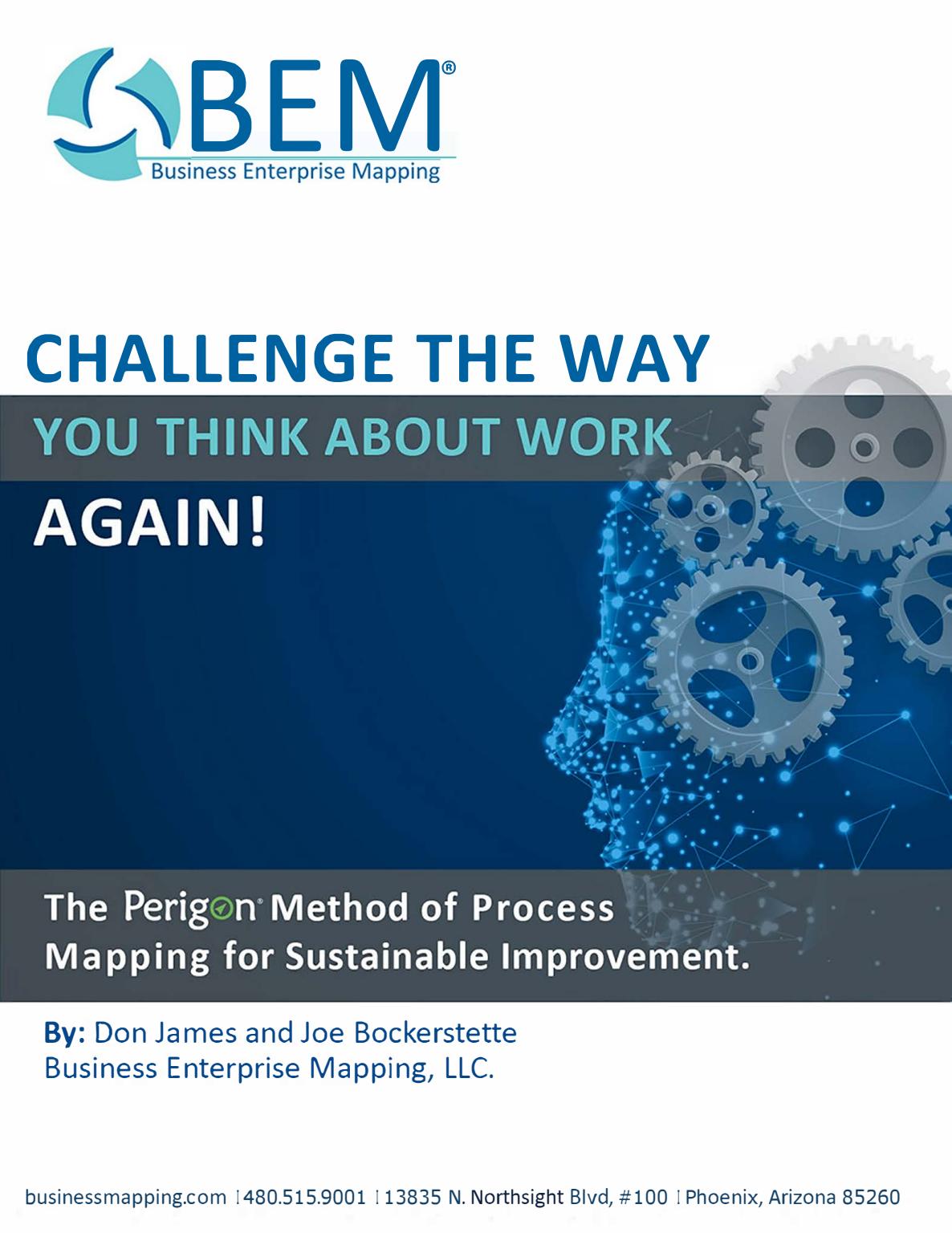




# CHALLENGE THE WAY YOU THINK ABOUT WORK AGAIN!

A dark blue background featuring a graphic of interlocking grey gears. Overlaid on the gears is a network of glowing blue dots connected by thin lines, forming a mesh-like pattern that suggests data flow or connectivity.

The Perigon® Method of Process  
Mapping for Sustainable Improvement.

**By:** Don James and Joe Bockerstette  
Business Enterprise Mapping, LLC.

# TABLE OF CONTENTS

|   | Pg. |
|---|-----|
| 1. Why You Should Read this eBook               | 03  |
| 2. Challenge the Way You Think About Work       | 04  |
| 3. The Business Process Defined                 | 05  |
| 4. The Perigon® Method                          | 08  |
| 5. Perigon Challenges the Traditional Structure | 10  |
| 6. Rethink Work                                 | 11  |
| 7. Develop Perigon Playbooks                    | 13  |
| 8. Deploy & Manage the System                   | 16  |
| 9. Sustainably Manage Improvement               | 19  |
| 10. Measure What Matters                        | 20  |
| 11. What Does Best Practice Look Like?          | 21  |
| 12. Perigon Delivers Tangible ROI               | 22  |



## **1. Why You Should Read this eBook**

Business Enterprise Mapping (BEM) has been mapping business processes and business systems for over 25 years.

**We challenge the way you think about work** by partnering with your employees to clearly understand the workflows delivering value to your customer; break down barriers to successful outcomes; find, organize, and analyze improvement opportunities; and design effective and efficient business processes to meet your organizational goals.

*This eBook introduces you to our process and, in particular, what makes it so uniquely effective and valuable.*

**This eBook of our powerful Perigon® method is an introduction designed for leaders desiring to:**

- Break down barriers created by organization silos.
- Untangle complex workflows.
- Get control of your organization.
- Implement broad and comprehensive improvement.
- Simplify before automating work.
- Meet compliance standards more effectively.
- Increase employee engagement.
- Use a better improvement methodology and toolkit.
- Build a sustainable foundation of best practices.

**DON JAMES BELIEVED BUSINESS MAPPING TOOLS COULD BE IMPROVED AND HE BECAME DETERMINED TO FIND A BETTER WAY.**

BEM's unique Perigon Method is a powerful business process mapping method that challenges the way work is done, engages employees to analyze and improve their own work, and delivers substantial and sustainable organization benefit. Perigon solutions implemented by clients partnering with BEM in over 300 different enterprises covering 60 industries across six continents, have:

- Obtained over 50 registrations to international standards
- Mapped 3,000 process-based systems
- Deployed 25,000 client processes
- Addressed 750,000 improvement opportunities.
- Delivered sustainable ROI of 5:1 to 20:1

We are committed to continually seeking better ways to uncover organization opportunities. Using business system diagrams, process maps and process analytical tools that challenge the way you think about work, you can transform your organization by making work **faster, simpler, and more valuable**.

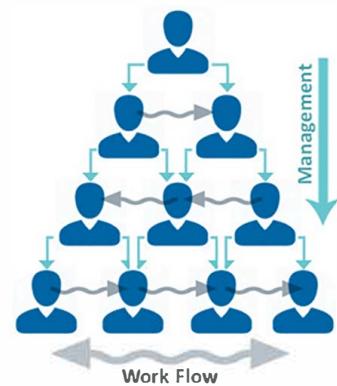
## **2. Challenge the way you think about work**

Traditionally, leaders formulate business top-down plans, then implement by allocating resources and directing managers along department lines, through business functions to jobs driven by task responsibilities. These jobs are typically bound by vertical and hierarchical reporting relationships with increasingly narrower increments of scope and responsibility.

### **Workflow Management Follows the Work, Not the Hierarchy**

Workflow derives from more natural horizontal relationships that make work flow across organizational boundaries from department-to-department, function-to-function and job-to-job. Employees access knowledge to perform tasks; tasks combine to create processes; processes link to form business systems; and business systems connect to become the overall enterprise.

Most organizational problems lay hidden in broken business processes and the gaps created by disconnected organization boundaries, functions, and jobs. Leaders often cannot identify their processes, their process customers, or their process customers' specifications for the product or service provided by the process.



### **The Journey Begins by Thinking Differently About the Work**



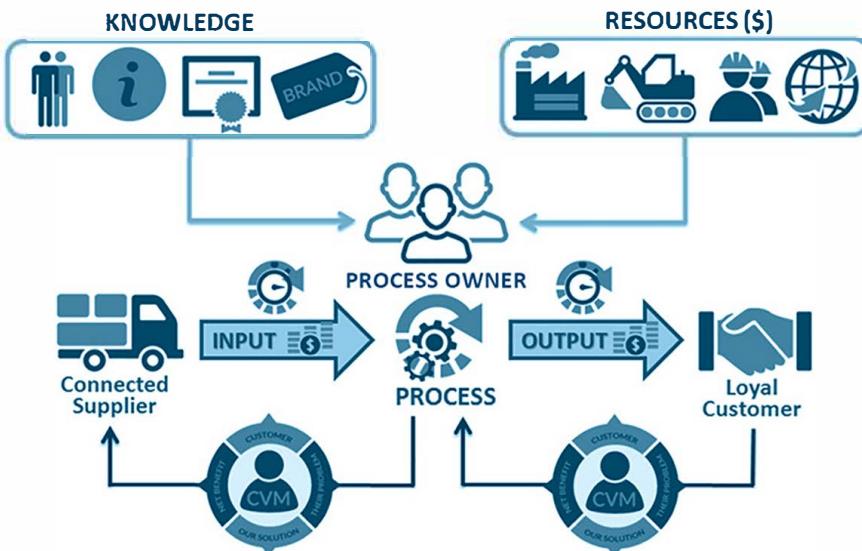
Actively managing workflows provides improved outcomes that directly impact competitiveness. When focus is shifted to a workflow-based organizational view, previously hidden problems and improvement opportunities become visible.

A commitment to building strong business processes delivers benefits that include focused accountability, greater customer value, cost savings, increased productivity, revenue growth, lead-time reduction, improved quality, and strategic alignment, all within a framework that makes it sustainable.

### 3. The Business Process Defined

Do you know how work gets done in your organization? Who owns the many parts of the organization's workflow? Can you identify the essential elements and key characteristics of a business process?

A business process is an organized series of tasks and decisions that receives a product or service (*the input*) from a *supplier*, adds value to that product or service through a transformation (*the process*), and then delivers a different product or service of more value (*the output*) to a *customer*.



A process is defined by the core relationship described by Supplier, Input, Process, Output, and Customer, and used to build the process backbone.

1. **A Supplier** provides an input to the process to be transformed by the process for its customer.
2. **Inputs** are the raw materials - physical or intellectual - consumed by the process to create its output.
3. **A Process** transforms inputs through a series of connected tasks to deliver a changed output of greater value to its customer.
4. **Outputs** are the result of the process transformation - a product or service delivering the process value proposition.
5. **A Customer** is the person, process or organization - internal or external - that receives the product or service delivered by the process.

## **3. The Business Process Defined**

### **Needs a Value Proposition**

Every enterprise, business system, and process must deliver a value proposition that benefits its customer. The value proposition communicates the primary customer, the customer's problem and the pain it causes, the process solution that solves this problem, and the net benefit from the customer's perspective. It is delivered through connected business processes and systems.

**“THE GOAL OF EVERY BUSINESS PROCESS IS TO SERVE ITS LOYAL CUSTOMER ETHICALLY USING MINIMUM RESOURCES.”**

### **Additional Characteristics**

***Business processes also contain other essential characteristics:***

- **The Process Owner** is the employee who accepts responsibility for, understands, and is accountable for how the process performs. A process that is owned and designed by those who do the work will deliver better outcomes.
- **Knowledge** is the information used by the process to perform the transformation including but not limited to work instructions, intellectual property, and process data.
- Processes utilize **Resources** to perform the transformation that delivers their value proposition, including facilities, equipment, people, information technology, and budget.
- Process **Measurement** determines both effectiveness (the extent to which the process solves the customer's problem) and efficiency (the extent to which the process uses minimum resources to do so).
- **Feedback** is generated from outputs (the customer back to the process), inputs (the process back to the supplier) and the transformation (from within the series of task and decisions).

## 3. The Business Process Defined

### FOUR Important Things to Know About Any Business Process

1

***Every process is perfectly designed to get the results it gets.***

Whether a process was specifically designed to serve a valuable purpose, or it grew organically, it delivers the results - good, bad, and ugly - that it is designed to deliver.

2

***If you are unhappy with your current performance, it is your responsibility to improve the business processes that deliver that performance.*** Anything less will only produce frustration. There is an explainable reason for disappointing results and the solution can **ALWAYS** be found somewhere in an underperforming business process.

3

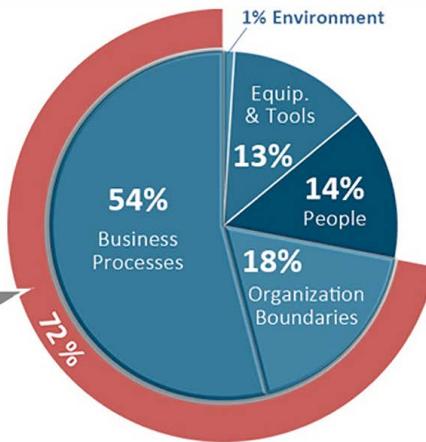
***The goal for every process should be to serve a loyal customer ethically using minimum resources.*** In this way, the process is deployed according to behaviorally acceptable governance, it is not wasting valuable resources, and its outputs meet the specific customer requirements for quality, cost, timeliness, and delivery.

4

***Most improvement opportunities in a process are related to how it is designed.***

Most processes developed organically as the organization grew, with only the intention to respond to a recognized organization need. 72% of improvement opportunities are related to the process lacking definition, ownership, measurement, consistent execution or alignment with its customers' requirements.

What we know is that on average 72% of all improvement opportunities are directly related to business broken processes and organization silos.



## 4. The Perigon Method



The Perigon Method is a proprietary business system and process mapping methodology developed by BEM that combines structured, facilitated workshops with easily understood visual diagrams and playbooks to engage employees in the delivery of rapid, substantial, and sustainable improvement. Perigon is built upon a tightly structured, phased approach that systematically develops and delivers business process maps capturing all the knowledge, analysis, metrics, and responsibilities within the organization.

### FOUR Phases

#### Phase ONE

**The Enterprise Roadmap** delivers Business System Diagrams that frame the overall workflow of the organization and a roadmap that identifies goals; processes, systems and responsibilities; major opportunities; operational cost data; program rollout options and a recommended implementation plan.

#### Phase TWO

**Process Development** builds Perigon Process Playbooks to define, measure, and analyze a process, and fully understand and act on improvement opportunities. A playbook will include an assessment of the process-customer relationship and a detailed improvement action plan. Playbooks provide everything Process Owners and users need to consistently execute and continuously improve the process.

#### Phase THREE

**System Deployment** begins with deployment planning, while concurrently developing system playbooks used to monitor and manage deployed process and system performance. A system playbook synthesizes and trends process data around quality, cost, time, customer satisfaction, throughput, information, progress to goal, staff capabilities, and responsibilities, as well as tracking process improvement progress.

#### Phase FOUR

**Enterprise Alignment** aligns processes, systems, and strategy, identifying and prioritizing enterprise opportunities, establishing the enterprise scorecard, and implementing enterprise improvement plans.



THROUGH PERIGON'S BUSINESS MAPPING TOOLS, BEM FINDS THE HIDDEN OPPORTUNITIES  
AND SOLVES THE DIFFICULT PROBLEMS BY UNIQUELY DEFINING, DIAGNOSING, SIMPLIFYING, AND  
ALIGNING WORK FOR LARGE AND SUSTAINABLE ORGANIZATION IMPROVEMENT.





### Structured Workshops

Perigon is executed through targeted workshops lasting from one hour to one day and facilitating employees to create specific deliverables that contribute to process and system playbook development. We design engagement into our on-site workshops by teaching process teams the knowledge they need, immediately using that knowledge to complete targeted workshops, and then following through on open items. Process mapping is best executed by involving those who do the work to define and improve their work. The workshops engage employees on day one to learn valuable improvement skills they retain throughout their careers and can use immediately to change the face of the organization.



### Robust Tools & Process Playbooks

Through the Perigon Process Playbook, BEM finds the hidden opportunities and solves the difficult problems by uniquely defining, diagnosing, simplifying, and aligning business processes for large and sustainable organization improvement. Using Microsoft Visio, we add our proprietary templates, stencils, symbols, icons, worksheets and best practices to lead clients through a more insightful and effective discovery than can be found through other methods. Clients dig deep into process efficiency, effectiveness, cost, quality, consistency, transactional structure, tool & information requirements and supplier-process-customer connectivity, including detailed understanding of how needs are met.



### Employee Engagement

Employees are your most valuable resource and they want to know their job matters. Including employees in the process mapping provides more complete and accurate outcomes while demonstrating that leadership values their input. Leaders purposefully address the work of those employees which increases their commitment as they select and implement improvement solutions. Too often we see organizations where department members with dependent work responsibilities have never spoken to one another. Such department silos directly cause barriers to workflow execution. Process mapping teams are organized around the workflow and expertise required to execute it, bringing people with different backgrounds and perspectives together to attack boundaries and look for ways to overcome barriers to alignment.



### Seasoned Program Directors

Our Program Directors are seasoned facilitators who deliver consistent and reliable results regardless of industry, organization, or function. Our group has likely seen the problem before, built the process improvement strategy that addressed the need, and successfully partnered with our clients to implement the solution.

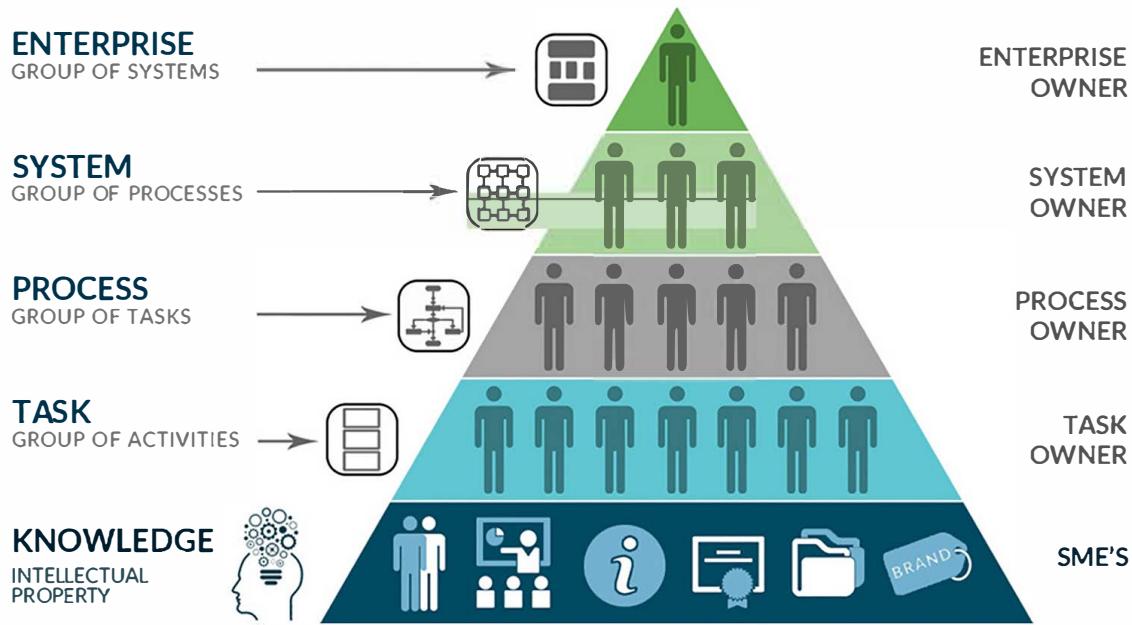
By actively defining, analyzing, improving, and maintaining business processes and systems, Perigon attacks the weaknesses of the traditional structure to systematically improve both efficiency and effectiveness. Here's how the two structures compare.

### **The Perigon Advantage**

- 1. Structure.** By structuring around the work, the organization is better able to execute, match responsibilities directly to workflow, and hold people accountable to meaningful work-based outcomes.
- 2. Workflow.** By involving those who do the work directly in defining and improving the work, the organization is taking advantage of human assets that are capable of contributing far more value than usually seen.
- 3. Accountability.** Clearing out excess reporting layers can save the organization expensive overhead costs and lets responsibilities be directly assigned to work-based business systems and processes.
- 4. Boundaries.** Creating seamless business process connectivity and organization alignment, the organization solves one of the most common and difficult problems to overcome when improving organization performance.
- 5. Knowledge.** Proactive knowledge management makes the valuable intellectual property owned by the organization readily available to all who need it, when they need it.
- 6. Measurement.** Measuring what matters provides regular leading, proactive, and actionable indicators of trends in the business.
- 7. Improvement.** Projects are designed to improve a business system or process to deliver a better customer experience. Over time, the organization finds and converts more opportunities into performance improvement.
- 8. Customer Experience.** By identifying, engaging and understanding the customer needs of every process, the ultimate customer value proposition is built seamlessly through the organization. Customer needs are identified through detailed specifications for product or service delivery time, method, quality expectations, variety, timing, cost, value/importance for use, and process responsiveness.
- 9. Compliance.** Perigon not only achieves compliance standards but also delivers sustainable performance improvement. Process maps are far easier to build, use and maintain than standard operating procedures.
- 10. Strategy.** Strategy is far easier to implement, as leadership fully understands the capability and cause-and-effect relationships between business systems and business processes, and the workflow improvements necessary to make strategic intention a reality.

## 6. Rethink Work

The Perigon Method uses a five-tier structure for defining work in any organization.



### LEVEL ONE – Enterprise

The Enterprise contains all the business management systems necessary to deliver the enterprise value proposition. It is generally represented by a profit center in a larger organization, such as in a public company, or is a single, self-contained smaller business unit profit center.

### LEVEL TWO - Business Systems

A Business System is a collection of contiguous business processes delivering its value proposition. The breadth and depth of each business system may vary by situation, but the fundamental construction remains the same. Perigon, defines 12 standard business systems that form the foundation for organizing business process structure: Sales & Marketing, Product Development, Vendor Management, Operations, Customer Service, Finance, Facilities, Equipment, HR, IT, Enterprise & Improvement.

### **LEVEL THREE – Business Process**

Business processes take inputs from suppliers, transform them through a series of tasks and deliver those transformed outputs to customers.

### **LEVEL FOUR - Tasks & Decisions**

Business processes are built through a series of tasks (jobs, actions, meetings) and decisions (yes/no, go/no-go) that combine to transform a supplied input into a delivered output the customer values. Tasks are the actions employees take to either add value to a customer's product or otherwise move through the process.

### **LEVEL FIVE - Knowledge**

Knowledge is the intellectual property of the enterprise. It includes a wide variety of information and content, such as records, data, policies, standards, training, interfaces, and much more. Business processes access knowledge through tasks and decisions. By locating the sources and uses of knowledge at the task and process level, an enterprise can more easily manage its knowledge and have it readily available to add value.

***“AN ORGANIZATION CAN ONLY ACHIEVE LARGE IMPROVEMENT BY FIRST REDEFINING WORKFLOW AND KNOWLEDGE REQUIREMENTS, AND THEN ADDRESSING THE IMPROVEMENT OPPORTUNITIES PRESENTED BY THIS DIFFERENT VIEW.”***



## 7. Develop Perigon Playbooks

BEM designed The Perigon Playbook with the goal of overcoming the specific limitations of **Standard Operating Procedures (SOPs)** (challenging to update and often ignored), **process flowcharts** (don't contain enough detail to stand-alone), and **swim lane diagrams** (limited ability to accommodate process details, analytics and connectivity).

**The Perigon Playbook provides a more flexible, complete, and easily updatable solution to define workflows throughout an organization.**

Using Microsoft Visio® and a library of specialized templates, symbols, stencils, matrices, instructions and best practices, we engage teams to create the Perigon Playbook for workflow definition, simplification and deployment. There are the four components of the Perigon Playbook:



- 1. Scorecard (Cover)** summarizes the process purpose, its main products or services, and its performance across key measures.
- 2. Architecture Map (Table of Contents)** is a high-level flow chart of process backbone identifying key suppliers, their inputs, key customers, outputs they receive, and the main transaction process flow.
- 3. Process Map (Content)** is the detail workflow under the Architecture in an infinite template style allowing all the information available to that process to be attached to the process map itself. The Perigon Process Map contains the who, what, when, where, and why of the process, and points to the how. The map includes the tasks & decisions, improvement opportunities, responsibilities, knowledge and tools.
- 4. Matrices (Appendices)** add knowledge, analytics, standards and information detail utilized by process owners, process improvement professionals, compliance professionals and subject matter experts.

### Benefits of the Perigon Playbook

The Perigon Playbook has been continually refined in collaboration with BEM clients.

**Its basic design's many benefits include:**

- Designed to be used in process, system, enterprise and community structures with seamless integration of different company areas and levels.
- Quick and easy to create; users can develop Perigon Maps that are 80-90% complete and usable within 4-5 hours.

## **7. Develop Perigon Playbooks**

- Specifically designed for process development, management and improvement.
- Updates governed by sound document control principles can be quickly executed.
- Easily ported to a company intranet and hyperlinked to stored knowledge.
- Contains a fully integrated scorecard for all levels of the enterprise.
- Includes fully established and controlled mapping standards with training programs for support in multiple environments and applications.

### **Ten Steps to Building a Perigon Playbook**

- 1. Select the Business System to map.** All processes within a Business System should be mapped as a single project to best assess connectivity and cause and effect relationships.
- 2. Identify, educate and engage Process Owners.** Process and System owners are the most essential element to a successful study of the business process and its improvement, and the viral spread of a continuous improvement culture.
- 3. Develop current process maps.** Process maps are built through a grooming process occurring through a series of workshops. An 80-90% complete current state Perigon Map can be built in about 4-5 hours.
- 4. Identify process improvement opportunities.** While building the Perigon Map, the team identifies Red Clouds that capture the known problems and improvement opportunities identified by process users. We commonly find somewhere between 25 and 50 opportunities per process.
- 5. Assess connectivity and alignment.** Business System process alignment is an essential element of the Perigon Playbook. BEM conducts a System Alignment Workshop on every Business System, where we bring all the system Process Owners together to evaluate their customer-supplier relationships. This leads Process Owners to find and fix the connectivity gaps between processes.
- 6. Estimate beginning process performance.** Most organizations desire to improve process performance on a few key measures, including cost, time, quality and customer service. However, very few organizations actually consistently measure these characteristics. Establishing an early performance baseline is a critical part of the Perigon mapping process.

## **7. Develop Perigon Playbooks**

- 7. Perform the Customer Value Assessment (CVA).** The CVA assesses the Process Owner's level of understanding of the primary process customer and, when validated with that customer, defines the process output specifications in detail.
- 8. Develop the Knowledge Matrices,** including Responsibilities, Value & Time Analysis, Information, Metrics, and Opportunity. Matrix development guides process analysis to add depth to the Playbook.
- 9. Complete Strategic Alignment Exercise (GMOST).** The GMOST workshop engages Process & System Owners with company leadership to define system-level goals, metrics, opportunities, strategies and tactics, against which process improvement efforts are aligned and prioritized.
- 10. Develop a Process Improvement Plan (PIP).** The PIP sets goals, actions, responsibilities, and 90-day implementation schedule, and rolls into the tactics supporting the strategies identified in the GMOST.

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The Perigon Playbook provides greater diagnostic capability than any process mapping method available today. The Microsoft Visio-based Perigon toolkit, coupled with structured employee engagement, delivers a depth of insight that easily captures the important opportunities available to leadership.





## 8. Deploy and Manage The System

The Perigon Method for process deployment follows two concurrent tracks:

- 1. Individual process deployment**
- 2. System playbook development**

Armed with process playbooks and improvement plans and coached by the BEM Program Director, Process Owners utilize BEM tools to prepare and execute a deployment checklist to release their processes three weeks after playbook completion. Meanwhile, BEM facilitates the system owner to systematically build the system playbook components by populating, benchmarking and trending current process data. The two tracks converge with the System Assessment 90-days after process/system release.

### **1. PROCESS DEPLOYMENT TRACK; Release the Processes**

- **System Diagram Reconciliation** - System Owner works with Process Owners to validate process connectivity to assure that all gaps between processes have been resolved and no new gaps were created by any changes to processes made since the System Alignment Workshop.
- **Tactics Reconciliation** - System Owner works with Process Owners to validate process improvement plan alignment to the system GMOST results, and to adjust or update items as needed, particularly if strategic focus requires priority changes in the PIP.
- **Deployment Checklist** - Process Owners develop, delegate, coordinate, update, execute and report on their deployment checklist. The checklist cuts across organizations as Training & Development, Information Technology, Procurement, and other departments are needed to create the appropriate environment to support the process.
- **Baseline Metrics & Information Development** – Often metrics and information are the areas requiring the most attention to prepare a process for release. Process Owners focus on developing measuring methods, taking and reporting benchmark measurements, and ensuring that critical information is created or edited and put under revision control to be readily available when, where, and as needed by process users.



## **8. Deploy and Manage The System**

### **2. SYSTEM PLAYBOOK TRACK; Develop the Components**

■ **Release & Review** – Utilizing BEM tools during monthly reviews, System Owners hold process owners accountable for their process performance and progress toward improvement goals. The first System Review meeting is scheduled for 30 days after starting the System Deployment program phase.



■ **System Playbook** – Built with process performance reporting components that each focus on a specific performance indicator, System Playbooks are spreadsheet tools structured to provide process performance comparisons within the system for a defined time frame, trend various process performance indicators over time individually and as a system, and maintain performance visibility for each process position within the system. Perigon system performance indicators are:



**1. System Costing Structure** expands the roadmap operational costing data to report P&L and balance sheet costs at the process level.

**2. System Satisfaction & Critical Path** includes visual and statistical information identifying the system's purpose and critical path, the main inbound and outbound performance specifications per process, and process measured accuracy, completeness and timeliness performance to the process performance specifications.

**3. System Throughput** tracks volume, work in process & quality yields per process relative to primary and secondary, if needed, deliverables. Data is structured to identify bottlenecks, critical points of failure, cost and time required and potential lost in failure.

**4. System Cost/ROI** visually distributes costs to processes as appropriate and tied directly to output volumes.

**5. System Improvements Status** reports activity on process improvement plans, including resolution and uncovering new opportunities or actions to take, and progress to GMOST identified goals for each process. An updated list of tactics, their categorization and red cloud reference is maintained here as well.

## **8. Deploy and Manage The System**

- 6. System Information Control** tracks process informational requirements, such as work instructions needing to be edited or checklists to create, leading into and after process release, and status on actions required.
- 7. System Time Consumption (Optional)** arrays time consumed by process in task execution and wait time, sequentially and concurrently, and compares actual performance to goal. Additional arrays developed at the process level can underlay the system component if desired.
- 8. System RACI (Optional)** evaluates each job title or role engaged with the system processes for the number of times each is responsible, approving, consulted or informed in each process and assesses the capabilities of current staff within the process user population relative to the process execution requirements.

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**Once the controlled state system processes are released and the System Playbook is built, leadership has a nimble, aligned, accessible tool to manage the processes and systems over time. Annual System Assessments keep improvement teams on track and provide leadership with demonstrated process performance and actionable information.**



## **9. Sustainably Manage Improvement**

Improvement opportunities can be found in many areas in the organization. The Perigon Method surfaces the many opportunities, which we call Red Clouds, as we map a business process and engage process teams.

### **Capture Opportunities From the People Who Do the Work**

---

As we talk to employees about their work, we typically find between 25 and 50 - sometimes as many as 100 - opportunities for process improvement. We look for four different sources of organization opportunities.

- **Process definition.** The way we've always done it. Sometimes a process is in place just because it's the way it's always been done. No one has reviewed or questioned the work.
- **Process analysis.** Would the customer pay for it? Highlights opportunities to simplify, streamline, and remove non-value added tasks from the process.
- **Discovery.** What you find when you measure. Uncovers opportunities while measuring or assessing the process or product. When we begin working with most new clients, few process characteristics are being measured or monitored.
- **Feedback.** How did we do? Generates opportunities through customer feedback, failure, or complaint. While the majority of companies have a customer feedback system, few do much in the way of analyzing, categorizing and prioritizing the many opportunities created by that feedback.

**By taking the time to create a detailed problem statement for each opportunity, we are helping the organization better understand the opportunity and what needs to be done to address it. Opportunities are sorted, categorized and prioritized to make sure they are being addressed in the most effective way.**

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Successful organizations systematically address opportunities uncovered while always looking for more improvement possibilities. Each process improvement plan is a living document intended to keep process teams engaged in sustainable, continuous improvement of their process and reinforced by the consistent, periodic review of improvement efforts by the System Owner.

## 10. Measure What Matters

We typically find performance management in an organization to be a disconnected set of goals, measures, initiatives, monitoring methods, and management review. The problem originates from a fundamental misapplication of performance measures as they relate to the organization's purpose. This contributes to an inability to execute strategy and improve performance.

There are five broad performance measurement areas that contribute to driving improved organization results. Measures must first be implemented in business processes, then rolled up to business systems and the to the enterprise.

**1. Customer Effectiveness.** First and foremost, the organization should measure its ability to create and serve a loyal customer. Measuring and evaluating customer effectiveness, especially at the process & system level, is essential and often missing.



**2. Supplier Effectiveness.** Suppliers must contribute to effectively serving your customer. It is very difficult for a process, system or organization to successfully achieve its purpose if its suppliers do not adequately perform.



**3. Cycle Time.** Time is increasingly important to organization performance. Customers want what they want when they want it and processes, systems and organizations must oblige to remain competitive.



**4. Costs.** Along with building and serving a loyal customer, the processes, systems and organization must deliver a successful economic outcome for stakeholders. As the saying goes.... no margin, no mission.



**5. Organization Governance.** While the organization may effectively serve its customer, it must do so in a responsible and sustainable way. Organization governance includes areas such as compliance to regulatory requirements, protection of the entity's intellectual property, and risk mitigation.

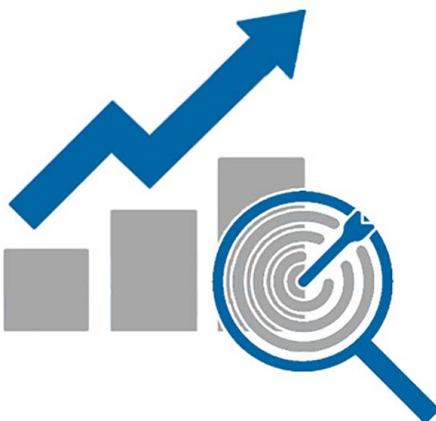


Organizations often measure what is easy and not what is strategically important. Every performance measure should have a specific role in aligning to the organization purpose. By broadly determining the most essential elements and then aligning the performance measures with strategic purpose and intent, leaders can drive Best-In-Class performance providing sustainable competitive advantage.

## **11. What Does Best Practice Look Like?**

Many new BEM clients do not have mature process management capabilities; internal improvement efforts are focused on fighting fires. Reactive companies cannot build a core process foundation to deliver the capability to better run the business. These ten characteristics are necessary to successfully transform an organization into a strong, process improvement driven enterprise.

- 1. Purpose.** Every process should have a value proposition that serves a loyal customer and solves their painful problem. A process that does not have a worthy purpose should not exist.
- 2. Engagement.** A process that is defined and improved by those who do the work will deliver the most benefit to the organization. Employee engagement is essential for successful process management.
- 3. Ownership.** A process will not be well understood, improved and sustained without high-quality an owner. Someone must be specifically accountable for the performance of every business process and business system.
- 4. Definition.** Good process definition may be the most difficult element of a successful process. Most businesses don't actually have definable current state processes because different people execute the same work differently.
- 5. Connectivity.** Defining process connectivity and creating boundary relationships is a necessary and typically missing characteristic. Process alignment is the first step to breaking down organization silos.
- 6. Analysis.** Process analysis can take many forms, but should always include analyzing value, responsibility, cycle time, process yield and information control.
- 7. Measurement.** Nothing can be improved without first measuring it. Process measurement can include effectiveness, efficiency, productivity, quality, satisfaction and response time. Measure what you want to improve.
- 8. Improvement.** Every successful process continuously improves through a never-ending flow of new opportunities that need to be addressed, replacing resolved issues or opportunities in the process improvement plan.
- 9. Monitoring.** To monitor a process is to conduct systematic, regular reviews of current process performance and improvement plan status, with a forward scan to near-term activities and any actions items needed.
- 10. Sustainability.** Many process improvement projects begin with great momentum, do a good job getting process definitions in place, identify problems that need to be solved, implement measures and analytics to solve those problems, and then fall down during implementation. An organization must make the commitment to continually monitor and manage improvement actions through a process-based management structure.



## **12. Perigon Delivers Tangible ROI**

The Perigon Method delivers results because organizations that deploy strong business processes execute better against their strategic intentions. By carefully integrating performance management through goals, metrics, opportunities, strategies and tactics, and empowering and holding process and system owners accountable, the organization can be confident it is systematically delivering its desired outcomes.

***The Perigon Method produces tangible benefits for clients in 8 ways.***

- 1. Improve the Customer Experience.** Internal business processes must align to deliver better customer outcomes. The more business processes are in sync with one another, the more likely an organization will consistently deliver superior customer value, creating a loyal customer.
- 2. Reduce Response Time.** Using The Perigon Method, an organization systematically analyzes the time and activities behind value creation. By removing non-value added tasks and time, and by balancing supply and demand, the organization can dramatically reduce cycle times.
- 3. Improve Employee Engagement.** Perigon engages employees in a meaningful and valuable way by distributing responsibility and accountability closer to the work. The best way to access employees' knowledge, wisdom and experience is by engaging them to define the business problem, solicit their participation in solving it, and then supporting them as they implement that solution.
- 4. Increase Asset Utilization.** By understanding the demand/supply profile through a well-defined business process, an organization can match asset needs with customer demand to execute a process that effectively meets customer requirements. Assets utilized in process execution can include people, equipment, facilities, and information technology.
- 5. Reduce Working Capital.** Working capital requirements can be substantial in many business models. By studying supplier-customer relationships an organization is capable of minimizing the working capital required to satisfy customer needs, including less inventory, lower accounts receivable, and reduced work-in-process time.

- 6. Reduce Enterprise Risk.** Few companies operate today without some level of regulatory compliance governing their industry. By documenting business processes with Perigon, the organization mitigates the risk of compliance and catastrophic failure.
- 7. Reduce Products & Services Cost.** When organizations operate through strong standard business processes, the costs of goods and services become transparent, which facilitates visible and sustainable cost improvement.
- 8. Improve Shareholder Satisfaction.** Strong business processes also improve the shareholder experience. An organization that executes standard business processes is transparent and can demonstrate how work gets accomplished, customers are served, and employees contribute to the mission.

The Perigon Method provides superior results, by delivering a delighted customer, a better employee experience, a more transparent operating environment, and ultimately a more knowledgeable, confident, and satisfied shareholder. Perigon systematically drives improvement towards organization goals and priorities.



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***Are you ready to change the way your organization thinks about work?***

Contact Business Enterprise Mapping today to learn how the Perigon Method can help you understand your business and workflow, meet goals, and engage employees.



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## CHALLENGE THE WAY YOU THINK ABOUT WORK AGAIN!

### The Perigon Method of Process Mapping for Sustainable Improvement

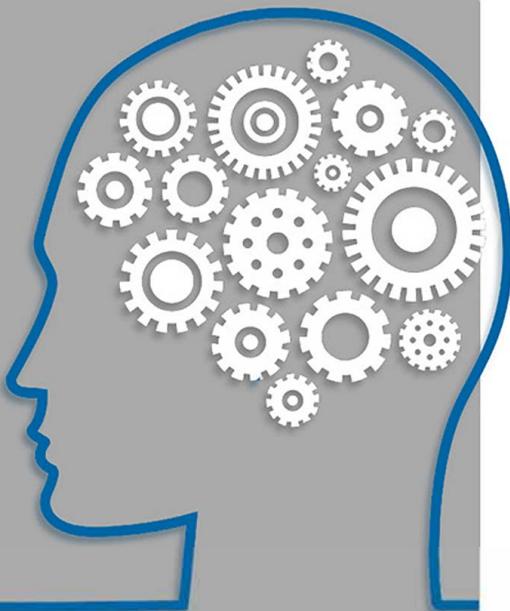
#### ABOUT THE AUTHORS

**Don James** founded Business Enterprise Mapping (BEM) in 1993 to find a better way to build business maps that deliver valuable insight. His aim has always been to challenge and simplify work to deliver sustainable performance improvement. He holds a BSEE from Bath University, UK.

**Joe Bockerstette** has spent more than 30 years driving organization performance improvement, as a CEO, large public accounting consulting partner, private equity partner and angel investor. He has an MBA from Xavier University and a BSIE from the University of Cincinnati.

#### ABOUT BEM

Since 1993, Business Enterprise Mapping has successfully implemented process-based management and improvement solutions in over 300 enterprises covering 60 industries across 6 continents. BEM has partnered with clients to obtain over 50 international registrations, mapped 3,000 process-based systems, deployed 25,000 business processes and successfully implemented over 750,000 process improvements.



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