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"Implementation of Business Process Management"

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1. Acknowledgments

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Many thanks to the company Galanteria Group for their help and patient showed during the research I did with them, again thank you very much to all of your staff.

2. Abstract

A true business is one which thinks and acts in a way that allows it to collaborate, integrate and empower by:

Internal and external business processes working together seamlessly, enabling collaboration with suppliers, partners, employees and customers across traditional enterprise boundaries;

Business process management has recently emerged as a 'new technology' offering significant improvements.

In simple terms, you can define a business process as a set of defined activities that a business unit performs in response to an event. Within the business process, there is a logical set-of-work performed at a particular point in time. The process also describes how to perform those work activities. For example, it specifies how a business leverages the capability of its active resources (people, knowledge, and application systems) and passive resources (equipment, physical assets, and capital). The overall objective is to realize strategic capabilities, support value propositions, and create a valuable outcome.
Elements of a process are: Input, output, events, sub-process, activities, and resources.

The example of Galanteria group will describe the process of sales, production, distribution and after sales service.

3. Introduction

Business Process Management (BPM) is one of the hottest topics in the fast-moving world of business analysis and enterprise application development. It is curiously difficult to pin down as a defined field of work. You don't see job listings for "Process Developer" and there are few, if any, official courses that you can take in Business Process Management.

The answer to this conundrum lies in the almost accidental way in which BPM has come about, and in the speed with which the technology marketing machine swings into action these days: usually before the technology is properly understood. Business Process Management is at the start of the "hype curve" and it will be some time before its key concepts become common currency among enterprise managers.

Whilst workflow has been a component of document management for many years, business process management has recently emerged as a 'new technology' offering significant improvements compared with traditional workflow. But isn't BPM just workflow by another name? What improvements does it offer, and what are the drivers for BPM at the present time? To some extent BPM is just a new name for workflow. Traditional workflow products support the automation of business processes via the definition of process steps and the exchange of data between steps – which is something that BPM also provides. But in one key respect BPM is different. BPM is typically used as a means of integrating existing applications and services and the business processes that operate on these, rather than implementing a single discrete business process.

Workflow processes tend to be prescriptive step-by-step definitions, whereas BPM process definitions typically encompass the higher-level business functions involved in a process and the outputs from these functions. This extrapolation within BPM from the detailed data flows and its ability to view business processes across applications is referred to as 'process orchestration' – contrasting with the 'process automation' offered by traditional workflow products.

BPM does not therefore offer a complete departure from traditional workflow, but rather an important evolution of workflow technology, introducing a more rounded interpretation of real-life business processes and reducing the need for the rigid coding of every process step.

During my research at Galanteria group I have seen implementation of the processes of sales, production, distribution and after sales service where in more detail the information will be in the coming pages.

4. Defining a process

Business processes are a set of activities involved within or outside an organization that work together to produce a business outcome for a customer or to an organization[1].

In simple terms, you can define a business process as a set of defined activities that a business unit performs in response to an event. Within the business process, there is a logical set-of-work performed at a particular point in time. The process also describes how to perform those work activities. For example, it specifies how a business leverages the capability of its active resources (people, knowledge, and application systems) and passive resources (equipment, physical assets, and capital). The overall objective is to realize strategic capabilities, support value propositions, and create a valuable outcome.

4.1 Elements of a process

The following are some of the elements of a business process:

Input: The material or information required to complete the activities of the process necessary to produce a specific end result.

Output: All the data, information, and physical assets that the process generates. This output represents value for the organization, and contributes to the attainment of the business measurements and goals. It also represents events and actions, or the results of those actions.

Events: These are notifications of some occurrence of importance, for example, an indication. They can occur before, during, and after the execution of a process. They might indicate the start, intermediate status, or end of a process activity. An event could be an action resulting from the completion of another process (or process activity), the meeting of a certain condition, or the arrival of a particular point in time.

Sub-Process: A defined process, or process step, inside another process. A sub-process is defined when it is not possible to represent the scope of work with only a set of activities. The sub-process has the same elements as the process.

Activity: The lowest level of work in a process.

Resource: Represents the person, organization, equipment, or system performing the work in a process.

Performance Metrics: Attributes that help and guide the process owners in controlling the process and determining if the process is efficient and effective. That is, determining if the process meets the stated performance measurements and business goals. [2]

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[1] http://www.learndatamodeling.com/b_manage.htm

[2] (Chuck Ballard, Ahmed Abdel-Hamid. August 2006)

The purpose of the performance measurement is to:
- Determine that the actual input to, performance of, and outcome from a process is as planned.
- Understand how well the process is meeting customer and stakeholder expectations of performance goals.
- Identify potential areas of improvement in the process.

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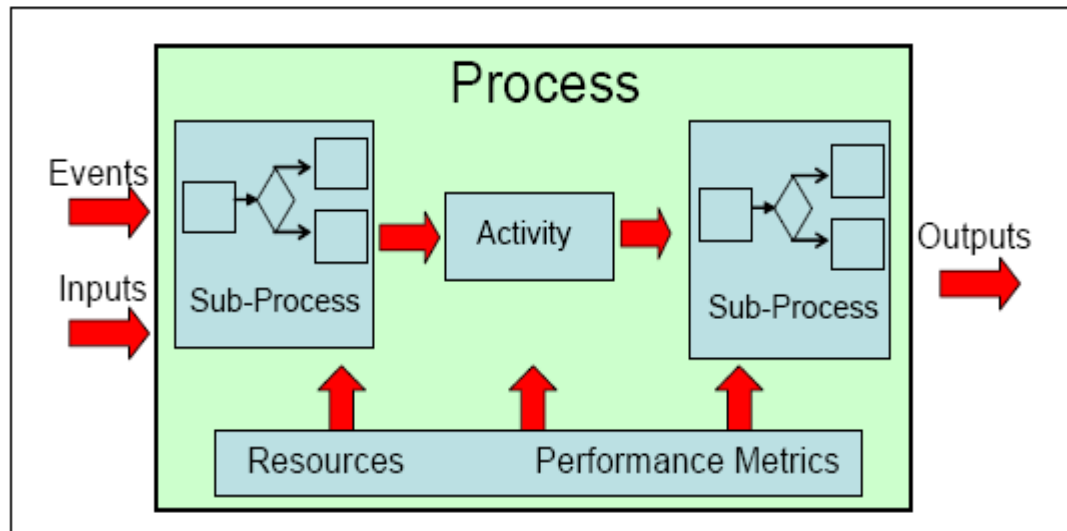
Fig.1 elements and their interactivity are depicted (Chuck Ballard, Ahmed Abdel-Hamid. August 2006)

5. Research Questions:

1. What is business process management (BPM) ?
2. When should you do BPM – what are the main drivers and triggers?
3. Who should be involved in BPM?
4. Why are organizational strategy and process architecture important in BPM implementation?
5. Advantages of Business Process Management
6. What are the critical implementation aspects for a BPM solution?
7. Why do you need a structured approach to implementing BPM?
8. Why involve strategy in BPM?
9. Implement phase

6. What is business process management (BPM)?

Many of the industry commentators and vendors provide definitions that specify technology (automation tools) as an essential component of BPM – in fact; they say that BPM is technology. However, if you take a simple and commonsense view of BPM, it is obviously about the management of business processes.

With this simple statement in mind and the organization the primary focus, we would suggest that BPM is:

The achievement of an organization's objectives through the improvement, management and control of essential business processes.

There is currently a movement towards an agreement that BPM is about the management of business processes.

Thus, process management is an integrated part of 'normal' management.

It is important for leadership and management to recognize that there is no finish line for the improvement of business processes; it is a program that must be continually maintained.

BPM is:

- More than just software
- More than just improving or reengineering your processes – it also deals with the managerial issues
- not just hype – it is an integral part of management
- More than just modeling – it is also about the implementation and execution of these processes, which requires analysis. (John Jeston and Johan Nelis 2006)

Need for Business Process Management:

- To plan for a new business or for a new change in the business.
- To avoid the common mistakes that happens in a project.
- To document business processes in a common language to help IT and non-IT team members.
- To draw business modeling and data modeling diagrams and to capture business rules in a way we want them.
- To implement enterprise architecture or enterprise integration architecture[3].
- To measure data by using business intelligence tools.
- To enhance business to business transactions.[4]

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[4] http://www.learndatamodeling.com/b_manage.htm

6.1 When should you do BPM – what are the main drivers and triggers?

It depends upon the circumstances of the organization and the organization's process maturity, and these will vary from organization to organization, and from situation to situation.

There are categorized some of the likely drivers and triggers that may cause an organization to consider BPM as a possible solution, looking at these drivers and triggers from organizational, management, employee, customer, supplier/ partner, product or service, process and IT perspectives. We have listed the possible drivers and triggers under each of these categories

Obviously, there are many occasions where the drivers and triggers overlap with each other.

If one or more of the triggers apply it is important to complete a root-cause analysis, as too often organizations take the easy way out and fight the symptoms rather than taking fundamental and structural steps to tackle the cause.

Drivers and triggers for the organization to consider an automated solution may include:

- A high volume of similar and repetitive transactions
- A clear flow of high-volume transactions that need to be passed from one person to another, with each adding some value along the way
- A need for real-time monitoring of transactions (a need to know a transaction status at all times)
- A critical issue with processing time – that is, time is of the essence
- A need to complete many calculations within the transaction
- Transactions or 'files' need to be accessible by many parties at the same time.

However, never over-automate processes to the extent that the organization loses sight of the need for people involvement. People are best at managing relationships, and their involvement must be engineered into the process in the appropriate way. (John Jeston, Johan Nelis 2006)

6.2 Drivers and triggers that may cause an organization to consider BPM

6.2.1 Organization:
High growth – difficulty coping with high growth or proactively planning for high growth

Mergers and acquisitions – they cause the organization to 'acquire' additional complexity or require rationalization of processes. The need to retire acquired legacy systems could also contribute. BPM projects enable a process layer to be 'placed'

across these legacy systems, providing time to consider appropriate conversion strategies

Reorganization – changing roles and responsibilities

Change in strategy – deciding to change direction to operational excellence, product leadership or customer intimacy

Organization objectives or goals are not being met – introduction of process management, linked to organizational strategy, performance measurement and management of people

Compliance or regulation – for example, many organizations have initiated process projects to meet the Sarbanes Oxley requirements; this has then provided the platform to launch process improvement or BPM projects

The need for business agility to enable the organization to respond to opportunities as they arise

The need to provide the business with more control of its own destiny.

6.2.2 Management:

- Lack of reliable or conflicting management information – process management and performance measurement and management will assist
- The need to provide managers with more control over their processes
- The need for the introduction of a sustainable performance environment
- The need to create a culture of high performance
- The need to gain the maximum return on investment from the existing legacy systems
- Budget cuts
- The need for the ability to obtain more capacity from existing staff for expansion

6.2.3 Employees:
- High turnover of employees, perhaps due to the mundane nature of the work or the degree of pressure and expectations upon people without adequate support
- Training issues with new employees
- Low employee satisfaction
- The expectation of a substantial increase in the number of employees
- The wish to increase employee empowerment
- Employees are having difficulty in keeping up with continuous change and the growing complexity

6.2.4 Customers/ suppliers/partners:

- Low satisfaction with service, which could be due to:
  - high churn rates of staff
  - staff unable to answer questions adequately within the required timeframes
- An unexpected increase in the number of customers, suppliers or partners
- Long lead times to meet requests
- An organizational desire to focus upon customer intimacy
- Customer segmentation or tiered service requirements
- The introduction and strict enforcement of service levels
- Major customers, suppliers and/or partners requiring a unique (different) process
- The need for a true end-to-end perspective to provide visibility or integration

6.2.5 Product and services:

- An unacceptably long lead time to market (lack of business agility)
- Poor stakeholder service levels
- Each product or service has its own processes, with most of the processes being common or similar
- New products or services comprise existing product/ service elements
- Products or services are complex

6.2.6 Processes:

- The need for provision of visibility of processes from an end-to-end perspective
- Too many hand-offs or gaps in a process, or no clear process at all
- Unclear roles and responsibilities from a process perspective
- Quality is poor and the volume of rework is substantial
- Processes change too often or not at all
- Lack of process standardization
- Lack of clear process goals or objectives
- Lack of communications and understanding of the end-to-end process by the parties performing parts of the process[5]

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6.2.7 Information technology:

- The introduction of new systems, for example CRM, ERP, billing systems etc.

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[5] Business Process Management John Jeston and Johan Nelis first edition 2006

[6] Improving Business Performance Insight with Business Intelligence and Business Process Management   First Edition (August 2006) Chuck Ballard, Ahmed Abdel-Hamid

- The purchase of BPM automation tools (workflow, document management, business intelligence), and the organization does not know how to best utilize them in a synergistic manner
- Phasing out of old application systems
- Existing application system overlaps and is not well understood
- Introduction of a new IT architecture
- A view that IT is not delivering to business expectations
- A view that IT costs are out of control or too expensive
- The introduction of web services

<div align="right">(John Jeston and Johan Nelis 2006)</div>

7. Who should be involved in BPM?

Processes are not a goal in themselves, as they are simply a means to achieve a business objective. Processes will not achieve a business objective automatically or by chance, they need continuous and effective management.

Process management is the management and organization of processes crucial for your business. They need to be as efficient and effective as possible. This can be achieved by periodic projects (step improvements), and then sustained by ongoing management and measurement. (John Jeston and Johan Nelis 2006)

7.1 Management of business processes

There are two aspects to operational management of business processes:

1 Management of business processes as an integral part of 'management'
2 Management of business process improvement.

Fig 2. Management of business process (John Jeston and Johan Nelis 2006)

7.2 Management of business processes as an integral part of 'management'

This type of management is responsible for the realization of the business objectives and organization strategy. This management of business processes should be performed by line management (or business process owners/stewards), and cannot be delegated to internal or external BPM consultants, as this role forms an integral part of management as usual. For example, senior managers should be responsible for the end-to-end processes, while middle management should be responsible for the individual processes that comprise the end-to-end process or parts of the process. It is crucial for line managers that they are the owners of these processes.

Typical process ownership related responsibilities include:

- specifying objectives (goals) and measures that relate to the objectives and targets to be achieved – these targets should be broken down into daily or weekly measures to enable continuous monitoring and management
- communicating the objectives, measures and targets to the people executing the processes and if necessary, providing rewards and incentives
- monitoring and managing progress of the targets, and verifying whether the objectives and measures are still accurate and relevant
- motivating staff to exceed objectives and deal with process disturbances encouraging staff to identify bottlenecks and possible process improvements.

These line-managers can be classified according to their main scope of activities:

● Operational managers should be working with clearly defined processes and related objectives. Their main involvements in the processes are to adjust the resourcing of the people aspect of the process (for example, more or less staff) and solve operational problems (for example, errors as a result of the processes).
● Tactical managers will be looking at improvements of the processes.
● Strategic managers will be looking at the business model and the related processes. **(John Jeston and Johan Nelis 2006)**

7.3 Management of business process improvement

This role relates to the identification, development and roll-out of the benefits of BPM. These managers are responsible for supporting the business/organizational managers in improving their processes, and they should not be responsible for the day-to-day management of the business processes. We call these managers BPM managers, and distinguish between the following types:
● The BPM project manager, whose main responsibility is to ensure that the objectives of the BPM project, as outlined in the business case, are being met
● The BPM program manager, whose main responsibility is to facilitate multiple BPM projects so they meet the program's objectives and, by sharing best practices and lessons learned, to do it in the most effective and efficient way
● The manager of the Center of Business Process Excellence, whose main responsibility is to ensure that the business and processes are aligned to ensure that the maximum benefits are obtained from the business processes
● The chief process officer, whose main responsibility is to ensure that the processes and IT are aligned with the strategy, business and organization, and that this initiative is continuously managed from the executive level of the organization. **(John Jeston and Johan Nelis 2006)**

7.4 Close to the business
All the BPM managers must understand that their role is to assist in the achievement of targets established by the line managers/process owners/process stewards, and not building an empire. The people working with or reporting to the BPM managers should ideally be sourced from the business units involved with the project, as these people will provide the opportunity for a 'closeness' to the business and processes that cannot be obtained from non-business people from a central process unit. Large, central units are unable to obtain this 'closeness' to the business. The main reason for this is that designing processes on paper is easy, but to be able to keep on executing them as things change is a challenge and will remain a challenge long after the project is complete.

The most important criteria for success are *not* to have the best 'looking' process models or solution, or the most sophisticated process modeling and management tools. The most important criteria for success are that the organization actually uses the BPM solution and that the designated results are being achieved or exceeded.

On average, about 80 percent of a business line manager's time should be spent on business-as-usual activities, such as reviewing results, coaching and solving problems, and only about 20 percent on new process development or business initiatives. On the other hand, BPM managers will spend in excess of 80 percent of their time on process improvement activities.

This difference of focus between the two roles is a reason for tension between the line manager and the BPM manager:

- The line manager focuses on achieving the short-term target, and any change can affect his or her ability to do this, in the short term.
- The BPM manager focuses on change, better to achieve the long-term objectives.

Successful managers are those able to agree a win–win solution.

(John Jeston and Johan Nelis 2006)

8. Why are organizational strategy and process architecture important in BPM implementation?

Organization strategy is sometimes not considered in business processes.

Here are the reasons for this:

1 *There is no explicit strategy available*. In most cases an implicit organization or business strategy exists, and it has the potential of causing a conflict with any available explicit information. Another way of approaching this is to look at the organization's objectives and how it proposes to implement or achieve them.

In order to ensure that business processes are effectively and efficiently contributing to the organization's strategy, it is essential that the objectives and an outline of the strategy are explicitly specified.

Without agreed upfront process goals, it is impossible to improve the processes while ensuring that they add value and contribute to the organization's strategy and objectives. How does the project team know it is '*heading in the right direction*'?

The best thing to do in this situation is to delay the process improvements project(s) until the main objectives and strategic choices have been made.

(John Jeston and Johan Nelis 2006)

2 *Obtaining the strategic information will take too long*. In this case, the strategic information is either not communicated or scattered throughout the organization.

It is important to spend adequate time upfront in understanding and obtaining this information rather than starting to look at processes only to find at the end of the project that the assumptions made at the start were incorrect. One method is to use

project meetings with major stakeholders to elicit the strategic information and promote the benefits of the project. (John Jeston and Johan Nelis 2006)

3 *People involved are not capable of strategic thinking*. Some believe that operational personnel should not be bothered with, or confused by, the strategic issues, on the basis that such personnel should be focused only on operational issues.

This is not the case, as it is important for operational personnel and managers to understand the strategic choices and their consequences.

If this is not clear, then workshops are a useful method of imparting this information and demonstrating how the strategic issues affect their work and how they can contribute in making a strategy successful. Operational participants start to highlight operational issues that they know are at odds with the strategic direction.

Without operational managers and personnel being informed of and committed to the strategic direction, it is very challenging to have a successful and effective business operation. (John Jeston and Johan Nelis 2006)

4 *We have already prepared a list of wishes; we do not need to involve strategy*.

Many projects start with a predefined 'wish list' of improvements.

Most of these proposals are very operational and actually take the current processes and settings for granted.

Often the biggest impact and success comes when strategic considerations are included in the analysis. This provides an opportunity to question and challenge some of the stubborn and ignored tacit assumptions and constraints. '*Wish lists*' tend to be very operationally and short-term focused, whilst most organizations are faced with fundamental changes which have substantial impact at the strategic level.

(John Jeston and Johan Nelis 2006) [7]

9. Advantages of Business Process Management (BPM):

- BPM activities like Modeling, Automating, Monitoring, Analyzing, and improving the business processes helps an organization to get good profits in less time.

- BPM business process models visualize the activities within the organization and business-to-business transactions.

- BPM process flow models visualize the process flows within the organization and business-to-business transactions and the relationships between process flows.

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[7] Business Process Management John Jeston and Johan Nelis first edition 2006

- BPM data flow models visualize the data flow within the organization and business-to-business transactions.

- BPM decomposition diagrams for business process modeling, process flow diagrams and data flow diagrams visualize the processes and activities in a detailed manner.[8]

10. What are the critical success factors in a BPM project?

The *reality* of implementing a BPM solution is far more complex than it first appears to be. A BPM project has the potential to cut across department and, increasingly, organization boundaries as clients, vendors and partners become more involved. It will involve many varying and complex stakeholder relationships both inside and outside the organization.

While each project will be unique and have its own characteristic success factors, there are ten fundamental and critical success factors that apply to all BPM projects:

1. Leadership. Much has been written about leadership in a BPM context.

It has been suggested that unless you have the undivided and total support of the CEO, you should not attempt any BPM projects. The reality is that few CEOs are yet at the point of turning their organizations into totally process-centric businesses. While there is undeniably a growing awareness of the importance of processes to organizations, there is still a long way to go. Leadership does not always equate to the CEO; there are many leaders within an organization, some of whom are experimenting with BPM projects. Leadership in this context means having the *attention, support, funding, commitment* and *time* of the leader involved in the BPM project.

Obviously, the degree of each of these will vary according to the BPM maturity of the organization and leader. These factors will also have input into the type of BPM project taking place – projects can range from pilots and larger 'experiments' to full-blown divisional or organizational implementations. *Time* is critical to the project, and does

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[8] http://www.learndatamodeling.com/bpm_advant.htm

not mean that the leader 'turns up' to project steering committee meetings once a month. The time commitment will involve the leader supporting the project amongst colleagues, stakeholders, customers, suppliers and the people within the organization. The leader is the 'head sales person' for BPM, and will need continually to 'sell' the expected benefits and outcomes and 'walk the talk' of BPM. (John Jeston and Johan Nelis 2006)

2. BPM experienced business project manager. In a sense, this role is the next level of leadership. This is the leader of the project team and of all the surrounding personnel, stakeholders and activities. The project manager *must* have significant skills with regard to people change management and stakeholder management. While it may be argued that good project management has always required these skills, it might also be argued that BPM projects require this knowledge to be deeper and better executed than in the past. The other significant aspect to this success factor is the necessity for the project manager to come from the business, and not IT. This is a business project, with business outcomes, and the IT component will either not exist, or will be a smaller component of the overall project. Furthermore, a BPM project requires a fundamental and structural change, which is often lacking in a 'traditional' project. (John Jeston and Johan Nelis 2006)

3. Linkage to organization strategy. Projects are created to add value to the execution of the organization strategy and objectives. If this is not the case the project should not exist, unless it has been specifically planned as a tactical short-term solution. Tactical short-term solutions can be extremely dangerous, however. How often have we all seen a tactical solution twenty years later, so ingrained into the fabric of the organization that it is extremely difficult to replace?
Managers look at the tactical solution to solve an immediate problem and then their attention is diverted to other issues and they never get the time to refocus upon the original problem, resulting in a string of tactical solutions which become, over time, a significant operational challenge. Organization strategy is the common ground which ensures that all people involved are working towards the same objectives.

(John Jeston and Johan Nelis 2006)

4. Process architecture. Once the organization has adopted BPM as a strategic direction or has several BPM projects underway or implemented, it is critical that there is a synergistic approach and consistency within the organization to ensure that the maximum benefits are derived. There needs to be a set of agreed guidelines and process directives within the organization, otherwise different parts of the organization will pull in various directions and there will not be a consistent approach. Process architecture is more than just a nice set of models for processes; it describes the founding principles of

process (or BPM) within the organization and is the reference for any changes in the way an organization chooses to approach BPM.

<div align="right">(John Jeston and Johan Nelis 2006)</div>

5. A structured approach to BPM implementation. Without an agreed structured and systematic approach to the implementation of BPM projects that takes into account the organization strategy, how it is to be executed and the significant behavioral aspects of the implementation, a project will be chaotic and have very high risks associated with it. Too often, BPM projects are executed on the basis of traditional project management or a 'common sense' approach. As the project progresses and the pressure starts to building towards delivery, the 'intuitive' steps lose the systematic and structural approach that is required.

(John Jeston and Johan Nelis 2006)

6. People change management. Processes are executed either by people, or by people supported by technology. It is people who will make or break the implementation of a BPM project, and unless they are 'on board' and supporting the project, the chances of failure are high.

Human change management can occupy anywhere from 25 percent to 35 percent of project time, tasks and effort. How often do you hear it said that 'people are our greatest assets'? Yet most organizations spend less than 1 percent of project budgets on the people aspects of the project. This is simply not enough in any project, and with the increased impact upon people of processes, this percentage must increase substantially. The project team needs to spend a great deal of time and effort on human change management. The people aspects of every process change and activity need to be assessed and acted upon in an understanding and sympathetic manner.

<div align="right">(John Jeston and Johan Nelis 2006)</div>

7. People and empowerment. People are impacted significantly by BPM projects. Their roles may well change quite dramatically with changing tasks and activities. Perhaps they are to be performance managed and measured for the first time.

Business team leaders may have to actually 'manage' their processes, work volumes and capacity plan for the first time. These team leaders and staff will need support, not just through traditional training but also via one-on-one coaching and guidance. Team leaders, as their managers, are often forced into the role of 'fire fighter', where they rarely have time to work on the processes and coach their staff.

People *are* an organization's greatest asset, so they should not be judged on their performance until the systems (processes) and structure have been changed to support the BPM project. Only then can a person's performance be assessed. Once the processes, people roles, structure and people performance measurements and feedback

systems have been redesigned and implemented, personnel should be trusted and empowered to do their job. They should be provided with an environment in which to work that allows for their creativity and flexibility to perform, provided they have been set and understand their role, goals and targets.

8. Project initiation and completion. All BPM initiatives within the organization must be aligned with one another and, once they are completed, a post-implementation review must be conducted to ensure that the lessons learned from one project are transferred to subsequent projects. There is much to learn from one project to the next, especially in the selection of where and how to start, how to justify the business case and how to engage the various stakeholders. The business case must not be seen as simply the justification to obtain project funding, but as the main guide for the implementation of the project.

9. Sustainable performances. A project has a defined period of life, whereas processes, if maintained, supported, measured and managed, will continue to exist in a business-as-usual environment far beyond the life of the project. It is a project task to hand over processes in such a way that the business understands how to 'look after' them. The organization must establish a business process structure that maintains the life (efficiency and effectiveness) of its processes.
(John Jeston and Johan Nelis 2006)

10. Realizing value. Why are projects commenced? To provide and create value that contributes to the organization's strategy. A project is only complete once the reason for its existence has been achieved and it has been handed over to the business in such a way that the business can now sustain the project outcomes. The project manager and project sponsor need to ensure that there is a benefits management structure in place to monitor and realize the value that comes from the project. It is also critical to gather as many 'quick wins' throughout the project as is reasonable and sensible. These quick wins need to be evaluated and implemented, while gathering information on the savings that result from them. This creates funding and further momentum for BPM projects. Always let everyone (all stakeholders) know of the benefits gained from the implementations of quick wins – a great BPM selling tool.
BPM projects are complex business activities that require a defined, structured and organized approach to their implementation.
(John Jeston and Johan Nelis 2006)

11. What are the critical implementation aspects for a BPM solution?

Implementation is all about balance and cohesion between the organizational (business) and IT aspects. Getting this balance correct will allow the BPM project to be finished in the most effective and efficient way.

A useful metaphor is the Regatta of Sogeti, The Netherlands, shown in text below. The slogan used is 'Speed (effectiveness) and efficiency through balance and cohesion'.

The metaphor goes like this:

● Speed (effectiveness) is crucial – the overall aim is to win, and you win by being the first (fastest) across the finish line. In a BPM project/ organization, the aim is to focus on realizing benefits from the business processes.

● Efficiency relates to ensuring that all the available energy and enthusiasm is used optimally to realize the desired result – that is, to get the best out of the entire team. In a BPM project/organization, the aim is to ensure that everyone is contributing sufficiently to realize the desired results.

● Balance is required to ensure that the boat does not lean sideways or tip over, which would not be good for its speed and efficiency. Balance is achieved by carefully matching the strength, weight and experience of all the participants in the boat. In a BPM project/organization, the aim is to ensure that all implementation elements (management, process, people, project management, resources and information) e considered when implementing a solution.

● Cohesion is required to ensure that the team rows as one – all rowers have to follow the same rhythm and technique, which gives extraordinary speed. In a BPM project/organization, it is important that all the implementation elements are in alignment and are not treated separately.

● Process is on the first oar, and this is the person who dictates the speed to other rowers. In a BPM project/organization, the business process should be leading and the technology and people should follow.

● Management (project manager, chief process officer, project sponsor) steers the boat in a straight line directly to the finish, ensuring that it does not go off course or get stuck on the shore. If a BPM project/organization places too much emphasis on resources and information (the IT aspects), then the project will be pushed onto, and could get stuck on, the organization bank (aspect) – for example, people who are not committed. Alternatively, if a BPM project/organization places too much emphasis on the people and process, the project 'boat' could get stuck on the IT aspects of the project, for example, the resources (hardware and software) which are unable to meet the desired results.
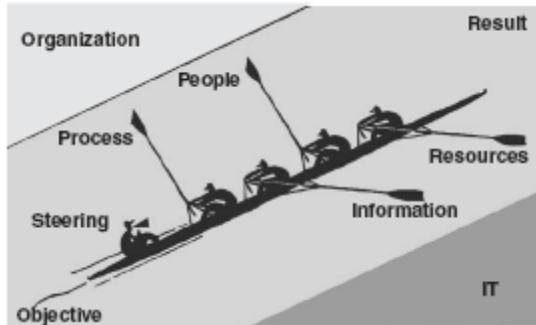
Fig.3 Regatta as a Process Resources metaphor for implementing a BPM Information Steering project. (John Jeston and Johan Nelis 2006)

12. Why do you need a structured approach to implementing BPM?

An organization's *perception* of a BPM program is likely to be only what is above the water line at a project level, but the *reality* is that most of the implementation effort is below the water out of sight. BPM is not about projects; it is about the business opportunity that BPM can provide if a process view permeates every manager and person in the organization. Certainly, a project is often how a BPM effort will commence, but there must be a concerted effort to move a project from the traditional project status to blend into a business-as-usual environment.

The traditional way that most organizations have gone about process improvement projects can be shown with the Deming Cycle of Plan, Do, Check and Act. This evolved over time into the cycle shown in Figure, which shows the traditional steps a business improvement project would complete, such as:

1. Conduct a review of the areas to be improved, understand the business objectives, collect stakeholder requirements and select the initial processes to be improved
2. Complete the 'as is' mapping in sufficient detail to understand the process and learn how to improve it

(Business Process Management Page 39)

3. Agree the timeframe for the delivery of the redesigned processes with the business and complete the 'To be' step to redesign the processes
4. Implement the redesigned processes.

Most organizations have historically stopped at this point, considering that the implementation of the redesigned, more efficient processes constitutes a successful project. In many cases the process redesign project will be repeated within eighteen to twenty-four months, because the business has changed and the processes have thus become inappropriate. (John Jeston and Johan Nelis 2006)
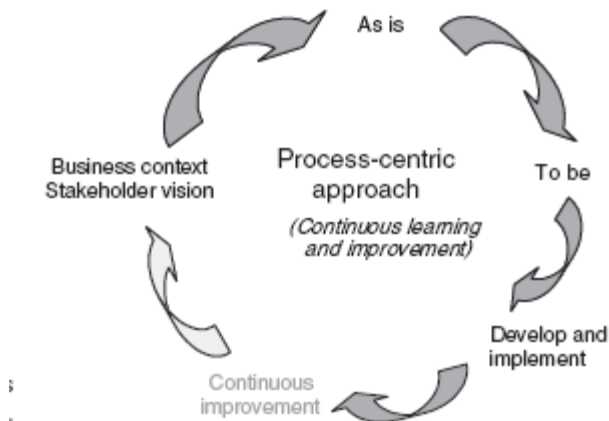
Fig 4 Traditional process improvement project approach (John Jeston and Johan Nelis 2006)

To overcome this continuous need for new business process improvement projects, organizations establish a continuous process improvement program within the organization to change the processes as the business changes. This completes the feedback loop.

13. Implementation phase

When the Implement phase is completed well, the organization can expect to have:
● trained and motivated staff
● improved or new processes that work satisfactorily, according to the identified stakeholders' requirements and needs, and as outlined in the business case.

13.1 Four scenarios in implementing BPM

1. 'Business as usual'. This will be selected by the most BPM-mature organizations. The organization and business managers will be totally committed to a process-centric organization, and BPM projects are simply business-as-usual activities or projects.
2. 'In the driver's seat'. This is the next level of organization BPM maturity, and is where there is a fully informed business manager who is totally committed to the implementation of BPM within the organization or business unit he or she is responsible for.
3. 'Pilot project'. This is where there is a fully informed business manager who has yet to be totally convinced of the benefits of BPM and is willing to try it out on a small scale to start with before making a full commitment.

4. 'Under the radar'. This occurs in the least BPM-mature organization, and is where there is a partially informed business manager who is not yet committed and is not paying much attention to BPM within the organization. This scenario could be a project under the guise of process improvement, and BPM may not be mentioned at all. An interesting observation regarding this type of project scenario is that some organizations may complete many 'under the radar' BPM projects and still not obtain the attention of the appropriate business management in order to undertake BPM on a wider scale within the organization.

13.2 How to determine which scenario is applicable

The scenario depends upon the involvement and commitment of the business manager. In this context, the business manager is the person who determines the business strategy, for example, the executive general manager or CEO.

The more involved and committed this person is, the more impact the project can have on the organization. Where it is important first to determine the business manager's involvement; only then is it appropriate to review the impact on the organization. Once an organization has fully implemented BPM, all BPM initiatives, whether small or large, will be 'business-as-usual' projects.

Once the organization has selected the implementation scenario for the BPM project and the project team has a clear understanding of how the BPM project was initiated, it will be able to commence using the framework.[9]

Projects often fail because implementation is merely restricted to being one of the closing steps of the project, and is mainly centered on one-way communication to inform the users and other stakeholders of the benefits of the new solution for the organization. Moreover, most activities are focused on ensuring that users *can* use the new solution (e.g. training), and not on whether they *want* to use it (e.g. motivation of staff).

The best way to ensure smooth implementation is to start considering implementation issues at the initiation of the project. Only then will the Implement phase of the framework be focused on updating the information and performing the tasks, rather than thinking of last-minute ways to appease the users.

13.3 Step 1: Communications

Good implementation requires good communication, and this involves true two-way communication. Inviting active participation of users in a project will lead to excellent suggestions, and it may also lead to some 'interesting' (critical) comments and

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[9] Business Process Management John Jeston and Johan Nelis first edition 2006

unsuitable suggestions. However, when users are informed why their comments or suggestions are not contributing to the overall project objective, this leads to more insight on what the project could achieve. It is better to deal with this feedback rather than ignoring it and thus causing disinterest or apathy. It is also interesting and important to understand that some communication actually increases, rather than decreases, the resistance to change, so always monitor your communication methods and activities.
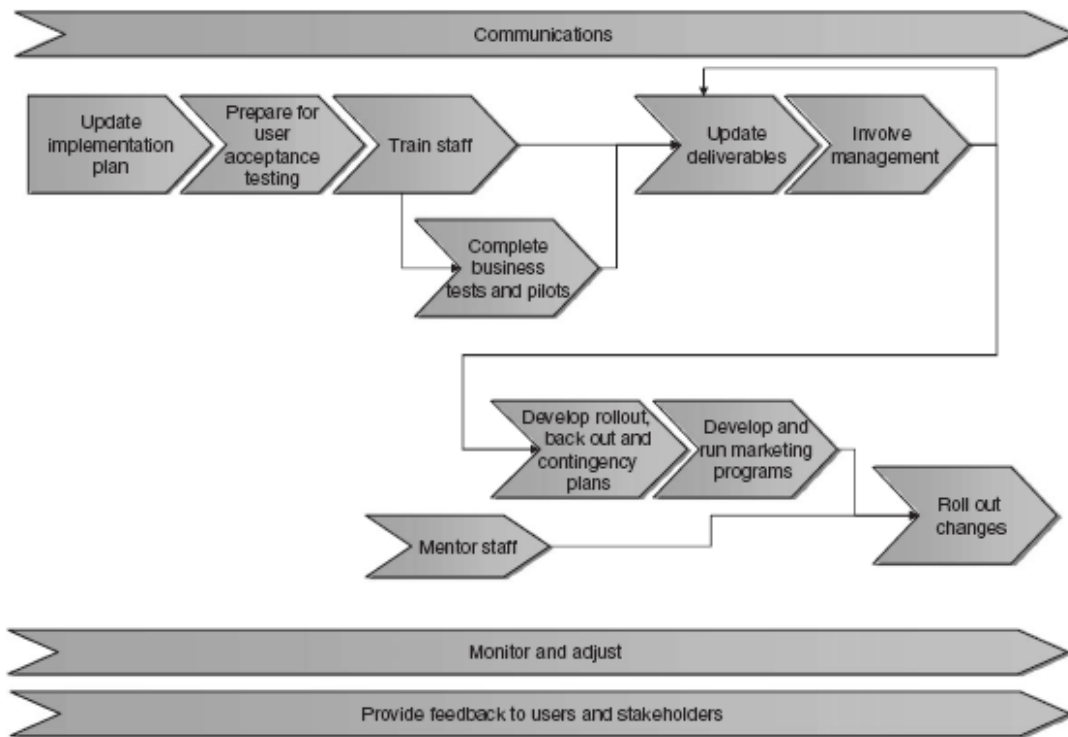
Fig.5. Implement phase steps (John Jeston and Johan Nelis 2006)

13.4 Step 2: Update implementation strategy

At the beginning of the project the implementation strategy should have been determined. When the Implement phase is reached, it is crucial to complete a review of the original implementation strategy because:

- the project team and the organization will have a much better understanding of the proposed changes
- the implementation strategy has to take the current situation into account, and this may (and probably will) have changed since the initial determination of the implementation strategy.

The implementation strategy step is where the various types of users and stakeholders will be once again reviewed and their expectations and involvement checked.

13.5 Step 3: Prepare for user acceptance testing

During this step, if applicable, the test cases for business testing are prepared.

The actual business users are required to test the solution in Step 5 (complete business tests and pilots). They will be able to test the completed solution from a 'normal practice' perspective. To this stage in the project the solution will have only been tested against the written specifications of the business requirements, while now the solution must also be tested for integration with the daily routine of the business users, as well as the implicit assumptions and expectations.

Ideally, the preparation for business testing should have started during the design of the [10]new processes. This could have occurred during either the Innovate or the Develop phase of the project, depending upon the particular circumstances. If the test cases are developed at this early stage, the organization has the ability to compare the test case expected outcomes with the business and technical specifications and design, to ensure there are no gaps in the requirements. This is an excellent 'checking' activity to avoid costly mistakes being made.

Implementation scenarios
Big Bang
The proposed change is introduced in one major overhaul:
- o   Advantage – fast to implement
- o   Disadvantage – the risk of disruption to the business is high

Parallel
The proposed change is introduced step by step (e.g. by location or business unit), with the next roll-out starting before the previous one is finished
- o   Advantage – a relatively fast implementation and the ability to make use of lessons learned from preceding implementations is valuable
- o   Disadvantage – additional resources will be required to assist with overlapping implementations, and the coordination of these simultaneous roll-outs will be high and potentially complex

Relay
The proposed change is introduced step by step, with each roll-out only starting once the previous one has been completed
- o   Advantage – quality, as the lessons learned from the preceding roll-out(s) can be fully taken into account and the same implementation team can be used
- o   Disadvantage – lack of speed, as this implementation could, depending upon the circumstances, take some time to complete

Combination
A combination of the abovementioned implementation approaches – perhaps a small pilot and then building up to larger implementations

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[10] Business Process Management John Jeston and Johan Nelis first edition 2006

o Advantages – provides the organization with the benefits of tailoring the roll-out to the specific situation; flexible and yet still manageable

Fig .6. Implementation scenario (John Jeston and Johan Nelis 2006)
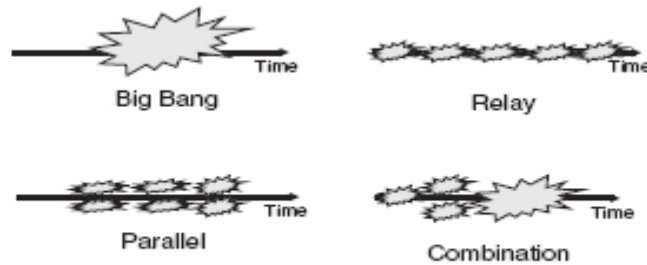
13.6 Step 4: Train staff

In the Innovate phase, the new processes will have been designed. The organization will have developed them, and will have defined any changes to the organization's structure, job roles and job descriptions during the Develop and People phases. It is now time to train the people who will be executing these processes.

Just as the test scenarios can be developed based on the redesigned processes, the training materials can be created from the process documentation of the redesigned processes.

Training can take the form of formal courses or on-the-job training. Mentoring and coaching should continue during the business testing, pilot steps and initial implementation.

Obviously, the training materials used should be consistent and the training should not be conducted too far in advance. In fact it is best to train just before the skills are needed, to avoid loss of knowledge (if people learn new skills too early and then do not use them, they will forget the new skills).

Suggestions regarding training are:

- Small doses of just-in-time training
- Individual training sessions, ensuring that people know when their session is scheduled (this builds confidence and inclusion)
- Test competencies after training
- Monitor job performance after an appropriate period of time.

One of the outcomes of the people training step can be the development and training of 'super users' in the new processes. These will be the 'front-line' people that will be available during the implementation steps.

Training should be focused on more than just the key activities or any automated solution; it should also cover aspects such as:

- Impacts of the proposed solution
- Which existing bottlenecks will be tackled
- Any new bottlenecks the participants expect to arise during the implementation period

- The benefits and possibilities of the proposed solution. (John Jeston and Johan Nelis 2006)

13.7 Step 5: Complete business tests and pilots

This is where the user acceptance testing test cases are executed by the business.

This could range from executing data or transactions through an automated BPM solution, or manually simulating the 'processing' transactions through the business. [11]Obviously, the staff will have needed to be trained in the system and or processes prior to commencing the test cases.

It is essential that the organization:
- involves customers and suppliers, where appropriate
- has strong project management of the testing steps
- has a feedback mechanism that is easy to use
- listens and communicates honestly – feedback and listening to the feedback is absolutely essential; there can be a great deal to learn from this step
- has a mechanism to measure and share the results of the tests
- is always prepared to make changes 'on-the-fly' and feed these back into the deliverables (development) cycle
- communicates results of pilots and testing – shows success to stakeholders, especially any wins; however, always be honest about any challenges associated with the testing
- gets testimonials from staff, customers and suppliers
- celebrates success and rewards team members (project team and business).

13.8 Step 6: Update deliverables

This covers the feedback from the training and testing steps. It is important continually to update the expected deliverables and ensure that they have stakeholder acceptance and buy-in. The organization must constantly double check that all stakeholders, management and project team members still have a consistent set of expectations.

13.9 Step 7: Involve management

Management must be kept up to date with developments (good and bad) at all times. Honest communication is the only type of communication that is acceptable.

It is management's responsibility continually to inform staff and external stakeholders of the latest developments on the project. What are some of the means by which this management involvement can be achieved?
- People change management practices
- Professional training development

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[11] Business Process Management John Jeston and Johan Nelis first edition 2006

- Off-site workshop retreats (it is best to conduct workshops off-site to minimize distractions for managers); it is often best to have external facilitators to conduct these workshops.

If necessary, include a public relations firm or in-house facilities to assist in this process.

When dealing with management, remember that it is crucial to get the managers through their own personal change first, especially if the proposed changes have a major impact upon them. Only then can the managers help others.

13.10 Step 8: Develop roll-out, back-out and contingency plans

Normal project management skills are required, and we will not go into these here other than to say that we suggest taking the following points into consideration:

- Complete individual plans for each business unit involved in the roll-out
- Develop plans collaboratively with management and staff
- Plan for multiple planning sessions, ensuring that the project accommodates mistakes and continually learns and adjusts the plans accordingly
- Ensure that individual expectations of people are crystal clear, so there is no room for any misunderstanding
- Have a 'dry' run (practice) of the back-out or roll-back and contingency plans, make sure that it works and continue these 'dry' runs until any doubt is removed.

13.11 Step 9: Develop and run marketing programs

Think about the applicability of running formal marketing campaigns in the marketplace, specifically targeting external stakeholders. The organization may even wish to publish the innovation program, with the new strengths and competitive advantages that it will bring to the general marketplace. If this latter course of action is chosen, whatever implementation date is announced to the market must be realistic and achieved or the organization risks losing credibility with its stakeholders.

Often individual or small group meetings with key stakeholders can make them feel special, and can result in significant benefits. Plans can be shared, under non-disclosure agreements, with important customers and suppliers as early as possible.

Certainly, whatever method the organization selects, use multiple approaches to marketing and have your top customers informed by senior executives as much as possible.

13.12 Step 10: Mentor staff

As mentioned previously in the training step, if selected people are trained as 'super users' first, they may then be used to train the remaining people and provide mentoring during the early period after going 'live'.[12]

It is important that the 'super users'/mentors are available full time during the initial implementation phase, and do not resume their business-as-usual roles until the implementation has settled down to everyone's satisfaction. It is important to provide these people with incentives to break from their daily work and invest time and energy in the project. These incentives should not necessarily be monetary, but could include a new challenging role for these people and a way of proving their ability to handle projects that may lead to a promotion or recognition within the organization.

13.13 Step 11: Roll-out changes

Once the roll-out of the new processes has been implemented effectively, they must ensure that the 'old' processes and supporting systems are no longer available to staff. It is also essential that a continuous improvement mechanism is put in place.

Reporting relationship and organizational structure changes will also require implementation, as will the initiation of any new roles and incentive schemes based on performance results. Do not underestimate the complexity of this, or the time it will take.

13.14 Step 12: Monitor and adjust

During the roll-out of the changes, ample effort should be devoted to monitoring the progress of the roll-out and the progress towards achieving the business results.

It is important to have established performance indicators to monitor progress. Examples of this include:
- the number of questions in the first week(s)
- the number of errors in the first week(s)
- the percentage of staff working with new processes
- the level of overtime required to get the work done.

13.15 Step 13: Provide feedback to users and stakeholders

During the entire project, and especially in the Implement phase, a great deal is required from the business, business users and stakeholders – their commitment, involvement and participation. Sufficient care should be taken to thank the business, business users and stakeholders for this, and to ensure that they are continually kept informed about the progress of the project and the various lessons learned.

13. Implementation phase outputs

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[12] Business Process Management John Jeston and Johan Nelis first edition 2006

The Implement phase will provide valuable input into other phases of the framework and we mention a few examples here:

- How the project is implemented will have an impact upon how the realization of the project value (benefits) will take place
- Implementation will also provide input into the Sustainable performance phase
- The review and finalization of the implementation approach may necessitate changes to the People and Develop phases – for example, it may not be possible to change immediately to the newly created roles; there may be a need to stage such implementation.

14. Implementation phase risks

There are several risks that must be considered in this phase, and mitigation strategies implemented to eliminate (or at least reduce) them

Risk

1 Business testing and/or training becomes a show-stop per
2 The core project team is unable to deal with all the problems and enquiries at the start of the implementation and during the early stages
3 Stakeholders are not kept informed about the project
4 The business does not have sufficient expertise or resources to complete user acceptance testing
5 If time is tight on a project, testing is always one of the first things to be cut or minimized.

Mitigation strategy

Ensure that the requirements are discussed with the business, key users and stakeholders as early as possible, discussing the expectations and implications of these requirements.

Involve 'super users' and ensure that they are capable (via training), available (full time on the project) and willing (through motivation and involvement).In addition, a flying squad could be helpful, especially for more detailed and technical assistance[13]

Communicate, communicate, and communicate.
There can never be too much of it. Ensure that these tasks are allocated to a specific person to coordinate, and that they have sufficient time to complete the task.[14]

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[13] Business Process Management John Jeston and Johan Nelis first edition 2006

[14] Business Process Management John Jeston and Johan Nelis first edition 2006

The business may need some coaching in how to complete a test plan or write test scripts, and on the execution of these. The project team must take care not to 'take over' these tasks and only provide coaching and guidance. The level of resources required must be discussed and agreed early in the project with the business to ensure they allocate sufficient people. Testing is one of the most crucial aspects of a project, and should never be compromised. If necessary, extend the implementation date, but never cut back on testing; the project and business will pay for it later if it is cut.

15. The implementation strategy of BPM of "Galanteria Group"

During my research at the Galanteria Group I have found a numerous of processes like process of production, process of sales, process of distribution and the process of after sale service, those are main processes. I will describe more in detail each process how Galanteria Group are implementing them.
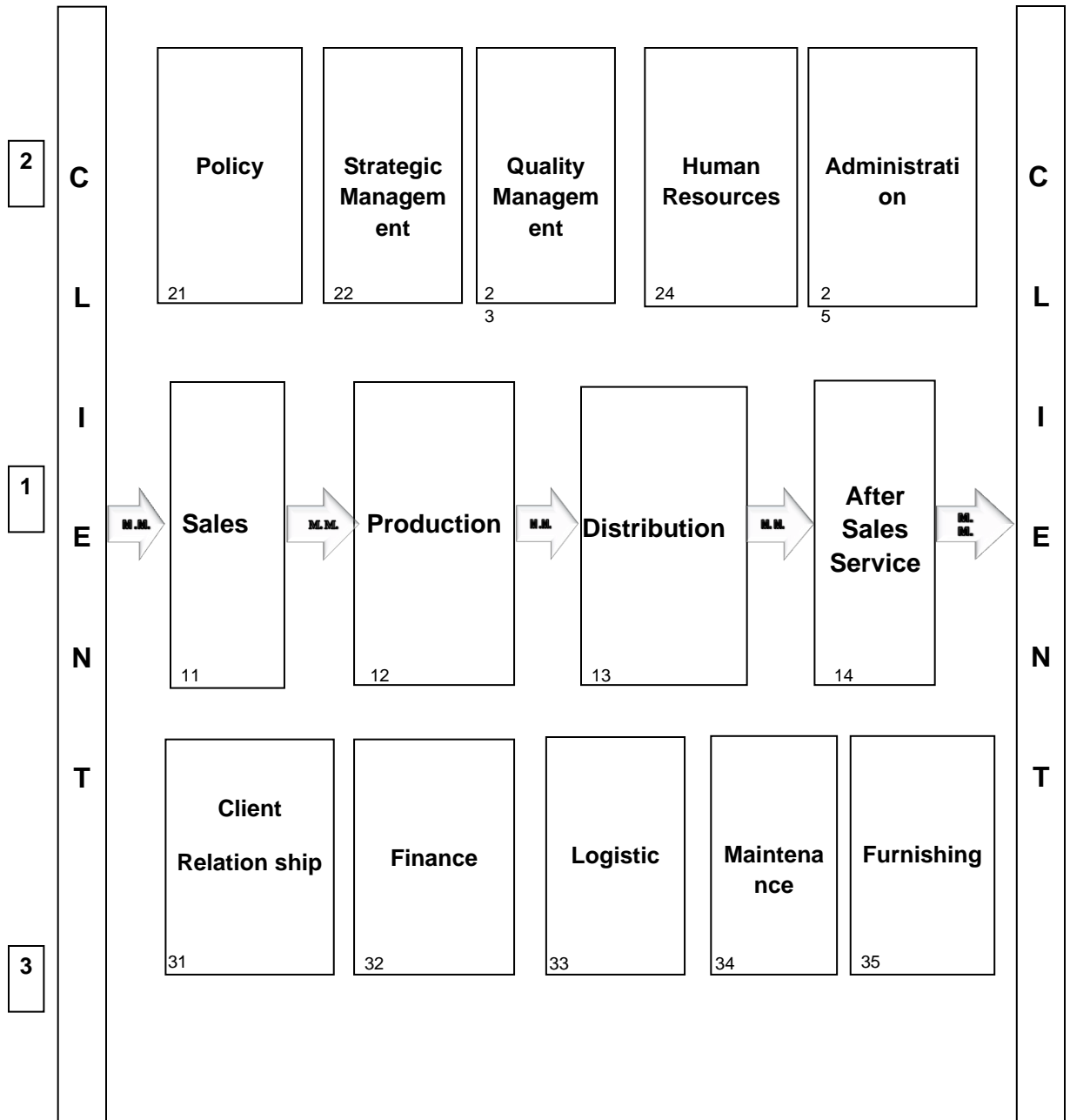
Fig. 7 Draft of processes

Activity: Sales Process	Responsibilities: Responsibilities of Decision making (E), Realization (D), Colaboration (M), Information (I)					⇐ Necessary documents ⇒ Fulfillment of Document (x.x) Clarifications
	VK	P	WZ	KD	LF	
	D					⇒ Offer / Directing Offer⇐ Written requirements
	D					⇐ Drawing
						⇒ Oral requirements > Notes of conversation
	I					⇐ Requirement
						⇐ Drowing
	(M)	(M)	(M)	(M)	(M)	⇐ A A-1 Controling list of the order
	D					⇒ Requirement / Notes of conversation
	D			I		⇐ Requirement
						⇐ Notes of conversation
						⇐ Drowing
						⇐ Requirement
	D	(M)	(M)	M	(M)	⇐ Notes of conversation
				I		⇐ Drowing
						⇒ Offer / Directing Offer
				M		⇒ F A-1 Offer list
						⇐ F A-1 Offer list
	D			E		⇐ Offer / Directing Offer
						⇒ F A-1 Offer list
						⇐ Requirement
	D			(M)		⇐ Offer / Directing Offer

Table 1. Sales Process

15.1 The process of Sale:

Galanteria Group do not have stocks, they are using just in time strategy, it emphasized the need to have just the required quantities and the required time need for production and distribution. The process is at it looks above in the algorithm, it starts with the order from the customers, the sales man takes the order and technical preparation staff watch if it is possible to produce it or not if yes, the order goes to inventory input and after the material is prepared it goes in production process then it goes to output inventory and they distribute it to the customer.

15.2 The process of production:
The process of production starts with technical preparation of material from the input inventory and the process goes directly to production, after it is produced the production manager verify it is there any damage or any mistake, if the product do not have any damage it goes directly to output inventory but if the product have any damage and if it is reclaimable it goes to production process otherwise it goes to input inventory .
The inputs of Galanteria Group are wood and tapes.
Outputs are furniture's,
Performance Metrics: Manager of Production controls the process of production.

Table 2

Activity: Production

	Responsibilities: Responsibilities of Decision making (E), Realization (D), Colaboration (M), Information (I)				⇐ Necessary documents ⇨ Fulfillment of Document (x.x) Clarifications		
Flowchart	VK	P	WZ	LF	KD		
Start							
Technical preparation	D	P			I		
Inventory input	D	(M)	(M)	(M)	M E		(M)
Production Process	I			I			
OK / Reclaimable — No / Yes	D	(M)	(M)	M	(M)		(M)
	D						
Inventory output	D						
	D						
Distribution	D						
After sales Service							

Flowchart (left column):
Start → Technical preparation → Inventory input → Production Process → OK?
- No → Reclaimable → (Yes back to Production Process / No back to Inventory input)
- Yes → Inventory output → Distribution → After sales Service

Replenishment process in Galenteria Group Company (algorithms-flowcharts)	Competences:Responisbel for decision(V),Execute(E),Cooperate(B), Info(I)		
	Inp.Dep	Admin	Documents

The flowchart contents and competences alignment:

Process step	Inp.Dep	Admin	Documents
Input depositor	V		
		I	
Is it the appropriate ordered — No	B		
		E	
Is it in the right quantity — No → Items should not be accepted (inform administration)	V		
		I	
Does it have the quality — No	V		
		I	
Accept items, record replenishment and store the items in the depot (bin location)	V,E		Replenishments Bill
Evaluate the vendor (supplier)	V,E		Supplier List evaluation

Table 3

Table 4

Processes within the depot (production phase) and delivery process	Competences: Responsible for decision(V), Execute(E), Cooperate(B), Info(I)						Documents
	Adm.	Prm	For	Inp.Dep	Out.Dep	Dist	
Start							Stock Check Card
Production manager order the necessary item to produce respective product with stock check card to the foreman	V			E			
Foreman sends the stock check card to the respective employee	E	E		I			
Employee sends the stock check card to the input depositor				V			
Input depositor accepts the order and check for the product				E			
Is it the ordered product / No	I						Withdrawal bill
Yes							
Input depositor gives the negative result to							
Input depositor record the withdrawal and give the item to the employee							
Employee Give the item to the foreman							

Processes within the depot (production phase) and delivery process (cont…)	Competences: Responisbel for decision(V), Execute(E), Cooperate(B), Info(I)						Documents
	Adm.	Prm	For	Inp.Dep	Out.Dep	Dist	
Production phase		V	E				
Production manager receive the final item and check it		I					
OK — No		V					
Production manager Give it back to the production face for correction		V					
Yes		V					
Production manager sent the item to the output depositor							
Output depositor receives the item, fill out the waybill and engage the distribution to deliver the product to the					V	E	Waybill
Customer verify the item							
Customer sign the		I					
Yes							
Items come back to the output depositor and the output depositor makes aware administration.		E					
Output deposit sends the waybill to the administration						E	

17. **Conclusion**

After all the work I have done, I saw that processes are very important in a business organization. An organization without implementing business process management can not be a successful and competitive company in the domestic and international market.

The Business Process Management is defined as the achievement of an organization's objectives through the improvement, management and control of essential business processes

Implementing BPM is very useful as they save the time, decrease cost of production and the company is more flexible.

It is obvious that implementing these processes from the company is not easy because there are lots of requirements to fulfill, in the example of Galanteria Group processes are going in the direction of implementation and the company soon will be certified with the ISO 9001/2000. Now they have to deal with some processes for example Train staff, develop and run marketing programs etc but they already implement the process of production, sales and distribution.

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