

system sends an e-mail to the individual responsible to alert them to the deficiency.

In conjunction with Logica CMG, the consultancy, Mr Thomas used BPM software from Lombardi to map the care pathway for a single specialism, discovering in the process that the first and last thirds of the process are identical. The middle third depends on the particular specialism involved.

Business activity monitoring (BAM) software was used to monitor the progress of the patient along the pathway. 'It's your conscience. It's an incredibly good policeman', Mr Thomas says.

The system will be live across one hospital in the group by the end of this month; the whole of UCLH by the end of the year. But it has not been easy: 'Getting people to acknowledge that they work to processes and to document those processes and then work through harmonising those processes is not easy. You're talking about administrative and clinical staff in different hospital buildings.

'Potentially, people might see this as a form of electronic Big Brother that sends them e-mails when they haven't done something. We have to turn that on its head and say the task facing us is too big for our current way of working – this is something to help us break up and digest the problem.'

At Wells Fargo Financial, Mr Smith was concerned that it was taking too long to complete certain business processes. The test bed for the BPM software that he brought in was the process that tracked the answers the bank gave customers who asked for a loan.

'The specific issue was: how to track the salesperson's response to the customer after a decision had been made on a loan. If the customer failed to take up the loan even if it was approved, what was the reason', Mr Smith says.

Tracking the process manually would have required hiring another 20 staff across the US; four were already in place.

The BPM software took four months to install – Mr Smith blames the delay on his team's reluctance to use 'agile' development methods rather than the tried and tested 'waterfall' technique – but it resulted in automating the process for the whole of North America using three rather than the four existing staff.

The bank has implemented a number of BPM systems after that first deployment. In one, the process for adding a new merchant to the bank's private label credit card product, which used to take weeks now takes only a day or so.

Mr Smith says that, with so many BPM vendors, it is important to choose the most appropriate by bringing them into the facility and asking them to interface with the existing systems.

These two examples demonstrate important principles of BPM deployment.

First, the need to start in a small way – a single process such as Mr Thomas's patient care pathway or Mr Smith's loan agreement is enough for proof of concept.

Second, the need to capture the hearts and the minds of the people who have to use the system. Mr Thomas insisted, for example, that hospital staff would not have to use new techniques or undergo extra training to make full use of the system.

Rod Favaron, chief executive of Lombardi, says companies will see three kinds of benefits from BPM, properly deployed: efficiency, effectiveness and agility.

'In the era of Service Oriented Architecture and on-demand market messages, agility is a well understood concept. In the world of process management, the ability to change quickly is essential', he says.

'Customers on average change their key processes between four and seven times a year. New opportunities can arise. New partners or customers need you to support a different way of doing business.

'Government regulations can require companies to change their processes. BPM provides the platform they need to be able to change processes faster and in a more controlled fashion than any other option.'

Source: Alan Cane, Process Management: Making complex business a lot simpler? *Financial Times*, 14 May 2008

### Questions

- 1 How does the article suggest that business thinking and practice has evolved since the exhortations for business process re-engineering in the 1990s?
- 2 Summarize the benefits for BPM discussed in the article.
- 3 Discuss the need for a concept such as BPM when all new information systems and e-business initiatives are ultimately driven by process improvement.