

# UNLOCKING CAPACITY WITHIN YOUR ORGANIZATION



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# UNLOCKING CAPACITY WITHIN YOUR ORGANIZATION

How can you reduce business costs and transform your business? With the current economic climate, organizations must reduce unnecessary costs and strategically transform the way the business operates to remain afloat.

The Poirier Group specializes in driving large-scale transformations that create business agility and sustainable improvements through disruption. This paper will provide tactical recommendations to increase internal capacity with existing resources within your organization - how to optimize and do more with less.

- Improve process maturity
- Automate manual tasks where applicable
- Set your people up for success during periods of high turnover or limited resources
- Maximize throughput and business efficiency

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## KEY TAKEAWAYS:



Keep processes simple with consistent documentation and training



Put your employees first - keep their needs and pain points top of mind



Effective change management strategies and practices are an integral part of any change process



You can't improve what you can't measure



# INCREASING INTERNAL CAPACITY WITH EXISTING RESOURCES

## HOW TO DO MORE WITH LESS

Challenging world events over the past two and a half years have caused a significant amount of turbulence within most industries. While some are still struggling, others are experiencing or planning for growth. Regardless of the situation, there is an expectation that everyone can do more with less, and this expectation has never been higher.

Amidst the many changes in the way businesses are conducting their operations, they are also realizing the impact of high employee turnover due to the "Great Resignation", and current hiring frenzy. These additional circumstances and the relatively extreme competition for the vaunted high performer have created epiphanies for employees who are now challenging the meaning of work and whether their current job is fulfilling their ideals of how they want to earn their living.

Although the world continues to rapidly change, human capital management and the expectations for effectively managing business performance have not. From executives managing financial expectations to managers ensuring day-to-day tasks of their team get completed, the question of "how am I supposed to do more, with less?" is being asked more than ever.



*"How am I supposed to do more, with less?"*

Organizations that are dealing with workforce issues while examining growth strategies should explore unlocking the capacity within their current workforce in order to:

- ensure their business can sustain the growth trajectory they are currently on
- position themselves to grow sustainably while remaining profitable
- empower their teams to effectively manage additional responsibilities
- contain costs vs. risking unnecessary spending due to poor planning

**ONE OF THE BEST APPROACHES TO UNLOCK ADDITIONAL CAPACITY, IS TO LOOK ACROSS 4 KEY ORGANIZATIONAL PILLARS:**



**Strategy**



**People**



**Processes**



**Technology**

# STRATEGY

Your strategy supports the company's mission, vision and values. It forms the foundation for all business decisions and sets the direction, from which goals and objectives are defined. The strategy must be aligned with the business goals, company vision and values in order to be executed effectively.

As organizations continue to grow and evolve, leadership must promote consistent and clear messaging that supports the strategic vision and values of the business. Although the strategic direction comes from the top, there must be alignment across your organization's ecosystem before the other 3 pillars can be supported to generate increased capacity.



Figure 1: Mission, Vision and Values.

## ➔ Strategic Planning

Strategic planning is required for any type of sustainable competitive advantage. Developing a clear and concise strategic direction requires that a few key questions be answered before your team can generate the right plans to support the business strategy.

This diagram sets out questions that evolve to define your strategy and support the Company's Mission, Vision and Values.

If your strategy lacks clarity in any areas listed to the left, you must define the missing answers.

A solid strategy sets the stage that supports organizational alignment and the success of your increased capacity initiative.



## Strategic Alignment

While setting the strategy is a necessary first step, building alignment within the organization is critical, without which, the following productivity challenges will occur:

- Leadership consistently pivoting between misaligned strategic and departmental priorities
- Competing priorities stretching internal resources and causing frustration
- Rework due to misaligned skills, roles and/or responsibilities
- Management unable to make decisions / delaying progress
- Wasted time on activities that do not create value and support the strategy
- Inability to deliver on KPIs and measure performance accordingly



## PEOPLE

Having the right people in your organization is also key to its success. They must be intrinsically motivated to work together as a team to achieve their objectives. This requires confident leaders who can make the right decisions supporting the strategy, vision, mission and values while also understanding their own limitations. In order to successfully weather periods of expansion and growth, companies must effectively coordinate human capital management. Leaders must understand how their teams operate, what support they require and what motivates them to achieve their goals.

### WATCH OUT FOR THE FOLLOWING SYMPTOMS

Identify and address the symptoms of poor performance to unlock the potential of your workforce:

- Tasks taking longer than expected
- Frequent Mistakes
- Double Handling
- Arguments about who is responsible
- Miscommunication
- Missing Deadlines
- Inferior quality

### ADDRESS THE SYMPTOMS

- Survey your organization to address the symptoms and generate ideas to improve performance, quality, communication and customer service (and then act on it where possible). When people feel heard, you increase buy-in to change
- Identify gaps in accountability, communication and hand-offs between departments creating unnecessary delays. Re-engineer Roles, Responsibilities and Accountabilities for improved workflows
- Review and update training to reflect improvements in workflows and increase onboarding success
- Increase feedback (positive and corrective) and the frequency of performance management and measurement

## Retention

It should go without saying that listening, respecting and treating your employees in a way that makes them want to stay, should be your priority especially during periods like the current “Great Resignation”. Ensure that employees who remain, are not punished by having to take on more work. Look to streamline workflows now, where there are single points of failure.

Professional development and cross training employees to backfill other roles, will minimize the risks associated with turnover. It will also provide individuals with learning opportunities to broaden their skill set and increase their value. This value is a key to operational performance improvement and must be recognized in order to retain your most productive and high performing employees, particularly those who are ambassadors of your culture.

### WHEN IN DOUBT, TAKE THE 'LEEP'

Aside from employee retention concerns, there are several strategies that managers can utilize to unlock the potential within their own teams utilizing our **LEEP** methodology.

- L** **LEAD** – Drive increased productivity by ensuring teams have everything they need to be successful (tools and support). Don't micro-manage, as this is inefficient and increases the effort required to get the job done.
- E** **EXPECTATIONS** – Set priorities and clear expectations that the team is responsible for completing. These should include clearly measurable goals and achievements
- E** **EMPOWER** – Empower your team members by releasing ownership of their day-to-day activities. Focus on demonstrating the corporate culture and building strong relationships within the team and throughout the organization.
- P** **POTENTIAL** - Identify the potential of the individuals within your team, and position them to their strengths providing growth opportunities for their success while also benefiting the organization. “Ensure they are in the 'right seats on the bus'”\*

\*Jim Collins, Good to Great (2001)



#### WHY IS COMPANY CULTURE IMPORTANT?

When your workforce is aligned, it will be easier to implement your strategy because everyone will have a shared understanding at every level across the organization of how what they do individually, fits into the success of any strategic initiative.

Alignment mobilizes action through the collective intelligence and momentum of a shared vision.

# PROCESSES

## PROCESS IMPROVEMENT METHODOLOGIES

Organizations require processes in order to provide a consistent clear path for all team members to know where, how and when they are involved. A process identifies areas where collaboration is necessary with other colleagues or departments along the path as they complete tasks. It highlights where appropriate inputs or outputs are required to maintain necessary services, quality and deadlines in order to meet company and customer service expectations.

When looking for efficiencies within your current processes, it is important to understand the current process maturity level of your organization. **For instance, if your organization is updating their processes on an adhoc basis through legacy knowledge, ask yourself - how 'at risk' are some of the key daily processes, if just one person were to leave with the knowledge they have?**



### TIPS FOR SUCCESS:

*While business process improvement initiatives present a major area for efficiencies within your business, the announcement for this type of activity can breed negativity and a resistance to change, as it is often associated with budget and or job cuts and a fear of the unknown.*

*Effective change management strategies and practices should form an integral part of any change process.*

### ➔ Understand Your Business Process Maturity

It is extremely difficult to identify and create efficiencies to unlock capacity until your current processes are documented. You can not measure a process that is not defined, and you can not effectively improve a process until it is measured.

The **Process Maturity Chart** below defines the levels by which you can assess the current state of your processes and the opportunity (gap) for business process improvement resulting in finding efficiencies, productivity improvement, increased quality, cost reduction, and unlocking capacity for innovation and growth.

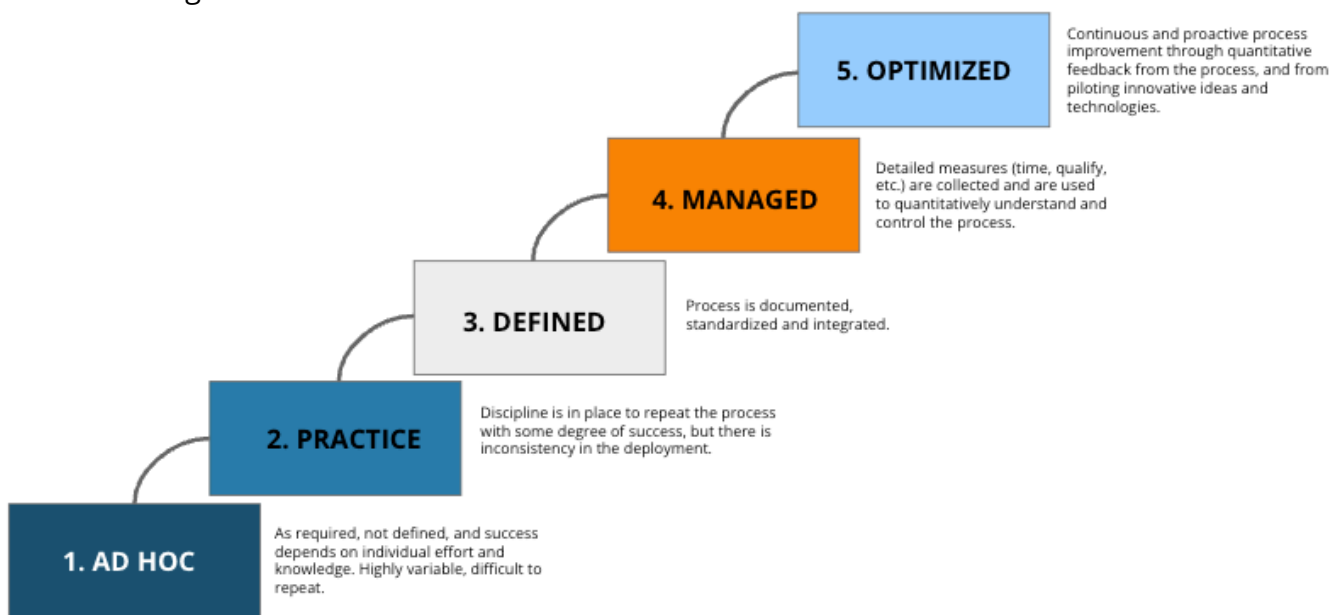


Figure 2: Process Level Maturity



# PROCESSES CONTINUED

Prior to optimizing the processes within your business, it is crucial to build enough discipline to ensure you can repeat processes with some degree of success. At that stage, you can begin working on process improvements.

## PROCESS STANDARDIZATION AND CLARITY

Process Standardization begins with clearly defining and documenting your processes. TPG commonly approaches the documentation of current state processes with an **Enterprise Process Map (EPM)**. The EPM provides a bird's eye view of the company's processes from end to end, utilizing comprehensive and interactive tools to dive down into specific process details from Level 1 to Level 4 process maps. Business Process Mapping provides several benefits:

- ✓ Provides transparency and visibility to all employees involved in a process
- ✓ Creates a standardized reference tool to ensure business is always performed in the most optimal way
- ✓ Reduces confusion and inefficiencies and provides a measure of performance for process compliance
- ✓ Allows the organization the visibility to ensure processes are aligned to organizational goals
- ✓ A baseline to identify gaps, roadblocks, pain points and efficiencies between current and future state processes

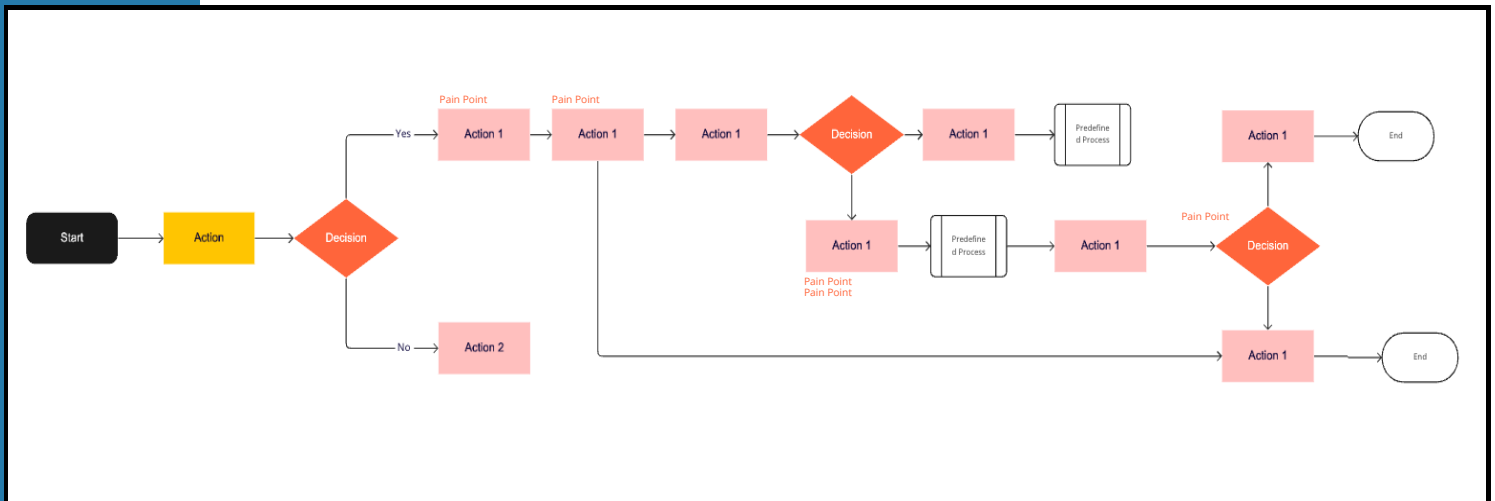


Figure 3: Process Map Example

Process maps house key information from what tasks are performed and in what order, to who performs them, what systems or documents are involved and where and what hand-offs are required between other roles or departments. Use them to gain transparency into your organizational processes and in turn, where improvements can be made.

## ➔ Roles and Responsibilities Matrix

Individual roles and responsibilities can be detailed through a roles and responsibilities matrix (R&R). The R&R matrix will clearly define the stakeholders of each individual process step, leading to clarity of expectations and the ability to hold team members accountable. The RACI example below includes 2 additional communication considerations that may impact activities which precede and follow a specific process (AB and AL).

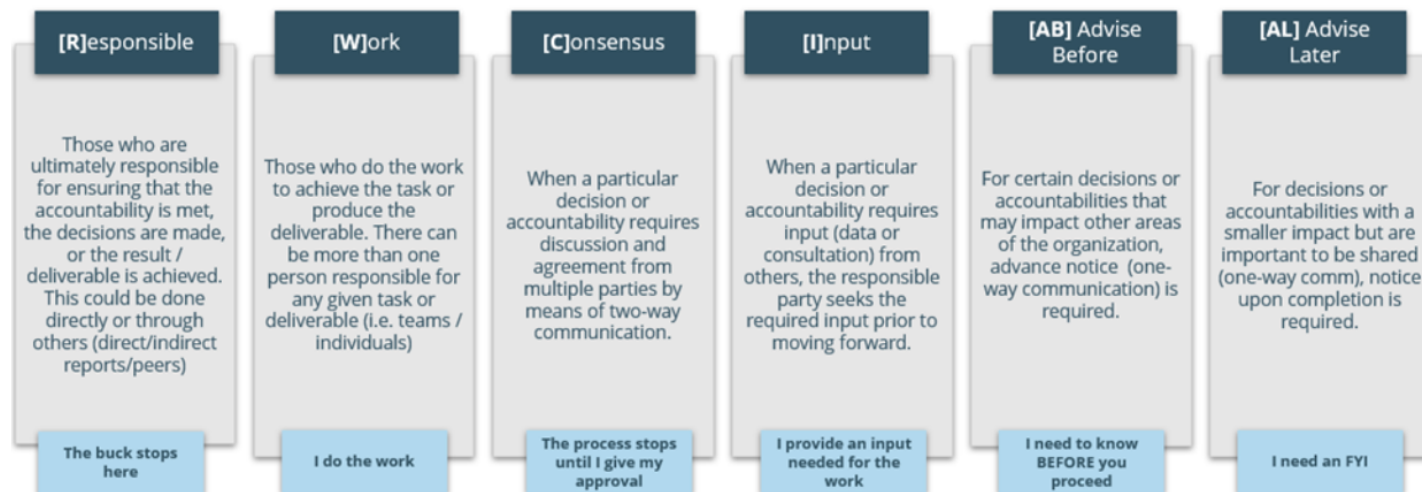


Figure 4: R-Matrix

Providing clarity through process maps and R&R matrices removes confusion and ambiguity and builds confidence and accountability across the team once they understand how their role fits within the broader picture. When teams see how others depend on them in order to keep the process moving, they will be more inclined to deliver on their required outcomes, and realize greater potential for increasing capacity.

Once your processes are clearly documented, standardized, and integrated, the next phase of process maturity requires the collection of detailed measures of the process’s performance.

### SOME KEY MEASURES THAT SHOULD BE COLLECTED INCLUDE:

- Process and cycle times
- Bottlenecks
- Pain Points
- Resource utilization
- Productivity
- Timing (where it should be consistent between stages)



Remember, the focus for all of this work results in 1 thing – **increased capacity.**

TPG’s clients have experienced 7-12% increased capacity in middle market organizations, through realization of the benefits of process standardization and R&R matrix work (when conducted in unison).

**Increase operational capacity by up to 12%**

# LEAN SIX SIGMA PROCESS IMPROVEMENT

## REDUCE VARIABILITY AND ELIMINATE WASTE TO MEET CUSTOMER EXPECTATIONS

Finally, once processes are clearly defined and measured, there should be a systematic effort to optimize or improve current processes that unlock capacity within your business.

As experts in enterprise lean transformations, The Poirier Group utilizes an integrated Lean Six Sigma management approach to identify efficiencies and unlock resource potential. This involves the identification of waste and reduction of process variability that impact productivity, costs, and customer expectations.

We utilize the DMAIC methodology to **Define** and **Measure** phases to move up the process maturity ladder, and then shift our focus to **Analyzing**, **Improving**, and **Controlling** the process improvements.

When looking for ways to optimize a process, begin by looking for the following '8 types of waste' in a process.

### ➔ Root Cause Analysis

Once the wastes have been identified, take a deeper look at the root causes for each waste category to understand why they are truly happening. Statistical analysis and benchmarking can be utilized to verify the opportunities and effectiveness of alternatives.

At this stage of your business process optimization, you will need to identify and evaluate potential solutions that will directly target the elimination of waste within the process. The more waste you can eliminate from the process, the more efficient the process becomes through either a faster processing time, or a reduction in errors and rework.

The more efficient a process, the more you unlock capacity and/or savings and redirect it to 'value add' activities.

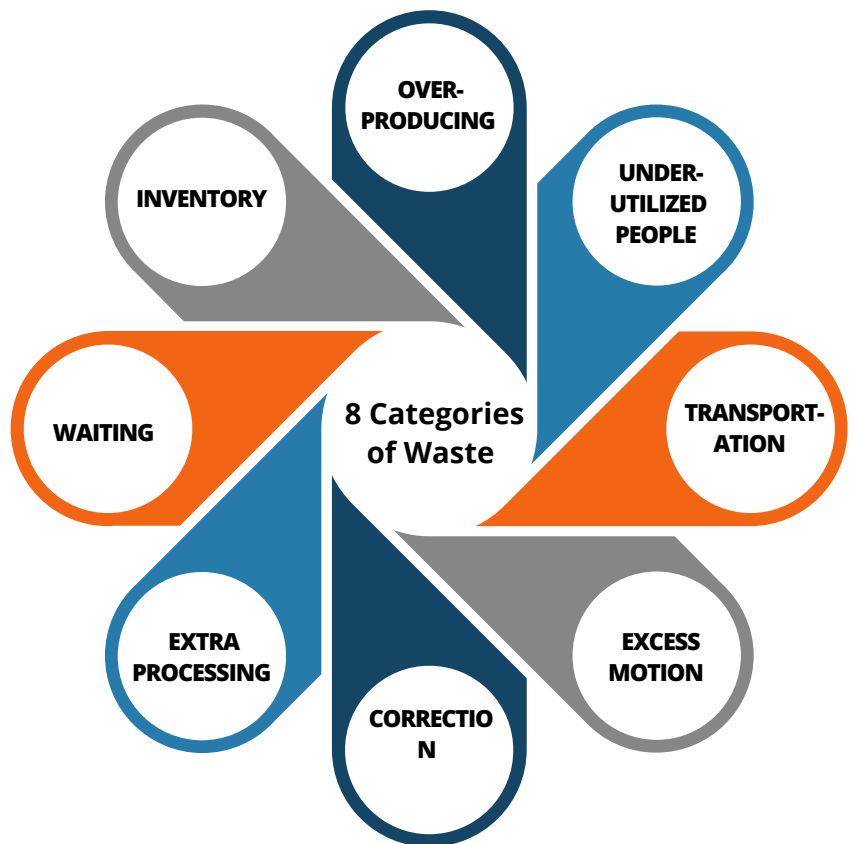


Figure 5: DMAIC Methodology

### ➔ Value Creation Proposition

You must be able to understand and measure the effectiveness of the value you have created. The measurement results will translate to improved customer service and delivery - the overarching main goal



# OUR APPROACH IN ACTION

## Examples of hours freed up and or cost savings realized in past TPG Projects:

<b>Supermarket Chain</b>	Saved 5,500 annual labor hours by designing, programming, and implementing task automation solutions impacting 162 locations
<b>Private Equity Property Management</b>	\$700K net annualized increased capacity
<b>Beauty Supplier</b>	Managed RFPs in Logistics & Distribution yielding \$1.86M in annualized savings, 3 RFPs in Facilities Mgmt and MRO yielding \$790K annual savings
<b>Insurance Company</b>	Identified \$3.6M in recurring cost savings
<b>National Discount Retailer</b>	Time Savings of \$2M annually through executive cross functional alignment and renewed roles and responsibilities. 25% reduction in hours across roles through elimination of 20 hand-offs/approvals
<b>Retail Pharmacy Chain</b>	\$350K cost savings found in data integrity issues

### ASK YOURSELF:

**"What is it that your company offers through its goods and/or services that differentiates you from the competition?"**

The key tasks (direct and indirect) that support these differentiators should take priority for improvement activities (Organizational process improvements) whenever you reach capacity, as they are the ones that drive your value proposition.



# TECHNOLOGY

## IT STRATEGIC PLANNING

When looking for efficiencies within a business, there are many options that require significant investment and extreme technological advancements for most organizations. Let's focus on some of the things that all businesses can do to improve capacity by enabling their employees and finding business process improvements with technology.

**Keep processes simple, with good training and documentation (see process section above).**

It's easy to get caught up in the excitement of new technologies, but it's important to remember that technology is just a tool. It's not the be-all and end-all. In fact, if you're not careful, it can cause more trouble than it's worth.

When you first start using a new technology, it can feel like the answer to all your workflow problems. But before long, you'll probably find yourself realizing that this new workflow is so complex and difficult to maintain that your team is going back to how they were doing things before, only now with a whole bunch of unnecessary tech complications.



**TIPS FOR SUCCESS:**

*Keep things simple! Use an IT technology strategy to streamline or automate your existing processes and ensure the end result is a process that is easier for everyone involved.*

### THERE ARE TWO MAIN AREAS FOR TECHNOLOGY IMPROVEMENTS THAT CAN INCREASE CAPACITY WHILE UTILIZING THE SAME RESOURCES:

**Repetitive Tasks:** Identify repetitive manual tasks that can be easily automated (mostly in excel, but this is not the only scenario).

**Delay in Action:** Data Information/Reporting – People in the organization spend most of their time trying to receive, analyze and understand data to make informed decisions – rather than taking optimized action to add value.



# TECHNOLOGY SOLUTIONS

## REPETITIVE TASKS

### → Automate where it Makes Sense

Automating manual tasks not only saves time but also reduces errors. This can be done through the use of bots or chatbots or through the use of Application programming interfaces (APIs). The use of APIs allows companies to integrate their software solutions with other platforms like Salesforce or Office 365. API's also allow companies to access data from third-party applications and make use of it in their own systems.

API's are a major opportunity to utilize automation to improve productivity, however there are some other common patterns/use cases in automation.

## DELAY IN ACTION

### → Sustainable Data Analytics

The primary use of data is to create visibility through information/knowledge/understanding so that a business can make decisions and take optimized actions. Many companies are inundated with data, but the analysis of this data often bogs down an organization's capacity to make the necessary decisions and actions required to be competitive and perform.

Advanced analytical tools can be utilized to minimize the amount of human input required to generate optimized action plans. The speed of these tools can also minimize decision latency and provide solutions to the business in a timely manner.

## AUTOMATION TOOLS:

### Harvesting

- Alerter
- API Enabler
- Competitive Analysis
- Infinite Monkeys
- Time Series

### Managing

- Content Migration
- Single Sign-On
- Portal Enabler
- Widget Enabler

### Testing

- Audit
- Load Testing
- Regression Testing

### Enhancing

- Accessibility
- Super Search
- Translation
- Workflow

### Assembling

- Communication and Collaboration
- Content Aggregation
- Content Integration
- Location Mapping

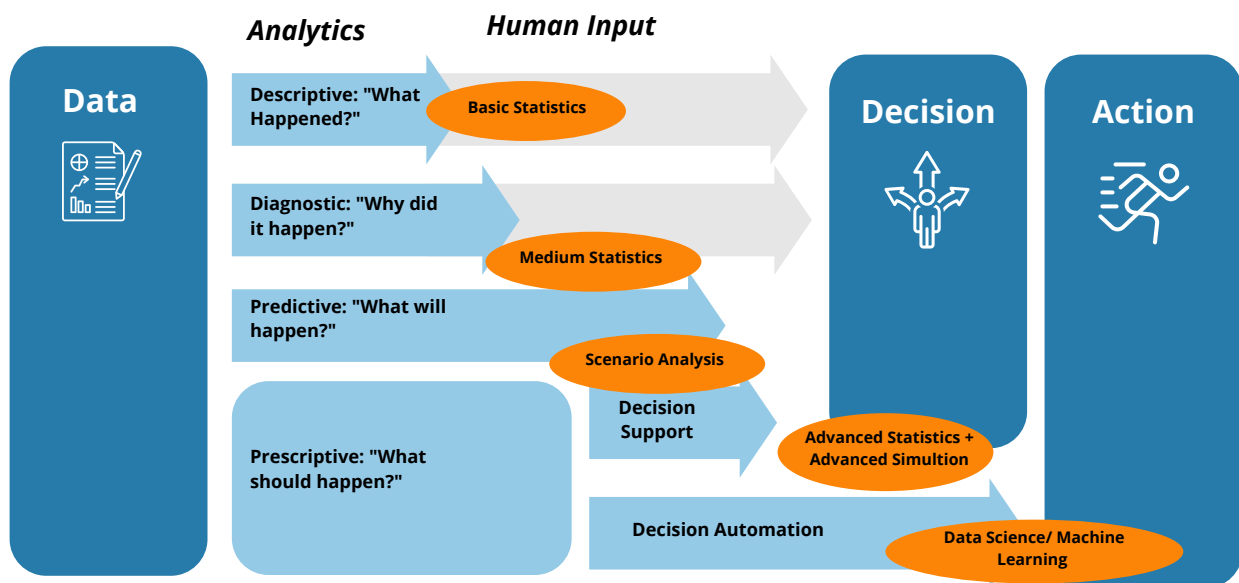


Figure 6: Sustainable Data Analytics



## Proper Data Structure

A critical business asset is its data. In order to truly understand data, a business needs to properly staff with the required expertise to sustain and continuously maximize its utilization and integrity.

Imagine buying a piece of equipment intended to move product within your warehouse, but it ends up sitting, since no one knows how to run it? This doesn't typically happen because it is constantly in sight, and as such, there will be a constant reminder of the need to utilize it. A system is not readily visible and can be underutilized if it is not consistently managed and optimized to deliver value that supports decision making, measurement and performance improvement.

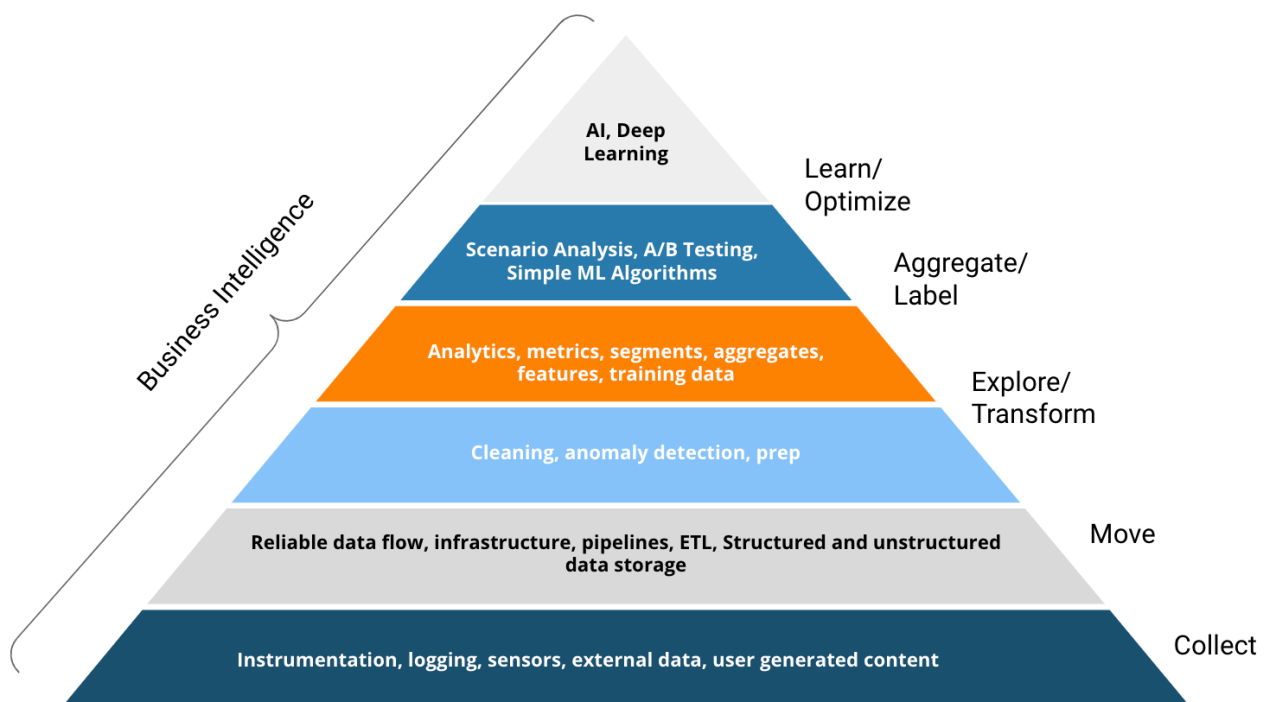


Figure 7: Data Structures

## THINK ABOUT THE FUTURE

It can be tempting to focus on short-term gains when considering a new piece of software or hardware. But, if you're only thinking about what's happening now, you're missing out on opportunities to make your company better for years to come. As you make decisions about new technology, it's important to think about the future. What do you want your company to look like in 5 years? In 10 years? How can you use technology to help your business grow, succeed, and adapt over time?

### TECHNOLOGY SOLUTION DECISIONS

Far too often major systems are purchased before appropriate needs analysis and forecasting have been done involving all departments who will draw from and input to the new system.

At TPG, we have witnessed clients who have experienced far too many system implementation failures because the true and detailed gaps between the desired state and current state are not fully understood. This happens when business requirements are not effectively gathered from the business, future requirements or direction have not been considered, and technology is seen as a silver bullet without consideration for necessary business process improvements. It should go without saying that you should never, ever make a software decision in isolation of the end user.

# CONCLUSION:

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There are often countless opportunities that reside within your business that will lead to increased capacity and results. Unlocking that potential is pivotal in ensuring your business is firing on all cylinders. It only makes sense now, to start building a plan to capitalize on this hidden goldmine.

Most importantly, keep the end goal in mind -- how are you going to repurpose the significant time and dollars you have saved to support your business strategy and further benefit your people, your customers and your brand?

## ***About the Author: Taylor (TJ) Sanders, BSc. Lean Six Sigma Black Belt***



Taylor has a knack for determining the underlying causes of issues creating grief for your business, as well as identifying hidden opportunities for improvement.

He leverages his experience participating in major business turnarounds to help businesses get to more profitable positions, while ensuring the team members involved stay engaged throughout the process.

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## ***About: The Poirier Group***

The Poirier Group (TPG) is a Toronto-based award winning boutique management consulting firm operating through-out North America. TPG is focused on strategy execution, with specialties in process improvement, cost optimization and operational efficiency across the value chain.

We differentiate by being operational experts, meaning we don't just figure out *what* to do, but work collaboratively to guide you through *how* to do it for the long term by implementing the right performance metrics and training programs.

Learn how we can support you to identify and unlock capacity and create more value from within your organization [here](#).



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