



**Global Awards for Excellence**  
**in**  
**Business Process Management**  
**and**  
**Workflow**





with



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# Customer Excellence / Customer Experience Management

## 1. EXECUTIVE SUMMARY / ABSTRACT

The significance of this case study is found in this formula:

a clear vision of a desired outcome  
+  
a strong and sustained change management campaign (people)  
+  
clarifying what needs to happen, how, when and who the role players and stakeholders are through a unique interactive process mapping approach (process)  
+  
IT change (system)  
=  
improved customer experience  
  
**resulting in**  
  
improved profit, and an improved reputation

Business Partners, a \$US342m+ risk finance lender, applied process design and a change management campaign to improve customer experience.

The campaign, dubbed “The Transformers” set out to:

- a) Reduce approval and implementation processes, resulting in Customer Excellence;
- b) Improve efficiencies and turnaround time; and
- c) Increase revenue by 20%.

The process changes were substantial, and this required a coordinated, top management supported change management program to coincide with the process changes. Without the change management, applied weekly, monthly and quarterly for almost 18 months, the project would not have realized the substantial benefits.

- a) Application-to-disbursement time was reduced from an average six to three months;
- b) Costs were reduced by placing the onus of business-case build on the applicant;
- c) Client experience improved;
- d) Business Partners achieved lending levels not reached since the economic crises of 2008;
- e) Profitability increased;
- f) Clients are more satisfied, contributing to reputational improvement and more business through referral and results.

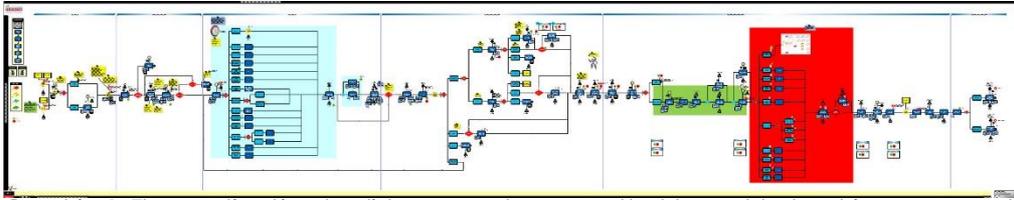
## 2. OVERVIEW

Business Partners is a South African financial sector business with a 268 staff complement that provides risk funding to small and medium private enterprises. Revenue is generated through interest levied on loan funding, capital returns where equity deals were structured and rental from owned properties.

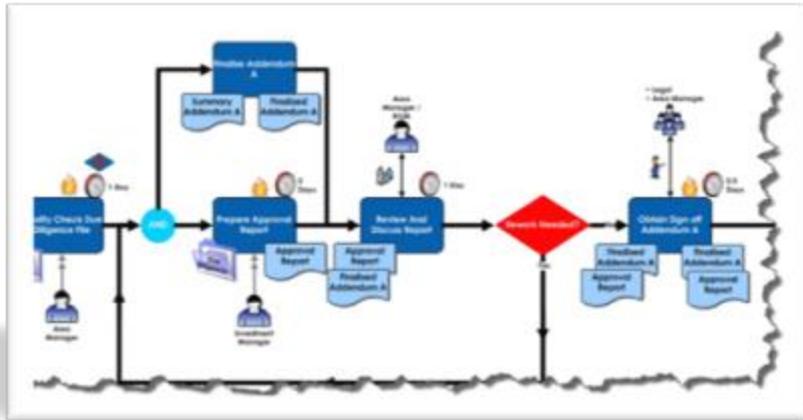
The key project staff, including around 25 investment officers, engage with businesses (each has a portfolio of 10-15 businesses) that need funding. The mid-level to senior business and investment officers assess, and write the approval reports for funding. The financial team supports the investment officers and the IT team provides the systems.

The desired state was first communicated by senior management, where process design to improve customer experience along with continued change management was advocated.

Through the unique Business Destination Mapping (BDM™) and VizPro® Process Mapping methodologies the current business process - that was taking on average 6 months from application to funding - was mapped against a background of customer dissatisfaction with process, timing and outcomes. The new process, developed as a best practice process, was designed by the investment officers, the IT team and the finance team in a two day interactive workshop that looked to bring about radical improvement and customer delight. Efficiencies were built into the process and roles clarified. The changes were implemented through rigorous project and change management and benefits were realized from the outset by an initial focus on quick wins.



Graphic 1: The application to disbursement process that brought about improvement



Graphic 2: Close-up snapshot of the process elements

## 2.1 Benefits

- a) Application-to-disbursement time was reduced from an average of six to a three months average:
  - i. Prior to the process changes, clients were annoyed with the time lag between approval and disbursement. This was caused by delays in sourcing documentation (mostly due to clients or third parties failing to submit critical documentation), resulting in high levels of re-work by the Business Partners process role players.
  - ii. After the change it was left to applicants to submit ALL client related documents as part of the application. Now the investment managers got approval reports to the approval committees much quicker.
  - iii. This resulted in reducing approvals from an average 60 days to 30 days. The performance indicator for the application-to-approval stage is now 30 days.
  - iv. Similarly, the approval to disbursement phase improved from an average 120 to 60 days.
  - v. In total, the duration from application to disbursement thus improved from 180 (60+120) to 90 (30+60) days.
  
- b) Costs were reduced by placing the onus of business-case build on the applicant and making the process transparent to clients and internal staff.

## GLOBAL AWARDS FOR EXCELLENCE IN BPM

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By providing an easy to read-and-understand process to all stakeholders, there was a change in how staff would engage in the process. As it was clear and transparent, lower level employees also understood the “business of the business” – in all the operational hubs of Business Partners.

- c) Client experience improved, resulting in customers providing Business Partners with a 96.74% satisfaction rating.

Through the process improvement and implementation supported by the ongoing change management:

- i. All areas of interaction with the client were clearly defined and described, with the view of turning the process around to make engaging from the client's point of view, simpler and easier. For example, in the due diligence phase, the improvements brought about by an Outside-In (Customer Centric) view resulted in a much more focused and directed due diligence process, which significantly impacted on the speed of follow-on processes.
- ii. In particular, the workshop identified bottlenecks and elements that would “delight our customers” and the team agreed on process changes that would manage or eliminate bottlenecks and bring about “delight”.

- d) Business Partners achieved lending levels not reached since before the economic crisis, and increased net profit after tax to US\$14.47m in 2014 from US\$11.78 in 2013.

- i. Due to time delays and re-work described above, disbursements were delayed and challenging in many instances.
- ii. Entrepreneurs in most instances need funding quickly and when there are delays, the impact on their businesses tend to be significant.
- iii. Due to the process inefficiencies, momentum was often lost and clients unhappy, resulting in reputational damage and loss of revenue.

- e) Profitability increased

- i. Business Partners have seen an improvement in profitability.
- ii. In comparing the cost of the same number of “deals” for the period before and during implementation of “The Transformers”, profitability increased. The process efficiencies also contributed to a reduction in operating expenses year on year of US\$932 thousand.

- f) Clients are more satisfied, contributing to reputational improvement and more business through referral and results.

There has been an improvement in client satisfaction from 93.76% to 96.74%, as reflected in the client evaluation done one year after roll-out of the campaign.

### 2.2 Challenges

- Team motivation, especially amongst the older team members, took a while to realize.
- The existing IT system was not supporting the new process, and the challenge was how to implement process without adequate IT capability.
- The existing IT system was “falling over” and it was critical to invest in “the right” system. Stand-alone legacy systems was a threat to the process efficiencies realizing.
- “If we did not have early wins, the adoption and execution of the new process could have slowed down”.

## 3. BUSINESS CONTEXT

The state of the enterprise:

### 3.1 Then...(the initial state)

In addition to the what-was-not-working-well aspects described in the Benefits section before, the following are note-worthy:

There was a need for

- client satisfaction;
- reputation improvement;
- higher revenue;
- improved profit margins;
- standardization: individuals performed similar tasks differently across the units. Standard practices were limited, with regional and area variations which caused for process inefficiencies;
- elimination of waste, both in terms of paper, travel, time and office space;
- effective progress tracking throughout the process;
- doing business in a new, fresh way;
- Fast-tracking new team members into the value chain and clearly understanding of roles, performance measures and areas of risk.

### 3.2 The transition...

[www.businesspartners.co.za](http://www.businesspartners.co.za)



HOME » WHAT SETS US APART

## What sets us apart

Business Partners Limited is a specialist risk finance company for formal small and medium enterprises (SMEs) in South Africa, and selected African countries. The company actively supports entrepreneurial growth by providing financing, specialist sectoral knowledge and added-value services for viable small and medium businesses.

### What sets us apart — the Business Partners' difference

- Entrepreneurs are the company's exclusive and only focus and, as such, it is able to offer products and services specifically tailored to meet their unique needs;
- Business Partners Limited's range of financing and added-value services provide an integrated solution for entrepreneurs, catering for all aspects of their business needs, including property broking services, property management services and consulting and mentorship services;
- Business Partners Limited specialises in investing capital, skill and knowledge in entrepreneurs, its people have in-depth knowledge of the small and medium enterprise sector, as well as insight into the challenges facing independent businesses;
- The company's risk financing model is regarded as one of the most innovative in the world and has been accepted internationally as a working financing solution for developing countries;
- Similarly, the Business Partners Limited due diligence process is thorough, tried and tested; therefore providing insight into the extent of inherent risk in a deal;
- Business Partners Limited's systems and processes have earned the company an ISO 9001:2000 accreditation – the first financial services company in the country to be accredited in this way;
- Business Partners Limited believes that people are its real business and is committed to investing in entrepreneurs in every sense of the word. By doing this, the company believes that it will not only create individual wealth, but also fuel the growth of the economy and the creation of jobs.

The principal office is based in Johannesburg, South Africa with investment teams, support teams and area managers in 18 branches across South Africa and support staff in African hubs.

The accounting and financial admin teams are based in Johannesburg along with the IT team.

The current Managing Director commenced duties in 2012 with the mandate to improve the sustainability of the enterprise, and in particular through improved client experience.

Action	Date	Status
• Conduct process analysis	Jan 2012	Concluded
• Define specific Key Performance Areas	April 2012	Concluded

## GLOBAL AWARDS FOR EXCELLENCE IN BPM

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<ul style="list-style-type: none"> <li>Draft the Business Case for a Client Excellence improvement Campaign.</li> </ul>	July 2012	Concluded
<ul style="list-style-type: none"> <li>Formulating the campaign into a project and commence with communication about the campaign internally Most impacted would be Senior Management, and a range of individuals impacted by changes</li> </ul>	Oct 2012	Concluded
<ul style="list-style-type: none"> <li>Document internal work flow charts</li> <li>Commence with weekly communication to stakeholders about the campaign, focusing on a theme related to the change per month. The focus was to be on what the changes are, how it would realize, when and celebrating results</li> </ul>	Nov 2012	Concluded
<ul style="list-style-type: none"> <li>Engage with external vendor to deliver interactive process mapping and improvement workshop – 3 days</li> <li>The plan: process first, then people, then system change</li> <li>Official launch of “The Transformers’ campaign</li> </ul>	Dec 2012	Concluded
<ul style="list-style-type: none"> <li>Pilot new process in one of the business units</li> <li>Commence email communication as key change management to stakeholders</li> <li>Senior Management would be change champions for their business units, translating and guiding change of campaign goals into local branches</li> </ul>	Jan 2013	Concluded
<ul style="list-style-type: none"> <li>New process rolled out nationally, encouraging individuals to continue embracing the change and make sure the change remains beneficial and “real”.</li> <li>Switch to two weekly change management communication</li> <li>Commence with investigations and roll-out of new IT system to support the value chain process – Microsoft Dynamics as the front-end system, integrating into the existing Microsoft back-office and other accounting systems</li> </ul>	April/May 2013	Concluded
<ul style="list-style-type: none"> <li>Switch to monthly change management communication, reflecting on the results of a full year of change and improvement</li> </ul>	March 2014	Concluded
<ul style="list-style-type: none"> <li>Go live on new IT system that supports the improved processes</li> </ul>	April 2014	Concluded

### 3.3 Now and the future...

The number of people directly impacted in the IT, HR, management teams –198 directly out of 268 total staff complement.

“We will continue to operationalize change. The way we do business, into 2015 and beyond, is that if we see process, people or system aspects that makes us non-agile, we have instilled a culture of changing what is not working, fast and

effectively. We now have a quick-resolve culture when it comes to non-efficiencies” – Lionel Billings, Campaign Project Manager

Action	Date	Status
• Conclude systems' integration	Nov 2014	In progress
• Close campaign	Dec 2014	In progress

### 4. THE KEY INNOVATIONS

The impact that resulted from the project:

#### 4.1 Business

The impact of the project on the way the enterprise engages its customers, partners and suppliers and other key stakeholders include:

- For clients, partners, suppliers and staff the process is clear, transparent and clients can easily follow progress, their role in the outcome and what could cause delays – in short, pretty much everyone is able to be on the “same page”.
- “We have created a new culture and mind-set about communication, this benefits all areas of the business”.
- Improved Client Experience was agreed to as a senior management Key Performance Indicator, leading the way to strong leadership from the top to achieve campaign success.
- Used the agreed end-to-end value chain process and built a workflow into the IT System.
- Applied call centre environment work flows, aligned those with the business process and created a unique financial services system that is capable of handling each particular finance application – “We regard this as innovative and leading. No one of our deals are the same, we needed to create an adaptive case environment that could be handled in the IT platform, against a standard backdrop.”
- “We shifted process steps forward so as to deal with risks to speed and efficiency early on and not waste time fixing later when lots is going on.”

#### 4.2 Case Handling

“Cases” in context of this enterprise is the end-to-end application for risk finance. The changes effected through process, people and systems improvement, has resulted in the benefits listed earlier.

- Previously, the process was not standardised, and this was often mistaken for adaptive case management with detrimental results.

- With the change, actual adaptive case management now has a firm framework within which to actualise, and in particular against set and agreed to performance indicators
- The following key roles are defined in the process and these were key to the change designed, agreed and effected by a core team of between 18-20 persons from the following functional areas
  - Investment teams: nationally and area managers
  - Support team members from across the country
  - Accounting, back office team – Johannesburg based
  - Two Operations focused individuals and two individuals from Investment Support, who advance the money and make sure the legal elements are taken care of
  - IT general support officers
  - Management and financial accountants
  - Executive Director
  - Head of Consulting Services, acting as the project manager.

### 3.3 Organization & Social

- The project was driven initially by top management, and through collaborative engagement, was accepted by all.
- The project was linked to a roadmap to graphically reflect progress and milestones being achieved.
- Continued leadership communication embedded the goals to be achieved and victories were recognized. Not a single employee resigned due to the project, only through natural attrition was staff lost.
- The campaign was labelled as "not a once-off project, but as new way of doing business, the culture of how we continue to re-create ourselves, be relevant."
- The entire organisation was engaged, ensuring that the campaign to improve the client experience was not a management decision and initiative.
- Management indeed identified the threat of becoming irrelevant, and had to convey that and secure the buy-in at every level from every staff member, that each had a role to play in doing better. This approach further broke down the traditional "us and them" stance where staff regard themselves as an opposing group to management. This campaign enabled unity and was attained by the Chief Executive's continuous, consistent and frequent communication about progress, wins and challenges.

## 5. HURDLES OVERCOME

The challenges and the way in which the team addressed them, including human issues, were addressed through the innovative elements listed earlier.

## 5.1 Business

Early wins: "If we did not have early wins, the adoption and execution of the new process could have slowed down". In the first 3 weeks of the campaign, we concluded a deal in 15 days and disbursed the funds. This proved it was possible, and set a new benchmark.

## 5.2 IT

There was an in-house legacy system that managed the application process. This was inflexible and archaic. Together with the IT team we searched for suitable off the shelf systems that could integrate the application process as well as introduce a customer relationship management element. After an assessment of various CRM software we settled on Microsoft Dynamics. A professional team was engaged to customize and implement the new system and this was done in record time with system go-live on 1 April 2014. Users were trained on the new platform and the transition was relatively painless as the user interface was familiar to all users being Microsoft based.

## 5.3 Organization Adoption

- "We needed to deal quickly with areas of concern as the tendency is to focus on the negative. We engaged on concerns and built it into change management program as burning issues: aligning experiences with the characters in the well-known book by John Kotter - Our Iceberg is Melting. Decisive leadership moved those with concerns along, making it clear that it is not so bad and could benefit you too if you tag along".
- Once the "what-is-in-it-for-me" filtered through via the continued feedback and communication, there was sustained buy-in and support.

## 6. BENEFITS

### 6.1 Cost Savings / Time Reductions

- Application-to-disbursement time was reduced from a six to three months average.
- Costs were reduced by placing the onus of business-case build on the applicant.

### 6.2 Increased Revenues

- Business Partners achieved lending levels last experienced before the economic crisis, increasing revenue by 13.14%.
- Profitability increased by 13.5%.

## 6.3 Quality Improvements

- Clients are more satisfied, contributing to reputational improvement and more business through referral and results.
- Client experience improved, resulting in more applications and in larger funding requests.
- Staff have a clear roadmap on what constitutes quality, client satisfaction and adaptive case management against agreed to performance indicators.

## 7. BEST PRACTICES, LEARNING POINTS AND PITFALLS

### 7.1 Best Practices and Learning Points

- ✓ *Design the improvement project around people, process and systems.*
- ✓ *Be clear about the destination – what are we aiming for?*
- ✓ *Define and obtain leadership buy-in for the desired outcome.*
- ✓ *Design the change management plan (people).*
- ✓ *Engage the team in improved process design, implementation, challenges and victories (process).*
- ✓ *Aggressively follow the change management plan and adjust as needed.*
- ✓ *Align information technology to process and business needs, and ensure people support and uptake for the technology due to it enabling the desired outcome.*
- ✓ *Communicate, communicate, communicate.*

### 7.2 Pitfalls

- ✗ *Project not embraced by all*
- ✗ *No involvement or drive from executives*
- ✗ *Poor communication*
- ✗ *Them vs us mindset*

## 8. COMPETITIVE ADVANTAGES

As a financier of SMEs our success is being able to do volumes at reduced costs which results in greater profitability. The advantage is thus to have standardized processes and systems to ensure that there is quick turnaround. This coupled with trained investment officers and back-office staff is critical.

## 9. TECHNOLOGY

We realized that we needed to be customer centric and thus needed the appropriate systems to assist with this. By choosing MicroSoft Dynamics we were able to implement in record time and ensure early user adoption due to the familiar interface to users.

## 10. THE TECHNOLOGY AND SERVICE PROVIDERS

The process mapping vendor was Pétanque Consultancy – [www.petanque-c.com](http://www.petanque-c.com). They specialize in Process, Change, Business Intelligence and Project Management, making them a full service solution consultancy to take any enterprise from strategy to execution, and beyond. They use image-rich storyboarding techniques to graphically depict strategy and processes. This not only simplifies complexity, but also brings strategy alive to ensure buy-in and comprehension of all involved, regardless of the level of responsibility. Speed, engagement and profit is how clients derive value.

At the initial stages of this project, the VizPro® process mapping methodology was deployed by Pétanque as a key input into the change phases.

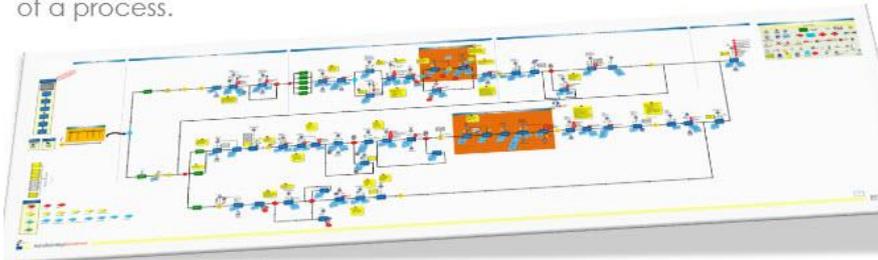
# A Process Map

Describing Reality

Telling the story of exactly how something works, with pictures. That is a Process Map. It is an image rich storyboard that defines and unpacks the detail of a process.

“If you can't describe what you are doing as a process, you don't know what you are doing.”

W.E. Deming



Describing your process is describing your reality.  
Know who needs to do what, when and how.



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# A Process Map

Describing Reality



## How does it work?

A Process Map is developed by talking to the people who know best – the process owners. Through intensive workshopping we ask questions, create debate and draw the picture in real time. It can take anything from a few hours to a few days to complete, depending on the complexity of the process. Printed as an A0 laminated map it can be up to 2.5 meters long.

## What makes this different?

SEEING how things get done in your enterprise is more effective than reading about it. People only remember 10% of what they hear and 20% of what they read, but about 80 % of what they see and do. A visual depiction of your process reality creates an instant common understanding that bridges language, cultural and perception gaps. Our Process Maps ensure that everyone is on the same page, literally.



## How can I use the Process Map?

- To train new employees.
- To create minimum standards.
- Find gaps in a process.
- Search for cost saving opportunities by eliminating waste and duplication.
- Highlight risks and see where KPI's are needed.
- Eliminate bottlenecks.
- Business improvement by starting with the current reality, then enhancing it.

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Change Management formed the framework within which the project was deployed. Although Business Partners managed the change through each of the project phases, the vendor, Pétanque ensured that it positioned its process mapping as a key element to bring about clarity about what change was needed where in which process, who would need to make the change, who would be impacted and what the outcomes of change - as well as no-change -would be.

# Change Management

Looking after your Team

Anticipating the human response to change, to reduce resistance.



Unmanaged responses to change, if left unchecked, can seriously impact and even sabotage change initiatives.

Build change leadership skills and personal change resilience to help people move through the stages associated with responses to change.



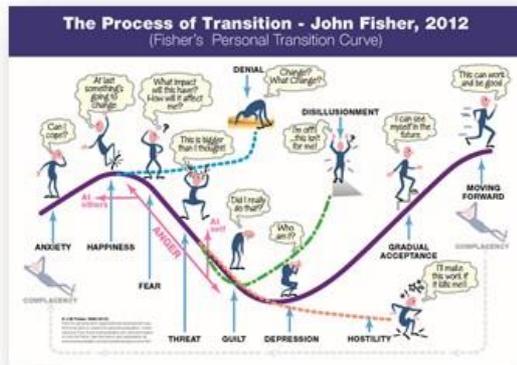
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# Change Management

Looking after your Team



## How can I use Change Management?

Myers-Briggs personality profiling studies find that 80% of people will find change difficult. That means that 8 out of 10 customers, stakeholders and people in organisations will need some change support to successfully make the changes required.

### How does it work?

A Change Readiness Assessment provides valuable information on which to base a Change Management Rollout Plan. This plan integrates the management of team dynamics, mobilising leaders, getting stakeholder alignment and managing the human resources impact.

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