

## User Delight through End-to-End Process Management

Timberstone Partners

COVID-19 has put the spotlight on needing to work in a more connected fashion. Supply chains have been disrupted, points of customer contact changed, and employees challenged to stay connected while working remotely. Whether you are an end consumer buying more product or service on-line, an employee working from home, or a business partner looking to build productive relationships remotely, simply receiving the output of a process against product specification and service levels at a right price/cost point is no longer enough.

Customers and users demand a seamless and dare to say “delightful” experience. They want a process that is real time, resilient, self-correcting (and even better anticipatory), and easy using their own preferred channels of interaction.

Against this backdrop, managing the underlying processes has become more critical, and organizations are re-examining end-to-end process management. Where have former processes failed to keep up with the current business environment, and how could those process be made “pandemic proof” is now a topic of discussion.

### 1. We Clearly Have a Gap

Global Business Service (GBS) organizations are often at the heart of end-to-end process ownership with the promise of harmonizing processes and breaking down functional silos to create a “boundaryless” experience. But reality shows that very few organizations have yet to crack the code for effective end-to-end process management. Even most multifunctional GBS organizations still operate within their individual functional silos.

SSON’s new report [“The Future of GBS is Digital”](#) highlights the need for improved end-to-end process management. The report provides survey results from over 140 organizations concerning how GBS organizations managed the COVID-19 crises and how it affects their future. They examined future relevance vs. current capabilities across a variety of areas and ascertained the following have the highest need for action:

- **End-to-end processes**
- Digital tools
- Automation
- Data transparency
- Digital Center of Excellence
- Value adding services.

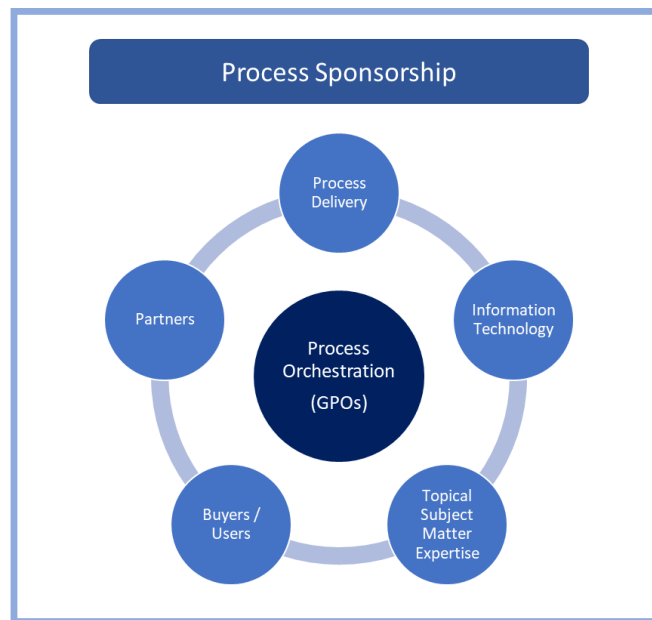
We see success in end-to-end process management hinging on two fundamental factors:

- Establishing an effective process management organization, talent, and governance model to break down barriers and drive optimization.
- Equipping those individuals accountable for process management with the right capabilities, methods, and tools among a myriad of choices.

## 2. Process Management Organization and Governance: It Takes a Village

Due to the cross-unit interdependencies associated with end-to-end process management, it is critical to establish the right organization, talent, and governance model. While it would appear ideal to be able to have one individual fully accountable for all elements of process management – from design through delivery, across all subprocesses, across all geographies, and encompassing all necessary skills and knowledge – this isn't realistic for most complex end-to-end processes.

We are seeing successful companies coalesce around a common model (with a few variants) that incorporate a set of orchestrators of end-to-end process management working with a distributed set of others and supported by senior leadership as shown in the diagram below:



Let's break down each element of the process management ecosystem.

**Process Sponsorship.** You will require an executive sponsor for each individual end-to-end process. The sponsor holds the role of championing excellence within an individual process and adjudicating any escalated issues. The sponsor is typically the function or business unit lead for which the individual end-to-end process derives its greatest value. In some cases, this is a shared role across executive leaders. For example, the Chief Procurement Officer would typically be the sponsor for the Source to Settle process, but the role could be shared with a Finance executive. Similar situations could exist for the Order to Cash process with a Commercial executive possibly paired with a Finance executive.

There is typically an overall executive sponsor for a collection of end-to-end processes to champion the importance and integrity of process management as a discipline. For those organizations who embrace end-to-end process management at the strategic level we have seen this be the CEO or other executive such as a Chief Transformation Officer. For those who may take a more targeted view of end-to-end process management across a few related processes, you may see someone such as the GBS leader playing this role.

**Process Delivery.** Operational delivery of most end-to-end processes crosses multiple organizational unit boundaries and hence you are likely to have multiple delivery leads possibly across geographies for one end-to-end process. Some delivery leads may reside in a GBS or shared services organization, others in a Corporate services organization, and others in operations or divisions.

Beyond executing the processes within defined performance standards for their respective area of process responsibility, these delivery leads are also responsible for more localized or bottom-up process management activities such as continuous improvement ideation and project execution and localized process documentation.

**Information Technology.** Particularly in today's world of digital transformation, Information Technology plays a critical role in the process management ecosystem. Common process management roles include translating business requirements into technology requirements, identifying and assessing alternative technologies, and providing technical expertise in the design, configuration, and build of process improvements.

**Topical Subject Matter Expertise.** Effective process management requires tapping into the knowledge of not just functional subject matter experts (which may reside in the delivery organizations), but topical subject matter experts in areas such as master data management, control and risk management, experience management, and change management. Each of these experts provide the domain expertise necessary to design and implement process improvements.

**Buyers and Users.** It is important to keep the pulse of both users and consumers of the output of an end-to-end process as well as those who may pay for the output. Particularly for internal processes often provided by GBS or shared services organizations these may not be the same. For example, consumers of services may be broader based employees, whereby buyers may be business unit leaders. A solid process management governance structure solicits input on requirements, satisfaction, and ideation from process buyers and users often in the form of structured advisory councils.

**Partners.** If end-to-end processes have external partners such as outsourcers involved, companies will also want to regularly gather their input on needs and ideas for synchronization of process activities and optimization. A common mechanism is to have an innovation council comprising outsourcing partners with participation by their solution architects and delivery leadership.

**Process Orchestration.** The glue that holds end-to-end process management together is a team of individuals who orchestrate process optimization among the various players mentioned above. These

individuals include what are commonly referred to as Global Process Owners (GPOs) who are accountable for:

- Visioning and designing the end-to-end process
- Establishing process performance metrics and monitoring performance against these metrics
- Setting the portfolio of improvement initiatives necessary to achieve the process vision including creating the value case
- Directly leading larger scale process transformation initiatives
- Defining the master data elements for their respective processes
- Setting global policy and program standards for their respective processes, or in the case where these standards are dictated by other Corporate function regulatory or strategic requirements, ensuring the process designs will comply with policies
- And most importantly, orchestrating all of the various players in the process management ecosystem to achieving the process objectives.

Whether shared among individual process GPOs or assigned to distinct positions there is also a need to build and maintain the enablers for process improvement across processes. Responsibilities include developing and maintaining common improvement methodologies and tools and providing training and expert support on the deployment of these tools and methods.

### **3. Equipping the Process Management Team for Success**

Once the right organizational and governance model has been established, we have found the following to be enablers of success.

**Keep an evolving North Star.** A practical approach used by many companies is to develop end-to-end process design books. These become living guideposts for process improvement and typically include elements such as:

- End-to-end process definition and description
  - Process future state vision incorporating both best practices already deployed by others as well as potential new opportunities that may be unlocked through levers such as advanced digital technologies
  - Gap assessment of the current state of processes to the future state vision
  - Key performance metrics inclusive of those that focus on the business outcome value of an end-to-end process
  - Supporting data, technologies, policies, delivery models, and competencies
  - Supporting process flows and documentation
  - Change management strategies to affect improvement
  - Key initiatives and plans to close gaps.
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## One Company's Need to "Look through the Right End of the Telescope"

One company had begun their journey toward global process optimization and automation, but quickly required a course correction. They had taken a well-meaning path of opening up Robotics Process Automation (RPA) and related process improvement ideation and initiation independently across multiple dispersed global business services centers around the world. Unintentionally, they ended up with a set of automation initiatives disconnected from one another as well as not aligned with necessary changes in processes.

The GBS executive described the issue as looking through the wrong end of the telescope – they were looking at a lot of small projects that were going to yield minimal benefits because they weren't sorted and aggregated to produce a greater whole.

In response they launched an effort called Project Telescope to screen, prioritize, and synchronize automation and other process improvement initiatives. Central to the effort was having their GPOs develop comprehensive design books for each end-to-end process that established the global process vision along with specific actions to close the gap from the current state to the future state and measures and methods to manage progress.

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**Provide the Right Methods and Tools.** Beyond knowing the right process direction and improvement plan, the collective process management set of players need the right tools and methods. In terms of methods, companies rely on traditional techniques such as Continuous Improvement/Lean Six Sigma and Business Process Re-engineering and more recent techniques such as Design Thinking and Customer Experience Management.

There is a plethora of digital tools available that are more dynamic, transparent, fact-based, and multi-dimensional than the old ways of work shadowing, fishbone diagrams, and process mapping. A well-equipped end-to-end process management organization today has a suite of tools. Beyond process execution and integration tools such as ERPs and workflow, common tools today fall under terminologies such as Business Process Management, Process Mining, Process Discovery, and Business Intelligence encompassing the following core functionalities:

- Visualization and documentation
- Analysis and modeling
- Architecture and design
- Capacity and resource planning
- Performance monitoring

#### 4. Avoid the Common Traps

Achieving global end-to-end process excellence is difficult even with a strong organization and governance model and a well-equipped team. To be successful we recommend you avoid the following five most common traps:

1. Overemphasizing cost reduction: While cost reduction is still a laudable goal, greater and sustained value relies on broader based business outcomes such as cash flow improvement and critically customer or employee loyalty.
2. Not engaging the right executive sponsors: Organizations too often fail to engage the right sponsors with a true cross-functional view and with the needed gravitas to drive change management and engagement with the overall organization.
3. Misaligning incentives: Each member in the end-to-end process ecosystem has their own set of priorities (e.g., stability, flexibility, innovation, control). The process sponsors in particular play a critical role in establishing the right set of goals and taking the critical step of aligning personal incentives to achieving these common goals.
4. Fragmenting between end-to-end process teams. Too often organizations put individual process teams on an island by themselves without the mechanisms or structure for cross learning and development and consistent focus across the entire process portfolio.
5. Tapping the wrong talent pool: Too often organizations simply populate the GPOs with individuals from the delivery organization without understanding the key competencies required. Functional process expertise is important (and not always equal across all subprocesses), but equally is a strong knowledge of digital technologies. And then layer on the softer skills of influence and collaboration.

## **6. Summary**

COVID-19 has served as a unique catalyst for companies to re-examine their business processes. Companies are not intending to simply snap back to the pre-pandemic ways of working. Work will be increasingly automated or augmented by digital technologies and performed in a variety of different locations including work from home.

While the traditional objectives of process improvement around productivity and service improvement remain, increasing customer and user experience has been elevated in importance. This requires tight connection across traditional siloed activities of an end-to-end process.

Companies have not universally cracked the code for effective end-to-end process management, but there are enough examples to shine a path for all. It requires recognizing that end-to-end process management is an annuity capability that needs to be built with effective organization and governance models, methods, and tools.