Assessing Readiness
Estimating the Challenge

Assess Process Improvement Readiness
• Review work processes.
• Assess process maturity.
• Review success criteria.
• Determine preparation work.

Identify Work Processes
• Examine flow from customer requirements to customer satisfaction.

12 Success Criteria
1. Magnitude of Change - Process maturity change.
2. BWID - Management supports and wants this change.
3. Staff Commitment - Workers support and want this change.
4. Implementation Leadership - Capable and committed team.
5. Added Effort - Impact on work load.
6. Scope - Functional and physical alignment to flow.
7. Measurable Goals - Easy to know that the change is successful.
8. Swift Change - You expect to see quick results.
9. Customer Driven - The customer will see the improvement.
10. Contained - Systemic or policy issues involvement.
11. Protects Strength - Key capabilities will not be changed.
12. Follow-up - Progress and success is monitored and assured.

Process Maturity Levels
0 = Incomplete
1 = Performed
2 = Managed
3 = Defined
4 = Quantitatively Managed
5 = Optimizing
(each level includes the elements of the lower levels)

Level 0 = Incomplete Process
• Either not performed or partially performed.
• One or more of the specific goals are not satisfied.
• Performance is unpredictable.
• Process success is entirely dependent upon individual effort and heroics.
• No formal process for management and improvement.
Level 1 = Performed Process
• Satisfies the specific goals of the process area.
• Supports and enables the work needed to produce identified output using identified input.
• Satisfies all of the specific goals of the process area.
• Ability to deliver may be disconnected from customers' expectations.
• All products and services are identified.
• Some processes are identified and documented and ownership is assigned.
• Approaches to identify customers' requirements and measure satisfaction are informal.

Level 2 = Managed Process
• Planned and executed in accordance with policy.
• Employs skilled people having adequate resources to produce controlled outputs.
• Involves relevant stakeholders and is monitored, controlled, and reviewed.
• Is evaluated for adherence to its process description.
• May be an individual project, group, or organizational function.
• Management is concerned with achievement of cost, schedule, and quality objectives.
• Planned, and the performance of the process is managed against the plan.
• Corrective actions are taken when the actual results and performance deviate significantly from the plan.
• Achieves the objectives of the plan and is institutionalized for consistent performance.
• Starting a systematic approach to identify customers' requirements and measure satisfaction.
• Process identification and documentation is progressing and is almost completed.
• Efforts are initiated to assess and systematically improve processes.
• Focus begins to shift from problem correction to problem prevention.

Level 3 = Defined Process
• The tasks, measures, and relationships that are required to accomplish work products are defined and standardized.
• Process established and improved over time.
• Shares process-improvement information to improve other processes.
• The infrastructure to support current and future use of the standard process is established and improved over time.
• The organization values describing, implementing, and improving processes.
• Detailed measurements and results are collected for both process and product quality.
• Production and service processes have been analyzed and improved.
• Emphasis on continuous improvement continues.
• Frequent and formal contacts are made with customers and suppliers.
Level 4 = Quantitatively Managed
• Quantitative objectives for quality and process performance are established and used as criteria in managing the process.
• The quality and process performance are understood in statistical terms and are managed throughout the life of the process.
• Controlled using statistical and other quantitative techniques.
• Objectives are based on the capability of the organization’s standard processes, the organization’s business objectives, and the needs of the customer, end users, organization, and process implementers, subject to available resources.
• The people performing the process are directly involved in quantitatively managing the process.
• Ability to deliver is almost aligned with customer’s expectations.
• Continuous process improvement has been institutionalized.
• Focus is on optimization of process, control and mistake proofing.
• Organization is flexible, can change products and services to meet changing customer and supplier requirements.

Level 5 = Optimizing
• Adapted to meet current and projected business objectives.
• Focuses on continually improving the process performance through both incremental and innovative technological improvements.
• Process improvements that address root causes of process variation and measurably improve the organization’s processes are identified, evaluated, and deployed as appropriate.
• Improvements are selected based benefit/cost and impact to the organization.
• The performance of the organization’s processes is continually improved.
• The ability to deliver is fully aligned with customer expectations.
• The organization is flexible, can change products/services to adapt rapidly to changing customer/supplier requirements.
• Focus is on process certification.

1. Magnitude of Change
How big a change is planned?
• What is the general process maturity level of Insurity’s processes today?
• What is your process maturity goal for Insurity’s processes in the next 5 years?
  □ 1 = Maturity at 0, no real desire to change.
  □ 2 = Maturity at 0, want to change to level 1, 2, or 3.
  □ 3 = Maturity at 1, want to change to level 3, or 4.
  □ 4 = Maturity at 2, want to change to level 3, or 4.
  □ 5 = Maturity at 3, want to change to level 5
2. BWID (Boss Wants It Done)

Does management support and want this change?

• Do the Senior Leadership Team members set a clear vision and frequently communicate the reason for the change and the importance of its success to the future of the business.
• Will the Senior Leadership Team message be consistent, both across the top management team and over time.
  □ -5 = There is no vision and no communication plan.
  □ 0 = There is a vision but it isn’t shared very clearly or often.
  □ 5 = The vision is presented at every opportunity. Senior Leadership Team members attend all team reports.
  □ 10 = Senior Leadership Team members use process management tools and encourage team empowerment.
  □ 15 = The Senior Leadership Team members lead process improvement events.

3. Staff Commitment

Do the workers support and want this change?

• Will the employees most affected by the change understand the reason for it and believe that it is necessary and worthwhile?
• Are they enthusiastic and supportive or worried and obstructive?
  □ 1 = strongly reluctant and threatened by change.
  □ 2 = reluctant to change.
  □ 3 = neutral about change.
  □ 4 = willing to change.
  □ 5 = eager for improvement.

4. Implementation Leadership

What leadership will champion the change?

• Is the leader of the process improvement implementation capable and respected by peers and the Senior Leadership Team?
• How strong are the implementation team members’ skills and motivations? Do they have other work priorities?
• Will they have sufficient time to spend on the change initiative?
  □ 1 = ad hoc leadership with no specific time commitment.
  □ 4 = inexperienced leader and team with many other responsibilities and less than 25% time commitment.
  □ 6 = somewhat experienced leader and team with at least 25% time commitment.
  □ 8 = respected somewhat experienced leader and team with 50% time commitment
  □ 10 = respected experienced leader and team with more than 50% time commitment?
5. Added Effort

How will it effect the work load?

• What is the percentage of increased effort that employees must make to implement the process improvement?
• Does the incremental effort come on top of a heavy workload?
• Have people strongly resisted increased demands on them?
  □ 1 = more than 40% added work.
  □ 2 = 30% to 40% added work.
  □ 3 = 20% to 30% added work.
  □ 4 = 10% to 20% added work.
  □ 5 = less than 10% added work.

6. Scope

How organizationally complex is the change?

• Is the change being implemented in more than one value stream or facility location simultaneously?
• Is the current value stream flow across isolated functional organization silos?
  □ 1 = involves many separate isolated functions and value streams over several different locations.
  □ 2 = involves several separate isolated functions in more than one value stream and at two or more locations.
  □ 3 = involves several separate functions in more than one value stream at one location.
  □ 4 = involves several separate functions in one value stream.
  □ 5 = involves several closely related functions one value stream and location.

7. Measurable Goals

Are the business goals supported by measurement?

• Are specific measurable business goals set for the changes?
• Will you easily know that the change was successful?
  □ 1 = no existing work performance measures or widely known business goals.
  □ 2 = few existing work performance goals that do not relate to business goals.
  □ 3 = some existing work performance measures but they may not relate readily to business goals.
  □ 4 = key measures are known and relate roughly to business goals.
  □ 5 = all improvement goals and measures directly support key business goals and are known by the customer
8. Swift Change
How quickly do you expect change?
- Will you expect to see results from each process improvement event in less than 90 days?
  - 1 = results may take more than 120 days.
  - 2 = expect results in 90 - 120 days.
  - 3 = expect results in 60 - 90 days.
  - 4 = expect results in 30 – 60 days.
  - 5 = expect results in less that 30 days.

9. Customer Driven
Will your customer see and value the change?
- Will customer benefit influence improvement priorities?
- Will the customer see the results of the improvement?
- Is the change something that the customer values?
  - 1 = not a customer issue, very little real internal benefit.
  - 2 = very local internal improvement with no customer benefit.
  - 3 = value stream improvement with some customer benefit.
  - 4 = some benefits will be clearly visible to the customer.
  - 5 = meets a critical customer value.

10. Contained
Are there bigger corporate issues?
- Are there any systemic or policy issues?
- Will changes involve human resources, financial, facilities, corporate, infrastructure, or other enabling functions?
  - 1 = several major systemic or policy issues.
  - 2 = one or two systemic or policy issues.
  - 3 = some systemic or policy issues.
  - 4 = a few minor systemic or policy issues.
  - 5 = no systemic or policy issues.

11. Protects Strength
Will the change affect core competencies?
- Will core competencies that are valued by the customer be strengthened?
- Will key capabilities be changed?
  - 1 = involves a key capability that may be disrupted.
  - 2 = involves a key capability with unknown impact.
  - 3 = does not involve a key capability.
  - 4 = involves a key capability with positive impact.
  - 5 = strengthens and improves a key capability.
12. Follow-up
What are the plans for sustaining the changes?
• How frequently will successful implementation progress be checked?
• Will formal implementation reviews check all previous change activities?
• Will the leadership take a role in removing barriers?
  □ 1 = no disciplined follow-up.
  □ 2 = quarterly review of progress of recent events.
  □ 3 = review recent changes every 90 to 120 days
  □ 4 = review all in-work changes every 60 to 90 days.
  □ 5 = review all changes every 30 to 60 days.

Sum the Scores
1. __________
2. __________
3. __________
4. __________
5. __________
6. __________
7. __________
8. __________
9. __________
10. __________
11. __________
12. __________
    __________ Total

Readiness Scores
• Scores can range from 6 to 75.
• A score above 55 suggests probable success.
• A score between 40 and 55 suggests some risk of failure. Consider influencing the low scoring items during implementation.
• A score below 40 suggests a significant risk of failure. Consider working on the low scores before attempting implementation.
• Items 2, 4, 5, 6, and 7 have a big influence on success.