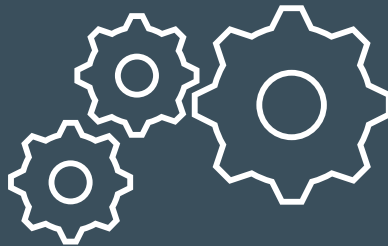


Guideline:

# HOW TO IMPLEMENT A BUSINESS IMPROVEMENT SYSTEM



# TABLE OF CONTENT

Introduction

3

The purpose and requirements of a  
Business Improvement System (BIS)

4

The main components in a BIS

6

How to implement a BIS

7

Summary

9



# Introduction

The business environment is changing. So do the needs, expectations and requirements of customers and owners. In order to handle the total need for change, it is necessary for the business to have tangible mechanisms that ensure that the right, necessary adaptations takes place. We call the sum of all these mechanisms a *Business Improvement System*.

In this guide, we will take a closer look at the content of such a Business Improvement System and how your business can go about implementing it.

We wish you the best of luck!

Best regards,  
Sven H. Danielsen,  
PhD., Black Belt

# The purpose and requirements of a Business Improvement System (BIS)

The purpose of a *Business Improvement System* is to ensure the identification and best possible implementation of necessary strategic and operational improvements. In other words: Contribute to securing today's and tomorrow's competitiveness.

Successful implementation of a BIS does not only contribute to better financial results. It also contributes to increased commitment, increased capacity for organizational change and the development of a culture of improvement.

Let's look at the requirements for a Business Improvement System.



For a BIS to meet the purpose described earlier, specified requirements and guidelines are required for the content, the roles, the responsibilities and what is to be achieved. A proposal is:

1. Everyone should be engaged in the improvement work.
2. The development of BIS must be driven by the line managers and their employees, not by staff or external consultants. Staff can be central architects for BIS and support managers and employees in the implementation.
3. The future state for BIS and the plan for its development must be understood and approved by the management team.
4. Every manager must have goals and a plan to implement relevant parts of BIS in their areas of responsibility.
5. The future state for BIS should include a measurement system that ensures fact-based control of performance in the processes and fact-based, business-oriented prioritization of the improvement work.
6. The plan for the implementation of BIS must be ambitious but realistic. This means that it should be perceived as an accelerated evolution, not a revolution.
7. The design and implementation of BIS must take place in an atmosphere of trust and transparency.
8. Layoffs shall not be a possible outcome from the work in BIS. If layoffs are necessary, it must be handled outside BIS.
9. BIS must include a training program that enables managers and employees to take responsibility and implement in an efficient and good manner.
10. BIS must include all necessary mechanisms that ensure early identification and handling of strategic and operational improvement needs.

# The main components of a BIS



## A training program

The training program will enable managers and employees to take responsibility to build a BIS and execute improvement activities.



## A Business Improvement Team (BIT)

BIT is responsible for developing a design proposal for BIS and a plan for implementation. BIT is also responsible for supporting the implementation and contributing to the follow-up.



## A sub-process in the strategy process that identifies necessary improvement initiatives

The improvement initiatives must be derived from the strategic objectives.



## A method for standardized definition, implementation and follow-up of improvement projects, including digitalization

A practical and pragmatic application of the method DMAIC (Six Sigma) can be used to realize this.



## A structure for continuous improvement that involves everyone

This structure includes linked improvement processes at all levels of the organization. Necessary structures for operational control must also be included. Lean and Agile have best practices for achieving just this.



# How to implement BIS

It is the managers and employees who will implement and then further develop BIS. It is therefore essential that a plan for implementation is based on a solid understanding of the enterprise current situation and the need for change in order to achieve strategic ambitions.

There must be agreement in the management about the need to take action and introduce BIS. Once agreement is reached, the following should be done:

## **1) Top management appoints a Business Improvement Team (BIT)**

BIT must consist of the right people. That is, people who have the necessary skills, will, authority and internal reputation to succeed. The team should be led by the CEO or a senior manager who reports directly to the CEO. BIT must have a clear mandate.

## **2) The Business Improvement Team (BIT) is trained to Green/Black Belt level**

Effective and good cooperation in BIT requires standardized knowledge of the content of BIS and associated improvement methods and tools.

With Green/Black Belt education, the BIT participants lead by example and show the organization the importance of having this competence in order to succeed

## **3) Management is trained to Green Belt level**

It is the line managers who must implement BIS through their leadership. They must therefore be made capable of taking this responsibility. Green Belt competence is a good starting point. An alternative is a tailored management course based on the content of the Green and Black Belt courses.

**4) Management and BIT work together to update the plan for BIS**

BIT is responsible making a design proposal for BIS and the related plan for implementation. Top management reviews and revises the proposal before a decision is made. A communication plan should be closely linked to the progress plan.

**5) Management revise the content of the management meetings**

Follow-up and necessary revision of the plans for BIS must be included as a fixed agenda item in the management meetings. To begin with, it should be done monthly. Eventually, the frequency can be reduced to every quarter.

**6) Management and BIT evaluates and revises the objective and plan**

The perfect future state and the perfect plan for BIS do not exist. Top management and BIR must therefore evaluate and revise the BIS design and the related plans. Input to the evaluation must be collected from all important stakeholders. The evaluation should take place every six months.



## Summary

BIS is a concrete system that consists of processes, roles, methods and tools for identifying, defining and implementing necessary strategic and operational improvements.

**Implementation of BIS is a critical success factor for the enterprise competitiveness and the ability to achieving long-term strategic goals.**

Successful implementation of BIS will not only provide financial results that are noticed, but will also contribute to the building of a results-oriented improvement culture - a culture where the right people thrive - a culture that is attractive to future employees looking for the right employer



**Do you need more  
information?**

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