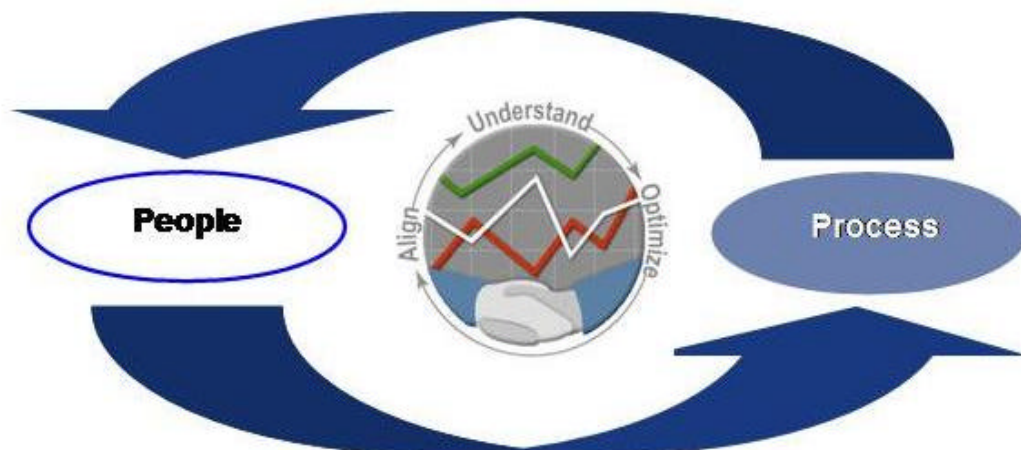


## People and Process v Technology?

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The Software supply industry has just gone through the toughest 3 years in its 30 year history. What we have seen is the end of an era of what has been little short of exploitation by suppliers of users who have “technology” thrust at them, in a language that most business people did not really understand but were reassured by the plethora of “independent analysts” that it was a must have!

Well guess what, companies have discovered over the last 3 years that just maybe continuing spending the £ms is not really necessary. At the same time the pressures to address compliance has grown and in layman’s language this requires the comfort of people being “under control” and there is the evidence to prove it! This pushed process high up the agenda and was supported by a small group of “evangelising” new breed of software developers that had the tag Business Process Management. “BPM”, another 3-letter acronym, but at least the message was understandable by the business- it is people and their processes that make a business. Technology and systems must support this fundamental of any organisation and is something that the software supply industry had forgotten! UK based analysts Butler Group may be stating the obvious - applications are, deep down, simply implementations or expressions of processes - but is not something that has been historically recognised by IT suppliers.



In typical technology fashion everybody jumped on the bandwagon and the result is that the BPM message has become confused. Some quickly produced modelling capability to map out the processes, which helped to bring focus to the importance of how the business works, BUT really did not go anywhere. At the same time Document management /Workflow companies realised they touched on the distribution of “work” to people and from their technology base latched on “BPM” capability. All this brought a high

expectation, but in implementation disappointment followed as technology complexity was needed to “stitch” the components together to deliver an application. We are now seeing the real winners will be those that go beyond the very broad definition of BPM into a new Platform technology, which intuitively builds the process-centric application uniting People and their Processes. What a Process Application Platform does is effectively remove the disjoin between requirement and implementation.

Ventana Research of California identified this change coming early and has written some quite provocative papers. They see the importance to this alignment of People and Process as bringing a fundamental shift in delivery of software to a Performance Management focus (see diagram). In July 2003 they wrote

“This new imperative, Performance Management, is the practice of leveraging assets to better understand, optimise, and align processes and strategies to maximize stakeholder value. This is now the key driver for global organizations and it is causing them to make the most important business and IT decision of the decade” Ventana went on to raise the interesting question “Will the responsibility for operational Performance Management be the responsibility of the ERP/CRM providers or that of the separate BI and Process Management providers?”

Ventana clearly recognised that people are the prime asset in any organisation and the importance to aligning people to their processes. Using technology to achieve this is only now becoming available. The question posed is this setting up another conflict between the business and IT?

To answer this question and the one posed by Ventana who is going to “control” this new way, it is worth looking at other “delivery” technologies which have been maturing over the past 3 years. The network communication industry has now developed their offerings in bandwidth giving flexibility, speed and power in delivery of solutions. On top of that the 3G hype of some years ago has become a reality and again the speed and ability to download large amounts of information via the web from anywhere is truly thought provoking. Put both these capabilities with the power of process and enabling people then what we have is truly the start of a new wave of solutions for customers where people and their processes are truly aligned irrespective of location.

We now see emerging the situation where communication networks allow technology to be “isolated” from the organisation, yet the processes can be delivered to the people with the right information at the right time to enable them to do their job. This is truly a profound step in the evolution of technology in the business arena. Again, true to form, there has been much hype from some of the large industry players about “software on demand”, “grid computing” and even applications seen as a “utility” but none have really explained “how”. However, the common theme all these “visions” have is that the technology stays out of the organisation and remains in the hands of large suppliers that will be delivering the solutions on a need basis.

The one important element that needs to be recognised in such visions is that a company's processes are its assets. They must be capable of being agile in changing as the business requirements change (not 3 months later!). Customers will not find acceptable having fixed inflexible processes, as is so often the case with ERP solutions. It is interesting to see that the 80s Business Process Re-engineering gurus Michael Hammer and James Champy are back in vogue. The difference this time is that the next generation software in Process-centric applications has the flexibility to be changed quickly thus cost effectively.

The real trick and in some respects the "holy grail" for business (maybe not for traditional suppliers!) is to still retain ownership of the processes as an asset but lay off the cost of delivery and technology to suppliers. There will be new and innovate ways to pay for software and the prime suppliers will not just be managing technology they will become valued business partners to support the need for constant change to remain competitive.

The title of this paper suggested a conflict between people their processes and technology. What I have described is a removal of that conflict as what people do in their work is a clear business issue and must remain so. Historically technology has confused the picture but the combination of the new breed of process-centric software and the connectivity through both the web and telecommunications enable technology to be "off site" or at least isolated from the business. This will be an evolutionary movement and it is starting now. Who will be the players? – Internally in user organisations the CIO will be the prime mover in supporting his colleagues to bring the benefits associated with aligning people and their processes. This role will interface with the prime suppliers who deliver to the business the information to enable people to do their job. To answer Ventana's question who will take this responsibility for the technology/software delivery role – Logic says that it will be those with the best communication/network capabilities.....?

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