The phone rang. I walked across the room, picked up the receiver and said my usual “this is Andrew” greeting.

A booming voice said “Hey Andrew – this is Bill Beaulieu – how are you doing you old pencil pusher”?

I said - I’m fine – it sure is great to hear your voice again Bill.

Lt. Col. Bill Beaulieu had been my commanding officer in the Air Force well over twenty years ago and I hadn’t heard from him for some time. As we talked, I learned that he had retired from the Air Force and was now on the Board of Directors of two mid-sized firms who supplied products and services to the military. One of these companies was about to implement “Process Management” which included a re-definition of senior management roles as “process owners”. Bill had remembered that I consulted in the area of process management and wanted to find out what process ownership was about. So we agreed to meet after work for a drink and talk.

Once we were comfortably settled in to our booth, Bill said “While there’s been a lot of talk about the value of implementing process ownership, a number of senior managers have confided that they are not clear on exactly what process ownership means in practical terms”.

I’ve had that question asked a lot lately, I said. Simply stated, process owners are accountable for monitoring and continuously improving the performance of a large, end-to-end, business process such as revenue generation, customer service, new product development and introduction, business systems development, procurement, or recruitment. In all cases, the business process in question is large, complex and the work-flow crosses several departments.

In some cases, the business process produces an output directly for customers [customer service, new product introduction] – these are often called primary or core processes. In other cases, the business process enables the primary processes to perform at peak efficiency – recruiting, procurement - these are often called supporting or enabling processes.

Okay, said Bill. That seems to make sense – but isn’t it quite a handful to balance functional responsibility with process responsibility.
Uh huh – that is a challenge, but one that can be met if the senior managers’ mental model changes in the transition to process ownership.

Process owners need to develop the art of influencing the behavior of those who report to other senior executives.

This challenge can be met given:

- A dedication to developing a more nimble, flexible mental model of how an organization needs to work,
- Disciplined goal setting and performance measurement
- Bold and creative problem solving and decision making

**The Mental Model of the Organization**

Historically, many senior managers matured within a “command and control” environment, where questions such as “What is the scope of my responsibility, Which tasks must I execute, Who are the key subordinates who can help me look good” were foremost and top of mind.

In the transition to adaptive thinking, the mental model of organization perception needs to evolve from the traditional view where the dominant factors are reporting relationships and flow of authority, to a more customer focused paradigm. In this transition, the factors that dominate the process owner’s thinking are the products/services provided to customers [external and internal], the flow of value added work, and relative roles/responsibilities.

This involves more than paying lip service to customer needs. It requires not only a mechanism to assess the timeliness, quality and cost of products/services provided to customers but also a different set of supporting documentation, measures, and decision making mechanism than that which is traditionally the norm.

In this context, the supporting documentation to enable performance measurement, problem solving and decision making assumes a new shape. The emphasis shifts from procedure documentation and job descriptions to a more comprehensive cross-functional view which not only specifies who does what, but also what are the key points of leverage in providing the necessary products/services.

**Goal setting & Performance Measurement**

Goal setting requires a different perspective in an adaptive organization. Traditionally, authority and responsibility are defined by functional, cost centre, or profit centre parameters and the focus is on individual managers delegating parts of their responsibilities in a one-on-one setting. Senior managers who subscribe to non linear thinking, stress setting joint authority and responsibility for providing clearly defined services to customers and focus on the results achieved by the team of managers responsible for the end-to-end flow of work and the product/service delivered.
This shift in thinking with respect to goal setting has direct implications to how resources are allocated/budgeted. In a traditional system, individual units make their case for resources on the basis of their own unit’s requirements. Conversely, adaptive thinkers are more likely to work with the team of managers who are responsible for delivering services to customers. They would jointly develop a case for resources based on the integrated flow of work that is needed to create value for customers.

This mode of thinking cascades into how performance is measured. Here, there is often a shift away from the traditional focus on “actual vs. budget” line item performance for individual units. Instead, performance measures are focused on the quality, timeliness, and cost of products/services provided to customers.

**Problem Solving & Decision Making**

In traditional organizations, problem solving is all too often compromised by lack of a common goal. Periodically, individual unit managers compete with and confront one another and senior managers often need to arbitrate or intervene in decisions several levels down in their organizations. In more adaptive organizations, senior managers are sensitive to departmental interdependence needed for issue resolution and are more likely to conduct group problem solving sessions within the context of providing services to customers and the required flow of work. The success of such sessions of course depends on having a common view of work process; fact based data on actual and desired performance, and the interpersonal skills to influence peers.

This has an impact on the way in which decisions are actually made. Contrary to the “command and control” tradition, where managers sometimes guarded their “big picture” view and their right to the ultimate responsibility for key decisions, adaptive thinkers are more likely to encourage group decision making. The transition to group decision making is not an abdication of responsibility; instead it’s a necessary consequence of recognizing the extent to which units are interdependent in providing products/services.

Further, this will often tend to encourage problem solving and decision making as close to the front line as possible, which in turn frequently leads to team based organizations.

The need for a common view on what aspects of performance really add value to customers and the interpersonal skill requirements in managing within a team based environment stimulates placing a greater value on continuity.

**Summary**

As customer satisfaction is increasingly determined by the bundle of product and service offerings delivered - the lines of demarcation between pure production and service organizations are fading. This, combined with evolving technology demands a more adaptive, non-linear approach to organizational performance.

So what changes as a senior manager embraces “adaptive thinking”?
The key changes are related to an appreciation for the complexity and interdependence involved in providing outstanding value to customers. In sum, these are:

1. The "mental model" of what needs to be managed and what needs to be done based on a non-linear, systemic framework
2. What is documented and what is measured, based on the timeliness, quality and cost of products/services provided
3. The nature of decisions and the information on which decisions are based leading to a different set of dynamics in problem solving and decision making

For sustainable success, senior managers need to be continuously focused on customer satisfaction and aware of the power of collaborate decision making.

Andrew Spanyi's work on process management is internationally recognized. He is a member of ABPMP's Advisory Board and an instructor with BPMInstitute.org. Andrew is the author of several books emphasizing the importance of cross-functional collaboration and a customer-oriented, process based focus: More for Less: The Power of Process Management, Business Process Management Is a Team Sport: Play It to Win! and Operational Leadership. Contact Andrew at www.spanyi.com or andrew(at)spanyi.com.