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BPM Organization and Personnel

Part 3: Governing BPM for Maturity and Value

Abstract

Building mature Business Process Management (BPM) capability in an organization typically requires many years of commitment. For most organizations, it is advisable to establish a governance body to oversee the development of capabilities and to ensure value is being created. Ideally, the governance body should include representatives from business units and departments that use BPM foundational elements—for example: standards, methods, and models; technologies; training; and consulting—that are provided by the BPM Support Group. The characteristics, perspective, and responsibilities of a BPM Governance Body are discussed in this paper.

This white paper series uses the Innovation Value Institute (IVI) BPM Capability Framework, shown in Table 1, as its organizing structure. Examples from various industries will be cited, but throughout this BPM white paper series, the development of BPM capability at Chevron will be featured. A maturity model, with five descriptive levels of maturity covering each of the nine Capability Building Blocks shown in Table 1, can be accessed through IVI.

KEYWORDS: Business Process Management, capability, governance body, maturity model

Introduction

This white paper is the third in the Innovation Value Institute (IVI) BPM white paper series. The first paper addresses issues associated with the mission and formation of the BPM

Support Group. The second paper addresses the roles needed in such a group. This third paper addresses the role of a BPM Governance Body in supporting a BPM initiative.

Table 1: BPM Capability Framework
(adapted with permission from the Innovation Value Institute)

Capability Building Blocks for Business Process Management		
Category	Capability Building Block	Description
Foundation	BPM Organization and Personnel	The structure, competencies, resource levels, and roles and responsibilities of personnel involved with the development, dissemination, and implementation of process-related standards, methods and technologies.
	BPM Standards and Methods	The set of standards and methods that foster effective process management, including a glossary, modeling and notation standards, modeling and improvement methods, governance structures and practices, assessment of implementation effectiveness, and measurement of value.
	BPM Technologies	Technologies for documenting, organizing, evaluating and supporting the execution of the organization's activities.
	Stakeholder Management and Communication	The management of communications with stakeholders about process management approaches, success stories, lessons learned, potential value opportunities, and value realized.
Application in each Organization	Scope of Implementation	The organizational context in which BPM is being used, including the range of processes being addressed.
	Process Architecture	Structure and documentation of processes, including names, definitions, objectives, roles, flows and relationships.
	Process Governance	Development and implementation of principles, policies, roles, responsibilities, and measures for process governance and ownership. This also includes alignment of process management with planning and implementation activities of the organization.
	Process Improvement	The use of evaluation, redesign, and improvement methods to drive change in processes.
	Process Automation	The use of technologies to simulate, eliminate, automate, monitor, and optimize steps in a process.

The BPM Governance Body

As is the case for the BPM Support Group, a BPM Governance Body may be established at any time in the BPM journey; but the earlier it is established, the better. In top-down initiatives, a governance body is more likely to be established early than when BPM emerges through grassroots efforts. However, regardless of the legacy of the BPM initiative, it is never too late to establish a BPM Governance Body.

Another similarity between the BPM Governance Body and the BPM Support Group is the need to distinguish between *enterprise level* and *business unit level* activities. The term "BPM Governance" is meant to convey the governance over the *development* of foundational BPM capabilities. This is in contrast to local governance that presides over the *implementation* of BPM in any given business unit or department. Local governance, referred to as "Process Governance" to distinguish it from "BPM Governance," will be examined in a future white paper.

What are the responsibilities of the BPM Governance Body and what types of people should be members of it?

The responsibilities of the BPM Governance Body will evolve as overall BPM maturity evolves, but the body will be expected to maintain the same primary mission; namely, to oversee and ensure the development of BPM capabilities that will be useful to business units and departments throughout the organization. Thus, the BPM Governance Body will establish expectations around development of foundational capabilities that include: the selection, development, and performance of personnel who will fill BPM Support Group roles; the selection and support of effective technologies; the development and publication of useful training and standards, methods, and models; and the development and delivery of communications about BPM. Additionally, it might reasonably be expected that members of the BPM Governance Body would go beyond their governance roles and be both active promoters of BPM and sponsors of BPM efforts in their own organizations.

Members of the BPM Governance Body would typically include:

- At least one senior executive who might be considered the “enterprise BPM sponsor.”
- The manager of the BPM Support Group.
- A few managers of reasonable seniority from business units or departments which are committed to BPM implementation. This group of members essentially represents the perspectives of the “customers” of the BPM Support Group, and should have first-hand insight into whether the BPM capabilities being developed are serving the customers well and producing value.
- Other members, such as the manager of the BPM Development Program and/or additional members of the BPM Support Group (but overall numbers should be limited for the usual reasons of efficiency and effectiveness).

As maturity increases, the organization might extend membership to people outside the enterprise, such as a key customer or supplier, or an external BPM expert.

Initially, the BPM Governance Body (perhaps called something like the “BPM Governance Board” or the “BPM Steering Committee”) may want to meet quite frequently—for example, monthly—to ensure capability development moves forward at a good pace. Eventually, quarterly meetings may be sufficient.

Capability development is only meaningful if the developed capabilities go on to deliver value. Therefore, the BPM Governance Body will want to track both the development of capabilities and the value that is being generated by BPM efforts in business units and departments that are using those developed capabilities. Progress in increasing maturity of the nine Capability Building Blocks (CBBs) shown in Table 1 is the overall mission, with particular accountability around the first four CBBs that are grouped in the Foundation category. Recommendations for tracking both capability and value will be addressed in a future white paper in the series.

In forming the BPM Governance Body, an organization may benefit from developing a simple charter that covers the mission of the BPM Governance Body and that also covers the responsibilities of members, the frequency and mode of meetings (for example, remote dial-in or face-to-face), the key activities or standard agenda, and the specifications of measures that will be used to judge success.

A key responsibility for the BPM Governance Body will be to account for the performance of the BPM Support Group. The roles that are needed in that group were covered in Part 2 of this white paper series. However, it is worth briefly reviewing those roles and

considering them from the perspective of the BPM Governance Body.

Roles Overseen by the BPM Governance Body

BPM Competency Manager: Defines the roles and competencies needed to support BPM and facilitates placement of personnel accordingly. The BPM Governance Body should expect regular reports from the person in this role. Early efforts will include identification, selection, and development of personnel needed to develop and support the BPM foundation (i.e., members of a BPM Support Group), and a plan for collaboration with business units and departments on filling the BPM roles that will be needed in their organizations as they apply the BPM methods, models, and technologies developed by the BPM Support Group. The building of competence within the BPM Support Group should begin quickly, but the building of BPM competence across business units and departments will take years. Nevertheless, such *embedded competence* should be cultivated as soon as possible by persuading project managers, business unit managers, and department managers to invest in process management resources.

The BPM Governance Body should expect that the *BPM Competency Manager* will develop a competency model that specifies the responsibilities and requirements for each BPM role performed in the enterprise. These roles will include the specialized roles of the BPM Support Group, the operational support roles of Process Stewards and BPM Coordinators in business units and departments, and the daily process execution roles of all managers, employees, and contractors.

Lead Developer of BPM Standards, Methods, and Implementation and Governance Models: Manages collaborative efforts to define, document, and govern the BPM standards, methods, and models (SMMs) that will be used across the enterprise. The BPM Governance Body should track progress on development and deployment of the SMMs that will be most helpful in fostering an enterprise approach to BPM. These include: process modeling notation *standards*, a process improvement *methodology* (such as Lean Six Sigma), and a process governance *model* for use by business units and departments as they seek to monitor, measure, and improve process performance.

BPM Technology Specialist: Manages clarification of requirements for BPM technologies; evaluates and selects technology options; oversees configuration, installation, and implementation; develops a Technical Support capability; and continuously assesses and improves technologies. The BPM Governance Body should pay particular attention to the

selection of BPM technologies to ensure the technologies will serve the stated purposes and will be embraced by the audiences for which they are targeted. In general, before large commitments are made to vendors, the BPM Governance Body may want to insist on projects (both proof of concept and pilot) that increase confidence in the technologies.

BPM Technical Support Group: Maintains reliable performance of BPM technologies. In general, the BPM Governance Body will hold the Technology Specialist accountable for performance of the *Technical Support Group* that supports BPM technologies. Such accountability will help ensure that the Technology Specialist selects technologies that the IT organization can readily support.

Lead Automation Solutions Developer: Establishes and manages a discipline associated with process automation solutions. The BPM Governance Body should expect reports from the person in this role that cover the following areas: (a) progress on a two-year plan for development of internal Solution Developer competency in the use of the selected process automation software, (b) identification and value estimation of process automation solution opportunities, (c) a plan for some pilot projects, and (d) post-project reports on actual value derived from process automation solutions.

BPM Consultant: Provides BPM consulting services, process improvement services, and process modeling services; and may take on project management responsibilities. The development of skilled personnel in this role will be monitored by the BPM Governance Body through reports from the BPM Competency Manager. On occasion, a *BPM Consultant* working on a high-profile project may be invited to report progress or results to the BPM Governance Body. Recognition by the BPM Governance Body for consulting excellence will increase motivation of *BPM Consultants*. A *Lead BPM Consultant* might be designated to provide regular progress reports for all active BPM projects, or this responsibility might be allocated to the BPM Champion (see below).

BPM Promotion Specialist: Develops materials and approaches that convey to stakeholders the importance of BPM; and works with sponsors to deliver messages. The BPM Governance Body should closely monitor and guide the person in this role to create the most effective messaging possible. Governance body members may have specific ideas about key words to include (or to exclude) in messages, and the best channels or forums to use for reaching employee populations. The BPM Governance Body may want to approve key communications before they are deployed.

BPM Champion: Works with all other stakeholders to achieve an effective BPM

implementation. The BPM Governance Body will want to understand who the de facto *BPM Champion* is—even if nobody officially has that title. The *BPM Champion* role may be performed by any of the personnel in the other roles outlined above. The key concept is that the *BPM Champion* will be committed to working on the BPM initiative for several years and will seek to become the internal “BPM expert” who ensures all the pieces fit together. Ideally, the BPM Governance Body will include the *BPM Champion* as a member or as a permanent invitee. The BPM Governance Body will want to cultivate a *BPM Champion* who, through personal passion, facilitates the realization of a vision of BPM excellence that the BPM Governance Body develops and continuously refines.

Other Key Issues for the BPM Governance Body

For a period of a year or more, the BPM Governance Body is likely to spend most of its time overseeing the selection of personnel for the key roles outlined above and their subsequent development, and ensuring high-quality decisions are made around key issues such as technology and standards, methods, and models. As soon as possible after key personnel are selected and decisions are made, plans for both proof of concept projects and pilot projects should start taking shape.

Once these BPM projects are underway, or even before that, the BPM Governance Body should expect that the BPM Champion (or some other identified role) will develop a method for measuring and validating the value delivered by the projects. Ultimately, the BPM Governance Body is accountable for the value created by the BPM initiative. Validation by the Finance department of value created is a standard that generally will hold up to scrutiny. A comparison of benefits to costs is also appropriate and may be reported by the BPM Governance Body to the organization’s executive committee.

Summary

For organizations that wish to increase the probability of having an effective BPM implementation, appointment of a BPM Governance Body is recommended. This body oversees the development of BPM capabilities and, once BPM projects are underway, ensures developed capabilities are delivering value as expected. Through its membership, the BPM Governance Body should represent “internal customer” perspectives while also ensuring the development and use of enterprise standards that leverage a common approach. If the BPM Governance Body is formed early in a BPM journey, its initial emphasis will be on the selection of personnel to fill key BPM support roles and their subsequent development.

With a robust BPM Governance Body in place and operating effectively, the probability of generating significant value from a BPM initiative is greatly enhanced.

About the Author

Jim Boots worked at Chevron Corporation for 30 years in a wide array of functions including sales; total quality management; business development; supply chain management; business management; e-commerce management; health, safety and environment management; enterprise architecture; and BPM program development. Jim was the primary force behind the building of Chevron's BPM foundation from 2005–2010. He also is a Principal IT-CMF Professional at the Innovation Value Institute with responsibilities that include a role as lead architect of the BPM Critical Capability. He now runs his own BPM consultancy known as Global Process Innovation. Jim can be contacted at jimboots.gpi@gmail.com.

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