# Managing The White Space

How To Manage The White Space For Business Performance and Productivity

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How to Manage White Space Projects for Business Performance and Productivity

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# Introduction

White space is an area in the business where innovative leaders develop and launch new business models. It is also an area that causes delays in the delivery of products and services.

White space is present in both small organizations and huge enterprises. It arises from dynamic market situations and the newly emerging patterns of consumer activities.

Identifying the white space presents challenges and opportunities to grow the business and to make it stronger. Through analysis and understanding, business managers can turn the white space into a productive area for the organization.

#### Visiting the White space

Working across boundaries defined by departments and functions creates a certain level of complexity. White space arises where poor coordination and lack of accountabilities between various departments exist. White space is that area of business where rules are poorly defined and authorities are vague. There are no clear strategies to follow, and activities are stunted by budget constraints, or a lack of vision and direction by leadership.

In contrast, black space is well-defined with formal goals, plans and budgets. Responsibilities and accountabilities are clear, and key results are regularly monitored. Organizations typically the black space is what is managed well.

White space harbors untapped potential for business growth and renewal. This fuzzy area in every organization can be tapped for innovative business ideas.

Senior leadership have to set aside traditional management tools to explore its potential. Planning, organizing, and controlling activities that work well in the black space are bound to cause project failure in the white space. Managers exploring the potential of the white space must not be hampered by these traditional tools.

Consider the white space as an area where innovation and experimentation reign. Decisions must be quick and unhampered by lengthy management reviews and approvals.

However, any worthy project must not remain long in the white space. Senior leadership cannot allow these projects to run indefinitely. After some time, a white space project must be either moved into the black space or terminated.

#### Managing the White space

White space opportunities often will exist outside core key result areas. Harvard researchers Mark C. Maletz and Nitin Nohria proved this when they monitored the activities of entrepreneurial managers who have tapped the white space to develop businesses outside the core businesses of their companies.

The researchers came up with the three conditions that make operating in the white space advisable.

- 1. Great uncertainty over a recognizable business opportunity.
- 2. Organizational politics.

3. Highly successful black space operations.

#### Great Uncertainty over a Recognizable Business Opportunity

Digital technology has revolutionized the marketing of products and services. It created a white space in the operation of large companies that were not prepared to venture into ecommerce. From focusing on sales in brick and mortar establishments, companies had to contend with the logistics of online sales and marketing.

The dynamic changes brought by the digital age continue to create new business opportunities. Online customer inquiries are sources of potential business opportunities that companies can explore further or ignore. It is in this area that white space opportunities abound.

Innovative leader that focus and understand white space projects see opportunities where traditional leaders may see problems. These leaders outlook leads them to explore business potentials outside their normal functions.

For example, an identified customer need is seen by innovative managers as an opportunity to diversify. Initially, services that are not traditionally part of the company's core business are offered to customers. The service automatically falls in the white space area. Whether it grows and expands into a new business undertaking depends on how company senior leaders react to the white space opportunity.

Uncovered customer needs present opportunities for innovation. Products and services that are outside of the existing competency can mean a new growth opportunity for the company. Senior leaders who encourage their staff to think outside of the rigid controls imposed by company objectives foster innovations that lead to the launch of projects in the white space.

#### **Organizational Politics**

Launch of new projects is hampered by corporate factions. When internal rivalry exists, it can be difficult to create a new team or reorganize the department to pursue a new opportunity that still has to be made viable. Shifting the project to the white space makes this situation workable.

The unclear authorities and vague rules defining the whitespace allow senior leaders to avoid the political maneuvering between competing business groups. The white space project can be kept low key until it becomes viable to be moved to the black space. A similar situation exists in projects that require the involvement of personnel from different departments. When responsibility is shared and the rules are not well-defined, it is difficult to pin down accountabilities.

In some companies, pursuit of new opportunities is made difficult by uncooperative personnel and lack of financial resources. Rather than reorganizing or creating a new team, senior leaders can move the project into the white space. A manager who can inspire his colleagues to contribute can nurture the project, securing resources where these are available. This gives the company more time to assess potential for growth and expansion.

#### **Successful Black Space Operations**

Companies become complacent when the core business is successful. The hazy or unknown white space perturbs managers who feel secure in their comfort zones. In most instances, managers do not want to disrupt the routine that has made the black space productive and predictable.

Hesitation and fear are common reactions to the white space. Managers who have achieved success in well-defined black space projects may be reluctant to put their reputation at stake for an unproven product or business model. Many are not willing to take risks at the peak of their career to gamble in a venture with many unknown quantities.

Successful managers work alongside the company's mission and its vision for the future. They focus on the core company business when formulating management objectives. They hesitate to deal with the white space that can shake the well-defined lines established over long years of operation. New business models and novel ideas make them uncomfortable because these can foster a review of how business is to be done.

New business models are not appropriate for integration in successful black space operations. These are best launched as white space projects under a set of rules different from the ones imposed in the black space.

#### The Challenge of the White Space

Companies cannot avoid the predicament of looking at the white space around them. Managers who bask in their comfort zones cannot afford to ignore the dynamic business changes that can foster future growth.

It is important to know when to shift to the white space areas in pursuing new business ideas. Likewise, it is imperative that business managers know how to manage the white space without affecting the productivity of the black space.

#### Venturing into the White Space

The white space is a difficult ground for managers schooled in the traditional way of doing business. Their skills are appropriate in the black space operations where they have been effective and successful.

The white space requires entrepreneurial managers who make bold ventures in looking for new markets. Innovation is the driving force that makes white space projects successful.

The role of senior company leaders is to encourage and provide support for this new breed of managers who aim for a new business direction.

#### Failure in Managing the White Space

Companies that fail in managing the white space are quick to set aside new activities that add little value to the core business. Without the required resources, fledgling ventures are forgotten or kept in the back burner. No one takes a closer look at these opportunities because the culture that prevails is not geared towards new ideas and innovation.

White space activities are bound to fail even in successful companies. Success from operating in the black space does not translate to similar success in the white space. Successful black space managers are not the best candidates to handle white space projects that demand non-traditional competencies. They will most likely flounder and fail when they insist on employing black space methodologies.

Companies that aim to explore the potentials hidden in the white space must have entrepreneurial managers who thrive in meeting new challenges. These are people who are not boxed-in by the rigid discipline under which successful black space managers operate.

This means companies should actively look for entrepreneurial managers to manage the white space. This can be difficult because entrepreneurs are restless agents who prefer to launch their own business. If some are found among the ranks, the company benefits in nurturing and encouraging them to stay. Thinking out of the box is vital in exploring the white space. It requires a breed of managers who employ gut instincts combined with a keen eye for new business opportunities.

Another solution to address issues in the white space is to foster a culture of innovation and collaboration in the company. White space activities have better opportunities of thriving when senior leaders support these undertakings. Informal efforts can thrive and become viable to be launched as white space projects that senior leaders can supervise without the imposition of black space rules.

#### How to Manage the White Space Successfully

A company that has ventured into the white space must be prepared to meet its challenges.

There are four key challenges in managing the white space.

- 1. Establishing the legitimacy of the project
- 2. Gathering the required resources
- 3. Building momentum
- 4. Methods for measuring results

#### Establishing the Legitimacy of the Project

Strategies in the white space are often unclear. The white space manager operates under a set of rules different from those imposed in black space operations. The project is not formally launched, and only a few people in the company may know of its existence.

A white space project lacks the formal legitimacy of its black space counterpart. It is like a minor project that exists without the full backing of senior leaders. This may be true to some extent, so it is up to the white space manager to prove that the project deserves support.

Creativity and innovation are hallmarks of an excellent white space manager. He knows how to get the leverage that will help him secure resources to fund the white space project. His excellent reputation for successfully achieving business goals can lend an air of legitimacy to any project that he handles.

Some white space managers can bank on their superior technical skills to obtain management support. Others find ways to link the project with the company's core mission. Whatever means are employed to legitimize the project, the whitespace manager must know how to balance his activities. The project must be visible enough to obtain support. However, it must remain low key to prevent black space managers from questioning its informal structure.

#### **Gathering the Required Resources**

Establishing the legitimacy of white space projects can facilitate its funding. However, obtaining the necessary resources to move the project forward remains a hurdle. Managers expect exact numbers and details associated with black space project funding. They will have difficulty in relating with the lack of structure in the white space counterparts.

Resources may come in trickles, or worse, dry up at certain stages. This requires creativity on the part of the key stakeholders, and the project manager to gather funding from unconventional sources and use these for the critical phases of the project. It is critical to the success of the project that the key stakeholder persists in securing much needed funds. Most importantly, he should not focus on what is lacking, but focus on the project using whatever resources are available.

#### **Building Momentum**

Though white space activities are done under hazy or non-existent rules, its goal must be clear. If the project involves a product, prototypes must be available at an early stage to drum up corporate interest. A new service must show cost benefit analysis, or profit loss analysis however meager, to prove that it is profitable.

Proof of returns on initial investment creates the momentum that it will carry the project forward. Traditional management demands tangible proof of the viability of any new business before sinking in more of its resources into the project. Sufficient proof must be established at every stage of the project to ensure that its momentum is maintained.

#### **Methods for Measuring Results**

The key result areas in black space projects are designed to show measurable results at every review stage. This is not applicable in the white space. Until the white space project is at its full blown stage, measuring its progress and profit contributions may be difficult.

Rather than dealing with exact numbers, project managers can relate progress with creative project markers. An example is the number of inquiries from

potential clients. While inquiries do improve the bottom line of the project, it is an excellent project marker.

Challenges and difficulties abound in the white space. Measurements and goals are difficult to quantify. The intuitive grasp of shifting organizational outcomes by the project manager make white space projects attractive ventures.

Leaders that aim to make positive impact in operations have to look into the unknown white spaces. New technologies, maturing markets, and new consumer behaviors are likely to emerge. By initiating white space thinking, they will be in the forefront in responding to the continuously shift in organizational conditions.

#### **Encouraging Support from Senior Leaders**

Start white space projects with a broad strategy. Informal preliminary plans with minimal guidelines are sufficient to launch white space projects. These can be adjusted and made specific over time. The broad strategies guide the white space managers in pursuing their objectives.

Before launching a project in the white space, senior leaders should take some time to assess core business competencies and capabilities. This is best done concurrent with white space mapping activities.

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#### White Space Mapping

Companies have white spaces in the business organization. These areas arise naturally from interconnected functionalities that require various levels of collaboration between departments.

Situations that indicate the presence of a white space area include queries from customers that remain unanswered and low productivity due to the failure of collaborative efforts. A closer look at these situations can show a deficiency in customer support and gray business areas where no one is held accountable.

White space situations prompt an entrepreneurial manager to look for solutions in terms of products or services. The solutions present potential business opportunities. These could have been created by dynamic business situations and the changing preferences of customers. This is one reason why an organizational check for the presence of white spaces is important. Senior leaders are responsible for initiating organizational reviews and white space mapping. Mapping can be done from three perspectives:

- 1. Mapping for external concerns
- 2. Mapping for internal concerns
- 3. Mapping for the future

#### Mapping for external concerns

White space mapping with external focus open opportunities in new markets. This activity can identify products and services that are missing from the core brands offered by the company. The gaps in service lines and the company's existing products are business opportunities for exploration.

For example, if you are in the business of supplying natural essential oils, your sales staff may be receiving queries about oil diffusers. Creating a special diffuser for your oils or partnering with a manufacturer of these devices can be pursued as a white space project.

In externally focused white space mapping, you are dealing with the unknown. You can uncover opportunities for innovative products and services, find a niche with great opportunities, or enter an uncharted territory with great potentials.

#### Mapping for internal concerns

White space mapping to identify internal concerns leads organizations to identify company competencies and capabilities. It enables the company to evaluate readiness level to address business threats effectively. It also shows the company's capability to engage in producing new products and services.

Mapping for internal concerns means taking a closer look at the business organization. Emerging new technologies and the changing pattern of consumer behavior require organizational adjustments. Failure to update to incorporate capability to address emerging market demands lowers the efficiency to counter competitive threats. The company's core competencies do not include the capability to enter new markets and develop new products.

Internally focused mapping identifies organizational areas of concern. A new business model may be necessary to address the dynamic changes in the business environment.

Changing the organizational setup is not advisable if the black space areas are successfully performing. The disruption in black space operations can result to bigger concerns. In lieu of an organizational shake-up, a new business model can be implemented in the white space. This is the appropriate area for handling emerging business concerns and exploring new market potentials.

#### Mapping for the future

Internally focused mapping ushers in future focused mapping. A closer look at the core competencies and areas of business insufficiency produces business insights. Contemplation of these insights by senior leaders provides valuable foresight for future company needs.

Business foresights can be totally different from the current core business competencies. In some instances, foresights can pose threats to the core business practices. These foresights are best applied during strategic planning sessions.

Strategic planning takes the company into the future. Short term strategic plans can be implemented immediately or within 2 to 3 years. Developing long term plans for 5 or more years is also worthwhile. The dynamic market environment may require frequent plan revisions. Nonetheless, these plans are important blueprints because these track the company's path to the future.

Senior leaders can develop various business models from foresights obtained from future focused mapping. Some models can be immediately tested in the white space. More revolutionary models that question core business assumptions can be put to test at the appropriate time.

#### Participation of Senior Leaders in White Space Projects

Once a white space manager has claimed project ownership, senior leaders should cede controls. Progress reports are important and must be adequate to maintain awareness.

Creative markers must be in place to track progress of white space projects. Progress reports can include subjective or analytical descriptions. The white space is not like the black space where the achievement of business objectives is measurable with exact numbers.

Despite ceding controls, senior leaders should keep an eye on white space projects. The white space can be treated as an autonomous area or a business subsidiary where business standards are not applicable. However, it must be supervised to ensure that ongoing projects run smoothly, and white space managers receive the support that they need. Senior leaders can contribute to the successful execution of white space projects in many ways. Nurturing these projects, even informally, is best done in the following ways.

- 1. Provide resources to sustain white space projects
- 2. Recognize white space potentials
- 3. Promote the value of change
- 4. Monitor progress of white space activities

#### Provide Resources to Sustain White Space Projects

Senior leaders must provide sufficient support to keep white space projects going. The white space presents an exploratory opportunity that can be extremely profitable. On the other hand, it may have possibilities but fail to deliver.

Organizational and moral support is as important as providing funds. White space managers work best in a free environment. However, encouragements and insights from leaders who have a broader perspective of the business are important. Besides, the involvement of leadership acts as a reminder to white space personnel that they are accountable for the project and must at least provide progress reports.

The white space project should not suffer from undue difficulties due to lack of support from leadership. However, leaders who keep tabs on white space projects must expressly avoid imposing organizational controls. The correct time to impose clear goals and measurable results to white space projects is when it is due to being moved into the black space.

#### **Recognize White Space Potentials**

White space managers enjoy the freedom of operating outside the organization. This allows them to develop unique plans that do not always conform to the company's norms. However, the white space is also part of the company and requires the same push and encouragement provided to black space managers.

Achievements in the white space must be communicated by leadership to other company departments. This is important because white space managers need the support of other employees. Staffing at the white space is kept minimal, and urgent needs can be addressed by seeking help from other departments. A temporary arrangement can be made for the sharing of resources between white space and black space operations. This must be done with caution because the productivity of black space operations must not be affected.

It is worthwhile to build enthusiasm for the white space by helping it to gain credibility. By communicating the needs of the white space and recognizing its goal of enhancing the company's future business operations, senior leaders can clarify its role in the company.

Maturing white space projects can transfer to the black space to provide new job opportunities. Other white space projects are similarly launched to complete the cycle of development, testing, and possible launch into the black space.

#### Promote the Value of Change

The dynamic business environment is subject to constant change. Companies must be ready to implement corresponding changes in the organization to meet the changing market demands. Clarifying the special role of the white space in the company helps employees understand the value of change.

Senior leadership must maintain a thin line between the black and white space operations. Compartmentalization helps to reduce job stress and anxiety.

Immediate change can disrupt black space productivity. In the white space, new business models can be tested with minimal risk to the company. Routine, productive jobs in the black space must continue to generate healthy business revenues. On the other hand, the experimental and exploratory activities in the white space make the company ready to meet the demands of newly emerging markets.

#### **Monitor Progress of White Space Activities**

Creative markers for monitoring white space projects can be identified during its launch. Though white space managers enjoy a certain degree of freedom, instituting the process of monitoring progress is important.

Senior leaders must stay on top of white space activities by keeping track of ongoing projects. A loose monitoring network can be utilized, such as keeping in regular contact with other managers who provide informal support to white space projects. Information gleaned from these channels supplements information provided in white space progress reports.

#### Moving to the Black Space

It is always difficult to judge the success or failure of a white space project. Some do not directly generate revenues, but help in creating product demands by improving customer relationship. These projects can continue indefinitely in the white space, or terminated.

White space projects that start generating substantial business revenues are valuable business assets. Senior leaders must set a review of these projects to consider transfer to the black space.

A common problem that may arise at this stage is persuading the white space manager to let go. Ideally, the white space manager voluntarily lets go of the project when it becomes necessary to impose well-defined black space business objectives. If this does not happen, senior leaders must step in and make the decision.

Moving the white space project to the black space requires a thorough study. Scaling up can require additional investments. It means business profitability must be evaluated, and black space controls must be imposed. A white space manager who thrives in an innovative and creative environment is not the best person to handle the project. It is best given to a black space manager who is adept at keeping profitability high and production costs low.

Continuing white space projects that generate positive results without draining the section's resources can be maintained indefinitely. These projects may require more time to mature and further revisions in the business model. White space and senior leaders must sit down and evaluate its potential. A joint decision has to be reached whether to continue or terminate the project.

#### **Metrics and Key Performance Indicators**

White space projects are monitored through creative markers. However, when its transfer to the black space is being considered, measurable goals must be established.

To set measurable goals, the Key Performance Indicators (KPI) must be identified. These instruments provide a clear picture of the level of performance and its contribution towards the achievement of the company's key objectives.

Choosing a KPI can be tricky. There are possibly thousands of metrics to choose from, but selecting some that sound great is not a good idea. Chosen KPIs must have attributes that can be linked with the company's strategic goals and objectives.

Monitoring of metrics is important in establishing business trends. However, not all tracked metrics are good KPIs.

#### The Difference between KPI and Metrics

KPI is a metric used to determine performance against business objectives. A metric is any number or ratio, for example the number of customer queries or the ratio of conversion against the total number of customer queries.

The KPI tracks performance against established goals. A metric can become a KPI if it impacts hugely against goals.

Consider the metric examples number of orders and average order value. If your business goal is to increase order value through certain business tools, monitoring the average order value becomes meaningful. An increase in the order value per customer is a good marker and can be a KPI. The number of orders remains a simple measurement or metrics that has no impact on your goal.

Correlating measured metrics with revenues and customer conversions will tell you whether it can be used as a KPI.

#### Attributes of a good KPI

KPIs can be internal or external. The internal KPI is a measurement used within the group engaged in the project to measure their performance level. The external KPI is a measurement that creates an impact on the business goals. To put it simply, the internal KPI is important for measuring the performance level of the team. On the other hand, the external KPI is a measurement of the project's contribution to the company bottom line.

Good KPIs has the following attributes:

- 1. It is measurable. Ensure that there is a mechanism or tool that will provide the metrics that you need. It is futile to choose a KPI when you are still searching for a good measurement tool, even when it relates well to your business goals.
- 2. It has a huge impact on the company's bottom line goals. Know how to differentiate an internal from an external KPI. The internal KPI is important to your team, while the external KPI creates an impact on a higher level. It correlates directly with business profitability.
- 3. It is relevant to the business goals. Measured metrics are relevant to the business. However, not all are relevant to the business goals.
- 4. Measurable in a timely manner. The best KPIs are metrics that you can access in real-time. If it takes months to get the data, you cannot use it for making quick decisions.

#### How to Choose a Good KPI

Do not choose KPIs that are counterproductive or have detrimental impact on operations. An example of a counterproductive KPI is aiming for higher production output as an indication of increased productivity. Production output is dictated by machine efficiency and standard procedures. If the machines are not updated to faster models and the procedures are not streamlined, the KPI is not achievable. A better KPI to measure productivity is lower number of low quality or rejected output for every shift.

In Internet marketing, certain metrics offer good measurement of success and failure. Choose as KPIs crucial metrics that provide information that you can act on immediately to improve your business. The following are examples of good KPIs:

- 1. Conversion rate. If your goal is to increase online sales, the customer conversion rate links directly with your goal. It is the ratio of the number of visitors to your website to the actual number who makes a purchase.
- 2. Visitor engagement. This refers to the amount of time visitors spend on your site. It can include the measurement of the bounce rate and the

number of social media shares. It is productive because of the potential business gain in increasing traffic to your site.

Choosing the right KPI is not easy. The struggle of managers to find appropriate KPIs sometimes results to collection of a vast amount of metrics. As previously discussed, metrics provide a load of information that can be used to develop strategies. However, not all metrics are suitable to be used as KPIs.

To find a good KPI, it is important to have a good understanding of all aspects of your business. From these insights, you can develop your main objectives. You can then choose the metrics that make a direct contribution to the achievement of these objectives, and use these as your KPIs.

The following are good guides for selecting the most appropriate KPIs.

- 1. Translate company objectives into measurable goals. If your goal is to improve customer service, a good KPI is a lower ratio of customer complaints against the total number of customers served within a certain timeframe.
- 2. Focus on the critical metrics. A huge number of metrics is tracked to establish business trends. These metrics provide managers with a good insight on the health of the business. Choose five metrics or less as your KPIs. These metrics must provide the highest contribution towards the achievement of the business bottom line.
- 3. Choose KPIs that make an impact on your strategic objectives. Metrics measure performance for business activities; KPI measures performance against strategic objectives. The best KPIs are the metrics that measure the most important factors that contribute to the success of the business.
- 4. Choose KPIs that are meaningful on all levels of the organization. Financial metrics used as KPIs are the most direct measurement of business achievement. However, these may not be meaningful at all levels of the organization. For customer service personnel, this can be translated into the number of orders completed per day or a reduction in order backlogs, measured as the ratio of the number of orders served against the number of orders received per day.
- 5. Choose KPIs that can be controlled. The department manager tasked with the KPI must have the competence and the authorization to initiate changes that will improve performance level for the KPI. If the KPI is for higher production output, the section manager must have the authority to streamline operations and purchase equipment that will increase productivity.

KPIs are the navigation tools that guide the different sectors of the business to meet company objectives. Performance levels for each KPI can be assessed at any time to check if all sectors are on the correct path. The assessment helps senior leaders to identify areas that need attention, and those that meet or surpass performance goals.

Businesses operating without KPIs are like boats without rudders. The rudders point the ship in the right direction. It is the KPIs that point the company to a successful path.

#### **Performance Improvement Methodologies**

Performance Improvement (PI) refers to the various methods employed by companies to ensure good employee performance. It utilizes tools for analyzing performance problems, and identifies ways to eliminate these problems.

Performance refers to the manner of doing assigned tasks and the results of these tasks compared with pre-set standards. To ensure that employees meet performance standards, companies must ensure that the following factors are in place:

- 1. Employee training. Workers must have sufficient knowledge and skills to do the job.
- 2. Motivation and incentives.
- 3. Clear job requirements.
- 4. Performance feedbacks.
- 5. Comfortable environment and proper tools.

The availability of these factors ensures employee performance, and possibly improves their productivity.

#### **Performance and Productivity**

There is a subtle difference between performance and productivity. Performance is the quantitative measure of an employee's output. On the other hand, productivity is a workflow process for the qualitative and quantitative outputs of employees. In most work situations, productivity is proportional to performance.

The distinction between performance and productivity is important in setting goals. Performance management links employee performance with the achievement of company goals. It creates accountability through the individual employee KPIs that must be achieved to meet company objectives.

#### **Process Improvement Methodologies**

Enhancing productivity results to improved employee performance. Process Improvement (PI) methodologies are employed by companies to identify and analyze standard procedures and workflow. Various tools are used to improve existing processes to improve productivity.

Greater productivity enhances employee performance. Engaging in endeavors that increase productivity improves efficiency. It brings employees closer to their performance goals.

There are many techniques and methodologies that improve productivity. These include quality improvement tools and statistical processes that reduce production cost and improve profitability. Undertaking these endeavors result to more efficient outcomes.

Some of the top Productivity Improvement methodologies employed by successful companies are listed below. Choose one or two of the most appropriate tools for your organization to increase the company's odds in successfully enhancing employee performance.

#### **Process Mapping**

Process mapping is a technique used to study workflow. It provides a comprehensive image of any process from the start until the end of the activity. Process maps show the interconnectivity between departments and highlight how each section affects the productivity of other connected departments. Mapping enables workers to see critical gaps that must be filled up and queues that hold up activities in other departments.

Maps show how events in one section affect process end results. Identification of disconnected structures and missing accountabilities enable workers to fill up these gaps. The outcome of process maps is enhanced teamwork across department boundaries that optimize processes.

#### Value Stream Mapping (VSM)

Value stream mapping is similar to process mapping. It utilizes visual maps that show value streams, the multiple processes involved in the delivery of products and services. VSM maps encompass a bigger picture that includes the strategic views of the process. It is an excellent tool for identifying priorities in the delivery of services. It is also an effective tool in reducing wasteful use of company resources.

#### **Kaizen Events**

This methodology was developed by the Japanese. Kaizen means "to take apart" and "to make good". Kaizen is a tool for eliminating waste in a system or process. When employed over a sustained period, the small or incremental changes that result from Kaizen events can improve performance significantly. The Kaizen Blitz is a cross-functional team activity that involves rapid improvement events to initiate process changes.

#### **5**S

5S is a standardization process in the workplace to create an environment that stimulates productivity. 5S refers to the words Sort, Straighten, Shine, Standardize, and Sustain. Sorting eliminates unneeded items, while straightening creates order. Shine and Standardize are the habitual practices for keeping the workplace clean. Sustain is the final step that promotes a culture of order and continuous improvement.

Implementation of the 5S workplace housekeeping concepts creates organized work areas and reduces clutter. The orderly, clean, and safe environment that results helps in enhancing performance and improving productivity.

#### Six Sigma

Six Sigma employs the statistical analysis of process data to measure and then improve performance. It must be executed by personnel with experience and skills in performance measurement and statistical analysis.

Six Sigma identifies variations in how a process is done. These variations are the usual cause of poor product or service quality and significant delays in delivering services. This five-step process uses the DMAIC methods – Define, Measure, Analyze, Improve, and Control. It eliminates variations in systems and procedures, identifies areas of improvement, and initiates changes to achieve the Six Sigma quality levels. When applied to the process of creating products and services, Six Sigma results to a lean organization with a highly productive workforce.

Other process improvement methodologies work in a manner similar to those presented here. When applied to any organization, these tools can identify the white spaces that cause delays and areas where accountabilities are unclear.

Undertaking process improvement endeavors result to more efficient and highly productive workers.

Enhancing productivity improves performance. The final outcome of process improvement activity is the achievement of individual KPIs that contribute to the success of the company in achieving its business goals.