

## **BPM – A Construct**

**B**usiness Process Management (BPM) is a key enabler of improving Business Performance by optimizing business processes. It takes an enterprise-wide view and has helped move away from the traditional approach of Service Level Agreements to measuring business outcomes. **BPM has created specialized focus on ‘Skilling’ rather than ‘Scaling’.** This has created specialization into work groups with business insight, domain experts and technology partners. All of these have started working in tandem as partnership is the only ‘Mantra’ to run businesses now.

The BPM strategy has helped relate to the business outcomes and customer experience right through the lowest level employee and all functions in the organization. It has created a **culture of putting customer experience and business objectives to the Core of the organization.** This has made organisations more flexible and adaptable to change which was difficult in the past. It has created an opportunity at the bottom of the pyramid to align and contribute to the larger business objective e.g. cost, revenue and organizational vision.

It makes good business sense to build a synergy between a good BPM tool with the existing ERP (if any). The choice of ERP system depends on the business the enterprise handles. Most large companies have already made significant investments in one ERP or another (SAP, Oracle) and

they will not be replacing their ERP system anytime soon, unless there are compelling reasons. **A good BPM tool needs to be flexible** enough to accommodate this.

Business Process Redesigning is important in 3 principal situations - **Centralization, Captive Shared Services and Outsourcing**, but it takes a slightly different route because of the different focus required. With Centralization, the primary focus is on efficiency because of volume scale. Outsourcing is focussed on ‘Non-Core’ activities, being done effectively through clearly articulated Service Level Agreements. This allows the organization to focus on its ‘Core’.

Captive Shared Services have the unique opportunity to build a Partnership model in a boundless environment. If managed well, it can give multiple advantages to the organization like:

- Develop a **Knowledge Management** system
- Maximize the use of **existing capability** within the organization
- Creating an agile organization to **adapt to change** quickly

I see the boundaries of shared services enlarging in the near future with the following features:

- **Partnership** will be the mantra to succeed

- **SLA will be history**
- **Customer expectations** and collaboration will drive business
- **Employees insights** will be critical

To enhance an enterprise level change management like BPM, organization need to build leaders who:

- Have **influencing and execution** skills cutting across geographies, functions and cultures,
- Are **change agents**, and
- Have a **transformational mind** set.

Agility and speed of Business Process Change has improved by challenging the status quo. This has helped to clearly understand where the challenges lie and bring cohesion among multiple functions and created a culture of 'think different and look beyond'.

In the early days of an evolving BPM thought process, it was the flavour of the month. Now it has become the need of the hour! Organizations have developed enterprise-wide transformational strategy driven at a leadership level through transformation champions.

Few mantras which companies have started to note are:

- **Empower** globally distributed work teams.
- Look for '**plateauing**' processes and sun-setting systems. Seek out processes and systems where productivity improvements or brand differentiation has hit a wall
- Allowed the **customer expectations** to guide the organizational change behavior.

**BPM strategy has to be integrated**

**with the firm's People Strategy.** Since organizations are becoming more and more global and culturally diverse, the binding force of an organization will have to be its Values and BPM strategy will have to be integrated with them.

Major challenges faced so far are:

- Organizations do not engage people through effective communication from the time of incubation. Employees are the organization biggest customers, they pre-empt constraints and obstacles. More often organizations fail due to this basic gap.
- Organizations are not willing to invest the time on planning the business change
- BPM is not usually an integral part of the business strategy

Organizations use a few parameters: how easy the change is, how critical the change is for you. They would use external or internal help but most of the time the enterprise level thought is not percolated to the bottom most level. The readiness of organization for managing change in processes, resources and technology to achieve business results is when adaptability to change is visible at the lowest level.

India has played a pivotal role in off shoring of business processes across industries as it has helped:

- The end customer through its round-the-clock service and flexibility to accommodate demands
- Internal and external customers of the organization to deliver beyond value at high efficiencies.
- The Parent Company to focus on its core business

Lean Six Sigma has been embedded within the cultures of all emerging organizations. Through evolution of BPM domain experts have been created to have an end-to-end process focus with the application of Lean/ Six Sigma tools at each and every step. Now Lean/ Six Sigma cannot be a support unit but has to be embedded within all functions of the organization.



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