

**FRAMEWORKS HOLLY LYKE-HO-GLAND**

## Departing Process Purgatory: Addressing Persistent challenges

2020 was a rough year on all levels. Many of our aspirations, project plans, and budgets were either put on hold or reprioritized. However, a new year brings new hope. And as we look forward to the promise of the unknown, we start thinking about what's important and what we want to do differently.

Hence every year APQC conducts its annual process and performance management (PPM) priorities [survey](#) taking stock of the trends and challenges impacting PPM professionals in the year ahead.

### Top 4 Business Process Management Challenges

**36%**

Defining and mapping end-to-end processes

**35%**

Picking the right key performance indicators for processes

**32%**

Establishing a process governance structure

**26%**

Aligning process management efforts to the organization's strategy

Most of the process challenges are substantively the same as [2020](#): persistent challenges around end-to-end processes, governance, and alignment.

### End-to-End Perspective

Our need to holistically view how work gets accomplished was reinforced by the events of 2020. Additionally, the end-to-end processes pre-built-in technologies like ERPs and automation tools continues to ensure end-to-end process work remains a top priority for PPM teams. However, organizations will struggle with:

- prioritizing which end-to-end to tackle first,
- determining the scope of each end-to-end,
- defining at what level they should standardize, and
- assigning governance for end-to-ends.

Best-practice organizations provide some initial scope and reference points by identifying [common end-to-end processes](#) for consideration. Process teams then need to [work](#) in collaboration with a steering committee—using criteria such as complexity, impact, and alignment to goals—to prioritize their efforts.

### Best Fit Measures

Measurement is an ongoing issue with multiple drivers. In our [research](#) on business process management(BPM) teams, we found that, though almost half of BPM teams identify measures as part of their process documentation, the measures are most often ad hoc or focus on lagging indicators. Less than 15 percent of teams connect their processes' performance to the business outcomes they drive. Which in turn means problem solving is reactive and it's difficult for BPM teams to illustrate how their work drives organizational value.

In addition to the overall need for better measures, process teams have specifically called out the need to dig in and rethink process measures. In other words, process teams need to assess the fit of measures to ensure relevance in the face of changes in the business environment and digitalization. To do this teams need to reassess the business outcomes associated with the processes and capture value with traditional productivity measures (e.g., cost, cycle time, and throughput.)

### Effective Governance

Process governance is vital to making process actionable and embedding it into the business. It also helps create a holistic

understanding and tie process efforts to the strategic priorities of the organization.

Though an ongoing challenge, organizations have made headway in process governance. According to the research on BPM teams, governance efforts are typically tactical, relying predominantly on process owners (77%). Unfortunately, only about a third of organizations incorporate strategic governance in the form of sponsors and steering committees. Which means organizations are missing out on that connection with senior leadership and the help they [provide](#) in:

- alignment with organizational strategy,
- access to resources for process and related technology purchases,
- advocate process benefits and promote success stories, and
- identify and communicate pain points, challenges, and training needs.

### Strategic Alignment

Strategic alignment refers to how well process management links to organizational objectives. Strategy and process management activities should be integrated and form a symbiotic relationship. This ensures that process objectives support the execution of organizational goals and process management helps support decision making to identify opportunities for strategic changes and track the execution of strategic objectives.

For example, [Park Place Lexus](#) has taken an integrated approach by standardizing its processes across its sites, tied operational and process improvements to its strategic planning efforts, and developed cross-functional performance improvement teams for execution. Its steering committee helps guide and include process management efforts in the overall portfolio of work. So, in addition to the execution of strategic objectives, the steering committee also guarantees that the organization's process management does not again become siloed.

Unfortunately, very few organizations (14%), have a symbiotic relationship between their process and strategy teams. Most process teams' efforts are guided by business unit or functional goals. Which means process work is stymied by functional silos.

## Conclusion

In some ways, 2020 hit the pause button on the goals and aspirations of PPM professionals. Projects and budgets were suspended or reprioritized, and ways of executing work were swiftly derailed. There has been a silver lining for PPM professionals amid these crises—our organizations have a greater understanding of the value of PPM efforts, particularly in our ability to help fix broken processes, engage people in change, and quickly adapt priorities and resources to support the organization’s emerging priorities (e.g., going digital). However, these same organizational opportunities have reinforced the need to address many of our ongoing challenges as we roll into 2021.

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