

"MANAGING INNOVATIVE CHANGE: USING A STRUCTURED, YET DYNAMIC METHODOLOGY"

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In the article "Managing Innovative Change: Effectively Employing Process Change Enablers" in the September issue of ENTERPRISE REENGINEERING, several critical process change enablers were discussed in the context of supporting business process reengineering. These process change enablers included: People, Education, Communications and Marketing, Organizational Structure, Organizational Culture, Funding, Information, and Information Technologies.

Each of these process change enablers must be considered within any business process reengineering effort. These enablers will help provide the means to successfully undertake the process of reengineering and contribute significantly to the implementation of the new, reengineered business processes. Yet, what is the framework for reengineering and how is it to be managed, if at all?

For organizations to successfully undertake reengineering and determine a better way to do work through their organizational structure, their work processes and their people, management must realize that reengineering should be cast within their organization as the future way of life for the entire organization. A total shift in the organizational, managerial and technological paradigms in most cases is required.

A corporate vision must be provided in order to provide the necessary focus, direction and road map for the reengineering efforts. Since all changes resulting from the different reengineering efforts will affect everyone and everything in the organization, all these changes must fit together. Yet, how does this corporate vision evolve and how is it conveyed and maintained throughout the reengineering efforts?

Even with a dynamic corporate vision for reengineering and the use of key process change enablers, reengineering efforts may still fail. In many attempts to undertake business process reengineering, management approaches these efforts with a very narrow focus -- 1) reengineer only one process and then stop, 2) reengineer a single process, but keep it isolated from everything else ongoing in the organization, and/or 3) use a reengineering methodology dictated only by the parameters of a structured software tool.

As a result of these types of narrowly-defined reengineering efforts, management is often left wondering why are they not more successful at their reengineering effort or, in fact worse, why have they miserably failed in their reengineering effort. To say the least, many managers have been very short-sighted in looking at their organization in the context of their preconceived notions and understanding of reengineering. Unfortunately, these narrowly-focused approaches will only doom individual process reengineering efforts in the long term. Short term fixes for narrowly-defined problems only create additional chaos for the organization.

Management must approach business process reengineering from an enterprise-wide perspective in conjunction with the effective use of key process change enablers and a view of reengineering as an all encompassing way of life.

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Yet, how can management, particularly in larger organizations, tackle these issues effectively, while still providing positive leadership and effective management control in the midst of constant turmoil stemming from the constantly changing economic, social and political factors affecting today's organizations -- changes in competition, changes in customer orientation and changes in technologies?.

Thus, today's managers who are addressing the prospect of reengineering and who, hopefully, would like to be successful at their reengineering efforts over the long term should consider the following key issues:

- * Providing an effective framework for reengineering
- * Establishing the corporate vision and a road map for reengineering
- * Reengineering from an enterprise-wide perspective
- * Providing positive leadership and effective management control

Each of these issues can be successfully addressed if a proper methodology is used by organizations to implement the process of reengineering.

Unfortunately, many current methodologies used by organizations today for their reengineering efforts do not take into account these major macro issues. They are not structured to take full advantage of the basic principles of reengineering, thus eliminating any opportunity for organizations to gain long-term, successful results from their reengineering efforts. Some of these methodologies focus on only a few of the many key elements within the reengineering, thus failing to address many critical issues required for long-term success.

Several of these critical issues which must be addressed include: failure to inextricably link the process of reengineering to the overall corporate agenda; ineffective organizational structure to support the reengineering efforts; reengineering a process with tunnel vision by failing to address ancillary organizational issues; spending an inordinate amount of time examining current functions and processes; focusing only on technical issues at the expense of human resource issues; and failing to go beyond implementation of the new reengineered process.

Also, unfortunately, many of today's software tools that have been developed to support reengineering efforts provide a false sense of euphoria for management when used inappropriately or with a lack of in-depth understanding. Some managers rely on the software to provide the "answers or solutions" to all the critical organizational, managerial and technological issues within the process of reengineering. Fortunately, common sense and intuitiveness, if applied, suggest otherwise.

In addressing the four key macro issues, management should consider a methodology for use in their process of reengineering that will allow their organization:

- * To build the necessary "bridge" from the on-going corporate strategic planning efforts to the process of reengineering -- to tie its reengineering efforts to its strategic direction and control;
- * To provide a dynamic reengineering organizational infrastructure responsive to the needs of the entire organization and all of its people;
- * To address its current business practices in an effective and timely manner;

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- * To develop the vision and design for its future process-oriented infrastructure, emphasizing management, organizational, technical, and human resource issues;
- * To effectively use key process change enablers within the process of reengineering and in the new reengineered process;
- * To effectively and judiciously use available software reengineering tools;
- * To build the "bridge" from the implementation of the reengineered processes to the long-term management of these processes -- to positively manage and continuously improve its new business processes.
- * To provide a structured, yet dynamic methodology in which all reengineering activities can be effectively coordinated; and
- * To provide an enterprise-wide approach to all reengineering efforts within the organization.

To address this enterprise-wide reengineering approach, a simple and straightforward, yet structured and disciplined methodology should be considered by management in order to give the organization, and its people, a fighting chance for success in their reengineering efforts. The following eight-phased methodology provides an example of an approach with all of the aforementioned characteristics to support an enterprise-wide approach to business process reengineering.

- * **PLANNING:**
Set foundation for future change activities; increase awareness, understanding and support for business process reengineering among executives, managers and employees; and establish mandate as corporate vision and provide direction for change.
- * **ORGANIZING:**
Mobilize, organize and train people to do business process reengineering; develop reengineering plans; initiate communication activities; and manage change.
- * **EVALUATING:**
Identify, measure and evaluate current business functions and processes; and ask the tough, yet fundamental questions of why and necessity.
- * **IDENTIFYING:**
Identify and prioritize business process reengineering opportunities; complete process mapping analyses; and establish BPR project framework.
- * **VISIONING:**
Create vision of ideal business process; determine success criteria for new process; assess gaps between current and ideal processes: and gain approval.
- * **DESIGNING:**
Identify process change enablers; develop, test and evaluate process design alternatives; undertake detailed process design, including technical and human resource issues; and gain approval.

*** IMPLEMENTING:**

Initiate pilot project; develop implementation plan; evaluate and train people; implement new business process; and measure and evaluate process performance.

*** MANAGING:**

Maintain BPR infrastructure; evaluate reengineering efforts; develop future reengineering objectives and priorities; and implement continuous quality improvement programs.

This eight-phased, structured methodology is not a miracle cure, it is not a panacea. It offers no quick or simple solutions to the vast organizational, managerial and technological challenges faced by today's reengineers. But it does provide a more systematic, yet dynamic approach to effectively address the many critical issues that organizations face today as they undertake the process of reengineering. With this methodology, management can implement reengineering as an all encompassing way of life for their organization, they can implement reengineering from an enterprise-wide perspective, and they can effectively use key process change enablers in all their reengineering efforts.

To be successful in using this eight-phased methodology for their reengineering efforts, management at all levels must exercise positive and dynamic leadership with a high degree of flexibility in managing innovative change through this methodology, management must be fully committed to the reengineering effort. Only then, can today's visionary managers expect to achieve successfully their strategic goals through business process reengineering.