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## What is a Management Process?

In 1985, when Michael Porter first defined the Value Chain, he divided the processes that make up the value chain into two broad groups: (1) core processes that add value to the product or service the company produced, and (2) support processes that were necessary to enable the core processes. In the early Nineties, this distinction was popular with most of those engaged in Business Process Reengineering (BPR). At the same time, however, there was an alternative approach that emphasized a third kind of process - management processes. Rummler and Brache, for example, argued that any redesign team ought to routinely look at both the process to be redesigned, and the management of the process. A little later, the Software Engineering Institute (SEI) emphasized the need to change management processes to move from one Capability Maturity Model (CMM) level to the next. And, later, in the Nineties, when the Supply Chain council created their SCOR model, it described the world with core, enabling, and planning processes. Today, most analysts discriminate between core, support, and management processes.

Unfortunately, most people aren't very clear about what constitutes a management process and that is leading to a growing amount of confusion as companies attempt to define business process architectures. The distinction can become even more confusing when you initiate a process change project and must consider whether or not your redesign team will look at the way the individual managing the process is doing his or her job. Let's start with a process redesign project. Figure 1 illustrates a simple pizza chain business process that's in need of improvement.



Figure 1. A simple pizza preparation and delivery process.

There is a natural tendency, among process analysts, to examine a process to see what the employees are doing. Anyone whose read Rummler, however, understands that the problems the organization is experiencing are as likely to lie with the managers or supervisors of these activities, as with the activities themselves.

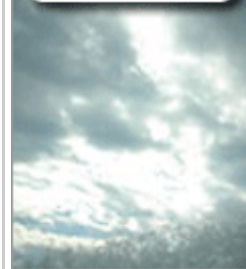
Figure 2 illustrates a very simple process management model.



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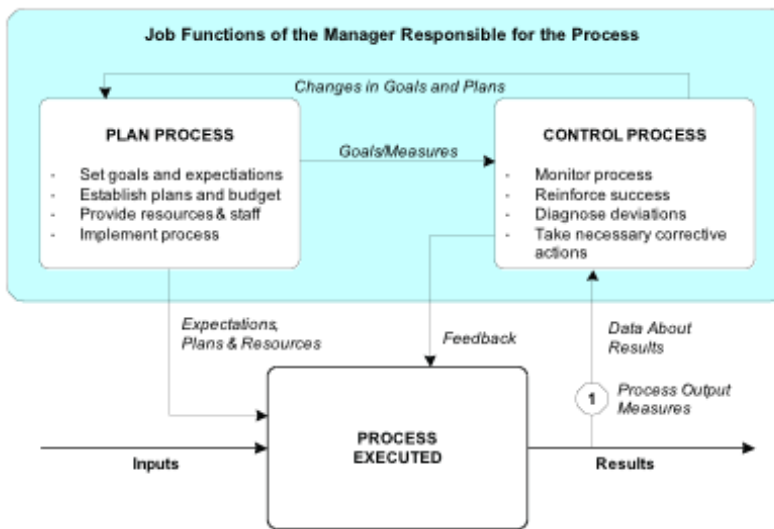


Figure 2. The process management process.

In essence, every specific process or activity is managed by someone. (If there are processes or activities without managers, then the organization has bigger problems than the ones we are addressing here.) The individual may or may not be called a process manager. More likely, he or she is simply the "food preparation supervisor" or the "delivery supervisor" and reports to a traditional functional unit. But the point remains - someone is responsible for defining what work is done when a process is executed. He or she develops the budget, oversees the work, checks metrics and outputs, and hires, compensates, promotes and/or terminates employees.

To drive this point home, in our BPTrends Associates BPM curriculum methodology, we draw a process diagram and show the management process for each sub-process within the process, as shown in Figure 3. (SCOR does something very similar and requires that analysts show one Plan process for every Core process on a SCOR diagram.)

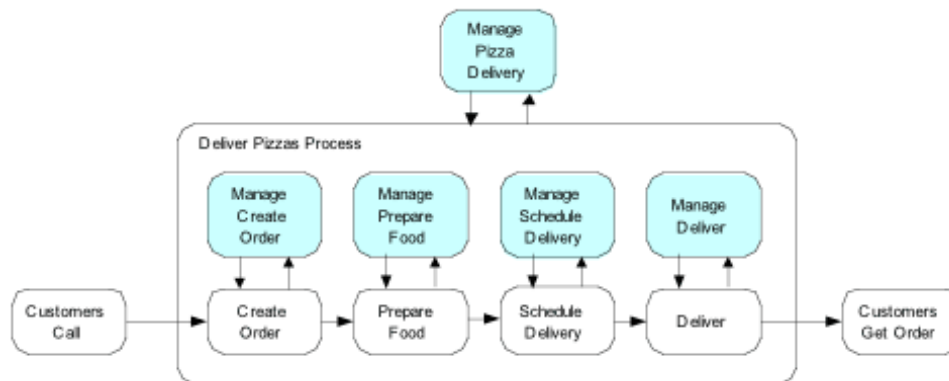


Figure 3. Each activity or process has an associated management process.

We won't go into more detail here, but suffice to say that you can view most of the material in CMM as an approach to evaluating and improving how managers manage specific processes.

If one is simply focusing on redesigning or improving processes, it doesn't seem worthwhile to break out management processes. It's simpler to say that the Pizza Process includes a Prepare Food activity and that part of the analysis of that activity should focus on how it is managed on a day-to-day basis.

The problems arise when one starts working on large-scale business process architectures. How does one classify the processes within the Strategy group, or the activities of the Business Process Center of Excellence, or the processes associated with Corporate Planning? These processes are often far removed



from the specific process being analyzed, but they frequently exert a powerful influence on the specific process. Imagine, for example, that the corporation that owns the pizza chain has a policy that results in specific business rules that the managers of the local pizza chain stores are expected to implement. Now, consider that our process improvement project at the local pizza chain runs up against three or four inefficient activities that are being implemented as a direct result of those corporate policies. Now, our diagram might look like the one in Figure 4.

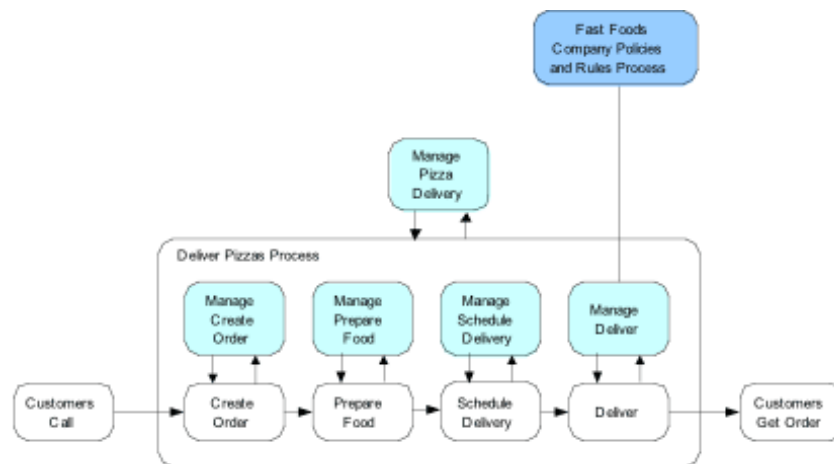


Figure 4. A pizza delivery process with both day-to-day and executive management processes shown.

Clearly, if we were creating a business process architecture, we would probably want to show a Policy process, and perhaps even a Business Rules process. But we probably wouldn't want to show a Manage Deliver management process. It is the executive management processes that teams usually want to include on the business process architecture.

On the other hand, when you examine lists of management processes associated with frameworks such as SCOR or VCOR, or with COBIT and CMMI, for that matter, you find that they are mixing management activities that are clearly part of the day-to-day management process, with those that are independent enterprise management processes. At the same time, most companies have not focused on the fact that these business process frameworks are often defining management processes. Thus, any company that is using SCOR, COBIT and CMMI, for example, has adopted, probably without thinking about it, three different approaches, each with its own definitions, and each of which defines key process management activities. If they are using the Project Management Institute's PMI framework, they have a fourth set of processes and definitions. Companies would think twice about adopting two different supply chain frameworks at the same time, but apparently don't worry so much about adopting frameworks that impose multiple definitions of process management processes.

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It would be nice if I had some neat solution to offer, but I don't. I'm confident, however, that as companies do more work to formalize their Business Process Architectures, or use Business Process Frameworks, they are going to find that they are talking about process management processes without a very clear idea of exactly what they are talking about. Similarly, companies undertaking process management training are going to have to decide what they mean by process management and what activities they will want their process managers to perform.

We all need to think a bit harder about management processes and come to a consensus regarding how best to define a management process.

Til next time,

Paul Harmon

