

Achieving Enterprise Agility

Introduction

Compelling
Motivation

Process
Spectrum

Iterative
Methods

Process
Maturity

Corporate
Agility

Case
Handling

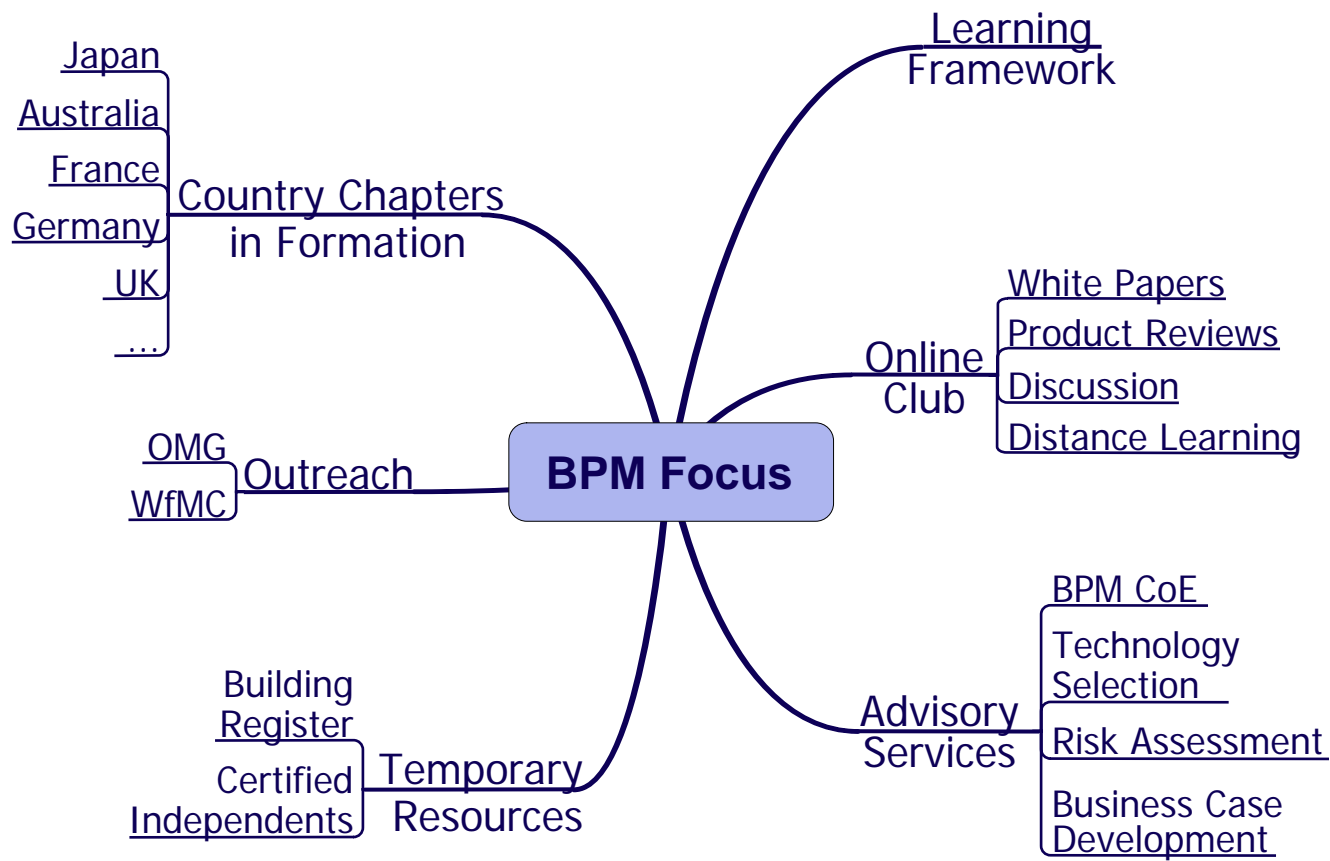
Other Stuff

Efficiency or Innovation?

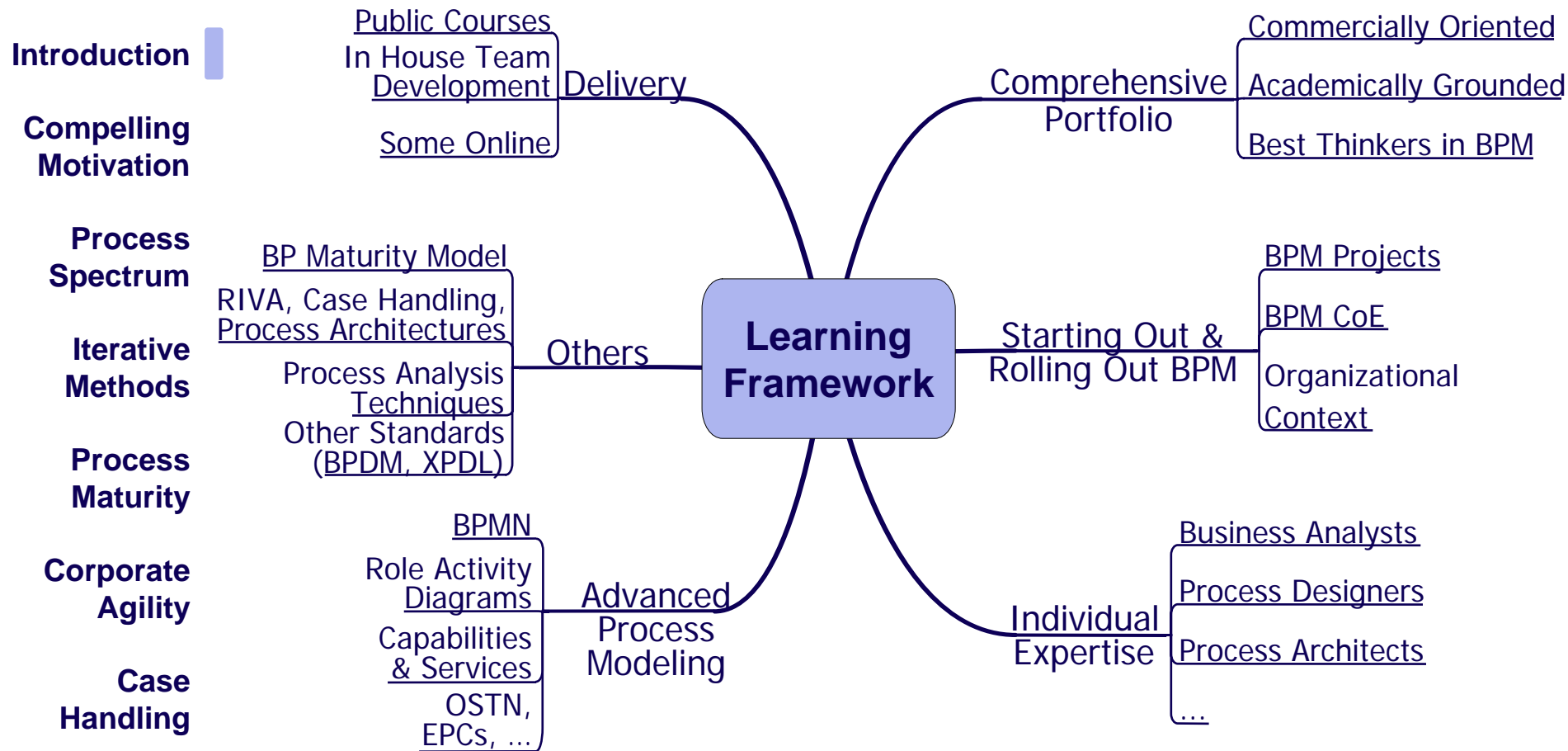
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About BPM Focus

- Introduction
- Compelling Motivation
- Process Spectrum
- Iterative Methods
- Process Maturity
- Corporate Agility
- Case Handling
- Other Stuff



BPMF Learning Framework



A BPM Definition

- Business Process Management is primarily a business philosophy
 - About *people*
 - The way they work *together* (their business processes)
 - The *performance* objectives that these processes underpin
- At the same time, it is about the *technology* used to make this vision a reality
 - Systems implementation is highly iterative (not waterfall)
- It is a way of running the business (a mind set) that continually drives performance improvement
 - A Journey, not a Destination

Introduction

Compelling
Motivation

Process
Spectrum

Iterative
Methods

Process
Maturity

Corporate
Agility

Case
Handling

Other Stuff

Why Firms Are Doing It

Introduction

Compelling
Motivation

Process
Spectrum

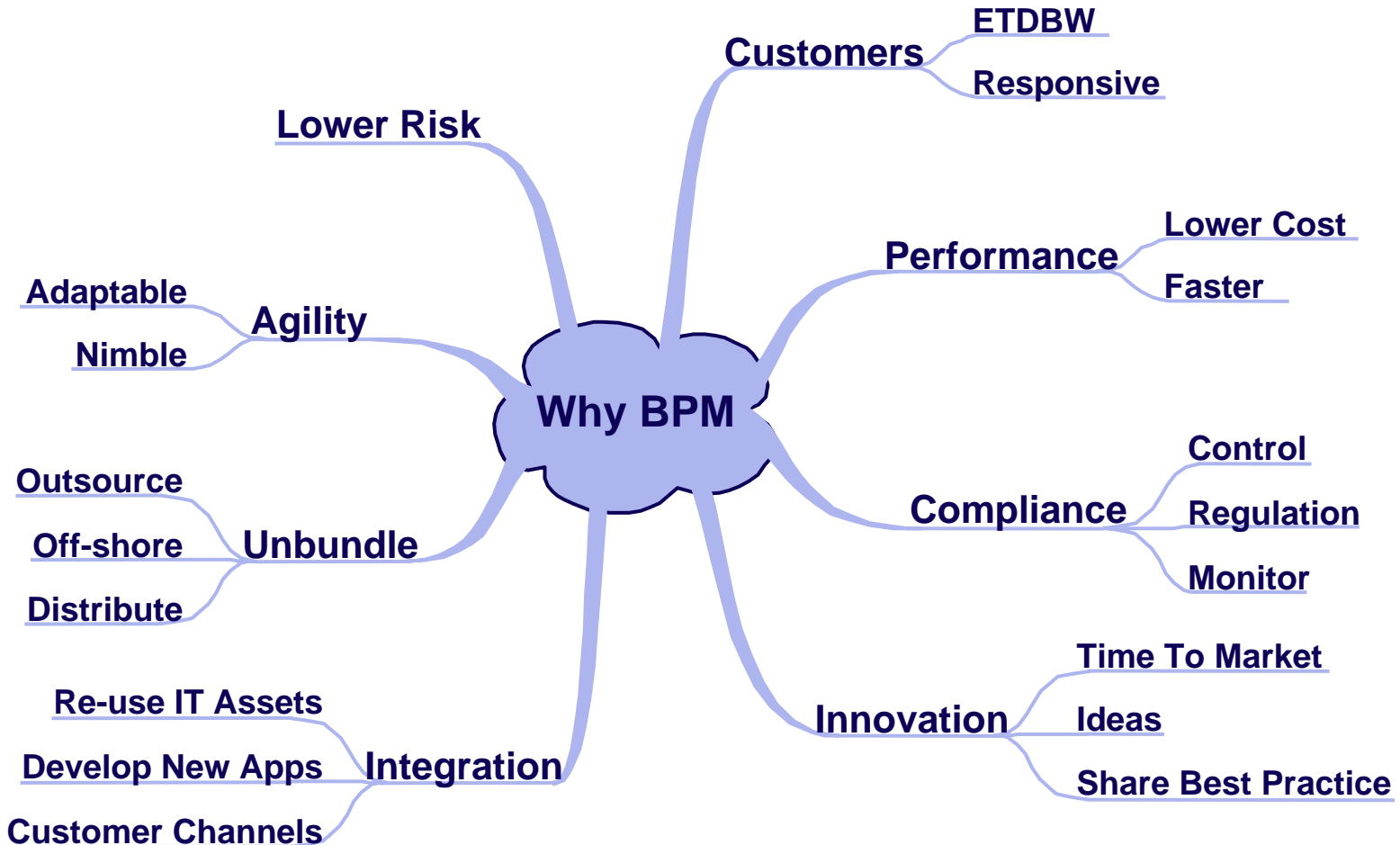
Iterative
Methods

Process
Maturity

Corporate
Agility

Case
Handling

Other Stuff



Differing Interpretations

Introduction

Vision

Compelling
Motivation



Process
Spectrum

Iterative
Methods



Process
Maturity

Satisfying The Boss
Politics
The Status Quo

Satisfying Customers
The Value Proposition
Customer Relationships

Corporate
Agility

Procedures
Speed
Quantity
Control



Practices
Goal Quality
Knowledge
Agility

Case
Handling

Other Stuff



Two Ends Of The Spectrum

➤ Procedures

- Predictability
- Process automation
- Standardization
- Quantity
- Speed
- Controlling
- Imposed
- Inside-Out
- Denominator focus

➤ Practices

- Knowledge
- Process awareness
- Flexibility, Creativity
- Quality
- Goal
- Guiding
- Evolving
- Outside-In
- Numerator focus

$$\text{Productivity} = \text{Value} / \text{Resources}$$

Introduction

Compelling
Motivation

Process
Spectrum

Iterative
Methods

Process
Maturity

Corporate
Agility

Case
Handling

Other Stuff

Empowerment Challenges

Introduction

Compelling
Motivation

Process
Spectrum

Iterative
Methods

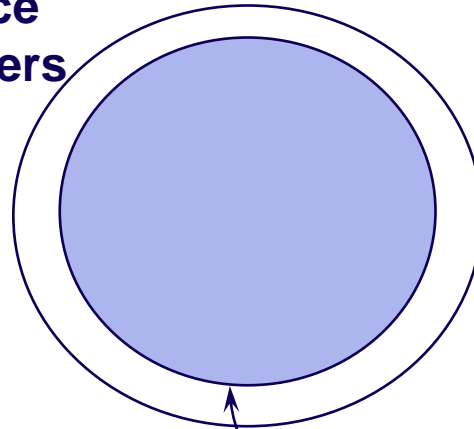
Process
Maturity

Corporate
Agility

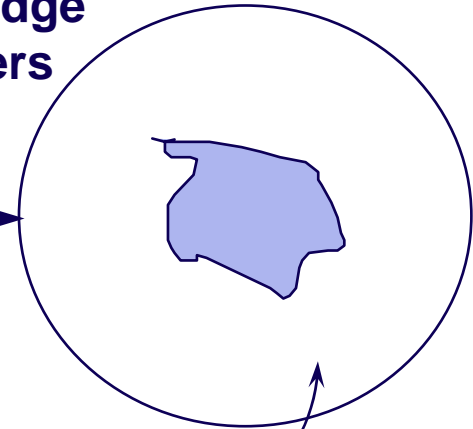
Case
Handling

Other Stuff

**Back
Office
Workers**



**Front Office &
Knowledge
Workers**

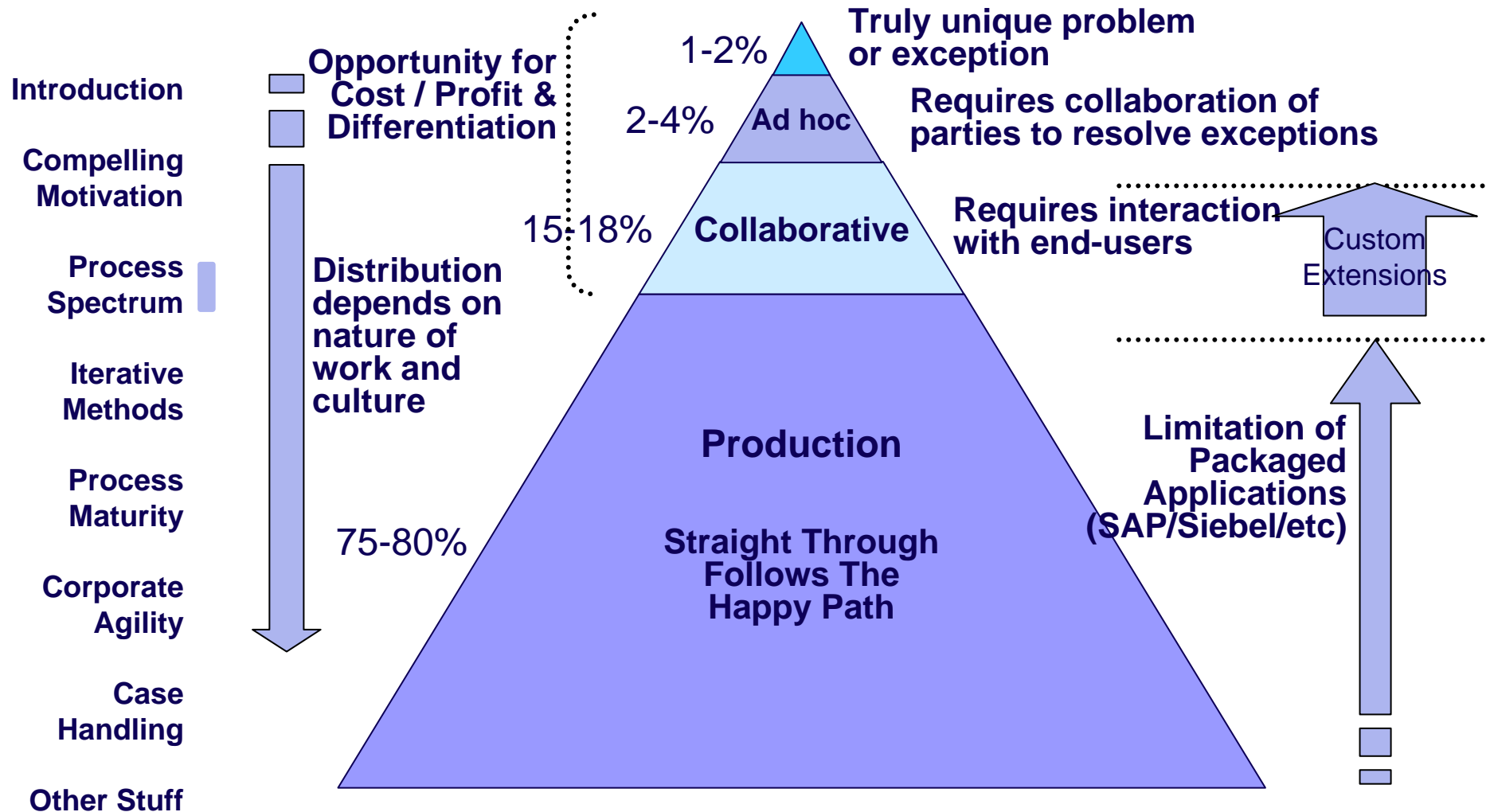


**Roles are
continually
evolving across
this spectrum**

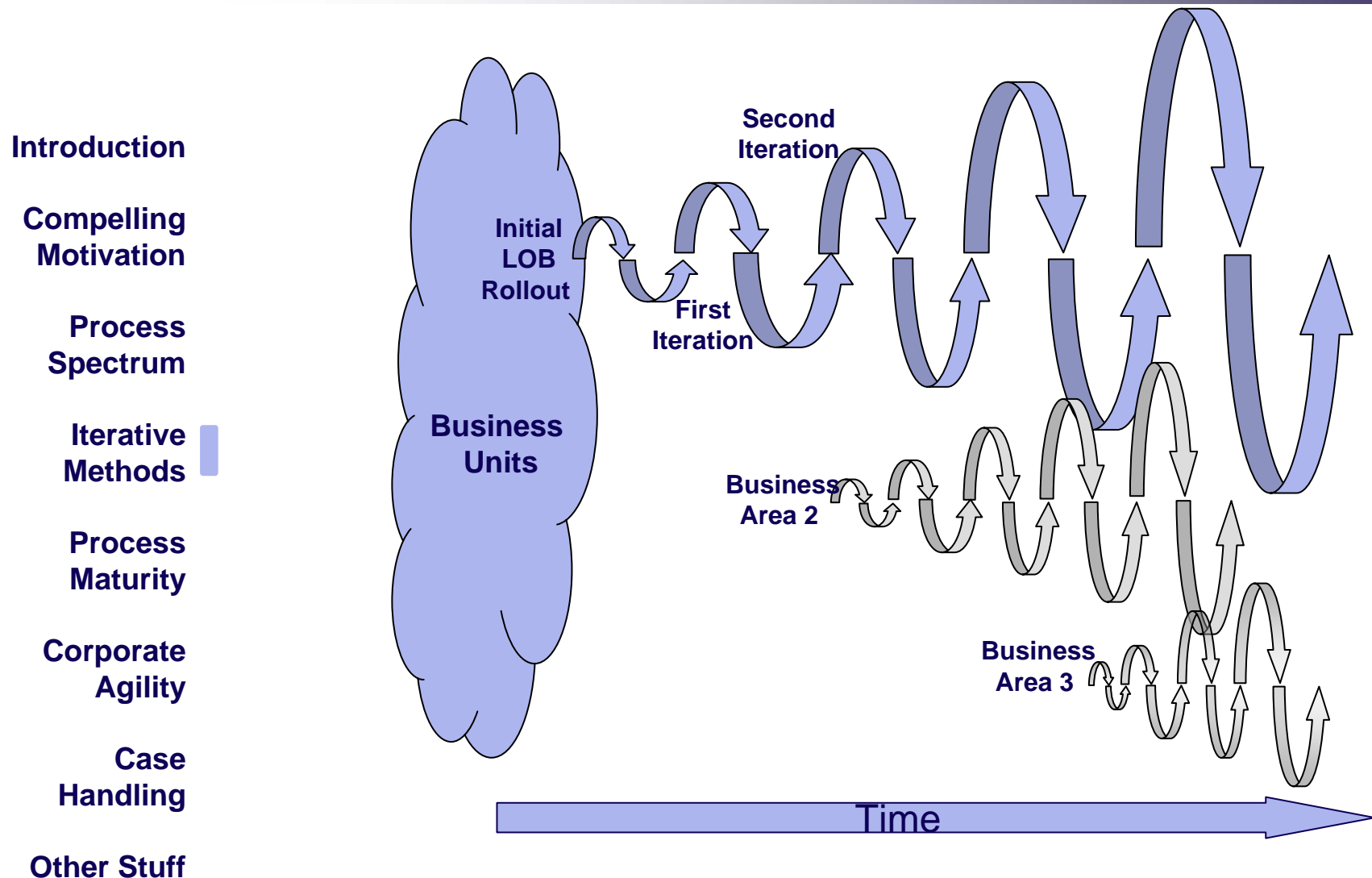
**Degree of empowerment
varies between workers**

The Core of BPM

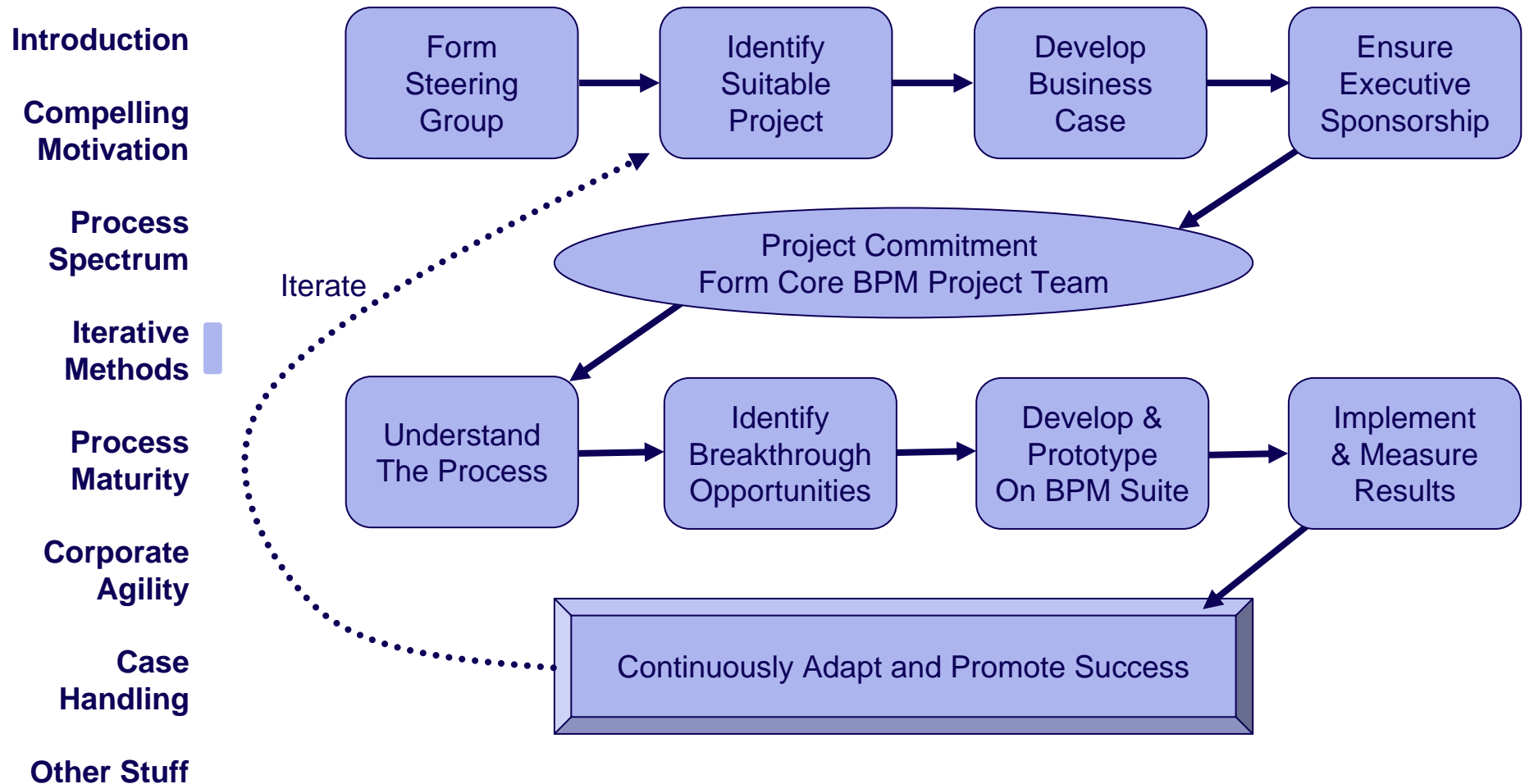
In a process driven production environment, the large majority of real work goes into handling exceptions



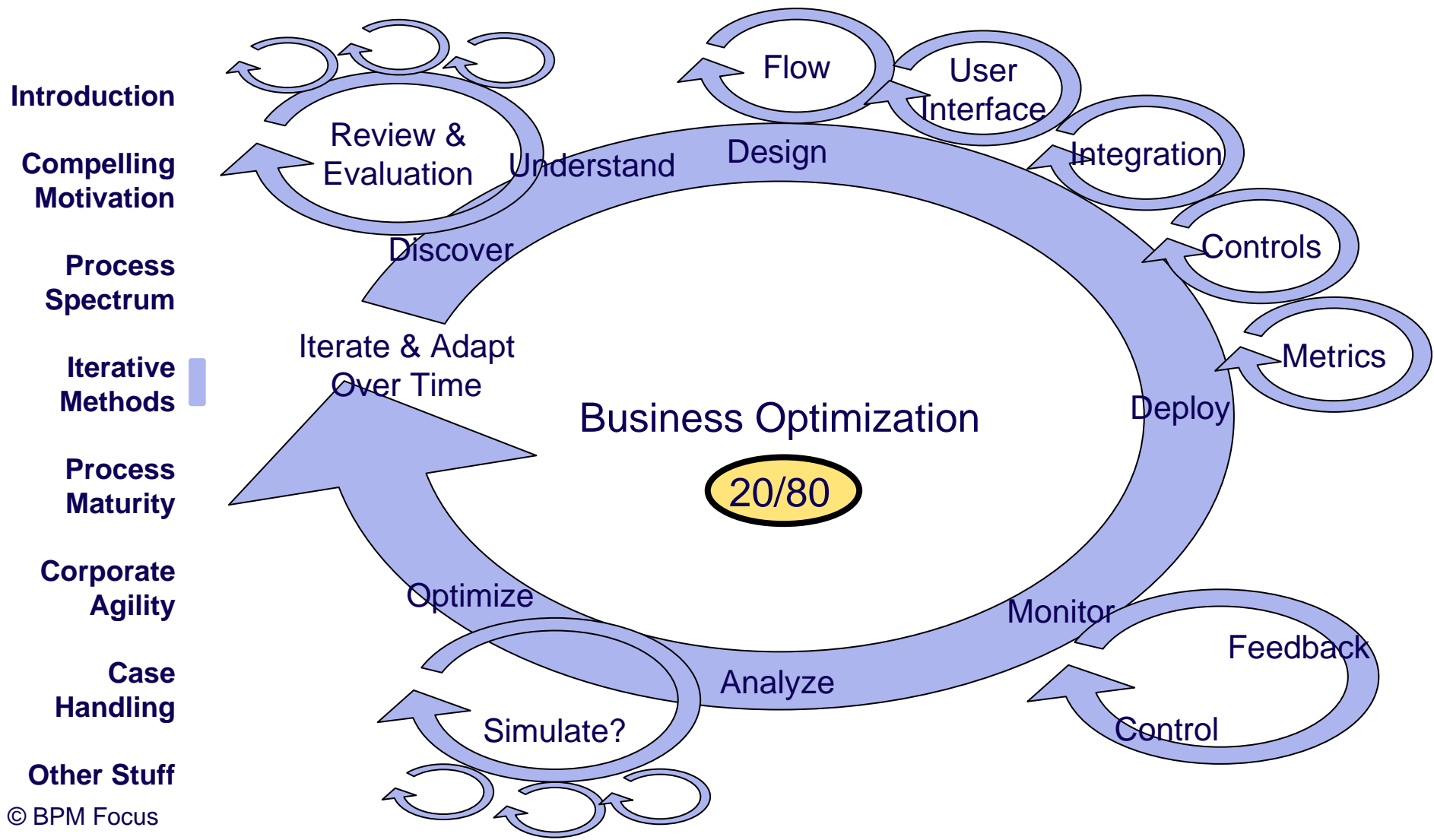
Think Big, Start Small - Iterate



BPM Project Methodology



Development Methodology



Understand The Process

- Step outside of it and see it for what it is
 - Temptation is to model to a high degree of detail
- Detailed minutiae is almost certainly a waste of time
 - Getting stuck in “analysis paralysis”
 - Man-years of effort and lost opportunity space
- Best practice **Model at a high level with using complementary techniques that provide contrasting perspectives**
 - BPMN, RADs, OSTN, Capabilities
 - You need more than one modeling technique
 - Religion versus Process
 - Time box understanding phase (to a few weeks)
- Outside-In, not Inside-Out
- Model presents a framework for measurement
- Data & Documents as the implementation details
 - Ford & Mazda, ANO Auto Manufacturer and Toyota

Introduction

Compelling
Motivation

Process
Spectrum

Iterative
Methods

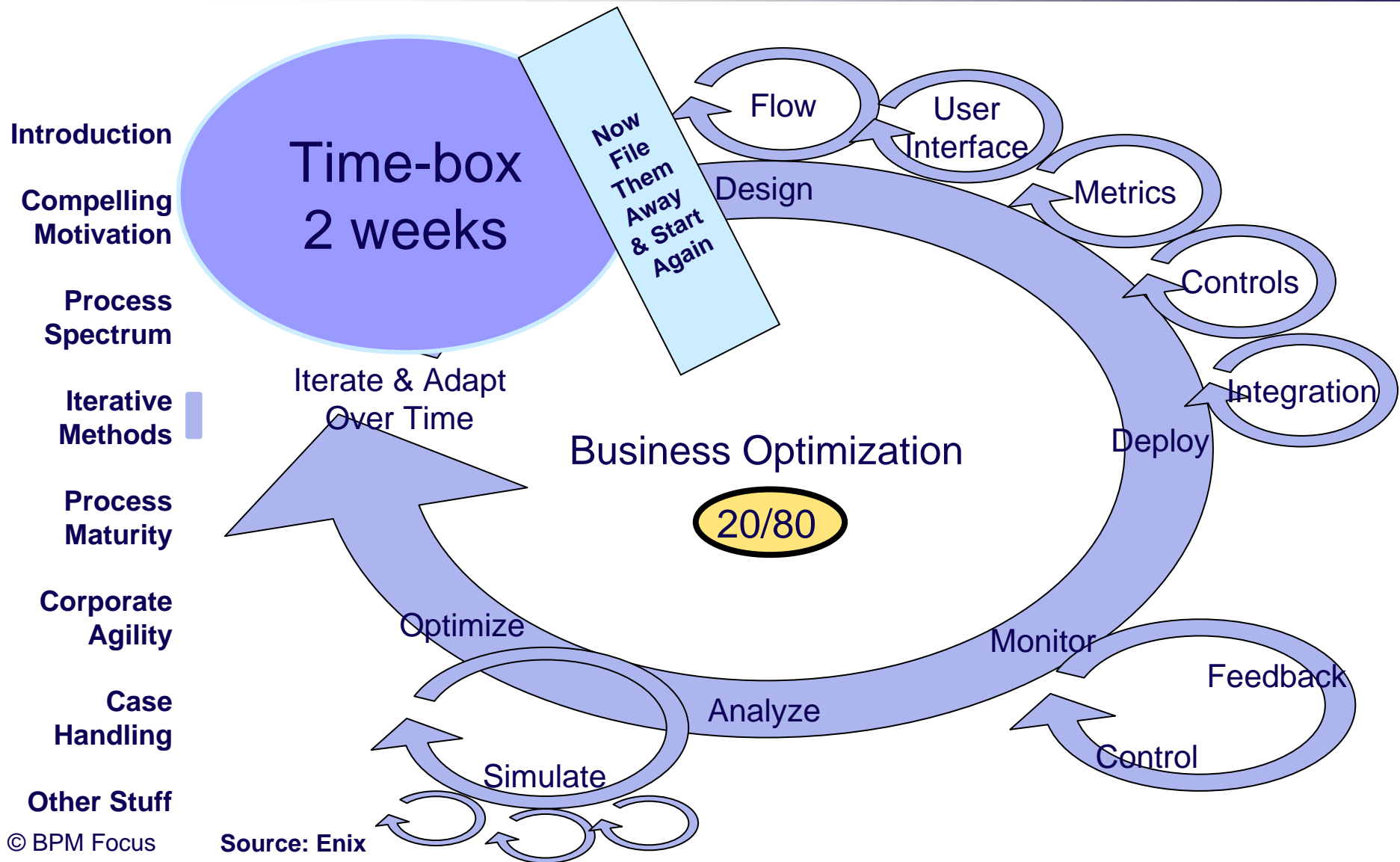
Process
Maturity

Corporate
Agility

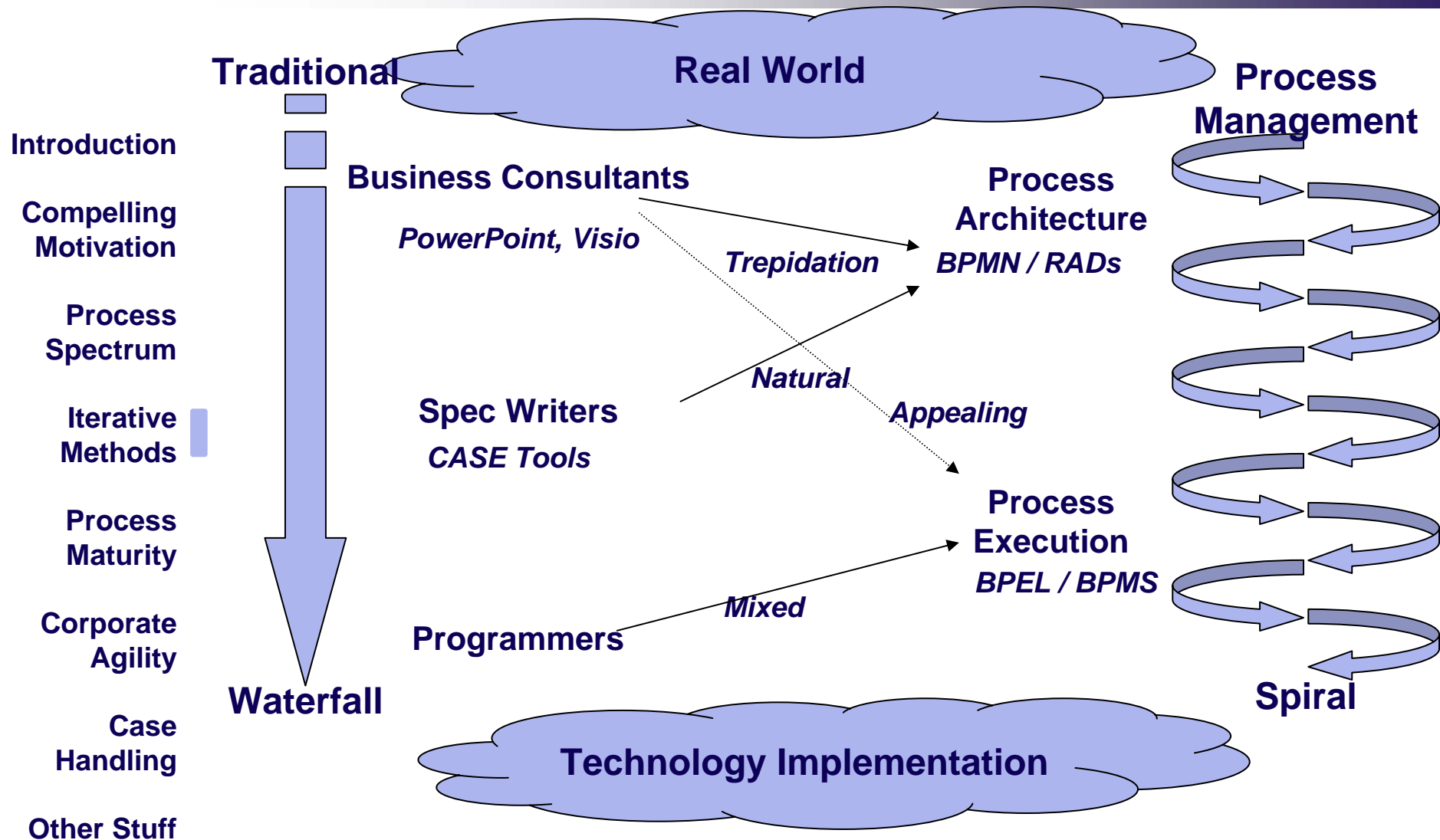
Case
Handling

Other Stuff

Development Methodology



Reaction To Formal Modeling



BP Maturity Model

Introduction

Compelling
Motivation

Process
Spectrum

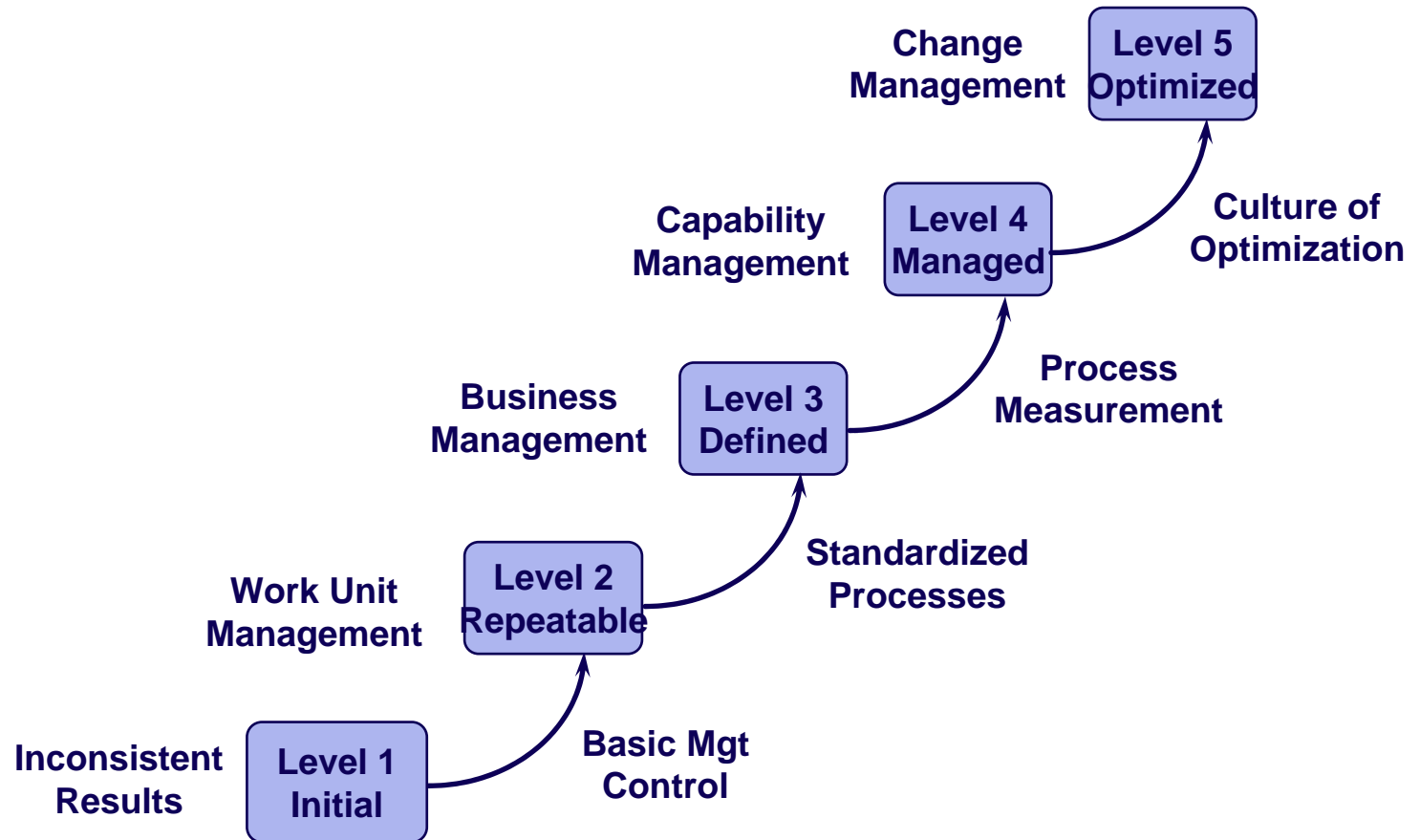
Iterative
Methods

Process
Maturity

Corporate
Agility

Case
Handling

Other Stuff



Visibility Of Process Maturity

Introduction

Compelling
Motivation

Process
Spectrum

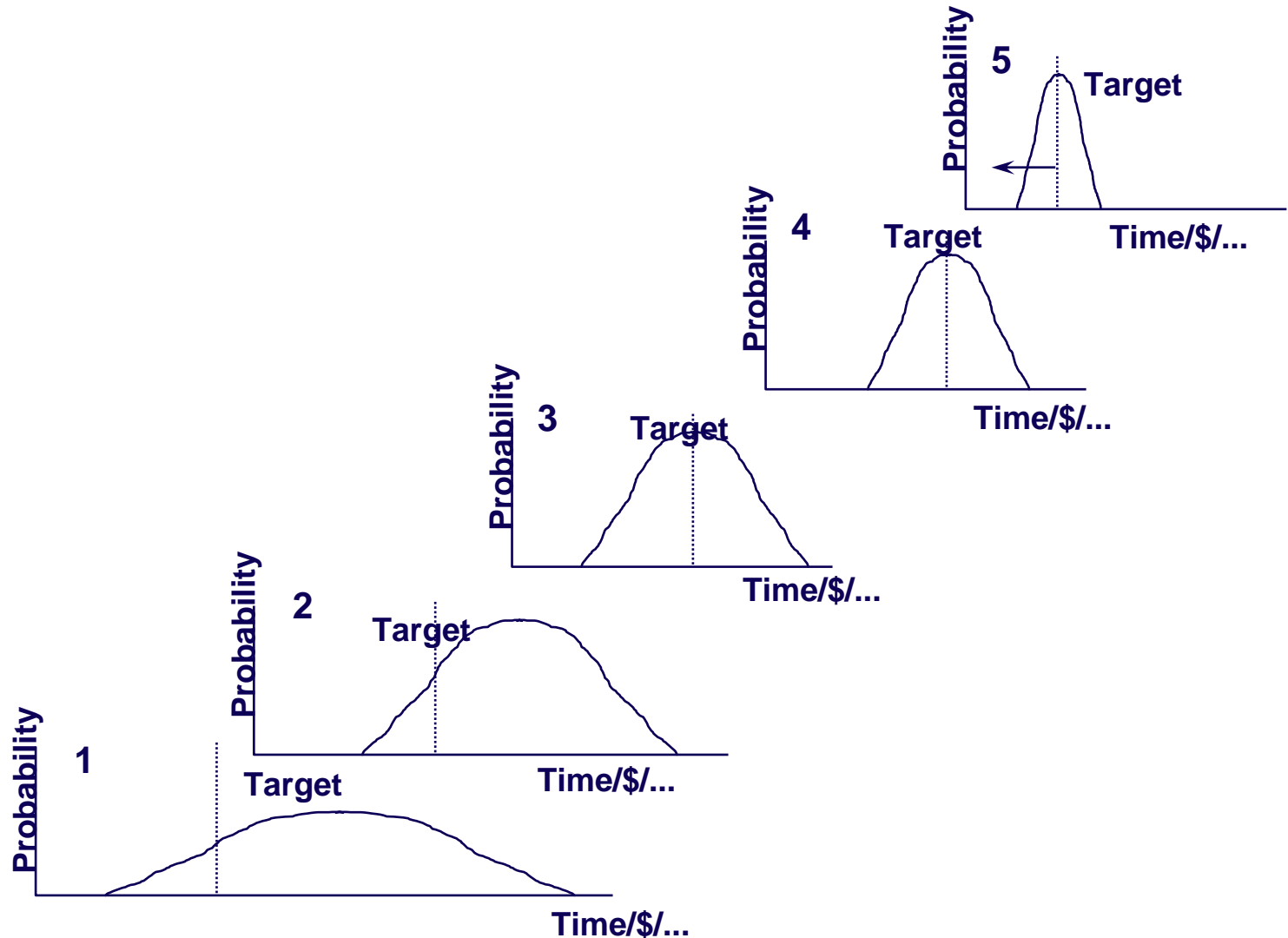
Iterative
Methods

Process
Maturity 

Corporate
Agility

Case
Handling

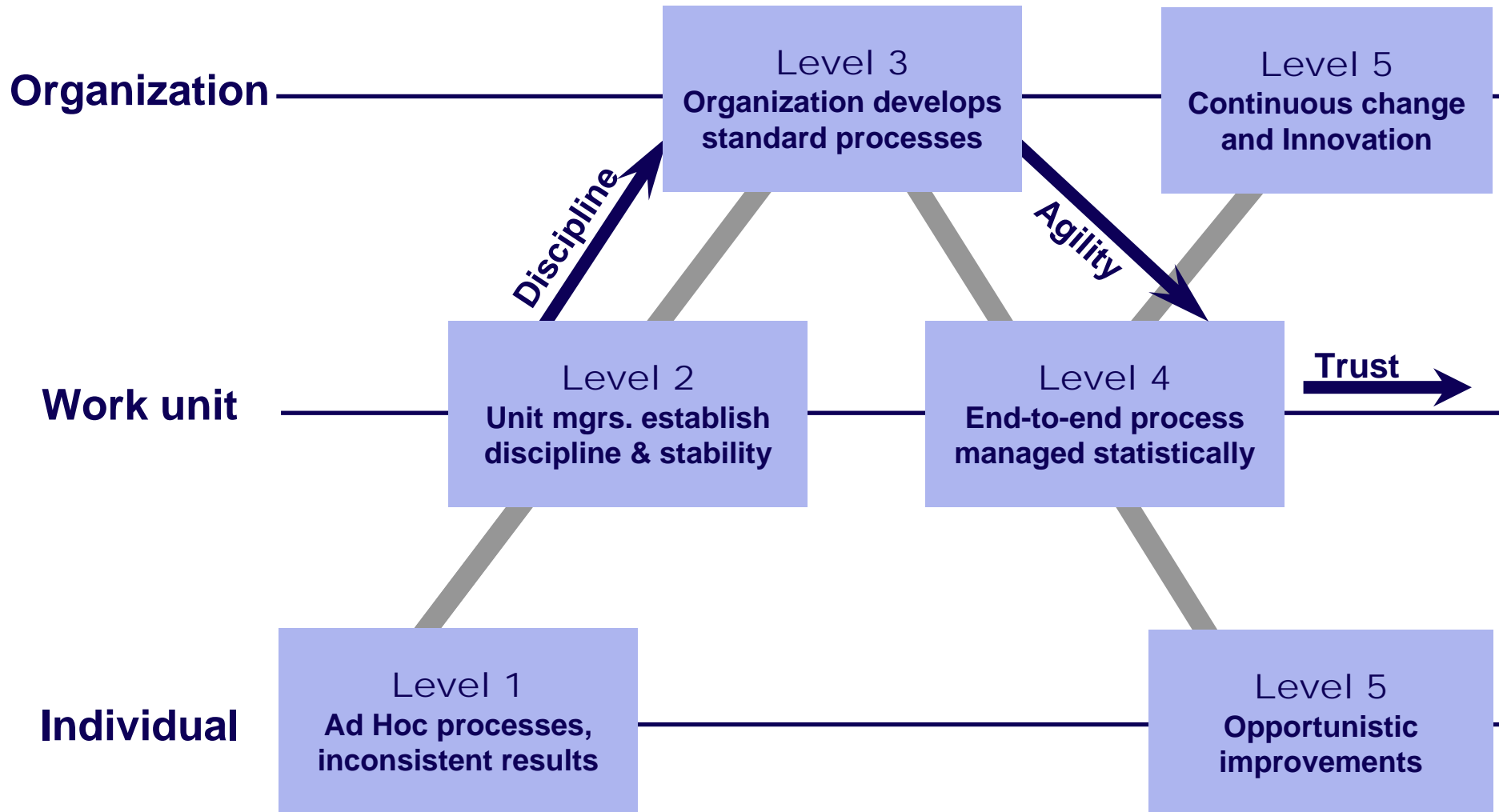
Other Stuff



Benefits of Staged Maturity Models

Benefit	Level 1 Baseline	Level 2	Level 3	Level 4	Level 5
Rework	40%	20%	10%	6%	3%
Estimating accuracy	+30% to >100%	$\pm 10\%$ to $\pm 20\%$	$\pm 5\%$	$\pm 3\%$	$\pm 1\%$
Delivered defects	X	$\frac{1}{2}$ X	$\frac{1}{4}$ X	$\frac{1}{10}$ X	$\frac{1}{100}$ X
Pretest defect detection	$\leq 30\%$	60%	80%	90+%	99%
Productivity	X	1.5X	2X	3-4X	>4X
Component reuse	negligible	negligible	occasional	$\geq 30\%$	$\geq 50\%$

Transforming the Culture



BPMS Driving Transformation

Introduction

Compelling
Motivation

Process
Spectrum

Iterative
Methods

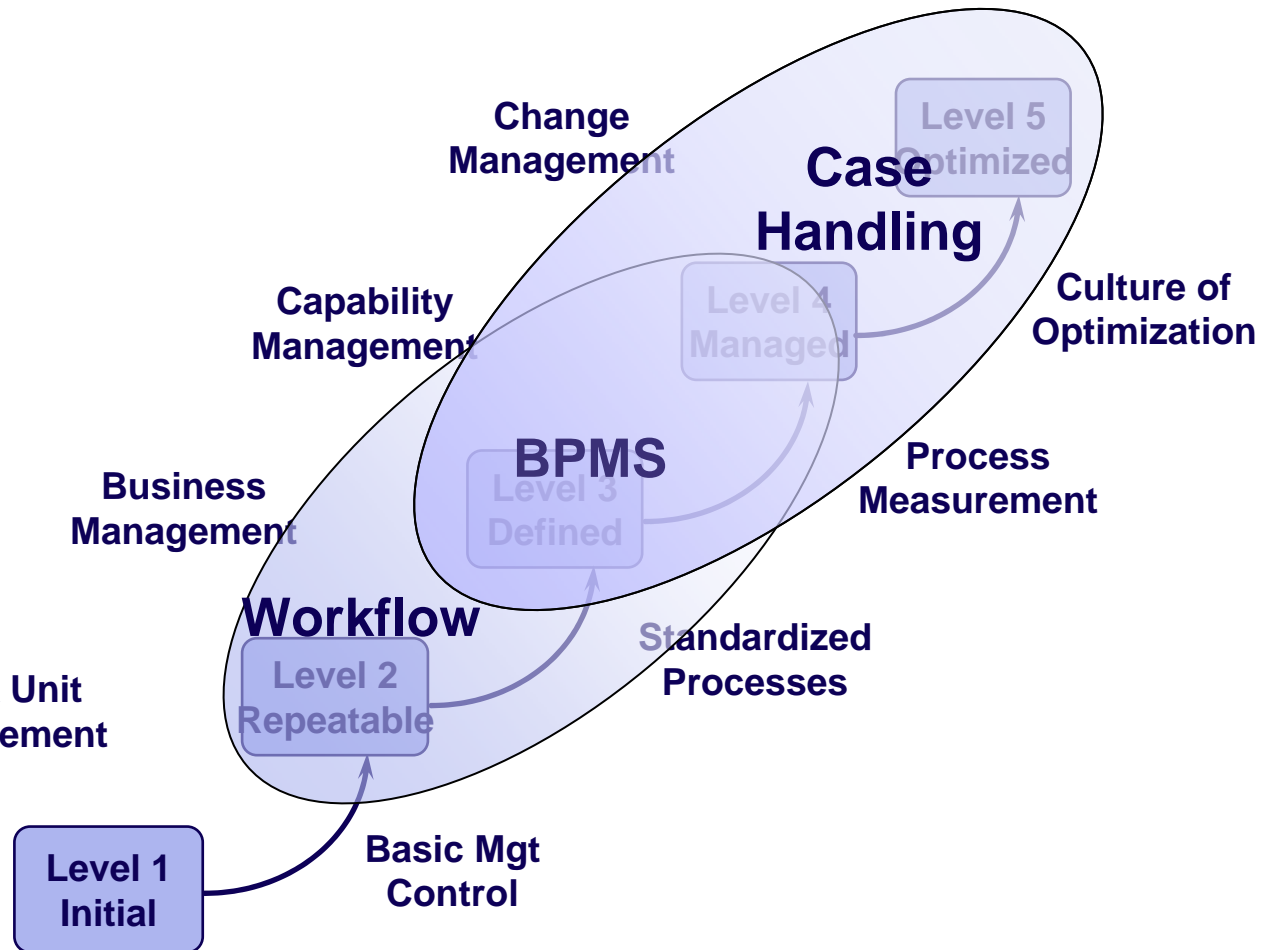
Process
Maturity

Corporate
Agility

Case
Handling

Other Stuff

Inconsistent
Results



Enabling Agility ...

A Range of Possibilities

- **Complex Content Development**
 - Involves managing the lifecycle of critical documents where the routing, participants and results are not predictable a priori, independent security model
- **Ad Hoc Collaboration**
 - Threaded discussion groups, shared white boards, content management capabilities, independent security model
- **Project Collaboration**
 - One off projects, collaborate toward a common goal, ad hoc processes; repeatable elements → reuse, yet requiring subtle adaptation; independent security model also required
- **Customer Contact Center**
 - Unpredictable customer interactions drive the process; 80% of calls are WISMO
- **Case Handling**
 - General blend of the two ends of the process spectrum; incorporates many aspects of the categories above
- **Process Wiki**
 - At a departmental level, individuals are empowered to take and adapt to the needs of the case in hand

Introduction

Compelling
Motivation

Process
Spectrum

Iterative
Methods

Process
Maturity

Corporate
Agility

Case
Handling

Other Stuff

Scenarios Everywhere

Introduction	➤ Government <ul style="list-style-type: none">➤ State and local government, NGOs, Police, Justice (investigations), Land management, Procurement,
Compelling Motivation	➤ Customer Contact Center <ul style="list-style-type: none">➤ Across a wide range of industries➤ Validate, identify work items and then resolve, 80% of calls are WISMO➤ Involves synchronous interaction with users, long running case resolution
Process Spectrum	➤ Financial Services
Iterative Methods	➤ Healthcare <ul style="list-style-type: none">➤ From clinical provision to administrative management and payment
Process Maturity	➤ Insurance <ul style="list-style-type: none">➤ Every claim is an exception
Corporate Agility	➤ Banking <ul style="list-style-type: none">➤ Trade exception handling, premium account management
Case Handling	➤ Oil & Gas Exploration <ul style="list-style-type: none">➤ Knowledge workers spread thinly
Other Stuff	➤ Pharmaceuticals <ul style="list-style-type: none">➤ Clinical trials, Compound development, Marketing campaign
	➤ Virtually all “professions, wide range of SME contexts <ul style="list-style-type: none">➤ Continually unfolding, evolving scenarios

Case Handling

- The key differentiating factor of a case handling environment is the ability to run multiple procedures against a given case of work
 - The primacy is with the case rather than the process that is used to support a work item
- Any sort of business problem where, without technology support, a manila folder would have been used to store related documents and information about things of interest
- Case Handling systems leverage the capability to associate virtually any number of objects within the context of a case
 - Processes, documents, attributes, resources, assets ...
- Processes tend to “unfold” rather than rely on a priori design time decisions (but within the context of an overall framework)

Introduction

Compelling
Motivation

Process
Spectrum

Iterative
Methods

Process
Maturity

Corporate
Agility

Case
Handling

Other Stuff

Introduction

Compelling Motivation

Process Spectrum

Iterative Methods

Process Maturity

Corporate Agility

Case Handling

Other Stuff

- Document-centric Case Handling
 - Manage simple processes, attach documents into a folder
 - Process changes little if at all, all context is buried in documents
- Constraint Based
 - Do anything you like except ... goal oriented, work backwards
- “Design Time” Case Handling
 - Parent process, invoke selected procedural fragments
 - All cases share the same set of procedural models
 - No instance specific changes
 - Significant flexibility is still possible with careful design
- “Runtime” Case Handling
 - Suitably authorized users evolve how work is handled
 - Develop new procedural fragments, alter existing cases
 - Cases have their own procedural models (based on initial template)
 - Instance specific change possible
 - Controls required to ensure efficiency
 - Potentially, enables personal process fragments

Summary

- Introduction**
 - BPM = people, their processes and performance objectives
 - Technology is an important enabler
- Compelling Motivation**
 - Process Spectrum – from Procedure to Practice
 - Efficiency and standardization v Evolution and Innovation
- Process Spectrum**
 - Agility means different things to different organizations
 - Climbing above level 3 of the BP Maturity Model
- Iterative Methods**
 - Levels 5 incorporates individual, opportunistic improvements and organization wide initiatives (? Level 4)
- Process Maturity**
 - Sophisticated workforce, culture of trust & empowerment
- Corporate Agility**
 - Sophisticated BPMS required to support knowledge workers
 - “Standard” processes make most sense with Case Handling
 - Complex Document Management, Project Collaboration, Customer Contact Center,
- Case Handling**

Other Stuff