

What is Your BPM Strategy? consider agile business process management

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To remain competitive and insure optimum performance, enterprises like yours need to know what is “happening” as it happens (or even before it is about to happen). If there is a problem, a market shift, or new competitive pressure, you need to know how to find it and fix it, quickly. But just how do you do this? Will your applications and systems cooperate? Can you bring people and processes together efficiently with the information they need when the need it? Can you create an atmosphere where decisions can be turned into actions that extend beyond the four walls to trading partners up and down the supply chain? These questions and more all lead to the big one – What is your Business Process Management (BPM) strategy and are you agile enough to execute it?

But what exactly is Business Process Management (BPM)? Ask five people and you will get more than five answers. The COO will say it is how the business works – the work flow. The CFO will say it is how it makes money. Others will say it is the latest incarnation of analytics, dashboards, and Business Intelligence (BI). Then there are those that will confuse BPM with that other acronym with the same letters – Business Performance Management. Whatever the definition, today's BPM not only

describes how your business performs, but at what speed. BPM has now become Agile BPM.

Why BPM?

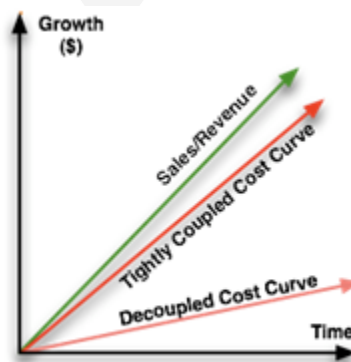
Traditionally, businesses focus solely on results. Nothing wrong with that, but doing so does not always uncover the actual source of success or failure. In most cases, the root cause – the problem that has to be fixed – is the underlying business process.

Properly executed, BPM can go below the surface in search of the cause. Whether it is with the tightly coupled costs of COGS and SCM or the decoupled cost of SG&A, BPM can make this effort much easier as it focuses on the back office systems and business processes that link people in the office and up and down the supply chain. This is where BPM can work its magic and drive savings to the bottom

line by looking at the entire process and its dependencies from beginning to end.

Agile BPM

Today's BPM model is more dynamic than static. It is focused more on individual behavior, human driven events and business rules that are in a constant state of change. It is about extending process automation across business silos in order to deliver smarter outcomes. It is also about turning real-time insight into action to capitalize on opportunities while mitigating



risk. Properly planned and executed, BPM can deliver continuous improvement and optimization of the business process -- all in an agile environment that enables immediate response in both form and function.

We can organize our Agile BPM environment into the following six functional categories. Keep in mind that while it is not necessary to start at any particular point, starting with human behavior makes the most sense. It is the human element that ultimately dominates the process and determines the success of the outcome. At different points in the process, each function will have its impact individually or collectively, depending on the occasion.

1. **Human Interface.** All business starts and ends with people. Humans have roles (Accounts Receivable) and functions (send an invoice) that are part of the workflow process. Hence, the collaboration requirements are defined for the entire business process by the people that “run” that process.

2. **Rules and Policies.** Rules – business rules – provide the tactical guidance for everyday operations, what products to make and how much. As the business environment changes, so do the rules. Policies help business users to steer the process. They are longer term and more strategic. Together, rules and policies provide the stable and structured framework necessary for a successful organization.

3. **Products and Services.** This is *raison d'être* for the business, what a company does, what “pays the bills”.

4. **Content and Information.** Businesses live and die on their ability to have command and control of their most valuable asset -- information. The better the management of the content, the better the ability to make the right decisions at the right time. Next to humans, information is the lifeline of any business.

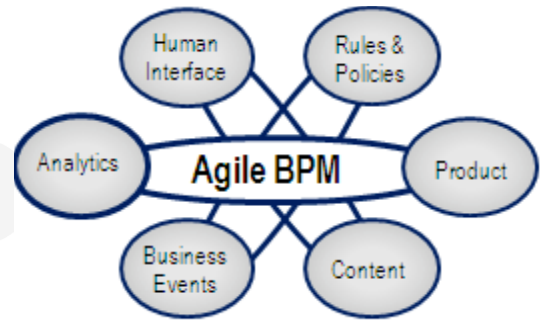
5. **Business Events.** Business is a series of events. The timely management of those

events is the greatest predictor of success, both in terms of customer satisfaction, productivity, and bottom line profitability.

6. **Analytics.** Agile Key Performance Indicators (KPI's) tell you what you are doing. Key Agility Indicators (KAI's) measure how well you are doing it – the ability to adapt and respond. BPM requires both to deliver a sustainable performance advantage.

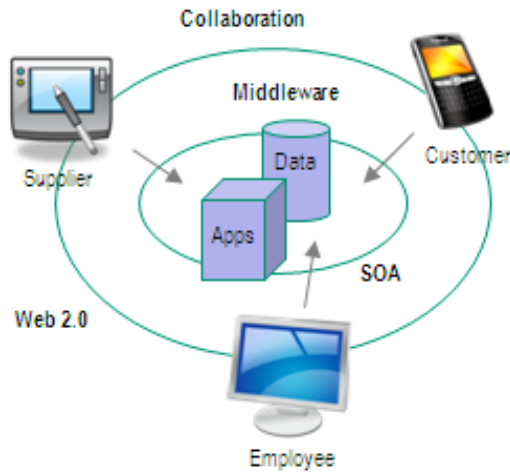
Building Your Agile BPM Environment.

Over the past half century, we have seen just about every change possible in the world of IT and business. What has not changed, however, has been our approach. Our thought-process has always started with the technology -- the applications, the data bases, the networks



and infrastructure, and the software – and not the user. This is no longer the case. We are now taking a new look at the whole business/IT process -- this time from the user's point-of-view. The idea is to make IT transparent, hide the applications and the technology, and only deliver what the user needs to complete their assigned tasks or initiate an activity. Simply stated, if we all know how to use a smart phone, why can't we make our business processes just as easy?

The shift in focus to the user is being made possible by the emerging collection of social and collaborative technologies -- instant messaging, social media and social networks, blogs and tweets, virtual meeting spaces, and smart phones. We can present what the user needs



(and only what is needed) by bringing it “to the glass,” whether it is on a smart phone, PDA, or flat screen. This is the easy part. Tying it together at the back-end to create a better business process is much harder, particularly when you “leave the building” and connect outside of the organization with your suppliers and customers.

This is where Agile BPM, Service Oriented Architecture (SOA), and back-end integration come into play. With the next generation of middleware and multiple ways in which information can be created and shared, companies now have the tools they need to streamline business processes and improve customer relationships.

Each business is different, yet all businesses are, in many ways, the same. They all operate on the sharing of information and they all involve people. The key is to not just operate, but to interoperate, to collaborate efficiently for the greater good. You can’t do this by implementing a collection of products. You need to take a strategic approach with Agile BPM if you are going to advance to the next level.

Collaborate well and you will have better command control of your information. Tie it all together with the right architecture and back-end integration and you will have a better handle on your business processes, particularly your day-to-day operations. Collaboration will raise the level of awareness. Middleware will do the heavy lifting that will provide you with the business information and intelligence that is becoming so important in today’s highly competitive global economy.

While technology won't necessarily take care of itself, the technical solutions become apparent once the business and human aspects are identified and addressed. The trick is to make the user’s action more explicit and the technology more implicit. This does not mean that the information technology is any less important, it just means that it shouldn’t be the starting point. Agile BPM makes this possible.

It’s all in the way we listen.™



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RJ has over 20 years experience designing and implementing business process improvement solutions and leading project teams at Fortune 500 and mid-market clients. His experience spans a broad array of industries - including service organizations, financial services, industrial products, food/consumer products, resources/chemicals, retail, and technology.

Specific service delivery experience includes process improvement, strategy development, process design/re-design, business case development, systems design, systems development, change management, and program/project management.