

GOING **BEYOND** PROCESS IMPROVEMENT

Question:

How do you know when an organization has gone from merely improving processes to institutionalizing process management?

Answer:

Each key process will have:

- A map that documents steps and the functions that perform them.
- A set of customer-driven measures, which are linked to organization-level measures and drive functional measures. In an institutionalized process management environment, functions cannot look good against their measures by hurting other functions and the process as a whole.
- A process owner.
- A permanent process team, which meets regularly to identify and implement process improvements.
- An annual business plan, which includes, for each core process, expected results, objectives, budget, and nonfinancial resource requirements.
- Mechanisms (such as process control charts) for the ongoing monitoring of process performance.
- Procedures (such as root-cause analysis) and vehicles (such as process teams) for solving process problems and capitalizing on process opportunities.

To ensure that processes meet these and other performance criteria, some organizations, including Ford, have established process certification ratings. To achieve the top rating on a four-point scale a Ford process must meet thirty-five criteria. These criteria range from the need for the process to have a name and be documented to a requirement that the process be assessed by customers as free of defects. The Process Owner takes primary responsibility for administering the evaluation and certification process.

Institutionalized process management is not just a set of certified processes. It is also a culture in which:

- Process owners, process teams, and line managers practice continuous process improvement, rather than sporadic problem-solving.
- Managers use their relationship and process maps as tools for planning and implementing change, orienting new employees, evaluating strategic alternatives, and improving service to their internal and external customers.
- The needs of internal and external customers drive goal setting and decision making.
- Managers routinely ask and receive answers to questions about the effectiveness and efficiency of processes within their departments and about cross-functional processes to which their departments contribute. The answers to these questions require a process-based measurement system.
- Resources are allocated based on process requirements.
- Department managers serve as the process owners for their intra-functional processes.
- Cross-functional teamwork is established through the enhanced understanding of other departments, the streamlining of interfaces, and the compatibility of goals.
- Optimal process performance is reinforced by the Human Performance Systems in which people work.

When process management is institutionalized in an organization, seeing the organization as a system is the framework for addressing performance problems and opportunities. Policy, technology, and personnel decisions become the means to which process effectiveness and efficiency are the end.

Concepts in this paper are from
the Rummler-Brache Process
Improvement Certification
Workshop.

