

The Evolution of Business Process Management as a Professional Discipline

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The evolution of Business Process Management (BPM) as a customer-centric and process-centric approach to improving business results has entered its third wave over the last thirty five years in the form of Business Process Management (BPM). Yet, there is much more work to be done before BPM is broadly recognized as a professional discipline. This article presents a summary of the historical evolution of BPM, the current state of BPM, and the work being undertaken by the Education Committee of the Association of Business Process Management Professional (ABPMP) in this regard.

The Process Evolution and Drivers to Produce BPM

The BPM timeline in Figure 1 presents the three waves of process evolution since its post-industrial revolution inception. The timeline illustrates that the shaping of BPM into its present state is the result of significant business drivers, business tools, organization development methodologies, key technological developments, technology and measurement tools, standards, and related controls.

The latter part of the timeline sees a shift from technology as one of the main process drivers to technology as process enabler. BPM and BPM tools are evolving as a result of the innovation, customization, increased one-to-one customer focus, and business growth that has been caused by consolidation and 24-hour global manufacturing and service. Technology in the form of evolving products, combined with Internet protocols, is beginning to enable the separation of business management from systems management, the separation of process from systems, and the development of the context-driven process models that are essential to BPM.

Figure 1. Three Waves of Process Evolution

| Phase | Time | Focus | Business | Technology | Tools/Enablers |
|-------------------------------------|--------------------|--|---|--|---|
| Industrial Age | 1750 – 1960s | <ul style="list-style-type: none"> ▪ Specialization of Labor ▪ Task Productivity ▪ Cost Reduction | <ul style="list-style-type: none"> ▪ Functional Hierarchies ▪ Command & Control ▪ Assembly Line | <ul style="list-style-type: none"> ▪ Mechanization ▪ Standardization ▪ Record-keeping | <ul style="list-style-type: none"> ▪ Scientific Management ▪ PDCA Improvement Cycle ▪ Financial Modeling |
| | | | | | |
| 1st Wave Process Improvement | 70s - 80s | <ul style="list-style-type: none"> ▪ Quality Management ▪ Continuous Flow ▪ Task Efficiency | <ul style="list-style-type: none"> ▪ Multi-Industry Enterprises ▪ Line of Business Organization ▪ Mergers & Acquisitions | <ul style="list-style-type: none"> ▪ Computerized Automation ▪ Management Information Systems ▪ MRP | <ul style="list-style-type: none"> ▪ TQM ▪ Statistical Process Control ▪ Process Improvement Methods |

| Phase | Time | Focus | Business | Technology | Tools/Enablers |
|---|-------|--|---|---|--|
| 2nd Wave - Process Reengineering | 1990s | <ul style="list-style-type: none"> ▪ Process Innovation ▪ “Best Practices” ▪ Better, Faster, Cheaper ▪ Business via the Internet | <ul style="list-style-type: none"> ▪ Flat Organization ▪ End-to-end Processes ▪ Value Propositions – Speed to Market, Customer Intimacy, Operational Excellence | <ul style="list-style-type: none"> ▪ Enterprise Architecture ▪ ERP ▪ CRM ▪ Supply Chain Mgt | <ul style="list-style-type: none"> ▪ Activity Based Costing ▪ Six Sigma ▪ Buy vs. build ▪ Process Re-design/ Reengineering Methods |
| 3rd Wave - Business Process Management | 2000+ | <ul style="list-style-type: none"> ▪ Assessment, Adaptability, & Agility ▪ 24X7 Global Business ▪ Continual Transformation | <ul style="list-style-type: none"> ▪ Networked Organization ▪ Hyper Competition ▪ Market Growth Driven ▪ Process Effectiveness over Resource Efficiency ▪ Organizational Effectiveness over Operational Efficiency | <ul style="list-style-type: none"> ▪ Enterprise Application Integration ▪ Service Oriented Architecture ▪ Performance Management software ▪ BPM Systems | <ul style="list-style-type: none"> ▪ Balanced Scorecard ▪ Self Service & Personalization ▪ Outsourcing, Co-Sourcing, In-sourcing ▪ BPM Methods |

Processes can now be identified in context; measured, managed, and aligned to the business – i.e., integrated with technology; and used, in turn, to drive technology. This has led to increased interest in the “*Enterprise as an Adaptive System*” concept. From this point of view, the enterprise itself provides internal and external visibility, agility, and adaptability, based on process feedback. From a standards and control standpoint, the combination of technology protocol standardization, quality, international standards, benchmarking practices, and Sarbanes-Oxley controls has driven requirements to model, evaluate, report, and integrate BPM.

As far back as 1911, Frederick Taylor focused on manufacturing tasks and time/motion studies, which were measured statistically. In order to maximize profits, the primary business drivers were efficiency and minimized cost. An organization would focus on training its workers to follow specific steps that required narrowly focused skill and endurance. Standards and controls were mechanistic. Process drivers were maximized around distinct, insular, repeatable tasks. However, given the business environment at that time, the business areas were intentionally siloed.

In the 1960s, technology increasingly became a business driver and amplified the speed of change. This launched the first wave of process orientation. International (Japanese) companies became much more competitive, due, in part, to their focus on quality improvement programs and reduced defects. US companies started to mirror the quality approach. The combination of process scrutiny and technological superiority led to technology as process driver. American business changed its operational paradigm, and the process era began.

American business scrutiny of international competition changed focus to measurable processes and to speed that could be combined into “Just in time” manufacturing. The growing use of computers in the 1970s and 80s combined with procedure specialization that accommodated technological precision in fields such as nuclear power, and led to quantitative statistical software and related data gathering techniques that measured, gathered, and interpreted results.

The second wave of process orientation covered the late 1980s to the early 1990s. Revenue growth returned as American companies leveraged international process practices. Focus shifted to TQM, and then to ISO compliance standards. Over a decade of statistical analysis increased the need to manage data in a meaningful way. The organization shifted from a focus on corporate mission and group brainstorming to cross-functional teams and to handoffs within the organization as the “how” to do tasks replaced the “why.”

The third wave began in the mid 1990s and continues in the present as the “coming of age” of process-centric business. Technology is shifting from being a process driver to a process enabler. The identity of the customer changed from markets to individuals with customized solutions. Just-in-time manufacturing of the first wave led to just-in-time supply chains of the third wave, with the accompanying need to understand processes across disparate enterprises. The company as a system became more important than an examination of its individual parts. With the advent of thin-client applications and commonly used protocols, applications could be utilized regardless of the operating system or work station. This allowed “business management” to start to separate from “systems management” and enabled “process management” to exist separate from the systems themselves.

Our challenge now as BPM practitioners and leaders is to establish a context in which to overlay consistent practices, commonly shared principles, acknowledged measurements, and technical solutions even while the field itself continues to evolve.

Therefore, the challenge for BPM is to craft a discipline with the same characteristics of flexibility, transparency, and adaptability that corporate businesses intend to establish by using BPM methods.

What Is The Current State Of BPM As A Professional Discipline?

In order to answer this question, we first need to define what is meant by a “professional discipline.” “Professional” is defined as “conforming to the standards of a profession,” while “discipline” is “a branch of knowledge or teaching” and “a method of practice.” So, is Business Process Management a professional discipline? Not quite yet. However, one thing is clear: Companies struggling to reduce expenses and maximize their IT budgets are keen to deploy Business Process Management as the latest means to achieve those goals.

There are so many interpretations for Business Process Management that twenty people might well provide twenty different answers. Key words commonly include improvement, documentation, and ownership, but there is still much confusion about what managing business processes really means. In fact, while there is increasing clarity on what a business **process** is, there remains much work to be done in gaining consensus on what it means to manage large cross-functional business processes. Nevertheless, it is clear from all of the effort that organizations are expending to identify and understand the fundamental flow of their business activities, and from the deluge of papers, discussions, organizations, and vendors entering the arena of business process management, that there is a lot of knowledge being shared and a lot of teaching going on. So, while not a clearly defined discipline yet, the makings of a discipline are there nonetheless.

The second part of our definition is about conforming to the standards. Here, not surprisingly, is another area where there is a lot of discussion and lobbying but no clear consensus. After all, if we cannot define what it is, how then can we adopt standards in either methodology or enabling technology? There have been numerous papers and articles on proposed modeling standards, such as BPMN or BPML, and much positioning among vendors to derive a common execution language, such as BPEL and BPEL4WS, but so far there has been no agreement on universally accepted standards.

BPM as a professional discipline is in a precarious stage and is in danger of becoming just another ideal place that we will spend years and substantial dollars trying to reach and never quite succeed because we have not agreed first on what it is and secondly on how to use it effectively. That said, however, there is an obvious – in fact, urgent – need to put our arms around the concept of Business Process Management, and to bring together a common understanding of what it is and what it is not and to provide a balanced approach, together with a set of tools to equip organizations to embrace successfully the professional discipline that BPM can become.

What is ABPMP?

The Association of Business Process Management Professionals (ABPMP) is a non-profit, vendor independent, professional organization dedicated to the advancement of business process management concepts and practices. It is deeply dedicated to accelerating the evolution of BPM toward a professional discipline. ABPMP is practitioner-oriented and practitioner-led.

Organization / ABPMP History

The Association of Business Process Management Professionals began in 2003 as a result of conversations between three former associates who currently work for three different Fortune 50 companies. They had all been working on BPM programs and projects for several years. They realized that there was no professional society for people doing BPM work. Furthermore, it had begun to appear that the IT vendor community was trying to “take-over” or redefine the BPM space as a technology layer, which would prove problematic for practitioners. They decided to start a professional association for practitioners of BPM modeled after other professional societies such as AITP, DAMA, PMI, etc. Sixteen people showed up for the first organizing meeting. The three founders are Brett Champlin, Allstate Insurance Company; Chris Jensen, McDonald's Corporation; and Richard Lovell, Motorola Corporation.

The mission of the ABPMP is to engage in activities that promote the practice of business process management, to develop a Common Body of Knowledge in this field, and to contribute to the advancement and skill development of professionals who work in this discipline.

The principle challenges in this regards are

- the relatively immature current state of BPM as a professional discipline
- the wide range of process improvement and management methods currently in use, representing challenges of standardization
- the wide range of BPM technologies currently in use, again representing challenges of standardization

We believe that BPM will rapidly evolve as a professional discipline, such that practitioners will understand the fundamental requirements involved in fulfilling roles at various levels, and that there exists a standard framework of certification for a business process management professional that will guide and assess an individual's competence in fulfilling key roles.

ABPMP's vision is to

- be the center for the community of practice in Business Process Management
- be **the** professional society for business process management professionals
- define the discipline and practice of BPM
- recognize, acknowledge, and honor those who make outstanding contributions to our discipline

ABPMP has local chapters in several US areas, including Chicago, Philadelphia, Portland, and

Southeast Michigan, and has many more chapters forming in the US and internationally.

ABPMP is governed by an elected Board of Directors. Each chapter president is an ex-officio and voting member of the International Board of Directors. ABPMP has a Board of Advisors made up of some of the most well known authors, practitioners, and thought-leaders in the field. They are also volunteers and periodically offer the Board of Directors and chapters advice on the industry and how ABPMP can best serve its members.

On December 5, 2004, at the ABPMP Board of Directors meeting, Andrew Spanyi was asked to form an Education Committee to help develop the components necessary to develop a BPM-BOK and Professional Certification Program in BPM. The Education Committee held its first meeting on January 17, 2005, and is made up of representatives from the academic community, as well as practitioners and consultants working in the insurance, utility, and manufacturing industries. The current demographic of the Committee is 50% practitioners, 25% academic, and 25% consultants/other; it provides a well-balanced representation of BPM professionals.

What Is The End In Mind?

ABPMP is dedicated to making a contribution such that BPM rapidly evolves as a professional discipline, where practitioners will understand the fundamental requirements involved in fulfilling roles at various levels, and where a standard framework of certification as a business process management professional will guide and assess an individual's competence in fulfilling key roles.

What Is Our Approach?

Accordingly, ABPMP has formed a committee to examine the current situation for the needed evolution of BPM as a professional discipline. The intent is to use a structured approach to work towards developing a “**certification program**” for BPM professionals. Along the way, the intent is to examine

- a Definition of BPM (Focus of Study and World View)
- a List of Reference Disciplines (Theory and Application)
- a Body of Knowledge (Principles & Practices)
- current BPM Research Agendas

Outlined below is the progress to date in each of these areas:

- The sub-group working on the “definition” of process management found a wide variety of definitions in the literature, but little convergence on any one definition. As a result, the members of this committee have developed a draft document on the definition of process management that includes a brief amplification of key terms, accompanied by a visual model that depicts the key messages in the text. A summary “elevator pitch” along these lines is also being developed.
- The draft definition of business process management is proposed as
 - Business Process Management is a disciplined approach to identify, design, execute, document, monitor, and measure both automated and non-automated business processes to achieve consistent, targeted operational results that align resources to an organization's strategic goals.
 - Business Process Management (BPM) involves the deliberate, collaborative, and increasingly technology-aided definition, improvement, innovation, and management of end-to-end business processes that drives business agility.
 - It is the method by which an enterprise aligns its business processes to its business strategy, leading to optimization of overall company performance through improvements of specific work activities, within a

specific department, across the enterprise, or between corporations.

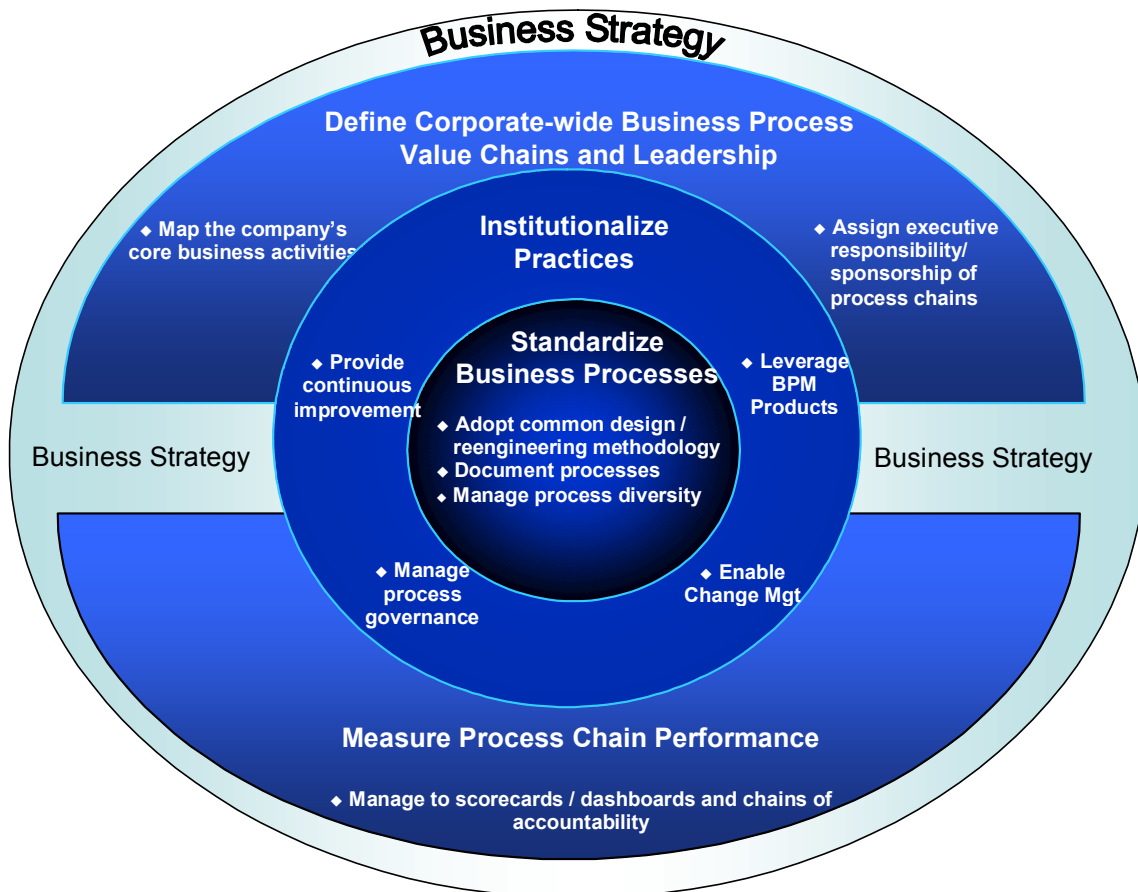
The group emphasized that in order to understand Business Process Management, it is necessary to have a common understanding of **business process**.

A further insight in developing the definition of Business Process Management was that Business Process Management follows a comprehensive system that drives corporate value.

Figure 2 below represents an initial draft perspective, which depicts the alignment between strategy, value-chain definition, business processes, and measurement within the context of a cycle of institutionalized practices, standardization, and improvements.

It is contemplated that a full system would begin with enterprise strategy (light blue circle), followed by value chain definition and ownership to establish corporate and business unit goals (top curve). Next, it is necessary to establish metrics to baseline and measure process chain performance (bottom curve). Finally, business processes can be standardized and automated across the enterprise

Figure 2. The Business Process Management System



Concurrent with the work on defining business process management, the committee also examined the issues and obstacles faced in implementing process management. Preliminary survey results indicated that the following factors are some of the top of mind items for respondents:

- Engaging senior management

- Obtaining sufficient resources
- Accessing economical and effective training for executives and managers
- Addressing cross-regional and international issues in implementation
- Achieving strategic alignment
- Incorporating process performance measurement into traditional measurement practices
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These findings were fairly consistent with what has been found in a broad-based study that was in part initiated by ABPMP, and was executed by BPMG. This group recently reported in their March 2005 Research Report, "Building on Experience," that the top four issues and challenges faced in implementing process management were

1. Commitment by top management
2. Program organization and structure
3. Performance objectives aligned to process
4. Certification of process people

These findings reinforced our dedication to the development of both a list of reference disciplines and a common body of knowledge [BOK] for business process management.

The preliminary work on the key topics in a matrix of reference disciplines is summarized in Table 1 below.

Table 1

| |
|--------------------------------------|
| <u>Finance</u> |
| <u>Management Science</u> |
| <u>Organizational Mgmt</u> |
| <u>Law</u> |
| <u>Communication</u> |
| <u>Information Systems</u> |
| <u>General Systems Theory</u> |
| <u>Social Sciences</u> |

For each reference discipline, the intent is to define key content according to the definition, analysis, design, development, implementation, and assessment of business processes, which all need to fit together to address customers' needs.

Concurrently, the group working on the body of knowledge for process management conducted a review of work on BOK done by other associations and organizations, including, but not limited to, The Software Engineering Body of Knowledge (SWEBOK), The Project Management Body of Knowledge (PMBOK), Enterprise Architecture Body of Knowledge (EABOK), and The Data Management Body of Knowledge (DMBOK). As a result of this review, a draft position and a plan for the way ahead on a BOK for process management is in development.

The view on BOK content is that different BUILDING BLOCKS activity areas – e.g., definition, analysis, design, development, implementation, and assessment – all fit together to address customers needs. BPM has execution or production oversight responsibility as well as process change management responsibility. The BOK will likely address, at a minimum, the following areas:

1. Diagnosing the Organizational Context
2. Describing Business Processes
3. Analyzing Business Processes
4. Implementing Process Transformation
5. Managing Business Processes

In terms of the work on current BPM Research Agendas, a draft summary of current research initiatives in process management has been compiled, including descriptions of nearly 30 research projects being conducted by universities in North America, Europe, and Australia.

Finally, ABPMP has begun an examination of certification program options, including, but not limited to, reviewing program concepts from HP, Intel, and others with a view toward developing a robust, practical, and exam-based certification program.

What's Next?

The top priority will be to publish a first draft of an ABPMP BOK in the fall of 2005 that will provide some guidance to ABPMP members and other interested practitioners.

It is understood that the first draft of the BOK will be revised in the form of a more comprehensive second edition about a year later, and there will probably be requirements for further editions over time.

Concurrently, work will also proceed on the following topics:

- Definition of BPM (Focus of Study and World View)
- List of Reference Disciplines (Theory and Application)
- Current BPM Research Agendas
- Model Curricula for Academic and Training Programs

It is contemplated that this work will lead to the development of a very much needed, independently developed and test-based "certification program" for process management professionals.

It is contemplated that this certification program will be structured so that business process management professionals can represent their qualifications with confidence. The program is expected to have several modules to address the needs of the BPM professional in different roles, and certification will require

- multiple examinations to cover range of BPM roles and responsibilities,
- a combination of examination, education, and experience,
- adherence to a Code of Ethics, continuing in the education program to maintain certification.

The benefits of such a certification program are that it will serve to

- provide a body of knowledge and a common lexicon to link the wide range of process improvement and management methods currently in use
- accelerate the maturity of BPM as a professional discipline
- enable some standardization and common understanding of the wide range of BPM technologies
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It is contemplated that future work may include guidelines on the type of continuing education requirements needed to maintain BPM competency.

Readers interested in obtaining more information on the work being carried out by ABPMP's Education Committee are invited to contact education@abpmp.org.

About the Authors

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Andrew Spanyol is an internationally recognized author and conference speaker on Process Management. He is the author of "Business Process Management is a Team Sport, Play It to Win!" and chairs the ABPMP's Education Committee.