

Maximizing the value of Enterprise Process Modeling: Process governance in large scale transformation programs

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Recently, an asset intensive organization in the power and utilities sector undertook a large multi-year ERP implementation for their business and aimed to design and improve around 100 new business processes. At the end of the 3 year programme, they ended up having nearly 8000 process models in a process repository with several incomplete, interim versions of processes and no consistent baseline of the process architecture. This example illustrates the fundamental challenge with process governance in large scale transformation programmes. Organizations undertaking such change initiatives do not always understand the scale and impact of the challenge and look at it as a version control issue. In reality, this fundamental problem can have wide ranging impacts on the success of the program as well as limiting the eventual business benefits that are aimed to be delivered through the transformation.



Let's understand the key impacts of this issue.

Firstly, is the lack of consistent understanding of the reason for change or the proposed solution across the business teams that are to be impacted. Many businesses that face issues post go-live end up using the solution in ways it is not designed and thereby fail to realise the benefits. This also creates issues in training and business readiness since, more often than not, the process maps are the basis of training people on the new ways of working and helping individuals understand their responsibilities.

Secondly, there is a risk that the final solution does not meet business expectations. 'Process' can be interpreted as a communication language to help understand how the business requirements are met by the solution. Inconsistency in this language, as a result of poorly governed processes through design to implementation, often creates mismanagement of stakeholder expectations and the final solution is not as per the original business requirements. This results in business teams creating workarounds in the solution that break the links from requirements to process.

Thirdly, is the transient life of processes designed during the project. The purpose of process design and implementation goes far beyond the life of the transformation programme. Once transitioned into 'Business As Usual' (BAU), a lack of consistent processes can result in the business re-documenting the same processes that have already been documented by the transformation programme, thus generating re-work, wasted effort and investment.

Lastly, is the absence of a common language and cultural change needed to sustain the new ways of working. An intangible yet key enabler for benefit realisation is a change in the mindset and behaviour of people to adapt and sustain the new ways of working. An absence

of a common baseline of process models can result in multiple versions of the truth, creating barriers to standardise common processes and those who resist change are able to undermine the integrity of the future state processes.

Typical root causes

A closer look at the initiatives that end up facing this challenge reveals some striking characteristics that practitioners could relate to:

Process architecture is developed in isolation with other views of enterprise architecture – Several times businesses undertake process design in isolation and as the transformation program moves forward, the process design becomes misaligned with the technology, data, customer or organizational views of the enterprise. This widening gap is a often the root cause behind a lack of integrity between the process design and the process practiced

Absence of consistent architectural levels and modeling standards – As mentioned earlier, process is a language to communicate the future state from the business and like any language, it has its protocols that should be consistently followed. Lack of understanding of modeling standards and levels of process architecture creates varying degrees of detail among processes, which when joined together do not always give the integrated solution view.

Absence of a single central process repository – Processes are developed in power-point, brown paper, Visio and other local process mapping tools depending on individual preferences and skills. This creates an incomplete and inaccurate view of the master process list, eventually making it impossible to govern changes through the transformation lifecycle.

Failure to identify process change post design phase of the program - Transformation programs often fail to realize that processes would be redesigned and even new ones developed during implementation, testing and even post go-live stages to address issues or gaps. Consequently, they do not account for the necessary resources and structure to ensure consistent update of processes from solution changes and the process design teams are disbanded once they are handed over for implementation.

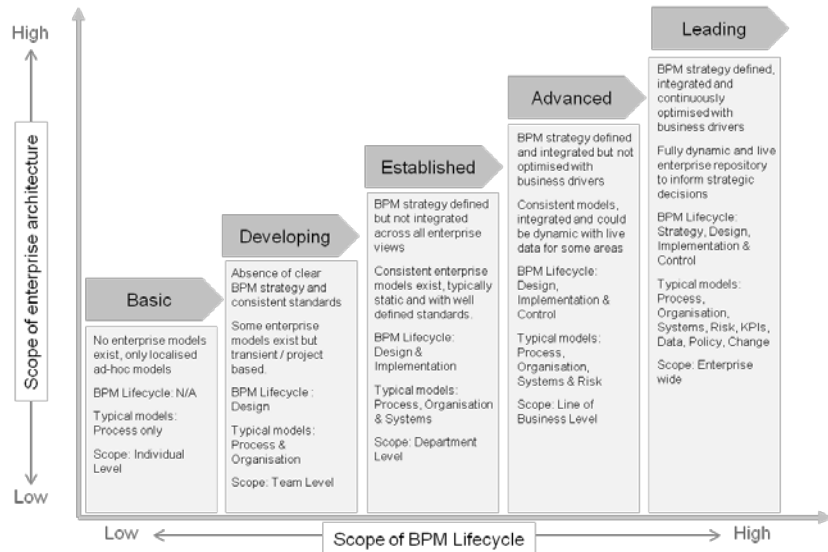
Lack of top level commitment to ensure sustainability - Change initiatives look at a process repository as a 'transient' tool to help implement the solution and once the change initiative is implemented, there is often no capability transfer to ensure ongoing business ownership of the process repository. Absence of the long-term view of the process models and lack of a clear and sustainable operating plan results in losing all knowledge about the process models once the change initiative is delivered.

How can businesses extract maximum value from their process modeling work?

The root causes for lack of process governance are perhaps well known however, businesses are still unable to address them given that too many BPM / change initiatives fail to deliver their promises.

There are some key components that contribute towards a successful process governance approach and if understood in advance, can help businesses extract maximum value from the BPM initiatives.

Clearly articulated BPM (Business Process Management) roadmap - The design and implementation of business processes as part of an enterprise wide transformation has enduring impact on the way a business operates. The rigour and rules for this work should understand the current maturity of the organisation with regards to its processes and its vision for the future. The Figure shows a maturity model that helps understand 'where we are' and 'where we want to be'. Many times organisations are too ambitious with their BPM vision, not realising the quantum leap in performance that they aspire to and as a result the processes 'fail' to deliver the vision.



Clearly understood process scope - Once there is a clear vision & roadmap, the next critical success factor is the process scope in the context of the business. This involves understanding the overall value chain of the business, defining the core and enabling processes (if they do not already exist) and developing a view of the 'Business on a Page'.

Consistently defined architectural levels and standards - A simple but often not well addressed gap in process governance is establishing the modelling standards and architecture levels. Sometime processes are too detailed and sometimes they are too abstract. Defining the right levels and setting clear guidelines on the type of process models to be developed, the mandatory and optional attributes to be captured, the templates and guidelines, are the critical hygiene factors for ensuring a robust process governance capability.

Integrated and well-aligned Meta-model - Large scale transformation programmes typically impact all domains of the enterprise (organisation, customer, technology, business process, data and performance). It is important to understand the interdependencies among these domains and how changes in one impact another domain. Effective governance should involve understanding these relationships at a relevant level of detail and maintaining the alignment of the attributes and relations for each object within the overall meta-model (the blueprint of all the different views of the enterprise).

Well defined change control procedures - Change control is a critical yet relatively less managed area of transformation programmes. Often, change control procedures become very technical and scoping decisions are made purely considering the technology view. Process design may not have effective change control as this is often developed and implemented in a way that is more suitable for solution design. A robust governance framework ensures that change control is applied on process and solution design alike. A common design authority responsible for governing all process and solution design decisions helps ensure complete integrity, and alignment. Post the programme lifecycle, such a design authority can take the form of a sustaining structure such as a 'Centre of Excellence', 'Business Support', or 'Central Architecture', etc.

Training and Infrastructure: Having everything in place, the governance of processes through the lifecycle also needs to ensure that resources involved in the design and modelling of processes

are properly trained in the chosen process modelling tool. In a multi-year transformation programme, the structure of a process repository can be compromised due to lack of training or robust infrastructure, maintenance of standards, provision of licenses and administration of the database. A diverse user base for the process architecture needs appropriate investment in training and familiarisation with the process models.

Culture of process thinking within business: Lastly, it is important to ensure the ownership of the business for the process architecture as they go through the continuous improvement cycle. Assigning process responsibilities, leadership commitment in generating awareness of process, and aligning business requirements to process are just some of the ways in which businesses can develop this culture. Process can be seen as the fundamental unit of change, which acts as a glue that binds all other domains of change. Establishing process as a common language among teams helps to ensure integrity of business process performance and congruence of future designs, i.e. process governance.

In Conclusion

Process architecture should be treated as a key asset for the organization, being managed and governed appropriately. The integrity of the process architecture binds together the business transformation activities and enables the realization of benefits from enterprise process modelling. The Critical Success Factors to better enable architectural integrity include: understanding the process vision, establishing architecture standards, integrating all views of the enterprise (Metamodel), ensuring proper change control, embedding appropriate tools and driving business ownership of the architecture.

Author

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