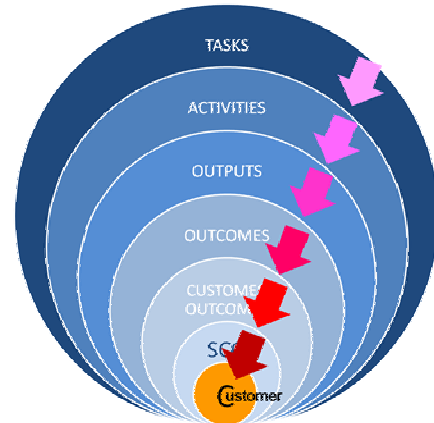


The Hercules X Process Performance Landscape

The Process Performance Landscape provides a common framework and language for describing everything the organization does from strategy to the very nuts and bolts of daily tasks and activities; on to immediately improving business and organizational performance.

What people need to know is why this is important, why we need to have another angle on how a company can organize its activities. We have lots of those already so what are we missing and how does the Process Performance Landscape help fill in the gaps?



If we look at the most common ways we have to think about our organizations, the things we use to manage our work, there are some startling observations that can be made.

The most pervasive of these organizing frameworks is the organizational chart. Most companies have hierarchical organizational charts, and the fact that they are hierarchical enables them to communicate to us a pecking-order of responsibility. But they aren't really focused on work; they are focused on responsibility and authority. In looking at organizational charts it only takes a moment of analytical repose to realize work is a foreign entity – it is at best an implied attribute that must be filled in by the observer.

A component of organizational charts that has been extracted to serve as its own organizing framework is the concept of secular work units; departments, functional areas, business units, silos, et al. This concept has been used extensively in management practices over the last several decades to the point that much of the focus with the “new” approaches is to “break down” the silos so that our concept of work can span multiples of these – even to the point that we stretch across all of these silos to an “end to end” work definition. End to end processes are something that is common in the language of many BPM advocates.

Then there are activities like Balanced Scorecard, Swim Lanes, Activity-Based Costing, and so on that take pieces of the organizational puzzle with a specialist slant to aide in managing a targeted portion of the work we do.

What we fail to realize in all of this is that none of these things are real. They are not tangible, physical realities they are symbolic representations of ways we can perceive, communicate and take action against our work. They are meant to serve a purpose, to make it easier for us (the people in the organization) to successfully operate and grow our business.

But they don't do that. Here is why.

If we are really going to successfully manage the work we do then we must have a symbolic way of organizing around that work that is founded in the work itself. The connection must be explicit. What we need is a relatively simple concept that most of us (people) can relate to instinctively and that reflects what is already happening in our organizations. The approaches we have used so far impose unnatural structure on the organization for the purpose of management and while they can create positive affect within certain boundaries their limitations are quickly reached.

The Process Performance Landscape gives us a group of work "buckets" that we can use to organize ourselves, with the "buckets" being the descriptive categories of the types of work people do in the organization. The categories come from both long-standing observation of work and the newer insights into the higher level of work categories which have become crucial to competitive management practices.

The "buckets" or categories are: tasks, activities, outputs, outcomes, customer outcomes and successful customer outcomes. We include the customer as the reference object for the landscape so that we can clearly draw the connection between "what we do" and "how it affects the customer."

This brings two fundamental differences into the picture. The customer does not traditionally appear in any of our prior symbolic management constructs while in the Process Performance Landscape the customer is at the very heart of the landscape. This is absolutely critical if we are to successfully align the work we do with the customer we serve.

The second difference is that we have only captured the categories of work that were (in most cases) already there for us to observe. So the categories – other than Successful Customer Outcomes which has only now truly propagating out in use – were already there we just took the time to notice.

A third difference is that the categories of the Process Performance Landscape can be used when organizing, managing and operating the organization using the process concept, a concept that (again) is far more of an observation of what is really happening as compared to an imposed structure that has no direct connection to the work people do.

The categories and hierarchical style of presenting them in the landscape are also very important. Most organizations will have people with responsibility for getting tasks, activities and outputs done. Many organizations have responsibility assigned for getting outcomes and even customer outcomes done. Now more and more companies are including Successful Customer Outcomes in that list.

So the categories align with the responsibilities of people, and in most organizations work is already being performed in many of the categories in the landscape (although growth is ongoing into the focus on outcomes, customer outcomes and successful customer outcomes). The hierarchical aspect visually shows us how close the connection is to the customer, giving us an at a glance relationship on the degree of balance in our activities and results.

Another key point about the landscape is the noticeable absence of things like silos and departments. Remember, none of this stuff is real in terms of being concrete, physical entities so when we use things like silos or departments in our language we force ourselves to try and “fit” what we observe into that imposed concept. It doesn't work. We have already seen that by our struggle to come to grips with processes that are in the outcome, customer outcome and successful customer outcome categories where we use terms like silo, department, across the enterprise, end to end, and so on. None of it has stuck and the practice of Business Process Management still remains focused on tasks and activities with only a small incursion into outputs and up.

Most of this is due to language and common reference incompatibilities. Just because a process delivers on a successful customer outcome does not mean it must span silos and cross departments; that it must sweep from end to end across the enterprise. It will be what it will be when defined in respect to the SCO (or customer outcome or outcome et al depending on the applicable category). There is no need to lay down any additional rules, do additional translations or create any additional complexity. Because the landscape categories come from the observation of how we do our work they are self-contained and best represent what we actually can use to manage or organizations if we just leave them alone.

What we need to do is manage our work within the natural way that it occurs, at all of the levels where it occurs. Managing below the level of tasks is a waste of time as it represents a non-productive degree of complexity. Growing our work practice towards better alignment with the customer is the only sure way to maintain business health and growth.

The process performance landscape provides a simple, intuitive means for us to organize around a natural expression of what we are already doing. It gives us the insight to manage ourselves to closer and closer alignment with the customer while avoiding the draw of the black hole of complexity.

We believe this simple organization principle will become the backbone of successful business strategy for the 21st century. While we made the observations and connected the dots to bring the landscape into an articulated form it was already there waiting for someone to do just that.

The Process Performance Landscape enables the organization to discuss and illustrate in clear and precise language its tasks, activities, outputs, outcomes, customer outcomes and ultimately the strategic imperatives defined around Successful Customer Outcomes. This is our organization point, the framework we use to establish a common understanding of how we (the people in the business) organize ourselves to accomplish goals.

Against the framework we drive the business forward through a number of activities that are effectively the superset of everything we do. What we apply, how, when, with whom, in what order, how often and with what specific goal or deliverable in mind is driven by our context – not the framework. The framework doesn't care.

People (you and me) are highly adaptive on the scene and in the moment. Our business approach must take advantage of this fact and augment it rather than

attempting to corral and control our human natures. This is a common but key asset of the organizations we have worked with and studied like Virgin, Zara, Fedex, Best Buy, Citigroup, Southwest, Apple, Disney, and more who are noted for their Market Leadership and consistent exceptional success.

The Process Performance Landscape gives us the foundation for organizing ourselves in a natural way that leads us to explicit alignment with the customer. It's simple and intuitive. It's the way to organize for success in the 21st century.

Because the 21st century is all about the customer, and your business needs to be all about the customer too.

Please note – The Process Performance Landscape is part of the Hercules X Business Approach that provides a comprehensive model for enterprise-wide business operation that creates explicit alignment with strategic goals, creates organizational transparency, fosters a behaviour that eliminates Process Points of Failure and Causes of Work (fixing causes rather than fixing affects), defines a simple supporting data model, organizational dashboard, encapsulates innovation, drives Market leadership, and continually reinvents the organization as needed to retain ongoing business success and growth.

For more information on Hercules X you will want to attend one of the upcoming Hercules X seminars (www.HerculesX.com).

References

CEM is the acronym for Customer Expectation Management. This concept is presented in detail in the book Customer Expectation Management – Success Without Exception by Terry Schurter and Steve Towers (<http://www.amazon.com/Customer-Expectation-Management-Success-Exception/dp/092965207X>).

The book presents the research and analysis leading to the 21st Century Value Chain that captures the dynamics behind business success in the 21st Century where the focus on the Customer, the Customer Value Proposition and the deliver against customer expectations determines the domain of business success a company can realize.

CEMM is the acronym for the Customer Expectation Management Methodology developed by Terry Schurter and Steve Towers that outlines the eight (8) steps of the method that organizations can use to drive their focus to the Outside-in perspective of the customer; grow market, market share and market leadership through evolving their customer value proposition; and move from the common practice of "affect fixing" to one of Cause Elimination that explicitly drives the customer value proposition upward, decreases internal costs and subsequently enhances company revenues. The training from Bennu Group (<http://bennugroup.net/online/>, <http://bennugroup.net/training/>) and the SmartDraw CEMM product (www.smartdrawcemm.com) detail the specifics and application of CEMM.