

CASE STUDY

RUSH DRIVES STRATEGIC PROCESS IMPROVEMENT WITH ENTERPRISE BPM

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RUSH ENTERPRISES IMPLEMENTS AN ENTERPRISE BUSINESS PROCESS OPTIMIZATION STRUCTURE TO DRIVE STRATEGIC PROCESS IMPROVEMENT

Founded in 1965, Rush Enterprises, Inc. is the premier solutions provider to the commercial vehicle industry.

The Company owns and operates Rush Truck Centers, the largest network of commercial vehicle dealerships in the United States, with more than 100 locations in 22 states. USE CASE: Business Process Optimization

INDUSTRY: Commercial Vehicle Dealerships

PRODUCTS & SERVICES: Commerical Vehicle Sales, Parts, and Service

LOCATION: North America

SIZE: \$4.2B

FACILITIES: 100+ locations in 22 states

EMPLOYEES: Approx. 6,300

STRATEGIC PROCESS IMPROVEMENT

THE BACKSTORY

Enjoying a very favorable period of rapid grown in recent years, Rush Enterprises boasted the largest network of commercial truck dealerships in the US. However, the favorable winds of rapid growth often carry with them some common challenges, especially when acquisitions are involved. These challenges include maintaining consistency in execution across the enterprise, and orchestrating seamless changes to improve process efficiencies when needed.

Sustained periods of rapid growth accompanied with significant and accompanying

changes in various IT solutions can "complicate employees' work lives and affect our ability to ensure a consistent customer experience across a large network of locations." In circumstances such as these, employees can find themselves spending greater amounts of time firefighting rather than working on sustainable process improvements.

Recognizing these challenges, Rush's leadership team foresaw the need to establish an enterprise focus on business process management (BPM).

Rush decided to implement an Enterprise level BPM organization that would feature four small teams of fully dedicated internal resources (essentially an internal BPM consulting group) each aligned with a major business segments (value streams) – e.g., Vehicle Sales, Vehicle Parts, Vehicle Service, Corporate– and each BPM Team was then laser targeted on a prioritized set of process performance challenges.

GROWING PAINS

While universally welcomed, periods of rapid growth often place stresses on the most organizations that must be managed with effective business transformation strategies in order to avoid chaos, and to drive sustainable process improvements.

The work of these BPM Teams would be tightly synchronized to establish clear process ownership, and ensure alignment of interdependent efforts across the enterprise.

LAUNCHING THE INITIATIVE

They say "timing is everything," and such is the case here. Right as John Gellhausen, VP of Business Process and Planning at Rush, was drafting his plans for setting up this BPM group, he accepted our invitation to participate in Akili's 4-Part Webcast Series on Business Process Management; "<u>What Executives Need To Know About BPM.</u>"

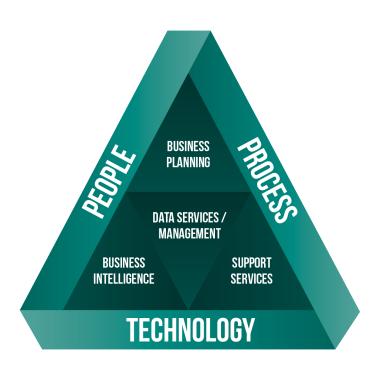


FIGURE 1: AKILI'S HOLISTIC IMPLEMENTATON MODEL

Short-story version, based on very positive assessments of Akili's expertise and approach in this discipline, Rush ultimately contracted with Akili to assist them in launching this BPM initiative through our BPM Enablement Consulting Services.

We facilitated the 3-Day Project Kick-Off Workshop in order to begin the process of creating a sense of team with the new members of this BPM group. The workshop covered an introduction to BPM and Organizational Change Management (OCM), with an additional focus on the success principles of High Performance Teams. BPM & OCM are simply labels for a crucial set of activities embedded within Akili's proven Holistic Implementation Model (Figure 1) which emphasizes a balance of focus on the

People, Process, and Technology elements that are required to ensure the success of all business process optimization initiatives.

BPM ENABLEMENT - COACHING & MENTORING THE BPM TEAMS

We believed that the best way to teach and train the new BPM Teams in business process improvement was the tried and true model of Tell, Show, Do, Review on a live piece of work. We first came to agreement on three business processes we would target during this project; one from each of the first three BPM Teams.



On the first go-round, we introduced our proven Process Optimization Methodology (Figure 2) to Rush's BPM Teams as part of the Tell step of the training for the discipline required to perform process optimization work. Akili then took the facilitation lead, and all four of the BPM Teams participated side-by-side in a collaborative and highly interactive group learning experience as part of the Show step of the training. Rush's BPM Teams would adopt this methodology as the standard best practice for the new organization.

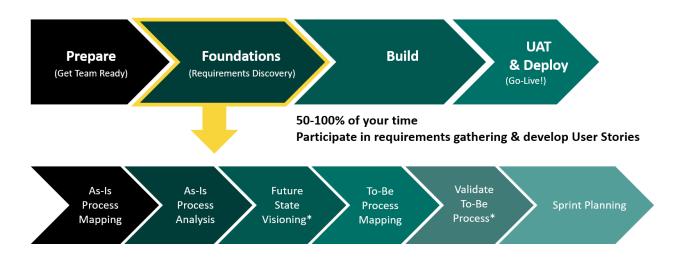


FIGURE 2: BUSINESS PROCESS OPTIMIZATION METHODOLOGY

This methodology contains a robust set of tools and templates for each of the steps noted in the graphic above.

On the second go-round, the BPM Team members assumed greater Do accountability for the creation of the artifacts, and the Facilitators role as opportunities presented themselves. By the third go-round, the Continuous Improvement Specialist on the BPM Team assumed full Do responsibility for facilitation, analysis, and documentation tasks as Akili stepped to the background providing coaching and guidance as needed.

This OJT approach provided quick and practical exposure to the development of the critical artifacts of process optimization, coupled with frequent Review sessions, helped them transition to the ownership role for the process improvement work going forward. We also made adjustments to the standard artifacts in order to adapt and customize them according to the BPM Teams business needs.





Along the way, we also identified a few Quick Hit process improvement opportunities that the BPM Teams were able to move to implementation. We also worked to establish and launch the BPM Councils. These BPM Councils were aligned to the business value streams, with the BPM Teams, in order to provide critical Dealership input and feedback on process improvement opportunities, prioritization, user testing, and change management. They consisted of key players representing various roles from across the Dealership network to ensure a robust Voice of the Customer (VOC) culture across the board.

A HOPEFUL FUTURE

By the conclusion of this engagement, Rush's BPM Teams had already accomplished some of the strategic objectives set for their new BPM organization, and felt confident the others were now within their reach. Those objectives were:

- Establish a sustaining level of expertise and discipline in business process management
- Align process improvement efforts with Rush's strategic initiatives
- Foster a continuous improvement culture
- Ensure a consistent customer experience across the network
- Improve the quality of work life for all employees.



Armed with this new capability, Rush Enterprises is well positioned to drive business process optimization projects that will also ensure a greater degree of organizational agility. That agility will enable them to be more responsive to ongoing demand for process adaptation in a rapidly changing and highly competitive market.





processes, Akili was brought in to help challenge

and launch our BPM Team. The techniques and tools

brought by Akili were critical in establishing our

foundation for future success."

JOHN GELLHAUSEN, VP BUSINESS PROCESS & PLANNING

ABOUT AKILI

Akili (pronounced (uh • k ' • l) meaning "Knowledge" in Swahili) is a business management and technology consulting firm founded in 1992. Our core purpose is to assist our clients in improving the performance of key business processes through a holistic approach to process optimization that delivers solutions with a balanced focus on people, process and technology opportunities.

Akili delivers industry-focused solutions for Global 2000 companies. Akili's consultants have functional and technical expertise, project management skills, solution architecture, application configuration, data management, integration and training skills.

Whether clients are looking for an on-premise or a cloud-based solution, Akili can deliver the best combination of technology and consulting to ensure our client's business objectives are met.

> Akili is headquartered in Dallas, with locations in Houston and Denver. Our clients span the continental U.S.

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