

***A Practical Approach to
Achieving Productivity Optimization***

***The Company:** At Taurus Concepts, we are focused on helping organizations realize the business process improvements needed to stay competitive. This white paper explores Taurus Concept’s unique approach to process improvements and how its philosophy enables the company to offer an unmatched cost reduction guarantee.*

Today’s world leaves little room for inefficient or poorly running organizations. The economic environment is unforgiving and margins are eroding in the face of relentless pressure and shaky markets. Under these circumstances, companies are more interested than ever in productivity optimization, with particular emphasis on implementing improvements quickly, and reaping benefits immediately, as well as over the long haul.

A recent study¹ conducted by the Aberdeen Group reveals there is little doubt business process improvements carry tangible benefits. The study found best-in-class companies obtained a weighted average 26% year-over-year reduction in operating cost by leveraging process management strategies, tactics, and tools.

Taurus Concepts understands your need for bottom line improvement, not lengthy presentations and fancy charts, and that’s why we focus on delivering measurable, sustainable financial results. Our practical, pragmatic approach minimizes organizational distraction and risk, and maps the shortest route to reduction in production costs and improvement in productivity.

***The Approach:** Our approach is framed by our unique philosophy. It is a philosophy of quality and efficiency, achieved through a marriage of lasting behavioral change and sound business process principles, and is grounded in three main tenets: emphasis on bottom-up view, people orientation, and commitment to stay the course. These three concepts are at the core of how we approach our work, enabling us to back what we do with confidence. Without these foundational principles, we could not guarantee a 15-25% operational cost reduction and at minimum, a 70% return on investment within the nine months of the project, and 250% ROI after one year of the completion of the project.*

***Bottom-up Analysis and Implementation:** We believe only by understanding how an organization operates at all levels can we see what’s really happening and how to improve it. Likewise, implementing process improvement requires buy-in that extends from the lowest level through the*

¹ BPM and Beyond: The Human Factor of Process Management. Aberdeen Group, December, 2008. By comparison, the industry average was a 5% reduction in cost, and laggard companies logged a 15% increase in cost for the same period. Aberdeen found similar results in organizational efforts to improve customer responsiveness and reduce waste.

upper reaches of an organization. And equally as important, a bottom-up view is imperative when implementing change.

This approach is in stark contrast to what most management consultants provide, and is what sets Taurus Concepts apart as a business engineering firm. We, like most management consulting firms, aim to help companies optimize productivity. But whereas management consultants take a sweeping top-down view of the company and tend to be closely aligned with senior and middle management, our business engineers are attuned to all levels of the organization and find themselves most frequently “down on the floor” with the employees who do the work, not just the managers who run the shop. Taurus Concepts engineers are not afraid to roll up their sleeves and get their fingernails dirty in their quest to understand how a business runs and how it can be adjusted to run better.

Whether it’s a food processing plant, financial services call center, airplane manufacturer’s warehouse, or bottling plant, Taurus Concepts engineers can be found on the floor alongside employees, learning how the business operates and why it works the way it does.

While management consultants’ data gathering and assessment is often excellent, many times the conclusions drawn are significantly flawed because of their top-down bias. In these instances, two scenarios are at play:

- 1. A failure to properly identify what needs to be done because of a failure to see how things really operate down on the floor.*
- 2. The change prescribed is too sweeping to be practical—it carries with it great risks, and a “swinging for the fences” mentality. This is great for trying to build the “perfect” organization but for those who need to see cost reduction today, it is unobtainable.*

We have all seen businesses undertake lengthy change initiatives that promise to rewire the organization in new and exciting ways, only to scrap them months or years later after many millions have already been spent. But almost as damaging and certainly more insidious, is the situation when a manageable change was undertaken, but for the wrong reasons. Take, for example, an auto repair chain that required an unusually large staff for the parts department at each location. Although the management consulting firm the company had engaged was able to analyze the organization and identify that the amount of work did not justify the staff size, it incorrectly identified misuse of the inventory system as the root cause and made a series of recommendations the organization balked at implementing.

Conversely, when our business engineers were brought in, their bottom-up analysis saw not only that the parts staff was inefficient, but also observed a tremendous amount of downtime in the stockroom. Further investigation revealed that a full staff was required to deal with the glut of inventory work that occurred around receipt of parts shipments, which happened throughout the day. The business engineer recommended scheduling shipments to arrive before 9 AM, so that parts personnel could compress most of the stock work into one time period, and free personnel for other work the rest of the day. Because it failed to look bottom-up, the management consulting firm got the diagnosis right, but missed the underlying causes and as a result prescribed the wrong treatment.

For most companies, a more achievable plan is to focus on what changes can be made in the near-term that will have measurable improvement. A smaller change today has not only measurable improvement in the near term but also can represent the first step in realizing larger changes. Taken incrementally, risk of failure is reduced and benefits realized more quickly. And with smaller changes, there is room to make course corrections along the way.

***People Orientation:** Operational improvement, more often than not, is derived by a change in behavior. And behavioral changes are made by people—individuals and groups—not organizations. Many an efficient process has been derailed because people failed to make the necessary behavioral changes. Taurus Concepts understands this human factor and that’s why our engineers are people who treat employees not as obstacles to a goal, but as necessary partners in goal achievement.*

Humans are essentially creatures of habit, and even when they’re dissatisfied with their current state, they tend toward inertia. Moreover, there is often active resistance to change that can stem from a distrust of the company’s motives, lack of understanding of the impact the change will have, disbelief the change is the right one, or just an unwillingness to learn a new way of doing something. We understand what motivates fear of change, and rather than seeking to “beat it out of them,” we work with people to work through the underlying issues and get past their natural resistance. Rather than demanding a shift in behavior, we enlist their help in achieving a result. We back them up with solid training and we stay with them throughout implementation. We help the organization achieve permanent change because rather than being agents of unwanted change, we are instead facilitators who help organization achieve the improvements it desires. Our goal is to imbue the organization with a culture of continuous improvement and we know we’ve succeeded if at project’s end they feel as though they made the improvements themselves.

To make effective change, people need to understand the underlying purpose and how the change leads to improvement, both for the organization and for themselves. That’s why our methodology is so critical. With our TaurusCan, we take an in-depth view of the organization and its processes.

TaurusCan provides observational-and analysis-substantiated evidence of what needs to be corrected, which is critical to getting buy-in from members of the organization. And because the scan is performed in a bottom-up way, with our engineers observing processes and their fundamental linkages throughout the organization, the company has confidence in the scan’s findings.

The scan teaches the organization to look at itself in a new light, and paves the way for making recommended changes, by drawing a direct line between what is wrong and what needs to be changed. With the correlation clear, and an elemental understanding of how the analysis was performed, employees are equipped to understand why the change must take place, and how it will affect the organization and them, personally.

As part of our people orientation, we have a strong emphasis on communication—both receiving and sharing information. Communication is critical to focusing on the right issues. For instance, a janitorial company with many remote offices wanted to improve the quality of its management reporting. It was considering extensive management training or costly new systems, when business engineers audited the company and determined that the real issue was that managers were scrambling to turn in reports Thursday for a Friday management meeting. They were operating under a high level of stress because they didn’t feel they had adequate time to put the report together properly, and didn’t value the information as highly as a result. Once this issue became clear, senior managers agreed to shift their meeting out one business day, which gave line managers the time to gather and provide quality data, while also reducing their stress levels.

If we had focused only on the process of data collection, not the people, we would have failed to identify the underlying issue and could have missed the opportunity to make a relatively quick and easy change that would have direct impact on data quality, and that improved the line managers’ work environment. A firm may be steeped in business engineering methodology, but that knowledge is useless if its engineers cannot comfortably communicate with every level of the organization, from executive to assembly line. The engineer must be able to see what goes on in the trenches, hear from the people who do the work, and communicate this to senior management. Those managers are often surprised to discover that work rarely gets done in the fashion they thought it was getting done.

The sound analysis yielded by the TaurusCan combined with clear communication across the organization in the company’s own vernacular is unbeatable. It enables the buy-in required for making change and ensuring it sticks.

Commitment to stay the course: *Lasting change, no matter how small, can be difficult to achieve, and requires going beyond identifying areas of improvement or training people on how the improvement*

could be made. It requires the business process engineer to help implement the change, and then stay around to ensure it becomes permanent. At Taurus Concepts, we are right there with you, whether it's on the shop floor or in the warehouse; in a staff meeting or in the file room, working side-by-side to ensure success. This commitment to stay the course enables us to guarantee to you that you will realize a 15% to 25% operational cost reduction, which translates to a 250% to 300% Return on Investment.

There is a Chinese proverb that says, “Give a man a fish and you feed him for today, teach a man to fish and feed him for a lifetime.” At Taurus Concepts, we believe you need to take it a step further and stay with him while he implements what he's learned and make sure he's made feeding himself a part of his ongoing life.

Taurus Concepts understands employees often make change when the spotlight is on them, but slip back to old habits once the bright light of close scrutiny is switched off. We listen and observe and work side-by-side with your team to ensure the change is resilient and manageable. Our guarantee means we have a vested interest in ensuring the company forms new “good habits”; we not only stay to ensure a solid implementation, but we also check back periodically to ensure continued success. We want to know the process is adapting over time, and responds to new events and initiatives without breaking. No one wants to make a positive adjustment to a process, only to be confronted by a new element so that instead of extending the improvement, things go back to the old ways of operating. Taurus Concepts ensures that won't happen.

Conclusion: *At Taurus Concepts, we are passionate about quality and efficiency and about the people. We are driven to understand how an organization operates, how it can operate better, and how to build a partnership with its people for lasting success. We believe our bottom-up approach, people orientation, and commitment to stay the course takes solid business process methodology out of a theoretical realm and into the streetwise world of captured savings, sustainable improvement, and measured return on investment. Our business engineers provide fresh eyes to your organization and the means to identify what could be improved, and what will realize the best bang for the buck. We invite you to contact us today and see for yourself how different we are from your average management consultant.*

Contact a Taurus Concepts representative to learn how you can optimize productivity and start reducing your operational costs today.

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