

Practical Process Roger Tregear

Fair dinkum process governance

"Fair dinkum" is an Australian slang expression meaning that something is unquestionably good or genuine without any actual or potential BS. The [Macquarie Dictionary](#) has this more polite definition:

fair dinkum

/fɛə 'dɪŋkəm/ (say fair 'dingkuhm) *Colloquial*

–*adjective*

1. true; genuine.
2. in earnest
3. typically Australian

–*adverb*

4. well and truly
5. truly

[Merriam Webster](#) and the [OED](#) also have the phrase, so it must be fair dinkum. As the OED says, it is now rarely used but, fair dinkum, it's a good phrase and we should bring it back!

So much is written about process governance and the process owner (PO) role, and much of it doesn't help a process owner understand what they are supposed to do. In this column I want to shape some practical advice for what a process owner does.

Authority or influence?

The most important question about the PO role is how much authority it has. What can it start? What can it stop? When is the PO's permission required?

Of course, like most things in the process world, there are some very different answers. Generally, I look to bring simplicity, not more complexity, to management—I want to be a solution, not a new problem. So, it seems to me that in the interests of *continuous improvement*, and avoiding *continuous argument* and *continuous confusion*, the best and simplest arrangement is to give the PO role no authority. No. Authority. Make it a position of influence, not authority. The PO monitors process performance and acts when there is a current or emergent performance problem, a need for review of KPIs, or a new idea to test.

In other columns I've discussed what I mean by "*acts when ...*". Suffice to establish here my view that process governance is not a new layer of management but a solution to the previously empty role of monitoring cross-functional performance.

A tripartite model

For some further context, the tripartite model, **Error! Reference source not found.**, shows that the PO is not the only process governance role. There are three themes in this generic model, three elements that are necessary for effective process governance: authority, ownership, and support.

PROCESS OWNERS are the linchpin as they are the voice of the process. They take *ownership* of the need to respond to the process performance.

The **PROCESS COUNCIL** is the source of whole-of-organization *authority* and the place to which process owners can escalate concerns and ideas.

The **OFFICE OF BPM** (aka Process Office, BPM Group, Center of Excellence, Center of Expertise, Those Annoying Process People, etc.) provides *support* to the process owners, the council, and all stakeholders.

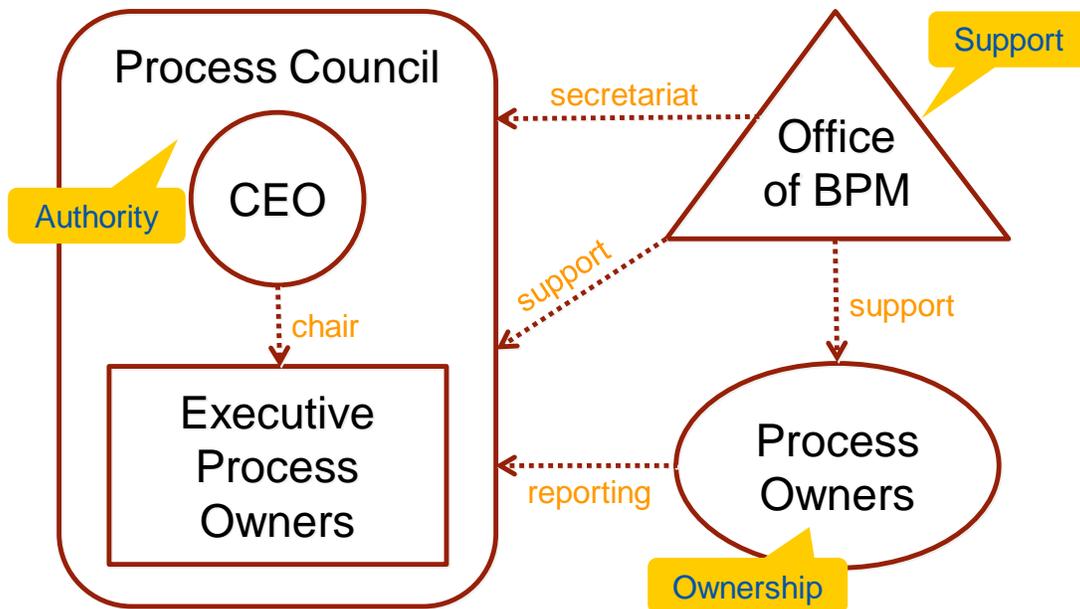


Figure 1: Tripartite process governance model

An important design element for the PO role is to be sure to appoint people to the role from the right organizational (functional) level. Imagine that the PO needs to call a meeting of the people who manage the execution of the various parts of a cross-functional process—remember they have no authority themselves and must work through others. To even create such a meeting, the PO needs to be at a similar organizational (org chart) level to those who should attend. So, a high-level process requires a high-level person as PO.

Mind the gap

OK, let's get back to the fair dinkum bit. What do we want a PO to do? We don't give them any authority, so how are they supposed to get anything done?

Spend some time now having a good look through Figure 2 on the next page and I'll be waiting for you on page 5.

PROCESS MANAGEMENT RECORD

PROCESS DETAILS					
Process name:	Recruit research students	Process Owner:	Professor Joanne Smith, Research Vice-President	Process level:	C2
Process description:					
<i>Recruit research students</i> is the process that promotes the university research programs and student opportunities in order to fill the quota for new research students in each year by target and qualification. This process raises interest for a potential student and takes them through to enrolment.					
Summary of problems & opportunities:					
Currently the recruitment targets are not being met and this causes significant revenue losses—approximately \$X million last year. Also, enrolment is not being achieved at a steadily increasing rate, but with a significant peak towards the closing date and this causes delays and additional costs for temporary staff to handle the peak load.					

KPI DETAILS					
ID	KPI	Target	Measurement Method	Current performance	Impact of closing the gap
1	Number new students recruited to target	650 students for next academic year	Student admissions records	Last year achieved 85% of target	Revenue loss of \$X million per Y% of under recruitment; loss of university ranking
2	Student dropout rate	<2% dropout within the first 6 months of academic year	Student management records	10% dropout rate	\$D cost per dropout; empty places hard to fill after year start causing further revenue loss
3	Student recruitment achieved to time schedule	>90% compliance per month in 6 months before start of academic year	Student admissions records	Previous year achievement 75%	Admissions Office staffed to meet project workload and variance causes delays & cost

ACTION PLAN SUMMARY					
KPI ID	Planned action	Intended impact	Timing	Notes	
1	Enhanced promotion plan for current undergraduates at this university	Increase research student enrolment via increased take-up by our own students	New plan for next agreed by end May	Approval required by Research Studies Board & Student Admissions Director	
1	Enhanced promotion plan for undergraduates at 3 nearby universities	Increase research student enrolment via increased take-up from other universities	New plan for next agreed by end May	Approval required by Research Studies Board & Student Admissions Director	
2	Improved student assessment criteria	Improved matching of students & research	Testing June; final August	External consulting contract required	
3	Earlier start to promotion campaign	Spread enrolments over a longer time	Review campaign options	Discuss with Director, Marketing	
3	Incentives for early enrolment	Spread enrolments over a longer time	Review campaign options	Discuss with, Marketing; check legals	

Figure 2: Process Management Record

Hi, welcome back. What did you think of your tour of Figure 2, the process management record (PMR)? When I think of what a PO is meant to do, what 'minding the gap' means for a PO, I think of this table (or at least this information).

I want the PO to have a good understanding of the process. They don't need to be an expert, although they probably manage the execution of part of the process. They need to know what it does, why that's important, how well it's working, the impacts of any performance deficiencies, what is happening and planned to change the process—to have a deep understanding of why this process must perform well and what happens if it doesn't.

What are the performance gaps and, more importantly, what are the impacts of those gaps? What would be the impact of capitalizing on some new idea, even if current performance seems OK?

We don't just want to know about problems and their causes and opportunities and their constraints, we need to know the business impact of not fixing the problem or not realizing the opportunity. What is the business case for change? What is the business case for doing nothing?

The PO works with the process stakeholders to determine the critical few KPIs—and I mean the "critical few". There's no prize for having the most KPIs. Making a list of all the KPIs you can all think of isn't analysis, it's typing. What is the minimum set of KPIs that would tell you if this process is working as well as the stakeholders want/need it to? Then agree the targets, measurements methods, and performance impacts related to those KPIs. And by the way, if you aren't planning to actively manage a process yet, there is no point in assigning KPIs.

Now we get really fair dinkum—what is anyone doing about sustaining and improving the performance of the process? If we aren't doing that, everything else is a waste of time. At the bottom of the PMR all the current process management and improvement actions are summarized.

Note that this does not mean that the PO is the project manager for all these actions. We do want the PO to know what's going on and why, but we don't mean that the PO needs to do everything.

Remember that we have made no changes to the organization chart and related authorities, so projects are run and resourced in the same way they have always been. The PO is monitoring process performance and the impact of planned and unplanned changes.

Getting started

A word of warning about getting started with this model of process governance.

It may be tempting to start managing many processes, to appoint lots of POs and get stuck in with the expectation of getting a lot done in a short time. However, it is very easy to do too much too soon. To give the best chance of sustained success, start slowly and escalate once the method has been tailored and proven.

I recommended that just five processes be selected from the process architecture in the first instance to demonstrate how this should work. Using these five processes, the method can be tested, modified if required, and proven to work. These successful

demonstrations can then be used to encourage further application of process-based management. It is important, therefore, that the correct processes and POs be chosen for the demonstration.

The five pilot processes need to be selected and implemented to demonstrate success, not failure. Therefore, the right combination of pain and gain, of process and PO, of simplicity and complexity, is needed to enable a good result.

It is just as important to pick the 'right' person to be the PO as it is to select the right process. The 'right' PO will have a positive attitude towards process-based management and considerable enthusiasm for the task. They may be a little hesitant since the role is new, but plenty of support will be provided. Selected POs must be available, both in the key weeks of the initial design and implementation project and in ongoing operations beyond the project.

The five POs can meet regularly to share ideas and experience. Once the original five processes are stable, add another 5, or another 10, high-impact processes to enable a controlled roll out of effective process governance. Set up a 'PO buddy system' so that the original POs can mentor the new ones.

Fair dinkum process governance is sustained and effective. Keep it simple. Keep it light. Keep it focused on enabling real process performance improvement. Make it a solution, not a new problem.