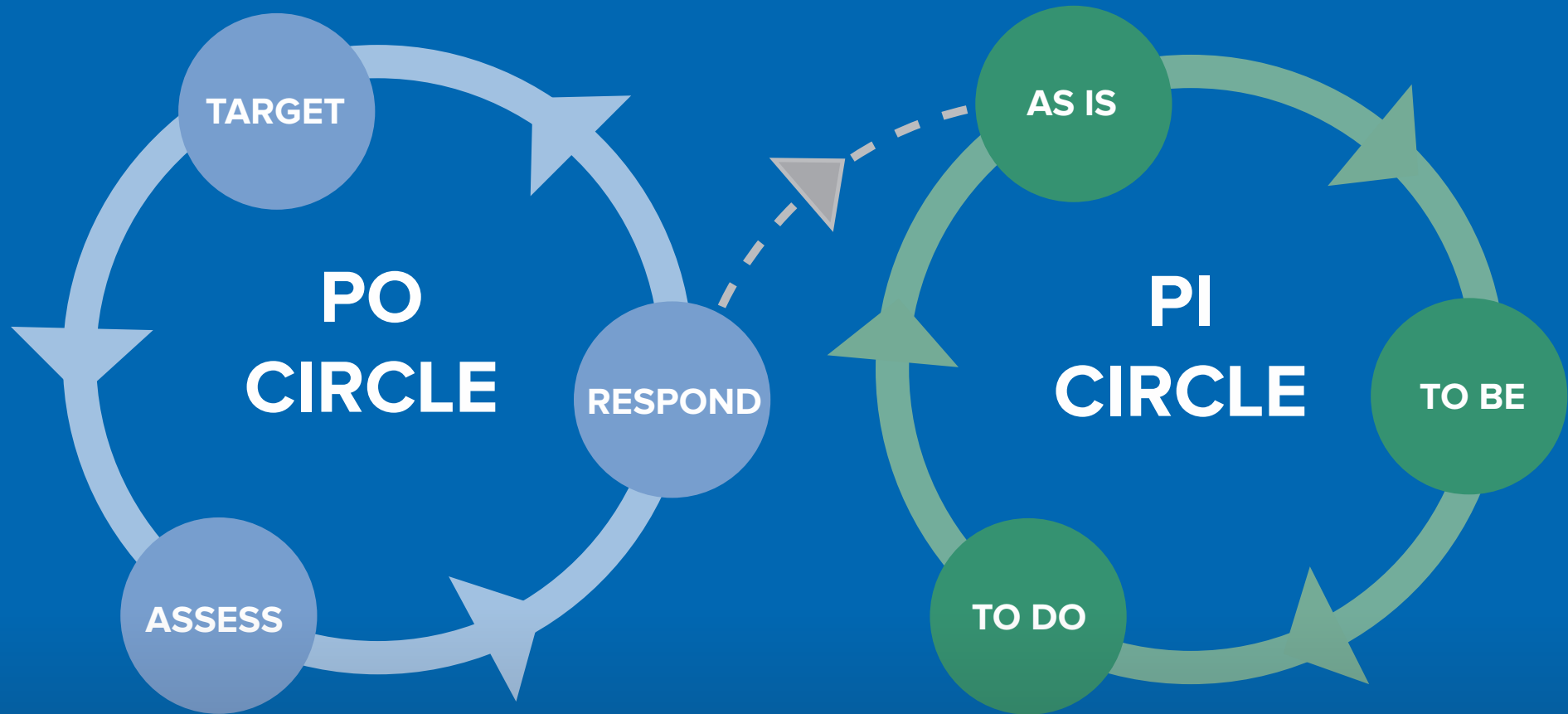


2 Virtuous Circles

achieving & sustaining effective process-based management



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PO Circle

The Process Ownership circle is continually testing for actual or emergent process performance gaps and opportunities. Set a performance target for a process, measure what is happening, explore what could be happening, and do something if the variance is enough to warrant intervention. This target-assess-respond sequence is the essential cycle of process-based management ensuring unrelenting focus on improving process, hence organizational, performance.

For many, this is a new way of thinking and working. The novelty is not in the idea of measurement or reporting, but in measuring and reporting process performance rather than just the performance of organizational units, i.e. focusing on value creation pathways from the process architecture as well as resource-management objects from the organization chart. This is the Process Owner's role.

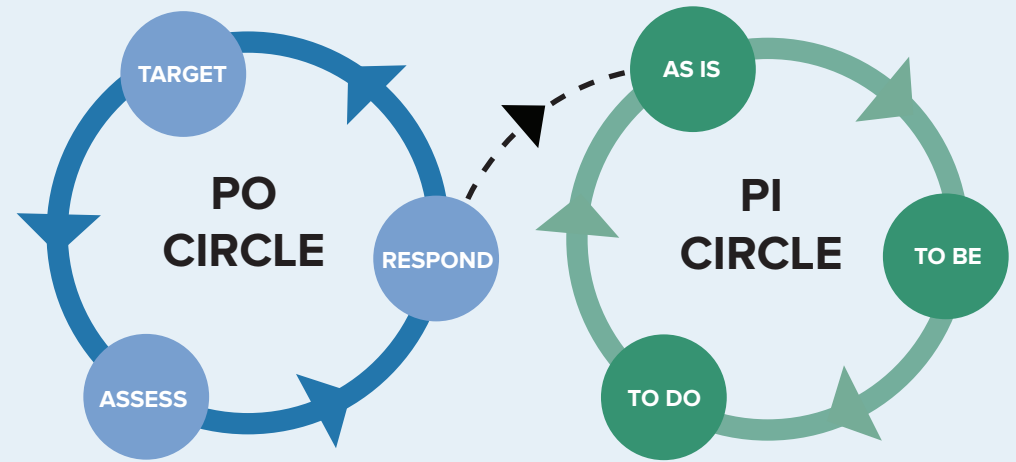
The Process Owner is often said to be responsible for performance of process, i.e. responsible for something they do not control. Better to say that a Process Owner is accountable for responding to process performance outside of, or trending beyond, an acceptable range, and finding other ideas for process innovation. Responding to both process performance anomalies and opportunities is crucial for successful process-based management.

PI Circle

The Process Improvement circle identifies the current state (As Is), defines the future state (To Be), and determines and executes the transformation (To Do). Across the spectrum from small adjustment to significant innovation, the PI circle delivers process performance change. Irrespective of the detailed process analysis methodology employed, the PI circle addresses process performance anomalies and opportunities discovered by the PO circle.

Importantly, the PI cycle starts and finishes with As Is. The real objective is not to design the To Be, nor is it enough to create the plans for change (To Do). What is required is not just a new To Be or a To Do, but a new As Is. To be credible, process improvement must produce results, i.e. improvements in organizational performance. While the PO Circle continues to monitor process performance, the PI circle realizes demonstrable and objectively measureable business benefits.

The PI circle discovers the problems that we need to be solved and opportunities to be realized, pushes the envelope to find all the possible change ideas, and then executes the best. It is a conscious, deliberate, repeatable process that is applicable for any scale of process change.

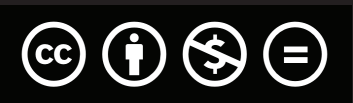


Practical Steps

1. Define process architecture, measures and governance
2. Appoint and empower Process Owners to turn the PO Circle
3. Enable all staff to be continually involved in turning the PI circle
4. Support everyone with constructive and creative leadership
5. Deliver and sustain proven business benefits

Practical Benefits

- Continuously uncover current and emergent process performance issues
- Seek, find and effect the changes required to close the performance gaps
- Together, the two virtuous circles achieve much more than either alone
- 'Circular momentum' drives improvement resisting forces that favour the status quo



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