# Final Critical Review

Investigating the Relationship between Process Management and Organizational Culture

"Everyone has an invisible sign hanging from their neck saying, 'Make me feel important.' Never forget this message when working with people." - Mary Kay Ash

ABSTRACT

Ever since our arrival on Earth six million years ago, humans have often felt the irrepressible need for organization. This was primarily due to the fact that the chances for success were better if activities were performed in groups. Since the advent of the Industrial Revolution during the early half of the 20th century, process management has often been promulgated as one of the driving factors for sustained business innovation. However, the link between business process management (or BPM) and organizational culture was never explored in detail, and incidentally, led to the stagnation and subsequent death of many successful enterprises.
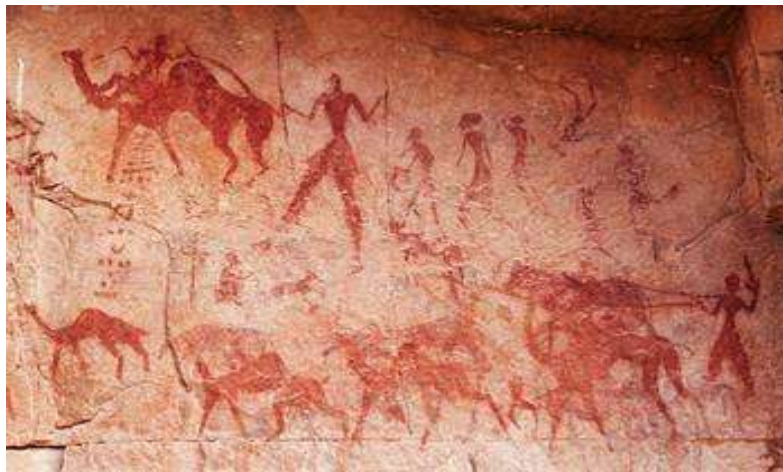
If we could read cave paintings, would we find great wisdom about the relationship between BPM and organizational culture?

It was only during the last few decades that BPM emerged as a powerful concept and became an integral feature of operational excellence programs. Conceptually, a business process characterizes the metamorphosis of an input into the desired output for an organization, with the customer being the primal point of perception. BPM can deal with processes at various levels, and a life-cycle based approach is often adopted that consists of the following five phases:

1) Development of a process vision based on company strategy,

2) Process design encompassing modelling and prototyping of the process at various levels,

3) Implementation and execution of the process,

4) Monitoring, measurement and evaluation of the process performance,

5) Process improvement in alignment with process vision.

Organizational culture, on the other hand, is defined on the basis of the sphere of influence of cultural values within an organization. The most celebrated author in the field of organizational culture, Edgar Schein, defines the former as a pattern of basic assumptions discovered or developed by a group while facing internal and external challenges.
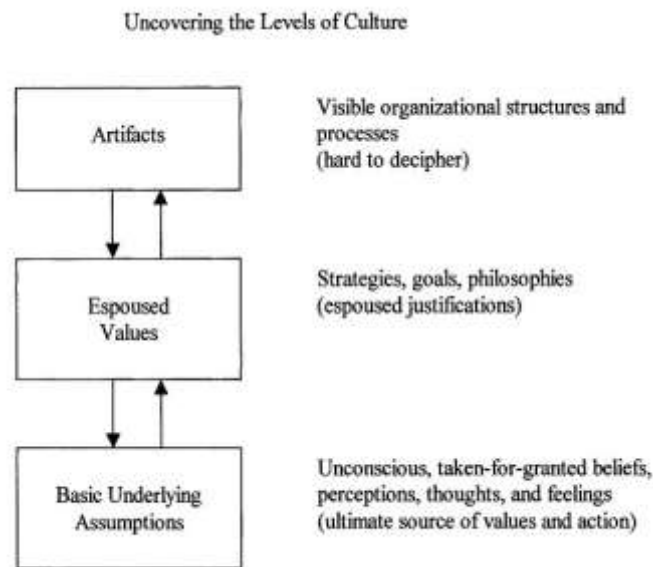

Fig. Schein's model of organizational culture

The best description of the relationship between BPM and organizational culture can be found in the works of Al-Mashiari and Zairi (1999). They describe BPM as an approach with high potential when it comes to customer satisfaction. Success of BPM, however, depends on change management and therefore necessitates adaptations in organizational cultures. The latter is built on basic values, and it is essential to communicate the espousal of new processes and values to achieve strategic growth. Failures in embracing the above could result in multiple malefic effects with respect to cultural dimensions, including:

1) Underestimation of human contribution to BPM initiatives,

2) Ignoring existing management systems and organizational culture,

3) Lack of trust between management and employees,

4) Tendency to imitate failed/doomed-for-failure models,

5) Underestimation of political aspects,

6) Hostility between experts from different fields.

Thus, the methodology used for BPM can often have a lasting impact on the culture and thereby sculpt the future of an organization. To this end, the following review tries to identify the relationship between BPM and organization culture, and how it aligns or differs from the content in Modules 7-12. It has been prepared in accordance with the requirements of the Management of Innovation in Engineering course, offered by the University of Toronto, under Professor Armstrong. It tries to synthesize the content in the modules with the paper, and attempts to analyze the weaknesses in the paper and how they could be accounted for by change in BPM techniques in consonance with a favorable organizational culture.

SUMMARY

In the research paper *Investigating the Relationship between Process Management and Organizational Culture: Literature Review and Research Agenda*, Grau and Moorman realize BPM to be a set of structured processes and technologies that must be interwoven with employee culture. They analyze the status quo of academic literature with respect to the relationship between BPM and organizational culture. Their research reveals differences in perception of the interface between these fields, with little emphasis being placed on organizational psychology in BPM literature. The findings are utilized to construct a framework model, which is hoped to serve as a basis for understanding the inter-relationship above, and to provide impetus for future research.

ANALYSIS AND EVALUATION

The authors have used well defined criteria for inclusion/exclusion of literature in the course of studying the relationship between BPM and organizational culture. Literature review has been carried out in line with the approach used by Leyer (2011) using the following steps:

1) Broad spectrum of keywords chosen which are representative of the interface between BPM and organizational culture,

2) Browsing the Genamics JournalSeek database for relevant academic journals,

3) Distilling those journals that pertain to BPM and organizational culture,

4) Selecting only those that were peer-reviewed.

26 out of 217 scholarly articles were selected as a result of the above exhaustive process. Furthermore, the authors divided the research conducted in the selected articles into three distinct categories:

1) Approaches dealing with the influence of organizational culture on BPM,

2) Approaches dealing with the influence of BPM on organizational culture,

3) Approaches claiming the existence of a specific BPM culture.

They then compare and contrast the literature in each of the above categories in great detail. Their survey reveals that majority of the articles follow the assumption that organizational culture supports BPM and vice versa. Very few, if any, are testimony to the presence of an existing BPM culture. They showcase how all the papers identify the existence of the relationship, and express the explicit need to take it into account. Their studies prove that the proposed frameworks possess the following weaknesses:

1) Are not conducive for deep understanding and management support for implementation purposes,

2) Lack a clearly defined common understanding of organizational concept,

3) Lack a consistent and transparent way of assessing organizational culture,

4) Fail to understand different types and levels of organizational culture.

The identification of challenges causing these deficiencies have led to the creation of a generic framework relating the two. It is adapted from Schein's model, and refinement depends on the phase of the BPM life cycle of the corresponding BPM initiative. Performance can be measured via KPI's (Key Performance Indicators) of the company's business processes. The suggested framework reflects all relevant aspects in regards to the interdependency between BPM and organizational culture and their influence on organizational performance.
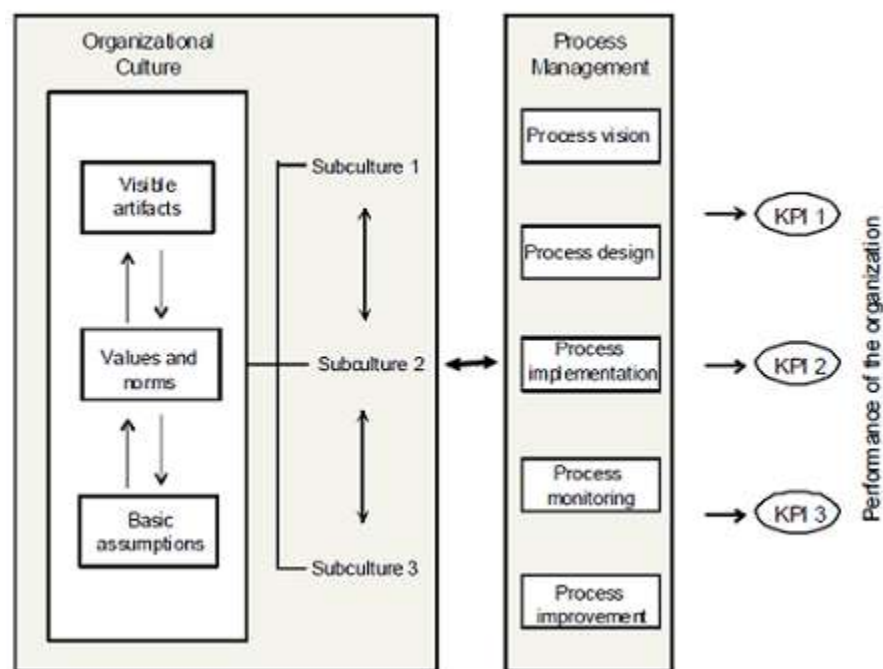

Fig. Proposed model of inter-relationship between BPM and organizational culture

From Modules 7-12, we see that the authors have indeed touched upon the scope of concurrent engineering (described in Module 7) by taking into account the interactions between experts from different fields for process implementation and improvement. However, a possible flaw exists since the authors have not chosen to examine the importance of IPT's (Integrated Product Teams) and how to build them, or the importance of soft skills in the workplace. They fail to provide practical examples on where and to what extent should cross-functional integration be performed. With regards to lean product development (described in Module 8), the authors have suggested using KPI's for measuring BPM success using the proposed model, but have not put forth mechanisms by which higher productivity can be achieved via the application of the former to manufacturing processes. The deployment and inclusion of innovation processes was described in Module 9, and the authors have done a great job in analysing different sub-cultures and how they could contribute to the BPM model in an innovative fashion. However, they have not touched upon the interactions between these sub-cultures, nor have they analyzed whether the differing perspectives are conducive for creating the right climate for change. Module 10 discussed the idea of sustaining innovation and how "New Thinking" could be pivotal for its success. The emanation of ideas from cross-cultural interactions is envisioned as one of the criteria by which KPI's are defined, but the impact on process improvement in a quantitative fashion has not been examined. The need for systematic problem solving is stressed upon in Module 10, and the preponderance of a root-cause elimination methodology is essential in order to render it effectively. The authors have implemented this approach when trying to find all possible obstacles for the success of BPM. However, they do not seem to draw any inferences from literature on the relative effects of the latter using example case studies. Module 12 elucidates the primordial importance of a distributed network approach to enterprise transformation using change curves. The authors do their best in trying to coalesce differing viewpoints from varying sub-cultures into their BPM model, and aim for a fair assessment using standardized KPI metrics, but have not managed to get quantitative feedback that proves that the model actually works in blurring the BPM-organizational culture interface in those organizations that chose to adopt it.

SYNTHESIS

The critical analysis conducted above reveals that the authors of the paper seem to have understood the gist of the problem related to the amalgamation of BPM and organizational cultures. They emphasize the need for a holistic approach in determining the interrelation and consider it to be key for improving company performance. In order to convince the reader of the effectiveness of their model, the authors could incorporate the principles outlined in Modules 7-12, in addition to addressing the following issues:

1) Adopting a quantitative approach in assessing the impact of differing cultures on BPM sub-phases,

2) Being consistent in the analysis of BPM-organizational culture interface,

3) Using a KPI-based evaluation of sub-cultures,

4) Clearly outlining the contact points in the interface described in 2).

CONCLUSION

Overall, the authors of the paper have done an excellent job in researching the causes for the lack of frameworks that blur BPM-organizational culture boundaries. They have tried their best to propose a suitable model keeping in mind the obscurity that exists when it comes to evaluating sub-cultural interactions. There exists the need to develop benchmarks to gauge the effectiveness of their framework, and that is something that is predominantly lacking in the proposed solutions. I believe that the paper is a great example at illustrating how the understanding of human factors can be used to improve business process management and improve organizational productivity in any sector.

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