



## White Space Revisited: Creating Value Through Process

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Jossey-Bass  
\$48.00 251 pages

### Reviewed by Paul Harmon

In 1990, after decades of work helping companies improve their business processes, Geary A. Rummler joined with his business partner, Alan Brache to publish *Improving Performance: How to Manage the White Space on the Organization Chart*. The book proved a seminal event in the development of the business process movement, still sells, and is often known as the “white space” book. The “white space” referred to in the title is the space between the departmental silos one finds on any organization chart – and the way one manages them is by defining business processes that flow across the various silos to produce and ultimately sell the organization’s products and services.

This new book was written by Geary Rummler, his long time colleague, Alan Ramias and his son, Rick Rummler over the course of the past two years to provide an update on what they have learned since the first book was published in 1990. Given Rummler’s importance in shaping the thinking of so many, this publication of this update will necessarily be a major event.

I was able to see a copy before it was published and was happy to write a foreword. Rather than write a conventional book review, I am taking the liberty of reproducing a portion of my foreword.

Businesses have probably been trying to improve processes for as long as there have been businesses. One imagines that ancient Egyptian pottery shop owners worried about how to make their pots, faster, better, and cheaper. Systematic efforts at business process improvement are usually thought to have begun when Fredrick Winslow Taylor, published his best selling book, *The Principles of Scientific Management*, in 1911, just about the same time that Henry Ford was revolutionizing manufacturing with his ideas about a continuous production line.

Throughout the early half of the Twentieth Century, industrial engineers carried the torch for process improvement and often met at annual Work Simplification conferences. In the years following the Second World War, process work really came into its own. Factories in Asia and Europe had been destroyed in the war and needed to be rebuilt from scratch and everyone wanted to be sure that their new factories would be as efficient as possible. Quality control engineers like Edwards Deming and Joseph Juran played a major role in helping companies design efficient processes. In the Late Eighties a group of people at Motorola combined process work with quality control techniques to create Six Sigma, a popular approach to improving the quality and consistency of processes. In 1990 James Womack, Daniel Jones and Daniel Roos wrote *The Machine That Changed the World* which reported on the huge strides that Toyota had made and coined the term *Lean*.

In a similar way the rapidly evolving field of computing led to massive and wide-

spread changes in the way business processes were organized. Companies began to use computers to automate their processes in the Sixties. In the Eighties, with the introduction of the personal computer, automation became available to managers and office workers. In the Nineties gurus like Michael Hammer, James Champy, and Tom Davenport urged companies to reengineer their processes to take better advantages of the improvements that process-oriented computer systems could offer.

In addition to the gurus in the quality control and automation traditions, there have always been process advocates among business management theorists. Michael Porter, for example, is known for his work on strategy and value chains and James Heskett has led everyone in a reevaluation of how organizations relate to employees and customers. The leading guru in the management tradition, however, was Geary Rummler.

Dr. Rummler began his career in Michigan in the Sixties. He earned his MBA and his doctorate at the University of Michigan and proceeded, over the course of the remaining decades of the Twentieth Century, to elaborate an integrated methodology for improving processes in organizations.

In reality, Geary Rummler never focused on processes, as such. Instead, he focused on corporate performance and on how companies could be organized and managed to produce superior performance. When I think of Rummler's impact I usually think first of his performance matrix which is pictured in Figure 1. More than anything else, the matrix suggests the scope of Geary Rummler's vision. He imagined an organization comprised of three levels – one concerned with the organization as a whole, one concerned with the specific processes the organization used to accomplish work, and one focused on the concrete activities that people and systems performed. At each level he assumed that organizations would define goals and measures, create designs for achieving their goals and measures, and establish management practices that would assure that the designs achieved the desired goals and measures. Thus, although process was extremely important to Rummler, it was always just one part of a comprehensive approach to performance improvement, and it was important only because it supported the goals of the organization.

	<b>Goals &amp; Measures</b>	<b>Design &amp; Implementation</b>	<b>Management</b>
<b>Organizational Level</b>	Organizational Goals and Measures of Organizational Success	Organizational Design and Implementation	Organizational Management
<b>Process Level</b>	Process Goals and Measures of Process Success	Process Design and Implementation	Process Management
<b>Activity or Performance Level</b>	Activity Goals and Measures of Activity Success	Activity Design and Implementation	Activity Management

**Figure 1. Rummler's Performance Matrix**

When I first started working with Geary, in the late Sixties, he was already using flow charts to describe business processes, although he had not yet arrived at the "swimlane" diagrams that he made ubiquitous when he joined with Alan Brache to

publish *Improving Performance* in 1990. Similarly, in the Sixties, the *Activity Level* of the Organization Performance Matrix was entirely focused on the employees who performed activities. Thus the Activity Level focused on how you defined goals for employees and trained, managed, and motivated employees to perform their jobs. In the course of the Eighties and Nineties, like the rest of us, Rummler struggled to understand the role of computers in modern organizations and to incorporate software systems into the *Activity Level* of the Performance Matrix.

In the Eighties Geary Rummler joined with Alan Brache to form Rummler-Brache and proceeded to undertake a number of consulting engagements that widely influenced how people, today, think of process change. To provide only two examples: it was during the Eighties that Rummler worked at Motorola revising processes and teaching the process analysis techniques that laid the groundwork for Motorola's subsequent development of Six Sigma which marries process and quality control techniques. In a similar way, IBM practitioners took courses from Rummler-Brache and then went on to create LOVEM, an IBM business process reengineering methodology that relied on Rummler's diagramming concepts. Today we find those same concepts in the latest flowcharting notation: BPMN. Many would emphasize the swimlanes that provide business people with insights into who is responsible for managing specific activities. In fact, the idea of always placing the customer of the process in the top swimlane and then diagramming every interaction between the customer and the business process is probably the more valuable insight. The latest approaches for improving service industry processes rely on an ability to model a customer's activities and then change the service business's activities to create a better customer experience.

Geary Rummler achieved widespread recognition in the Nineties. Hammer, Champy, and Davenport convinced companies they needed to reengineer but didn't provide much specific guidance about exactly how processes were to be analyzed and redesigned. Many companies, once they decided to commit to Reengineering, looked around for a systematic methodology and discovered *Improving Performance* and the Rummler-Brache training courses. There was an irony here, since Geary Rummler was never a fan of Reengineering. He had always advocated a more comprehensive, systematic approach and thought that Reengineering's emphasis on radical change would be too hard to implement in practice. In hindsight, Rummler was right, but in the meantime a whole generation of process practitioners learned to approach process change projects using the Rummler-Brache methodology.

Rummler sold his interest in Rummler-Brache and retired at the end of the Nineties. Within a couple of years, however, he realized, as he once told me, that he had "failed retirement." There were still too many problems he wanted to investigate, too many new insights he wanted to incorporate into his performance improvement methodology. Thus, in the early years of this decade, Geary joined with a group of colleagues to create Performance Design Lab (PDL), a new consulting and training company, which provided Geary an organizational base from which he could continue to explore ways to improve organizational performance and elaborate his comprehensive approach to performance analysis and organizational design.

Geary Rummler died on October 29, 2008. In the year before his death Geary, his son, Rick Rummler, and his longtime colleague, Alan Ramias, had begun work on a new book that would pull together all the insights they had garnered during in the past two decades. The book was nearly done when Geary died unexpectedly. Rick and Alan have done the entire business process community an important service by completing the book and seeing it through publication.

To my way of thinking, Geary Rummler was always the performance analysts' performance analyst. He didn't promote himself in the way that others did and was never as well known to the general public as process gurus like Edwards Deming or Michael Hammer. On the other hand, over the course of his career, he has done more to influence the way process improvement work is actually done today than anyone else I know. The quality control community owes the emphasis on defining processes at the core of Six Sigma to Geary's work at Motorola. Similarly, the IT community owes their current swimlane-based, customer-focused BPMN diagrams to Geary's efforts to create flow diagrams that business people could easily understand. And we all owe Geary thanks for his relentless emphasis on process change that improved corporate and human performance.

Over the years *Improving Performance* has been a bible to many process practitioners. Reviewers have consistently said that it was the best book to give to business managers who were looking for an introduction to process. Predictably, this new book, summarizing Geary Rummler's latest thinking about process analysis, process management, and organizational performance, will be widely read by new managers who are trying to make their organizations more process centric, and by today's process practitioners who are trying to figure out how to fit all the various technologies together into a whole.

Isaiah Berlin, using an image from Aesop's Fables, famously divided great thinkers into two types: Foxes and Hedgehogs. Foxes, he explained, knew many different things, but Hedgehogs knew one big thing. Geary Rummler was a hedgehog. He knew that organizations were systems that transformed customer needs and raw materials into valuable products or services. He knew that in a system everything was connected to everything else and that anyone seeking to change the system required a comprehensive knowledge of how the whole system worked to achieve their goals. His vision of the performance system that used processes to create value is one of the key managerial insights of our time. Other process gurus had a similar vision, but Geary Rummler's vision was uniquely powerful because he constantly stressed the importance of a systematic, integrated approach.

So many things are changing. So many new techniques become available each day. It's very easy to get lost in the details. We are lucky to have this new book to provide us, once again, with Geary Rummler's comprehensive, integrated vision of how we can systematically improve the performance of our organizations.

I don't want to add much to this Foreword, except to say that this is a book for all business process analysts, whether they work in the Lean Six Sigma tradition, the management tradition or the IT tradition. It is full of diagrams and presents a clear, systematic methodology for analyzing and redesigning business processes. It is a book that ought to be on the book shelf of everyone who seeks to analyze and redesign business processes.