

## Reengineering is a 13-Letter Word, Again

Over the past five or six years, reengineering has taken a beating, especially in a public sector context. Reengineering got itself painted with the same brush as down-sizing and program review; which, is kind of like blaming the roller for the colour of your living room wall. Though well hated, and used for all the wrong reasons, reengineering is starting to make a well-deserved comeback. With the help of consultants, it has begun to call itself everything from *transformation* to *UML*, but it's process reengineering.

After a decade of reengineering, redesigning, right-sizing, and automating what can be left to reengineer? The answer has a lot to do with how all this reengineering was conducted in the first place. In selecting the processes for consideration, many organizations selected them based on organizational structure, either by accident or because that is the way they conceptualize their business.

For example, in selecting the "procurement" process or the "A/P" process the responsible manager finds a well-contained process that can be reengineered from beginning to end, without the nuisance of having to consult "stakeholders" outside of the branch being reengineered. Several of these reengineering projects have taken place over the past few years and they have yielded fine results.

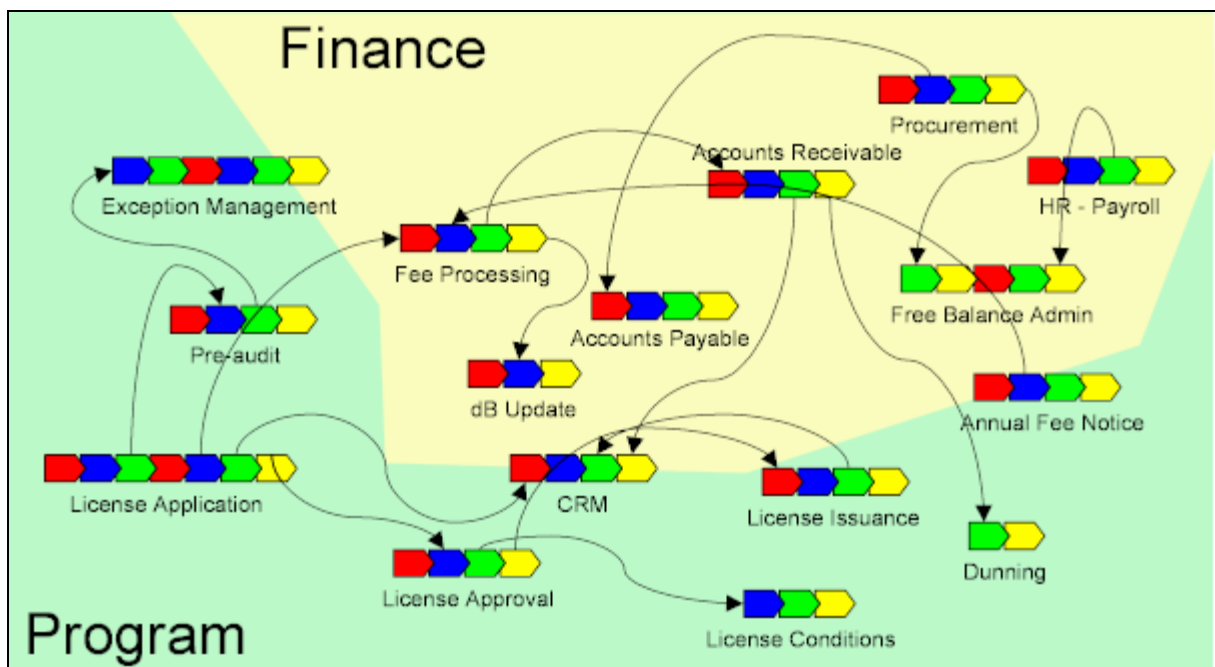
The key criticism of this "first-wave" of reengineering is its failure to take an enterprise approach to processes. Whenever you reengineer a process that has the same name as the branch that performs it, you need to ask yourself if you are taking an enterprise approach. The second wave of reengineering will transcend these organizational boundaries and will seek to build processes that enable the knowledge-based organizations of tomorrow.

The second wave of reengineering is also a bit more of a hard look in the mirror. The organization will have to determine what it likes and dislikes most about itself, every wrinkle and extra ounce of fat. Business processes that rely on each other for information will first need to be identified before they can be knitted together. This identification needs to be carefully managed. It is very easy for the very branches that need to work together to get annoyed with this "helpful" criticism from their counterparts. For example, consider what will happen when you organize a meeting with Corporate Services and the Program Branch to "reengineer" the budget process. If anyone actually comes to the meeting, how long will it be before the first volley is fired?

And, you have to repeat this for all of the processes, even the hard ones. To do this well, the project needs to be launched at a high enough level in the organization to transcend organizational boundaries. For example, Finance needs to be involved with reengineering financial processes; they just can't be the *only* ones involved. When the processes are reengineered with all of the stakeholders involved, an enterprise view can start to emerge. The resulting list of complaints can be boiled into the needs that the branches have of each other.

Each one of these "information elements" becomes a stitch for knitting the enterprise process together. The trick is getting the information element from the process and branch where it is created to the process and branch where it is needed. This is the key to building the knowledge-based organization.

The following diagram represents a series of business processes that might be individually reengineered during the first-wave. The second-wave of reengineering considers the linkages between these processes in an effort to develop an enterprise process. These linkages (information elements) are depicted by the black arrows connecting the seemingly disparate processes.



#### Hints for enterprise process reengineering:

- Hire a consultant skilled in facilitation and reengineering. This step prevents criticism about corporate bias and brings an objectivity that can keep the focus group from derailing.
- Do it twice. Figure out all of the processes individually with the people who perform them. Ensure that the first-wave of reengineering is complete and that the improvements have "stuck". Start hooking them together and hold a focus meeting. This meeting should be designed to drive out the requirements that the individual processes have of each other.
- Whenever someone in the meeting says, "why didn't you just ask?" they probably did. It usually isn't as easy as the person defending the status quo is making it sound.
- Information technology will ultimately start to creep into the conversation. Don't let it until you have fully understood the enterprise business processes. Until you've considered the business requirements, you might build the wrong thing or might already own the answer.