

## **Understanding Business Process Management**

I've been exploring business process analysis and change most of my adult life. I started working for Geary Rummler in New York in 1968. We consulted with clients that had problems with efficiency. We would be asked, for example, to observe insurance sales people to determine how their jobs could be restructured to yield better results. Or, we would be asked to work with a manufacturer to determine how a factory operation could be made more efficient.

Geary and I were, to my knowledge, among the first to borrow flow diagramming from newly established computer programming groups, to represent how work was performed and to suggest how it could be improved. In the 60's and 70's, most process work still focused on improving human performance, but by the 80's, at least half of our work was focused on helping organizations figure out how to integrate computers into business processes and teach employees how to use computers.

The 80's was a time when foreign competitors first seriously challenged US companies. Previously, Americans had chosen from Ford, General Motors and Chrysler cars. In the 80's, German and Japanese cars became popular and began to give domestic auto manufacturers serious competition. Struggling to determine how foreign factories could produce higher quality cars for less, US companies began to explore process improvement concepts like Lean and Six Sigma.

The 80's was also the time when the power of computerization began to be felt – today we might say that the digital transformation had begun to pick up speed – and suddenly companies wanted new ways to conceptualize the role of computing in the overall design of business processes. Davenport and Hammer, in their separate books, rolled out the idea of Business Process Reengineering (BPR) and called for organizations to redesign processes from the ground up, taking advantages of the new capabilities that computers offered.

BPR led, in a short time to ERP – packaged applications that companies could use to replace common processes, like accounting and logistics, applications that offered

standard interfaces and communications that could help a company reengineer its entire computer network in a few years.

The Internet and the Web offered other possibilities and in the zeros, Smith and Finger introduced the idea of using web and XML-based software tools to define processes and manage process changes in real-time.

Each of these introductions generated an enthusiastic audience, conferences and consulting, and management books. Most produced improvements in business processes in at least some companies, and most led to expensive failures in organizations that moved too fast and were careless in their implementations.

If we've learned anything about process change, it's that it's complex. It involves management, employees, technology, and customers. It requires planning, communication, management support and enthusiasm, and timing. And it requires an ongoing effort.

Every other year for the past decade BPTrends has conducted a survey to determine where companies are on the road to process excellence. We have watched trends rise and fall. We have seen some companies make major strides, achieve wonderful results, and then lose their edge and go off in some entirely new direction.

Last month on BPTrends, we gave readers [a list of topics](#) and asked them to indicate which were most important. Almost all topics received an equally enthusiastic response. One company may have focused on human performance and another company may have focused on IT, or on evaluation, or on process architecture. There isn't any agreement in the market – business process work is today, as it's been for several decades, a very complex and broad collection of ideas and techniques that different companies use in different ways.

If you were to ask me, in the abstract, what your company should do, I would be hard pressed to give you an answer. I'd want to ask a lot of questions – about what you'd done in the past, about what kinds of problems you have today, about where you are going and what you are trying to accomplish. Good process work benefits the prepared, and determining just what a company is prepared to accept and attempt is the key to prescribing a program.

At the moment BPTrends is in the process of conducting one of its biennial surveys to try to define where companies are today and whence they are trending. I urge you to take a few minutes to go to <https://www.surveymonkey.com/r/L2SW8ZS>

and take our survey. We put quite a bit of effort into gathering information, analyzing it, and then providing the results, without charge, to our readers. The

results depend on the number of responses we get and the information you provide. Everybody benefits from this effort and we all learn more about what's happening. So, please take a moment to help us figure out today's trends in process change.

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Executive Editor and Founder, Business Process Trends In addition to his role as Executive Editor and Founder of Business Process Trends, Paul Harmon is Chief Consultant and Founder of BPTrends Associates, a professional services company providing educational and consulting services to managers interested in understanding and implementing business process change. Paul is a noted consultant, author and analyst concerned with applying new technologies to real-world business problems. He is the author of *Business Process Change: A Manager's Guide to Improving, Redesigning, and Automating Processes* (2003). He has previously co-authored *Developing E-business Systems and Architectures* (2001), *Understanding UML* (1998), and *Intelligent Software Systems Development* (1993). Mr. Harmon has served as a senior consultant and head of Cutter Consortium's Distributed Architecture practice. Between 1985 and 2000 Mr. Harmon wrote Cutter newsletters, including *Expert Systems Strategies*, *CASE Strategies*, and *Component Development Strategies*. Paul has worked on major process redesign projects with Bank of America, Wells Fargo, Security Pacific, Prudential, and Citibank, among others. He is a member of ISPI and a Certified Performance Technologist. Paul is a widely respected keynote speaker and has developed and delivered workshops and seminars on a wide variety of topics to conferences and major corporations through out the world. Paul lives in Las Vegas. Paul can be reached at [pharmon@bptrends.com](mailto:pharmon@bptrends.com)