BPTrends COLUMN

July 3, 2018

Frameworks: Process Management Capabilities Shift Holly-Lyke-Ho-Gland

Competencies in Lean, Six Sigma, or business process management are no longer enough for process teams to support their organizations' needs. Accelerated changes in the business environment brought on by demands for agility, customer-centricity, and the adoption of advanced technologies mean process management risks losing its relevancy. In a recent survey on process and performance management priorities, we found that an overwhelming majority (88.0 percent) of process practitioners feel that to stay relevant process management needs to take a hard look at its capabilities.

What's Driving the Need for Change?

I would argue that the process management discipline is somewhere between the model revolution and paradigm change stages of Kuhn's Cycle. In other words, process management is faced with anomalies, new challenges, and problems that cannot be addressed by traditional methodologies. The specific challenges or drivers of the crisis include:

1. **Pace of change**—namely the necessary cycle of rapid experimentation and problem-solving organizations need for flexibility.
2. **Digitalization**—this includes the prominence of digitalization initiatives in organizations and the expansion of related projects around automation, advanced analytics, machine learning, and AI.
3. **Customer-centricity**—due to the emphasis on the customer experience organizations require process and performance improvement opportunities to emphasize the needs of the customer.

What Needs to Change

In addition to core competencies (i.e., process management methodologies) collaboration, facilitation, and familiarity with new technologies are under scrutiny by most process teams (Figure 1).

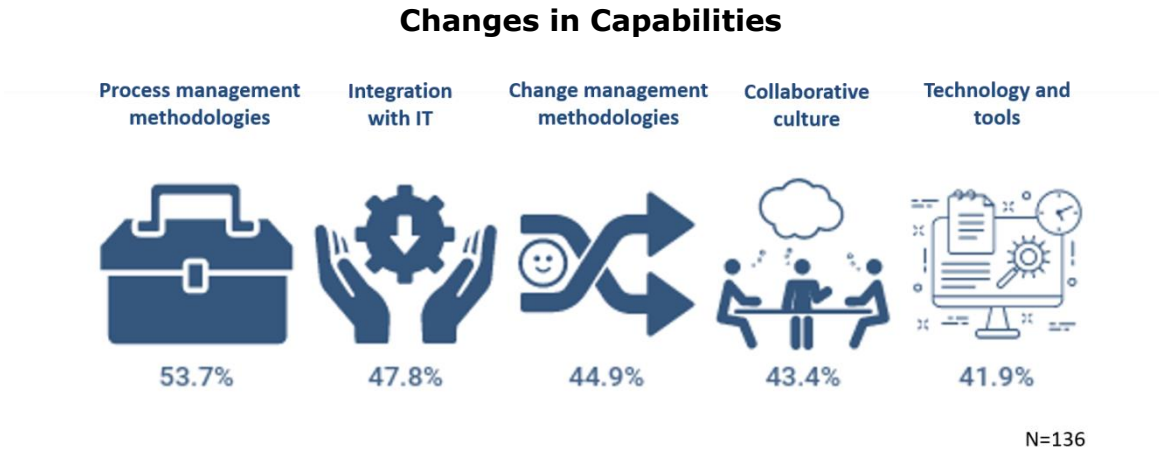

Figure 1

Process Management Methodologies

Due to the pace of change and need for customer-centricity, traditional process management methodologies are hard pressed to keep pace—they are often too slow or are limited by internally focused engagements. This does not mean process teams need to abandon the traditional methods in toolboxes. Instead they need to incorporate additional, customer-focused methodologies (e.g., design thinking and customer journey maps), end-to-end processes, and adopt agile project management methodologies (e.g., Agile or Scaled Agile Framework).

IT Integration

In response to the growth of technology-based improvement solutions and the role of process management in digitalization initiatives, process teams need to improve their relationship with IT. One-way organizations integrate is by leveraging their process teams as the bridge between IT and the business for performance improvement efforts. Process management's background in facilitation, scoping, and managing improvement projects makes it an asset in working with the business to identify the best-fit solution. The potential solutions can include traditional process reengineering, technology-based solutions like RPA or machine learning, and add-ons or changes to pre-existing systems like enterprise resource planning software. However, this requires the process team and IT teams work collaboratively, keep one another apprised of their projects, and clearly delineate roles and responsibilities for solutions like RPA.

Change Management Methodologies

Two other pervasive challenges for process teams are establishing a continuous improvement culture and engaging people in process work. In other words, change management. At its core change management is the act of proactively managing

change and minimizing the resistance to organizational change by engaging key stakeholders in the change process. There are several options available for engaging employees in the change ranging from embedding facilitation and change methodologies in process teams skillsets to providing change management staff to the team.

Collaborative Culture

There are two key components of a collaborative culture that process teams need to address. The first is the need for end-to-end processes to create a holistic understanding of how work is accomplished and to break down silos between functions. The second is the need for process management to work across its own operational silos and improve its efforts to collaborate and coordinate with other support functions focused on continuous improvement (e.g., quality, knowledge management, reporting, project management, and strategic planning).

Technology and Tools

Process management and technology and tools have always been entwined. In research on the Seven Tenets of Process Management℠ APQC classified tools and technology into two broad categories:

- **Process management tools** refers to the technology that supports process management efforts. This can include (but is not limited to) documentation, process modeling, performance management, and decision modeling tools.
- **Process automation** involves the automation of business process and functions, typically to maintain costs or automate non-value-added tasks.

However, these two broad categories are no longer enough. Process teams need to educate themselves on advanced technologies like robotic process automation, natural language processing, machine learning, and AI. Additionally, as process teams find themselves leveraging advanced technologies they need to incorporate advanced analytics and coding into their skillsets to help understand, develop, and maintain the new tools.

The Future is Full of Opportunity

No paradigm shift is without its opportunities. The drivers of change—agility, customer-centricity, and advanced technologies—also provide process management with the opportunity to become a strategic asset to the organization. To take advantage of this opportunity process teams need to:

- Look for opportunities in digitalization and customer satisfaction improvement projects to connect efforts to organizational strategies.
- Explore advanced technologies and the necessary skillsets to support them.
- Use customer journey maps, design thinking, and end-to-end processes development to focus on the customer.

- Establish a toolbox of improvement methodologies that range from Lean and process analysis to automation technologies.
- Engage employees directly in identifying opportunities and building improvement solutions.
- Invest in change management and facilitation skills.

Author.

Holly Lyke-Ho-Gland is a principal research lead at APQC, with over ten years of business research and consulting experience. Her focus has predominantly been on best practices in business processes, change management, corporate strategy, and R&D. She can be reached via email at hlykehogland@apqc.org and on Twitter at @hlykehogland.

