



5 Tips to Get Your Process Excellence Program on the Fast Lane to Strategy Implementation in Financial Services

Process Excellence programs in Financial Services companies are under increased pressure to clearly demonstrate the value that they bring to the business. Process Improvement initiatives that have ‘fuzzy’ benefits and/or do not obviously support the strategic goals of the company are at risk as business stakeholders do not see how process change impacts on company performance.

In an ideal world, business strategy should give focus and provide clarity to the goals and objectives of business processes. Business operations and processes, in turn, should be geared towards making business strategy a reality.

But ensuring that Process Excellence programs realize strategy is not always so straightforward. According to a 2014 PEX Network survey, 23.1% of process professionals say linking process improvement with top level business strategy is their biggest challenge. (Source: [‘Drive Strategic Performance through Process Excellence’](#)). So here are five tips to get your process excellence program on the fast lane of strategy implementation.

Tip #1: Start with your business strategy, not your processes

It sounds so simple doesn't it? But it's easy to suffer from process myopia. You hone in on what you think are the most important or most broken processes and focus on fixing those first. You get caught up in the daily grind of "getting things" done or complying with the latest round of regulations that you lose sight of the bigger picture. Worse, your company views process excellence as an exercise in documentation – mapping your processes becomes the goal rather than the means to the end.



Focus on your business strategy to decide where to go

Instead, it's important to take a step back and understand the wider perspective. What are the strategy and goals of your company? Which processes are most important to moving the dial on performance? Which process improvements will make the most significant impact?

Once you have answered those questions, you've made a significant step towards aligning your process excellence program with your business strategy. Not sure where to start? See tip #2 – Use customer feedback – for inspiration.

Tip #2: Use customer feedback to identify broken processes

Improving the customer experience has been moving up the agenda for financial services companies for years. And for good reason.

Businesses need to retain and attract new customers in order to grow. In addition to having the right mix of products and services, the ability to deliver those products and services effectively to your customers is critical to supporting business performance. According to [Bain & Co. Consulting](#),

for instance, companies that excel in customer experience grow revenues at 4-8% above their market average.

This is all the more salient for Financial Services firms. According to a 2015 Forrester Report, “the financial services sector’s greatest opportunity for revenue growth does not hinge on its ability to simply provide new products or through geographical expansion but rather the ability to deliver high quality and transformative customer experience.” (See [Overcome Document Communication Roadblocks to Boost Customer Experience](#).)

That’s why customer feedback and understanding your processes from your customer’s perspective is a gold mine of information. Most business strategies will be linked in some way to growing the business (and by default, therefore, attracting and retaining customers) so process improvements that focus on making it easier for your customers to buy from you – and to enjoy doing it! – are likely to be implicitly linked to business strategy.



All roads lead to the customer

Tip #3: Prioritize, prioritize, prioritize

Now that you've identified which processes contribute most to "moving the dial", now comes the job of follow through. Be disciplined about what you work on – there are always so many competing initiatives and problems vying for your attention that it is easy to get sucked in to process problems where you won't see the biggest rewards.

There are specific methodologies and approaches you may want to consider using in order to prioritize initiatives. See, for instance, this article on [using prioritization matrices](#) to determine which approaches or initiatives to pursue in improvement projects.

Ultimately, though, it comes down to ruthlessly ensuring that you've honed in on what will help your business achieve its goals.



Don't let yourself get distracted by all the other "noise" you'll encounter

#4: Ensure that your process Key Performance Indicators (KPIs) accurately reflect your strategic objectives

You get what you measure is an old management maxim. To make day-to-day performance of operations and processes visible, companies rely on Key Performance Indicators. These are values that measure different parts of a business in order to



Are your KPIs taking you where you want to go?

illuminate an aspect of performance. For instance, process KPIs might include cycle time, cost, defects, work status, etc. How long does it take to do something? How much does it cost? How many things go wrong?

One mistake that organizations can make is to measure everything. Too many metrics can be as much an issue as too little. You want to help your employees focus in on what matters most to business performance. Handing them a pile of data and expecting them to be able to make intelligent decisions off the back of that data is optimistic thinking. Instead, it's critical to think through what data employees need in order to make decisions that impact on business outcomes

Another common mistake is to design KPIs and then not revisit them. It is necessary to continually review your KPIs. This is to adapt them as business strategy and objectives change, but also to make sure that your existing KPIs are not leading to unintended consequences. (For instance, by focusing on speeding up one part of the process are you leading to bottlenecks down the line?).

#5: Support line of business managers to lead process excellence projects

Many effective process excellence departments within companies operate a “franchise” model. The process excellence experts provide support to line of business managers (the “franchisee”) who undertake

process improvements within their department. By supporting business managers to take on

ownership of process improvement – i.e. franchising it -= process excellence becomes something that the business does rather than something that is “done to” the business.

Not only should this approach help to ensure that process changes are sustainable and work in the long term, but line of business managers are most likely to be keenly focused on improving processes that help them best achieve their business targets and goals. Additionally, by mentoring and coaching line of business managers to lead their own improvements, you’re building up important capabilities and skills that will help foster a culture of continual improvement.



Put your line of business managers in the driver's seat

Operational Excellence in Financial Services

March 07 - 09, 2016 - Marriott at the Brooklyn Bridge, Brooklyn, New York

Find out more: Go from passenger to driver in
your quest for operational excellence



Operational Excellence in Financial Services NYC

March 07 - 09, 2016

Marriott at the Brooklyn Bridge, Brooklyn, New
York

<http://www.opexinfinancialservices.com/>

FEATURING:



Joyce Wells

Senior Vice President of Strategy, Transformation
and Execution Leader Shared Services
Citi



Jon Theuerkauf

Managing Director and Head of Performance
Excellence
BNY Mellon



Gunilla Sundstrom

Director, Global Sourcing, Global Head Process &
Governance
Deutsche Bank



Jaclyn Ryan

Vice President, Strategic Planning & Business
Intelligence - Enterprise Growth
American Express

Contact us on +44 0 207 368 9809 or email enquire@pexnetwork.com

[Click to Download Agenda](#)