

CONTINUOUS PROCESS IMPROVEMENT AND INNOVATION (CP2I)

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THE CHALLENGE: ENSURING SUCCESS FOR TOMORROW

Leaders of federal government organizations today face a multitude of complex challenges unlike those of recent years. They are expected to continually deliver more and better services or products — and to do so with stagnant or shrinking budgets and resources. Even in areas where budgets are slated to grow, organizations are expected to deliver services and products in a more timely, efficient, and cost-effective manner.

Leaders must also ensure their organizations succeed despite an environment of increasing turbulence and uncertainty characterized by leadership changes (particularly military leader rotations) reorganizations, mergers, downsizings, financial crises, and transformations. In short, government organizations are under near-continuous pressure to justify and refine themselves, cut costs, achieve better outcomes, and realign to ever shifting roles and responsibilities.

Compounding this situation is the host of people, infrastructure, technology, and process challenges that can further hinder organizational success. Workforces are smaller, more global in nature, and increasingly tasked with merging roles and consolidating offices. Talent turnover can mean the loss of important institutional knowledge. Deteriorating infrastructure and facility consolidation and closures also affect people's ability to do their jobs and thus achieve mission success. Technological resources at many organizations are often duplicative and expensive to update and maintain, or they have become outdated and inefficient. New technology solutions can take years to develop and in some cases are outdated the day they are launched. What's more, growing cybersecurity threats further tap organizational resources. In addition, across the government, there is significant pressure for people to rethink the way their organizations are doing business. Under continued pressure to respond to new directives and sometimes-conflicting guidance from external sources, organizations that lack effective processes may

instead rely on nonstandard workarounds — a tactic typically effective only in the short term.

Historically, organizations have turned to either a Continuous Process Improvement (CPI) or an Innovation methodology to solve it. CPI models that have been used for years help managers and employees analyze workplace practices and systems and implement changes designed to improve efficiency and productivity. For example, methodologies such as Business Process Reengineering, Lean Six Sigma and Theory of Constraints facilitate the orderly phasing of change and foster a culture of reflection, learning, and improvement. Innovation models such as Crowdsourcing, Creativity, Design Thinking, and Innovation Metrics have proven transformational on a number of fronts by organizations, especially in the private sector, by cultivating “breakthrough” thinking and ideas testing through prototyping and multiple rounds of validation.

But today's challenges are multidimensional and seemingly intractable, making a choice between these two powerful approaches a difficult, if not a pointless exercise. In the current environment, leaders can no longer rely on any single methodology for analyzing and adjusting workplace practices and systems to achieve mission success; leaders must look beyond making incremental improvements in productivity and efficiency and think differently about finding solutions that are effective, timely, and transformative. Their challenge is to bring about transformational change with existing workforces and processes.

A NEW PERSPECTIVE: MELDING MULTIPLE METHODOLOGIES TO ENABLE TRANSFORMATIVE SOLUTIONS

Organizations can advance beyond business as usual — even when they do their business well — toward transformational change by using multiple methodologies to meet their challenges. Continuous Process Improvement (CPI) and Innovation are the two most commonly employed organizational techniques to drive change in

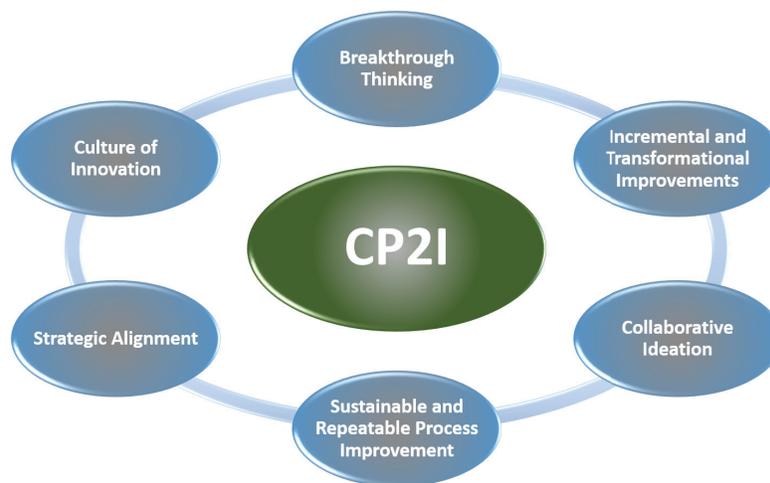
both the private and public sectors, but either applied alone is not enough to meet today's challenges. CPI's focus on existing systems and processes can take an organization only so far, and Innovation methodologies have proven difficult to instill in many organizations.

We believe a more effective approach for unlocking an organization's ability to do more with less and driving transformational change is Continuous Process Improvement and Innovation (CP2I). Combining two of the most powerful organizational tools available — the holistic and data-driven approaches of CPI and the human-centered design and creativity of Innovation — CP2I enables organizations to build on successful, familiar CPI methodologies and instill a culture of innovation that can achieve the transformative leaps that are needed to be relevant and succeed into the future.

CP2I helps organizations develop a culture of innovation within the framework of CPI methodologies that often are already being used. The approach builds on what organizations are already doing successfully to implement important incremental changes needed today and introduces new disciplines, tools, and techniques that drive innovation and generate transformative disruption where it is most needed for the future.

By integrating these two powerful approaches, government organizations can bring together essential elements of the “art and science” of business improvement to address today's complex challenges. CP2I and its six major elements sets organizations up for long-term success by providing many lasting benefits.

- **Breakthrough Thinking.** The application of Innovation tools and techniques within a CPI framework builds on the success of an organization's current CPI programs in a way that expands opportunity for creative idea generation.
- **Incremental and Transformational Improvements.** Combining the right set of CPI and Innovation methodologies for an organization balances achievement of continuous process improvement today with installation of the right habits and organizational pathways for larger innovation successes tomorrow. This approach effectively minimizes risk and maximizes return.
- **Collaborative Ideation.** The tools of CP2I, such as crowd sourcing and virtual Kaizens, support a workplace culture that incorporates the experience and ideas of a broad swath of employees, vendors, and customers.



- **Sustainable and Repeatable Process Improvement.** Engaging geographically dispersed teams and reaching everyone in an organization's value chain. Leveraging this approach instills a culture of continuous innovation with the proven and repeatable CPI model.
- **Strategic Alignment.** A holistic assessment of solutions that takes into account both business viability and human value leads to improved strategic alignment.
- **Culture of Innovation.** No matter how enticing it sounds to "create a culture of innovation," many leaders correctly wonder how to incorporate the concept into their workplace culture without consuming too many resources or disrupting the work that needs to get done. Innovation is a commitment to continuously identify new ideas, solutions, and perspectives that is built on the foundational concept that everyone involved with an organization holds a unique and valuable perspective.

With CP2I, organizations are equipped with the tools they need to change the way everyone thinks about challenges and solutions. CP2I combines two extremely successful models to develop new capabilities for leaders and employees to realize benefits today while moving their organization forward at a pace not seen in the past to meet new external demands and expectations. This allows organizations to look at innovation through the right lens — one based on the experience of their employees and the people with whom they do business. Once in place, CP2I will maximize efficiency and productivity and create the potential for the transformative change needed to succeed today.

PROPOSED APPROACH: FOUR PHASES OF ACTIVITY

Booz Allen recognizes that organizations today are tapped for time and money. Incorporating Innovation

may seem out of reach given all the external demands that leaders and employees must respond to. However, those same pressures demand that organizations look at themselves and the world differently. CP2I is designed to ensure the follow through needed to ensure that great ideas can develop into transformative solutions. The goal is to build sustainable process improvements that are both incremental and transformational and engage diverse and distributed teams to reach everyone in the value chain, ultimately ingraining a culture of innovation within the fabric of an organization.

By employing tools from the best of both Continuous Process Improvement and Innovation methodologies, Booz Allen creates a CP2I strategy specifically designed to meet the needs of the organization. CP2I helps government organizations assess potential solutions and determine their strategic alignment and organizational viability, and introduces collaborative ideation among leaders, employees, customers, and vendors using tools specifically identified to develop a broad base of perspectives and solutions for the challenges at hand. With CP2I, Booz Allen and its clients work together to create new organizational capabilities.

When a client engages CP2I, Booz Allen brings to bear a combination of techniques that are tailored specifically to the organization's needs, utilizing appropriate methodologies across four phases of activity to identify and solve an organization's people, process, technology, and infrastructure challenges.

CP2I begins with the **Define** phase. Booz Allen works with leaders to define the scope of their organization's challenge and identify opportunities available to meet the needs. Collectively, we set goals, document objectives and constraints, and identify stakeholders. A variety of CP2I tools are employed at this stage, including Voice of the Customer and Maturity Assessment to set the future vision for the organization and define success. The CP2I Maturity Assessment is used to develop buy-in to the process from leadership and identify key roles for managing change within the organization. It drives



team-based workgroups and develops behaviors that support and encourage innovative thinking and risk taking. CP2I's Maturity Assessment is used to create a baseline and identify barriers that need to be taken down.

The **Discover** phase of CP2I is where Booz Allen and the client investigate the current-state environment, and establish a “culture of problem solvers” that gives employees more responsibility for controlling and improving outcomes in their work and with customer experience. We work with teams to gain insight and knowledge about stakeholder needs, conduct current-state quantitative and qualitative analysis that identify gaps and unmet needs, and analyze the organizational and situational environment, culture, and experiences. One of the most commonly referenced Innovation methodologies employed in this phase is Crowd Sourcing. CP2I helps organizations correctly employ Crowd Sourcing to garner input from the users of a process or service and develop improvements. Although it is only one of several tools used in the Discover phase, it is an example of Innovation methodology that can create the kind of transformative solutions organizations are seeking. At completion of this phase, leaders and team members will understand the challenge as well as the current situation, have a prioritized list of projects to target critical areas for improvement and know whom to involve in devising solutions.

The objective of CP2I's third phase, the **Develop** phase, is to identify and test solutions. Booz Allen helps the

client organization identify areas to explore and convert ideas into possible solutions. Team members perform advanced analytical techniques to first define potential solution sets and then apply tools like Pareto Analysis to select the most effective one. Booz Allen has designed this phase of CP2I to tap deeply into the creative potential of the organization, using tools such as Brainstorming and Rapid Prototyping and Evaluation, which open the door for transformative change as the organization develops solutions to the challenges at hand. With the latter methodology, the product, service, or concept is improved through implementation and subsequent evaluation by all parties involved — leaders, employees, vendors, and customers. This is the phase where innovative solutions are also put under the proven process improvement spotlight with familiar CPI methodologies like Process Simulation and Solution Prioritization.

The **Deploy** phase is the fourth and final phase of CP2I. Booz Allen develops an implementation strategy and deploys the selected solution set. CP2I is set up to assess effectiveness and identify adaptations as needed, using an Implementation Plan to identify tasks and the people responsible for completing those tasks, and a Control Plan to ensure the process runs as anticipated. A key element of this phase is an organizational change and communication management plan that Booz Allen helps craft with senior leadership. It is vital that leaders continually demonstrate their full support for the internal process, as well as the organization's commitment to achieving transformative outcomes. Booz Allen helps

develop organization-wide buy-in with Guidelines for Group Decision Making, which helps teams overcome the inherent traps that come when a group of people, rather than an individual leader, is asked to make decisions.

Changing a process can be done immediately; changing an organization takes time. Most organizations have experience with CPI programs, often with significant success. CP2I builds on that success by incorporating Innovation tools that allow organizations to change the way everyone from senior leadership down to entry-level employees think about the challenges they face. With CP2I, Booz Allen teaches people how to think innovatively with techniques and approaches that open their minds to new ideas and transformative solutions, while also providing the immediate benefits that CPI methodologies bring to a challenge. CP2I identifies solutions and equips leaders and employees to adjust nimbly to today's world of the rapidly evolving expectations.

BOOZ ALLEN: YOUR ESSENTIAL PARTNER IN CONTINUOUS PROCESS IMPROVEMENT AND INNOVATION

Booz Allen has a long history of helping clients in the federal government and private sectors succeed in implementing large change initiatives. Through our own experience over the past 20 years and through extensive research and evaluation of current competency standards, educational programs, tools, and methods, it is clear that established and widely accepted standards for change management do not exist. With CP2I, Booz Allen introduces standards and helps organizations cultivate and manage change with proven tools and methodologies from both CPI and Innovation. CP2I addresses the needs of organizations and their clients and instills a culture of innovation that will help ensure success in the current environment and create the flexibility to adapt to changing demands long into the future. By working with Booz Allen, government organizations of all sizes can

train their employees to think about problems differently and ingrain the creativity and innovation needed to thrive in this world of changing expectations.

With thousands of employees working in process improvement, combined with over 100 certified Professional Innovators and Design Thinking practitioners, Booz Allen has the experience its clients need to examine every aspect of their business and succeed in the current environment and going forward with process improvement, change management, and innovation. Booz Allen consultants provide support with change management, implementation, best practices and benchmarking, performance measurement, and data analytics.

For the past three years, Booz Allen's Strategic Innovation Group and management consultants have built and driven a Culture of Innovation framework within our own company. We connect people and ideas across the natural barriers of markets, capabilities, and geographic distances. Through focused challenges, and the creation of planned points of collaboration, we have established an environment that attracts more of the best ideas and compels our people to connect, contribute, and thrive.

Studies show that the top three concerns cited by organization leaders are product/service relevance, keeping up with new technologies, and disruptive business models. The skills of day-to-day leadership differ from the skills needed to drive organizational change. CP2I and Booz Allen give leaders the tools and support they need to drive and manage change. Both Continuous Process Improvement and Innovation are critical for survival in an environment of constant change and rapidly improving technology. They are not the exclusive domain of one unit or division, but the lifeblood of an entire organization. CP2I is built on proven and repeatable problem-solving protocols, where empathy is at the heart of a human-centered design process that can achieve extraordinary results.

OUR EXPERTS

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About Booz Allen

For more than 100 years, business, government, and military leaders have turned to Booz Allen Hamilton to solve their most complex problems. They trust us to bring together the right minds: those who devote themselves to the challenge at hand, who speak with relentless candor, and who act with courage and character. They expect original solutions where there are no roadmaps. They rely on us because they know that—
together—we will find the answers and change the world. To learn more, visit BoozAllen.com.