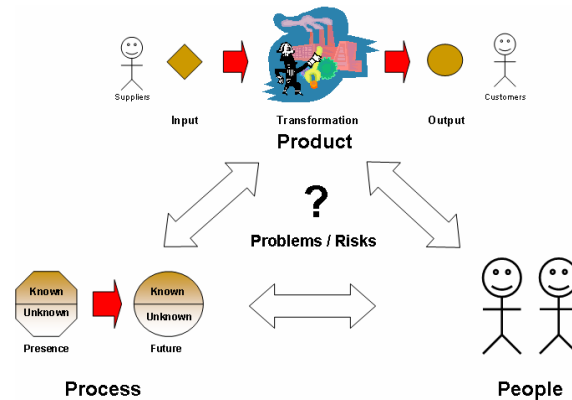


# Problems and Risks in Process Development

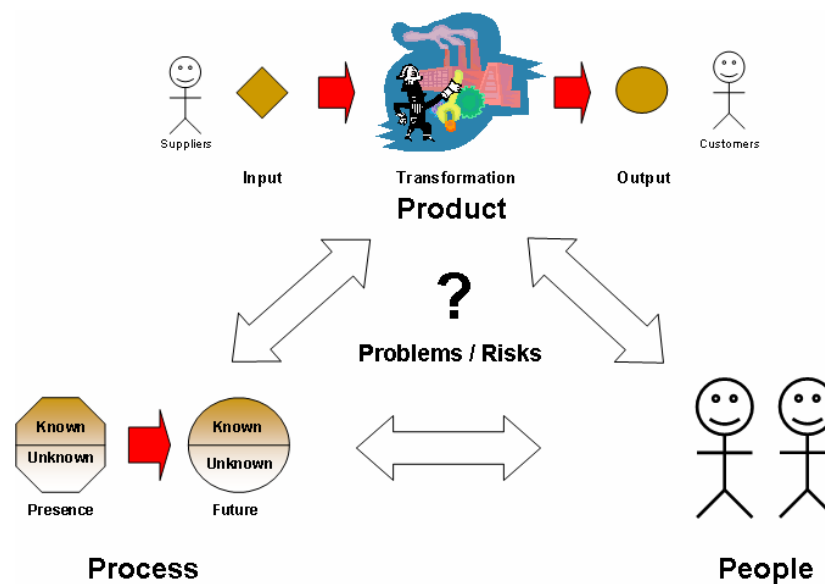


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## Problems and risks in process development

The purpose of this document is to describe and to discuss the problems and risks in the task of process development. It is not the meaning to give detailed answer or solution to the issues that are discussed. The meaning is more to give the reader a better understanding of areas to consider when doing process development.

A process development effort is a big undertaking and it does not always manage to deliver the result that was intended. The reasons for this vary between different process development efforts but I have identified three key areas where problems or risks can exist. The problems or risks in process development can be divided into the areas of Product, People and Process.



**Picture 1: "Problem and risk areas in process development"**

The reason for this division is that process development consists of these key elements.

- The people who manage the process development and those who are affected by it.
- The product (business process) that is going to be developed.
- The process (development process) that is used by the people to develop the product (business process)

Often are risks and problems in the different areas connected and depended to each other.

## 1 Product

The product is the business process that is going to be developed or changed. It is not just a physical product or service that is the result of the business process, with other words "the output". It is the business process it self containing input, transformation and output.

The "output" of the business process will be a product or service but in many cases will the "transformation" of the "input" to the "output" be part of the customer value and therefore is it an important part of the "product"

When developing business process is it vital that you understand where you are and where you are going and that you can communicate the "product" or business process. Problems around the "product" can be summarized into three areas:

- P1. Don't understand the current business - where are we today?
- P2. Don't have a vision for the future - where are we going?
- P3. Cannot communicate the "product"

The risks/problems above are tightly connected to the knowledge and skills of people. But it is also related to the development process. In the sense that the development process affects how the areas should be addressed and how much time that is going to be spend on it.

The important thing to remember is that the areas needs to be addressed and for that you need people with knowledge and skills but you need also a development process.

### ***1.1 Don't understand the current business (P1)***

In a process development effort is it important to have a good understanding of the current business process. You need to know where you are so you have a good starting point for the process development. Without knowing the current business is it likely that you misunderstand the situation and don't see the opportunities for development.

For example can it be good to know current goals, outputs, inputs, activities, roles, artifacts, IT-systems, regulations, rules etc. It can also be good to know the history of the business process. How has it been developed in the past? Why does the business process work as it does? Has any previous attempts been made to change the process? How is the relationship between the different stakeholders? Who wants to change and who doesn't want to change? How much you need to know is depending of the process development task and it is your own knowledge and skills that can judge it.

In many cases is the business process complex because there are several business functions and IT systems involved. For example if you are going to improve the "purchase to sell" process is probably the marketing, purchasing and financial department involved in the process development. Often have the departments there own IT-systems.

To be successful in that environment do you need to understand the vital parts of the current "purchase to sell" process or put together a team that cover the whole change since it can be hard to find a person that understand and can explain everything within the business process.

### ***1.2 Don't have a vision for the future product (P2)***

A vision of the future business process is critical so all participants and stakeholders know where we are going. Often occurs a lot of questions and issues in a process development effort and a clear vision will help the participants and stakeholders to take the right actions or decisions. Without a clear vision is there a risk that the solution will not address the most important areas and probably will the process development effort not is as effective.

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The vision of the future product should be able to be expressed in one to three sentences and a good description of the process development effort should be explained on one page (one pager). If you need more space is the vision not clear enough.

A one pager is very helpful in a process development project because it can easily be handed out to different stakeholders and it is not time consuming to read it.

### **1.3 Cannot communicate the product (P3)**

The ability to communicate the "product" is important to succeed with the process development. It is especial important if it is a complex "product" or a project which many stakeholders.

A complex "product" (business process) is more difficult to describe so people in an easy way can understand it. It is difficult to describe a business process since it is an abstract thing, you cannot touch or see a process. People have also different ways to understand abstract things so this means that you need to find a way to communicate the "product" that is suitable for the stakeholders.

If you have many stakeholders or if they are located at different sites will the distribution of the description of the "product" be an issue. It is always preferable to communicate directly to people but in some cases is it not possible.

Key errors:

- stakeholders don't have the same knowledge level about the "product" or notation/documentation
- to much details/information or lacking information
- to complex notation/documentation
- no trace from idea to final "product"

## **2 Process**

The process in process development can be divided into two main processes; the development process and the implementation process. The development process is the process of developing the business process (the product) and the implementation process is the process of implementing the business process (the product).

Often are these two process tightly integrated in a process development efforts because they effect each order and combined can they give bigger impact than separated.

The problems and risk in this area are:

- The development or implementation process is not defined (P4)
- The development or implementation process is too complex (P5)
- Cannot separate between customer value and realization (P6)
- Doesn't validate the business process changes (P7)
- Stakeholders/users are not identified, prepared or supported (P8)
- No integration between development and implementation (P9)

## ***2.1 The development or implementation process is not defined (P4)***

A process for development and implementation is always used but sometime is it not defined or clear to all participants.

The development will than be more adhoc and the risk is that important activities are missed. It will also be harder to involve people inside and outside the project because they must spend extra time trying to understand the project. It will also affect the improvements of the development or implementation process since it is not likely that it will to be discussed.

At the end will the result be less useful and it will take more time to develop it.

## ***2.2 The development or implementation process is too complex (P5)***

The second mistake is to use a too complex process. This means that a lot of activities will be done that doesn't give the process development effort any value. The people will also be more focusing of doing the development process right then developing the right business process (the product).

## ***2.3 Development process***

A lot of risks and problems can be referred to the development process but the two most common mistakes that are done by organizations are:

- Cannot separate customer value and business realization (P6)
- Doesn't validate the business process changes (P7)

### ***2.3.1 Cannot separate customer value and business realization (P6)***

When a business is going to develop there processes has often the participant's difficulties to separate customer value and business process realization. Customer value is what the customer of the business process wants to achieve. The business process realization is how the business should realize the customer value. The risk is that the internal business operations steer the development of the business processes. The internal goals of the business will be more important than the goals of the customer which will lead to that Customer values will then not be maximized.

### ***2.3.2 Doesn't validate the business process changes (P7)***

When doing process development is it very easy to get caught in its own world if you don't validate or test your findings. It is very easy to think that you understand what other want or that you have identified all important aspects of the development but it is first until you put the changes into real life that you know if it works. Change will always be tested but the question is when. From a development perspective is it best to do it as early as possible because than you have the possibility to adjust the changes/development.

## ***2.4 Implementation process***

The implementation process is the process of implementing the developed or changed business processes. The main task for the implementation processes is to get the stakeholders and the users to accept and adopt the new business processes.

The risks or problems that can occur in the implementation process are:

- Stakeholders are not identified, prepared and supported (P8).

### **2.4.1 Stakeholders are not identified, prepared and supported (P8)**

In a business process development effort is the main focus often the development of the business process and not so much time is spent on the implementation. For people participating in the development is it often hard to realize that people outside the project doesn't understand the change in the same way as they. Therefore is it very important to identify the stakeholder/users of the business process so an implementation strategy can be developed.

The strategy should contain activities to prepare the stakeholders/users/customers so they understand why changes are made and how they should act in the new business process. The second part of the change strategy is how the stakeholders/users/customers should be supported when the changes are in place.

### **2.5 No integration between development and implementation (P9)**

Development and implementation of business process goes hand in hand because it is a successful way to secure that the right process is developed and that the receptions (stakeholders/users) are able and willing to use the developed process.

If this is not in place is there a big risk that the process development effort fails.

## **3 People**

People are a vital part of a process development effort and it is very important to have the "right" persons in the project. Nobody is perfect and therefore is it vital to have a good mix of competences, abilities and background. When it fails it can be categorized into these different areas:

- Lack of knowledge (P10)
- Lack of attitude (P11)
- Lack of time (P12)
- Lack of reputation (P13)
- Lack of network (P14)
- Not the right mix of people (P15)

### **3.1 Lack of knowledge (P10)**

The peoples in a process development effort must have the right knowledge which comes from either education or experience. The important knowledge areas in a process development effort are:

- Business knowledge - understanding of the current and future business and its environment.

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- Process development knowledge - understanding of development and implementation process.
- IT (development) knowledge - understanding of the current IT environment and how IT development should be done. This is only true if IT is a vital part of the business process realization.

### **3.2 Lack of attitude (P11)**

The right attitude is one of the most important aspects when choosing people to a process development effort. Lack of knowledge can be helped by education but the lack of attitude is hard to change.

The attitude can be around the change itself. It can be towards other participants or stakeholders. It can also be the ability to work in projects where you need to be able to cooperate and to work in an unknown environment.

### **3.3 Lack of time (P12)**

People have not the time to participate in the project. This is often the case when there are no slack resources in the ordinary business line. The people are then often dragged between their normal jobs and the development project.

For the development effort is it better to have one person 100% committed to the project than having two persons at 50%.

To have anyone less than 20% (one day a week) is no idea because the person will not produce much during that time. It is then better to have them in a reference group if they are important stakeholders in the business.

### **3.4 Lack of reputation (P13)**

The reputation of the development effort is often the same as the reputation of its participants and the time that they can spend in the project.

The reputation must be aligned with the business process change that you want to conduct.

### **3.5 Lack of network (P14)**

The network that the participants have is important for the development and implementation. If the participants don't have a good network will they probably miss important information from different stakeholders. The implementation will probably also be more difficult since the participants don't know the right people.

### **3.6 Not the right mix of people (P15)**

The last thing that can be missed in a process development effort is not to have the right mix of people. It is not only the mix of the above mentioned areas but also other soft aspects of group dynamics. For example can it be the mix between, young vs. old, experts vs. users, male vs. female or new employees vs. old timers

## 4 Key Success Factors

Okay, what are the key success factors for a process development project? In the sections above have 15 problems or risks been identified and to summarize it can I see three key success factors:

1. Understand where you are and where you want to go (current and future business process - **Product**)
2. Have a map of the road (a defined development and implementation process - **Process**)
3. Find the right people to travel with - **People**

Happy journey!