

A Smarter Way to Analyze Your Business

...or any business process, policy or procedure

If you want to know what's really going on in your company (or a client's company) you must first establish a baseline that meets the requirements of the management. That baseline might be industry standards, regulatory requirements, company policies, industry data, established company procedures or simply a mission statement. Regardless of how complex your product or service is your baseline tells the world what you value and, in many cases what the value proposition is if they elect to become your customer.

The first step is to discover what the company's current reality is relative to this baseline. Without the current reality there is really no way to fully understand why specific problems exist. While the "current reality" is an extension of the baseline it is made up of both Electron Mining (Data Mining, Knowledge Mining, Business Activity Monitoring, Analytic Tools and Decision Systems) and what might be referred to as Neuron Mining (Business climate, Processes, Attitudes, Policies, Behaviors, Disciplines and Standards).

When asked, most companies will state that their biggest asset is the **Intellectual Capital** represented by their employee base – but they don't act like it is. They spend millions on the management of electrons (Business Intelligence systems) and very little on the management of neurons (true Knowledge Management). They dismiss the fact that companies are made up, not only of Databases, but also people.

In addition to the technical issues that can cause performance problems, there is always the fact that "on the job" behaviors create performance gaps; gaps that can only be bridged using the insight of the employee base. To effectively use this insight you must gather it properly and have an effective analysis strategy. This strategy often encompasses techniques associated with telephone contact of selected individuals (real people); the obsolete surveying of a portion of the employee base and outdated face to face interviewing of selected employees. Each includes the tasks of recording the results, analyzing those results and finally reporting conclusions drawn from those results. Consensus opinion is that Telephone contact and the traditional "clipboard process" can be much more accurate and credible if the answers to the associated query are anonymous and quantifiable, but this is difficult because the types of questions needed to tap into this extensive knowledge base are opinion orientated.

Web based business intelligence technologies can improve the efficiency, accuracy, consistency and capability of assessments and audits related to your baseline. The trick is to do it right.

The challenge is to ask opinion oriented questions to a group of people that do not realize how their input factors into the larger paradigm. They hold the answers to the problems you have without actually knowing that **they are the answer**. So it is important to placate them by pointing out two very real aspects of the analysis. 1) All their answers are anonymous; 2) They will only receive questions that they should be able to answer (questions that are in their knowledge wheelhouse).

On a larger scale, you need to structure the questions to accommodate the four conditions that are needed to assure the intelligence gathered from a large audience offers collective wisdom - **independence, diversity of opinion, decentralization, and an efficient way to aggregate the results.**

Independence of action and thought is important. If everyone thinks alike, then they're less likely to arrive at a good answer to a given problem, because they're more likely to fall into "groupthink". When people give in to their propensities to conform, the quality of the overall decision suffers.

The use of broad, deep, anonymous surveys (with extensive demographic detail) – assures Independence

Diversity is important to "surveyed groups", because it expands the range of possible solutions proposed. It allows your employees to effectively communicate their detailed behaviors, perceptions, practices, and compliance with established procedures and Best Practices and it assures that everyone does not pick the same answers as everyone else.

Survey the organization from top to bottom (all titles) - assures Diversity

Decentralization allows people to act freely and independently of one another, and still interact to produce coordinated results. It is the key aspect of an appropriate way of running a company using small self-organizing teams. It is good at finding and testing diverse approaches to see, in practice rather than in theory, which one actually works the best. Ultimately, however, the 'best' solutions are not selected by popular vote, but by the aggregate. The system is responsible for taking the results of the decentralized process, and aggregating the information into something useful by selecting the 'best' bits and pieces.

Survey the whole organization (broad footprint) – assures Decentralization

Aggregation of the results in an efficient and confidential manner is essential to gathering the wisdom of the corporate crowd. Even though the assessment complies with the four conditions above, it must still meet perfunctory criteria not necessarily associated with web based surveys. The questions must be parsed to allow every person taking the survey to be totally comfortable that they know the answers to the questions they are being asked. Therefore each person must receive a query unique to his/her knowledge base. A service technician would not be asked the same set of questions that would be presented to the finance managers and vice versa. This prevents people from guessing when responding and therefore eliminates flawed results. Another criteria not associated with most surveys (and specifically not associated with the face to face interview) is anonymity. It is essential that the respondents remain anonymous. This assures honesty. It also allows the respondents the freedom to share their views with no threat of consequence. There have been many causes to long running problems, behavioral reasons for poor execution, sources of customer dissatisfaction and identification of long term risks uncovered because the respondent was able to remain anonymous.

Use an efficient way to aggregate the results of the survey and present those results in terms that are strategic and actionable.

Conclusion

Depending on the size of the company, using the typical methodology (solely an interview based process) can take from two weeks to two months (and sometimes longer). Using a web based assessment that **meets the four conditions** established above and is **designed specifically for companies**, shortens the time and minimizes on-site disruption. When the aggregation and interpretation of answers to questions asked is subjective it is difficult to allow the methodology to be reviewable. The methodology used should offer a statistically sound view of a company's "current reality" with a structured methodology that is consistent and reviewable.

Company assessments should be objective in structure and designed to be smooth and aggregate subjectivity among the respondents. The only approach that offers this characteristic of a desirable assessment is the web-based assessment. The reason is that it is given via survey on the web to a broad base of people not selected for their sameness but for their diversity and relevant knowledge of the issues. There is no (human) interviewer to interact with and therefore no chance of inadvertently biasing or misinterpreting the answers. The scoring is done by using a computer to apply algorithms to the aggregated answers with no chance of error.

Once the assessment is finished, the company should be able to periodically go back in an attempt to find out if the changes they have made to their process as a result of the assessment have helped. If the results are saved, it should be possible to benchmark the company to their previous assessment, a company specific target benchmark or an industry benchmark established through multiple assessments industry-wide. Gaining in popularity is the ability to allow facilities within an organization to benchmark against one another to seek and replicate strengths that might lead to bottom line results. This is best accomplished with quantified responses.

The ability to review aggregated data in a variety of demographic cuts is essential in order to gain broad insight into a company. In addition, the ability to combine and filter demographic entities is also very useful. For example, this would allow a company to view scored responses of all the departments, employees by title and employees by function, customers and even vendors on a particular question. Viewing strengths and weaknesses through the use of demographic cuts of the information provided by the employee base allows the company to establish a baseline for any project that is forthcoming. It also helps establish "Self-Healing Strategies" to share company resources for improving processes.

Companies recognize the shortcomings of not being able to interview a broad base of people for a statistically significant assessment and they know the value of being able to do extensive demographic cuts of the information produced by the survey.

The capability to collect, process, store, display and analyze a large amount of data quickly is essential to analyzing your business and following the prescribed methodology as described in this article will yield the best results.

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