

Want Better Insight? Design Better Processes!

by Adrian Reed

Abstract

Managerial decision makers typically rely on a range of reports and insight to make decisions. Yet, sometimes the data on which they are basing their decisions is out of date or unreliable. This can lead to bad organizational decisions being made. In this article, Adrian Reed explores the importance of designing processes that capture the data and insight that decision makers need, and highlights the benefit of using a shared notation such as BPMN.

Managers within organizations typically rely heavily on data when making operational and strategic decisions. A Sales Manager might rely on historical conversion rates when forecasting sales revenues, and the Head of Customer Service manager might keep a close eye on the level of customer satisfaction. In fact, it is likely that managers and leaders throughout the organization will be relying on a whole range of different items of data to support the crucial decisions that they make every day, and in larger organizations it is likely that this data will be collated from a whole range of sources.

Problems can occur when the data is not considered trustworthy, or cannot be sourced quickly enough (meaning it is always out of date). We might find that some reports require manual or automatic 'triangulation' and 'matching' between data-sets, often with each set being stored in a different location or a different system. This becomes problematic when the different data-sets are stored in vastly different formats or even over different time periods. Trying to adjust and make a meaningful comparison between figures that are reported in calendar years, tax years and accounting years can be very challenging indeed, and may require delving deep into the underlying data itself. These types of adjustments and translations can be costly and time-consuming.

In a worst-case scenario this can lead to decision paralysis. A decision maker may feel unable to act, as different sources of data and insight are telling them vastly different things. They may request further analysis, all of which takes even more time, and by the time a decision is made the opportunity may have been lost. We may have missed the opportunity to run a promotion or launch a new product because a competitor got there first.

Ultimately, these issues relate to how data is stored and structured, and on the face of it might seem unrelated to process design. Yet data and processes are inextricably linked; it will be a process (or a set of processes) that captures, creates and manipulates the data that the decision makers rely upon. If our processes capture the right data, and if we ensure that it is stored in a suitable way, we will alleviate or at least reduce the issues described above.

A Crucial Question to Ask: “What Data/Reports Will You Need?”

It is quite natural, when discussing a process, that we will discuss the data that is collected and stored. If it is a process to capture a new order from a customer, we will need to ensure that the customer’s name, address, credit card number and so forth are correctly processed and stored. Yet, it is also valuable to ask our stakeholders the type of data (or indicators) that will be needed to monitor the process, that will be needed for general oversight, or that will be used to drive any type of strategic change. Understanding what data, insight and reports our stakeholders currently rely upon—and those that they ideally need—will help us to design better processes, and ensure that the data is stored in a suitable way and in a suitable location. If, for example, when examining a complaints handling process a stakeholder mentions that they need to understand not just how many complaints are received, but also whether the complaint is justified and the nature of the complaint, we can work with the team to ensure that these data items are captured.

Often, this requires us to consider a wider group of stakeholders than might seem immediately obvious. We might find middle and senior managers have an interest in the data and insight that is being generated, and so it will be important to understand their needs alongside those of the operational stakeholders who are operating the process itself. A process modelling approach such as BPMN (Business Process Model and Notation) can be extremely helpful and can enable us to cultivate these conversations. We can examine each step, and ask who is relying on the data, and understand whether there are any current problems. We can create multiple ‘views’ of the process—perhaps a very high-level view for senior managers, with a more detailed view for those undertaking the work.

This shared view, and the conversations that creates, will help us ensure that we build better processes, including processes that consider the types of information required by managers.

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