

Process Innovations

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There are many keys to success in process management, but one incredibly important one, that is rarely addressed, is attention. I am convinced that whether an organization successfully adopts process management is largely a matter of whether it devotes sufficient attention to the topic.

Granted, I am a bit biased. I see attention shortages and attention allocation issues wherever I look. A few years ago, I even wrote a book on this topic called *The Attention Economy*. It was doing great until September 11, when the public's attention went elsewhere. Even though the book didn't set the world on fire, I still believe that our attention is our most valuable individual and organizational resource, and that when we truly focus it on something, that thing tends to improve.

Think about it: there is really no magic to process management. When organizations actually focus the attention of managers and employees on how work is done and measured and improved, things usually start to get better. To me, it's also not a matter of what technique one uses—you can improve with almost any approach. All that matters is that sufficient time and brain cells (attention is the intersection of the two) are devoted to processes.

One could even define process management as an attempt by organizations to carve out attention from other aspects of organizational structure and function to focus on a new, but basically familiar, resource. A process-oriented organizational structure is only one of several possible ways to draw sustained attention to the goals and objectives of process management, but it is definitely one of the more powerful attention-focusing devices available to executives. If a manager has responsibility on the organization chart for the performance of a certain business process, it's a good bet that the process will get some attention.

So why don't organizations create process-oriented structures and start focusing the needed attention on process issues? Unfortunately, there are some good reasons. Processes aren't the only thing in organizations that need attention. Business functions, which are focused on the skills and capabilities needed to solve organizational problems, deserve some attention too. Geographically-based structures are an acknowledgement that business is different in different parts of the world, and we need to focus attention on those differences. If your company has business units based on product or customer groups, it's a sign that some attention should be trained on those topics. Those who have called for a "horizontal organization"—essentially an argument that processes are the only dimension that matters to organizations, and that everything else should go away—are being a bit naïve.

However, more attention to process management is a good thing, so how much is needed, and how do we take it away from other topics? After all, attention is a zero-sum resource; if I devote it to processes, it means I've taken it away from something else.

First, I think we should be honest with ourselves and recognize that it doesn't work to simply add process responsibilities to existing jobs. Some firms have certainly done this; for example, they'll take the VP of Sales, and say, "Henceforth

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you will also be responsible for the order management process!” But this doesn’t really reallocate the manager’s attention distribution very much. The sales executive is familiar and comfortable with sales, and probably measured on sales levels more than anything else. This VP of Sales will probably have lots of salespeople reporting to him or her, but few or no order management people. What happens, of course, is that order management gets short shrift unless an awful lot of emphasis is put on it. If we’re serious about order management and other processes, somebody probably has to have it as their only job—particularly during the startup phase for process management when the attention needs are particularly high.

In the early phases of working with processes, it probably makes sense to do something dramatic to get everyone’s attention. One such step would be to put most of the people in the process organization, and leave only a few experts in the function. A few organizations did this in the days of reengineering. Insurance companies, for example, put most of the employees who worked with customers into the “new business fulfillment” process, and left only the most expert underwriters in the Underwriting function. A fleet management company, now part of Cendant, put most of its people serving customers into the “Customer Order Fulfillment” process organization, and left a few experts in functions like Pricing or Customer Service. This shakes up the organization to some degree, but that’s necessary if we’re going to redistribute attention.

There are also other, less dramatic ways to switch attention to processes. Some organizations, for example, have tied process management to information systems initiatives, typically those involving ERP systems. This works in the short run, but obviously creates some problems when the systems project is finished.

A reliable approach is to measure process performance, and evaluate and reward employees on the basis of how the process performs. There’s nothing like money and promotions to get people’s attention.

Another old standby is senior executive rhetoric. If CEOs and other executives talk up process management, other people will probably give it some attention too. At Allied-Signal (now Honeywell), for example, Larry Bossidy used first the “horizontal organization” concept, then Six Sigma, as a way to constantly remind employees that process was an important dimension of the organization. He didn’t actually create a horizontal organization—at least in terms of dissolving the non-process dimensions of organizational structure—but he used it as an effective rhetorical device. A few other CEOs, including Jack Welch at GE, have employed a high degree of rhetoric to emphasize the importance of processes, but most have ignored this powerful tool.

One thing that clearly doesn’t work is just to pile process management on top of everything else needing attention. Most organizations already have way too much going on, as the Columbia academic, Eric Abrahamson, has just pointed out in a new book. To add process management to the mix won’t work unless some of the other stuff is cleared out. For example, I once worked with an oil company where a very capable process-focused executive had been hired. His job, as he



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viewed it anyway, was to get the company to adopt process management as a way of life. I came in to chat with him, and I asked what else was going on in the company. "A lot," he said. "In fact, we've identified 168 initiatives taking place throughout the company, and process management would basically be #169." We agreed that it was unlikely that process management would take off unless some of the other initiatives could be dismantled. Fortunately, he shortly thereafter joined another company where there was a lot less going on, and process management has become one of the four or five key things going on in the organization.

So that should be your goal: how do you get process management to be one of the four or five top things? That's what Six Sigma is at General Electric, for example, and has been for many years. Otherwise, this important dimension of organizational life just won't get the attention it needs to succeed.

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