Business Process Reengineering (BPR)

Process Innovation: The Basics

Overview

You may think that your processes are fine as they are. You use them every day and they seem to work. Transactions are being processed. Questions are being answered. Problems are being solved. Clients are being served.

However, many existing processes are “in motion.” They were developed years ago and have been tinkered with over time, but they have not been globally reviewed and updated since they were first established. They get the job done but you may not know how well.

A Process Innovation (PI) program will help your organization grow into the future by changing how you achieve your mission and deliver service. You will not only change your processes but also create a forward thinking organization that embraces change.

Process Innovation is a structured approach that creates opportunities for organizations to reach higher levels of achievement by removing barriers and enabling radically new ways of achieving the mission, delivering services, and “doing business.”

The key to Process Innovation is the structured methodology used by a team to radically redesign or streamline a process. Team leaders and members are trained in highly specialized approaches; teamwork is timeboxed using aggressive schedules to deliver results; and team members representing all aspects of the process come from within the organization ensuring ownership of the outcomes. A facilitator supports the team to ensure success. An appropriate working environment and physical surroundings allow the team to be unencumbered. Aggressive, well-integrated communication and change programs support the team’s work.

BPR vs. Process Streamlining

Two methodologies comprise Process Innovation: Process Streamlining (PS) and Business Process Reengineering (BPR). Process Streamlining asks, “How well are we doing the things we do?” Business Process Reengineering asks the more fundamental question, “Are we doing the right things?”

Process Streamlining is focused on incrementally improving an overall process by improving or redesigning its individual steps and subprocesses. The primary goal of PS is incrementally improving an existing process by reducing the time, complexity and bureaucracy of the individual steps and subprocesses. Working full time for just a few weeks, a team of six-to-eight members is charged with streamlining a process. The team’s recommendations must be implementable in 90 to 120 days.

Business Process Reengineering is focused on fundamentally rethinking and radically redesigning a business process to bring about dramatic improvements in performance (Hammer & Champy, The Reengineering Revolution, 1995). The primary goals of BPR are radical change, dramatic outcomes, and transformation or replacement of an overall process. Working full time for several s, a team of 10-to-12 members is charged with redesigning a process to meet End Results. Team recommendations form a blueprint of the new process. Multiple projects result from the recommendations.
More About BPR

BPR: The Details

BPR looks at redesigning significant business processes that often span organizational units rather than redesigning the actual organizational units. Thus, you don’t redesign Admissions – you redesign the application process. You don’t redesign Personnel – you redesign the hiring process. You don’t redesign Accounts Payable – you redesign the vendor payment process.

It’s important to keep in mind that a significant business process can involve multiple organizational units. When you undertake a BPR, it not only affects the process but also affects the people completing the process, the skill factors required, and the organizational procedures for managing those people. When you change a process, you are also changing the culture of your organization.

The first step of a BPR project is to identify or verify your mission and vision. Next, the Case for Action is drafted, outlining the compelling reasons for pursuing the project, identifying the benefits, and detailing what will happen if the process is not changed. Sponsors, team members and the overall organization must understand why change is being undertaken. End Results are then created to outline the desired outcomes of the redesign.

A major difference between Process Innovation and other process change approaches is that the team is not told "how" to achieve the End Results. Rather, the project sponsor crafts End Results that paint a picture of "what" the outcome should “look and feel like,” and “what” the process should achieve. The team is responsible for redesigning the process to meet the End Results – determining the “how.” The project sponsor agrees to accept and implement the team’s recommendations as long as they meet the End Results.

In addition to providing a structured approach for transforming processes, the unique PI methodology has additional goals and benefits. Staff who participate gain new skills and perspectives. They embrace change and don’t accept the status quo. Quality service and the client become priorities. Focus turns to vision and the process. Staff have tools to address future challenges. Organizations that undertake PI understand a powerful methodology that can be used to change processes and catalyze change in the future.

Three-Phased Approach to a BPR Project

A BPR project can be divided into three major phases.

**Phase 1: Planning**, establishes the required oversight and reference materials for successful Redesign and Implementation phases as well as lays the administrative groundwork. Work in the Planning phase spans approximately one month (part time). Planning involves:

- Mission and vision identification / verification
- Case for Action and End Results creation
- Executive Steering Committee (ESC) selection
- Team selection and related tasks
- Administrative planning and execution
- Communication planning and implementation

**Phase 2, Redesign**, is the period during which the BPR team is trained, then follows the methodology to transform the selected process and deliver recommended solutions. The major steps of Redesign are:

- ESC training and End Results approval
- Team leader and process owner training (see Appendix A for details)
- Team member training
- Process redesign (see Appendix A for details)
- Report writing and presentation creation
- Team prep for ESC presentation
Phase 3, Implementation, is about bringing to life the team’s recommendations to realize the goals of the redesign. It involves prioritizing, planning for, and executing projects to achieve the redesign.

Given that the team is transforming a process during the Redesign phase, implementation details will not be known until the team has completed its work. However, the nature of a radical and dramatic redesign implies that significant resources will be required to implement recommended solutions. The implementation timeframe will also depend on the team's recommendations.

This phase begins with the creation of an Implementation Framework that forms the bridge between the team’s recommendations and the projects required to enable the recommendations. Next, projects in the Implementation Framework are prioritized using criteria to determine an order that will best achieve the redesign goals. Projects are then resourced, scheduled and executed. An Implementation Framework Team Leader (different from the Team Leader of the Redesign Phase) completes this work.

Project execution is usually staggered, with some policy recommendations and “quick wins” implemented immediately, and other major process changes implemented over time (months and / or years) as decisions are made and resources are available. The timeline for technology upgrades to support the new processes also varies depending on the availability and nature of technologies and the timeframe for implementing new processes.

Resourcing

Undertaking a BPR project is a huge commitment to change. The resources required to redesign processes and implement the recommendations are significant. However, the results of a successfully implemented BPR can yield dramatic and radical benefits for the organization.

Resources required for oversight, redesign and implementation are significant. However, given that the BPR will involve multiple areas of the organization and that the methodology calls for a diverse set of participants, no one area is overwhelmingly affected.

The following is a high-level outline of the participants involved in a BPR project.

The Executive Sponsor chairs the Executive Steering Committee. He or she believes in and promotes the need for process and culture change. The Executive Sponsor has access to resources and has cross-organizational responsibilities and influence to support the change efforts in affected areas throughout the organization during the Redesign and Implementation phases.

The Executive Steering Committee (ESC), a cross-functional group comprising executive representatives from across organization, advises the Project Sponsor and guides and supports the team throughout the entire project. The ESC establishes the vision and approves the End Results. It evaluates and accepts or rejects suggested policy changes during Redesign and decides if recommendations set forth in the team's report meet the End Results. The ESC also advises on the implementation schedule and execution of resulting projects.

The Project Sponsor is a progressive thinker who owns the BPR project. The Project Sponsor interfaces with the Executive Sponsor and ESC; coordinates and/or oversees planning and logistics; supports the BPR team and team leader; manages communication; ensures transition of the BPR team’s recommendations from Redesign to Implementation; and oversees implementation of the team’s recommendations.

The Working Group (WG) provides the team guidance and supports change management and communication planning. The WG is a mechanism for getting a broader group engaged in the overall BPR concepts by establishing two-way communication. WG responsibilities include communicating BPR-related information to their constituents; providing feedback on communication approaches and effectiveness; and supporting the BPR effort, especially with respect to resource impacts in their areas while staff are working as part of the BPR team.
The **BPR Team** comprises a diverse set of members from within and outside the organization. Team members are selected to represent various aspects of the process being redesigned as well as their ability to work effectively as part of a team. The team meets several days a week, full time, for several weeks, with the team facilitator, scribe and process owner putting in additional time to complete the report. During this time, the team follows a highly structured BPR methodology. Freeing staff to participate on a team may require other staff to take on additional duties; the temporary suspension of some services; or backfilling of certain positions. The team also helps the team facilitator, process owner and scribe write the report and create the presentation of recommendations for the ESC. They participate in the ESC presentation and may also spend time providing insight to the Implementation Framework Team Leader. This work occurs part time, after the Redesign.

Additional detail on BPR team roles is provided in Appendix B.

The **Implementation Framework Team Leader** is responsible for creating the Implementation Framework based on the team’s recommendations. The Team Leader may or may not have been a member of the Redesign team. This person should have strong analytical and project management skills given that he or she will be responsible for reframing team recommendations as high-level projects, then assembling and estimating information about these projects that sponsors will use to prioritize projects. The collection of information will require interaction with members of the overall community and possibly beyond. The Team Leader will also work closely with the Project Sponsor throughout the process. The Implementation Framework should take approximately one month to complete.

**Scheduling**

While the BPR Planning phase can begin at any time, and work can be completed over time, the Redesign phase must be carefully scheduled. Redesign involves several weeks of work, full time, by all BPR team members. In addition, the ESC, sponsors and WG have BPR responsibilities during the Redesign phase.

Given the commitment required, it is important to schedule the Redesign phase to minimize impacts during critical organizational and departmental processes affecting team members. Once the BPR process has been scoped and team member roles outlined, it will be easier to choose an appropriate timeframe for the Redesign phase.

**Contact JMA**

Contact us with any questions you might have about how JMA’s process improvement methodology can transform the way you do business.

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Appendix A: Overview of BPR Methodology

Map Current Process

Several days are devoted to understanding and mapping the current process. A fully developed understanding is obtained by defining the scope of the current process, flowcharting each step and noting forms used, departments involved, and resources used. The team also evaluates the functional effectiveness of the process in terms of service, client feedback, resources, backlog, duplication, and acceptability of output. This activity is essential as it provides a complete view of the current state of the process and allows the team to identify truly "broken" pieces.

Brainstorm

During the brainstorming period, the team goes through a myriad of exercises to develop an extensive list of possible solutions to radically and dramatically change the process.

External Research

The team disperses during week four to engage in external research activities including site visits to other organizations; interviews with community members; and review of websites, periodicals, and books. Time dedicated to external research enables team members to gather information about processes that other organizations undertake, technologies used, and customer service philosophies employed by other service providers. Each team member is encouraged to collect novel and unique ideas that might serve as catalysts for new ideas, as well as have potential for actual implementation of the reengineered design.

Redesign

During week five, the team reconvenes to construct the new design. Using maps of the current process, ideas developed during brainstorming, and information gathered in the previous week of research, the team drafts a comprehensive description and map of the new process.

ESC Midpoint Meeting

The ESC evaluates and accepts or rejects suggested policy and procedure changes identified during design.

Walkabout Interviews

This step of the BPR methodology is vitally important to the success of the new design developed during the previous week. During the Walkabout Interviews, team members conduct a significant number of interviews with internal and external stakeholders affected by the new design. Data collected during each interview is used to validate the team's understanding of the current process and to further inform the team about the needs, concerns and ideas of those who will affect and be affected by the new design.

Verification

The team confirms their understanding of the current process, evolves their draft redesign ideas, and verifies that the proposed redesign effectively meets the End Results.

Report Writing

The team leader, scribe and process owner document the team’s recommendations. The report presents and illustrates the team’s redesign concepts, contains philosophies, and serves as a blueprint for implementation team.

Report Presentation to ESC

The entire BPR team participates in a presentation of recommendations to the ESC.
Appendix B: BPR Team Participants

BPR teams are made up of 10-to-12 members, each with a specific role.

- **Team Facilitator** (1): Facilitates team through the BPR methodology; keeps the team on time and on task.
- **Process Owner** (1-2): Person closely involved with the process being redesigned on a regular basis; will ultimately own the new process and advocate for its implementation.
- **Process Experts** (1-2): Current staff who begin the process, perform its steps and end the process.
- **Clients** (1-2): Individuals whose needs could be better met through a redesigned process.
- **Technologist** (1): A person who can provide input on technical feasibility of various suggestions; comment on the technical underpinnings of the existing process; is knowledgeable about the organization’s infrastructure and technology's capabilities.
- **External-to-Process** (1): Someone who is explicitly not involved with the current process who can provide a fresh perspective. Possibly someone from different organization altogether.
- **Scribe** (1): A crucial team member, the scribe captures the team's work each day, summarizing discussions and decisions for reference and as the basis for the report. The scribe writes the final report in collaboration with other team members. The scribe role requires administrative skills and is usually a paid position.

Although participant availability and the limited number of positions on the team serve as important constraints, a diverse and effective team can be constituted from this list.