Using Process Mapping to Save Time and Money

March 8th, 2023

HARVARD Kennedy School
Government Performance Lab

Welcome! In the chat, please share your name and what government you represent.

Agenda

Part 1: Overview of Procurement Processes

- o   What are some of the procurement problems governments typically face?
- o   What a good process could mean for your government

Part 2: Understanding and Building a Process Map

- o   What is process mapping, and why is it useful?
- o   Breakout Room Activity: What is slowing down the process in Citylandia and how would you improve it?
- o   How can we diagnose and improve the process?

Part 3: Moving from Documentation to Change

- o   How do I use my process map to diagnose and solve procurement efficiency challenges?
- o   Breakout Room Activity: Improving the Process in Citylandia
- o   How can I help my internal and external stakeholders understand a process?
- o   How have governments used process maps to cut cycle times and reduce waste?

Additional Resources

Overview of Procurement Processes
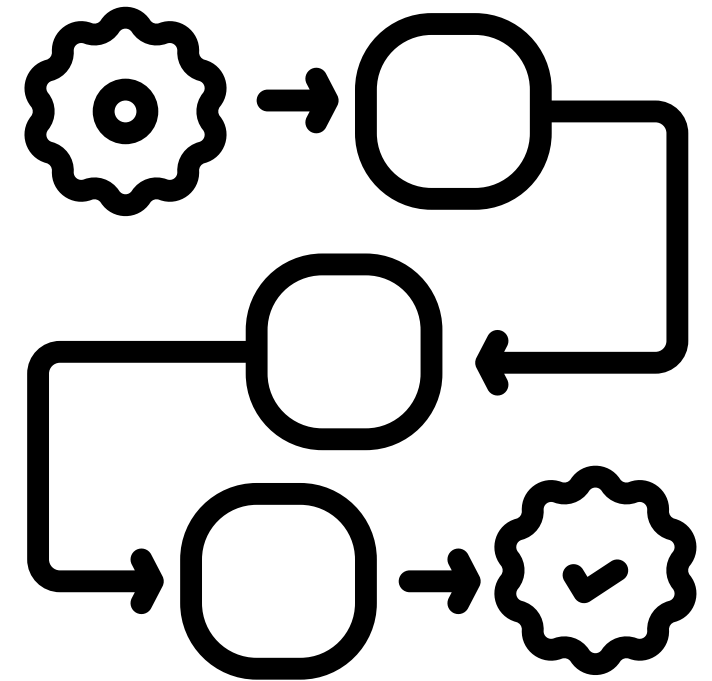
What are procurement process problems governments typically face?

What tends to slow procurement down?

- **Redundant, unnecessary and dated compliance measures** such as excessive rounds of review and administrative requirements.

- **Lack of clarity and collaboration among staff** leads to unclear role delegation that causes confusion between purchasing and programmatic staff.

  ➢ Can lead to poorly written RFP's which leads to more questions, addendums and poor proposals from vendor community.

  ➢ Lack of consistency for many steps of the process

  ➢ Staff don't understand how to initiate a buying process

- **Understaffed procurement offices** focus on putting out fires (i.e., churning out requisitions) rather than planning ahead

A confusing, burdensome procurement process can crowd out important strategic thinking around what goals and outcomes a new contracted service or program should achieve.

What a good process could mean for your government

- Less time spent on administrative activities and more time on strategy and planning.

- A clear set of steps that everyone understands – from vendors to department program staff.

- Roles that ask for the right inputs from the right people at the right time.

- A consistent, predictable experience for all involved

Efficiency is the foundation for procurement transformation
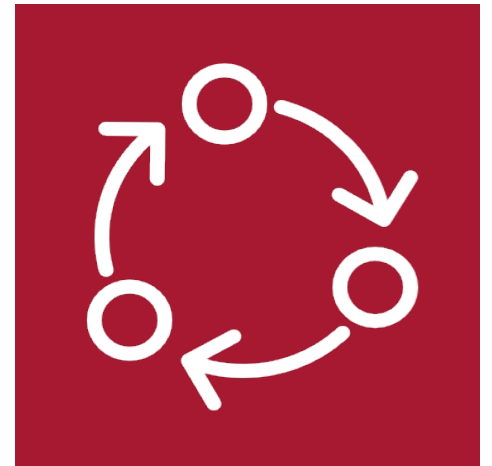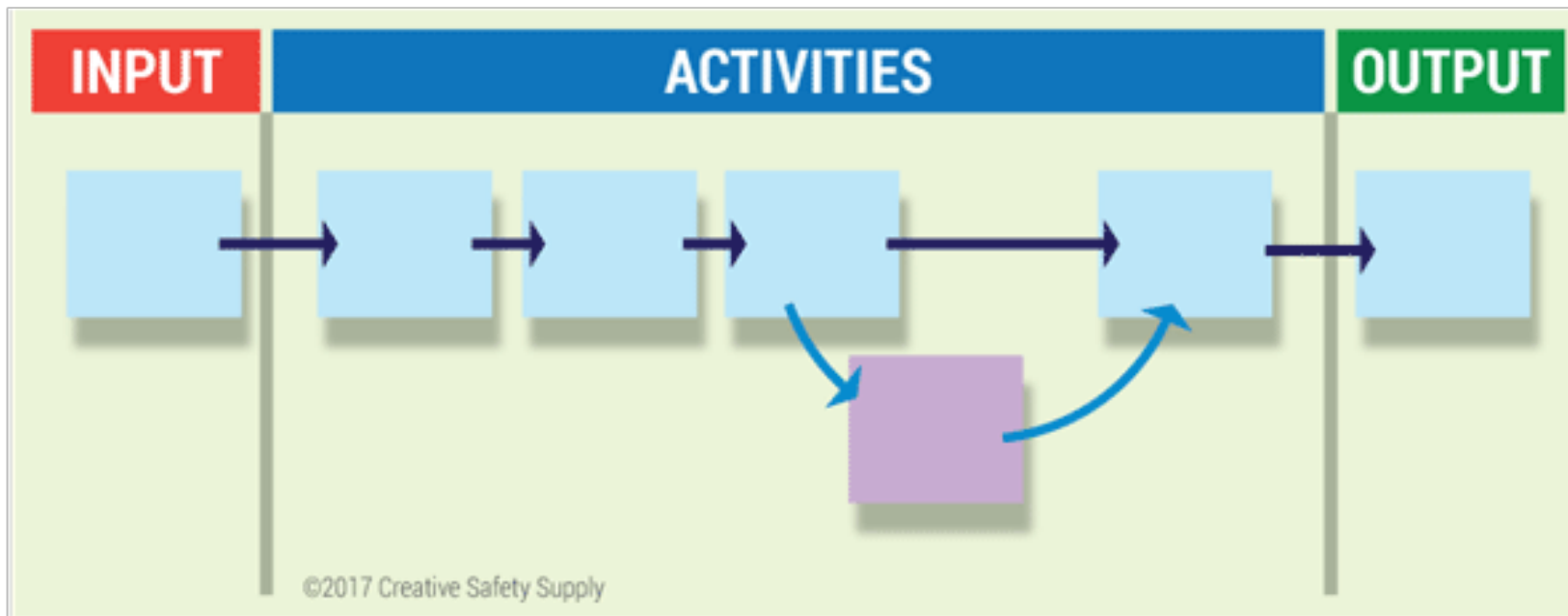
Understanding and Building a Process Map
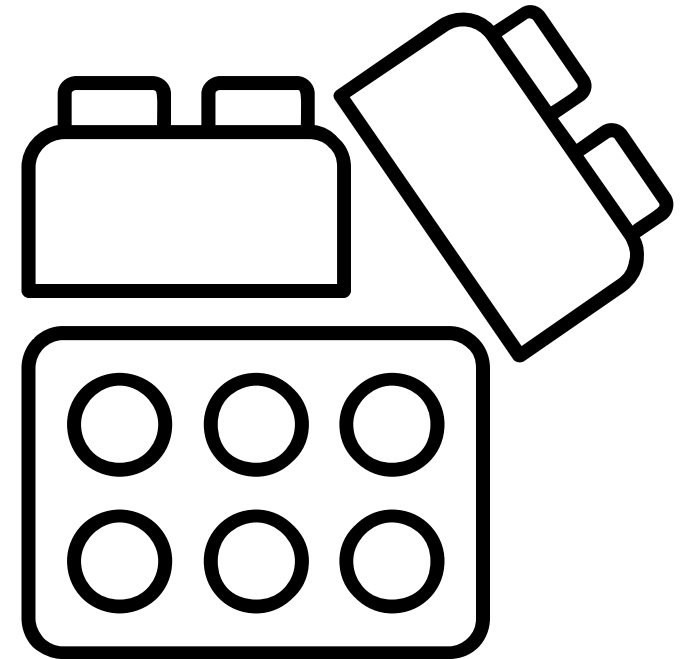
What is process mapping, and why is it useful?

Process Mapping: A Powerful Diagnostic Tool

What is a process map?

A diagram that visually displays a series of steps that occur within a given process, often used as a tool in continuous improvement efforts. Each step includes the people involved and the resources required.

How can a process map be used?

- Gather information

- Generate consensus

- Reduce waste

- Identify gaps or overlaps

- Design a new process or improve upon an existing one

- Facilitate prioritization or strategic alignment
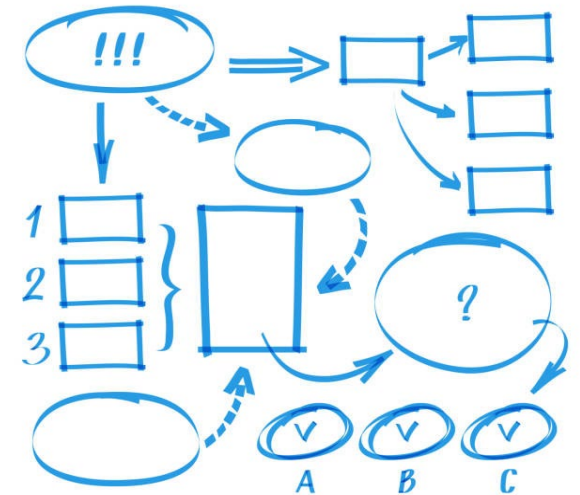
Why does process mapping matter?

Beyond helping us simply understand processes, process mapping can further other important goals for purchasing offices, such as:

- **Securing buy-in** on process improvement and **elevating the strategic importance of procurement** by bringing key stakeholders together and collaboratively identifying slowdowns and roadblocks.

- **Identifying areas of confusion,** or misunderstandings of policy that can be addressed through better communication and guidance.

- **Communicating with the public and vendors** about procurement processes and demystifying procurement.

Remember: your first process map will depict **current** reality, NOT an ideal state.
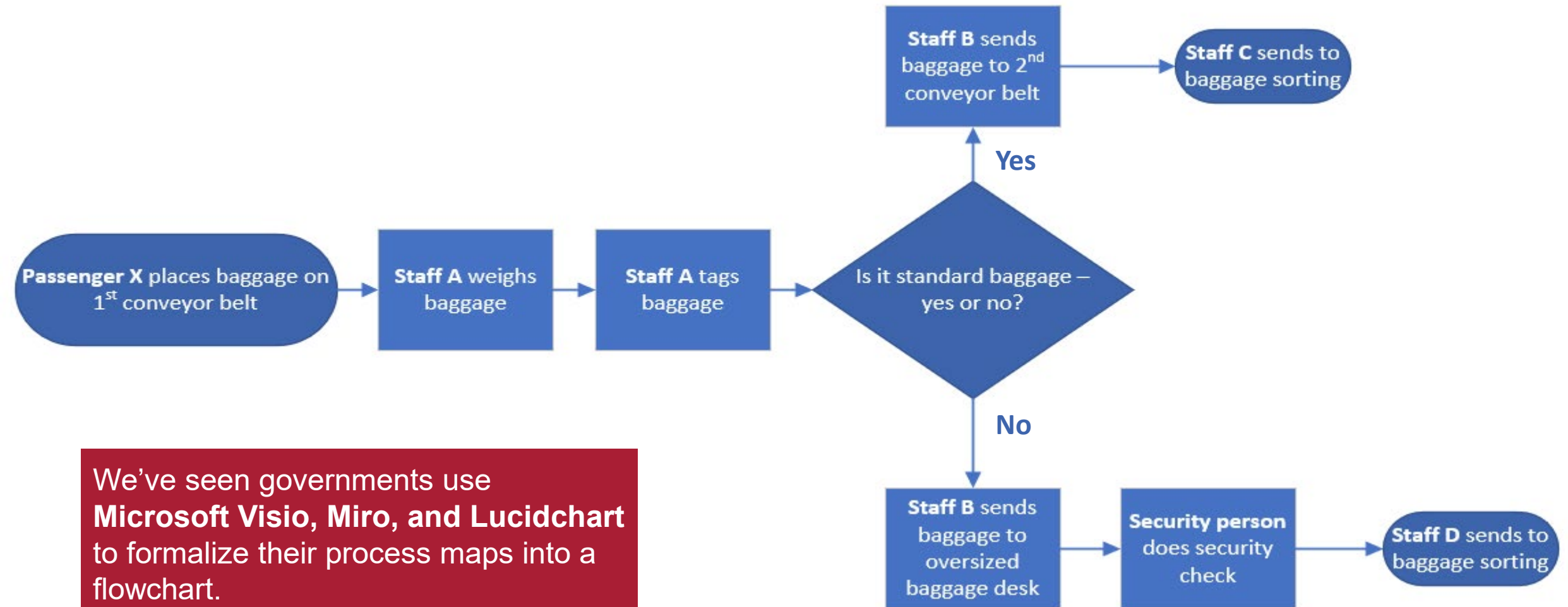
What form does a process map commonly take?

Typically, a process map is a **flowchart:** a series of shapes and arrows that signify different types of steps in the process. It moves from left to right and each shape identifies an actor and what action that person takes.
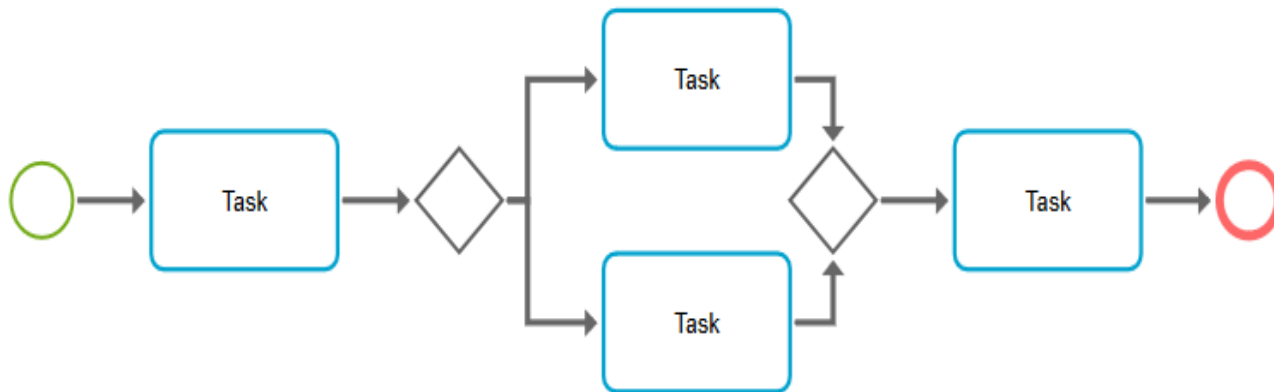
Rules of Thumb

- Reads from left to right.

- Boxes = steps in a process.

- Diamonds = decisions (yes/no, if/then).

- Set clear actors for each box: X does Y.

- Don't get caught on exceptions to the rule. Focus on what is usually the case.

- **Remember**: give the 30,000-foot level of detail, not the microscopic level!

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Flowchart Example: Airport Baggage Handling

Passenger X places baggage on 1st conveyor belt → Staff A weighs baggage → Staff A tags baggage → Is it standard baggage – yes or no?

Yes → Staff B sends baggage to 2nd conveyor belt → Staff C sends to baggage sorting

No → Staff B sends baggage to oversized baggage desk → Security person does security check → Staff D sends to baggage sorting

We've seen governments use **Microsoft Visio, Miro, and Lucidchart** to formalize their process maps into a flowchart.

Is a flowchart the only way to draw a process map?

Not at all! **Spreadsheets** are another format to consider, especially if you need to conduct your process mapping session virtually.

Citylandia Procurement Process Map
(process you choose to map)

| STAGE	STAGE #	STEP #	STEP DESCRIPTION	OWNER
What's the overarching stage of the process (e.g., solicitation development, bid evaluation)			Where you write each step. The format should be "X actor does Y action." Make sure to note any resources required too.	Who (or in some cases what department) does the step
	II	5	converses with Department as necessary to confirm edits and pending attachments to ensure compliance.	Buyer
			Highlighted rows/steps indicate a decision point.	
	III	16	**Example:** Do vendor questions or comments warrant adjustments to SOW, specifications, description, and/or price?	Buyer (as she is making the determination)

Rules of Thumb

- Steps flow from top to bottom.

- Each row is a step. Highlighted rows are decisions. (Note: branching logic is a little harder to capture on a spreadsheet.)

- Columns can illustrate step order, step descriptions, and actors.

# Spreadsheet Example: Bid Evaluation for Formal Contracts

Citylandia Procurement Process Map (Formal Competitive Process)			
STAGE	**STEP #**	**STEP DESCRIPTION**	**OWNER**
IV. Bid Evaluation	3	Purchasing administrative assistant sends copies of opened bids/proposals to buyers.	Administrative Assistant
	4	Purchasing administrative assistant creates summary of opened bids/proposals and posts summary to Citylandia purchasing website.	Administrative Assistant
	5	Buyer adds opened bids to contract folder on Purchasing shared drives.	Buyer
	6	Buyer reviews bids/proposals and confirms they meet specifications and requirements.	Buyer
	7	Was the solicitation an IFB or an RFP?	Buyer
	8A	**RFP** - Buyers share all proposals with departments/evaluation committee, indicating which proposals were non-responsive.	Buyer

Activity: Citylandia's Process Map

Exercise: Snippet of Citylandia's RFP Process (from start to award)
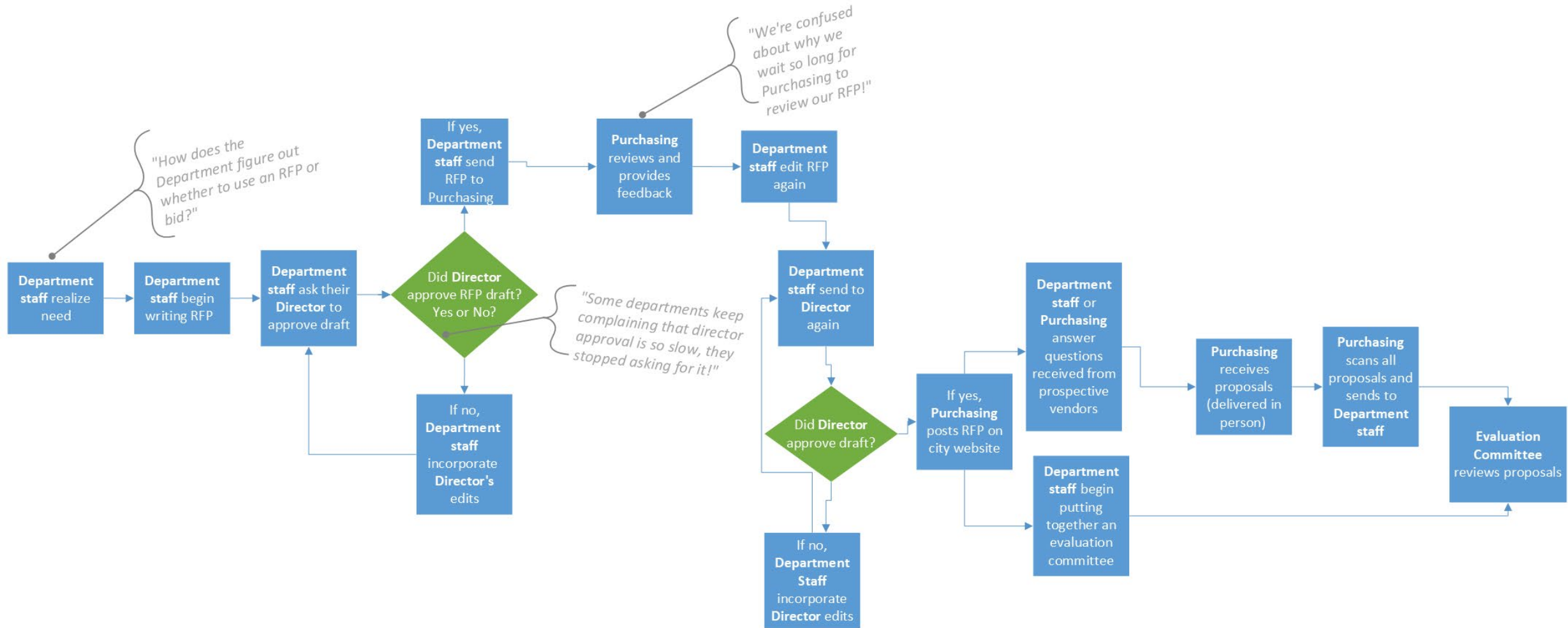
Share-out
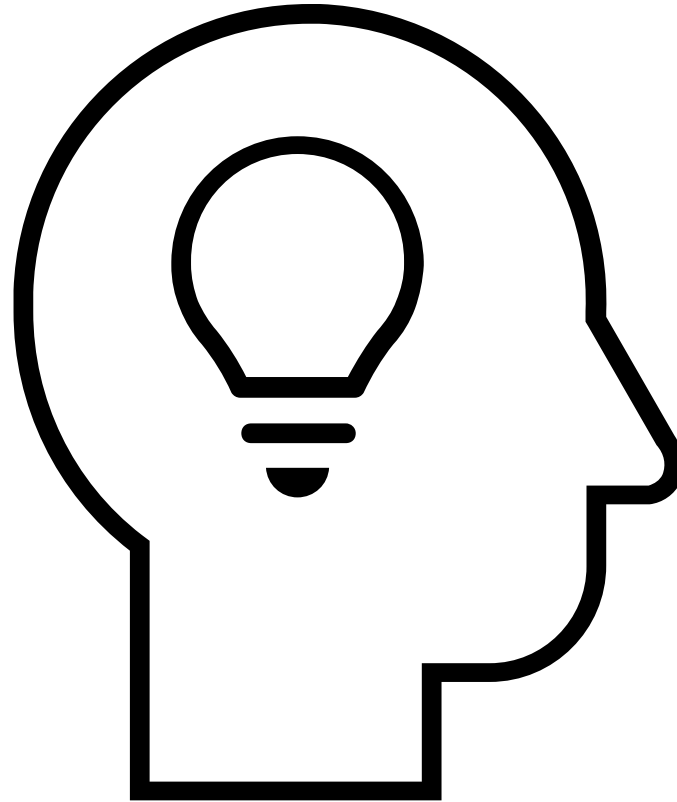
How can we diagnose problems and improve the process?

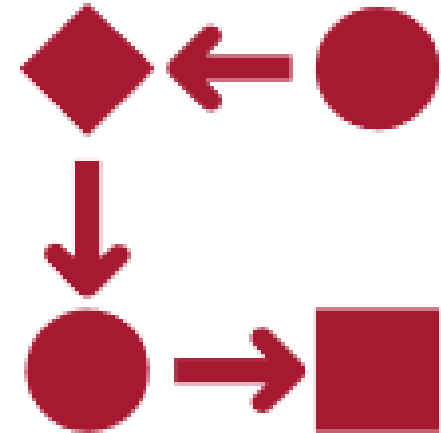# An effective process map comes down to….

People
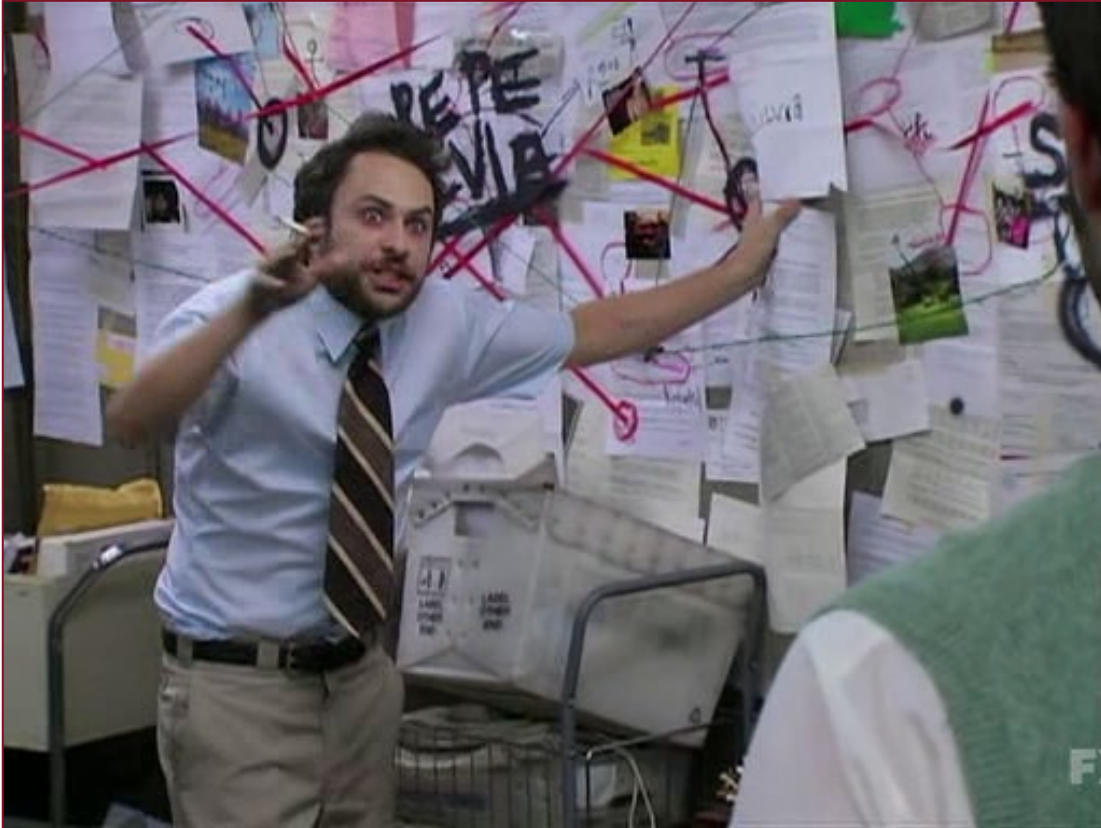
Preparation

and

Method

Let's break it down into 3 steps.

1. Determine the process(es) you want to map.

We promise your process mapping endeavors won't be this overwhelming!

- Every procurement operation contains multiple processes!
  - For example, formal contracts, RFPs, informal purchases, p-cards…there are many places to start.

- Consider starting with a process that has caused confusion or delays in your jurisdiction.

- Longer or more complex processes will require mapping sessions.

2. Include the right staff.

- **Stretch beyond your immediate team** - including owners of process steps outside a central Purchasing office helps to build consensus and stakeholder buy-in.

  - Consider including customer departments, Legal, Finance and administration, City Clerk, and Data or IT

- **Don't omit frontline staff** - they often have a better understanding of how the process actually happens on the ground than managers.

# 3. Create the process map with your colleagues.

Conduct your first process mapping session in a **group setting** with those that are most involved in the process. Hold multiple sessions, if necessary for complex processes.

- **Your first goal of this session(s) is to create a shared understanding of the process.** Find out:

  o What steps are in the process

  o Who is responsible for each step

  o Quantify each step: number of days and resources associated with each step

- **Staff are busy, so craft a session that maximizes your time together.**

  o A high-level outline of the process can jumpstart the session.

  o Following the session, gather missing information via one-off consultations with stakeholders.

Don't overcomplicate! Only add steps to the process map if they are broadly applicable and occur most of the time

Moving from Documentation to Change
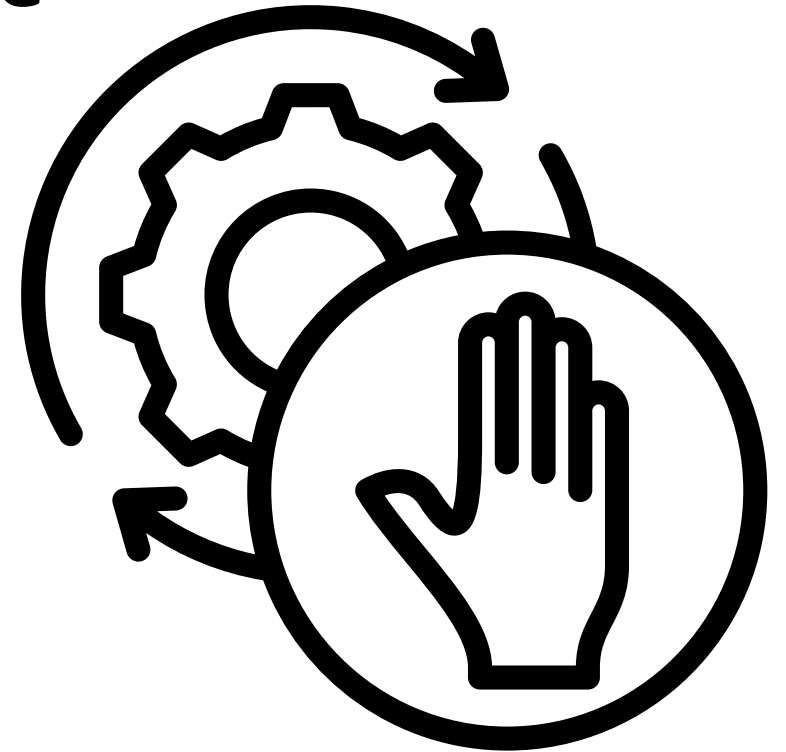
How do I use my process map to diagnose and solve procurement efficiency challenges?

Analyzing and solving challenges: step by step

Once you have finalized your process map, what are your immediate next steps? How can you use the map to bring about change over time? Start with developing staff buy-in and alignment around where to focus efforts.

- **Step 1:** Analyze your process map and identify focuses

- **Step 2:** Assess the risks and obstacles to change

- **Step 3:** Pilot process changes

- **Step 4:** Share, communicate, and engage staff from across your organization

Step 1: Analyze your process map

Working with the stakeholders you engaged to draft your initial process map, review each step and draw out the major pain points.

- Ask yourself and others:
  - **What's excessive?** Are there rounds of review or due diligence efforts that take more time than they're worth? Are there too many steps given the importance of one sub-activity?
  - **What seems missing in this process?** Are there steps we can loop in to make our process more proactive, strategic, or value-add?
  - **Are things being done consistently?** Are there major discrepancies in whether steps are always followed? Do some people often skip certain steps?
  - **Does this process include the right people?** Are there staff we can better incorporate into the process, or incorporate them earlier?

Step 1: Analyze your process map

As you evaluate each step, consider what changes you can make to improve it.

Non-value add steps: lengthy, repetitive, unnecessary tasks that take away from the final product.
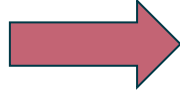
CUT

No use in keeping something that's not helping your final product. This alone can reduce cycle times and increase efficiency.

Value-add steps: improve the quality and accuracy of the final product.

FORTIFY

Help people continue pursuing these actions. As necessary, write guidance documents or trainings to cement best practices.

Gaps in service: important strategic, compliance, and/or engagement efforts that are not being done.

BUILD

If you realize important needs are not being met by the current process, propose and build new steps and processes in collaboration with government colleagues.

Poor task delegation: staff are unclear who is responsible for what or people work on the wrong things.

RESET

Adjust who is assigned to which parts of the process and communicate these changes with stakeholders accordingly. Teams and individuals should work on what best taps into their experiences and expertise.

Step 2: Assess obstacles to change

"Every system is perfectly aligned to achieve the result it gets." Changes will affect the stakeholders in your procurement process, and you may need to overcome resistance.

- Remember that the idea of change is **disruptive**. Changing processes will change people's jobs and their experience at work. It may even feel like they're losing something important to them - even if from the outside it just looks like you're eliminating a redundant step!

- How do we overcome this?

  1. Understand **Competing Commitments.** Government staff have many responsibilities, values, and conflicting goals.

  2. Lead with **Empathy.** Even when the rational argument for change is clear, stakeholders' fears and feelings need addressing.

  3. Develop **Sustainable Solutions** that are adaptable to an evolving environment over quick technical fixes.
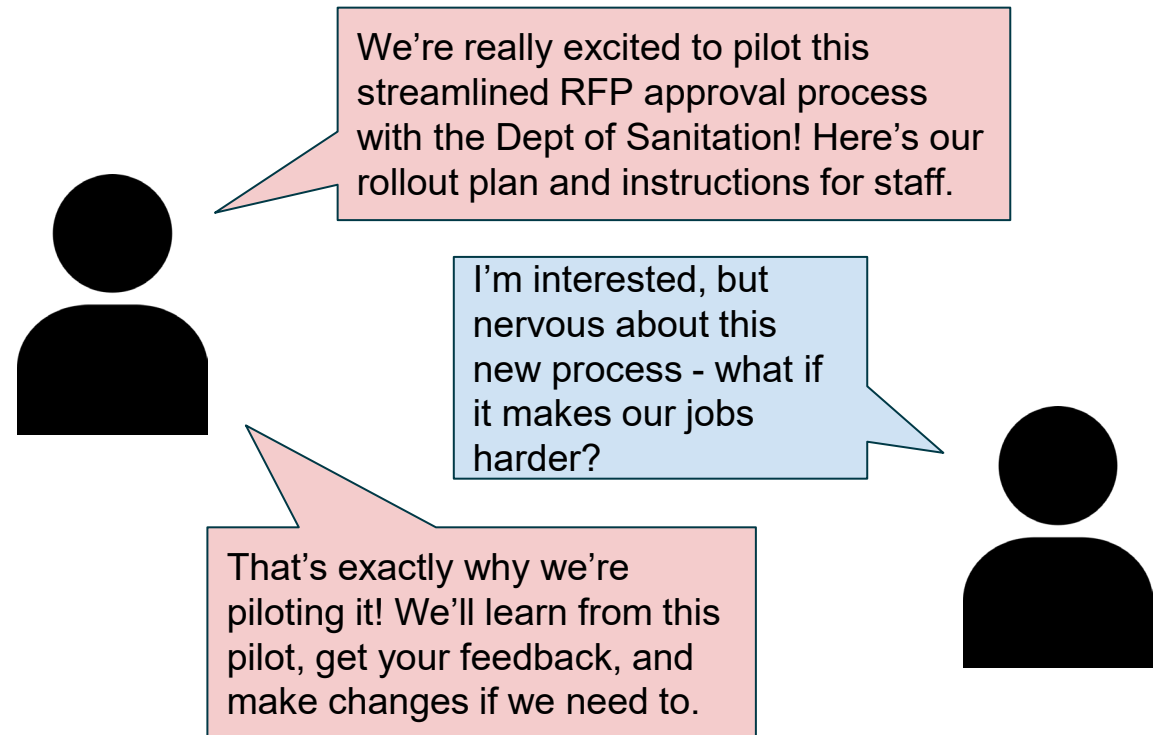
Step 3: Pilot changes

Piloting changes is an excellent way to demonstrate the impact of process improvement and build momentum for implementation with government partners.

Where might you want to pilot a new process change? Sometimes it's helpful to start small. Consider:

- **Starting with 2-3 smaller changes,** rather than taking on everything at once.

- **Testing with specific procurement** or commodity types.

- **Testing in a specific office**, department, or agency.

Think about how you can frame or talk about your pilot in ways that overcome reluctance and resistance.

We're really excited to pilot this streamlined RFP approval process with the Dept of Sanitation! Here's our rollout plan and instructions for staff.

I'm interested, but nervous about this new process - what if it makes our jobs harder?

That's exactly why we're piloting it! We'll learn from this pilot, get your feedback, and make changes if we need to.

Step 4: Share, communicate, and engage

Don't overlook the importance of communication throughout your process improvement journey. Identify a few key moments to share information within and outside your department or office.

- **Share your process map and other resources**. It offers a clear description of the steps of the procurement process and valuable data on cycle times and roles.

- **Highlight the changes you're piloting.** Talk about the changes you've made and offer suggestions for how other teams could adopt similar fixes.

- **Seek feedback**. Talk to the managers and frontline staff implementing process improvements, and modify your plans based on their experiences.

- **Train others.** Build trainings that help staff in other departments or offices replicate your successes.

You also have a great set of potential data for performance management and evaluation.

- **Cycle times:** how many business days does the procurement process take? Which stages of the process take the longest to complete?

  o Keep in mind this is only feasible to collect if you have clear timestamps for the start/end points for different stages of the process.

  o Staff time is money, so you can also assess which steps or stages cost the most to pursue! Multiply the estimated hours spent by the hourly rate(s) of staff that work on that part of the process.

- **Flow:** how many procurements do we process each year or quarter? How does that breakdown differ by solicitation type (ITB, RFP) or product/service?

- **Role delegation:** What department or staff member "owns" the most steps? Who are most crucial for each stage of the procurement process?

Activity: Return to Citylandia's Process Map

# Return to Citylandia's RFP Process
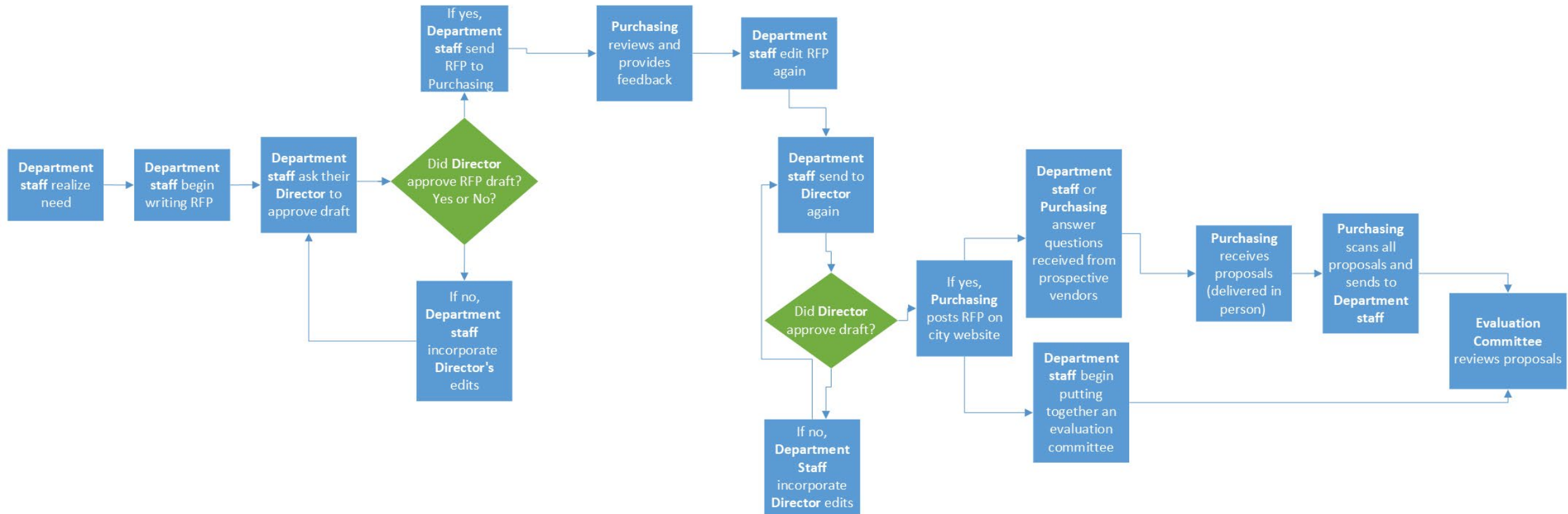
How have governments used process maps to cut cycle times and reduce waste?

City of Tulsa, OK

In Tulsa, GPL used process mapping, along with focus groups and follow-up interviews, to build consensus around the steps, resources, and time required in the procurement process. Using these insights, Tulsa staff:

- **Streamlined forms and signatures**: Tulsa consolidated notarization requirements, required only 1 signature, and kept solicitation documents clear and lean.

- **Removed excessive review**: At first, an standards committee reviewed every solicitation before publication. To save time, Tulsa staff eliminated that review, instead leaving the final approval to the Purchasing Director.

- **Rearranged steps for greatest impact:** Instead of having Tulsa's Legal team assess contracts *after* they were awarded, City attorneys now give feedback (and catch errors) during the drafting process, saving time and resources.
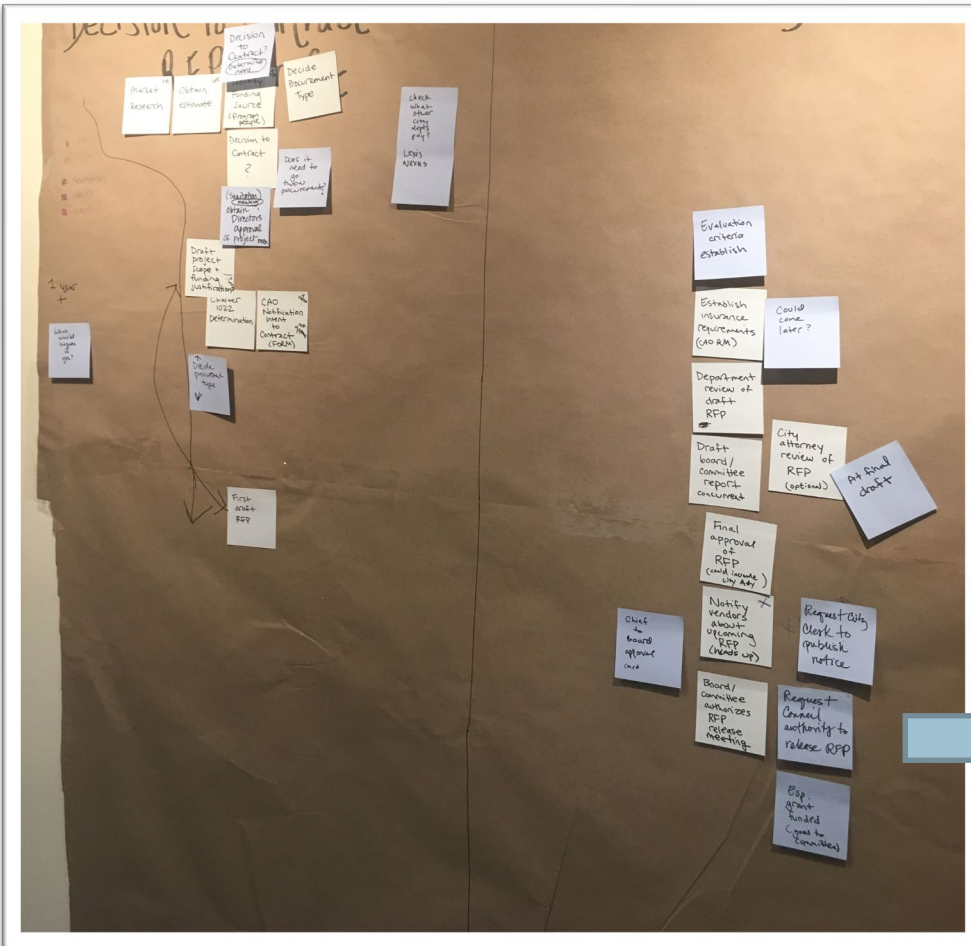
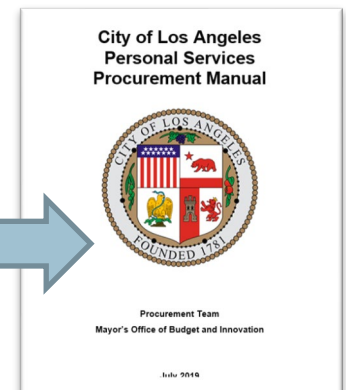Collectively, these efforts helped reduce cycle times by **3 weeks**, an 18% decrease!
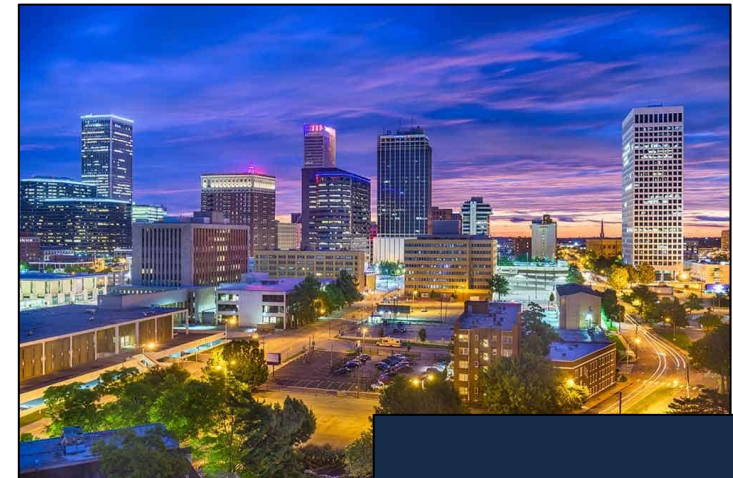
City of Los Angeles, CA

Process mapping sessions with city departments helped us discover:

- Many departments do things differently (which we expected!), which led us to question: How much of this variation is acceptable or good practice? Where should steps be more consistent across the city?

- Some steps done in sequential order could be done concurrently

- Identified a need that departments needed a manual that talked them through the steps necessary for professional service RFPs.
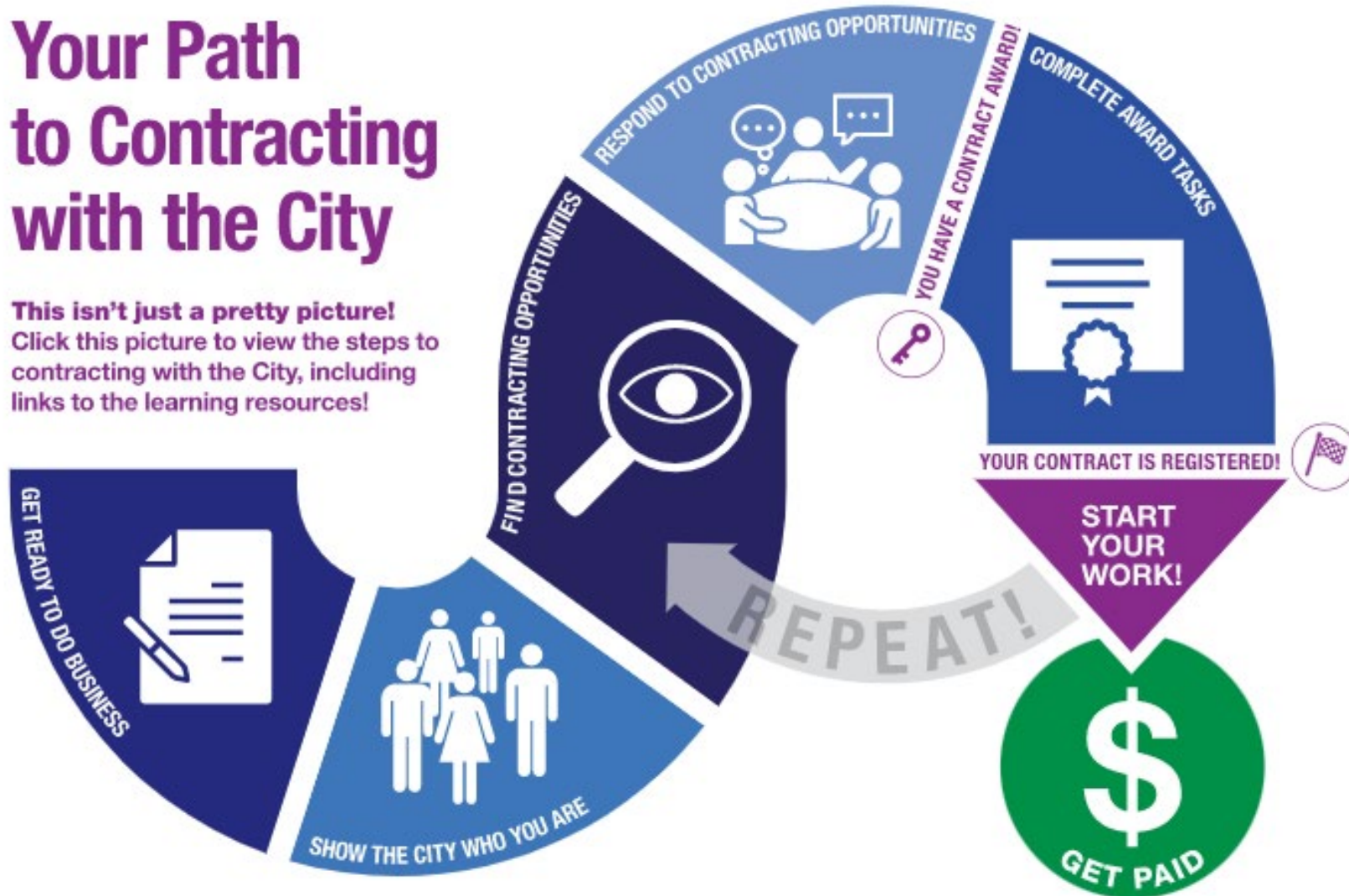

City of Los Angeles
Personal Services
Procurement Manual

Procurement Team
Mayor's Office of Budget and Innovation

July 2019

Example from NYC: Your Path to Contracting with the City

How might you communicate a process effectively?
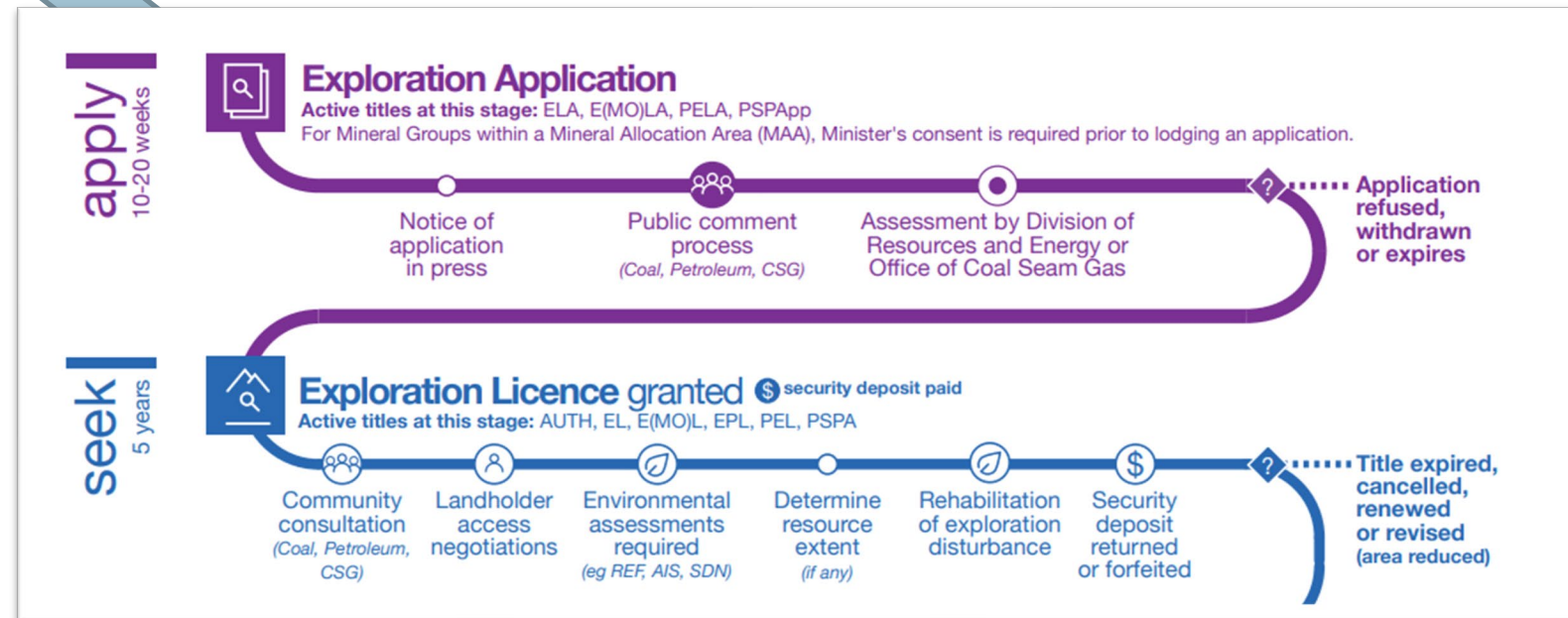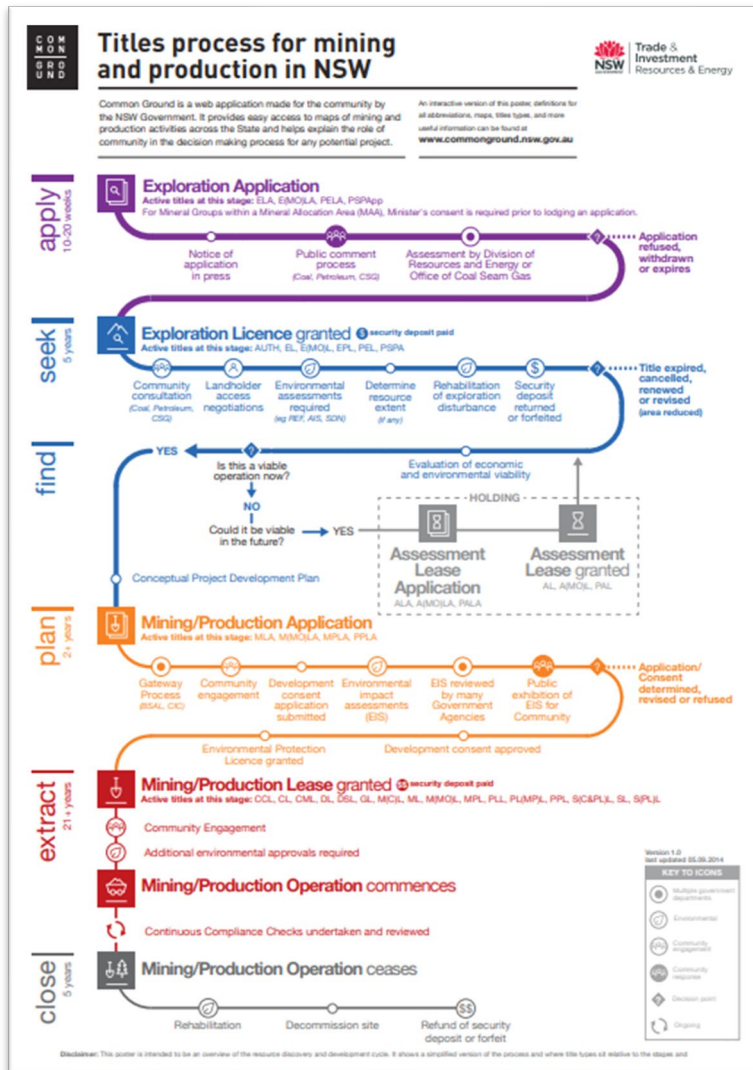
Designs by **Nook Studios**, an Australia social enterprise dedicated to improving information experiences and designing content and tools to help people demystify complexity. More examples of their work is at https://nookstudios.com/

Department of Agriculture, Water & the Environment

Environment Protection and Biodiversity Conservation (EPBC) Act

INFORMATION JOURNEY

This is the likely end-to-end journey for someone considering an activity or project that could affect the Australian environment.

We have mapped out the steps in order to seek feedback and comments from our research participants and the DAWE team.

Idea (vision)
An individual, landowner, company or government is considering an activity on land or water.

Research
They start to investigate if their proposed activities or project are possible and what permits or approvals are needed. If familiar with the process they may engage a consultant or seek help from a Regional Agriculture Landcare Facilitator or, if in NSW, Local Land Services Officer.

Seek
If new to the process, they will likely try to find information from their local council; state or territory government. *There is a lack of information available on local government websites.*

Navigate
Local councils, state and territory governments have different responsibilities and information. There are lot of complicated processes, conditions, legislation (Acts) and regulations to follow.

Learn
The researcher learns the Federal Government protects certain areas, species, environmental considerations and any actions that may affect these protected matters need approval (EPBC Act).

Search location
Using the online Protected Matters Search Tool, they may search based on the region or precise location of their proposed activity. A report listing 'protected matters' including threatened or protected species or areas of national significance is emailed to them.

Uncertainty
They try to work out whether their proposed activity could impact protected environments or species and what they need to do.
1. May look at what else is happening; what the neighbours are doing/have done; who else has proposed or developed activities in the area to determine accumulative impacts. Decide not to proceed or proceed with activities anyway.
2. The list is long and doesn't explain options or what to do next. Proceed with activity anyway.

Discover
They find the DAWE website, which states the EPBC Act "provides a legal framework to protect and manage nationally and internationally important flora, fauna, ecological communities and heritage places". And that a proposal of the activity (known as a referral)

Designs by **Nook Studios**, an Australia social enterprise dedicated to improving information experiences and designing content and tools to help people demystify complexity. More examples of their work is at
https://nookstudios.com/

Feedback Poll

Additional Resources

Process Mapping Resources

Training: Process Mapping 101

This deck is a resource you can review at your own pace that covers the mechanics of process mapping and how it can be a tool for your procurement transformation efforts. The appendix includes sample slides and notes to use to hold your own process mapping session.
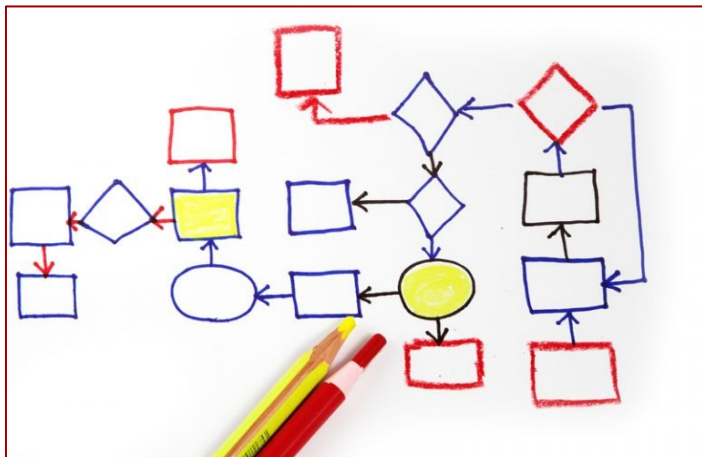
Quick Read: Using Process Mapping to Save Time and Money

In this quick read, we'll talk about one of the most effective practices to streamline procurement – process mapping. Here you'll learn how process mapping can be an excellent first step toward reducing cycle times as well as a great way to build stakeholder buy-in for procurement reform.
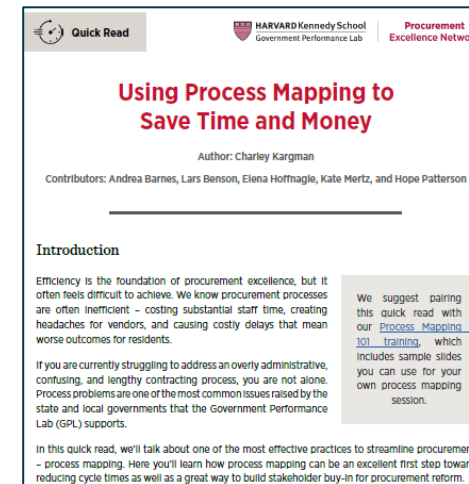
Upcoming Events

Thursday, March 30

2:00pm – 3:00pm ET
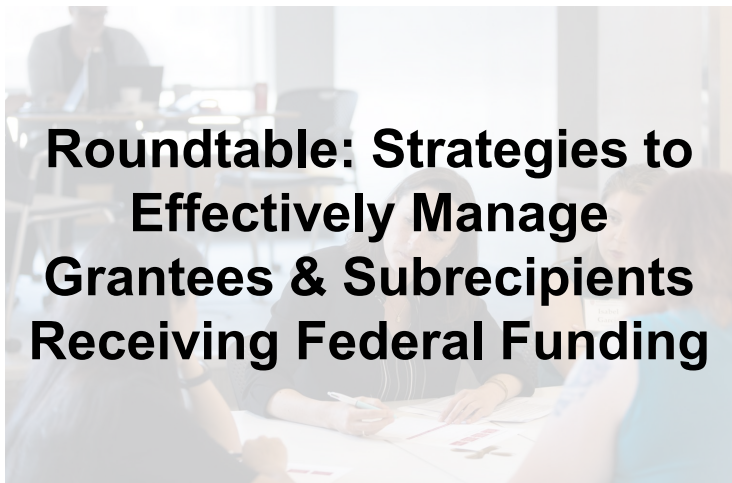
Training: Fresh Takes on IT Procurement

Roundtable: Invest in Our Planet: Green Procurement Strategies

Wednesday, April 19

2:00 – 3:00pm ET

Wednesday, April 26

2:00 – 3:00pm ET

Roundtable: Strategies to Effectively Manage Grantees & Subrecipients Receiving Federal Funding

Roundtable: Surveying Your Internal Customers to Identify Their Procurement Pain Points

Thursday, May 25

1:00 – 2:00pm ET