Process Landscapes

One of the principle reasons for making the transition from functional silos to process management is to conquer the inevitable politicking that goes on between departments.

However, merely changing "functional titles" into "process names" does little to alter the political landscape of the business. Changing the "Purchasing Department" to the "Purchasing process" achieves little.

When embarking on the new process landscape it is necessary to spend time on changing the mindset of those who will be instrumental in the transition. Process management is as much to do with changing the culture and the way of thinking, as it is to do with changing the organisational structure. It is this most fundamental aspect of the transition that the majority of organisations have failed to appreciate.

All organisations consist of three simple elements

- What comes in
- What is done
- What goes out

It is the reconciliation of this most simple concept into a diagrammatic representation of the business that creates the workload when designing the process landscape.

Most often there are several layers of processes

- Strategic Corporate processes which apply to all entities within an organisation and which define overall policy and strategy
- Management dealing with the way in which the business is managed e.g. leadership, communications, policy and strategy development and deployment at the entity level, people, partnerships, resources and processes.
- Core The core "production" processes directly involved with the conversion of inputs to outputs. In ISO 9001:2000 these may be termed the "Product realization" processes.
- Support the essential disciplines within any business e.g. Personnel, Administration, Financial Controlling
- Continual improvement preventive and corrective processes as well as those that harness the ideas of the work force.

Once the layers of processes have been identified, it is necessary to create a meaningful process landscape. For BMW Hams Hall, in the United Kingdom, the initial process landscape is shown in Figure 1.



Figure 1: The BMW, Hams Hall Process Landscape

In this case study example, as with all such endeavours, certain gaps were highlighted, for example the lack of dedicated approaches to leadership, or predictive business analysis.

When an entity forms only part of a larger organisation, it is important to recognise the interface points and assign owners to them.

The European Foundation for Quality Management (EFQM) Excellence model provides a solid framework for assessing the process needs of the business.

At its simplest level we are seeking to determine how the business goals are deployed through a network of processes to achieve desired outcomes and results.

The first step therefore in defining the process landscape must be the definition of the business goals and the desired outcomes and objectives.

This is not as easy a task as it first sounds – it is not merely a brainstorming activity but is a serious business assessment of where the organisation is based on data. Herein, often, lies the first hurdle – the organisation has much meaningful internal data but has little benchmark data. Claims in mission statements to "be the best" are fundamentally weak if there is no reference point as to what "the best" actually is. It is equally of little value if we know "the best" but have no idea of how they got there or maintain there position.

Knowing the "best" last year is also of little consequence; it is the "best" in five years time that should be our focus.

The identification of the goals and objectives can then be used to determine what processes need to exist in the business. It is wrong to look at what you have and then fit a new landscape around it. Is necessary to look at what you need and then populate the landscape accordingly.

Defining a process landscape is not a quick fix to reduce head count; it is a systematic approach to determine what needs to be done and the necessary resources required to achieve that level of performance.

The most significant change in thinking will revolve around the core business processes. It is here where the measures of efficiency, effectiveness and flexibility will usually require the greatest improvement and consequently it is where the most dramatic changes will occur.

Creating a "cell" mentality where specialists "belong" to the process rather than solely there own area is difficult for some to accept. The initial transition most be done in phases and cannot be an overnight "event". In the early stages many of those involved in the core processes will have two bosses – the "specialist" boss and the process owner, for example a buyer may well continue to work for the Purchasing Manager but have a matrix responsibility to the Core Process Owner. This point of interface needs clarification, as does the overlap of a functional manager and a process owner. This is shown in figure 2.



Figure 2 Process Owner and Functional Manager

Whether the above model is used or not, an equivalent explanation and clarification of the roles of process owners and functional managers is required.

Subsequent phases of developing the process landscape need a project management approach and thus, a senior member of the management team must accept ownership of the overall approach i.e. how will processes be identified and how will we manage the transition from where we are to where we want to be?

A typical road map for the creation of the process landscape and the subsequent deployment of process management is shown below

- 1. Understanding the business profile
- 2. Gaining commitment and the personal involvement of the senior people.
- 3. Building the process landscape
- 4. Aligning business processes with business objectives
- 5. Defining responsibilities
- 6. Education and training
- 7. The pilot and review process
- 8. The roll out of process management
- 9. Process monitoring and measurement
- 10. Process documentation, audit and continual improvement
- 11. Self assessment

It is thus clear, that developing the process landscape is neither the beginning nor the end of the journey. It is undoubtedly integral to the overall transition to process management as it gives a focus as to what the reorganisation is trying to do and enables the population of the landscape firstly with names and then with goals and targets.