# GORILLAS THAT WE MISSED and other process improvement pitfalls – PART III



Gorillas that we miss: *"The Invisible Gorilla" was an experiment conducted by Christopher Chabris and Daniel Simons in which participants were asked to count the number of passes in a video showing some actors passing a basketball to each other.  At some point during the video, someone in a gorilla suit comes into the frame, thumps his chest and leaves.  The study participants were so focused on their task that half of them failed to notice the gorilla.  This shows that even the most diligent workers, with the best intentions, sometimes lock inefficiencies into their processes because they are unable to take a holistic view.  Find out more about The Invisible Gorilla at* **http://theinvisiblegorilla.com/**.

## Avoiding the hidden costs of successful transformation projects

Over the last few weeks we've been examining common pitfalls companies fall into when trying to introduce automation in their process improvement projects (read Parts I and II here and here).  In this week's instalment, we finally point out the gorillas that we miss; i.e. the waste in processes that is so ingrained that we don't even see it anymore.

*Locking in Waste: When waste is locked in instead of chased out*
Sometimes we look at a completed project and on the surface it appears to be a great success: deadlines have been met, stakeholders are on board and the new process looks a lot like our future state process plan.  But when we look at the process more critically and contextually, we may discover that we inadvertently locked inefficiencies into the new, improved process because we originally overlooked them.

*Outsiders can often see the wood for the trees*
A recent transformation project involved improving an actuarial reporting process.  We involved our MBE Operational Excellence consultants during the early stages to set up an initial project plan, but after that, we found ourselves relying on the actuaries themselves, the subject matter experts (SMEs), to provide guidance on how to make their processes better.  Who better to inform the new processes than those closest to the work?

The problem with that approach is that often SMEs can be too close to the work to see the more holistic picture or feel empowered enough to challenge the status quo, so processes become so deeply ingrained that inefficiencies are overlooked.  In these cases, involving external Operational Excellence consultants, who specialise in providing unbiased views on inefficient processes, is the best way to go.  Furthermore, these consultants will most likely have already been involved in a variety of similar projects; and can advise based on better practice they have seen elsewhere.

*Always take a holistic view*
Some transformation projects call for the automation of only certain steps of a process.  Nothing wrong there, but it is still always worth looking at a process holistically to avoid locking in waste.  Here is an example of how working in silos can backfire: MBE was involved in a project where a team (Team A) received data from another team (Team B), manipulated that data into the format required, and then input the new dataset into their calculation systems.  Part of the improvement plan was to automate that manipulation of data to save time, reduce errors, and free up actuarial resources.  This was done successfully, but it later emerged that Team B actually received the raw data in the form Team A required it to be.  Team B was manipulating the data for their own purposes and then sending the manipulated data on to Team A.  Team A would then have a step in their process effectively to restore the data to the original form.  Had a holistic view been taken, i.e. an examination of how the teams interact within the department and how data sets flow throughout the end-to-end process, it could have been decided that Team B would send Team A the original data, with no manipulation or developments required.

*Realise your IT assets' potential*
Companies spend a lot of money on powerful computing systems: systems so powerful and complex that often only a fraction of the functionality is used, required and/or understood.  There may be features within the system that could add value to the team, but are not being utilised because the users are not completely familiar with the system's capabilities.  Furthermore, the developers of these systems regularly produce potentially valuable upgrades which go unused or unnoticed.  One of our clients bought an expensive piece of software to perform a calculation which, it turned out, could have been done (and done better!) in their existing system.  Had they been aware of this, they would have saved the costs of buying the new software and integrating it with their existing systems.  Once the purchase had been made and the error realised, the company still felt obliged to 'get their money's worth' and plough ahead with the new software, even though it would have been more efficient to use the original system.  This decision led to them locking in waste in the mistaken hope of recouping their sunk costs.

Join us next week for the final instalment of this series; where we talk about what companies do wrong when dealing with exceptions.