

Why business process management projects fail so often

Dan Morris, Principal Managing Partner at Wendan Consulting & PEX Network Advisory Board Member

In my positions as North America Practice Director for Business Transformation for international consulting firms I have been responsible for a great many business process management (BPM) project turn-around efforts. Companies can get into projects that they are simply not prepared for and need help turning them around. The fact is that we all bite off more than we can chew at times. That has given me a fairly unique perspective on what makes these projects succeed and why they can get into trouble. While the reasons vary, there are common threads that kept coming up. Some of the more common and more destructive issues follow.

However, before I go negative, which is the nature of a “why projects fail” discussion, I want to assure everyone that when properly approached and executed, these projects work and they deliver spectacular results. I also want to let you know that the BPMS technology works and the various products have delivered everything from simple support to highly complex, high volume transaction systems as part of business transformations. The real problems are operational and can all be avoided if you know where to look and you have the ability to do projects the right way – not simply the most inexpensive way.

1 Starting with the initiation of the project, I find that poor project set-up is a major issue in many projects. This includes the lack of a common understanding of what the project will deliver, what the work will include, different commitments (including personal involvement), time, cost, and goals. The fact is that BPM projects are not like traditional business or IT projects—a proper set-up is critical. This is also where change management should start. It is important that everyone is brought to a common interpretation of project request and consensus of what the project is all about. Then when everyone involved agrees, hold a workshop to negotiate a common understanding with specific targets.

NOTE:

I once was called into a problem project and I asked the sponsor what he expected from the project – what were they trying to achieve. The answer was that “he didn’t know, but he would know it when he saw it”. I recommended that the project be either put on hold until he could define what it was supposed to do or that he cancel it.

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There may also be people who actually don’t want the project to succeed. Yes, this is a real issue. There will be winners and losers in many people’s opinion. There will be hidden reasons and there will be long pent up animosity that must, at times, be dealt with. These are the “hidden” agendas. There will also be people who are more interested in “covering their posteriors” and document everything with their own spin on things. These are the blame mongers – they don’t care about the project, they just want to be protected if it fails. Is this cynical? Yes, but it is also true and if have run into it, so will everyone else.

3

Ignoring the people side of the change. Unfortunately, I see this too often. People are stretched because of “right sizing”. There is little elasticity in the ability to take on more work. So managers often resist engaging. This opens the project for IT to take responsibility. The problem is that many IT shops still believe that any change is an IT project and they try to deal with everything as an application development. They want specs and then to be left alone until they release the new business operation. That is the old way and it is a major reason that IT has become separated from business operations in many companies.

The fact is that you do projects “with” people or “to” people. I can assure you that with them is much more likely to produce a good result. However, I have had to remind people of this fact from time to time. If people are included and are made part of the project and the design, they will make it work.

NOTE:

To engage managers, follow an approach where you take a little time from a lot of people instead of a lot of time from one or two people to get engagement and buy in. Use short questionnaires, hold a few “brown bag” lunch workshops where you provide the food. It really works. When people feel part of the project, they take pride in it.

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A lack of collaboration promotes isolation and downstream “ripple” problems as the changes in one area can easily affect the work in multiple other areas.

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IT project takeover and turning the change into an application project. Business operation change is the responsibility of business managers. If they abdicate this responsibility, they have little to complain about when the final solution that IT provides is not optimal.

NOTE:

I was called into a solution delivery meeting that was attended by the CIO, the project manager, the VP of the business area, and the managers in the business area. IT was beaming and started the meeting with how wonderful the solution was and what they had accomplished. The business area VP stopped the meeting after about 5 minutes and told the CIO that he had no idea what they were talking about. In the VP’s opinion and those of his managers the solution that was being delivered was terrible and they wanted it pulled out. They said the old way was a problem, but it was much better than the new solution. I asked the project manager a few questions about his approach and it was clear that there was very little contact with the business managers. IT had made the operational decisions. I told the VP, who had called me in, that his managers were as much a part of the problem as the IT project manager. They had allowed the disconnect to happen.

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Misunderstanding BPM and its technology. BPMS (Business Process Management Suites) and BPM are different than traditional business change or IT applications development. Approaching these projects as traditional projects is a road to hardship and often failure. But can these projects be successful and be accepted by the business areas following more traditional IT approaches today? Yes, with enough iteration. But iteration is a two-edged sword – it can tie a project up for years (literally) with parts being separately deployed (following an IT Agile approach). The issue is that even given appropriate expectation management, the incremental deployment of parts of a solution is very disruptive to the business operation. But approaching these projects using a formal hybrid methodology that melds business waterfall methods with business architecture capability centered methods, change management methods AND Agile from IT, creates a methodology that can handle the needs for structure in large projects, the need to align with strategy, the need for speed in creating a solution, and the need for collaboration. This type of methodology is neither simple nor easy to use, but it does tie all the parts of a modern BPM/BPMS based business transformation together and it does promote success.

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Not all BPM projects are transformational. There are two basic categories of projects in the BPM world. These are Continuous Improvement and Transformation projects. The fact is that these projects are very different from each other and one approach does not fit both types of projects. Continuous Improvement projects are usually fairly small and narrowly focused on solving a problem, fixing something, or cutting costs in a small area. Transformation projects are large, invasive, and often

mission critical. They are meant to ask fundamental questions on the operation and are meant to have a broad impact on the business. The level of control over these two different types of projects is obviously different as it relates to complexity, scope, importance and more. Approaching Continuous Improvement work as if it was transformational will result in tremendous overhead and an overly complex solution. The opposite is true for Transformation project. For this reason, the sponsor and project manager need to evaluate the goals, complexity, scope, and honestly classify the project. They can then look at appropriate project setup, funding, staffing, and control.

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Data issues that carry over from the legacy environment are often a serious problem. Data is normally scattered all over the IT application environment. Some is good and some notoriously bad. But in your technical and operations environments, how can you pull data from multiple places, mix it for use, and then control it? Of these three activities, the big problem is control – keeping it all up-to-date as new data and changes come into the source databases and new information and changes come into the data files in what you have built. Synchronization, here, is a killer – especially if the IT Data Architects do not have up-to-date, formal systems interface models and data flow diagrams, that show how data transforms as it moves. Formal, up-to-date data dictionaries also help but this information is only good if it is kept up-to-date following standards that promote accuracy.

The fact is that using a big enough hammer, you can make a square peg fit into a round hole. It isn't pretty, it doesn't provide the best solution, but it can be made to work. That is

what I see too often. I would also like to point out that BPM projects are not synonymous with Six Sigma projects. Six Sigma is great at helping find problems in the operation and it should be built into all new business operation designs to provide performance analytics. But Six Sigma will not tell you how to fix a problem and frankly Lean, its brother, will not be enough to correct problems – reducing work is not always the answer.

BPMS based BPM is changing the face of the business world and forcing collaboration. The tools work. Now we need to clean up the way companies approach these projects to set them up for success.



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