



WHITE PAPER:

**STRATEGIC IMPACT PILLARS FOR
OPTIMIZING BUSINESS PROCESS
MANAGEMENT IN GOVERNMENT**

IntelliDyne, LLC
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Strategic Impact Pillars for Optimizing Business Process Management in Government

Executive Summary

This white paper introduces IntelliDyne's Four Strategic Impact Pillars for Business Process Management (BPM). These pillars are specifically designed to help Government CIOs enhance productivity and accountability through process definition and automation thus setting higher standards for citizen services and achieving cost savings in an era of shrinking budgets. The document offers ways BPM can and should be utilized to fully align IT processes with desired long-term, mission-centric outcomes and to meet the strategic goal of efficient use of government IT infrastructure.

Leverage BPM as a Catalyst to Achieve Your Business Mission

Before determining how BPM can create operational efficiency, it must be clear as to what business process management is and how it can impact a government agency, company, etc. The Association of Business Process Management Professionals defines BPM as follows:

"Business Process Management (BPM) is a disciplined approach to identify, design, execute, document, measure, monitor, and control both automated and non-automated business processes to achieve consistent, targeted results aligned with an organization's strategic goals. BPM involves the deliberate, collaborative and increasingly technology-aided definition, improvement, innovation, and management of end-to-end business processes that drive business results, create value, and enable an organization to meet its business objectives with more agility. BPM enables an enterprise to align its business processes to its business strategy, leading to effective overall company performance through improvements of specific work activities either within a specific department, across the enterprise, or between organizations."

The figure below defines key terminology CIOs may encounter when embarking on the BPM Journey.

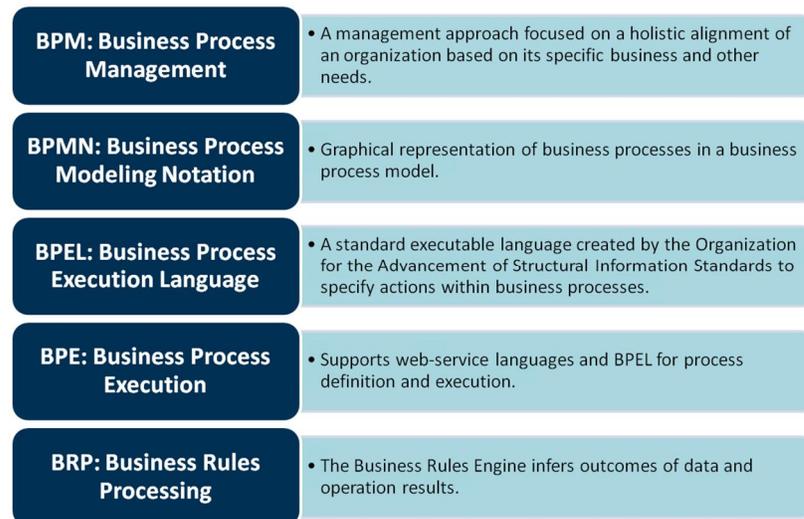


Figure 1: Key Terminology CIOs May Encounter When Embarking on the BPM Journey



The Federal Government's CIO Mandate: Cut Operational Costs & Deliver Meaningful Functionality More Quickly

The Federal CIO, Steven VanRoekel, has laid out four goals for agency CIOs.¹

- Lowering operational costs;
- Turning around or ending troubled IT projects;
- Delivering meaningful functionality more quickly; and
- Enhancing security.

The Federal Government's IT environment managers face several challenges to meeting these four goals – the federal CIO's mandate - among them legacy and repetitive processes, and sub-optimal IT-business alignment. In addition, government CIOs are being asked to “Do More with Less”; to enhance the transparency, quality and accessibility of services to citizens while working with lower budgets. BPM technologies can help CIOs meet this overarching goal, while conforming to other government mandates.

Lowering operational costs can be determined by calculating Return on Investment (ROI). However, such a calculation is not a straightforward exercise due to the fact that each organization varies in size, in its processes, and in its existing efficiencies. Also, ROI depends on which of these processes are targeted and the efficiencies of the deployed BPM technologies. According to Gartner surveys, 78% of the respondents carrying out 154 BPM projects had return rates better than 15%; 55% had returns in the \$100,000 to \$500,000 range, and 67% of the projects were completed in less than six months.²

¹ Information Week Analytics, October 2011.

² “Justifying BPM Project,” Gartner, 2004

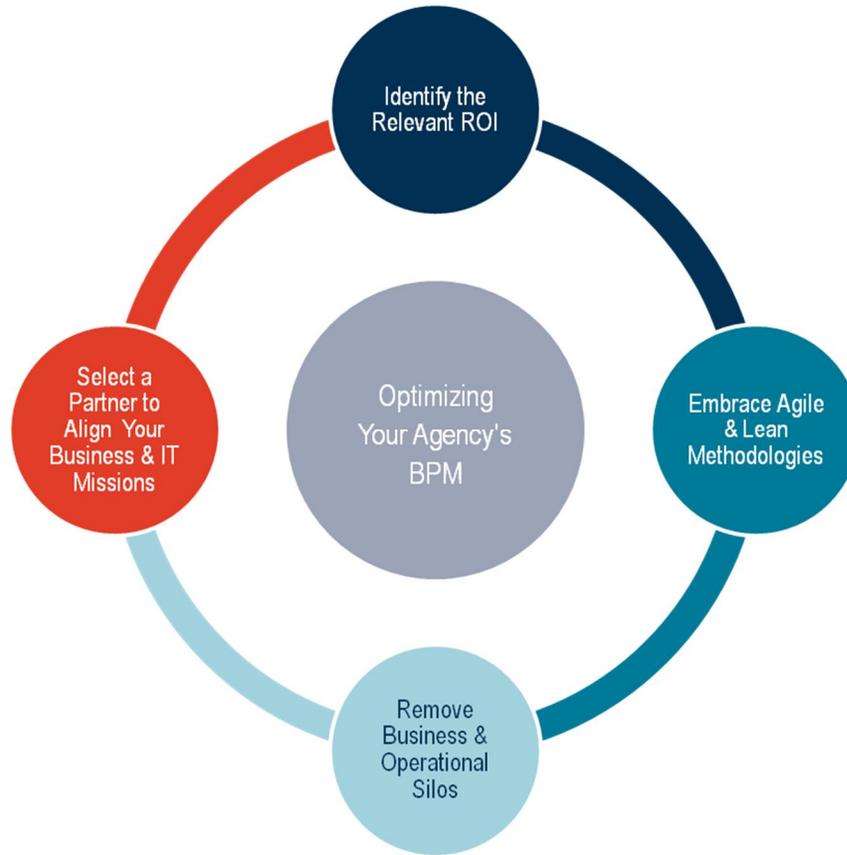


Figure 2: IntelliDyne's Strategic Impact for Optimizing Business Process Management in Government

STRATEGIC PILLAR 1: IDENTIFY THE MOST VALUABLE ROI OPPORTUNITIES

With low budgets, the government will need early and sustainable delivery of high ROI to ensure ongoing agency support. Therefore, the key to a successful rollout of a BPM initiative is a keen appraisal of the entire range of processes and an initial identification of those processes whose transformation will deliver impactful results for management, internal users, and citizen consumers. The second key to a successful rollout includes targeting the “low hanging fruit” to gain quick successes and user-based adoption. Such short-term business process identification will involve these key considerations:

Selecting processes to automate and who benefits

Organizations should review their existing manual processes and consider ways to automate them, possibly with value-additions, and target other automated processes for greater efficiencies. Typically, data entry and form completion are common manual processes in many organizations. However, several other internal procedures also tend to be time-consuming and laborious. Automating processes, determining validation and business rules, and creating more effective processes through automated data entry and approval routing saves cost and time. Implementing BPM best practices with technology can have a significant impact



on users (government employees and service members in Civilian and DoD agencies) and consumers of services (active duty military and U.S. civilians). Simplified, the government provides services to civilians and service members and those services are delivered by government agency employees. When processes are made more efficient, run smoother, and are safe and secure, the citizen consumer has a much more pleasant and effective experience and the employee providing that service is enjoying doing a job which has become logical, productive and “pain free.” Furthermore, and this is particularly essential at the DoD where information security is vital, having business processes that function seamlessly between DoD sub-agencies is paramount to ensuring the United States maintains the utmost information security.

Reviewing quality of services

Many government agencies are judged by the quality and transparency of their services. A key part of a BPM initiative should focus on a review of these processes and identification of those that can be made faster and more efficient. For example, rapid automation of an entire process —enabling a citizen to complete a form online, transmit it to a designated authority, and route it automatically through internal processing — can result in substantial savings. Furthermore, automating previously tedious processes has the added advantage of empowering citizen-users who no longer will suffer through inefficient government systems.

Examining internal process efficiencies

Front line workers and supervisors spend most of their time processing paper and online documents. Organizations would benefit by running an audit of these processes to identify pain points, and then use creative and customized BPM tools to ease them. BPM technologies should be used to simplify, streamline, accelerate, and gain visibility into processes. In addition, BPM tools can also lead to a reduction of errors and can eliminate duplication.

Fulfill security requirements

Federal Government IT programs have a range of legislative security requirements. These include compliance with Federal Information Processing Standards’ agency-specific policies; Authorization to Operate requirements; and vulnerability and security event monitoring, logging, and reporting requirements. Many of these requirements can be met easily and quickly by using BPM tools with intelligent routing, tracking and secure digital approvals. In addition, by implementing BPM, organizations can more readily adapt to changing requirements with little downtime or negative impact to the business.

STRATEGIC PILLAR 2: REMOVE BUSINESS & OPERATIONAL SILOS

Once BPM opportunities have been determined and established, putting them into place becomes both easier and specific. Inefficient and overlapping systems can be eliminated and/or improved upon via well-thought-out BPM. Business processes can be a strategic asset which greatly impact people, systems and services. Organizations should set long-term goals to continuously improve processes and the management thereof, monitoring cultural change and organizational transformation that impact the way services are delivered and managed over time.

Shift to process-driven approach

The successful deployment of BPM requires a radical change in government thinking — from a data-processing approach to a process-processing approach. It is no longer enough to process data or information. True efficiencies, and the fullest benefits of BPM, arise from the business intelligence gathered from processes, or rather from the entire chain of processes.

Take a holistic view

BPM brings people together by demolishing silos and providing a holistic view of the organization. This view is realized by tying the organization’s strategic goals to its business processes. First, an organization should



identify the processes, process owners, and user-base for each. This step ensures stakeholder buy-in and greater and quicker future process adoption. Next, the organization should look at the business process steps and the associated inputs and outputs. Finally, the organization should align its implemented frameworks and standards with the associated processes in order to facilitate higher standards of service delivery and regulatory compliance.

Make IT the Centerpiece of Process Efficiency

Just as an organization can bring fundamental change in the thinking process, it can place IT at the center of its governance model. This will ensure that IT remains aligned with anything and everything that the organization does now and at all times in the future.

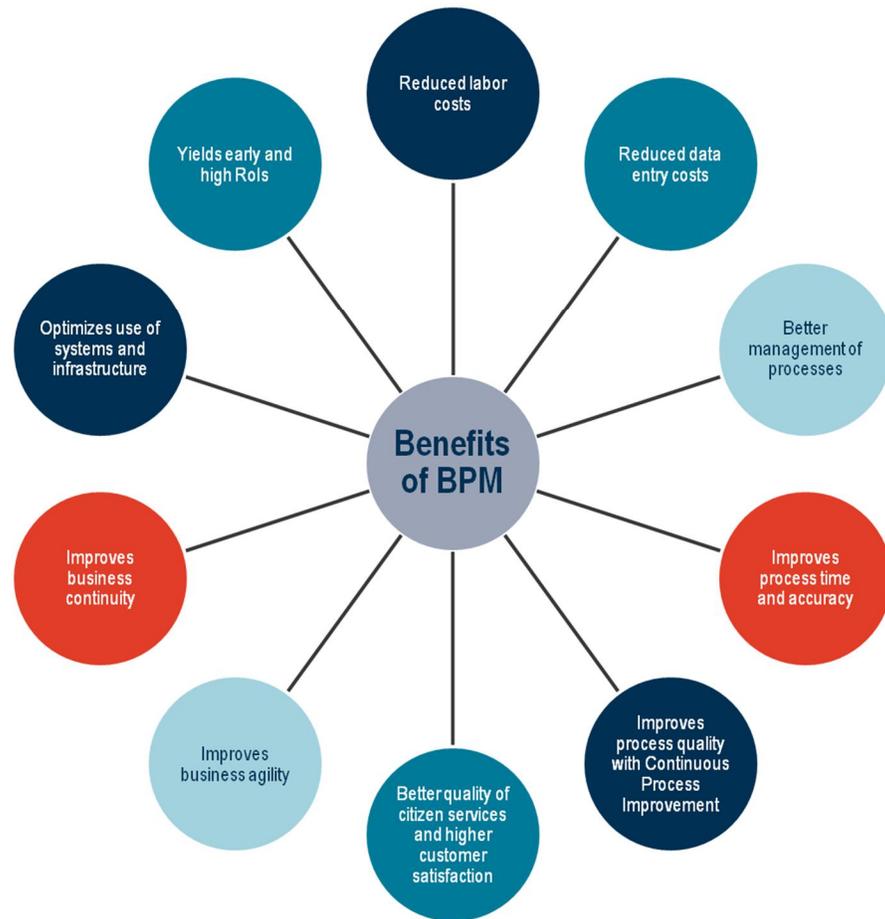


Figure 3: Benefits of BPM in comparison with current environment



STRATEGIC PILLAR 3: EMBRACE AGILE & LEAN METHODOLOGIES

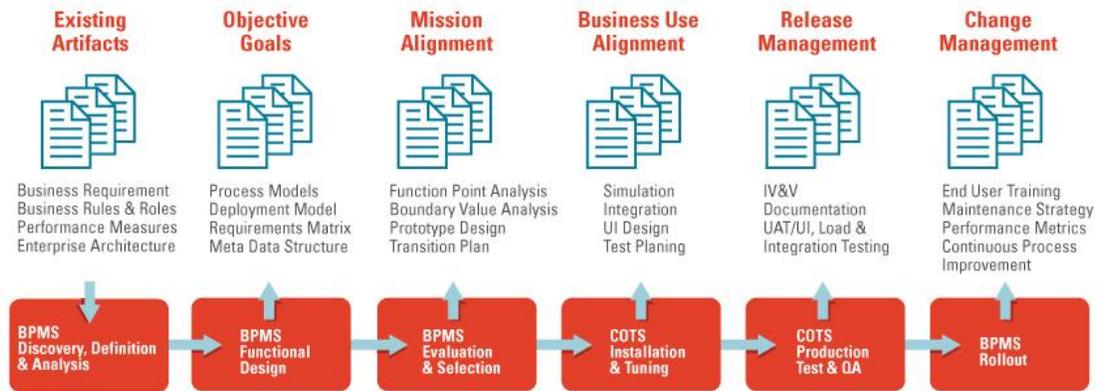
Together, the first two strategic impact pillars of our system outlined the steps clients must take to define the vision and design of a BPM solution that works for their unique environment. The third pillar consists of modeling, execution, and monitoring. Success factors in this stage involve taking the following actions:

Embrace Lean Agile software methodologies

By its very nature, BPM encourages an iterative, goal-driven approach to processes. This is similar to the lightning-quick Lean Agile methodologies successfully adopted in software development. Consequently, when clients embrace the two — BPM and Lean Agile— we can build on the strengths and efficiencies of each. By default, adopting these best practices in development and process management will facilitate Continuous Process Improvement.

Develop scalable models with milestones

The key to software and systems efficiency is the ability to scale up — an aspect especially important to large government organizations. Start small and make sure the IT solution being used is flexible and can scale upwards. Along the way, set clear, well-defined and realistic but measurable milestones so that organizations can monitor progress and ensure project goals remain on track. Use 3-6 month proof points to build momentum. (See figure 4 below.)



Project Model Scales From 6 to 18 Months Depending Scope

Figure 4: Project Model Scales Depending on Scope

Align business & IT

In any organization, the alignment of business with IT is both a short-term imperative as well as a long-term strategic goal. Prior to the Federal CIO's mandate, the business functions and goals, user interface, and deadlines were determined by business teams, while IT would control such things as computational logic, scalability and interoperability. In this new enterprise architecture, "Who" and "When" are controlled by business while the "What" and "How" of systems are controlled by IT teams and all should blend.

Developing the right Service-Oriented Architecture (SOA)

SOA is a way of describing an environment in terms of shared mission and business functions and the services that enable them, as defined by the Department of Defense's Net-Centric Data Strategy. It is also



the art of building business services and business applications — based on a set of design principles, patterns and techniques — that can be re-used across an entire organization. It is critical for any BPM installation to sync with SOA and bridge the gap between business and IT. Working in harmony, the two offer better sight and control of the business process, create a service orchestration layer and enable business agility.

Set up a Center of Excellence

Organizations invest vast sums of money, not to mention time and effort, in creating appropriate processes and systems. It is important to institutionalize these assets in order to maintain constant and sustained improvement in processes and efficiencies. One of the best ways to ensure future success is to develop a BPM Center of Excellence vs. design a single solution, and use the knowledge gained and amassed during design, development and implementation of the solution.

STRATEGIC PILLAR 4: SELECTING A TRUSTED ADVISOR AND PARTNER

While the previous three “Pillars” are essential, ultimately who you work with will impact your overall success. Shrinking budgets and constantly rising expectations of service quality demand creative and efficient use of technology. BPM represents a dramatic new way to realize new efficiencies and stretch federal dollars.

To efficiently deploy high-level technology and successfully meet targeted goals, the government’s selected implementation partners must possess significant skills and experience in BPM technologies. Unlike other simpler technologies, BPM requires a radical new approach and new way of thinking – thinking centered on processes, rather than simple data. Business Process Management also needs to be aligned with business goals and business teams, and integrated with service-oriented architecture — a key component of business success. In addition, successful BPM is not merely a change of technology, but a change of culture. BPM is about creating processes that work for specific businesses and developing and using technologies that can flex with those needs. Having a trusted partner is important not only in developing the technology but a business culture that will enable new technology to succeed.

How will your federal agency navigate this tricky path?

Clearly, a successful and efficient deployment of BPM requires a trusted and experienced technology and business advisor who can help you through all the steps and processes described in this white paper.

Choosing your trusted advisor wisely is critical to your success. The advisor’s management risk strategy must be assessed, keeping aware that IT solutions providers are also going through their own transformations.

About IntelliDyne, LLC

IntelliDyne, LLC is a consulting firm that enables better business performance through innovative technology solutions. We manage public sector programs that deliver higher operational efficiency and measurable value to clients. We advise, develop, and execute effective solutions in Cyber Security, Cloud Computing, Application Development, Mobile Computing, Business Process Management, Data Center Consolidation, Enterprise Collaboration and Enterprise Infrastructure Management.

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