BEM®
Business Enterprise Mapping

The Strategic Process Management Playbook

Aligning Process, People, and Systems For Sustainable Competitive Advantage

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Introduction

Rethinking Work: The Rise of Strategic Process Management

The current paradigm—the set of assumptions, practices, and values that shape how we approach work—defines the way we think and act in executing that work. Paradigms are useful because they establish the rules for how we operate, guide our responses to problems, and set the behavioral norms within an organization. Over time, we develop skills, build capabilities, and gain expertise within the boundaries of that paradigm.

However, every paradigm eventually reaches its limits. New paradigms emerge, offering innovative solutions that challenge existing assumptions and solve problems previously thought to be unsolvable. What once seemed impossible becomes attainable. While past expertise can inform the transition, thriving in the new paradigm demands new skills, mindsets, and approaches.

Strategic Process Management (SPM) represents such a paradigm shift. It reimagines how work is managed—through intentionally designed business processes organized into cohesive, interconnected systems that are directly aligned with the organization's strategic objectives. In this model, workflow is continuously monitored and improved by designated process and system owners to support the organization's mission and vision.

By creating clear accountability and ownership within aligned workflows, SPM fosters better resource utilization, a proactive focus on the value delivered, and a more engaged workforce. The result is a dynamic organization empowered to execute its strategy more effectively to achieve meaningful results.

1

From Customer Pain to Competitive Gain:

Building a Winning Value Proposition

The first driver of success for every business is clearly understanding the customer that you serve. Company performance exists for and relative to your customer; performance improvement must not cost you customers you want or damage your ability to deliver your value proposition to them. So, the first step in meaningful performance improvement is to get clear on your current value proposition, a short statement that identifies the customer, the customer's painful problem, the solution that solves this problem, and the net benefit from the customer's perspective.

Your Value Proposition is More than Words

In today's competitive business landscape, your **value proposition** is the most critical message you deliver to your customer—it's the reason they choose you over others. A compelling value proposition goes beyond listing features or services; it clearly articulates **what you offer, why it matters, and how your solution uniquely solves a meaningful problem.** It must convince your customer that your offering is worth their time, attention, and investment.

Customers don't buy products or services—they buy **solutions to problems.** They seek outcomes that enhance their lives or improve their businesses. In making purchasing decisions, customers weigh the **perceived benefit** of your solution against the **total cost** of obtaining it. When your value exceeds that of your competitors, your offering becomes the preferred choice.

However, this **perception of value is dynamic.** It shifts constantly in response to innovation, evolving customer expectations, competitive offerings, market trends, and the experience you deliver. That's why your value proposition must be **clear, relevant, and continuously refined** to remain compelling.

Organizations that succeed consistently deliver a powerful value proposition to their target markets. This external promise is only possible when supported by a **chain of strong internal value propositions**—clear, coordinated relationships among business systems and processes, each aligned to serve both internal and external customers. These internal connections must be well-defined, actively managed, and continuously measured to ensure they deliver on the enterprise's overall promise to the market.

The Four Essentials of a Strong Value Proposition

1

The Customer

The starting point for any successful value proposition is a clear understanding of the customer. This isn't just a demographic profile; it's a deep insight into who they are as the receiver or end user of your solution. True understanding of your customer comes when you know:

- What are their responsibilities?
- What outcomes are they trying to achieve?
- What challenges do they face in getting there?

Without understanding the person or organization on the other end of the transaction, it's impossible to craft a meaningful value proposition.

2

The Customer's Painful Problem

The value of a solution is proportional to the pain it relieves. The greater the pain, the more urgent the need for a remedy and the higher the value the customer places on the solution.

This pain could be:

- Tangible (e.g., high operating costs, poor health, time loss)
- Intangible (e.g., frustration, confusion, social pressure)
- Emotional (e.g., fear of failure, anxiety about quality, desire to impress)

Successful companies don't just ask, "What does our product do?" Instead, they ask, "What problem does it solve for our customer, and how painful is that problem?"

3

The Solution That Solves Their Problem

Your solution must work better than the alternatives; it must solve the customer's problem better than other options. Consider if your solution:

- Demonstrates strong efficacy.
- Is faster, easier, cheaper, or more complete in solving the problem?
- Can be delivered with greater convenience or better support?
- Is more reliable, more enjoyable, or more adaptable?

The customer defines effectiveness. Your value proposition must demonstrate clearly how your solution improves their condition in a way that competitors do not.

4

The Customer's Perception of Net Benefit

Ultimately, the value you offer depends on how the customer perceives it. You may believe your product or service is revolutionary, but if the customer does not recognize its benefits or sees the cost as too high your value proposition falls flat. The net benefit equation is simple:

Perceived Benefit – Total Cost of Ownership = Net Value

Perceived benefits could include time savings, revenue increase, peace of mind gained, status improvement, or capability enhancement. Costs include not just price, but also effort, risk, training time, and transition costs. Your job is to amplify the perceived benefit while minimizing the perceived cost, making your solution the obvious choice.

The Value Proposition Questions that Deliver Insight

Once defined, a winning value proposition is not static—it must evolve as customer needs and market dynamics change. Sustaining a compelling value proposition requires continuous customer discovery, asking hard questions, and listening with intent to learn.

1. To What Extent Does Your Solution Truly Solve the Customer's Problem?

Organizations often overestimate the effectiveness of their solutions. If customers are forced to use workarounds, combine tools, or create their own fixes, your value is diminished. Reassess this regularly through customer feedback, product usage data, support logs, and success stories. The closer your solution aligns with customer needs, the stronger your value proposition becomes.

2. Where Does Your Solution Fall Short?

This is the toughest—but arguably the most important—question to ask. Many customers won't openly share frustrations unless encouraged. Conduct third-party interviews, deploy anonymous surveys, and create safe spaces for honest dialogue. Even loyal customers likely tolerate some friction in your offering. Find those pain points—and fix them—to protect and strengthen your position.

3. What Other Options Does Your Customer Have?

Your competition is broader than your known rivals. Alternatives can include direct competitors, substitute products, internal do-it-yourself solutions, or simply doing nothing. Understanding your customer's full range of options helps you differentiate more effectively and identify areas where your offer can stand out.

4. How Well Does Your Solution Stack Up?

You don't need to be perfect—you need to be superior. A compelling value proposition doesn't just address the core problem; it must outperform alternatives in areas that matter most to the customer, such as ease of use, service quality, customization, speed, integration, or total cost of ownership.

5. What Can You Do Differently or Better?

Improving your value proposition isn't just about enhancing your product or service—it's also about the **customer relationship.** Often, the deciding factor in a customer's choice is how easy you are to work with. Today's customers value responsiveness, empathy, expertise, and consistency. Listening closely and acting quickly can set you apart as much as the solution itself.

A strong value proposition serves as the foundation for product development, sales conversations, marketing messages, customer service strategies, and innovation roadmaps. It is the lens through which successful businesses evaluate every decision.

To win in the marketplace, companies must:

- **Know their customer deeply and personally.**
- **Define and empathize with the customer's most painful problem.**
- **Deliver a superior solution that solves that problem effectively.**
- **Communicate value clearly, focusing on benefits over features and costs.**
- **Continuously listen, learn, and adapt to stay relevant.**

Once a winning value proposition is in place, the organization's ongoing mission is to keep it relevant—and to deliver it consistently at the highest possible level of profitability. This is where **Strategic Process Management (SPM)** provides a powerful advantage.

SPM aligns every part of the organization around the delivery of customer value. With clear ownership, well-defined workflows, and integrated business systems, SPM ensures each function contributes seamlessly to the whole. It transforms a value proposition from a promise into a consistently delivered reality.

2

Turning Strategy Into Action

Defining Success with Clarity

Whether you're leading a corporate initiative, launching a new product, or improving business processes, **the success of any improvement project begins with a clear and compelling vision.** Well-defined goals are the roadmap to successful execution—they clarify direction, set measurable benchmarks, and align teams around shared outcomes. Without them, efforts can become unfocused, resulting in wasted time, misallocated resources, and unmet expectations.

Clear goals do more than drive action—they establish accountability, ensuring that everyone involved is working toward a unified objective. They transform abstract ambitions into actionable steps that connect daily tasks to meaningful results.

The Six Goals that Drive Real Improvement

Improvement goals vary depending on industry, organizational priorities, and market dynamics. However, most initiatives aim to impact one or more of **six fundamental business objectives**, each tied to enhancing the organization's ability to deliver its value proposition:

1. **Grow Revenue**
2. **Improve Quality**
3. **Reduce Costs**
4. **Reduce Time**
5. **Enhance Customer Experience**
6. **Attain Compliance**

These goals often intersect—improving one area can positively impact others. For example, eliminating non-value-added activities may reduce both cycle time and operating costs. Below is a closer look at each objective:

1. Grow Revenue

Revenue growth is a common driver of improvement efforts, whether through expanding into new markets, launching new products, or upgrading existing offerings. Projects focused on increasing revenue support profitability and long-term sustainability.

Key strategies:

- Identify key revenue drivers and target high-impact growth opportunities
- Set measurable goals (e.g., % increase in sales, number of new customers)
- Align sales, marketing, and operational activities with growth targets

2. Improve Quality

Improving quality is critical for organizations committed to delivering excellence or responding to quality challenges. Better quality enhances customer satisfaction, builds brand loyalty, and strengthens competitive advantage.

Key strategies:

- Define clear quality benchmarks and performance standards
- Conduct regular quality assessments and root-cause analysis
- Implement feedback loops for continuous learning
- Invest in tools and training to improve process execution

3. Reduce Costs

Cost-reduction initiatives aim to improve efficiency and profitability without compromising the value delivered. These efforts should focus on sustainable savings rather than short-term cuts.

Key strategies:

- Analyze spending to uncover inefficiencies
- Streamline workflows to eliminate redundancy
- Apply automation to reduce manual effort and errors
- Optimize vendor contracts and supply chain operations

4. Reduce Time

Time is a limited resource. Reducing process cycle times boosts productivity, shortens time-to-market, and improves responsiveness to customers and changes in the market.

Key strategies:

- Use disciplined project management to control schedules
- Automate routine tasks for faster execution
- Eliminate bottlenecks through better collaboration
- Standardize workflows for consistency and speed

5. Enhance Customer Experience

Customer experience is a key differentiator in today's marketplace. Projects that improve the way customers interact with your business can drive satisfaction, loyalty, and referrals—and often improve employee experience as well.

Key strategies:

- Collect and analyze customer feedback to understand needs and frustrations
- Personalize offerings and interactions based on insights
- Improve usability across digital touchpoints (e.g., websites, apps)
- Train employees to deliver empathetic, knowledgeable support

6. Attain Compliance

For many industries, regulatory compliance is non-negotiable. Compliance-focused projects aim to ensure legal, safety, and industry standards are met—mitigating risk and avoiding costly penalties.

Key strategies:

- Monitor and adapt to changing regulations
- Conduct regular audits to detect and close compliance gaps
- Implement standardized policies and procedures
- Train employees to maintain regulatory awareness and adherence

Conclusion

A strong improvement effort starts with a clear goal—and often succeeds because it addresses multiple objectives at once. Defining what success looks like helps teams focus, measure progress, and adjust as needed.

Once the right goals are established, **Strategic Process Management (SPM)** provides the organizational framework to deliver them. By aligning workflows, roles, and systems around shared objectives, SPM enables the entire organization to work as one—consistently executing on its value proposition with clarity, precision, and purpose.

The GMOST framework is an excellent way to set impactful improvement goals and build projects to achieve them:

Goals:	Define clear and strategic improvement targets for project.
Metrics:	Establish measurable indicators to track progress to goals.
Opportunities:	Identify problem areas that must be resolved to attain goals.
Strategies:	Develop the method and approach to achieve each goal.
Tactics:	Execute each strategy's specific actions.

Meaningful goals are the driving force behind successful improvement projects. Using the GMOST framework, an organization is staged to align to strategic planning, define goals with clarity, execute with precision, and measure progress with consistency.

3

Architecting Workflow:

A Blueprint for Operational Excellence

All enterprise value is delivered through work —the structured performance of tasks, decisions, and activities that generate outcomes for customers. Yet, one of the most persistent challenges in improving workflow performance is the lack of clear workflow architecture.

While many managers recognize the importance of business processes, they often struggle to visualize or articulate how these processes fit together to form a coherent system. Without a clear architectural view, it becomes difficult to identify root causes of inefficiency, prioritize initiatives, or structure effective improvement projects.

Strategic Process Management (SPM) offers a powerful lens to overcome this challenge. It shifts the organizational perspective from traditional hierarchies or departmental silos to a system of deliverables created through well-structured workflows. This approach enables more strategic thinking about how value is created and sustained across the enterprise.

Every department or business system within an organization exists to fulfill a specific value proposition. To deliver on that promise, it must produce key outputs through a series of interconnected business processes. These processes, in turn, are composed of individual tasks, events, and decisions that, when executed effectively, deliver measurable value to internal and external customers alike.

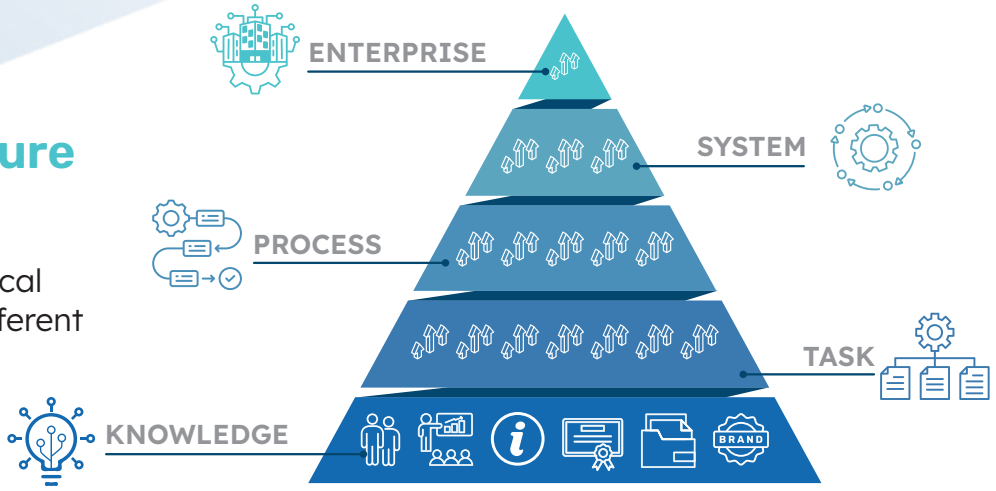
Over decades of fieldwork, **Business Enterprise Mapping (BEM)** has developed a robust and repeatable structure for understanding and improving workflows in organizations of all sizes and across industries. This structured approach provides a reliable way to:

- Analyze operational performance,
- Identify root causes of inefficiency,
- Uncover opportunities for improvement, and
- Enhance the organization's ability to deliver value.

By making workflow architecture visible and manageable, organizations can unlock powerful improvements in efficiency, alignment, and strategic execution.

The Five Levels of Workflow Architecture

We break down workflow architecture into five hierarchical levels, each representing a different scope and scale of activity.



Level 1: The Enterprise

The top level encompasses the entire organization or profit center, including all business systems necessary to support the enterprise's mission and deliver its value proposition. In larger organizations, an enterprise might represent a single profit center or division, while in smaller firms, it might be the whole business.

Level 2: Business Systems - Twelve Standard Systems

A business system is a set of interconnected business processes that collectively serve a major organizational purpose. BEM identifies twelve standard business systems that are applicable across industries, regardless of the organization's size or shape. These systems include:

1. Enterprise Management:

Oversees strategy, performance metrics, and high-level decision-making like mergers and acquisitions.

2. Financial Management:

Handles the flow of capital, accounting, and financial reporting.

3. Facilities Management:

Manages enterprise buildings and workspace environments.

4. Equipment Management:

Installs and maintains essential equipment.

5. Employee Management:

Recruits, develops, and retains talent.

6. Information Management:

Secures and organizes physical and digital information.

7. Customer Management:

Manages the customer journey from initial contact to long-term relationship.

8. Solution Management:

Develops new products and services and manages portfolio of existing offerings.

9. Supplier Management:

Oversees relationships with vendors and service providers.

10. Operations Management:

Produces and delivers customer value through services or products.

11. Service Management:

Delivers post-production support such as installation, maintenance, and customer service.

12. Improvement Management:

Identifies and implements performance enhancements across systems and processes, and manages compliance and Health, Safety & Environmental.

Each of these systems play a vital role in achieving the overall goals of the enterprise. While their scope and complexity may vary by organization, their structural roles and contributions remain consistent.

Level 3: Business Processes

Each business system typically includes 8 to 12 distinct business processes. These processes represent chains of activities that take inputs from suppliers and apply transformations to generate outputs for internal or external customers. They are the core building blocks of value creation.

For example, we would expect a Solution Management System to contain processes like:

- Concept Generation
- Planning
- Design
- Verification
- Validation
- Change Control
- Product Review
- End-of-Life Planning

Surprisingly, many managers are unfamiliar with the specific business processes under their control, hindering effective performance management. By clearly defining these processes, organizations can better understand how value is created—and where it might be lost.

Level 4: Tasks, Events, and Decisions

At this level are the individual tasks (actions or jobs), events (like meetings or training sessions), and decisions (e.g., go/no-go, checkpoints) making up each business process. On average, a process might have 30 to 50 of these elements, ideally with each contributing to turning process inputs into outputs.

A key pitfall in many organizations is attempting to improve task-level problems without understanding the broader process or system context. Isolated improvements often fail or have unintended consequences. Thus, any improvement at the task level should be guided by a clear understanding of its role within the process, system and beyond.

Level 5: Knowledge

The final level pertains to intellectual assets like policies, procedures, data, records, training materials, patents, and certifications. All this knowledge is the fuel that drives effective execution at all workflow levels. It is accessed and applied through tasks, decisions, and events.

By understanding where and how knowledge is used or produced, organizations can ensure it is available at the point of need. This improves decision-making, reduces errors, and enhances overall process performance. Managing knowledge as a core part of workflow architecture also supports long-term organizational learning and adaptability.

Manage People Though the Work

The traditional organizational chart focuses on reporting relationships and authority lines. However, workflow architecture emphasizes work itself—what must be done to create value for customers. This shift is crucial for meaningful improvement. Rather than randomly fixing individual tasks or trying to optimize small elements in isolation, organizations should:

- Improve **tasks** to fix local issues,
- Improve **processes** to enhance internal value creation,
- Improve **systems** to generate transformational enterprise-wide benefits.

This approach aligns organizational structure with customer value and performance goals. Our five-level model is a comprehensive framework for rethinking operations, aligning resources, and delivering superior value to customers. Meaningful improvement goals are obtained by studying the appropriate business system or systems. The twelve Business System model enables visualization of cause and effect relationships needed to build an improvement project that does not narrowly focus on pain points and ignore the source. By moving beyond organizational charts and focusing on how deliverables are produced, organizations can unlock new levels of efficiency, adaptability, and strategic alignment.

4

From Vision to Value:

Building Sustainable Improvement

A well-structured project plan systematically addresses the process and business system deficiencies preventing performance goal achievement. Developing a successful project plan requires careful planning and execution, taking six essential project components in turn.

1. Establish Project Team

Any improvement initiative's success hinges on assembling the right project team. The effective team includes key stakeholders who understand the current processes and their deficiencies and can contribute to implementing improvements. Key members may include:

- **Project Sponsor:** Senior leader supporting the project and ensuring alignment with organizational goals.
- **Project Manager:** Responsible for overseeing the plan, tracking progress, and ensuring timely execution.
- **Process Owners**: Employees directly involved in the current processes, offering valuable insights and feedback.
- **SMEs:** Experts like Data Analysts using data to identify process inefficiencies or IT Specialists helping with digital integration for process improvement.

A well-balanced team ensures all perspectives are considered and improvements align with both strategic and operational goals.

2. Define Improvement Actions

The Project Team will need a project plan that outlines specific improvement actions to take. Developing this plan involves identifying pain points, analyzing existing workflows for upstream causation, and brainstorming potential solutions. The actions should follow a structured approach, such as:

- **Process Mapping:** Documents the current workflow - including issues and improvement opportunities – and is an ideal tool for diagnosing problems, preparing for new software, or standardizing execution.

- **Gap Analysis:** Compares the current state to the desired state to identify improvement areas.
- **Root Cause Analysis:** Uses tools like the 5 Whys or Fishbone Diagrams to determine underlying deficiency causes.
- **Solution Development:** Creates improvements to resolve deficiencies, like automation, policy changes, or workflow restructuring.

Each action is documented in the plan with a **clear objective, responsible team member, requisite dependencies, and expected outcome.**

3. Establish Realistic Timeline

A well-defined timeline is crucial for keeping the project on track and is documented at action level of the plan. It should include:

- **Short-term goals:** Quick wins providing immediate improvements.
- **Mid-term milestones:** Key deliverables showing progress toward full implementation.
- **Long-term objectives:** Final steps to achieving full process improvement and optimization.

A realistic timeline prevents project delays while ensuring each phase of improvement is properly tested and refined before moving forward.

4. Allocate Resources Effectively

To be successful, a BPI project requires a variety of resources, including:

- **Human Resources:** Assigning the right personnel to lead and support improvements.
- **Technology & Tools:** Implementing digital solutions, automation software, or data analytics tools.
- **Financial Budget:** Allocating adequate funds for training, software, and other necessary investments.

Proper resource planning ensures the team has everything needed to execute the improvement plan without unnecessary roadblocks.

5. Develop Clear Schedule

The project schedule outlines dates on which each action and milestone will be completed. Tools like a Gantt chart or Kanban board can help visualize tasks, dependencies, deadlines and potential issues. An effective schedule includes:

- **Review periods:** Scheduled checkpoints to assess progress and make necessary adjustments.
- **Stakeholder meetings:** Regular updates with executives and team members to ensure alignment.
- **Testing and validation:** Time allocated for running pilot programs or testing new workflows before full implementation.

With a clear and structured schedule, the project team stays organized and accountable for meeting deadlines.

6. Manage Implementation Logistics

Logistical planning is the final component of a smooth project execution. This includes:

- **Communication Plan:** Keeps all stakeholders informed through regular updates and reports.
- **Training & Change Management:** Ensures employees understand new processes and are equipped with the necessary skills.
- **Risk Management:** Identifies potential risks and develops contingency plans.

Strong logistical planning ensures process changes are effectively rolled out without disrupting daily operations.

The structured BPI approach to streamlining operations, increasing efficiency, and attaining performance improvement goals drives business success. Continuous evaluation and refinement of processes will ensure improvements remain effective.

5

Mapping for Impact:

Unleashing the Power of the Perigon Playbook

Business Process Mapping (BPM) is foundational to any successful improvement; it's the fastest, most effective tool for defining the current process including finding and documenting opportunities for improvement. Process maps visually portray how work moves through an organization, passing from one process to another, and the task and decision challenges encountered along the way. Process mapping is a versatile, powerful approach when

- Simplifying workflows,
- Standardizing processes for automation,
- Analyzing cross-functional capabilities and performance,
- Optimizing product introduction,
- Complying to regulatory standards,
- Supporting quality management systems,
- •Navigating mergers or acquisitions.

Key Elements of a Business Process Map

When attempting to map business processes, lack of a universal standard leads to inconsistency. To be an effective instrument for performance improvement, a process map should include these key elements:

- **Process Owner:** The individual accountable to define and continuously improve the process.
- **Purpose**: The process must solve customer problems and add more value than it costs.
- **Suppliers & Inputs:** Suppliers provide the physical or intellectual raw materials transformed during the process.
- **Tasks, Decisions, and Events:** The process activities that lead to process outputs.

- **Knowledge Requirements:** The intellectual resources upon which processes rely for execution.
- **Outputs & Customers:** Process outputs must solve problems for internal and/or external stakeholders.
- **Responsibilities:** Roles in the business are identified as Responsible, Approve, Consult, or Informed for each task, ensuring clear accountability.
- **Metrics:** Process performance monitoring depends on meaningful metrics such as effectiveness, quality, efficiency, and response times.
- **Opportunities:** The 25-50 improvement opportunities often uncovered during mapping are visually identified in the map.
- **Connectivity:** Processes interconnect to build the customer-supplier relationships that make up the workflow.

Elevating BPM – Using the Perigon Method & Playbook

Many organizations use BPM as a temporary tool during analysis or software implementation. **Perigon Playbooks** treat process maps as valuable, long-term organizational assets. Containing all the key elements makes them more than a visualization tool; they are the intellectual property defining how a company operates.

The Perigon Playbook organizes process documentation into four main elements, structured like a book:

1. **Process Scorecard (Book Cover):** Outlines the value proposition, performance metrics assessment, and key process analysis results.

2. **Architecture Map (Table of Contents):** Provides an executive summary highlighting the process SIPOC - its main suppliers, inputs, backbone activities, outputs, and customers.

3. **Process Map (Book Contents):** Goes beyond a single diagram to include up to three process states: **Current State** details the existing workflow, identifying problems and opportunities; **Near State** represents planned or implemented improvements; and **Future State** envisions a streamlined process using best practices and automation. Process maps need to accurately and completely visualize inter-process hand-offs to deliver seamless workflow execution. Well-connected processes align to the business system's purpose, which aligns with the enterprise's strategy.

4. **Process Knowledge (Appendix):** Captures the deep intellectual knowledge required to execute and improve the process. This includes:

- **Customer Value Assessment** to understand customers' quality, cost, and service expectations.
- **Information Analysis** to detail the information integral to providing process deliverables, including its readiness for use.
- **RACI Analysis** clarifies role assignments.
- **Value & Metrics Analysis** evaluates task impact and identifies key performance indicators.
- **Opportunity Analysis** to prioritize improvement areas.
- **Process Improvement Plan** outlines the actions, owners, and timelines needed to enhance the process.

The Perigon Playbook is a strategic asset that enhances cross-functional alignment, embeds institutional knowledge, drives sustained process improvement, and facilitates enterprise-level performance gains. The Perigon Method defines processes from multiple perspectives and embeds them into the company's operational structure, transforming BPM from a one-time activity into a living strategy.

When used correctly, process maps are the foundation of organization performance, offering powerful insights, uncovering improvement opportunities, and helping to standardize and scale operations. The Perigon Playbook elevates this even further, turning BPM into an integrated, comprehensive system for enterprise success. Businesses that embrace this holistic approach can achieve better decision-making and attain their improvement goals with a stronger foundation for growth and innovation.

6

From Participation to Performance:

Engaging Employees Through Process Mapping

When creating process maps, many analysts interview employees then return to their desks to draw what they think the process looks like. Doing so misses a huge opportunity to engage employees. Our Perigon Method directly involves the people who do the work in workshops and discussions to define and improve the work. Their inputs shape the process, and their involvement drives results. There are several reasons why our collaborative approach energizes and empowers employees to drive improvement:

1. **Gives Work Purpose** Employees want their work to matter. Many engagement initiatives fail because they don't address meaningful problems, leaving employees feeling unheard and undervalued. Including employees in process mapping shows their work is important, gives them a voice in shaping solutions, and helps them see how their role fits into the bigger picture. That clarity builds purpose and commitment.

2. **Encourages Story Sharing** For many employees, our workshops are the first time they've had a chance to explain how they do their job. They're encouraged to walk through the process from beginning to end, which sparks conversations about how to improve efficiency and outcomes. This storytelling creates engagement. Employees feel seen, heard, and respected for their expertise, all key drivers of satisfaction and motivation.

3. **Breaks Down Barriers and Builds Teams** Departments often operate in silos, with limited communication outside of leadership. But processes typically cross boundaries as they move from supplier to task to customer. That's where process mapping excels by revealing where handoffs break down. By following the work, process mapping encourages collaboration across teams, often forming new cross-functional groups to implement improvements. People who might never have worked together unite around a shared goal, strengthening teamwork and trust.

4. **Builds Skills** Every project delivers an "aha" moment when employees begin to understand how process thinking can improve performance. Provided training in process-based management, analysis tools, data gathering, and deployment, employees gain valuable skills they'll carry throughout their careers. When they help shape how their work is done, they become more motivated and invested. Process mapping becomes not just an analytical tool—but a powerful vehicle for long-term engagement, satisfaction, and performance.

What Ownership Means In SPM

High-performing SPM organizations define clear accountability at the system and process level. Ownership aligns with actual workflows, not job titles or reporting hierarchy. For example, the president might own the Strategic Management Process, while a warehouse clerk owns the Receiving Process. In this case, both people are Process Owners with the same responsibilities for the process they own, regardless of their titles. In the SPM workflow architecture, there are key ownership roles:

- **Enterprise Owner** drives strategic priorities across the organization. Usually a business owner or C-suite member, the Enterprise Owner promotes open communication, monitors progress and builds a culture of continuous improvement.
- **System Owner** oversees performance and improvement across an entire business system. Often on the executive or management team, the System Owner guides process mapping from the start and supports Process Owners in successfully fulfilling their responsibilities.
- **Process Owner** is responsible for the performance of their process. This role doesn't require a supervisory title, just leadership skills, process knowledge, and the ability to communicate and collaborate. Each Process Owner must keep their process map and supporting materials current, manage structured change control, ensure alignment across functions, and lead process teams in continuous improvement. They also represent their processes during audits and serve as key points of contact for process questions or suggestions. A strong Process Owner exhibits:
    - Flexibility and openness to sharing and receiving feedback.
    - Deep process technical knowledge and the ability to educate others.
    - Dedication to implementing improvements and maintaining standards.
    - Engagement by presenting process status and opportunities to leadership.

- **Task Owner** is the subject matter expert responsible for executing specific tasks, ensuring their quality and integrity. A Task Owner is also expected to collaborate with colleagues, suggest improvements, and provide insight based on real-time, hands-on experience. Employees with specialized knowledge, particularly in compliance or risk, are consulted as needed in this role.

Implementing SPM may require adjusting reporting lines to empower Process Owners. At a minimum, roles must be clearly defined, and owners should be equipped to manage performance and respond to feedback. In advanced environments, the org chart itself evolves to be structured around business systems rather than departments. Employees are grouped by skills and responsibilities. In some organizations, “Process Owner” becomes a formal title or recognized role.

Shifting to a workflow-based structure affects performance management. HR must adapt evaluation systems to incorporate process participation and ownership. Reward structures should reflect contributions to process improvement, not just job tasks. Trained, capable, and empowered employees are the key to successful, sustainable performance.

7

Mastering Process Analysis:

Assessing Waste, Accountability, Information, Automation, and Value

Every process should be analyzed to glean all the possibilities for improving it. Effective process analysis requires a comprehensive, systematic examination of multiple dimensions, including how value is created, how resources are used, the state of key information and technology interactions and more.

Five Essential Areas to Examine

There are five dimensions of process analysis that are key to providing a practical framework for evaluating and improving any business process. Each deserves careful, detailed study to increase process understanding, best determine and prioritize improvement actions to take, and gain the foundation for appropriate process performance metrics.

1. **Value Added: Assess Waste** At the heart of process analysis is understanding value-added work. Value-added activities are those that directly contribute to meeting customer needs and expectations. Every step in a process should either create value, transform inputs into outputs, or be legally required. Waste is anything else, or activities that consume time, resources, or effort without delivering value. Examples include overproduction, wait time, transportation, over-processing, excess inventory, unnecessary motion, and responding to defects.

   To analyze value-added work, categorize each task based on how it contributes to the primary purpose of the process. Each task is either value-added, necessary but of limited value, or not value-added at all. Focus improvement efforts on eliminating or reducing waste wherever possible. Maximizing value-added activities and minimizing waste can improve productivity, reduce costs, and enhance customer satisfaction.

2. **Responsibility: Assess Accountability** A process is only as strong as the clarity of responsibility assignments. Confusion over who is responsible for decisions, approvals, and task execution can lead to bottlenecks, rework, and inefficiency. When analyzing a process, assess how authority and responsibility are assigned:

    - Is there a clearly defined Process Owner?
    - Are decision-making responsibilities aligned with the people closest to the work?
    - Are there overlaps or gaps in accountability?

    Tools such as a RACI chart (Responsible, Approval, Consulted, Informed) can be invaluable for clarifying roles and ensuring that responsibility is properly distributed across the process.

3. **Information: Assess Knowledge** Information, whether it be data, documentation or other intellectual property, is the fuel that drives process execution. Without the right information at the right place at the right time, processes slow down, errors increase, and quality suffers.

    When assessing information flow, identify the information required to execute each task and to produce and provide the primary deliverable. Determine if the information identified needs to be improved. Evaluate how it is shared between departments, systems, and individuals. Ideally, employees have access to accurate, up-to-date, and complete information; anything else is an improvement opportunity. With business records, understand where and when they are created, if they are required, their quality and how securely they are stored. Redundant, poorly maintained, overly cumbersome, or insecure information can bog down workflow or create risk.

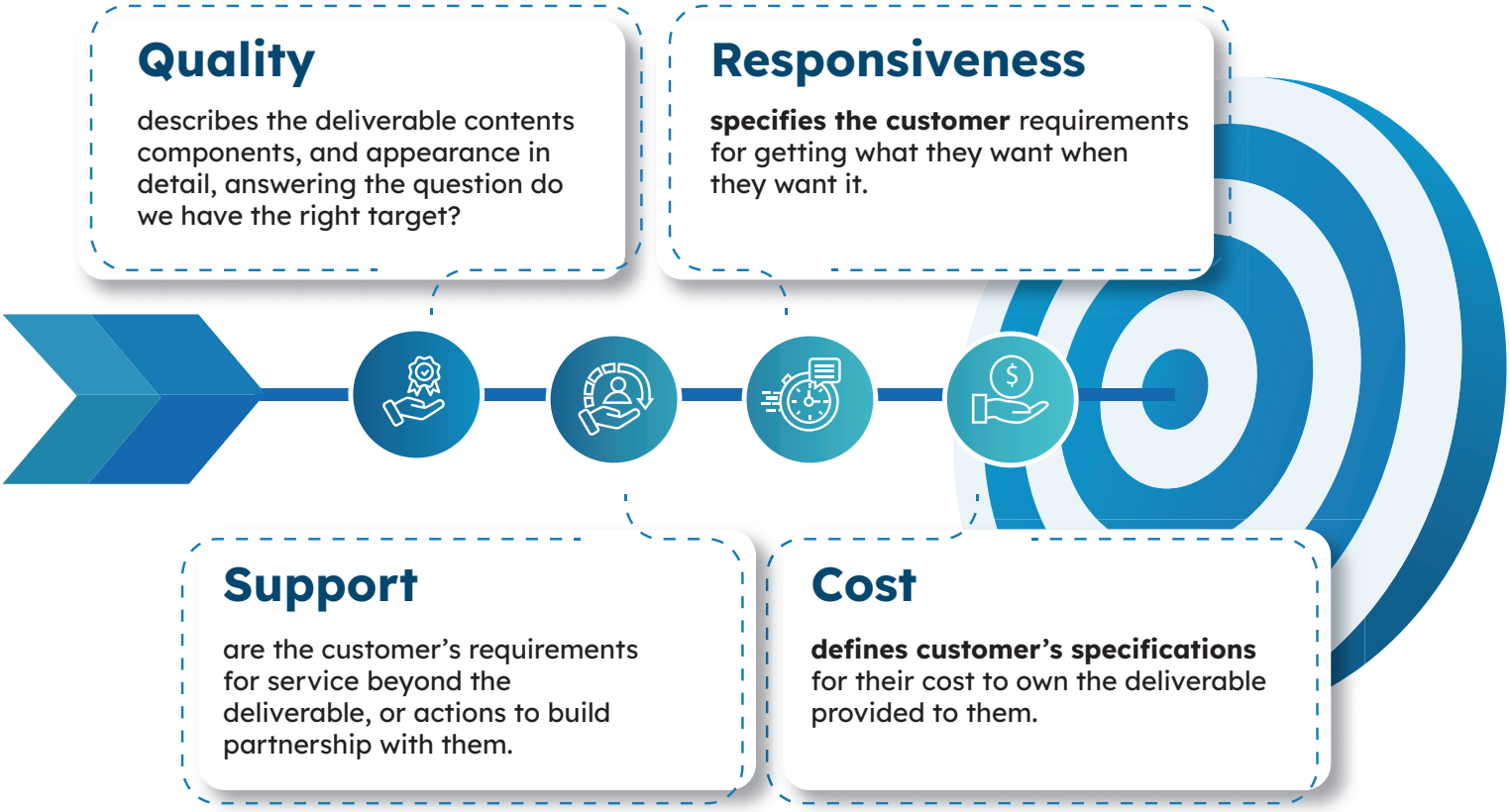
    A strong process ensures that knowledge is not hoarded, lost, or misunderstood. Clear communication protocols, accessible documentation, and effective training are critical to maintaining information quality throughout the workflow. Good documentation underpins effective process management. It provides evidence of completed work, supports regulatory compliance, and preserves organizational memory.

4. **Automation: Assess System Utilization** Almost all business processes generate, transfer, move, or manipulate data in some way, often using a variety of software applications and digital storage locations. To understand how well a process functions, you must know the detailed interaction of software, hardware, and network structures used during execution. The extent to which a lack of integration causes duplicated efforts, opportunities for errors or dropped balls, or manual workarounds directly drives inefficiency. Storing data in multiple locations can create data confusion and inaccuracy, which in turn reduces trust in the data itself. Lastly, knowing how a process currently utilizes systems is critical when designing future automation.

Assessing the utilization of software applications and digital systems requires identifying the software, apps, devices, and networks interacted with to execute each task. This includes identifying each file format accessed, every program used to create, move or manipulate data, and the devices used to engage technology. As each task's digital footprint is defined, issues with duplication, insecure data, format or process inconsistency, unnecessary manual intervention, or unwarranted complexity become readily apparent. And all are opportunities to improve so that technology supports streamlined, connected workflows.

5. **Primary Deliverables: Assess Customer Value Model** Every business process and system has a value proposition it delivers to its primary customer, most often another system or process in the organization. Internal value propositions are delivered in the product or service deliverables that fulfill the purpose of the process or system. One of the most common deficiencies in workflows is a lack of defined and specified deliverables, resulting in myriad performance issues at process and system boundaries.

   The Customer Value Model framework describes the customer's requirements with four aspects:



It is critical to assess the extent to which internal customer requirements are known, understood and specified in detail, at the process and system levels. Any lack of clarity will cause confusion at best and inconsistent outcomes or failure to meet customer needs at worst.

The results of these five key process analysis dimensions will increase the level of detailed accuracy in the process definition and documentation, uncover additional improvement opportunities and deepen the owners' understanding of their performance drivers.

8

Breaking Down Barriers:

A Red Cloud Strategy for Managing Improvement

In our Perigon Method, Red Clouds represent barriers and inefficiencies preventing an organization from achieving its goals. Approximately 70% of Red Clouds found in a business mapping project are rooted in process deficiencies within an empowered and well-supported process team's ability to resolve. Many can be resolved quickly, if organizational structure does not impede action. Empowering Process Owners to resolve issues directly, without excessive hierarchical approval, accelerates improvement and builds a culture of proactive problem-solving.

Traditional structures often delay improvements, as approvals must travel up and down the hierarchy. Strategic Process Management (SPM) counters this by aligning problem ownership with those closest to the process. When Red Clouds are resolved at the right level—process, system, or enterprise—leadership can focus on strategy rather than operational firefighting.

Analyzing Red Clouds

Red Clouds are identified by those who experience them through one of four channels:

- Process Definition – challenging assumptions of how work is traditionally done,
- Process Analysis – evaluating state of process characteristics to find gaps or faults,
- Discovery – identifying issues through formal assessments or metrics,
- Feedback – capturing insights from customer complaints or failures.

SPM assumes "It's the process, not the people"; problem-solving starts by objectively and collaboratively describing problems with process design, or the lack thereof.

A typical enterprise contains thousands of Red Cloud opportunities, roughly one per task. The Perigon Method for process mapping and improvement actively addresses common issues like undefined work steps, inconsistent deliverables, disconnected workflows, outdated information, redundant reviews, training gaps, weak decision criteria, missing supplier-customer links and a lack of process metrics. To manage this volume of improvement needs, follow a structured analysis framework:

1. **Develop the Problem Statement.**
   Each Red Cloud must be clearly defined with its business impact stated. Eliminate duplicated or resolved issues and assign unique, traceable reference numbers to each.

2. **Categorize the Red Clouds.**
   Issues are sorted into five categories:
   - Process Control (design flaws)
   - Process Boundary (at handoffs between processes)
   - People & Culture (capabilities, training, attitudes)
   - Equipment & Tools (technology gaps)
   - Environment (infrastructure issues)

3. **Prioritize Based on Criticality.**
   Each Red Cloud's business impact is either High (severe, urgent, costly, or process-halting), Medium (important but not urgent, the default category), or Low (enhancements or inefficiencies). Analysis of Red Clouds includes assigning criticality to each.

4. **Identify Quick Wins.**
   About half of Red Clouds are simple "Quick Wins" that can be resolved without major investment. Larger, more complex issues may need budget, ROI analysis, inter-departmental collaboration, and various approvals. These can be broken into smaller scopes to accelerate action.

5. **Update Process Maps.**
   Remove resolved or irrelevant Red Clouds from process maps. The remaining are color-coded for criticality and marked with their reference numbers for traceability and visual clarity.

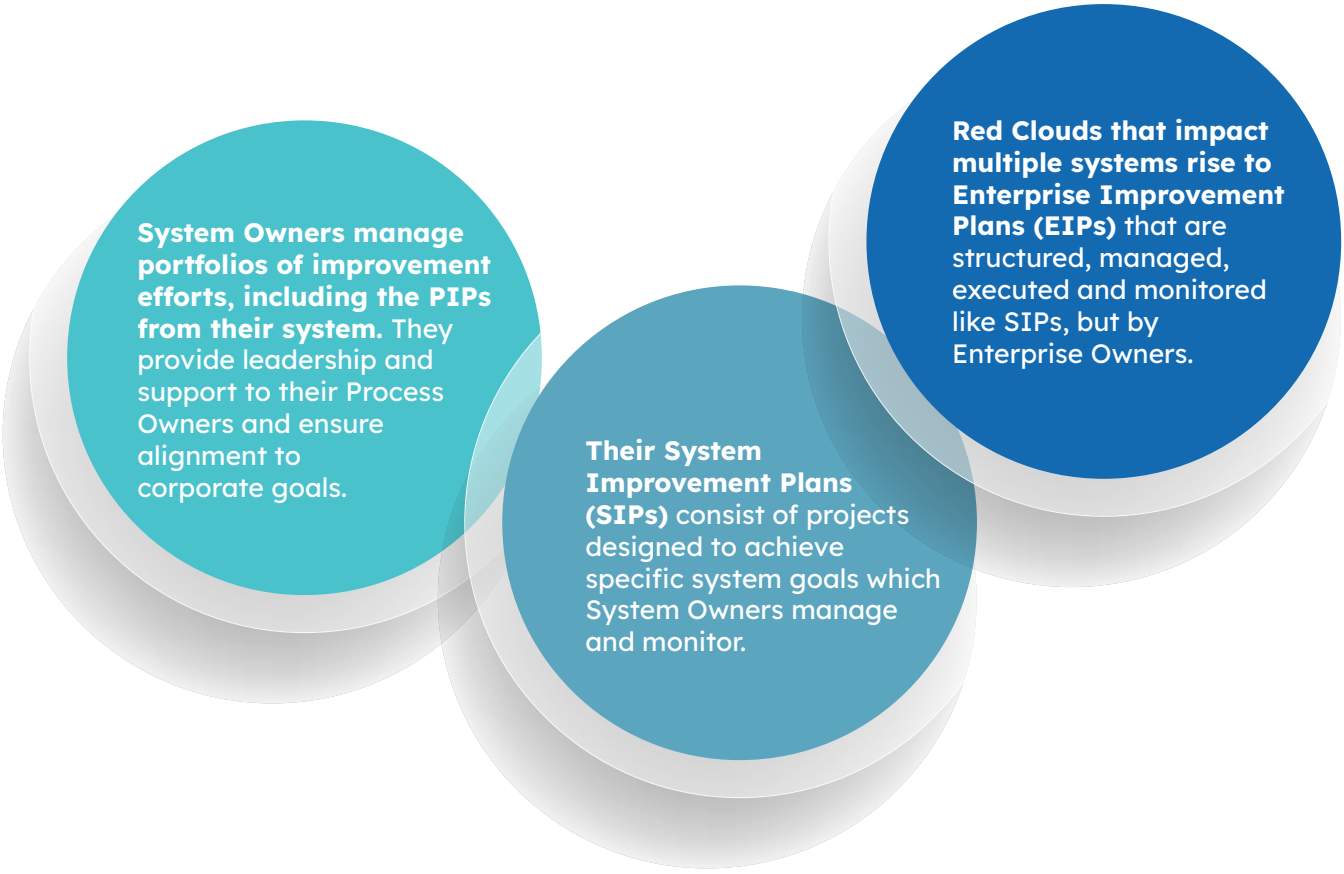
Building Process Improvement Plans

Process Owners are responsible for analyzing opportunities and creating Process Improvement Plans (PIPs) during a BPI project. System Owners ensure these plans align with system and enterprise strategies. PIP execution begins by focusing on Quick Wins, which often remove non-value-added activities from the workflow. Even modest efficiency improvements can generate major enterprise savings, when the improvement is amplified by scale.

Each PIP should include:

- A list of actions to take to resolve the Red Cloud,
- Responsibility assigned for execution of the actions,
- Identified support roles from across the organization needed to execute the actions,
- Timeline for resolution, either 30-, 60-, or 90-days,
- Measurement defined to evaluate success resolution,
- Improvement Plan progress tracked through monthly System Reviews,
- Post-implementation cost-benefit evaluation,
- Required updates to process maps and training to reflect improvements.

PIPs are dynamic; as Red Clouds are resolved, new ones are found or emerge and are added.



All improvement plan progress is monitored through regular Reviews and status reports to leadership and key stakeholders. At each level of the enterprise, owners are managing the Red Cloud portfolio within their responsibility, including resource allocations and prioritizing execution of improvement projects and actions.

Cultural transformation accelerates as more people identify and report issues, which are systematically added to Improvement Plans and acted upon. Some companies introduce recognition programs to reinforce this behavior. As more business systems are improved, focus and resource allocation can shift to enterprise-level improvement efforts. These interlaced Improvement Plans in execution provide a continuous feedback loop that gradually transitions the organization from reactive to proactive behavior.

High-performing companies create a unified database that tracks all Red Cloud opportunities. Such a living system offers real-time access to the full portfolio with status of issues, ROI summaries, action and contributor traceability and comparisons between business systems and processes. By empowering Owners at all levels of the business and using structured methods for analysis and improvement planning, SPM transforms scattered efforts into a disciplined, scalable, and sustainable system of enterprise-wide continuous improvement.

9

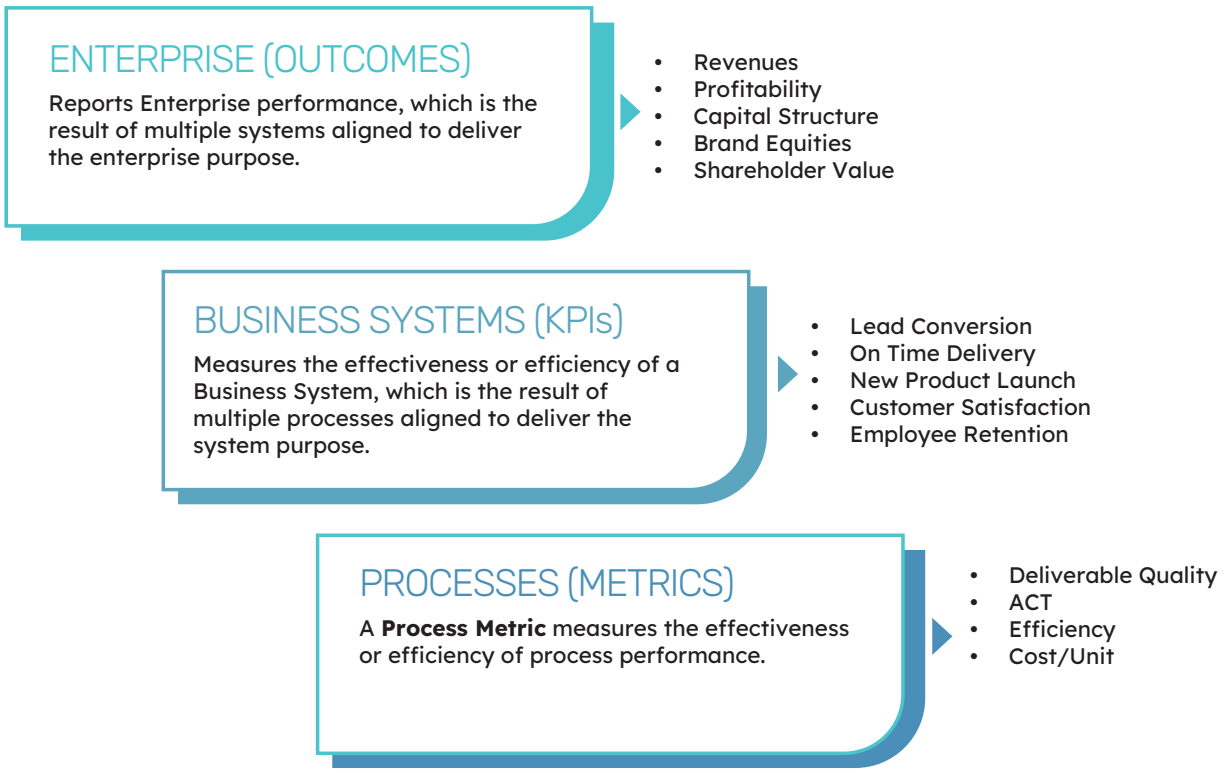
Measuring What Matters:

Aligning Metrics to Drive Improvement

Organizations rely on data to drive strategic decisions and optimize performance, but not all metrics are created equal. Enterprise outcome results, business system KPIs, and process metrics each offer a unique lens through which to appropriately view performance. Understanding the differences and how they best work together is essential for developing the holistic performance management strategy for SPM.

Each metric level plays a distinct role, with its own sphere of causality and influence within the performance measurement ecosystem. Enterprise outcomes answer the “what” by defining what success looks like at a strategic level. Business system KPIs answer the “how” by revealing how various business functions contribute to overall success. Finally, process metrics answer the “why” by uncovering why certain systems may be underperforming or exceeding expectations.

Outcomes, KPIs and Metrics



Enterprise Outcomes
Enterprise outcomes represent the end goals of a business. They capture the overall impact of strategic initiatives on the organization's long-term health and market position. These outcomes are often tied to broad, overarching objectives such as profitability, market share, customer satisfaction, and shareholder value. Enterprise outcomes are typically measured over longer time frames and are the result of multiple business systems aligned to deliver the enterprise purpose.

For example, an enterprise outcome might be the annual revenue growth rate or the increase in net promoter score (NPS) over a fiscal year. These metrics give executives a snapshot of how well the organization is meeting its strategic goals. Because they are broad in scope, enterprise outcome results are influenced by a variety of factors—both internal and external—and often require a blend of quantitative and qualitative data for proper interpretation.

Business System KPIs
Business system Key Performance Indicators (KPIs) serve as the bridge between high-level enterprise outcomes and the operational details of day-to-day business functions. System performance results from multiple processes executed and aligned to deliver the system purpose. System KPIs are specifically designed to measure the extent to which the system is effective and efficient in its execution, and compliant and responsible as warranted. These KPIs, while still strategic, offer more immediate feedback on the performance of specific departments, like on-time delivery, new product launch success, or employee retention.

For instance, a sales system KPI could be the leads-to-customer conversion rate, while a customer service KPI might track the average resolution time for customer inquiries. The purpose of business system KPIs is to offer actionable insights that can be directly linked to strategic objectives. By monitoring these indicators, System Owners can quickly identify when their system is underperforming and implement corrective measures before small issues escalate into major problems, or probe for improvement opportunities in pursuit of the business' larger goals. What sets business system KPIs apart is their ability to balance detail with strategy. They distill complex processes into understandable and manageable data points, making it easier for stakeholders at different levels to comprehend and act upon performance trends.

Process Metrics
Process metrics are the most granular level of performance measurement and are focused on the effectiveness of the primary process deliverable and the efficiency of the process execution that provides it. The deliverable is effective to the extent it meets the customer's requirements for it. Efficiency metrics provide meaningful feedback on resource waste during process execution. Metrics to capture process compliance, or safe and ethical operations can also be integral to understanding performance. Process metrics are often highly detailed and are designed to track workflow minutia such as accurate, complete & timely (ACT) deliverables, task completion, error rates, cycle times and support responses. While process metrics might not directly influence the bottom line on their own, they are critical for understanding the mechanics behind business system performance. They are tactical, delivering real-time or near-real-time data that can inform day-to-day decision-making.

Consider a manufacturing company illustration: while enterprise outcomes might include overall production output and profitability, business systems KPIs would likely include on-time delivery and vendor ratings. Within the operations business system, process metrics might monitor the time taken to assemble a product, the defect rate per batch, or the downtime of machinery during production. There are hundreds of possible metrics to provide Process Owners with the data they need to identify bottlenecks, streamline processes, and improve overall operations. Which effectiveness metrics to choose relies entirely on the primary process customer's requirements; efficiency metrics should reflect the organization's priorities. Summaries of a few essential metrics are shown following.

Synchronization
Customers want what they want when they want it. They demand a variety of available selection, quicker turnaround, and faster delivery. Synchronization measures the level of volume match-up between customer demand and process supply; synchronizing successful output to customer's consumption need is an often neglected yet critical component of controlling successful performance.

Effectiveness
Effectiveness assesses the ability to create and serve a loyal customer. Every process with a winning value proposition effectively solves its customer's problem. The ability to measure and evaluate effectiveness is essential. Process or effectiveness is made of two key components: (1) the Target Specification for the output must be fully defined through a Service Level Agreement (SLA), and {2) the process or system must produce an Accurate, Complete & Timely (ACT) output to that defined specification.

Efficiency
Efficiency assesses the ability to minimize waste while serving customers. It can be measured through Productivity, First Pass Yield, and Cycle Time.

Productivity assesses the economic value provided by a resource compared to the cost of its acquisition and operation.

First Pass Yield (FPY) assesses the ratio of good products produced by a process versus inputs received into the process. Yield measures the percentage of products that are produced right the first time.

Cycle Time measures the time required by a process to receive inputs provided by suppliers and transform them through tasks into outputs desired by the customer.

SPM & Measurement

SPM enables an organization to shift from a reactive focus to a preventive one. As processes and business systems improve, a body of leading indicators will replace lagging, reactive metrics in a prevention focused measurement infrastructure. Metrics at any organizational level should provide actionable feedback that directs leaders, managers or system and process owners to improvement & prevention opportunities; it's not enough to know how well or not you are doing, you also need to know why. These considerations are more complex and far reaching when looking at Enterprise outcomes but are just as important at the business system and process levels.

Process metrics are invaluable for continuous improvement initiatives. Data from process metrics can be aggregated to form business system KPIs, which, in turn, inform the enterprise outcome results. By focusing on the details, organizations can pinpoint quality issues and inefficiencies to optimize processes, leading to improvements that eventually contribute to better business system KPIs and, ultimately, stronger enterprise results. When these layers are aligned, their cause and effect relationships create a direct line from daily operations to strategic objectives, ensuring that every action contributes to long-term success. Performance is understood, not just tracked, and measurement targets how the process, business system or enterprise creates value.

10

Design for Impact:

Rethinking How Work Gets Done

Business process workflow redesign involves the radical overhaul of core organizational processes and systems to better support business goals. This fundamental rethinking of business processes and systems aims to eliminate unnecessary steps, streamline activities, and reorganize process interconnectivity to align workflows more closely with strategic objectives. Unlike incremental improvements which focus on tweaking existing processes, redesign questions assumptions and reimagines how work *should* be done.

Process redesign is often confused with process improvement, but the distinction is critical: improvement enhances what exists; redesign starts from a blank slate. It's not a requirement for every organization adopting SPM, yet such a reimagining of how an organization produces value is key to the most successful implementations and starts at the process level.

There are several reasons for organizations to undertake process redesign:

- **Changing Customer Expectations:** Customers demand faster, more personalized, and more reliable service and legacy processes fall short of expectations.
- **Technological Advancements:** New tools, platforms, and automation technologies make it possible to redesign processes in ways that were previously unimaginable.
- **Cost Pressures:** Organizations under financial pressure must find innovative ways to reduce overhead and eliminate waste.
- **Standardization Across Divisions:** Post-acquisition overlaps or geographical functional inconsistencies need to rationalize and standardize processes for improved control.
- **Regulatory Compliance:** Compliance demands can highlight inefficiencies and risks that require major process overhauls.
- **Strategic Realignment:** As companies shift their strategic focus, their processes must adapt accordingly.

Redesign is not just about fixing problems; it's about creating future-ready systems that support long-term competitiveness.

Core Principles of Effective Redesign

Successful process redesign rests on these foundational principles:

- **Customer-Centric Thinking:** The ultimate purpose of any business process is to deliver value to its customer. Redesign must start with a deep understanding of what the customer values and work backwards to align internal workflows accordingly.
- **End-to-End Perspective:** Process redesign must examine entire workflows across departmental and process boundaries. Siloed optimization often creates friction at process handoffs and fails to address the root causes of deficiencies. No process functions in a vacuum; redesign must incorporate reimagining the interconnected workflow that produces value.
- **Elimination of Non-Value-Added Activities:** Every process contains waste or steps that add no value to the customer, including but not limited to, redundant approvals, manual data entry, and excessive documentation. One aim of redesign is to eliminate or automate waste to streamline the workflow.
- **Empowered Process Owners and Teams:** Those closest to the work often have the clearest insight into what's broken and how to fix it. They likely can best imagine optimal methods beyond current constraints. Redesign is most effective when cross-functional teams are empowered to challenge the status quo and propose bold changes to be executed in a way that makes it stick.
- **Data-Driven Decision Making:** Redesign efforts must be guided by evidence. Baseline performance metrics help identify where problems lie, analytical tools drive to the sources of the problems, and future metrics measure the success of new process designs.

Structured Approach to Redesign

Incorporating these foundational principles into a disciplined methodology for redesign ensures it delivers real results.

1 Select the Processes

Identify the processes that will yield the greatest strategic value if redesigned. They could be part of or a complete business system, or a value stream of processes from more than one system. Focus on those that are critical to customer satisfaction, operational success, or regulatory compliance.

2 Understand the Current State

Use tools such as process mapping, stakeholder interviews, and data analysis to thoroughly document how the processes currently work. This includes identifying handoffs, bottlenecks, delays, and sources of error.

3 Define the Desired Future State

Articulate what the processes should look like to best meet business and customer needs. Envision an ideal workflow, unconstrained by current limitations, and grounded in what technology and talent can deliver. Keep focused on value proposition delivery.

4 Design the New Workflow

Develop new processes, roles, technologies, and controls based on your future state vision. Prioritize simplification, automation, and seamless integration across systems. Rationalize fractured, scattered and redundant work into intentional design, putting the right tasks into the right processes. Consolidate or integrate duplicated processes into a single, standard process executed the same way no matter who does it or where it's done.

5 Test and Refine

Pilot redesigned processes in a controlled environment to gather feedback, monitor performance, and adjust as necessary before full deployment.

6 Implement and Monitor

Roll out the new workflow organization-wide, with attention to change management, including communication and the training required to support and execute the redesigned workflow. Establish performance metrics that provide actionable feedback over time to drive continuous improvement.

Change Management

Successful implementation of a redesigned workflow requires purposeful change management. These essential conditions must be considered:

01

Executive Sponsorship:

Without leadership support, teams may lack the authority or resources to drive meaningful change. Implementation will take time away from routine work and teams must be given the time and budget to participate without reprisal.

02

Stakeholder Engagement:

Failing to involve those impacted by the change can lead to resistance or flawed designs. Heavy engagement during major change efforts helps surface fears and concerns to be dealt with, improving the rate of success.

03

Appropriate Application of Technology:

While tools are important, redesign must begin with process goals, not software capabilities. Designing processes to execute work as desired may require tech updates and innovations, but more often tech tools just need to be appropriately leveraged and applied to support a new way of working.

04

Include the Human Element:

Change is hard. Without strong communication and support, employees may resist or revert to old ways of working. If a rate of change exceeds people's capability to absorb it, they risk becoming temporarily dysfunctional. Implementation planning must incorporate monitoring of how employees are handling the changes and providing abundant support.

05

Change Agent to Lead:

To lead and manage organization change requires patience, intentionality by visibly demonstrating the change, projecting confidence in the outcome, and diligent tracking of implementation progress. Communication skills are critically important to be sure the right message is delivered to the right people in the right way to move them toward the desired vision.

06

Control Discipline:

A redesigned workflow requires new or updated information – forms, files, instructions, data and documentation. Effectively controlling sources and version releases requires controlled mechanisms and a standard process for their use. If the organization lacks this structure, it must be implemented in tandem with the redesigned workflow.

Once the requisite conditions are assured, the Change Agent follows a systematic, planned and monitored approach to lead the organization through the implementation of the redesign. Strong, thoughtful communication is the key throughout, from how the need to change is articulated to the organization in the beginning, through honest status updates as implementation progresses, to transitioning fully to the new workflow that is monitored and whose results are regularly, transparently shared. The staying power of the redesigned workflow hinges on the trust built through implementation by forthright, planned and well-executed communication. This is not just broadcasting out to staff; getting input and feedback from those impacted by the change will uncover opportunities to improve the implementation and ongoing performance.

When done well, workflow redesign delivers significant value. Organizations see faster turnaround times, lower operational costs, improved customer satisfaction, and higher employee engagement. Just as importantly, the work to reimagine and redesign business processes fosters a culture of innovation and continuous improvement. Redesign is not a one-time fix—it's a mindset. In a world of constant change, the ability to rethink and rebuild workflows is a necessity to maintain competitive advantage.

11

The SPM Playbook:

Transforming Work to Unlock Competitive Advantage

If we simplify the essence of what must be managed and improved every day to achieve enterprise competitive advantage through SPM, we have marching orders. No matter your organization size or industry, the lasting and sustainable improvements of SPM can be yours, with this checklist.

1. **Demonstrate Commitment:**
   All successful performance improvement begins with senior leadership commitment. It's not enough to support SPM; you must demonstrate SPM is THE execution method to achieve strategic, long-term success.

2. **Relentlessly Educate:**
   SPM is a shift in the organizing and managing paradigm that renders old norms obsolete. It opens a whole new field of opportunity that requires giving employees the tools, education, and support they need to be successful. Focusing on basic tools for employees to improve performance is far more important than equipping a few with sophisticated equipment and letting everyone else fend for themselves.

3. **Reorganize Around Work:**
   Simplify the organization structure. Tackle the silos by rethinking responsibilities in terms of business processes and systems and the flow of work. In this way, leadership can align work with enterprise purpose, goals, structure, and accountability.

4. **Engage Experts:**
   People who do the work are the experts to define and improve their work. There is no more powerful improvement strategy than to distribute responsibility and accountability to the entire workforce. Engage, empower, and hold employees accountable to make a difference and they will improve their work environment and outcomes.

5. **Get the Right Metrics:**
   Intentionally designed, meaningful metrics help leadership pull the enterprise in the desired direction, while wrong metrics only serve as a barrier to desired change. The key is designing good measures that evaluate the extent to which the process or system purpose is being effectively and efficiently met, identifying who is responsible, and defining how actionable feedback is obtained.

6. **Streamline and Align Work:**
   Leaders are obligated to improve their business processes if they are dissatisfied with outcomes, starting with defining them and aggressively removing waste and non-value-added activities. Simplified processes perform well when thoughtfully designed and seamlessly connected to their customer and supplier processes. This connectivity is the single most effective way to weave the "voice of the customer" through your entire enterprise.

7. **Improve Enterprise Solutions:**
   Define process and system deliverables with clarity, completeness, and understanding. Developing the boundary specifications between processes alleviates many root causes of many workflow problems.

8. **Actively Manage Red Clouds:**
   Processes often contain 25 to 75 Red Clouds, uncovered just by asking process participants where their problems lie. In a typical business system, this can easily include up to 500 opportunities to systematically manage through their resolution.

9. **Matchup Resources:**
   Resource capacities should be matched to work requirements for company assets to best support the company's mission. Resources include people, equipment, money, information technology, and facilities. The best designed workflow will not perform as desired if it is over or under resourced.

10. **Centralize Data Management:**
    Inaccurate and insufficient data collection wastes time and effort as it continues to be pushed along through a system or a value stream. Distributed data storage and ownership means the control needed to improve data collection and access throughout the enterprise is lacking.

11. **Decentralize Knowledge Management:**
    Knowledge is often centralized and difficult to access. The enterprise's valuable intellectual property should be owned, controlled and available to those who need it, when and where they need it.

12. **Automate Where ROI Exists:**
    Automating low complexity, high volume transactions such as Accounts Payable, Customer Service Call Center, and IT Help Desk often deliver high return on investment to the enterprise. High complexity, low volume processes like New Product Introduction, Strategic Planning, and Marketing Product Launch are less likely to provide the ROI to justify automation.

13. **Fix What's Broken:**
    At the end of the day, improvement requires the implementation of new ways to yield a successful outcome. Broken processes cannot manage solutions to common problems and must be fixed.

14. **Manage Sustainability:**
    A lack of change management or control will interfere with the sustainability SPM provides for long-term success. Sustainability requires getting process definitions in place, identifying problems to be solved, implementing measures and analytics to solve those problems, holding the enterprise accountable for execution, and monitoring the results. Equally important are staff engagement and outcome ownership. A commitment to strengthening business systems and processes as a core cultural and strategic element is key.

SPM allows businesses to shed performance constraints inherent in traditional organizational management. This is where leaders make their living, or not. Great leaders move organizations from outdated processes to new and better processes and, of course, the sooner the better. This requires equal vision, drive, and courage. The more static and set in old ways the business is, the greater the challenge. Leaders who adopt SPM embrace workflow management as the foundation for improving enterprise performance in a way that delivers sustainable competitive advantage.

Ultimately, it is the work that delivers the organization's value proposition to create profits. The work must be consistently, intentionally and systematically improved for the organization to thrive.

BEM®
Business Enterprise Mapping

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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