



Strategic COPIS Workshop

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Workshop W14



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This presentation was created and used by me for my workshop
“Strategic COPIS – designing business processes from the
Customer’s angle” at ASQ’s World Conference on Quality
and Improvement, Milwaukee, WI, USA; May 16-18, 2016.

The presentation may be re-used with proper acknowledgement.

I will be happy to help any organization by facilitating a similar
workshop for them or help them to implement Strategic
COPIS.

-Arun Hariharan

Workshop rating by World Conference participants

The World Quality Conference participants rated the workshop 8.7 on a scale of 10.

Some of the comments by participants are given below:

1. *"This is a practical session that I plan to use right away. Thank you for providing this."*
2. *"Companies often talk about the importance of customers but rarely do they ask customers what is important to them. This session highlighted a process for putting the customers first."*
3. *"The workshop taught me what it really means to put customers first."*
4. *"This session exceeded my expectations."*
5. *"The workshop taught us to see the connection and interaction among business processes - the macro view."*

Learning Objectives

(these are also the outputs of Strategic COPIS)

1. How to put ourselves in the customer's shoes.
2. How to identify processes from the customer's perspective.
3. How to identify relevant performance measurements.
4. How to ensure cause-effect relationship between external (customer-related) and internal (process-related) performance measures.
5. How to avoid non-value adding activities.
6. How to facilitate a similar workshop in your own company / organization.

SIPOC

Supplier → **I**nput → **P**rocess → **O**utput → **C**ustomer

“Quality is not what the supplier puts in. It is what the customer gets out and is willing to pay for”

-Peter F. Drucker

The fastest way to reach Six Sigma quality
(on paper) is to cut out the customer !

SIPOC versus COPIS

~~Traditional 'inside-out' SIPOC Approach~~

~~Supplier → Input → Process → Output → Customer~~

'Outside-In' COPIS Approach

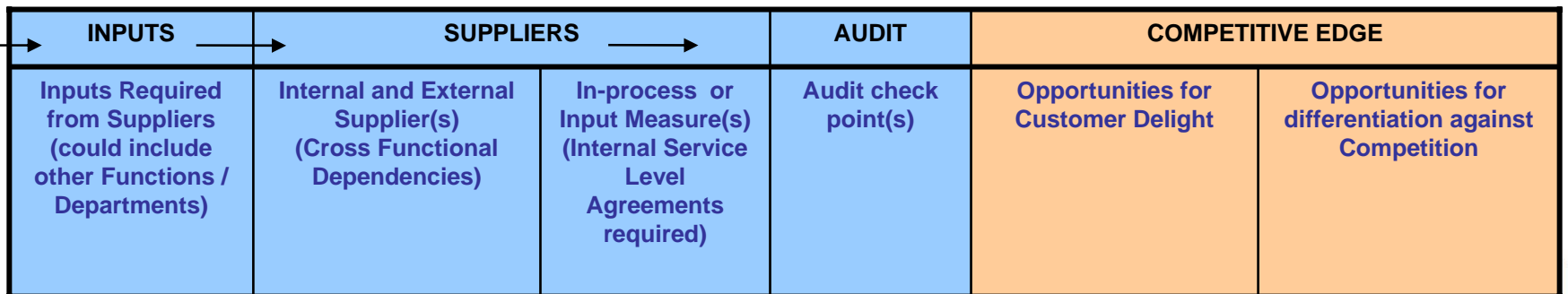
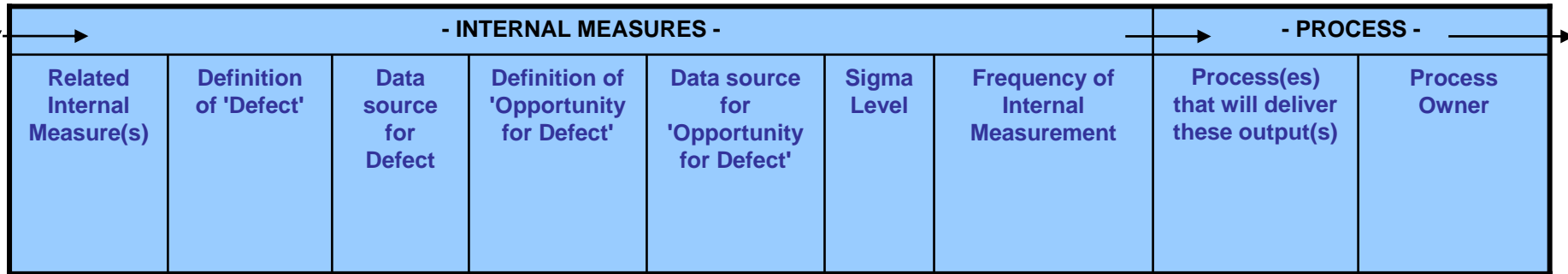
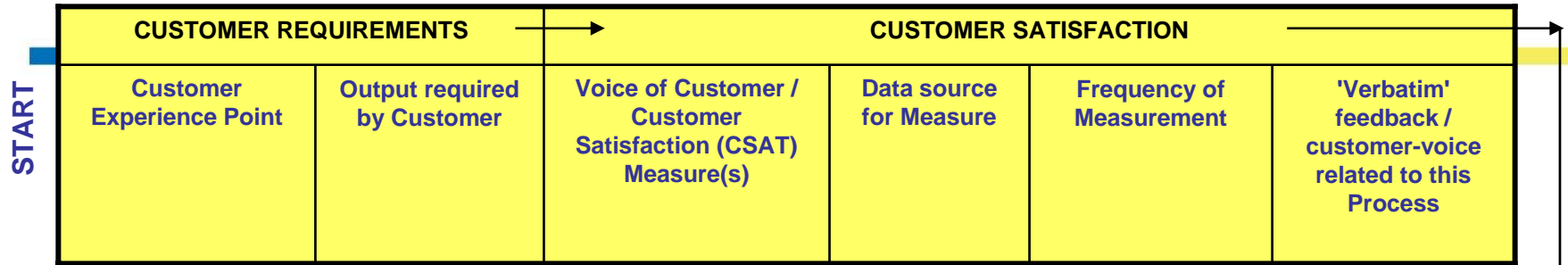
Customer → **O**utput → **P**rocess → **I**nput → **S**upplier

Tactical COPIS v/s 'Strategic' COPIS

Takeaways from the Strategic COPIS Workshop

1. The strategic COPIS template.
2. Step by step guidelines on how to use the strategic COPIS template.
3. The experience of putting oneself in the customer's shoes.
4. Learn how to facilitate a similar workshop for your own company / organization.
5. Examples of long term results obtained by real companies.

The Strategic COPIS Model



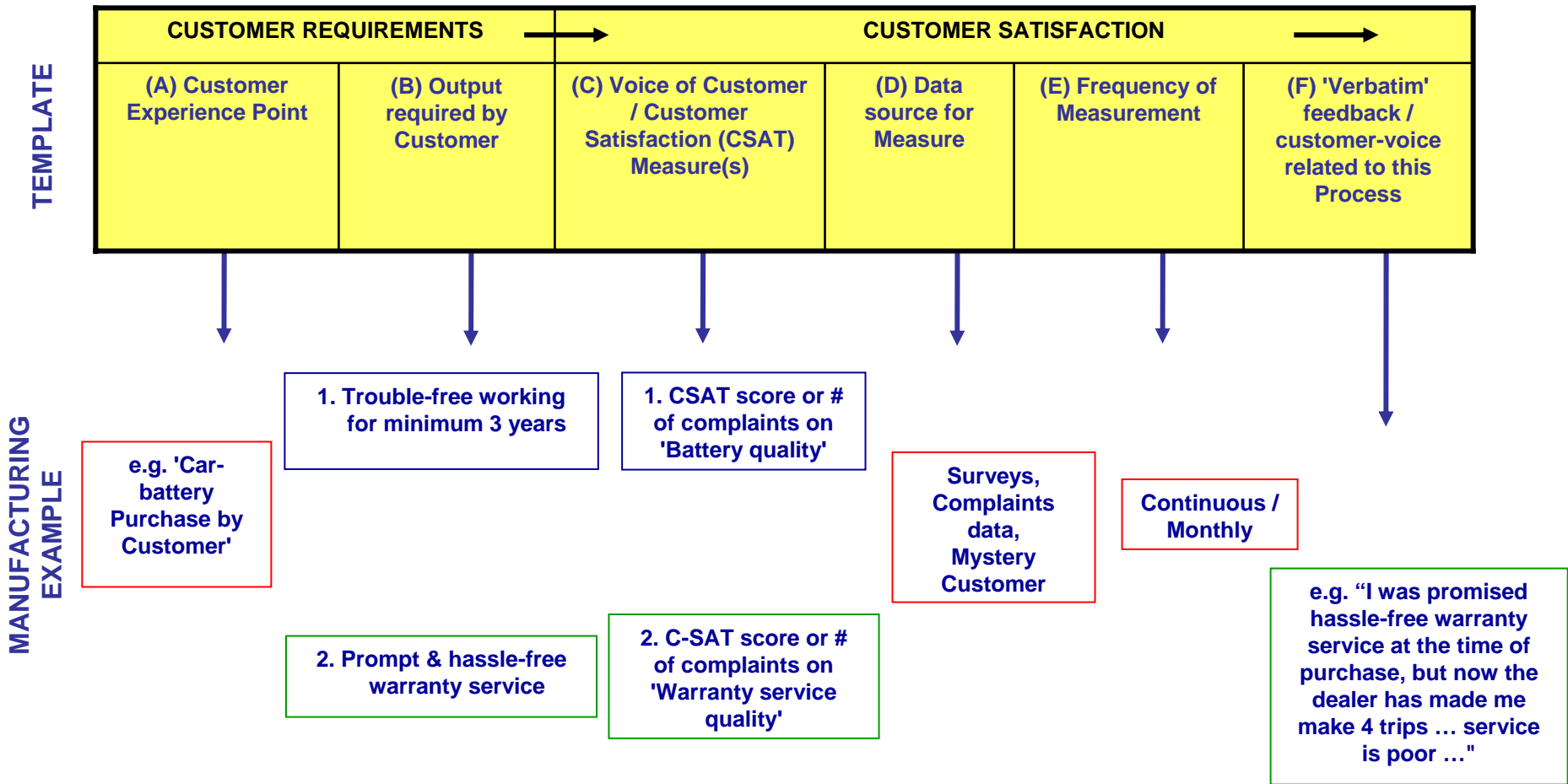
LEGEND

Yellow zone represents Voice of Customers & measures related to Product or Service Quality as experienced by Customers

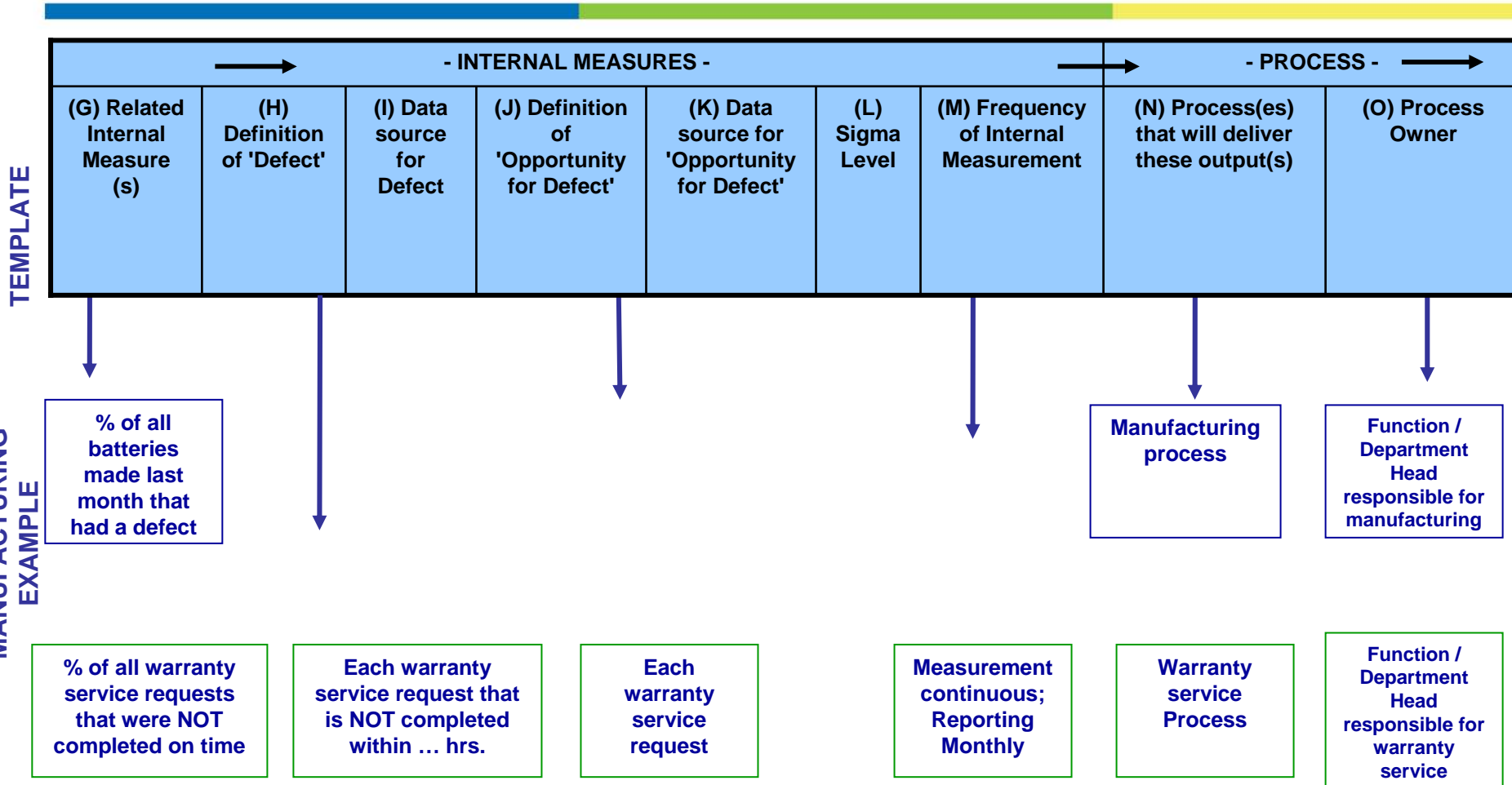
Blue zone represents Voice of the Process & Internal / Process Quality related measures

Delight Zone – opportunities for delivering superior Quality that exceed Customer expectations

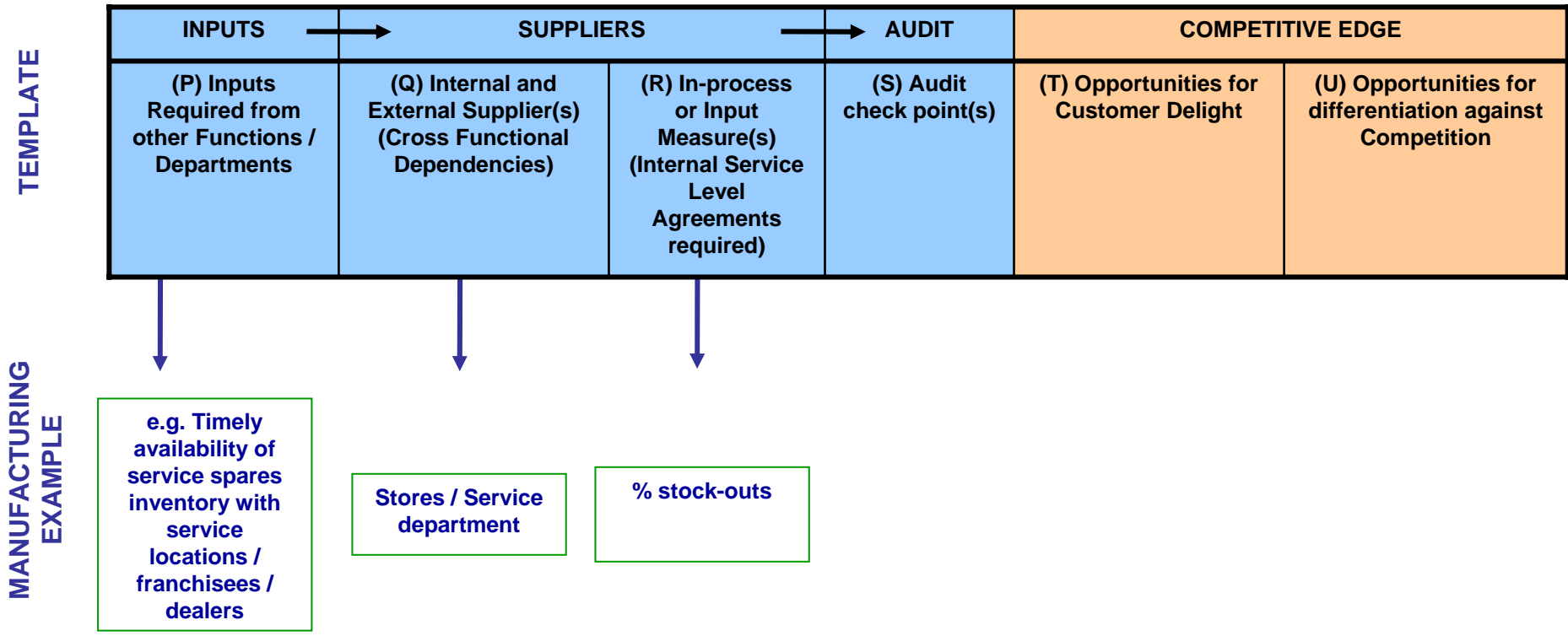
Strategic COPIS – detailed template with illustrations (manufacturing industry example)



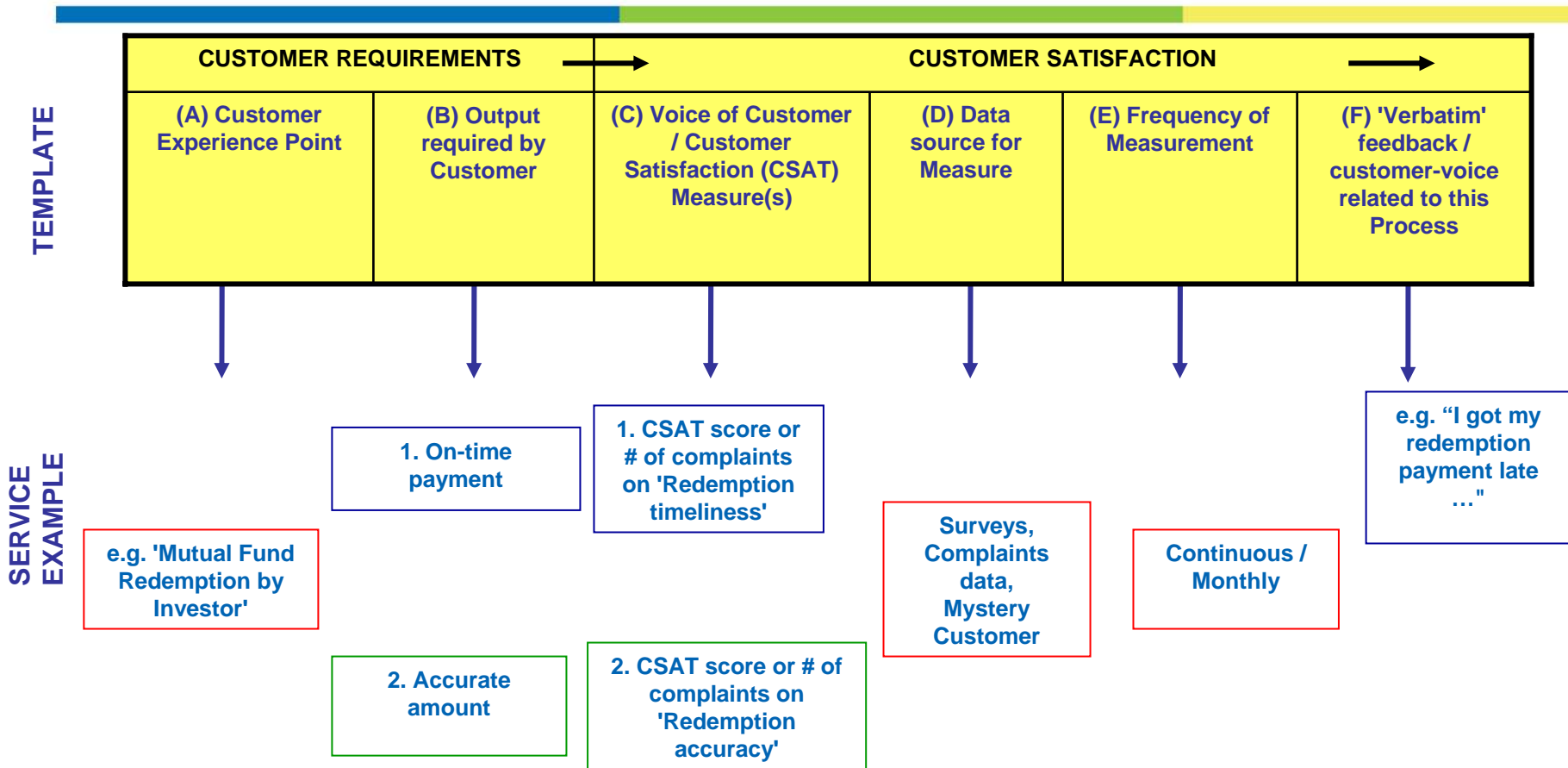
Strategic COPIS – detailed template with illustrations (contd.)



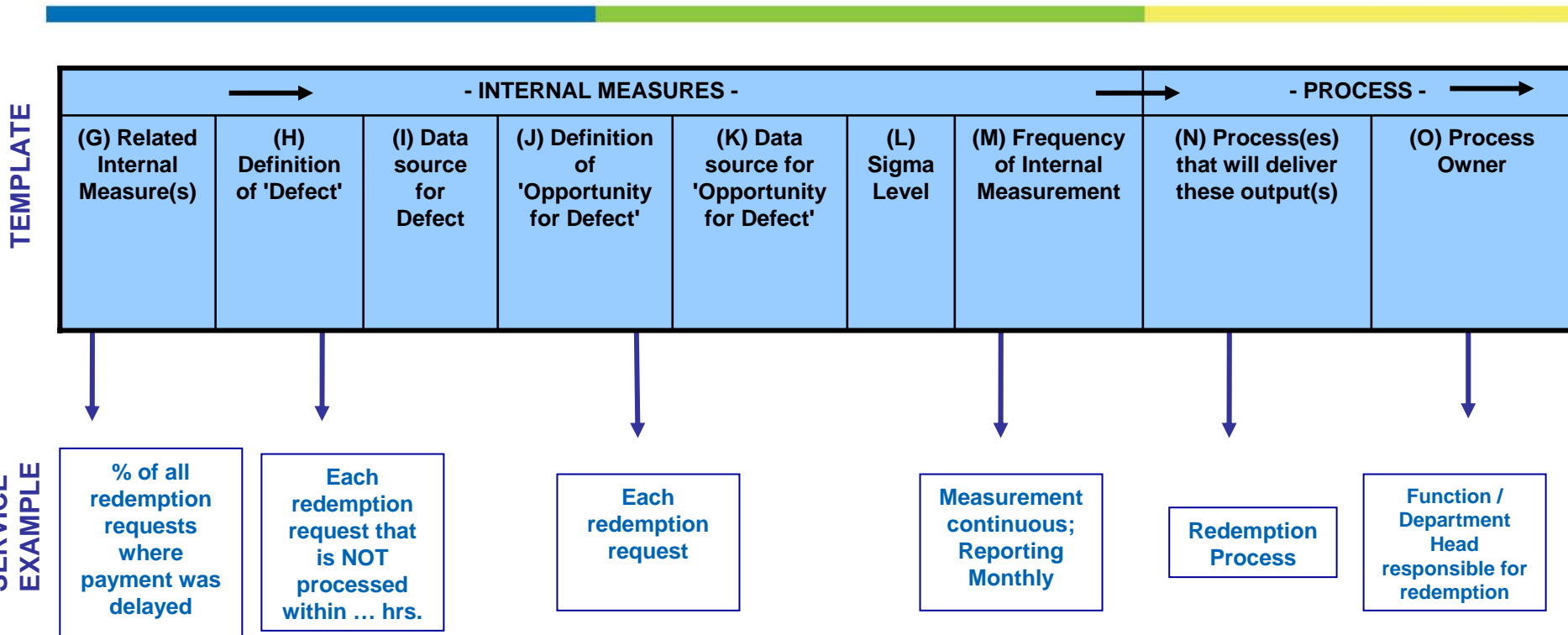
Strategic COPIS – detailed template with illustrations (contd.)



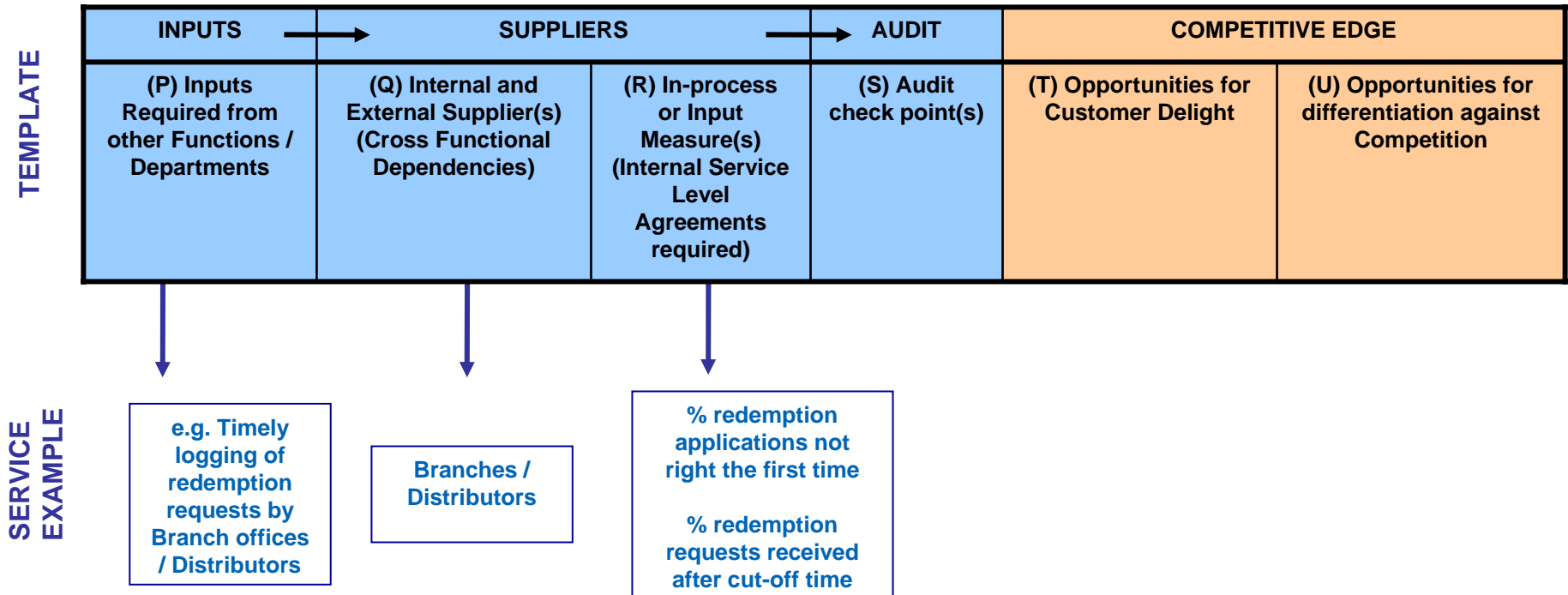
Strategic COPIS – detailed template with illustrations (service example)



Strategic COPIS – detailed template with illustrations (contd.)



Strategic COPIS – detailed template with illustrations (contd.)



Sample (partial) master-list of business processes

Department	Process-Owner	Process Number	Name of Process
Sales	Head of Sales	S1	Customer acquisition Process
		S2	Lead Management Process
		S3	Distributor Query & Complaint Resolution process
		S4	Distributor remuneration payout process
		S5	New distributor empanelment process
Products	Product-Head	P1	New Product Development process
Risk Management	Risk Management Head	CR1	Underwriting and Credit-risk assessment process
Customer Service	Customer Service Head	CS1	Customer Query & Complaint Resolution process
Operations	Operations Head	O1	Loan Disbursement process
		O2	Post-disbursement operations Process
Collection	Collections Head	C1	Asset repossession process
		C2	Collection process
HR	HR Head	H1	Recruitment Process
		H2	Payroll Process
		H3	Employee separation process
		H4	Employee Learning and Development Process
		H5	Performance Management process
Finance & Accounting	CFO		Finance & Accounting processes
Technology	Technology Head		Technology processes
... and so on			

How does strategic COPIS help?

Strategic COPIS provides answers to the following questions:

1. WHAT should we do? (Answer: Master list of processes)
2. WHY should we do them? (Answer: Customer requirements)
3. HOW do we know if we are doing it well? (Answer: Performance measurements)
4. What should we stop doing? Strategic COPIS helps us avoid doing anything that is *not* on the master list of processes, thus cutting out wasteful non-value-adding activities.

Example of long term business results

(Company A's strategic Quality program – of which Strategic COPIS was the first step - is a contributor to these results)

COMPANY A

Year ending March 31	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenue (US\$ Bn)	0.2	0.5	0.8	1.2	1.8	2.8	4.1	5.7	6.3	9.0	10.8	11.7	13.0	13.9
Net Profit (US\$ Bn)	-0.03	-0.03	0.1	0.2	0.3	0.6	1.0	1.2	1.4	0.9	0.7	0.3	0.4	0.8
Customer Base (Mn)	2	3.5	7	12	21	39	64	97	137	221	252	271	296	324
No. of countries where the company operates	1	1	1	1	1	2	5	10	15	18	20	20	20	20
Rank in Industry	1	1	1	1	1	1	1	1	1	1	1	1	1	1

Is among the top 3 companies in the world in its industry by number of customers


COMPANY B (a competitor that invested similar capital and resources, but did not practice Excellence)

Year ending March 31 st	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenue (US\$ Bn)	2.6	2.9	2.1	1.9	2.0	1.8	1.9	1.9	1.7
Net Profit (US\$ Bn)	0.5	0.8	0.7	0.1	-0.1	0.02	0.1	0.1	-0.02
Customer Base (Millions)	28	46	73	102	136	153	131	119	118
No. of countries where the company operates	1	1	1	1	1	1	1	1	1


For Company A, Business Excellence has been a significant contributor to not just the quantum of results, but their long-term sustenance. Notice the relatively higher volatility in Company B, that did not practice Excellence.


Customer Satisfaction Scores (sample) – Company RM

	Year 1	Year 2					
	RM	RM	Competitor 1	Competitor 2	Competitor 3	Competitor 4	Competitor 5
Overall Satisfaction score	81	86 ↑	83	81	83	84	80
Performance of fund	60	79 ↑	65	76	80	80	68
Dividend accuracy & timeliness	87	92 ↑	89	85	88	88	82
Account statement	85	90 ↑	88	87	89	91	80
Purchase experience	87	93 ↑	91	87	89	88	82
Redemption	86	93 ↑	89	84	89	92	84
Customer Service/ Call centre	83	90 ↑	83	83	86	88	80

 = Competitor stronger than RM

 = RM stronger than competitor

 = up from previous year

 = down from previous year



Step by step guide on how to use the strategic COPIS template

1. The application of strategic COPIS is best done through a facilitated workshop attended by the CEO and senior management.
2. Senior managers leading areas that impact customers must definitely participate.
3. During the workshop, they must all put themselves in the customer's shoes and pretend that they are the customer (this is often easier said than done, but it is critical for the business and is perhaps the most important part of the whole exercise).

Step by step guide on how to use the strategic COPIS template (contd.)

4. Start by completing (as a team), the first column of the template 'Customer experience points'. List down in this column, all key 'touch-points' where your customers experience your business, its products or services. Typical experience points for customers could be the initial purchase-experience, ongoing service interactions, contacting customer-service, online transactions, and so on.
5. Once all common experience points are listed, take one experience-point at a time and go all the way to the right of the template, one column at a time. The facilitator should moderate the discussion and help fill the template for each experience point
6. Once the exercise is complete for customers who *buy* your company's products or service, it can be repeated for other stakeholders such as distributors, shareholders, employees or other internal customers, regulators and so on.

Step by step guide on how to use the strategic COPIS template (contd.)

7. The output of the strategic COPIS workshop is the complete 'master-list' of processes that the business needs to have and performance measures related to each process. The performance measures will be at three levels – voice-of-customer, process related output measures and in-process measures
8. Before proceeding further, validate the outputs or findings of the workshop with real customers (maybe a sample of customers). This will help ensure that what we *think* is important for customers is actually so
9. You now have the answers to two strategic questions “What business processes do we need ?” and “What to measure ?”. This is followed by detailed documentation / mapping and implementation of the processes thus identified. Actual adherence to each process is measured through process-compliance audits. These processes are also the foundation for continuous improvement in future.

Step by step guide on how to use the strategic COPIS template (contd.)

10. Put in place the measurements identified through COPIS.
11. The CEO and their leadership team must regularly review the actual performance trend on these measures. Often, the workshop throws up a large number of measures – the CEO must select the “vital few” measures that they will personally review, while more detailed measures pertaining to each process must be monitored by respective process-owners.
12. Strategic COPIS can be applied with significant business benefit by new businesses at their inception-stage or by existing businesses. For existing businesses, the COPIS workshop output must be used to validate their existing processes and performance measures

What are the next steps?



Once you have the Strategic COPIS output, the next steps are:

1. Implement the processes in the master-list (or validate if these processes are already in place).
2. Question any activity / process that has “always been done”. If it doesn’t figure in the master-list. Possibly it could be eliminated.
3. Put measurement systems in place for the performance measures identified.
4. Review (monthly) Quality dashboards. The ‘vital few’ measures must be reviewed by CEO.
5. Make the same performance measures the KPIs of relevant employees, beginning with CEO and senior management.

Learning Objectives (summary / recap)

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5. How to avoid non-value adding activities.
6. How to facilitate a similar workshop in your own company / organization.

THANK YOU

**Need help facilitating the Strategic COPIS workshop or implementing Strategic COPIS in *your* organization?
I will be happy to help.**

Contact me at:

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Author of:

- 1. Continuous Permanent Improvement (ASQ Quality Press 2014)**
- 2. The Strategic Knowledge Management Handbook (ASQ Quality Press 2015)**
- 3. Humor in Quality (KDP 2015)**

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