

The Cost of Process

COST

NEGATIVE and POSITIVE costs share a commonality, they are not opposites of each other, but in fact they are the same, they are a <u>cost</u>. A Negative Cost has a bias that does not move the busines forward to its goals or objectives, possibly eroding current advantages that have been gained elsewhere in the business. A Positive Cost is still a cost to the business, but it brings with it, constructive outcomes that exceed the inputs

PROCESS

A Negative Process, delivers little or no advantage to the business and costs the business key resource that could be better employed elsewhere. **A Positive Process**, builds wealth & advantages that grow over time where the results of the process, exceed the cost of a resource used to action it.

THE POWER OF PROCESS

Process should ensure that the rules do not suddenly change, nor are they different for a chosen few. It should allow all parties to work collaboratively on a project, ensuring everybody complies with quality and efficiency. Good process creates a transparent & less eventful day than pursuing a quick solution, allowing all interested parties to review the relevant evidence, whilst reducing confusion. Management & staff can focus on tasks, not spend time justifying their actions An action may be positive and justification for may be obvious, but what is not always obvious, to the uninitiated or inexperienced, is that completing that action at the wrong point in a complex stream of tasks, introduces issues and problems that increase liabilities and at the same time, hide opportunities that exist to provide a business gain!

TWO COMMON ERRORS

An Error of Omission – Where something required, is missed or left out

An Error of Timing – Where something required, is actioned at the wrong time

Underlying causes can stem from a disconnect of the business, between its customers' needs and desires and the compelling vision held by the owners, managers, and staff of the business. The cost of getting it right could be as low as 8% of the cost of getting it wrong! There is a direct relationship between the processes of the VDA, and the levels of profit, that a business achieves. The decisions the VDA takes are decisive moments of success or failure, in as much as they have an immediate influence that automatically leads them to the next decision, or step in the assessing function. Every task, every step in the assessing process that your VDA's complete or don't complete, are like a fork in the road. They are the choices that consciously affect the outcomes of the business. Dependent upon which fork in the road you take, it will lead you closer to, or further away from your goals.

Good Habits in the assessing process, are the 'Compound Interest' of self-improvement. The same way that money multiplies through interest, the effects of your habits and your processes multiply as you repeat them. They make little difference on any given day yet the impact they deliver over time can be substantial....

Want to know more? Then **get in touch** to find out how we can assist

TRAINING IS NOT EXPENSIVE – IT'S PRICELESS