InZynch™ A Collaborative Effectiveness ROI Case Study.

The Organization:

A 6,000-employee division of a major energy sector company managing offshore drilling and production. The division has 590 people at management levels.

The Pain Points:

Day to day collaboration processes were out of hand, with mid-level and top-level managers spending over 60% of their time attending meetings of dubious productivity, processing e-mails that didn't always seem necessary and dealing with apparently standard operating issues.

The Need:

To formalize and streamline these two key collaborative activities that have a major impact on daily performance, engagement, and productivity, and take them to target levels of effectiveness, efficiency, and integration. This in turn was expected to increase uptime, and day-to-day effectiveness, reduce process cycles and enhance quality of life and engagement.

The Solution Implementation:

The first step was to obtain reliable base data of the current state of the collaboration system, determine the gaps to target performance, and establish the path to full formalization and standardization.

The Initial Assessment on the Effectiveness, Efficiency, and Integration of the collaboration system, which provided the objective data on the state of 12 key collaboration and communication fundamentals against optimal benchmarks.

Once the assessment established the gaps in effectiveness, efficiency, and integration for each process, InZynch advisors drafted the process proposal to close these gaps and reach target collaborative performance.

The plan was approved, it was implemented in a mix of in-person and online sessions.
First, leaders were directly trained by InZynch specialists to ensure their informed performance and effective coaching of their respective teams during the critical implementation stage.

Then the process-specific fundamentals and tools were transmitted to the rest of the organization through webinar-style training sessions.

Throughout assurance stage, the system's operation was periodically audited to detect deviations and ensure their adjustment. Also, as part of the assurance process leaders had access to online help desks and some group coaching sessions with InZynch specialists.

The process took 1 week of audit and design, 3 weeks of implementation and 5 months of assurance. The assurance stage included three Monitoring Audits, process adjustment and permanent coaching and feedback.

The final phase was the company Certification on Collaborative Effectiveness (CEC) for the processes in question. The CEC also requires re-certification every two years to maintain operational excellence.

The Initial Assessment Results:

The initial assessment established the following data for each target process:

Process	Integration	Effectiveness	Efficiency
Meeting operation	0%	12%	67%
Email use	0%	NA	63%

NA = Does not apply for that specific process

As can be seen, the operational state of the collaboration systems presented substantial areas for improvement, which is very much the norm since most organizations don't recognize, much less manage collaboration as a critical operating system.

As mentioned, the InZynch implementation focused on two collaborative processes: Email use and meeting operation.

Impact of Meetings + Email on OPEFF / OPEX

This is a general breakdown of the impact this state of operation was having on Operational Expenses (OPEX) and Operational Effectiveness (OPEFF).

Considering:

- A total of 590 management member of the organization
- 22 workdays - 8 hrs. per day = 176 work hours per month per person = 103,840 total work-hours per month
- Average monthly income per management level personnel, including bonus and perquisites = $8,000 = $45.4 per hour

Impact of Email operation.

- An average of 1.5 hours per day dedicated to processing messages = 33 hours per manager per month = 19,470 work hours dedicated to processing e-mails by the management team.
- Level of inefficient Email messaging detected through the initial assessment = 37%
- Total number of work-hours per month dedicated to managing inefficient e-mails = 7,203.9
- Average, direct economic impact of inefficient e-mail operation = 7,203.9 hours X $45.4 = $327,057.06

Note: This is just direct impact on man/hours, indirect impact in terms of reprocess, adjustment stress, frustration and conflict is not considered.

Impact of meeting operation.

- An average of 5 hours per day dedicated to meetings = 110 hours per manager per month = 64,900 work hours dedicated to operating meetings by the management team.
- Level of ineffective meetings detected through the initial assessment = 88%
- Total number of work hours per month dedicated to operating inefficient meetings = 57,112
- Average, direct OPEX and OPEFF impact of inefficient e-mail operation = 57,112 hours X $45.4 = $2,592,884.8

Note: This is just direct impact on man/hours, indirect impact in terms of reprocess, adjustment stress, frustration and conflict is not considered.

The ROI:

After initial implementation, the Second Monitoring Audit three months into the process provided the following results:

Process	Integration	Effectiveness	Efficiency
Meeting operation	68%	72%	87%
Email use	78%	NA	89%

NA = Does not apply for that specific process

Sample result 1:

A 26% increase on Email efficiency = 5,062.2 monthly work hours saved = $114,911.94 per month.
Note that this is just direct savings and does not consider the additional benefits in terms of time dedicated to value activities, avoiding reprocess, stress and conflict.

Sample result 2:

A 60% increase on meeting effectiveness, leading to a reduction of over 44% on time spent on meetings = 25,129.28 monthly work hours saved = $1,140,869.31 per month.
Note that this is just direct savings and does not consider the additional benefits in terms of time dedicated to value activities, avoiding reprocess, stress and conflict.

After the assurance stage the Third Monitoring Audit provided the following results

Process	Integration	Effectiveness	Efficiency
Meeting operation	92%	96%	98%
Email use	98%	NA	98%

NA = Does not apply for that specific process

Sample result 1:

A final 35% increase on Email efficiency = 6,814.5 monthly work hours saved = $309,378.3.
Note that this is just direct savings and does not consider the additional benefits in terms of time dedicated to value activities, avoiding reprocess, stress and conflict.

Sample result 2:

A final 84% increase on meeting effectiveness, leading to a reduction of over 62% on time spent on meetings = 40,238 monthly work hours saved = $1,826,805.2 per month.
Note that this is just direct savings and does not consider the additional benefits in terms of time dedicated to value activities, avoiding reprocess, stress and conflict.

Total direct positive impact on OPEX + OPEFF / Process ROI

- Total monthly leadership-level hours saved = 47,052.5 = $2,136,183.5
- Total for a 12-month period = 564,630 hours = $25,634,202
- Total increases on team and individual productivity (Outcomes delivered per month) = 48%

Total investment in the process = $90,000

A 2,850% ROI just in the first 12 months.

The ROI is calculated only in direct impact. Indirect impact includes the additional productivity from value application of hours saved in non-productive processes, reduction of stress, and increased employee satisfaction and engagement.