

Practical Process

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There's a 'Why' in BPM

Starting With Why

For some organizations and people the business process view resonates immediately and clearly; for others, it excites no interest. While there are clearly issues of culture, values, work style preferences and behaviors involved here, often there is also a hidden chasm between the enthusiasm of process evangelists, or even more subdued supporters, and the targets of their communications.

In one of his epigrammatic f-Laws, Russell Ackoff¹ suggested that you not only can't teach an old executive new tricks, but neither will they believe that there *are* any new tricks. That's a bit harsh. Chip and Dan Heath² are a lot more forgiving when they explain that the "Curse of Knowledge" makes it "difficult to share our knowledge with others, because we can't readily re-create our listeners' state of mind". We know something so well, and believe in it so completely, that we make fatal assumptions about the starting point of our audience. It's like we are saying "BPM is a good thing, let me explain how we do it" and our listener is thinking "What's a BPM?" That's never going to end well. Simon Sinek³ has at least part of the solution in his recommendation that we "start with Why". He explains that "people don't buy *what* you do, they buy *why* you do it."

I canvassed some of these issues previously ("What do we Believe?" April 2011) in defining *The BPM Creed*. In this Column, I wanted to return to the task of turning these ideas into pragmatic, actionable concepts that increase the likelihood that the business process view will be embraced.

Defining the Process Canvas

First, before we discuss how to explain the 'why' to others, we need to be in agreement, or at least understand our differences, about some basic concepts and definitions. Especially in the process space, I have found that this should never be assumed, especially amongst those who might be susceptible to the Curse of Knowledge (i.e. you and me!).

Business processes are the collections of cross-functional activities that are the only way organizations can effect the exchange of value with customers and other stakeholders. They are the conduits through which value is exchanged. By themselves, separate functional areas of any organization cannot deliver value to customers. This "exchange of value" is the reason that an organization exists, so it follows that strategic intent is executed via business processes.

The *process-centric organization* is relentlessly focused on innovating, refining and improving all aspects of the mechanisms by which it exchanges value with its customers and other

¹ Ackoff, R, Addison, H, & Bibb, S, 2007, *Management f-Laws: how organizations really work*, Triarchy Press Limited, Axminster, UK.

² Heath, C & Heath D, 2007, *Made To Stick: why some ideas survive and others die*. Random House, NY.

³ Sinek, S, 2009, *Start With Why: How great leaders inspire everyone to take action*. Portfolio, NY.

stakeholders, i.e. its business processes. For some, these 'customers and others stakeholders' are a diverse group that is challenging to delineate, while others can define them much more narrowly. They may include customers, agents, resellers, government agencies, citizens, businesses, visitors, staff, partners, suppliers and anyone else who engages with the organization in some way. The process-centric organization clearly defines the bilateral and multilateral value propositions that underpin its interactions with 'customers and other stakeholders' and then concentrates its efforts on optimizing the value exchange enabled by its business processes, both manual and automated.

Process-centric organizations discover, document, analyze, manage and continuously improve business processes within a consistent framework. This allows the organization to build a culture of process-based management that seeks to eliminate internal inefficiencies and maximize external effectiveness in the delivery of products, services and value.

Being process-centric means it is easier to consistently make the *right things* happen, at the *right time*, for the *right result*, for the *right people*.

Contemporary Management Imperatives

What is it that drives contemporary management practice? What is it that organizations worry about the most? In explaining the potential of process-based management, which questions should we be addressing? What is the 'why'?

I see contemporary management good practice as a variable composite of nine important facets: understanding, documentation, improvement, control, transparency, compliance, productivity, innovation and satisfaction. The emphasis will vary between organizations and the environments in which they operate, but the challenges of contemporary management in every organization are defined by a particular mix of these elements. They pose these important questions that define the challenge of effective management.

Understanding	Do we really know how work actually gets done?
Documentation	Is the intellectual capital embedded in our processes secure?
Innovation	Are we continuously improving organisation performance?
Control	Do we have control over the things that really matter?
Transparency	Are our operations suitably transparent and auditable?
Compliance	Are we meeting all of our obligations?
Productivity	Are we making the most of time, money and opportunities?
Agility	Are we able to respond to demands and opportunities?
Satisfaction	Are our customers and staff happy enough?

For me it's a no brainer - a management approach based on truly optimizing business process performance comprehensively addresses these questions. But we need to close the 'why' loop a little more definitively than that.

Process-Centric Answers

The key elements of effective process management are to *model*, *manage* and *improve*. These three, seemingly simple, words give a usefully focused summary of the theory and practice of process-based management.

We *model* individual processes and groups of processes (process architectures) to document and improve our understanding of how they create value, and to uncover potential for innovative change via the analysis of problems and opportunities, and their causes and constraints.

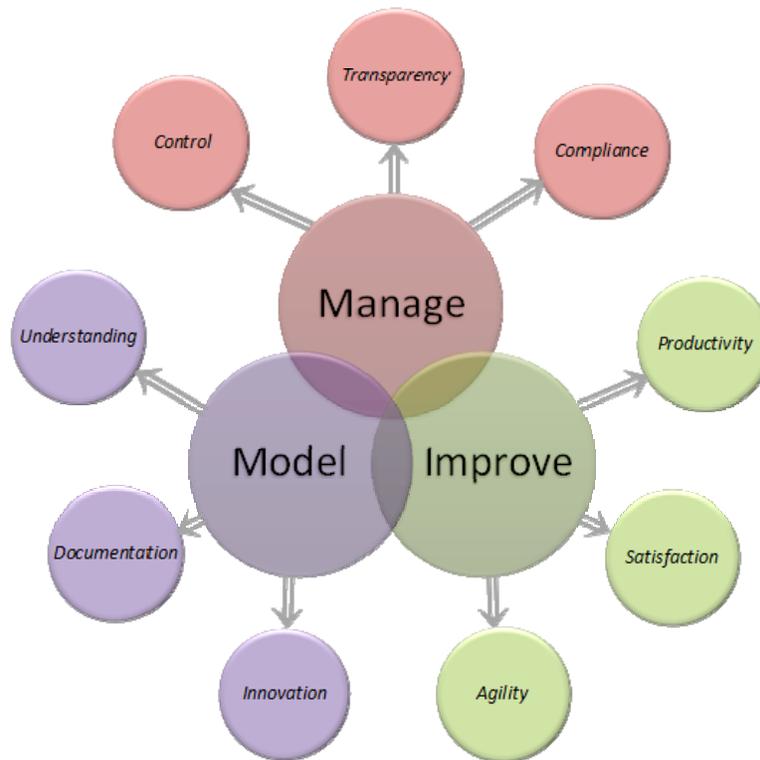
We *manage* processes, again at the individual and collective levels, to ensure optimal process performance, to be sure that we have effective control over value creation and delivery, and to assure the transparency required for effective audit.

We *improve* processes to optimize internal efficiency and external effectiveness, ensuring that all parties involved in the process are as satisfied as is possible and reasonable, and that this condition can be maintained as circumstances change.

This provides the link between the management imperatives and process-centric management as summarized in the table below.

<ul style="list-style-type: none"> 🕒 <i>Understanding</i> 🕒 <i>Documentation</i> 🕒 <i>Innovation</i> 	<p>Model business processes</p>
<ul style="list-style-type: none"> 🕒 <i>Control</i> 🕒 <i>Transparency</i> 🕒 <i>Compliance</i> 	<p>Manage business processes</p>
<ul style="list-style-type: none"> 🕒 <i>Productivity</i> 🕒 <i>Agility</i> 🕒 <i>Satisfaction</i> 	<p>Improve business processes</p>

The inter-relationships between the key elements of process-centric operation and the important facets of management excellence are further illustrated in the diagram below.



Focusing on modeling, managing and improving business processes gives insight and control over the mix of management imperatives. There is a 'why' in BPM, it enables us to answer, with sustainable certainty, the nine key management questions defined earlier. That's why.

Process-Centric Management

Based on those 'whys', can we move on to how and what? A brief introduction here with more detail to come in my next Column.

Implementation and operation of process-centric management involves eight closely related aspects that come together, over time, to deliver the benefits of process-based management as previously described. These eight features of the process-centric management ecosystem can be further divided into Process Mechanisms and Process Ethos. Process Mechanisms are those physical artifacts and arrangements that give material structure to the process discovery, analysis, management and improvement activities. Process Ethos features are the intangible, but critically important, aspects that enable process-centric capabilities to be applied effectively. The eight features are listed in the table below.

Process Ethos
1. BPM Maturity
2. BPM Skills Development
3. BPM Community Development
4. Process-Aware Culture
Process Mechanisms
5. Business Process Architecture
6. Process Improvement Methodology
7. Process Performance Governance
8. Office of Business Process Management

I'll talk more about the eight aspects of the Process Ethos and Process Mechanisms, i.e. the 'how' and the 'what' in my next Column.

Do these thoughts start to give shape to the Why question?

Let's continue the discussion at the BPTrends Discussion group on LinkedIn or to contact me direct, use r.tregear@leonardo.com.au.

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