Go With The FLO™

Accelerated Business Process Documentation for Growing Companies

Strongpoint

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Process Improvement Series

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Introduction: Keeping it Simple

We get brilliant results from average people using brilliant processes.
Others get average results from brilliant people using broken processes.

—Toyota Motor Manufacturing

In the combined 30 years of process improvement work we have experienced, we have observed that companies of all size and in every industry are taking advantage of process excellence techniques to increase customer satisfaction, increase efficiency, increase revenue, and improve the employee experience.

Most people realize that documenting processes is a good idea. These include workflow diagrams, standard operating procedures, and job aids. Processes are the back-bone of all organizations. Whether it is an employee processing an invoice, preparing a shipment, or a customer trying to purchase something, processes are how businesses and governments make things happen. Brilliant processes can generate amazing results. Broken processes can destroy your company.

The benefits of good processes are well-known and discussed in business literature, and we want to highlight how they apply to small and medium sized businesses.

Small and Medium Sized Company Advantages

Small and medium sized companies have many advantages over larger organizations, such as the ability to make decisions quickly, and adapt to changing market and competitive pressures. In large companies, it can be a challenge just to document the processes in one area, within one department, within a division. This can lead to disconnected processes that can lead to unnecessary hassles for customers. Large companies spend considerable time, money, and effort to understand and align processes across the organization so that, from a customer perspective, all departments are aware of what the other is doing.

On the other hand, small and medium sized organizations can document and improve the end-to-end process relatively quickly. This provides improvements that translate into direct increases in revenue, or decreases in cost and risk. Instead of just focusing on one area, you can review the end-to-end customer experience to ensure consistent and high-quality execution across your organization.

Challenges for Small and Medium Sized Companies

Large companies do have their advantages. They have a broad range of skills within their organization to deploy for process documentation. Processes can be large enough and utilized broadly, so that people can be dedicated to the documentation and maintenance of the processes. If there are not enough employees or internal people with the required expertise, large companies have the money to bring in outside consultants who can apply process improvement techniques, such as the Six Sigma method.

Using management consultants, or Six Sigma teams, usually only makes business sense in large companies for big process issues. They generally recommend multi-day Value Stream Mapping sessions that take up huge amounts of time and generate documents that no one on the team really owns or understands. It is just not

practical for small and medium sized companies or for many groups within large companies, for that matter. Most of the techniques, such as Six Sigma statistical analysis, are not applicable to small and medium sized companies.

You can send someone to a course, but afterwards that person must move forward unaided, and it can be very difficult to maintain these processes alone. In addition, many of these courses cost thousands of dollars, take months to complete, and are geared towards people who want to become certified process specialists. They are not set up to help small or medium sized organizations.

How to Keep It Simple

We developed the FLO Methodology™ to help groups and businesses that can benefit from process documentation, but do not want to employ consultants or implement complex process methodologies. The FLO Methodology is a step-by-step guide that trains you on how experts actually document and analyze processes. We have created intuitive worksheets, easy to read tip sheets, and modules to help demystify process excellence. We have incorporated the key elements of Six Sigma and Lean process improvements that actually apply to most business cases.

The FLO Methodology is about having the people who actually do the work improve your processes. You know what's wrong, you have to deal with it every day, and you have to live with it long after any consultants have moved on to their next project. We designed the FLO Methodology to model in small and steady increments so that you can continuously improve processes without burning out.

The result is that companies have process information that actually reflects how work is accomplished. It is easier to hire people since you can match their skills with their process responsibilities; training can have much more integrity; and new employees can quickly understand what they need to do in order to succeed. In addition, good process documentation incorporates tips, controls, and critical information to enable consistent and high-quality execution. This is knowledge that you want everyone in your company to access easily. It significantly increases performance and results.

We have developed the FLO Partners Process Improvement Series to help organizations learn how to document and improve their own processes. Whether you are an employee or the owner of a company, this book will guide you through how to document processes and key principles to help you avoid common traps.

Who Should Read This Book

The intent of this book is to help anyone who is interested in improving an organization's performance through process documentation. Process documentation improvement is a large field with many different approaches and levels of expertise. No single book can cover all of the methods and practices. Additionally, most books and courses explain methodologies and techniques, but often miss the details to apply that actually document your processes effectively. We designed this book to provide a solid foundation of knowledge for getting started and step-by-step instructions on how to use the templates and manage your documentation initiative. Some of the roles that will benefit from this book are:

Staff who work on a process: If you are responsible for performing a process, this book provides the tools and techniques for your processes to work better, and help reduce your stress levels. The approach we provide will also help you to explain what you are trying to accomplish and how to achieve appropriate support from management.

Managers: Often called "people managers," managers believe a large part of their role is to create and manage processes. If your processes are clear and well designed, you only need to help people execute those processes. If they are not well

defined, you need to micro-manage, threaten, beg, or whatever else you can think of to get people to generate the results you need. This book can help you clearly document your processes so that you can effectively delegate work and manage people with clear performance expectations.

Executives and Owners: This book may have more detail than you will need on a day-to-day basis. However, it can provide you with an appreciation of the type of work your people will need to do in order to transition to a process excellence organization. The better you understand exactly what good process documents should look like, the better you can set expectations. Your leadership is critical to making the shift to becoming a process excellence organization that greatly enhances the value of any company.

Overview: How This Book is Organized

This book starts with an overview of critical concepts to avoid common traps and start your documentation initiative right. We then provide step-by-step guides on how to developed fundamental process documents.

Part 1 – Laying the Foundation

Chapter 1: The Five Key Principles to Simplify Process Documentation

This part of the book covers some key principles that will help provide direction when you are stuck, and clarify how to approach process documentation.

Chapter 2: Getting Set Up

In Chapter 2, we help you lay the foundation of your documentation initiative so that you can avoid common mistakes and redoing time-consuming work.

Chapter 3: Process Documentation or Working with Lego Bricks

Comprehensive process documents can be confusing and it is easy to get lost while documenting. It can also be difficult for the reader of the completed work to navigate and consume. We walk through a powerful way of organizing and linking your process information that is as easy as building with Lego® Bricks.

Chapter 4: Starting the Puzzle

Now that you are set up and have some key distinctions from which to start, you can begin to document your processes. There are a few ways you can approach this based on your circumstances. It is a lot like starting a puzzle.

Part 2 – How to Work with Process Templates

Chapter 5: Process Description Template

The Process Description Template is a great place for people to start documenting processes. It is intuitive and easy to work with. When set up properly and used with other templates, the Process Description Template becomes a powerful way to manage detailed process information.

Chapter 6: Workflow Diagram Template

The Workflow Diagram Template with its swim lanes, boxes, and arrows is what many people think of when process documents come to mind. The good news is that just as a picture is worth a thousand words, the Workflow Diagram Template is a great way for people to understand quickly the dynamics of the process. The bad news is that these diagrams can sometimes get a bit out of hand and become difficult to understand. We walk you through the steps to create intuitive, easy to understand workflow diagrams, and their effectiveness when combined with other templates.

Chapter 7: Process Overview Template

The Process Overview Template gives a description of a particular process. It is where you can keep information that applies to the entire process, such as the description of the process, what triggers it, how you know it is complete, as well as other key success factors. The Process Overview Template provides the reader with an overview of the process without having to walk through the details.

Chapter 8: Standard Operating Procedure

The Standard Operating Procedure (SOP) is the detailed step-by-step document that someone can use to see every step they need to complete a process. It can include screens shots, sample templates, forms, and other information.

Chapter 9: Issue Log

The Issue Log is a vital placeholder for process issues or opportunities for improvement. Having a place to document issues as they arise in discussions is a critical way of keeping the documentation initiative moving, as well as managing ways to improve the process.

Chapter 10: High Level Process Diagram

Depending on the level of detail you are documenting, the High Level Process Diagram is a way to document groups of processes, value chains, or a department. This provides the roadmap that the reader uses to navigate the various processes and understand how they are interrelated.

Chapter 11: Executive Summary

The Executive Summary provides an introduction and context to what the reader is about to review. Someone new to the company that lacks background information should be able to pick this up and understand why a document exists and what purpose it serves. It also includes a description of the how to use the document templates for the reader.

Part 3 – Staying Organized and Building Momentum

Chapter 12: Numbering – Keeping It All Connected

Once you start to have multiple processes, it can be difficult for employees to keep track of where they are within the process, as well as how the overall process flows. In order to keep things clear, we provide you a system for numbering your templates and tasks so they are easy to manage.

Chapter 13: Managing Meetings

Most documentation initiatives involve some type of meeting, whether it is to gather information or present the results. This can be extremely challenging with multiple viewpoints and understandings of the process. We provide you an approach to meeting management and techniques to set up and facilitate these meetings so that they are highly valuable and efficient.

Chapter 14: Managing Your Process Library

Maintaining your documents by keeping them up to date, secure, and accessible is important for continuing to reap the benefits of your documentation work. In this part, we provide tips and techniques for maintaining a basic library.

Chapter 15: Accessing the FLO Online Template Library

You can access our online library of templates to help you create clear and effective process documents.

Part 1 – Laying the Foundation

Chapter 1: The Five Key Principles to Simplify Process Documentation

The information within this chapter has been particularly helpful to our FLO Process participants.

We have identified five fundamental principles that are the foundation for streamlined process documentation practices. They help to provide guidance when you are not sure what to do next and help you communicate your approach to others so that they can believe in the process and contribute to it. Most importantly, these five principles help keep things simple when they can easily become complex and confusing.

Principle #1: FLO – First, Last, One Level™

We derived our name from the first principle of our process documentation methodology. FLO stands for First, Last, One level. The following provides some background on what this means and why it is so important.

Most people agree that understanding your processes and executing on them consistently is very important for organizations. If you want to accomplish this, you must realize that you need to document these processes in order to make sure that they work, can train people, and measure employee performance. Most people think immediately that this sounds overwhelming and wonder how to accomplish this seemingly monolithic task. They ask the question, “How can we possibly get our heads around everything it is we do and then document it?” This is often the point where people give up and find something else to do that is suddenly more pressing than process improvement.

Often when we visit organizations that want our help, we ask them to tell us about the process. Typically, we get many and varied disjointed answers, such as, “Well, first I pull this report, then I compare it to this other report… except if it is month end … then I have to do this other stuff. Also, if it is for the UK, then we have to do this other stuff every quarter …. Oh, and Finance gets a copy and they typically have questions, so we have a meeting with them every month, except we haven’t been doing that recently since they have a new VP in charge of that area…” As you can see, it can be very confusing.

Borrowing the *Alice in Wonderland* reference to indicate endless paths that go nowhere, we call this *going down the rabbit hole*. You dive in and after a while you have no idea where you are and which way is up. Often when people meet to talk about processes, the discussion seems to go in circles, and indicates that the people meeting are not all within the same level of detail within a given process. One person may be referencing high-level details, while another is speaking about a process on a more granular level, such as particular fields on a form.

The FLO Methodology approach will help you simplify business processes and stay on track. In our experience, people have a hard time even knowing how to get started when it comes to documenting processes. We always ask, “Can you name the

first step?" People can do that. Then we ask, "Can you name the last step?" Sometimes this takes some discussion and thinking. The answer does not have to be completely right, but it does help define the scope of the problem. Can you describe the steps between those two while making sure that all steps remain at the same level of complexity?

We often use the cake example to illustrate our point. If you want to tell someone how to make a cake, it would be helpful to describe the overall process first. You could start by telling them, "First you get the ingredients; then you mix them; you bake it, and then you frost it. Got it? Great." If you start by spending 30 minutes talking about the different kinds of flour and chocolates you can use for the ingredients, and the best locations to find them, the person will get lost in the details. It is important to understand that getting the ingredients and mixing them are at the same level, but adding two tablespoons of sugar is not. Business processes have the same dynamic.

We will talk about this more when we get to the details of how to map and document processes. The key is to be aware of the level of detail that you analyze and make sure that it is at the appropriate level. Use action logs—or *parking lots*—to capture discussions that would be more appropriate at another time. It is very important that everyone you talk to about processes understands this rule and agrees to work with it. It saves a tremendous amount of time and most people understand the value of working on processes one level at a time.

Principle #2: If it is not written down, it doesn't exist ™

Everything in FLO Methodology is about communication, collaboration, and alignment. In order to share process knowledge and plans, you should document them. If the information is in a person's head and not written down, it cannot be scaled, reliably accessed, or kept within the organization if that employee leaves the company.

This also applies to process discussions. In many organizations, process knowledge is a person's head. Therefore, when issues arise or people need to discuss

the process, meetings consist of oral walkthroughs of the process that can be repetitive and waste time for other employees. Most of us have been in meetings when someone asks a question about a process. The person who knows most about that process starts describing the steps. Someone might then go into some details about an example or describe an issue with various causes and impacts. If you do not capture and write down this information in some usable manner, those people might as well not have spoken. The information floats off into the ether and when other people need this information, those same people must describe it again. This is often why meetings seem to *churn*—issues take a long time to resolve and meetings revolve around the same discussions. You spend valuable time in meetings, but nothing gets accomplished.

You should conduct any process discussions together with process documents. An important behavior change that management can introduce is to insist on having or creating documentation when discussing processes. It is more fruitful to stop a conversation and reconvene after the appropriate information is gathered.

Do not keep best practices, or other process knowledge that helps people succeed, in the heads of a few specific people. This significantly reduces the ability for others to benefit from it and increases the damage done to the organization if these people leave the company. Writing down this critical information helps to embed these best practices within the entire organization.

Principle #3: A place for everything and everything in its place

A place for everything and everything in its place is an old proverb referenced in the Toyota Production System philosophy. From our last principle, we have established that you should write everything down. Now you need to capture and manage all of that process knowledge in a consistent manner. Process information has little or no value if people cannot find it.

The FLO Methodology templates provide a methodology for capturing information clearly. Only use deliverables that have specific intentions to accomplish that particular intention. Putting too much data in a deliverable or having it serve too many purposes reduces clarity. As an example, do not use a diagram to depict the relationship of high-level processes and detailed tasks. These should be broken up into different diagrams.

Capture information in as few places as possible to reduce duplication, facilitate the finding of that information, and reduce the work required to update that information. Do not capture a long description of the task in the process flow and description—break it down into smaller steps. Keep all process documentation in one place.

To illustrate this principle clearly, look at how many organizations store process information. As mentioned previously, process information is simply not being recorded. When it is recorded, it is not easy for all employees to find it. Perhaps it is in your email inbox. In many cases when introducing a new process, product, or approach, someone goes to a lot of trouble explaining it in a company-wide email. A few months later, this becomes a problem when people need that information but have to root through their inbox to find it. Sometimes they do not have the most up-to-date information, which can cause another set of problems. Therefore, people spend a lot of time searching for and responding to older emails and re-communicating the same thoughts and ideas.

An example of a good approach is shared online repositories, wikis, and discussion boards. Many organizations are implementing social applications that do a better job of centralizing, controlling, and managing information. People know where to go to get the latest information.

This can relate to process documentation, but also relates to information necessary to complete the process. Is the right information available at the right time so that the process can flow smoothly? Or, do people need to go back and forth with one another to get something accomplished?

Principle #4: *As simple as possible and no simpler*.

—Albert Einstein

Our clients often ask, “How much detail do we need to document?” Alternatively, we often hear, “Documenting all our processes would take too much time and effort,” Both of these are valid reactions. With our fourth principle, we find that when people try to document processes, it gets very complicated, very quickly. It is even worse if you have an expert come and create tons of complex diagrams that no one can use after the expert is gone.

Processes can be very complex and the relationships among processes can become even more confusing. In order to avoid this confusion, it is important to set the scope of the discussion or analysis deliberately. In most cases, it is not required to go to the deepest level of detail for a process analysis in all areas. Identifying key areas to explore deeply is important.

Instead of documenting everything, we recommend to start by identifying a specific business issue or problem that needs a solution. Having a business need behind the documentation effort immediately changes it from a “make it work” project to something that people can get behind. If everyone feels the frustration of delayed receivables collections, they are more willing to take the time to document it. If employees are exasperated with customer quality issues, they will likely appreciate a systematic approach to documenting how things should go, instead of dealing with the stress of unhappy customers.

In terms of how much detail to document, you should drive this by the problem you want to solve. At this point, you only need to document as much as necessary in order to solve the problem. For example, if employees consistently mismanage a particular step, it may be a good idea to go into more detail for that step. However, you can leave other, non-problematic steps at a high level.

There are many BPM industry standards available and very powerful tools that help technical process analysts document and improve complex systems. However, in most cases, we have found these complex tools are difficult for most people to

understand. We have been on process engagements where a previous consulting company had created elaborate process diagrams. Unfortunately, no one could understand them or use them to define requirements. Therefore, we developed FLO Process Documents based on the best practices of those industry standards so that people can actually use them. If you ever need complex and standards-based process diagrams, the FLO Methodology diagrams are an excellent starting point for the technical requirements that developers require to understand their business needs clearly. Then, developers can create more detailed and technical documents from that baseline for the Information Technology (IT) department.

This principle also applies to the formatting of process deliverables. To enable clear communication of processes, it is vital that they be intuitive and easy to understand. Keep formatting to a minimum to avoid distracting the reader. Documents should distinctly show relationships between groups or provide detailed information. We will get into more detail about how to create clear and simple process documents in the following chapters.

Principle #5: Base hits, not home runs™

One of the biggest traps that companies fall into is trying to take on too much, too quickly. We derive the *base hits, not home runs* example for this principle from baseball. Many times, process improvement methodologies and the consultant who delivers them promote a *home run* type of approach. In other words, they arrange big workshops that involve the whole organization for days at a time to tackle as many issues as possible. This works well for the consultants since their billable time can be concentrated into periods of high utilization. However, this is not the optimal approach for most small and medium sized businesses.

Most small and medium sized businesses cannot afford to have their employees tied up for days at a time. Even if you could make that time available, our experience is that it is best to manage process documentation in an iterative and direct manner. Big

workshops tend to need a *stand and deliver* type of approach. In other words, employees need to produce the process information on the spot, when requested. Unfortunately, since the processes are not well documented or defined, people are not able to articulate the process fully, and they leave the workshop with an incomplete understanding of the process. This often occurs with new system implementations. Without fully defined and accurate process information, any system requirements developed from these sessions would not accurately reflect the business needs, which inevitably leads to last minute changes and budget overruns.

Furthermore, documenting processes is a creative exercise that requires people to imagine the process and then work out how to represent it on paper. This can be mentally taxing and difficult to do continuously for hours on end. You can only have so many long workshops before employees start complaining that they cannot do their regular jobs because of all the documentation requirements.

The FLO Methodology focuses on having the people who actually perform the processes document them. Typically, employees have other duties and cannot afford time off from their regular work duties. Therefore, to continue the baseball analogy, we recommend the base hits approach. By using the FLO Methodology, you know where you are in the process and what you should do next. The FLO Methodology templates provide places to document your process information, so you do not lose it or have to redo work. This enables people to move the documentation effort forward 30 minutes at a time. By continuing to progress by using smaller base hits, you can sustain the effort over the long term and the document can evolve as you discover more information.

Chapter 2: Getting Set Up

How you get started is critical for your long-term success. If you have the following in place before you get started, it can make a big difference to ensuring your success.

Process vs. Procedures

One distinction that we find helpful is the difference between a process document and a procedure manual. The process documents we cover in our methodology include the key steps that typically occur between people or groups in a company. For example, someone in accounting might receive a payment from a customer. That would be a step in the process. A procedure manual would take it to a more detailed level and document what screens that person would access, into what fields they would enter information, and anything else they would need to do to complete that task.

If you find that a single person must perform multiple steps, a procedure manual is a great way to capture very detailed information. When you must document the interaction between different employees, managers, customers, or suppliers, you should use the process documents included in this book.

We also recommend that you define a process as a series of steps between people or groups that is no more than 10 to 20 steps. Once it gets longer than that, it is helpful to break them up into multiple processes.

Make a (Short) List

The key emphasis for this step is *short*. As mentioned in the Five Principles, the objective is not to create a project to document all of your processes at the same time. The primary goal for your first few documentation initiatives should be to get a feel for what works for your organization. Many companies fall into the trap of endlessly debating what processes exist within the entire organization and how to slice and dice them. We recommend that you do not try to solve all your problems at once. Find a process that is relatively easy to document and start there. As your team develops the documentation, you can refine your approach to suit your organization. Remember that a lot of base hits can help you win more so than by using the big swings approach that do not connect to the ball. The team will gain confidence as they use their skills, which will enable you to tackle larger issues successfully.

The following Improvement Matrix is an example of the type of information that you can capture to identity where to begin. You can change the columns on the table, but they capture basic information, such as the name and description of the process. It is often helpful to write down any known issues or improvement objectives. The key is not about getting the answers right, but being able to layout your thought process for communication and discussion purposes. If written down, people can analyze and understand the list in their own ways. If just communicated verbally, people spend meeting time reiterating the list each time they want to make a point.

FLO

Improvement Matrix

Name: Bob Smith Date: January 4, 2012

1. Process Name	2. Description	3. Issues with the current Process	4. Potential benefits from improvement	5. Priority [H, M,L]
Accounts Receivables	How quickly we receive funds from our invoices	Invoices are not being paid according to terms	Improved cash flow and cash availability	H
Marketing	Ensuring the proper message is reaching the right audience	Not sure which initiatives are worth investing in	Better return on investements	M

Diagram 1: Improvement Matrix

To download a free version of this template, go to our website at www.flo-partners.com.

Figure Out Where You Are Going to Store Information

The great thing about documenting processes is that they help people execute consistently and work as a team. However, this will not work if people cannot find the documentation in the first place. Your completed processes should go into some type of central repository. Again, the key here is to make it as simple as possible, but no simpler. Based on how your company manages information, you have a variety of options that you can choose. If your computers are on a network and you use shared drives, you can store your library on a server. Another option is to use a cloud-based drive, such as Google Drive™ or Dropbox. You can also consider an online repository specifically set up to handle a process library. Currently, FLO Partners is deploying an online repository that works with many of the templates found in this book. Often, specialized repositories have features, such as social interactions that allow for issue identification and discussions around processes.

Whatever method you chose, it is important to keep permissions and security in mind. For example, you may not want to provide everyone the ability to edit processes. In addition, it is very important to make sure that you have appropriate backups in place. In the following, we will go into more detail about setting up and managing your process library.

Let People Know About It

Depending on the scale of what you are documenting, it will likely involve others within the organization. It is a good idea to let them know what is happening and why. You may want to share your Improvement Matrix to let them know why you are focusing on a particular process and what you hope to get out of the documentation exercise. Getting people to trust in process documentation makes it easier to get their help and cooperation.

Chapter 3: Process Decomposition or Working with Lego Bricks

As previously mentioned, once a process gets to be over 20 steps, it is best to break it up into separate processes. These processes could be part of a larger process, which is broken down into smaller parts. This is known as process decomposition—the breaking up of something large into smaller, more manageable pieces. This is a critical method for creating simple but complete process documentation. In this chapter, we will go over the different FLO Templates and how they fit together.

Process decomposition is not that different from building with Lego bricks. Each individual Lego brick is comprised of a relatively simple construction—a configuration of bumps on a small piece of plastic. However, you can combine them to make large and intricate objects. Think of the FLO Templates like an individual Lego brick. On their own, they are quite simple and easy to understand, when combined, you can use these simple processes to describe complex situations.

Another helpful analogy is how web pages are constructed. Generally, you do not want a single web page that is 20 pages long. It is too difficult to consume. It is better to set up a structure or a hierarchy of pages so that you can drill down to the details that

you want, without having to read all of the details to get there. The navigation for a well-designed website helps you understand where you are, how you got there, and how to get to where you want to go next.

FLO Templates

In keeping with our principle of “a place for everything and everything in its place,” we designed our templates to provide intuitive locations for your process information. When you combine these templates, you have a complete process documentation package that can stand on its own. In other words, you do not need the author to explain a process to you. We have designed the FLO Templates so that as you discover and discuss process information, you have a clear place to store and manage it. This greatly increases the efficiencies of your efforts and helps you focus on your base hits, ensuring that information is easy to find and work with.

FLO Methodology has an online process documentation tool and repository that you can use to document your processes. For your convenience, we also built these templates by using Microsoft® Office PowerPoint and Google Apps™.

In this chapter, we provide an overview of what the FLO Templates are and how they relate to one another. In the following, Diagram 2 depicts how the templates work together, and for reference purposes, we have numbered each process that is broken down into in further detail. There will be more details on how to work with the FLO Templates to document your processes in the following chapters.

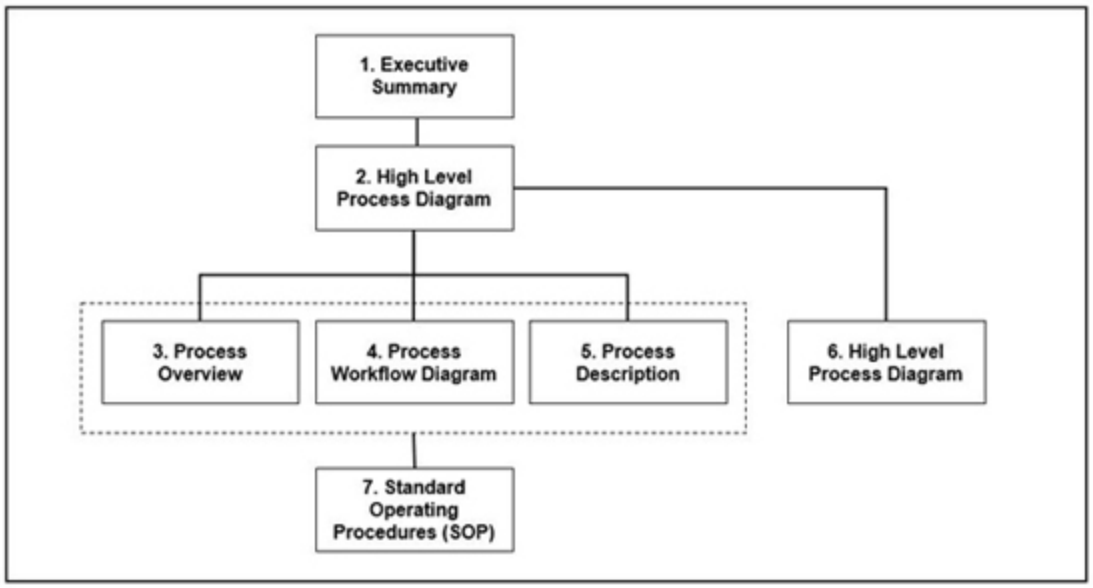

Diagram 2: How the FLO Templates Work

Executive Summary (#1): The Executive Summary Template provides the overall context for the process package. This is very important for improvement projects. Oftentimes, if a company has process documents, they are not very useful because there is no summary that describes why it was developed and how to use it. On the other hand, if you are putting your documents into a library, you may not need the summary.

High Level Process Diagram (#2): The High Level Process Diagram Template depicts the complete process picture from end to end, which helps us understand how the entire organization works. Essentially, this is the road map for the person reading the document. The numbered process boxes help the reader know where they are within the process itself as they go into the more detailed portions of the document.

Each process shown on the High Level Map can have the following Detailed Process documents associated with it: Process Overview, Process Workflow Diagram, and Process Description. These numbered documents describe the next level of detail below the High Level Process, so that you can quickly see what part of the High Level Process Diagram they reference.

Process Overview (#3): The Process Overview Template gives the reader an overview of a particular process. You can document information that applies to that process, such as an overall description, what can trigger the process, or how to tell that the process is complete. Executives can quickly understand what the process is without having to hear the entire process described.

Process Workflow Diagram (#4): The Process Workflow Diagram Template shows the steps in the process by using *swim lanes*. The swim lanes represent roles, people, or groups in a company. Boxes represent tasks with lines connecting them to show how the process moves forward. While workflow diagrams are a great tool for showing how different people interact with each other and the process, some people find it difficult to draw them. You can wait until you are more comfortable with your processes before creating these diagrams.

Process Description (#5): The Process Description Template provides the detail for the steps in the Process Workflow (#4). Each numbered box in the Process Workflow has a corresponding row in the Process Description with that same number. The process description is where you can store detailed information, such as how to perform the task, possible exceptions, tools or templates to use, and who you might need to inform or consult about the task.

High Level Process Diagram (#6): Diagram 2 demonstrates that you can decompose a box on a High Level Process Diagram into another (second) High Level Process Diagram, instead of only using the detailed process documents. Then, you can again decompose this second High Level Process Diagram into the more detailed process documents, such as the Workflow Diagram, or another High Level Process Diagram. By linking these different types of documents, you can describe large and complex process systems with very simple tools.

Standard Operating Procedures (SOP) (#7): Use SOP Templates for your most detailed documents that describe specific steps an employee can use to execute the process. You would typically use the SOP Template to document screens shots and fields if systems are used, as well as other information required to complete the step.

Other process documents can include job aids, tip sheets, and checklists to ensure consistent execution.

Issue Log: One other template that we use all the time is the Issue Log. However, since it is not associated with the process hierarchy, we did not include it in Diagram 2. As you begin to discuss your processes, issues or opportunities will invariably come up. The Issue Log is a central repository of your issues so that people know that you have captured their concerns and you can systematically start to fix them.

Chapter 4: Starting the Puzzle

Now that you have an initial understanding of how the FLO Templates work, and are set up to start documenting steps based on the information in Chapter 3, we come to the difficult issue of how to get started. The good news is that you have several options based on what you need to accomplish. We like to use the analogy of doing a puzzle. In this chapter, we describe some different ways you can start. In addition, we share our method for tracking open items in your documents, and how to know when a document is complete.

You can start with the high-level process and define the overall scope of the processes that you want to document. We call this *starting from the edge*. It is easier to start a puzzle by finding all the edge pieces and fit those together. Once you have defined the outside edges of the puzzle, you just need to fill it in.

An example of starting from the edge would be if you want to document your Order to Cash Process. You could define the key high-level steps, such as Receive Order, Fulfill and Ship, and Collect Payment. This is a good approach when you have multiple processes and areas that you will review.

The other option is to start your puzzle from the middle, based on a clear and easily identifiable picture, such as a smiley face. You may want to start in the middle if you know there is a specific process that you want to work on. An important point to remember is that we often iterate between different levels of detail in our documentation. Documenting the details can lead us to adjust the high-level document or vice versa. The following will outline a few ways you can approach the FLO Templates. The details about how to work with each template are in following chapters.

Scenario 1: Starting from the middle with an easy to visualize process

If you are starting from the middle of the puzzle and want to dive right into the details of your process, you can begin with the detailed process diagrams. You may have a process that is easy to draw. If your team is already comfortable with it, you can use a program such as PowerPoint to draw and connect shapes. In this case, you can go through the following sequence:

1) Workflow Diagram: If you and your team naturally gravitate to drawing out the process, the Workflow Diagram is a good place to start. You can begin drawing the tasks and swim lanes to represent your process.

2) Process Description: While you are beginning to develop your Workflow Diagram, you will inevitably discuss details about the process. Document these in the process description as you develop your Workflow Diagram so that you do not lose critical information.

3) Issue Log: Just like the process details, as you develop your Workflow Diagram, process issues or opportunities for improvement will arise. Document these in the Issue Log as they come up. Although you do not need to solve them in the discussion, recording and organizing them is a critical and valuable step.

4) Process Overview: While you are discussing the process, you will also identity characteristics that apply to the overall process but do not belong to a step in the process. For example, you may want to document if a particular process is triggered by a date (last day of the year) or another process (create new order). Document these as you develop the workflow.

You can move among these detailed process documents and complete them as you work through the process.

5) High Level Process Diagram: If you end up having multiple detailed processes, a High Level Process Diagram can help show how they are interrelated and provide the reader a roadmap. When you have developed a few different detailed processes, your high-level process will become clearer. You can document your high-level process based on your detailed processes.

6) Executive Summary: If you are creating a process package for someone to review, you can create the Executive Summary. You can include the scope of the processes and why the processes were documented. If the process documents are going straight into an existing repository, the Executive Summary may not be necessary. You can do this at the beginning or toward the end of your documentation efforts.

Scenario 2: Starting from the middle with a process NOT easy to visualize

In this case, you are also starting from the middle of the puzzle and want to dive right into the details of your process. However, you may have a process that is complex and hard to visualize. This can occur when you have many parts running parallel without a clear view of how they interrelate. For example, does one start before the other, can they happen at the same time, are they related in anyway?

Alternatively, you may have a team that is not familiar with drawing shapes and connections in a program, such as PowerPoint. By having them learn a new skill, like drawing in PowerPoint, while learning process documentation at the same time, it may be too overwhelming a task. It would be better to phase in those skills separately, which is consistent with our base hits principle. In this case, you can go through the following sequence:

1) Process Description: The Process Description is essentially a list of steps. Begin by listing out the tasks, filling in the descriptions, and identifying who is responsible for each step.

2) Issue Log: Just as the previous scenario, as you develop your Process Description, issues will come up that you should document in your Issue Log.

3) Process Overview: As you work through the Process Description, you can develop your Process Overview as described in the previous scenario.

4) Process Workflow (optional): You can develop Process Workflows as you progress, if you feel it is appropriate.

You can also develop the High Level Process Diagrams and the Executive Summary in the same way as Scenario 1.

Scenario 3: Starting from the Edges

In some cases, you may not know where you want to focus your efforts and a broader view may help you to prioritize. For example, you might have the task of documenting an area within the company, so it would help to figure out what processes exist in that area before diving into the details. In cases such as this, it can be helpful to start with the High Level Process Diagram.

1) High Level Process Diagram: Start by depicting the core high-level processes. The key is to define them so you can get started. It will be an iterative exercise and you will refine it as you develop your detailed process information.

2) Issue Log: As with the other scenarios, as soon as you start discussing or thinking about processes, issues will come up. As they do, write them down to keep yourself organized and on track.

3) Detailed Process Documents: You can use either scenario above to start documenting your detailed process documents, such as the Workflow Diagram, Process Overview, and Process Description, based on your situation.

3) Executive Summary: As with the other scenarios, you can develop the Executive Summary at any time as the information becomes available to you.

You can document Standard Operating Procedures anytime based on when you have that level of information available.

Writing in Red to Keep Track

As you start to develop your process documents, you will inevitably come across areas that are unclear, for which you do not know the answer. When we analyze processes, we like to document as much as possible, including information that we are not sure about. This helps to make sure that we do not forget about it and can discuss it with others to get clarification. In order to differentiate it from other information, we color the text red. This has the following advantages: It jumps out for attention so people know to discuss it. Once we explain why it is in red text, people understand that the information is not finalized and do not get upset if it is inaccurate or incorrect. It also provides us with a way to track what else we need to complete the document. Once you get most of the way through your processes, the documents appear covered in red text. Most of the work will focus on eliminating the red by clarifying the process as opposed to adding new information. You will know you are finished when you eradicate all the red from your document.

Part 2 – How to Work with Process Templates

Chapter 5: Process Description Template – The Devil is In the Details

One of the biggest challenges in documenting processes is where to put all the details. There is a lot of knowledge that you want captured to help people execute consistently and effectively. In addition, having it written down enables people to review and improve any process details. The Process Description is a great place to start.

FLO **2.5 Map Processes**

Ver. 3.4

#	Task	Description	Responsible	Tools / Comments
1	Kick-Off	• Meet with your stakeholders • Describe the process and the strategic alignment • Review Align to Strategy Worksheet • Emphasize the 4 Rules (use the About FLO Handout) • Agree to never discuss the process without a process diagram in front of you.	• Analyst • Stakeholders	• About FLO • Align to Strategy Worksheet
2	Identify First and Last Steps	• Identify the first and last steps together • Are they at the same level of complexity? • If not, adjust and make notes about additional detail in the step description table on the template • Record all information on the worksheet	• Analyst • Stakeholders	• Workflow and Description Template
3	List Steps at Same Level	• Brainstorm the steps at the same level of complexity • Note any more detailed steps in the step description table on the template • Rank them in order • Gather these through individual interviews with the stakeholders • Assign each step to an actor (can be a system) – if unsure, mark it in red	• Analyst • Stakeholders	• Workflow and Description Template
4	Draw First Draft of Flowchart	• Translate the information you have gathered into a flow chart • Focus on completing one level before doing sub-processes	• Analyst • Stakeholders	• Workflow and Description Template
5	Take a Break	• Describing processes is an imaginative exercise • Take a break, do some other work and come back to it.		• Angry Birds/ You Tube

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Diagram 3: Process Description

As mentioned previously, you can start with a Workflow Diagram, High Level Process, or the Process Description. In this chapter, we will walk you through how to use the Process Description Template.

The Process Description Template is a table that generally has the following columns:

Row Number: The row number corresponds to the numbered box in the workflow diagram, if you are using one. Even if you are not, the row numbers are important because when you share the document with others, the row numbers provide a way to reference the tasks.

Task: The task name provides the reader high level insight into the step. Its name should be relatively short, five to six words maximum, and should begin with a verb. Beginning the task name with a verb is critical to provide clarity. As an example, if you just enter “Reconciliation Report” as the task name, it is unclear what is happening. Is the report being developed, reviewed, or approved?

Description: The Description field is where you document detailed process information. You want to keep this at a higher level than an operating procedure, which would provide very detailed information, such as what to enter in a specific field within a system. However, you can include critical information, such as what to do if there is an

exception, important ideas to keep in mind, and groups that you may need to consult to complete this Task.

Responsible: It is very important to identify who is responsible for completing this Task. It is best to avoid using people's names since you should build processes around roles in an organization, as opposed to a single person's abilities. You can include multiple roles or groups if the task is a meeting that everyone needs to attend, or if multiple groups are reviewing an item.

Tools / Comments: We often include this column to identify templates, tools, or systems that are in use. The value of having this information outside of the Description column is that you can scan the document quickly to identify where tools or templates are in use.

Other Columns: You can customize the columns depending on the specific process and documentation need. As with the Tools / Comments column, if you have critical process information that you want to see quickly, it is best to break this information out into a separate column. Some examples include:

- Controls and approvals
- Service Level Agreements
- Duration or start and stop times of the task
- Accounts impacted for financial processes
- Systems used

To avoid overwhelming the reader, we recommend that you limit the total number of columns (including Row Number, Task, Description, and so forth) to a maximum of seven or eight.

How to Fill In Your Process Description Template

Step 1: Identify the process that you want to document and enter the name at the top of the template. You do not need to spend too much time making sure you have exactly the right process or name; you can adjust them as you progress.

Step 2: Identify who should be involved in the documentation exercise. If you are the main person who does the process, you might want to take the first crack at it. The following provides some options for how to manage people who will contribute to the process documentation and how to manage the meetings.

We recommend that you do the following steps with other people involved in the process. You do not want to put too much work into process documentation without getting input from others or you may need to redo a lot of work.

Step 3: Apply FLO (First, Last and One Level). Identify the first and last steps. Make certain that they are at the same level of complexity. Remember, if you are baking a cake, buying the ingredients and mixing them are on the same level. However, buying ingredients and adding the sugar are not. If they are not at the same level, adjust and make notes about additional detail in the step description table on the Process Description Template. Record all this information on the worksheet.

Step 4: Brainstorm the tasks in between at the same level of complexity. Rank them in the order that they occur. You may notice that some tasks may occur at the same time as others. You can group the tasks by logical work groups and note in the description that they can run in parallel. This can also be further clarified in the Workflow Diagram.

Step 5: Document the description for each task. You can add as much detail in this section as you need. Often when we are first gathering process information, we will just type what people are saying during discussions and then refine the wording later.

Step 6: Identify who is responsible for the task by listing the role or group responsible for completing that task. Based on the circumstances, the group or role may delegate that task to another group. However, entering a role for the task in this column indicates that, whether they perform the work or not, the group or role listed are the ones directly responsible for the successful completion of that task.

Step 7: Complete any other columns as appropriate.

As you progress, you can change the text font color to red to indicate that you are not certain if the information is correct, or if you have follow up questions on that item.

Step 8: Take a break. Work for 30 minutes to an hour and then take a bread. This is in keeping with our fifth principle, “Base hits over home runs,” and makes it more likely that you can find the time for this activity. This is an important step to avoid burn out. Imagining and documenting processes is a creative exercise and mentally taxing. If you take a break and come back to it, you will be much more productive than if you tried to do it in one long session. We often find that during a break, additional useful information occurs to us.

Step 9: Complete the documentation for that level of detail and validate with stakeholders.

Step 10: *Going to the shop floor* is an old manufacturing term that means that you must walk through the actual manufacturing facility in order to understand the process. You cannot design processes in an office alone, you must validate them by walking through the entire process.

We experienced a non-process version of this that explains this concept very well. One of our colleagues had a daughter whose school was suffering from an outbreak of lice. When he asked his daughter if kids were sharing hats or doing things that had their heads making contact with one another, she said no. He kept asking different questions, but could not find what would cause the lice to spread. One day, he went to the school to drop something off and happened to go by during recess time. As he passed the schoolyard, he saw a line of girls sitting one in front of the other doing each other’s hair. They were sharing brushes, hair elastics, and other items that helped the lice spread. His daughter was not lying to him; he just did not ask about that specific circumstance, so it did not occur to her to mention it.

This dynamic is very common when asking people to describe their processes. It is easy to omit critical information because, without asking the specific questions, the

comprehensive information is not top-of-mind when people describe the process. Walking through the process is a great way to unearth this critical process information.

This omission of details is possible in an office environment as well. For example, you can follow a form from one desk to the next and try to observe the actual process, as opposed to having someone describe it to you. The person trying to describe what happens to that form may forget to mention that when they receive a report, they have to reformat it to be able to use it, or that it often comes without all the information. This may result in process delays. These can be opportunities for efficiencies or could be critical gaps in process information that is required to train someone on how to do that process.

Step 11: Move on to other processes or levels. The process documentation will be iterative and may take several cycles to complete. You can move on to other processes or higher or lower levels of details, as required.

Chapter 6: Workflow Diagram Template

Somewhere along the line, we all received the advice that it is best to present your ideas on one page, or at the very least, keep the number of pages to a minimum. At the same time, processes can be complex and you may need to provide a lot of detailed information to explain it properly. There are process documentation standards with many different symbol types to depict different aspects of the process that you could use. In some cases, we have run across people who have developed their own notation system as they went along. You might end up with something like the following diagram:

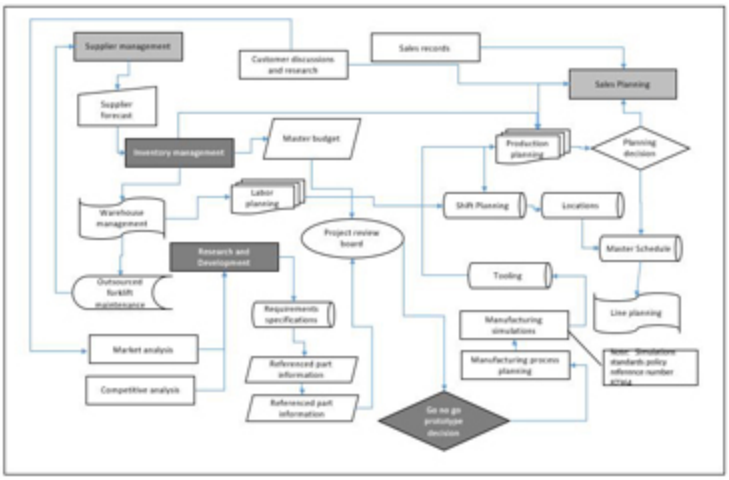


Diagram 4: A Bad Example of a Workflow Diagram

Generally, people try to decipher the diagram since someone put so much effort into it. However, they usually end up either pretending to understand it or concluding that they are too senior to deal with matters at such a detailed level and delegate it to someone else.

Zen Garden

It is much more effective to be really good at one thing rather than mediocre at many things. This is true of process diagrams as well. A process diagram can be good at providing an overall view or flow of information, or it can communicate very detailed information. If you try to do both within the same document, you get something that does neither very well. The Process Description is great at depicting detailed information. The Workflow Diagram is great at showing how groups or roles interact and providing context.

Think of your Workflow Diagram like a Zen sand garden. The beauty of the Zen sand garden is in its simplicity. The focus is on the flow of the sand. The rocks and plants are accents, but should not overwhelm the garden.

The key is not if you can understand your diagram. You made it; of course it makes sense to you. However, if someone else looks at your diagram and cannot intuitively grasp the flow, your diagram is too complicated and you need to spread the information out over more pages, or different types of documents.

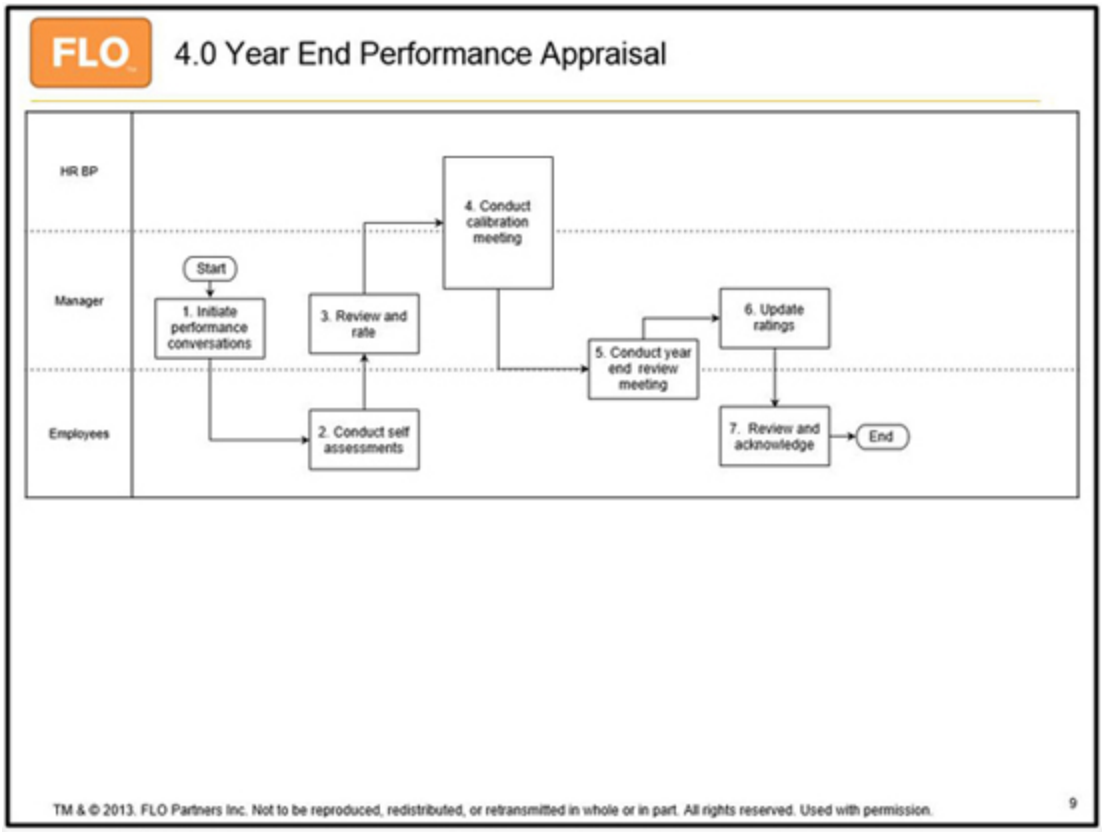


Diagram 5: A Better Example of a Workflow Diagram

Only Four Symbols

Business process management standards can use over a hundred different elements. This is required for highly complex technical diagrams and is a critical tool to use between trained specialists. However, this is too much for most process documentation needs. We have found that almost all of the processes we have developed across multiple industries over the last fifteen years can be described using the following four symbols.

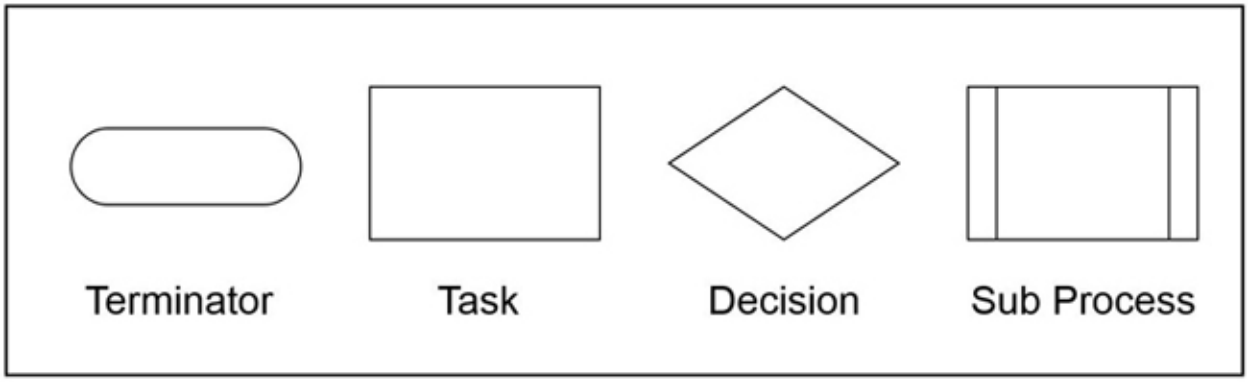


Diagram 6: Flowchart Shapes

Terminator: The Terminator shape shows the start or the end of a process. It can also show where you jump to, or from, another page.

Tasks: The Tasks shape is the most-used shape and it is for tasks and activities.

Decision: The Diamond decision box shows when a decision will cause a process to proceed down multiple paths. Typically, we add text boxes to the points to show that the decision can go down a particular path (*i.e.*, Yes or No).

Sub Process: The Sub Process box shows that the process links to, or from, a sub process. For easy reference, it is best to use the name of the sub process in the box.

Swim Lanes

The workflow canvas is like a swimming pool. The horizontal lines represent boundaries between roles or groups. You can divide the pool into lanes for each role or group. If a task is shared by multiple rows, you can have a box that covers those roles. Therefore, if a manager and employee both have to attend a meeting as part of the process, the box can cross over the lines between those roles.

How to Complete Your Workflow Template

Step 1: It is best to start with the template that has some swim lanes set up. You can download a version from our website, http://flo-partners.com. Label your diagram with the process name and number it according to where the process falls in the

hierarchy. The following provides more information about how to number your processes.

Step 2: Label the swim lanes with the roles required. It is best to try to have roles that interact closer together to limit the number of lines going up and down the page. In addition, it is best to limit the number of roles to no more than six or eight. If you require more, you can break the process up, or group steps into a sub process, and then create another workflow to document it. If the diagram gets too big or too cluttered, it becomes very hard to follow, which defeats its purpose. Additionally, set up the roles so the process flows (more or less) from left to right and from top to bottom.

Step 3: Place the Terminator shape on the page and label it **Start**. It can be anywhere close to the first task, and even if it is in a different row, it is okay. It does not necessarily mean that specific role begins the process.

Step 4: Based on your Process Description, place your first Task, Decision, or Sub Process shape in the appropriate swim lane. Connect an arrow from the **Start** to the element that you just added, and then enter the name of the task in the shape you just created. At this point, you can number the box, or wait until later when the process is more defined; renumbering items on the workflow can be time consuming. You can finalize the numbering when the maps are almost complete. For spacing purposes, we sometimes use *xx.* as a number placeholder inside the box. You can always draw shapes, or use red font color text, if you are unsure if information is correct or if you need to update it later.

Step 5: Continue adding shapes according to your process description, connecting them with arrows until you get to the end of the page. Typically, you do not want more than 12 shapes on a page. As with the roles, you can manage this by continuing onto another page, breaking up the processes, or creating sub processes. We recommend that you do not have the flow circle back to the left in order to cram it all onto one page.

Step 6: End the process with a Terminator shape labeled **End**.

Step 7: Use the following good flow chart tips to help ensure your flow charts are easy to read and understand.

Step 8: Validate the flow with the appropriate process stakeholders and “go to the floor” by walking through the process just as you did with the Process Description.

Good Flow Chart Tips

In almost 20 years of process engineering, we have made every flowchart mistake possible. Therefore, we wrote down the following tips so that you do not have to make these same mistakes. If you follow these rules, people will be able to read your flowcharts. Check each flowchart against these rules before you consider it finished.

1. Use standard process symbols and left to right flow to depict the process.

2. Keep the shape dimension the same, as much as possible

3. Align all shapes in swim lanes to provide a clean line across the page. If multiple rows of shapes are required in a swim lane, have each row within the swim lane aligned.

4. As much as possible, align shapes that are vertically close to each other.

5. As much as possible, avoid crossing lines to make the flow as visually intuitive as possible. Most of the time, you can reorder swim lanes and move blocks of tasks forward or backward to avoid crossing lines.

6. Have all the lines within 90 degrees of one another.

7. Avoid diagonal lines. Use the connection points of the shapes to facilitate editing and alignment.

8. Reduce the number of angles on the chart by stacking or lining up shapes where possible.

9. Do not have a lot of text outside of the boxes. You can add some notation to a few boxes, but save additional information for the Process Description.

10. Begin text in boxes with action verbs. This helps to specify the task. For example, instead of writing “Reconciliation Report,” use a verb, such as “Review Reconciliation Report.”

11. Keep text in the box concise. You can capture additional information in the Process Description.

12. Do not clutter the page. Being able to see the flow of the process immediately, without reading any words, is very important. If the process is large and complex, break it into sub processes.

13. Document the *80% process*. That is, do not document exceptions that happen rarely into the process flow. You can capture these exceptions as notes in the process description. If the exception occurs frequently, create sub processes to document it.

14. Number each flow at the top to provide clear reference to the High Level Process Map it is attached to.

15. Try to be consistent with the mapping of hand offs. If you have a box that says “Send to Dept. x”, have that consistent throughout the maps. If it takes too much space, you can include those words in the Description and the arrow will indicate that the process flows to Dept. x, and then you will not need additional boxes to show hand offs.

Chapter 7: Process Overview Template

The Process Overview Template is like a cover page for your detailed process information. Executives like this page because they can understand what process you are talking about without having to go into the details of each step. It is also where you can provide information that applies to the whole process, as opposed to individual steps. The Process Overview is the bridge that connects the High Level Process Diagram and the detailed Workflow and Description documents.

FLO

FLO™ Continuous Process Improvement

Ver. 3.4

Process Overview

Summary:

- Continuous process improvement is itself a process that is repeated on a recurring basis in order to establish a library of important processes and a methodology for improving them over time. The keys to continuous improvement are:
  - Making a series of coordinated improvements over time
  - Creating a responsive atmosphere for feedback from staff
  - Regularly setting and reviewing process goals (typically quarterly)

Start Conditions:

- The process starts when a manager completes a Process Maturity Worksheet for the processes that they control or depend upon.

End Conditions:

- The process is never complete but each cycle ends with an update to the Process Maturity Worksheet.

Success Factor:

- The process is successful when
  - The methodology is widely communicated, understood and accepted
  - The responsibility for improvement is shared across many staff members
  - The company commits to responding to end-user feedback and issues.
  - ***Organizational performance increases as a result for process improvements***

Tools and Templates

	Tool/ Template	Description	Audience
1	Process Maturity Model Worksheet	A template for calculation the maturity of an end-to-end process or group of processes	Management, Process Owners
2	Process and Project Inventory	A document for tracking process improvement goals	Management, Process Owners, Analysts
3	Issue Log	Capture and track process issues	Process Owners, Analysts
4	Performance Dashboard	A quantitative and qualitative tracking tool to measure organizational performance	Management, Process Owners, Analysts

4

Diagram 7: Process Overview Template

How to Complete Your Process Overview Template

Step 1: Write down a **Summary** for the process. This is a brief description of the overall process and provides context for the more detailed information. You can include information, such as the reason for the process, its importance, and its frequency. You do not need to describe the steps at this point; this happens in the Process Description and Workflow.

Step 2: Describe the **Start Conditions**. You can think of the start conditions as the process trigger. What has to happen before this process can start? In some cases, it is the completion of another process. Other process triggers might involve timing, such as a month-end or year-end processes that begin at certain times. You can also identify any key inputs into the process, such as reports or products.

Step 3: Describe the **End Conditions**. The end conditions are how you know that the process is complete. What do you have to do in order to move onto the next step? This can include tasks, such as approvals, the filing of information, or the creation of reports. The process can also be time-sensitive, and the end could be a deadline based on the calendar, or elapsed time from the start of the process.

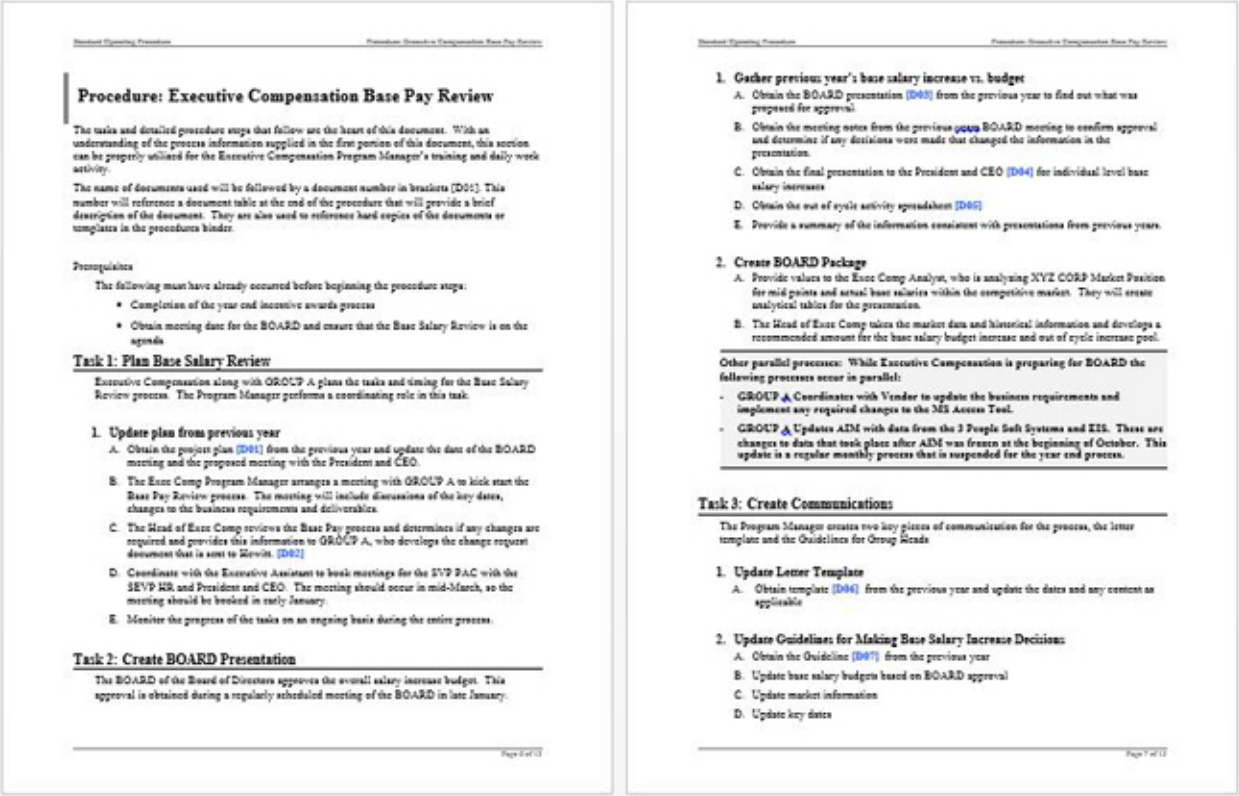
Step 4: Describe other process characteristics. You can create other sections to provide significant information for your particular process. In the past, we have listed success factors. These include tips and important messages that people who execute the process need to keep in mind. For audited processes, it is often helpful to list crucial controls, such as approvals, so that you can analyze the processes quickly.

Step 5: Complete the **Tools and Templates** table. This section provides an overview of the tools, which can include spreadsheets, systems, policies, and templates, that can include job aids and checklists. This is a great way of seeing what is required to complete a process and where specific tools and templates are being used. All tools and templates should have an easily identifiable name. A brief description helps to provide context. Identifying the intended audience for the tool or template also helps to define what it is used for.

Like our other templates, the development of the Overview Template is iterative. We often find that we start with some information we already know, such as the overall description. As we document the Process Description and Workflow, other information becomes clearer and we can come back later to fill in the rest of the Overview. When discussing anything that pertains to the overall process, the Overview is a great place to capture it.

Chapter 8: Standard Operating Procedure

Standard Operating Procedures (SOP) are a detailed, step-by-step guide that enables someone with the appropriate skills to execute the process consistently. You may have one SOP for a process, or for a step within the process, depending on the number of steps required.



Procedure: Executive Compensation Base Pay Review

The tasks and detailed procedure steps that follow are the heart of this document. With an understanding of the process information supplied in the first portion of this document, this section can be properly utilized for the Executive Compensation Program Manager's training and daily work activity.

The name of documents used will be followed by a document number in brackets [D01]. This number will reference a document table at the end of the procedure that will provide a brief description of the document. They are also used to reference hard copies of the documents or templates in the procedure binder.

Prerequisites

The following must have already occurred before beginning the procedure steps:

- Completion of the year end incentive awards process
- Obtain meeting date for the BOARD and ensure that the Base Salary Review is on the agenda

Task 1: Plan Base Salary Review

Executive Compensation along with GROUP A plans the tasks and timing for the Base Salary Review process. The Program Manager performs a coordinating role in this task.

1. Update plan from previous year
   A. Obtain the project plan [D01] from the previous year and update the date of the BOARD meeting and the proposed meeting with the President and CEO.
   B. The Exec Comp Program Manager arranges a meeting with GROUP A to kick start the Base Pay Review process. The meeting will include discussions of the key dates, changes to the business requirements and deliverables.
   C. The Head of Exec Comp reviews the Base Pay process and determines if any changes are required and provides this information to GROUP A, who develops the change request document that is sent to Revvit. [D02]
   D. Coordinate with the Executive Assistant to book meetings for the EVP PAC with the SEVP HR and President and CEO. The meeting should occur in mid-March, so the meeting should be booked in early January.
   E. Monitor the progress of the tasks on an ongoing basis during the entire process.

Task 2: Create BOARD Presentation

The BOARD of the Board of Directors approves the overall salary increase budget. This approval is obtained during a regularly scheduled meeting of the BOARD in late January.

1. Gather previous year's base salary increase vs. budget
   A. Obtain the BOARD presentation [D03] from the previous year to find out what was proposed for approval.
   B. Obtain the meeting notes from the previous year BOARD meeting to confirm approval and determine if any decisions were made that changed the information in the presentation.
   C. Obtain the final presentation to the President and CEO [D04] for individual level base salary increases
   D. Obtain the out of cycle activity spreadsheet [D05]
   E. Provide a summary of the information consistent with presentations from previous years.

2. Create BOARD Package
   A. Provide values to the Exec Comp Analyst, who is analyzing XYZ CORP Market Position for mid points and actual base salaries within the competitive market. They will create analytical tables for the presentation.
   B. The Head of Exec Comp takes the market data and historical information and develops a recommended amount for the base salary budget increase and out of cycle increase pool.

Other parallel processes: While Executive Compensation is preparing for BOARD the following processes occur in parallel:

- GROUP A Coordinates with Vendor to update the business requirements and implement any required changes to the MS Access Tool.
- GROUP A Updates AIM with data from the 3 People Soft Systems and EIS. These are changes to data that took place after AIM was frozen at the beginning of October. This update is a regular monthly process that is suspended for the year end process.

Task 3: Create Communications

The Program Manager creates two key pieces of communication for the process, the letter template and the Guidelines for Group Heads

1. Update Letter Template
   A. Obtain template [D06] from the previous year and update the dates and any content as applicable

2. Update Guidelines for Making Base Salary Increase Decisions
   A. Obtain the Guideline [D07] from the previous year
   B. Update base salary budgets based on BOARD approval
   C. Update market information
   D. Update key dates

Diagram 8: SOP Sample

How to Fill in Your Standard Operating Procedure

Step 1: Set up the Title page with the title of the process, any identification numbers, the document owner, department name, and version.

Step 2: Set up the Revision History page. This is very important to ensure that people know which version of the document they are working on and to make sure that their information is up to date.

Step 3: Document the Process Overview. Provide a description of the purpose and scope of the documented process. You can provide a high-level summary of the process and define key roles, systems, or controls used. In addition, based on the process, you can document any metrics or service level agreements.

Step 4: Document the procedure by starting with any prerequisites. Then, in a step-by-step manner, describe the detailed tasks required to complete the procedure. You can include screen shots and other visual information to help facilitate the process.

Step 5: Complete the Appendix. It may be helpful to include sample forms or other documents in the Appendix, for reference. In addition, you might also include a definition of acronyms or a Glossary of terms

Step 6: Validate, update, and review the SOP with stakeholders, such as managers and the people who will be accountable for doing the work. You should review SOPs on a regular basis to make sure they are up-to-date.

Chapter 9: Issue Log

The Issue Log is great for managing processes and projects. It is a very important tool that can save you a lot of trouble; one that you my regret not using when things do not go as planned, which in our experience is always. In this book, we will review how to use this tool in process documentation. The focus of this book is on documenting processes, as opposed to transitioning from a current to a future process, which involves project management, change management, and future-state design methods. We cover these in another book in the Process Series. However, anytime you start documenting a process, people will begin to identify issues or problems. You should take care to manage these issues as vital opportunities for improvement for the following reasons. First, if you can address these issues, your process and your company will be better off. Second, if you do not address these issues, people will keep bringing them up if feel that you are not listening to their concerns. Rehashing issues meeting after meeting is incredibly unproductive, and the handling of repetitive issues can become its own problem, if not properly managed.

The Issue Log helps you track all your issues in one place so you can proactively manage them, and it helps others see that you are addressing their concerns. It is very

helpful for managing meetings and stakeholders. Once people see their problems documented and not forgotten or lost, they can move onto other topics.

You can track many different items in your Issue Log, and we will cover some of the basics. You can expand and customize the Issue Log as you see fit.

FLO Issue Log

#	Issue	Description	Impact
1			
2			
3			
4			

Diagram 9: Process Issue Template

How to Complete Your Process Issue Template

Step 1: Whenever you think of an issue, or whenever someone brings up a process issue or opportunity for improvement, write it down. According to our second principle, “If it is not written down, it doesn’t exist.”

You should always number your Issues, and that number should stay with that Issue, which makes them easier to track. Give the issue a name or a title and enter that into the **Issue** field. This makes discussing and identifying the issue easier. Sometimes coming up with a title can help clarify an issue.

Step 2: Describe the issue in the **Description** field. Explain how the issue occurs, what happens, and any causes of which you are aware.

Step 3: Define the **Impact** of that issue. Does it cause quality issues, delays, or problems for the customer?

Step 4: You can add additional columns based on your particular process or business. Often, project Issue Logs will have a person responsible for resolving the

issue and a due date. These may or may not be relevant for a process documentation initiative. You can also add columns to help categorize the issues.

Step 5: As you develop your list, it is helpful to consolidate and prioritize the issues. What looks like a list of 10 different issues, may actually be three or four. You can group them by cause, which can help to align them to any improvements you might implement.

Chapter 10: High Level Process Diagram

One of the most powerful benefits of process documentation is to understand the big picture. Typically, people know the detailed steps that need to happen and they can provide an organization chart to show the departments within the company. However, it is rare to find a document that shows how the processes themselves are interrelated. An end-to-end process view can clarify how the organization runs and what the customer actually experiences.

The High Level Diagram gives you, and everyone you work with, the context of what you are working on. It is important to know what the boundaries are of your process and how it relates to others. You may or may not dive deeper and map out these other areas.

Each block on the diagram depicts a high-level process. Typically, we do not show swim lanes or arrows at this level because most processes are cross-functional and interrelated in different ways. There can be multiple levels of these high-level process diagrams, depending on the complexity and size of the scope. They are defined as “high level” if they have other process diagrams below them.

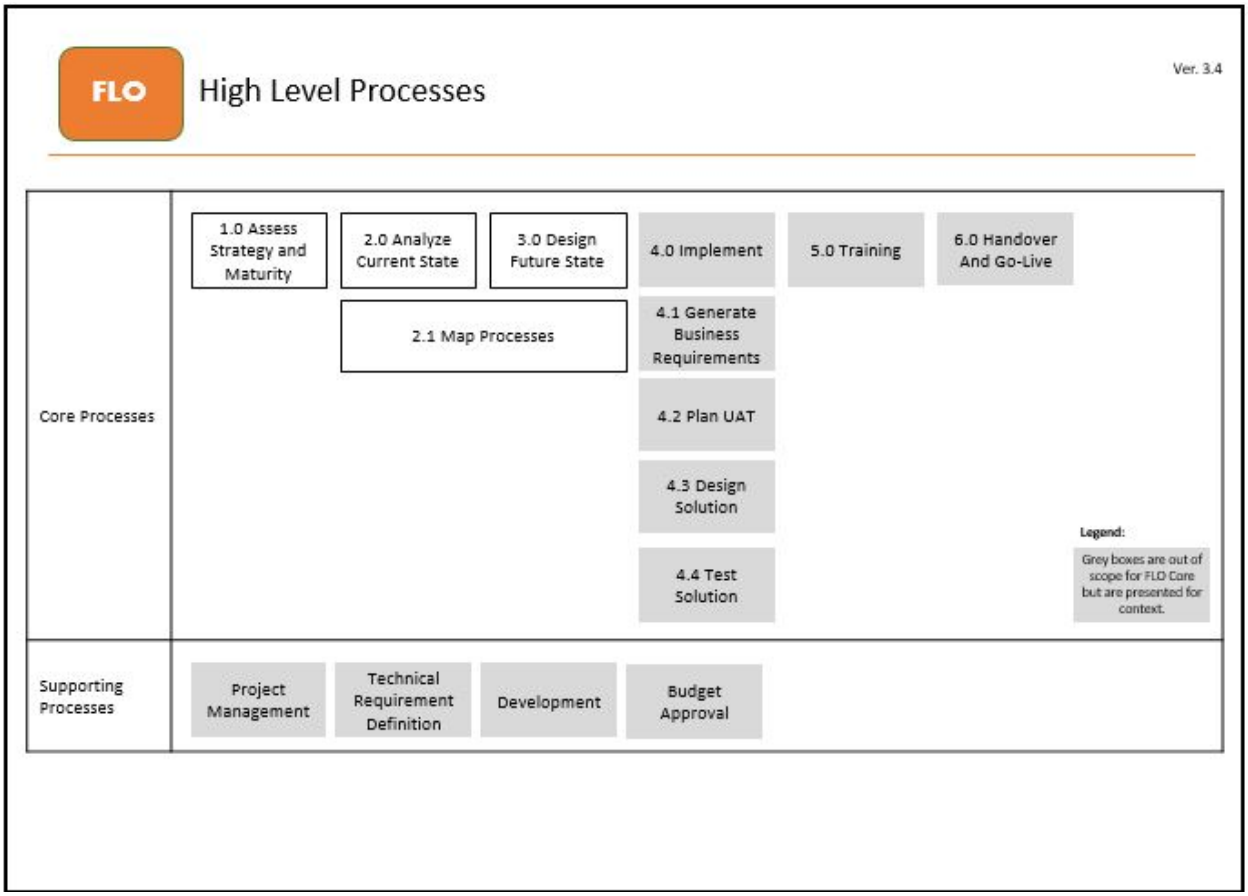


Diagram 10: Process Issue Template

The High Level Process Diagram typically has two sections. The Core Process is where you can depict the main processes that you are describing. The example in Diagram 10 shows the process for process improvement. The core consists of understanding the strategy: defining the current state through implementation of a new process. The lower section of the diagram shows the Supporting Processes. The Supporting Processes are not part of the core flow, but they are related. For example, Project Management would occur throughout the process improvement initiative, but it does not fit inside the Core Process.

In the Core Process area, you can orient your boxes in a couple different ways based on what you are documenting. If you have a relatively linear process, you can depict them from left to right. Then, you can have lower level processes below those processes. In the previous example, the processes labeled, 1.0, 2.0, 3.0, etc. are processes at the same level within the progress, in that order. The process 4.0

Implement has many sub processes and they appear below the top box. If you have many processes, including some that run in parallel to each other, you can have all boxes on the diagram at the same level. That is, boxes along the same vertical axis can depict processes that run in parallel.

Collaboration and iteration are very valuable for developing the High Level Diagram. If there are other people involved in the process, it is very important to include them in the creation of the documentation. Despite our experience documenting processes, we rarely get the High Level Diagram right on the first try. Typically, we go back and forth between the High Level and Detailed diagrams. The high-level view shows us areas we may have missed. The detailed process development shows us how the high-level processes interrelate, and if we have properly depicted them at the High Level.

How to Complete Your High Level Process Diagram

Step 1: If you already have developed some detailed process documents, you can add each process to the core and supporting processes as appropriate. If not, identify the first process and enter it in a box at the left of the diagram. In the bake a cake example, this would be buy ingredients. Try to stay relatively high level at this point.

Step 2: Identify the last process and enter that in a box at the right of the document. In the bake a cake example, this would be decorating the cake.

Step 3: Document the processes that get you from the first process to the last process. Remember to stay at the same level of detail.

Step 4: Stop and iterate. At some point, you will find a diminishing rate of return for your efforts to figure out the high level. Part of the Go with the FLO approach is that you can take your initiative wherever it naturally wants to go and still move forward. If you find that discussions are not actually adding to the document, or people tend to dive to a lower level, you can stop working on the High Level and develop the Detailed documents instead.

Chapter 11: Executive Summary

The Executive Summary is a great introduction when you are developing a package for others to use the process documentation. It is also very useful for providing background if the process documentation was part of a specific project, such as a reorganization, new system implementation, or outsourcing. Ideally, your process document can stand on its own. By this, we mean that someone could pick up the documentation and understand it without you or some other process expert there to explain it. This greatly increases the value of the document as well as reduces the time required by you to communicate and present the information.

The Executive Summary typically has two sections, the Background and How to Use the Document. For the Background, we recommend no more than one page. You can use the following questions for content that you can include as appropriate.

Question 1: What is the scope of the process?

Describe the end-to-end scope of the process. This helps the reader understand what is included, and what is excluded, from the documentation.

Question 2: What is the purpose of the process analysis and documentation?

Providing the context for the process documentation helps the reader understand its purpose and the particular approach. While process documents can serve many purposes, they can be structured differently if they are created for a system implementation, audit requirements, regulatory compliance, or training. You can also mention if this documentation is part of a larger initiative.

Question 3: How is this document maintained and updated?

This lets the reader know how they can improve or correct the document, if necessary. You can identify the process owner and how the processes are updated.

Question 4: What version is this document?

The version number helps make certain that people are looking at the same version and the most up-to-date document.

Question 5: What other information would a reader need to know?

Describe any other information you think the reader should know.

Often, people really appreciate the How to Use This Document section. They may or may not be familiar with process flows or understand how the process description relates to the tasks in the workflow. You can use the following text in the Executive Summary to provide a guide for people who are using the document.

How to Use This Document

In order to accurately and clearly communicate the tasks, interdependencies, and roles and responsibilities, the following types of documents have been created:

High Level Process Diagram: Depicts the complete process from end to end, which helps us understand how the entire organization works. Each process that is depicted in further detail is numbered for reference purposes.

Process Overview: Each numbered process has a Process Overview page that captures high-level information such a summary, start and end conditions, controls,

tools and templates used, and high-level roles and responsibilities. This provides a quick summary that describes how the process works and fits in with other processes.

Process Flow Chart: Each numbered process has a flow diagram with “swim lanes. These swim lanes represent people’s roles, and the flow chart enables people to quickly see the overall process. This provides a quick and clear view of how the process flows.

Process Description: Each numbered process has a process description table. The table provides additional details critical to the process that would not fit in a flow diagram. Each row on the table corresponds to a block on the flow diagram. This helps us document the details of the process.

Part 3 – Staying Organized and Building Momentum

Chapter 12: Numbering – Keeping It All Connected

Since it is critical to keep large amounts of information organized, we have included a short chapter on how to number your process documents. It is a very important method for keeping yourself organized, and for the final product to be easy to understand. We use the method that you would use to number an outline to keep track of the level you are on, and how the documents interrelate.

The following sample High Level Process Diagram has three numbered processes:

Diagram 11: Numbered Processes

The Process Overview, Process Work Flow, and Process Descriptions should have the same titles and numbers. If you were to look at your various documents in an outline view, they could look like the following list (with notes in parentheses):

1.0 Assess Strategy and Maturity (Any Overview, Description, and Workflows would have the same title.)

1.1 Conduct Maturity Assessment (This would be a sub process that occurs within 1.0, and have its own Overview, Description, and Workflows.)

2.0 Analyze Current State

2.1 Map Current State

2.2 Conduct Issue Analysis

A reader can easily tell where they are in the overall process by the number at the top of the page. They can also know how to navigate through the process and dive deeper as required.

Chapter 13: Go With the FLO – Managing People and Meetings

The FLO Methodology enables people to go where they need to in order to move their process documentation initiative forward. We call this Go with the FLO™. If your team cannot get their heads out of the details, you can document the Process Description. If people keep drawing pictures, create a Workflow Diagram. If you have a bunch of high-level thinkers, work on the High Level Diagram. If people will not stop complaining, fill out the Issue Log. It is always important to lead a documentation initiative, but at the same time, you do not have to fight any existing dynamics in the organization. In fact, you can use them to your advantage.

Meetings

Meetings are the bane of working people's life. They are generally ineffective, fill up people's calendars and give them the false sense that they are actually doing something. The following outlines some helpful tips to ensure that your meetings are effective and productive.

We suggest that you explain the FLO Principles to people before you begin working with them. The five key principles that we use can help to set expectations about how you will work with them.

Provide all meeting and interview participants with a pre-mail that includes the meeting objective and proposed agenda, with an invitation to provide feedback and ask questions regarding the meeting or interview. Do not have any meetings without agendas. It can be as simple as five bullet points in an email for smaller, less formal meetings, but there should always be an agenda. When invited to a meeting, you might find it helpful to ask for an agenda. The request for an agenda is reasonable and it would likely make meetings more productive.

Understand the role of each attendee to make sure that the interaction is a valuable use of everyone's time. Avoid inviting people "just in case," and be clear on the difference between people who need to participate in the meeting, and those who only need be informed of the outcome. Try to avoid meetings where one group is talking about something that another group does not need to hear. You can have smaller group meetings to document details from individuals or groups. Then, you can bring a larger group together to review or validate, if necessary.

Do not let things fall through the cracks. This aligns with our second principle, "If it is not written down, it doesn't exist." Capture all information provided by the stakeholders during discussions in a template, Issue Log, or list of items to consider in the future. We avoid asking for the same information repeatedly and let the client know that we have captured the information. Then, we let the client know what we are going to do with this information. This reduces their need to repeat themselves and removes the feeling that they are not being heard.

Keep things at the appropriate level. This aligns with our First, Last and One Level principle. If people are describing the process at different levels, it can get very confusing. In addition, ensure that the level of detail you are discussing is appropriate to the objective. If it is not at the appropriate level, park the discussion in the Issue Log and set up another meeting to discuss it, if it is information that is important to capture.

Chapter 14: Managing Your Process Library

Depending on how you started your process documentation initiative and your organization, you may not have an established process repository. We suggest that you use the FLO SuiteView Process Development system to develop your process documents and manage your repository. An effective process repository will be important to have as your documentation library expands for the following reasons:

Expand Process Knowledge: Process information should be centrally available to the people who need to use it. It should be organized and easy to find so that anyone who has a process question or improvement opportunity can access the correct information. Training new staff and defining roles using process documentation is a great way of ensuring that expectations are clearly established and people are set up for success.

Version Control: Working with outdated process information can cause many problems. A central repository can ensure that people are using the latest process information, forms, templates, and procedures. Version control also enables you to work

on drafts and recommended processes in a separate area until they are approved and ready to be published.

Document Security: A good repository will guarantee that only the appropriate people can edit process documentation. This enables people across the organization to view and understand the process information, but reduces the risk that people could compromise documents with inaccurate information.

Manage Document Types: A process repository should only contain reference documents. In some organizations where they use a shared network drive for process documents, people may start to include working documents. This can lead to a cluttered library that is difficult to manage and navigate. By restricting the repository to certain document types, you can make certain that the folders stay clean and clear for people to use appropriately.

Track Issues and Improvement: Ongoing tracking of issues and opportunities for improvement is critical for establishing a continuous improvement cycle within the organization. Linking the issue tracking and improvement initiatives in one place enables managers and process owners to prioritize and manage these initiatives. It also helps people in the organization understand how their feedback is being used, which increases their desire to participate and improve the company.

Chapter 15: Accessing the FLO Online Template Library

Visit https://www.strongpoint.io/templates to access the FLO Online Template Library

For more information:

Website: www.strongpoint.io

Blog: https://www.strongpoint.io/en/blog

Twitter: https://twitter.com/strongpoint_io

LinkedIn: https://www.linkedin.com/company/strongpoint.io