

Business Process Management: The Right Way to Do It

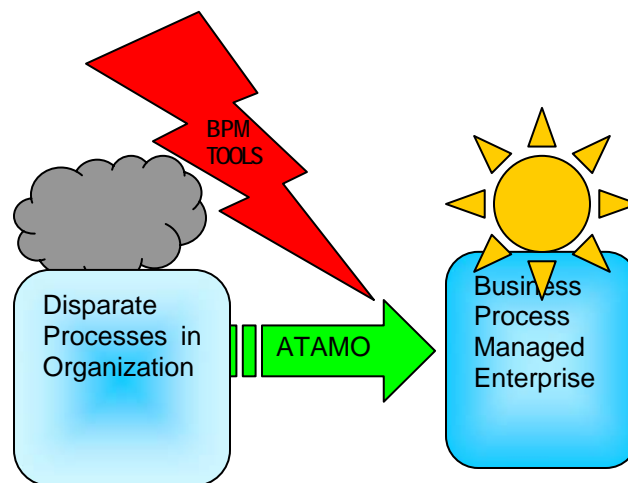
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Introduction

BPM is really all about managing processes, the people who are the “doers” of the process, and the systems that help them achieve what they do. Ironically, more often than not, one tends to associate BPM with the technology which helps manage processes better. A question of “Do you have a BPM-enabled organization?” may result in triumphant nods and the detailing of the recent implementation of a BPMS. However, there exists today a clear gap between the business view of BPM and the IT view of BPM that often leads to failed BPM endeavors. BPM is a discipline that helps an organization achieve rigor, agility, and control across enterprise wide processes. This may or may not be enabled by technology, but, if enabled, it makes process management simpler. The problem arises when BPM initiatives are driven from the IT perspective with no focus on strategic alignment, vision, and a value derivation. BPM then ends up being another application in the IT ecosystem, which is exactly what it should not be.

BPM Tools: A Definite Next Step after the First

A BPM tool works best in a process-managed enterprise. Bringing a tool in, and then expecting the facilitation of process management, would be as disastrous as placing the cart before the horse. The ATAMO (And Then A Miracle Occurs) mindset has often proven to be the reason BPM initiatives fail to meet the end objectives.



One of the following can happen in an organization where BPM is understood solely from a technical viewpoint. The key activities with respect to a BPM initiative may encompass one of the following:

- 1) **BPM considered from an integration / middleware point of view:**
Using BPM as an integration specific application to link legacy systems without the processes governing the silos to increase efficiency.

Result: Since no processes are linked here, only system interactions with data will result again in non-managed functions. In such a scenario, BPM will just be any other application in the IT ecosystem

- 2) **BPM for automation of a department's workflow:** BPM implemented within a specific department in the organization for a specific workflow

Result: Low enterprise wide adoption, non-realization of BPM's value proposition, may result in different BPM applications for different functions and processes.

- 3) **BPM and SOA:** The myopic view that a BPM implementation would automatically enable SOA in the organization, and vice versa.

Result: Extremely project specific processes and services; the concept of "management" and "orientation" completely lost.

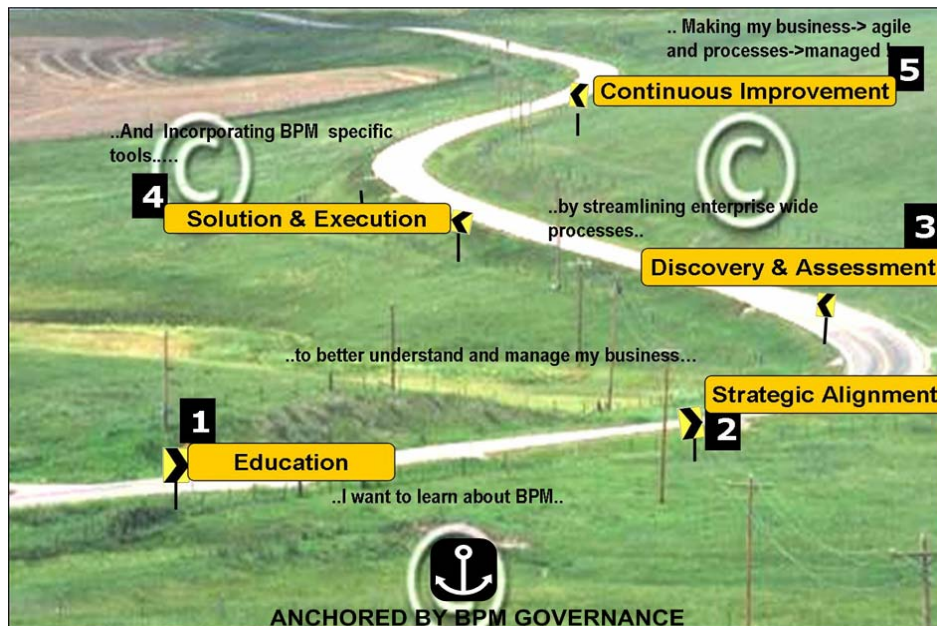
As seen above, the so called process design which will drive the BPMS would not be planned with the enterprise in mind; rather, it would fit a specific need at the time. The organization's wish list can range from having a solution that aids simple process modeling to the entire spectrum of process management activities. But just having something that could do it won't make it work if you don't plug and manage the processes together first and the tool into them next. Business Process Management should exist before a Business Process Management tool.

BPM: Marriage of Methodology with Technology

The above is to say that a BPM tool can be looked as an enabler – the means to the end, rather than the end itself. A BPM tool that provides end-to-end visibility, audit trails, transforming applications into process-driven rather than functionality driven, would be a great asset to an organization. A BPMS would help in mapping processes, transforming those processes into executable models, deploying those processes and bringing them back to the business layer for analysis and monitoring purposes. The extent of the technology one wishes to employ, again, is an individual choice. Some use a modeling tool that can support repository and publishing. Some might go further to involve a "workflow" tool to execute its processes. And yet others, based on the business need and drivers, may involve a tool that provides modeling, translation of models into executable processes without writing code, a robust rules engine to store business policies that enable the processes, and integration capabilities to link it all together. Any of these may be employed depending on which "managed processes" you want to manage better.

So What's The Solution?

Well begun is half done: This holds true for any organization that wants to put its best foot forward in terms of BPM. A BPM roadmap aims to accomplish just that. Consisting of 5 key stages, it is anchored with a BPM governance framework supporting the initiative from preparation to completion.



A BPM roadmap would consist of the following stages:

Stage 1: Education

This is the phase where the top management along with the line managers would work together getting the uninitiated well versed with BPM. This phase can consist of workshops with the executive management and key stakeholders across functions to understand the why, the what, and the how of the BPM initiative. This phase will aim to assure that no fundamental question about the very existence of this initiative will remain, as that might prove to be a serious roadblock when it is put into practice.

A BPM governance framework would also be set up during this phase. It will incorporate decision making structures that control the planning, execution, and maintenance of enterprise wide BPM. It will involve setting up a steering committee for BPM leadership and accountability constituting a BPM Centre Of Excellence (COE). Typically, a VP or senior executive should be in charge of leading the BPM initiative(s) and heading the governance body. This governance body would be a cross functional team of Business and IT, preferably reporting to the executive leadership. The key activities of the BPM governance body would be

- 1) Setting up and maintaining process management standards
- 2) Setting up and maintaining process management controls
- 3) Setting up metrics and KPIs
- 4) Integration with corporate and strategy forums
- 5) Definitions of process roles and responsibilities
- 6) Change Management – buy-ins, awareness creation, trainings
- 7) Creation of rewards based incentives for BPM adoption
- 8) Ensuring Compliance

The outcome of phase 1 would be critical inputs and facilitators of the succeeding stages.

Stage 2: Strategic Alignment

The strategic alignment phase would involve linking enterprise business drivers and determining critical success factors. The ability to measure process outputs would directly link to performance measurement and management. It would thereby transform BPM into a strategic tool to enhance customer satisfaction and increase ROI. BPM strategy must be integrated and aligned with an enterprise's process and technology initiatives to provide maximum value. Performance targets should directly link with individual KPIs to greatly increase the value proposition of a BPM solution.

Stage 3: Discovery and Assessment

This phase would constitute 3 areas:

1. Business Process Discovery and Assessment

- Requirements Gathering
- Understand and define process landscape
- Identify and prioritize relevant process
- Assign SLAs and KPIs to individual activities in the process
- Create and document Activity and Process models using modeling methods/tools.
- Capture process handoffs between people and systems.
- Simulate and Benchmark business processes to compare actual performance with potential performance by defining Key Performance Indicators (KPI)
- Model TO BE processes.
- Incorporate key findings and defined metrics.

2. IT Discovery and Assessment

- Interview key information technology (IT) and legacy system owners to determine existing IT landscape
- Analyze current systems scalability and flexibility
- Identify system integration points
- Identify data definitions and flows

3. BPM Vendor Evaluation

The next step in the discovery and assessment stage would be evaluation of a BPM vendor for a tool that would fit in the key requirements gathered as above. The BPM vendor evaluation would comprise of the following activities:

- Development of a weighted scoring selection process
- Leverage market research to narrow down vendors based on mapping of high level requirements
- Evaluate fitment in accordance with
- Product breadth
- Set up and configuration
- Customer service and support
- Usability and access
- Integration
- Services
- Cost
- Request for proposals for short listed vendors
- Ability demonstration and response by vendors

Stage 4: Solution and Execution

This stage would constitute activities that plan and implement the BPM solution. The key activities in this stage would be

- Develop a solution suited to the requirements gathered
- Application development, System deployment
- Integration of the solution with your legacy systems
- Migration of the solution to the production environment
- Performance tuning

Stage 5: Continuous Improvement

This phase would in part execute in parallel with the solution and execution stage. The business would continuously be kept in loop with respect to the ongoing endeavor. Periodic reviews will ensure complete Business-IT alignment. Once deployed, the business would select [a sample user set – across geographies/functions. A pilot initiative involving test runs would be carried out.](#) Publication of the results would facilitate in creating enterprise wide interest which would make enterprise wide adoption smooth and within designated timelines and cost. Reviews and feedback from key stakeholders would be inputs to improvements

Conclusion

Endorsing BPM as a discipline, rather than a miraculous system in the organization is the key to a process-centric enterprise. A paradigm shift is needed for BPM to be successful in an organization. BPM should be embedded in the organization's culture.

Author

Smita Sharma is a business process management consultant and has worked on various client projects in the areas of process consulting and technology aided business transformation. Her areas of interest are business process analysis, process modeling, reengineering GAP analysis and BPM suites.

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