The Future BPM: Seven Opportunities to Become the Butcher and not the Turkey

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BPM Disruption is already happening

The International Conference on Business Process Management (BPM) took place in Rio de Janeiro last year. This annual event brings together the thought leading academics and practitioners from around the world to discuss the status and emerging trends for the BPM discipline. A keynote from Boston-based Brad Power attracted our attention. He illustrated the shift from legacy companies to digital businesses, like Google, Facebook and Amazon, and what new management practices the latter are adopting. Brad was arguing, if bimodal IT, DevOps approaches and Scrum would already be obsolete for companies in which change happens continuously rather than in cycles. At the same time a question came to our mind: is there any chance those companies are still using BPM the way we know it? We guess we all know the answer.

This is not an irrelevant discussion at all. Tech companies (digital unicorns) have become today’s most valuable companies, as the figure below clearly shows¹. This trend will probably continue and demonstrates a shift from natural, physical to digital (data-centered) assets. The expression “digital technologies are eating the world” was never so real.

Despite being embedded in a fast changing, increasingly digitized economy, we are still applying traditional and more recent BPM tools and techniques, from Industrial Engineering to TQM over Lean Management to Six Sigma, from BPMN modelling to (robotic) process automation. We continue to see the ongoing desire to analyze and streamline operational processes across the globe and across all industries. We will keep on seeing how organizations strive to eliminate waste, variations, bottlenecks and human labor from their processes in response to ongoing demands to reduce the cost-to-serve ratio. Nevertheless, such traditional BPM initiatives won’t be enough for the digital age.

The world of the corporate digital natives looks very different to those who have been conditioned by the thinking patterns of the industrial age. It’s pretty clear that companies, which are emerging in the digital economy, from start-ups to Silicon Valley unicorns, use very different management approaches. Those companies do not only disrupt entire industries – they disrupt the art and science of management.

Management is being completely reinvented for the 21st century. There is a shift from corporate hierarchies to inter-organizational networks, from full-time positions to ad-hoc engagements, from internal resourcing to crowd-resourcing, from predictable, rigid processes aiming for economies of scale to people-led interactions and collaborations aiming for mass individualized processes, from planning & control to sense & respond, from risk management to opportunity management. In most cases, this is not a simple evolution; it’s a paradigm shift.

History demonstrates that in disruptive environments we see those who deny disruption, those who try to actively fight against disruptions and those who proactively approach the disruptive potential of technological, demographic and economic trends as a tremendous opportunity (to disrupt). The latter will be butchers while the former will be turkeys.²

The established discipline of Business Process Management is no exception. The global discipline of BPM thinkers, academics, vendors and professionals have over the last decades incrementally improved established process lifecycle models and the embedded tools and methods. However, the age of digitization requires more than the next version of a process modeling standard or yet another process mining algorithm. For BPM to remain relevant, we fundamentally have to reconsider its overall ambition and ultimately its place in an economic environment which looks very different from the industrial age, the birthplace of BPM the way we know it.

The requirement to shape BPM 2.0, a BPM approach tailored to current and emerging requirements should be seen as a massive opportunity. This is an opportunity to identify new research questions, an opportunity to identify new markets for BPM solutions, and ultimately an opportunity to create even more customer-centric processes.

**Future Role of BPM**

Is there any role for BPM in this new emerging context? Undoubtedly, supply chains, and value networks, and ultimately the daily transactions in the digital economy will still be based on processes. However, we definitively need to re-think and revise

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² Thanksgiving is a surprise for the turkey, not the butcher. Nassim Nicholas Taleb’s great book ‘The Black Swan. The Impact of the Highly improbable.’ (2007) covers the implications of this very well.
established BPM concepts in order to design and run the processes the new economy will require.

For the remainder of this article, we will outline seven opportunities for BPM to become one of the butchers in the digital economy.

1) Let us start with the understanding of a process. The more we shift from the industrial age based economy of corporations to a digitally empowered economy of people, the more we will shift from a paradigm in which people (customers and employees) take part in the life of a process to an environment in which processes take part in the life of people. We describe this as the shift from business processes to customer processes (journeys). This clearly expands our traditional view, as customer processes are not confined to organizational boundaries.

2) Besides that, most traditional process definitions are still largely associated with the rigid execution of pre-defined activities, with a heavy emphasis on rules, procedures and ultimately predictability. However, predictable processes are becoming obsolete in favor of dynamically evolving processes in which activities to be performed will be defined context-sensitive in real-time in accordance with fast changing customer needs. That’s why, for instance, agile methodologies clearly value ‘people over processes’ and ‘interactivity over predictability’. The mass produced process will be replaced by the mass individualized process.

3) Some of these processes will be self-managed by empowered people with high levels of digital literacy. Others will be digitized with robotic algorithms probably doing most of the job with no human intervention. And in many cases, humans, machines and things will co-exist and lead to new forms of augmentation where such hybrid resourcing creates entire new process capabilities. In all three cases, process management becomes something completely different, and traditional managers may become less relevant.

4) The rich set of possibilities of digital technologies will facilitate a shift from a problem-centered BPM to an opportunity-driven BPM. Rather than following established inside-out approaches focused on fixing identified problems, we expect that future BPM will be driven by outside-in approaches. Consequently, we will move from an exploitation-focused BPM centered on ‘what is broken and why?’ to an exploration of ‘what else is possible’. The latter will be driven by what new practices are facilitated by emerging technologies.

5) Outside-in thinking, however, will not just be driven by technologies, but also by customer requirements. Proactive organizations will need to anticipate customer needs, acting before a customer interacts with existing processes. In this world, processes will be triggered by life events provided by customers who are willing to share private data of their digital identity with trusted providers via secured channels. In such environments, being close to emerging customer events is critical, and the time it takes to initiate a process (so called process latency) could become a more significant competitive advantage than the time-to-execute.

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3 Tom Davenport’s book ‘Only Humans Need Apply’ (2016) provides a compelling categorization of possible forms of augmented work.
6) Ultimately, we might question the entire typical BPM lifecycle, from design to execution, followed by monitoring and refinement. 21st century organizations need to adopt a ‘design-by-doing’ approach with successive iterations based on experimentation. It is now about learning from customers as soon as possible with prototypes and beta versions of processes. Product and service designers have done this under the umbrella of design thinking and lean startup for a while. So far, however, we have not seen a similar uptake of design-led process innovation approaches. If the demand for such an approach increases, today’s corporate-minded BPM professionals will need to develop entrepreneurial mindsets and start treating new processes as start-up opportunities. That will mean today’s process analysts will have to become intrapreneurial process designers.

7) More broadly, we are facing a new world in which the new workforce is looking for different work experiences. Corporations driven by shareholder value ambitions have become less attractive than organizations with a clearly defined purpose positioning and justifying their contribution to society. As such, the classical time-cost-quality process optimization is no longer sufficient. Instead, we need to nurture the mindset of purpose-driven BPM.

The following table summarizes the seven opportunities we see for BPM in the digital age.

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<th>BPM in the Industrial Age</th>
<th>BPM in the Digital Age</th>
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<td>Business processes</td>
<td>Customer processes</td>
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<td>Mass produced process</td>
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<td>Single resourcing (man or machine)</td>
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With such dramatic changes in the digital economy, why then should we defend BPM? Because of the core strengths of the discipline: the ability of integrating and orchestrating different perspectives in a logical way and the ability to maintain coherence among these multiple dimensions covering economic, societal, environmental, technological and legal views on a process. BPM can be the consolidator of these multiple dimensions and as such a much appreciated methodology to manage the complexity related to customer needs.

Obviously, a similar disruption is facing other traditional management approaches such as Strategic Management, Project Management, Human Resource Management, Customer Relationship Management, Risk Management and many others. Disruption Management possibly includes a convergence of many of these. There will no longer be a place for diverse specialists, from strategy to implementation, and intrapreneurs will probably come from diverse backgrounds. Multi-functionality is especially relevant in a world of uncertainty, unpredictability and rapidly emerging technologies and new business models. We will need to articulate domains of knowledge and enable convergence when we are dealing with Business Transformation for the digital world. Again, the orchestration capability inherent to BPM is crucial here.
In this article, we’ve tried to argue that we need to move into a new type of BPM. As is the case with every disruption, this is not an evolution from the existing basis, it is a paradigm shift. Would we still use the label ‘BPM’ in this new scenario? Maybe not. Certainly not the way we currently know it. Labels are not the most relevant now.

**BPM, Taxis and Uber**
You may consider our point of view too negative or fear this future. Maybe you want to fight against it. We think it could be useful, then, to make a simple analogy between traditional BPM and taxis.

Let us consider traditional process analysts, consultants and academics as taxi drivers. They have invested a lot to acquire taxi licenses. Besides that, they depend on this job as their source of income, so they do not accept people will not use taxis anymore, they need to show taxis are still vital for cities. Many of them want to fight disruptors such as Uber. Others want to migrate to it, or have already done so (under the radar). But all of them know the Uber-like business model of facilitation is a disruption for them.

The taxi drivers union would then be similar to prominent BPM authorities and professional associations. They fail to reach consensus on what to do. They will argue taxis are not becoming obsolete in order to maintain the status quo and existing regulations. They may try to invent taxi apps to replicate parts of the Uber experience. In any case, they will certainly deny emergent trends and insist that they are the way to the future.

Let´s face it. We all know those things are happening in our domain. We clearly have a problem with BPM facing disruption. Probably many members of the community lack the digital literacy or the appetite to upgrade their skills.

In any case, denying this future seems not to be an option. Disrupt or be disrupted? Butcher or turkey? It´s time to proactively identify the opportunity, not to rescue BPM for the sake of it, but to provide the new digital economy with the so much needed transformation capabilities.

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