



PRIME
Business Process Management

PROCESS GOVERNANCE MODEL

CENTRALISED OR DECENTRALISED PROCESS MAPPING TEAM?



PROCESS GOVERNANCE MODEL:
**A CENTRALISED OR
DECENTRALISED
PROCESS MAPPING TEAM?**

FIRST EDITION
By **PRIME BPM**

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Dedication



This eBook is dedicated to all the business leaders who recognise the need for a process governance model to set the foundation of their business improvement initiative but don't know which model (a centralised or decentralised process mapping team) works best for their business and how to set it up.

Ensure the steps in this eBook are addressed and you will be able to establish the right governance model and set your organisation on the path of a continuous improvement journey.

TABLE OF CONTENTS

- Introduction 4
- Process Governance: The Why and How of it 5
- Centralised Process Governance Model 7
- Decentralised Process Governance Model 8
- Centralised + Decentralised: Getting the best of the both worlds 9
 - Find a Pilot Project
 - Identify the Right Team members
 - Develop the Right Skill set
 - Set the Right Standards
 - Get the Right Tool set
 - Showcase the Pilot
 - Recruit the Central Team
 - Build the Enterprise Process Library
 - Move to the Decentralised Model
- Checklist to get the Right Governance Structure 19
- BPM Crash Courses 20
- About the Author 21
- Contact Us 22

INTRODUCTION

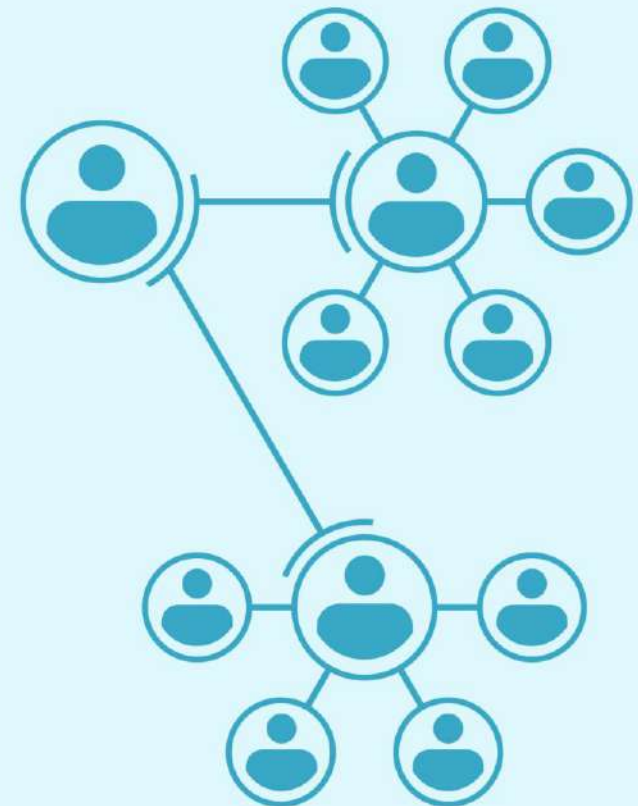
"If you can't describe what you are doing as a process, you don't know what you're doing."

-W. Edwards Deming

To BPM or not to BPM is no longer the question. Over the last decade, we have seen success stories galore of organisations benefiting by adopting the Business Process Management (BPM) discipline. As organisations continue to see the advantage in being process-dependent, the real question today's business leaders are asking is: How can we turn BPM Discipline into Business as Usual rather than a one-off activity?

While there is no one-point answer to this question as embedding BPM into an organisation's DNA requires a multifaceted approach at all levels, the one key thing that is the backbone for any BPM initiative is a Process Governance Model.

This eBook is designed to be a guide on how you can choose the right governance model to lay the stepping stone for your organisation's BPM success. Understand the pros and cons of the Centralised and Decentralised Process Governance Model, which model works best for your business and the best practices to implement it to lead your organisation on the continuous improvement journey path.



PROCESS GOVERNANCE: THE WHY AND HOW OF IT

So, you are all set to get started on your BPM journey to meet your goals of achieving cost reduction, improving customer satisfaction and enhancing productivity and efficiency. But how do you ensure that process initiatives are aligned with your organisational goals? How can you ensure that all the organisation-wide process management initiatives follow the standards, guidelines and rules? Is there a way to keep the momentum going so that the initial interest does not fizzle off mid-way through the project?

These are all very relevant questions to ask at the very beginning of the BPM initiative. The answers for these questions you will find in Process Governance. Defining standard guidelines and rules and participants' roles, Process Governance is targeted at setting objectives and priorities for BPM efforts.

OBJECTIVES OF PROCESS GOVERNANCE

- Consolidation and Standardisation of Process Initiatives
- Defining roles and responsibilities of the processes
- Ensuring quality of the process initiatives
- Aligning processes with the organisation's strategic objectives
- Supporting Change Management
- Measuring success of these initiatives
- Building a Continuous Improvement Culture

Simply put, process governance establishes tight control by defining the who, what and how for your BPM initiatives. It gives clarity on:

- Who will lead this initiative? Who is going to map the processes?
- What standards will be followed while mapping the processes?
- How particular changes in the process will be approved and implemented?
- How will the success be measured for these implementations?
- How can a continuous improvement cycle be established?
- How can we embed BPM into organisational DNA?

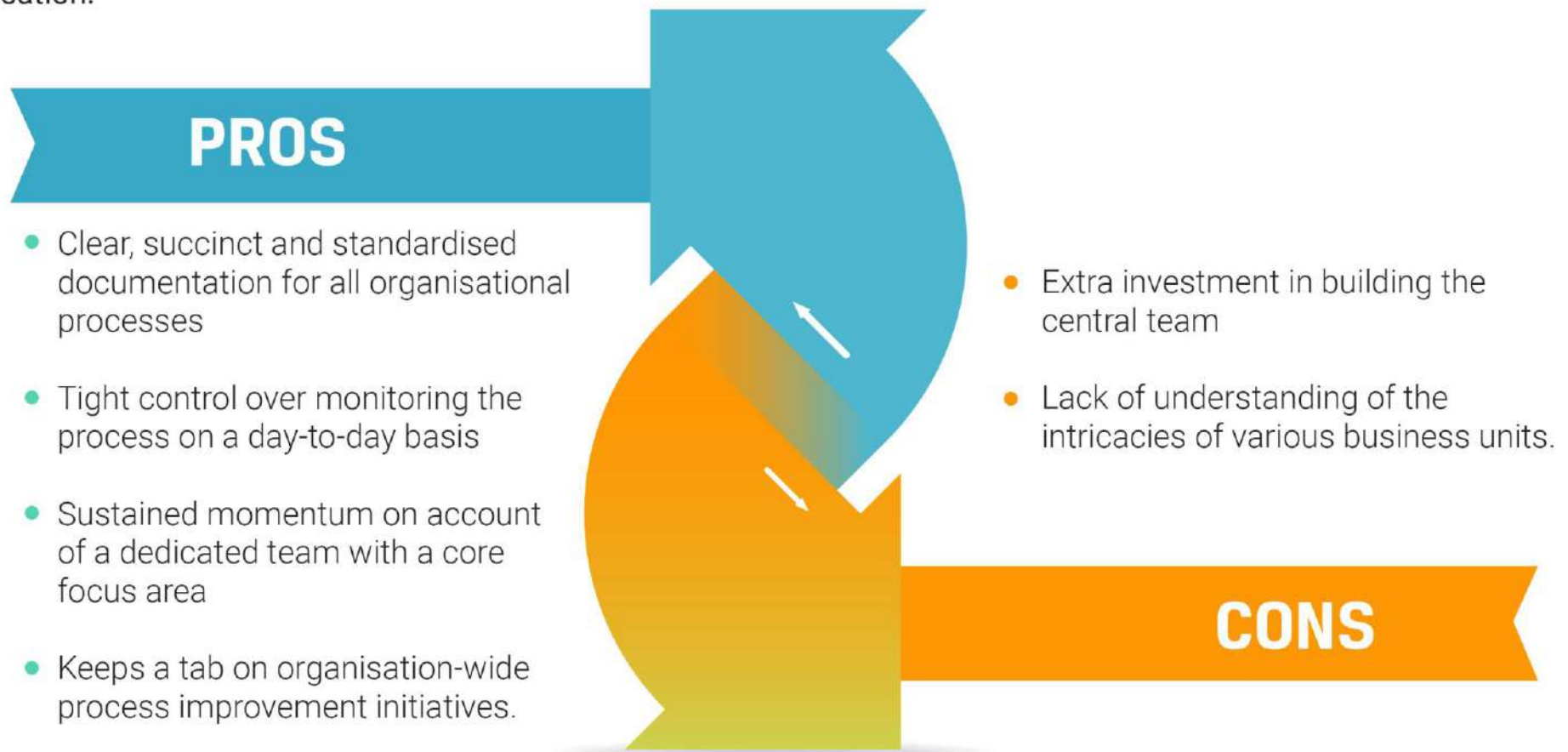
Process Governance closes the gap between your BPM strategy and implementation. So, saying that without process governance, there are high chances that your initiative will get derailed or stalled, is not exaggerating.



The key point to discuss is whether a Centralised or Decentralised Process Governance Model works best for your business. To answer that, let's look at the pros and cons of both the models.

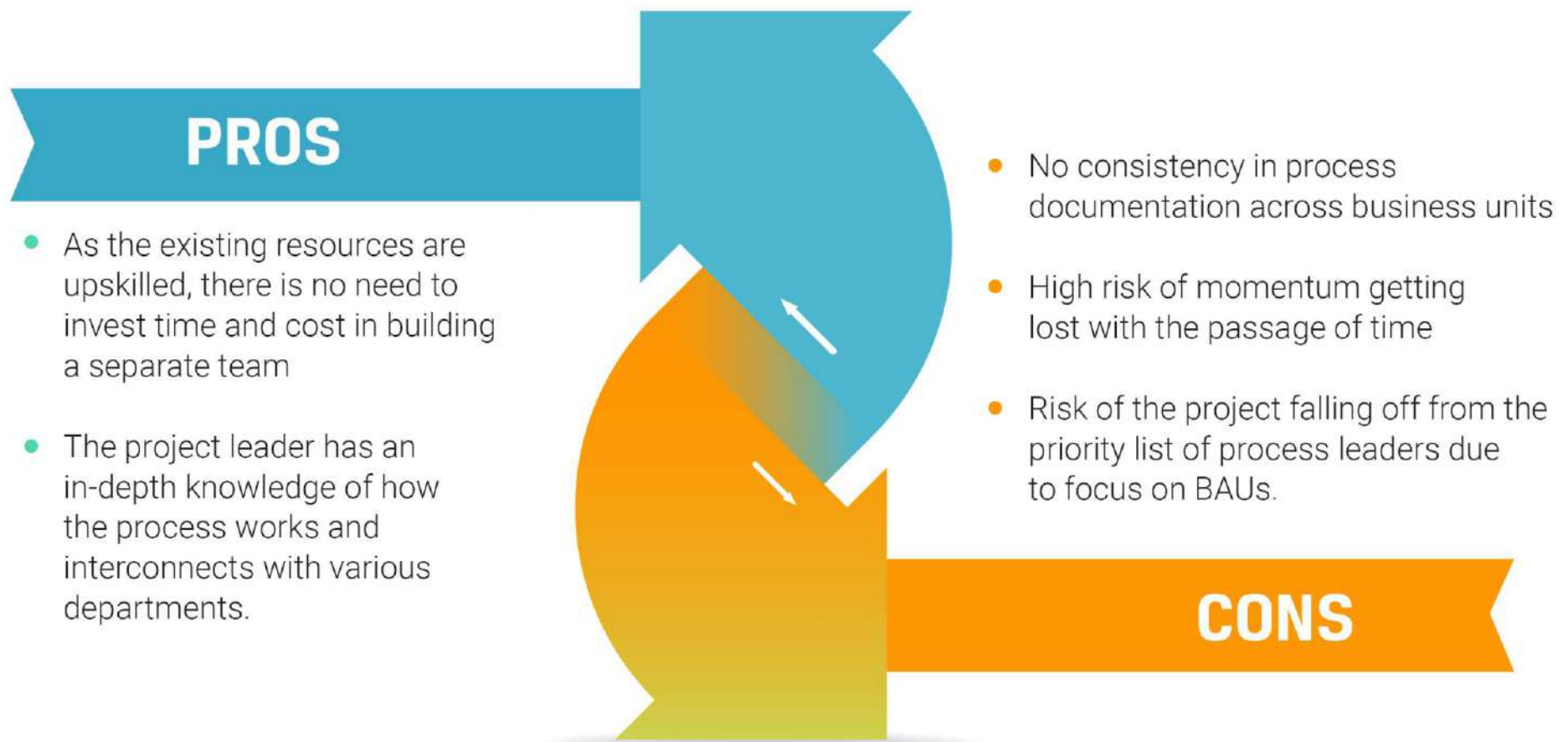
CENTRALISED PROCESS GOVERNANCE MODEL

In the Central Governance Model, a central transformation team or business process management team is established to control and manage all transformation activities. The team is composed of individuals from various business units, dedicated to preserving and managing the process system to ensure sustained improvement efforts and alignment with the overall organisational goals. Common methodology, tool, process mapping standards are defined and followed throughout the organisation.



DECENTRALISED PROCESS GOVERNANCE MODEL

In this model, individual business units map, improve and maintain their own processes. Process champions and subject matter experts from each business unit are chosen and trained on process mapping and improvement disciplines. The processes are then managed and maintained by the individual business heads.



CENTRALISED + DECENTRALISED

GETTING THE BEST OF THE BOTH WORLDS

In the debate of the Centralised vs Decentralised Process Governance model, we do not have a clear winner. Both the models are equally powerful and have their pros and cons. What if we could tap into the advantages of both the models, while eliminating the disadvantages?

The appeal of the combined power of the centralised and decentralised model is strong. It empowers the organisation to have a uniform process repository for all the business units without having to bear the additional expense and effort of maintaining a separate team to ensure continual improvement.

To get this winning combination, any organisation embarking on its process management journey needs to start with a centralised process governance model and then move to the decentralised model. The best practice is to operate in the central model for a period of 6-12 months. Post that, when you have a quality central repository in place and common standards and tools defined, you can pass on the baton to the individual business units to carry on the continuous improvement journey.



Let's look at the step-by-step approach to follow to successfully establish a centralised process governance model and then transition to the decentralised model:

1. FIND A PILOT PROJECT

A pilot serves a two-fold objective. Firstly, it gives the opportunity to identify, assess and fix any issues before a full roll out. Secondly, it gets other business units on board by showcasing the results and achievements. Hence, it is vital to choose the pilot project wisely. An area that gives you the opportunity to test as much as possible serves as a good starting point. Look for a high-volume, high-frequency, manual-intensive process with a tremendous amount of handover points between team members. In short, an area where it's evident that the lack of process documentation is causing chaos in that particular business unit. It's also important that the leader of that area recognises the value of business process management.



2. IDENTIFY THE RIGHT TEAM MEMBERS

Once you have identified the pilot project, it's time to build the right team to execute it. Ensure that the team is a mix of members with some basic understanding of BPM and in-depth knowledge of process and business value chain. Consider the below three-point criteria to choose the right team members:

- Somebody who's been in the business for a couple of years, so understands the intricacies of the processes.
- Somebody who has a logical and analytical mindset.
- Somebody who has the experience in building standard operating procedures or flow charts, or has some sort of basic process understanding.



3. DEVELOP THE RIGHT SKILL SET

Carry out a skill analysis for the selected team members for the pilot project. Analyse if they have the right skills for process mapping, analysis, improvement, implementation and change management. If there is a gap, then augment them with the training. Build their capabilities. Alternatively, you can bring in external experts to offer services on niche areas, such as process consulting, process modeling, specific tools usage, etc.



4. SET THE RIGHT STANDARDS

Choosing the right standards ensures consistent documentation, which proves vital in helping you future-proof your initiatives. For instance, a repository of all process maps created using consistent symbols and notations comes in extremely handy for any future system implementation or digital transformation initiatives. Hence, it is important to choose worldwide accepted mapping notations, such as BPMN for process mapping.



5. GET THE RIGHT TOOL SET

When selecting a tool, there is no one-size-fits-all. Organisations need to analyse their requirements and choose the tool that is the right fit. That said, few key functionalities are a must-have in a tool. The most important is a built-in methodology as it needs to be capable of managing end-to-end improvement right from documentation to collaboration with the frontline staff. Secondly, in order to futureproof the project, ensure that the tool is embedded with worldwide accepted standards for mapping analysis improvement and should have built-in quality management principles, such as Six Sigma.



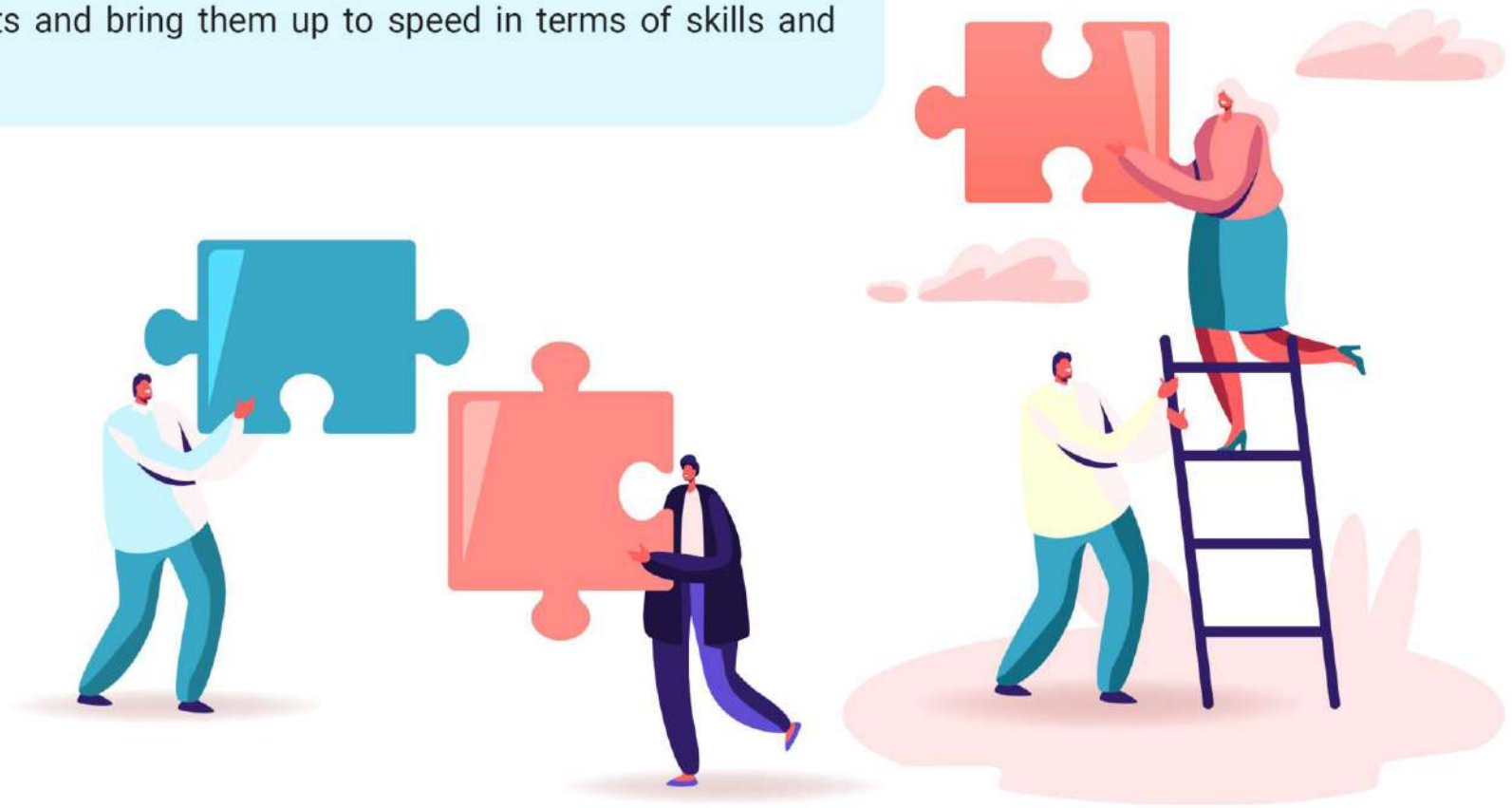
6. SHOWCASE THE PILOT

While successful execution of the pilot program will decide how the project will be scaled and expanded, equally important is to showcase the achievements and results of the project. Business leaders should get answers to key questions, such as why do we need process governance? What benefits can the business derive out of it? What's in it for them? The business leaders should be able to see value in undertaking a BPM implementation. Giving visibility into why they should invest their money, time, effort in the project and the outcomes possible ensures their commitment and focus.



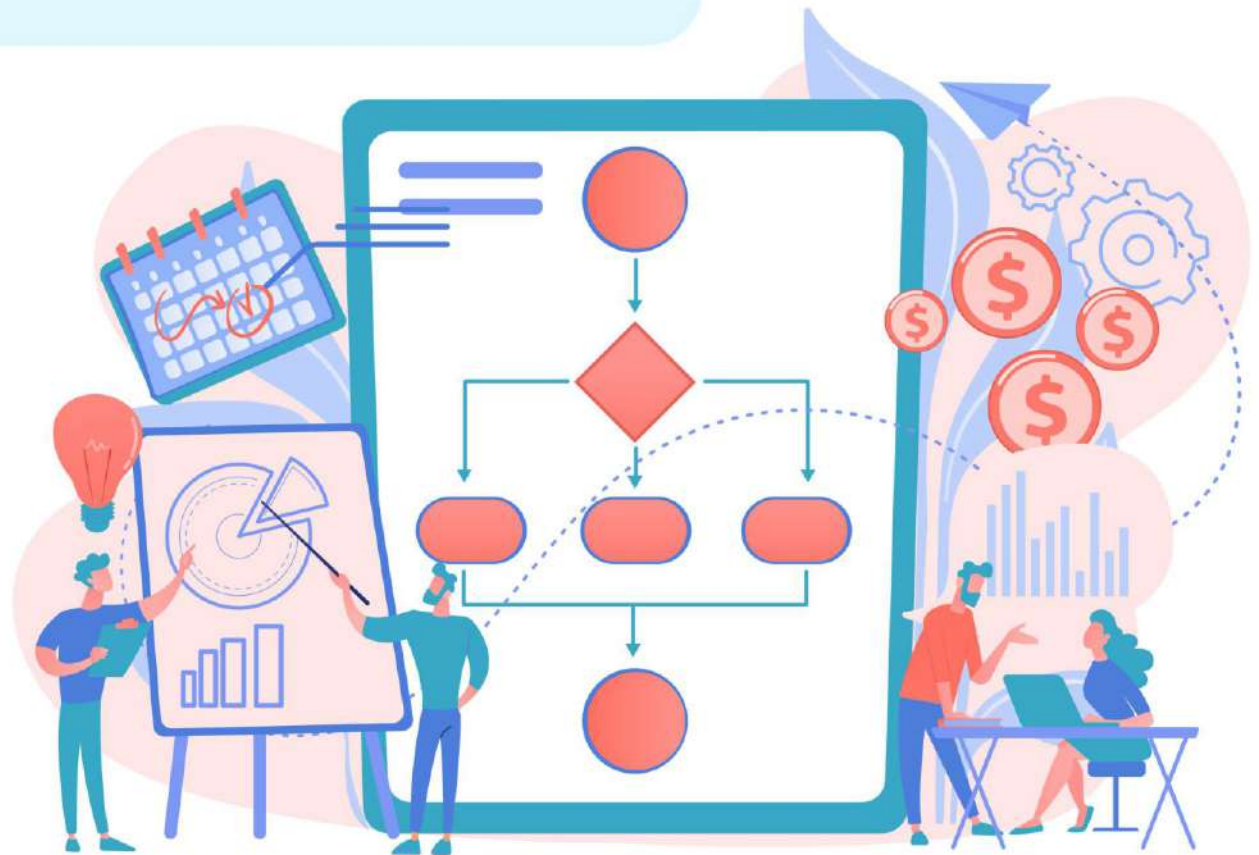
7. RECRUIT THE CENTRAL TEAM

After a successful pilot, you are all set to take the learnings and observations and replicate the same to transform other business units. For this, first and foremost, you need to build a central team. Identify suitable team members by assessing them on the similar skills and traits used while building the team for the pilot project. Next, train the selected members on the templates, methodology, tool sets and bring them up to speed in terms of skills and capabilities.



8. BUILD THE ENTERPRISE PROCESS LIBRARY

With the centralised team in place, you can get on with building an enterprise process library. This gives you a complete visibility into how many and what processes exist in each and every area of the business. Identify high volume, high frequency, high priority, high customer touch, high risk processes, which will be mapped by the central team to create a consistent, accurate central repository of processes over the period of 6-12 months.



9. MOVE TO THE DECENTRALISED MODEL

Once a central repository of high priority processes is ready, then it's time to transition to the decentralised model. For example, if an organisation has 2,000 processes, then the central team could map 25% of the processes, which are high priority. The remaining can be mapped through the decentralised model over the course of next 24-36 months. So, once a standardised discipline is established then the governance model could be decentralised with business units managing their respective processes and improving them continually, as an organisational BAU.



Checklist to Get the Right Governance Structure

Find a Pilot Project	✓
Identify the Right Team Members	✓
Develop the Right Skill set	✓
Set the Right Standards	✓
Get the Right Tool set	✓
Showcase the Pilot	✓
Recruit the Central Team	✓
Build the Enterprise Process Library	✓
Move to the Decentralised Model	✓

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ABOUT THE AUTHOR

Mark Khabe is a passionate Business Process Management and IT professional with over 15 years of experience. He co-founded PRIME BPM, an end-to-end Business Process Management organisation offering BPM Software, BPM Education and Process Mapping Service.

Mark has been instrumental in strategising and implementing BPM solutions for organisations such as GE, Rolls Royce, Sanofi, Suncorp, Vodafone, AMP, ATO, Pfizer, Coca-Cola, etc. He has also helped many state and local government agencies, achieve Continuous Business Improvement.

Master's educated at the Queensland University of Technology, Mark's career started out as a Business Analyst and thereafter progressed in establishing PRIME, with a purpose to enable every employee in the organisation to participate in process improvement projects.

Mark co-founded PRIME BPM - a cloud-based BPM SaaS software that enables organisations to drive continuous business improvement using the best-of-breed methodologies such as Lean/Six Sigma/BPM. PRIME BPM is used by large corporates and government agencies to drive consistency in their business improvement objectives.

Mark is passionate about technology and focused on solving problems through technology within the Business Improvement industry.

In his spare time, Mark spends time with his wife and loves going for long runs and climbing steep mountains.

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