

This **Insight** is 414 Words.

Reading time: < 3 minutes.

Value: Priceless

## Money Here, Money There

Those wonky wizards at Pfizer have discovered the remedy for one of the most pervasive corporate ailments: squandering valuable employee time on low-value activities. The breakthrough is trumpeted in next month's issue of *Fast Company*, "Pfizer devises a new kind of outsourcing—just for the time wasting parts of your job." Apparently the company found that upwards of 40% of employee time was spent doing "support work" which could be outsourced to India-based companies.

## Our Take

Setting aside the scarier and more puzzling parts of Pfizer's findings\*, neither Pfizer nor the author seem to realize that the core, profit-building breakthroughs happened here on our own shores.

The initial tests of the outsourcing did not work well, according to the article, producing unusable results, incorrect analyses, and poorly constructed presentations. To overcome these problems, the project leader "spent months breaking complex Pfizer projects into repeatable tasks" and implementing a team approach in which a dozen skilled workers were co-located while handling an assignment.

These passing statements reveal the real secret to a dramatic increase in profitability: understanding your company's activities and processes at the granular level of individual components *and* as interdependent pieces which work synergistically to create value. (By the way, this is where the "zoom" in our Zoom Manufacturing program comes from—zooming in to the level of individual tasks and zooming out to the system view.)

It's fascinating that seemingly simple processes could be deconstructed and that enormous value could be created by so pedestrian a solution as seating project contributors at a common location. This is why I can say with total confidence that you, too, have tremendous profit opportunities right under your nose.

Your company probably has dozens of important, money-making processes which have never been examined at the task *and* system

levels. Frankly, most companies do neither. Many of those processes are untapped sources of significant efficiency gains and incremental market share—yes, every one of your processes can and should be tied back to your ability to win more customers.

To mine this gold you needn't head off to the Asian Subcontinent. Follow Pfizer's lead by breaking down even simple processes into granular tasks, mapping the relationships among the individual components and putting in place solutions which leverage the whole system to maximum effect.

By the way, this can be outsourced to a company in the Far East (of Connecticut).

To learn more about converting wasted time and energy into profit-building processes, contact me:

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\*The *Fast Company* author suggests the new model reduces Pfizer's reliance on expensive consultants-- an obvious attempt to write horror non-fiction.

Separately, Pfizer's internal audit found that just over 20% of employee time was taken up by "general admin," which is fairly consistent with the 25-40% admin time we regularly find in our organizational assessments. Yet, none of this admin is outsourced in the Pfizer model which, instead, allows its employees to offload research, manipulating data and creating documents. Call me old fashioned, but isn't research and data manipulation how knowledge is created and doesn't developing a document force the creator to crystallize her thoughts and sharpen her logic?

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