McDonald Consulting Group, Inc.

Charles E. Ackland, FLMI
Marketing Director

Creating a Virtual Model Office

The idea of model offices has been around for a long time. They're usually created for large system introductions so you can test the new system, manage the conversion of data and identify processing and output problems before the new system "goes live." Once you see a model office in operation, however, it is clear there are *or could be* other significant advantages from having an off-line operation where you could experiment with and test ideas. The problem is that model offices are expensive to maintain and they use some of your most valuable resources.

Well, what if you could build a virtual model office?

It would be an easy to use PC program that would allow you to understand and experiment with various ways of doing work. It would instantly give you a numerical efficiency rating or quantify the efficiency differential between different work processes or steps. It could also help you understand where the inefficiencies were in your current work processes.

It would allow you to conduct virtual experiments in transferring work between offices. You could also change job definitions to identify the most effective ways to design various positions. For example, you could test various approaches to or degrees of multi-functional teams before actually making a commitment. It would allow you to play a wide variety of "what if" scenarios and understand which were better without disrupting your regular work processes. It would allow you to design, test and introduce workflow changes that worked well right from the start.

You can build such an office now. It's another use for the interactive computer staffing models that we introduced a while ago. Here's how the idea evolved.

We worked with an insurance company that did their customer work in several branch offices. We helped them design and introduce staffing models to help them manage, plan and control their staffing needs. As you know these models incorporate workflow maps and various workload and other assumptions. These models calculate the number and type of employees needed to do the work in each office.

As we developed models for each separate office it became clear that some offices were either more efficient than others or at least better at doing some things. This efficiency was demonstrated by the number of employees needed to do the work. Offices that had similar work volumes and similar assumptions but needed fewer employees were, by definition, more efficient. Most of the time this increased efficiency was the result of better work processes. These were in fact better or best practices for this company. As we started to identify these "best practices" it became clear that creating a separate "virtual model office" to contain these workflows, etc. would be an excellent way to study and improve the way work was done throughout the whole company.

This analysis was even more insightful and useful as we added some of our "analyzers" to the staffing model so we could track expenses, unit cost changes, seasonal workflow and staffing shifts, workflow volatility, employee turnover and training needs, etc.

In our management consulting practice we help companies with all of the solutions mentioned in this letter. It is why we were created and what we do. Please visit our website (McDonaldConsultingGroup.com) if you want to learn more about our firm.

7701 France Ave. So. • Suite 200 • Edina, MN 55435 • Ph: 952.841.6357 • Fax: 507.664.9389 • E-mail: CAckland@McDonaldConsultingGroup.com