

PROCESS STUDIES: THE RIGHT TEAM AT THE RIGHT TIME

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BIOGRAPHY

Ginger Adams has more than 30 years experience in business management and administration, including 20 years in value analysis. Her VA study experience includes roads, highways, bridges, rail and transit facilities, government facilities ranging from border stations to federal office buildings to AAFES stores, petrochemical facilities, hospitals, and schools. In recent years she has become more focused on process studies, those assembled to solve critical problems related to procedural issues, timelines, costs, consensus building and, in one case, preventing a lawsuit.

In 1994, 1997, and 2000, Ms. Adams received a Certificate of Recognition from the Federal Highway Administration for her work as Team Leader on VA studies conducted for the California Department of Transportation. Ms. Adams was the *first consultant to ever receive this award*, and the only consultant to have received it three times. In 1993 Ms. Adams was awarded the SAVE “Presidential Citation” for her years of dedication and service to the Society. She served as President of SAVE International 1994-96, and in 1999 was elevated to the status of Fellow in SAVE.

ABSTRACT

It is impossible at the beginning of a value study to predict the outcome. We must wait for the process to work, and rely on the team dynamics to create the results. When everything goes completely right – the right team, the right information, a well-defined goal – the results can be phenomenal. This paper presents a case study of a value study on a management process, a study during which everything went right. This study was a VA study facilitator's dream, and is an excellent example of the power of the value methodology when applied to a management process.

INTRODUCTION

The process studied is known as Right-of-Way (R/W) Decertification. The process to decertify State property for sale to the public takes approximately twenty months, and requires coordination between the Right-of-Way and Design Departments, with input from a number of other functions. Because decertification staff work competes with project development priorities, the routing of the Memorandum of Availability (MOA) is often delayed.

The VA team (8 people) was requested to verify, and if necessary revise, the existing process flow chart, in order to validate why it takes twenty months to complete the decertification process. The team was charged with finding ways to reduce the timeline for decertification, and defining roles and responsibilities.

The VA team included individuals representing the agency’s local Right-of-Way, Engineering, and Design functions, and Headquarters Right-of-Way and Design.

PROCESS ANALYSIS

Prior to the study, the Team Leader developed a detailed flow chart of the existing process based on an outdated chart more than a decade old. At the VA study kick-off meeting, the study sponsors and VA team discussed changes in the process that have occurred in recent years, issues associated with the time it takes to complete the current process, and criteria for the team’s use in evaluating ideas generated during the VA study. The group also weighted the criteria, and used it to evaluate the current process, i.e., establish a baseline score, against which to compare the revised process at the end of the study. That evaluation is shown below:

Criteria	Unit of Measurement	Criteria Weight	Concept	Performance Rating										Total Performance		
				1	2	3	4	5	6	7	8	9	10			
Compliance with Law	Yes/No	33	Existing Process											10	330	
Transportation System Integrity	Degree of Impact	27	Existing Process								7			189		
Consistency / Fairness	Degree of Impact	20	Existing Process			3								60		
Efficiency	Length of Time	13	Existing Process		2									26		
Clarity of Rationale	Degree of Impact	7	Existing Process								7		49			
OVERALL PERFORMANCE			Total Performance	% Performance Improvement		Total Cost (No. of Months)		Value Index (Performance/Cost)		% Value Improvement						
Existing Process			654			20.5		31.90								
Revised Process																

Figure 1: Evaluation of Existing “Baseline” Process

The criteria was defined as follows:

- ♦ Compliance with Law: compliance with State and Federal requirements
- ♦ Transportation System Integrity: ability to deliver projects; depoliticizing project delivery
- ♦ Consistency/Fairness: consistency and fairness in application of the decertification process; ease of conveying what's required
- ♦ Efficiency: time it takes to complete the decertification process
- ♦ Clarity of Rationale: clarity of reasons behind decisions made; avoiding confusion

Continuing the Information Phase of the study, the team refined the flow chart, added roles and responsibilities, and timelines, to completely document the current process.

Using Function Analysis and Function Analysis System Technique (FAST) diagramming, the team and study sponsors defined several functions related to the decertification process. The FAST diagram shown below illustrates the team's consensus on the scope of the process.

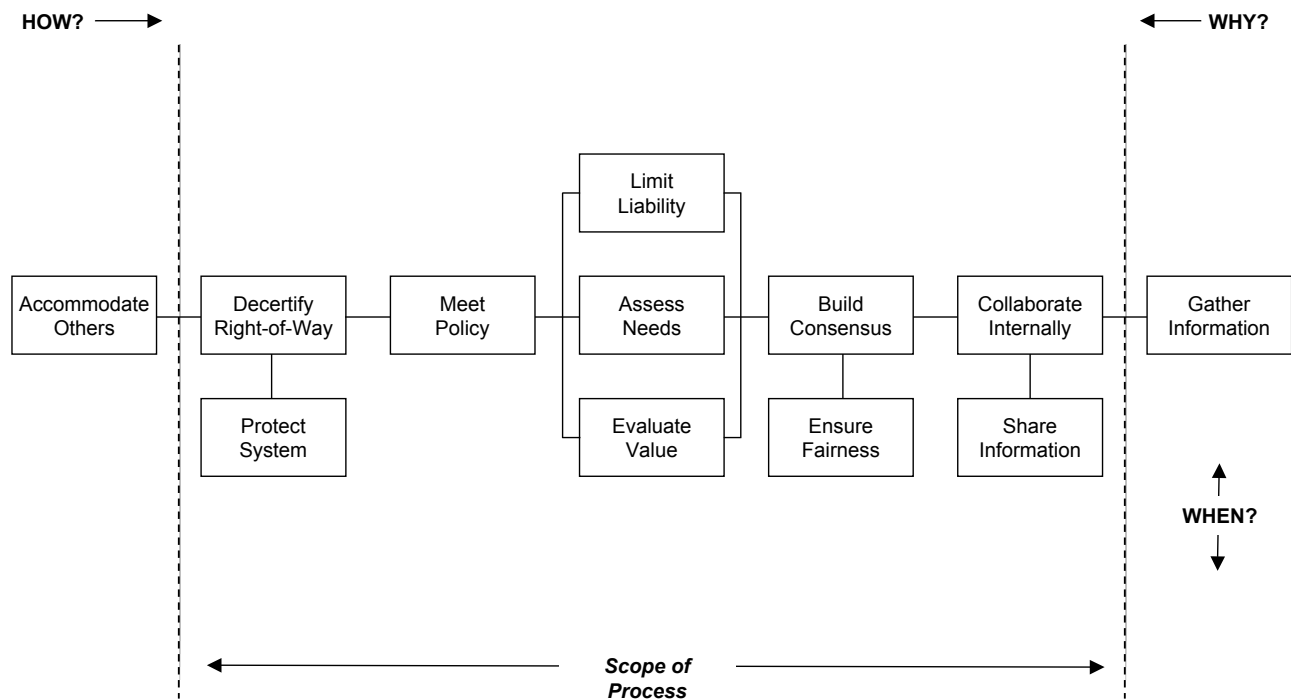


Figure 2: FAST Diagram

While the basic function of *Decertify Right-of-Way* appears to be quite obvious, it is important to note that *Protect [Transportation] System* and *Meet Policy* are key functions involved in the goal to *Accommodate Others*. The VA team referred to this logic diagram to ensure that the required functions are being performed as they developed and proposed revisions to the process flow chart. Relating the functions above to activities on the flow chart enabled team members to eliminate, modify, or add activities, as appropriate.

Prior to generating ideas for change to the process, the team also discussed factors influencing the timeline. Those include:

- ♦ Workload priorities
- ♦ Applicant responsiveness
- ♦ Department request for additional information
- ♦ Political pressure
- ♦ Functional units waiting on input from other functional units during evaluation of impacts
- ♦ Holiday season, vacations
- ♦ Manpower/resources
- ♦ Complexity of application
- ♦ Assertiveness of Lead in managing review times
- ♦ California Transportation Commission schedule
- ♦ Federal Highway Administration schedule and priorities
- ♦ Property valued at over \$1 million must be reviewed by Airspace Advisory Committee – could add 5 months to timeline
- ♦ Presence of hazardous waste in parcel

While some of these factors are outside the control of staff, several triggered ideas for improvement to the process.

During the Creative Phase the team generated twenty-three ideas for improving the decertification process. Of those, nine were evaluated highly enough to be recommended for implementation. This is where we deviated somewhat from the typical VA job plan, in that the team did not write up nine individual VA alternatives. Using the advantages and disadvantages identified, and the ultimate ranking of the ideas during the Evaluation Phase of the study, the team – as a group – refined the nine recommended ideas into concepts to be applied to the process flow chart.

THE IMPROVEMENTS

The nine recommendations, accepted by management for implementation into the decertification process, shaved seven months off the timeline for the process. Using the evaluation criteria defined by the team and the study sponsors, the VA team evaluated the overall process with the changes incorporated. The Performance Rating Matrix on the following page illustrates that the changes result in significant improvements over the previous process, particularly with respect to maintaining transportation system integrity and ensuring consistency and fairness.

Criteria	Unit of Measurement	Criteria Weight	Concept	Performance Rating										Total Performance	
				1	2	3	4	5	6	7	8	9	10		
Compliance with Law	Yes/No	33	Existing Process											10	330
			Revised Process											10	330
Transportation System Integrity	Degree of Impact	27	Existing Process								7			189	
			Revised Process									9	243		
Consistency / Fairness	Degree of Impact	20	Existing Process			3								60	
			Revised Process								7	140			
Efficiency	Length of Time	13	Existing Process		2									26	
			Revised Process								8	104			
Clarity of Rationale	Degree of Impact	7	Existing Process								7		49		
			Revised Process								8	56			

OVERALL PERFORMANCE	Total Performance	% Performance Improvement	Total Cost (No. of Months)	Value Index (Performance/Cost)	% Value Improvement
Existing Process	654		20.5	31.90	
Revised Process	873	33%	14	62.36	95%

Figure 3: Revised Process Compared to Baseline Process

The most significant change to the process was the creation of a “Lead” position, an individual who is responsible for following a decertification through the process from beginning to end. It is important to have this focal point because of the tremendous amount of coordination required between all the functional units who have input on a given decertification.

In terms of reducing time, a recommendation to request deeds earlier shortened the process by 2-1/2 months. Prior to the VA study, deeds were not requested until a decertification was approved. If the deed request went to Right-of-Way Engineering earlier, it would sit in a “to do” stack and work its way to the top while other decertification activities were occurring. The revised approach recommended by the VA team will require that a mechanism be put in place so that when the Right-of-Way Engineer gets to the deed, he/she will contact the Lead to determine whether or not they should actually begin work on it (rather than waiting for notice of an approved decertification). The risk associated with this approach is that time may be spent on a deed that is not needed, if for some reason the decertification is cancelled.

Several activities were identified which may be overlapped, or started sooner in the process, and these shaved another month and a half off the process time.

The Memorandum of Availability (MOA) was typically circulated at the end of the process as one last check with all the functional units that it was okay to let the property be sold. The VA team recommended eliminating that step for decertifications, and asking the functional units to give the “okay” at the same time that they evaluate the technical aspects of the decertification. If any functional unit raises a red flag at that time (e.g., hold the property for a year), the Lead can go back and double check with that unit at the end of the decertification process. Implementation of this change took another month off the process timeline.

Another huge benefit of the study, not identified with the evaluation criteria or performance rating matrices, was the communication and cooperation between Headquarters and District staff to effect the changes. The people who implement the process on a daily basis at the local level were working side by side with the people who set policy at the Headquarters level. The chemistry on this VA team was the best I’ve ever witnessed, with each and every individual contributing throughout every part of the study – without regard for position within the Agency.

As is the case with most procedures in offices, things evolve over a period of time and eventually reach the point that no one really knows why they’re done a particular way. Rarely do workers question whether what they’re doing is based on policy, regulatory requirements, or folklore. One individual’s whim may change an entire process, just based on a personal preference, yet have a lasting and far-reaching effect.

Bringing together the people who implement the decertification process on the local level with the management representatives from Headquarters who can approve recommended changes helps to identify some of the folklore, and even some of the policies, that are no longer applicable in the current environment.

KEYS TO SUCCESS

Adaptability is probably the biggest factor contributing to the success of this VA study. The Value Methodology is a very flexible and adaptable approach to solving problems. When it was originally developed by Larry Miles, the problem was a shortage of available materials. When VA was later adopted by the U. S. military, the focus of the methodology was saving money. Over several decades, VA has been tried and proven on products, construction projects, and processes and procedures. While the basic methodology is the same, regardless of the application, the VA tools are adapted to the problem at hand. In the process study described here, for example, instead of writing VA Alternatives in the Development Phase, we modified the process flow chart to incorporate recommended concepts. The post-VA flow chart became the team’s VA Alternative.

For a process VA study, pre-study work for the team leader is somewhat more extensive than for a study on, say, a construction project, in that a flow chart for the existing, baseline process must be developed to use as a starting point. Additional information is needed during the Information Phase for the VA team to refine the flow chart so that they “own” it.

And one of the biggest differences in a process study is the team members themselves. Contrary to a project study, where the preference is to have all or most team members who have no involvement in the project, a process study stands a much higher chance for success if the people who *own* the process are on the team. When these people go through the VA Job Plan, when they experience function analysis and FAST diagramming, and then have a basis for suggesting change, they put themselves in a position of owning the changes and, consequently, making them happen. Although it was not the case in this particular study, it is not uncommon to bring in an outside expert in the process to help the process owners see things from a different perspective.

Finally, it is not unusual to have one or more breaks between VA team meetings for purposes of research and investigation, i.e., to “sound out” some of the proposed changes with coworkers and/or management staff before recommending their implementation.

CONCLUSION

The important thing to remember when applying VA to a process or procedure is to use the structured, logical approach we know as the Job Plan. Adapt the tools within the phases of the Job Plan as needed, but don't omit any of the phases. Recognize that there is no prescribed number of days for a VA study; that too should be adapted to the problem at hand. And staff the VA team with people who know the current process, along with its pitfalls and successes, and who will be responsible for implementing any changes that result from the VA study.