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Model the Customer Process

At the recent Gartner BPM conference, we had several discussions with individuals who were looking for ways to engage senior management. We shared an idea we have been developing with Roger Burlton for our BPTrends Associates BPM Curriculum and got a very positive response. So, we decided to share it with all our BPTrends readers.

The idea is very simple - instead of starting by modeling your company's processes, begin by modeling your company's customer processes. In essence, every customer goes through a series of steps when he or she interacts with your organization. From the customer's perspective, it really doesn't make any difference what goes on inside your organization. All the customer cares about is what they have to do to get the product or service they want. Put a little differently, a customer can compare the process of interacting with your organization with the process of interacting with your competitor's organization and, other things being equal, your customer will probably choose the organization with the simplest and most efficient process.

Customer process modeling has been around for awhile, even if it hasn't been discussed in exactly the terms we are discussing it here. The classic Rummler-Brache swimlane diagrams always reserved the top swimlane for the customer. IBM liked this emphasis so much that when it borrowed the idea for its own BP methodology, LOVEM, it named the approach Line of Vision Enterprise Modeling based on the fact that one could glance across the top of the diagram and immediately see all of the ways the customer interacted with the organization. Figure 1 illustrates just such a diagram.

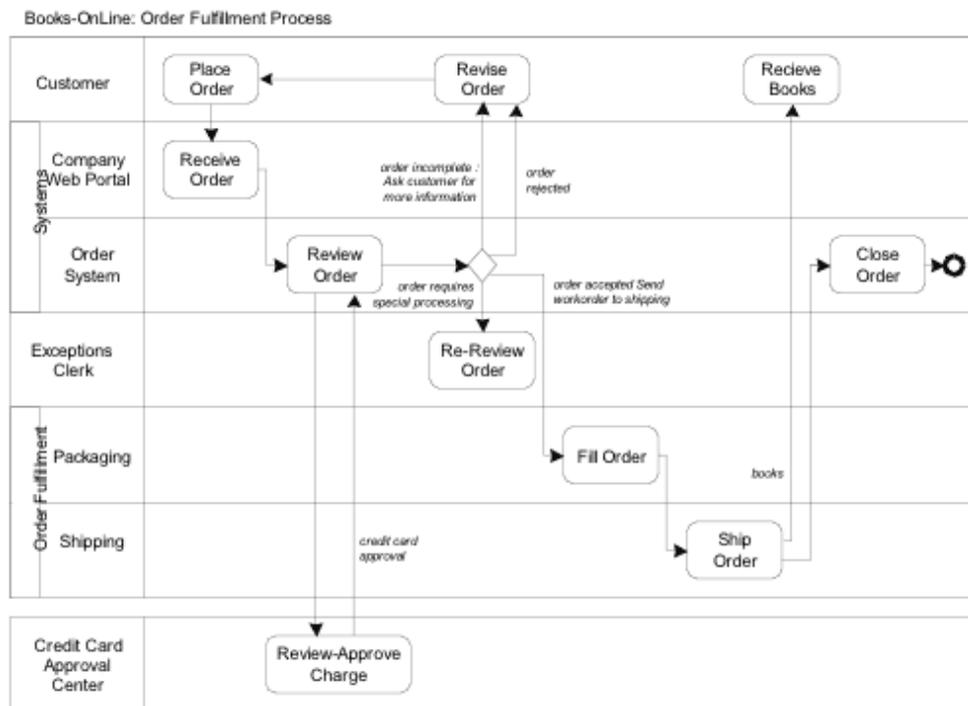


Figure 1. A swimlane diagram showing customer activities in the top lane.

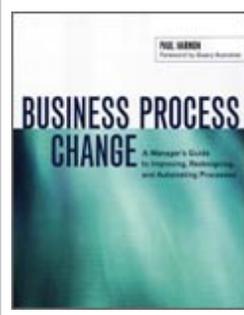
Figure 1 makes it abundantly clear that the customer, in this case, might have three interactions with the company, interacting in the process with two different groups within the organization. The first two interactions are with the portal, at least as far as the customer is concerned, and the third is with shipping.



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Of course, we really haven't modeled the customer process in any detail. We haven't considered what kinds of problems the customer has when he or she tries to get information from the portal, what happens when things really go wrong and shipping delivers the wrong product, or what happens when the product requires service. It's easy to see that we could quickly add quite a few more customer activities to the customer process.

If you are a BPM group and only seeking to start management thinking about what goes on when a customer interacts with your company, you might want to simply ignore all of the lanes except the top one - the customer process. In other words, you might simply treat the company as a black box into which the customer makes inputs and receives outputs. Figure 2 shows how we might model the customer process. We've only started to make notes on the customer experience below the line.

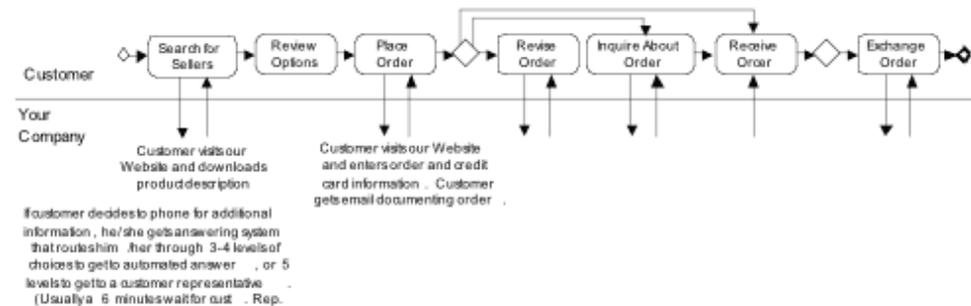


Figure 2. The customer process.

We might leave out the decision points to simplify the diagram. Our goal, in creating the customer process diagram, is to create something that will serve to generate a discussion with senior managers. We ignore the specific departments or company processes involved because we want to keep the discussion focused on the customer.

We've kept the model shown in Figure 2 relatively simple and assumed a company dealing with individual customers. It can get a lot more complex, very quickly, if your company sells to other companies, has complex credit requirements and offers various configurations, discounts, delivery, and service options. In these cases, creating the customer process model can be quite a challenge.

Imagine we create a customer process model and do some research so we know it is a reasonably accurate description of what actually happens. And, suppose it is obvious to everyone that the customer process is rather complex. We might very well ask our senior management team to spend some time discussing how to simplify the customer process. Again, to keep things objective, don't discuss what goes on inside the company - focus on the customer. If some manager objects, remind him or her that the customer doesn't care why you do things the way you do - he or she only cares about what he or she has to go through to satisfy his or her need, just as your company doesn't care what your suppliers have to go through to get parts to your door. If you are in a highly competitive situation - and who isn't these days - you might try modeling the customer's interaction with, not only, your company, but with one or two of your leading competitors.

The point of this suggestion, however, is to focus senior management on what the total customer experience is actually like. It's to avoid some of the inter-departmental rivalries - at least for awhile - and to focus on the customer experience. We are all customers and even senior managers know what it's like to be frustrated when you are trying to get an upgrade to your software or have a question about a product you recently purchased. It's not too hard to engage them in an effort to simplify and improve the quality of the customer process. The problem gets a bit nastier when you start looking at the internal processes that are causing a poor customer experience. Now, you begin to hear about all the internal operational efficiencies and policies that require the company to treat the customer in ways that reduce the pleasure or efficiency of the customer's interaction with your company. Hopefully, by the time this discussion gets hot,

you will have laid some groundwork and gained some support for some changes inside the organization to improve the customer experience.

The classic process problem most companies face is sub-optimization. For various reasons, individual departments do things that make their job easier, at the expense of other departments. Thus, even though department C needs items as quickly as possible, department B organizes its deliveries in batch, waiting until it has accumulated a set of items because it is more cost-effective for department B. Any process analyst that has worked on organizational problems knows that handoffs between functional, departmental silos is one of the major sources of problems - and the major reason that the value chain, as a whole, doesn't operate as efficiently as it might.

Another source of sub-optimization occurs when the company optimizes its internal processes at the expense of the customer. In essence, companies use automatic answering systems because they save money, even though customers consistently report that they hate dealing with automated answering systems. It was interesting to hear, at the Gartner BPM Conference, that Gartner has detected a significant trend toward companies removing automated answering systems and rehiring people to answer phones. Obviously, every company wants to be as productive as possible, but if the productivity comes at the expense of sales - as it does when customers shift to another supplier because they like the service better - then the improved productivity is a kind of delusion.

If you've never tried modeling your customer processes, we recommend you consider it. It represents a fresh approach to explaining the value of process modeling to senior executives, and just might gain you the interest and support you are looking for to initiate that next big process redesign project.

Till next time,

Paul Harmon

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