Processes vs. Projects

There have been two rather extensive discussions of the differences between **processes** and **projects** on the Linkedin BPTrends Discussion Group. The issue is complex enough that it is worth sorting out.

As I argued in the Advisor I wrote about Business Analysts and BPM a few weeks ago, I believe that there are six major areas of process work in any large organization. Figure 1 provides an overview of the kinds of business process change activities and tasks that exist in a large CMMI Level 3 organization. On the left is the BPTrends pyramid that divides an organization into three levels – the **Enterprise Level**, the **Process Level** and the **Implementation or Resource Level**. The middle column describes the activities or **Projects to Change the Organization**. The right column describes the **On-Going Operational** activities required to manage the organization on a day-to-day basis.
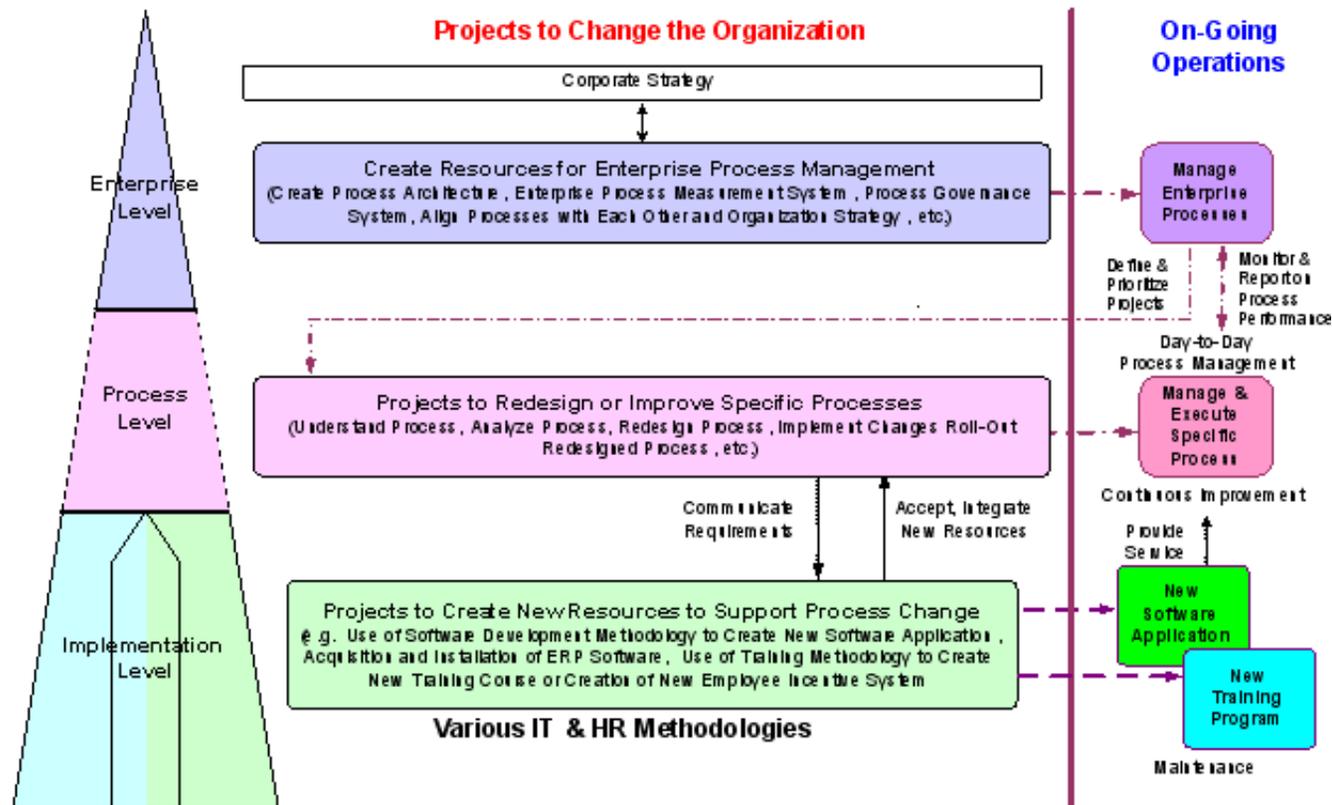

Figure 1. An Overview of the process tasks within an organization.

At the **Enterprise Level**, in the **Project** column we include all of the tasks involved in creating a business process architecture, defining enterprise-wide process measures and establishing a process governance system. In the **On-Going Operations** column we include the day-to-day activities that will subsequently use the models and the data produced by the process architecture. In some cases, the users will be senior executives who will use the architecture to help plan and control the overall operations of the organization. In other cases, the architecture and the data produced will be used by a BPM Center of Excellence to identify problems and prioritize future process redesign projects.

At the **Process Level**, in the **Project** column we include the projects that organizations undertake to redesign or improve specific processes. Serious process redesign efforts are projects that have a beginning and an end. They represent a concentrated effort to change an existing process and they end when the new version of the process is rolled-out and executed. In the **On-Going Operations** column we include all of the processes that are being executed within the organization. Each of these processes has a manager and employees who perform the day-to-day work of the organization. In an ideal world, the manager and the employee teams engaged in ongoing execution are also continuously looking for opportunities to make incremental improvements in the operational process. They are, in other words, looking for opportunities to initiate small process improvement projects.

The process redesign work and the day-to-day operational work require two different skill sets. The project redesign effort requires a team, led by a project manager and staffed by process redesign experts who are skilled at analyzing and redesigning processes that require major changes. The operational effort, on the other hand, requires employees who are skilled at performing the specific tasks required to execute the day-to-day work of the organization.

The **Implementation Level** includes all of the resource and support functions. If a given process redesign effort requires automation of some subprocess or activity, IT will launch a project to acquire or develop a software application. Similarly, if the process redesign effort identifies job change requirements, HR will develop new job descriptions, training classes and manuals and checklists to assure that employees will have the required knowledge and skills. And, of course, in both cases, once the support function materials are developed, they will have to be implemented and maintained on a day-to-day basis.

So far, so good! We have projects that we undertake to create an enterprise process architecture, redesign business processes and develop software applications or new job descriptions and training programs.

Now, what about the ongoing operational work? What happens during the actual execution of instances of a process on a day-to-day basis? Some of the work that falls in this domain is strictly operational. For example, processes like a production line that manufactures widgets, or a hotel that books rooms would not normally be thought of as projects.

What about a contract from the government to manufacture 100 fighter aircraft. Each aircraft takes months to manufacture, test and deliver. It's easy to think of each instance of the "Manufacture Fighter" process as a project in its own right.

Or, what about a consulting company that is asked to develop a proposal to build a hydroelectric dam? The development of the proposal might easily be considered a project. And, if the contract is awarded, the actual construction of the dam might also be thought of as a project. Or, what about a
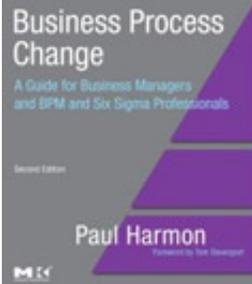
patient that arrives at the hospital with a complaint about his heart? Is the physician going to follow a standard process, or is he or she going to construct a process tailored to the patient's specific case?

In the last two examples we have moved from very well-defined procedures, like the manufacture of a widget or the rental of a hotel room, to processes that are more-or-less unique. The increasingly popular term for processes that are complex and dynamic, like generating a proposal or treating a patient, is "case management processes." Whatever you term them, complex, dynamic processes are kinds of projects. Case management processes usually begin with a planning phase where the project team decides what activities will be required. In other words, the process itself is assembled from a set of standard tasks, but it is assembled uniquely, each time, in response to a specific situation. Similarly, dynamic processes rely heavily on business rules and decision tables rather than on step-by-step procedures.

So, is a process a project? Creating a process architecture, redesigning a broken process or creating software to automate an existing process are clearly projects – projects that generate new business process artifacts – like an architecture, a process design, or a software application.

In most cases, the execution of a process is not normally termed a "project" – it might be termed a procedure or transaction that is repeated over and over. But, in many other cases, where the process instance being executed is a complex, dynamic, and more-or-less unique case, then it is best to think of the process instance as a project in its own right.

There are generic project management skills. In most cases, employees undertaking the execution of operational processes that are complex and dynamic will benefit from training in project management. At the same time, if one is developing a process architecture, a redesigned business process or a software application there are specific process related concepts, tools and techniques that will be required. Also, in executing complex or dynamic processes, there are project management concepts and skills that are helpful, and there is domain specific knowledge that is even more important.

Anyone who wants to help their organization improve and maintain its business processes owes it to themselves to consider how to design and structure complex process designs to incorporate project management skills. Processes and projects may not be the same thing, but there is a lot of overlap and a good practitioner needs to be skilled and knowledgeable in both.

Till next time,

Paul Harmon