

# Business Process Management Seminar

## REPORT

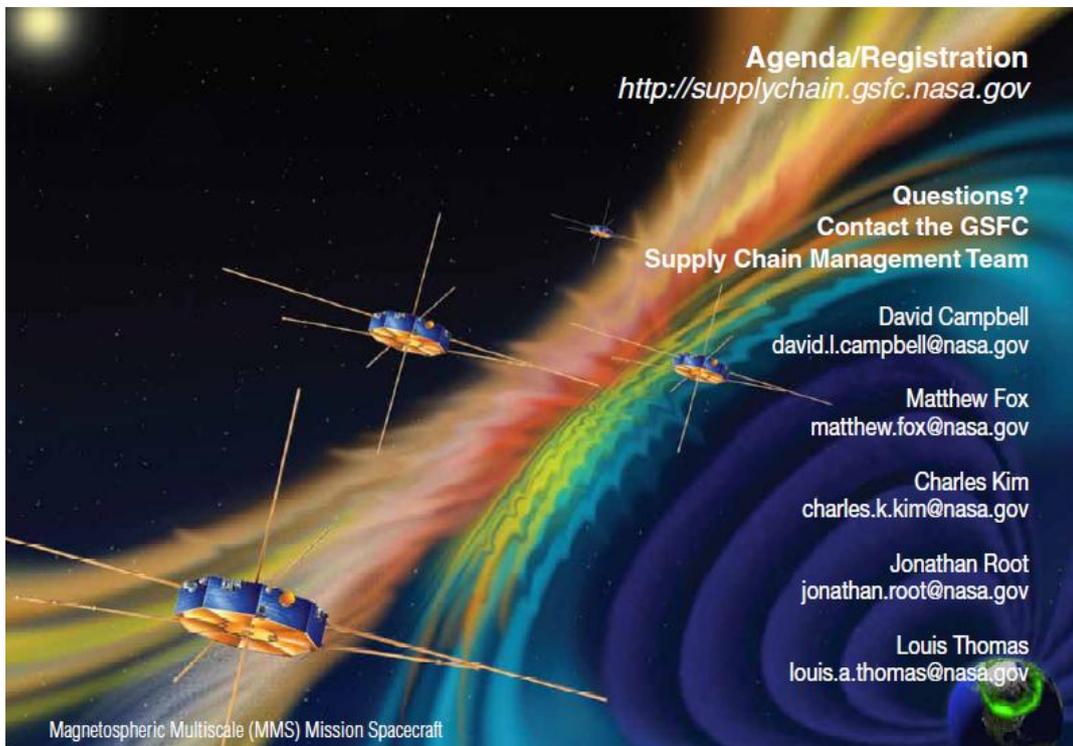
### **Seminar in Strategic Process Management and the Transition to the AS9100 Standard for Quality Management**

NASA SUPPLY CHAIN CONFERENCE 2011

### **Managing Risks to Assure Mission Success**

At NASA Goddard Space Flight Center

October 20, 2011



Agenda/Registration  
<http://supplychain.gsfc.nasa.gov>

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Magnetospheric Multiscale (MMS) Mission Spacecraft

October 20, 2011

*Claes Berlin*

## 1

## BACKGROUND

The unique and competitive advantage in your company lies not only in your WHAT but within Your HOW that strengthening your operational skill as well as your brand in the market.

This year Claes has developed his seminar from last year and will lead this interactive seminar on **"from WHAT to HOW"** with more storytelling about his experiences within this management change and also go deeper into process mapping on level I and level II.

## 2

## PROGRAM

### Seminar Agenda

The seminar involves a combination of presentations and participatory exercises, and includes:

- Why and How to change your organization – and a Process Approach for achieving optimal operations
- Implementation of sustainable, holistic Management Systems based on ISO 9001:2008 and AS9100C standards
- New exercises in Business Process Management, including process mapping at primary and lower levels.
- How to implement Continuous Improvement based on data and results

The seminar was conducted by Claes Berlin, see below the bio;

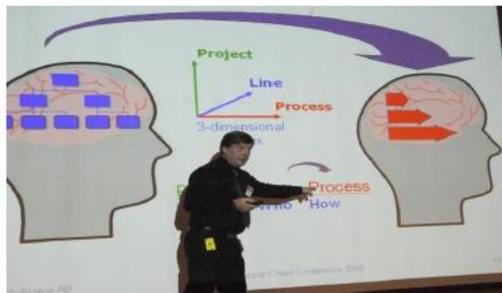
*Claes Berlin has worked in the international space industry for over 35 years with worldwide experience with projects, customers, suppliers. He is currently the Program Director for the Executive MBA program conducted the Stockholm School of Economics in Russia and an independent consultant.*

*Claes previously served for many years as the Quality Director for RUAG Space Sweden (previously SAAB Space). His extensive experience includes expertise in the areas of Quality Management, Supply Chain Management, Change Management, Process Management, Project Management, Leadership and Operational Excellence. Claes earned a Master of Science degree Electronic Engineering in 1975 from Chalmers University of Technology, and is a certified lead assessor for the Swedish Quality Award, the European Quality Award, the U.S Baldrige Award, and International Quality Standards (ISO 9000, ISO 14000 & Aerospace Standard AS/EN/JISQ 9100).*

*Claes is a previous speaker and seminar leader for the NASA Supply Chain conference, the NASA Quality Leadership Forum, he has delivered numerous conference seminars & courses in Europe, China, Russia and Japan.*

Participants in the BPM-seminar;

Steven Kosloske	NASA
Chris Berg	NASA
Robert Nagy	NASA
Julie Gillespe	JHU/APL
Anand Swaroop	Sigma Space
Bobbie Quintaing	MDA/QSQ
Tom Bacus	Bocus Associates
Alan McLiverty	ITT Exils
Melody Mutschler	LMSSC
Amber Ronson	Shonme Quality
Ronald Myers	Raytheon
Stephan Ferguson	NASA
Steve Danley	Frontier Electronic Systems
Shelley Dyer	USURF/Space Dynamics Lab
Belinda Chavez	Honeywell
Alan Lane	JHU/APL
Dave Nash	Verify Inc.
Jorg Fischer	UCB, SSL
Jim Rodden	US Army
Steve Leiter	NASA
Nat Jambulingam	NASA
Kien Nguyen	Honeywell
Greg Ellers	Honeywell
Ken Sivcovich	DRS Technologies
Mark Noteware	APL



## BPM Workshop "From WHAT to HOW"

The unique and competitive advantage  
lies within

### Your HOW

strengthening your operational skill  
as well as your brand in the market.

/claes

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NASA SUPPLY CHAIN 2011 – Managing Risks to Assure Mission Success, Washington, October 20, 2011



## Seminar in Strategic Process Management and the Transition to the AS9100C Standard for Quality Management

TUESDAY, 21 JUNE 2011 00:00 SUPPLYCHAIN ADMIN



PREV 1 of 3 NEXT

Making or considering the transition to AS 9100C and process-based management or just curious? Then sign up for this newly updated seminar when registering for the Supply Chain 2011 conference! Claes Berlin, a highly rated, international speaker, seminar leader and consultant, returns to this year's conference to lead this interactive seminar.

[DOWNLOAD 2010 REPORT](#)

**Supply Chain 2011**

### **Seminar in Strategic Process Management and the Transition to the AS9100C Standard for Quality Management**

**Seminar Leader:** Claes Berlin, Process Management AB, Senior Lecturer at the University of Boras in Sweden, and Executive MBA Program Director at the Stockholm School of Economics, Russia.

**When:** 8:30am to 12:15pm, October 20<sup>th</sup>

**Location:** Building TBD, GSFC Campus

Claes Berlin has worked in the international space industry for over 35 years with worldwide experience with projects, customers, suppliers. He is currently the Program Director for the Executive MBA program conducted the Stockholm School of Economics in Russia and an independent consultant. He previously served for many years as the Quality Director for RUAG Space Sweden (previously SAAB Space). His extensive experience includes expertise in the areas of Quality Management, Supply Chain Management, Change Management, Process Management, Project Management, Leadership and Operational Excellence. Claes earned a Master of Science degree Electronic Engineering in 1975 from Chalmers University of Technology, and is a certified lead assessor for the Swedish Quality Award, the European Quality Award, the U.S. Baldrige Award, and International Quality Standards (ISO 9000, ISO 14000 & Aerospace Standard AS/EN/JISQ 9100). A previous speaker and seminar leader for the NASA Supply Chain conference and the NASA Quality Leadership Forum, he has delivered numerous conference presentations, seminars and courses in Europe, China, Russia and Japan.

#### **SEMINAR AGENDA**

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- Why and How to change your organization – and a Process Approach for achieving optimal operations
- Implementation of sustainable, holistic Management Systems based on ISO 9001:2008 and AS9100C standards
- New exercises in Business Process Management, including process mapping at primary and lower levels.
- How to implement Continuous Improvement based on data and results

Participation in the seminar is restricted to those attending Supply Chain 2011. [Sign up for the seminar](#) when registering for the conference – space is limited! There is no fee for the conference or the seminar. If you have any questions regarding the seminar, please contact Claes Berlin ( [claes.berlin@telia.com](mailto:claes.berlin@telia.com)) or Jonathan Root (( [jonathan.f.root@nasa.gov](mailto:jonathan.f.root@nasa.gov)), NASA GSFC conference manager for Supply Chain 2011.

**Supply Chain 2011,**  
the 5th Annual NASA Supply Chain Quality Assurance conference  
- the theme of this year's conference

### **Managing Risk to Assure Mission Success**

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Based on the morning presentation done by Claes please find below an outline of some cornerstones and slides in the Process thinking from WHAT to HOW.

## **Business Process Management – from WHAT to HOW**

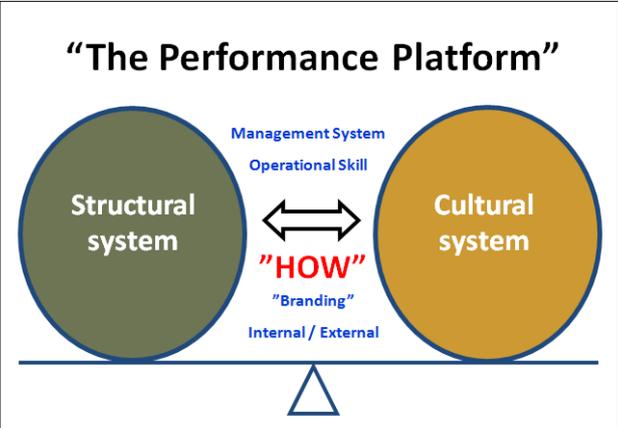
### **Introduction**

Business Process Management – BPM, is a holistic management approach focused on aligning all aspects of an organization with the actual and coming needs and wants of customers and clients in value chains. It promotes the understanding of your own internal operations, business effectiveness and efficiency with a horizontal cross-functional sight on customer value creation, flexibility and integration with technology striving for innovation on all levels and also your brand development. BPM attempts to improve processes continuously adapting internal resources and ways of working in relation to the only true environment of constant market change. It can therefore be described as a process optimization process with the perspective of both internal as external customers creating customer values. It is argued that BPM enables organizations to be more efficient, more effective and more capable of change than a functionally focused traditional hierarchical management approach but several empirical studies as well as by Kohlbacher (2009) indicates that BPM helps organizations to gain higher customer satisfaction, product quality, delivery speed and time-to-market speed. The strength of a company today with more and more global competition where many players can offer the same products and services it is a clear paradigm shift from WHAT you do, to HOW you do it. The true Process Approach focus on the HOW which also lead to a brand development and extremely important competitiveness factor on the market. The WHAT is more general and can be done by several, the HOW is unique – your HOW.

### **Overview**

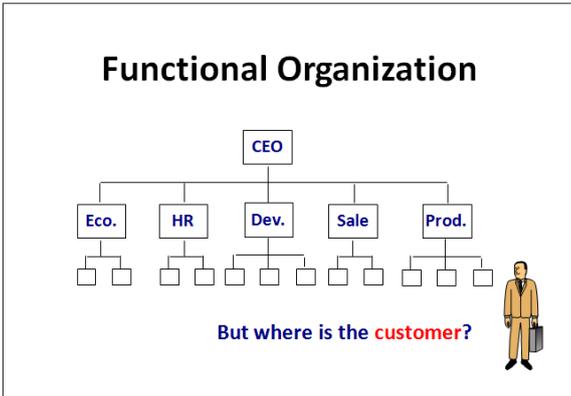
A business process comprises a "series or network of value-added activities, performed by their relevant roles or collaborators, to purposefully achieve the common business goal." These processes are critical to any organization, as they can generate revenue and often represent a significant proportion of costs. As a managerial approach, BPM considers processes to be strategic assets of an organization that must be understood, managed, and improved to deliver value added products and services to clients with focus both on internal customers as external customers. The foundation is very similar to other Total Quality Management or Continuous Improvement Process methodologies or approaches. BPM goes a step further by stating that this approach can be supported, or enabled, through technology to ensure the viability of the managerial approach in times of stress and change. In fact, BPM is an approach to integrate an organizational "change capability" that is both human and technological.

Another way to express that is that a company and/or organization has to build up their Performance Platform and this Platform is a balance between the Structure and the Culture of each individual organism related to its acting to market it work on in a constant variable the environment.



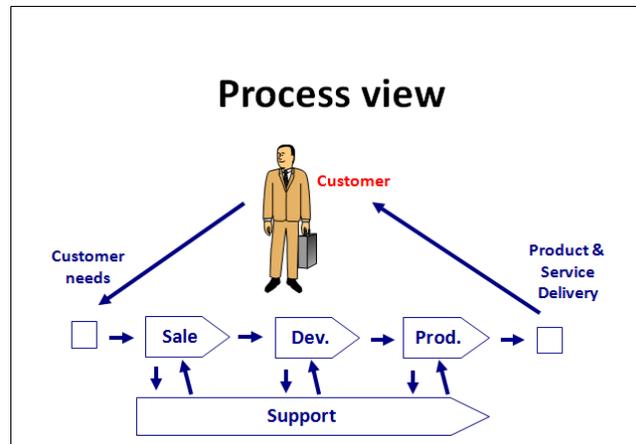
Although the initial focus of BPM was on the automation of business processes with the use of information technology, it has since been extended to integrate human-driven processes in which human interaction takes place in series or parallel with the use of technology. For example (in workflow systems), when individual steps in the business process require human intuition or judgment to be performed, these steps are assigned to appropriate members within the organization.

More advanced forms such as human interaction management are in the complex interaction between human workers in performing a workgroup task. In this case, many people and systems interact in structured, ad-hoc, and sometimes completely dynamic ways to complete one too many transactions. The benefits and perspective from complex value chain creations are sometimes hard to see in functional organization of several levels with tendencies to create silos and kingdoms in the organizational organism.



BPM can be used to understand organizations through expanded views that would not otherwise be available to organize and present, such as relationships between processes. When included in a process model, these relationships provide for advanced reporting and analysis. BPM is regarded by some as the backbone of enterprise content management.

Because BPM allows organizations to abstract business process from technology infrastructure, it goes far beyond automating business processes or solving business problems. BPM enables business to respond to changing consumer, market, and regulatory demands faster than competitors - creating competitive advantage.



BPM focus on:

- Vision - strategize functions and processes
- Define - baseline the process or the process improvement
- Model - simulate the change to the process.
- Analyze - compare the various simulations to determine an optimal improvement
- Improve - select and implement the improvement
- Control - deploy this implementation and by use of User defined dashboards monitor the improvement in real time and feed the performance information back into the simulation model in preparation for the next improvement iteration.
- Re-engineer - revamp the processes from scratch for better results

This brings with it the benefit of being able to simulate changes to business processes based on real-life data. Also, the coupling of BPM to industry methodologies allows users to continually streamline and optimize the process to ensure that it is tuned to its market need.

## Processes

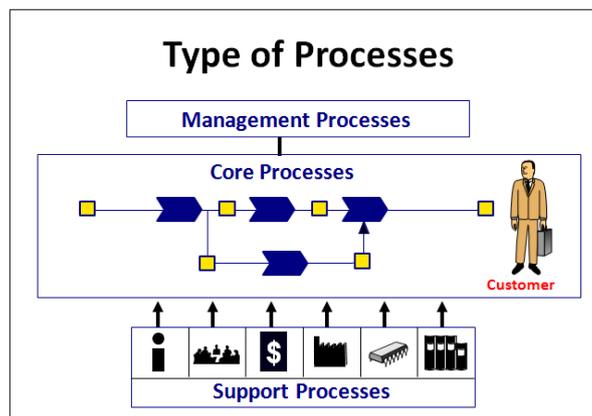
What is a process? The notation of a process comes from the Latin words "processes" and "procedure" which denote "advancement" or "move ahead". In the quality field a definition of a process is *"a set of activities with a specific beginning and end, which, using the resources of an organization, repeatedly adds value to a measureable object from a supplier to a predetermined measureable result to a customer"*. A definition of a process is that *"a process is a network of activities that are repeated in time, whose objective is to create value to external or internal customers"*.

In reality processes are largely a matter of co-ordination between people, resources, skills – agreements between individuals and their competences, optimize the way of work and cooperate to achieve and create high customer value in an efficient way.

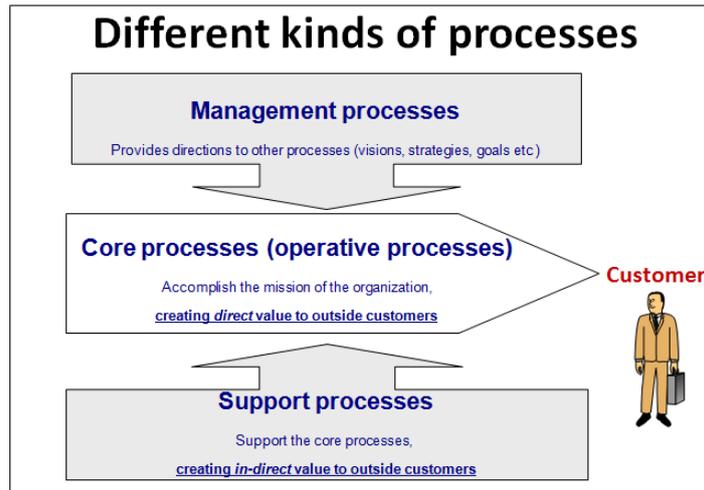
Processes involve teamwork rather than assembly lines and functional responsibilities. This is important, not least because the main improvement today is typically to be found in the administrative, research and supply workflows. Significant improvements have already been made in most processes related to manufacturing while other processes in an organization have very often been neglected.

## Process definitions

An organization can from an overview perspective be described as a network of processes and these processes can be classified according to “who is the customer and who is the supplier” and based on that create an interface of processes creating customer value. Processes are often differentiated into the three categories Core Processes, Support Processes and Management Processes;

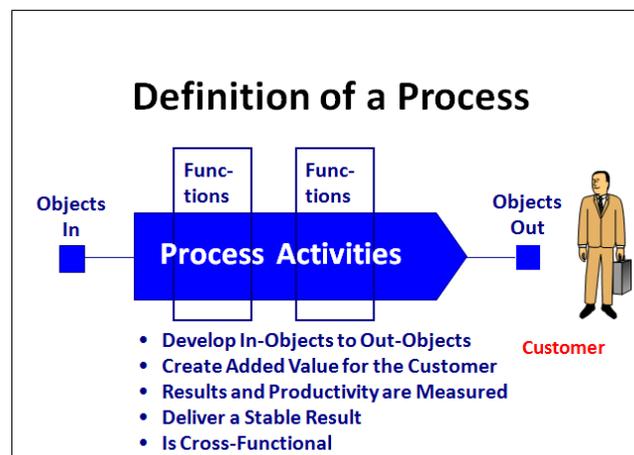


- Core Process, whose task is to fulfill the needs of the external customer and to refine the products and services provided by the organization, these processes do have clear external customers. Examples of this type of processes are the product development process whose task is to create value for future customers, production and distribution processes where the task is to create value for the present customer. These processes are in a way “the life nerves” of an organization since their output directly or indirectly creates the income to the organization.
- Support Processes, whose mission is to provide resources for the core processes and primarily have internal customers. Examples of support processes are recruitment, maintenance, infrastructure that can consist of IT-systems, facilities etc. and information processes.
- Management Processes, in which the task is to make decisions on the targets and strategies of the organization and to implement improvements into the other parts of the organization. The management processes mainly have internal customers but it could also be customers as the company board and the society.



The purpose of each process is to satisfy its customer the most efficient and cost effective resource consumption along a value chain. Running a process requires resources of different kinds such as information, energy, working hours, facilities and different systems of IT solutions, communication and architectural knowhow. Careful planning and sufficient funds are needed to accomplish the different processes and it is also necessary to identify suppliers and customers that can be both internal and external to the processes.

The main task for each process development is to focus what the in-objects are in, what are the out-object are and how it is done to create the best customer value in a cost effective way using the right competences and technology support, lean process approach and implementation.

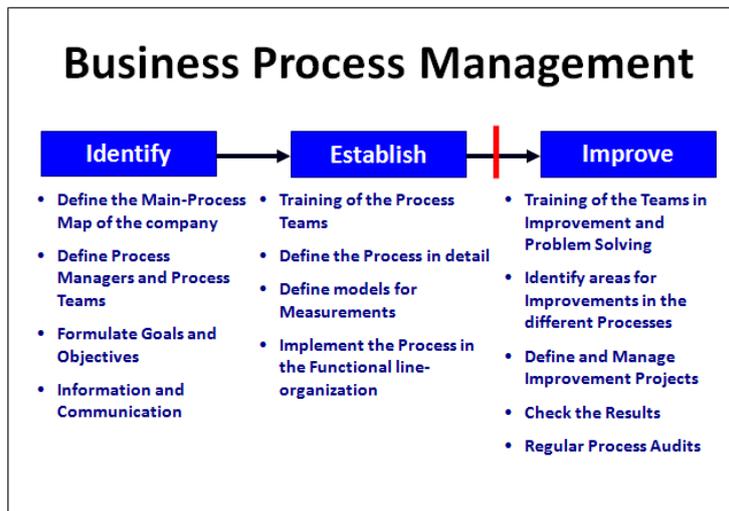


The process should deliver a stable and predictable result and measures shall be done all the time to ensure the efficiency of the process. When looking at the value created in an organization from a process perspective most activities are cross-functional over the line functions and departments.

Moreover a process focus on "how are the results produced" and carries greater weight than "who does what". Process focusing also generates better chances of achieving a shared vision based on the overall mission and vision of the company and it becomes clearer how the different employees understand and contribute to the end result.

## BPM – Business Process Management

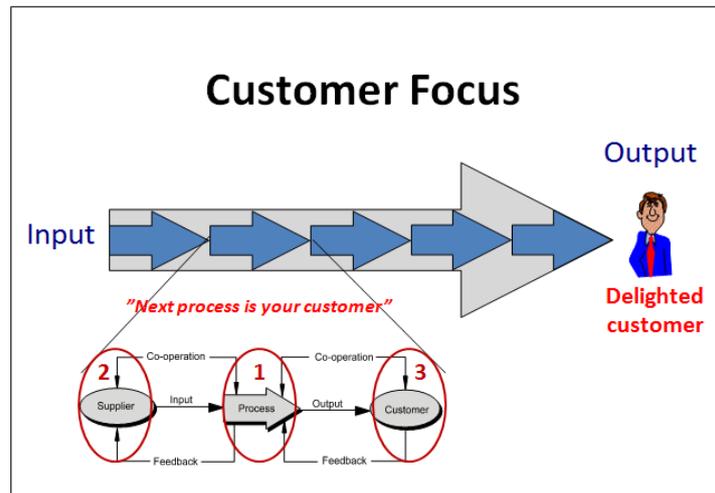
One state-of-the-art method used is the BPM – the method of Business Process Management which gives clear instruments and tools how to Identify, Establish and Improve your process.



An important step in the first stage – Identify, is to define the main process map of the company or organization. A normal situation in even a high skilled functional management team is that individuals can have rather different opinions about how the own company in reality operate when taking the holistic perspective from a process approach instead of the normal line- functional perspective with individual management responsibilities. The team then most likely creates a main process map how they would like to see the processes and agree about that map and not how it really is. It is ok to do it but it is essential to define the processes like they are today because you must know where you are to understand and take the right steps to go to where you want to be. Many times this defined process map where you want to be are published and realized on your organization and your intranet websites and looks great, but normally the organization does not work accordance with that map – it looks nice but there are deep leaks of reality in the operation.

After that the real main process map is set on level I different process leaders have to be assigned and they will from that responsibility create their own process team of say 3-5 persons. After detailed process mapping of main and sub processes with clear customer perspective of what value added work is needed necessary procedures and formats for the operative work is written and approved between the teams as well as relevant process measures. The sub processes should be described on a level II and perhaps also a level III but not more, do not do it too complicated because when set you must improve and sustain it to get the top effect of your work. Experience shows that the work should be concentrated on a few important processes, often main processes. The Pareto principle applies more and less in this context as well, that 80% of the customer value is created in 20% of the process activities. For this reason it is not meaningful to break down all sub-processes to a too detailed level but focus on a pragmatic process mapping approach where some process from the main process map goes down to sub processes on level II and then some in sub

processes on level III but normally don't further down in levels. When your processes are mapped you are going to sustain and develop them systematically over time with continuous improvement, do not do it to complex. To make complex thing more complex is easy – to make complex thing simple in a smart way is creativity.

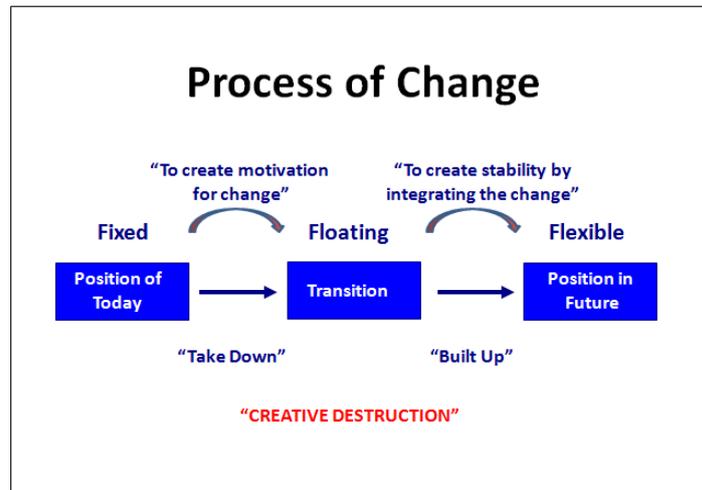


It is important to understand the real nature of your process before starting the process mapping and improvement work. The Customer – Supplier Model above offers good insight where the most important part of the process management methodology is the identifications of the customer value along the supplier chain. A good recommendation is to take it in the three steps; 1) do understand and map your own processes with a high awareness of how you create external customers value, 2) involve your strategically and critical suppliers into a mutual beneficial mapping of the common value chain to achieve short and long term customer value and when this two steps are done you are ready to take step 3) and directly involve and connect the customers into your created value chain.

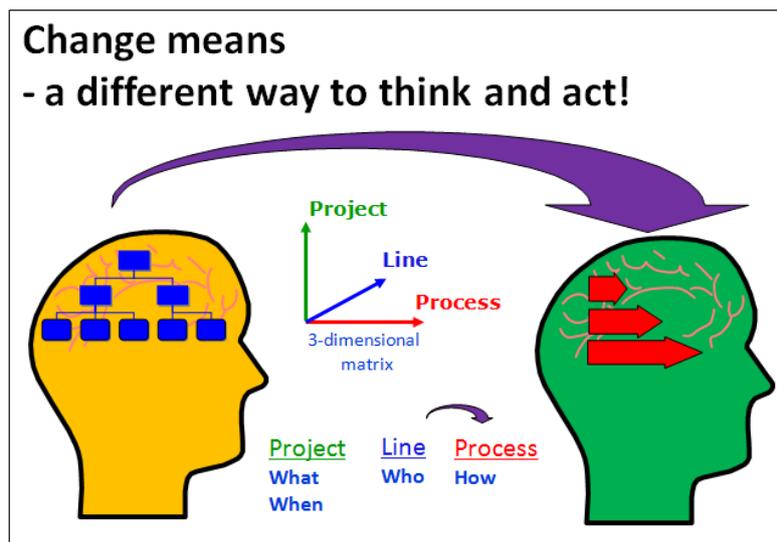
During this in the two stages Identify and Establish regular information and communication between teams and the employees is vital as well as all the time top management engagement. Learning is also that when defining all processes steps and routines "good enough is ok" – "avoid perfectionism" and Improve from that.

Resources and energy should now be devoted to continuous process improvement instead of using considerable resources for "fire-fighting", i.e. taking temporary steps in order to save critical situations. It is important not to react to singularities, however each separate non conformance and each separate deviation from the expected result provides vital information about the function of the process and must be evaluated and complied. This information will help to enrich our knowledge of the under laying causes of variation in the results of the process. These variations can be eliminated or compensated for and thereby further reducing variation. In this way we can improve the process and achieve improved customer satisfaction both externally and internally.

When developing your new process oriented operation it is essential to learn new thinks and implement them but another as important task is to take away unnecessary activities, routines etc. that do not create value. A experience in my 15 years long study within process management is that many companies introduce this new learning more or less effectively but many do not take away not value added things. Companies who do not take away – never change – I call it “creative destruction”!



Some few companies go the whole way to transferee their functional organization into a process organization – the experience I have is that keep also the line structure. In decades companies worked in so called matrix organizations between line and project, now it becomes a three dimensional matrix with project – line – process. Some thing you do better in project form, some other in line form and other in the process perspective, it becomes a three dimensional dynamic operation in your company.



Examples of line activities are budgets, salaries, investments – in project dimension the processes are applied and we learn how the work gives feedback to the process dimension that continuous improve and adjust the process.

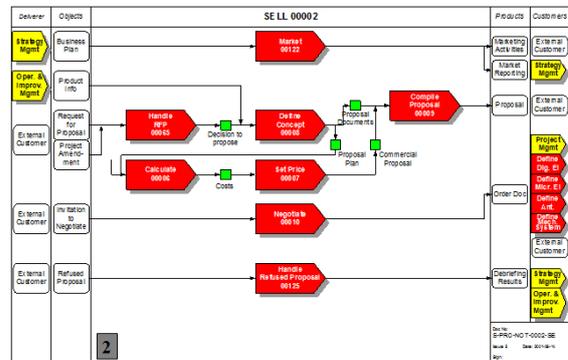
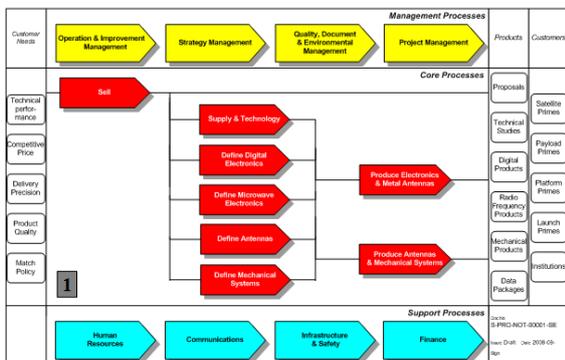
An interesting relation is also how much money invests in equipment and how less that is in relation to the success of the implementation of new tools and management systems, see research below;

**Relations between investments and success:**

	Part of the investment	Part of the success
• People	2 %	20 %
• Processes	2 %	15 %
• Cultur	1 %	20 %
• Leadership	1 %	10 %
• Organization	2 %	10 %
• Information (data)	10 %	15 %
• Technology	82 %	10 %

Source: Marval, ITIL - IT Infrastructure library, OGC - Office of Government Commerce

Below you find as example the Main Process Map from RUAG Space (earlier SAAB Space), level 1 and level 2 maps:



Ref. There is a special article issued about the SAAB Space Management System titled; Change Management: Implementation of a Process Oriented Management System Based on Business Ideas and Values in a High Technology Company issued by Total Quality Management Journal, vol. 15, no. 5-6, 569-592, July-August 2004.

**The Process Management Methodology**

The procedure of Process Management consists of the following steps:

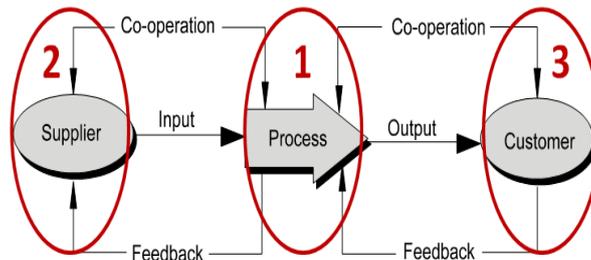
- Organize for Improvement – appoint Process Leaders and Process Improvement Teams

The management appoint the Process Leaders that have a strategically responsibility for the understanding, mapping, communication, improvement and development of the process. Experience shows that the work should focus on a few important processes, often main processes, the pareto principle applies in this context, i.e. that 80% of the customer value is created in 20% of the process activities. For this reason it is not meaningful to break down all sub-processes to a too detailed level.

- Understand the Process – define the interfaces and investigate internal and external customers, suppliers, customer values mapping the detailed process flow of work

It is important to understand the process before starting the improvement work, the Customer – Supplier Model as below gives a good insight,

*"Next process is your customer"*



The most important part of process management methodology is the identification of the customers both internal and external. It is needed to know for whom the process should produce value for and to know what the value consists of. In most main processes there is a great potential for improvement, therefore it is often worth the effort to be a systematic when describing the present process and to find improvement opportunities.

- Observe the Process – establish the control points and implement regular measurements

Facts about earlier behavior of the process have to be used as a basis for improvement, measuring the capacity of the process in terms of quality, measures of customer satisfaction, resource consumption and time-keeping to choose suitable improvement areas.

- Improve the Process Continuously – use and analyze the feedback from the measurements and improve the processes

A central factor in process management is to adopt a holistic view of the organization and to improve the following steps; Quality – the capability to satisfy the customer's needs and expectations, Efficiency – how well the processes are utilizing the resources in the organization to produce results and Adaptability – how well the process can be adapted to changed prerequisites.

An important step in productivity and quality improvement is simplification, many processes both in main processes and support administrative processes in use today are unnecessarily complex. That is due to the many changes that have over time been made in organizations related to merging, product and service development, different CEO's and Board activities, laws and regulation changes over time etc. – old routines live on and no longer create any customer value.

# Learning and Experience in Practical Process Management Implementation

During my over 15 years of experience in practical implementation of processes, research and benchmarking with other organization it is one of the most fruitful and effective methods to develop organizations to create customer value, marketing adaptation, internal lean operation and long term sustainability in an always changing market environment – to **shift your focus from not only WHAT you do, to HOW you do it.**

Below you will find my **Experience of problems, it´s reasons and potential improvement area´s** that you can find in many organizations both in production and service sectors.

My **Recommendations and Learning´s in how to implement Business Process Management – the 3 BPM steps.**

Finally based on my experience **what can be achieved by a True Process Implementation.**

## **Experience of relatively common problems in organizations, it´s reasons which gives potential improvement area´s;**

- Many organizations are very professional but sometimes people **do not always do what they should do – but what they want to do.** The reasons could be unclear objectives and goals from top management, old inefficient structures, limited understanding and implementation of customer values, introvert and conceited way of acting.
- **Islands in the business where bridges and integration are clearly missed.** Can be due to old obsolete routines, bad integration of administrative support IT-systems, different subcultures and that the problems are known but you live with them without really doing correction and get results.
- **"Kingdoms"** in the organization. Often based on old structures, lack of extrovert thinking and acting, unclear real understanding of customer needs, a culture of "boss" mentality with lack of empowerment in the operative operation.
- **People who solve problems late in the projects becomes "heroes", a fire-fighting organization.** Often due to lack of sufficient risk analysis work, unclear process steps and responsibilities and understood and communicated customer requirements late corrections before delivery and also after delivery to customer can create highly costly work – focus on prevention and not correction.
- **Unclear relations with our suppliers.** Can be not clear communicated product and service requirements, insufficient specifications and documented facts, lack of control in second and third level supply chain.

- **Acceptance and promises to customer direct and indirect requirements** without doing complete risk analysis. Agreement of customer demands done without complete understanding and dialogue both with customers and internally just to get the order, late risk analysis and actions taken, insufficient documentation between the parts.
- **“Gold plating” of products.** There sometimes exists a culture in highly professional organizations to overdo the product development above customer requirements – but the customer just pay for what they specify.
- **Managers have high workload of the daily operation matters and pay too little attention to planning, communication, strategy and coaching.** Normally related to not optimized process implementation in the daily operative work, lack of empowerment in the whole organization, no systematic improvement work with checking of direct results and learning’s.
- **Many projects do not fulfill planned cost targets and/or promised delivery time.** You live with several of the above problems without taking action.

### **Recommendations and Learning’s in how to implement the 3 steps in BPM – Business Process Management;**

The 3 different steps of Business Process Management, BPM are **Identify – Establish – Improve** as earlier stated;

## Business Process Management



### **What to do in the different BPM steps!**

#### **Identify – step 1:**

1. before starting a process implementation in your organization – be clear in why you want to do it – if you do not agree why, then do not do it – if you agree why, just do it!
2. define aggressive business goals you want to achieve by this change in short and long term perspective!
3. assign as project manager for the process implementation a top executive manager the CEO or vice president and not the quality manager, this to involve the executives in the whole change from start and forever!
4. establish an implementation plan with clear responsible, a communication plan and with agreed budget!
5. include all ongoing improvement work within this change process to get the right priorities and clear messages in the organization!

6. start with top management and learn by training and doing the concept of process management!
7. top management to establish the main process map of the organization, important to define it as it is and not as you wish it to be – “if you do not know where you are you do not know how to go where you want to be”!
8. do not start to buy and invest in a IT-tool for process mapping, sometimes executives think that if you have an advanced tool half of the work is done, in practice you have not even started – “the true work is done with paper, pen and in open dialogue and brainstorming in all levels in the organization”!
9. top management to assign the Process Leaders on the Main Process Map and do not assign the corresponding line managers on the different tasks only, a balance with 50% line manager and 50% other competent individuals can be referred!

### **Establish – step 2:**

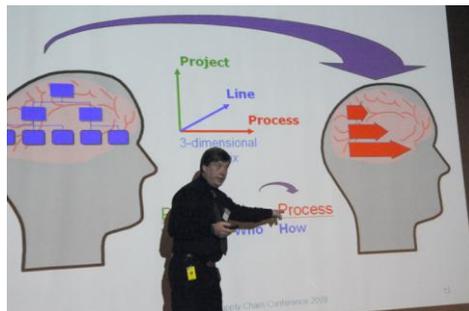
1. train your middle management and all employees in your organization the concept of process management!
2. give the responsibility to the Process Leaders to assign their process teams!
3. no micro management, when top management done their homework handover the responsibility to the operative people on all levels, just support with a small coordination executive group!
4. a normal re-organization in the line structure is a direct top-down change but a true process implementation is a top-down / bottom-up change, most re-organization in the line structures are just cosmetic changes without creating more effectivity but uncertainty and partly chaos before adaptation!
5. define your processes and sub-processes in detail on not more than 3 levels – do not do things too complex – “to do complex things more complex is easy but to do complex things simple in the right way is creativity, do it good enough and avoid perfectionism”!
6. be very clear and document all in- and out-objects to get a clear understanding of your process and assure the critical processes, be sure that important facts and activities “do not fall between the chairs”!
7. use real professional and experienced consultants in the beginning and train top executives, middle management and your employees, after that train your own process coaches and take over the change process of the organization – “consultants to be used when you need them but do not hand over the change process to them, take charge and do it in your way”!

### **Improve – step 3:**

1. improvements is a never ending work of systematic daily work based on facts!
2. base your improvement work on strong customer focus and your competent workforce, the most valuable asset you have is your people

“doing right things and doing the things right”, - process management is what you can say a skill in “Human Engineering”!

3. give the process teams systematic training in problem solving and quality tools, this to be more and more professional in the improvement work!
4. introduce regular Process Reviews 2-4 times per year in all identified process on the Main Process Map!
5. try to visualize your improvement work on white boards, graphs and models on the wall out in the physical environment, do not hide it in systems and computers!
6. assure top management engagement all the time, never stop with that, what top executive management prioritizes middle management and all people prioritize!



### **What can be achieved by True Process Implementation;**

1. a holistic understanding of mission, vision and objectives and the implementation of it
2. better understanding of customer values
3. significant more effective operation in creating customer values
4. more flexible in adopting new needs and changes on the market
5. strengthening the branding of the company
6. a more robust operation with people taking more responsibility and giving their support and creativity to the business tasks, you get also a more self-correcting organization
7. an internal higher operation efficiency of 20-40%, less resources in middle management and more allocated in the direct operation and value creating processes
8. higher awareness and understanding of internal customer value
9. better internal communication
10. better handling of your resource management
11. change take time, give it time and create a sustainable improvement process
12. no need of frequent line re-organize, you got a dynamic evolution in the process perspective
13. involvement of your key suppliers directly into the creation of customer value
14. a new direct marketing channel directly into your key customers in the process dimension, it becomes a tool on the market to get business, “you do not only sell products/services, quality - you sell and give trust”

## **SUMMARY**

To process orient your organization in a holistic true way could be one of your most important strategically decision in operation and business development.

In a highly competitive global market where more and less all can do the same WHAT the HOW becomes a more strategic movement to develop the competitiveness on the market.

I say – many companies talk about it, few have done it, even more few have succeeded – we talk about it, we have done it and we have been working in accordance with it and constantly learn and improve every day.



***"Business is not done between companies – it is done between people"  
"from WHAT to HOW"***

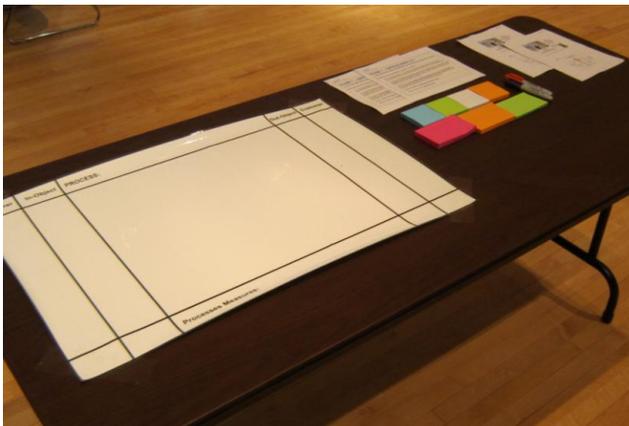
**/claes**

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Some photos from the lecture part:



Seminar introduction by Jonathan and his experience in the advantage of processes



Clean table before start of group work



## BPM WORKSHOP CASES.

You are working in 3 teams and within each team you are 3 groups – A, B and C. Each of the 3 teams have one case, the cases are;

1. [Greenliner Inc.](#) – civil aircraft, the competitor to Boeing an Airbus in 2016
  2. [Spinwheeler Inc.](#) – the new global operating space shuttle concept for 2020
  3. [Sysnotech Inc.](#) – a global manufacturing supplier of system electronics equipment in space & commercial high technology solutions
- All 9 groups do step 1, 2, 3, 5 and 6 according to pages TO DO in the handout.
  - The A groups do the Main Process Map for each of their cases, Process Map level 1, for each case in accordance with the BPM model.
  - The B and C groups do the Sub Process Map, level 2, for each of the 3 cases in accordance with the BPM model.
  - The 1B group take the "Marketing & Sales Process" and the 1C group take the "Supply Process". The 2B group take the "Marketing & Sales Process" and the 2C group take the "Engineering Process". The 3B group take the "Engineering Process" and the 3C group take the "Manufacturing Process".

Group work in 3 teams within in each 3 groups in total 9 groups work



Activities in the different groups



National Aeronautics and Space Administration

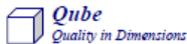


## NASA GODDARD AUDITORIUM Weekly Event Schedule

10/17	Supply Chain Conference Set-up	9:00 – 4:00pm
10/18	2011 Supply Chain Conference	8:00 – 7:30pm
10/19	2011 Supply Chain Conference	7:45 – 5:00pm
10/20	2011 Supply Chain Conference: Seminar	8:00 – 3:00pm
10/21	RTZ Audio Visual Installation	8:00 – 5:00pm

To Do - within the 3 cases below:

1. [Greenliner Inc.](#) – civil aircraft, the competitor to Boeing and Airbus in 2016
2. [Spinwheeler Inc.](#) – the new global operating space shuttle concept for 2020
3. [Sysnotech Inc.](#) – a global manufacturing supplier of system electronics equipment in space & commercial high technology solutions



TODO – use your fantasy and creativity – part 1!

Start the work and do the following 3 steps in your case;

1. Define the **Mission & Vision!**

**Definitions:**    **Mission – why are we here?**

**Vision – what do we want to be?**

**Business Idea – how do we do it?**

2. Define the **Business Idea** and the **Business Goals!**

3. Define the **7 Success Factors** and from them identify **3 Critical Success Factors!**



TODO – then part 2!

4. Establish via brainstorming in the group a **Main Process Map** with Products, Customers, Customer Needs, Core Processes, Support Processes & Management Processes.

Use the attached format at page 9 of this handout and do it in steps of 1 – 2 – 3 – 4 – 5 – 6 as indicated!

5. Identify **5 measurable process measures** that give the effectiveness in the core processes!

6. Give **Your own reflections and comments** from the group on what you have done using the BPM-method!

Some results;



### TEAM 1 – GREENLINER Inc.

– civil aircraft, the competitor to Boeing an Airbus in 2016.

In this team you are working in 3 groups – A, B and C.

- All 3 groups do step 1, 2, 3, 5 and 6 according to pages TO DO in the handout. Use brainstorming in the group and write down your result on one flip-flop chart.
- Group A do the Main Process Map, level 1, for the GREENLINER in accordance with the BPM model in the handout. Use the plastic process maps as handed out, use Post-It's and **do not write on the map**.
- The B and C groups do the Sub Process Map, level 2, for the GREENLINER in accordance with the BPM model in the handout. Use the plastic process maps as handed out, use Post-It's and **do not write on the map**.
- Group 1B take the "Marketing & Sales Process"
- Group 1C take the "Supply Process"

**Greenliner Inc**

Mission: Build a green aircraft at cost lower than competition.

Vision: Build the To Be the aircraft manufacturer of choice.

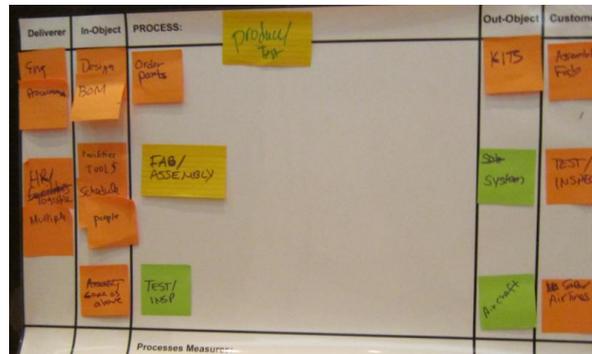
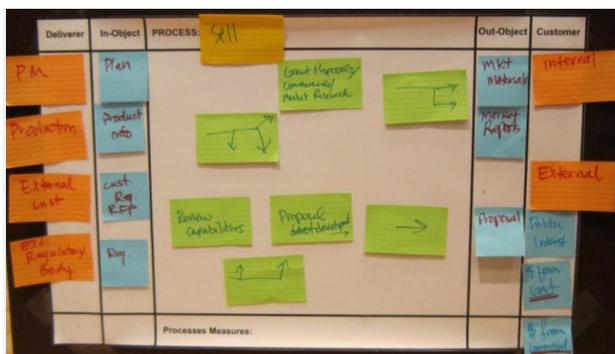
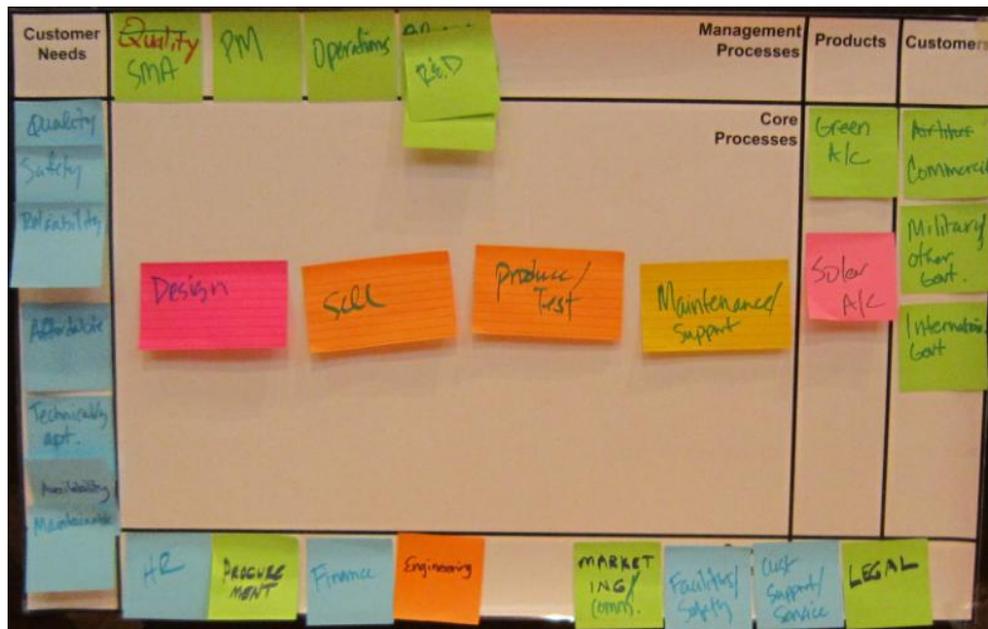
Business Idea:  
 Build Capital: ~~not~~ various (Focus on stimulus money, partner w/ universities)

Staffing: ① R&D, ② marketing, ③ HR, ④ Acc, ⑤ production/Fab

Facilities  
 Design

Success Factors

① Functional A/c      Safe/Happy employees  
 Lower cost than competitor      Functional Supply Base  
 Must meet "environmental" goals      Reliable A/c  
 ② FAA Regs met → certifiable      ③ Technology  
 ③ Obtain 7% of market share      ④ Production

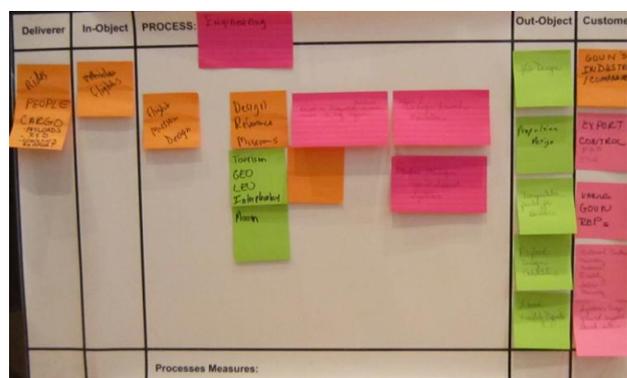
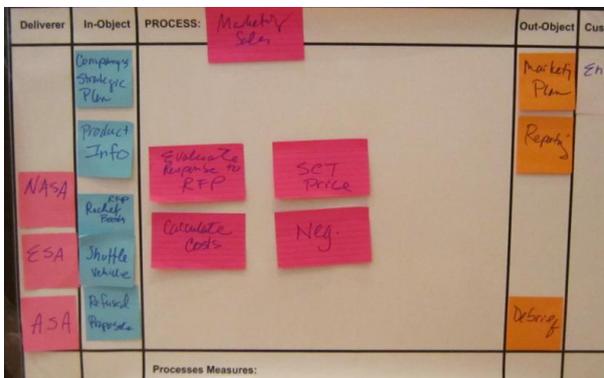
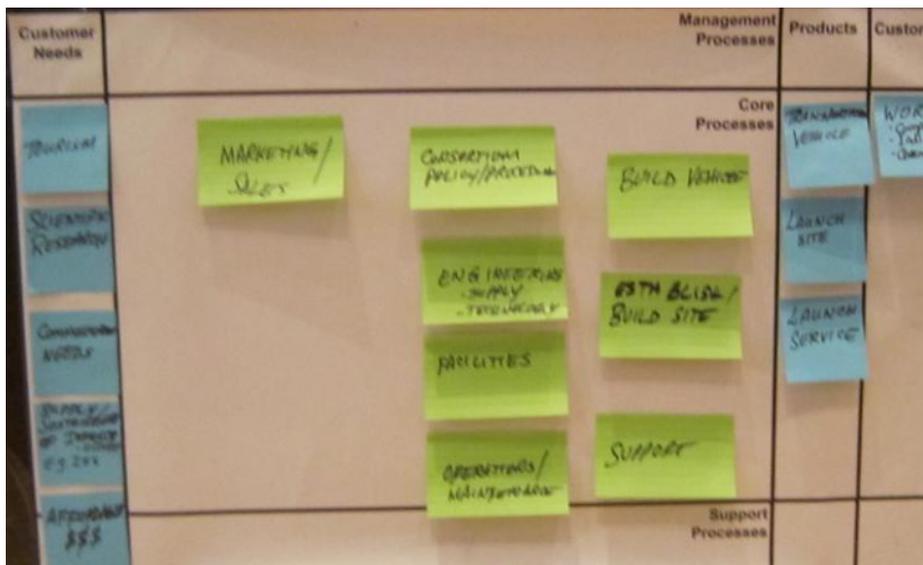


(hard to read but gives hopefully the understanding for the BPM model and process development)

## TEAM 2 – SPINWHEELER Inc. – the new global operating shuttle concept for 2020

In this team you are working in 3 groups – A, B and C.

- All 3 groups do step 1, 2, 3, 5 and 6 according to pages TO DO in the handout . Use brainstorming in the group and write down your result on one flip-flop chart.
- Group A do the Main Process Map, level 1, for the SPINWHEELER in accordance with the BPM model in the handout. Use the plastic process maps as handed out, use Post-It's and **do not write on the map**.
- The B and C groups do the Sub Process Map, level 2, for the SPINWHEELER in accordance with the BPM model in the handout. Use the plastic process maps as handed out, use Post-It's and **do not write on the map**.
- Group 1B take the "Marketing & Sales Process"
- Group 1C take the "Engineering Process"



(hard to read but gives hopefully the understanding for the BPM model and process development)

### TEAM 3 – SYSNOTECH Inc.

– a global manufacturing supplier of system electronics equipment in space & commercial high technology solutions

In this team you are working in 3 groups – A, B and C.

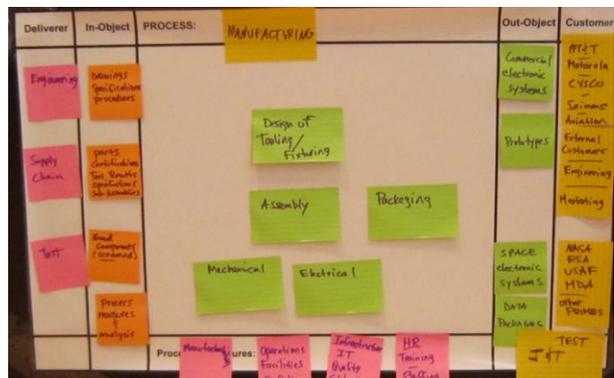
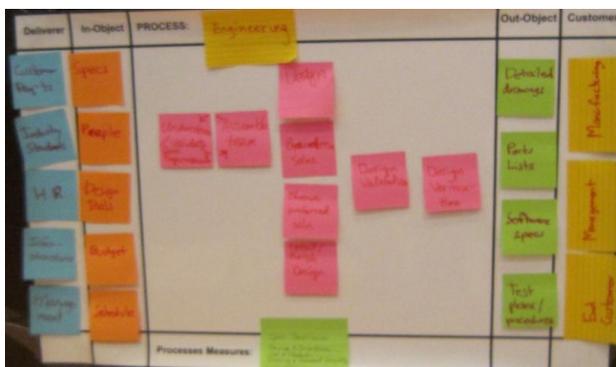
- All 3 groups do step 1, 2, 3, 5 and 6 according to pages TO DO in the handout. Use brainstorming in the group and write down your result on one flip-flop chart.
- Group A do the Main Process Map, level 1, for the SYSNOTECH in accordance with the BPM model in the handout. Use the plastic process maps as handed out, use Post-It's and **do not write on the map**.
- The B and C groups do the Sub Process Map, level 2, for the SYSNOTECH in accordance with the BPM model in the handout. Use the plastic process maps as handed out, use Post-It's and **do not write on the map**.
- Group 1B take the "Engineering Process"
- Group 1C take the "Manufacturing Process"

Mission - To open the doors of new tech for all.

Vision - The World's Choice for Space and Commercial Technology Solutions

Business Ideas -

- 1 Establish customer relationships.  
- Create products of high quality
- 2 Innovate through effective process man.  
- Diverse product line  
- Robust supply chain
- 3 Deliver on time.  
- Develop employee culture to meet mission



(hard to read but gives hopefully the understanding for the BPM model and process development)

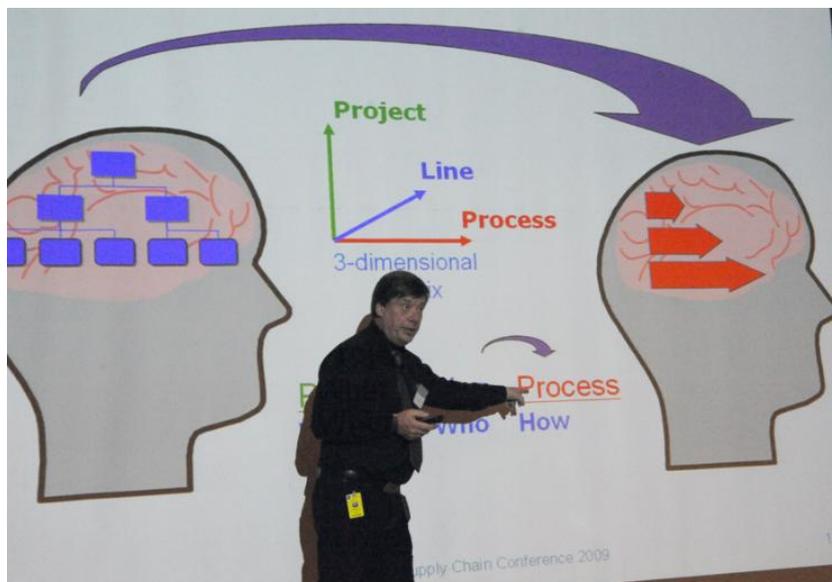
Overall the feedbacks from this BPM seminar were positive, some comments and “take-aways” from the participants in this BPM-seminar;

- That process maps & tools can be a marketing tool and a market differentior, the HOW can be an important competitive advantage. Thank You!
- Process improvement opportunities
- Process measurements
- People interaction & engagement in process development change
- This was a valuable opportunity for me to see where our organization is on target with process management & implementation and also where and how we can make improvements. Thank You!
- Great ideas on process mapping
- Great ideas on ways to involve more people in the organization
- Processes on various levels
- Insight to process definitions
- Tools for process development
- Business Process use as a marketing tool!
- Importance also to ask positive customer impressions of you when taking in customer voice
- Pick Chart for Improvements
- Change has most impact when people feel it
- Just do it – good enough is ok
- People most important value in your process and in a process based company
- Ideas for improving
- Process – ask the value
- Voice of the Customer – ask questions
- Learn and improve
- Hands on exercise was good to emphasize material discussed
- Dynamic speaker to clearly discuss process topics
- The transition of RUAG Space for ISO
- Process experiences
- Management strategies in Processes
- Refresher (took the seminar before)
- Attitude
- Interesting use of art to define personal style
- Diversity of participants with very common needs
- Universal applicability of basic quality tenants
- Changing teams
- Approaching customers individually
- Practical approach to process approach
- Hands on exercise
- Pit falls and what works
- Process definition + mapping
- Networking
- “How” is as important as “What”
- Process reengineering is essential to reduce waste
- Common sense approach and good enough is good basis to improve
- The theme was “emotional connection” to processes; cannot require or demand this

- Can save money, but Strength / Durability of the organization pay off
- Top management decision critical
- It is important to take down as well as build up
- Relationship between Investments & Part of the Success
- Feedback mechanism to customer feedback and overall approach
- Loved the use of graphics – excellent! Thank You!
- “How” is the discriminator
- Change – must have a “take-away”
- Cross functional process management
- Process management is dependent on management support
- Change is unavoidable, take command over the change
- Don´t be over involved, or micromanage
- Good enough is ok ..... avoid perfectionism, improve from good enough
- CRM interview, in depth with customer and present findings and follow-up periodically
- From “What” to “How”

The evaluation from the BPM-seminar in a scale from 1-5;

- content - 4,73
- lecture style - 5,00
- learning / knowledge gained - 4,27
- logistics / administration - 4,64



*Many thanks for a nice seminar together! // Claes*

*“Personally I’m always ready to learn, although I do not always like being taught”, Winston Churchill*