

Process Management

Process Management

Introduction

Do more in less time. Provide reliable, stable services. Improve development and business satisfaction. Provide the technical infrastructure to support e-Business. That is what it takes to succeed in business and organizations today. But the only way to achieve these results is by rethinking the way an organization works, from the ground up.

Today, the most frequently successful approach to accomplishing this is through process innovation, the implementation and management of a new

Moving from a functional organization focus toward a process organization focus represents a model shift. Employees no longer operate only in a traditional organization of vertical silos, such as design, installing and testing. Instead, the organization moves toward a process view that cuts across silos, by creating horizontal processes that involve members of multiple departments, as well as support staff and customer.

A shift to this new model will impact the roles of many people in the organization, including the managers and executives. Just as the staff must take on new roles, the managers and executives must also adapt. The first step is to recognize that a traditional functional management approach, by itself, will not work.

As a result, the organization is transforming itself from a functional management orientation to include a process management orientation. In this new model, the management framework must support each process both individually and as part of an integrated system of processes.

The new environment implicit with this new model requires mutual trust, open communication, mutually accepted definitions of process roles and responsibilities, and a process management framework. This document defines these new roles and responsibilities, lays out the organizational structure and overall procedures that the organization will implement in managing the critical elements of this transformation.

This transformation is of essential importance to a High Performance organization. The High Performance organization's chief attribute is *Speed* that is enabled by managed, streamlined processes.

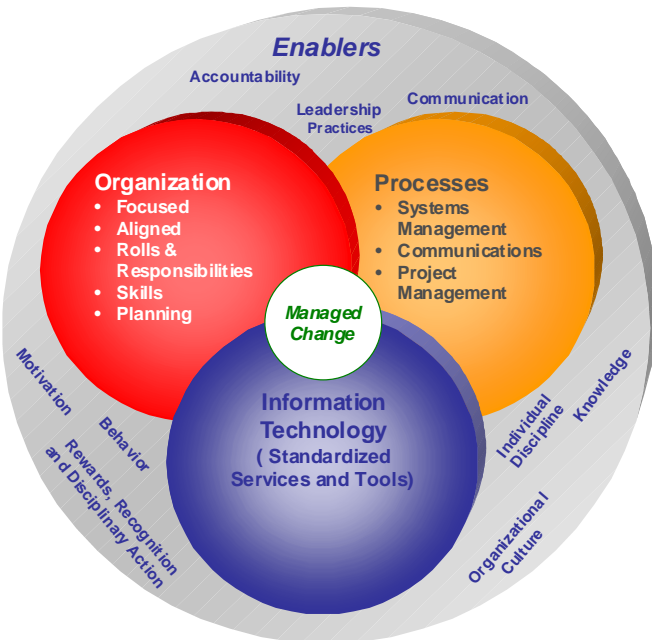


Figure 1 - The Process Centric Organization Model

organization from a process perspective. Figure 1 shows a view of the process centric model for an operations organization.

Many organizations are self-directed towards a technical focus and functional organization. In his theses "*Transforming an IT Organization from a Technical Provider to a Service Enterprise*", the author had laid out several models of processes and approaches. This paper discusses the process centric approach to providing operational services to the business and application development and support groups.

Process Management Framework

The general process management framework can be expressed in the following key points.

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- Defines the organization's business as a set of enterprise processes;
- Assigns ownership and accountability for these processes to key individuals;

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- Aligns the process objectives and measurements with customer and business goals and objectives;
 - Leverages skills and competencies by enabling accelerated organizational learning;
 - Continually measures and improves the process performance; and
 - Ensures that management and control systems support the process design and implementation.
- Supported by the organization functions which:
 - Implement some or all of the activities of the process;
 - Achieve improvement targets identified by the process team; and
 - Implement process improvement changes.

Participants within the organization carry out process management principles. Each participant assumes a role that includes a set of responsibilities, authority and accountability. Process management roles do not replace existing functional roles but rather complement them by providing for cross-functional performance management.

Principles of Effective Process Management

The four guiding principles of effective process management are summarized below:

- Led by the organization process owners that:
 - Establish a team of functional representatives to manage and improve the process;
 - Establish performance objectives for the process;
 - Formalize key measurements for the process;
 - Ensure that the process is performing to specified measurements; and
- Driven by the organization process managers who:
 - Identify specific improvements to the business process;
 - Work with the functional teams to convert ideas to actions;
 - Assist functional managers in prioritizing improvements; and
 - Escalate issues to the process owner to remove implementation roadblocks.
- Implemented by the organization cross-functional process teams that:
 - Design changes to process steps and activities within and across functions;
 - Convert customer feedback into operational changes; and
 - Develop projects that deliver higher levels of operational performance;

Taking the process management framework principles and creating an effective Process Management System requires the active involvement and commitment of key individuals. This is essential to ensure improvement in the performance of the organization. Even though, the roles played by these key individuals in a steady state setting may not be full time activities, the demands on the time of the process owners and managers can be substantial, especially during implementation.



Figure 2 - Processes Transform Silo Boundaries

Participants selected to lead process management should be line managers whose functional performance is significantly linked to or highly dependent on the successful performance of the processes. The additional

responsibilities of setting up and implementing the Process Management System should not be viewed by the participants as insignificant or "just another thing to do on my already overflowing plate". Rather the contribution they make to improve the organization's performance will translate to improved organizational and functional performance upon which they are measured (See Figure 2).

Roles and Responsibilities

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Key roles in the organization's process management framework include Senior Executive Leadership, Process Management Steering, Transformation Implementation Manager, Process Owner, Process Coordinator and the cross-functional Process Teams made up of Subject Matter Experts (SMEs). Figure 3 shows the relationship of these key roles.

The Organization Senior Executive Leadership

The process management structure rests on a hierarchy of roles, responsibilities and authorities that begins with the role of the organization Senior Executive Leadership and extends downward through the organization.

At the top of the organization, the Senior Executive Leadership sets the organization goals and priorities and empowers process owners.

Top-down leadership and commitment is required for a process management approach to be successful; they must make it very clear to the organization that process management is not merely a campaign or project but the way the organization will conduct its activities now and into the future. Their daily actions, attitudes, decisions, priorities and symbols must be consistent and in full support of the effort.

In their article, "Fix the Process, Not the Problem"¹ the noted business process authors, Sirkin and Stalk, gave examples of how the Senior Executive of a paper company demonstrated these qualities during their successful efforts to return a failing paper mill to profitability.

"Executive management promised that the parent company would make capital investments when needed, despite the possibility of failure - a critical point, since the mill had not seen capital in many years. They promised to be available whenever called and passed out their home telephone numbers. They established a bonus plan for all the employees - from the mill

¹ "Fix the Process, Not the Problem", Harold Sirkin and George Stalk, Jr., Harvard Business Review, July-August, 1991.

manager to the janitors - that was pegged to improvements in individual product-line margins or volumes but contingent on the mill's overall profitability. And to signal his commitment to the process teams, the CEO put the corporate jet at the disposal of the process owners and used

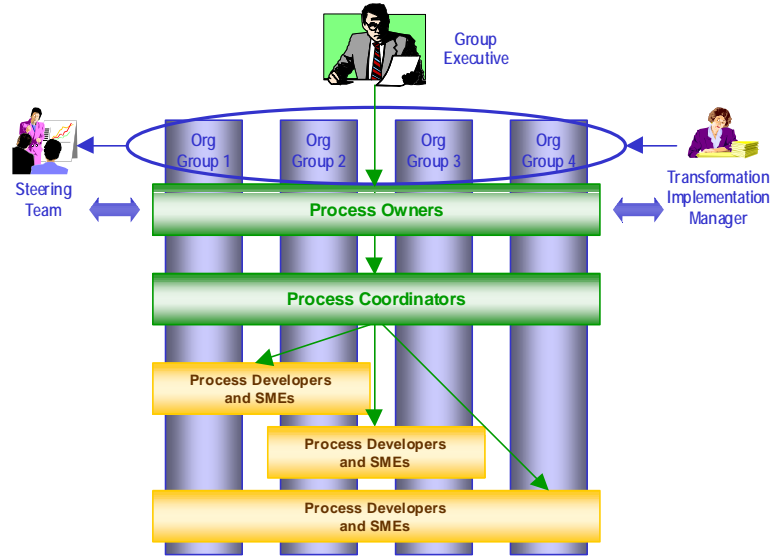


Figure 3 - Process Management Relationships

commercial flights for his own visits to other operations.

On the other hand, the CEO made the downside just as clear as the incentives. Employees that were not committed to saving the mill were invited to leave the company. He made it very clear that the mill would be shut down if the efforts did not succeed. Furthermore, he enlisted the supervisors and first line managers to get the word out to everyone at the mill and to solicit their help."

In the organization, process management will start with the Senior Executive's vision of the organization. The vision is translated into the organization mission, goals and objectives and recognition of the critical factors that must occur to ensure organizational success (See Appendix A). The ensuing strategies that are developed to accomplish the business objectives are tightly linked to the process management approach. In fact, it is strategic vision that drives and helps architect the organization processes necessary to support the organization's goals and objectives.

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The Senior Executive and the entire Senior Executive leadership team must clearly communicate the vision and the Process Management Framework and System to the organization and customer organizations in terms that are understandable by everyone. The goals and objectives must be realistic, the language coherent, and the vision motivating. People at all levels in the organization must be able to grasp and own both the message and the urgency. Simplicity is the key.

Finally, Information Technology organizations are comprised of people. Even an organization that is drowning in miss-spent energy has high achievers with valuable strengths. People that have demonstrated creativity, commitment, leadership and tenacity are proud of their accomplishments and can use these talents to recreate the organization into a high performance, value-adding enterprise. The membership of the Senior Executive Leadership team must identify those people who possess these capabilities and can apply them to the Process Management System and enlist their support as key participants.

Although it may seem obvious that these people can perform a valuable leadership role, much of the organization will experience significant change. Change is not an entity that most organizations or individuals enjoy or naturally embrace. While process transformation and implementation is in advance, a serious consideration by the Executive Leadership team must be given to managing the change. Figure 4 provides several critical conditions to be met to aid in the change.

Members of the Senior Executive Leadership team, then, are responsible to:

- Establish and communicate the strategic vision of the enterprise
- Set goals, objectives and priorities
- Develop and executing a transition/implementation plan

- Select/approve the Process Owners, Architect, and Teams
- Determine process owner authority and approval process
- Decision making levels
- Process investments
- Organization
- Policy and practice
- Commit to process management
- Create the process management environment
- Establish and communicate improvement goals and objectives
- Ensure consistency and complementary operations across multiple processes and on a global basis

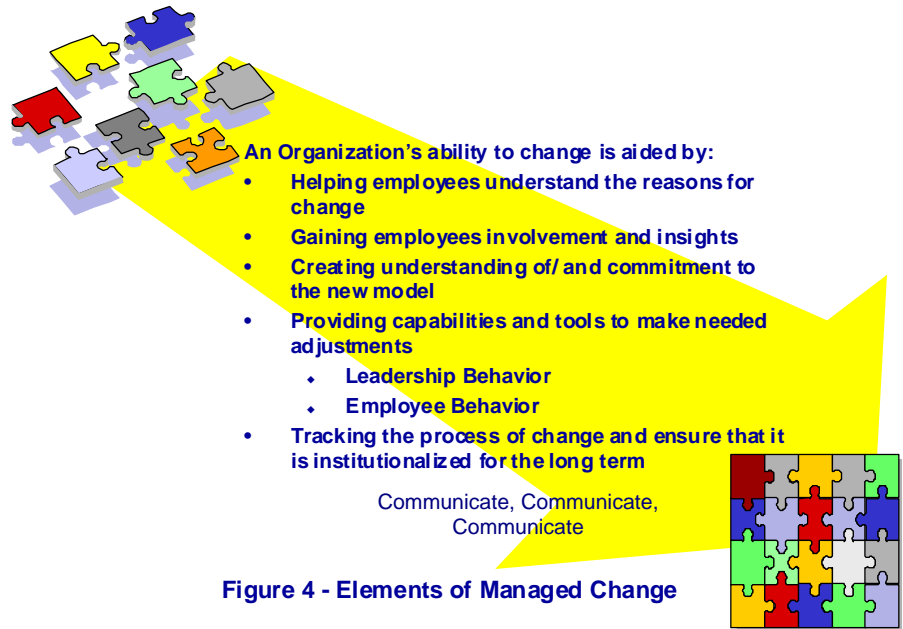


Figure 4 - Elements of Managed Change

- Review and communicating process status and results
- Recognize accomplishment
- Review enterprise process status and recognize accomplishment

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Process Management Steering Team

The coordination and oversight function for Process Management is the role of the Process Management Steering Team. In addition to the oversight, the Team (as well as the Implementation Manager and Implementation Teams) should have a clear vision of the required processes and interoperability.

The Process Management Steering Team will play a key oversight role during the transformation to a process orientation. During this period, the Team will serve to set process management infrastructure in place and ensure those critical related policies and procedures are established.

It suggested that membership on the Process Management Steering Team would consist of representatives from the then current process owners. The Team's membership will need to be knowledgeable of policies and procedures, culture, formal and informal communications, management and control systems, and labor and human resources issues.

Membership may be of a limited term and rotate among the process owners to spread responsibility and workload.

A meeting schedule for the Team can be established, though experience has shown that early in the transformation process irregular but frequent meetings are typically required.

The responsibilities and functions of this Team include:

- Review and prioritize initiatives and outcomes - develop agreement among involved managers
- Assure adequate resources are available - assure commitment of the Board
- Establish and ensure appropriate linkages among related processes
- Act as liaison between functional responsibilities and process responsibilities
- Provide feedback to process teams on direction
- Review progress and success of the Process Owners

- Review process results
- Assign accountability for ad hoc situations
- Review performance of customer-based goals
- Decide on process-improvement-based incentives for process participants
- Resolve disputes between processes and assign accountability
- Conduct all business in an open, sharing and participative manner

Transformation Implementation Manager

The role of Transformation Implementation Manager will be in effect during the entire organizational design and transition period (anticipated to be 18 to 24 months). This person will be responsible for planning and coordinating the execution of all activities involved in the organization's process design and transition, including process development and implementation.

Depending on the size of the transition and the size of the organization's undertaking, this owner should have four to six individuals reporting to him/her for the period of the transition.

Specific responsibilities of the Transformation Implementation Manager should include, but are not limited to:

- Schedule and conduct the necessary meetings, workshops and training
- Lead planning for, communicate and coordinate the execution of all transition initiatives and activities across the organization
- Coordinate the activities of consultants and other parties relevant to the transition
- Hire or contract and manage transition support personnel
- Oversee skills transfer from consultants to transition support personnel for follow-on process workshop and other transitions activities
- Conduct periodic transition project reviews and executive reviews

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Process Owner

The Process Owner is the most critical role in process management. It is this set of individuals who are ultimately responsible for the design, implementation and results of cross-the organization business processes. The Process Owner is the "Voice" and "Architect" of the process for the organization. He/she ensures flexibility in the organizational approach and the business process design so that the process can adapt to changes in the organization's environment. Since process management is a way of doing business and requires the commitment of the organization Senior Executive Leadership, each Process Owner must demonstrate the same commitment and continuity by assuming long term ownership of the process, typically for a period of three to five years.

In process management the role of each Process Owners includes coaching the process Coordinators and teams, providing needed training and resources, removing barriers to success, and communications the vision, goals, strategies and direction of the organization. The Process Owner has to be able to empower team members by giving them ownership and accountability, allowing them to make decisions and take risks. Although many of these sound similar to today's functional organization, successfully applying them in a process organization can require a fairly radical change in operating style. The new Process Owner can quickly assess his or her of comfort with their new role through an honest self-assessment. The following questions may be of use in that self-assessment:

- Do you value accomplishing work through teams more highly than individual performance?
- Do you "own" the success of the process (vs. find excuses for its lack of success)?
- Do you stress cooperation?
- Do you reinforce positive, team-based behavior?
- Do you remove inhibitors and let the team manage the process?
- Do you encourage use of the word "we" rather than "I", "he", "she" or "they"?
- Do you encourage individual contributions for the good of the *team*?

- Do you discourage individual efforts when they detract from the team effort?
- Do you entrust ownership and accountability to the team?
- Do you stress that the team succeeds or fails as a group, not as individuals?

The Process Owner will typically be a member of the Senior Executive Leadership team who is most affected as the user of the process -- not the functional manager who performs most of the process activities. He/she is held accountable for the business results produced by the process.

Senior Executive Leadership must choose Process Owners carefully. The ideal candidates will be personnel considered being the "Best Managers" in the organization. Most people in the organization recognize them as a "Thought Leader" and "Results Achiever". They must have a thorough understanding of the process and its impact on the business.

The Process Owner will have the authority to secure and allocate process-specific resources, and should have influence over cross boundary resources necessary to implement process improvement. He/she will have the authority to set process improvement objectives and ultimately change the way people do their jobs.

The Process Owner is responsible and accountable for the current state of process capabilities and improvements needed. This includes the performance and results of the process, any improvements underway or planned, and skills and resources needed at any point in time. He/she is responsible for selecting the cross-functional process team members and identifying the owners of sub-processes. He/she establishes process performance objectives and specific measurements.

With the support of the Senior Executive Leadership team, the Process Owner communicates the benefits of achieving process improvements to the entire organization. On a continuing basis he/she communicates performance of the process against specific measurements. The Process Owner acts as the focal point to which front-line teams submit improvement ideas. He/she delegates process administration tasks (reporting, tracking, documentation, etc.) to the Process Team, Team

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Leader or Process Coordinator. To ensure consistency and enterprise-wide performance, the Process Owner coordinates process initiatives with other Process Owners.

The Process Owner has primary responsibility for design and implementation of the processes he or she oversees. Direct accountability and authority over management of the process and its linkages with other processes and areas rests with the Process Owner. It is anticipated that the typical process owner in the organization will have ownership responsibility for multiple processes. Also, without exception, each process will have only one owner.

Process Owner responsibilities include:

- Establish mission and strategic goals for process performance and improvement
- Constitute and guide the process's Process Design and Implementation teams
- Communicate the organization vision and the process's strategic goals to the Process Design and Implementation teams
- Create a new environment by displaying a motivational impatience for results (be a behavior change leader)
- Identify process Improvement and innovation needs
- Provide executive leadership and direction
- Develop and maintains relationships with other processes
- Establish guidelines for process, policy and procedural changes
- Publicize activities and build commitment toward the new process
- Facilitate resolution of interface problems with other process owners
- Provide feedback to the Process Management Steering Board
- Oversee the design of your process(es), including assignment of correct and adequate resources
- Provide effective process capabilities to meet business needs
- Communicate with and manage the expectations of customers the process's
- Oversee the implementation of process(es), including assignment of correct and adequate resources as well as imposing formal changes in existing management control systems
- As Process Design and Implementation teams make their initial recommendations, manage organizational expectations and buy-in by supplementing the level of participation with representatives from the middle and lower ranks of the organization & customer organizations (to aid in prototyping and piloting activities)
- Monitor process performance, provides feedback to Process Coordinators and Process Teams, and establish benchmark requirements
- Implement modified reward and compensation systems to solidify the behavioral and operational change
- Recommendations resulting from the process innovation
- Communicate progress with and involve those functional executives whose organizations participate in the execution of your process(es)
- Satisfy staffing needs and recommendations from a Process Coordinator for the formation of a Process Improvement team as required
- Intervene to determine where the replacement of resisters and those who can not adapt to the new environment will occur

Process Coordinator

The Process Coordinator has direct responsibility for day-to-day management of the process. It is his or her role to ensure that the process runs smoothly and that the work is performed well. The Process Coordinator guides the process team in its work and establishes all the procedures necessary to ensure success.

The organization Process Coordinator responsibilities include:

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- Define the process and its boundaries and establish input/output relationships with other processes
- Present the process design to the organization management and customers
- Where necessary, adjust the initial process design
- Help oversee the implementation of the process
- Establish and suggest tools and techniques to use in the process
- Advocate process management - walk the talk
- Manage roll-out expectations by assuring team members share their experiences and the results with their constituencies and others in the organization
- Directly manage the deployment activities associated with the process
- Identify Critical Success Factors for the process
- Establish measures and set targets for the process performance and improvement
- Ensure process measurements are specified which will allow identification of the process's performance and will measure the results of continuous process improvement activities
- Ensure process measurements are taken and reviewed by Process Owners on a monthly basis
- Establish process improvement teams to improve process effectiveness and efficiency
- Implement process, policy and procedural changes
- Develop and maintain Process Management Manual
- Oversee the 'steady-state' operations of the process
- Help determine what continuous process improvement projects shall be defined

- Determine the required staffing (Project Improvement team) of each continuous improvement project
- Conduct continuous improvement projects and manage Project Improvement teams
- Review the continuous process improvement recommendations of each Process Design and Implementation team with the Process Owner
- Ensure Process Teams share their experiences and the results with their constituencies and others in the organization

Process Development and Implementation Teams

The best way to implement a process is by using Process Design and Implementation teams. However, traditional teams alone are not enough to guarantee successful process design and implementation. In fact, traditional teams have a fairly narrow focus, since they usually consist of people with similar backgrounds who concentrate on problems within their department of organization rather than issues that affect the entire enterprise.

One of the main challenges of effective team functioning is in handling the diversity of team composition. However, diversity is what gives a team its strength, and team members - as well as the manager -- need to recognize and appreciate these factors.

In terms of team dynamics, there are four basic types of individuals:

- **Challengers** question assumptions and actions. They can be nitpickers and sometimes serve as guards of "the old order," but they force the team to think.
- **Communicators** are good listeners who encourage discussion and sharing. They foster the exchange of ideas.
- **Collaborators** are goal-oriented joiners who encourage others to work together. They are willing to bend, ready to serve and, in many instances, keep the team members on track.
- **Contributors** are detail-oriented types who are often a source of ideas and facts. They collect data and keep things on schedule.

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Each type plays an important role on a Process Design and Implementation Team. A team full of communicators will not make much progress without contributors to gather data and watch deadlines. By the same token, collaborators keep goals uppermost in everyone's mind, and challengers keep the team from acting without careful consideration.

Given these different types, each with different priorities, it is all too easy for a process team to lose its sense of direction. The Process Coordinator can keep a team on track and moving ahead by establishing ground rules and operating guidelines.

To be successful, the members of the Process Team must all agree on what needs to be done. How they need to operate while engaged on a specific process improvement team is also of utmost importance. For most teams, the following criteria for success applies:

- **Shared Vision and Common Goals:** All members are committed to the common vision, mission and goals of the team and are focused on the desired results. The customer is the center of the focus.
- **Open Communication:** Members are open and honest with one another. They actively participate in meeting, listen respectfully to each other and share information willingly.
- **Trust and Mutual Respect:** All members are valued, trusted and respected. Everyone's ideas have value.
- **Shared Leadership:** Team members share in leadership. They encourage and support one another.
- **Effective Working Creativity:** Team members encourage creativity and innovation, but they use effective procedures and have the necessary resources to do their jobs.
- **Team Growth:** The team makes use of the different skills and strengths of all its members and actively seeks ways to improve team dynamics.
- **Ability to Change:** The team challenges accepted processes and responds immediately to changes. Change is viewed as an opportunity for growth.

- **Continuous Improvement:** Team members admit and learn from mistakes.

These criteria, as stated, are critical. Managed Change is of maximum importance to enable these criteria especially within organizations where these attributes are not standard (See Figure 4).

In addition to agreeing upon criteria for success, every member of the Process Team must be empowered to act on those criteria. Everyone counts, everyone shares information and everyone has the power to make decision. This environment requires mutual trust, open communication, and mutually accepted definitions of responsibilities.

Of course, even the best functioning Process Team can run into problems. Management must assess team fitness on a regular basis. Here are several characteristics to monitor:

- Do team members have a clear, common purpose, or are they pursuing their own agenda? Is there a good balance of participation among members, or are some people growing non-communicative and avoiding responsibility/?
- How team members communicate speaks volumes. It is healthy if members disagree, but consider it a red flag if some individuals refuse to listen to anyone else's ideas.
- Cooperation and eager participation are signs that things are going well. Conversely, internal politics and lackluster attendance indicate problems. You are also in for a bumpy ride if one person is dominating the group.
- With different personalities and working styles, it is not always easy to keep conflict from disrupting a team and distracting members from their goals. A "Rules of Engagement" that spells out rules for behavior and priorities often keep teams focused on what really counts. Draft a statement that makes sense for your group, review it as a team and make sure there is a copy in every team member's workplace. Discuss it periodically to renew the commitment and to ensure it stays fresh in everyone's mind.
- "Rules of Engagement" are most effective if constructed during the team's first session. The following is a recommended "Rules of Engagement" straw-man that has worked in the

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past for Process Improvement teams (or for any high performing team for that matter – again see Figure 4):

- The Team will be tactful, truthful, honest and ethical.
- The Team will use “we” instead of “I”.
- The Team will focus on attainable goals.
- The Team will show respect for one another by listening and not interrupting.
- The Team will strive to be open-minded and objective about other members’ ideas.
- The Team will strive to remember that problems are solvable.
- The Team will stay on track with the agenda for each meeting and focus on our goals.
- The Team will participate in team discussions and activities.
- The Team will keep comments concise and to the point.
- The Team will not take credit for nor contradict (without discussion) another’s work or ideas.

From a logistical perspective, Process Design and Implementation Teams generally have a finite term “life span”. Ultimately, however, team members are likely to play an ongoing role in the process they design and implement, though this is not a requirement.

The Process Design and Implementation Team is set up specifically to design and implement one given process, such as **Change Control or Service Level Agreement Management**. The organization has planned a rather heavy process design project. The team members will be pulled away from their regular jobs on at least a half time basis for a period of approximately four to six weeks during process design. This is followed by a period of somewhat less than half time for a period of at least three months for process implementation.

Specific responsibilities of the Process Design & Implementation team include:

- ♦ Oversee the design of the team’s process
- ♦ Present the process design to the organization management and customers
- ♦ Where necessary, adjust the initial process design

- ♦ Develop the migration strategy and implementation plan for your process, including major and incremental cost and resource estimates
- ♦ Participate in the implementation of the team’s process
- ♦ Provide education and, where critical, mentoring, in the new process

Process Improvement Teams

Once a process has been designed and implemented (As-Is has been abandoned), the Process Coordinator will occasionally need to form a Process Improvement team, specifically empowered to address a specific area of performance. In this situation, The Process Improvement team may include members from all affected parts of the process. Any Process Coordinator may have zero, one, or multiple Process Improvement team(s) in progress at any given time. Each Process Improvement team should be constituted as a formal the organization project. Process Improvement teams may be staffed from a number of groups: full- and part-time employees, customers as well as, potentially, consultants, subcontractors, vendors, and business partners.

Unlike traditional teams, which tend to be homogeneous, Process Improvement teams typically have members with very different skills, experiences and perspectives. Such teams cross functional lines and take a horizontal approach, so they have a much greater impact throughout the organization and its customer set.

These teams generally have a finite life span, requiring a part time commitment for an average of a month. This will allow the team members to continue with their regular duties while meeting for several hours a week over the period of the process improvement project. Team members and the Process Coordinator will nominate the organizational functions and team members needed to participate in process improvement. Fulfilling those requirements is the responsibility of the Process Owner. Assignment of individuals is the responsibility of the functional organizations’ top manager or director.

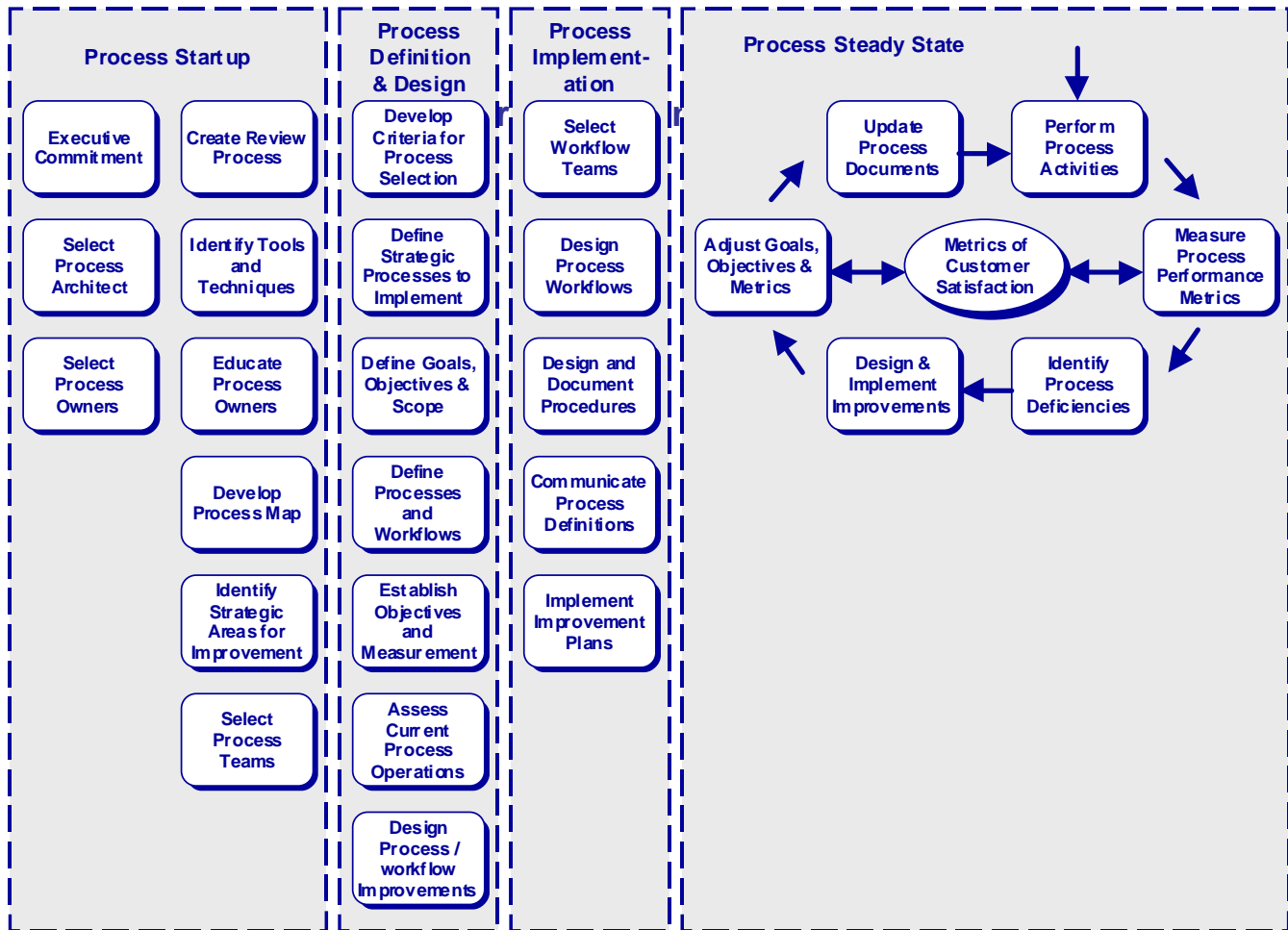


Figure 5 - Process Improvement Development

The Project Coordinator should specifically define specific responsibilities, though implied above, for the specific Process Improvement Team.

Implementing Process Management

Once the organization is actively involved, process management is ongoing. Measurements of performance against objectives serve as input to the creative effort that improves the process and leads to improved organizational performance. However, like starting the business itself, significant planning and preparation is required to produce successful results. Our experience has shown that successful process management will typically involve four groups of workflows: Process Startup, Definition and Design, Implementation and Steady State (See Figure 5).

Process Improvement Startup

In start up activities, the organization's Senior Executive Leadership commits to implementing process management throughout the organization. It is important that they understand the significance

of this commitment and the degree of potential change it may bring to the Business of IT. Since leadership anticipates reengineering the an organization's Business processes, they should be prepared to effect broad-based changes throughout their entire organization. These changes most likely include organizational restructuring, technology investments, redefinition of job responsibilities and classifications, and behavioral modifications (through Managed Change).

In this set of workflows, the organization should identify the Process Management Steering Team and the Process Owners. The Process Management Steering Team develops a Review Process that will be used to manage and communicate the process management initiative. Tools and techniques that will be used in process definition and design are identified. Training for the Process Owners is initiated.

The Process Owners and senior management will co-develop and confirm the configuration of processes for the organization. Strategic organizational functions are identified and targeted

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for improvement. The Process Owners then create cross-functional process Design and Implementation teams.

Process Improvement Definition and Design

In the Definition and Design phase, the Process Design and Implementation teams validate the understanding of process activities through detailed process/workflow definition and documentation. Goals, objectives and scope for the process improvements are defined. Performance objectives and measurements for the process implementation are established. Current operations are assessed and specific areas of improvement in the process and/or workflows that are strategic to both the process and the Business of are identified for improvement.

Process Improvement Implementation

In the Implementation phase, the Process Owners, Coordinators and Design and Implementation teams address the functional and operational aspects of the process and workflow activities. Team members are process/workflow developers and representatives from key functions that will participate on the transformation to the future process orientation. This effort expands the process management approach to include the majority of the functions.

Each process and/or workflow is defined including the mission, goals and objectives, scope and boundaries, customers and deliverables, inputs and suppliers, and linkages of the business process to the strategies and goals.

Each Process Owner and Design and Implementation Team may have a slightly different approach depending on the nature of the process/workflow and organizational considerations. All approaches will address the fundamental objectives of knowledge transfer; skill development, organizational buy-in and achieving understood goals, objectives and performance. Performance objectives and measurements for the process and/or workflow are established.

Tasks of the teams include, primarily designing and implementing the future process and/or workflow.

Process Steady State

The Steady State activities are at the heart of process management. They incorporate many of

the steps and activities found in the previous activities and integrate the process management focus into daily operations. As the business process activities are carried out, their performance is measured against the customer's conditions of satisfaction. Gaps are identified between the performance, goals, objectives and expectations. Any deficiencies in the process are noted and improvements are designed and implemented.

Gaps that exist between the performance and the customer's expectations identify areas of improvements. If the performance meets the goals and objectives but fails to meet the customer's conditions of satisfaction, the Process Owner and Coordinator will take action to improve the process and realign or redefine the goals and objectives. If the performance meets the conditions of satisfaction but exceed the original process goals and objectives, this should serve as input to raising the goals and objectives and driving higher organizational performance.

Process Improvement Deliverables

Process or workflow improvements require a set of deliverables and documentation that must be "living" as the process/workflow is implemented and improved. These Items are:

- ♦ **Process Business Plan**

Each Process Owner and Coordinator should construct a business plan for the process. The business plan should be directly linked to the organization's overall mission, goals, strategies and initiatives. The plan should be completed and reviewed by the Process Management System Steering Team on a predetermined basis.

- ♦ **Process Management Material**

Each Process Coordinator should maintain material (in a preferred organizational format and medium) that documents the process he/she manages. The material will serve as a repository of information to fully define the process. The material should include in it information such as the process definition, goals, scope, activities, controls, inputs, outputs and performance measurements. It may be used to ensure a shared understanding among Coordinators about the elements of each

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process as well as to assist in training employees and new team members.

♦ **Process Resource Guide**

Staff in many operational areas develops personalized materials with key information they need to complete their work. It is recommended that these materials be consolidated into a Process Resource Guide for use by all the process staff in problem resolution. The resource guide may include such information as:

- Problem resolution strategies
- Contact lists and phone numbers
- Key personnel
- System operations shortcuts
- Suggested decision trees for specific problems
- External party information

♦ **Training Materials**

Integral to the long-term success of each process is the ability to train new employees and develop the core competencies of in-place staff on an ongoing basis. It is suggested that Process Coordinators create and maintain training materials that may include information on process orientation, organization, process definitions, example process items, exceptions and other issues.

♦ **Process Improvement Plan**

The organization has a strong commitment to continuous improvement. As such the Process Improvement Plan will encompass a program of activities to measure and monitor process quality. It is suggested that the program include the capability to:

- Track performance versus established goals
- Assess individual performance
- Identify best practices
- Propose improvements
- Benchmark contractors and vendors
- Report results, improvements and plans

♦ **Performance Management and Monitoring**

It is recommended that the organization evaluates and implements a system of metrics for each process and/or workflow.

♦ **Periodic Activities Audit**

The organization should establish a periodic review of each process, workflow and its component activities to ensure that, on a formal basis, effectiveness and efficiency issues are being identified and addressed. The Process Management Steering Team or its delegate should perform this annual activities audit.

Conclusion

Today's e-Business environment demands stable, reliable, effective and efficient services. The external customer of an enterprise's e-Business initiative requires speed-to-market, reliability and accuracy. *The organization, especially Operations must be a high performance organization based on managed, streamlined processes and workflows.*

Process Management

Appendix A

Process Improvement Critical Success Factors

Strong process owners and leadership to implement Systems Management and IT processes are required to reach maturity for each targeted process

The following Critical Success Factors must be implemented in all Systems Management processes to ensure success:

- **A clear understanding of Systems Management concepts and support by Executive Management**
- **An Understanding that Systems Management disciplines are Processes and must be implemented as such under a strong framework consisting of:**
- **Goals and Objectives**
 - ◆ **Governing Principles**
 - ◆ **Processes**
 - ◆ **Procedures**
 - ◆ **Tools**
 - ◆ **Standards**
 - ◆ **Interoperability between processes**
 - ◆ **Measurement and improvement of processes**
- **Each process must have a process owner**
- **Roles, responsibilities and accountability are clearly defined for each organizational, technological and geographical entity**
- **Resources are assigned with the priority and *skills* to complete and integrate processes**
- **Barriers between teams and working relationships are removed**
 - ◆ **Process goals and objectives are established and communicated**
 - ◆ **Team values are communicated, measured and are integrated in the employee evaluation process**
 - ◆ **Management empowers and encourages teamwork as a priority**

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