

TRANSFORMING YOUR BUSINESS TO ACHIEVE OPERATIONAL EXCELLENCE

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Process Driven, Business Focused

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INTRODUCTION

The 21st century economy requires organizations to apply a more agile approach to problem solving and decision making. In order for today's companies to be successful in our ultra-connected, rapid paced business environment, they have to deploy technology in a way that aligns with their business goals.

Today's organizations also have access to more data, more connections, and an expanding list of new technology. To thrive in today's competitive marketplace, businesses must evolve from previous models to ones that engage more stakeholders—while also giving them tools to achieve more independently, and often within shorter timeframes.

We know that technology continues to empower workers. Software applications use consumer-like interfaces that increase adoption



and usage; massive amounts of data can be manipulated and calculated to learn about very narrow segments of business activity; people closest to business problems can develop and deploy technology solutions without the

need to know how to program – these are all enabling features of technology. As technology transforms businesses and becomes increasingly democratized, however, it requires (more) adherence to principles of operational excellence as its foundation.

For more than a generation, business process management (BPM) has been a methodology that can guide companies towards an optimal and more efficient path to achieving a company's objectives. Organizations may subscribe to different schools of thought around BPM, but all have benefitted from the idea that good processes—adapted as needed and adhered to with discipline—can be the most important tool they apply to achieving desired results. What they have discovered is the essence of BPM: when technology is used to support and improve business activity, while adhering to principles of operational excellence, it can lead to dramatic competitive advantage. With the added emphasis on digital tools and channels, organizations are transforming how they conduct business and engage with customers with BPM.

Let's look at how smart businesses use BPM to transform how they address business challenges.

21st CENTURY BPM

As a result of technology continuing to evolve rapidly, the fundamental principles of running a business successfully have also changed. BPM encourages both a mindset and implementation framework that enables companies to create and manage their businesses—providing insights that form the basis for more informed decisions, coupled with the agility to adapt as markets and

conditions change. Perhaps more than any other asset, solution, or concept in the organizational toolbox, it pairs innovation with wisdom to produce continuous improvement.

John Boyd, an Air Force colonel and father of the OODA Loop (Observe, Orient, Decide, Act) believed passionately about dedication to process to achieve one's goals. Peter Drucker spoke about efficiency tied to purpose. His statement, "There is nothing so useless as doing efficiently that which should not be done at all," is imprinted on the brain of every successful

These business thinkers would be proud of what smart companies are doing in the 21st century. Today's economic demands are unique, requiring businesses to prepare and respond to challenges in a way that is both adaptable and agile. More data and new devices mean that there is more information available on more platforms. That is good for both companies and their customers. "More" also means more to manage—and that can stress an organization dealing with increased regulation, global growth, and macroeconomic shifts.



BPM die-hard. And almost all agile business methodology was conceived by W. Edwards Deming—while Tom Peters and Ram Charan continue to emphasize that organizational excellence is achieved through a combination of process, mindset, and the right tools.

To address and serve more people in more markets on different devices, businesses have adopted digital platforms in order to build, deploy, manage, and analyze data and operations. APIs, data repositories, real-time application development are all elements of our current enterprise technology environment.

Applications are available through the cloud and can engage people on mobile devices and other productivity tools. These digital solutions are great for increasing a company's reach, but require putting business operations into a new format.

BPM is the most consistent solution to manage the transition to digital channels because it is *not* solely about technology. Rather, it is about using technology to facilitate business activity. BPM enables organizations to embed consistency within behaviors, provides insights into those behaviors and ensures the flexibility to adapt and change behaviors to meet market and customer demands. BPM provides predictive capabilities, combined with the ability to intervene and make ad hoc changes, before these behaviors (and their results) become problematic.

BPM ENABLES THE DIGITAL BUSINESS

At its essence, BPM delivers organizational stability because it streamlines operations. As technology becomes easier to use and manipulate, streamlining increasingly means putting technology into the hands of users who can solve problems faster and with more precision. This shift is supported by IT which can focus on longer term, more strategic and visionary requirements. This is an evolutionary stage for technology.

Since the advent of business computing, there has been a distinction between those who identify the issue (the business), and those who create the solution (IT). BPM encourages and facilitates the collaboration among these

groups. And smart organizations realize that self-sufficient business groups lead to better solutions. Ultimately, this will result in better, more innovative solutions—and a culture focused on creating solutions.

In addition to dealing with critical issues like availability, security, and scalability, IT must constantly evaluate new ways to improve operations. When the demands of data-hungry



customers tax even the most well equipped IT teams, there is little time to collaborate with business users. BPM, however, provides the ability to combine business interests with IT capabilities so that technology can address new challenges and identify opportunities.

Consider procurement. For most enterprises, there are usually a variety of different forms used by different departments, all of which require different levels of approval. An effective

BPM strategy creates a process (or multiple, related processes) by which a request is made, budget allocated, payment transacted, approval provided, forms and documents tracked and stored. BPM provides a way of standardizing, formalizing and simplifying procurement—and many more processes.

Today, these types of processes can be put into ‘turbo mode,’ using digital capabilities and channels to identify and transact with more data and more people. Think about how more information can be accessed today. APIs connected to vendor databases can easily integrate with all types of data, providing users with more information. That provides a better foundation from which to negotiate. Approvals can be obtained via mobile devices where documents, analytics about what decisions were made, by whom and when, are all accessible. BPM is enabling non-technical users the ability to do this, freeing IT from having to administer to every business unit’s requests.



This is but one scenario. Multiply it by the thousands of processes across an organization and it is easy to see how the integration of IT

and business delivers faster, more relevant results, helping teams focus on what they do best. Pseudo workflow tools like SharePoint Workflow and Huddle cannot deliver the comprehensiveness of BPM, especially when BPM is used to deliver automation and management through digital channels.

A CASE IN POINT: CASE MANAGEMENT AND BPM

Case management is a type of process management, and essentially serves as an extension of ‘traditional BPM.’ A case management framework can integrate with an existing IT infrastructure to manage time-mandated and event-drive actions. When integrated as part of the overall enterprise strategy, the case management approach to BPM further enables organizations to adopt a process-driven mindset that can become embedded into the fabric of its business operations.

The ability to manage specific and narrowly-defined processes is where case management provides the greatest advantage. In this context, it identifies a key issue, recommends an approach and timeline, incorporates research, documents it, then deploys it for specific situations, or cases. These cases evolve based on user and organizational needs. Documents arrive, customers make decisions, motions are filed, and cases evolve accordingly.

Organizations that adopt a case management approach can do so on top of a BPM framework.

For many, this is how BPM evolves within an organization, especially when process development can be done by non-technical users. A BPM implementation may start out as a one-off solution, but quickly becomes recognized as applicable to other situations and processes beyond the original purpose. When this occurs, more efficient processes—and more predictable outcomes are the result.

DIGITAL TRANSFORMATION AND THE NEW ENTERPRISE



Information has always been among the most prized assets of any organization. How information is used, however, is changing. BPM enables companies to access, distribute, manage, analyze and act on information, achieving objectives that lead to sustainability and competitive advantage.

Data is the currency of the global economy. To use it effectively, organizations must develop and implement digital strategies that integrate, deploy, and transact with it. Rather than just managing data, business leaders must be focused on pairing business knowledge with technical innovation, using data in ways that

provide a continuous competitive advantage.

A recent Gartner report, “CIOs Must Build Greater Business Acumen in IT for Digital Business”, states, “...by 2020, 100 percent of roles in IT will require an intermediate level of proficiency in business acumen to effectively execute on the digital business strategy.” Clearly, the blending of IT and business goals is at a tipping point. To truly be able to use all that data, however, requires a BPM approach, one that ensures that people have the right tools to deliver new and better results across the organization.

While neither Drucker nor Deming spoke of digital initiatives, these changes are reflected in their theories. To use BPM well means knowing the business, interfacing with influencers (internally and externally), understanding technology options, and combining them to reach stakeholders.

Internal champions, wanting to encourage digitizing efforts, must partner with groups/departments to strategize how and where business value can be achieved through process automation. Doing so provides greater transparency and identifies areas where

automation can accelerate operations. We consider this piece of the organizational puzzle ‘enablement,’ as without deep insights into how the business is running (combined with acceptance as to the need to change it), very little can happen. One of the most powerful outcomes of a BPM implementation occurs when potential stakeholders see it in action, developing an appreciation and understanding as to how business process management can impact them, positively.

The path forward to creating a digital BPM strategy ‘should’ involve business leaders, operations staff, and IT. Working together they can identify which processes can be standardized to meet business needs, including those that can be implemented by non-technical users. In this planning phase, stakeholders can identify how the processes they use can be optimized to deliver the operational excellence that is every company’s goal.

CONCLUSION

There is no escaping the fact that technology enables companies to move faster and in new directions. This shift creates all types of interesting opportunities—yet without a foundation upon which to build it, the result can be stressful and create confusion. BPM can provide a roadmap for business transformation fusing technology, business goals and capabilities in precisely the places where organizations can derive the greatest advantage.

Where BPM used to be about deadlines and automation, it has evolved to embrace the power and importance of digital initiatives.



The act of establishing business processes instills a sense of what is possible within an organization. It breaks down walls that might exist between the technical and business sides of the enterprise. BPM then becomes a rallying point for growth and success. IT leaders can validate that the company is prepared for the future—because the foundation upon which the business is built has been optimized for growth.

As business units acknowledge that they are participants in effectively preparing, executing and managing their business processes, the resulting alignment becomes a powerful weapon for today’s competitive, visionary organizations.



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