



Digital Transformation with Process Mining

Case WD-40

Transforming your business and preparing for growth often requires new systems and digital platforms, and essentially, an examination of how well your business processes work. However, if you lack fact-based insights into how your processes work, you will undeniably run into problems when migrating into any kinds of new systems - or trying to convince your colleagues that these kinds of changes add value in the first place. In this case study, you will find out how Process Mining with QPR ProcessAnalyzer helps enable successful business transformation through the story of global manufacturer WD-40.

Introduction

Preparing For Growth

Although new systems are advertised as a solution to a variety of problems in a business, the reality is that they often add complexity and highlight process weaknesses that you had been blissfully unaware of.

The bottom line is that you will not benefit from any new system if you are trying to integrate bad processes into it. Integrating bad processes will unarguably reduce not only the effectiveness of the new system but also the features that it could offer.

Moreover, proving that a new system adds value compared to doing things the old way is often a challenge for those in charge of implementing the new systems or overseeing the processes.

In this case study, you will find out how Process Mining helps ensure successful business transformation and straightforward decision-making.

With the help of our partner JPGAL, global manufacturer WD-40 decided to turn to Process Mining when they were preparing for growth: planning to implement a new web platform and migrating to EPICOR ERP.

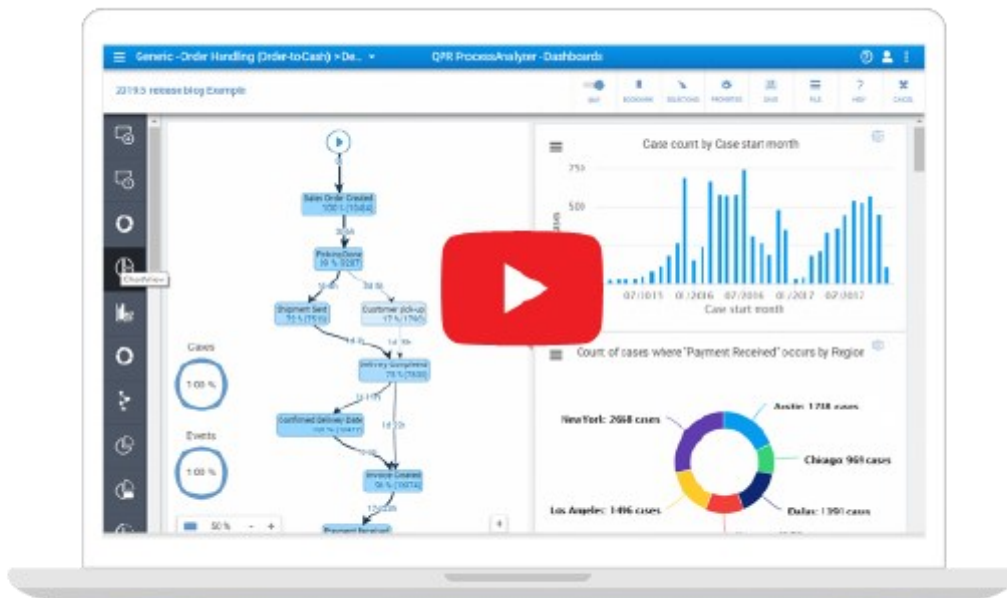
- **Implementing a new ERP system and web platform**
- **Optimizing their sales and purchasing processes**
- **Backing up all decision-making with facts brought to life by Process Mining visualizations and analyses**

Introduction

Process Mining – what is it?

Process Mining is a new way to analyze a variety of business processes. Process Mining software use AI and Machine Learning algorithms to draw data directly from IT systems (such as ERP, CRM and BPM systems) and then continuously visualize and analyze process flows that take place in organizations.

By using the leading Process Mining software, QPR ProcessAnalyzer, you get a holistic view of your processes - including all the bottlenecks, inefficiencies and variations. At the same time, you build the courage to make the right decisions, based on facts.

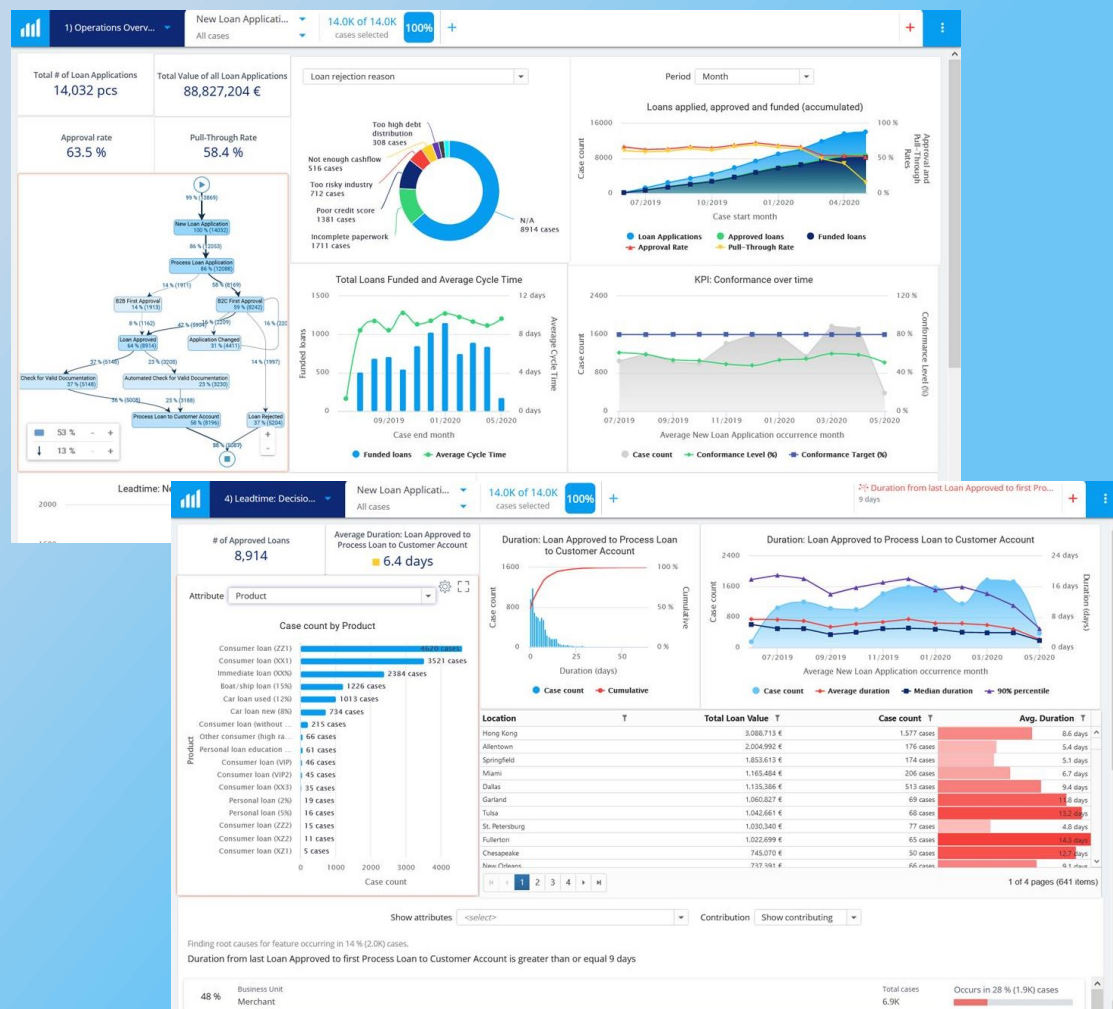


Process Discovery

See how Process Discovery works in less than 3 minutes.

Process Discovery is the essential first step in any Process Improvement or Robotic Process Automation project.

QPR ProcessAnalyzer



JPGAL uses QPR ProcessAnalyzer because it contains:

- The most comprehensive set of ready-made process mining charts for a variety of use cases and processes
- RPA, Digital Transformation, Auditing and Compliance, and more
- Currently used in 70+ processes including PtP, OtC, Logistics, and more
- The industry's leading Root Cause Analysis: integrated with all other analyses
- Enterprise compatibility, security, and flexible data collection

Three Types of Challenges

1. Proving value of work and changes done

When migrating to EPICOR ERP a few years ago, WD-40 brought in JPGAL to build customized micro-level solutions for different geographical areas, to ensure compliance with country-specific legislation.

JPGAL was asked to digitize as many ERP based processes as possible.

However, JPGAL that in order to prove the work delivered was effective and value-creating, a new form of analysis was required.

From the analyst point of view, they needed to understand which processes should be changed, and where value could be added by making changes to them.

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Three Types of Challenges

2. Debate over new web platform

There was an ongoing debate concerning the need for a new web platform, where different units did not agree on its' need and use case.

A new web platform did not fit some business units' strategy, but the IT department thought it was needed.

JPGAL felt this technology could have benefits, but the new platform was discounted as a credible solution due to pre-conceived ideas about use cases for web shops.

Certain departments needed to be educated about use cases for web shops.

This information had to be based on facts, not guesses.

Three Types of Challenges

3. Changing sales and purchasing processes

JPGAL found it hard to educate end users on the types of practices that were negatively impacting the happy customer flow.

For instance, certain processes are in fact easier to administer if process flexibility is reduced, saving time and producing more consistent results. However, this needed proof.

Moreover, the number of tasks and changes being made manually to processes, together with the influence of these steps, was impossible to discover using traditional methods.

JPGAL needed fact-based proof in order to educate people about the impact of their actions on the process.

“Trust is key. When managers ask: “Are you just making these numbers up?”, Process Mining shows them that the numbers are not made up and allows you to investigate all angles of everything.” -John Gilmartin, JPGAL



Solution

Since 2017, JPGAL has used Process Mining for various scenarios at WD-40:

- **Monitoring the performance and value of automation**
- **Exploring problems and their root causes in e.g. purchasing and sales processes**
- **Setting up an automated purchasing system based on stock levels and sales data**
- **Exploring together with different managers their respective processes**



Creating a Frictionless Sales Process

When JPGAL used Process Mining on the current sales process, they started by identifying areas with process risks and flows with lots of manual steps.

These kinds of manual actions and risks are often hard to control from a management perspective, but Process Mining helped managers at WD-40 identify root causes for them, and, consequently, decrease risks.

Moreover, Process Mining was used to analyze sales categories and prove their value. JPGAL was able to show how certain sales categories would translate to digital processing by demonstrating the sales flow for smaller quantity, higher frequency sales.

This smaller quantity, higher frequency sales model highlighted the importance of simplifying the return process, which would be an important part of preparation for growth in sales volume.

**With Process Mining,
JGPAL was able to prove
that WD40 could achieve
9 % more frictionless
transactions with a web
platform.**

“Decisions are made much easier when the data is presented in a visual way. We can get to the right questions sooner and dismiss anomalies that don’t warrant further analysis. Gaining immediate insight is a real advantage for a fast-growing business with ever-changing markets.”

-Jonathan McCoy, IT Director at WD-40



Optimizing the Purchasing Process: Getting Rid of Rework

Process Mining was also used when transferring to an automated purchasing process, which measures stock levels and suggests when you should purchase more based on sales.

JPGAL analyzed how many changes were being made to purchases manually and how many tasks there were. They were able to demonstrate that if the purchasing professionals did less work, it would in fact create a better flow of transactions in the process.

They could highlight how all the repetitive tasks, purchasing changes, mistakes, and adjustments were creating considerable amounts of rework and a negative business impact. This insight proved that they should try to slow people down and get them to be more thoughtful in their actions, so that they only need to check once instead of many times.

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The Best Value of Process Mining? Responsive Visualization and Trust.

What managers and end users that JPGAL worked with found most valuable was to visually investigate the process in QPR ProcessAnalyzer – looking at the process flow, trends, and even drilling down to individual transactions.

Together, the managers and JPGAL could open the model and investigate any part of the process and flow, which is far more valuable than a fixed model that does not move or let you inspect different angles.

Moreover, unlike with traditional BI reporting, you cannot cheat a dashboard and get around bad processes, which creates trust in the findings from the Process Mining analyses.

“With QPR ProcessAnalyzer, you see the flow and the process in action, as compared to traditional BI reporting. A KPI can be very two-dimensional. Process Mining is the flexible bit that first explores, and after that, you can use the KPIs to monitor and report how things went.” -John Gilmartin, JPGAL

Looking for more information?

Check out upcoming Process Mining events and webinars:

- [QPR events](#)

Questions?

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Dare to improve.

QPR ProcessAnalyzer
Discover. Optimize. Automate.

