



Down Under

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A BPM Engagement Model to Achieve Sustainable Results

Many organizations have understood the importance and potential of Business Process Improvement and Management and have already booked some successes. However, most of these organizations struggle to institutionalize these successes and make Business Process Management part of Management as Usual. This article outlines a model to support BPM units with engaging the business and obtaining and maintaining successes.

Background

Organizations have booked successes with improving processes by analyzing processes and identifying and implementing process improvements. However, most of these improvements are done as part of a one-off project or initiative, which moves to the next assignment / opportunity as soon as the previous opportunity has been identified / implemented. To solve this situation, many have tried Continuous Process Improvement; however without an institutionalized structure and approach, most of these attempts fail miserably. Hence, the need for a more effective approach.

“If you give peanuts you get monkeys”

When auditing BPM initiatives, we found that in many cases the employees are enticed to participate by the sheer love and dedication for either the organization or the BPM philosophy, as, for many of these employees, the KPIs are based on quantitative targets not directly related to the BPM initiatives. Furthermore, the people who really can make a difference, the business managers, have in most cases no incentive at all to support a BPM initiative as it diffuses them from their short term goals and objectives. This clearly shows the unequal balance and the struggle for BPM *passionates* to truly make a difference in the business.

A BPM engagement model for the business

The objective of a BPM engagement model is to ensure that significant and sustainable results are achieved by ensuring that BPM initiatives and results are enforced as part of Management as Usual.

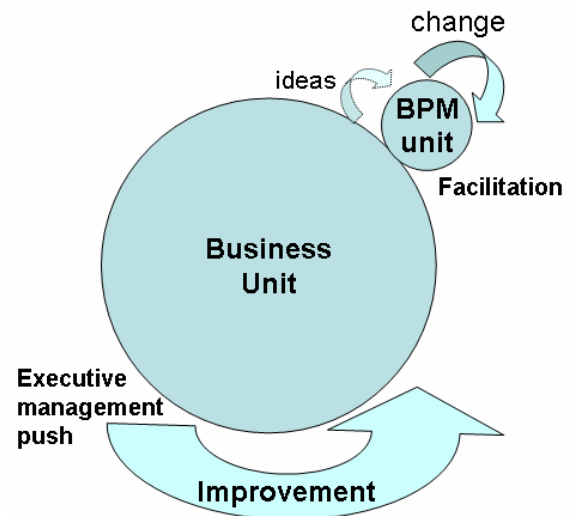
The main principles of the BPM engagement model are

1. **Accountability.** Make managers accountable for the results (both quantitative as well as qualitative) of their processes.
2. **Measure outcomes,** both the quantitative as well as qualitative aspects of the process, and compare the various units.
3. **Enforce.** The Executive has to enforce the accountability of the managers and not just the manager of a BPM unit. The latter, in most organization, is not “powerful” enough to force a difference in mentality and discipline.
4. **Facilitate** – the main task of the BPM unit. If the Executive enforces management of processes and their improvement, then the BPM unit can support the Business Managers.

Facilitate, rather than enforce

We have seen that many BPM units fall into the trap of wanting to enforce improvements and methods. In most organizations, the business is keen to ensure short term objectives, encouraged by too much emphasis on short-term performance indicators; any deviation from this is considered a nuisance, and, in the overall scheme of things, the business mostly wins these types of battles, and the BPM unit is a marginalized and only works with the few managers who understand the importance of BPM.

However, it should be the Executive that enforces the importance of improving and managing processes and ensures that some of the KPIs are reflecting this. There should be comparative information available that reflects how well the various managers score on their processes. This should be discussed in management meetings chaired by the Executive. The BPM unit can then facilitate the managers to improve their performance. This way the BPM focuses on facilitation and leaves the enforcement where it belongs, with the Executive.



Case

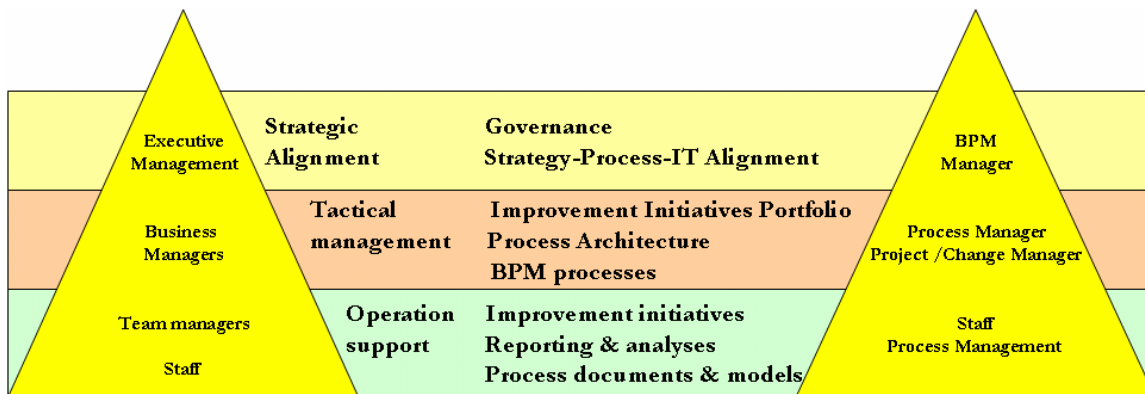
A financial organization was struggling with reducing quality, customer satisfaction, and was struggling to meet the specified targets. Analysis showed that all financial data was drilled down to the individual. However, data around customer satisfaction, errors, compliance, unnecessary referrals, and hand-offs were only measured at the organization level and were scattered in various types of reports and memos. It became obvious that most employees only felt recognition and the ability to achieve bonuses by focusing purely on sales related activities. This undoubtedly increased the error rate, increased unnecessary hand-offs and referrals (as staff wanted to focus purely on sales generating customers), and affected customer satisfaction. We developed a score card that included, besides quantitative targets, also qualitative targets. We summarized this in a Red-Amber-Green Scorecard. Suddenly this organization had a clear view of the areas and units that required attention and improvement. The data showed clearly that several units scored poorly across all qualitative aspects. With this scorecard discussed during the Executive management meeting, the exposure at this level ensured that the concerned business managers were keen to understand which of their units were responsible for their poor overall rating. The improvements were made nearly instantly as the company knew which areas and which units to target for their improvement, where previously they had initiated vague and broad improvement initiatives where no one felt compelled to act.

BPM engagement with the Business: Who does what?

We are often asked who does what while attempting to engage with the business, as we see that many organizations struggle with a structured engagement with the business. Symptoms are

- Executive management gets involved in too much detail
- No clear guidance and structure in place for operational and tactical management to be able to make decisions
- No formal process, which allows bypassing of people

We propose the following engagement model:



Business

BPM Unit

- The Executive works closely with the BPM Manager to ensure that the strategy processes and IT are aligned as well as the overall governance, including the monitoring of the progress of impact of BPM initiatives on the performance of the processes
- The Business Managers work closely with the Process managers and Change managers to ensure that a portfolio of improvement initiatives is developed and is progressing so that the overall business processes improve. This is the level at which the Process Architecture is developed, applied, and updated.
- The staff of the process management team needs to work closely with their business counterparts on the individual improvement initiatives as well as the related reporting and analysis, and process documentations and models.

Conclusion

Achieving significant and sustainable corporate success with BPM requires more than just having a successful project or program: It requires commitment from Executive Management to make the necessary institutional changes. The three main changes are

- 1) **The executive needs to manage the business unit manager on the efficiency, effectiveness, and robustness of their processes.**
- 2) **The BPM unit needs to facilitate the business units to perform better and demonstrate improvements to the Executive.**
- 3) **An engagement model has to be introduced to ensure that all business process management issues are addressed at the right level, without too many unnecessary escalations.**

John Jeston and Johan Nelis are Lead BPM Consultants based in Australia, and are the authors of the book, *Business Process Management: Practical Guidelines to Successful Implementations* (Elsevier, 2006).