HOW PROCESS PROGRAMS STACK UP
Survey Summary Report

November 2020
According to APQC's research, 91% of organizations prioritize business process management (BPM) at their organization. As organizations move beyond reaction in the "new normal" world, they will be busy implementing long-term changes to future-proof their businesses.

APQC conducted a survey to understand business process management programs’ practices, strategies, and resources. The survey used APQC’s Seven Tenets of Process Management℠ as a structure for assessing key areas such as governance, strategy, change, improvement, measurement, tools, and models.

This report provides a summary of the survey findings and insights for organizations to benchmark their programs in these key areas.

ABOUT THIS REPORT

132

Valid participants
Process management is a management practice or approach that defines the governance of specific business processes, enabling improved business agility and operational performance. Years of process-based research have uncovered seven essential tenets on which to establish a strong process capability.

APQC's Seven Tenets of Process Management are:
1. Strategic alignment
2. Governance
3. Process models
4. Change management
5. Process Performance
6. Process improvement
7. Tools and technology

This survey explored BPM practices aligned to the Seven Tenets.
BPM TEAM
The majority of organizations rely on some form of centralized management (e.g. department or CoE) for their process efforts. While most use a centralized team, over a quarter also include process roles embedded in the business. Which ultimately helps drive adoption and alignment.

**PROGRAM STRUCTURE**

**Centralized** 23.5%
**Decentralized** 34.1%
**Federated model** 27.3%
**Ad hoc use of employees** 15.2%

*Program Budget*
- 25<sup>th</sup> percentile: $61,875
- Median: $212,500
- 75<sup>th</sup> percentile: $1,000,000

*Process Management FTEs*
- 25<sup>th</sup> percentile: 1.5
- Median: 3.0
- 75<sup>th</sup> percentile: 8.75

(N=132)
Organizations use a mix of impact measures (e.g., employee experience) and productivity (number of projects).

The majority of programs rely on project milestones and financial measures to track their impact of their efforts—this includes potential cost savings or revenue growth. This is followed closely by the impact on employee experience—making peoples’ work easier—and the volume of projects conducted annually.

**MEASURES USED TO TRACK EFFECTIVENESS OF BPM TEAM**

- **Project milestones**: 61.5%
- **Financial impact**: 56.3%
- **Impact on employee experience**: 41.6%
- **Number of projects**: 38.5%
- **Internal customer satisfaction**: 34.4%
- **Number of trainings**: 20.8%
- **Internal Net Promoter Score**: 7.3%

**Financial Impact**
- 25<sup>th</sup> percentile: $81,250
- Median: $410,000
- 75<sup>th</sup> percentile: $2,375,000

**Number of Projects**
- 25<sup>th</sup> percentile: 5.0
- Median: 10.0
- 75<sup>th</sup> percentile: 24.8
Strategic alignment refers to how well process management links to organizational objectives. Strategy and process management activities should be integrated and form a symbiotic relationship. The focus of process management depends on current strategy, and process management activities and measures help decision makers track progress toward goals and determine where to make strategic changes.

Subcategories of Strategic Alignment:
The following concepts comprise the major components involved in the strategic alignment tenet:

• **Alignment** includes the integration with business and organizational strategies, as well as integration between the business on their process management strategy and approach.

• **Execution** refers to the standardized approach of conducting process initiatives (typically using project management methodologies).

• **Strategy** is a plan to achieve a specific end-state, goal, or objective.
Most of the participants have fast tracked work policies and technologies necessary to address the impact of the COVID-19 pandemic. As organizations reacted to needing to comply with work safe policies and ensure the health of employees, they had to navigate the uncharted waters of remote work. These alternative work arrangements required the quick implementation of collaboration platforms that not only support collaboration but also provide employees with access to the tools and information necessary to execute their work.

As organizations move beyond reaction, they are leveraging techniques like scenario planning to ensure they are not caught unprepared by future disruptions. Additionally, they are developing digital products and services and shoring up their supplier relationship practices to ensure continuity and to reduce risks.

Process has traditionally been the team to support driving efficiencies in cost, cycle time, and throughput. However, over the last few years process teams are shifting these tactical objectives under broader organizational drivers.

BPM teams are more likely to cite strategic purposes—supporting the execution of strategy and driving a new culture—than the traditional purposes. That said, there is still a strong role in BPM teams to define processes, ensure standardization, and drive productivity and cost efficiencies.
The majority of process teams develop an annual roadmap for their process efforts that is typically guided by functional or business unit goals. Though the purpose of most programs is to support the organizational strategy, this is true for less than a quarter of teams.

**Relationship Between Strategy & BPM**

- **15.2%**: Ad hoc process management with no alignment to strategy
- **36.4%**: Process efforts are guided by business unit or functional goals
- **24.2%**: Organizational strategy guides process decisions
- **14.4%**: Processes are categorized by strategic value and have measures that align to strategic goals
- **9.8%**: Process and organizational strategy are entwined, and process performance helps guide organizational strategy

**Formal Roadmap**

- **59.2%**: Yes
- **40.8%**: No

(N=132)
Most participants’ project management teams tend to have communications but lack integrated strategies with their partner functions. The closest relationships lie between process teams and project management, IT, and quality.
GOVERNANCE

Governance encompasses all the structural elements that help process management function. It is concerned with roles, responsibility, accountability, oversight, sponsorship, and management structures. The governance of process management often dictates the efficiency and speed at which an organization implements and, ultimately, embeds process management into its practices.

Subcategories of Governance
The following concepts comprise the major components involved in the governance tenet:

- **Governance team**—body of decision makers responsible and accountable for process management efforts within the organization
- **Roles**—formal or informal process management roles and responsibilities that align with the organizational or functional roles (e.g., formal process owners)
- **Process management approach**—the standards, methodologies, and tools used for process initiatives within the organization
- **Interaction model**—the visibility of process management throughout the organization and the standard operating procedures connecting them

The Building Blocks of Process Management Maturity: Governance
Organizations have focused on ensuring the rules around process work are well established at the enterprise level. However, there are still opportunities to focus on developing the process roles and related skills.

### PROCESS MANAGEMENT GOVERNANCE COMPONENTS

<table>
<thead>
<tr>
<th>Component</th>
<th>Ad Hoc</th>
<th>Business Unit/Department Level</th>
<th>Enterprise-wide</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documentation standards</td>
<td>15.7%</td>
<td>39.4%</td>
<td>44.9%</td>
</tr>
<tr>
<td>Policies and methodologies</td>
<td>19.0%</td>
<td>38.1%</td>
<td>42.9%</td>
</tr>
<tr>
<td>Defined process management skills and competencies</td>
<td>32.2%</td>
<td>37.3%</td>
<td>30.5%</td>
</tr>
</tbody>
</table>
Over three-fourths of the participants leverage process owners in their governance structures. Process owners ensure control of the processes by the relevant business as well as accountability. Additionally, over half of the participants include improvement specialists to execute the work.

Though organizations have tactical governance roles covered, they are missing out on senior-level strategic roles (e.g., steering committees or sponsors). These roles are vital and provide oversight and governance for process work, prioritize opportunities, and align processes and process work with organizational strategy and objectives.

» Common Process Management Roles
Most participants (94%) actively include stakeholders in their BPM efforts.

For most, this means including subject matter experts and process owners in process-related projects—either explicitly as a project team member or as SMEs to validate and test the accuracy of new or re-engineered process.

Most participants continue to miss out on opportunities to engage senior leadership in process efforts—either as part of the steering committee or by providing business insights into the project selection process.

Top 5 Stakeholder Participation Roles

- **66.7%**
  - Project team member

- **56.1%**
  - Validating & testing of new or re-engineered processes

- **47.9%**
  - Submit potential process projects

- **43.1%**
  - Part of steering committee

- **30.8%**
  - Advisory role in project selection

(N=123)
PROCESS MODELS

Models make abstract, complex processes more tangible by providing a concrete illustration of how processes work and how they fit together. When an organization can visualize how its processes interact, it can better coordinate improvement projects, choose measures, and manage personnel.

Subcategories of Process Models

The following concepts comprise the major components involved in the process model tenet:

- **Process documentation**—Is the capture and codification of a process, including the information necessary to conduct the process, which can include the use of RACI, SIPOCS, and knowledge maps.
- **Framework**—Is a “hierarchical decomposition” of a business that describes the work an organization does in terms of process groups, processes, and activities.
- **Process design**—the activity of determining workflow, technology needs, and requirements for implementing a process. It can include the use of tools like flowcharts and simulation software.
- **Process variation**—Includes the various forms and variants of processes. Mature organizations indicate the rules where process can vary from the enterprise-wide standards. This is typically based on role of the process in providing a competitive differentiator and business line or regional considerations.
- **Accessibility**—This term refers to the storage and controls around accessing process-related information.
- **Expertise**—Is the identification and scope of subject matter experts involved in the organization’s process efforts.

The Building Blocks of Process Management Maturity: Process Models
Most participants use a framework as either the foundation for the entire organization or in business unit silos. Furthermore, most organizations require standardization at the L-3 process category.
Most participants’ processes are moderately complex and include both functional and cross functional models. Only one-fifth of organizations have moved to true end-to-end processes.

**PROCESS COMPLEXITY**

- **Low complexity**—process models are developed at the functional-level
- **Medium complexity**—process models are combination of functional and cross-functional
- **High complexity**—process models are end-to-end or value streams

(N=130)
Given that the purpose of process models is to understand processes through documentation, it's not surprising that the majority use process flows. Additionally, half of the respondents include information on roles and expertise through RACI charts.

However, organizations focus too much on the minimal requirements necessary for standardization and documentation. By doing so, they miss out on opportunities to move beyond ad hoc process management efforts or ensuring consistency in execution through business rules.
Furthermore, most participants miss out on making their models and documentation efforts truly actionable through the inclusion of variations; based on regional, site, or business line needs. This makes sense considering they primarily require standardization at the L-3 level where processes have fewer variations.

The biggest gap is the absence of knowledge maps in documentation efforts, even though over half of the participants use content repositories. The use of knowledge mapping exercises is critical to ensure that repositories include all vital information necessary for the execution and management of the process.
Change Management is the act of proactively managing change and minimizing the resistance to organizational change by engaging key stakeholders in the change process. This is often accomplished through the application of a structured process or set of approaches to transition employees, teams, and/or an entire organization to a desired future state.

Subcategories of Change Management:
The following concepts comprise the major components involved in the change management tenet:

- **Engagement** refers to the emotional connection an organization uses to build trust, set behaviors, and link employees’ work to overall organizational goals and performance.

- **Communication** is the two-way process of reaching a mutual understanding in which the organization and staff exchange information, set expectations, and create shared meaning. It also refers to the approaches organizations use to convey information.

- **Training** refers to the organized activities an organization uses to impart information, change behaviors, improve performance, and help employees attain a required level of knowledge or skill.

- **Organizational culture** is the ingrained social norms and beliefs of the organization. It is comprised of the values, belief systems, leadership styles, collective unspoken assumptions, stories, and rituals, as well as its character and orientation.

- **Rewards and recognition** include the formal and informal incentives the organization uses to encourage specific behaviors or performance.
As the scope of the project increases, so does its likelihood of including dedicated change management efforts.
TOP METHODS FOR EMBEDDING PROCESS MANAGEMENT

Participants tend to rely on the usual suspects—support from the top, communications, and training. They do not leverage methods such as rewards and recognition, success stories, and communities of practice which help drive behavioral shifts and sell the value of process management.

- Leadership support: 76.8%
- Communications: 59.2%
- Training: 56.0%
- Process standards and resources: 53.6%
- Process champions: 40.8%

(N=125)
Most participants use traditional change management practices: engagement, communications, and training for process-related projects.

Including employees in the solution and the opportunity for feedback ensures that employees feel they play a part in the change and ultimately increases buy-in.
While organizations use traditional engagement factors, they typically overlook those that drive new behaviors. Best practice programs include training people on how to make the change, as well as formal and informal incentives and recognition.
FOCUS ON PROCESS TRAINING

Process training efforts typically target individuals and teams with process responsibilities (e.g., process owners or SMEs). The training they receive is either on the job about their process role or workshops that focus on the execution of a specific improvement opportunity project.

### Scope of Process Training

<table>
<thead>
<tr>
<th>Training Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training available for process roles</td>
<td>54%</td>
</tr>
<tr>
<td>Ad hoc training for project teams</td>
<td>46%</td>
</tr>
<tr>
<td>Training available for all employees</td>
<td>36.3%</td>
</tr>
<tr>
<td>Training for leadership</td>
<td>20.7%</td>
</tr>
<tr>
<td>Standardized training customized by process roles or personas</td>
<td>14.9%</td>
</tr>
</tbody>
</table>

### Types of Process Training

- **69.7%** On the job
- **50.4%** Project-focused workshops
- **47.9%** One-on-one coaching
- **43.7%** Classroom
- **38.7%** Self-paced videos
- **8.4%** Scenarios/roleplay

(N=121) (N=119)
Performance and maturity encompass the measurement, monitoring, and controlling of processes. This tenet asks the following questions: How well do you know your processes? And how effectively can you identify which changes need to be made?

Measurement enables you to answer those questions with more confidence.

**Subcategories of Process Performance:**

The following concepts comprise the major components involved in the process performance tenet:

- **Benchmark** is a measured, "best-in-class" achievement. It is a reference or measurement standard for comparison. This performance level is recognized as the standard of excellence for a specific business process.

- **Measures** are specific, defined observations on the performance of a process. The four primary measures categories include cost effectiveness, staff productivity, process efficiency, and cycle time.

- **Controls** are specific points within the process that an organization uses to monitor performance, identify improvement opportunities, and execute contingency plans when things are not performing satisfactorily.

- **Analytics** is the act of interpreting collected metric data and distilling it to specific root causes and appropriate responses. Analytics can include descriptive, predictive, and prescriptive forms of analysis.
Most participants (87%) actively assign measures to their processes. However, these measures are ad hoc and don’t necessarily align with strategic goals. They also don’t include a mix of leading, lagging, and in process measures. This mix would enable the team to proactively address performance issues before they become problematic.
Only two-thirds of the participants include control points to monitor the health of their processes. Of those that do, the control points are only consistent with their department or business unit. This means organizations are missing out on opportunities for greater consistency and performance monitoring at the enterprise level.
Most participants include some form of benchmarking as part of their process performance management.

Benchmarking processes both externally (with peers or through benchmarking data bases) or internally (between teams and business units) helps organizations:

- create an objective foundation for decision making,
- provide context around performance to identify and prioritize improvements, and
- uncover new practices for adoption or adaptation.
Most organizations conduct compliance monitoring as a reaction to a performance incident. This means organizations miss out on opportunities to create synergies by tying their internal and external audits together or to proactively address compliance issues.
The goal of process management is to improve performance. Whether the emphasis is customer retention, cycle time, employee satisfaction, efficiency, business growth, productivity, or any other goal, organizations implement process management to improve something.

Although you can pursue process improvement without the benefit of process management—as many organizations do—this typically results in fragmented, random acts of improvement. The improvements may look exciting individually; but without an overarching management strategy, they often breed unintended consequences that harm other parts of the organization. To avoid this, APQC recommends employing process improvement in tandem with the other tenets of process management, which lay a foundation for more focused improvement.

**Subcategories of Process Improvement:**
The following concepts comprise the major components involved in the process improvement tenet:

- **Identification** of improvement opportunities can include scheduled reviews, as well as suggestions by everyone from front-line employees to senior management.
- **Prioritization and selection** involves selecting criteria to determine value and choosing opportunities to pursue.
- **Sustainability** is the ability to maintain or support an activity, process, or performance over the long term.
The majority of organizations conduct ad hoc improvements. By doing so, they not only risk redundant projects, but also risk optimizing performance in one aspect of the process to the detriment or sub optimizing the work of other teams and their processes.

**PROCESS IMPROVEMENT CULTURE**

- **None**—Once the process has been established (e.g., documented or implemented in a system) no efforts are made to improve it
- **Ad hoc**—Improvements are inconsistently conducted on an ad hoc basis
- **Scheduled**—Improvement efforts occur at scheduled times throughout the year
- **Continuous**—Continuous improvement is engrained, and employees are empowered to identify opportunities in the flow of work

(N=130)
Given that most participants do not take a structured approach to improvements, it's not surprising they don't include selection criteria to drive objective decisions about entry into the improvement portfolio. Furthermore, participants tend to limit the breadth of their improvement portfolio to business or functional silos.
Organizations continue to leverage Lean as their improvement methodology of choice. However, almost half of the participants also use value stream mapping due to the increasing need to manage cross-functional and end-to-end processes.
Process management could not stand up to the rapid pace of today's business world without the tools and technologies we have grown accustomed to; but tools and technology do not replace the sound principles that drive process management. Organizations cannot automate what they don't understand. It is essential to think through and make value-based decisions about what to automate or support with technology and which parts of the business to include in the technology or automation implementation. Beyond making those decisions, organizations must employ solid change management techniques that support its goals and culture.

Subcategories of Tools and Technology
The following concepts comprise the major components involved in the tools and technology tenet:

- **Process management tools** refers to the technology that support process management efforts. This can include (but is not limited to) documentation, process modeling, performance management, and decision modeling tools.

- **Process automation** involves the automation of business process and functions, typically to maintain costs or automate non-value-added tasks.
The purpose of process efforts is to understand processes and document them to improve how work gets accomplished. Consequently, it’s no surprise that organizations use workflow management tools in their process efforts.

Over half of the participants also leverage content repositories. This ensures they collect the necessary information and support materials they need to:

1. Monitor or audit the process effectively.
2. Provide employees with the support information (e.g., *business rules or desktop procedures*) they need to execute the process.

### TOP TOOLS & TECHNOLOGIES

<table>
<thead>
<tr>
<th>Tool</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workflow management</td>
<td>66.9%</td>
</tr>
<tr>
<td>Content repositories</td>
<td>51.7%</td>
</tr>
<tr>
<td>Automation tools</td>
<td>45.8%</td>
</tr>
<tr>
<td>BPM platforms</td>
<td>33.9%</td>
</tr>
<tr>
<td>Form generators</td>
<td>22.9%</td>
</tr>
<tr>
<td>Decision support tools</td>
<td>21.2%</td>
</tr>
<tr>
<td>Integrators (e.g., APIs)</td>
<td>20.3%</td>
</tr>
<tr>
<td>Business rules engines</td>
<td>15.3%</td>
</tr>
<tr>
<td>Process mining tools</td>
<td>13.6%</td>
</tr>
</tbody>
</table>

(N=118)
Most participants’ relationship with technology is tumultuous. Technologies are ad hoc, with little to no standardization across groups. Furthermore, most organizations don’t use criteria for their technology selection. Which means they risk over or under purchasing for their needs.

### Level of Process Tools & Technology Standardization

<table>
<thead>
<tr>
<th>Standardization Level</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ad hoc technologies</td>
<td>37.3%</td>
</tr>
<tr>
<td>Standardized within departments</td>
<td>18.6%</td>
</tr>
<tr>
<td>Standardized within departments and integrated within</td>
<td>13.6%</td>
</tr>
<tr>
<td>enterprise</td>
<td></td>
</tr>
<tr>
<td>Standardized across the enterprise and integrated at</td>
<td>25.4%</td>
</tr>
<tr>
<td>enterprise level</td>
<td></td>
</tr>
<tr>
<td>Standardized and integrated at enterprise level</td>
<td>5.1%</td>
</tr>
</tbody>
</table>

### Use Criteria for Tool Selection

<table>
<thead>
<tr>
<th>Criteria Verification</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>31.8%</td>
<td>68.2%</td>
</tr>
</tbody>
</table>

(N=118) (N=107)
Between 30 and 40 percent of participants’ data architecture is integrated with their process, enterprise, and information architectures.

Average Percent Integrated
- Process Architecture = 39.7%
- Enterprise Architecture = 35.3%
- Information Architecture = 36.9%

Between 30 and 40 percent of participants’ data architecture is integrated with their process, enterprise, and information architectures.
DEMOGRAPHICS
### Industry Participation (Top 5)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>10.9%</td>
</tr>
<tr>
<td>Financial Services/Banking</td>
<td>7.0%</td>
</tr>
<tr>
<td>Government/Military</td>
<td>7.0%</td>
</tr>
<tr>
<td>Utility</td>
<td>6.2%</td>
</tr>
<tr>
<td>Electronics</td>
<td>6.2%</td>
</tr>
</tbody>
</table>

### Annual Revenue

<table>
<thead>
<tr>
<th>Percentile</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>25th</td>
<td>$27,250,000</td>
</tr>
<tr>
<td>Median</td>
<td>$355,000,000</td>
</tr>
<tr>
<td>75th</td>
<td>$3,400,000,000</td>
</tr>
</tbody>
</table>

### Role

<table>
<thead>
<tr>
<th>Role</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head of Business (Chairman, CEO, President, etc.)</td>
<td>8.6%</td>
</tr>
<tr>
<td>VP/Senior Executive</td>
<td>8.6%</td>
</tr>
<tr>
<td>Director/Senior Manager</td>
<td>28.9%</td>
</tr>
<tr>
<td>Manager</td>
<td>22.7%</td>
</tr>
<tr>
<td>Specialist/Analyst</td>
<td>19.5%</td>
</tr>
<tr>
<td>Consultant</td>
<td>11.7%</td>
</tr>
</tbody>
</table>

### FTEs

<table>
<thead>
<tr>
<th>Percentile</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>25th Percentile</td>
<td>104</td>
</tr>
<tr>
<td>Median</td>
<td>1,250</td>
</tr>
<tr>
<td>75th Percentile</td>
<td>7,275</td>
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</tbody>
</table>
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