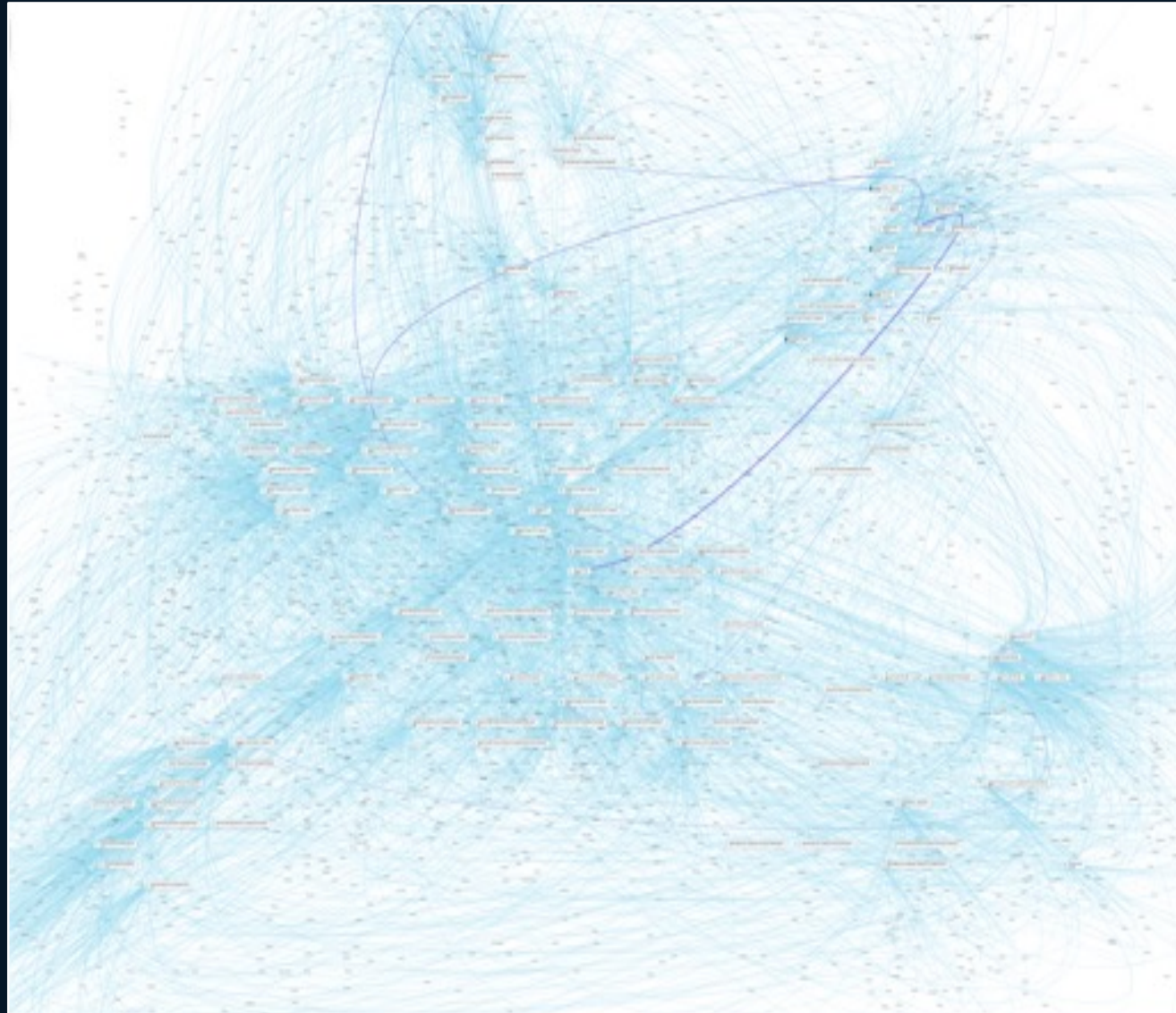


Process Excellence

—
Atlantic SAP User Group Meeting
October 2022



Guess the picture?



Introduction & Agenda



Debarshi Naha

Data, Technology and Transformation,
IBM Consulting

What I would talk about ...

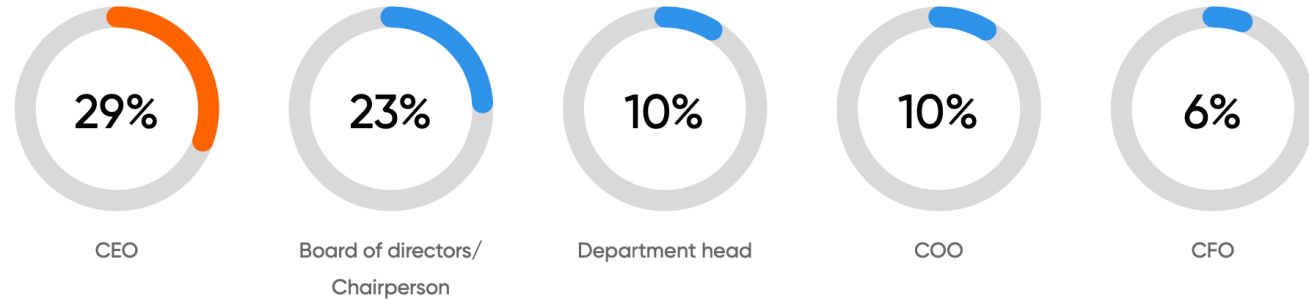
- **Process Excellence** - Key Imperatives and Tenets
- IBM PEX Framework
- The New Data Driven Paradigm for Discovery
- Success Stories

Transformation is a Key Imperative for C-Suite

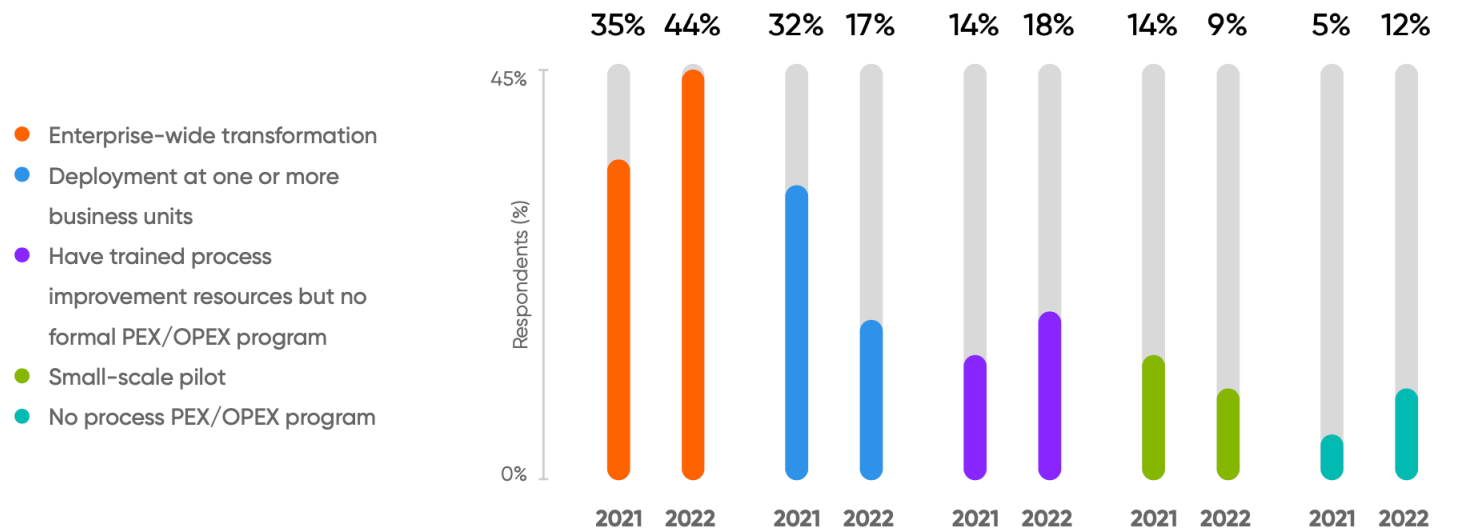
Business Transformation programs are increasingly being sponsored by top CXOs in the organization, bringing a strategic mandate across the businesses.

Q: Who is the main sponsor of your business transformation program?

Top five survey answers:



Q: Which of the following best describes the current scope (2021 onward) of the PEX/OPEX deployment at your company?

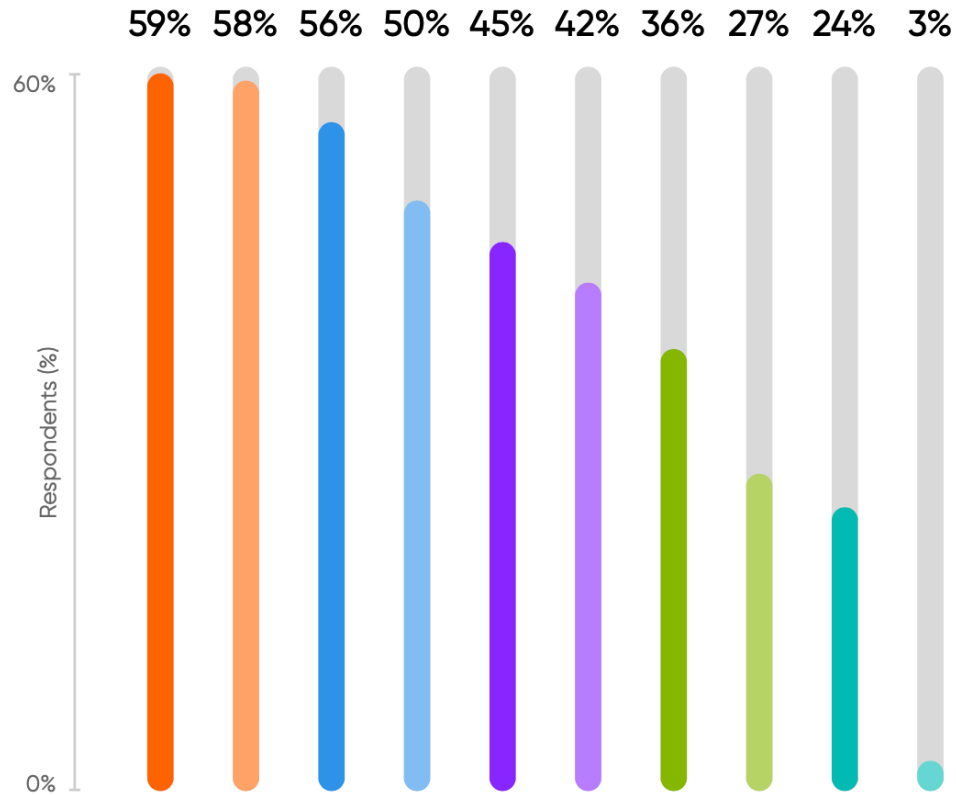


Source - [PEX Report 2022](#)

Top priorities for Transformation Programs

Q: Which of the following best describes how your company views OPEX and business transformation?

- A way to improve productivity and efficiency
- A mission-critical strategy to help the organization to drive growth, manage turnaround and deliver strategic objectives
- A way to improve customer satisfaction through better quality and efficiency
- A way to automate processes
- A way to reduce operational cost or reducing headcount
- A way to manage business risks and ensure business continuity
- A way to deliver culture and leadership change across an organization
- A way to adapt to remote working/hybrid work models
- A way to ensure compliance with regulatory regimes
- Other



Improving KPIs through greater efficiency, optimized cost of operations, reduced risk and increased automation – remain the top priorities for process excellence programs, which will also result into greater customer satisfaction and hence increased business and revenue.

Source - [PEX Report 2022](#)

Six Tenets to Drive a Successful Transformation

The essential foundational elements of Process Excellence to help drive a transformation journey

1

The Transformation Agenda

Align with the theme. Identify the KPIs



2

The Repeatable Journey

Define Process Excellence Roadmap



3

The Value Framework

Plan for Operationalizing the PEX framework



4

Optimization & Automation

Define “Zero Touch Automation” goal



5

Operating Model & Governance

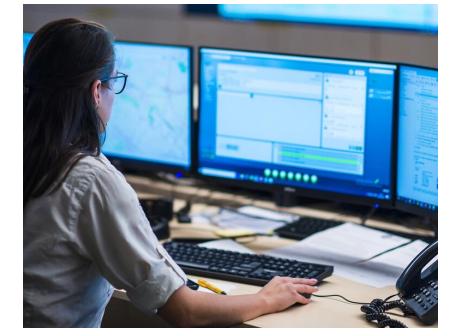
Establish Value Orchestration Office



6

Sustained Value Orchestration

Continuous Improvement. Community Adoption



Process Excellence in the age of digital transformation

Leverages Data Driven Process Discovery Process Mining and AI/Automation technologies to drive greater business efficiency and superior service experience

Enterprise Priorities



Engage Customers & Citizens



Modernize & Manage Core Business Operations



Transform Talent & Future of Work

Process Excellence Dimensions

1



Discover

Data-driven Process Discovery

2



Reimagine

Process Modernization

3



Automate

Intelligent Automation at Scale

4



Observe

Process Observability and CI

Get an x-ray view of the business processes. Understand process bottlenecks causing business inefficiencies leveraging data.

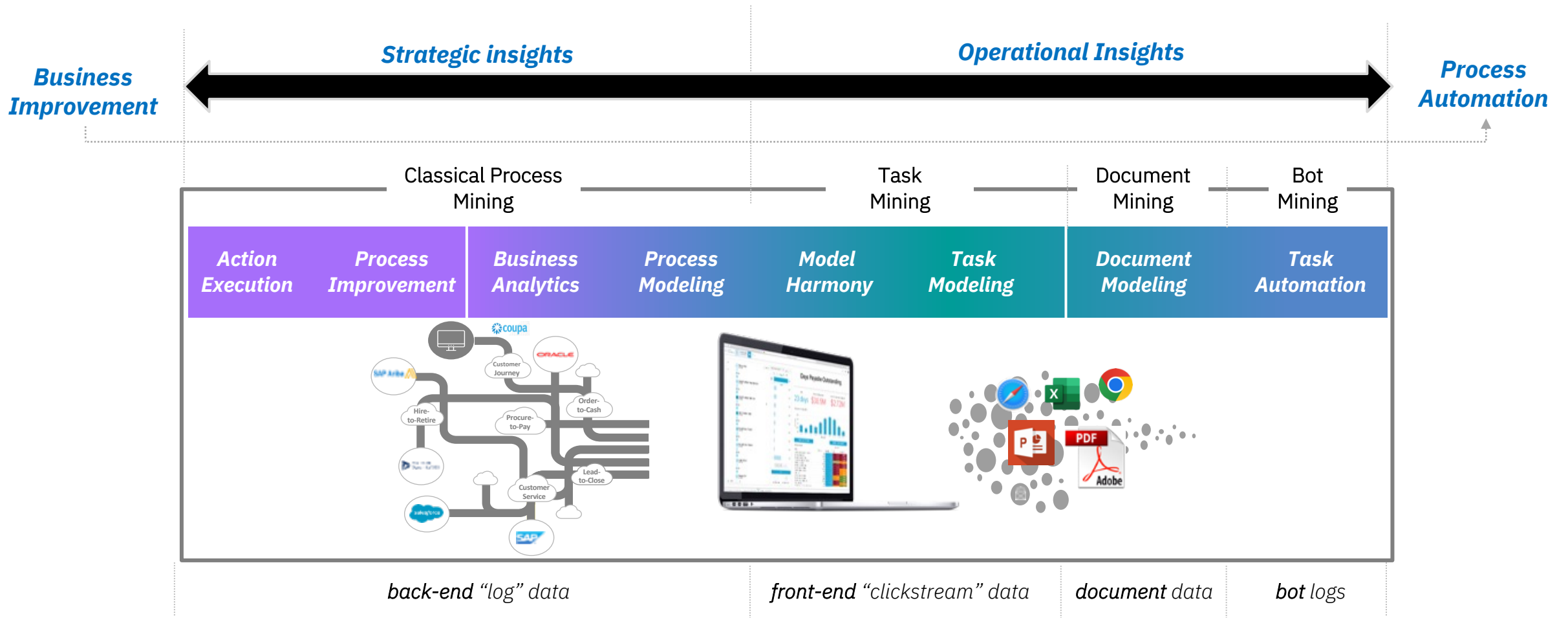
Eliminate inefficiencies and standardize. Reimagine the future-proof process. Align application modernization roadmap (e.g., S/4 Hana) with process transformation plan.

Apply exponential technologies for highest process efficiency and best experience with AI, Automation and Analytics

Operationalize business KPI monitoring - assess business process performance against benchmark. Ensure process compliance. Institutionalize continuous improvement

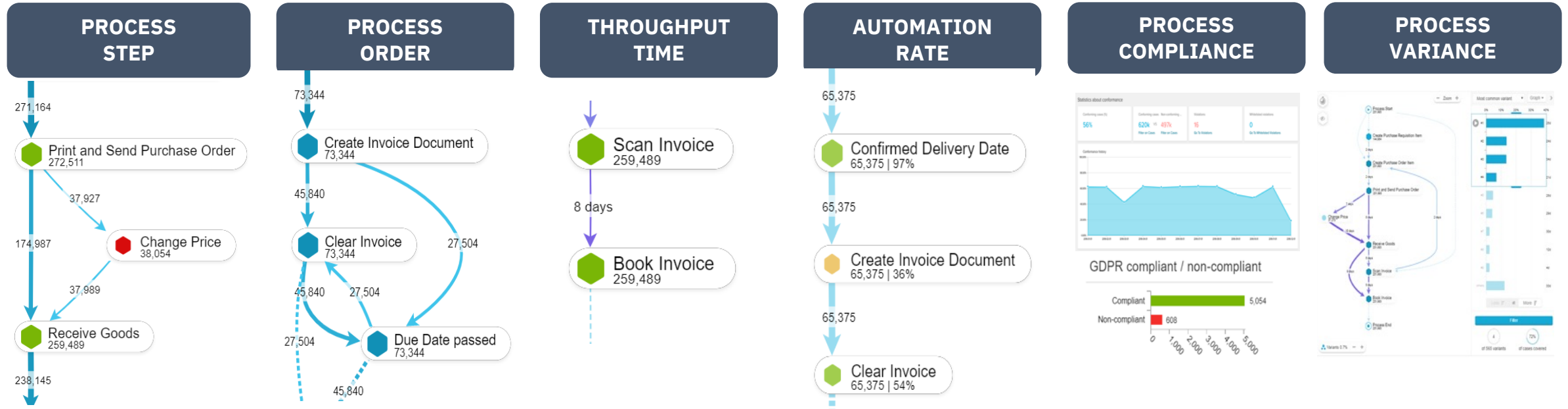
Data Driven Discovery - New Paradigm to mine process meta data ...

An entire spectrum of tools and platforms are available to provide insight from source system logs, click streams, process documentation and bot logs.

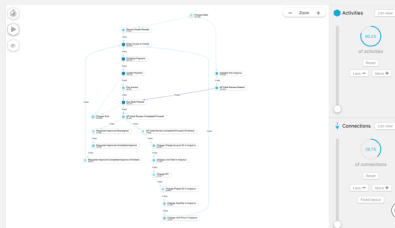


...that can provide Deep Insights to Drive Process Excellence

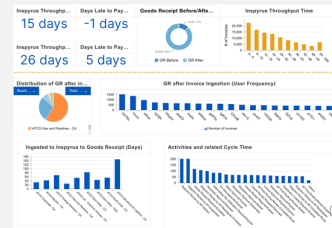
Insights that can help Identify automation opportunities within the process, uncover inefficiencies in manual work patterns outside the transactional systems, optimize the human & bot workforce



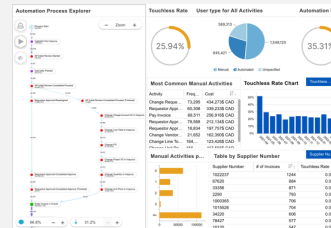
Customize Analytics Instruments



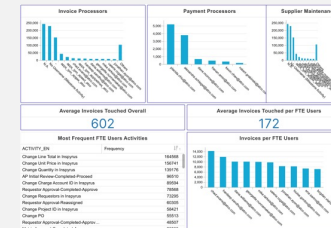
Process Explorer



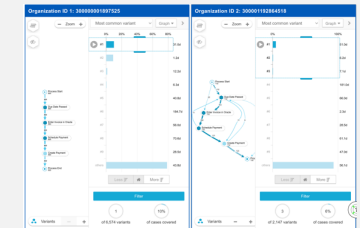
Cycle time



Touchless Rate



Transaction /FTE

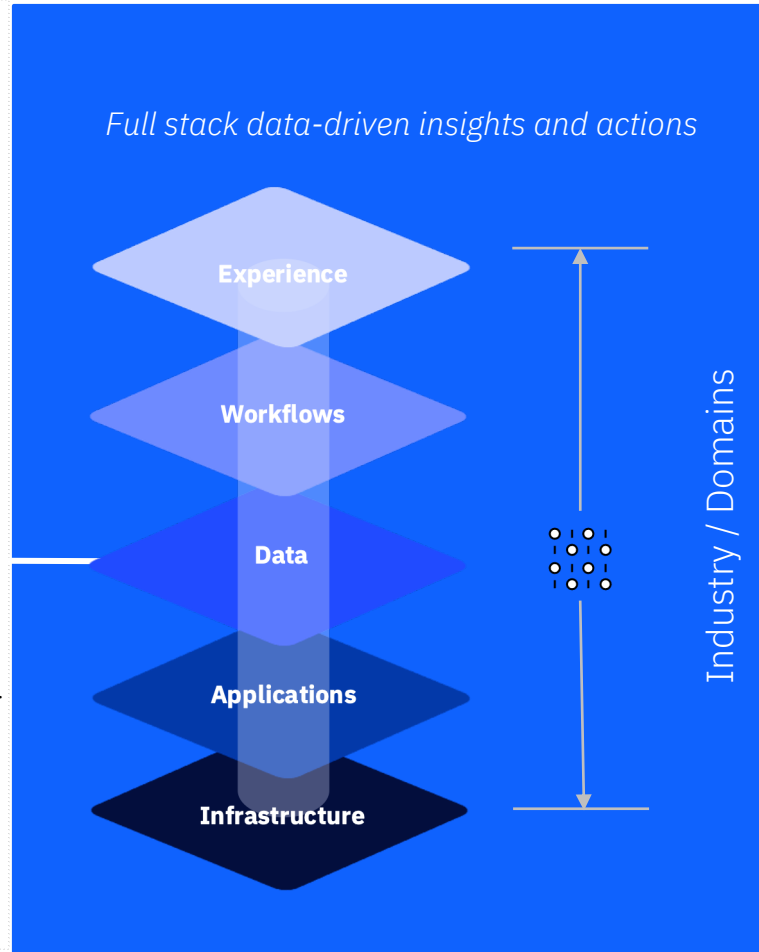
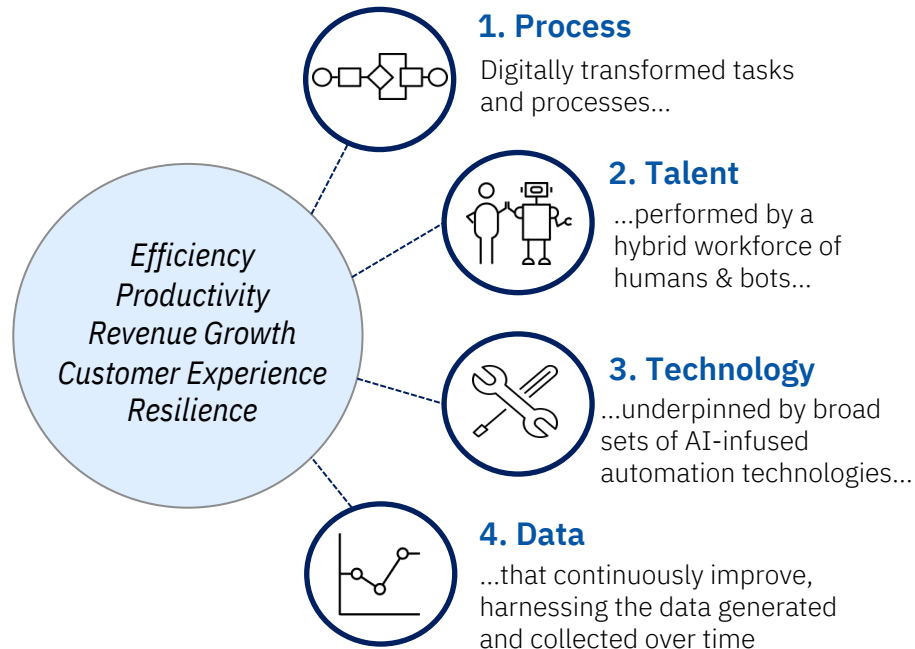


Benchmarking

Extreme Automation enables Process Excellence

A full stack data-driven insights and actions drive pervasive use of automation and AI to enable a hybrid workforce of human and bots to enable the journey.

Highly automated straight-through “touchless” processing with minimal, if any, human involvement.



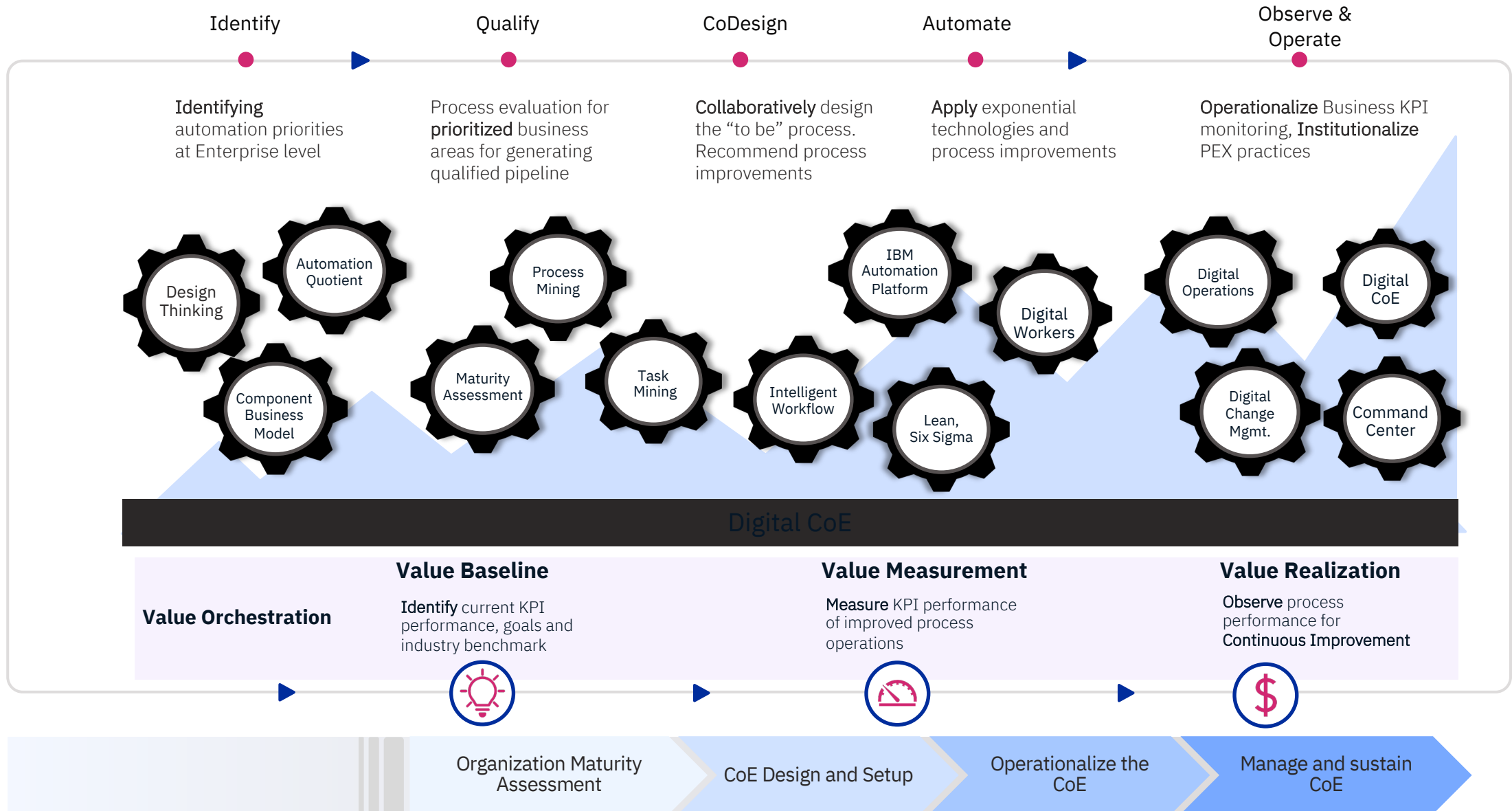
Shift from...

“People running processes supported by Technology”

To...

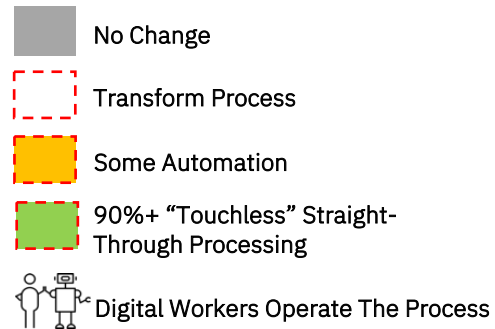
“Technology running processes supported by People”

Sustained Value Orchestration



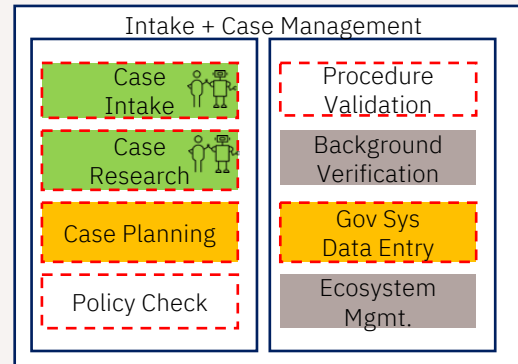
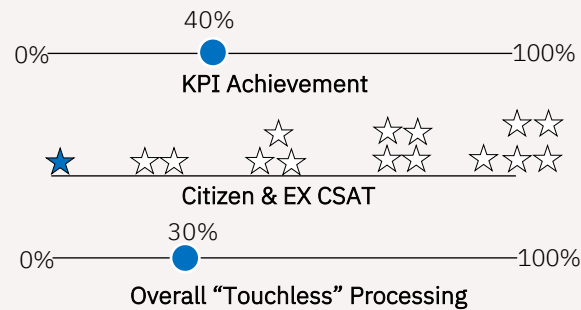
Government Child Welfare Case Worker Intake & Case Management

Up to 60% of child welfare case workers leave in the first year. Children who have a single case worker have up to a **70%** chance of adoption or reunification. Children who have **more than one case worker only have between a 1-17% chance** of getting out of the system 😞



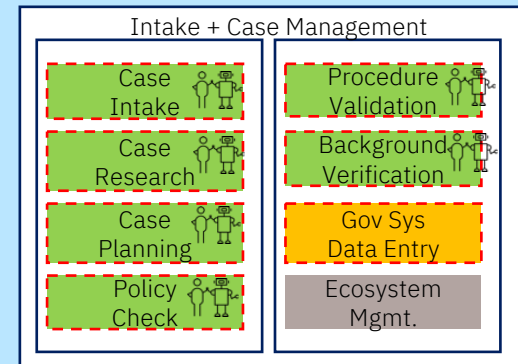
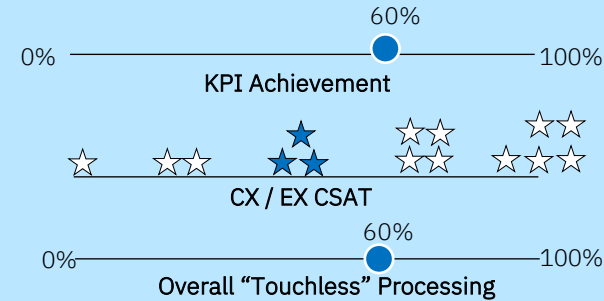
1 Focus on manual task reduction

Reduce the amount of manual data entry a caseworker is required to perform, such as entry of written case notes into agency systems, policy and form look-up, and manual processing applications, such as relative placement or foster home applications.



2 Reduce case processing time to days, not weeks

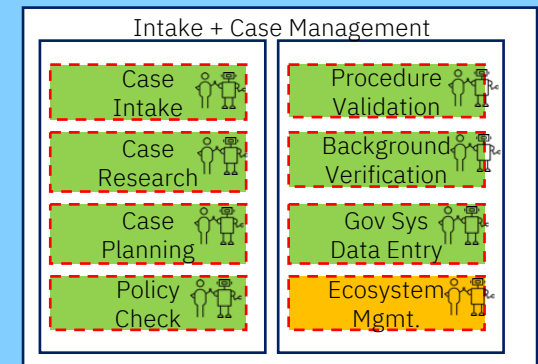
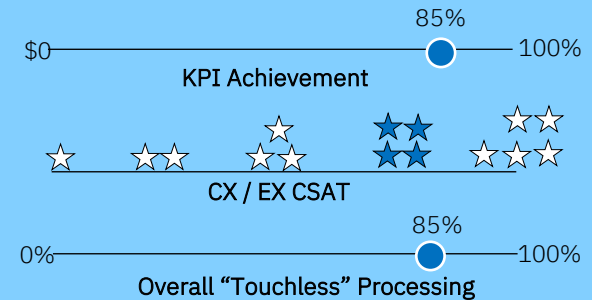
With case intake automate, we then focus on reducing the amount of time – from weeks down to days – to process a relative or foster home placement and increased compliance with required documentation tasks and policy provisions.



3 Transformed case worker experience and child outcomes

Outcomes include:

- CCWIS Final Rule Compliance
- Significant decrease in case worker attrition saving up to \$70,000 per worker annually
- Optimized employee experience to attract a new workforce
- Increased permanent home placements for children



Multinational Consumer Goods Company

Zero Touch PO Fulfilment

Challenge

Inefficient complex process with unoptimized implementations impacted business KPIs with a very limited automation in place for PO fulfilment process. PO fulfillment process was a centralized deployment that catered to 85 countries delivered across 4 delivery centers covering 18 languages.

Source system: SAP & Coupa

Solution

12-weeks discovery engagement to define the No-Touch automation solution that leveraged Design Thinking Led Process Discovery enabled by Process Mining and Task Mining. Build a 360-degree digital twin of the process with associated analysis instruments were built to analyze 70 sub-processes.

The engagement finally resulted high level Solution Architecture and the roadmap towards zero touch automation.



70

Sub processes
Assessed

~200k

Hours/year of as-is effort
Assessed

33

Sub processes
Qualified

400k+

PRs analyzed via
Process Mining

85

Countries of PR
data analyzed

8

Key Business KPIs
Measured

14+

User **desktop data**
analyzed in Task Mining

Estimated KPI impact:

40%

Overall **Potential Savings**

40%

Reduction in TAT for PR approvals

20%

Reduction in Post Facto PRs

90%

Up to **Automation potential**

European Oil and Gas company

Accelerate SAP S/4 Transformation Leveraging Data Driven Discovery

Challenge

Lack of process visibility and transparency standardization in their legacy application and had limited to no access to backend systems coupled with minimal documentation for their Enterprise Asset Management function.

Solution

Process Mining of Enterprise Asset Management function across 9 process areas and 5 systems including SAP, with broad scope of Process Discovery, Process Improvement and Process Automation. Process Mining Squad supported the transformation journey with flexibly being involved in deeper engagement with refineries and better insight on local business needs.

The squad also leveraged to provide data driven insights for the design of new processes, roll-out new systems and measure performance and adoption. Closely aligned with SAP transformation and Change management teams to incorporate Process insights ensuring overall transformation success.



9

Key Processes Assessed

2X

Times Improved Lead Time

53%

Improvement in Conformance

30%

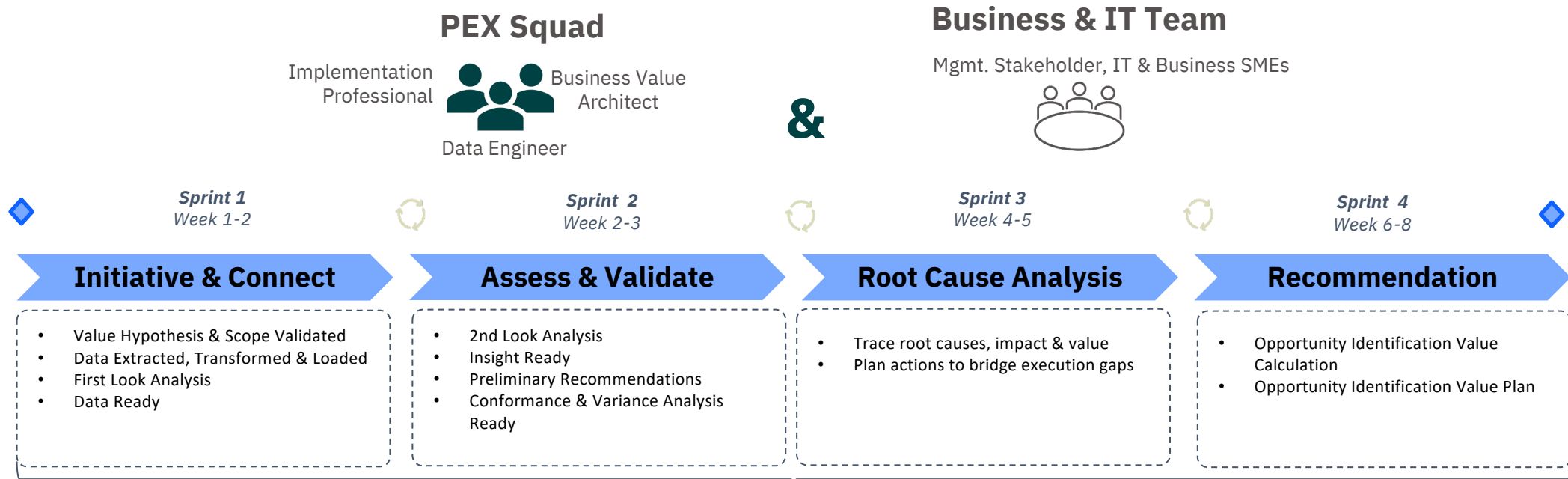
Reduction in Rework

20%

Reduction in Process Violation

How to get started....

In 8 weeks, a PEX Squad can extract data from source systems and build the “Digital Twin” of the process to provide process transparency and insights and identify potential opportunities for kicking off the Process Excellence journey.



Goals

- 1 Process transparency & Insights
- 2 Identify potentials opportunities for improvement
- 3 Prioritize & develop a roadmap



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