

# *Aiming For Organizational Nirvana*

## Creating A Sustainable Process-Centric Organization

*Sustained growth and consistent execution of strategy requires that:*

- *You know what you need to do*
- *You do it right*
- *You continue to build on what you did right*



### *What Keeps CEOs Up At Night*

*According to the “CEO Challenge 2006: Top 10 Challenges” annual report from The Conference Board—best known for producing The Consumer Confidence Index and the Leading Economic Indicators—“sustained and steady top-line growth” and “consistent execution of strategy by top management” were the top concerns of CEOs across the globe, across all sizes of business.*

It is said that “vision without execution is hallucination”. This saying is often attributed to Thomas Edison and was more recently cited by Mark Hurd in an interview by Fortune Magazine when asked to elaborate on his vision for HP shortly after he had taken over the reigns of the company. The internet era abounds in examples of companies that have failed not from a lack of vision but from an inability to clearly translate vision into executable plans and then follow through with concrete action. Knowing what you need to do, on its own, does not guarantee success. You have to be able to:

1. Deconstruct what you know (the vision) into measurable objectives and focus on crystallizing the “essence” of these objectives.

2. Chalk out business processes that center around this essence.
3. Have the right infrastructure in place to so as to be able to define, track, and continuously measure and refine the processes that your organization will need to follow in order to exceed business objectives.

I have just described the main tenets of process-centric organizations. Investing in creating a process-centric organization requires executive-level commitment. It is a long and arduous journey but it seeks to alleviate some of the major issues that keep CEOs awake at night. It all begins with getting to really understand what you need to do—with getting to the very essence of your business objectives.

### **Step 1: Getting To The “Essence” Of Your Business Objectives – “Knowing What You Need To Do”**

*Sounds simple, doesn't it?* My personal experience has been that distilling out the “essence” of your business goals can be the hardest step to take in your organization's journey towards process-centricity. At the outset of this financial year, I shared seven corporate-level objectives for my company. At the very essence of these objectives, that includes exceeding revenue and operating income plans and increasing business from strategic units, are three key elements—“products”, “service”, and the “customer”. The challenge for us, as a company, is making sure that we build processes that never stray from the “essence” of our objectives. Moving a little away from home—a leading financial institution (that we work with) has set itself a goal of increasing customer satisfaction by responding to customer enquiries faster. The challenge lies in providing all of the bank's employees with a single, up-to-date view of the customer's information so that the bank can respond with faster, and provide better, service. The “essence” or the key element, in this case, is “customer information”. How do you ensure that good quality customer information is created, distributed, and maintained at all times?

The first step in this project begins with getting both business and IT subject matter experts to concentrate on this key element. How should this information change hands? The focus needs to be on building out the “should-be process” centered around this key element. We frequently see companies struggling to let go of their “as-is processes”. If you think your company falls in this category, consider “intervention”—engage software specialists with well-honed methodologies and schooled in taking an objective approach to helping you get to the very essence of your business goals.

### **Step 2: Piloting “Doing Things Right”**

You've defined the “should-be” processes around your key business element (customer information, in this example). The next step involves enforcing these business

processes so as to meet your business objectives. This calls for orchestrating interactions between various silos—both people as well as systems—within and across your organization.

Investments in the ever-increasing number of IT innovations and the accumulation of technologies through mergers and acquisitions has resulted in large enterprises getting stuck with technology silos that do not interoperate with each other effectively. Of late, the mandate in most enterprises has been to consolidate applications, systems, and IT organizations and to invest in Service-Oriented Architecture (SOA) projects to achieve this goal. In situations where processes are solely dependent on interactions between applications, a bottom-up approach using traditional back-end integration technologies might suffice. However, most business processes require that people interact with these applications and systems and collaborate across departments to fulfill the business tasks at hand. In these cases, a top-down, application-agnostic approach using Business Process Management (BPM) technology is recommended. The use of BPM helps people clearly define business processes, flexibly access a myriad of back-end systems within and outside the organization, and collaborate and share information around business processes through a single interface—it sets the stage for consistently doing things right.

### **Step 3: BPM Shared Services: “Building On Things Done Right”**

You've piloted your first “should-be” business process successfully. How do you build on this success? Consider socializing the idea of creating a shared-services group around BPM technology that will serve as the underpinnings for your process-centric organization.

Increasingly, large enterprises with multiple lines of business are under pressure to consolidate infrastructure, reduce costs, and ensure governance across the enterprise. In such companies, however, most business units have their own IT groups and run their own core processes, resulting in duplicated effort and hence additional costs to develop and maintain applications. A shared-services group is a form of “insourcing”—it works to centralize business processes and the IT infrastructure to support these processes to reduce this duplication. The main benefits of shared-services are cost savings and rapid deployment of new applications by leveraging access to centralized technology and process expertise and the infrastructure.



## Design With SOA In Mind

Business processes that benefit several lines of business (e.g., human resources, training, finance, accounts payable, and accounts receivable) are perfect candidates for being moved to a shared-services group. Furthermore, as the number of applications hosted by the group grows, common themes and patterns emerge, enabling the group to identify still more processes that can be encapsulated as “services” and reused within other applications. For instance, an “employee background check process” might be a widely used service that the shared-services group hosts and maintains. By leveraging the “reusable service,” the shared-services group can develop and deploy new applications faster and at less cost.

Crafting the architecture so it can support multiple applications is key to a shared-services environment. Identify reusable components for subsequent applications. If you take this approach, you are well on your way to setting the stage for an SOA. Refrain from using proprietary technology. It will cost more in the long run.

BPM as a shared service is a fairly new concept. Most companies struggle with internal business groups being wary of ceding control over their infrastructure to a centralized group. It pays to engage with business units on a regular basis to update them on the enhancements to the shared-services infrastructure and the Center of Excellence to alleviate their fears and keep your organization on the course to succeeding as a process-centric organization.

## Moving to a shared-services infrastructure

Moving to a shared-services infrastructure requires a corporate-level commitment to investing in time, money, and the adoption of best practices. Consider engaging a BPM software solution provider that has successfully collaborated with companies to:

- Identify “process champions” within organizations
- Facilitate getting to the “essence” of business goals
- Evaluate and select the right technologies to support a process-centric organization
- Set up a BPM Center of Excellence
- Determine the right charge-back model to business groups that avail the shared services so as to make the investment in the Centre of Excellence worthwhile
- Champion internal selling and getting enterprise buy-in for wide-spread deployment.

**In Closing:** Embarking on creating a process-centric organization is a decision which should be made at a senior executive level, above politics. We have had the good fortune of growing and learning together with our customers. Our biggest takeaways that we share with our customers are: 1. Focus on distilling out the essence of your business goals and share it with your team; 2. Define clear business processes that center around the essence of your goals; 3. Take a top-down, process-driven approach to bringing people and systems together to meet your business goals; 4. Invest in shared-services and SOA—it future-proofs your technology investments.

**About The Author:** Farhat Ali is the President and Chief Executive



Officer, Fujitsu Computer Systems Corporation. Prior to becoming President and CEO of Fujitsu Computer Systems Corporation (FCS) in June 2006, Farhat Ali was Chief Operating Officer and Chief Financial Officer. His major contributions at Fujitsu include building an effective executive team, revamping the IT infrastructure, and developing a world-class supply chain. Mr. Ali has broad experience in all facets of business and operations. Prior to

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Fujitsu was recently positioned by Gartner as a “Leader” in the Application Infrastructure Software space. Its strengths in BPM and other SOA-related technologies coupled with its well-respected implementation methodology called Kaname (translates to “Essence”) has resulted in the company's Interstage software suite being deployed by over 8000 customers representing 83,000 installations worldwide. For more information, visit [www.fujitsu.com/interstage](http://www.fujitsu.com/interstage).



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