



Down Under

John Jeston

John Jeston—Principal, Management by Process Pty Ltd.

Authors: *Business Process Management*

Practical Guidelines to Successful Implementations

John.jeston@managementbyprocess.com

What do BPM and Lego have in common?

While BPM is not all about technology it is true that there are two critical aspects to consider:

1. the functionality available from technology has grown enormously over the last decade and has huge potential for organizations; and
2. the expectations of customers, employees and business partners has also grown and shifted enormously.

“Technology can transform key business processes out of the old **value chain** and into new, dynamic, **value networks**¹. The old value chain started with the purchasing of raw materials and then moved to the production of goods and services, their distribution, marketing, sales and after sales service. The new **value networks** reshuffle the sequence so that customers, distributors and partners are involved more as the business integrates into a flexible, faster moving customer driven extended network of online partners.”²

Without the support of technology meeting these additional expectations and needs of value networks will be impossible.

Technology in the BPM world is often referred to as a BPMS – Business Process Management System.

While there are few commonly agreed terms for the components of a BPMS, few would argue that a fully functional BPMS will have all the following components/modules: process modeling and design; activity based costing; simulation; work management; business rules engine; systems integration; integrated document management; balanced scorecard; and business analytics.

It is work management (in the past often referred to as workflow) that I wish to discuss.

Work management usually encompasses the automation of internal business operations, tasks and transactions that simplify and streamline current business processes. The work management engine is the software component that executes transactions or events. In order to execute processes, the organization must first model its processes either in the process modeling tool provided by the work management provider, or in a specialized process modeling tool.

¹ A ‘value network’ is defined as “the links between an organization and its strategic and non-strategic partners that form its external value chain” Chaffey, D and Smith, PR, *eMarketing eXcellence*, Third Edition, 2008, Butterworth-Heinemann, p. 499

² Chaffey, D and Smith, PR, *eMarketing eXcellence*, Third Edition, 2008, Butterworth-Heinemann

The main benefits are the ability:

- to automate work that can be standardized, resulting in decreasing cost and throughput time and increased quality
- to route work on the basis of dependencies and skills, resulting in reduced throughput time and better quality
- for staff to focus on more interesting and important work, resulting in more employee satisfaction and better quality.

Identifying the appropriate approach to work management for an organization is very important, especially in today's challenging economic conditions. Organizations need to be far more agile and work smarter in order to create value for its customers. *The Economist* conducted a worldwide survey (2008) of 350 executives and found that, over the next three years, reducing operational costs is recognized as the number one business challenge for 50% of all respondents. Nearly 80% believe that organizational agility is critical to business success. Respondents suggested three critical traits of an agile business: rapid decision-making and execution; a high-performance culture; and the ability to access the right information at the right time³.

BPMS vendors are moving towards providing this agility by the incorporation (some have already achieved this ability) of:

- work sequencing or guiding – this provides the ability for a step by step guide through the work that must be achieved. It is different from the traditional sequencing associated with workflow. This is particularly useful in organizations that have very large and diverse workforces and complex processes, where training employees in the new or changed processes is logistically difficult. The process 'guiding' provides this ability on-line as the process is executed.
- Complex Event Processing – this is still relatively new and still needs to be proven. Indeed the concept still requires more consensus and clarification.
- Adaptive / Advanced / Dynamic Case Management – relates to unstructured processes that require ad-hoc functionality to solve unpredictable events. These processes or way of working defy rigorous definition beforehand because work evolves and unfolds over time, as a worker does their work. Forrester⁴ suggests that "because the need to support change and dynamic work patterns is so critically important to future business success, Dynamic Case Management (DCM) capabilities will become a prerequisite for all BPM vendors within the next five years. BPM suite vendors need to embrace and offer DCM if they want to survive and thrive."

Indeed some vendors have already embraced this technology. While some call it the various versions of case management mentioned above, others call it Event Management. Either way, the 'processes' are largely, or totally, unable to be process modelled, and therefore improved in the conventional way as they evolve as the management of the work is executed by employees.

Recently I was asked to assist an organization where workers were at high risk and often injured, some injuries were of a minor nature, some critical, both physically and mentally.

³ Marie Glenn. March 2008. Organizational agility: how business can survive and thrive in turbulent times. Economist Intelligence Unit.

⁴ Forrester, *Dynamic Case Management: Definitely Not Your Dad's Old-School Workflow/Imaging System*, September 28, 2011

The organization cared for their workers and wished to implement a case management system to better track and proactively assist them and the workers. However, analysis revealed that no case was the same. The metaphor used was lego blocks. At the start of a case, there was about 4-5 standard steps that were common for all of them. From this point onwards, with the exception of milestone reviews, the case workers and clinicians required a 'system' that had a series of 'lego' blocks ('mini' processes) that could be assembled in a unique way for each worker. They needed a menu of these lego blocks together with the ability create their own lego blocks, on-line at the time of dealing with the workers case.

As organizations move from traditional standardized workflow business processes, to the needs of knowledge workers, the 'lego' block (Event processing) style of BPMS will become more and more important. Giving an organization's knowledge workers the power to organize and execute their work, while allowing the organization the ability to track and manage its work is critical now and increasingly for the future.

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