

Selling Top Management on Business Process Improvement

**Michael Stickler, President
Empowered Performance, LLC**

Time has shown that there is one key ingredient common to all successful Business Process Improvement efforts: they are led from the top down. Top management is committed, involved and believes, unequivocally, in the benefits and strategic necessity of Business Process Improvement in every area of the business.

Yet, many operations managers, supervisors and workers are struggling to launch and maintain a bottom-up improvement campaign. Although they have identified and believe in the benefits that such a program will bring to their organization and to their daily work environment, they obtain only marginal involvement from top management. Unfortunately, this means that their efforts will only be marginally effective.

So how do you get top management involved? There isn't a definitive answer to this perplexing question, but here are a few ideas:

First, it's important to be sure you're speaking their language, its \$\$\$\$\$\$, in addition to addressing their vulnerabilities. You need to identify and present to them the key issues i.e., with numbers. For example: a cost/benefits analysis of a process improvement program and cost-added versus value-added analysis of targeted improvements.

The vulnerabilities include reduced profits, lost accounts and unhappy customers.

The problem is, the numbers and vulnerabilities, no matter how compelling, may fall on deaf ears if there is no crisis. It's easy for management to put you off with, "What are you talking about? Things aren't so bad. We're making money."

When this is the situation, you must find other "hot buttons," or incentives, to capture top management's attention and inspire them to lead the improvement effort.

The answer just may lie in applying the central concept of the improvement program itself to your dilemma:

- Who's your customer?
- What are your customer's expectations?

- Further, who are your customer's customers?
- And how do those customers' priorities shape your customer's needs?

In this scenario, your customer is top management. Have you ever thought about who their customers are? Who do they answer to for results? How do their customers define "performance?"

Obviously, top management's customers are our customers, the outside customers to whom we send invoices. But they also have other, very important, influential customers-the board of directors, investors, family (if privately held), investment bankers, analysts (if publicly held), stockholders, and their peers in the top management of other companies.

Chances are, these customers don't sit and talk with your top management about process improvement. They are concerned about returns, earnings, and profits.

For this group, "process improvement" means improving the company as an investment. "Value-added" means the value added to the shares. What are their expectations? Using what strategies? In what time frames?

Look again at the top management structure of your company. Can you identify these influential customers? Look at your company's directors and consider the companies they work for as well as the other companies where they sit on the board. What successes have these other companies had with business process improvement programs? Have any of them used Enterprise Excellence as a vehicle to improve the quality of investment?

Look at the annual reports of other companies that have had great success with improvement programs. Read the parts where they position that success, describing the costs they incurred versus the benefits they gained, for the perception of the investment community.

If you are a shareholder in your company, take off your operations hat for a moment and put on your investor hat. What would you expect a serious business process improvement program to yield in terms of perceived value for the company and appreciation of shares?

Next, prepare your persuasive pitch to win the leadership of top management from another angle: a strong public image analysis. Prove to top management that not only will the Business Process Improvement program yield savings along defined time lines, it will also create a communications asset that can be leveraged in marketing, customer service, public relations and the investment community.

It's your role, when selling the business process improvement program to top management, to give them the vision and the persuasive points that they will need to sell their customers-the

directors, investors and shareholders. Be prepared to show them how Business Process Improvement adds value, not only to the product, but to the company and, ultimately, to their investment.