BPM and Lean Peter Matthijssen

The Essence of BPM

In my experience in attending conferences and speaking to other professionals, there is always a discussion about the 'scope of BPM', and the relevance of BPM and its relation to other methods and techniques. For example, what is the position of BPM in relation to Business Analysis, process modelling, process control, Lean Management, Business Process Engineering, BPMN, BPMS, Business Architecture? In my opinion, discussions about 'which approach or technique is best' are not very meaningful. It is more interesting to find out how different approaches and techniques can support each other. Now what is it that BPM brings into the web of methods and techniques? What is the essence of BPM?

To me, BPM is far more than just techniques and approaches; BPM is a way of looking at the world. Below are two very important diagrams. The first diagram depicts a traditional way of looking at organizations. If you ask people to draw a graphic presentation of their organization they will probably draw these vertical structures, showing a top-down design.
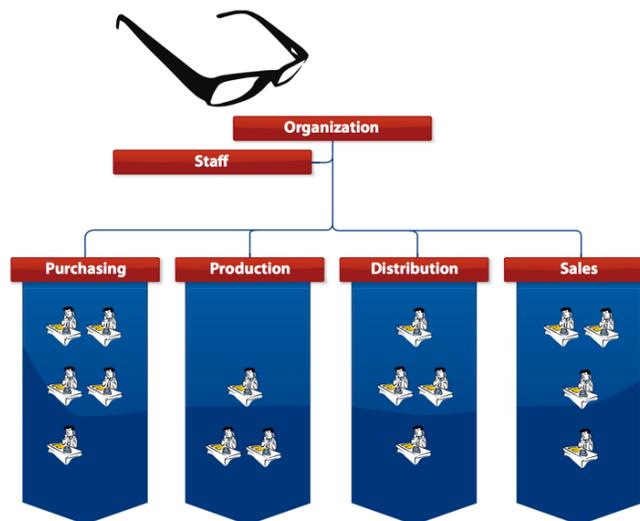
**Figure 1: Vertical functional view on the organization**

From a management perspective, these organizational structures are useful. They enable breaking down the complexity of the organization into manageable pieces. Many management instruments are initiated, designed and guided from a top-down perspective. Some examples: budgets, KPIs, escalation paths, meeting structures and

projects.

However, breaking down complexity from a vertical perspective also leads to a loss of a coherent insight. Actions and decisions are aimed at tackling local, departmental issues. This will improve the functioning of parts of the organization, but this does not necessarily lead to a a great overall functioning of the organization. An important lesson from Lean Management: Always look at quality, costs, risks and processing time from a chain wide perspective.

I believe that to build and maintain a great functioning organization, we need to understand how organizations work and how they deliver value. In this perspective, organizational charts are inadequate. In the end these charts are 'just designed' by the company itself. Every process could be well executed using dozens of different organizational designs. It is important to understand that customers don't want to pay for your great organizational structure. They are interested in the value that is created.

From a BPM perspective, we like to look at the world through processes. The figure below illustrates a horizontal view on organizations. It shows how the activities are related to each other, together creating value for an outside stakeholder. Instead of the organizational structure, the process is leading.
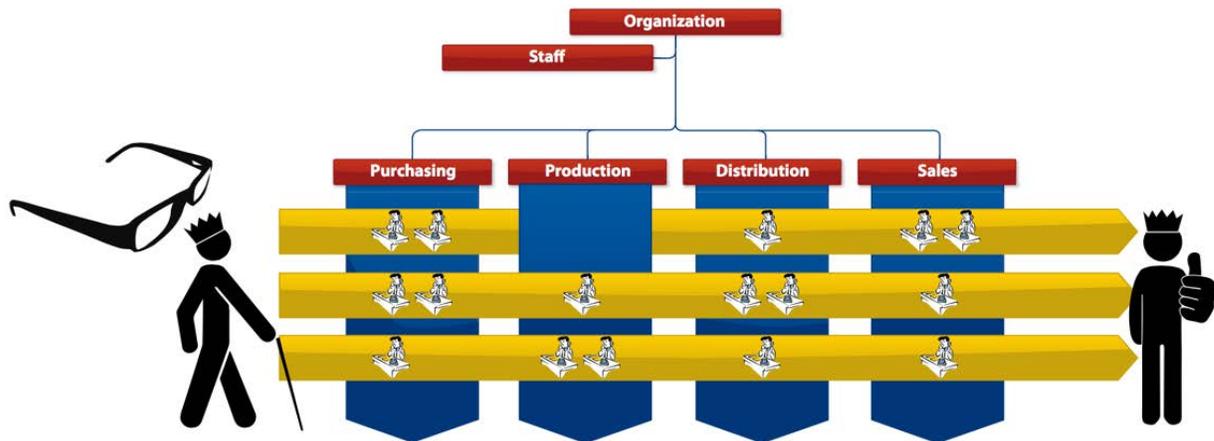
Figure 2: Horizontal process view on the organization

Of course this is very basic stuff. We, as BPM professionals, have seen simple diagrams like these many times before. For us, 'Thinking in processes' is the logical way to look at organizations. However, I still experience that many people, at all levels of organizations, do not yet think and act from a process perspective. So there is still a world to win!

We need an organizational structure (vertical design) to handle complexity, get work done and make organizations manageable. However, in my opinion this structure should be serving the functioning of the organization. The structure should be serving the processes. This is what BPM is all about. By introducing a structure from a process perspective, we create insight in the horizontal functioning of the organization. This supports BPM professionals in managing, improving and innovating processes across the process chain, always keeping in mind customer value.

Good luck with BPM!

Author

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Peter Matthijssen is managing consultant and trainer at BiZZdesign. As a Lean Six Sigma black belt and Business Process Management (BPM) expert, he build change capabilities in organizations around the globe. With his Master degree in Industrial Engineering & Management (University of Twente) and over 15 years of experience in the field, he helps organizations in private and public sector to work smarter and get better results from their processes. Peter is the author of numerous books and publications on BPM and Lean management, for example 'Thinking in processes' [2011], 'Working with Lean' [2013] and 'Portfolio Management - Better information, smarter decisions, stronger investments' [2015]. He speaks on a regular basis on international conferences on business design and change like IRM–UK and Building Business Capability.