

Doing More with Less

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- Doing More with Less
 - Why does it matter?
- Understanding the Challenge
 - Do the right thing right, not the wrong thing better!
 - The Trialogue – understanding ‘rightness’
- Moving the Goalposts
 - A Process for ‘Doing More with Less’
 - Managing the Process – The Potentiometer

Doing More with Less

- Why does it matter?
 - Short Term
 - Tightening budgets
 - especially Public Sector - “Cuts”, “Cuts”, “Cuts” and “Cuts”
 - Consumer spending constrained
 - Challenges of emergence from recession
 - Longer Term
 - Increasing productivity and quality from competitors
 - Economic convergence with European economies
 - Increasing competition from lower cost economies
 - Climate change, carbon emissions reduction
 - Fight for Viability and Survival

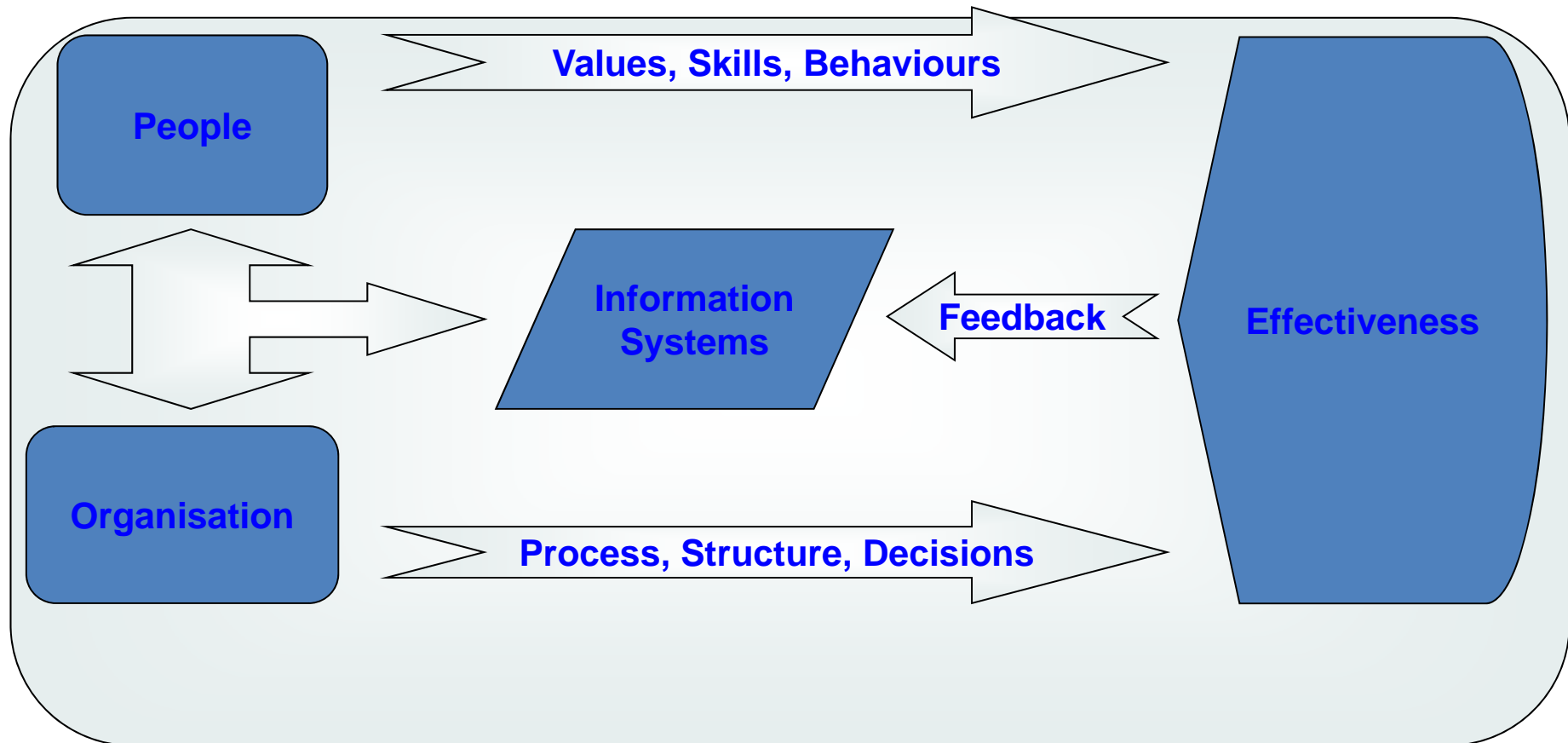
Doing More with Less

- Organisations are, often unconsciously, profligate
 - They are run the way they have been for over 100 years
 - Machine like, bureaucratic, fragmented, silo'd
 - Purpose is set historically
 - The 'why' of the organisation is overwhelmed by the 'what' and 'how'
 - With purpose untested, efficiency and productivity are without true meaning
 - IT/IS often doesn't deliver the expected benefits
 - Many costs are invisibly embedded in historic structures and processes

Doing More with Less

- Why does it matter?
 - Fail to get the best from people
 - Fail to get the best from processes
 - Fail to get the best from systems
 - Silo'd thinking means that improving efficiency in one area often decreases it in another
 - We waste a lot of 'investment'
- Organisational effectiveness is a product of interaction between people, processes and systems!

Doing More with Less



Understanding the Challenge

- Do the right thing right, not the wrong thing better!
 - Much 'improvement' is sterile
 - 'Rightness' is assumed
- Many IT/IS projects just generate a faster, more expensive way of making the same mistakes
- Because we have not explored our purpose
 - Those things we exist to do
 - Those needs we exist to satisfy
- If you doubt this, think about this question:

Understanding the Challenge

- If you designed your organisation from scratch how much like the business you currently work in would it be?
- How many of the current activities of the business would continue to exist?
- Homework?
 - Make a list over lunch of all the things that would be different!

Understanding the Challenge

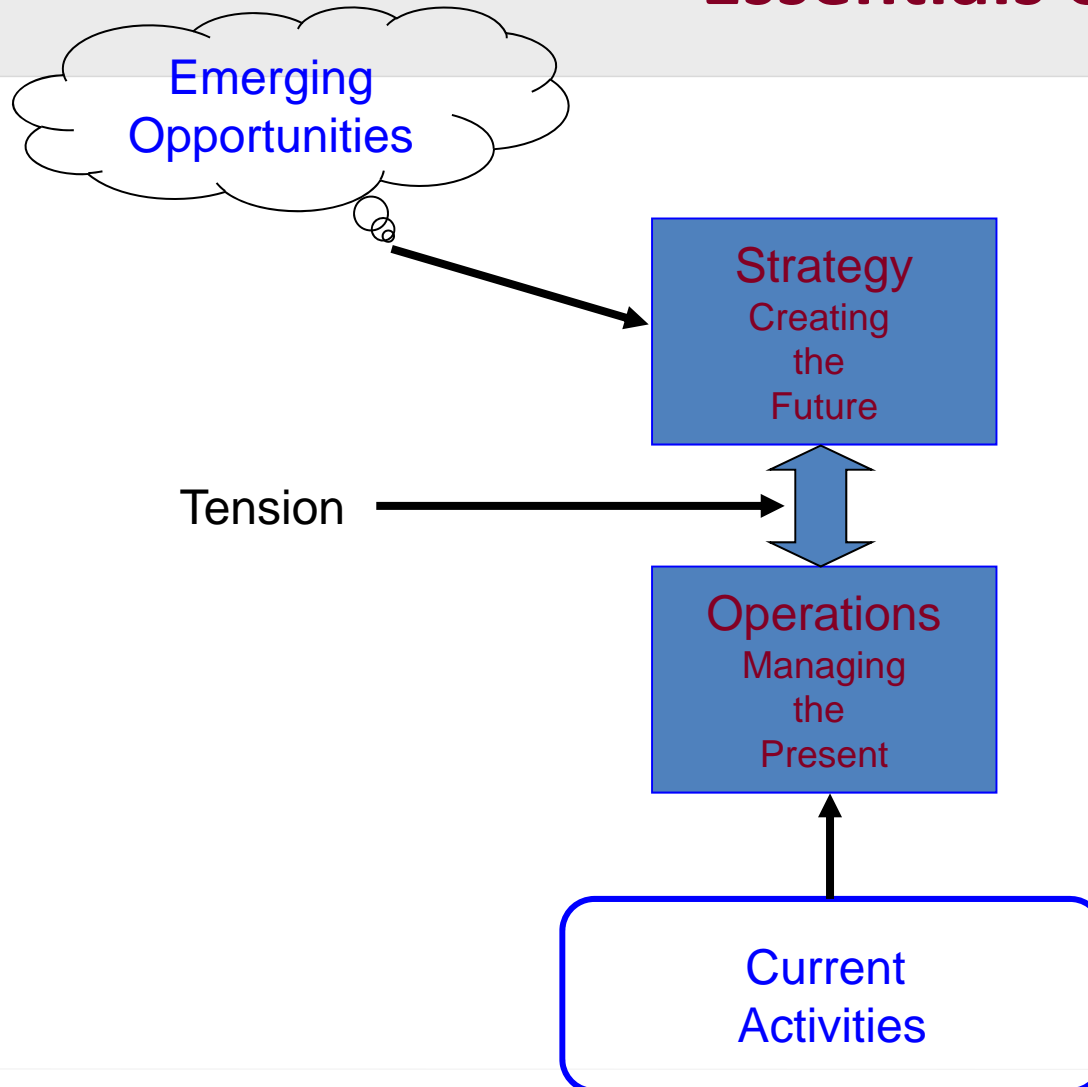
- A sense of purpose
 - The ‘purpose’ of any organisation is the reason for existence
 - The thing(s) the organisation exists to do
 - The ‘need’ it satisfies
- Profit is not (or is rarely) it!
 - Profit is:
 - a constraint on its continued existence
 - a consequence of efficient, purposeful, activity
- All organisations must, over time, consume less resources than they acquire – simply to survive!

Understanding the Challenge

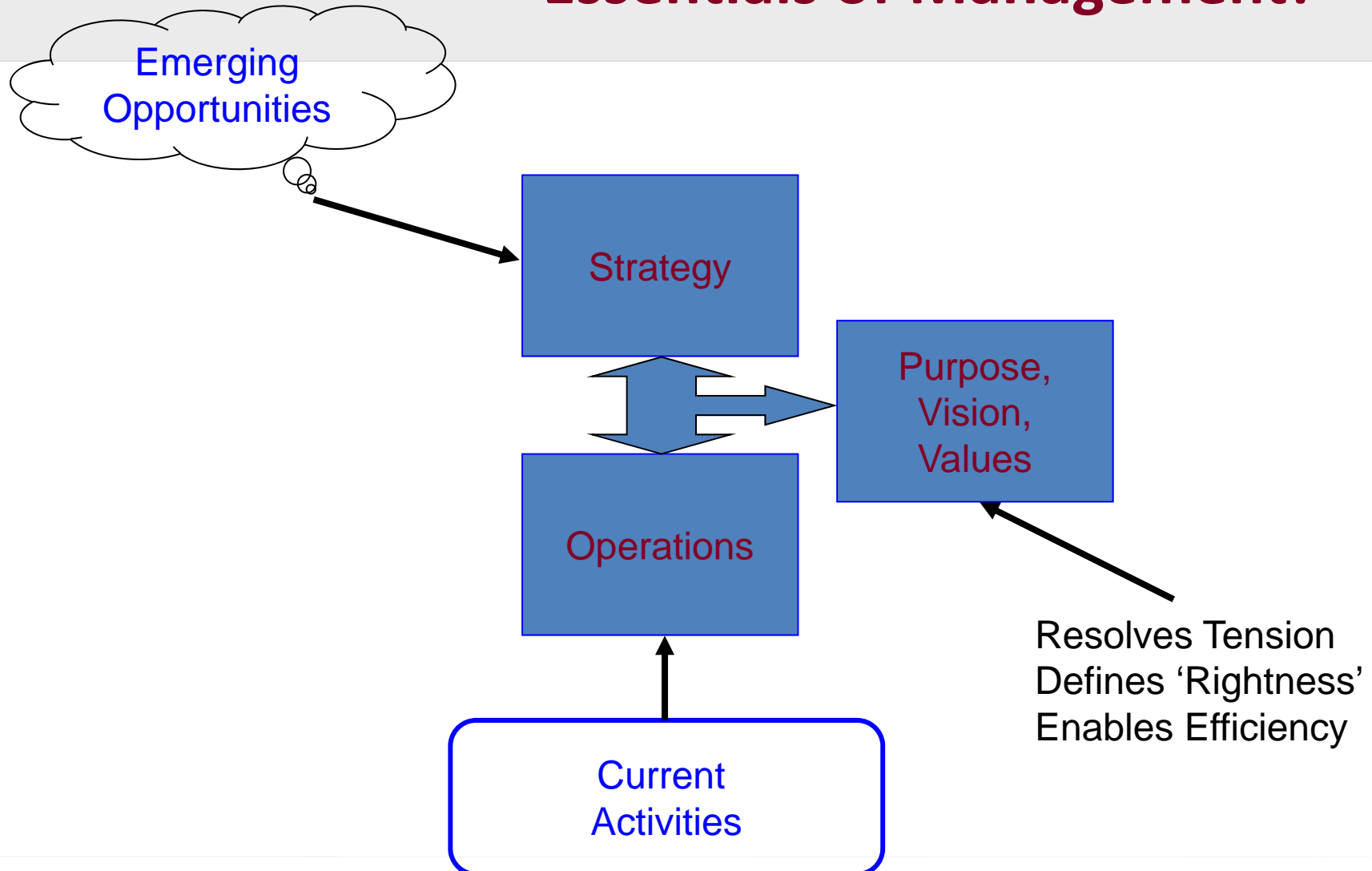
- Purposes:
 - A train operating company?
 - Moving people
 - An energy company?
 - Lighting/heating people
 - A social landlord?
 - Housing people – or providing homes for people
- In general, a business which is successful in pursuing its purpose will be successful financially!

- Achieving purpose
 - Three classes of activity
 - Core
 - Those things we do which fulfil the purpose
 - Enabling
 - Those things we do which enable that fulfilment
 - Discretionary
 - Everything else
 - These may be useful (or not!)

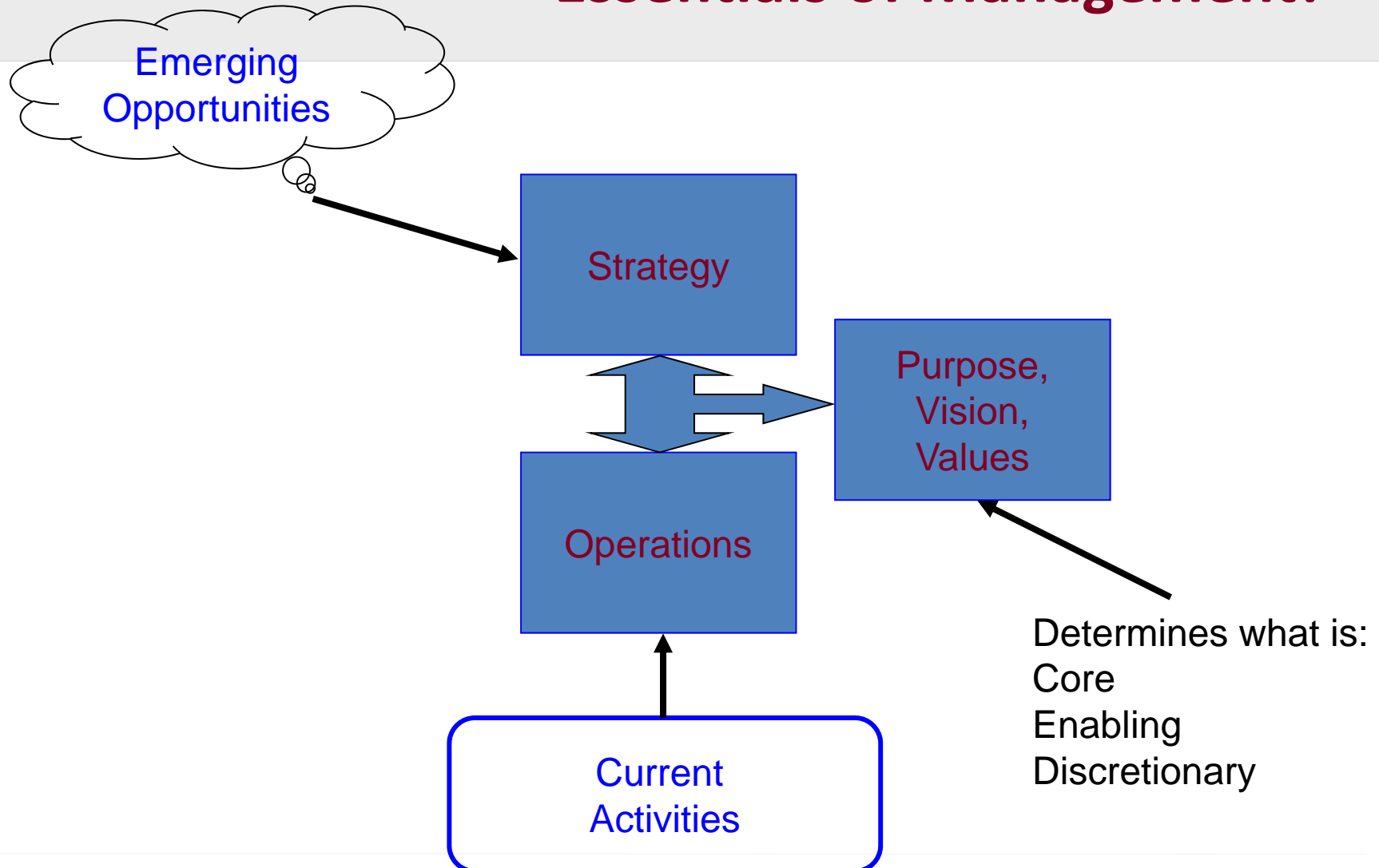
The Trialogue: Essentials of Management!



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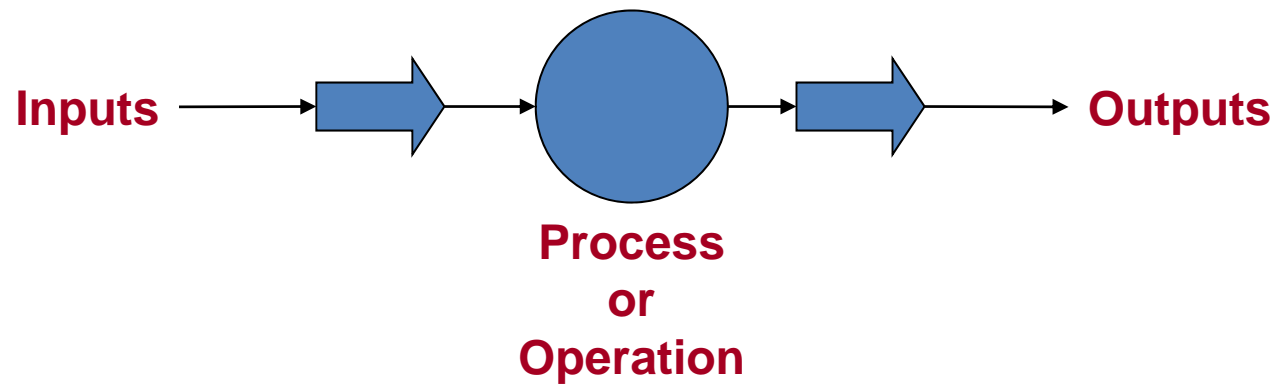


The Trialogue: Essentials of Management!

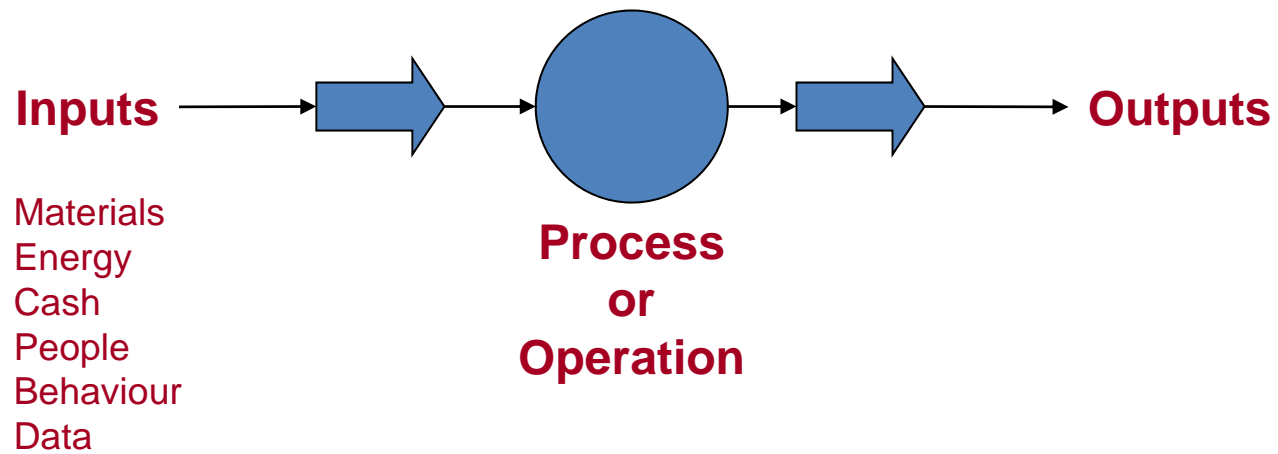


Moving the Goalposts

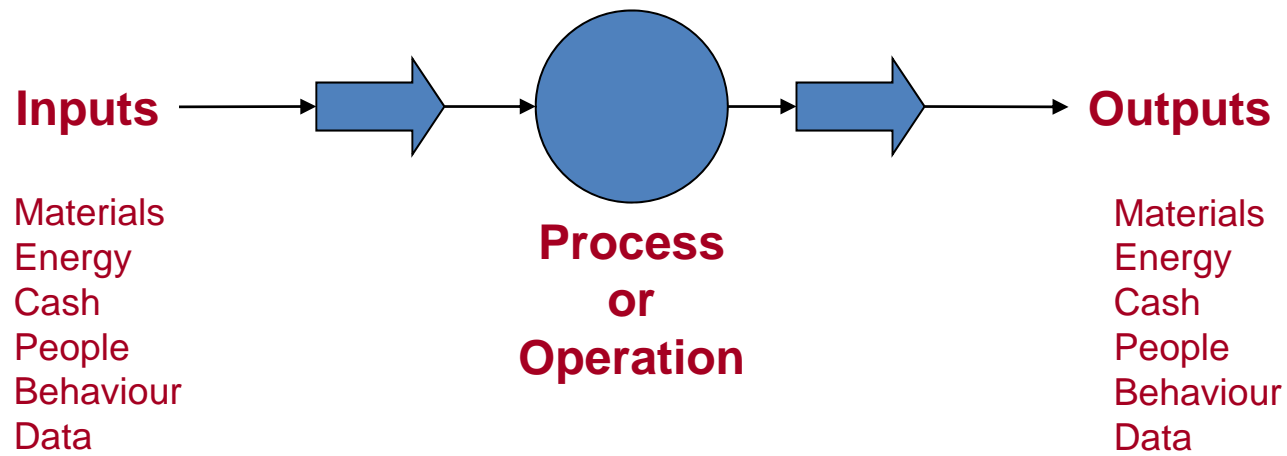
A process for doing more with less!



Moving the Goalposts

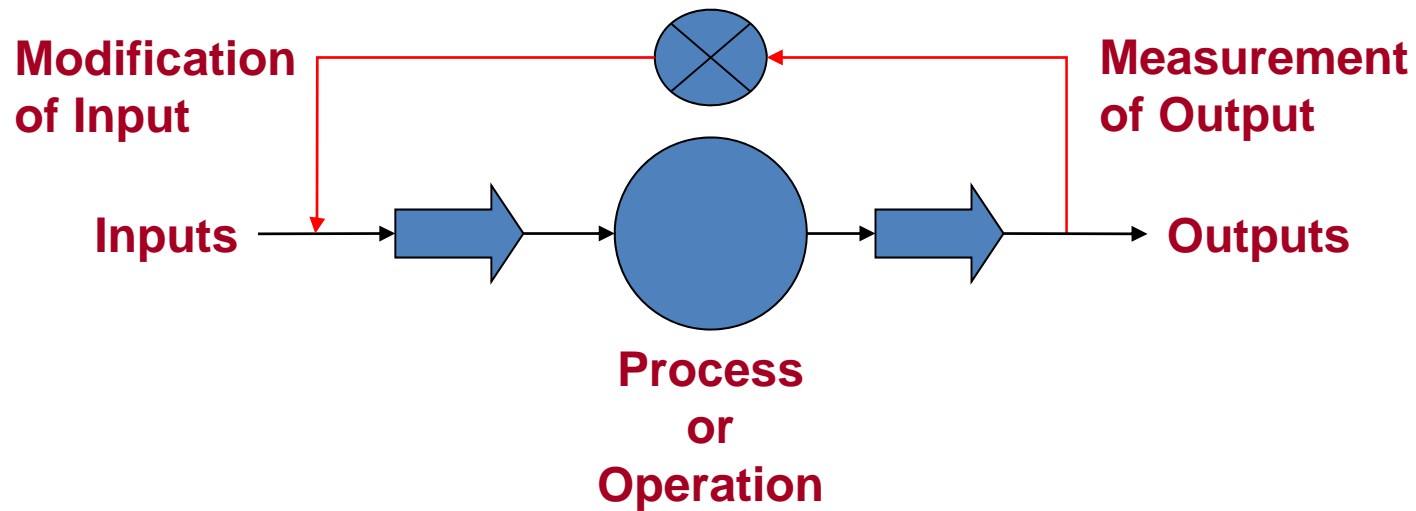


Moving the Goalposts



Moving the Goalposts

Information for Decisions

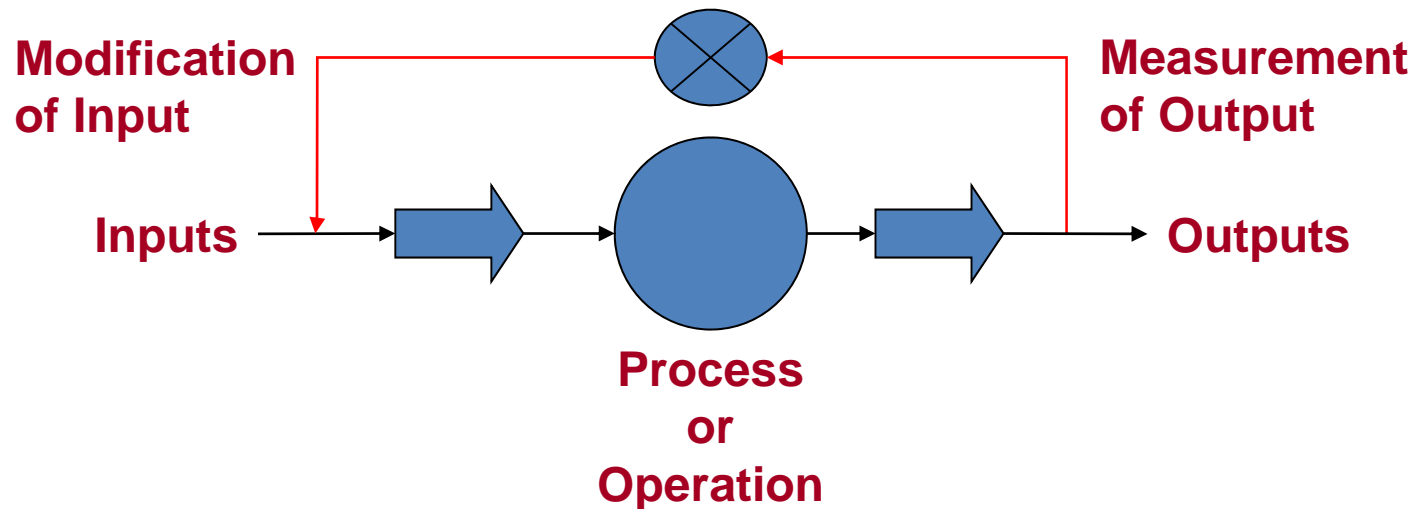


Moving the Goalposts

How did we do?

How could we do more with less?

Information for Decisions

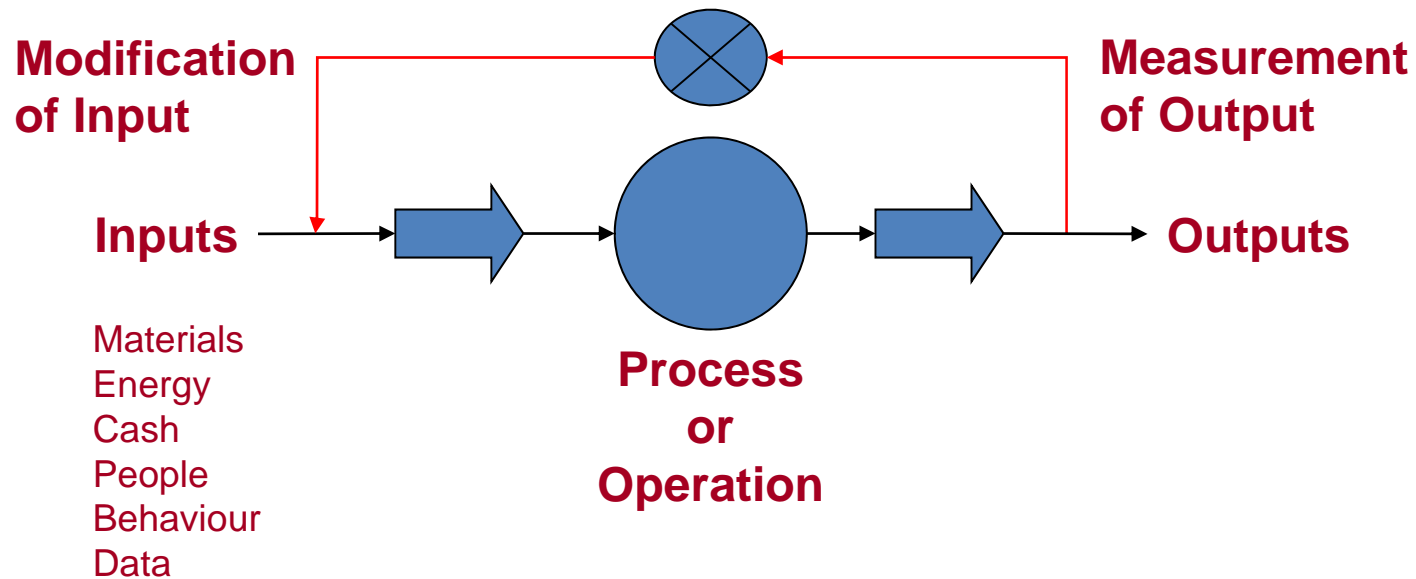


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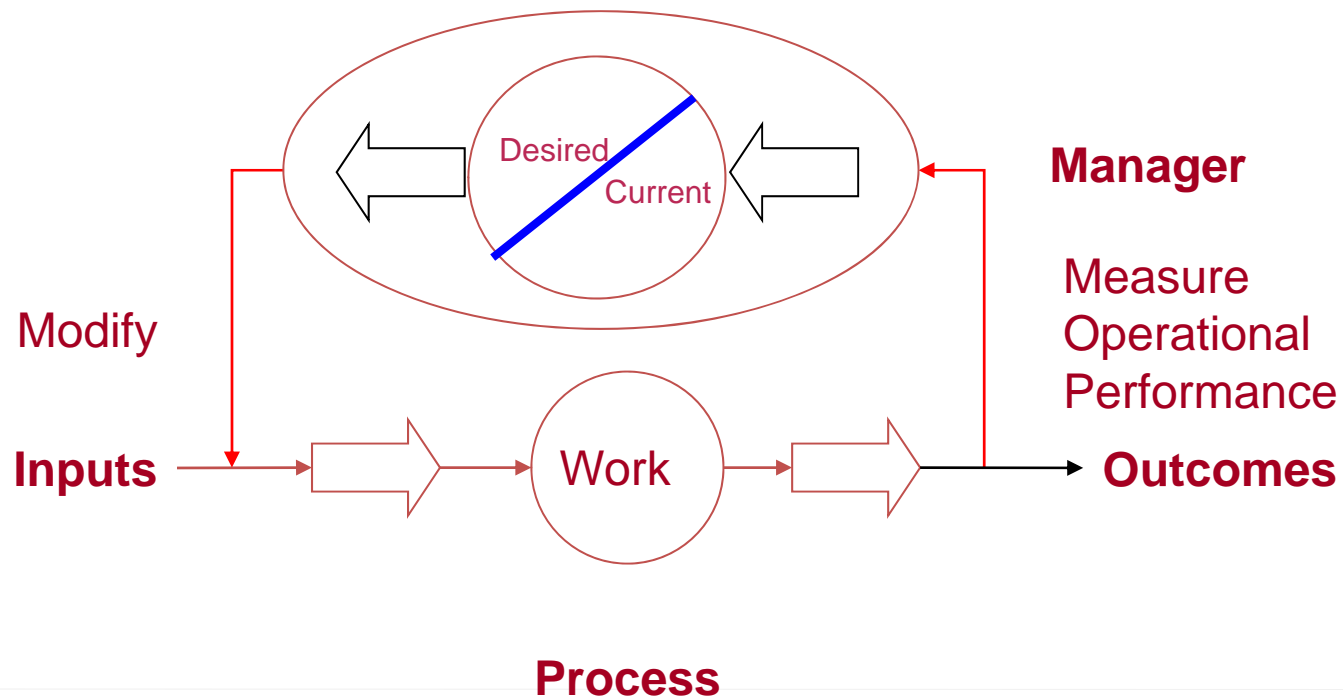
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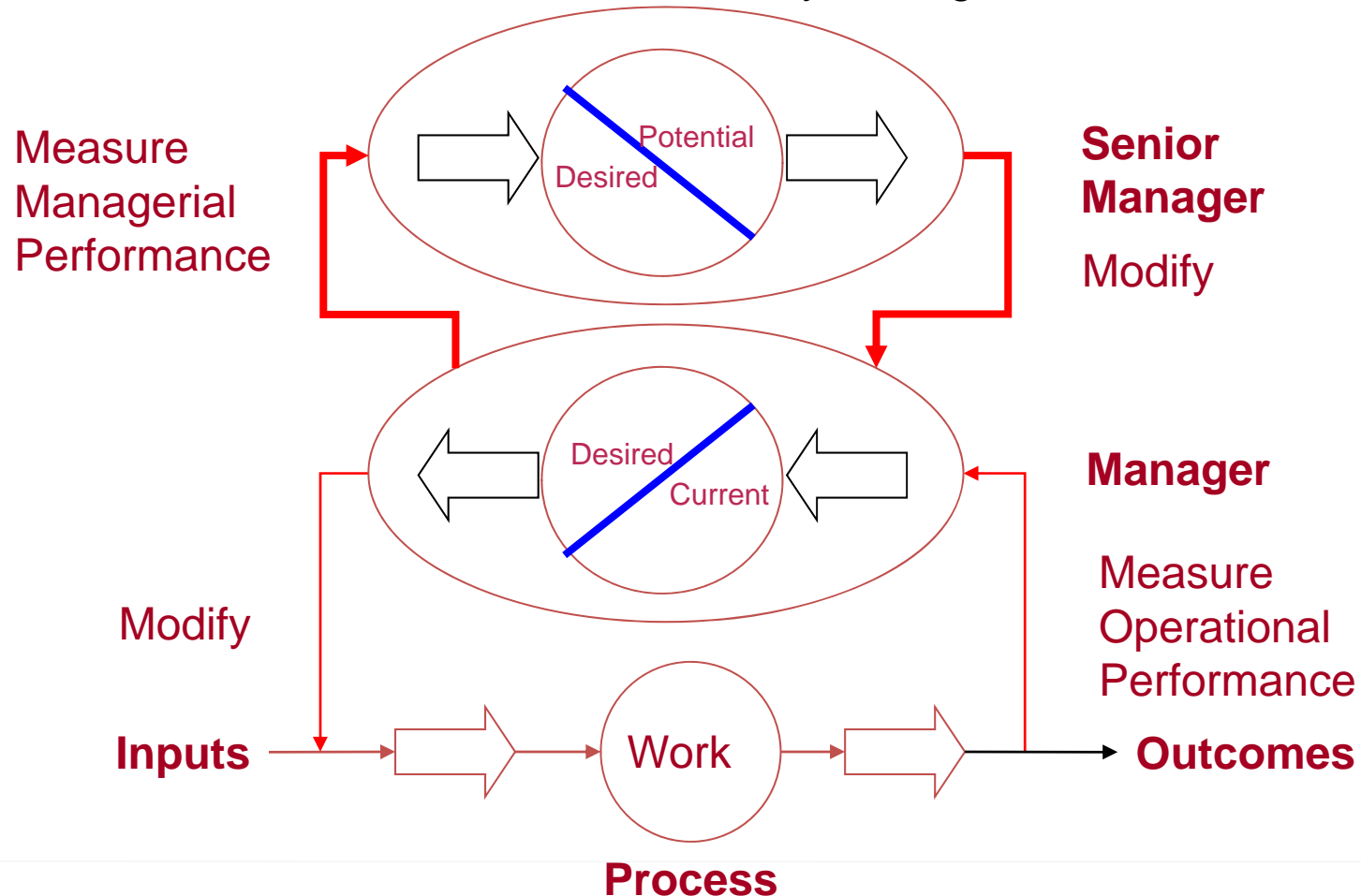
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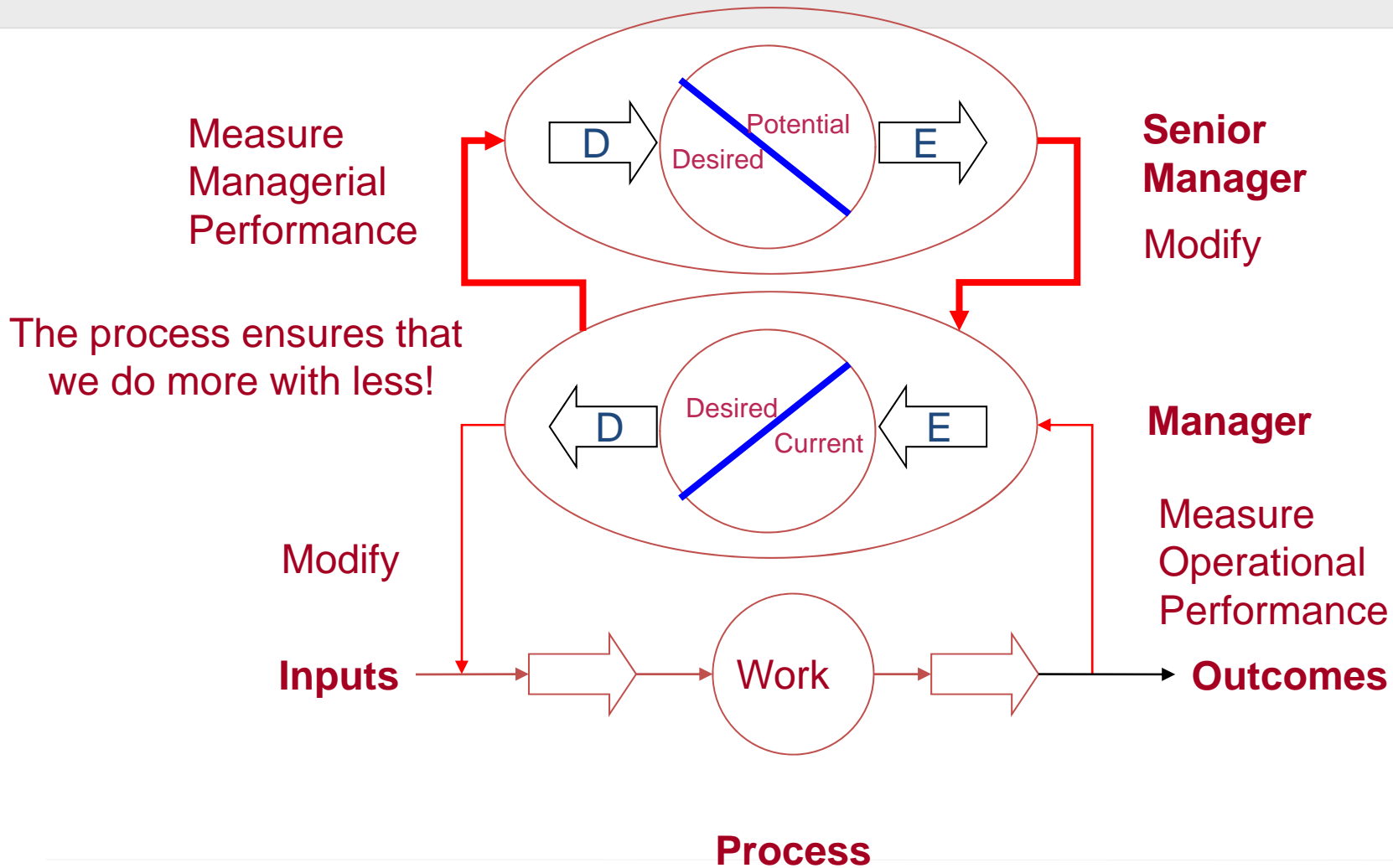
Moving the Goalposts

How did the Manager do?

How much value was added by Management?

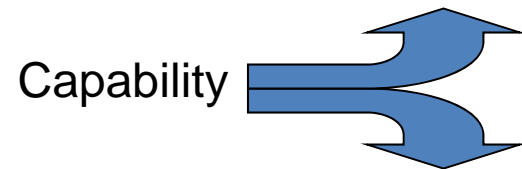


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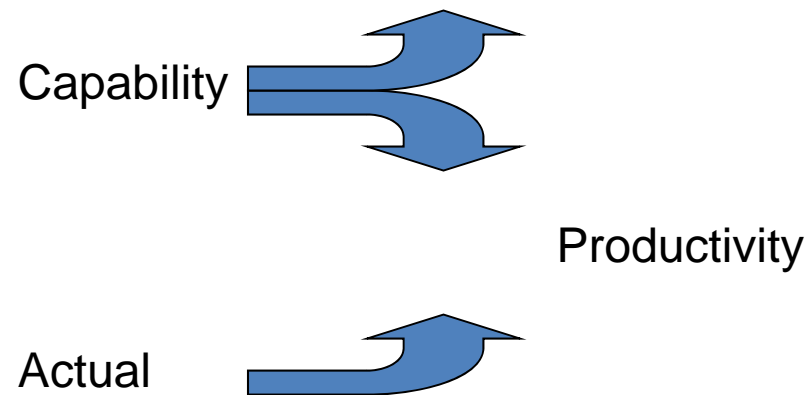


The Potentiometer

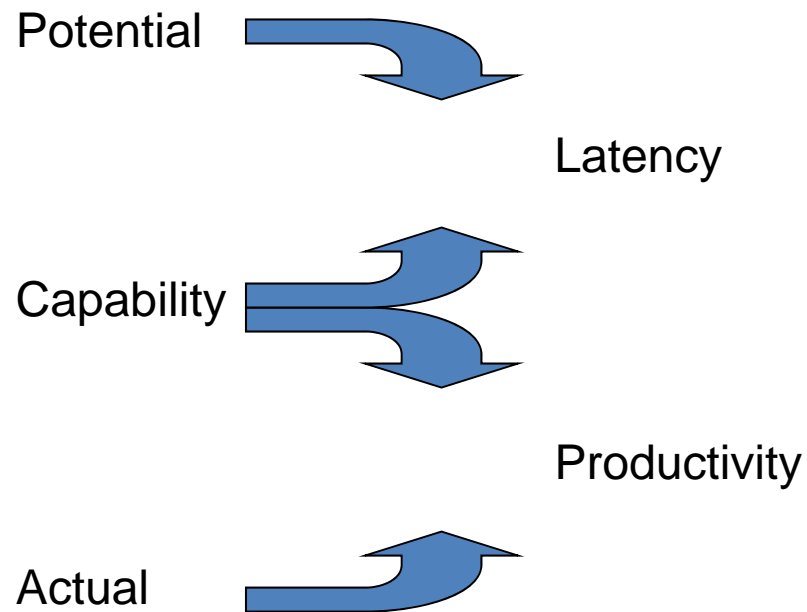
The device for measuring how much more we are doing with how much less!



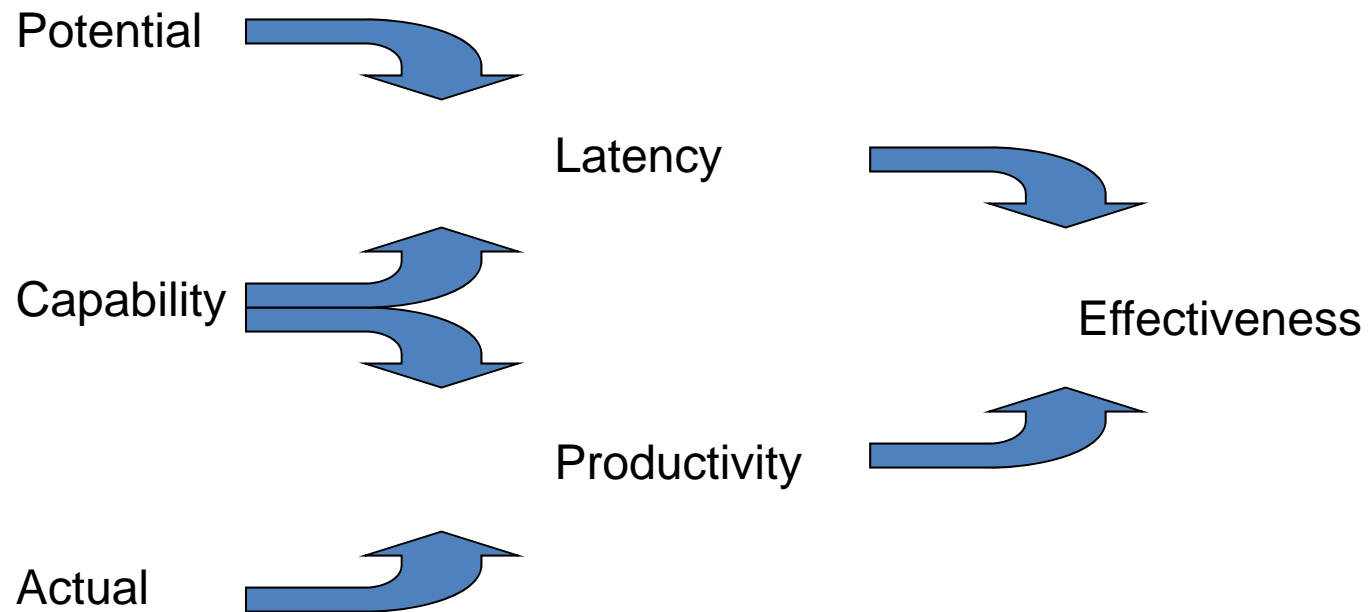
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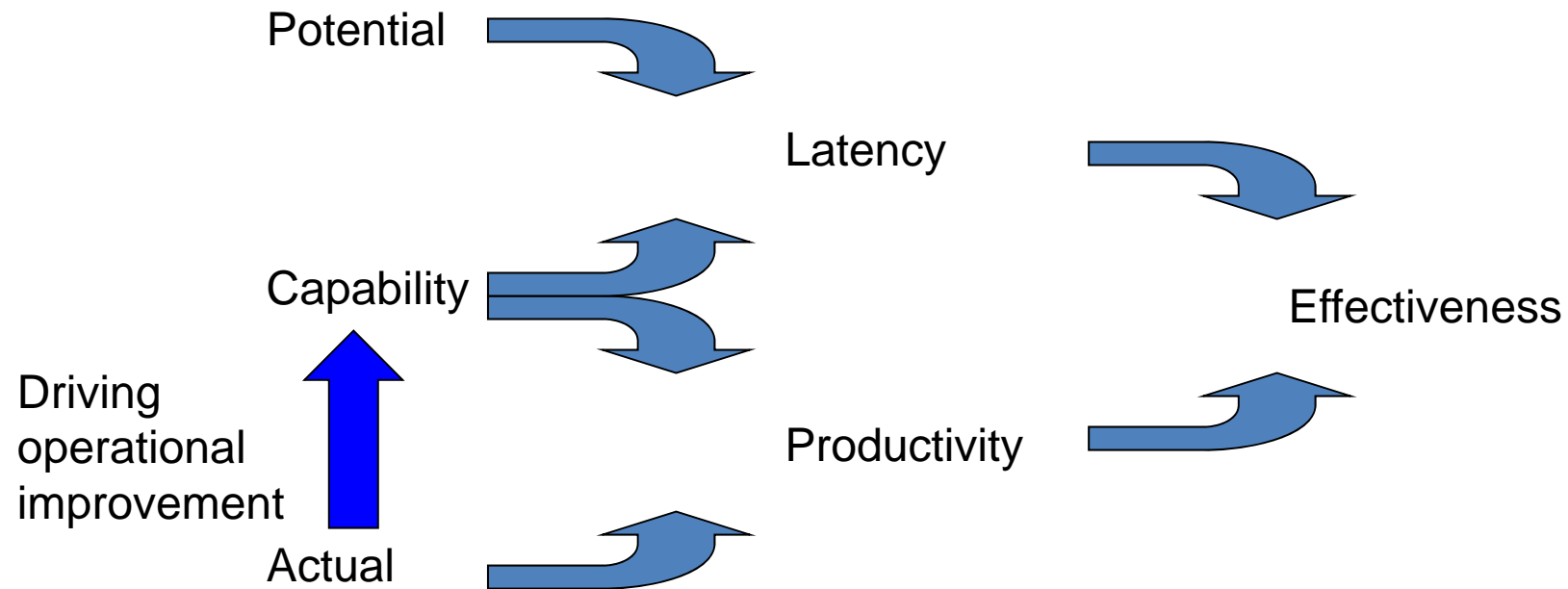
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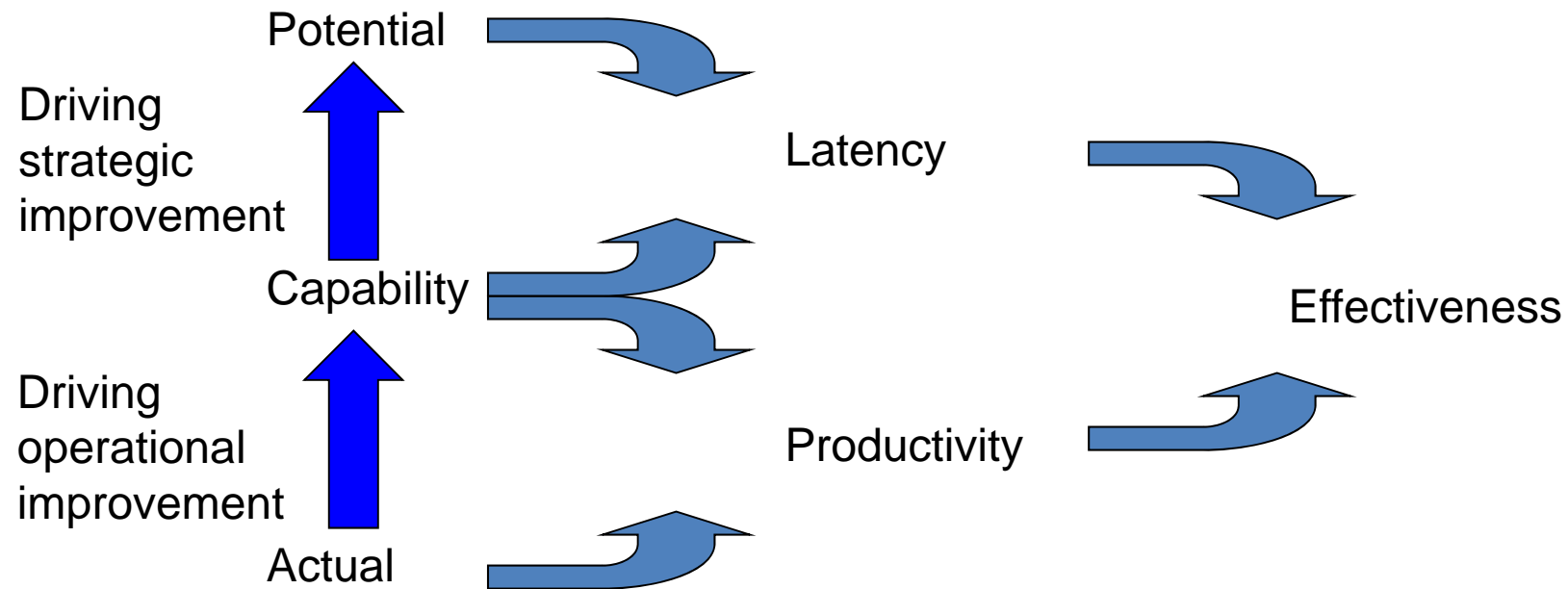
The Potentiometer



The Potentiometer



The Potentiometer



Expected Outcomes

- Doing right things right!
- Elimination of wrong things
 - Undesired discretionary activity stops!
- Doing more with less!
- How MUCH more?
 - Process improvement typically > 30%
 - Managerial overhead reduction > 25%
 - Payback within financial year!
 - Asset Management - Housing 6 times cost < 1 year
 - Logistics – Parcel Distribution 8 times cost < 1 year
 - Business Performance – Care 2 times cost < 1 year
 - IS Dept – Rail Cost Stable, Performance up 20%