



PRONTO
Right First Time

A group of diverse business professionals are seated around a table in a meeting room. They are smiling and engaged in a discussion. The room has a whiteboard with a grid of sticky notes in the background. The overall tone is professional and collaborative.

Learning Journey 1

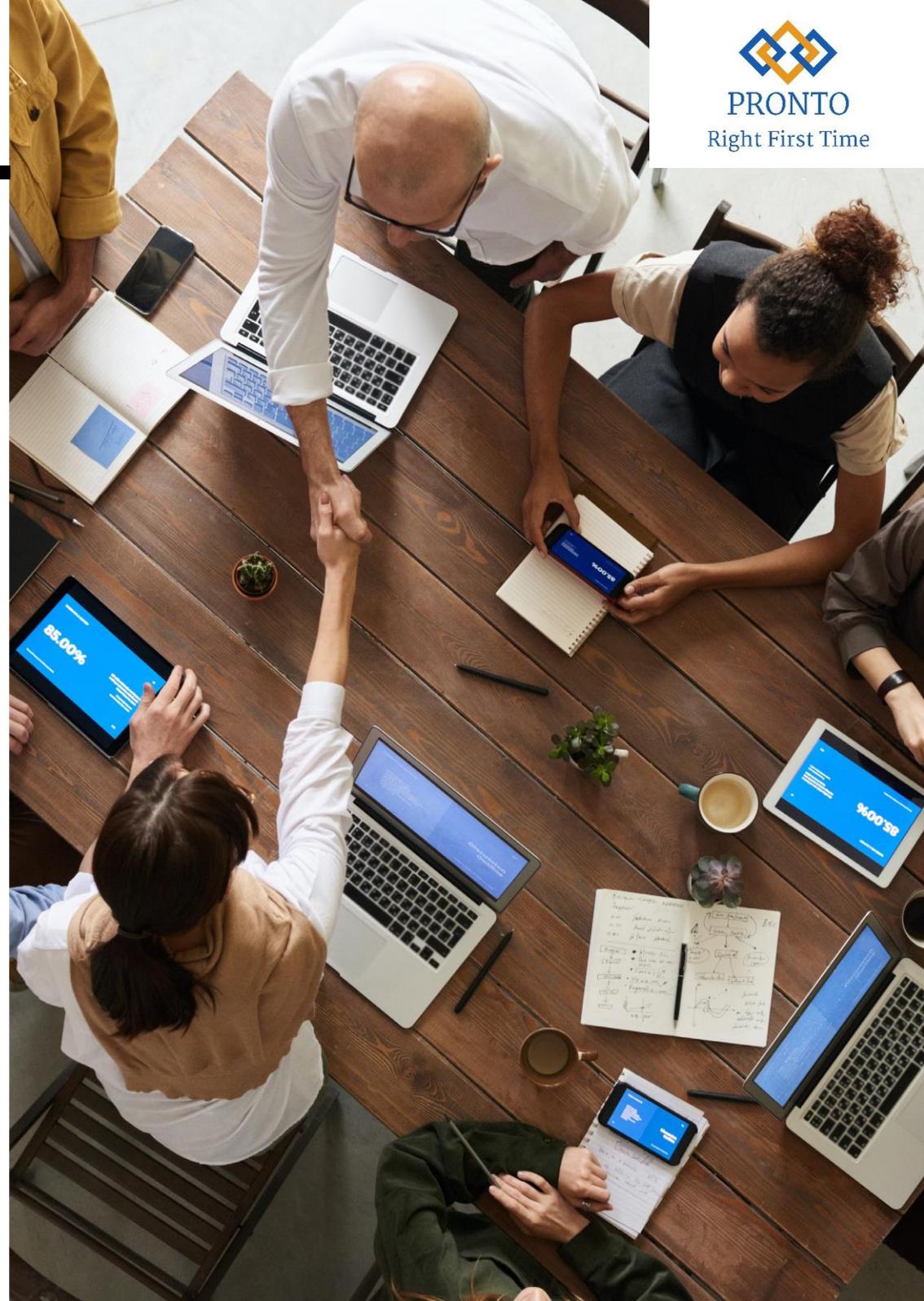
Introduction to Business Improvement Projects

Foreword

Enterprises, whether large or small, need to constantly review and improve the quality of their products and services and to find new ways of responding to new challenges and opportunities to remain competitive. Organisations need to constantly innovate and improve their processes, productivity and performance or risk being left behind by competitors offering better, cheaper, faster service and products. Business improvement projects can play an important role in helping business owners and managers to drive change and improvements.

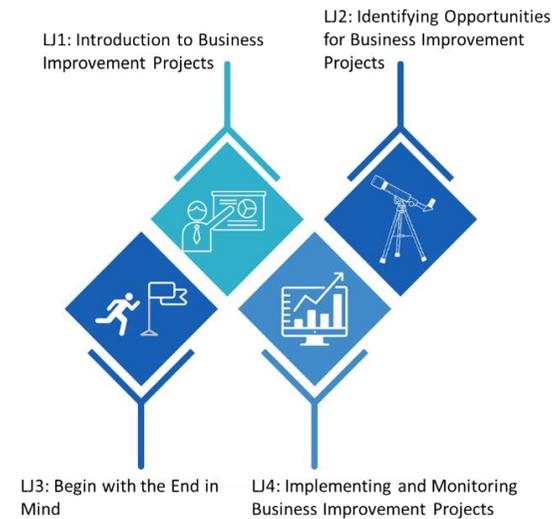
Learning Journey 1: Introduction to Business Improvements Projects has been developed as part of the Erasmus+ project called Projects On Time and On Budget (PRONTO) and is one of a set of four modules. This module introduces the concept of business improvement projects (BIP) and considers their use within business. It explores the different types of BIPs, the need for continuous improvement and introduces a set of tools and techniques that can be used when setting up and managing a BIP. Subsequent Learning Journeys in the PRONTO series explore the topics in this Learning Journey in greater details.

<https://pronto-project.eu>



Learning Journeys

This Learning Journey is called **Introduction to Business Improvement Projects**. It is part of a set of four Learning Journeys exploring the use of business improvement projects



Each Learning Journey comprises an explanation of key terms, tools, and methodologies. In some Learning Journeys, there are:

- Practical 'how to checklists'
- How to guides and
- Examples of digital tools

On completion of the four Learning Journeys, you will be able to plan, implement and evaluate the impact of business improvement projects within your own enterprise.

Introduction

Aim

This Learning Journey explores the importance of continuous improvement for enterprises, business improvement projects (BIP) and tools that can be used to implement high impact business improvement projects.

Learning Outcomes

- Understand the importance of continuous improvement in an enterprise.
- Discuss the benefits of using business improvement projects to increase productivity and performance in business.
- Understand how to identify potential business improvement projects.
- Identify different types of high impact business improvement projects.

Note: The ideas, tools and models described in this Learning Journey are developed further in Learning Journeys 2, 3 and 4.

Learning Journey 1

Introduction to Business Improvements Projects

- **Introduction**
- **Benefits of Continuous Improvement**
- Improvements Using Project Management
- What is a Project?
- What is Business Process Improvement?
- Improvement Process Techniques
- The Plan Do Check Act (PDCA) Model
- Business Improvement Projects
- Business Improvement Projects (Types)

Benefits of Continuous Improvement

Continuous improvement **drives both the improvement of processes and products**. Companies that actively look for ways to enhance their business will invariably increase the value of their products and services. This will lead to more sophisticated and overall, more economically competitive offering.

Here are five benefits of applying continuous improvement.

- **Benefit 1: More engaged employees**
- **Benefit 2: Lower employee turnover**
- **Benefit 3: More competitive products and services**
- **Benefit 4: Better customer service**
- **Benefit 5: Having a proactive learning culture**



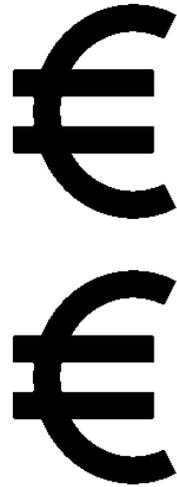
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Benefit 1: More engaged employees

At its core, continuous improvement is designed to empower employees to solve problems that bug them and gradually improve the efficiency of their work processes. Lean lets employees know that their ideas are important. When an employee suggests an improvement, the idea should be carefully tested, and if successful implemented company wide. This changes the employee's role and responsibilities from being a passive actor to being an active participant of the business processes.



Benefit 2: Lower employee turnover

Staff turnover is expensive. In addition to severance, the company must pay for recruiting, hiring, and training someone new to do the job.

A continuous improvement culture has been shown to boost employee engagement and reduce turnover rates. Employees who actively participate in the betterment of the company gain a sense of pride and accomplishment. This leads to a greater sense of belonging and fewer reasons to leave the organisation.

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Benefit 3: More competitive products and services

Continuous improvement drives both the improvement of processes and products. Companies that actively look for ways to enhance their business will invariably increase the value of their products and services. This will lead to more sophisticated and overall, more economically competitive offerings.



Benefit 4: Better customer service

Customer service starts with understanding what the customer finds of value and working to deliver that value. Continuous improvement provides a framework for identifying customer values and for minimising waste. Aligning their products and services to customer values, products and services better meet the needs of customers.

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Improvements Using Project Management

Project management is the application of processes, methods, skills, knowledge, and experience to achieve specific project **objectives** according to the project acceptance criteria within agreed parameters. Project management has **final deliverables** that are constrained to a finite timescale and budget.

A key factor that distinguishes project management from just 'management' is that it has this final deliverable and a **finite timespan**, unlike management which is an ongoing process. Because of this a project professional needs a wide range of skills; often technical skills, and certainly people management skills and good business awareness.

"At its most fundamental, project management is about people getting things done."

Dr Martin Barnes, APM Former President



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What is a Project?

A project is a **unique, transient endeavour, undertaken to achieve planned objectives**, which could be defined in terms of **outputs, outcomes, or benefits**. A project is usually deemed to be a success if it achieves the objectives according to their acceptance criteria, within an agreed timescale and budget. Time, cost, and quality are the building blocks of every project.



Time: Scheduling is a collection of techniques used to develop and present schedules that show when work will be performed.



Cost: How are necessary funds acquired and finances managed?



Quality: How will fitness for purpose of the deliverables and management processes be assured?

The core components of project management are:

- Defining the reason why a project is necessary
- Capturing project requirements, specifying quality of the deliverables, estimating resources and timescales
- Preparing a business case to justify the investment
- Securing corporate agreement and funding
- Developing and implementing a management plan for the project
- Leading and motivating the project delivery team
- Managing the risks, issues, and changes in the project
- Monitoring progress against plan
- Managing the project budget
- Maintaining communications with stakeholders and the project organisation
- Closing the project in a controlled fashion when appropriate.

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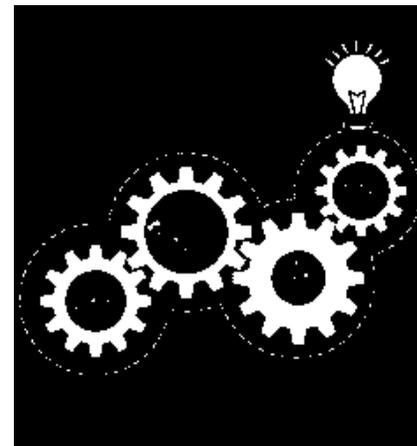
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What is Business Process Improvement?

Business process improvement involves the business practice of identifying, analysing, and improving existing business processes to optimise performance, meet best practice standards or simply improve quality and the user experience for customers and end-users. Process improvement can have several different names such as:

- **Business Process Management (BPM)**
- **Business Process Improvement (BPI)**
- **Business Process Re-Engineering**
- **Continual Improvement Process (CIP)**

Regardless of the term used, they all pursue the same goal - to minimise errors, reduce waste, improve productivity, and streamline efficiency. There are several different methodologies designed to help your organisation tackle process improvement. Each methodology is designed to help enterprises to identify process issues, fix them, and analyse the success or failure of those changes. Some frameworks focus on lean process improvement techniques; others focus on getting your company culture in the right place for process improvement.



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Improvement Process Techniques

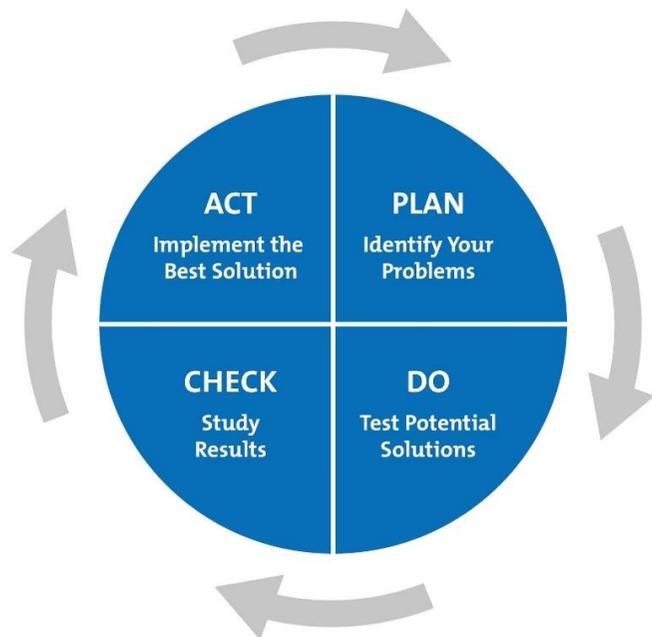
Kaizen:	Kaizen promotes continuous improvement with a strong emphasis on lean and agile practices . Kaizen focuses on improving quality, productivity, and efficiency through small shifts in daily work or corporate culture to foster an environment that does not punish errors or mistakes, but instead works to prevent them from happening again.
5S:	The 5S model is part of the Kaizen and Lean methodologies and it stands for five main steps: sort, straighten, shine, standardise and sustain . The 5S model helps bring more consistency to process improvement and can standardise process improvement.
PDCA:	Also, part of the Kaizen methodology, PDCA stands for plan, do, check, and act . It helps organisations be more efficient when identifying processes that need improvement. You first identify the problem (plan), create, and implement a solution (do), evaluate data for effectiveness (check) then document the results and implement the plan if it's successful (act).
Six Sigma:	Six Sigma is a popular process improvement methodology that pulls workers up through ranks classified using karate belts. You start as a green belt and learn your way up to a black belt. Six Sigma involves two ways to break down process improvement through specific steps. These steps include define, measure, analyse, improve and control (DMAIC).
Total Quality Management (TQM):	Focused on cultivating long-term success through customer satisfaction, TQM helps organisations get the entire company on board with continuous process improvement. It is a methodology that empowers workers by fostering a culture where employees are not afraid to make mistakes and are driven towards a shared business goal.
Process mapping:	Another workflow visualisation that helps companies map out a plan for process improvement is process mapping. It can also be called a process flowchart, process chart, functional flowchart, and process model . Ultimately, it is the process of creating a flow diagram that delivers vital information about a process workflow from start to finish.

Introduction to Business Improvements Projects

The Plan Do Check Act (PDCA) Model

PRONTO uses the **PCDA Model** as the basis of its **business improvement project app** – **PRONTO**.

The PDCA provides a methodology for implementing **continuous improvement** – it is also often known as the '**Deming Wheel**' after Dr William Deming who pioneered the model. With the PDCA cycle you can solve problems and implement solutions in a rigorous, methodical way. It comprises four stages (**Plan, Do, Check** and **Act**) as shown in the diagram below:



Plan: Identify Your Problem

- Identify and understand your problem or opportunity.
- Evaluate the importance of the problem.
- Explore the problem and related information available in full.
- Generate and screen ideas and develop an implementation plan.
- State your measurable success criteria making (See Check stage).

Do: Test Potential Solutions

- Evaluate potential solutions to select the best solution.
- Involve and train people before testing your solution.
- Test your proposed solution in a small-scale pilot project.
- Confirm if the solution achieved.
- Modify your solution and re-test before scaling up.

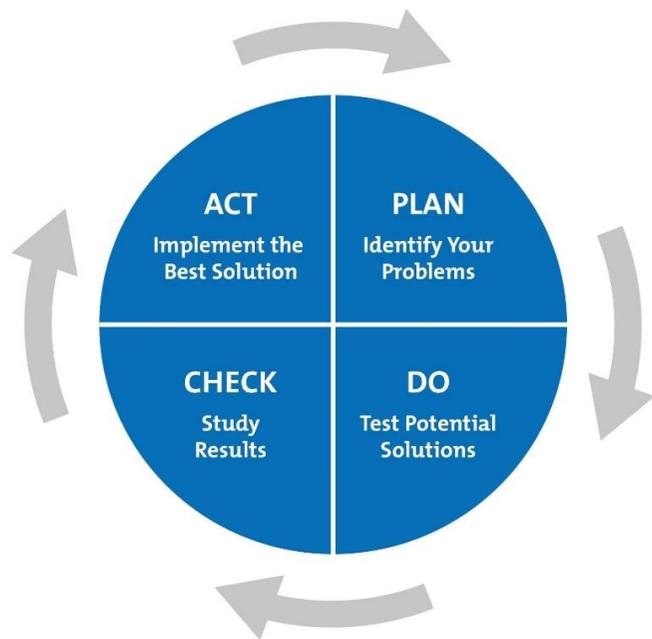
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The Plan Do Check Act (PDCA) Model

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Check: Study Results

- Monitor results against the measurable success criteria.
- Check the results and make observations.
- Gather feedback from people and performance data.
- Make any modifications or corrections based on observations.
- Evaluate if more training and improvements are required.

Act: Implement the Best Solution

- Confirm that the problem has been/is being addressed.
- Validate the effectiveness of the solution and improvements.
- Document the new process and procedures.
- Repeat the PCDA cycle and continue to make incremental improvements.

REMEMBER: PDCA is a loop, not a linear process with a beginning and end. Your improved process or product becomes the new baseline, but you need to continue to look for ways to make it even better.

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Business Improvement Projects

A business process is a set of activities performed by one or more people with the aim of achieving business goals. For a company to be productive and profitable, its processes must be effective. An effective process is a process that produces the right results consistently.

Examples of business improvement projects:

- Speed up onboarding
- Streamline contracts processes
- Condense the sales cycle
- Automation
- Optimise purchasing approvals workflows
- Improve financial processes
- Streamline HR processes
- Reduce errors
- Faster processing



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Business Improvement Projects (Types)

BIP Type	Purpose
Management Improvement	Improvements to the leadership capabilities and controls of an enterprise (e.g. management training, improvements to strategic planning processes and internal controls such as budget approvals).
Process Improvement	Processes are repeated patterns of work that can be formalised and optimised to achieve efficiency, reduce risk, and improve quality.
Quality Improvement	Improving the quality of products, services, processes, and practices.
Marketing	Increasing revenue by improving products, pricing, promotion, distribution, and customer experience.
Capital Improvement	Capital investments to increase capacity, drive efficiency, reduce risks or raise quality.
Information Technology	Automation that increases efficiency and tools that improve productivity or customer experience.
Organisational Culture	Organisational culture is the set of norms, expectations and symbols that emerge in an organisation because of the shared experiences of teams.

Next Learning Journeys

To continue your PRONTO Learning Journey, book time NOW to complete the following Learning Journeys and then plan your first business improvement project using the [PRONTO app](#).

In **Learning Journey 2, Identifying Opportunities for Business Improvement Projects**, you will learn more about the following tools and techniques: Business process re-engineering

- 5-whys analysis
- Fish diagrams (Ishikawa diagrams)
- Pareto Charts and Scatter Diagrams
- Failure Mode and Effect Analysis (FMEA)
- How to set objectives and Key Performance Indicators (KPIs)
- How to prepare project resource plans.



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Next Learning Journeys

In **Learning Journey 3, Begin with the End in Mind - Project Planning**, you will learn more about the following tools and techniques: Features of projects (start, end, activities, responsibilities, results, planned):

- The project life cycle (e.g. PDCA)
- Roles in projects (e.g. project manager, team member, stakeholders)
- Understanding stakeholder needs
- How to prepare a Gantt chart – activities (start, duration, end, and sequence)
- Project meetings and review meetings
- Cost and resource control and allocation
- Budgets and monitoring processes (e.g. meetings, reports)

In **Learning Journey 4, Implementing and Monitoring Business Improvement Projects**, you will learn more about the following tools and techniques:

- How to prepare a risk assessment and contingency plan
- How to secure the resources needed to implement the project plan
- How to use the Gantt chart to monitor project progress
- How to prepare and manage project meetings and progress reviews
- How to prepare corrective action plans in the event of a shortfall in progress or results
- How to evaluate the success and impact of the project against the project's planned objectives.



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You have completed Learning Journey 1 Introduction to Business Improvement Projects

Disclaimer: This project has been funded with support from the European Commission.

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