# Improve the Benefits of Continuous Process Improvement

**By Bob Cicerone,* Richard Sassaman and John Swinney**

In recent years, it has become a common practice for companies to use continuous process improvement methods to improve internal work processes involved in the delivery of services or the manufacture of products. While improving work processes is important, these efforts are typically guided by a vantage point that is both limited and limiting. *Limited* because the only focus is on what exists within a company. A company is viewed as if it operates in a vacuum. *Limiting* because the vantage point cannot help a management team to ensure that their company is kept in close alignment with critical elements of its environment.

Every company operates in relationship to the environment that surrounds it. A company both acts upon its environment and is acted upon by its environment. For this reason, the effort to improve a company's internal processes should be guided by a vantage point that reflects the reciprocal relationship between a company and its environment.

The appropriate vantage point is a systems approach. That is, to look at a company as one part of a larger, multipart, continuously interacting system. This larger system is the business environment within which a company exists and functions. A company's business environment consists of at least five elements: the company itself, customers, non-customers, suppliers and regulatory organizations. Its business environment provides various inputs to a company and also receives the company's outputs. Figure 1 shows the interactive relationship between a company and its business environment.

Examples of a company's inputs include payments of its invoices, orders or executed contracts, requests for information about its products or services, requests for its proposals or quotes, invoices for products and services sold to the company, regulatory requirements and various resources such as utilities, office supplies and the materials used to produce products and/or deliver services.

1. The systems vantage point asks these questions for each input:

2. What standards must this input meet for quality, quantity, timeliness and cost?

3. Ideally, what should the internal process for this input look like when it is flow-charted to ensure that this input consistently meets its standards?

4. When the currently existing internal process for this input is flow-charted, does it look like the ideal flow chart created in answer to Question 2?

5. Does the currently existing internal process result in this input consistently meeting its standards?

If the answer to Question 3 and/or 4 is "No," what changes must be made to the currently existing process so it looks and functions like the process that was flow-charted in answer to Question 2?

Examples of a company's outputs include its products, services, information about its products or services, proposals and quotes, invoices (accounts receivable), payments for purchases made by the company and evidence of regulatory compliance.

The systems vantage point asks these questions for each output:

1. What standards must this output meet for quality, quantity, timeliness and cost?

2. Ideally, what should the internal process for this output look like when it is flow-charted to ensure that this output consistently meets its standards?

3. When the currently existing internal process for this output is flow-charted, does it look like the ideal flow chart created in answer to Question 2?

4. Does the currently existing internal process result in this output consistently meeting its standards?

5. If the answer to Question 3 and/or 4 is "No," what changes must be made to the currently existing process so it looks and functions like the process that was flow-charted in answer to Question 2?

There are several significant advantages of using a systems approach to guide process improvement efforts.

By identifying inputs required for a company to succeed and the standards these inputs must meet, the systems vantage point helps a company's management team to develop and maintain internal processes that ensure the required inputs are consistently available in appropriate quantity and quality when they are needed at a cost acceptable to the company.

Because the systems approach identifies the outputs the business environment receives from a company and the standards these outputs must meet, the systems vantage point helps a company's management team to develop and maintain internal processes that ensure the outputs the business environment receives from their company are consistently produced in appropriate quantity and quality when they are needed at a cost acceptable to the market.

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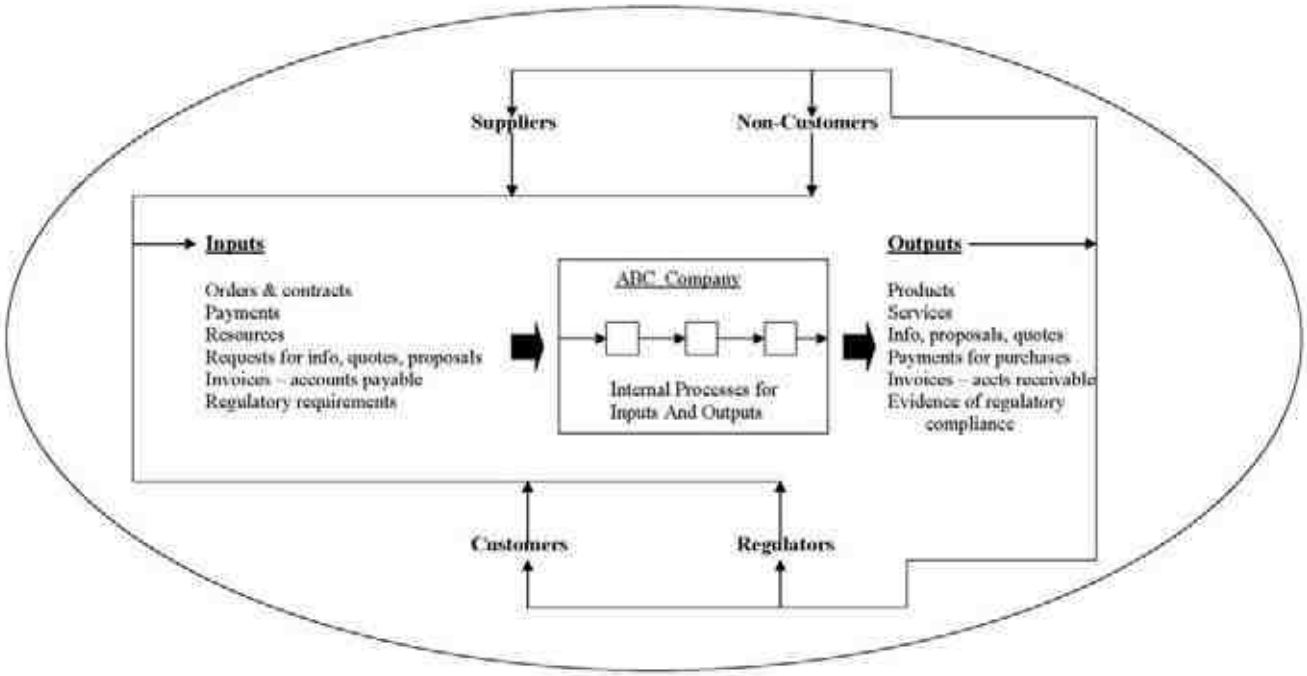


*Figure 1—The reciprocal relationship between a company and its business environment.*

The systems vantage point offers a way of ensuring that a company's internal processes consistently result in the availability of those inputs that are critical to the company's continued growth and competitive success while also consistently producing outcomes that are valued by customers and prospects. ***P&SF***

## About The Authors

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### Answers to I.Q. Quiz #422

1. A chelating agent is a substance (usually an organic compound) to control or eliminate certain metallic ions present in undesirable quantities. "Undesirable quantities" does not necessarily mean impurities.

2. A buffer is a substance added to minimize the physical or chemical effects of one or more substance in a mixture. In plating, a buffer is added to maintain a constant hydrogen-ion concentration, even when acids or alkalis are added (effective in a limited range).

3. A wetting agent reduces the surface tension of a liquid, causing it to spread more readily on a solid surface.

4. A leveling agent is a (usually organic) compound added in small amounts to change the plating mechanism a metal deposit smoother than the original substrate.

5. In nickel plating, a carrier brightener adds sulfur to the deposit. A secondary brightener works with the carrier to produce high luster.