

White Paper

The Art of Finding Processes

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There is no doubt that organizations can benefit from business process analysis and process improvement. Analyzing an end-to-end process, whilst also considering any supporting technology and any underlying people or organizational issues, enables us to drive valuable change within organizations. We can ensure that our organizations' processes run efficiently, effectively and deliver as much benefit as possible to both our customers and our business stakeholders. In short, we can help to make our businesses slicker, more effective and in doing so we'll make them more profitable.

However, business process analysis starts with an implicit assumption that organizations know what their processes are! In order to analyze and improve a process, we need to know it exists and understand its boundaries. In an ideal world, we'd walk into an organization and there would be a whole range of business analysis and business architecture artefacts for us to start from: perhaps a top-level value chain, an operating model or even a business model canvas. More mature organizations may well have documented their processes, at least to some extent. The most forward thinking organizations may have them documented in a consistent notation, stored and shared in a central tool or repository. Yet this often isn't the case. In some cases, even the most successful organizations may have evolved and grown without putting too much conscious effort into their process design. In fact, some organizations and functions might not have a grasp of what a 'process' actually is (after all, they are focused on 'getting stuff done'). Therefore,

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an important first step to looking at improvement opportunities will be to identify the processes that exist within the organization, team or function.

Naturally, some processes will be very visible – often the “sell item” and “support customer” process are extremely visible and will be front of our stakeholders’ minds. However it’s possible that some big improvement opportunities may be hidden away in processes that have evolved, embedded and have long since been forgotten about. Identifying a list of processes for analysis is the first step to improvement. In this paper, we explore some hands-on techniques for process identification. We focus on starting with a short, sharp exercise to create a process catalogue which captures the key details of each process. This catalogue can be prioritized, and any future analysis and improvement work can be targeted at those processes that matter most. Of course, this process catalogue will evolve as our work continues; it is an evolving and fluid document and is a tool rather than a deliverable in its own right.

Creating a process catalogue

A process catalogue is an artefact where we can capture a skeleton of information about each business process within the scope of our project. In many ways, calling it a ‘process catalogue’ is rather grand; in reality it is just a list of all the processes which are within the scope of our study. We may well start with a blank process catalogue, and build this up by discovering which processes are relevant. However, it’s worth starting with the end in mind and creating a template up front.

A process catalogue doesn’t need to be particularly elaborate, but there are some common items that can be included. A potential template is shown below:

ID	Process Name	Brief Description	Trigger	Source	Owner	Actors / Stakeholders	Outcome/ Output	Comments/ Problems	Priority

Figure 1: Process Catalogue Template

Informal templates of this type can be kept in a spreadsheet or word-processor document, with each column prompting us to ask key questions about each process that we identify. At this point, our aim is simply to document that the process exists – we will create an as-is process model later (so that we can consider improvement opportunities). After creating an informal document like a process catalogue, as our understanding of the processes increases, we may decide to map out one or many of the processes, and if we do this there would be benefit in using a more formal tool and ensuring that the artefacts are stored in a central repository.

The fields used in a process catalogue can be varied to fit the client/ assignment, but some particularly useful fields include:

- **Unique ID:** A unique identifier to pinpoint the process. This can help to cross-reference different artefacts and documents and ensures that we have full traceability between artefacts.
- **Process name:** Ideally a brief process name, boiled down to its essence (a verb noun pair is ideal – e.g. ‘Order Product’).
- **Brief description:** A few lines or a few bullet points that outline the process.
- **Trigger:** The business event or trigger that makes the process start. For example, does the process start when a customer calls and makes an enquiry? When an internal request is made? On the first day of every month?
- **Source:** How did we find out that this process exists? For example, we might record a person’s name here (so we can go to them for further information in the future) or link to a document.
- **Owner:** The owner is the person who is accountable for the process and has authority to sign-off changes to its operation. They do not necessarily take part in the process itself.
- **Actors/Stakeholders:** Which actors are involved in the execution of the process—who does the work? And are there any stakeholders who are interested in the process who aren’t necessarily involved? Who is the customer or who receives the output of the process? All of these groups are significant as we may well need to consult with them, or at least ensure they are represented, when we produce our ‘as is’ and ‘to be’ process models.
- **Outcome/Output:** What is the outcome or output that is achieved when the process ends? What needs to happen for the process to be considered complete?
- **Comments/problems:** A list of any comments or issues, or initial ideas for improvement.
- **Priority:** The relative priority of the process, e.g. does it need to be investigated and improved as a matter of urgency, or can this wait.

Creating a process catalogue template is easy – populating it is rather more difficult. If we are carrying out analysis in a busy business, knowing where to start can be a challenge. The following tips can be helpful.

Steps to uncover processes

In an ideal world, we’d carry out a full top-down analysis of the organization, starting with a formal top-level organizational model or value chain analysis, and we’d drive the analysis down to individual end-

to-end business processes (and beyond). However, there may be some situations where we need to 'hit the ground running' and we may need to start identify existing business processes very quickly. There may be little time for reflection, and we need to carry out a short-sharp discovery exercise. An important step will be to formally agree on the scope and agree on some form of terms of reference.

Agree the scope of the study

It is likely that some processes will be 'out of bounds.' An organization might initially say that they would like all of their processes identified and analyzed – yet with further enquiry we might find that this isn't actually the case. Often it is valuable to place an initial focus on the core operational processes that enable the organization to create value for its customers. These might include core operational, service delivery and customer support processes (although of course the specific processes will vary depending on organization and domain). There may be less appetite initially to document or consider organizational support processes – for example HR processes, company secretariat, payroll, facilities management, etc. It's important to set a clear boundary around what is in scope. Writing some form of light-weight terms of reference can be extremely helpful here.

Start from the outside: Customer/Recipient

Having established the scope of the study, it can be extremely enlightening to understand the organization's key customers. To put this a different way: ask who is the primary recipient of the goods, services or output that the organization produces or provides? This may sound like a simplistic question, yet often there may be multiple customer/recipient types or customer groups; this might indicate that there is subtly different process logic or even completely different processes for different customer types. Often large corporate customers are treated very differently from retail customers, for example, with corporate customers buying in larger volume, and paying after delivery (with retail customers paying in advance). Indeed, even an organizations' suppliers may be recipients of certain processes and may be relevant for consideration.

Analysis of customers and recipients can lead to further insight into the likely types of processes. For example, sometimes the consumer/user (the person receiving or using the goods/service/output from the organization) is different from the purchaser (the person buying the goods). In fact, the owner might be a separate person too!

Example: *Imagine a piece of equipment being bought from a supplier for a national supermarket chain. The purchaser might be the head-office procurement team. The owner might be a local store. The consumer/user might be a check out cashier or shift manager. They will all have*

different needs, and the organization's processes may well have adapted to reflect this. There may be a support and defect logging process aimed at the consumer/user, but this might feed into an accounts management process to ensure that the purchaser is aware of any problems their users are having. The owner may be sent details of any updates and new developments that relate to the product they have purchased, and this may also affect or impact the support process as consumers/users may call in with questions.

Knowing these subtleties is important as they may manifest themselves as different as-is processes or process variations.

Goals

Having identified the type of customers and recipients that the organization serves, it can be useful to understand the reasons that these actors interact with the organization. This will uncover the types of product or service that the organization offers, and the interactions that customers have with the company. An innovative way of creating a first draft of this list can be to consider each customer and recipient type and ask ourselves and our stakeholders:

“What drives this customer/recipient/actor to interact with the organization? What are they trying to achieve, obtain or attain?”

This can work well in an interactive brainstorming session with stakeholders, perhaps using sticky notes to uncover potential ideas. In doing this, we will uncover a list of goals, and it is likely that these goals will be met by a process within the organization somewhere. The goals may hint at business events that trigger a process, or they may hint at the process itself. It may be that a single process meets multiple customer goals; however if we find a customer goal that isn't met by a process (and assuming this isn't a deliberate omission), this could be an opportunity for improvement.

Example: *For an organization that sells tills and other electronic point of sale equipment to retailers, our list might include goals such as:*

- *Make product enquiry*
- *Order product*
- *Chase order*
- *Query invoice*
- *Report defect*
- *Request service*
- *Provide feedback/complaint*

This would allow us to work with our stakeholders and validate how each customer need is met; whether there is an existing process, and if so, we can capture it in our process catalogue.

We might decide that the first four goals are met by an existing process “Purchase product” – which starts when an enquiry is made and ends once the payment is received. We might decide that report defect and request service are covered by an existing “Provide Technical Support” process. However, perhaps we identify there is no formal complaints process – with complaints processes being handled informally by departmental managers. This would be an opportunity for examining and potentially standardizing or improving the situation, and we might choose to log this in the process catalogue as a potentially missing process for later prioritization and consideration.

We could represent our findings visually with an informal context diagram, showing the key external customer/recipients/actors, and the key triggers and flows. This is illustrated in figure 2 below; as you can see, we’ve treated the organization as a ‘black box’, but by examining the flows around the organizational boundary we can gain significant insight into the likely processes that will exist inside.

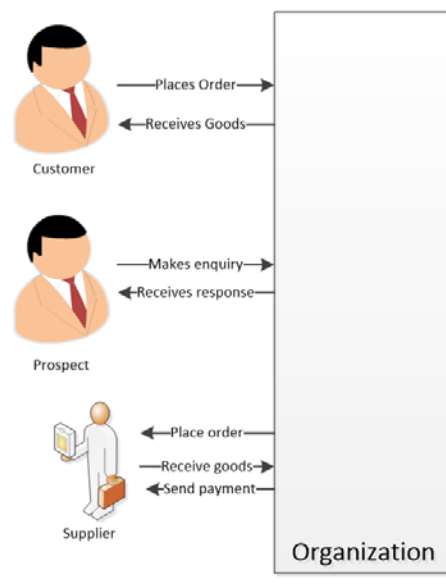


Figure 2: An informal context diagram

Continuing inside: “What do you do here?”

Having started by briefly examining the organization from an external (customer) perspective, and identifying the likely processes that would be necessary to meet the customer’s needs, it is also important to take an internal view. There will inevitably be important support functions that the customer doesn’t directly interact with, but who are essential to the successful operation of the organization. If the processes have ‘evolved’ over time, there may be significant opportunities for improvement, and it can be very useful to identify, prioritize and consider these processes.

By referring to the 'terms of reference' we defined previously, we can establish which internal functions are in the scope of our study. We might find, for example, that the Operations, Customer Support and Sales & Marketing teams are explicitly in the scope of our study, with others being outside. In this case, we could examine the activities within each of our in-scope departments to establish the tasks that they undertake (keeping in mind that each task might well be part of a bigger end-to-end process).

We can identify these tasks and process steps using a number of elicitation techniques. We might start by interviewing the head of the function, or a senior manager, to get a sense of the overall context. They may be able to identify the core, top-level processes that are undertaken in the department. We can then traverse down the organizational hierarchy, interviewing key stakeholders within different teams and sub-teams and understand the key activities that they undertake. We might choose to use a combination of interviews, workshops and perhaps even observation (if time allows). Access to any existing procedural or process documentation exists – however informal – can be extremely useful too. Training material can also be useful for similar reasons – it often provides a useful insight into the types of tasks and activities carried out within a department or team.

Conclusion

Identification of existing business processes doesn't have to be lengthy or time consuming; our aim is to understand the essence and identify the key and most important processes. A process catalogue can be a useful artefact, and it is an artefact that will evolve as our study continues. Our initial aim is to get a starting point for prioritization and analysis, and we can do this by setting our scope, considering our customers/recipients and goals as well as examining our internal environment.

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