



Smooth Operations = Happy, Productive Employees = Good Business

By Rebecca A. Morgan
Inc.com • 2004

Your employees are affected by internal structures and processes more than you think. Get your operations in line, and employees will fall in line, too.

The owner of a small company recently complained to me that his employees were the source of most of his company's problems. They are not motivated, not dependable, make stupid mistakes, and just don't care. And worse, he can't find anyone in his area that is any better.

Within a week of that conversation, I talked with another owner of a similar business located within a mile of the first. Amazingly, he bragged how his employees are a real source of strength to his company. He described their reliability, their ability to make good decisions, and their commitment. "They care as much about the customer and about our company as I do," he said with pride.

Did the first owner hire local lazy good-for-nothing idiots, and the second owner hire commuting hard-working smart mature adults? Hardly. The difference was not in the people they hired, but in the companies they ran. The first made a simple business complicated through disorganization, unclear processes, and amorphous goals. The second made a more complex business simple through the opposites. The second business owner put his employees in a position to succeed. And they have.

It is highly unlikely that you have hired an entire staff of stupid lazy people. It is equally unlikely that your employees enjoy wasting time, making mistakes, or doing a bad job. It is more probable that the processes used to operate your business are not well defined, nor well understood by your employees. You may have made some hiring errors, and there are ways to correct that. But the key to unlocking the potential of the majority of your employees is to develop processes that allow them to succeed in meeting clear goals. That is why, when faced with poor employee decisions, confusion, and ineffectiveness, look first to process, then to the understanding of those processes gained through training, and only after that to the people themselves.

What is obvious to you may not be obvious to everyone else. That is where well-defined business processes come in. Good processes make it easy to do a good job. Once trained in how a good business pro-

cess works, an average employee can succeed. That same employee can struggle mightily in a confusing complex system.

One vice president of marketing for a mid-sized company once told me "it's people that are important, not process." People ARE important. That's why owners and managers should take obstacles and sources of consternation out of the way through the development of effective processes. Certainly, with extensive effort, excellent employees can overcome bad process. But why make their jobs that difficult? The average employee can do quite well with good process. It is up to you to ensure that good processes are in place and that your employees are well-trained in those processes.

So how do you initiate a process focus? By understanding business process, by beginning to think process, and by identifying your business processes. Processes are not the same as departments, or as tasks. Processes are goal-oriented, not task-centric. Processes are sets of activities that convert inputs into outputs to accomplish a specific purpose. Accounting is a department, not a process. Managing cash flow, providing meaningful information for decision-making, and compliance with tax laws may be processes largely executed by employees you call "Accounting."

Effective business process focuses on the purpose rather than the task, and that can make a big difference in how employees behave. Let's look at a common example. Most companies have some form of employee annual performance review. Looking at it through three different lenses -- task, function, and process -- gives three distinctly different views.

Continued on back



Contact Rebecca A. Morgan at:
Fulcrum ConsultingWorks, Inc.
voice: 216-486-9570
fax: 216-486-9922
cell: 216-210-9109
morgan@fulcrumcwi.com
www.fulcrumcwi.com
© 2007 Fulcrum ConsultingWorks, Inc.

Task: A thing to do - “annual review form”

Function: Specialization of labor - who runs it - “demand from HR department”

Process: The goal of a set of activities - “employee retention and development”

When the annual review is perceived as a problem, those same three views lead to very different conversations.

Task: “These forms are a waste of time; can’t you make them shorter?” (no focus on the purpose, but rather totally on the task)

Function: “I fill out this stupid form for HR, but my employees aren’t getting any better.” (focused on the problem being a different department’s responsibility)

Process: “The employee development and retention process is not effectively helping my employees develop the strengths they need. We need to examine how this form supports their development.” (focus on purpose of annual review, on the form only as it relates to the overall purpose, and on HR as a coordinating agency.)

The process conversation is much more likely to lead to improved outcomes because it focuses on the “why” of the activity rather than the task itself. A first step to process thinking is to ask “why” before worrying about “how” or “who.” Once the purpose is clear, the mechanics can be more easily and logically defined.



Contact Rebecca A. Morgan at:

Fulcrum ConsultingWorks, Inc.

voice: 216-486-9570

fax: 216-486-9922

cell: 216-210-9109

morgan@fulcrumcwi.com

www.fulcrumcwi.com

© 2007 Fulcrum ConsultingWorks, Inc.