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During the course of developing and launching the Business Process Trends Portal, I had the opportunity to talk with a wide range of individuals and companies engaged in business process change. I have been impressed with the number, as well as the wide variety, of business process initiatives currently being undertaken. In a very few cases I found a Business Process Architecture Committee responsible for the overall planning and management of the company's business process change program, and in some cases I encountered a VP of BP or a BP Team responsible for coordinating business process change initiatives. But, more often than not, I found that organizations do not have a centralized corporate BP group responsible for overseeing business process change. IT groups generally pursue a broad range of process automation initiatives with a minimum of coordination. It isn't that they aren't coordinated by the CIO within the IT group, but rather that the coordination doesn't focus on how the initiatives are integrated and related to a corporate business process strategy. Similarly, it is not uncommon to see multiple Six Sigma business process change initiatives running in parallel within a single organization, with little or no coordination.

Lots of company management teams talk about becoming more process-centric and using processes to guide their management, measurement and investment decisions. Few, however, have a clear roadmap for achieving that objective. One tool that has helped many organizations is the business process audit. In essence, an audit provides an objective evaluation of how a company's business process change practices compare with industry best practices, and identifies alternative approaches to becoming a more process-centric organization.

Some business process audits are conducted across the enterprise, however most focus on a division or a subsidiary. In each case, the audit team(1) meets with the client manager to define the scope of the audit, (2) gathers information from both inside and outside the company through questionnaires, phone calls and on site interviews, (3) analyzes the information and prepares a written report, and (4) presents the findings and recommendations to company or division management, on site. The audit report describes where the company is today, suggests changes the company might undertake and discusses the benefits and consequences the alternative changes might achieve.

The following outline suggests some of the key elements any comprehensive business process audit should consider. These are described in more detail in Paul Harmon's book, *Business Process Change: A Manager's Guide to Improving, Redesigning, and Automating Processes*. (Morgan Kaufmann, 2003)

Organizational Management Considerations

- The company strategic and goal setting process
- The company planning process and its concern with processes
- The involvement of senior management in business process change
- The process maturity of the organization on the CMM scale
- The state of the organization's business process architecture
- The process by which the organization creates and maintains its business process architecture



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Business Process Considerations

- The company's analysis of its value chains and processes
- Measures of processes that the company tracks (Internal, External)
- Processes the company has redesigned and the results
- Business processes out-of-line with current goals
- Priorities for business process change

Business Process Management

- How the organization is structured to support processes
- Process goals, measures, and managerial evaluation
- How process change projects are organized and managed

Business Process Methodologies Employed

- Past practices
- Current plans and organization
- Methodologies and software used
- Staffing and knowledge management for process change

Human Performance Considerations

- Ties between job descriptions, incentive systems, activities, and processes
- Alignment between supervision job descriptions, process monitoring, and controls
- Consistency and quality of performance
- Ongoing process maintenance practices

IT Considerations

- Ties between IT priorities, applications, and processes
- Business-IT Alignment: Relation of process, application, and data architectures
- Ability of IT infrastructure to support corporate goals and process improvement plans
- New IT technologies being explored for business process modeling and monitoring

When selecting an audit team, it is important to make certain that you select a team that has no vested interest in a specific methodology, approach or tool. The audit team's goal should be to accurately describe what the company's current state is, present some unbiased options the company might pursue, and provide suggestions regarding the likely outcomes associated with pursuit of those options.

When selecting the best approach to business process change it is important to consider the company culture. Some management teams are more likely to support strong, centralized business processes, while others will support distributed efforts. Similarly, some organizations are more willing to invest in IT automation efforts that will lead to long term savings, while others will prefer to put more emphasis on process design and employee changes that can result in rapid changes at a lower cost.



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The most valuable audit will present a comprehensive overview of the organization, providing senior managers with an overview of their situation, a vision of what their organization could be like if it were more process-centric, and recommending specific steps that are reasonable in terms of corporate strategy, goals and resources. A given organization may not have a high-level business process team or process management structure in place. It's important to recognize this and note what this may be costing the company, even if this isn't the first priority in terms of business process change.

A good business process audit can be a major impetus for organizational change. It can identify major problems and duplicated efforts, or it can simply note what is being done and identify how the current effort can be improved. Whatever the outcome, an audit that stimulates senior management to consider its business processes is well worth the modest time and effort involved.

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