

Business Process Management Seminar

REPORT

BPM-SEMINAR

MAKING THE “HOW” A QUALITY ADVANTAGE

NASA SUPPLY CHAIN CONFERENCE 2010

AT NASA GODDARD SPACE FLIGHT CENTER

OCTOBER 22, 2010



October 22, 2010

Claes Berlin

1

BACKGROUND

Claes Berlin, Quality Manager for RUAG Space Sweden held a presentation about **“Sustainable Process for Mission Success”** at last year’s Supply Chain Conference in NASA Goddard Space Flight Center and in spring 2010 at the NASA Quality Leadership Forum – QLF at Cape Canaveral in Florida.

Many of the topics that came up during these two previous conferences were appreciated and created interest among the participants. During this year conference Claes Berlin conducted the interactive seminar on **“Making the HOW a quality advantage”** for companies and organizations.

This is an under title to the main paradigm shift that Claes communicates in the global business and organization environment for the coming decades **“From WHAT To HOW”** – going with the focus and perspective from what we do – to how we do it.

2

PROGRAM

Seminar Agenda; the seminar employs a combination of presentations and participatory exercises, and includes:

- Developing the company culture with customer focus and empowerment in the organization
- Using ISO 9001 and AS/EN 9100 standards as tools for change
- Understanding the elements of process management
- Exercises in Business Process Management
- Case story presentation – “our BPM journey”
- Discussion and reflections on the value of a process-oriented approach and lessons learned

If you have any questions regarding the seminar performed, please contact Claes Berlin claes.berlin@telia.com or Jonathan Root at NASA Goddard Space Flight Center jonathan.root@nasa.gov

The seminar was conducted by Claes Berlin, see below the bio;
Claes Berlin serves as the Quality Manager for RUAG Space Sweden (previously SAAB Space) and has over 35 years of experience within the international space business. His extensive experience includes expertise in the areas of Quality Management, Process Management, Change Management, Supply Chain Management, and Leadership and Operational Excellence.

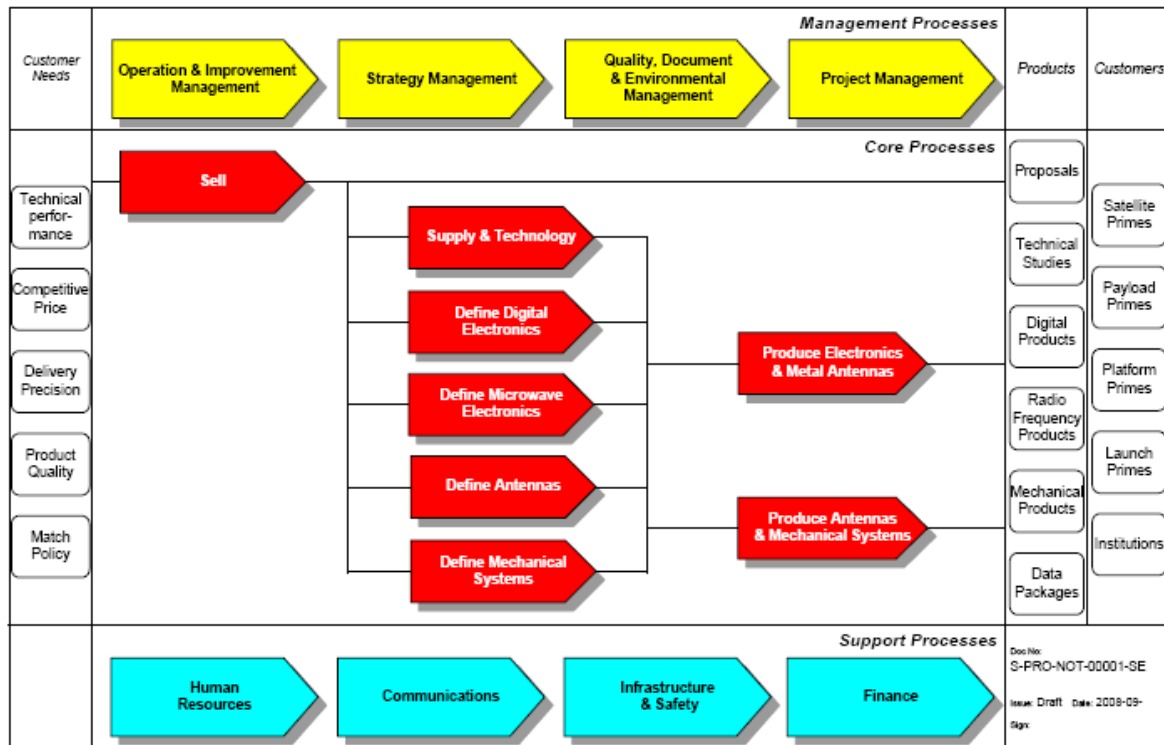
Claes is a certified lead assessor for ISO 9001 and 14001, AS/EN 9100, the Baldrige Quality Award, EFQM – the European Quality Award and the Swedish Quality Award. He began his career as a component engineer and previously served as a product assurance manager on space projects. Claes has a Master of Science degree in Electronic Engineering, graduating from Chalmers University of Technology in Gothenburg, Sweden in 1975.

Participants in the BPM-seminar;

Robert	Anderson	Regional Sales Manager	MDL Manufacturing Industries, Inc.
Claes	Berlin	Quality Director	RUAG Space
Olga	Ceritellie	Program Manager, NCAS	Honeywell Technology Solutions, Inc.
Alfred	Cook	QMS Analyst / Auditor	NASA Ames Research Center
Ann Miranda	Cooter	Mission Assurance Manager	Harris Corp.
Kenneth	Digiulian	Mission Assurance Manager Quality - Counterfeit Parts Control Specialist	Northrop Grumman ES
Daniel	DiMase		Honeywell Technology Solutions, Inc.
Roger	Evans	President	Evans Associates, LLC
Cassandra	Hafford	Logistics Management Specialist	NAVSEA
Regena	Haugh	Quality Assurance Specialist	NASA WFF
Jody	Hilseberg	Space PMPCB Chair	Northrop Grumman Space Mission Assurance
Kimberly	Jenkins	Management Analyst	GSFC, SMA, CODE 302
Alex	Lotocky	Mission Success Mgr - ATC	Lockheed Martin Space Systems
Param	Nair	Operations Research Analyst	NASA GSFC
Howard	Nestlerode	Quality Engineer	Evans Associates LLC
David	Peterson	Senior Consultant	LMI
Jonathan	Root	Supply Chain Manager	NASA GSFC
Oliver	Schiewe	Vice President Quality Management	RUAG Space
Sase	Singh	Engineering Manager	Honeybee Robotics
Louis	Thomas	Supply Chain Manager	NASA/GSFC
Stephanie	Watts	Parts Technician	MEI TECHNOLOGIES
Patrick	Wojcik	CDA Intercorp	
Ralph	Gunderson		Moog
Nat	Jambulingam		NASA GSFC
Ric	Alvarez	Programs Mission Assurance Manager	Northrop Grumman Electronic Systems
Leroy	Brunner		NASA GSFC
Kirk	Ketterer	Quality Program Manager	NASA KSC
Gary	Shipper		The Aerospace Corporation
Jeannette	Van Den Bosch	NASA White Sands Test Facility	
Dave	Campbell		NASA GSFC
Mike	Kelly		NASA GSFC
Mansoor	Ahmed	Associate Director for Astrophysics Projects Division Director, Quality Management Resources	Astrophysics Projects Division-Code 440
Daniel	Berry		Ball Aerospace & Technologies Corp
Brenda	Brunello	Lead Auditor	Honeywell NASA Contract Assurance Services
Jayne	Chickola	Quality Systems	Lockheed Martin Space Systems Company
Thomas	Clifford	Engineering Manager	GSFC/Code 302
Rose	DiGeronimo	PEO Programs	SECNAV ASN RDA Acq & Logistics
David	Eckhardt	Program Manager Sector Director, Safety & Mission Assurance	BAE SYSTEMS
Beth	Emery		Northrop Grumman Aerospace Systems
Bruce	Eyrich	Parts Engineer	MEI TECH

Gary	Franko	Sr. Quality Engineer	GSFC / Mantech
Anne	Hasselbrack	Contracts Manager	Sigma Space
Sonya	Hopson	Sr Engineering Manager	ManTech International
ELIZABETH	IWANICKI	PRESIDENT	MICROTECH MACHINE CO.INC.
James	Kalshoven	Business manager	Syneren Technologies
Michael	Kelly	Chief, Institutional Support Office	Goddard
Joshua	Krage	Chief Information Security Officer	NASA
Ronald	Lang	Mission Assurance Lead GOES-R Director, Supplier Quality, Mission Assurance	Honeywell Technical Solutions inc.
Janice	Mathews	Sr. Principal Subcontracts Administrator	Raytheon Company
Karen	McKenzie	SR. QUALITY MANAGER	Raytheon
BETH	MINCE	VP, Business Development & Special Projects	ORBITAL SCIENCES CORPORATION TSD
Christopher	Peters	Project Safety Manager	DSN Innovations
Jana	Rezac	Quality Engineer	NASA GSFC
William	Shifman	NASA Account Manager	Dell Services
Rudolph	Simpson	Project Engineer	IBM
Ron	Stanford		Johns Hopkins University/Applied Physics Lab

Example of a Main Process Map





Claes Berlin discusses the BPM roadmap with Olga Ceritelli, Jonathan Root and Oliver Schiewe in Jonathan's office the day before.



Olga and Oliver prepare the BPM tool box for the seminar.



Jonathan and Olga agree – all prepared, we are ready for the BPM-seminar.



Supply Chain 2010,
the 4th Annual NASA Supply Chain Quality Assurance conference
- the theme of this year's conference

Innovation and Mission Success



Claes in front of building 34 at Goddard Space Flight Center and room W105 the place for the BPM seminar.



Great table of food and drinks – thanks to ManTech and Honeywell.

Some photos from the morning lecture:



Some slides from the morning lecture;

Making the “How” a Quality Advantage

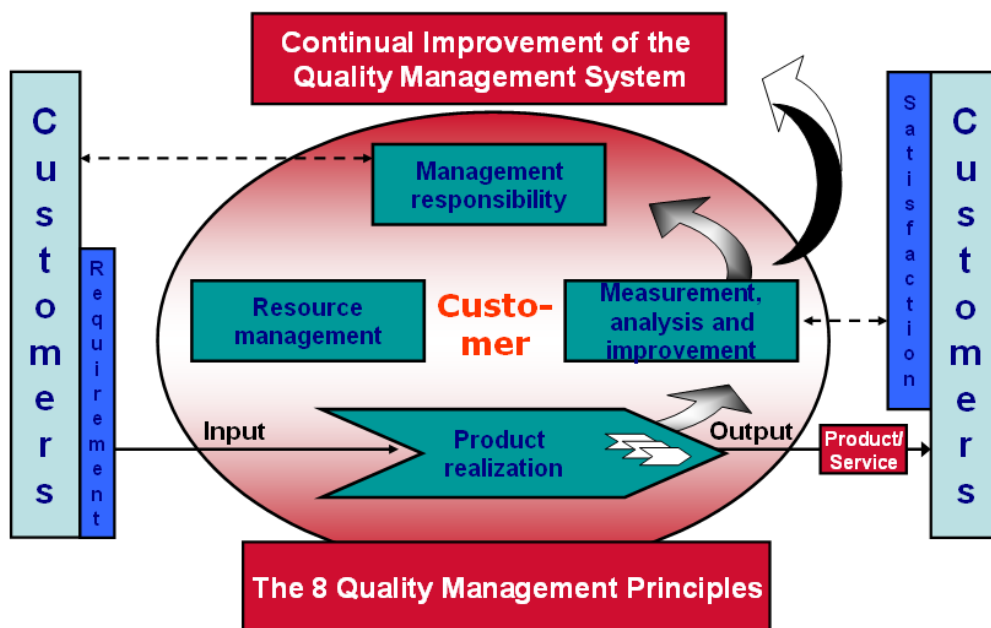
Program

- **Developing the company culture with customer focus and empowerment in the organization**
- **Using ISO 9001 and AS/EN 9100 standards as a tools for change**
- **Understanding the elements of process management**

- **Group Work in BPM – Business Process Management**

- **Case story presentation – “our BPM journey”**
- **Discussion and reflections on the value of a process-oriented approach and lessons learned**

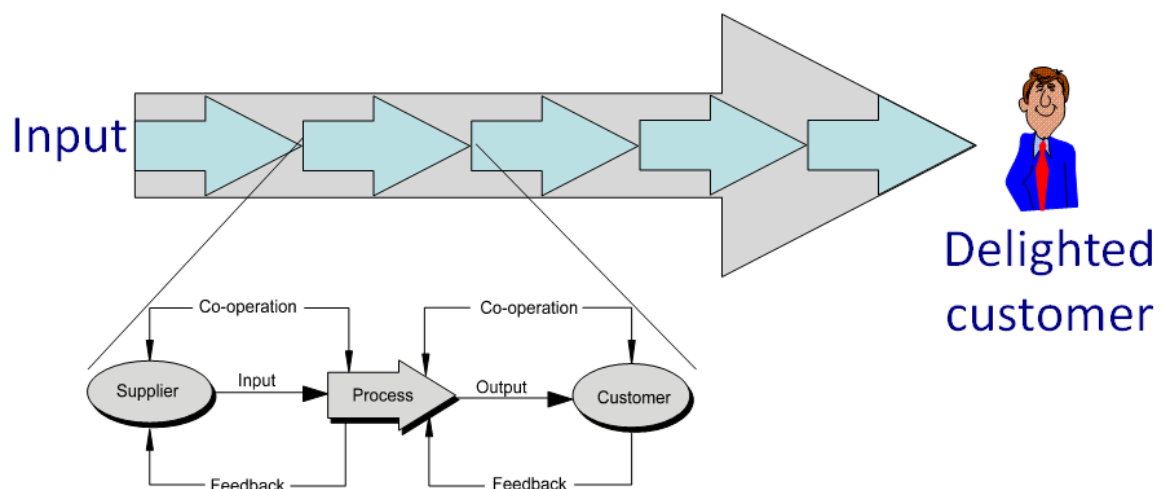
Model of a process-based Quality Management System (ISO 9001:2008)



QUALITY MANAGEMENT PRINCIPLES - QMP THE 8 PRINCIPLES FROM ISO 9001:2008

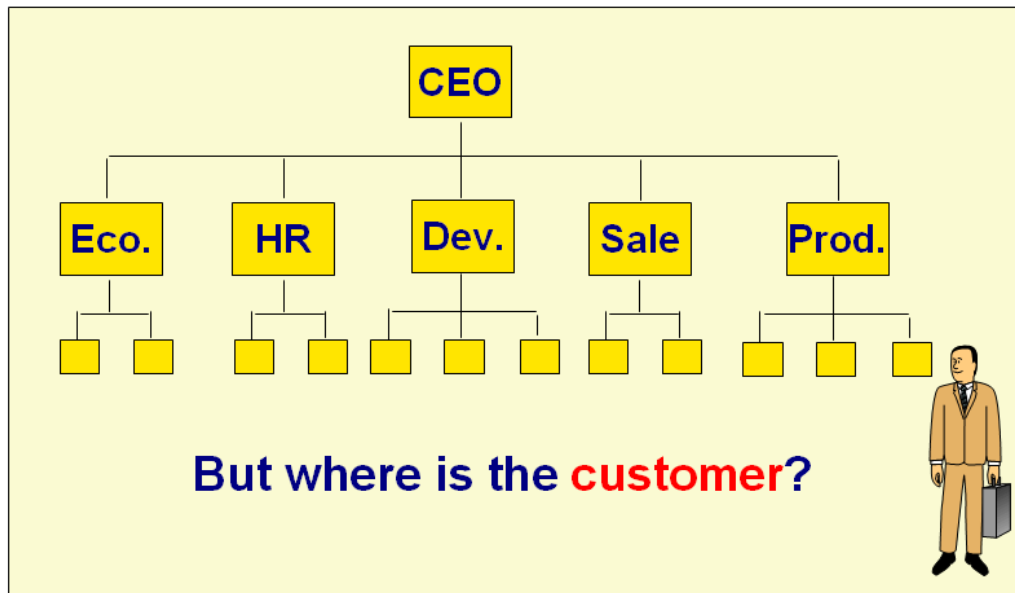
1. Customer Focus
2. Leadership
3. Involvement of People
4. Process Approach
5. System Approach to Management
6. Continual Improvement
7. Factual Approach to Decision Making
8. Mutual Beneficial Supplier Relationships

Customer Focus

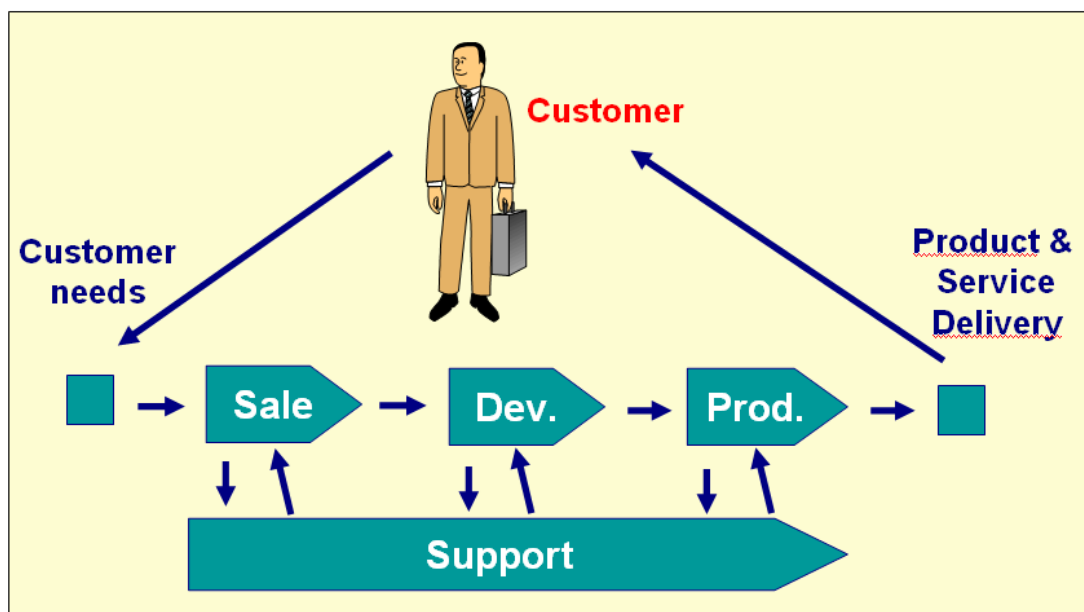


"Next process is your customer"

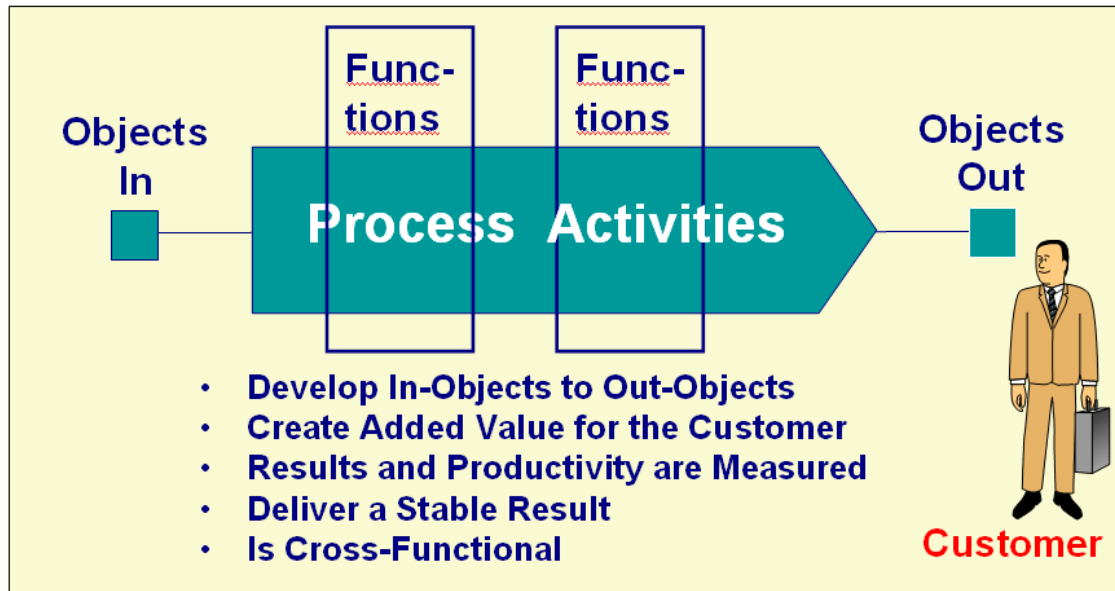
Functional Organization



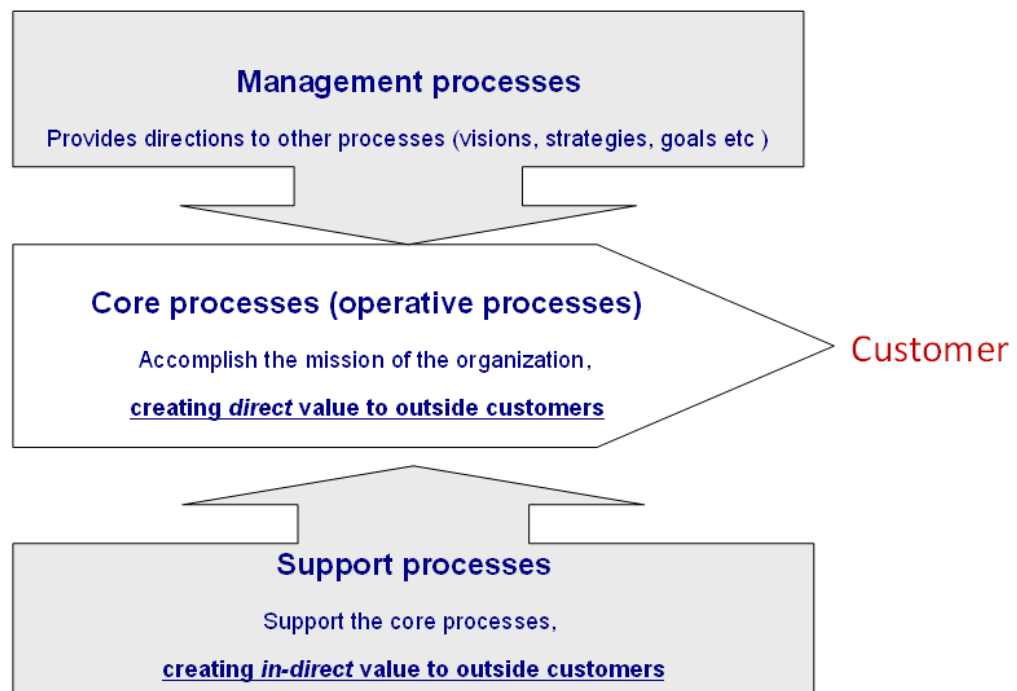
Process view



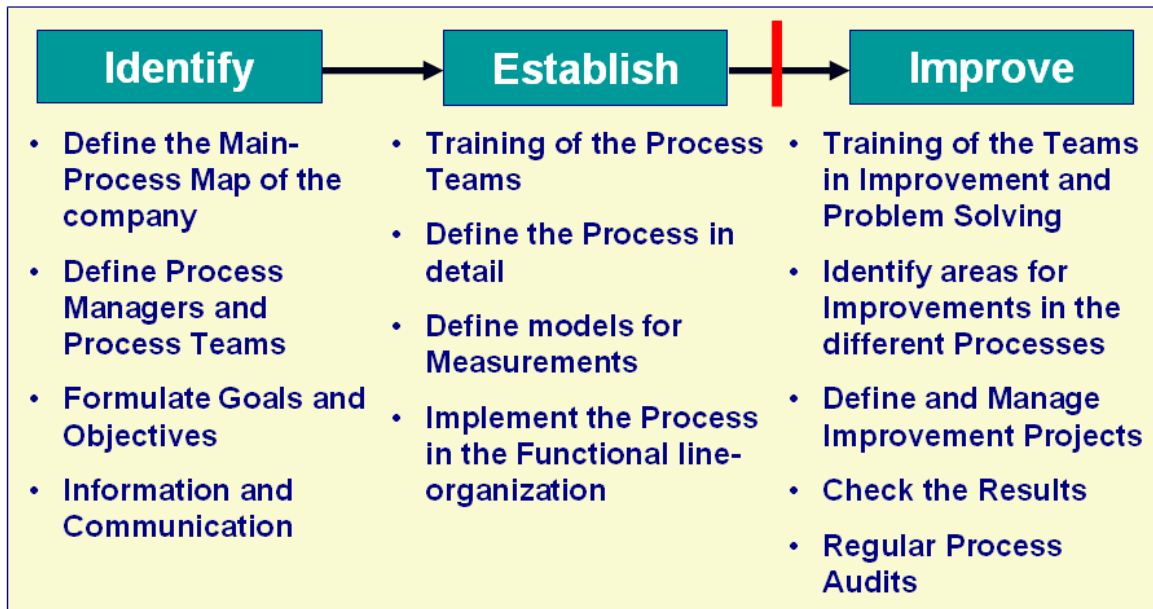
Definition of a Process



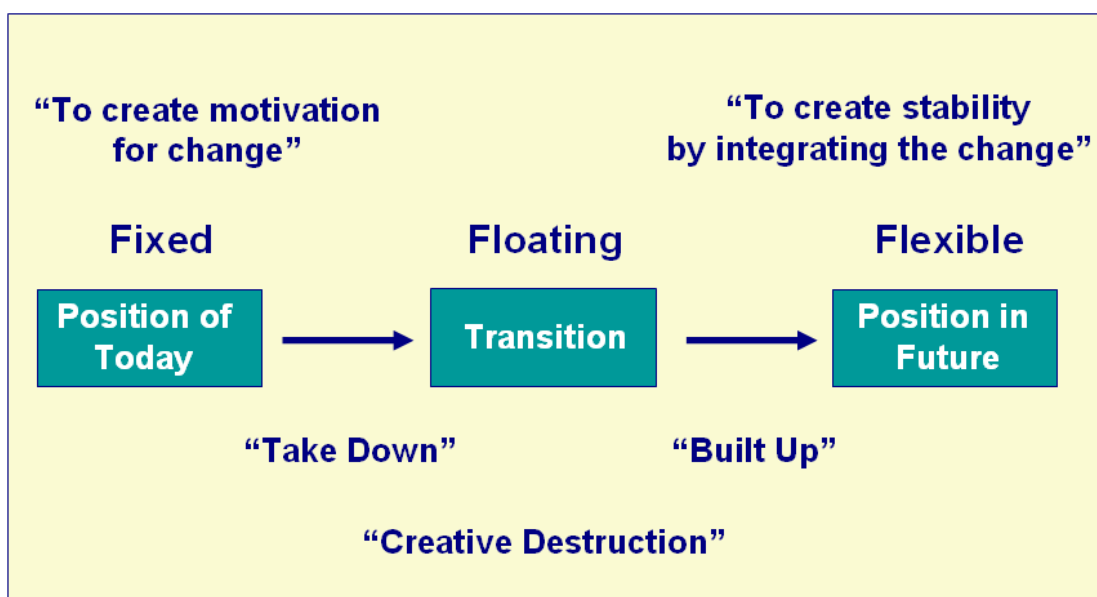
Different kinds of processes



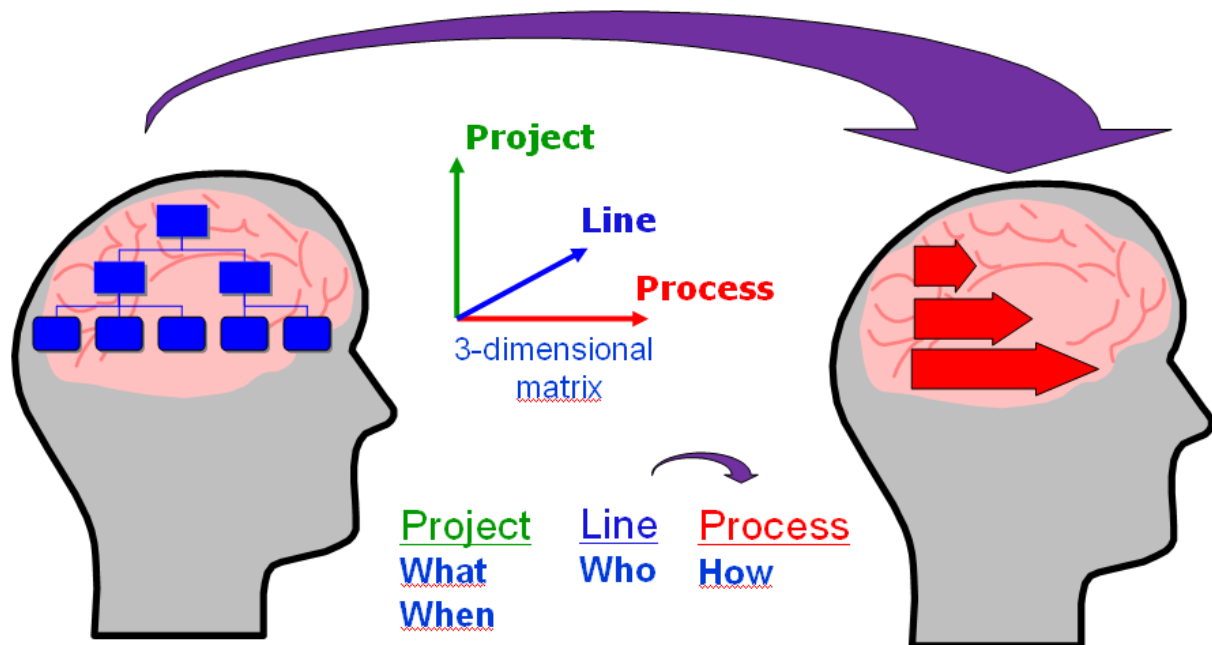
Method of Business Process Management



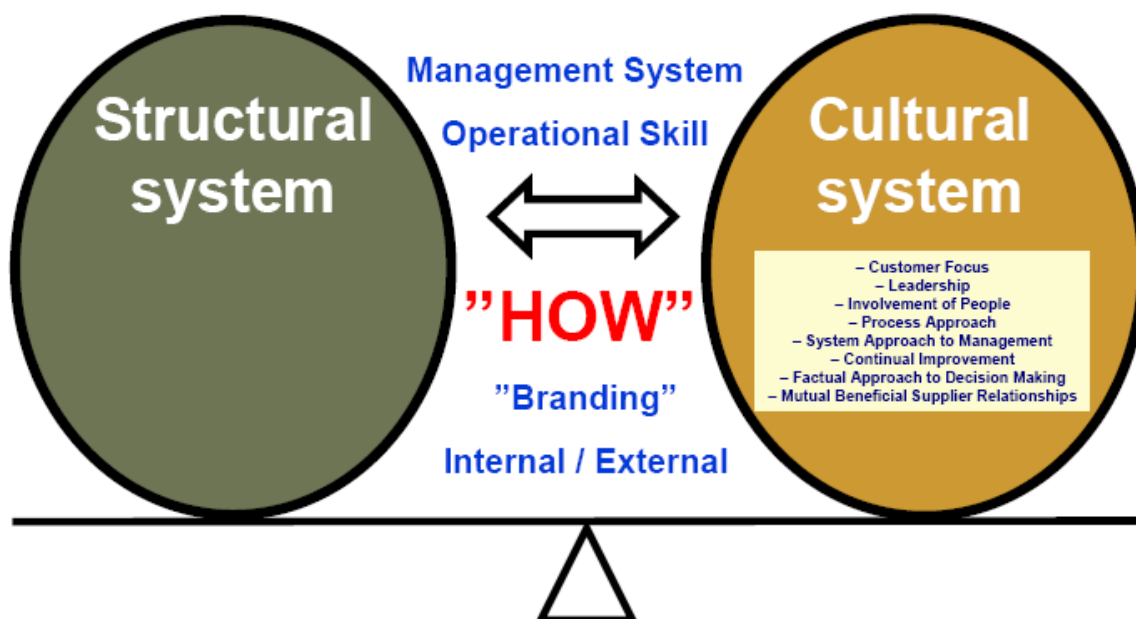
Process of Change



Change means
- a different way to think and act!



“The Performance Platform”

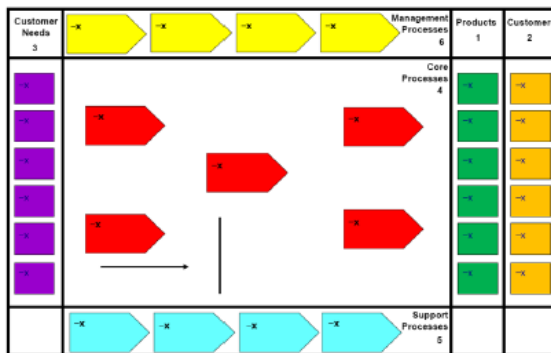


Material used and produced during the morning Exercises in Business Process Management in the 6 different groups with 6 different cases no 1, 3, 5, 6, 8 and 9 as below with 2, 4, 7 and 10 excluded.

WELCOME TO THE BPM GROUP WORK

Making the "How" a Quality Advantage

October 22, 2010 at 08.15-noon
Location: Building 34, Room W105,
Goddard Space Flight Center

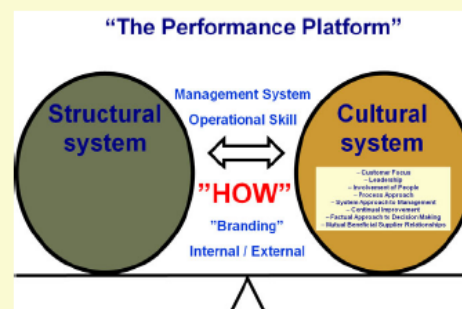


/ Claes

Workshop – to be done in your groups

Please do the group work for the below commercial and public cases within both types of service and product organizations.
McD is the real McD and for all others you create a fiction company yourself in your groups using your creativity and entrepreneur skill. The case is your group number.

1. McD
2. Hotel
3. Airline
4. Bank
5. Oil Company
6. Hospital (public)
7. Business School
8. Medical Device Manufacturer
9. Helicopter Engine Manufacturer
10. Aerospace Company (prime contractor)



To Do – Step 1!

Start the work and do the following 3 steps in your case;

1. Define the **Mission & Vision!**

Definitions: **Mission – why are we here?**

Vision – what do we want to be?

Business Idea – how do we do it?

2. Define the **Business Idea** and the **Business Goals!**

3. Define the **7 Success Factors** and from them identify **3 Critical Success Factors!**

To Do – Step 2!

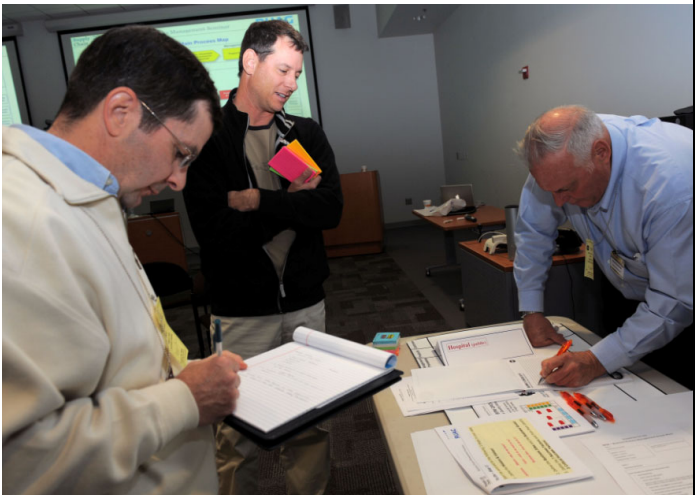
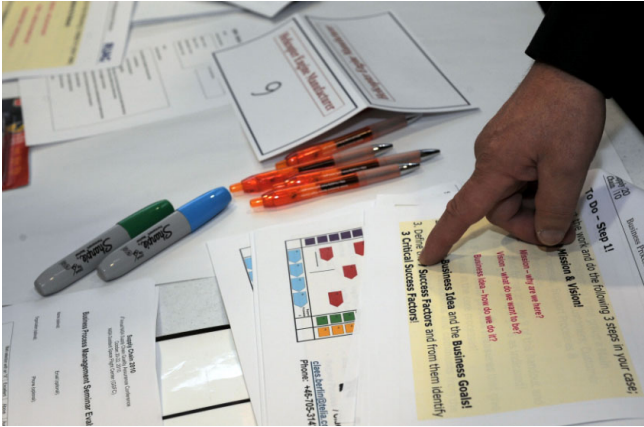
4. Establish via brainstorming in the group a **Main Process Map** with Products, Customers, Customer Needs, Core Processes, Support Processes & Management Processes.

Use the attached format at page 9 of this handout and do it in steps of 1 – 2 – 3 – 4 – 5 – 6 as indicated!

5. Identify **5 measurable process measures** that give the effectiveness in the core processes!

6. Give **Your own reflections and comments** from the group on what you have done using the BPM-method!

ACTIVITIES DURING THE BPM EXERCISE



GROUP 1 – Mc DONALDS - RESULTS



McD
1

MISSION:
MAXIMIZE STAKEHOLDER VALUE

VISION:
TO BE THE RECOGNIZED INDUSTRY LEADER
IN THE QUICK-SERVICE RESTAURANT INDUSTRY

BUSINESS IDEA:
LEAN, PROFITABLE AND CUSTOMER-FOCUSED

McD
1

SUCCESS FACTORS:

- ⊕ LEAN, WASTE-FREE, JIT, INTEGRATED SUPPLY CHAIN
- ⊕ WORLD-CLASS SUPPLIER RELATIONSHIPS
- + TRAINING IN CONSISTENT EMPLOYEE PERFORMANCE
- + ECONOMIC VALUE ADDED / ROA / ETC.
- ⊕ OPTIMAL WORKING CAPITAL
- + FRIENDLY SERVICE + CONVENIENCE
- ⊕ TIME TO SERVE + OPTIMAL LOCATION
- + RESPONSIVE TO CONSUMER TRENDS
- ⊕ CONSISTENT PRODUCTS, SERVICES & FACILITIES (CPSF)



GROUP 3 – AIRLINE - RESULTS



Airline 3

MISSION - We provide quality service to ALL Customers.

VISION - The Best airline service using innovative ways to serve customers safely, affordably and on-time !!

Business Idea - Non-stop regional flights to smaller airports


Business Goals:

1. ~~Best~~ Profitable
2. Green
3. Flexible
4. Efficient
5. Lean

Airline 3

Success Factors

* BEST

1. Customer Service 
2. ~~Increasing~~ Profitability
3. ~~Good~~ Industry Leadership
4. RMS Quality
5. Safe Flights Always
- * 6. Green Philosophy
7. ~~Measured~~ Deliverables



GROUP 5 – OIL COMPANY - RESULTS



5

Mission → Safely providing green/liquid energy at the best value for now and the future.

Vision → Be Creditable, Reputable, employer of choice while exceeding customer expectations

Business Idea → • Structured process oriented company that listens to customers & employees

Goals →

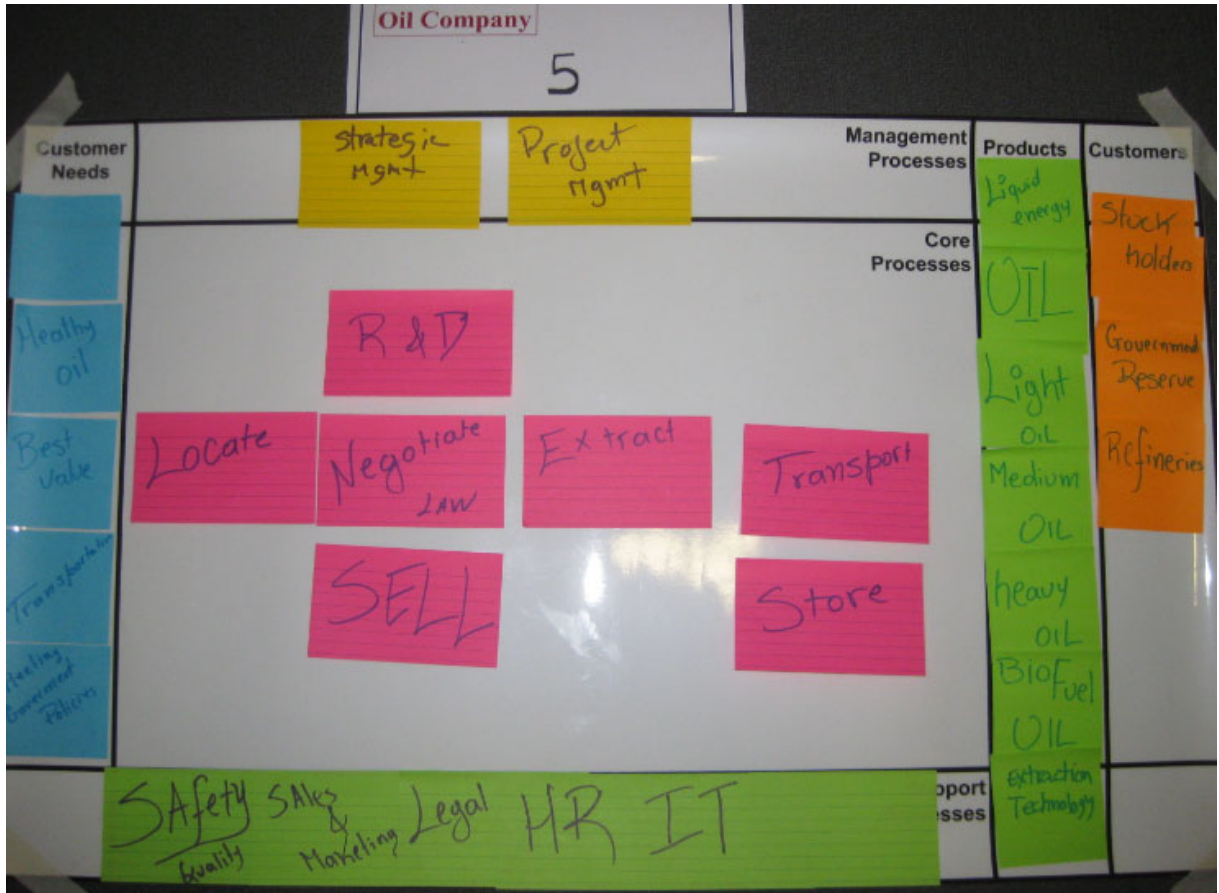
- Customer satisfaction
- Employees trust & commitment.
- 5% growth Y-O-Y
- Innovation leader in energy business

Oil Company

5

Success Factors

- ✓ Safety comes first. - employees - environment
- ✓ Customer Satisfaction
- ✓ Employee Satisfaction - Low turn over/abs - Emp. Involvement
- Best Value (for customer)
- Technology (Patents, new Products)
- Business growth
- Structured process oriented



GROUP 6 – HOSPITAL (PUBLIC) - RESULTS



MISSION:

TO ENHANCE THE WELL-BEING OF THE COMMUNITY THROUGH STATE-OF-THE-ART HEALTH CARE AND EDUCATION.

VISION:

TO PROVIDE THE HIGHEST CARE WITH THE LOWEST STRESS

BUSINESS IDEA:

OFFER A FULL-RANGE OF CARE

BUSINESS GOALS:

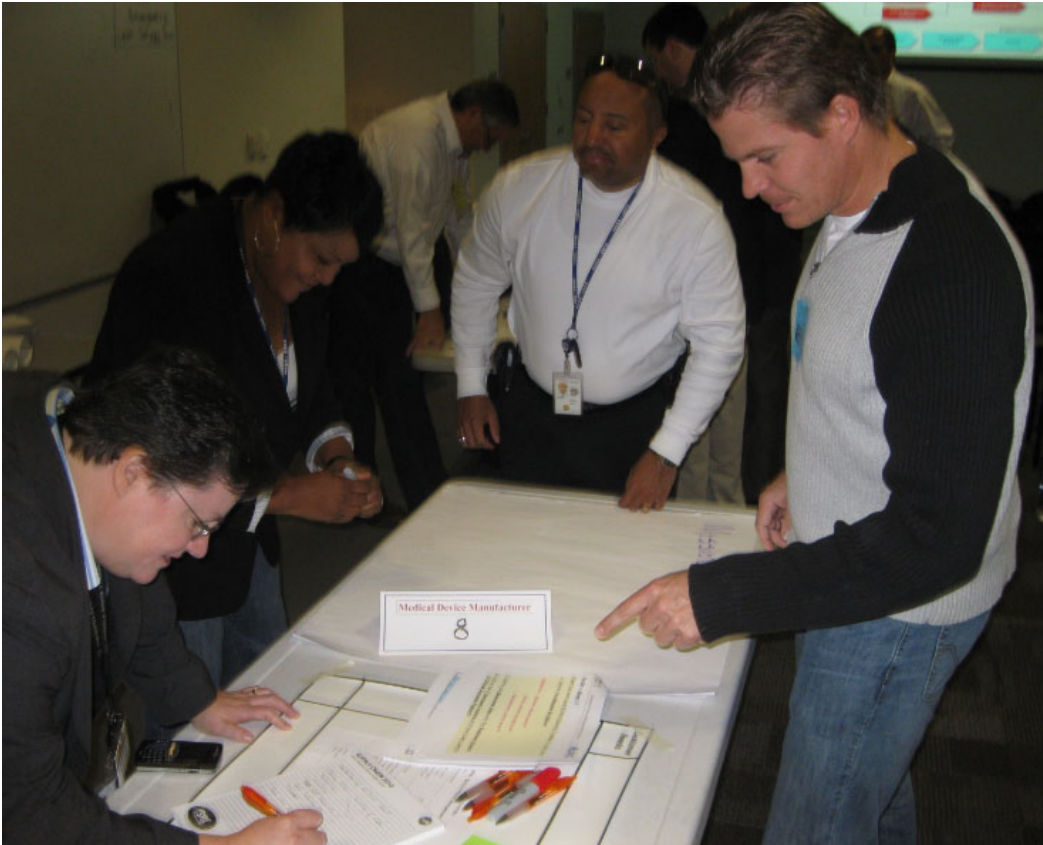
- | | |
|---------------|------------------|
| 1) AFFORDABLE | 3) QUALITY STAFF |
| 2) TECHNOLOGY | 4) INTEGRITY |

SUCCESS FACTORS

- 1) GOOD STEWARD OF RESOURCES
- 2) STAY IN THE BLACK
- 3) DEMAND FOR SERVICES
- 4) GROWTH OPPORTUNITIES
- 5) MATCH RESOURCES WITH DEMAND/NEED
- 6) REPUTATION
- 7) RETAIN TOP STAFF



GROUP 8 – MEDICAL DEVICE MANUFACTURER - RESULTS



8

Mission - Saving lives and improving quality of life.

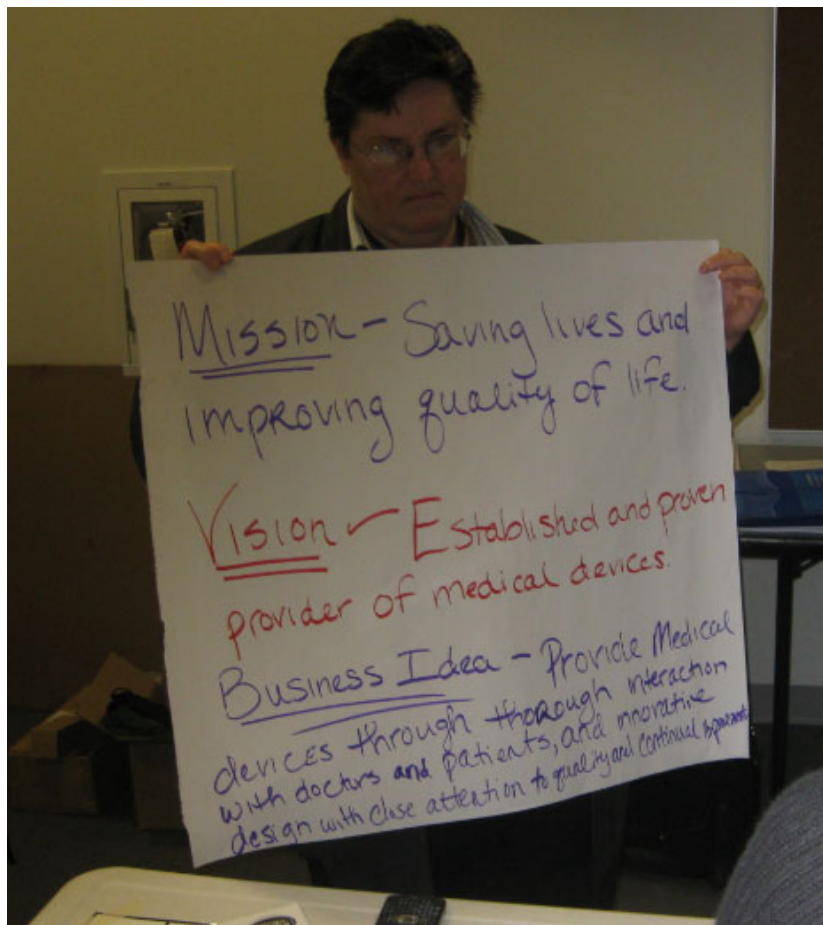
Vision - Established and proven provider of medical devices.

Business Idea - Provide Medical devices through thorough interaction with doctors and patients, and innovative design with close attention to quality and continual improvement.

Medical Device Manufacturer
8

Success Factors

- * Relationship with Doctors+Patients
- * Industry Leader
- * Trusted
- Reliable
- Cutting Edge Manufacturing
- Saving Lives
- Integrity



GROUP 9 – HELICOPTER ENGINE MANUFACTURER - RESULTS



9

MISSION: BUILD RELIABLE ENGINES
that MEET OR EXCEED CUSTOMERS' REQUIREMENTS

VISION: Be the most reputable
and innovative provider in our
target market.

BUSINESS IDEA: Best team building to include
employees, suppliers and customers.

BUSINESS GOALS:

- DOMINATE Market Share in Target Market
- Profitable
- Highest Reliability
- On Time Delivery
- High Customer Satisfaction

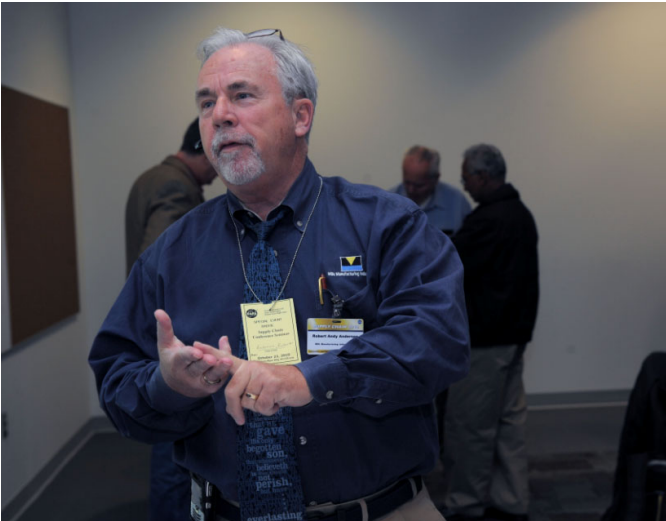
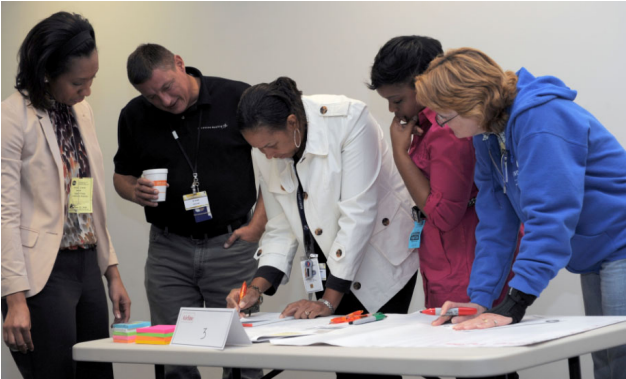
Helicopter Engine Manufacturer
9

7 SUCCESS Factors:

- * • RELIABILITY
- * • CUSTOMER SATISFACTION
- * • PERFORMANCE
- * • LIFE-CYCLE COST
- * • SAFETY
- * • SERVICE
- * • ON TIME DELIVERY
- * • EASE OF USE/MAINTAINABILITY



SOME MORE ACTIVITIES DURING THE BPM EXERCISE



At the University of Borås in Sweden (www.hb.se) Claes Berlin conducts yearly a course in “Integrated Management Systems in Practice - IMSP” within a master program for Quality Management for international students. Below you find the course outline, the students in the 2010 course and for information some examples of Main Process Maps done by the students as part of their examination program.



“Integrated Management Systems in Practice – IMSP”

Learning outcomes

This course gives an insight and knowledge to development and implementation of management systems from a holistic view with respect to the demands of the company, markets, customers, employees and rules in the society. It shows how quality, project and environmental management systems can be developed and implemented in order to provide improved products on demanding international markets. The student, after this course, should have knowledge to actively participate in projects with implementation of integrated management systems and participation in projects that invest and improve processes in a company.

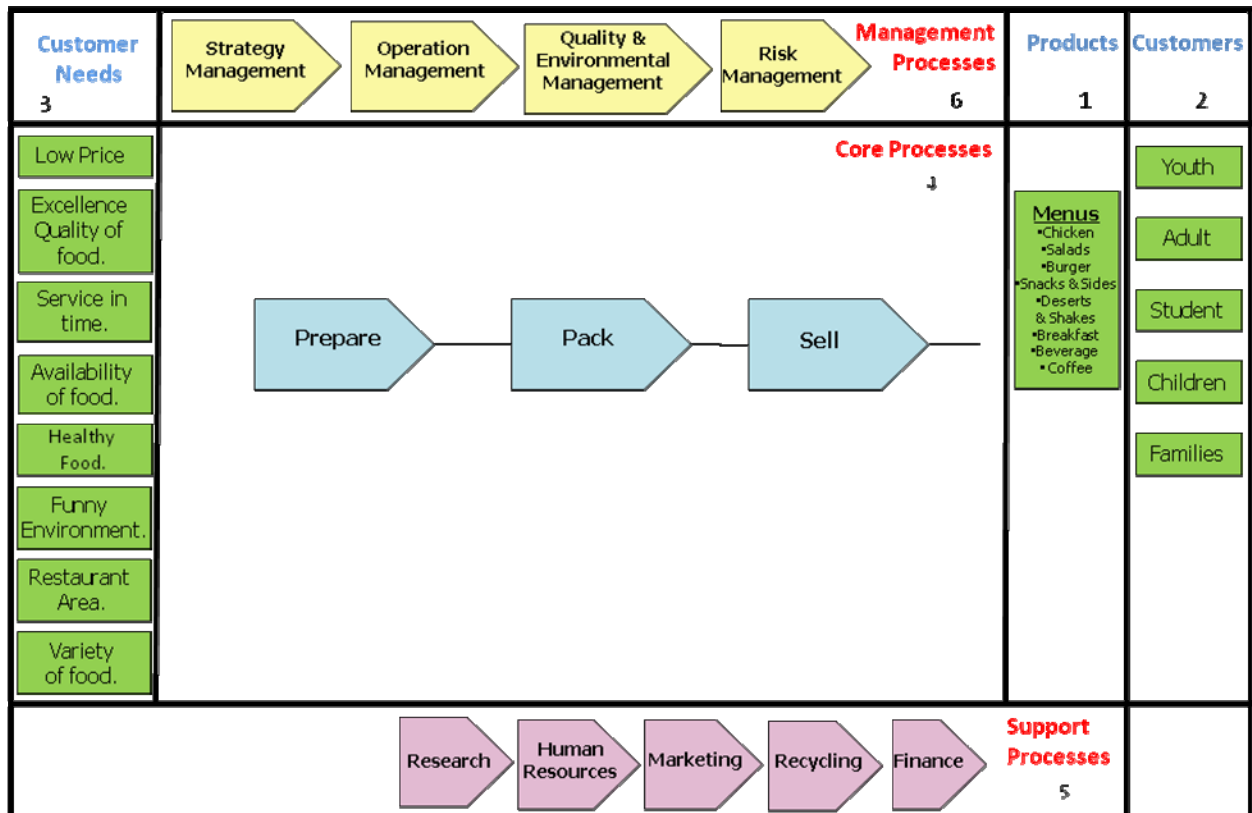
Contents

The basis for this course is practical implementation of management systems with lectures and group work. Guest lectures will be presented in order to highlight through benchmarking how different companies work with their implementation and application of management systems. Standards like the international ISO-series in Quality, Environmental and Assessments are presented and discussed. A focus in this course will be practical implementation in both manufacturing and service sectors. An important issue in the course is to show the breadth of existing management systems and support tools as well as the great number of variations in implementation. The content in the course is about how management systems are initiated, used, maintained and improved for the benefit of the customers, the employees and the society.

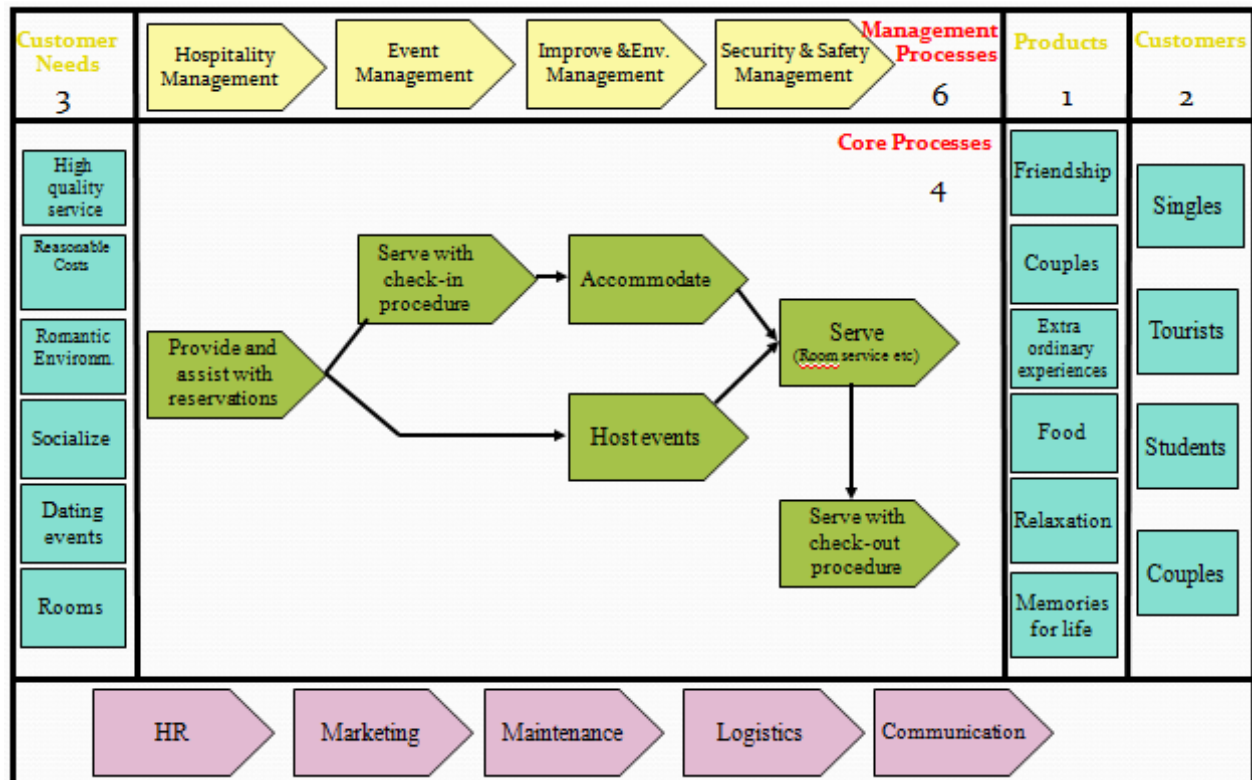


Claes with the students in the IMSP master course in Borås 2010

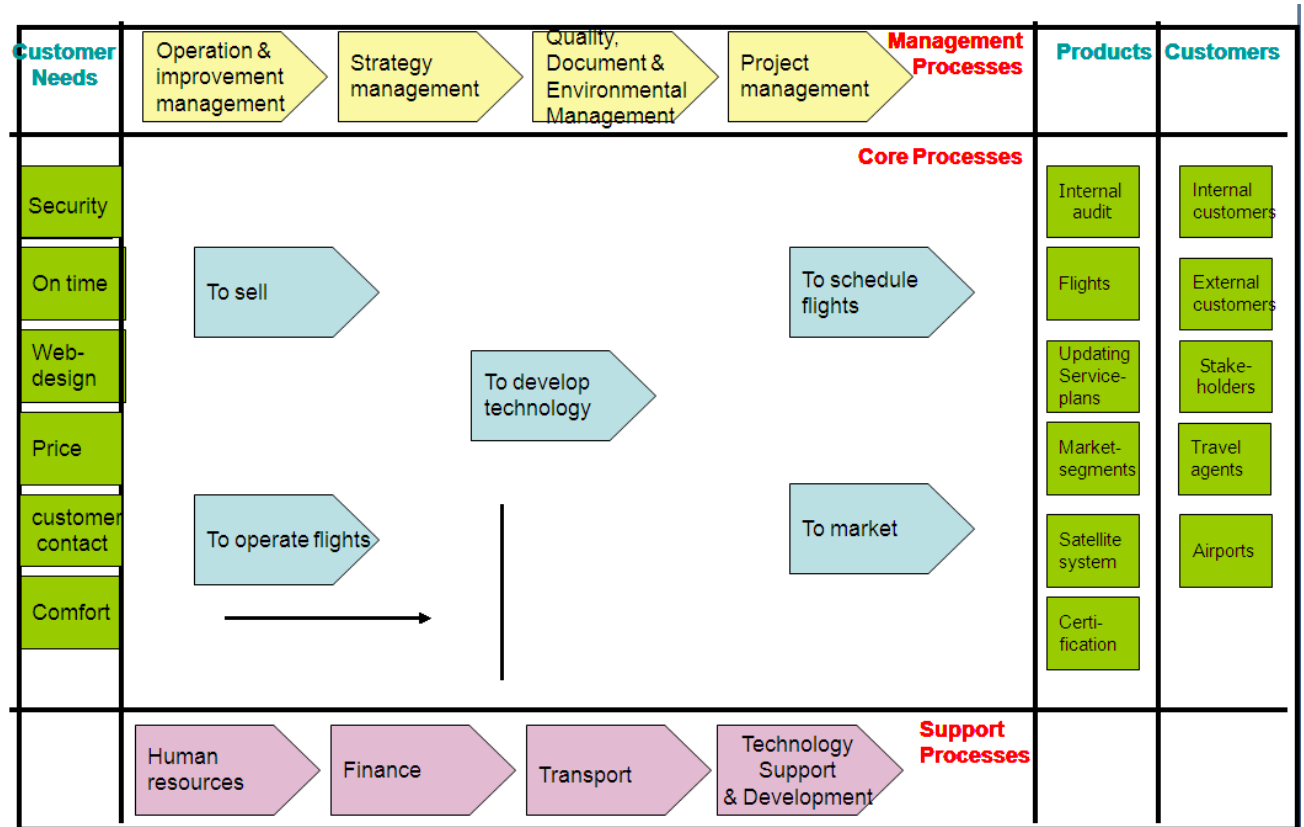
Mc DONALDS – MAIN PROCESS MAP



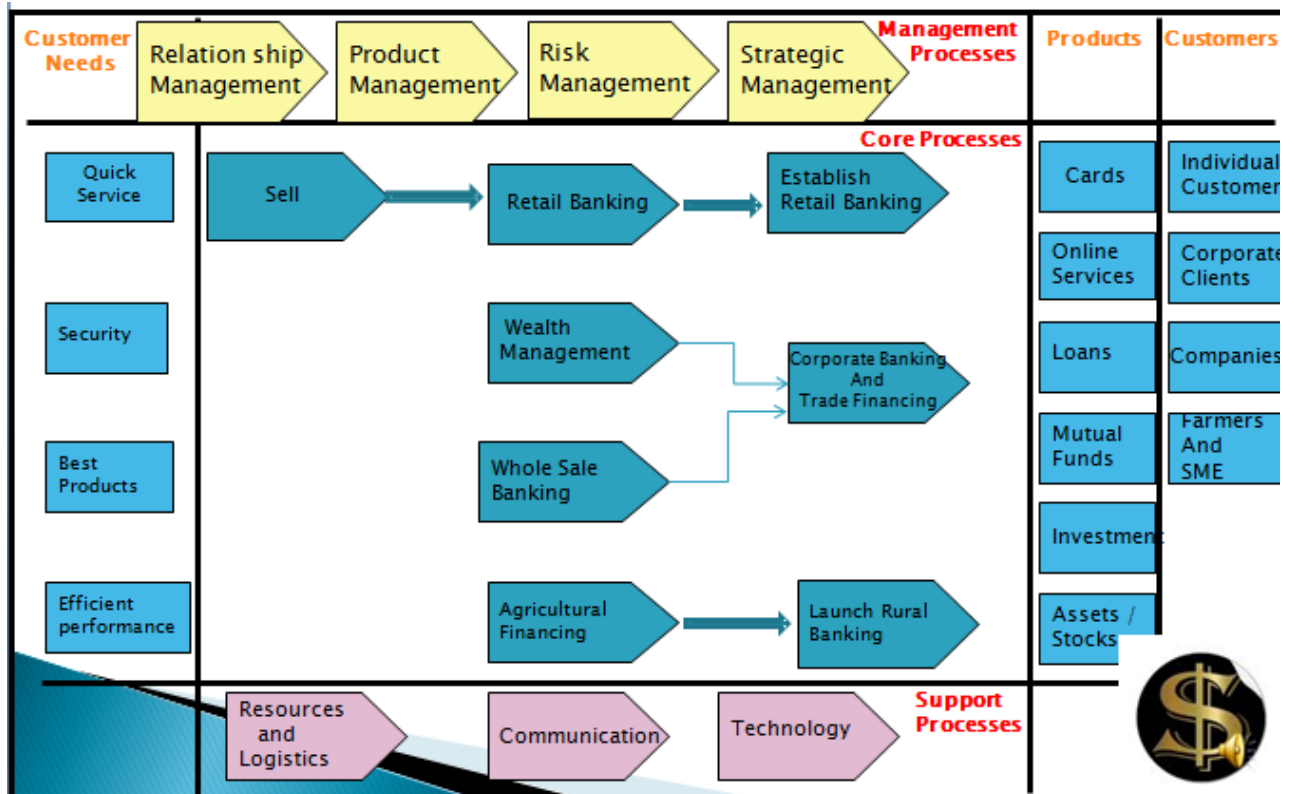
HOTEL – MAIN PROCESS MAP



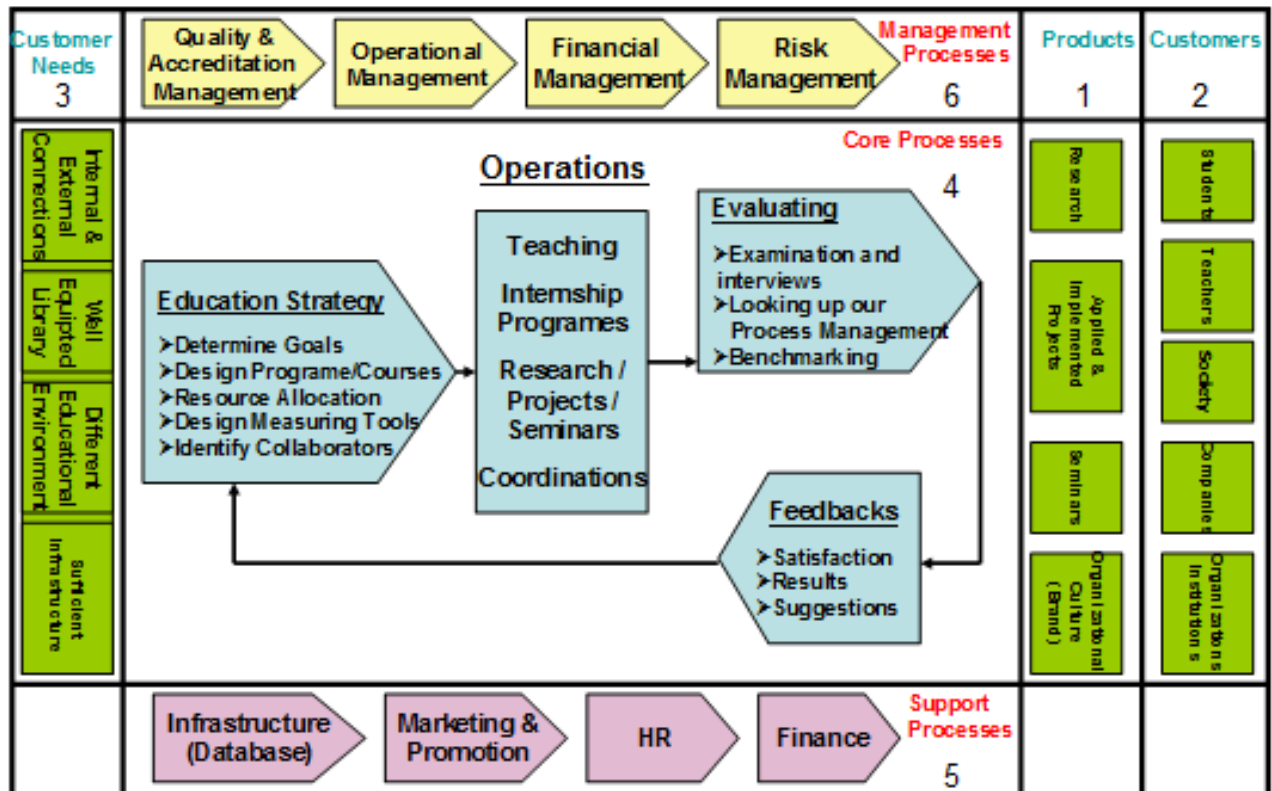
AIRLINE – MAIN PROCESS MAP



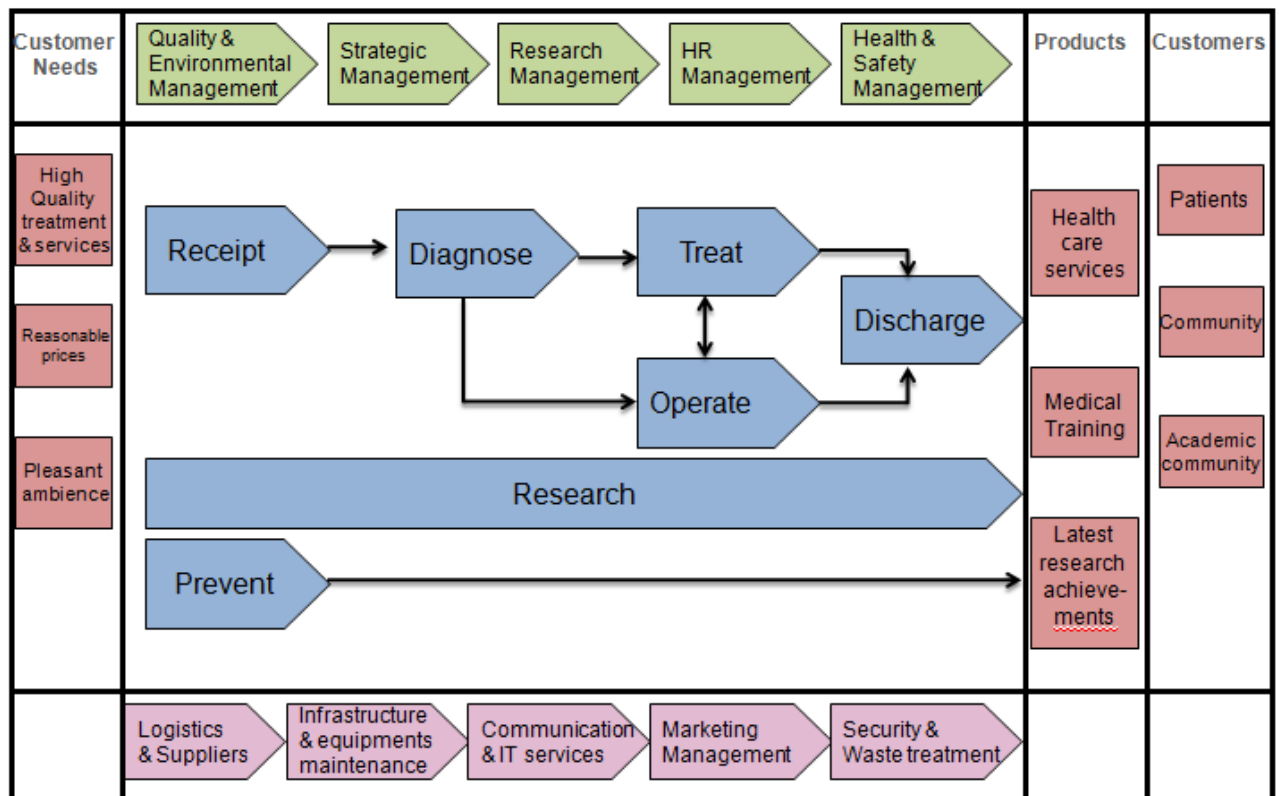
BANK – MAIN PROCESS MAP



BUSINESS SCHOOL – MAIN PROCESS MAP



HOSPITAL – MAIN PROCESS MAP



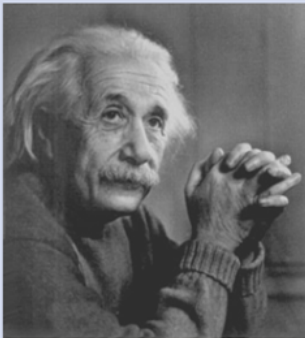
Overall the feedbacks from this BPM seminar at the NASA Supply Chain Conference 2010 were positive, some comments;

- awareness of new approach
- creative management, new ideas
- understanding of processes
- hands-on
- interactive
- mission vision, business idea and success factors MUST tie together
- learn how to create a proper process map
- brain storming is very important
- define and design a good business model
- know where you are & know how to get there
- 3-dimensional business model
- take down to!!
- listen, cooperate, team
- real world examples of change management success
- business example
- stories delivered in person
- the HOW
- stay true to making change for the best outputs
- continue to improve at the same time eliminate the waste
- lead by example vs. lead by demanding
- create processes directly to customer needs and product
- individual projects/products need to develop, related processes to do this
- keep the "big picture" in mind, watching the system is vital
- develop processes after identified product & customers need
- apply verbs to core processes
- customer needs may not always be measurable but can be subjective
- team work
- the 8 management principles
- dialogue is very important
- if the core & support processes work less management processes are needed
- we need to survey customers
- evaluate the relevance generated then evaluate efficiency of my department
- very timely info for me as my organization is going through a reorganization
- the RUAG Space story details, understanding of going from WHAT to HOW
- linking the RUAG Space story to a model – ISO
- stepping back from typical company's detailed focus to customer perspective

The evaluation from the BPM-seminar in a scale from 1-5;

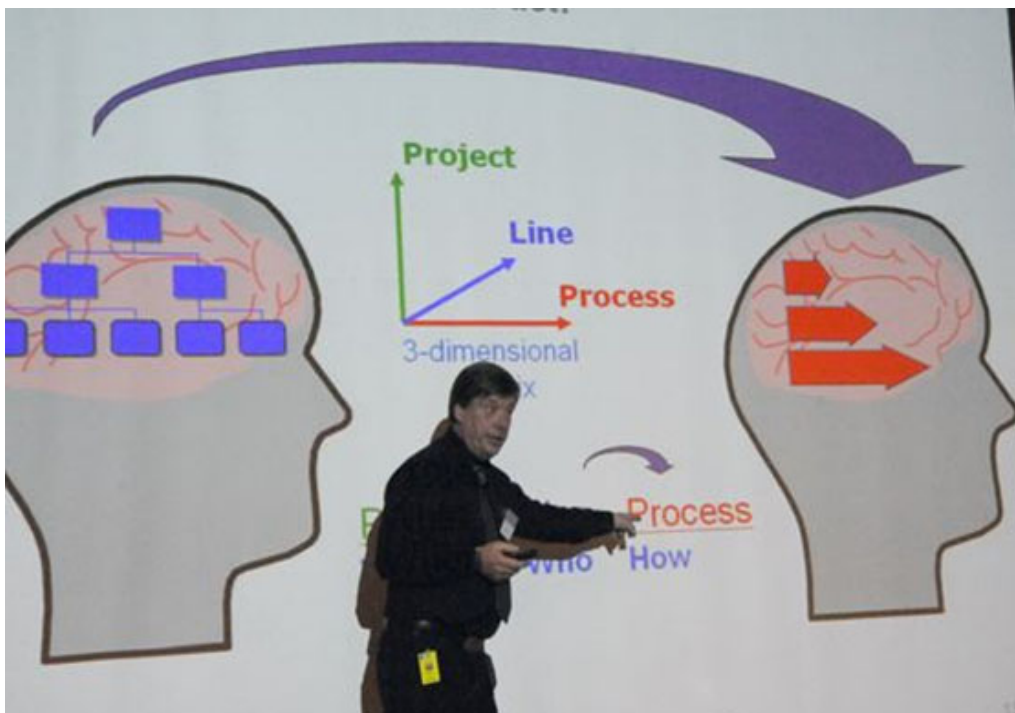
- content - 4,48
- lecture style - 4,74
- learning / knowledge gained - 4,30
- logistic / administration - 4,30

Keep it simple...



Everything should be made as simple as possible, but not simpler.

Albert Einstein



Many thanks for a nice seminar together and if you have any questions or comments please contact me by e-mail. // Claes

“Personally I’m always ready to learn, although I do not always like being taught”, Winston Churchill