
A Study of Strategic Change, Process Alignment, and Notation: FNGC Tap Process

Part 2: APPENDICES

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Appendix A: Tap Process Flowcharts

Description of the meanings of case notation elements:






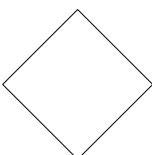

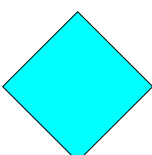


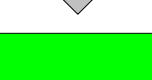
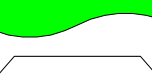
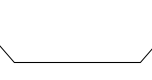
Shape	Description
	A role identifier. Always above any column of steps spanning all that apply to that role.
	An independent process event.
	A non-independent process event usually marking the beginning of a sub process.
	End of Process. Either the end of a sub process (will contain the sub-process label) or the entire process (will have no label).
	An action step that the user sees.
	A question that the user answers.
	An action step that the system executes.
	A question that the system answers.
	A placeholder for a sub process that is contained on a subsequent page in the current process or elsewhere.
	An off-page connector that links flow to another sibling page (rarely needed with good sub-process structure).
	An informational output that that the user sees (usually a report or a form summarizing the results of process execution).
	This shape indicates role coordination of some kind. Appears in three colors: white, blue and red (see Appendix D for details).
	This shape represents where process execution stops pending one or more independent events. This is not the same as <i>End of Process</i> .

Figure 1: Tap Process: Overview

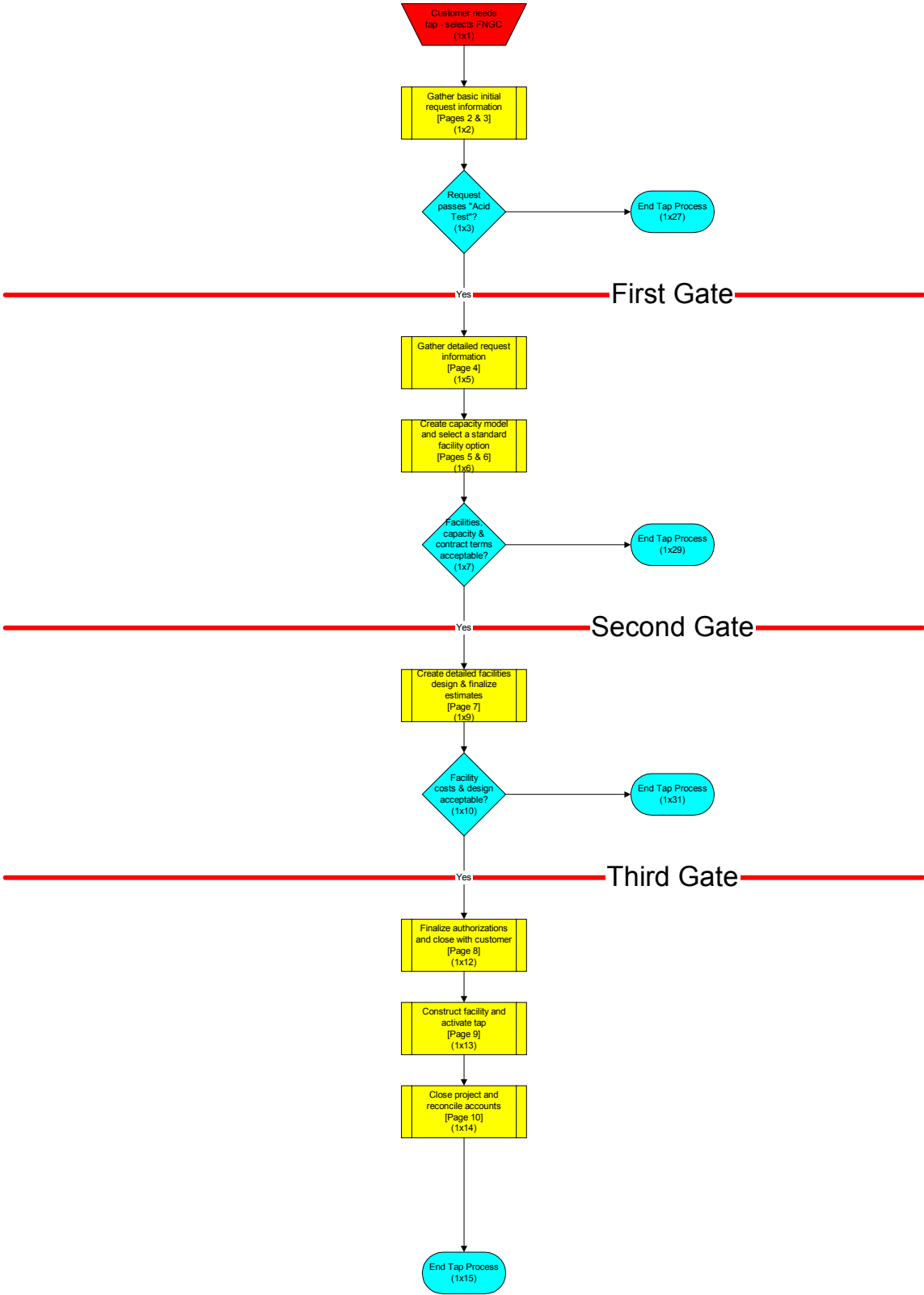


Figure 2: Tap Process: Basic Request

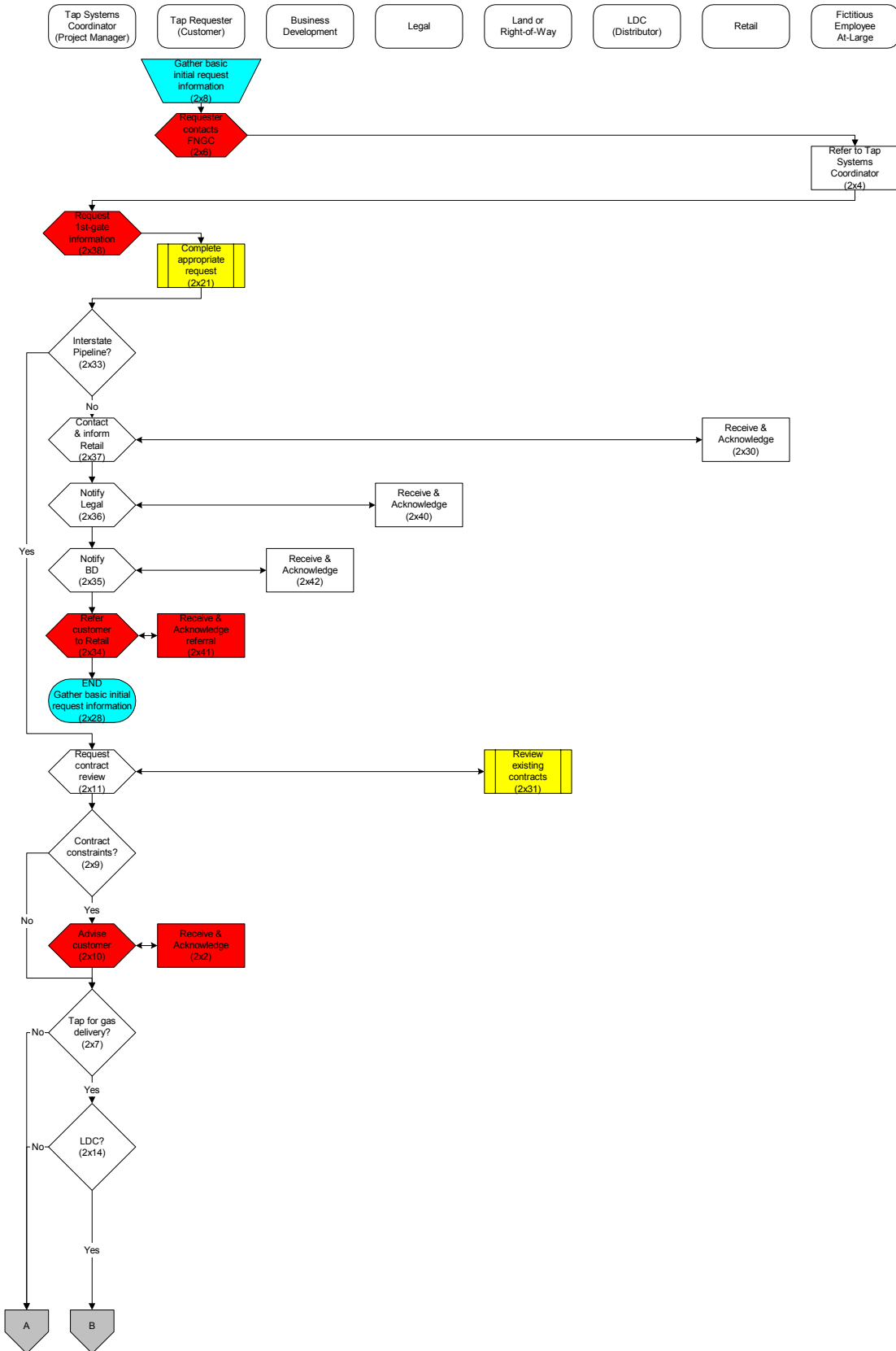


Figure 2: Tap Process: Basic Request

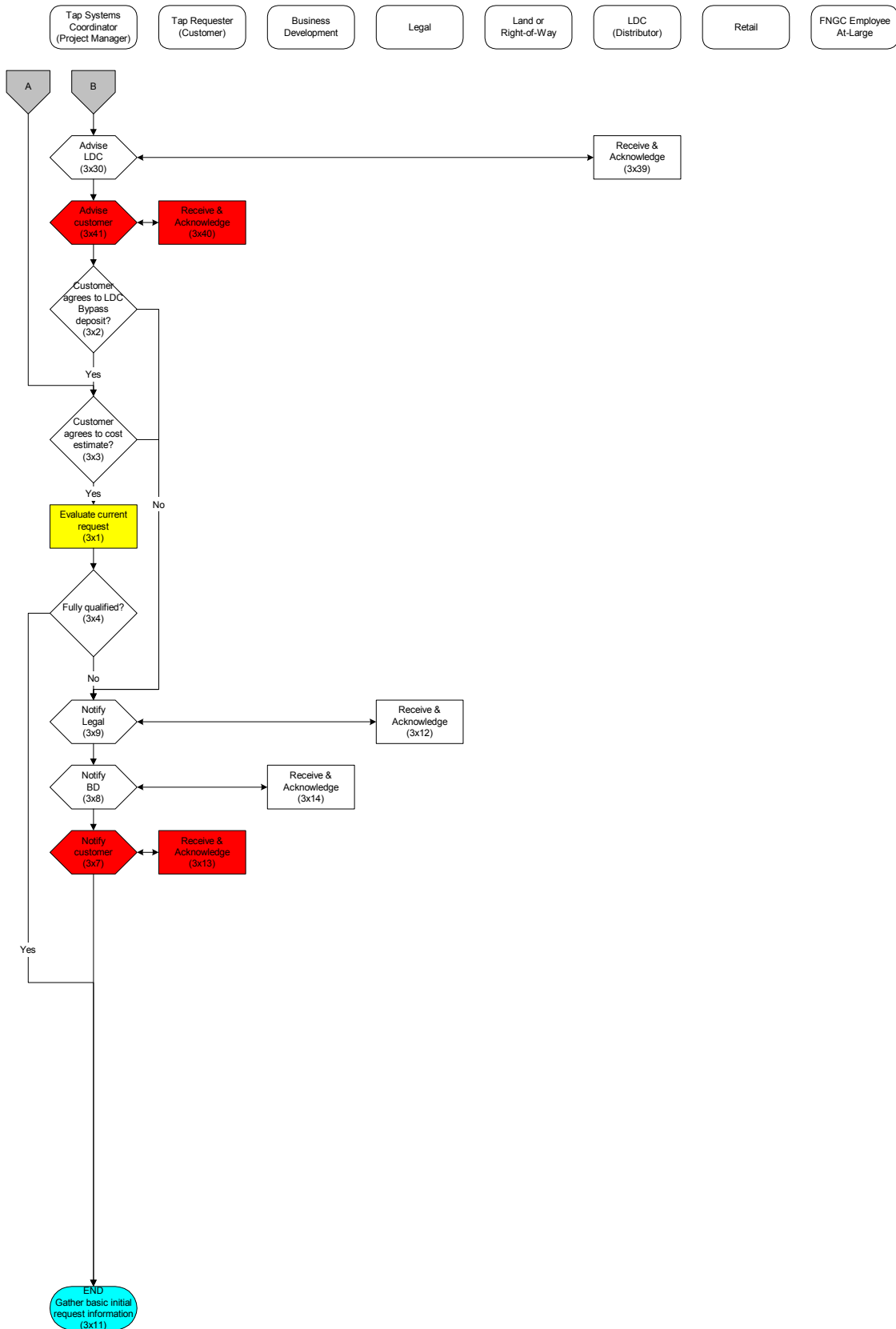


Figure 3: Tap Process: Detailed Request Page 4

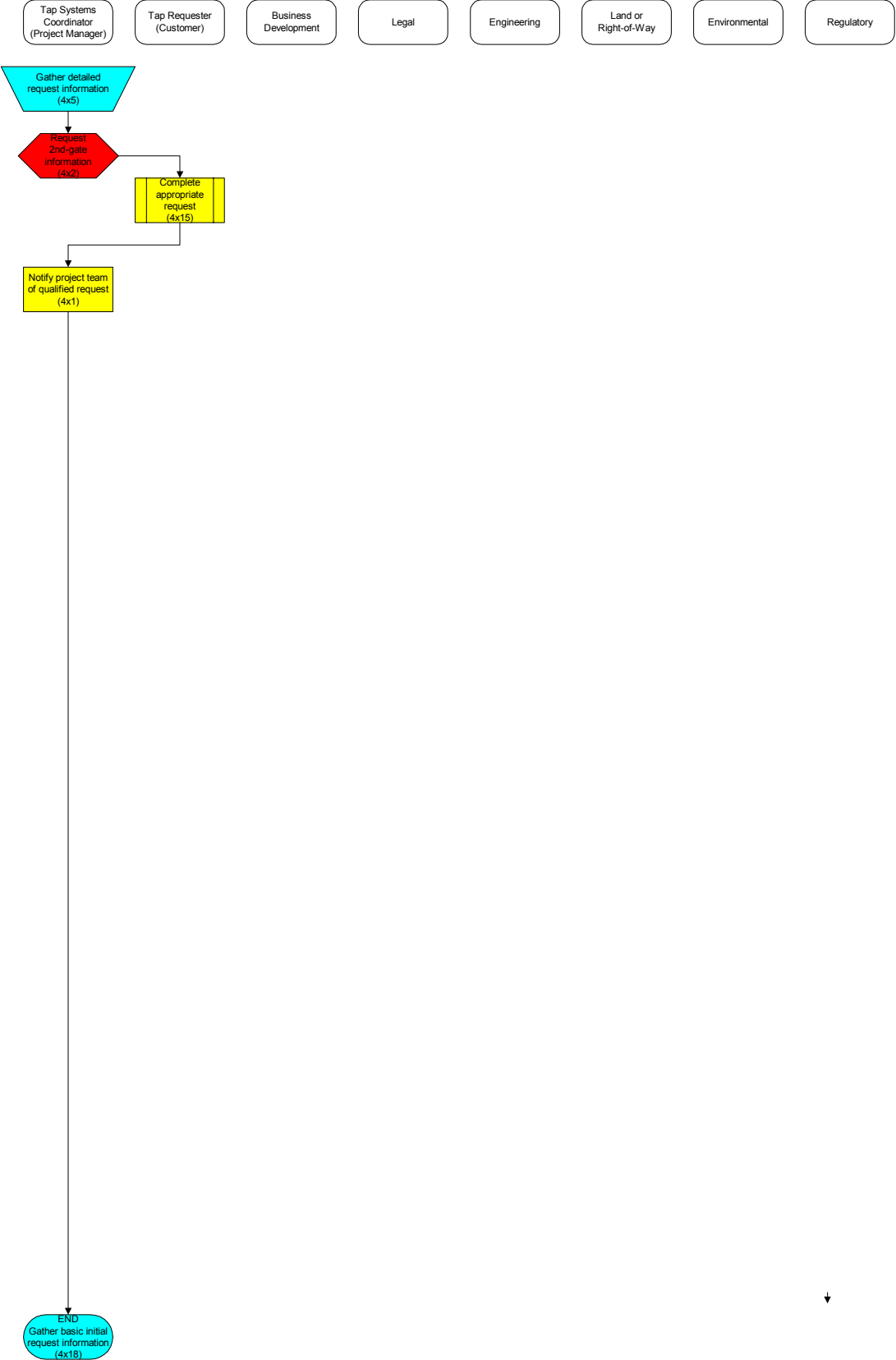


Figure 3: Tap Process: Detailed Request Page 5

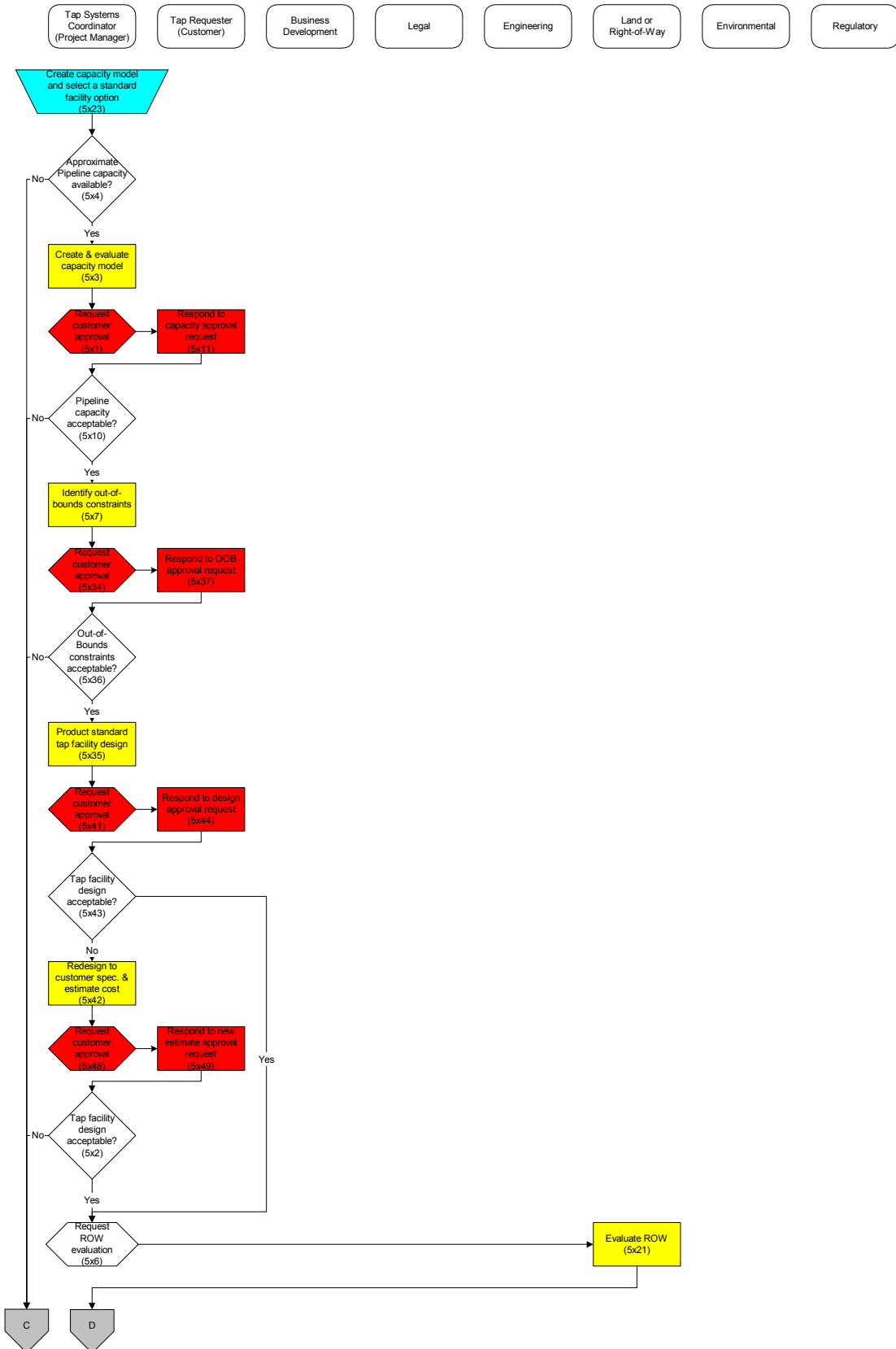


Figure 3: Tap Process: Detailed Request Page 6

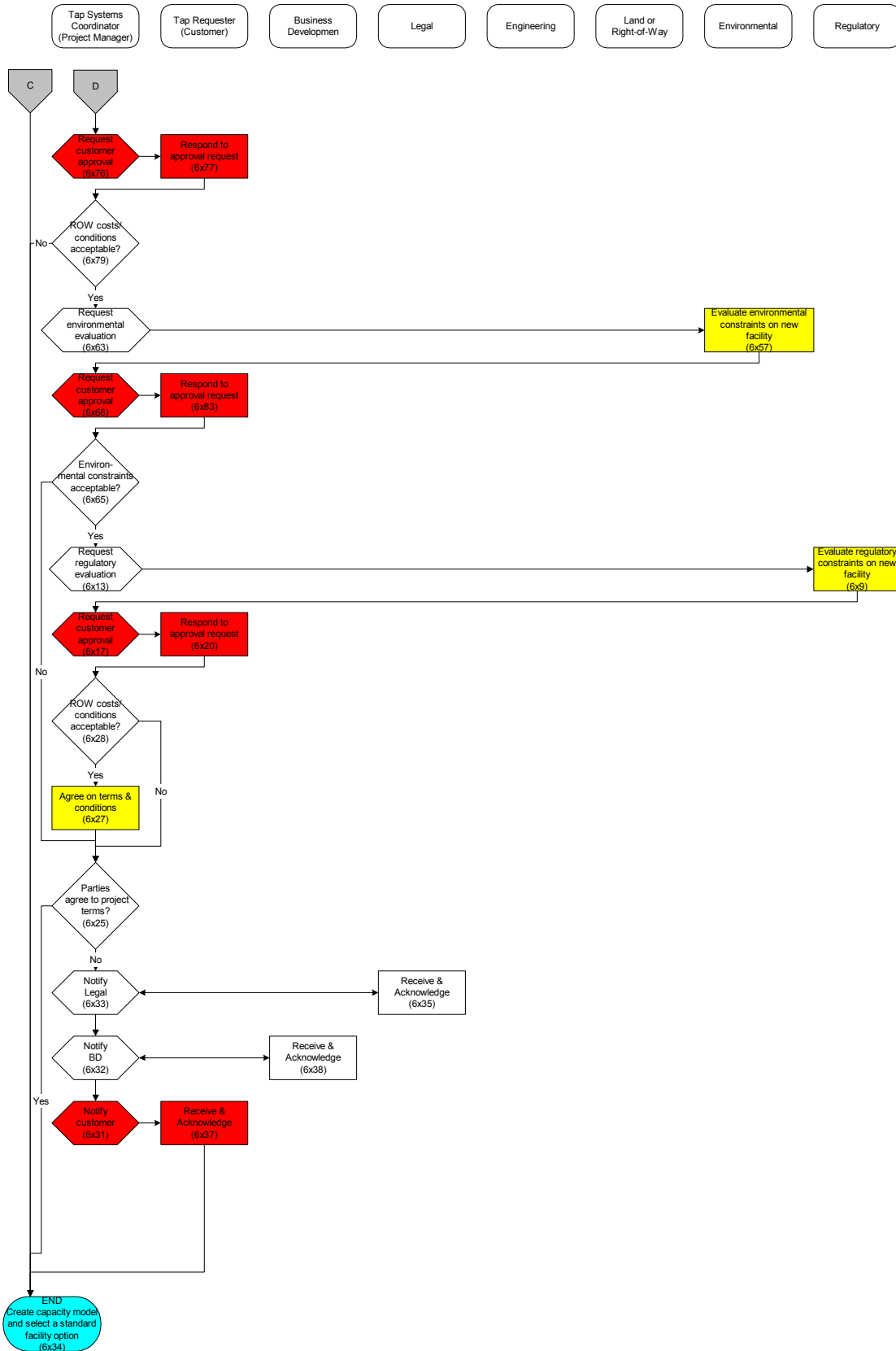


Figure 4: Tap Process: Detailed Design

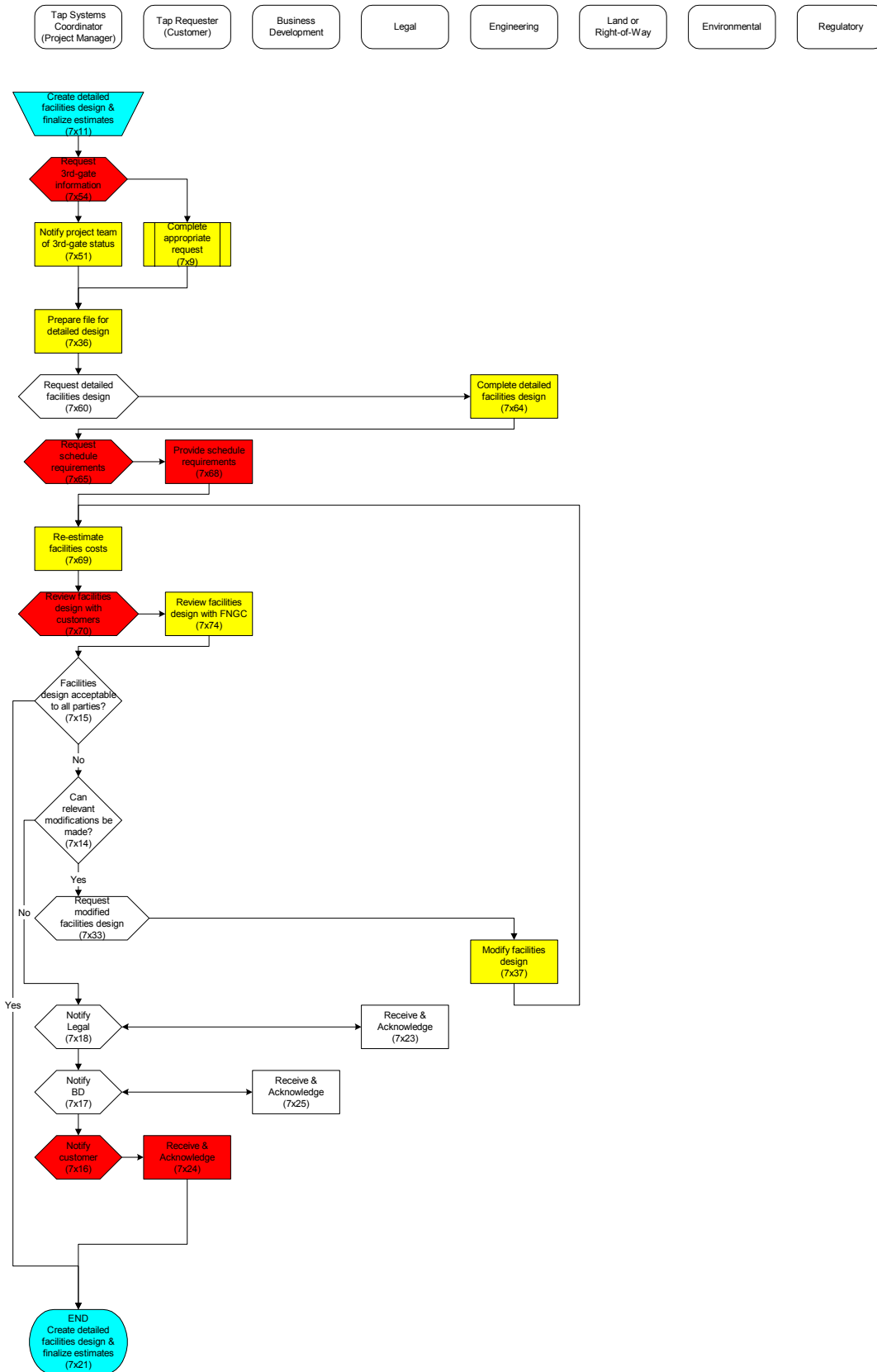


Figure 5: Tap Process: Finalize & Close Page 8

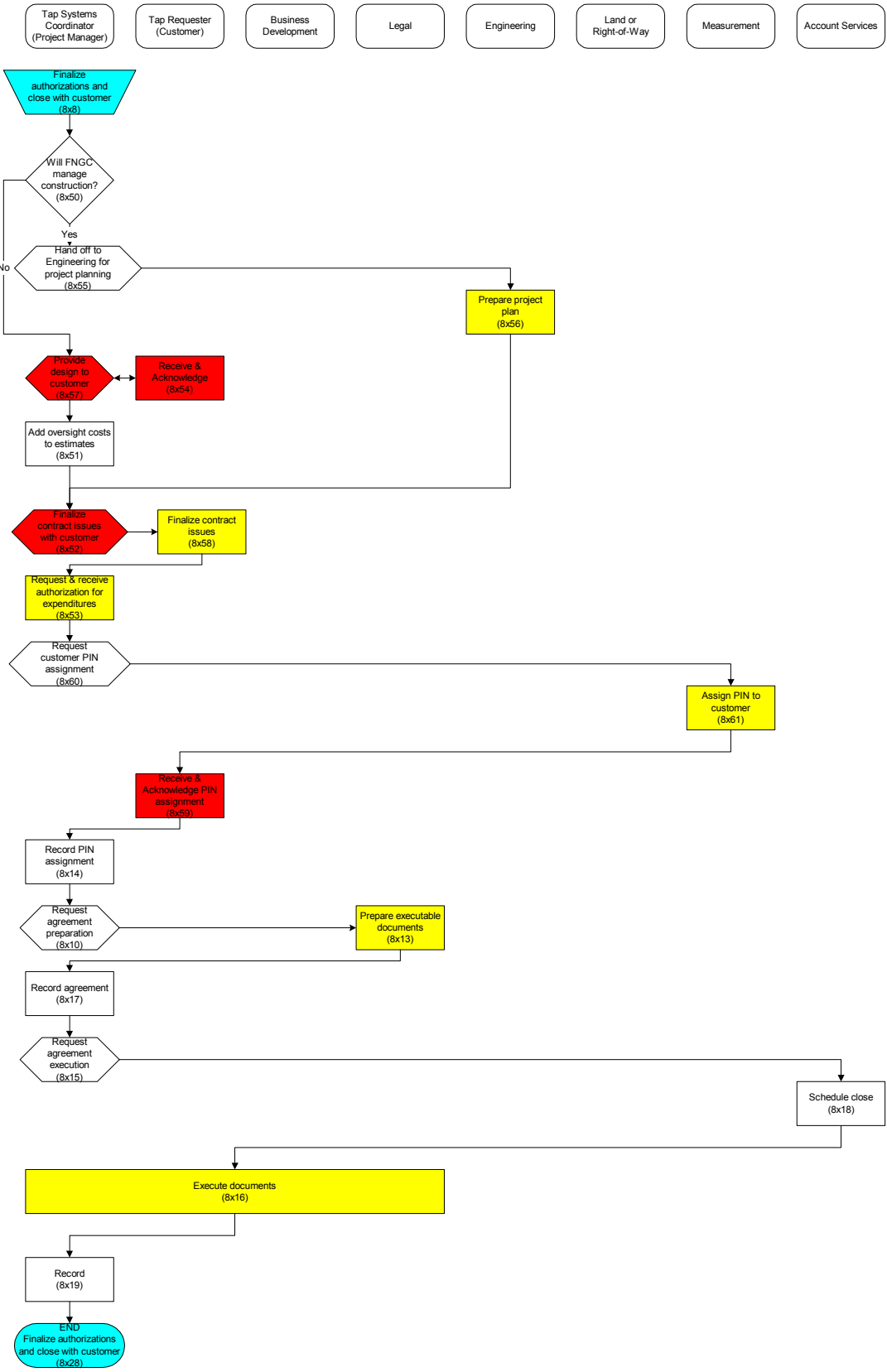


Figure 6: Tap Process: Installation

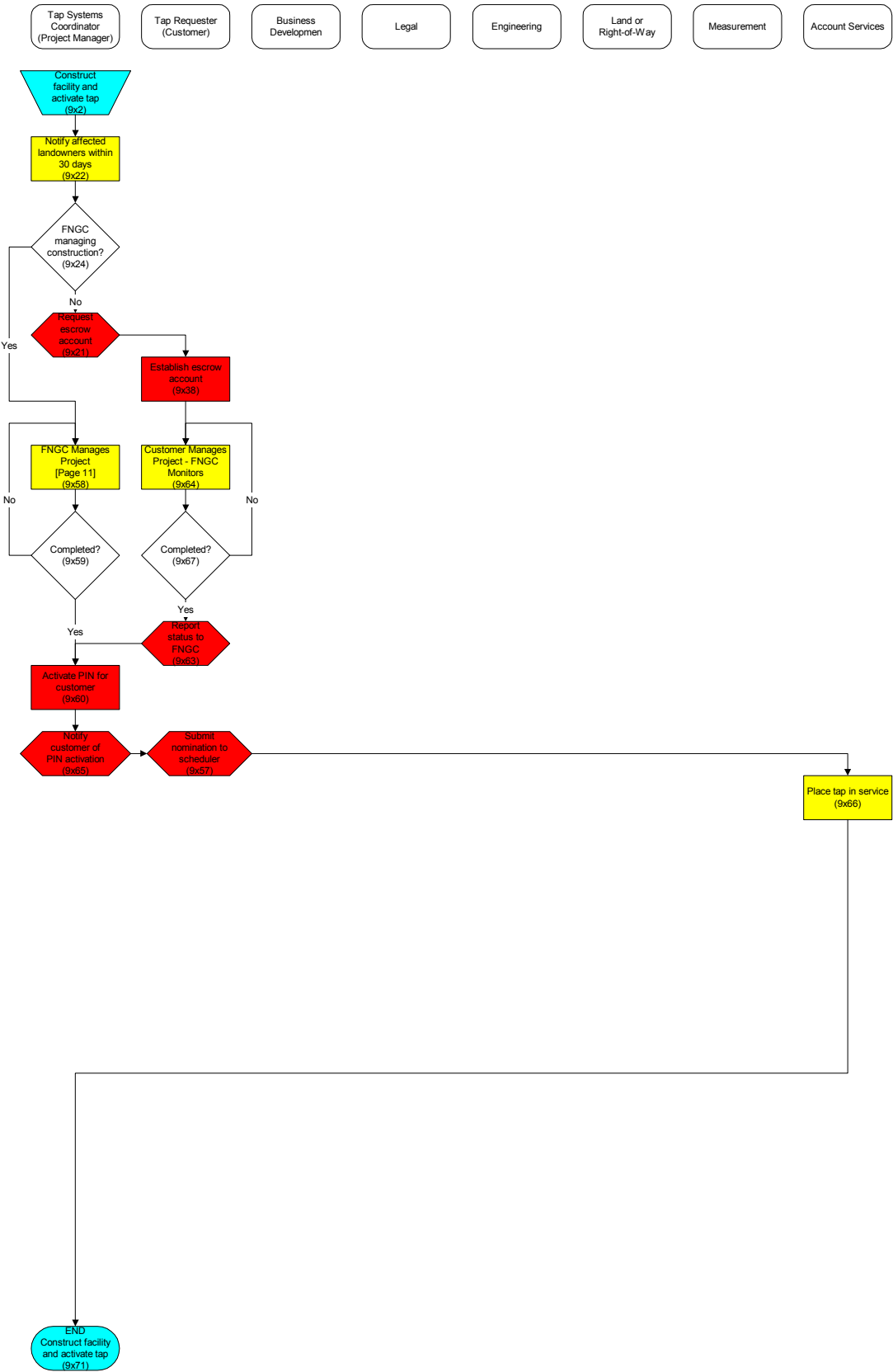


Figure 7: Tap Process: Close

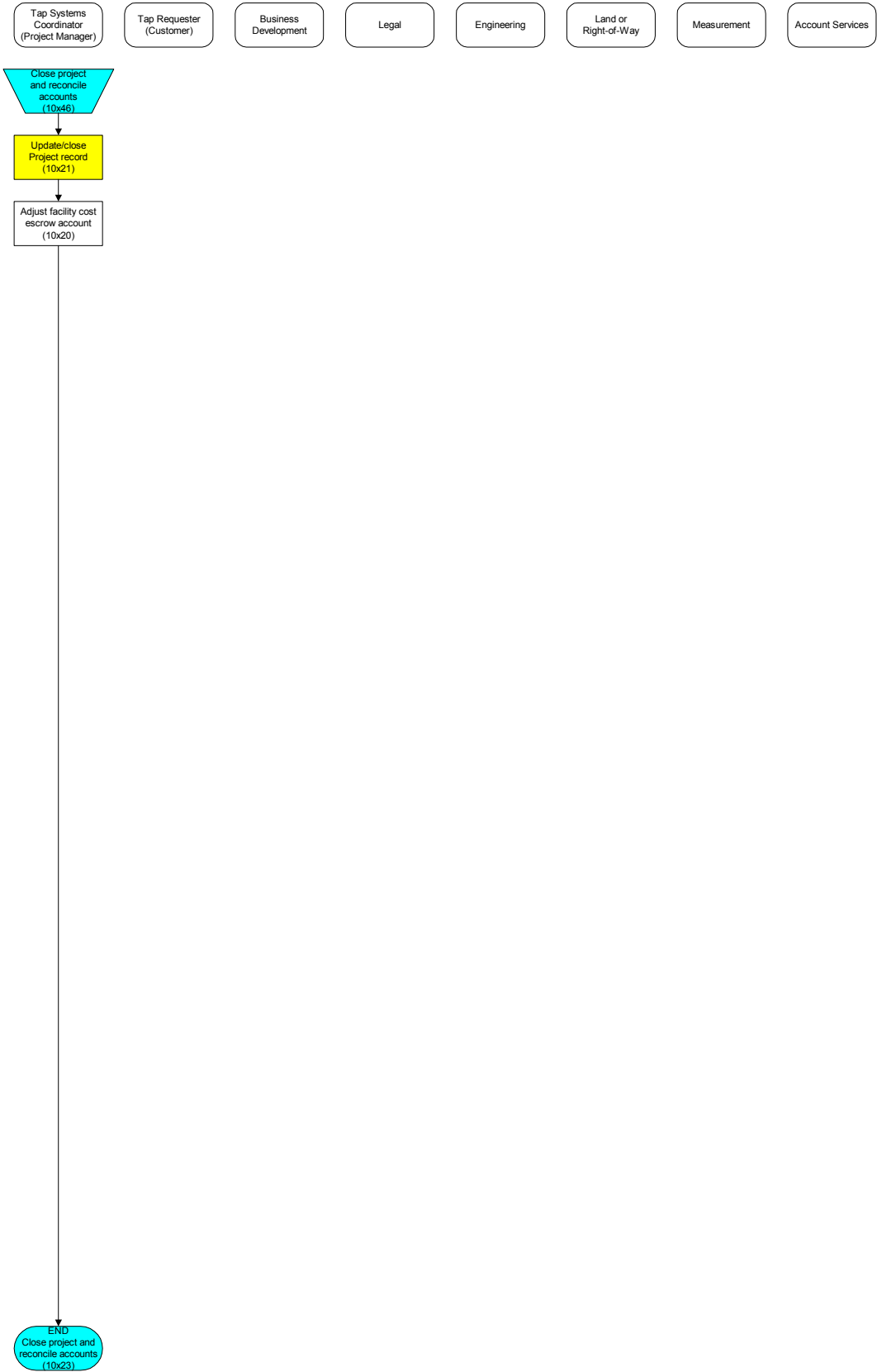


Figure 8: Tap Process: FNGC Manages

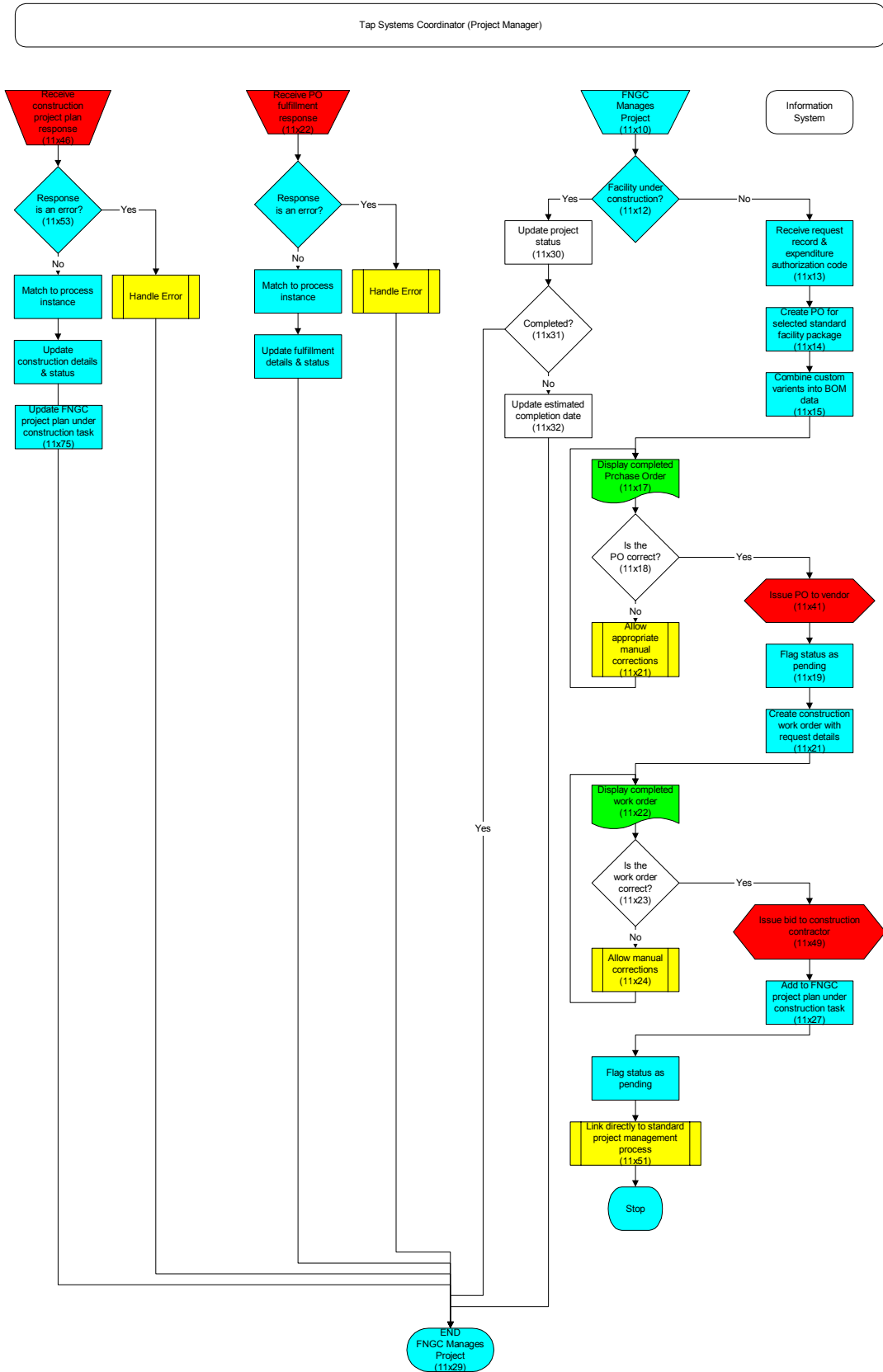


Figure 9: Tap Process: B2B Transactions Page 12

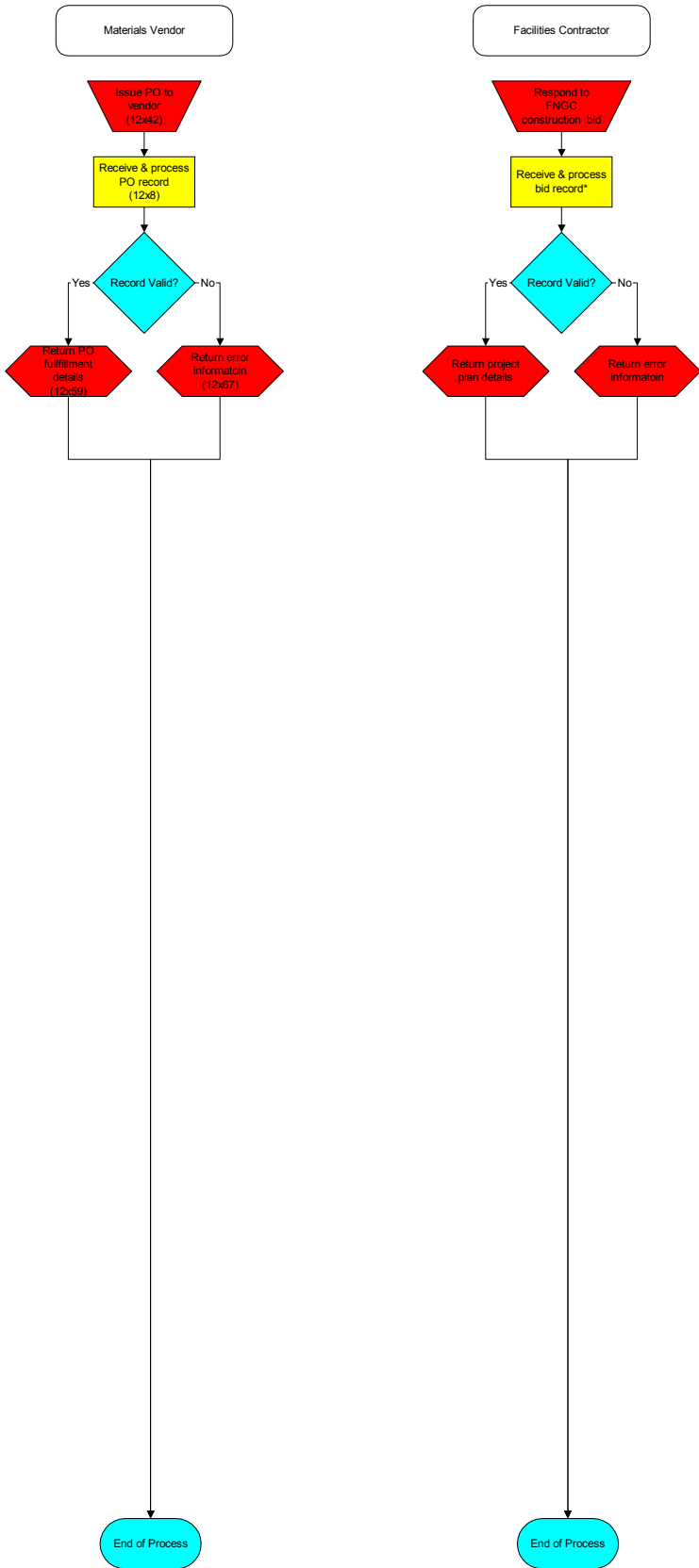
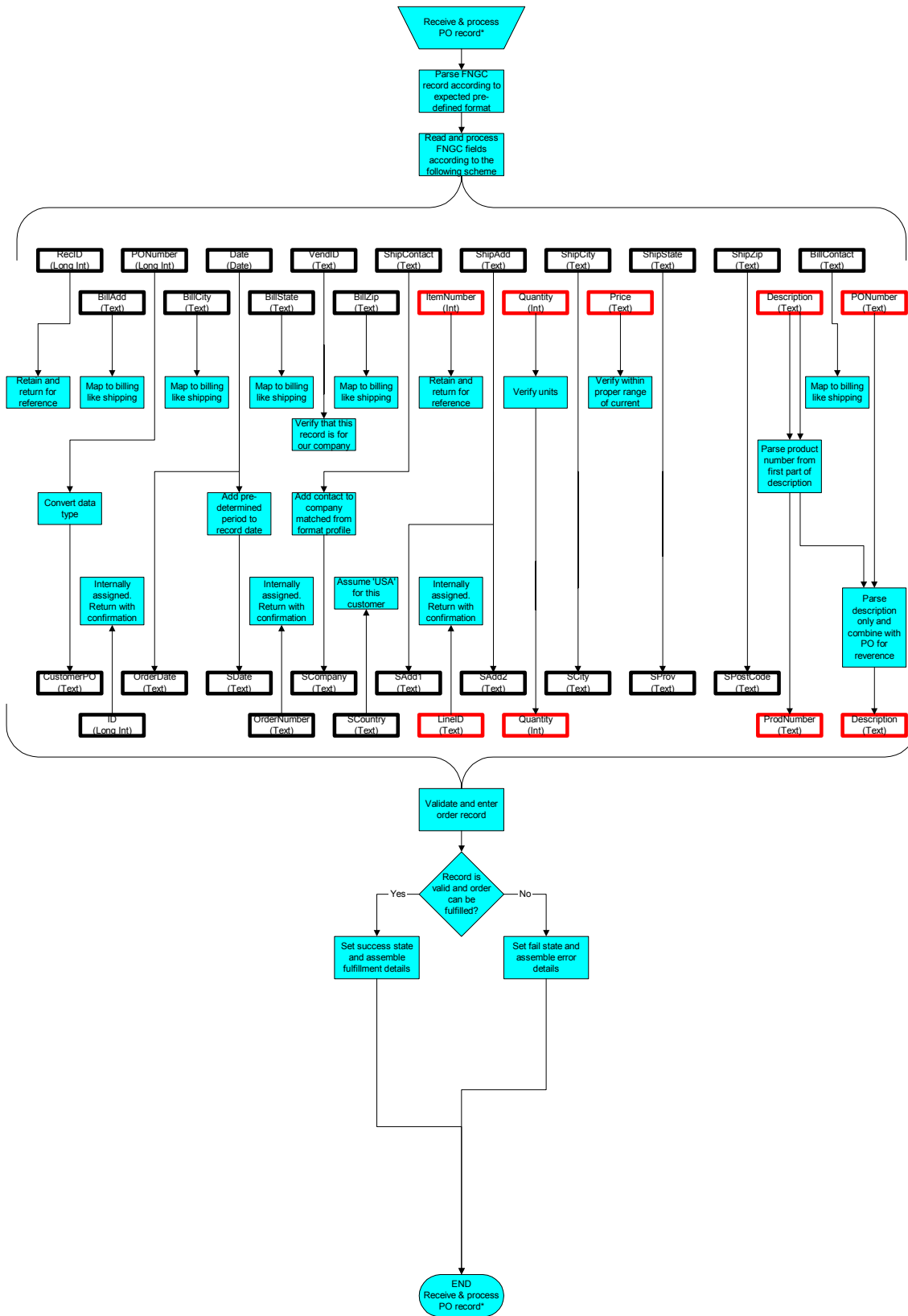


Figure 10: Tap: Process PO Record



Appendix B: Tap Process Risk/Success Factors

Taps Require Appropriate FNGC Treatment

In spite of their small up-side potential, they have a large down-side risk if not properly disposed. FERC regulations require tap requests to be properly considered. A good tap process must minimize the amount of time and resources devoted to the process before it is disqualified (for undesirable requests), or accepted (for fully qualified requests).

Low Tap Frequency Challenges Project Readiness

The unique aspects of tap projects require those who handle taps to have extraordinary expertise with them. The more time between tap projects, the more that standards, requirements, regulations and personnel will change without any process-confirming experience. This can leave operations at a consistently low state of readiness for installing taps and for making the correct decisions that minimize the risks and costs.

Resources Can Be Wasted on “Frivolous” Requests

Requests that, for whatever reason, will not result in profits or risk mediation must be recognized, properly disqualified and closed with minimal resource utilization.

High Legal/Regulatory Risk Exists on Small Project Scope/Value

Even if a request has little obvious chance of resulting in significant (or any) business, the potential costs are high if the request is not handled effectively to discharge FNGC's obligations to meet the required general welfare needs of the public. Profitability considerations influencing the economics of a tap project must include the potential punitive costs as well as the basic business opportunity.

High Relative Research & Planning Effort for Project Scope

Because of the high basic cost of environmental health & safety and regulatory compliance, the FNGC process must produce project and planning execution aimed at the earliest possible qualification of the request.

Handling Requests Can Be Costly Relative to Opportunity

Proper process execution and early qualification will also minimize the administrative and management effort associated with each request.

Low Ratio of Business Per Request

If properly qualified, the number of taps that FNGC should install will be very low relative to the number of requests. This simply highlights the relative significance of “response” risk over profitability. FNGC must spread the lowest possible total process costs over the projects that it does execute.

Costs and Standards Need Frequent Validation and/or Updating

One positive characteristic of tap projects is that they are relatively homogeneous compared to other capital projects. This allows FNGC to impact profitability on qualified projects that end in construction by leveraging standards for the facilities, construction

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costs and policies. However, to be effective, these standards must be maintained. This maintenance adds to the cost demands on efficiency in the process.

Legal & Regulatory Changes Need Continuous Consideration against Current Practices

Similar to standards, there must be a mechanism for the tap process to expediently reflect the requirements of changing laws and regulations. This supports a process design driven by a formal specification.

Appendix C: *Environmental Threats to Process Stability*

Change

Change threatens to leave any current practice obsolete. There is a natural bias in most business practices to achieve stability through rigid controls. This is certainly true of most technology products and technologically supported initiatives. Flexibility, by its nature allows instability which carries commensurate costs. BPM must optimize the balance between flexibility and stability (and therefore benefits and cost) which partially defines its value to the organization. Process notation should not prohibit, via complexity, rigidity, or other means, the ability to create a BPM implementation that can facilitate daily in-process changes.

Turnover

Like other types of change, an organization's critical practices can be severely disrupted, and in some cases completely disabled, by the loss of a single key individual. Because the process implementation itself is derived from the process documentation developed by these job experts, their knowledge, experience and expertise are embodied and operating within the system. Nobody should need to re-innovate or re-invent best practices to recover from the losses of key people. Notation should support a tools set that allows new process owners to understand, adopt and maintain existing processes with minimal ramp-up time.

Competition

The ultimate advantage of adopting any approach to improving operations is to gain a competitive advantage. If methods, systems and procedures are as easily available to competitors (such as with most software) then how does one maintain an *advantage* as opposed to simply *keeping up*? If processes cannot be continually optimized, competitors will catch up to or even exceed current performance simply by copying. The BPM notation should address this by enabling Process Owners to change practices in real time (without having to shut the system down or wait for pending transactions to clear). This provides immediate maximum leverage of internal skill and experience.

Appendix D: Role Coordination

This explanation describes three basic elements of role coordination:

1. Intra- vs. inter-company role coordination
2. Synchronous vs. asynchronous role coordination (parallel execution)
3. Coordination notation

Intra- Vs. Inter-Company Role Coordination

Although all role coordination is handled using this same basic method of event initiation and recognition, this case uses two color schemes to differentiate between inter- and intra-company coordination. The white and blue coordination shapes (◁ and ▷) are for intra-company role coordination, and the red (◀) is for inter-company coordination. The difference between the white and blue is not relevant to this case, but the red allows anyone reading the process flowchart to visually identify the more complex inter-company role relationships quickly and easily.

Role coordination covers activities on which the process:

1. depends for further execution (“critical” activities, executed synchronously, such as most approval reviews);
2. does not depend for further execution (“non-critical” activities, executed asynchronously, such as a most notifications and inter-company transactions).

Asynchronous Vs. Synchronous Role Coordination

Asynchronous Coordination (Parallelism)

An example of *asynchronous coordination* (parallel execution), appears below (taken from page 2 of Appendix A):

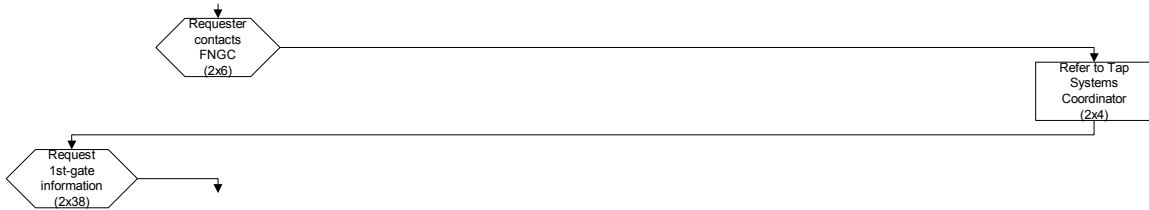


In this example, even though this notification is considered “critical” in its importance to the process, and acknowledgement is required before the process can be considered complete, the acknowledgement is *not* required (based on business policy) to continue executing the process. As in the detailed example of the PO transaction with the materials vendor (pages 11 through 13 of the flowchart), the supporting BPM system must monitor each asynchronous coordination queue for final reconciliation.

Synchronous Coordination

An example of *synchronous coordination* (no parallel execution), appears below (taken from page 2 of Appendix A):

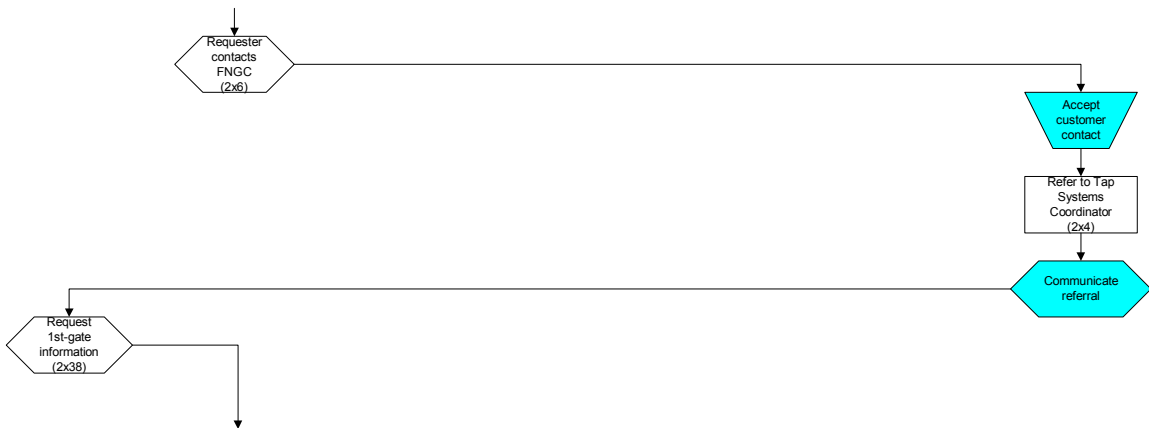
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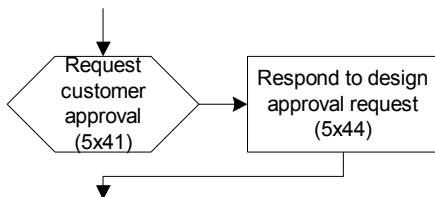
Process execution flows in tandem through each step with no alternate route. The process cannot proceed to one step until the previous one is completed.

Notation Abbreviation

Missing from the above notation is the process-event and the coordinating shapes that receive and return (respectively) the coordinating activities. The above example in unabbreviated form would normally look like the following:



For this case, we further abbreviate some of the notation for this kind of coordination as in the following:



Compared to either of the previous versions, this one is the simplest form for illustration (although an actual implemented flowchart will contain the second of the three versions of this kind of coordination notation).

This case uses the abbreviated notation because, given that the goal of this case is to present a process against which to evaluate notation standards, the additional notation is not material to the illustration of the case process flow (it is more stylistic than essential).