

MESSAGE FROM THE PARTNERS



Welcome to the fourth edition of our quarterly newsletter—uTAKE. In this issue we take a look at the value chain approach to strategic business management. Our feature article provides a deeper understanding of this approach by looking at its different stages of use.

We share the key insights gained from the 2012 American Productivity and Quality Centre (APQC) Block and Tackle Conference in Houston, Texas, which focused on leveraging process for results.

We also highlight the importance of change management, look at PTA's philanthropic work with Domestic Violence Victoria, and as usual, cover upcoming industry events and provide a few brain-teasers to keep your mind sharp.

As 2012 draws to an end, we hope that there are lots of positives to reflect upon, whether they are of a business or personal nature, and wish you a very happy and safe Christmas, and a prosperous New Year.

Suzanne Pearson and Shannon Trueman

VALUE CHAIN APPROACH

Value (noun): *relative worth, merit or importance* (Dictionary.com)

To look at an organisation's activities in terms of value—with the objective of value accumulating along the chain and ultimately exceeding the cost of providing the product or service—is to take on the value chain approach.

The concept was first published and explored in Michael Porter's book, *Competitive Advantage: Creating and Sustaining Superior Performance* (1985). He identifies five primary activities:

1. Raw materials input
2. Production
3. Product output
4. Retail
5. Service.

These are facilitated by four support activities:

1. Organisation infrastructure
2. Human Resources management
3. Technology development
4. Procurement.

Collectively, these activities provide a powerful tool for strategic planning, resulting in product and operational excellence along with bottom-line profit, which accrues along the value chain.

The flexibility of Porter's value chain concept enables organisations to modify and develop it to fit their organisation.

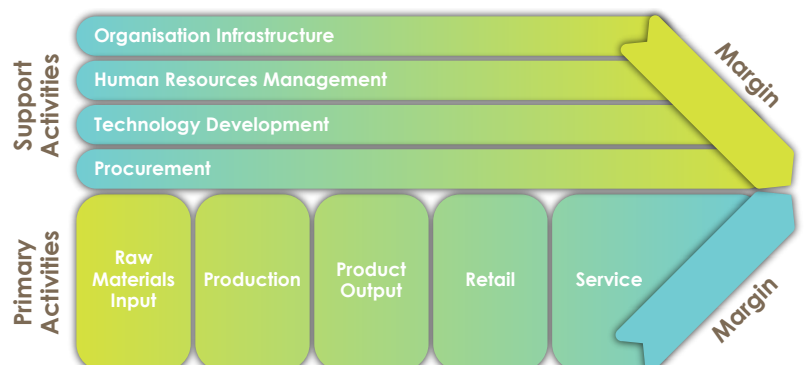
'We recognise the value chain framework as a powerful analysis tool for strategic planning,' says Suzanne Pearson of PTA. 'We customise the concept to meet each client's needs.'

'When adopting the tool to use in project engagement, we modify and simplify the traditional approach', adds PTA's Shannon Trueman. 'It helps to determine the value for customers' internal and external projects.'

The tool is applied at three stages:

1. Activity analysis—project members identify activities to undertake to deliver the product or service; such as business process analysis and requirements gathering
2. Value analysis—the project team adds the greatest value to each activity before the product or service reaches the customer; such as ensuring the accuracy of feedback prior to giving it to a customer
3. Evaluating changes and planning of action—the project team evaluates changes, makes a decision on their viability, and then executes changes to a plan of action.

Value chain management provides organisations with a perspective to achieve product, operations, and customer excellence. To find out how it could help your organisation, talk to PTA. See the back page for contact details.



UNDERSTANDING CHANGE MANAGEMENT

Managers often perceive change management as merely communication or training—this could not be further from the truth. Accomplishing successful organisational change involves applying change management principles and processes appropriate to achieving the required outcomes of your initiative.

What is change management?

The principle of change management is to support a change from how an organisation currently operates to how it wants to operate. The ability for the project to deliver intended results and outcomes relies on how people embrace, adopt, implement and utilise a change in their day-to-day work.

Question: who is supporting the people through their transitions? Having a dedicated resource such as a Change Analyst is a must to execute successful change management activities. Dedicated resources approach change management with intent and purpose, follow processes and formulate strategies and plans.

Why use change management?

Change management provides the tools to support people impacted by the change through their individual transitions created by a project.

Reasons to verify a business case for change management include:

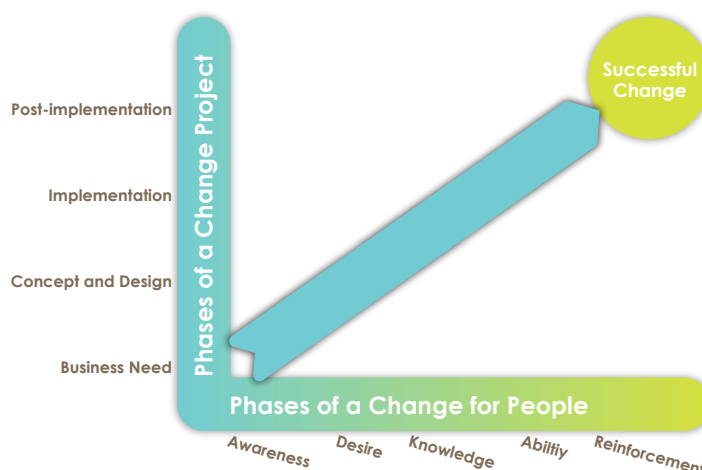
- effective application of change management principles increases the likelihood of success
- organisational change occurs one person at a time
- poorly managed change incurs costs.

How is change management implemented?

A globally recognised framework—and one used by the PTA team—is the *Prosci ADKAR*® model, which brings together new and traditional methods of managing change.

- **A**wareness—of the need for change
- **D**esire—to participate and support the change
- **K**nowledge—of how to change
- **A**bility—to implement required skills and behaviours
- **R**einforcement—to sustain the change.

Generally, all industry change management techniques can align to an ADKAR element, allowing the change management team to connect activities to a measurable standard for moving individuals through the change process. An organisation realises change success when business and individual goals are achieved, as outlined in the following diagram.



Getting the most from PTA

HOW DO YOU ADDRESS NON-PERFORMANCE IN THE WORKPLACE?

Whether workplace non-performance is caused by a deficiency of knowledge or a deficiency of execution, both require a change management plan. The PTA approach to any change management plan is focused around the APQC's three-point change management framework:

Leadership and involvement

- Align leadership around a change management vision supporting the overall goals and objectives
- Clarify expectations for the various changes
- Involve and empower people across all levels
- Recognise and reward successes.

Communication

- Conduct a stakeholder analysis to ensure stakeholder expectations are met
- Develop a communication strategy for the changes
- Develop a tactical communication plan to support implementation of changes.

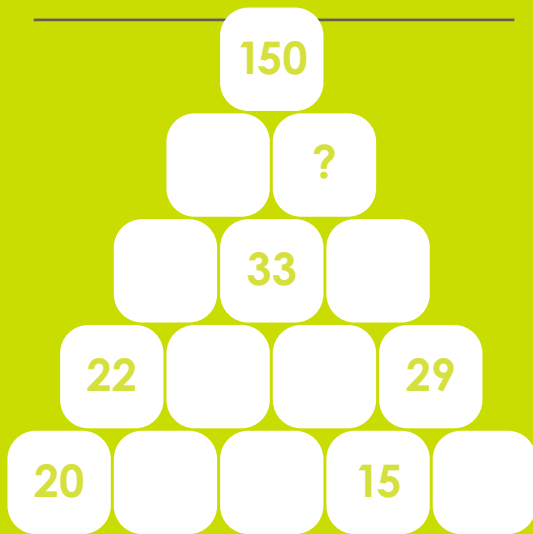
Skills and capabilities

- Determine skills gaps and shortages
- Develop training and support material to close skill gaps
- Make just in time information available for employees to reference after training and learning has occurred
- Spread new thinking across every level and process of the business.

If you would like to talk to us about your change management needs, get in touch. See the back page for our contact details.

Mind Exercise 1

PYRAMIDAL MYSTERY*



The sum of each two adjacent squares gives the number above. What number should replace the question mark?

Solution: back page

* sourced from www.mensa.org.uk

Industry Trends

THE KEY TO SUCCESSFUL BUSINESS PROCESS GOVERNANCE

Business process governance defines the approaches and roles for process management within an organisation. It is essential to the success of any process, and in turn, the success of the business. Without governance, cross-functionality can be riddled with politics, disputes and miscommunication, resulting in ineffective business silos.

For business process governance to be successful, there are two key elements:

1. Establish a process excellence group who:
 - ensures processes are aligned with business strategy
 - manages the process framework
 - manages the process policies standards, tools and templates
 - provides oversight and assistance to process owners
 - supports process training and awareness.
2. It is also important to develop roles and accountabilities for processes:
 - Process boards—groups of leaders and experts who review and prioritise process efforts
 - Process champions—process experts who drive process thinking and approach throughout the organisation
 - Process excellence team—a group of process experts, which provides support across the entire organisation
 - Process owners—ideally functional leaders with a vested interest in the process
 - Process stewards—process experts who are the figureheads of processes (can also be the process owner).

As an active member of the APQC, PTA utilises the most up-to-date information and best practice methods for business process management and governance. To find out how we can help your organisation meet process management objectives, get in touch. See the back page for our contact details.

WHAT'S ON

January 31, 2013

Are you for real? Designing usable, useful and engaging experiences for real people in real life; Sydney, Australia.

February 20, 2013

HR Measurements and KPIs Forum 2013; Melbourne, Australia.

March 6-7, 2013

National Business Growth Summit 2013; Sydney, Australia.

April 14-17, 2013

ACMP Global Conference: Lights, Camera, Change—Producing Results in A Global Economy; Los Angeles, USA.

Mind Exercise 2

SAY IT AGAIN*

A well-known saying has been split up into groups. Rearrange the groups to form the saying. What is it?

CTI-GER-NFI-
ON-RAN-SST-
THA-THI-TRU

Solution: back page

* sourced from www.mensa.org.uk

HELPING WOMEN FIND SUPPORT WITH DOMESTIC VIOLENCE VICTORIA

'Family violence directly affects one in five Victorian women over the course of their lifetime. It is the leading contributor to preventable death, disability and illness in Victorian women aged 15 to 44 years.'

—Department of Human Services, 2011.

According to police data, domestic violence is Australia's most common and fastest growing form of assault. This rapid rise in domestic violence is placing increased demand on Victoria's domestic violence support bodies.


Domestic Violence Victoria (DVVic) works to ensure that all women and children live free of violence. PTA volunteered their services to develop process maps that help identify the ways women can gain support from the court to obtain a family violence intervention order.

The feedback on PTA's work was extremely positive. Trina Howley from DVVic said PTA's support was 'incredible' and that the process maps were an 'absolute hit'.

'Everyone made comment on how useful it would be to actually have these available at the courts,' she added.

Domestic violence often goes unreported and the numbers are not truly representative of the statistics, which means services like DVVic often face funding issues. PTA is proud to support this organisation to help women and children gain the protection and help they need when faced with domestic violence.

Mind Exercise 3



POMERANIAN*

At a boarding kennel and cattery, the GREYHOUND is in pen number 4, the TORTOISESHELL is in pen number 12, the SIAMESE is in pen number 5 and the LABRADOR is in pen number 18.

In which number pen is the POMERANIAN?

Solution: right
* sourced from www.mensa.org.uk

INSIGHTS FROM THE 2012 APQC CONFERENCE

The 2012 American Productivity and Quality Centre (APQC) Block and Tackle conference held in Houston, Texas during October 2012 was an opportunity for PTA to gain further knowledge from peers and professionals through seminars and workshops. The key message of this year's conference was leveraging process for results.

The conference offered some great insights from the keynote speakers, particularly the Blue Angels fighter pilots. Their plan, brief, execute, debrief, and win approach to every flying mission highlighted the value of a process-based approach to consistently delivering quality.

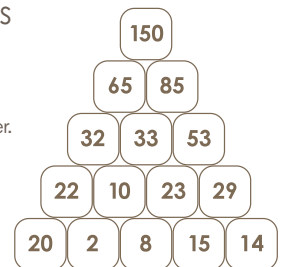
Key takeaways from the conference:

- Know where you want to go—many organisations fail to develop successful strategies
- Know how you want to get there—use business process management (BPM) to synergise business units; making the final destination more achievable
- Avoid isolating BPM from other functions—when asked what they would do differently, many firms say integrate BPM and strategy
- Measure the outcomes of your BPM—'What gets measured gets noticed.'

If you are interested in knowing more about leveraging process for results and how it could help your business, talk to PTA. Our contact details are on the back page.

Mind Exercise Solutions

1. 85.
2. Truth is stranger than fiction.
3. 14. The alphabetical value of the last letter of the breed gives the pen number.



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