



Processes in Practice

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What Organizations Need is a BPM Roadmap with Clear Benefits

In the June 2010 Business Process Trends Advisor [1], Paul Harmon and Celia Wolf asked “Once More: What is BPM?” Their interesting Advisor concluded that the term “BPM” was still the best name for activities that try to get business to take a “big process perspective,” become process-focused, and take a comprehensive approach to process change. Unfortunately, there still remains another vital question, “Who cares?” or perhaps, more appropriately, “Why is it so difficult to get many organizations to care about processes?” As the Advisor pointed out, even those who do care get confused about whether they are doing BPM or Process Improvement. While I agree that we should stick with the term Business Process Management to cover the whole topic, I think it is important to recognize that those two distinct elements do exist: BPM Transformation and Process Transformation (see Figure 1).



Figure 1. Aspects of BPM

Process Transformation is about establishing and improving the end-to-end processes that operate the organization and deliver value to customers and stakeholders. BPM Transformation is about establishing process thinking and management to ensure that the Process Transformation is successfully implemented, sustained, and improved. It’s pretty obvious that you need to do both; it’s unlikely that you can achieve sustainable Process Transformation unless you put in place many of the BPM techniques such as process ownership and performance monitoring, and BPM is probably not going to add much value unless it is coupled with significant Process Transformation.

A BPM Roadmap

What is important to realize is that the timeframe over which these two elements are developed and the benefits that they deliver to the business are different. I believe this is where many BPM business cases currently suffer. They propose a long term BPM journey that requires the implementation of many difficult techniques such as process ownership, creating a complete enterprise process map, establishing company-wide process measures that, in return, offer rather vague “act of faith” benefits that may be realized in some year’s time. In contrast, process improvement projects (Six Sigma, Lean, etc.) come to the table with large, quantifiable, short-term benefits that attract managers’ attention. Of course, we know that these improvement projects don’t always deliver and, even if they do, the benefits are not sustained and another project will be initiated in a couple of years time to address the same issues again. Moreover, it is rare that these different improvement projects will document processes and outcomes in the same way, or use any corporate standards or tools. So they don’t contribute to building a corporate process knowledge base. I have personally seen examples of the same process being mapped four or five times over a three year time period to support different improvement projects – on some occasions even using the same modeling tool because the previous maps had not been kept!

Instead, what we need is to develop and present to the client a BPM Roadmap that creates a long term vision of BPM for the organization and puts in place a plan to achieve this, but at the same time initiates Process Transformation projects that deliver more immediate benefits. The roadmap must take account of the best in current BPM thinking, but also take into account business objectives, other initiatives, process (and BPM) maturity, and the immediate short-term business drivers (see Figure 2).

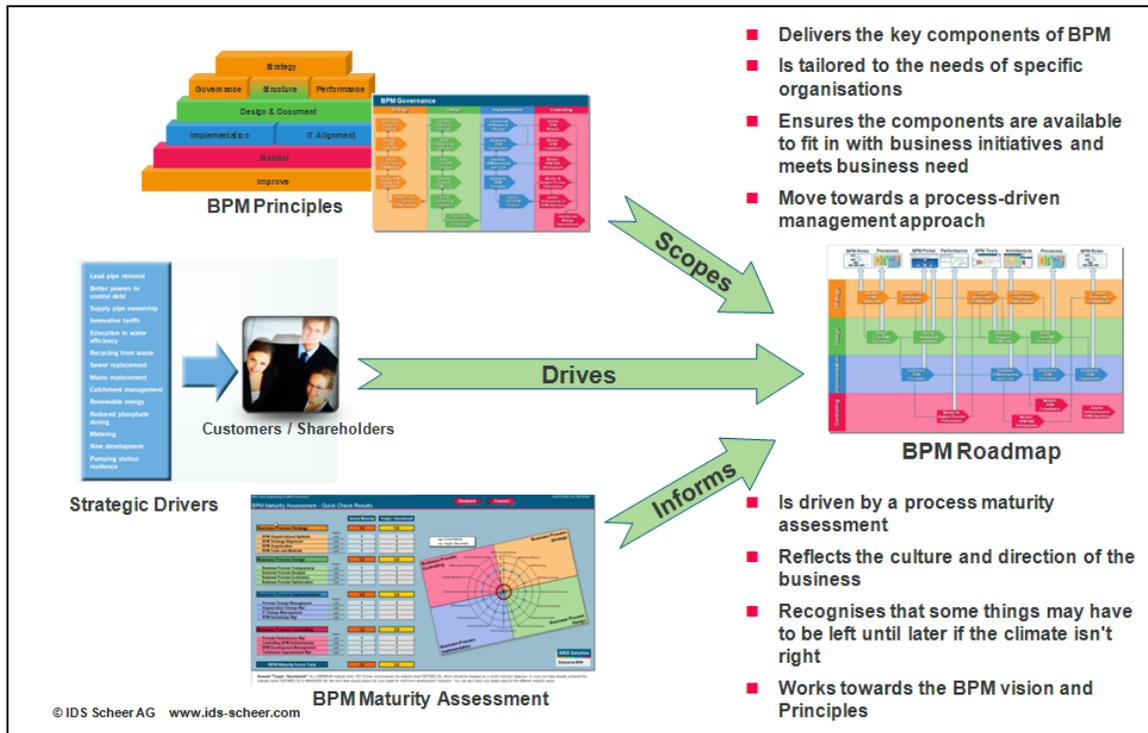


Figure 2. The BPM Roadmap

If carefully designed, the BPM Roadmap will, along the way, put in place key BPM components that support the transformation initiatives and also build towards the BPM vision. In this way, managers will be able to achieve early benefits and use these benefits to continue to justify the ongoing road to the BPM Vision.

Once we start to think of BPM as a set of components we can see that we don't have to do everything in one go and up front. We don't have to build a complete process architecture, map all the as-is processes, establish process ownership for all processes, and start process monitoring before we can deliver any value. Instead, we can create a top-level process landscape, appoint owners for some key processes, put in place some metrics, and establish some initial modeling standards. Then we can work on transformation in those areas. As we progress, we can expand the architecture, map more processes, establish more comprehensive process performance monitoring, and so on.

Of course, none of this sounds very revolutionary; we are all used to talking about the need for "quick wins" and looking for "low-hanging fruit." However, in the BPM community we have a track record of making things look very complicated and very long term. In contrast, our process improvement colleagues achieve the quick wins, but don't establish BPM thinking and the BPM infrastructure. We need to do both to achieve the benefits, while keeping in mind the process-centric organization we wish to create.

Selling the Benefits

Once we think in terms of a BPM Roadmap that combines these two aspects we can start to separate out the benefits and present them in a meaningful way. It seems self evident to those of us in BPM that processes are vital to the business, but clearly it is not that obvious to many organizations; otherwise we wouldn't still be struggling to get BPM onto the business agenda. So we need to articulate, in simple terms, why businesses should bother with processes, why they should transform them, and why they should manage them. Often, in our rush to promote our BPM approach, we forget to make this clear.

Why do we need processes?

We need processes to

- Ensure our products and services have consistent and repeatable quality
- Continuously improve business performance ...and measure it
- Reduce waste and ensure efficiency
- Provide transparency and manage our risks
- Provide standardization and reuse
- Guide restructuring and business optimization
- Manage complex tasks and supply chains
- Automate and web-enable

In fact, the vital message is

"We need processes, when we don't want to leave the operation of our business to chance... to put us in control."

In fact, I would like to go further and say:

"Processes aren't just something the business does – Processes are the business."

Why do we need to transform processes?

Very few organizations have achieved a level 5 maturity in process so there is always work to do to improve processes or establish them in the first place. Even if an organization is able to implement high quality processes, the world doesn't stay still. We need Process Transformation to

- Ensure processes continue to deliver business objectives

- Respond to the changing market and business environment
- Rapidly deliver new products and services
- Adapt to organizational change
- Ensure effective use of resource
- Take advantage of new technology
- To automate processes

Why do we need Business Process Management?

If we accept that processes are vital to any organization, then we need to think about them as a business asset that needs to be managed and controlled. But processes are more than just an asset or infrastructure – **“processes are the business”** – so we need to move towards the concept of

“Managing the Business by Managing the Processes”

For most organizations this is a big step to take, but nevertheless the benefits it brings answer questions that are on the mind of most CEOs today:

- **Transparency** – How can I understand what my business actually does?
- **Objective alignment** – How can I ensure the organization is working to achieve business objectives?
- **Customer satisfaction** – How can I tell if all the different functions within the business together create a world-class customer experience?
- **Risk and Compliance** – How do I understand where the risks are in the business? Have I got controls in place to mitigate them and can I prove it?
- **Standardization** – How do I ensure the different parts of the business are operating in the same way?
- **Automation** – How can I ensure the IT department is automating the right thing, reusing systems, and keeping costs under control?
- **Process Performance Management** – How can I understand how my business is performing from a customer’s point of view?

BPM puts in place the management approach and tools that allow these question to be answered, not just once, but on an ongoing basis. For most organizations, the first and the last benefits - transparency and process performance management – can bring early benefits that can’t be realized by other techniques and approaches.

Transforming to Process Excellence

To transform a business to a high level of process maturity we therefore need to transform both its processes and its approach to management. Process Transformation is about improving the processes, while BPM Transformation is about moving towards an organization that is managed by managing its processes. Of course, we will always need Process Transformation because, as we saw above, the world is always changing, and we need to adapt to it. Ideally, we won’t always need BPM Transformation. Once we have established BPM as “business as usual” then we will have achieved a high level of process maturity and we can leave BPM to manage the processes. Of course, in practice there are always new ideas to learn and approaches to implement.

To achieve this, we need to make the case to senior management that processes are important, Process Transformation is important and BPM is important. We can’t expect them to take that on

as an act of faith. It doesn't matter to them what tools and techniques we use or what we call it. We need to provide them with a BPM Roadmap that shows them the path to the BPM vision, but is presented in their language and shows the benefits that will be achieved that are relevant to their business and their needs.

References

[1] Paul Harmon and Celia Wolf, "Once More: What is BPM?" in Business Process Trends advisor June 2010

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