

ACHIEVING EXTRAORDINARY RESULTS

IN INTEGRATED MANAGEMENT SYSTEM IMPLEMENTATION

USE OF THE
APEX OPG
ACCELERATOR
TO
LOWER COSTS
AND
INCREASE ROI

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Introduction

As organizations strive for certification in multiple Management Systems, the benefits that single implementations can bring become overshadowed by the duplicated processes and costs involved. Integrated Management Systems (IMS) is lauded as the panacea for this situation, aiming to coordinate the requirements of several standards and unify their processes for the delivery of organizational objectives. However, like any business improvement project, implementing an IMS requires management commitment and dedication of substantial resources. Even then, it is likely to take at least twelve months for an IMS to deliver sustainable returns.

Research has shown that one of the most significant barriers to the successful implementation of an IMS is a lack of knowledge and expertise. The Foundation for Policy and Governance (FPG) has broad industry-spanning experience and has used this expertise to develop the Apex OPG Accelerator, which cuts IMS implementation project timelines by as much as half, producing business returns sooner. With FPG and the Apex OPG Accelerator, organizations can be confident that their IMS implementation generates the highest returns for the lowest cost. This white paper will explain how companies benefit from an IMS, the challenges companies face during its planning, resourcing, and implementation, and how our Apex OPG Accelerator can help your business achieve extraordinary results.

Have Your Management System Standards Become a Burden?

There is no doubt that Management System Standards (MSS) have supported organizations to achieve new levels of efficiency and excellence. They define standards and best practices that enable consistent and sustainable results and reassure customers of the organization's capabilities and service quality. It is understandable then that these tangible benefits are wanted in every single area of an organization. For this reason, we have seen MSS' become a victim of their success.



Over the past decade, we have witnessed the proliferation of Management System Standards (MSS). There are now over 90 ISO standards covering a wide range of industries and individual processes. Along with the growth of standards is the trend towards certification credentialism. It is not enough just to implement the standards; organizations are compelled to be independently and formally recognized for their achievements, and this occurs through the process of certification. The result of these trends is that typically, companies are investing time and money maintaining three or four certifications on their corporate resumes. This number can increase to as many as half a dozen or more for large enterprises.

From Burden to Competitive Disadvantage

What began as a means to implement best practice, gain competitive advantage, and sustain success is now, for many organizations delivering the opposite. Not only have the administrative processes for maintaining multiple MSS silos become a burden, running multiple MSS processes creates significant competitive disadvantages.

When multiple management systems are implemented independently in operational silos, the pursuit of certification for each can quickly destroy the performance gains promised for the organization as a whole. Overlapping management system requirements generate redundant processes that reduce efficiency and productivity and increase sustainment overhead. Inconsistent audit results drive costs higher as companies repeat corrective actions across their inventory of MSS'. And organizations become less responsive as leadership and project teams focus on maintaining domain-centric MSS' and their associated certifications.

Over time, the MSS silos become more and more of a drain on resources and productivity, and there is a risk that without a disciplined review and improvement cycles, their scope, efficacy, and sufficiency will lose alignment and synchronization with the organization's strategic goals. What makes matters worse is extended elapsed time intervals between critical review cycles. The negative impacts are not linear, and, depending on the context of the organization, may grow exponentially every three to five years.

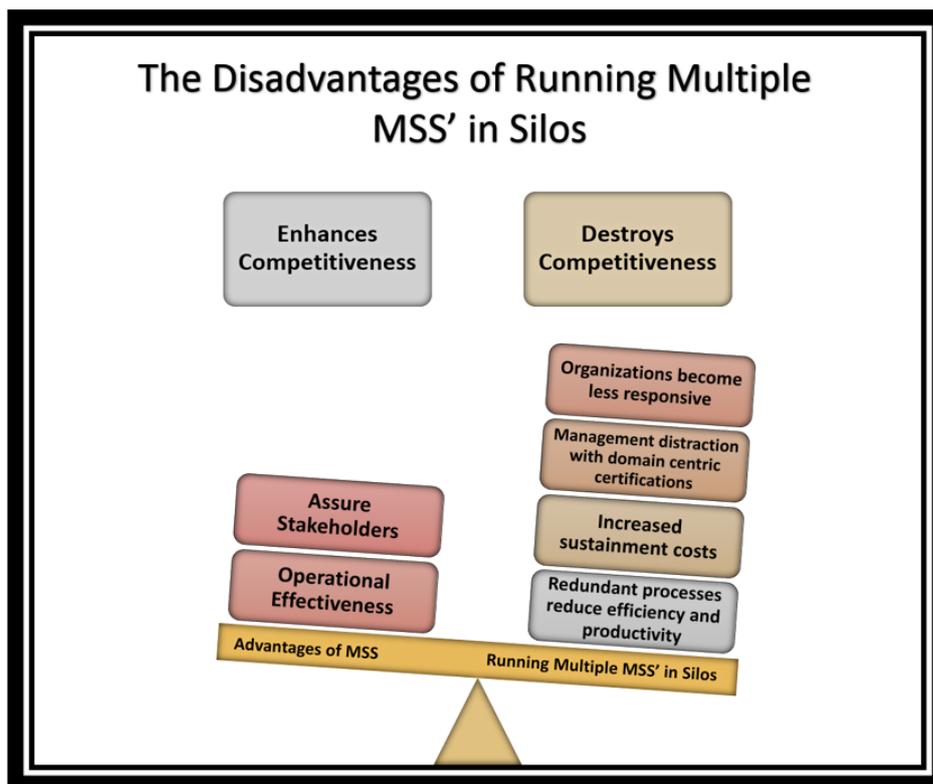


Exhibit 1 – Running multiple MSS' in silos undermines performance gains

Integrated Management Systems are the Solution

The solution to this destruction of advantage is to consolidate independent MSS silos into an Integrated Management System (IMS). An IMS is a complete overarching framework that incorporates multiple MSS by combining, synchronizing, and harmonizing all aspects of an organization's systems, policies, processes, and any industry frameworks or standards that the organization follows. An IMS allows these disparate components to be combined so that they simultaneously cover all standard-specific requirements while uniting their direction and ensuring alignment with the organization's strategic objectives.

A properly planned, resourced and implemented IMS solves the problems of multiple independent MSS silos by rationalizing, normalizing, and harmonizing the discrete requirements into one cohesive organizational and operational, strategic management system. Companies achieve economies of scale and scalability across the suite of MSS' and so can maintain and sustain multiple MSS certifications efficiently and productively with less overhead.

The Realities of IMS Implementation

As you will be aware, undertaking any meaningful business improvement project requires a substantial commitment of management attention and organizational resources (human, technological, and financial). Implementing an IMS holds excellent potential for the organization, and for this reason, it is not a trivial process. Whether a company already has multiple management systems or is going through its first project, it can take as much as six months or more before positive results begin to appear and twelve months or more for the IMS to become an embedded and sustainable system.

An IMS project also requires consistent top-down and bottom-up commitment throughout the organization. The company's executives, management at all levels, and individual stakeholders must carve out time from the day-to-day business to support the planning effort, and the implementation team. This team will consist of at least three people responsible for the quality, service delivery, project management, and training as well as one or more subject matter experts. Large enterprises and businesses integrating multiple MSS' often need larger teams. It is expected that at least 60% of the team's working time will need to be allocated for the year-long project.

This investment does not begin generating returns until the IMS is fully implemented and in sustainment mode. Company leaders must remain patient and committed through continuous monitoring, and process improvement cycles, and any required course adjustments that occur. The opportunity costs can be high initially, as the company's ability to improve efficiency and better serve customers adjusts, evolves, grows, and matures. Also, the project lead time could be subjected to more organizational stresses and direct business impacts if a certification is needed to enter new markets.

An IMS project also carries significant risks that, if they materialize, drive costs of implementation even higher. The top three risks for IMS projects are:

1. Wavering management support
2. Reactive, rather than proactive executive sponsorship
3. Unrealistic expectations of resource efficiency, effectiveness, and productivity, especially in organizations with heavily matrixed resource allocation models.

The Key Barrier to IMS Success - Expertise

Several research studies on IMS implementations have found that the key barrier to the success of these projects is a lack of information and expertise[1]. A lack of internal expertise is a significant risk for most IMS projects as implementing management systems is not a regular or common practice in most companies. Leadership and project teams may only experience a management system implementation once or twice during their careers. Without a broad understanding of best practices, the decision-making directly associated with uninformed, misinformed, or underinformed inputs/sources will delay the project. As schedules slip and delays expand timeframes, projects lose executive focus and commitment, and more immediate business demands take priority. It is not long before the project concludes with many dissatisfied stakeholders.

FPG Provides the Expert Perspective

FPG has had decades of experience guiding clients of many sizes and shapes through the management system implementation process. This gives us an expert perspective on the ISO Management System Standards and the various flavors of CMMI DEV and SVC. Through our experience, we have discovered a vital point missed in the implementation of IMS.

We have found that as much as half of the components in all management systems and frameworks are exactly or nearly the same. A substantial number of components vary only slightly in terminology or objectives. And, in fact, the number of truly certification-specific components is relatively small.

Most businesses, however, are not aware of this perspective. In response to market opportunities or demands, they implement one-off management systems in operational silos. As we have seen, taking an in-house, ad-hoc approach to MSS implementation, results in discrete management systems that create overlapping processes and yield a less efficient, less productive, and less competitive business.

[1] Khanna H.K., Laroia S.C., Sharma D.D., (2010), Integrated management systems in Indian manufacturing organizations: Some key findings from an empirical study, The TQM Journal, 22, 670-686; Asif M., de Bruijn E.J., Fisscher A.M.O., (2009), Process embedded design of Integrated Management Systems, International Journal of Quality and Reliability Management, 26,261-282.

FPG has gained this insight due to the comprehensive and holistic view we take of our client's business, which we have called the Organizational Process Governance (OPG) Framework.



Exhibit 2 – The holistic Organizational Process Governance (OPG) Framework

By taking an overarching view of these essential elements, our clients have the opportunity to rationalize, normalize, and harmonize their approach to management systems. They can stop treating each management system as a distinct part of their businesses. Instead, they take a more holistic view through their OPG framework to treat compliance, certifications, and sustainment as outputs of a single, Integrated Management System (IMS).

Through our Integrated Management System Framework, FPG provides a comprehensive suite of Management Systems and CMMI Frameworks that an organization can use to aid the design of an extensive Integrated Management System. The illustration demonstrates how our Integrated Management System plans and accounts for each component framework's naturally occurring overlap with foundation of the framework, being the Quality Management System

* *Information Security Management System road-mapped for 2021*



Exhibit 3 – The Integrated Management System Framework

Introducing the Apex OPG Accelerator

With the view we have over the entire organization, and our insight into how the requirements of the many management systems overlap, we have developed an exceptional tool that companies can leverage to accelerate the development and implementation of an exhaustive IMS. The Apex OPG Accelerator has been built from FPG's decades of experience and shows the knowledge we have gained of the unique and shared processes of the three major management systems being the:

1. Development Framework
2. Service Framework, and
3. Quality Management Framework

The following diagram shows how, in successful IMS projects, these foundational elements are seamlessly overlaid with the primary functions of Process Governance and Infrastructure.

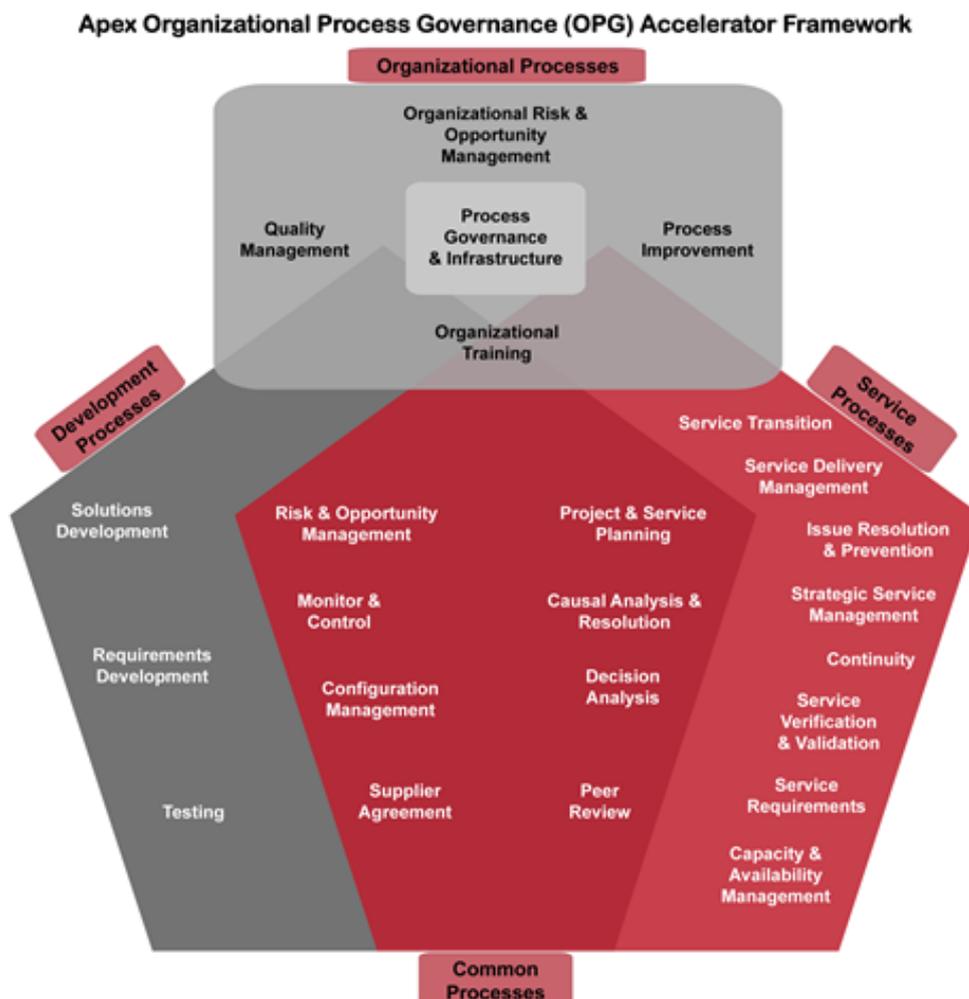


Exhibit 4 – The Apex OPG Accelerator Framework delivers extraordinary IMS results

There are so many shared processes across management systems that create significant potential for business efficiencies and competitive gains. But it takes considerable experience, and in our case, decades of working with organizations and the management systems to know where these opportunities reside. Thanks to our experience facilitating numerous IMS projects, we have seen how companies of all sizes and shapes share common experiences. We synthesized these lessons learned into the Apex OPG Accelerator. This suite of toolsets helps companies accelerate their IMS implementation timing, reduce their IMS implementation costs, and lets them start realizing returns on the lower investment sooner.

Capturing this knowledge into the Apex OPG Accelerator Framework has been a significant benefit to our clients who can now use this framework, along with our expertise, to regain the advantages that individual management systems can deliver. Using the Apex OPG Accelerator allows clients to align their management systems with the strategy and governance of the organization, creating broad and sustainable gains that benefit the organization and its stakeholders.

The Apex OPG Accelerator Delivers Extraordinary Results

As mentioned earlier, the estimated time for any positive result using a standard IMS process is at least six months, with it taking at least one year to become embedded and sustainable.

With the Apex OPG Accelerator Framework, clients can complete their Integrated Management System implementations in as little as six months.

By reducing the time and resources they allocate to the implementation project our clients see significant cost savings. Managers and stakeholders divert less time from their standard responsibilities. And the project team itself can move on to supporting other areas of the business.

More importantly, using the Apex OPG Accelerator lets our clients achieve higher returns on their IMS investment. An IMS is only as good as its implementation. By baking-in proven best practices from the beginning, our clients implement an IMS optimized for their business. Executives quickly change their focus from overseeing the project's implementation to driving the business' positive outcomes.

How does the Apex OPG Accelerator achieve these extraordinary results? It is done by:

- helping project teams understand the best practices for their industry as well as the most effective ways to plan and implement the project within their company
- rationalizing, normalizing, and harmonizing the shared requirements of CMMI and ISO Management Systems certifications into an integrated set of processes that apply to the entire business
- cross-mapping the certification requirements to these processes which makes reporting and compliance activities more efficient
- creating consistency across audit and appraisal results executing process improvement strategies that enhance every certification as well as the organization's strategic goals.

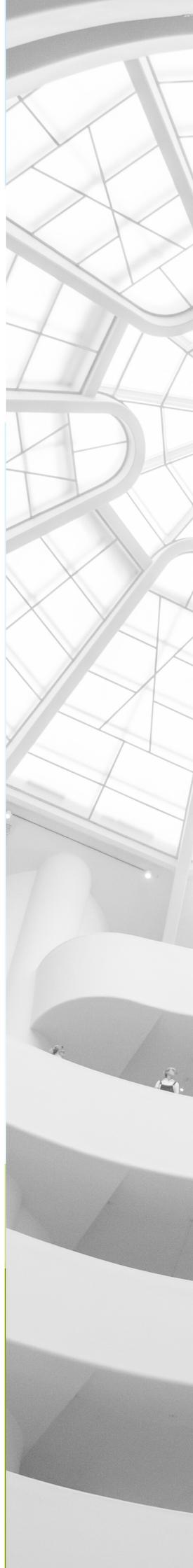
With Knowledge Comes Responsibility

It is said that with increased knowledge comes increased responsibility. We have shown you that there is an IMS implementation process that can drastically reduce the implementation time for your project, save costs, and achieve higher returns for your organization. The next step of finding out more about how FPG and the Apex OPG Accelerator can help your organization is up to you.

FPG has helped many organizations achieve Integrated Management System success. Each day we help corporate leaders define their project plan, project team, governance policies, and governance infrastructure that drive outstanding IMS outcomes. We would be honored to use our proprietary Apex OPG Accelerator to help you comply with management system certifications more efficiently and quickly realize substantial and sustainable business returns from your IMS project.

Contact FPG for more information or to receive a demonstration of how the Apex OPG Accelerator can help bring your organization together to provide sustained operational advantages and strategic outcomes.

Call us today on +1 908-839-5176
Or E-mail support@foundpg.com





FPG

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WHEN YOU WIN, WE WIN.

THE FOUNDATION FOR POLICY AND GOVERNANCE (FPG), A MANAGEMENT SYSTEMS ADVISORY FIRM, WANTS TO BE YOUR ORGANIZATIONAL PROCESS, GOVERNANCE, AND RISK “SUCCESS PARTNER”



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