new product using a new system is great. But if you can launch 10 products, that means the new system is working. To reach that 10th success, you need to keep looking for improvements.
- » Each success provides an opportunity to build on what went right and identify what you can improve.

» IMPLEMENTING AND EVALUATING

» CHANGE



- » Step 8: Anchor the Changes in Corporate Culture
- » Finally, to make any change stick, it should become part of the core of your organization. Your corporate culture often determines what gets done, so the values behind your vision must show in day-to-day work.
- » Make continuous efforts to ensure that the change is seen in every aspect of your organization. This will help give that change a solid place in your organization's culture.
- » It's also important that your company's leaders continue to support the change. This includes existing staff and new leaders who are brought in. If you lose the support of these people, you might end up back where you started.



» IDENTIFYING WIDER IMPLICATIONS » OF CHANGE WITHIN THE ORGANISATION

- » Impact Analysis is a technique designed to unearth the "unexpected" negative effects of a change on an organization.
- » It provides a structured approach for looking at a proposed change, so that you can identify as many of the negative impacts or consequences of the change as possible. Firstly, this makes it an important tool for evaluating whether you want to run a project. Secondly, and once the decision to go ahead has been made, it helps you prepare for and manage any serious issues that may arise.
- » All too often organizations do not undertake Impact Analysis. This is one reason that so many projects end in failure, as unforeseen consequences wreak havoc.



» IDENTIFYING WIDER IMPLICATIONS OF CHANGE WITHIN THE ORGANISATION

- » The challenge in conducting an Impact Analysis is firstly to capture and structure all the likely consequences of a decision; and then, importantly, to ensure that these are managed appropriately.
- » For smaller decisions, it can be conducted as a desk exercise. For larger or more risky decisions, it is best conducted with an experienced team, ideally with people from different functional backgrounds within the organization: With a team like this, you're much more likely to spot all of the consequences of a decision than if you conduct the analysis on your own.



» **Business Process Re-engineering (BPR)**

- » Business Process Reengineering involves the radical redesign of core business processes to achieve dramatic improvements in productivity, cycle times and quality. In Business Process Reengineering, companies start with a blank sheet of paper and rethink existing processes to deliver more value to the customer. They typically adopt a new value system that places increased emphasis on customer needs. Companies reduce organizational layers and eliminate unproductive activities in two key areas. First, they redesign functional organizations into cross-functional teams. Second, they use technology to improve data dissemination and decision making.



» Business Process Re-engineering (BPR)

- » How Business Process Reengineering works:
- » Business Process Reengineering is a dramatic change initiative that contains five major steps.
- » Managers should:
 - » -Refocus company values on customer needs
 - » -Redesign core processes, often using information technology to enable improvements
 - » -Reorganize a business into cross-functional teams with end-to-end responsibility for a process
 - » -Rethink basic organizational and people issues
 - » -Improve business processes across the organization

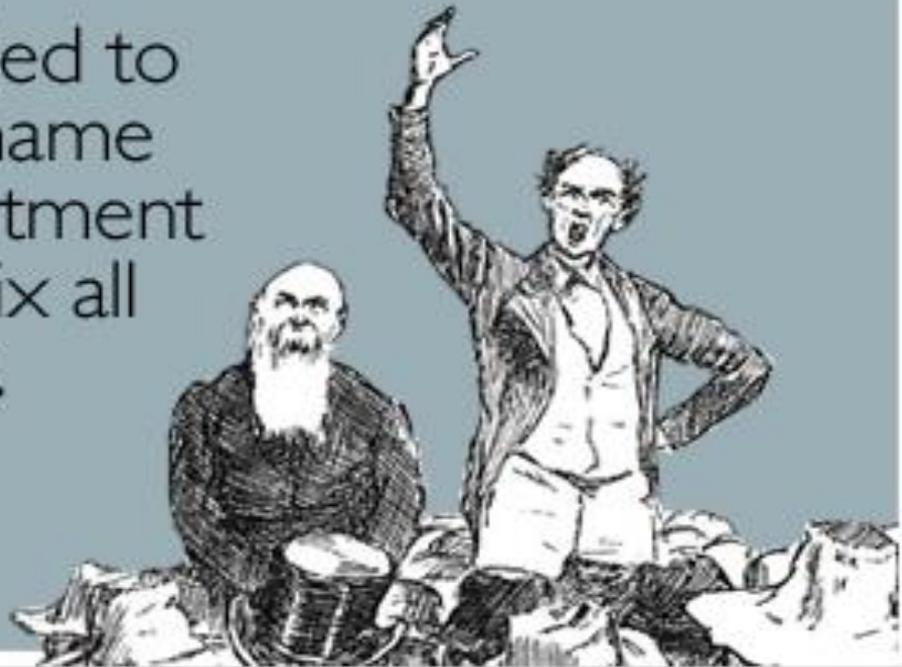


» **Business Process Re-engineering (BPR)**

- » **Companies use Business Process Reengineering to improve performance substantially on key processes that impact customers.**
- » **Business Process Reengineering can:**
- » **-Reduce costs and cycle time. Business Process Reengineering reduces costs and cycle times by eliminating unproductive activities and the employees who perform them. Reorganization by teams decreases the need for management layers, accelerates information flows, and eliminates the errors and rework caused by multiple handoffs.**
- » **-Improve quality. Business Process Reengineering improves quality by reducing the fragmentation of work and establishing clear ownership of processes. Workers gain responsibility for their output and can measure their performance based on prompt feedback.**

We've decided to change the name of the department in order to fix all its problems.

somee cards





» BIBLIOGRAPHY

- » **Managementhelp.org, (2015). Organizational Performance Management -- Evaluating and Improving Organizations. [online] Available at: <http://managementhelp.org/organizationalperformance/> [Accessed 14 Jul. 2015].**

- » **The Chartered Quality Institute, E. (2015). Continual improvement - Chartered Quality Institute. [online] Thecqi.org. Available at: <http://www.thecqi.org/Knowledge-Hub/Resources/Factsheets/Continual-improvement/> [Accessed 14 Jul. 2015].**

- » **Media, B. (2009). ACCA Paper F1 - Accountant in Business Study Text, 2009. London: BPP Learning Media.**

- » **Small Business - Chron.com, (2015). How to Write an Organizational Development Intervention Proposal. [online] Available at: <http://smallbusiness.chron.com/write-organizational-development-intervention-proposal-69121.html> [Accessed 14 Jul. 2015].**



» BIBLIOGRAPHY

- » **Mindtools.com, (2015). Kotter's 8-Step Change Model: Implementing Change Powerfully and Successfully. [online] Available at: http://www.mindtools.com/pages/article/newPPM_82.htm [Accessed 14 Jul. 2015].**
- »
- » **Rigby, D. (2015). Management Tools 2015. Boston: Bain & Company, Inc.**