

# Reschooling the Corporation for Business Process Management

by Ronald Aronica

Profound changes are taking place in the world of business. Driven by rapidly advancing technology and globalized markets and competition, companies are using information technology to make radical changes to the fundamental ways they organize work and conduct business. The new way of competing demands a sharper focus on customers, cost-cutting, quality, and constant adaptability. At stake is nothing less than survival.

As companies recognize the need for change, they will refocus on their key business processes that directly provide benefit and value to customers. This shift will be the result of management taking a *business process* view of the company rather than the traditional *functional* view. To implement this change, managers will need to adopt appropriate business disciplines and technologies. First, they will need to switch to *process-centered management thinking*, which will enable them to see organizations as groups of value-adding processes. Second, they will need to use *business process management (BPM) technology* to provide the foundation for the initial—and subsequent—changes to the underlying information systems that must be in place to power *process-managed enterprises*.

For these changes to take hold, corporations will require an education and training program that links process-based management disciplines with BPM technology, thereby letting business people and technologists understand and share a set of common principles, and then excel in their respective responsibilities. Learning new ways of doing business and continually adapting to a changing business environment requires a commitment to continuous learning, which means implementing a corporate curriculum for creating a process-managed enterprise. Call it a corporate curriculum, or a know-how road map, but the critical goals are first to provide initial education and training in BPM, then to infuse BPM as a standard business practice throughout the organization. The following sections discuss the initial learning requirements, and provide some guidelines for rolling out BPM across the enterprise.

## ***Initial Education and Training in BPM***

Just as corporations must, from time to time, retool their operations to remain competitive, today they must *reschool* themselves for process-based competition. The journey for gaining BPM know-how begins with investigating the changing business world where globalization and extreme competition are the new realities. *Globalization* is no longer just about low wages; it's about unleashing three billion new capitalists in China, India, Russia, and Eastern Europe who want to enter the race for innovation. *Extreme competition* means that unless corporations can set the pace of innovation in their industries, their products and services will become commodities, and they will be

without the abilities to make their margins or to compete effectively.

With a solid grasp of these new competitive realities, companies will appreciate the need to place an appropriately high value on *process-based competition* and will be motivated to learn the values and skills they need to become process-managed enterprises. As companies redesign the ways they operate, they will require additional knowledge and skills to master BPM practices and the advanced information systems that make process-based competition possible. Corporations may need to expand their knowledge and understanding of human-interaction design, learning disciplines, general systems thinking, self-directed team management, and BPM frameworks for business process modeling, deployment, and optimization.

The process-oriented approach contributes to problem solving by building upon and unifying established disciplines, e.g., TQM, lean manufacturing, and Six Sigma, and to deploying them across the enterprise and the entire value chain. These tools and techniques help companies deal with the complexity of managing the entire value delivery system—from their suppliers’ suppliers to their customers’ customers. Weaving these disciplines into a BPM framework and establishing a corporate BPM curriculum can provide a basis for infusing the know-how for process-based competition. Table 1 is a summary of a model curriculum. It provides a brief description of each component, the suggested audience, and some exemplary materials that help identify relevant content.

<b>Learning Components and Goals</b>	<b>Exemplary Books</b>	<b>Audience</b>
<p><b>Fundamentals of Process-Based Competition</b> Understanding the <i>business case</i> for BPM and motivating the company to adopt the BPM approach</p>	<p><i>The Real-Time Enterprise: Competing on Time</i>, Peter Fingar and Joseph Bellini <i>In Search of BPM Excellence</i>, The Business Process Management Group</p>	All employees involved in process-related activities
<p><b>BPM and its Value to the Corporation</b> Understanding BPM, its promise, and its value to the corporation</p>	<p><i>Business Process Management: The Third Wave</i>, Howard Smith and Peter Fingar</p>	All employees involved in process-related activities
<p><b>From Functional Management to Process-Oriented Thinking</b> Changing the mental models of senior executives</p>	<p><i>Business Process Management is a Team Sport: Play It to Win</i>, Andrew Spanyi</p>	Senior executives
<p><b>Getting Hands-On BPM Experience</b> Going beyond the concepts and gaining first-time hands-on experience with BPM technology</p>	<p><i>Business Process Management: A Practical Guide</i>, Rashid Khan</p>	BPM practitioners and business analysts

<b>Learning Components and Goals</b>	<b>Exemplary Books</b>	<b>Audience</b>
<p><b>Foundations for Process Practitioners</b></p> <p>Understanding the relationship of BPM to other management methods and techniques; process-oriented business architecture, and technology frameworks.</p>	<p><i>Business Process Management: Profiting From Process</i>, Roger Burlton and <i>Business Process Change</i>, Paul Harmon</p>	<p>BPM practitioners and business analysts</p>
<p><b>Business Process Modeling and Methods</b></p> <p>Designing and implementing new processes and organizations using process-oriented architectures and methods</p>	<p><i>Business Process Management: A Rigorous Approach</i>, Martyn Ould.</p>	<p>BPM practitioners and business analysts</p>
<p><b>Human Interactions and Their Roles within BPM</b></p> <p>Understanding the pivotal role of human-driven processes and how work is accomplished</p>	<p><i>Human Interactions: The Heart and Soul of BPM</i>, Keith Harrison-Broninski.</p>	<p>All employees involved in process-related activities</p>

Table 1 Model Corporate BPM Curriculum

*Fundamentals of Process-Based Competition.* In today's business world, two words strike fear in the hearts of business leaders: *globalization* and *commoditization*. As companies struggle to gain or maintain competitive advantage, they are increasingly competing based upon their business processes and are becoming process-based competitors. Before embarking on any program of BPM transformation, the reasons for doing so must be clear. Thus, the first step is to gain a thorough understanding of the business case for BPM. Appropriate readings (*The Real-Time Enterprise: Competing on Time*, and *In Search of BPM Excellence*), emerging BPM portals ([bpm.com](http://bpm.com), [bptrends.com](http://bptrends.com), [bpmg.org](http://bpmg.org), and [bpminstitute.org](http://bpminstitute.org)) and participation in BPM conferences can help gain this understanding.

*BPM and its Value to the Corporation.* With the business case for BPM fully in hand, the next step is understanding just exactly what BPM is and how the BPM vision differs from—and incorporates—other management and technology approaches to business. In addition to readings (*Business Process Management: The Third Wave*, is a primary source for understanding the impact of BPM on the corporation.), in-house seminars conducted by recognized experts are ideal methods for placing BPM concepts within the context of each, individual company.

*From Functional Management to Process-Oriented Thinking.* BPM is about gaining strategic advantage through process innovation. Otherwise, BPM only offers a way of improving what a company already does, which, though good, can mean clinging to the past. Even if the company CEO is the champion for BPM, the shift in mental models

from functional management to process management must permeate throughout the ranks of middle management in order to break the fiefdom syndrome and turf battles typical of most companies. The starting point for these efforts is to conduct management workshops centered around the values and operating principles of a process-managed enterprise, and placing these principles in the company's specific context. This is no easy task, as you can learn from Andrew Spanyi's book, *Business Process Management is a Team Sport: Play It to Win*, and from participating in workshops.

*Getting Hands-On BPM Experience.* Once people understand the key concepts, it is time to get practical and to get hands-on experience using an actual BPM system. Users need to gain initial hands-on experience designing and implementing new and changed business processes. Just like when learning to ride a bicycle, there is no substitute for actually riding one—bumps, bruises and all. Although it is necessary to do research and due diligence when selecting the appropriate BPM tools, an introductory course using easily mastered BPM software is a good first step for BPM practitioners. Evaluation software is available from many BPM vendors, and a workshop can be built around the book, *Business Process Management: A Practical Guide*, which includes references to hands-on software available for download on the Web.

*Foundations for Process Practitioners.* BPM isn't a "new" management discipline; it's the capability for implementing and extending established management approaches such as TQM, lean manufacturing, organizational design, etc. It is, therefore, critical for business analysts and IT specialists to gain a *broad architectural framework* for enterprise-wide BPM practices. Courses and training based on the materials found in *Business Process Management: Profiting From Process* and *Business Process Change* can help provide a comprehensive framework for business analysts, technologists and other BPM practitioners.

*Business Process Modeling and Methods.* Most modeling and development methods support computer and software systems, not business processes. They are often based on service-oriented architectures and the unified modeling language (UML). Before investigating the appropriate modeling and development methods offered by BPM tools vendors, it is important for the BPM practitioners to learn about *process-oriented architectures* and truly *process-oriented development methods*, and to learn how they differ from traditional IT approaches. A solid foundation for understanding process-oriented architecture and methods can be found in the book, *Business Process Management: A Rigorous Approach*.

*Human Interactions and Their Roles within BPM.* Despite the past fifty years' advances in business automation, the heart and soul of every organization is still its people without whom the organization will stop dead in its tracks. While system-to-system interactions are the focal point of many BPM tools, the critical human-to-human interactions, the human-driven work processes, require special attention, for it's people that get work done. Understanding the pivotal role of human-driven processes and how work is accomplished is the key to understanding the dynamics of real-world business processes, as you can learn from the landmark book *Human Interactions: The Heart and Soul of Business Process Management*.

## ***The Practice of Process Management***

Although the topics described in the above sections embody the information needed to initially reschool the company for BPM, classroom and book-based knowledge alone go only so far. After gaining initial education and training, it's time for the *doing*, putting BPM principles and tools into practice. In large organizations this may be a 3–5 year journey. The best approach is to incrementally deploy one enterprise business process at a time in order to manage change and risks. For each new BPM project, specific platform skills will be needed depending on the tools selected for deployment, along with team learning and mentoring. Becoming a process-managed enterprise is a matter of *doing*, including:

- Spending several months infusing BPM concepts from the board room to the lunch room, including board room discussions and providing senior management with learning experiences to ingrain process-oriented thinking.
- Developing company scenarios for achieving competitive advantage through process innovation.
- Establishing a team to evaluate appropriate process analysis and deployment tools and, perhaps, establishing a Chief Process Officer (CPO).
- Acquiring an initial set of BPM tools and conducting a series of pilot programs prior to launching any business-critical enterprise processes.
- Recognizing that there is no substitute for learning by doing. Using outside mentors who have previously helped companies make the transition to a process-managed enterprises can be one key to success.

The transition to a process-managed enterprise requires employees and their managers to change the way they think and work. They must be given time to learn and time to form cross-functional teams for each major BPM project, not just with others in their immediate organization but also with suppliers and customers that will be participants in the end-to-end processes.

The learning process will be more productive if small teams of people work together, sharing information, providing feedback, and assisting each other to overcome hurdles as they encounter them. Even if classroom training is available, the knowledge and skill levels contained in this model curriculum require *doing*; doing in the live business world, for real, and over time.

The consequences of becoming a process-managed company are so great that corporations should carefully devise a complete program of mentoring—success will likely require initial help from outside mentors who have gone before. Smart business people can learn what smart scientists know, that to succeed, they must “climb on the shoulders of others.” As internal BPM know-how grows, in-house team members can evolve to become mentors to other corporate projects.

When evaluating and purchasing BPM tools, the training and consulting provided by the BPM vendor (or the vendor's BPM consulting or Systems Integration partners) should be weighed as heavily as the features of the tools themselves. A typical acquisition and deployment process may include the following steps:

1. The BPM vendor delivers initial overall training on modeling techniques and

process development methods.

2. With the BPM vendor's assistance, the corporation develops a plan of action for a pilot project.
3. The BPM vendor provides hands-on training related specifically to a pilot. The pilot should be an important process without being a business-critical one. Selecting an important process will help assure the immediate application of the pilot to current company business goals.
4. Internal staff develops more complex pilot projects and repeats steps 1–3 with each iteration reducing the need for outside assistance.

The goal of successful pilot BPM initiatives is to gain self-sufficiency within the BPM paradigm. The organization will achieve self-sufficiency when the BPM vendor or its consulting/Systems Integration partners are no longer needed and BPM expertise is infused throughout the business.

### **Recap**

BPM is, without doubt, something that organizations cannot ignore, nor is it something that they can simply go out and buy. It's a way of doing business and a capability for managing the full life cycle of end-to-end business processes. Companies wanting to become process-based competitors will need a sustained effort to acquire initial BPM know-how and then disseminate and grow BPM mastery throughout the organization. Let the learning—and the *doing*—begin.

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