

Professional Services

GAP Analysis

LOGICDATA[®]

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LogicData Professional Services

The GAP Analysis, or post implementation audit, is equally as important as any other phase of an implementation, but is often skipped or seen as unnecessary. An audit is simply a review, assessment, survey, or continual improvement program. An audit can be performed after training, data conversion, cut over, 2 to 3 months after go-live or anytime you want to improve system usage and procedures.

Purpose of an Audit

The GAP Analysis provides us with an opportunity to see where the implementation ended up once the dust settles a bit. It is very difficult to judge how well an implementation is going during the implementation; emotions are high, people are tired and working very hard, change is rampant and it can be difficult to tell the difference between chaos and controlled change. The GAP Analysis provides a formal review of the implementation and bring closure to the initial start-up phase of the continuing cycle of implementation. It will provide a scorecard to help you determine if the business and management objectives of the company have been reached. Most importantly, the GAP Analysis provides direction for where the implementation process needs to go next.

Other purposes of an audit are to

- Ensure proper execution of key business processes
- Measure user understanding and competency
- Identify areas of conflict and improvement
- Establish performance measurements against business goals
- Provide direction to “Plan Forward.”

When to Audit

There are several key times to schedule a business system or business process audit. An audit can provide a perspective for where the company stands currently in regard to systems usage. It can also provide a plan for what needs to be done in order to get to where you want or need to be. Lastly, an audit can provide the political leverage needed when there is new management, or to lay the groundwork for new initiatives and programs.

Schedule an audit anytime you have these situations in your business.

- After any major phase of an implementation
- Before or after significant system upgrades
- Before or after major business changes
- Before or after mergers or acquisitions
- After high levels of staff turnovers
- Before large staff expansions
- Conflicts between departments or responsibilities have developed
- Before writing procedures if you never had written procedures before
- Annual or semi-annual checkups.

The Auditor

Definition of an Auditor

“Someone who goes in after the battle and stabs the wounded.” – Author unknown

Our auditor is not as colorful or gruesome as the one described above. The auditor can be an internal person, such as the team leader, IS Director or an external resource such as a consultant or accounting. There are pros and cons for each. Whichever is chosen, it is critical that the auditor knows your business processes and the applications being used. (Figure on next page)

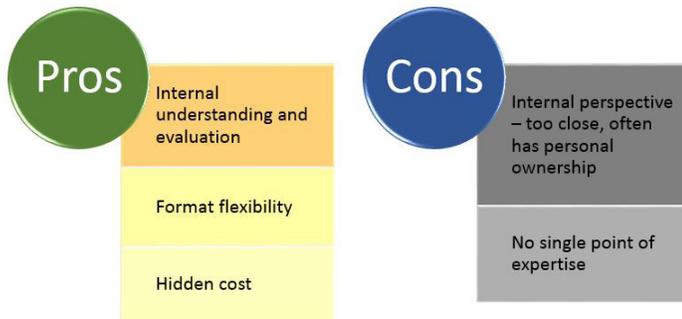
Audit Areas and Topics

We recommend auditing in five basic areas.

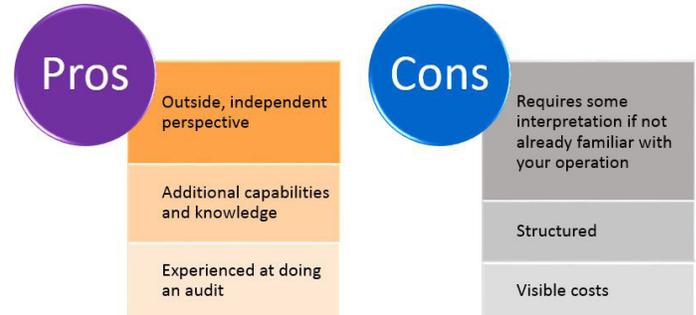
- Business Processes
- Operational Personnel
- Information Management
- Additional Functionality, and
- Future Direction

These areas can be audited simultaneously, however, the Information Management area audit should be done on an almost continual basis. Remember that the purpose of an audit is to gain information and provide direction, not find fault and get people into trouble, nor is it a training or support session. There are specific topics and goals for each area being audited. Here are the typical things we look for in the audit:

Internal Resources



External Resources



Business Processes

- Measurement and discussion of business objectives
- Assessment of business goals that drove the acquisition of the new software, system or program
- Data accuracy
- Data usage
- Existence, use of and accuracy of current procedures – written and verbal

Operational Personnel

- (Managers and end users are queried and observed on the same basis in this area)
- Does staff have an understanding of processes and responsibilities?
- What are their “perceived” key requirements for success?
- What is their feeling of control over the system?
- What is their feeling of expertise in regards to the system?
- What is their understanding of the integration of the system?
- Evidence of continued skills development.

Information Management

- System performance – is it satisfactory at a server level, client level?
- System maintenance
- Data archival – Server and client
- Continued skills development

Additional Functionality

- SyteLine or third party integration – is it working?
- What additional capabilities or solutions are needed?
- To achieve goals of management and user community is it time to look at additional modules, custom programming, and or third party software.

Future Direction

- Where do we need to or want to go?
- How do we get there?
- What tools shall we use; do we have them, where do we get them?

Audit Process

The audit can be one or a combination of methods. You need to determine the method and process which is best for the circumstances at hand. It is not uncommon to use all of the below described tools in the audit process. So long as you come up with a statement at the end of where we are, where do we want to be, how do we get there; the process is just a means for achieving that end.

Strategic Direction

Is it best to go about the audit in a pointed manner, meaning you know exactly what area of the business needs to be reviewed. Or, is a general or exploratory audit in order because you want “everything” looked at? Obviously the exploratory audit will take longer and cover more ground. If you are on a tight schedule a series of pointed audits may better serve your purposes.

Interviews

Interviews are one of the best fact finding tools around.

Common interview types used are

- Written surveys of functional areas with person-to-person follow up
- One-on-One interview
- Department or functional area group
- Cross functional (implementation team, steering committee).

A combination of written surveys followed by one-on-one or group interviews is often best. It allows the subjects time to frame their answers and is a less confrontational process. It also provides the auditor with insight to the skill levels, understanding, and vocabulary of those he will be auditing.

Self Audit

One of the simplest forms of audit is the self-audit. Simply ask yourself or a co-worker

“How are you doing on this?”

“What can be done to make it better”.

You might be amazed at the amount of improvement and useful suggestions that come from that simple act. Self-audit is good for continual improvement but may not cover the scope of change needed and does not always have an unbiased opinion.

Executive and Managerial

Audit activities involving executives typically revolve around things such as long and short-term goals and plans, critical business issues and performance. These sound like difficult things to audit but if you take it down to a quantifiable level these can be very normal things to audit. Rather than making statements like “We feel we should be running faster”, or “We need to make more money,” you need to state “Users will be able to obtain the data required to do their job in 45 seconds” or “We will have visibility of costs.”

This is something that can be measured and tested; it has a concrete value. Frequently a company’s mission statement can provide the starting place for a managerial or executive audit. Question “what critical areas, if managed properly, in your integrated business system will allow you to meet or exceed your business goals?”

The facts discovered and disclosed in this phase of the audit will greatly shape the outcome of the audit and the recommendations the auditor makes for future activities and changes.

End User

Audit activities involving end users focus on determining the end users understanding of the system needs to be determined. This includes their understanding and ability to navigate through the system, understanding of the function and responsibility they have, and understanding of the “flow” of the data. Are users able to retrieve data from the system, do they understand the fields on the screen and what it is telling them. Can they print reports, run a query, do an activity or utility? A quiz, direct observation, interviews or any combination can assess these skills.

End Result

The end result, or deliverable, of an audit should be a current assessment of operational status, an understanding of business objectives and requirements, identification of current problem areas, and a plan of action. Without a plan of action, the audit was an exercise with the intent of stabbing the wounded. A post audit plan should include recommendations for training, procedural changes, staff changes, recommendations for new or different hardware, software, programming, and it should recommend an audit at the end of the cycle. Remember that the GAP Analysis process is just a step in the process of growth, change, and improvement.