



## Human Processes Keith Harrison-Broninski

## **Unclear Resolutions**

During Christmas 2015, the North of England was hit hard by floods. KPMG's UK head of general insurance management consulting has predicted that the total cost will be £5-6 billion, about half of which will be borne by government directly, with further public sector costs resulting from the economic impact on the region. Feelings are running high since the UK government has repeatedly ignored warnings, from its own advisors and pretty much everyone else, that the cuts made in recent years to flood prevention programmes were a false economy. For example, a £58m scheme in Leeds - one of the cities hit by the recent flooding - would have saved many times its cost in avoided damages, had it not been abandoned. This is not just the 20-20 vision of hindsight - Richard Lewis, a city councilor, said at the time: "The cuts are the economics of the madhouse."

As a UK resident, I could quote many more examples of apparently unjustifiable decisions made by UK governments over the years - and no doubt readers in other countries could do the same for their own governments! What is it about the collaborative processes used by decision-makers in the public sector that leads time and again to such situations?

It would not be true to claim that such processes are undemocratic - after all, the decisions are made by representatives elected fairly, and take into account advice given openly from pressure groups. However, the processes do not appear to lead naturally to maximum advantage for citizens. To see the root cause of the issue, we need only to ask a simple question. What happens if an organization makes bad financial decisions?

Heads roll, of course, but more importantly for stakeholders in the organization and its operations, there is a direct impact on the share price. In other words, the value of the organization decreases. So how about the value of the UK following a month of severe flooding? In fact, <u>UK bond prices have risen throughout December 2015</u>. Howard Archer, chief European and UK economist at IHS Economics, points out that "damage to personal property does not affect GDP growth, although it is obviously a disaster for the poor people involved", and although the floods "could well shave 0.1pc - 0.2pc off GDP growth overall in the quarter that it occurs, in terms of businesses not being able to open, loss of agricultural output, people not being able to get to the shops, and travel", Britain's economy will actually benefit from a growth spurt created by repair works in early 2016, from "the construction work that will be generated by major repair work to buildings and infrastructure, replacement buildings, purchases of furnishings and household goods lost or damaged during the flooding."

In other words, the negative financial consequences from the floods are all to UK citizens, rather than to UK government, which may well see a long-term benefit. The reason that politicians time and again make decisions that cause suffering to their citizens is that, from a strictly financial perspective, the decisions may be to the advantage of the country. UK Prime Minister David Cameron continues to defend his government's approach to flood prevention, an attitude that leaves many bewildered - but then, they don't share his understanding of the rationale behind the approach.

In countries across the world, government ministers routinely keep the basis for their investment priorities unclear since otherwise there would be an outcry. Even in a private sector organization, decision-making that prioritizes profit over human well being is questionable. In government, it is shocking. So governments ensure that their decision-making processes remain opaque - we see the inputs (the advice) and the outputs (the decisions) but not the means by which the former was transformed into the latter. This practice is so universally accepted that no-one, not even in the opposition press, challenges it. Despite the massive coverage of the recent UK floods, I have not seen a single article from any part of the political spectrum that seeks to explain the government's decisions to reduce investment in prevention and defense schemes. Journalists all appear to assume that they just got it wrong and now refuse to admit it.

The reason that governments are able to get away with such behavior is that few people see the human operations of government from a process perspective. Were the general public aware of the 5 Cs they would ask different questions of their governments. For example, journalists might ask questions about the goals to which Commitments have been made, what Contributions are being made towards those goals, how resulting Compensation is distributed, and for details of the Calculations underpinning resource prioritization.

We might not like the answers to these questions. However, more transparent decision-making processes in the public sector would at least allow us to understand what lies ahead - and to prepare for it.

## Author



**Keith Harrison-Broninski** is a consultant, writer, researcher and software developer working at the forefront of the IT and business worlds. Keith wrote the landmark book "Human Interactions: The Heart And Soul Of Business Process Management", described by reviewers as "the overarching framework for 21st century business technology" and "a must read for Process Professionals and Systems Analysts alike". Keith founded Role Modellers, whose company mission is to develop understanding and software support of collaborative human work processes, the field Keith pioneered with his work on Human Interaction Management. For more information about Keith, see http://keith.harrison-broninski.info.