reDISCOVERing VALUE:
Leading the 3-D Enterprise to Sustainable Success

Geary A. Rummler, Alan J. Ramias and Cherie L. Wilkins
Jossey-Bass
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Reviewed by Paul Harmon

Geary Rummler began working on process improvement in the Sixties, after completing his doctorate in business at the University of Michigan. Those who knew him value his talks and workshops and occasional papers, but it wasn't until 1990 that he finally got around to putting his influential ideas down in book form. *Improving Performance: How to Manage the White Space on the Organization Chart*, co-authored with Alan Brache, gained immediate popularity driven in large part by the widespread interest in Business Process Reengineering. Hammer, Davenport and others urged companies to rethink how they handled processes, but they didn't offer a specific methodology – while Rummler and Brache did. More important, unlike alternatives such as Six Sigma and techniques offered by IT, the Rummler approach was a top-down, business oriented approach that started with an overview of the goals of the organization and then worked down to the value chain that spanned all the departmental silos. Rummler-Brache grew from a small company to a very prosperous and influential consulting group. They authored a second edition of *Improving Performance* in 1995 -- and then the company was sold. Thus, by the end of the nineties, Geary Rummler found himself retired.   Geary, however, wasn't ready for retirement – his passion was trying to understand how organizations got work done – and he soon founded a new consulting group – Performance Design Lab (PDL).

In 2004 Geary Rummler published *Serious Performance Consulting: According to Rummler*. This book was published by the International Society for Performance Improvement (ISPI), a professional group in which Geary Rummler had been active since its founding. ISPI had been initially established to focus on training and educational problems, but I would say that today it is primarily focused on improving processes – especially processes with human performance problems, and that is, in large part, due to the influence of Geary Rummler. To my mind, *Serious Performance Consulting* is Geary's best book. It's certainly the book I would recommend to a beginning process practitioner. It's very hands-on, and follows a case study from beginning to end, showing just how Geary would analyze and redesign an organization to eliminate its performance problems.

Geary Rummler died in October of 2008. Until the day before his death, he remained active, as a consultant and as a writer. In that year, he was working on two different books. One, the *White Space Revisited: Creating Value through Process* was a revision and update of his original book, *Improving Performance.* This book was completed by the co-authors, Alan J. Ramias and Richard A. Rummler and published in 2010. It does exactly what it was intended to do – it presents Geary Rummler's basic methodology in a straight forward manner, adding new insights where they have accrued.   If someone wanted to learn about Rummler's methodology, this is the book to read.   It starts at the top, with the idea of the organization as a system, and carefully peals the onion, identifying value chains and processes and then, within processes, the flows and the people who make them work – or who cause problems that need to be fixed.

The second book that Geary was working on when he died has been completed by Alan J. Ramias and Cherie L. Wilkins and just recently published.   At a superficial glance, this book might appear to be similar to the *White Space Revisited.*   All the key diagrams that are so typical of the Rummler approach are there. In fact, however, *Rediscovering Value* has a different goal, I think. *White Space Revisited* and Serious *Performance Consulting* are both aimed at practitioners.   They were technical books that sought to explain the process of performance analysis and to teach one to use the tools one needs for such an effort.

I suppose I would say that the original book, *Improving Performance*, was also a book for practitioners – it had too many diagrams and too much detail to appeal to business managers, whose books are usually organized around one hot idea and some high level case studies. Still, more than the two subsequent books, and largely as a result of the intense business interest excited by Hammer and Davenport, Reengineering was a hot topic in the early nineties, and *Improving Performance* enjoyed quite a bit of attention in the executive suites of many corporations.   *Rediscovering Value* is intended for business managers – it represents an effort to explain the importance of the process or systems perspective to senior executives.

Rediscovering Value is divided into three parts. In the first part, the authors introduce the 3-D concept. In essence, they distinguish between resources, which in this case refer to capital and the capabilities found in functional units, the work systems (processes) and the management insight that can link the two together.   The 3-D focus is really a detailed plea for managers to balance their focus on ROI (and shareholders) with an equal focus on generating value for customers.

The second part, The CEO's Agenda, suggests how managers can achieve the balance. It begins with making the systems visible and aligning goals with a management model that will assure that both ROI and the production of value are balanced. The third part, A Closer Look at Belding walks the reader though a case study. It is at this point that the authors resort to the detailed diagrams that the Rummler methodology uses to make an organization visible and to track value and return to their sources in the daily work of the organization.

Any who are fans of the Rummler methodology will enjoy this book. It is a fresh look at the systematic approach to organizational performance improvement that Geary developed and that his associates at PDL continue to practice. Moreover, it adds several new insights that are particularly valuable to those who are designing process management or monitoring systems. Unfortunately, I suspect, it is still too technical to enjoy great popularity in the executive suite. There is too much emphasis on how to do it and not enough hype about why you have to do it or perish. If I were looking for a quick read that I might offer to a business executive who wanted to know what process is all about, I wouldn't recommend this book – not because it doesn't explain process, but because I think it so technical that it is likely to lose the attention of the average business reader.

If, on the other hand, we reclassify this book as a book for process practitioners, then one faces a choice between two recently published Rummler books – *White Space Revisited* and *Rediscovering Value* – and in that case, I would probably recommend *White Space Revisited* – which presents the basic Rummler methodology in a more straight forward manner.

I would be dishonest if I didn't say that all of these books sound very similar. Rummler and his associates are interested in working out the implications of Rummler's original insights into processes and performance. They are strong on the interface between organizational design and processes and on how one manages to improve the work of human employees. They are not nearly so strong on how IT is used in process redesign, or on how someone working in the Rummler tradition would deal with Lean or Six Sigma, with Business Rules, with Burlton's approach to scoping processes, or with BPM software systems. I regard my own work in process

methodology as a natural extension of Rummler's work, with a strong emphasis on incorporating process concepts and techniques that have been developed in the past twenty years.

Although each of these books adds some new twists, all are basically focused on explaining an approach that Rummler developed in the Eighties and then refined in the recent decades. Still, anything by Rummler is worth reading. His approach to organizations and their problems is so straight forward that one almost forgets how profound it is. Anyone following the business process field, reading articles on *www.BPTrends.com* or looking at an introductory survey of the field, as found in the *BPM Handbook,* will come away thinking about how complex the field is, how much different technology waits to be integrated, how many different methodologies and approaches there are. This complexity is necessary, of course, because reality and our problems are very complex, and getting more technical every day. But the analyst who wants to understand the architecture of a business and gain an overview of how processes can be defined and then improved, needs a high level vision that lets him or her see how the major pieces fit together. That was Geary Rummler's genius – he worked for 50 years, simplifying and refining, to achieve a very powerful overview of what business analysis and improvement were all about. To read Rummler is to be reminded again that an organization is a system that takes inputs and transforms them into outputs valued by customers and shareholders. One comes away with the feeling that, in spite of the complexity, there is a path practitioners with common sense can follow to get good results and that all the techniques and specialized methods are just tools that we can use, at appropriate points, to help us achieve our goals.

If you are a process practitioner and have not read Rummler, get any book you can and begin. If you are an advanced practitioner and are concerned with process management and governance, *Rediscovering Value* is probably the best book to read to learn about how to think about the relationship between management and processes.

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For another perspective on *Rediscovering Value*, search on www.bptrends.com for the April 2011 column by Roger Addison and Carol Haig – "Performance Architecture: Sustainable Performance Architecture – the 3-D Enterprise."

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