



Is BPM doomed?



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The interest in BPM is decreasing. Personally, we think this is a direct result of the current economic slowdown, in combination with the perception that BPM projects are high-cost without a guaranteed return on investment. However, some people claim that this is largely due to a confusing BPM message, the result of conflicting and competing BPM methodologies.

A couple of days ago, there was an animated discussion in the [Business Process Improvement](#) group on [LinkedIn](#) about the question "[Is BPM doomed like its predecessor BPR and TQM?](#)".

Originally, this was a [blog post](#) by Steve Towers, VP at the [BP Group](#), but he moved the discussion to the LinkedIn group.

In his post, Towers states that there are today several, conflicting "flavours" of BPM, all claiming to bring the ultimate solution. Unfortunately, this only confuses the potential buyer, diminishing the likeliness of projects getting started.

According to Towers, there are today essentially two competing paradigms: 'Inside-Out' versus 'Outside-In'. As he states:

'Inside-Out' reflects the way organisations are implementing BPM when they view processes as beginning when they cross the organisation threshold and end when they leave the door. A classic depiction would be in the airline business where some carriers treat 'booking to carousel' as the process. Typical 'inside-out' approaches include Six Sigma, Lean and TQM.

'Outside-In' sees processes as the customer experience. The starting point begins with customer desire, and ends only when the customer says it does. The 'outside-in' view is commercially more attractive as the organisation then influences and obtains revenue at each stage of the customer experience. Organisations such as Southwest Airlines, Apple and Best Buy represent mature approaches to BPM adopting outside-in viewpoints.

As readers of this column will know, we certainly do favour the 'Outside-In' approach since this largely adheres to the principles of our Business Interaction Management (BIM) initiative.

Still, the expression 'Outside-In' is a bit unfortunate, since this makes abstraction of the need of also aligning the interactions that occur internally within your organisation.

This said, there isn't anything wrong with the 'Inside-Out' approach either. It only serves other objectives that are more focused on cost reduction and efficiency. Consequently, such approach is likely less suitable while aiming at innovation.

If there is one device that has destroyed more innovation than any other, it is Six Sigma.

Mark Fishman, MD, president of the Novartis Institutes for BioMedical Research

As usual, use each type of approach for what it serves best.

Therefore, we see little advantage in having a single BPM paradigm. BPM is such a broad concept that it touches nearly every aspect of business. So it is extremely unlikely that we will ever get consensus on the single "real" interpretation.

Yes, we know that certain organisations make handsome money with so-called BPM-certification programs. In such case, you better teach the "real" stuff.

Unfortunately, we do fear that this provides little added value and, by definition, no guarantee that your BPM initiative will be a success. In a world that is as fast evolving as it is today, the best practices of the past are unlikely to be the success formula of the future.

No, let us accept that BPM covers too many specialties that all have their intrinsic value. Instead, let us make sure that each type of approach is used for the right thing, at the right moment.

Thereby, we are convinced that the 'Outside-In' or the BIM-style approach must come first. There's little value in having the cheapest or the most efficient internal process, when nobody is buying your product.

Therefore, first focus on your business model, on the way you interact with customers, partners and employees. This will define the framework of your business, the boundaries and the touching points. The delimiters of your business processes.

Once this framework is defined, use 'Inside-Out' approaches as you wish to reduce the cost and to improve the effectiveness of the internal processes that feed into these touching points.

You will have the best of both worlds.

Not certified of course...


But, who cares?

About the author



Marc Buyens is analyst, management consultant and owner of Xpragma. Marc started Xpragma in 1999 after a 20+ years career in the IT sector. Today, he provides advice, training and mentoring services focusing on the intersection of technological evolution, organisational change and business strategy: a messy world of unfulfilled promises.

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