

Delivery Process and Cost Management

Course Summary

Description

Recent directives from Treasury Board Secretariat are focusing departments and agencies on "Results and Delivery." Key to the delivery component is improving business processes, reducing costs, and increasing efficiencies, all the while retaining the quality and service levels of programs. This is driving the need for organizations to develop a better understanding of input to output relationships in addition to output to outcome attributions.

This two-day course is offered to assist government departments to better understand the critical success factors associated with driving a "Delivery Process Culture" in their organizations. This class is highly interactive with key messages reinforced through hands-on exercises.

Day 1 focuses on the design and use of business process and costing indicators for government programs and services. This includes key policy parameters for measuring operating efficiency in the public sector, factors to consider in defining and validating process indicators, and best practices in reporting on costs. Participants will have opportunities to apply and test their understanding with real-life program examples and to discuss the challenges they've encountered in developing their own process and costing indicators.

Day 2 delves into the often overlooked subject of resource and business process management. It presents a clear picture of why it is critical to understand how the organization delivers and manages its programs and services. The course explores issues such as how to map and improve business processes, balance and optimize resource utilizations, use efficiency information for enhancing program management, and understanding the operational and financial impact of new/revised services.

Through the use of real world examples and case studies, you'll come away with ready-to-apply tips, techniques, and templates to initiate and enhance efficiency efforts in your organization.

Objectives

By the end of this course, students will be able to:

- Appreciate the value and role of process and costing indicators and efficiency management
- Understand the concepts of activity-based costing and activity-based management
- Design business process maps to identify key costs and efficiency improvement opportunities
- Initiate, align, and sustain activity-based planning in your organization
- Develop practical strategies to improve the selection and use of process, cost, and efficiency indicators

Topics

- Process and Cost Management Overview
- Discussion of Participants' Process and Cost Management Efforts
- Practical Considerations in Choosing Process Indicators
- Fundamentals of Executing Process and Cost Management
- Implementing Activity-Based Planning (ABP)
- Building Process Maps and Defining Business Data
- The Role and Value of ABP Technology
- Initiating, Sustaining and Linking ABP with other Efficiency Management Methodologies

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Course Summary (cont'd)

Audience

This course provides not only foundational training on developing high quality business process and cost management content, but on how process management needs to be integrated across all perspectives of an organization including planning and performance reporting, risk, project, and resource management. As such it will benefit:

- Program/service directors, managers and planners
- Corporate planners, performance leads and evaluators
- Financial and resource management personnel

Prerequisites

There are no prerequisites for this course.

Duration

Two days

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Course Outline

- I. Process and Cost Management Overview**
 - A. Driving forces for improved resource management
 - B. The role of logic models in managing efficiency
 - C. Linking to TBS requirements for efficiency indicators
 - D. Operational vs. allocative efficiency
 - E. Economy and resource utilization
 - F. Efficiency vs. productivity
 - G. Measuring efficiency from an evaluator's viewpoint
 - H. Use of efficiency indicators as a management tool
- II. Discussion of Participants' Process and Cost Management Efforts**
 - A. Types of programs
 - B. Types of process/efficiency/cost measures in use, development or proposed
 - C. Challenges encountered
- III. Practical Considerations in Choosing Process Indicators**
 - A. Defining/confirming inputs and outputs using logic models
 - B. Characteristics of "good" process and efficiency indicators
 - C. Importance of context
 - D. Common types of programs and services
 - E. Efficiency measurement considerations for common program types
 - F. Common measurement challenges: interdependency of costs, quality, and timeliness
 - G. Resolving issues around the uniformity/variability of business processes and outputs
- IV. Fundamentals of Executing Process and Cost Management**
 - A. What is strategic process management?
 - B. How resource management supports all business management perspectives
 - C. Evolution of cost management methodologies
 - D. The fit for Activity-Based Costing
 - E. Comparisons with TBS costing directives and guides
- V. Implementing Activity-Based Planning (ABP)**
 - A. Defining organizational outputs
 - B. Understanding fixed and variable resources
 - C. Examining and documenting process activities
 - D. Measuring resources, activities and outputs
 - E. A 7-step approach for ABP
- VI. Building Process Maps and Defining Business Data**
 - A. Key characteristics of a business process schematic
 - B. Benefits of process mapping
 - C. Tools and techniques for process mapping
 - D. Understanding resource capacity and utilization
 - E. Defining operational and financial data requirements
- VII. The Role and Value of ABP Technology**
 - A. How technology enhance organizational engagement
 - B. Types and examples of ABP technology
 - C. Using technology to validate efficiency calculations
 - D. Scenario-playing for improved organizational efficiency
- VIII. Initiating, Sustaining and Linking ABP with other Efficiency Management Methodologies**
 - A. Pitfalls to avoid in implementing ABP
 - B. The value of a structured implementation approach
 - C. The CAM-I Closed Loop approach
 - D. Integrating ABP with other organizational initiatives such as LEAN and Six Sigma
 - E. How ABP compliments LEAN and Six Sigma approaches
 - F. ABP public sector case studies