Taking control of process performance with QPR ProcessAnalyzer

Kemira uses QPR ProcessAnalyzer to identify development areas in their process performance and follow benefits from improvement activities

QPR Software and Kemira have cooperated for several years in process development and data driven process analysis. This has resulted in a close relationship where layers and layers of data have been peeled off to reveal the true reasons behind process deviations.

Kemira has the great advantage that from very early on they've understood that in addition to the right tools, you must have the right people and solid expertise. This way, they have been able to effectively analyze what the tools really reveal. The company has a diverse product line, and thus processes can look very different from one another. It is thus important to understand where to focus the analysis and narrow it down to make the correct interpretations.

Backing assumptions with data

In 2015, analysis focus was directed to the Purchase to Pay and Order to Cash processes. In Purchase to Pay the goal was to verify Kemira's understanding of where the process needed development. As the work advanced, KPIs for the process performance were also defined.

Typical of large companies, Kemira already had an understanding of the development areas in their Purchase to Pay process. To test and verify their hypothesis, data-driven process analysis was started with the QPR ProcessAnalyzer standard solution, which was then customized according to Kemira's purposes and goals. The work was done in close cooperation with project teams from Kemira and QPR in addition to other Kemira stakeholders. This proved to be the right way to maximize the benefits from data-driven process analysis to Kemira.

kemira

Customer name
Kemira

Website
www.kemira.com

Country
Finland

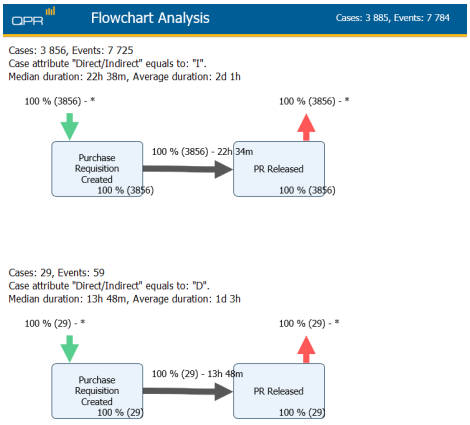
Industry
Chemicals

Challenge
Identifying and creating meaningful process KPIs for process performance and continuous process improvement.

Solution
Data-driven process analysis with QPR ProcessAnalyzer

Methodology
Process Mining

QPR products used
QPR ProcessAnalyzer



Creating meaningful process KPIs through targeted analysis

From the analysis point of view the Purchase to Pay process was divided in two – "from Purchase requisition created to Invoice posted" and "workflow for Park or Post Invoice to Invoice Posted". Below are some examples of KPIs created in both areas. These KPIs are continuously monitored to ensure that development initiatives have been targeted correctly and that the operational changes are resulting in expected benefits.

From Purchase requisition created to Invoice posted	Workflow for Park or Post Invoice to Invoice Posted
Durations: • From Purchase Requisition created to Purchase Requisition released • From Purchase Requisition released to Purchase Order created • From Purchase Requisition created to Purchase Order created	• Percentage of how many cases go directly from Park or Post to Invoice posted
Rules: • Purchase Order created before PR or PR released • Goods Receipt before Park or Post • Invoice existing before PO created	Rules: • Goods Receipt before Park or Post

As mentioned before, Kemira had an assumption about the deviations in the Purchase to Pay process. Kemira's understanding of their processes is very mature, which is indicated by how well the assumptions match reality in many areas. However, the surprise was the frequency and amount of process deviations. For example, Purchase Requisitions for certain material groups should ideally be created automatically based on suggestions from Material Management. In reality, this happened in only a part of these cases.

Another one of Kemira's goals is that all Purchase orders would be based on a Purchase requisition. However, many of the Purchase Requisitions – manual or automatic – are deleted before a Purchase order is created. In the end, the amount of Purchase Requisitions ending up to become Purchase orders is well under 100%.

"Initially QPR ProcessAnalyzer was used in Kemira's Purchase to Pay process to analyze if our assumptions were correct. Base on the findings we have initiated several projects to improve performance. Currently we use the tool to follow up on development and achievements based on the changes made."

Wolfgang Högbart, Purchase to Pay, Kemira

With QPR ProcessAnalyzer it is easy to compare the performance between different locations. Kemira has been able to discover where processes are performing the best and where they have most improvement potential. The expertise of Kemira's own people has played a crucial role in understanding how, for example different products and production methods affect the processes, and what best practices could be shared within the company. Further still, quick wins have been available, for example in identifying where master data need to be updated to reduce or avoid manual work.

Continued success with QPR ProcessAnalyzer

As a whole, Kemira has been able to prove their assumptions of process bottlenecks. The company has been able to improve process performance and to identify and share the proven best practices within the company in order to better plan and harmonize their operations. Kemira continues to use QPR ProcessAnalyzer to further improve their performance.

About Kemira

Kemira is a global chemicals company serving customers in water-intensive industries. In 2016, Kemira had annual revenue of around EUR 2.4 billion and 4,800 employees. The company focuses on pulp & paper, oil & gas, mining and water treatment to best improve their customers' water, energy and raw material efficiency.
www.kemira.com

About QPR Software

QPR Software Plc (Nasdaq Helsinki) provides solutions for strategy execution, performance and process management, process mining and enterprise architecture in over 50 countries. Users of QPR Software gain the insight they need for informed decisions that make a difference. With 25 years of experience, 2 000 customers and over a million licenses sold, QPR's products are highly regarded by industry analysts and customers alike.
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