



A Strategist's Perspective

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Defining Process Properly: Beyond Just Functional Excellence

The Business Problem

Typically, BPM enabled process projects are tightly scoped around local benefits and functional excellence. This is not an unusual scenario for the first few BPM projects in an organization, which are intended to demonstrate the value of good process management. However, narrow scoping has two potential side effects that can create subsequent problems. First, money is left on the table and certain client benefits are not represented because the complete process is not considered. Frequently, the project stops at functional and/or organizational boundaries where the domain/control of the responsible manager stops. Second, there will be collisions with other organizational units and future process projects as they are built out later from the bottom up. I have received many inquiries about this phenomenon during my five plus years of covering BPM. I have named it sub-optimization.

An example of sub-optimization would occur if an automobile insurance company automated its claim adjuster information gathering process, without considering the entire process involved and its impact on the client. From the client's point of view, a good claim adjustment process would have rental car and a tow truck dispatched to the sight of the "fender bender." Further, the process would send automatic updates to the client as the claim progressed from the outset to the actual payment which, ideally, would be deposited directly into the client's bank account; all the while the car was being repaired at the client's preferred body shop. In the event the client chose to use the company-sponsored body shop, progress updates with pictures/images would also be sent to the client by an expected delivery date. The implementation of such an overarching process all at one time would require a huge transformation of the claims process and be extremely costly. A more feasible option would be to phase in intermediate benefit delivery until the entire process became a reality. While considering the whole process is the correct approach for the long term, most prudent managers would start with a small piece, such as the information gathering process for a claims adjuster.

Bottom Line

Scope subprocesses in light of the overall process instead of bottom up process improvements without a proper process context. This best practice is called "**T**" modeling that requires the process design be done as a shallow cross-functional exercise. This is then followed up by completing deeply focused process implementations that deliver maximum time boxed results without sub-optimizing the overall end to end process. See Figure 1.

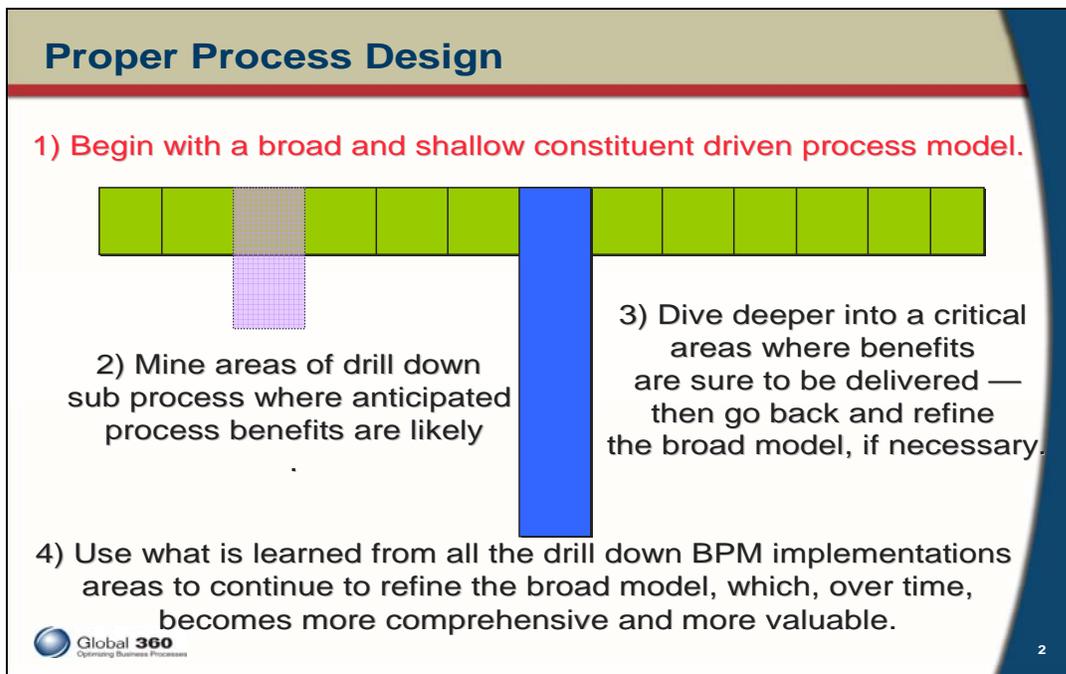


Figure 1 Proper Process Design

The Technology Implications:

There are some important methodological, tactical, and technological implications to this approach. First and foremost, it places a premium on the thin **logical modeling** that is quite often tied to architectural efforts. Most of today's BPM vendors do not support this directly, but have partnerships with popular process modeling tools such as IDS Scheer, Proforma, IGrafX, Nimbus, and so forth.

There is also a need to handle subprocesses that may have been implemented in numerous BPM execution engines, content engines, workflow tools, and activity monitoring capabilities. While standards are greatly lagging behind the market need, we are seeing BPM vendors that can handle **heterogeneous process flows, cases, content, and goals** without breaking a sweat. You are not likely to see such flexibility from the traditional platform vendors who concentrate on and are proficient at integrating only the system and application transactions. This is what I call "below the waterline" activities. They hope the process standards lag, so they become the ad hoc standard because of their size. I believe that the **competitive world wide atmosphere and the pressure to do more with less** despite up and down economic cycles will require organizations to make moves before the standards are ready and before power vendors become good at "above the waterline" activities. This outcome is likely to cause a huge change from the past 50 years of business and IT working together. In other words, this is an alignment issue.