

# CHAPTER 1

## Process Mapping

### AN INTRODUCTION

The following is a quick overview of many of the concepts within Process Mapping. It is intended to give the reader a familiarity with the overall approach. Each section of this workbook provides more information and, of course, additional details can be found in the companion book *Business Process Mapping: Improving Customer Satisfaction*.

The specifics and ramifications of a successful Process Mapping project can be very involved. Yet, the concepts behind Process Mapping are quite simple. And it all starts with a process.

If you have been through any training on business or communication, you have seen the classic model of a process: input, action, output. And this is at the core of Process Mapping—the understanding that any activity within a company (including the overall activity of the company itself) is nothing more than a series of processes. By recognizing these processes, a detailed analysis can be completed that will lead to a better understanding of how the process works and, maybe more important, how to make that process work better.

And right at the beginning, let's make one change to the definition of *process*. Rather than using the word *action*, we will use the word *transformation*. When we talk about the analysis of processes, what we are really discussing is how that process adds value to the overall success of the entity. Therefore, taking action is not enough. To paraphrase *Seinfeld*: Anyone can take an action. A process that does nothing but cause action is not a value-add process. Instead, the input must be transformed into something. If there is no transformation—if the input and the output are identical—then there is no need for the process.

So, with this refined definition of process, we next want to determine how to drill down into the process to find the appropriate layer for analysis. Toward that end, each process can be divided into units. These are the major subsections that make up the overall process. Each unit will also have inputs, a transformation, and outputs. Breaking this down further, each unit can be divided into tasks. These represent the appropriate subsections that make up each unit. Likewise, tasks can be divided into actions, which represent the subsections of each task. As with the overall process and the units, tasks and actions will also have inputs, a transformation, and outputs, albeit at a more granular level. The final drill down in this approach is to the actual procedures (whether in writing or just used in practice).

Keep in mind when you are making this analysis, the determination if an operation represents a process, unit, task, or action level is at the sole discretion of the individual doing the review. There is no hard-and-fast rule determining the appropriate level. Rather, just like every aspect of Process Mapping, it is a tool to be used by the reviewer to better understand the overall process.

## **Process Identification**

The first step in the Process Mapping project is the identification of the process under review. This may seem self-evident but can be the true make-or-break moment for the project. Without a clear definition of the process, as well as what makes up that project, reviewers will find themselves floundering, unsure which direction to go and what information to obtain.

The first thing that must be identified is the beginning and end of the overall process under review. Previously, we noted that every process must have an input and an output, and that is a good start toward providing the boundary for your process. Another important aspect that can be considered is what trigger actually starts the process.

The trigger can actually be the same as the input. However, the input can also be an indication of the trigger. For example, an input to an expense payment process might be the bill. However, the actual trigger to start the expense payment process could be defined as incurring the expense, receiving the bill, the due date for the bill, or (in a worst case scenario) notification that the bill is overdue.

The previous example provides an indication of why bounding the process is so important. Without that boundary, the reviewer may be taking on more than is necessary (incurring the expense) or may be missing important details in the process (notification the bill is overdue).

One of the best approaches for identifying the process and how it is constructed is to look at it through the customer's eyes. (We will do a much more focused analysis of these customer interactions during our discussion of Customer Mapping.) Using this approach in Process Mapping is fundamental to understanding why a process exists and why it is important to the success of the company. Using the trigger points of customer

interaction (those points where a process, unit, etc. is triggered by the customer interaction) can provide the underlying steps within the process.

Once each of these interactions is identified, the underlying processes should be named. This is another one of those operations that seems simple but can turn out to be harder than imagined. Very often, names for processes are defined by the department that handles them. However, as you begin to look at processes, you may find ones that have not really been identified by the entity, in particular, ones that cross departments. In those situations, there may not be a handy name for it. The name you finally determine is not important. What *is* important is that it portrays the activity that is occurring, and that all parties involved understand and agree to that name.

Once the customer-focused triggers are identified, the next step is to identify the supporting activities—those that occur within the entity that are not (and should not) be seen by the customer. These may be some of the more important processes for analysis because they represent areas where streamlining of operations provides the most value to the customer. (The less it can be seen, the better the customer service.)

### Information Gathering

Once the processes (and associated units, tasks, etc.) have been defined, it is time to really begin talking to people to learn as much as possible about the process. (It should be noted that, while we are describing these as specific steps, the actual Process Mapping project will result in overlap. An understanding of what is needed for each section is important as you will be getting this information throughout the project.) To better understand the process under review, there are some specific areas that should be included.

At this stage, the process has probably been named to the satisfaction of the reviewer and the client. It is now time to provide a little more substance to that name—a short one- or two-sentence description of the process. This helps to define better what is being reviewed and helps to ensure agreement with all parties.

Another important consideration is the process owner. This can become problematic if the process covers more than one business unit or department. The true ownership may be unclear; either more than one person claims ownership or no one takes ownership. This issue should be clarified as soon as possible.

Related to this is identifying the underlying units (which should have occurred during the Process Identification phase) and owners of those units. While this may be the same as the process owner, it very often is someone who reports to the owner. If, at the unit level, the process goes between departments, it may be that a unit owner does not report to the process owner.

Additional areas that may have already been identified during the Process Identification phase are the triggers and outputs. At this stage, you

will want additional detail regarding these items. This includes the event beginning trigger, the event ending process, any additional events within the process, the input items and sources, and the output items and customers.

It is important to understand what the process is actually meant to do. We indicated that a process must include a transformation. Accordingly, that transformation is intended to achieve some purpose. That is the business objective. This may be tricky because most clients have not thought of their processes as having an actual objective. Identifying the objective will help focus the review and provide a better understanding of the process itself.

There are three factors that are related to the business objective. The first is the business risks, that is, the events that could occur that would cause the process to not achieve the overall objective. (Again, most clients have not thought in these terms, but it is an important consideration in evaluating how the process works.) The next factor is key controls, in particular, those that are put in place to ensure proper mitigation of the business risks. Finally, the measures of success—the indication that the process has met its objective—should be identified.

## **Interviewing and Map Generation**

Yes, it's finally here—time to make the Process Maps. But there are important guidelines to keep in mind for conducting interviews. The first is to ensure that there has been appropriate buy-in from upper management. Although you have been working closely with these individuals up to this point, they may not fully realize what you are trying to achieve and how much time it will take. Ensure that this has been appropriately communicated.

You must ensure that you have set aside enough time to conduct the interviews. An individual mapping interview can take anywhere from fifteen minutes to four hours. Have a good understanding of the individual's responsibilities, how those responsibilities relate to what is being mapped, and determine the maximum amount of time that may be required. Then, be sure that such an amount of time is available. Uninterrupted interviews are vitally important.

The interviews should be held in a private area—ideally in a private office or meeting room where the reviewers can complete the maps on an ongoing basis. Successful Process Mapping builds those maps as the interviews go along. Accordingly, this private area not only allows the person being interviewed to be more candid in his or her comments, but facilitates construction of the maps.

Finally, basic interviewing techniques should be used, including proper preparation, setting a friendly tone, and actively listening. Be sure you have the right people performing the interviews. These are people who understand the Process Mapping approach and who understand how to interview. In addition, they must be able to think on their feet. We have found that the best practice is to have two people conducting the interviews—one handling the discussions and the map building, and the other taking notes. But both individuals must be able to think ahead to the questions that

are necessary to understand the real process, and move quickly when the interview takes an unexpected turn.

As already mentioned, Process Maps are created in real time. This is facilitated by the use of sticky notes that are applied to poster-sized sticky notes on the walls. Each poster-sized note represents an individual unit or task within a process, and the small sticky notes are used to record each underlying step.

In general, there are only two types of flowchart shapes that are required for process mapping: the square for process and the diamond for decision. Enhancements can be made as necessary (e.g., start and end identifiers), but the fewer used, the better. Two enhancements related to analysis that may be useful are *D* for delays in the process and *R* for rework.

Each individual involved in the process will be listed at the top of the map. Processes should then flow down the map. This results in a document that is readily understandable by all parties and facilitates analysis of process flow in identifying areas of rework. As much as possible, the first step of the process should be on the left-hand side of the map.

### Analyzing the Data

Analysis should be occurring from the moment the Process Mapping project starts. The reviewer should be thinking about each discussion as it occurs, each document as it is prepared, and each piece of information as it is obtained to see how they affect the success of the overall process. A final assessment (including pulling together the earlier assessments) should be undertaken once all maps are complete. However, this final analysis should not be restricted to just the maps. As will be shown, analysis occurs throughout the entire Process Mapping project. Following are some of the important points to keep in mind.

As was discussed earlier, make sure that the appropriate triggers have been identified. Obviously, this helps ensure that the Process Mapping project is appropriately focused. But it also ensures that the client truly understands the way the process works. This can be analyzed in conjunction with the objective. If the triggers (and, accordingly, the start of the process) do not match with the objective, then the process owner has a fundamental misunderstanding of what the objective is about. Closely related to this is ensuring the client properly understands the inputs to the system.

Proper identification of the outputs also relates to the success of the process and the understanding of the objectives. It is also good to think in terms of outputs that may not have been planned for: waste, surprises, and invisible consequences. Specifically, waste represents rework and opportunities for improvement; surprises represent unexpected results and can be either good or bad; and invisible consequences are the unknown effects of a process that may not be apparent to the process owner but are readily apparent to the line workers or the customers.

Review all the areas related to business objectives: objectives, risks, key controls, and measures of success. Ensure there is alignment among them,

and that everyone understands them. In addition, make sure all people involved understand how their work relates to these areas.

Many of the best suggestions and analysis actually come from the people being interviewed. Their comments help build the maps, but the additional information they provide may result in the really good ideas. When looking at the actual maps, there are a number of additional quick hits to look for.

Keep a wary eye out for approvals, forms, and hold files. An instance of any of these three is not bad in and of itself. However, a large number of them may be indicative of overcontrol. In fact, anytime they are seen, the reviewer should dig deeper into why they are occurring and if they are really necessary.

Look for looping errors, delays, rework, and numerous handoffs. These all represent situations in which the process is being delayed. For example, looping errors represent those situations where something is returned, but there is no feedback on what is wrong. The item could be returned again and again just trying to be completed correctly.

Also look for situations in the map where an action is taken but there is no conclusion to the process (output) or there is a decision with only one branch. On the one hand, this may mean an incomplete map (the need to ask more questions). On the other hand, it may represent steps that are no longer necessary. As previously stated, if there is no transformation, there is no outcome, and there may be no need for the process.

## **Customer Mapping**

When we first started describing the approaches used in Process Mapping, (in particular, the approach in process identification,) we indicated that you should look at the process through the eyes of the customer. Then we began to focus on the processes as they exist within the entity. To truly make a Process Mapping project customer focused, the next step is to continue this analysis of processes through the eyes of the customer and complete Customer Maps.

Any time a customer buys a product or service, they are effectively hiring that product or that company to do some job for them. Understanding a process from the customer's perspectives means understanding what job the process is. Therefore, the first step in Customer Mapping is identifying what job the customer wants done. This is akin to determining a process's objective, but it focuses on the customer.

The next step is to identify the key customer tasks and the actions required to accomplish these tasks. Effectively, these are the moments when the customer must be involved in order for the process to move forward. Identify the inputs (what the customer has to bring with him or her to ensure the process moves forward) and the outputs (what the customer should receive at the end of that task or action).

Next, determine the measures of success for each of these tasks or actions. It is important to keep in mind that this success is measured by the customer, not the entity. In other words, what is the customer looking for to indicate the job they are trying to get done has been completed successfully?

This type of information may come from internal or external sources, but is most valuable when coming from the customers themselves.

Once the measures of success are identified, rank the importance of these measures. Trying to satisfy all of them is a fool's game. Rather, determine the ones that are truly important so appropriate focus can be applied. Then, determine how successful the entity is at meeting each measure. (Again, the customer will be an invaluable resource for determining all these.)

Once these determinations are complete, combine the importance with the success measures and look for any disconnects, for example, high success in a low importance measure, or failure in an area that is key to the customer. These represent the areas of focus for the Customer Map.

When constructing a Customer Map, the steps the customer must take run across the top of the page. Then, the steps and actions the entity completes between those steps move down the page. The final Customer Map will start at the upper left of the page and end at the lower right. As it is constructed, indicate cycle times and issues that arise during the discussions. Using the Customer Map in conjunction with the information regarding measures of success will result in areas of focus for Process Mapping.

You can see how each of these steps mirrors the process mapping approach—with one major difference. Customer Mapping focuses on what the customer wants to achieve rather than what the entity wants to achieve.

## Spaghetti Maps and RACI Matrices

While not technically Process Maps, Spaghetti Maps and RACI (Responsible, Accountable, Consult, and Inform) Matrices are two tools that can be used in conjunction with Process Maps to provide additional analysis opportunities for any process.

Spaghetti Maps are a visual way to show the flow of materials or information through a particular process. They have been primarily used in manufacturing organizations to determine if the floor plan is configured in a way that optimizes efficiency. However, they are also useful in understanding how a process (and the associated information) moves around a department or entity.

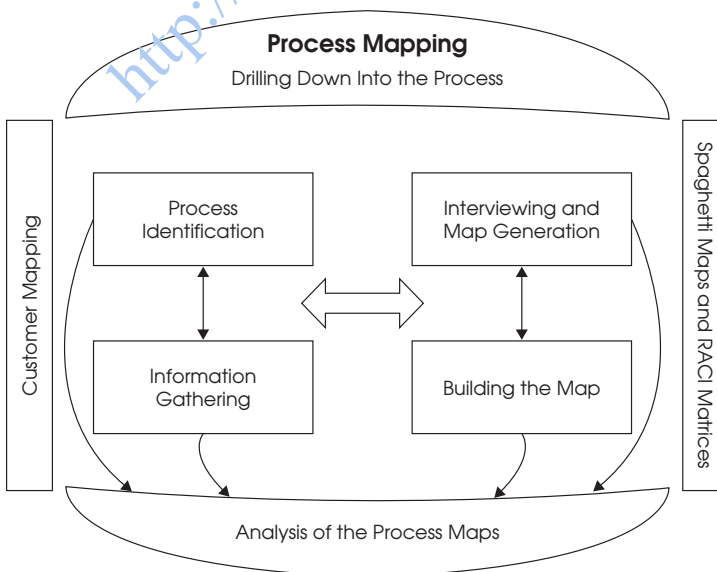
The Spaghetti Map is constructed by indicating each business unit, department, or individual involved in the process. Then, developed chronologically, each step of the process is given a number and indicated on the map under the appropriate entity. Lines are drawn connecting these steps. This creates a visual representation of the flow. If it looks like spaghetti, there is a good chance efficiency improvements can be made. In practice, there are generally two maps created. The first is the “As Is” map and the second is the “To Be” map, effectively before and after pictures.

A RACI Matrix is a method of visualizing the roles and responsibilities of individuals involved in a process. The steps in the process are listed on the left side of the matrix. The individuals involved in the process are listed across the top. Within the body of the matrix, each individual's role is indicated (Responsible, Accountable, Consult, or Inform).

*Responsible* is the person with ultimate responsibility. (There should be only one such person for each step.) *Accountable* are the individuals who are actually doing the work. One person can be both accountable and responsible for an action. *Consult* are those people who need to know what is going on and have a say in those actions. The process stops until someone in the consulting role provides approval for it to proceed. *Inform* are those people who need to know the status, but do not need to provide approval. The process does not stop for their input.

Once completed, RACI Matrices can show a number of issues within a process, including a lack of responsibility, too many people with responsibility, too many stops because of consulting roles, too many people needing to be informed, accountability and responsibility throughout the process is concentrated with one person, and responsibility is assigned when there is no authority (just to name a few). In particular, the RACI Matrix is a good tool to use in matrix organizations, specifically those situations in which no one has actually determined responsibilities.

The following diagram shows how these concepts relate, and how they will be explored in this workbook. Chapter 2 focuses on how the process is defined. Chapters 3 and 4 (“Process Identification” and “Information Gathering”) work together to provide the information needed for the Process Maps. Chapters 5 and 6 (“Interviewing and Map Generation” and “Building the Map”) show how the information is used to complete the Process Maps. Chapter 7 brings the previous chapters together to complete the analysis. Finally, Chapter 8 (“Customer Mapping”) and Chapter 9 (“Spaghetti and RACI Matrices”) describe additional tools that can be used in conjunction with the Process Maps.



## JayKayCo Case Study

We will be using various examples and case studies as we work through the steps of Process Mapping. However, we will have one comprehensive example we use throughout this book: the human resources department of JayKayCo. Most people think of process analysis in terms of production situations. However, any activity is a process. Accordingly, we have chosen a service provider (human resources) to better explore how process analysis works in these situations.

Following is your initial understanding of how JayKayCo's human resources department is structured, as well as details on some processes. There will be more information here than you need. But such is the life of process analysis, trying to separate the wheat from the chaff. On the other hand, you will need additional details to fully complete the maps. Each exercise will have the additional necessary materials.

JayKayCo is a company that focuses on sales and service. Since we will be reviewing human resources department operations, the types of products and services are not important to this discussion. However, understanding the structure of the company is. Starting out in the small town of Nuevo Rochelle, California, the company has been in operation for over fifty years. It now operates in the forty-eight contiguous states and is looking toward expanding into Canada.

Its home office is still located in Nuevo Rochelle and it is the largest employer in that municipality. While half of the company's five thousand employees work from this office, the remainder work out of the local sales and service centers throughout the United States. These are one- to five-person shops, half of which are sales centers (made up of independent contractors who work on pure commission out of company-owned offices). The other half are service centers (employees working out of facilities rented by the company). The centers are grouped by zone, which are then grouped into three national regions, all under the direction of regional vice presidents. Therefore, there are three regional service vice presidents and three regional sales vice presidents.

As JayKayCo has grown, so has the human resources department. And it is because of the resulting growing pains that an analysis needs to be completed. Just as with any growing company, JayKayCo has invested heavily in computers, mechanizing many of its operations. However, the human resources department is just an afterthought. Every year the company spouted that people were its number one priority, but it was always listed as number nine on annual objectives. So, the mechanization of human resources services is always promised, but never delivered. It is still a very manual operation.

Human resources is composed of 40 people who are all based in the home office. The chief executive officer (CEO), Allen Brady, indicates it is a tight-knit group of professionals who fully believe in the human resources vision statement, "Providing the right skills and the right people at the right time."

The vice president of human resources, Mel Cooley, the CEO's brother-in-law, has been in the job for ten years and has three directors who report to him: Sally Rogers, Bud Sorrell, and Robert Petrie. There is also a human resources administration manager, Mildred Helper.

The current structure of the company is the result of a reorganization that was completed three years ago. Prior to that time, the same three directors were in place, but their duties were intertwined. Ms. Rogers was in charge of all service and sales employees, Mr. Sorrell was overseeing over half the home office employees and part-time employees, and Mr. Petrie was responsible for the other half of the home office employees, as well as temporary workers and contract employees. In doing preliminary work for the potential of a mechanization project, everyone realized that the structure was far too disjointed and the vice president came forward with his proposal for the new structure. Everyone seemed accepting of the approach and it was quickly implemented. However, during the transition it was also noted that some areas had been left out. It was also apparent that these areas did not fit nicely into the new structure. Within six months, the administration manager position was developed to help fill that gap. Subsequently, as gaps in process are identified, they are either filled by an existing director (if there appears to be a fit) or given to the human resources administration manager.

Currently, the breakdown of responsibilities for the directors and manager are as follows:

**Sally Rogers** is the director of talent management. She focuses on the development of employees once they are hired. She is responsible for all performance planning and reviews. In addition, programs related to succession planning, leadership development, and mentoring are under her direction. Affiliated with these duties, she is also charged with all corporate training—internal and external. Finally, although it didn't fit naturally with her duties, she is responsible for employee surveys. This came under her control because the first surveys related to individuals interested in promotion and quality of performance planning.

**Bud Sorrell** is the compensation director. His primary duties focus on salary administration and benefits packages processes. Salary administration includes coordinating budget activities related to salary for the company, handling the processing of annual raises, conducting external surveys for salary comparison, and ensuring promotions are within company guidelines. The benefits package processes include pay, insurance (health, life, dental, vision, short- and long-term disability), sick leaves, vacation, and pensions (including 401(k)s). He is also responsible for time sheet coordination and processes related to education and certifications.

**Rob Petrie** is the director of on-boarding (he devised the title himself). He is charged with all activities related to bringing new people into the company and will be the primary focus of our review. The processes under his control include recruitment, screening of applications, administrating the selection process, initial interviews, and new employee orientation. He is also responsible for the internal job posting procedure. Though not really part of on-boarding, he also picked up responsibilities for progressive discipline and terminations. In addition, because of the use of employment agencies and search firms, he is responsible for all human resources vendor management.

**Millie Helper** was promoted to the position of human resources administration manager when it was recognized that a number of responsibilities had been missed during the reorganization. Much of her job has to do with paperwork and monitoring. She is responsible for all regulatory compliance and document retention issues, which includes handling paperwork related to hiring, terminations, promotions, performance planning, and anything else that might wind up in a personnel file. Monitoring responsibilities primarily relates to reporting on key performance indicators such as percentage of hires, turnover, and results of employee surveys. She is also responsible for tracking items that come through on the employee ethics hotline as well as any other complaints or items arising from the company's open door policy. All this leads to her responsibility for ensuring the proper updating of human resources handbook used by all employees as their primary reference related to human resources policies and procedures.

One of the particular challenges for the human resources department is the employee structure. The company is made up of an interesting combination of full-time and part-time employees. The majority of part-time employees work in the service centers as clerical support for service employees. (Since individuals working in the sales centers are independent contractors, clerical support is their responsibility.) Because of changing work conditions within California, the home office workforce also includes some temporary and contract employees. Most of these are handled through a hiring agency. Finally, as noted earlier, the sales force is made up of independent contractors. All these various types are administrated through the human resources department.

What follows are specific details for some of the processes we will be reviewing.

## **Recruitment**

While some reliance is put on obtaining resumes from walk-ins, the company's Web site, and ads in the local papers, JayKayCo's primary source for hiring is through a job matching Web site, HaveWeGotAJob4U. This Web

site advertises that it matches job seekers with hirers. In general, it is a nationwide site that accepts all resumes and accepts all job postings. The agreement JayKayCo has with HaveWeGotAJob4U is unlimited postings for a one-year fee. This includes strong search engines that search the current database for selected keywords and sorts by federally allowed demographics and location.

There are at least three types of jobs for which JayKayCo keeps permanent postings. These are introductory positions related to their sales offices, service offices, and management positions in their home office. Any other positions (e.g., accounting, human resources, etc.) are posted on an as-needed basis. The Web site has also been used for higher-level positions, although it has never been used for executive search.

The other approach to recruitment is through colleges. While not a fundamental source for hiring, JayKayCo has a working relationship with a few local California colleges. It has also just started two relationships with colleges in Chicago and Houston. These are test cases, based on the fact that there are a number of service/sales centers in those locations. In general, all college relationships are directed by human resources. They attend job fairs and, in one instance, have dabbled in internship programs. They also offer professionals from JayKayCo to talk to classes on an as-needed basis. The program has been going on for about four years.

Executive searches have all been handled through a third party—Executive Search, Inc.—human resources has only helped ensure accurate job descriptions and paying bills.

### **New Hires**

The initial posting of job opportunities is ultimately the responsibility of the hiring department. Any opening (whether a new or existing job) requires a Request for Open Position form be completed. The form is completed within the hiring department (including necessary approvals) then submitted to human resources. Rob Petrie's department takes over from there. Next steps are based on the type of request—internal, external, or dual. An internal posting results in a listing on the JayKayCo's job board—an internal center where all employees can view opportunities within the company. If there is a request external sources be used, the human resources group begins going through its sources (see the recruiting section). The official JayKayCo Web site has an option to post your resume. Human resources will go through all posted resumes to see if there is a fit. JayKayCo has two recruiters that work with HaveWeGotAJob4U and the local colleges. The recruiters work closely with the Web site. There are standing postings for some jobs, but the recruiters will have to post job descriptions for other positions. They provide a collection of resumes from these sources after the request is received.

Once applications are in hand (internal and external) and the posting has closed, human resources does the initial screening. For outside applicants, this means reviewing resumes and applications to ensure that basic requirements (experience, degree, etc.) are met. This also includes ensuring there are no issues with the resumes such as incomplete sections, salary demands too high, large gaps in experience, and so on. Those that are rejected, while available to the hiring department, are not submitted.

For internal hires, the same type of screening is done. All applications, even if experience and background requirements are not met, must go to the hiring department. Applications are flagged if they do not meet the standards.

The hiring department, after receiving all applications, tells human resources which individuals they want to interview. All internal applicants, no matter their background, must be interviewed. For each individual not interviewed, an explanation must be provided.

For external applicants who have been selected, human resources does an initial screening interview and background check. Human resources then provides recommendations to the hiring department. The hiring department will let human resources know whether to proceed with setting up the second interview.

All questions to be asked during the hiring department's interviews must come from the approved list of questions. All interviews are to take no more than one hour and no less than forty-five minutes. The hiring department will work with human resources to identify the questions that relate best to the needs of the department for that particular job. Every applicant must be asked the same questions, and the hiring department must document the responses. Every answer is rated on a one to five scale (five being best).

Once all interviews are complete, the hiring department prepares a hiring matrix document. For external candidates, the final evaluation is a combination of scores based on the interview and on the previous job experience. To help ensure previous experience is correct, human resources contacts prior employers for information relating to the applicant. For internal applicants, the score is a combination of interview scores and prior years' evaluations. The final matrix should include a notation if there is anyone on the list who should not be offered the job, including the reasons why. Human resources double checks the matrix for completeness and accuracy. The person with the highest score is offered the job. If they turn it down, the person with the next highest score is offered the job, and so on. Proper documentation is required if the person declines the job.

The human resources department contacts all accepted applicants (external and internal). For accepted external applicants, human resources provides all necessary information regarding salary and start date and answers additional questions. If the applicant wants time to consider the offer, they are provided one business day. If there is no answer in that time,

they are considered to have declined the offer. For internal applicants, human resources must first advise the applicant's immediate supervisor and determine a date when the applicant can transfer. The applicant's department may hold the person for up to one month, or may claim a hardship situation and remove the person from contention. Hardship claims require approval by the vice president of human resources. After this has been cleared, human resources calls the employee and offers him or her the job. Acceptance must take place at the time of the call. If the person declines, the individual's immediate supervisor is advised, and human resources moves to the next person. If accepted, the applicant is advised to talk only with their supervisor about the situation for one additional business day. That allows human resources to notify other applicants. When either an external or internal employee is accepted, a memo (e-mail) is sent to all other internal applicants advising who got the job. External applicants are never notified if they do not get the job.

When a position is filled (from internal or external sources) a Job Fill Completed form is required. This form outlines all the necessary information and is used to set the employee's pay status correctly as well as for statistical analysis. For internal hires, no further work is required from human resources.

For external hires, human resources is responsible for initiating all paperwork and first day/week/month orientation. At the time the external applicant accepts the job, the day of first employment is established and a meeting is set up between the new employee and a human resources assistant (usually one hour after normal starting times). At this first meeting, all the necessary paperwork is completed (e.g., benefits selection, tax forms, employee database information, acknowledgment of documents). The employee is introduced to and given the employee handbook. The employee is advised of their probationary period and systematic performance review process. Monthly one-day orientation training is also scheduled. This all takes about an hour. At the end of this meeting, the new supervisor is called to come get the person. At that time, the supervisor is given the introductory checklist (a form that provides approximately thirty-five areas that should be reviewed with the employee in the next five days).

When hiring employees for the service centers, more of the processes are actually handled by individuals in the service center. The details differ depending on the location. All documentation is submitted electronically. When hiring in the sales department, everything is the same until after the interviews are completed. The sales manager submits the matrix to human resources, but the manager is the one who makes the offer by presenting the candidate with a contract. (Remember, these are independent contractors, not employees.) The contract is signed by the sales manager (representing the company) and by the sales agent. There is no orientation training. Instead, sales training is handled by the sales managers who complete the orientations as they see best for their territories. (Some managers

may hold training sessions with the full group, others may do remote training.) Human resources maintains the documentation of any training and follows up on missing training. This is the primary training area in which human resources is not involved.

### **Probationary Period**

All employees go through a three-month probationary period. During this time, supervisors provide updates on the individual's progress. The first is due in one week and includes the completed introductory form. The next is due at two weeks, and then one is due at the end of each of the first three months. At the end of the third month, an acceptance form (to be signed by employee and supervisor) indicates that everyone is happy with the situation.

### **Training**

Most training is developed internally, but external sources are used based on the degree of expertise necessary. The first area of training is new employee orientation. This was developed in-house and is intended to reinforce the areas reviewed in the introductory checklist, as well as other areas the company feels are important for the new employee to understand. Training is held once a month and all new employees are expected to attend. Topics include the company history, company structure, policies and guidelines, benefits, and performance planning and review. If possible, the CEO is included for a brief half-hour talk. When he is unavailable, other senior executives will take his place.

Quite a bit of time is spent on training for supervisors—new, experienced, and supervisory trainees. Categories covered are communication, building objectives, sexual harassment, violence in the workplace, performance evaluation, and other interpersonal skills. Some of this training has been developed in-house, but most has been purchased off the shelf (i.e., standard training materials that do not need to be changed to meet JayKayCo's needs).

When departments need profession-specific training, it is usually handled by the individual department. However, because of the large volume of individuals in the field service sections, human resources is responsible for providing this training. Such training is also a mixture of in-house and external development. The in-house approach came about approximately four years ago to help reduce the cost of training materials. The company identified experts within the department who worked with the training group to develop these materials. The company continues to move forward in this direction, using identified experts to develop new materials and update that which is already created. All training for sales agents is handled by the marketing department. Human resources is only involved when completion of designated programs is recorded.

## Performance Planning and Evaluation

Performance evaluation is an annual process with two updates. Approximately five years ago, the process was for the performance plan to be established and discussed with the employee in January. There was an update required in July, and the evaluation was finalized in December. However, two problems were recognized. First, all information regarding salaries was due at the beginning of fourth quarter (one of the last steps of the annual budgeting program). Raises tended to be based on the mid-year review rather than the annual review. Second, one update just didn't seem enough. Therefore, the company required that a formal review take place every quarter so that employees would receive better feedback, and the results of three reviews (rather than just one mid-year review) would be available in time for salary review.

This still didn't work. People complained that quarterly reviews took too much time and they felt that the fourth quarter work (the final measurement to success) was not included. So, two years ago, two changes were made. The first was to complete reviews every four months. These reviews (titled *first*, *second*, and *final*) allowed more feedback than semiannual reviews, but were not as onerous as quarterly. Second, the reporting period was changed to better coincide with budget needs. Performance evaluation and the associated salary adjustments now start September 1 and end October 30.

The other important change to the performance plan was that the company made the employees responsible for driving the review process. The employee is the one who is supposed to start the process and complete their form, working directly with his or her supervisor. Human resources has taken a more passive role and is merely the control to ensure paperwork is complete and submitted on time.

The coming year's performance plan is actually created at the same time the current year's salary recommendations are being finalized, the only difference being that the performance plan cannot be started until October 1. During that time, the plan for the coming year is created. A standard form (the Annual Performance Evaluation form) is used by all departments. However, every department is allowed to build that plan how it wishes. The only requirement is that there be a minimum of five objectives, and it is suggested they tie directly to the annual plans and goals of the company. (These are introduced in September.) All departments are to use SMART objectives (Specific, Measurable, Achievable, Relevant, and Timely). Once these plans are established, updates are due by the end of January and May. The finalized forms are entered into the computerized system and then sent to human resources to be included in personnel files. The human resources administration manager receives a list at the end of each period indicating which individuals' performance plans

have not been completed. She follows up with managers and supervisors as appropriate. There is an elevation process whereby the first request (completed two weeks after the due date) goes to the supervisor and the second request (completed after another two weeks) goes to the head of the department. After a total of six weeks, the CEO is notified of all delinquent performance plans. This same process is followed for updates and final salary recommendations.

As noted, the performance review is to be generated by the employee using a standard paper form. The employee enters his or her comments and sends the form to the supervisor. The supervisor provides input (in writing), returns the document to the employee, and sets a meeting to finalize the agreed upon plan. Once both individuals have agreed to the plan, the employee enters the finalized plan into the system and marks the form as complete. This same process is followed for updates. In that case, the documentation includes the supervisor's assessment of how well the employee has done to date.

The final review (due October 30) is handled in a similar manner, except that it includes the employee's final rankings, which are graded on a scale of *A* to *D* (*A* is best, *D* is poor). After the agreed upon ranking has been entered into the system, the ranking and salary recommendation are entered by the supervisor into the system (although it is often done by a secretary handling the department's budget). All employees get a base raise (usually a small percentage) and an additional percentage raise is given based on the ranking (*D* normally has a 0 percent raise) and how high individuals are within that ranking. The base raise is changed annually, but the additional percentages mainly stay the same.

### **Developmental Programs**

Related to training, human resources is responsible for professional development of employees. This occurs at various levels: development within the job (promotions within the department), development to supervisor/manager (succession planning), and future leaders. Two of the broader concepts are a standardized mentoring program and a rotational program.

Human resources has worked with certain departments to try and better define job paths, more specifically, identify how an employee moves through the various job levels in departments. This leads nicely to the concept of succession planning.

Required of every department is completion of a standardized succession planning. Every supervisor or manager must identify at least one individual (two or three are preferred) who could succeed them. Those employees' professional development is built into their performance plan. There are a series of forms that are required that describes why the individual should be considered for succession. These forms must be approved

by the executive director of the department. While the duty of identifying and developing employees is given to each manager, human resources is responsible for the development and tracking of the actual succession planning program. This is accomplished by working with the managers to determine their individual needs, how to improve the program, and any other areas that can be useful in the development of successors.

Human resources is also in charge of the leadership development program. This is intended to find future executives for the company (from inside the company). Nominees are provided by the vice president of each department (usually after input from other department executives such as the employee's director or manager).

### **Promotions**

Requests for promotion come to the compensation department. The analysts in this department have two roles. The first is to ensure that all documents are completed properly. The second is to evaluate the submitted request and provide feedback on the quality of the request. This is done to help managers give the information necessary for successful promotions. Once through the compensation department, all requests must go through the compensation committee for approval. Their decision comes back to the analyst who informs the manager requesting the promotion of the result. If denied, no further action is necessary. If approved, the analyst inputs all necessary information into the payroll system.

### **Terminations**

All documentation for terminations is submitted to human resources by the terminating employee's manager. While on-boarding is ostensibly responsible for terminations, the actual processing has been handed off to human resources administration. All paperwork comes to on-boarding but is immediately routed to administration. Clerical personnel review all documentation received to ensure completeness. This also means checking that the most recent forms are used. If necessary, a final check is requested. The department recognizes the importance of timely work in processing terminations and, if paperwork is correct, is usually able to turn this around the same day. Once all the paperwork is done, the terminating employee's manager is notified. That manager is then responsible for ensuring all company-issued items are recovered (credit cards, parking passes, and building access cards). The manager then sends the closing documentation to human resources administration for filing.