

WHAT DO THE WORDS MEAN?

There is no doubt that a process-based view of business is becoming commonplace (driven at least in part by the requirements of external standards and encouraged by the concept of "systems thinking" as promoted by, amongst others, Peter Senge in his book *The Fifth Discipline*). And management systems are changing to reflect this. Despite this, there is a general lack of familiarity with and understanding of the underlying principles. It is surprisingly difficult for managers, irrespective of the size and type of their organisation, to:

- understand what is meant by a process
- identify their key business processes
- define an individual process
- structure a management system using this approach.

We recognise that it is impossible to define the absolute meaning of every word we use in these articles - but it is important that you understand what we mean when we use certain words. The same word can have totally different meanings to different people. This can cause problems within an organisation and between organisations. So read on, pay attention (!) and make sure that you understand what we are talking about. If you don't (understand, that is), please contact us and tell us, so that we can clarify the matter for the benefit of you, other readers and ourselves.

"PROCESS"

A **process** can be described as: "a sequence of related tasks and decisions which act on inputs to add value to create outputs". It uses resources and is subject to controls and influences.

Another view is that a business process *either* creates value *or* supports a process which creates value. For example, "manufacturing to order" is the process from receiving a customer order, through manufacturing and packaging, to delivery of the goods.

Typically a process will involve people in more than one functional department. Information and / or material will pass from one department to the next - with the associated risk of misunderstanding or lack of communication at the interface.

Some other examples of business processes are:

- Recruiting a new member of staff
- Maintaining a piece of equipment
- Carrying out a risk assessment
- Implementing an external standard.

Make up a list of your own business processes, and then review it when you have read the articles - and assess why your list might be different in retrospect!

"PROJECT"

It is easy to extend the process-based approach described above to include projects if you view a **project** as: *"a process with a start and end date"*.

Project-oriented organisations can thus adopt a similar approach to applying the management system as manufacturing companies and service organisations. I know of an organisation which has for many years adopted an interesting approach to its management system which confirms the connection. The company provides consultancy and training services and it also develops software - all project based services. They have chosen to treat activities such as "running the accounts department for the next financial year" as projects, so that its entire operations are based on projects. Whether we are looking at project-based companies, or at the many processes which are followed within other organisations (other than continuous production processes), an "**instance**" of the process is created each time a process is started. According to our definition above, this is in its own way a project, since it has its own start and end times (if not dates).

The resources available, and the controls and influences which apply, may vary in each instance, as may the way in which tasks are performed and the decisions taken.

"SYSTEM"

A **system** is: *"a related collection of processes" with an overall aim or objective.*

What may be difficult to define is the difference between a system and a process. They are rather like Russian dolls, with one fitting into the next, but they all look similar. If you pick one up in isolation, you do not know if it is the biggest one of the set or the smallest. And even if you think that the one in your hand is the biggest, there is always the possibility that there is an even bigger one somewhere that you have yet to discover.

So a system can be thought of as a mega-process comprising a set of processes, but which in turn may be a sub-system of a larger system. And each of its processes may in turn be divided into sub-processes. So you will see why we have not tried to be too precise with definitions!

Your business may seem big and be important to you, but it is small in relation to the community in which you live and the political environment in which you operate. And then there are the other systems which impact on you as a person, such as your peer group, your family, the local Chamber of Commerce and the sports club.

Essentially, an organisation's business operations (and thus its management system) can be defined as a hierarchy of processes by describing:

- what it does and how it does it (plan, get work, do work)
- what it needs to manage to ensure that the core processes are efficient (resources, people etc)
- how it ensures that it monitors progress against and compliance with its plans and chosen standards (review and audit).

"TASK"

We have already described a process as "a sequence of tasks...", and have implied that, at a certain level and above, the process may best be described as a sequence of sub-processes rather than as specific activities. But when you reach the level of defining activities in detail, where you need to spell out who does what, you have reached the task level. A **task** can be defined as "an activity within a process which is performed by one person, at one time and in one place".

"By one person" should be self-evident (although others may also be involved - perhaps by being asked for their opinion), but "at one time" needs some explanation. If, say, various papers have to be prepared in advance for a meeting and then issued to all those who will be attending, the task for the meeting organiser would be something like "Prepare paperwork and distribute to attendees".

This implies that the action of sending out the packs takes place as soon as the gathering of the documents is complete - if the paperwork is prepared at the start of the week and is issued the following Monday, or if it is prepared in a branch office during the week and the organiser later puts the packs in people's pigeonholes when he is in head office on the Friday, then they should be treated as two separate tasks.

[Just a thought: should the term "Task Force" be changed to "Process Force"? After all, it invariably takes more than a single action.]

"WORK INSTRUCTION"

In some situations, the amount of detail required to ensure that a task is performed properly and completely will fill a page (or more) of A4. It may be a checklist, a product sheet with annotations or technical specification. For our purposes, then, the definition of a **work instruction** is: "*a detailed description of a (relatively complex) task, set out as a separate document*". By implication, it is completed by one person, at one time (or at least continuously) and (probably) in one place.

"PROCEDURE"

The "traditional" way to define how a business does (or should) operate is to define a set of "procedures", narrative - descriptions of related sequences of events within a department or work area (for example, in Stores or Purchasing). Often, a company will generate one set of procedures for its quality system, another for how it deals with environmental matters, and another for how it addresses health and safety issues. Each procedure may be 10-12 pages in length (or longer).

Other common definitions (or views) of a procedure include:

"a description of how something should be done"

"a related sequence of events within a department"

"a narrative description of a process".

In practice, everyone seems to have his or her own slightly different version of what a procedure should be - so we will not be too specific or dogmatic on the subject!

One thing that does get me hot under the collar, though, is the widespread practice of creating quality systems to meet the requirements of ISO9000:1994 which have sections or chapters called "Procedures" which, at great length, do nothing more than say that the organisation understands and meets the requirements of a particular section of the standard. The worst example I have come across of an artificial "procedure" was little more than a list of the fields on a form, with no hint or suggestion that anyone was to do anything - not an action in sight!

As a separate exercise, the same organisation will probably produce job descriptions when it advertises to fill vacancies. In many cases this is done without reference to these self-same procedures. Your process definitions, which will include the allocation of responsibilities for each task, should automatically produce the basis for a job - description for any chosen role.