Simplified Delivery – Risk, Quality and Cost in context

An Overview

To accelerate the delivery of building products, processes, process improvement, process re-engineering, business intelligence and analytics, I developed a technique called *Algomatics™*. It is a process which has been patented and trademarked in my name.

This is rapid paced technique. It draws upon the principles used by profilers and forensic analysts to ascertain *requirements*. It then uses algorithms to *design* and *build* the new or improved process. At all times, data (used by the current process to be replaced or to be designed) is the *working capital* for building the solution.

A special feature of this technique is the inbuilt ***five-way*** integrity checks alerting you to issues ***before*** you get to publish or post your report / process / analytics. It has inbuilt data integrity checks, inbuilt process integrity checks and input format integrity checks. It also has a self-diagnostic panel advising you of any issues, type of issue and a guide as to where you may find these.

The Delivery Vehicle: *Excel* was chosen as the vehicle of delivery**. Why *Excel*?** Most people will profess some literacy, level of conversancy and competency in the use of *Excel*. It's cheap, accessible, universal, portable and is easy to maintain. Hence processes were built in *Excel - macro* free. Therefor no special technical requirement is needed by the end user to maintain the product. There is one more benefit. The product built can serve as a spec to IT – it is in essence a true production pilot!

Synopsis of Case Studies

A Simple Case Study 1: The *Training Co-ordinator* of the Coles Supermarkets National Training Program used to spend 7 hours every Monday morning in compiling a list of training credits. This information had to be translated into hundreds of SAP journals – used to credit stores / departments nationally for the training they received. The submission of this Journal file would result in rejections and rework. To change this, 3 weeks were spent to rebuild the process. It now takes less than 1 hour to complete the task – with one key difference. The journal file generated does not result in rejections and rework. This achievement was publicly recognised by the *Managing Director* of Coles who awarded it the *Gold Space Award*.

Another Case Study 2: The *Banking, Data Integrity & Ar Manager* of Coles Liquor has a process of investigating and clearing accounts. The process takes 10 days every month. There are anomalies to investigate where each account has numerous transactions that contribute to non-clearing balances. Every account anomaly needs to be tracked down at the transactional level. Once this is done, a journal needs to be posted adjusting the balance with an accompanying journal description explaining the cause and reason for adjustment. *Algomatics™* was used to simulate the investigation process, the causal fix process and the generation of adjusting journals. The process takes less than 2 hours to complete.

In Summary

1.	***Investment***	1 person deployed spending 158 Days in reviewing and building 36 processes
2.	***Productivity***	Annual workload reduction of 1923 Days + backlog workload reduction of 9 months
3.	***Returns***	For every $ spent - $6.09 is 'received' in perpetuity with a ROI of 2 Months.
4.	***Reduced Support Risk***	No need for resources skilled in supporting Access or macro based Excel products
5.	***Reduced Failure Risk***	Significantly reducing the number of products relied on ➔ *diversity* of product
6.	***Data Integrity Checks***	Via inbuilt processes reconciling and accounting for *Source* against *Processed*
7.	***Input Integrity Checks***	Via inbuilt checks that alerts if *Input* formats have changed
8.	***Source Integrity Checks***	Via inbuilt checks that checks for 'data corruption' and anomalies at *source level*
9.	***Process Integrity Checks***	Via inbuilt checks that alerts if processes are compromised or out of synchronisation
10.	***Self-Diagnostics***	Integral to product advising of process failures, reasons and where to find these
11.	***Change Management***	A dynamic *BCP / Change Management* library was compiled to track these changes

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Change Impact Statement

1. Business Intelligence	**10** products built. These products consist of: *Profilers, Forensics, Analytics* and *What-If* Details in ***Process Re-alignment / Intrusive Analytics*** paper (refer below)
2. Process Improvement	**36** processes built. These products straddle 16 functional areas across 4 different industries Details in ***Process Re-alignment / Intrusive Analytics*** paper (refer below)
3. Simplification	**4** platforms (*Access*, *VB, Macros, Excel*) were consolidated to **1** platform *(Excel)*
4. Consolidation	**150+** products were consolidated and integrated into 36 products
5. Change Management	A ***Change Management / Process / Risk Register*** was created (refer below)
6. Scope and Coverage	**4** Businesses covered (Supermarkets, Liquor, Logistics, Charity Organisation) **16** Functional areas covered **29** Process improvements (Simplification, Integration, Consolidation, Automation) **7** New processes built to mitigate the deployment of additional staff
6. Documentation Produced	Provides a narrative of the processes built as noted above All narratives (savings) are by users of the processes and/or the process owners Managerial / executive involvement was limited - savings claimed were proclaimed by staff
7. Impact Statement	***Before*** **the process was rebuilt, each user was asked to fill out a template:** **A)** Listing each task – a brief 'one liner' **B)** How long each task listed above used to take – could be independently verified ***After*** **the new process was built, each user was asked to fill out a template:** **C)** Listing the tasks under the new process **D)** How long each task now takes take **E)** Savings in hours **F)** The % reduction in work load **G)** The annualised savings of the process ***The author / engineer*** **then recorded** **H)** How much time it took to build the new process **I)** The ROI

Processes that were rebuilt spanned functional areas in Retail, Hospitality, Property, Finance and Charity. Specifically addressing:

HR Operations Training
HR Talent Quest
Industrial Relations - EBAs (Distribution Centres)
Rebates
Fixed Assets
Stock Accounting
Retail Accounts Receivable
Retail Accounts Payable
Hospitality Accounts Payable
Hospitality Staff Roster Costing
Customs / Excise
Foreign Currency Hedging
Financial Reporting
Finance and Business Planning
Logistics (Transport)
Retail Operations (Supermarkets)

Process Re-alignment / Intrusive Analytics

More detailed descriptions are noted in the '***Summary - BACKGROUND***' report - where the numbers in column B correlate to the number in column B of that same report

More process improvement details are listed in the '***Summary - IMPACT***' report. The name and enumeration of the processes below are identical with that same report

	Process Automation	Frequency	Reduction	Used to Take	Now Takes
	Rebates				
1	1. Rebates Accrual Process	Period	86%	5.5 Hours	0.8 Hours
	Stock Accounting				
2	2. Overs & Unders Journal Creation	Period	73%	3.8 Hours	1 Hours
3	3. Identification of cost issues with resulting SAP Journal automated	Period	71%	2.8 Hours	0.8 Hours
4	4. Identification of qty issues with resulting SAP Journal automated	Period	73%	4.1 Hours	1.1 Hours
5	5. Identification of stock issues with resulting SAP Journal automated	Period	73%	4.1 Hours	1.1 Hours
6	7. Overs & Unders Heat Maps	Period	85%	3.4 Hours	0.5 Hours
7	8. DC SLA	Period	81%	3.1 Hours	0.6 Hours
8	9. GR write off	Period	51%	4.9 Hours	2.4 Hours
	Finance & IS				
9	10.Generation of asset registers by departments	Period	67%	0.1 Hours	0 Hours
10	11.Marketing Accrual Process	Period	71%	7 Hours	2 Hours
	Accounts Payable				
11	14.Beer Supplier Data Invoice Matching	Daily	94%	2.1 Hours	0.1 Hours
12	15.Unmatched Beer Report	Daily	60%	1.8 Hours	0.7 Hours
13	17.Preparing the day's Invoice investigation work load - sourcing data from M-AX	Daily	87%	0.5 Hours	0.1 Hours
	Hotel Payables				
14	19.Stock Accural Journalisation Process	Period	100%	2.6 Hours	0 Hours
15	20.General Expense Journalisation Process(Expenses)	Period	43%	5.8 Hours	3.3 Hours
16	21.General Expense Journalisation Process (Liquor & Expense)	Period	54%	7.1 Hours	3.3 Hours
	Hotel Roster Costings				
17	18. Costing Rosters	Weekly	100%	1 Hours	0 Hours
	Property				
18	22.Asset Retirements and Transfer	Period	79%	3.1 Hours	0.6 Hours
19	23.Audit Reports (automating external audit enquiries)	Half Yearly	77%	31.8 Hours	7.3 Hours
20	24.Automation of Budgeting and Forecasting process	Quarterly	87%	20.3 Hours	2.7 Hours
	Customs / Excise				
21	25.Automation of Bond matching and reporting	Period	33%	7.5 Hours	5 Hours
22	27.Automating Prime Revenue	Weekly	74%	5.8 Hours	1.5 Hours
23	26.Automating FTE and Headcount Movement	Period	82%	0.7 Hours	0.1 Hours
	Training and Talent Quest				
24	28.National Training Credit Reimbursement	Weekly	90%	4 Hours	0.4 Hours
25	29.Talent Program - Identifification of who to 'fast path'	Fortnightly	76%	0.6 Hours	0.2 Hours
	Charity Work - SecondBite				
26	30.Food collection of deemed wasted products (Supermarkets audience)	Period	86%	21.6 Hours	3 Hours
27	31.Food collection of deemed wasted products (Secondbite audience)	Period	89%	41.2 Hours	4.7 Hours
	Logistics - Transport Finance				
28	32.Processing the TMS raw 'Accruals' file and then journalising these for SAP	Period	88%	6.3 Hours	0.8 Hours
29	33.SAP <==> TMS Reconciliation Process (Tracking irregularities)	Period	76%	6.3 Hours	1.5 Hours

	New Processes - Defray deployment of additional resource	Function	Function	Estimated	Now Takes
	Accounts Payable				
30	16.Matching Invoices CONVERGA <=> AX <=> SAP	Daily	82%	1.2 Hours	0.2 Hours
	Accounts Receivable				
31	12.Customer accounts error corrections - Period	Period	99%	82 Hours	1 Hours
32	13.Customer accounts error corrections - Backlog	One-Off	100%	2450.4 Hours	0.1 Hours

	New Processes - Profiling Analytics	Function	Function	Used to Take	Now Takes
	Supermarkets Property				
33	Forecast .vs. Actual Movement (By each asset)	Monthly	*Not done before*	*Not done before*	60 minutes
34	Forecast .vs. Actual Movement (By CWIP)	Monthly	*Not done before*	*Not done before*	10 minutes
35	Store Trading Profiler	Monthly	*Not done before*	*Not done before*	2 minutes
	DC Earned Gross				
36	6. Perormance Statistics for Inventory Control	Period	81%	3.1 Hours	0.6 Hours