

A Systems Approach to Managing Processes

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Mission

➤ **Development of new knowledge in the field of Business Process Management**

Manufacturing	Finance	Utilities	Computing	Public services
BAe Systems	<u>Lloyds TSB</u>	CAL-ISO	<u>IBM</u>	Met Police
Messier Dowty	JP Morgan	Sprint PCS	Sema	Hospitals
<u>Smiths</u>	Prudential	<u>Vodafone</u>	Compaq	<u>MoD</u>
GKN	NAB	Scottish	Fujitsu	Met Office
Airbus	Scot Amicable	Power		UKHRO
EADS	NSI	TNT Express	<i>Corel</i>	
	Nationwide		<i>Microsoft</i>	
	Building Soc		<i>Casewise</i>	
	BBS			

All since 1999

Staff

2 Senior lecturers

1 lecturer

5 PhD students

1 Research Fellow

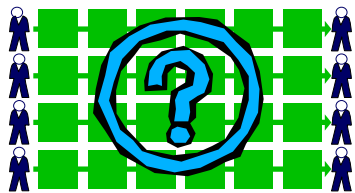
£250k pa

1. Systems Theory as a foundation for BPM
2. Components of BPM
3. Testing the SERVQUAL model
4. Health Services Case Study

The way things get done



'end to end' set of activities that adds value to a customer



BPM is the active management of all your processes

BPM is not:

- Limited to Operations
- All about technology
- BPR

BPM is:

- Customer & Service Focused
- Measurement based end-2-end
- Intervention led & improvement oriented

Well Motivated People	Excellent Companies Award winners	Organisation works But stressful workplace
	Poorly Motivated	Poor levels of Customer service
	Well designed & managed	Processes Poorly designed & managed

Paper 1

A Systems Theory for Operations Management

Organisations as a “system”

- **Based on systems theory,**
 - ← Roots in Biology,
 - ← “whole is greater than the sum of its parts”,
 - ← entropy
- **Systems exist in a hierarchy**
 - ← Analyse at the level of the “whole” – boundary of the organisation, end – end customer view
 - ← “patterns of activity” – things we do
 - ← Each element has an impact on the whole
 - ← How well a system performs is a reflection of its interactions
- **Emergence and hierarchy**
- **Communication and control**

↗ Different sorts of system;

- Technical (primary task)
- Keeping the system going (maintaining, training)
- Supportive
- Adaptive
- Managerial

← Each can be described as a process

↗ Survival, primary task

- ← “way things get done”, “source of competitive advantage”, “how the business is organised”
- ← Great design, simple and functional

↗ Input-Transformation-Output

Paper 2

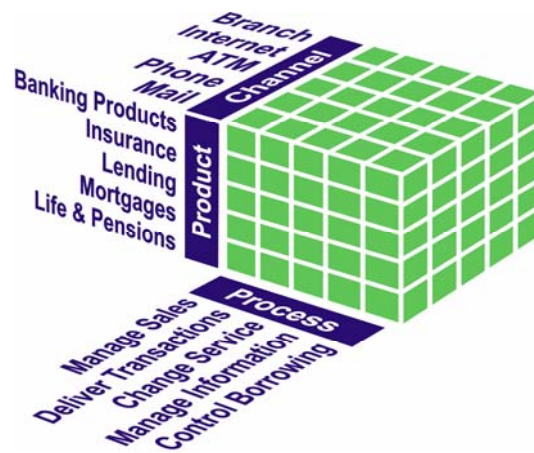
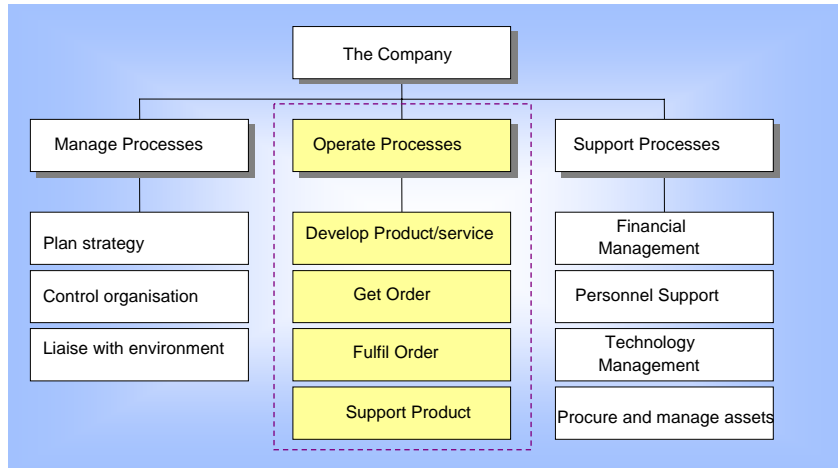
Key features of better managing
processes

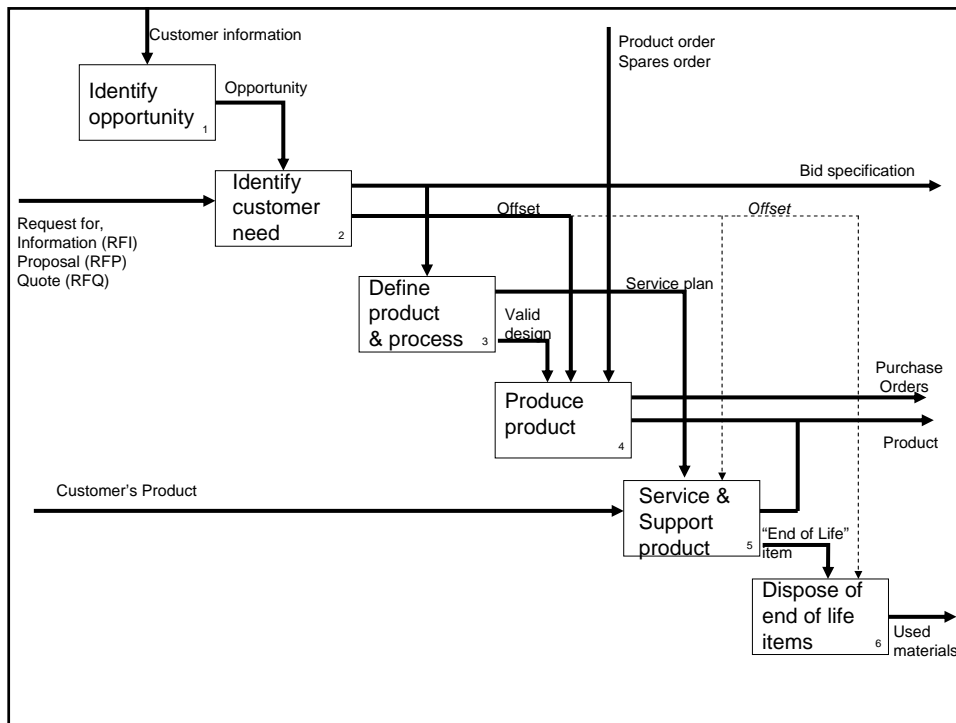
DESIGN

1. Process Strategy
2. Process Architecture (framework)
 - ← People, Process & Technology
3. Process Measurement
4. Process Ownership
5. Process Improvement

1. Process Strategy
 - ← Turning strategy into action
 - Processes are the way in which strategy is delivered
 - ← Conscious management of process
 - ← Reporting on process performance
2. BP Architecture
 - ↗ Compelling picture
 - ↗ Process architecture has “the people in it”
 - ↗ Provides an overall structure
 - ↗ Ensures we analyse process NOT a function









Features



- 3. **Measurement**
 - ← Gather the data on cost and service
 - ← Measure the interactions
- 4. **Ownership**
 - ← Accountable process owners
 - ← Integrating process ownership into overall business management
 - ← Using process ownership to identify and drive improvement
 - ← Introducing effective HRM practices to support ongoing process ownership
- 5. **Improvement**
 - ← Model and analyse, recognise the cost/service balance
 - ← Test the improvement
 - ← Role for IT

Paper 3

Customer Satisfaction And Service Quality In UK Financial Services

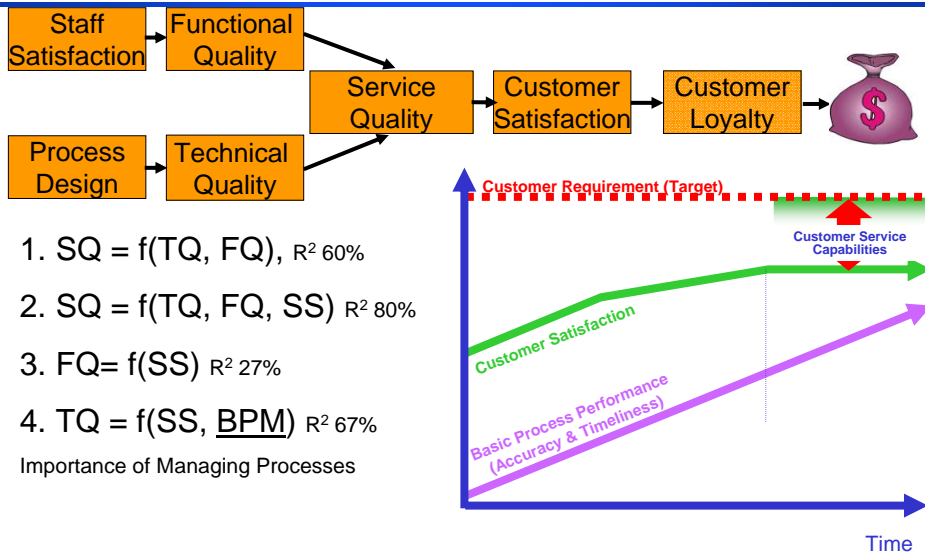
UNIVERSITY OF
EXETER

XSPO

Models

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graph LR;
  SS[Staff Satisfaction] --> FQ[Functional Quality];
  PD[Process Design] --> TQ[Technical Quality];
  FQ --> SQ[Service Quality];
  TQ --> SQ;
  SQ --> CS[Customer Satisfaction];
  CS --> CL[Customer Loyalty];
  CL --> MB[Money Bag];
```

1. Reliability – on time, RFT,
2. Assurance - knowledge and courtesy of employees conveying trust and confidence
3. Tangibles – appearance of people, equipment, communications material
4. Empathy – giving customers personal attention
5. Responsiveness – willingness to help and providing prompt service



Paper 4

Improving process flow in A&E

- High volume and high variety
- Unpredictable arrivals and treat times
- Resource allocation problem

- Simulation model, used to test alternatives
- Changes to flow from Triage and treat to see and treat

- Research projects
 - ← Process audit
 - ← Process architectures
 - ← Process Improvement
 - ← Process Measurement
 - ← Process Simulation (optimising)

 - ← Process education MBA in BPM
 - ← PhD's in BPM