



TSI Info Source - End of the Year - 2004

A newsletter of ideas, comment, and dialogue for those who strive to improve the performance of their organization.

Volume III , Issue 11

What's New at TSI

Process/Performance Resources

Business Continuity Planning - Six BCP Secrets

This issue of *TSI Info Source* includes:

- **What's New at TSI?**
- **Process/Performance Resources** – provided here is a brief list of websites and other sources to expand our perspectives with respect to organizational performance
- **Business Continuity Planning - Six BCP Secrets**
- **TSI Process and Strategy Training**
 - **Private Training Workshops** - We have had much success with our private training classes for clients who would like training onsite (or we can set up an offsite location) and perhaps with the training customized for their industry and specific challenges. Please contact us - dfeely@transforming.com if you are interested in discussing these options.
 - **Public Training Workshops** - Dates for TSI's next training workshops will be set shortly, but are tentatively planned for February, 2005. We will send out a notice once these are set.
 - **Business Process Improvement (BPI)** – Chicago area – late Feb, 2005
 - **Defining and "Operationalizing" your Strategic Plan** - Chicago area – late Feb, 2005

Just scroll down for the newsletter.

We hope that this information is of value to you and others in your organization. We also hope that you would consider TSI for any of your upcoming projects. We can make a significant difference on your project and would like to be a resource to you. There is a good chance that we have done a project similar to the one you are embarking upon – please call 312-738-8930 x202 to talk about your specific needs and how we might help you.

Any feedback for us? Please send us an e-mail at tsiinfosource@transforming.com

.....
www.transforming.com

What's New at TSI *Recent/Current Projects* *Other News*

What's New at TSI - by Dan Feely, Managing Partner - dfeely@transforming.com

In the last 90 days, we have moved our office, kicked off 4 important projects with new clients, delivered two TSI training workshops and formally launched another practice area (Business Continuity Planning). We feel fortunate and humbly report that 2004 will be our best year in that past 3 years by over 25%. We are grateful to our clients who have trusted us with these critical projects.

Current Project Examples

As you will read, we work on quite a variety of projects ranging in size and industry. We capitalize on the ability to bring good ideas from one industry to another. Common through all of these projects is the need we satisfy for our clients, to realize improved processes and business performance. Please note that these descriptions are intentionally general in nature, to protect the confidentiality we maintain with our clients.

Distributor of Durable Goods, Chicago – assisting in the overall planning and coordination of their corporate and distribution center (DC) relocation including the warehouse design. Prior to this, TSI analyzed their DC configuration and use of 3 PL's and recommended consolidating and insourcing some of these functions. This resulted in net savings in excess of \$1 million annually.

Healthcare Plan - New England Area - developing improved enrollment procedures, job aids and training guides to make productivity gains without changing technology (as the timeline does not permit technology changes now).

Professional Services Firm, Chicago – providing a Project Manager to direct a key IT initiative, developing a new application that will be used on a global basis.

Educational Publisher – Columbus – TSI performed a rapid two-day assessment of its DC and order management functions and recommended numerous operational, organizational and technology changes to senior management.

Insurance Company, Chicago – developing their Transformation and Change Management Methodologies.

These will be used for all significant internal projects as this organization strives to reinvent many of its key business processes. TSI is leveraging their methodology as the framework from which to customize and train internal consultants.

Healthcare Association, Chicago – TSI is performing a workflow analysis to improve some of the key business and IT processes. This involves defining how their internal customers are seeking to gain more value from this group, yet focusing on the near-term changes that can be deployed within the next 90-120 days.

Professional Services Firm, Chicago – assisting in software vendor evaluation and contract negotiation. This will result in improved processes, based on the upfront process work we completed earlier.

Consumer Packaging/Branding Company, Chicago Area – assisting in defining key functional and technical requirements on a key IT initiative.

Professional Services Firm, Chicago Area – assisting in developing a process improvement approach that they can use internally and with their clients. TSI is leveraging their methodology as the framework from which to customize and train internal consultants.

Process/Performance Resources

www.gladwell.com - an archives of Malcolm Gladwell's *New Yorker* articles. Insightful reading.

www.Lean.org - Based in Brookline, Mass., USA, the Lean Enterprise Institute is a nonprofit training, publishing, and research organization founded by James Womack, PhD, in August 1997. It has developed simple but powerful tools for implementing a set of ideas known as lean production and lean thinking, based initially on the Toyota Production System and now extended to an entire Lean Business System.

www.fastcompany.com - *Fast Company* Magazine. An interesting periodical including best practices and alleged progressive thought. This link takes you to the archive of best practices.

[Montgomery Research](#) - Montgomery Research publishes thought leadership initiatives that focus on the convergence of technology and business.

[Juran Institute](#) - White papers and other research, some free. Requires registration.

[IBM Research archives](#) - Some interesting, mostly tech-centric, resources, but also some interesting business innovation and process whitepapers.

Business Continuity Planning - Six BCP Secrets

Business Continuity Planning - Six BCP Secrets by Derek Hepworth
tsiinfosource@transforming.com

1. **Begin with a risk assessment exercise.** This is the process of identifying and prioritizing all the key risks in your business environment. Once those risks are identified, you can start to itemize various options for mitigating or managing the risk. Those risk mitigation options can then be assessed for feasibility and viability. This risk assessment process gives you the infrastructure for making decisions on your BCP strategy, and early project phases.
2. **BCP is an ongoing process.** It is evolutionary. BCP needs to be woven into the fold of normal business processes. As new systems are developed and introduced, business continuity needs to be incorporated at the outset. Testing and review processes need to be proceduralized and scheduled into perpetuity.
3. **Take BCP a Bite at a time.** You probably already know how to eat the proverbial "jello elephant" - a bite at a time. Well, BCP does not need to be an all-or-nothing proposition. For example, you could run a project to document all data backup mechanisms and processes. A potential follow-on project to that would be to compile a list of data points that were not on the list. Another follow-on project would be to have a small team try recovering 3-5 of the key data sets onto test servers. This type of incremental approach is beneficial in that the projects can be kicked off and sustained without consuming all of your resources. Obviously this won't mitigate all risk throughout your operation; but it will position you to address a good portion of that risk. And it will take you in the right direction as you drive toward a comprehensive BCP strategy.
4. **Begin with the Law.** If you have regulatory agencies or customers who are requesting (or requiring) that you develop or document BCP, start there. This may be stating the obvious. But some companies use this type of external requirement to springboard a comprehensive BCP initiative, and lose focus on the objectives at hand. Determine what the specific requirements are, and then develop a plan to satisfy them. You may need to work back and forth with the external group to clarify the requirements, understand how other companies are satisfying the requirements, and potentially negotiate the requirements and timeline for satisfying. The good news is that these types of external requirements typically take you well on the way to a comprehensive BCP strategy.
5. **BCP is not an IT initiative** – it is a business initiative. All successful BCP initiatives should involve players from multiple areas (or departments) of your company. There should be people who can represent the technology and systems issues, and there should be people who can represent the various business functions processes. In creating this type of cross-functional team, the company may have introduced a matrix organization structure. In so doing, it is important to ensure that the people-oriented issues are being addressed. These team members may never have worked together before – make sure you take the time to situate on a productive and comfortable way of communicating and working with each other. If people are not able to give up their "day jobs" for the BCP effort, make sure all interested parties

understand how those employee's time will be allocated – starting with the employee, his functional supervisor, and his BCP supervisor. Obviously, information systems will represent a large portion of the risk that is managed through BCP. But there are many BCP initiatives that have nothing to do with technology. For instance, you may need to develop a succession planning program to ensure you have adequate backup on key roles throughout your organization. Another example of a non-technical initiative would be an evaluation of vendors and backup options for critical supplies.

6. **Documentation leads to Understanding.** A great by-product of the BCP process is that you end up with a great set of documents itemizing your key business processes and systems. The BCP team will be tempted to keep these documents whose creation they sponsored as their own. Don't let them do that. A far better way is to have the BCP team work with the business process owners to institute processes in the business to maintain those documents. This gives the information a better chance of being more accurate for the BCP effort, and a better chance of being around for the business over the long run.

Please don't hesitate to call us at 312.738-8930 ext 202 or e-mail webinfo@transforming.com to discuss any needs or questions you may have about this area.

We invite you to join our “knowledge network” and receive our newsletter on a regular basis. Please register (this will take you 30 seconds and it will NOT result in a salesperson calling you) by going here - [Registration](#)
