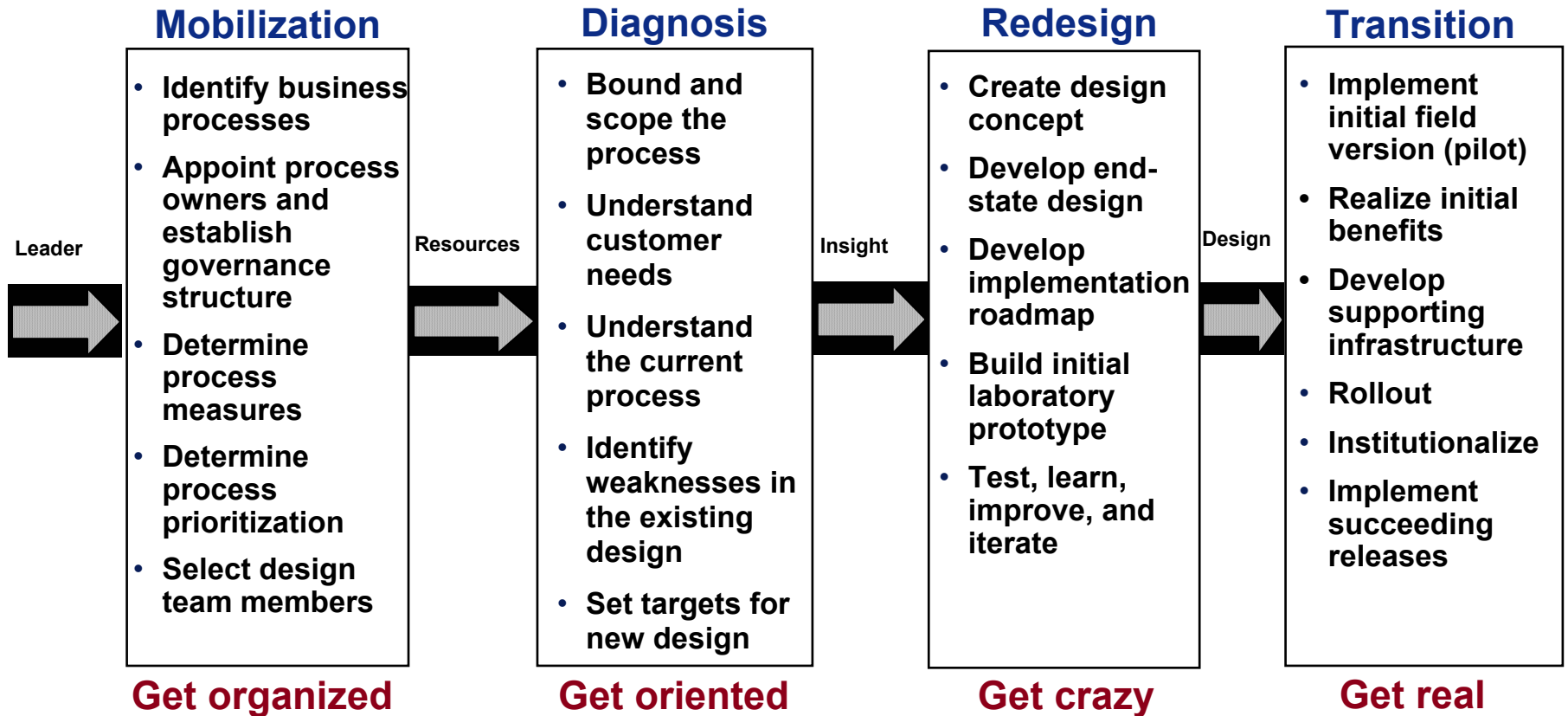


# **Process Redesign Methodology**

**MIT Sloan School  
Dr. Michael Hammer**

# A Process for Process Redesign



## **Where Redesign Goes Wrong**

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### **Insufficient mobilization**

ineffective process identification or inadequate resources

### **Ineffective study of existing processes**

too detailed and/or too narrow

### **Vagueness in objectives**

failure to specify goals

### **Timidity in redesign**

narrow scope, small goals, self-censorship

### **Skipping the laboratory**

reengineers are real engineers

### **Taking too long**

time is our enemy

**The Three  
Challenges of  
Process  
Redesign**

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## **Innovation**

inventing something new

## **Complexity**

building a new system

## **Change**

reinventing the business

## **The Three Keys to Success**

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### **Creativity**

in design

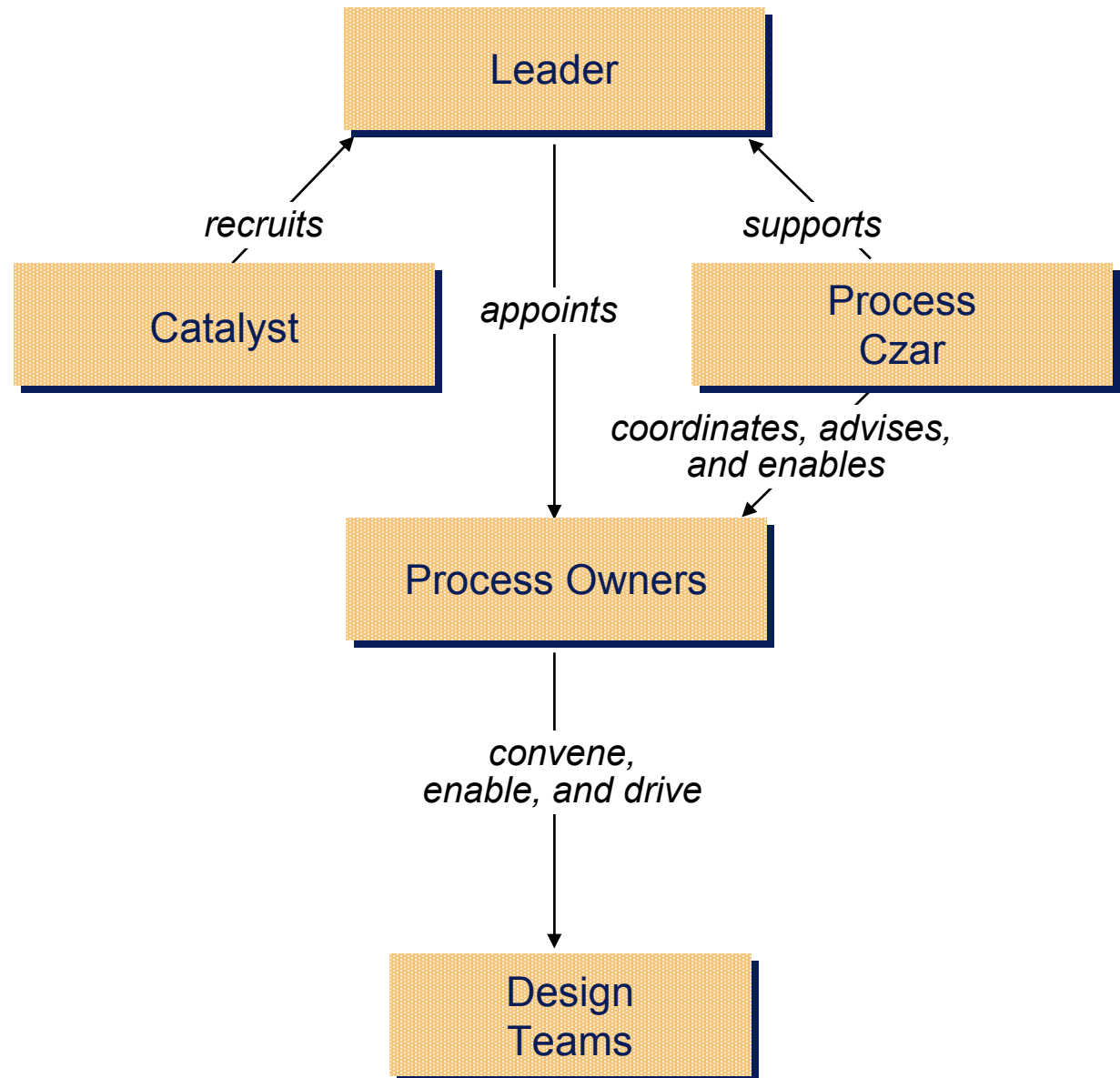
### **Coordination**

in implementation

### **Change management**

throughout

## A Governance Structure for Process Design



## **The Process Owner**

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**A senior individual with accountability and authority for the end-to-end performance of a process**

a never-ending responsibility

aka process manager, process leader

### **Duties**

sponsor, motivator, evangelist, salesperson, resource  
obtainer, enabler, goal setter

monitor, advisor, groupthink avoider

liaison, buffer, roadblock remover, heat taker, advocate

convenor, coach, champion, conscience, challenger,  
cheerleader, critic, customer

controller and compliance officer

## **The Process Owner**

*continued . . .*

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### **Requisites**

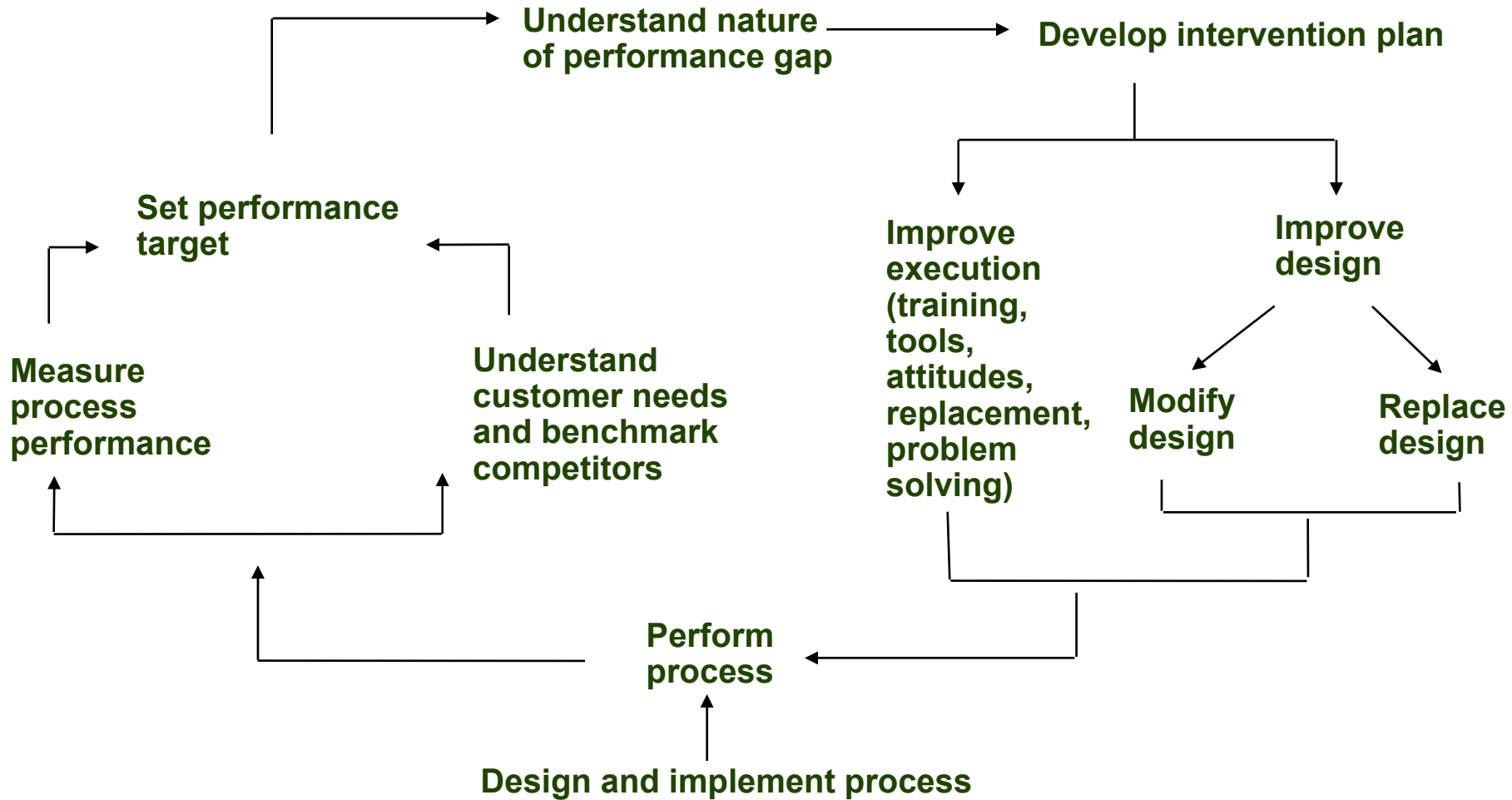
highly placed, well respected, well connected: clout  
ambitious, confident, high energy, effective  
innovative and process-oriented, often a maverick  
really gets it  
the right person in the right position

### **The conundrum**

the need for clout vs. the need for focus



# The Process Lifecycle



**Performance management through process management**

## **The Process Design Team: Demographics**

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### **Insiders**

knowledge of business and customers

intuition and experience

credibility and opinion leadership (Trojan Horse)

moderate seniority

### **Outsiders**

reengineering technique

imagination, creativity, naiveté

objectivity, risk-taking, and leavening

ability to maintain distance

### **Composition**

diagonal slice

multiple functions and constituencies represented

concentric rings: core team and extended team

occasional involvement of specialized disciplines and SMEs

participation of customers and suppliers in extended team

## **The Process Design Team: Demographics**

*...continued*

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### **Team captain**

manager of a key stakeholder function

facilitator, politician, diplomat, quartermaster

*primum inter pares*

### **Rules of engagement**

primary assignment (preferably 100%): the problems of logistics, contamination, schizophrenia, emergencies, and hypocrisy

long-term commitment (18-24 months)

abandoning organizational loyalties

cohabitation: the communication vs. distance curve

### **Challenges**

finding the resources: coping with a full plate

managing a cross-cultural ensemble

team-building (may be deliberate)

dealing with conflict: a Hegelian style

relationship with the owner: customer, coach, cover

life after design: for insiders, outsiders, and process owners

**The Process  
Design Team:  
Psychographics  
and the Wizard  
of Oz**

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**Enthusiasm, optimism, and ambition**

**Persistence, energy, tenacity, self-esteem,  
stamina, thick skin, follow-through,  
resilience, commitment, courage**

**Process thinking: systems, big picture,  
holistic, critical, quick learner**

**Design capability: open mind, creativity,  
evaluation of tradeoffs, performance  
analysis, trouble-shooting, problem-  
solving, resourcefulness**

## **The Process Design Team: Psychographics and the Wizard of Oz**

*... continued*

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**Discontent with status quo (mavericks and renegades), hunger for change**

**Questioning, skepticism, open mind, unafraid**

**Comfort with rule breaking, ambiguity, change, and risk**

**Broad business perspective**

**Inter-personal, teamwork, listening, persuasion, and communication skills**

**Temperament, cognition,  
style, skills, background**

**The hallmarks of the ideal candidate**

## **Challenges in Recruiting the Team**

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### **Finding them**

5%-20% are candidates  
the major disqualifier

### **Getting them to join**

lowering disincentives  
addressing career concerns  
the value of financial incentives  
personal recruiting by the leader  
if this doesn't excite them, we don't want them

### **Getting the organization to let them go**

the need for executive intervention

### **Getting them to go back**

"I was born to do this"

# The Product of a Process Diagnosis

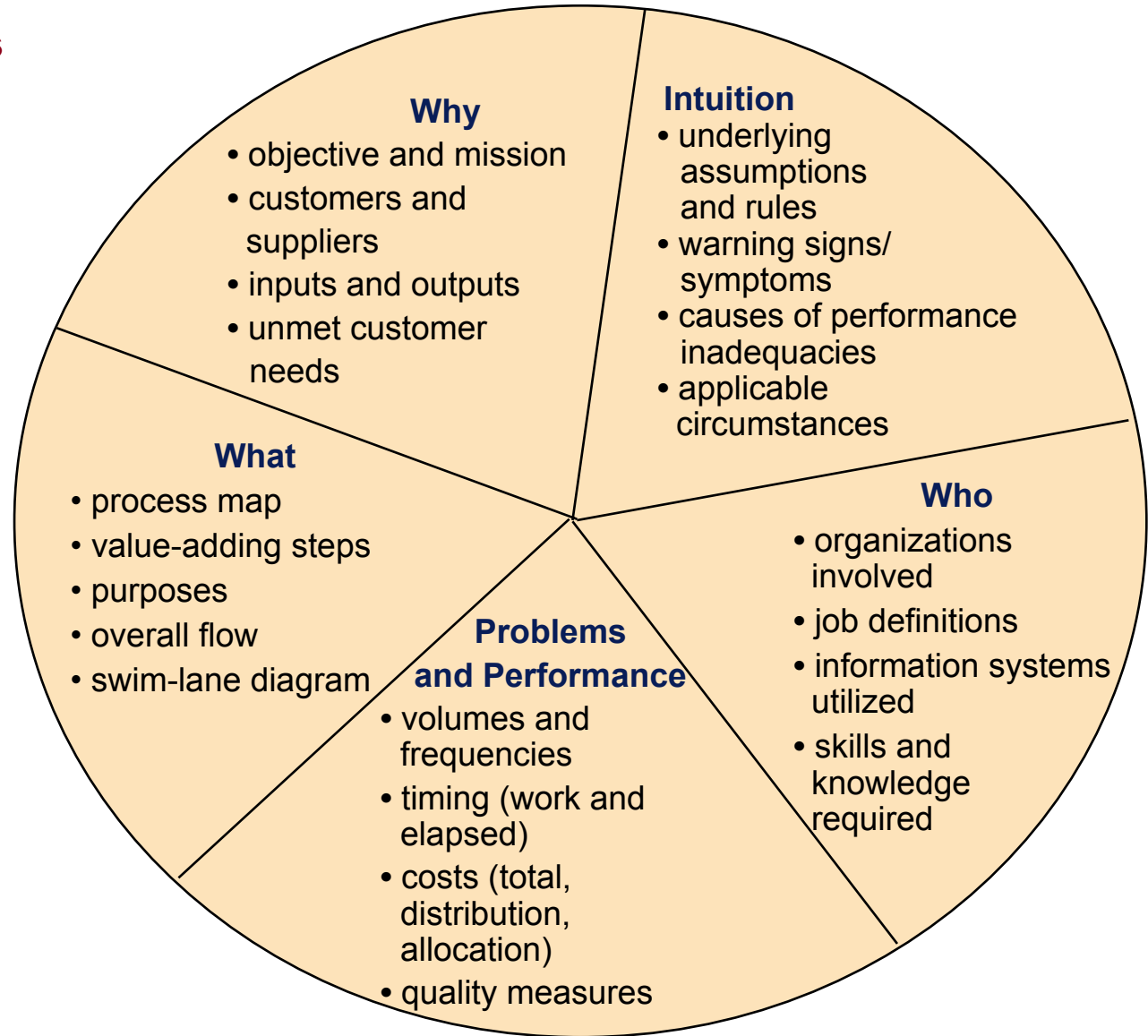
**Why: basic literacy**

**What: building blocks of the new**

**Performance: design data and requirements**

**Who: change management**

**Intuition: aids in redesign**



## **If You Don't Do It Wrong, You'll Do It Right**

### **Don't take a long time**

this is only the preamble

### **Don't get bogged down in NVA detail**

focus on the big picture: what and why, not how

### **Don't get lost in complexity**

focus on the base case first, deal with exceptions later

### **Don't produce lengthy outputs**

ten pages, not hundreds

### **Don't get hung up on tools**

a second-order issue

### **Don't do it in a conference room**

“staple yourself to an order”

### **Don't be passive**

hunt for what you need

### **Don't take anything for granted**

probe and question: why?

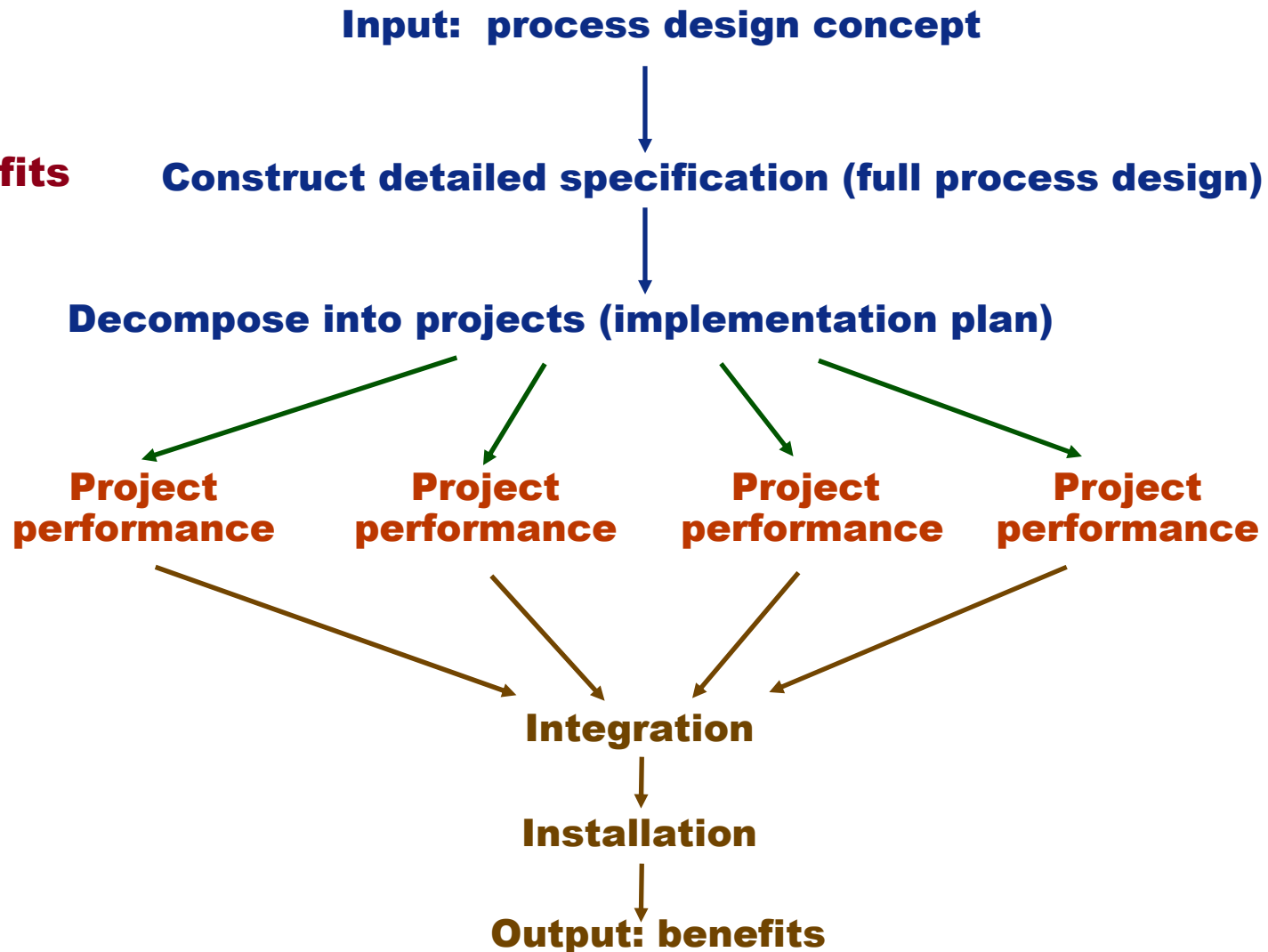
### **Don't strive for perfection**

Voltaire was right

**Know the goal  
and avoid common errors**

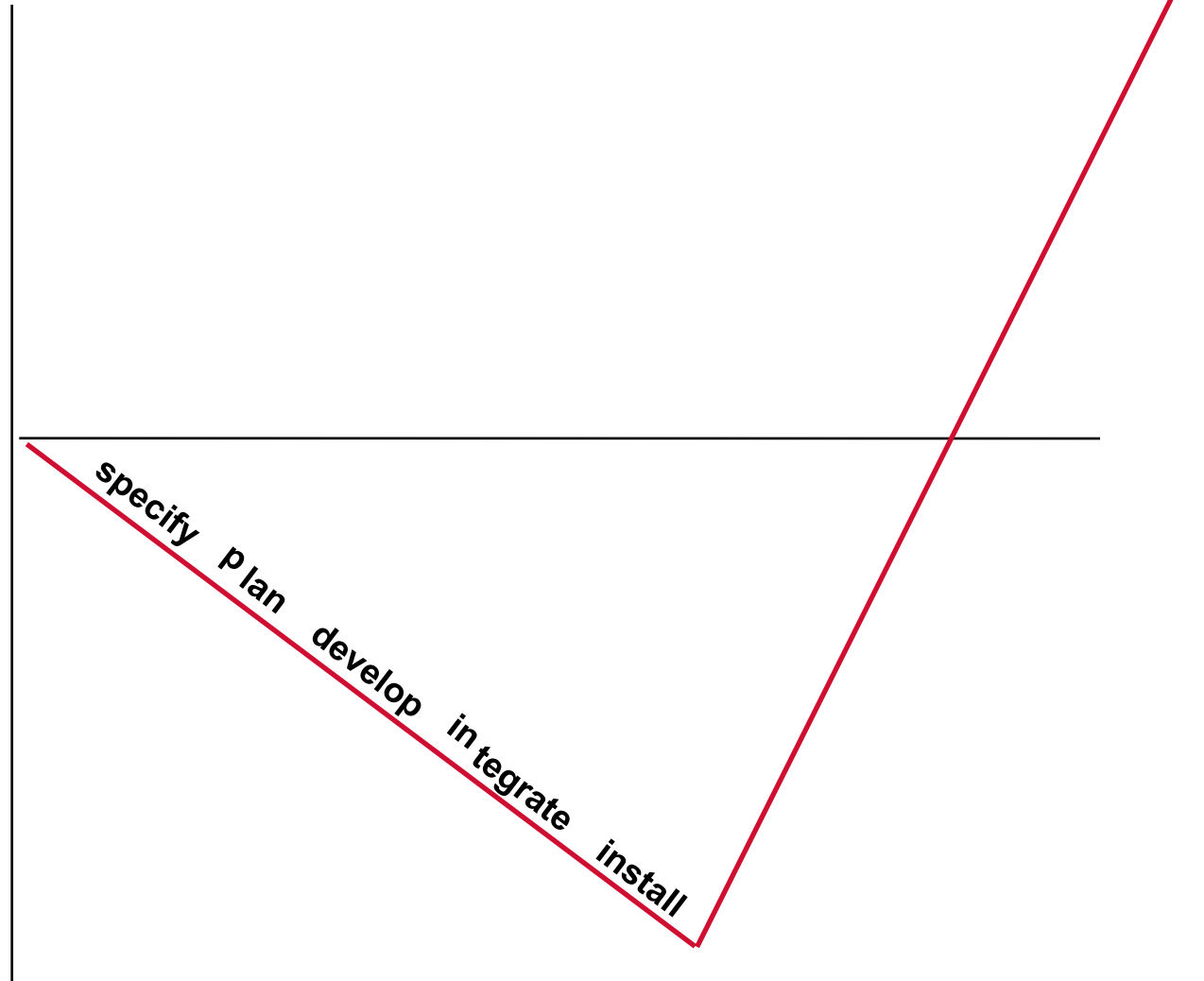


**Traditional  
Implementation  
Process: From  
Concept to Benefits**

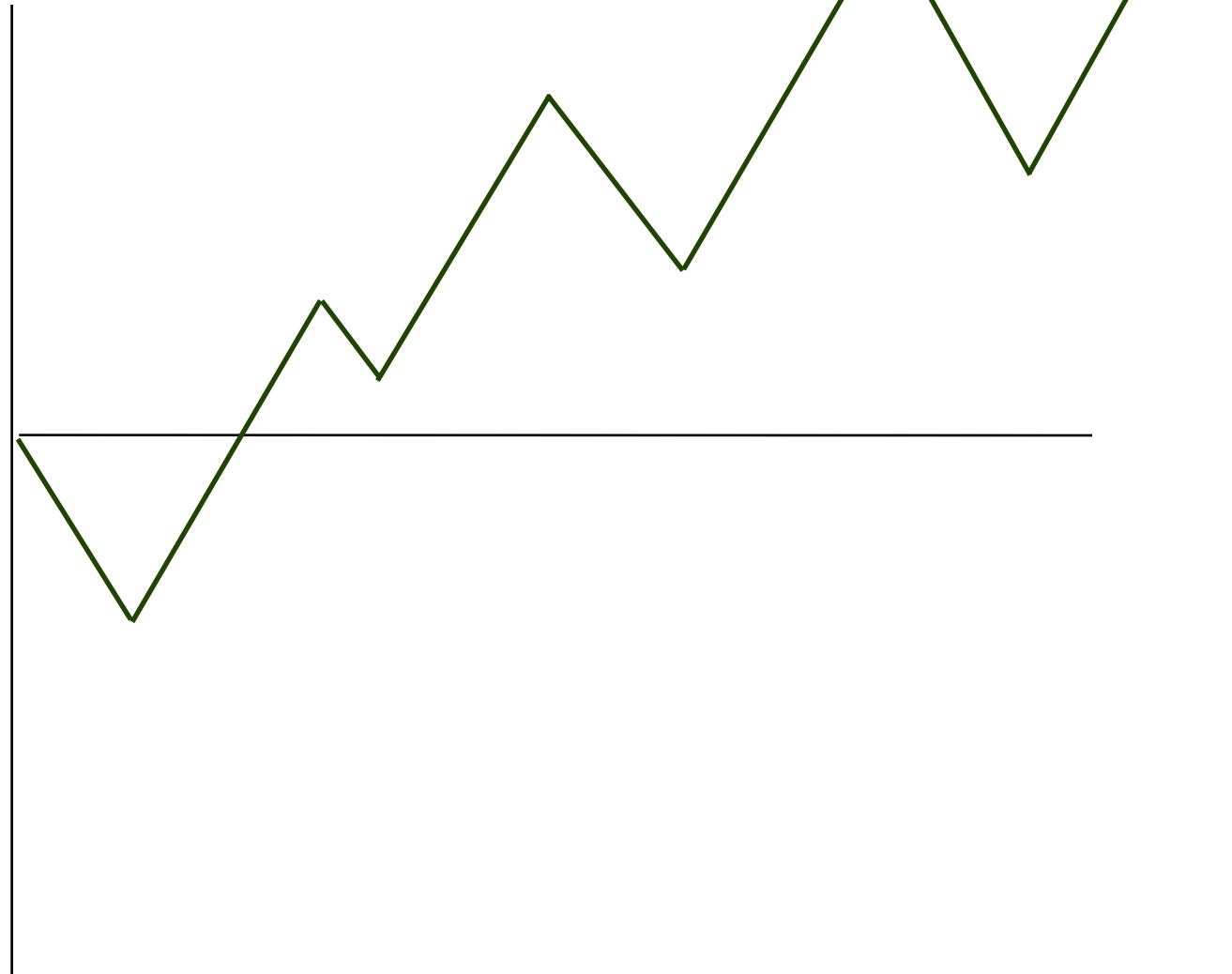


**What's wrong with this picture?  
On what assumptions is it based?**

# The Road to Damnation: The Big Bang



**The Path to Salvation:  
Little Bangs**



## **Release-Based Implementation**

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### **Breakthrough concept: the new idea**

easily expressed

### **End-state vision: how the new process will eventually look**

a refinement of the concept

### **Release: a holistic subset of the end-state, capable of being implemented and delivering value quickly (typically 6-9 months)**

not a component or an intermediate work product

may be limited in functionality or magnitude or both

aka chunk, wave, version

## **Release-Based Implementation: Part II**

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**Laboratory: a prototype version of a release, developed for testing, validation, and improvement**

a safe environment for making mistakes early (alpha)

**Pilot: initial field implementation of a release**

for more learning in reality (beta)

**Rollout: full deployment of the release**

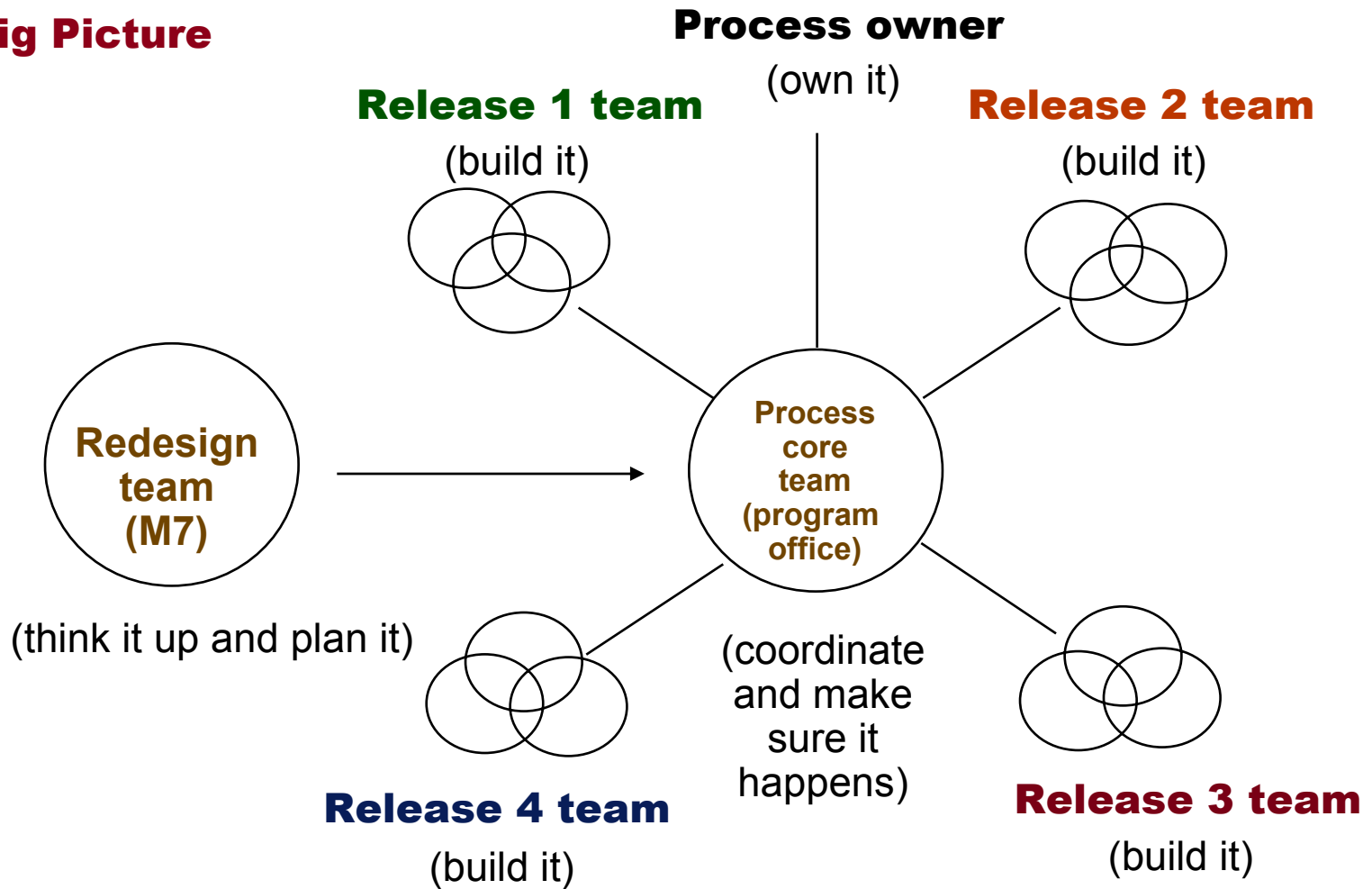
getting the benefits

**Roadmap: identification of the sequence of releases by means of which the end-state is achieved**

(aka architecture)

**The analogy to alpha, beta, and golden disk**

# The Big Picture



**Characteristics: dynamic, fluid, messy, meeting-intensive, non-bureaucratic**  
**Churchill on democracy; what is the alternative?**