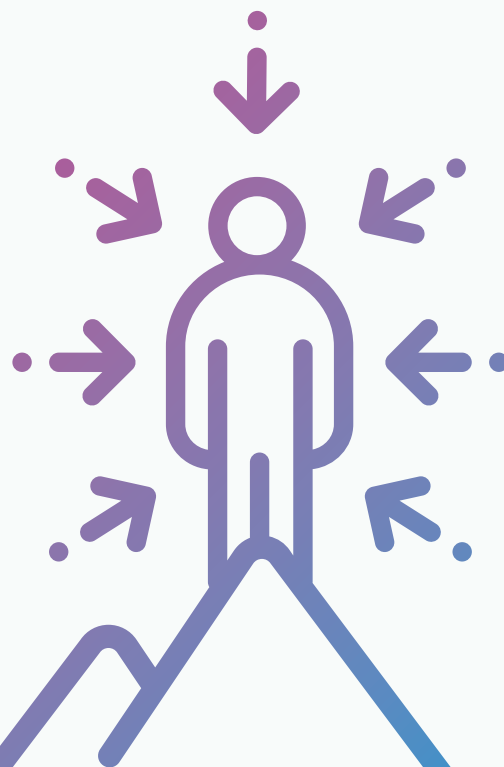


Process Mining Guide to Operational Excellence



INTRODUCTION

Operational excellence is about achieving a state of systematic operational structure to identify and capitalize on improvement opportunities while harnessing non-technical elements like organizational culture. It is essential to the survival and success of organizations and requires new approaches and methods to optimize the current processes.

The 10 principles of Operational Excellence



Operational excellence is a discipline which aims to balance people, process, and technology, generating benefits to both at the top and bottom lines for the business, and delightful experiences for customers. Achieving operational excellence requires a specific mindset that must be embraced by the management and present in the day-to-day work lives of all employees.

- ① **Respect and value every individual** and demonstrate this respect, by involving them in any necessary improvements to their department. This will help them feel more empowered and motivated to contribute to the changes in a positive way.
- ② **Lead with humility**, be willing to listen and take suggestions from everyone, regardless of that person's position or status within the company.
- ③ **Strive for perfection**, even if perfection isn't possible. Look for long-term solutions and always try to simplify your work without compromising the quality of the outcome.
- ④ **Embrace scientific thinking**. Systematically explore new ideas, after all, innovation comes from constant experimentation and learning.
- ⑤ **Focus on the process**. Often when things go wrong, the problem is rooted in the process, not the person. This is because even great employees can't consistently produce ideal results in a bad process. Assess where in the process the errors occur to make adjustments and achieve the results you want.
- ⑥ **Assure quality at the source**. High quality can only be achieved once every part of the process is done correctly. Use tools such as Process Mining software to monitor the process for deviations, this will make potential problems visible right away. As a best practice, when a mistake does occur, correct the mistake before continuing.
- ⑦ **Flow and pull value**. Ensure that the process and workflow are continuous because interruptions create waste and inefficiencies. Evaluate customer demands to ensure that your organization is only meeting those demands and not creating more than what is necessary.
- ⑧ **Think systematically**. In a system, many different interconnected parts work together. Learn to understand the relationships between each part of the system to make better decisions. Avoid taking on a narrow vision of your organization and get rid of barriers that interrupt the flow of ideas and information.
- ⑨ **Create constancy of purpose**. Make sure employees are informed of the goals and mission statement of the organization from day one and continue to emphasize these goals and principles every day going forward. All employees should have an unwavering certainty of why the organization exists, where it's going, and how it will get there, to help them align their own actions and goals with those of the company.
- ⑩ **Create value for the customer**. Learn what your customers need. The value is only what customers are willing to pay for.

As mentioned before, achieving operational excellence requires new approaches and methods to optimize the current processes. The good news is the Process Mining software can provide enterprise-wide process transparency and identify new opportunities to continuously improve the enterprise's business operations. This way Process Mining can make the challenge to ensure the people, process, and technology are always set for optimal performance easier to overcome.

Operational excellence in general means leveraging operations to achieve business growth. It can be put into practice in a lot of different ways depending on the specific business and sector. By making the customer the focal point of every process, you can change your organization's way of doing business for the better.

CHAPTER 1

Discover the current state of processes to identify improvement opportunities



Your starting point should always be with “what is” rather than “what we thought.”

If you decide to use the traditional approach, you will need to gather information about the process through workshops and interviews with process Stakeholders and Participants.

To collect these inputs, download the free **Business Process Analysis Template**. It will help you ensure that the everybody on the team understands the requirements the same way and that the capabilities being delivered are scoped and prioritized properly.

Keep in mind that this traditional method is often biased by the participants' subjective views, leaving variants and exceptions overlooked. Many issues can't be uncovered at all because people are not aware that they exist.

Process mining can support you with automated process discovery and visualize the reality of your business processes by examining the electronic footprints (event logs) left in various IT systems. From this unstructured data, Process Mining software will automatically create a process model to enable in-depth analysis.

The benefit here is fast and cost-efficient process discovery that eliminates the need for slow piecing together of the process from interviews. Automated business process discovery also reduces human errors.

Process maps are created from data logged during normal execution of the process and contain all the nuances of the process, statistical information, variants. Their analysis will help you uncover exceptions, unusual transactions, bottlenecks, deviations, and potential risks in processes.

Another benefit is bridging of the “white space,” the process knowledge gap that exists between various systems, departments, and functions and at the edges of processes since Process Mining allows you to combine information from multiple data sources.

During every process analysis whether automated or manual, it is necessary to ensure an exchange of knowledge between process Stakeholders, Participants and the analyst. **Download the Process Definition Workshop Checklist** with questions to collect the essential pieces of information and other inputs that will help you shape ideas for process improvement.

To get an overview of all potential areas for improvement and a practical guide on how to proceed to eliminate the most common problems download the free **[e-Book: Identifying Areas for Process Improvement](#)**.

Completing this first step will help you understand how things currently work, and what the people participating in the process think is not working well and why. Ideas how it might be improved will begin to emerge.



CHAPTER 2

Benchmark & Validate

The organizational knowledge collected in the previous step is valuable because it represents reality.

If you relied on manual process analysis, that reality would represent a relatively short point of view as the employees undertaking tasks don't have the full view of how what they do affects what others do or impacts the overall value to the business. It could also be true that numerous people who are performing the same tasks, either in different offices or geographies, have evolved their ways of working, causing divergence in processes and inconsistencies in outcomes. You will need to benchmark, identify and validate risks, opportunities, and issues or problematic cases.

With Process Mining, you will be able to consolidate information from different territories and work with information from a more extended period. Compare how the process happens in different locations or during different time-periods to identify the best practices.

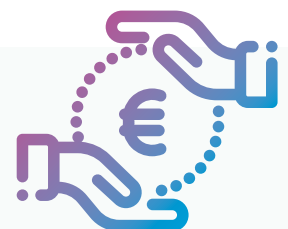
With both approaches validate your findings and suggestions with the appropriate Stakeholders, getting advance buy-in for change and ensuring that what you are about to undertake is going to be appreciated and valued.

We recommend using the **[Strategic Alignment Worksheet](#)** to evaluate your strategy analysis output and identify possible information gaps, or unknowns. You can download it [here](#).

Do not neglect this validation step. It could easily result in costly mistakes. You are enacting change on a moving target, so this step helps ensure that priorities have not changed and that the work you are about to undertake will still be relevant.

This is also the right time to set the benchmarks and validate the metrics by which success will be measured.

The best practice is to compare the way top performers work with those who perform at a lower level, ensuring that you don't just standardize on the easiest or expert versions of the process, but leverage what your best people do. Process Mining can quickly help you identify teams and individuals with the best performance.



CHAPTER 3

Evaluate & Quantify

Take time to evaluate all potential ideas and prioritize them. You will not have enough time and resources to act on all ideas you'd like to, so making sure the best ones receive the most effort is vitally important.

Define your high-priority long-term goals from the outset. You should be able to answer these questions to check proposed activity against your long-term goals:

- Why is the project worth doing? Justify the resources necessary to engage in the project.
- Why is it important to customers?
- Why is it important to the business?
- Why is it important to employees?
- Why is it important to do it now?
- What are the consequences of not doing the project now?
- How does it fit with the operational initiatives and targets?

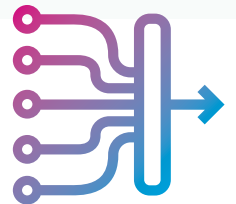
Your evaluation must also take into account the big picture:

- The broader enterprise context
- The project's relationship to other initiatives, business needs, and a changing business environment
- Impacts of the project solution on other enterprise initiatives
- Influences from other strategies on possible solution options

To prioritize various ideas, you will also need to quantify the time, cost, and effort to implement the revised practices or processes. Remember to quantify not just the costs and benefits, but also the cost of doing nothing. Sometimes when one extrapolates the pain over time, people see the need for change differently.

CHAPTER 4

Simplify & Standardize

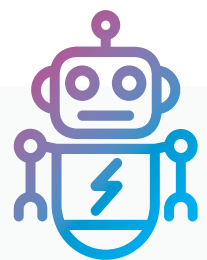


Instead of creating new processes or automating existing ones right away, first, consider how to simplify the work by removing steps and activities that you don't need – this is waste elimination.

Once you have identified best practices and simplified your processes, you can move on to standardization. Keep in mind geographical and cultural differences as well as potential legal and regulatory differences. If this could be an issue, employ a global standard process, but allow for local procedures to operate it, thus getting both standardization and localization.

CHAPTER 5

Automate



Having worked out which parts of your organization, processes, and practices to focus your improvement efforts on, you can now think about workflow, process automation or RPA.

For more complex processes, keep in mind that automation will typically address only 70% of the cases going through the automated system. At this stage, it is essential to decouple analysis from your implementation tool. Analysis from automation vendors typically only address the parts they automate, removing the transparency across the entire process, or from processes enacted across multiple systems.

Many organizations now find that using process documentation as a requirement is a more effective approach. Here, again Process Mining is useful by documenting all the different process variants as well as statistics for their occurrence.



CHAPTER 6

Governance

As a part of your overall operational excellence initiative, you will need to ensure that you deliver information about new processes and systems, guidelines, best practices and government regulations to people in a way they can easily access and consume.

Aim to provide information that explains the things so well, it's comprehensible (at a high level at least) in ten seconds. If it's easy to understand and easy to use, teams will go back to it again and again.

Make the information easy to access by embedding links into the places and tools that teams already use every day, so the information is available where and when they need it.

Governance is necessary to ensure all employees know critical information, that the risks are understood, and that as an organization you have taken all reasonable steps to remain compliant - and documented these procedures for any audits. Centrally publish latest process information; notify everyone about changes; check performance.

From an operational excellence perspective, governance is not just about regulation and compliance; it is also about consistency. Creating great experiences while serving our customers requires consistency of delivery and performance.



CHAPTER 7

Monitor & Measure

Make sure to retain all of the old metrics, even if many will no longer be relevant. Despite rigorous testing before deployment, it is only by seeing the new processes live that you uncover the unknowns in the production environment. Review the performance of the new process early in deployment and make corrections as necessary.

Compare the KPIs and metrics in the old process with the performance of the new one using Process Mining. Add customer-related metrics to the list of KPIs you measure. Also, use Process Mining software to monitor how the new process follows the prescribed path. Perhaps more employee training is required to eliminate old habits?



About Minit

Minit is a robust enterprise-grade Process Mining software with a rich 360-degrees collection of dashboards and process performance indicators. Whether you are focused on reducing operational costs, shortening customer feedback time, taking advantage of new revenue streams, or optimizing old ones, Minit Process Mining reveals an otherwise invisible map towards process improvement. If you want to learn more about how Minit can amplify your organization's operational excellence activities, [get in touch with our team](#).

Minit Office CEE & MEA

Minit Headquarters

Košická 56
821 08 Bratislava
Slovak Republic

+421 2 555 615 89
sales@minit.io

Minit Office West & North EU

Kora at Evoluon

Noord Brabantlaan 1A
5652 LA Eindhoven
The Netherlands

+31 6 24 71 46 07
sales@minit.io

Minit Office US

5400 Carillon Point

Building 5000, 4th Floor, Kirkland
Washington, 98033
USA

sales@minit.io