How to First Adopt, Then Adapt Process Frameworks and Models

Stick with the standard until you know where changes need to be made

Process frameworks and reference models are typically constructed by experts with deep organizational understanding or broad experience across a variety of organizations. An organization that chooses a framework and immediately begins making adaptations to fit its existing business risks losing the value inherent in the framework: the incredible organizational insight or extensive experience brought by the framework's authors. Also, some adaptations can severely limit the adapting organization's ability to use benchmarking to compare performance in an objective manner.

APQC's 2011 Using Process Frameworks and Reference Models to Get Real Work Done study sought insights into how leading organizations use process frameworks and reference models to improve their businesses. One of the key findings gleaned from the practices of successful organizations such as ING Life Japan, UPS, and The Williams Companies was that process frameworks make a stronger and more lasting impact when they are adopted as completely as possible before the organization begins to adapt it.

At first, adopting a framework before adapting it sounds like one of the most counterintuitive findings in the study. The idea that an organization should blindly bring in a foreign framework of processes and begin benchmarking, managing content, or defining processes is troubling and, in some cases, seems impossible. However, best-practice organizations' experience validates this approach. The sections below illustrate the key factors in successful framework implementation.

Defining the Scope of Adoption

The scope of the initial adoption should be reasonable and attainable. The larger the impact of the adoption, the more difficult it is to coordinate and fully implement. If an organization plans to adopt a framework across the entire enterprise, the work required may seem unreasonable. Even if the end goal is to implement a framework enterprise-wide, it may be wiser to limit the initial scope to a single process. A smaller breadth of implementation makes the decision to adopt a framework seem more reasonable.

The scope should also be determined by reviewing the proposed use of the adopted framework. If the proposed use is benchmarking and is limited to a specific process, then the effort required for adoption is less significant than if an organization decided to roll out the framework to the entire organization for use in all three of the areas where frameworks are usually applied:

content management, benchmarking, and process definition. Even if the use is solely process definition across the enterprise, the implementation team should take time to decide how many resources and how much effort will be required for that implementation. The scope may need to be reduced to a single process or unit to gain more initial momentum.

When adopting a process framework, an organization must consider scope, use, and the location of centralization. Understanding exactly which part of the organization will be affected (i.e., the extent or scope), what the framework will be used for, and how that adopted framework will be managed is essential before attempting to perform the implementation. Adoption plans can be made once the team fully determines the scope, use, and governance aspects of the implementation.

Types of Adoption Plans

APQC has identified three primary types of adoption plans (with the first two being the most prevalent and straightforward:

- ▸ Overlayment—applying the process framework atop existing organizational structures and functions with a mapping layer between
- ▸ Re-engineering—moving the organization to the target framework by replacing the existing organizational structures and functions with those specified in the framework
- ▸ Combination—using a blend of overlayment and re-engineering, with one approach used at one time or in one area of the business and the other applied later or in a separate business unit

OVERLAYMENT

Overlayment is a relatively simple mechanism to bring a process framework into an organization without significant changes to the underlying organizational structure. Overlayment adoption plans work best when an implementation has a large scope, and where re-engineering would result in incredibly significant changes to the organization's structure. In this case, change management for re-engineering would be so immense that overlayment is the better choice. Overlayment is well suited to content management and benchmarking implementations. Overlayment of a process framework for process definition purposes can lead to confusion but may successfully be used as an interim step to achieve cultural acceptance for re-engineering of existing processes.

UPS and Williams E&P used an overlayment adoption approach. Fundamentally changing UPS' four core and five supporting processes would ultimately require too great a change for the employees of UPS to adopt immediately. Rather than lose the projected benefits of adopting the new process framework, the UPS program management group decided to map existing enterprise processes to the newly defined framework. This mapping became the glue that allowed UPS to overlay the new framework atop the existing UPS organization without applying

the then-significant changes to the organization. Through the mapping, employees could begin to see their roles relative to the new framework and how exactly they would participate in getting real work done, without having to give up their existing roles, tenure, and expertise. The overlayment also puts the organization in a better position to fully re-engineer its structure in the future.

Similarly, The Williams Companies used the overlayment technique when it first adopted the PCF as a mechanism to organize SOX compliance content. It was unnecessary to reorganize the business around the SOX compliance activities to demonstrate compliance. All that was ultimately required was the adoption of the framework and a consistent mapping between existing enterprise processes and the newly adopted framework.

The cost associated with an overlayment is calculated based on the time and resources required to develop and maintain the mapping between the adopted process framework and the existing organization. This cost is difficult to quantify, but most best-practice organizations relate it to the cost of operating the framework's center of excellence, since the center of excellence should work closely with process owners to manage the mapping to existing organizational processes. One way to avoid high ongoing costs is to re-engineer the organization to match the adopted framework. However, the decision to reorganize is not without cost either.

RE-ENGINEERING

Re-engineering is closely related to the "don't automate, obliterate" philosophy. It requires a sometimes massive amount of change and potentially causes disruptions to work. Implementation plans should account for these shifts and for the resources necessary to manage the change throughout the work force.

ING Life Japan used a re-engineering approach to adopt its framework and also chose not to make changes to the framework before implementing it. After investigating the alternatives, Liam Ward, business transformation manager for ING Life Japan, determined that adapting the framework would reduce or eliminate the benefits of adopting the process framework. The adaptation would move the company further away from the best practice models and expertise other organizations had already contributed to the framework.

With strong central leadership, INGLJ was able to completely adopt the process framework without significant prior adaptation. At the beginning of the implementation, some middle and line managers resisted this approach. Over subsequent months, however, the resistance waned as performance results improved and frontline employees began to find their day-to-day workloads decreasing. Ultimately, less than 10 percent of the adopted framework was changed through adaptation.

The main cost associated with full re-engineering is change management. Like any transformational project, the success of INGLJ's framework implementation (part of its Transformer Program) hinged on the engagement of the organization's people. In particular,

INGLJ focused on getting input from employees at all levels when making important decisions. Other potential re-engineering costs include lost productivity until all stakeholders understand the new structure and any actual downtime or delays required for reorganization.

COMBINATION

Another solid, but sometimes confusing, approach to framework implementation is a combination of overlayment and re-engineering. These projects may be multi-phased, with overlayment coming first, leading gradually to full re-engineering. Organizations may choose overlayment in certain areas of the business but fully re-engineer others. If re-engineering is the goal, but the effort and resource commitment is too intensive to proceed, a combination approach may be the best option.

After a framework is chosen and adopted in the business, the next step is to adapt the framework to fit the business's needs and ultimately integrate the framework into employees' everyday work. The framework should ultimately give employees a better of understanding of their role in the business, above and beyond the core uses identified in the frameworks project.

Communication Is Essential

Strong communication is imperative to facilitate a framework implementation of any kind. ING Life Japan realized that it was important to use a variety of ways to communicate with different employees. To ensure the appropriate level of engagement in the implementation of the Transformer Program, Liam Ward created a number of vehicles for communication:

▸ Transformer action teams (groups dispersed throughout the organization to gather feedback and give support),
▸ *Transformer Times* (a quarterly newsletter), and
▸ the Transformer communications plan (a series of visual aids, including posters and leaflets, used in COO communications to the organization).

UPS also identified consistent communication as a key method for reducing the cost of framework adoption and change management activities. When rolling out its initial framework, the program management group created a variety of vehicles to communicate the changes, from screen savers to posters in break rooms and hallways.

Avoid Premature Optimization

Organizations naturally progress from adopting a framework to adapting it to the specifics of the business, but performing this adaptation too quickly can lead to later rework, a lesson commonly cited by best-practice organizations. The best-practice organizations in the Using Process Frameworks study learned to avoid premature optimization by taking small, calculated steps in the adaptation process.

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For example, UPS learned that process changes that span functions or business units generally provide the most benefit but are the hardest to execute. The organization recommends breaking up these efforts into manageable pieces. Linda McCain, manager of one of UPS' process centers of excellence, suggests that organizations start framework implementations in an individual function, but then have a plan to evolve and extend.

The Williams Companies had a similar approach in that it documented only the processes that were required under the SOX act and then addressed new processes as business needs arose. ING Life Japan recognized that about 96 percent of the annual transactional volume within its *paying out* and *paying in* process categories came from only 34 percent of the 132 transactional processes it had identified. Ultimately, INGLJ realized that it needed to address only a small number of sub-processes to make a huge impact on the efficiency of an entire process category.

Adopt a Framework as a Tool

Taking a big step back and looking at the question of why organizations should be adopting frameworks brings to mind an important idea: The framework is really just a tool to help accomplish other objectives and tasks. Considering frameworks in that light, which activities does the framework enable or accelerate? And what is the cost of doing those activities without the framework to help?

Each of the best-practice organizations in the study adopted frameworks for one reason: they accelerated the organization's journey to achieve its objectives. UPS identified a need to re-engineer the organization, and the framework helped the company achieve value faster. Had UPS not adopted its framework, could it have achieved the same objective? Probably. Could it have done it as quickly or as efficiently as it did? Probably not.

The Williams Companies' framework helped the organization achieve SOX compliance sooner. Williams had a pressing deadline that demanded immediate attention. Without the adoption of the framework, the effort required to secure buy-in from the various stakeholders was immense. The framework made connections between work activities, compliance requirements, and points of accountability explicit. The effort expended to achieve the same end without the framework would have been significantly greater, especially since the scope of the adoption addressed all financial processes across the entire organization—all business units included.

Conclusion

Frameworks are tools that enable organizations to align work with strategy, ensure consistency, improve communication, clarify process governance, manage improvement activities, measure performance, and benchmark internally and externally. Adopting a standard framework or model as completely as possible increases the impact and speed of changes an organization wants to make. Without the framework in place, it can be difficult to theorize the aspects of that

framework that need to be changed. Adopting it first enables the organization to more clearly see the holes or tangles it will need to address.

An organization can choose to overlay a framework on top of its existing organizational structure or completely re-engineer its structure according to the new standard it is choosing to adopt. Every organization will differ in the degree of customization and change needed to implement a new framework, but they will all see the benefits of greater alignment and more consistent communication and performance once the implementation has been appropriately rolled out and discussed with the work force. Be willing to adopt first, and carefully choose places to adapt later. It will reduce the amount of rework, confusion, and frustration that could occur if the changes are arrived at only through abstract thought.

> *For more information, see APQC's best practices report* [Using Process Frameworks and Reference Models to Get Real Work Done](#).

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