

SEVEN TENETS OF PROCESS MANAGEMENT

APQC's Proven Approach

Process management is a management practice or approach that defines the governance of specific business processes, enabling improved business agility and operational performance. Years of process-based research have uncovered seven essential tenets on which to establish a strong process capability.

Seven Tenets of Process ManagementSM

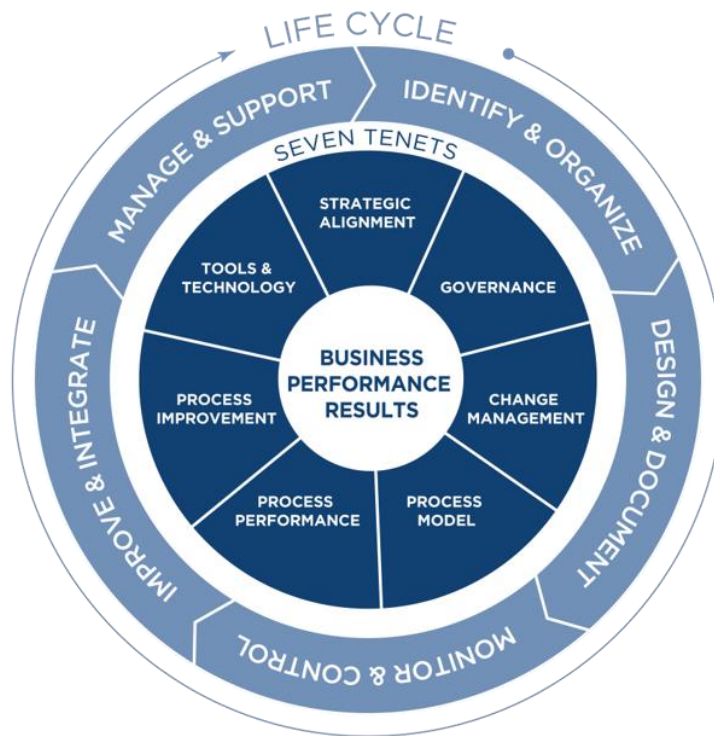


Figure 1

APQC's Seven Tenets of Process Management are:

1. Strategic alignment
2. Governance
3. Process models
4. Change management
5. Process Performance
6. Process improvement
7. Tools and technology

Creating a process-focused organization not only requires time and resources, but most importantly, it requires a fundamental shift in thinking about how everyone contributes to the organization's products or services. This shift helps each contributor think about what occurs upstream as well as downstream from his or her individual activities within the process. This horizontal view of work provides a more holistic understanding of how work is accomplished and the requirements to effectively execute the process end-to-end.

These tenets of process management are seen time and time again in best-in-class organizations and consistently enable the success of process management programs and initiatives.

STRATEGIC ALIGNMENT

Strategic alignment refers to how well process management links to organizational objectives. Strategy and process management activities should be integrated and form a symbiotic relationship. The focus of process management depends on current strategy, and process management activities and measures help decision makers track progress toward goals and determine where to make strategic changes.

Subcategories of Strategic Alignment

The following concepts comprise the major components involved in the strategic alignment tenet:

- » **Alignment** includes the integration with business and organizational strategies, as well as integration between the business on their process management strategy and approach.
- » **Execution** refers to the standardized approach of conducting process initiatives (typically using project management methodologies).
- » **Strategy** is a plan to achieve a specific end-state, goal, or objective.

Effective business leaders integrate process management into the business model. Tools like the Malcolm Baldrige model (Figure 2) help organizations see the connections and points of alignment between actual work processes and strategic objectives.

Figure 1 illustrates how one organization, the U.S. Army Armament Research, Development, and Engineering Center (ARDEC), uses the Malcolm Baldrige model to describe how it creates, delivers, and captures value for its customers.

U.S. Army ARDEC's Business Model

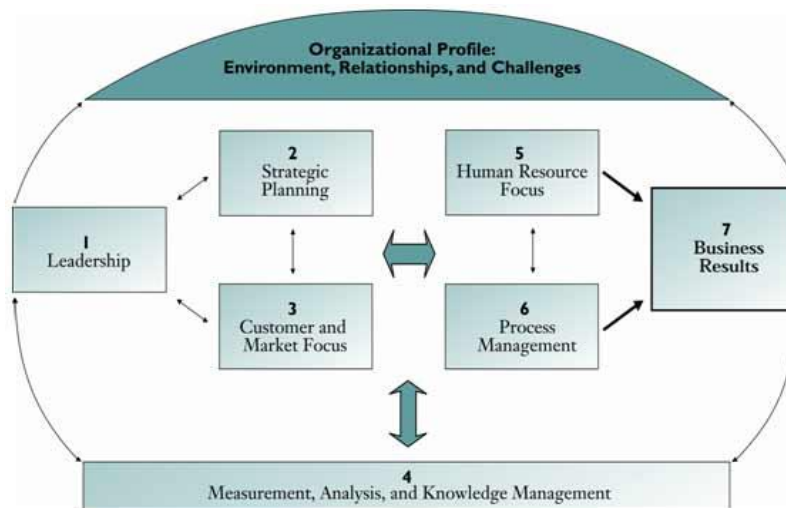


Figure 2

ARDEC's business model aligns roles and activities to the overall organizational structure, with arrows indicating important connections between different elements of the organization. The linkage of process management directly to business results communicates to stakeholders that ARDEC is focused on effective process execution.

Additional Reading:

- » [Best Practices in Strategic Alignment: The Seven Tenets of Process Management](#)
- » [The Building Blocks of Process Management Maturity: Strategic Alignment](#)

GOVERNANCE

Governance is the most important of the tenets because it assigns accountability for process activities. Governance encompasses all the structural elements that help process management function. It is concerned with roles, responsibility, accountability, oversight, sponsorship, and management structures. The governance of process management often dictates the efficiency and speed at which an organization implements and embeds process management into its practices.

Subcategories of Governance

The following concepts comprise the major components involved in the governance tenet:

- » **Governance team**—body of decision makers responsible and accountable for process management efforts within the organization
- » **Roles**—formal or informal [process management roles](#) and responsibilities that align with the organizational or functional roles (e.g., formal process owners)
- » **Process management approach**—the standards, methodologies, and tools used for process initiatives within the organization
- » **Interaction model**—the visibility of process management throughout the organization and the standard operating procedures connecting them

When determining the governance structure for process management, keep high-priority goals in mind. Leading practitioner Air Products and Chemicals shaped its business case by focusing on how process management would reduce costs by “thinning out” its processes and simplifying work. Strong business cases are defined and focused on specific business objectives.

Additional Reading:

- » [Best Practices in Governance: The Seven Tenets of Process Management](#)
- » [The Building Blocks of Process Management Maturity: Governance](#)

PROCESS MODELS

Process frameworks and models ignite understanding. By establishing a framework, organizations are better able to understand core processes as well as supporting processes, and they can plainly see how the supporting processes affect the performance of core processes.

Attempting process management without a model is a losing battle. Models make abstract, complex processes more tangible by providing a concrete illustration of how processes work and how they fit together. When an organization can visualize how its processes interact, it can better coordinate improvement projects, choose measures, and manage personnel.

Subcategories of Process Models

The following concepts comprise the major components involved in the process model tenet:

- » **Process documentation**—Is the capture and codification of a process, including the information necessary to conduct the process, which can include the use of RACI, SIPOCS, and knowledge maps.
- » **Framework**—Is a “hierarchical decomposition” of a business that describes the work an organization does in terms of process groups, processes, and activities
- » **Process design**—the activity of determining workflow, technology needs, and requirements for implementing a process. It can include the use of tools like flowcharts and simulation software.
- » **Process variation**—Includes the various forms and variants of processes. Mature organizations indicate the rules where process can vary from the enterprise-wide standards. This is typically based on role of the process in providing a competitive differentiator and business line or regional considerations.
- » **Accessibility**—This term refers to the storage and controls around accessing process-related information.
- » **Expertise**—Is the identification and scope of subject matter experts involved in the organization’s process efforts.

Process frameworks illustrate a hierarchy or decomposition of processes. APQC's [Process Classification Framework® \(PCF\)](#) (figure 3) is one example of a process framework. It is a hierarchical decomposition that describes the work an organization does in terms of process groups, processes, and activities. Using the PCF as a model allows executives and managers to visualize the complex network of activities they’re trying to understand, manage, and improve. Frameworks like the PCF are frequently used to benchmark, manage content, and define processes.

APQC's Process Classification Framework (PCF)

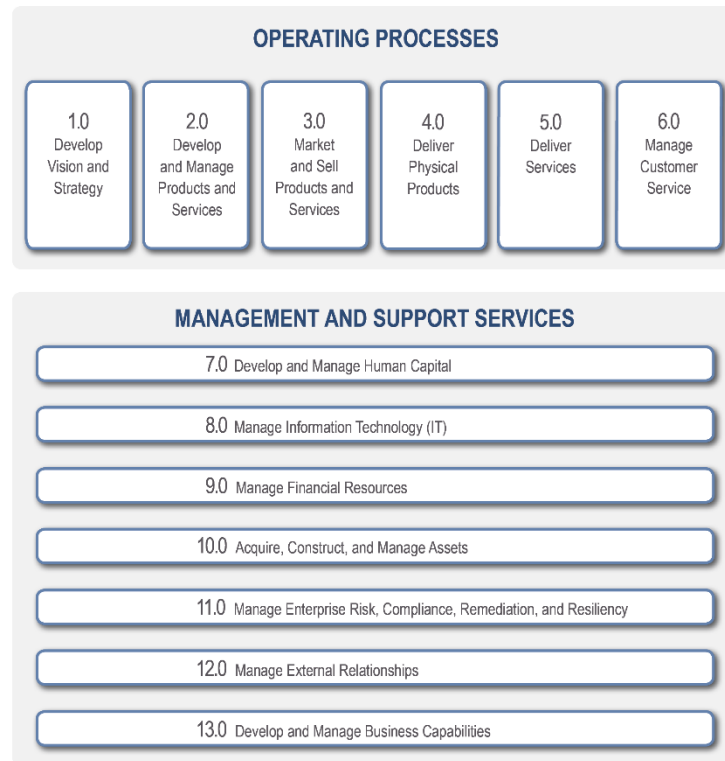


Figure 3

By contrast, a process model (example in figure 4) shows how those processes are managed across the organization. The model provides a structure for collaboration, deployment, and improvement of processes defined in the framework.

Example Process Model

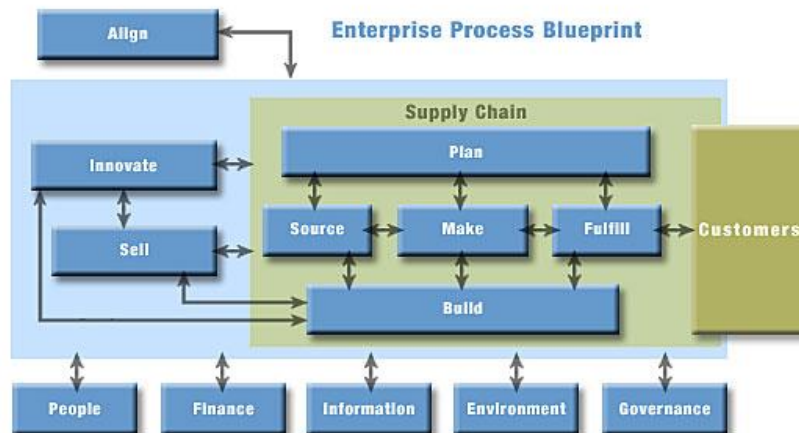


Figure 4

Additional Reading:

- » [Best Practices in Process Models: The Seven Tenets of Process Management](#)
- » [The Building Blocks of Process Management Maturity: Process Models](#)

CHANGE MANAGEMENT

Change Management is the act of proactively managing change and minimizing the resistance to organizational change by engaging key stakeholders in the change process. This is often accomplished through the application of a structured process or set of approaches to transition employees, teams, and/or an entire organization to a desired future state.

Without a planned change management approach, organizations are doomed to fail in establishing and internalizing process thinking. The change management plan must include a comprehensive communication strategy to ensure that the workforce understands the new focus. Best-practice organizations repeatedly cite promoting the value of process management as the most important component of their change management strategy.

Subcategories of Change Management:

The following concepts comprise the major components involved in the change management tenet:

- » **Engagement** refers to the emotional connection an employee feels toward their organization, which influences their behaviors and performance. This term also refers to the tactics that the organization uses to build trust, set behaviors, and link employees' work to overall organizational goals and performance.
- » **Communication** is the two-way process of reaching a mutual understanding in which the organization and staff exchange information, set expectations, and create shared meaning. It also refers to the approaches organizations use to convey information such as town halls, forums, emails, and social media. This communication can be a top-down or a bottom-up approach to capture grass roots ideas and improvement opportunities.
- » **Training** refers to the organized activities an organization uses to impart information, change behaviors, improve performance, and help employees attain a required level of knowledge or skill.
- » **Organizational culture** is the ingrained social norms and beliefs of the organization. It is comprised of the values, belief systems, leadership styles, collective unspoken assumptions, stories, and rituals, as well as its character and orientation.
- » **Rewards and recognition** include the formal and informal incentives the organization uses to encourage specific behaviors or performance.

Additional Reading:

- » [Best Practices in Change Management: The Seven Tenets of Process Management](#)
- » [The Building Blocks of Process Management Maturity: Change Management](#)
- » [Closing the Change Management Gap](#)

PROCESS PERFORMANCE

Levels of performance and maturity within an organization must be evaluated regularly. These factors indicate how processes are performing as well as the overall effectiveness of process management efforts. Process performance encompasses the measurement, monitoring, and control of processes. This tenet asks the following questions: How well do you know your processes? And how effectively can you identify which changes need to be made?

Measurement enables you to answer those questions with more confidence.

To grow process performance maturity, APQC advises organizations to focus on three key elements:

1. process measures,
2. process analytics, and
3. maturity assessments.

Subcategories of Process Performance:

The following concepts comprise the major components involved in the process performance tenet:

- » **Benchmark** is a measured, "best-in-class" achievement. It is a reference or measurement standard for comparison. This performance level is recognized as the standard of excellence for a specific business process.
- » **Measures** are specific, defined observations on the performance of a process. The four primary measures categories include cost effectiveness, staff productivity, process efficiency, and cycle time.
- » **Controls** are specific points within the process that an organization uses to monitor performance, identify improvement opportunities, and execute contingency plans when things are not performing satisfactorily.
- » **Analytics** is the act of interpreting collected metric data and distilling it to specific root causes and appropriate responses. Analytics can include descriptive, predictive, and prescriptive forms of analysis.

Additional Reading:

- » [Best Practices in Process Performance: The Seven Tenets of Process Management](#)
- » [The Building Blocks of Process Management Maturity: Process Performance](#)

PROCESS IMPROVEMENT

The goal of process management is to improve performance. Whether the emphasis is customer retention, cycle time, employee satisfaction, efficiency, business growth, productivity, or any other goal, organizations implement process management to improve something.

Although you can pursue process improvement without the benefit of process management—as many organizations do—this typically results in fragmented, random acts of improvement. The improvements may look exciting individually; but without an overarching management strategy, they often breed unintended consequences that harm other parts of the organization. To avoid

this, APQC recommends employing process improvement in tandem with the other tenets of process management, which lay a foundation for more focused improvement.

Subcategories of Process Improvement:

The following concepts comprise the major components involved in the process improvement tenet:

- » **Identification** of improvement opportunities can include scheduled reviews, as well as suggestions by everyone from front-line employees to senior management.
- » **Prioritization and selection** involve selecting criteria to determine value and choosing opportunities to pursue.
- » **Sustainability** is the ability to maintain or support an activity, process, or performance over the long term.

Additional Reading:

- » [Best Practices in Process Improvement: The Seven Tenets of Process Management](#)
- » [The Building Blocks of Process Management Maturity: Process Improvement](#)

TOOLS AND TECHNOLOGY

Tools and technology enable automation and standardization. This, in turn, improves processes, thereby enhancing performance and potentially leading the organization to a greater level of process management maturity. When tools are created that facilitate the execution of the BPM vision, the work force is better able to contribute to improvement efforts. When an organization implements measurement technology, performance progress can be effectively tracked and cited to gain executive, cultural, and financial support.

Process management could not stand up to the rapid pace of today's business world without the tools and technologies we have grown accustomed to; but tools and technology do not replace the sound principles that drive process management. Organizations cannot automate what they don't understand. It is essential to think through and make value-based decisions about what to automate or support with technology and which parts of the business to include in the technology or automation implementation. Beyond making those decisions, organizations must employ solid change management techniques that support its goals and culture.

Subcategories of Tools and Technology

The following concepts comprise the major components involved in the tools and technology tenet:

- » **Process management tools** refers to the technology that support process management efforts. This can include (but is not limited to) documentation, process modeling, performance management, and decision modeling tools.
- » **Process automation** involves the automation of business process and functions, typically to maintain costs or automate non-value-added tasks.

Additional Reading:

- » [Best Practices in Tools and Technology: The Seven Tenets of Process Management](#)
- » [The Building Blocks of Process Management Maturity: Tools and Technology](#)

CONCLUSION

APQC's Seven Tenets of Process Management consistently form the foundation for successful process management programs and initiatives. If leaders focus on building strengths in those seven areas, they will increase their process management program's alignment with strategic goals, the work force's support of process management, the organization's maturity, employees' ability to get work done, and overall performance.

ABOUT APQC

APQC helps organizations work smarter, faster, and with greater confidence. It is the world's foremost authority in benchmarking, best practices, process and performance improvement, and knowledge management. APQC's unique structure as a member-based nonprofit makes it a differentiator in the marketplace. APQC partners with more than 500 member organizations worldwide in all industries. With more than 40 years of experience, APQC remains the world's leader in transforming organizations. Visit us at <https://www.apqc.org/>, and learn how you can make best practices your practices.