Mapping Organisations’ Processes for Business Performance

ABSTRACT
This research project aims to examine the business objectives for mapping and managing processes within organisations, using Process Mapping Software (PMS).

Whilst the tracking of financial transactions carried out by organisations has been a crucial element of business management since the days of Babylonian traders, to account for purchases, sales and profits, the mapping and managing of processes is a much more recent phenomenon. In the 21st C, the facility to map processes in organisations has gained credibility and has become significantly improved in two ways. It has been made possible, firstly, by visually displaying charts, data and the interplay of actions/people and the relevant authority/responsibilities; and secondly, through the widespread accessibility of process maps across organisations, via internet/intranet connectivity.

Since the use of process maps and mapping for organisation performance is relatively new, the benefits achieved by organisations is only partially understood. This research sets out to investigate the reasons why organisations decide to use process mapping software, to determine the range of objectives set by senior management for its introduction, and understand and explore the benefits achieved by organisations from its implementation. This research, with existing users of a PMS system, considers the following aspects: organisational objectives for PMS, the context of implementation, implementation methodology, challenges and successes, evaluation methods of PMS implementations.

The research was conducted through a series of semi-structured, in-depth interviews lasting up to an hour, focussing on the topics above. The respondents are all senior managers in organisations, at some stage of implementing a PMS system in their organisations. The results uncover that different organisations have already achieved great benefit by its use; from – “cutting business costs” through to supporting “a key factor” in winning commercial contracts. Project timescales have covered 3-9 years, but this includes the implementation and development of their process libraries.

The results are discussed below under the following headings - Rationale for PMS, Context of Implementation, Project Implementation, Challenges and Success, PMS Evaluation.

INTRODUCTION
Following an event at a leading PMS software and service provider it became recognisable that their customers, the companies using Process Mapping Software (PMS); had made this decision for very different business reasons.

Whilst the software itself is extremely user friendly, and used by the client companies to map processes within their companies, the breadth of business objectives set out in their various presentations was extremely divergent. Thus an interesting phenomenon came to light, which, from a business research perspective appeared to be very interesting.

The research plan was discussed with the PMS software company, and over a period of three months a number of their clients were interviewed by phone to explore the projects they were managing. The results discussed below elucidate the business objectives, implementation and the
benefits achieved by the respondent companies. The companies interviewed ranged from agriculture, banking, construction, engineering, local authorities, logistics, and software development.

RESULTS

Rationale for PMS

Companies have implemented PMS for a whole plethora of reasons, both relating to internal and external benefits. As with all objectives there is often an overlap, for example, improving internal activities develops better service for customers. The following section lists those identified by the participating companies.

Internal Objectives

Consistency of Processes

- Internal mapping of procedures for in-company use
- Standardise processes for consistent delivery of service to customers
- Move away from paper-based procedure documentation
- Uncovering the “unknown” (processes).

Visibility of Processes

- Implement a system for capturing and mapping process information
- Create ‘one source of truth’
- Create a common operations understanding
- Create a ‘process orientation’ in the organisation.

Organisational Development

- Enable an approach to/for business improvements
  - Documented processes
  - Ease of understanding processes to drive improvement activity
- Enable the merger of two distinct operations departments
  - Create a common understanding of the new business model
  - Create new operational processes.

External Objectives

- Create a capability to ensure adherence to industry standards in operations activities such as: Food Standards, HSE compliance, ISO9001, ISO1401
- Document process activity to manage commercial risk in product launch/release
- To enable operation in particular industries/sectors: without the capability to demonstrate process management, participation is not possible
- Ensure consistent and effective service delivery for customer assurance
- Create a unique selling proposition (USP), a differentiating factor in the operating industry.
Context of Implementation

Companies have applied their PMS in a range of contexts to achieve their own particular operating objectives. These include:

- Internal processes (e.g. HR tasks/activities, Financial processes)
- Customer service delivery processes (e.g. client/customer contact tasks in a call centre, service repair and maintenance tasks)
- Process management (e.g. for project-based organisations - a whole series of processes from contract bid management through to project handover)
- Product engineering and Version release management
- Process management in local authorities (Buildings Planning / Children’s Services)

An interesting point was the contrast between those companies who focussed on external activities and those where internal management of the organisation was considered important. Some reasons given relied upon which part of the organisation had generated the introduction of PMS. In other instances the geographic spread and a 24-hour work pattern was a predominant driver. One organisation used PMS to ensure consistency of service delivery in a sector where staff turnover was a prevailing management issue – hence it was a key part of the infrastructure for training and staff development.

Project Implementation

Implementation is reviewed here under three headings – timescale, project team and methodology.

Timescale

The timescales reported for adopting the use of PMS ranged from 3 to 9 years. All the researched companies at some point during the implementation cycle needed to make a firm commitment for implementing PMS. The project is on-going; companies acknowledge the benefit of PMS but they also recognise the on-going need for process improvements in their own operations.

In some other organisations a PMS approach has been greeted with initial enthusiasm but then left to flounder, through lack of management commitment, lack of authority or ownership in middle management, or the project team staffed with inexperienced personnel.

The driving factor for introducing PMS has either constrained or galvanised the level of urgency for its implementation. More than one company reported an initial trial of the system followed by a concerted effort to bring the process library into current use within a 3-4 month timescale.

Most organisations have used a “staged rollout” approach, thereby gaining experience and expertise for future development. The speed and consistency of implementation is also dependent on the structure of the project team.
Project teams

The companies interviewed have taken different approaches to the ‘project team’. The major role of the team, at the outset, is to actually map the processes of the organisation. The various team configurations that companies used included:

1. Project leader with small group of process mapping experts
2. Project leader with team process mapping experts supported by business user staff
3. Project leader with expert staff, but with the majority of maps created by a mapping expert in the business department.

Those that adopted method (3) have additionally instituted the role of ‘process owners’ within the business department, to develop and maintain process maps within their domain. This releases the project team from on-going process map maintenance, and more importantly enables the department to carry the responsibility for their own processes.

A number of the respondents referred to using consultants from the PMS software company to train and support the ‘early mapping’ activities. This proved to be especially useful where project timescales were particularly ambitious.

PMS Methodology

One important aspect in mapping the process is the number of levels at which processes are mapped. Too many levels and the process library becomes unwieldy, cumbersome and consequently lacks usability. If there are too few levels the process map becomes too superficial and unhelpful in attempting to understand ‘how the process works’. Many of the responding companies have, through an iterative process consolidated on mapping at 3 levels – enabling both the organisational overview, and the relevant level of process detail to achieve correct process delivery.

One significant aspect of PMS implementation is that companies have discovered that having “Level 1” maps give an overview of the company’s processes. This helps gain a clear oversight of the organisation, and has been a key feature in gaining the support of senior managers. They can understand the overview; it creates an understanding of the complexity and the interfaces of processes which deliver operations and service. With this greater insight senior managers perceive the real value and benefit of PMS in their organisations. Respondents state this has been a key factor in developing commitment at senior management level.

Challenges and Success

Any project which is going to have a strategic impact on the organisation will face challenges, alongside the successes envisaged at the planning stages. These are discussed under the headings - Management Commitment, Implementation Planning, and On-going Development.

Management Commitment

In any change activity its success or otherwise is dependent on the level of management commitment. This commitment enables the project team to have the authority to ‘step into’ the running of departments, the appropriate calibre of staff in the team, and the impetus to achieve a successful implementation.
One company related the situation where the mapping project went from the archetypal enthusiasm to faltering due to some of the elements described above. At the time of the interview the project did have a clear champion, in the guise of a new senior manager as project sponsor. This has created an effective environment for the success of the project, where “if it will happen” has become “when it will be done”.

Senior management’s active support enables organisations to gain from the significant benefits possible of using company-wide process libraries. One company highlighted the positive impact that PMS had become a standing item on the senior managers’ agenda for their monthly meetings. At this level PMS and the process library acts as a driver for on-going improvements in organisations. The capability to see the organisation from a process perspective gives clarity, and re-enforces the responsibility that process managers have to ensure consistent performance in service delivery.

Implementation Planning

Companies often found there was reluctance in either senior managers, middle managers, or the operational staff in committing to the PMS project. As for the middle managers and staff the key means to overcome this reluctance included – good communications, training, user involvement in process mapping development, and more broadly adequately recognising the scope of implementation required. A few companies have gone for the ‘big bang’ approach, but most have planned a carefully phased approach, selecting particular process areas (e.g. HR) or process functions (e.g. Sales Order Processing and Fulfilment).

Most companies have reported greater support, especially from senior management, once ‘Phase 1’ has been implemented and bedded-in. By this stage the benefit and impact of PMS and the access to project libraries is understood, which consolidates the wider, strategic impact on the company’s operation. See also the comment in PMS Methodology section above.

On-going Development

Whilst some companies have used PMS to develop knowledge and understanding of their processes, others now see the mapped processes as an enabler, e.g. to communicate process requirements for information systems development. One company reported on the clarity and certainty of how activities are carried out in the organisation is supporting the selection of functional software (e.g. ERP systems). More strategically, as one respondent quoted, PMS is how “we describe and manage the business”.

Some companies had trained process owner groups to create and manage their area of the process library. For some of those this worked well, enabling departments to recognise and understand interdepartmental interfaces, and to develop coherent process maps across departmental boundaries. In others this has caused difficulties when PMS is extended beyond the original project scope to additional areas of the company.

PMS Evaluation

Although all the companies surveyed reported great benefit from using PMS it is interesting to note that very few employed any specific means of evaluating its impact as a system. An exception to this
is that many companies reported benefits in financial terms, e.g. such a saving of £100,000 p.a. in accreditation audit fees.

However, companies do report a range of softer benefits which they believe point to its success.

A key benefit is that the process library is ‘one source of truth’ – capable of being accessed wherever and whenever necessary (e.g. on a 24/7 basis, across wide geographic dispersion, ‘on-site’ at the construction or maintenance location). And a greater benefit is the elimination of disjointed, out of date and inaccessible paper-based procedure manuals.

Others emphasised the necessity to be able to meet contract tendering pre-requisites, which an organised process library enables through its accessibility to all relevant processes. Similarly, but beyond this companies use process maps as a vehicle for working in project consortia with complementary organisations when bidding for contracts. A further example highlighted the adage “a picture tells a 1000 words” – more specifically that a diagrammatic representation of processes was extremely helpful in overcoming language limitations when working with foreign clients.

Further to the idea that ‘one source of truth’ consolidates and provides consistency for the company’s operations, it can also re-frame the company mind-set, creating a “service mentality” in the words of one respondent. In some multidivisional organisations this in itself has driven senior managers to spread the implementation into other business units. As an example of this changed mind-set, another company expressed the concept that it has created a ‘test and learn’ approach, further increasing the impetus and impact of process improvements.

More broadly, in one company, PMS is perceived as an approach to improving the organisation’s key performance indicators (KPIs) achievement, and a means of driving the business forward.

CONCLUSION

Organisations use PMS to support business objectives in managing and mapping processes in their domain. Whilst this is the common feature, the driving factor(s) for doing so are diverse and company specific. Similarly the research shows that there is no single method of managing the project and implementation itself. On the other hand there is the necessity for strong senior and middle management commitment to ensure a successful and effective implementation. In this way companies will achieve significant benefits in the consistency of their operations and delivering services to customers.

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