



Business Processes: “What You Don’t See is What You Get”

Day to day business processes serve as arteries to carry the life-blood (data and information) of an organization. Whether these business processes are efficient, inefficient, effective, ineffective, boring or exciting (rarely are they ever exciting), they are the foundation required for all companies to function; yet they are so often ignored.

Business processes are predefined paths that have been created, either intentionally or unintentionally, in order to accomplish various tasks within an organization. It has been our experience that most companies ‘think’ they know their respective business processes; that is they know how the processes should work, but they are seldom documented.

Mapping business processes is a critical exercise required for any company that needs to:

1. Automate
2. Reorganize personnel and / or functional accountabilities
3. Improve business performance
4. Spin-off or sell a business
5. Effectively measure personnel performance
6. Meet increasingly rigorous business audits
7. Reduce general and administrative expenses
8. Realize accelerated growth

The reason many organizations fail to sufficiently address and document their business processes is because it’s believed that everyone within the organization fully understands these processes. We find most company personnel have a general or high level

understanding of certain business process flows, and a few people may know specific details of a couple of business processes. But seldom do all personnel have a consistent understanding of any one process and how it drives the affected parts of the organization.

The \$64,000 question is: How can a company automate, evaluate, measure, or improve its business without a common company-wide understanding of current business processes?

How many times have you heard technology and automation horror stories?

- The first attempt failed and a restart was the only alternative?
- The project team didn't know what they were doing so we had to stop the project and start over?

Be careful not to assume processes are always correct or that people fully understand the processes.

Business processes evolve over time, with constantly-changing business needs, i.e. personnel turnover, acquisitions, etc. It would be foolish for a doctor to operate on a patient without understanding the patient's current condition and medical history. Yet, many companies operate businesses without continuously assessing current applicability of internal processes and without understanding why and how these processes evolved.

Successful companies invest the time and money necessary to continually update business process documentation. Benefits derived from a 'mapping exercise' are seen immediately. Comments like "I didn't know we could do that?" and "we agreed to stop doing that a long time ago", to questions such as "why are we handling that invoice three times instead of just one time?" and "if we changed this process just a little we save time and money?" will be heard. All projects stand a better chance for success when business processes are documented and understood upfront. Similarly, evaluating, measuring, reorganizing, and improving your business performance will also be easier, more accurate and much more efficient.

Remember the \$64,000 question? "How can a company automate, evaluate, measure, or improve its business without a common understanding of business processes?" It can't!

Check out our Business Process section on our website at:

<http://www.gerke.com/information> (see process mapping)