Practical Process: Process Improvement Is Not Enough

By Roger Tregear

Process improvement alone is not enough. Process-based management also requires…management.

Many organizations do some form of process improvement. Few do continuous process management, i.e., continuous assessment of process performance, to be sure that process improvement resources are applied for optimum results.

Process performance improvement is the main game for sure. However, to optimize the global impact of process improvement, we must choose the correct processes to improve and then actively manage them to maintain the new level of organizational performance.

Many benefits flow from enhanced process management, and the main benefit is much better process improvement.

Choose – Improve – Prove

Choose – Improve – Prove is a useful way to think of the lifecycle of process-based management. We first chose which process to analyze and improve, we design and implement the improvements, and then we must assess what happens after the change, hopefully proving our predictions correct. Not just *improve* but first *chose*, and later *prove*.

Choose
In every organization there are many processes. Take an example where there are three highest-level core processes and further assume that each process has five subprocesses. By the time we get down to the fourth level we have nearly 500 core processes to which we add many more management and support processes down to that level. We'd have at least 1,000 processes and go down another couple of levels and we'd go past 10,000!

Even if we wanted to, we can't improve them all. The analysis and improvement resources are finite; the opportunity space is effectively infinite. How do we choose?

It's useful to think of an organization's processes as a pyramid with the *critical few* at the top and the *important many* further down the structure.

Figure 1 shows a *process priority pyramid* with four categories in which a process might be defined, and amongst which a process might be reclassified from time to time.

At the base of the pyramid are the *Unknown Processes*, the thousands (or tens of thousands) of processes that will be never managed, never even named. We know they exist because every process has at least two subprocesses — it's processes all the way down! — but there will never be a reason to name and document them.
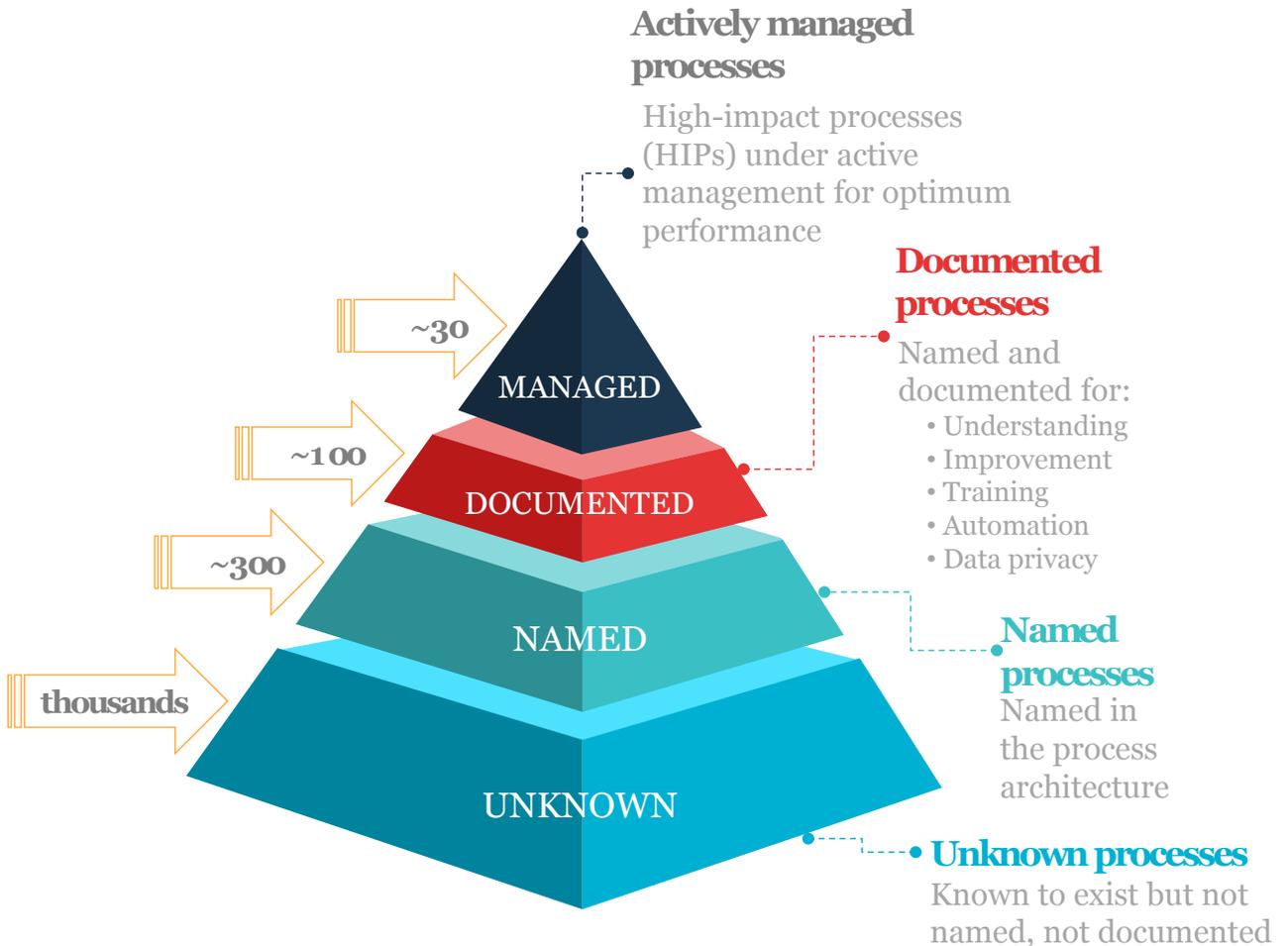
Actively managed processes

High-impact processes (HIPs) under active management for optimum performance

Documented processes

Named and documented for:
• Understanding
• Improvement
• Training
• Automation
• Data privacy

~30 MANAGED

~100 DOCUMENTED

~300 NAMED

thousands UNKNOWN

Named processes
Named in the process architecture

Unknown processes
Known to exist but not named, not documented

Figure 1: Process Priority Pyramid

At the next level up, we have *Named Processes.* All they have is a name, but they've made the cut and are out of the unknown thousands and into the hundreds that have at least been recognized. These are the processes that would be found in the basic three-level process architecture. Their purpose is to give structure and context to the ecosystem of processes.

A further refinement in the next category gives us the *Documented Processes*. These are processes for which there has been a good business reason to document them. Documentation would include some form of traditional process model as well as any other information or diagram that explains the purpose, context, and operation of the process.

The *Managed Processes* at the top of the pyramid are those that we must actively manage to assure quality performance. These are process that can have a significant impact—positive and/or negative—on organizational performance. They are often called the high-impact processes (HIPs).

Most organizations can identify, say, 30-50 HIPs where poor performance will cause follow-on problems. They can have a serious knock-on effect across the organization creating an avalanche of problems. Alternatively, it may also be that improvements in the performance of HIPs will have a positive multiplier effect on the performance of other processes.

There is no magic formula for the selection of HIPs. One 'easy' way to make the HIP selection, at least to establish a starting 'long list', is to include all second level core processes, any unique management and support processes, and any others that currently require particular attention.

Remember that our challenge was, and remains, to select the right processes for improvement so we can achieve optimum performance benefit. We can't get the best improvement unless we choose the right processes. In the *Choose – Improve – Prove* cycle we are still at *Choose*.

We've reduced the list substantially, but it probably remains at 40-50 processes and that is still a lot.

Two tools we use to further refine the list of candidate processes: pain/gain analysis and Tregear Circles.

I won't go into the details of pain/gain analysis here as it's a well-known technique and there are plenty of other references. Suffice to say that we look for those processes where change would deliver both the highest gain and resolve the greatest pain. This provides a practical method for prioritizing the set of processes.

The Tregear Circles have also been covered extensively in other places including [here](#) and [here](#). Using the Tregear Circles is more a way of management life than a tool. It defines a method of active process management where the PO circle enables optimum process selection, and the PI circles delivers the best improvements.

Improve
Once we have a manageable number of processes, we can get on with actively managing them, i.e., assigning process KPIs and targes, collecting data, analyzing performance, searching for opportunities, finding problems, predicting performance, assessing risks, designing performance-enhancing changes, and delivering sustained performance improvement.

Prove
Too many process improvement projects make more recommendations than effective changes. Before changes are made, we should be able to forecast, with high levels of confidence, what the effect is going to be.

To close the loop, we need to continue to track and measure process performance to test how successful are our management and improvement activities. The PO circle in the Tregear Circles is great tool in this respect.

The work of process improvement is not complete until we can prove that the forecast improvement was delivered, or if not, that we fully understand why.

Management & Improvement

Running process improvement projects when opportunities arise or failure necessitates is useful, but it's a long way short of process-based management. We can't do continuous process improvement without continuous opportunity and problem finding. To do that we need continuous process management.