Efficient Business Processes

An Introduction to Process Mapping

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Operational Excellence

„Operational Excellence is when each and every employee can see the flow of value to the customer, and fix that flow when it breaks down." (Kevin Duggan, institute for operational excellence)

- Internal transparency & traceability
- High levels of customer satisfaction
  - Minimal costs
  - Quick response times

# Rationale for Operational Excellence

- Direct impact on the bottom line
    - Reduced operational costs
    - Higher client retention rate

- Dynamic effects
    - Expansion of potential market
    - Economies of scale

- Low-income market very price sensitive
    - Decisive for project success

Where to start optimizing?

- Goals:
  - High levels of customer satisfaction
  - Internal transparency & traceability
  - Financial sustainability

- Attributes:
  - Minimal costs
  - Quick response times
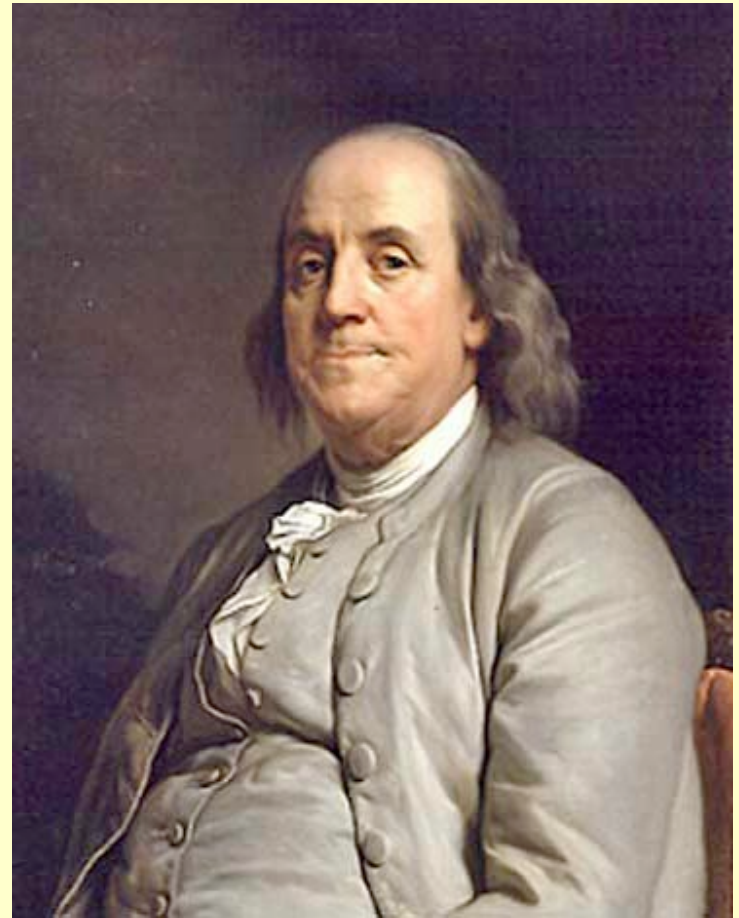 - Accurate decisions

Time and Money: Artist...
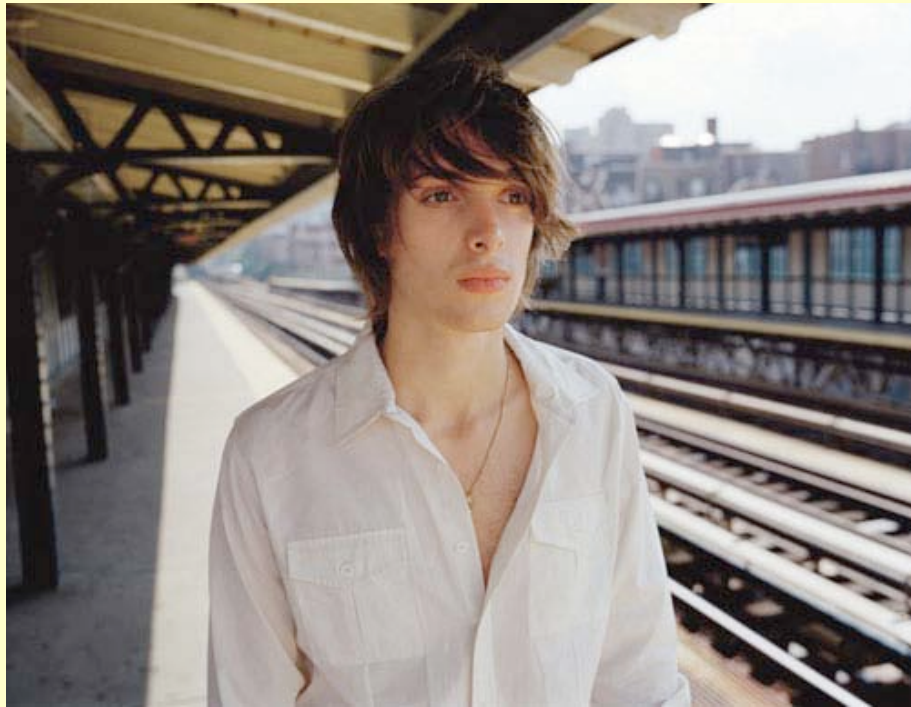
„Oh, short on money

But, long on time

Slowly strolling in the

sweet sunshine..."

(Paolo Nutini, song „new shoes")

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… **or Economist?**

„Remember, that time is money"

(Benjamin Franklin)

Solutions

- Use of technology
  - Enrolment: bar-code on policy, mobile phones
  - Premium collection: mobile banking
  - Client communication: text messages
  - Client identification: smart cards
- Optimizing existing business processes
  - Remove bottle necks
  - Cut out redundancies
  - Maintain adequate controls

Process Mapping in a Nutshell

Process:

- Tasks and procedures followed when doing business.

- Action with a start (input) and an end (output)

- Sequence of single, interrelated tasks (or process steps)

Process Map:

A graphic representation of processes, using symbols and arrows.

Process Map - Symbols

Start or Trigger /
End of Process

Process step
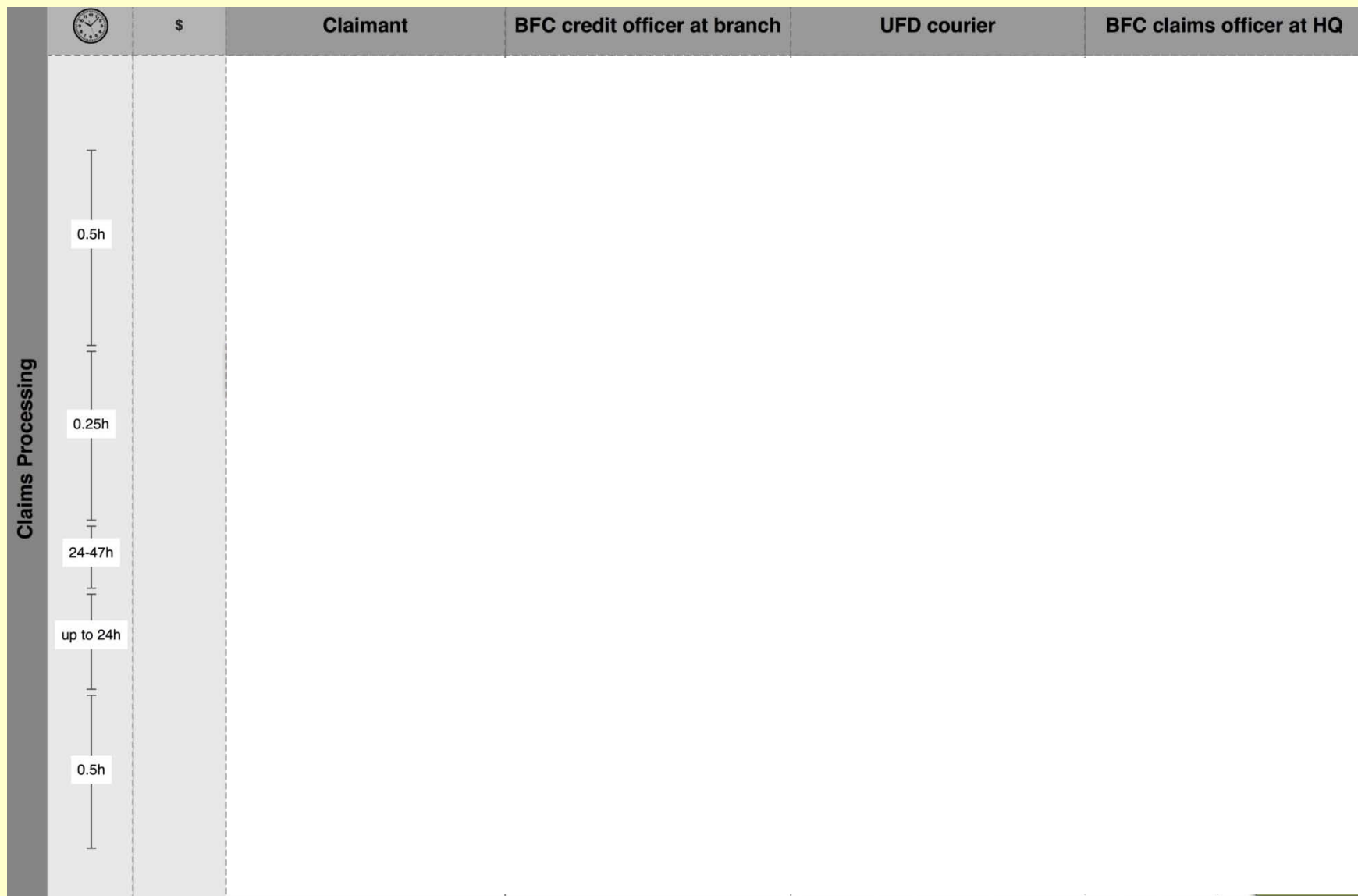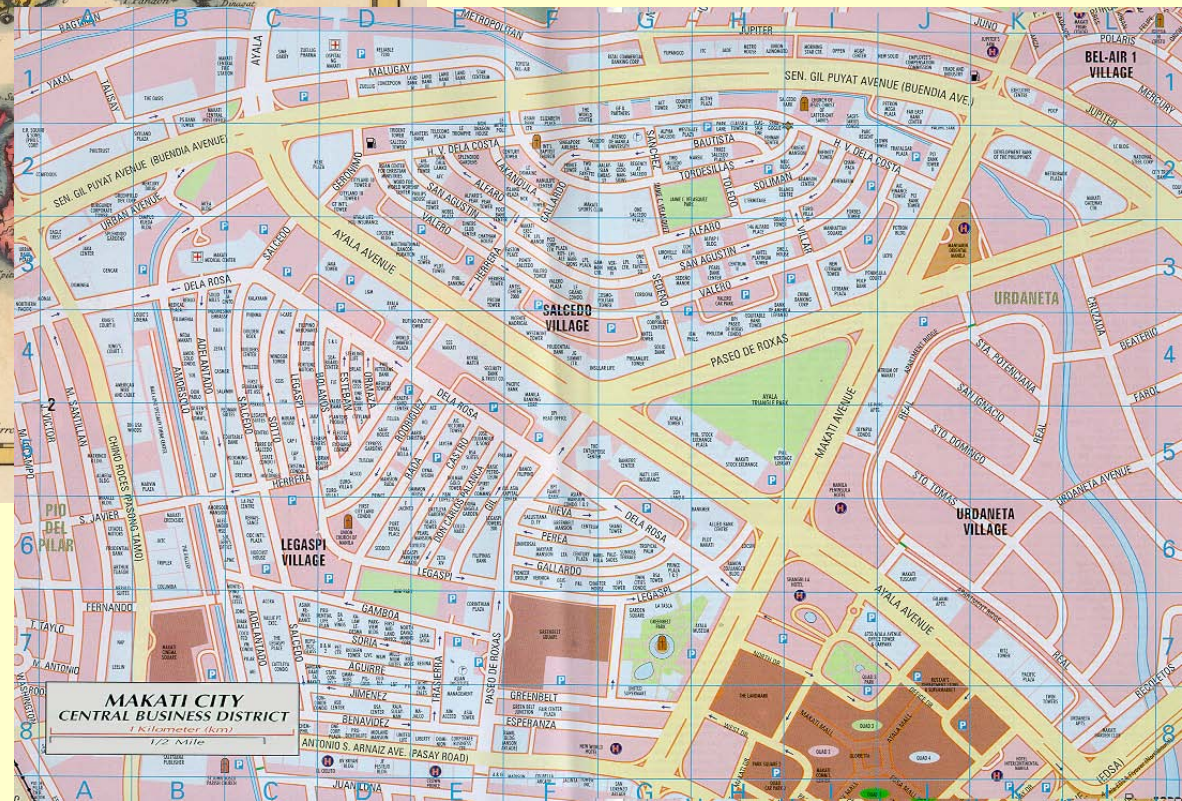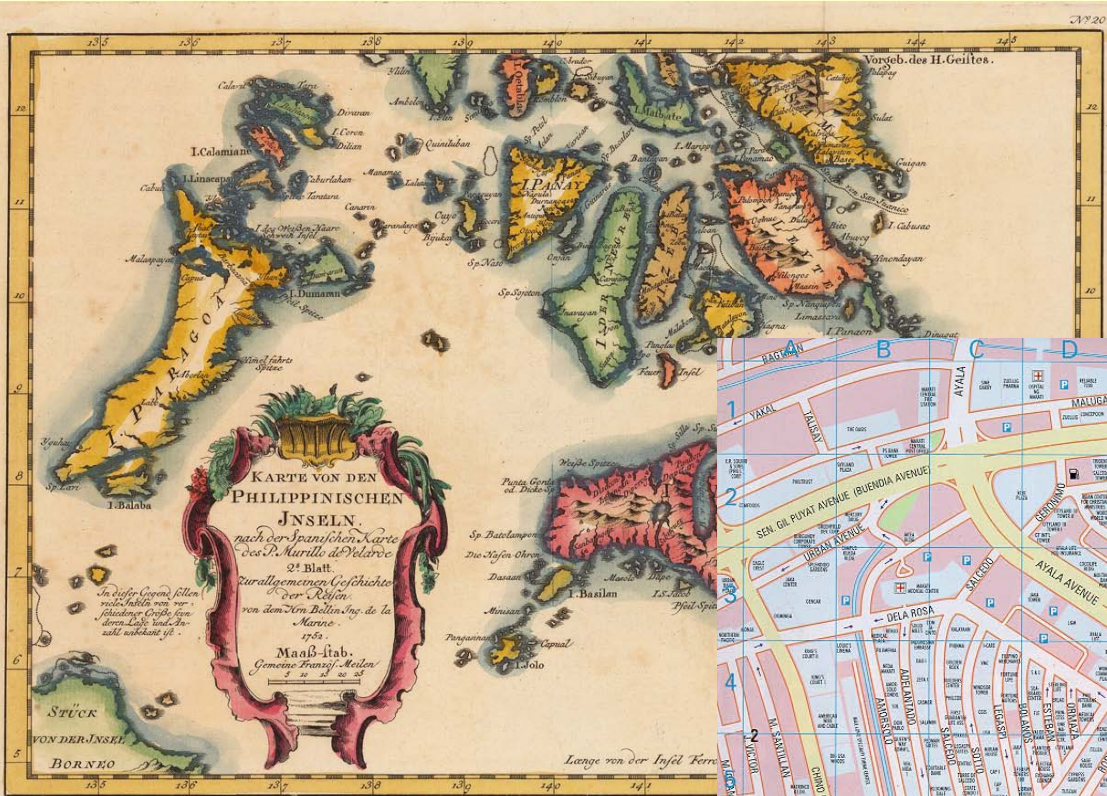
Decision

Database
MIS

Document
(hard copy)

Document (digital)

How a Process Map may look like

Claims Processing	⏰	$	Claimant	BFC credit officer at branch	UFD courier	BFC claims officer at HQ
	0.5h					
	0.25h					
	24-47h					
	up to 24h					
	0.5h					

A Picture is Worth...

(source: www.bergbook.com)

(source: www.asiatravel.com)

The Tool-Kit

Improving microinsurance through efficient business processes

A toolkit for understanding and improving practice with process mapping
(Draft version July 2010, v. 2.1)

Table of Contents

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- Practical Guide for beginners
- Looks beyond PM into analysis and improvements
- Currently tested in Bangladesh, Ghana, Kenya & Philippines
- Available in a few months

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Advantages of Process Maps

Shows much more than the sequence of steps

- who does it?

- what are inputs / outputs?

- what happens to documents and files?

- which systems are involved?

- how long does it take?
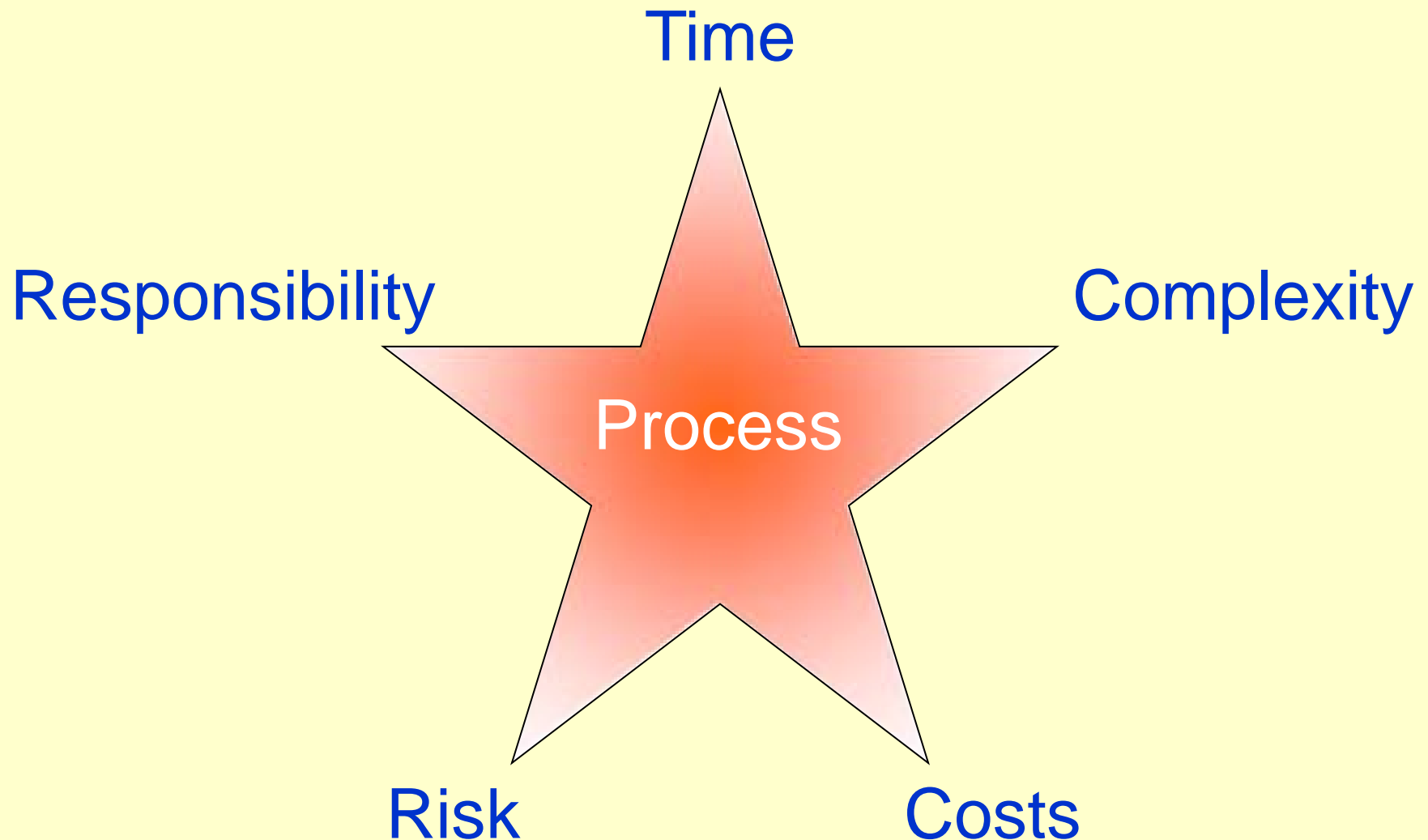
- how much does it cost?

Improving Processes

Frequent issues

- Duplication of tasks, e.g. check for completeness

- Multiple data entries to different systems

- Traceability

- Receipts and filing

- 'dead' time

- Physical transfer of documents

Process Analysis: 5 Dimensions

Use of Process Maps

Potential applications

- Design of new processes

- Basis for analysis and improvements

- Support in training

- Documentation for audits

- Basis for costing

- Accountability improvements

- Institutionalizing business processes

Take-Away

Process Mapping…

- helps (and forces) you to clearly understand how business is done

- serves as basis for analysis & improvements

- is ideally embedded into ongoing quality management system

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THANK YOU !