

BPI - The Essential Elements

Getting approval to implement a BPI project is often difficult, especially if your group is competing for funding or if your project is particularly large. Management is more likely to approve your request if you present them with a cohesive justification for the BPI effort.

Situational Assessment and Problem Statement

The BPI effort is being undertaken for some reason. Perhaps administrative systems are too complex, client satisfaction (whether students or staff) is low, or competitive pressures require that something already good become much better. Whatever the reason, a strong BPI case will begin with a thorough understanding of the issues facing the organisation and your teams' conclusions about what is good but can be improved, or what is under performing and needs to be fixed.

A strong situational assessment will assess the historic, current and future issues related to:

- operational performance
- students
- academic and general staff
- competitors
- trends in the higher education sector

Project Description

Describe the objective of the BPI effort.

Define the processes, systems and organisations included within the scope of the BPI effort.

Summarise the activities performed by the BPI team. Finally, include an overview of the stakeholders for whom this effort is being undertaken (students, researchers, academic staff, administrators).

Solution

Goals are the starting place for describing a solution. These would include:

- changes to organisation – people, culture, training, etc.
- changes to processes
- changes to support systems

It is important that the solution be presented from the viewpoint of the people receiving the benefit of the solution. For example, present the solution through the eyes of students if the goal of the BPI effort is to improve delivery of teaching and student services. Then switch perspectives and think about the issues from the point of view of staff. The solution detail should clearly point out how issues presented earlier are being resolved by this solution.

Solution Alternatives

Discuss the alternatives to the solution proposed. This must include a discussion about the implications to the organisation if this BPI project does not become implemented (the do-nothing scenario). One alternative should be a subset of the proposed solution. A discussion of previously

tried and failed efforts may also be appropriate here if it helps to justify why a BPI effort is required. This would typically be the case if past efforts were Band-Aid or incremental solutions instead of reengineered solutions.

Costs

Identify what the sources of costs might be. Actual costings are not part of this exercise. Always be on the lookout for the hidden costs that can turn an apparent saving into an actual loss. This includes costs for the BPI team, development, quality assurance, testing, parallel operations during transition, implementation. It should also include any ongoing maintenance or administrative costs. Consider the impact upon the operation due to the implementation. This would include productivity losses or the need to hire temporaries to cover for personnel while training.

Benefits

Spell out the benefits that will flow from achieving the goals you have already set. Count benefits for any activity that will reap positive results from the solution. Benefits should be both qualitative and quantitative. Include: cost reductions, revenue increases, improved student satisfaction, improved employee morale, lower turnover, etc. Categorise benefits into groups for ease in understanding. Some BPI cases link the benefits directly to the solution elements. However, this is not always possible. Other methods for categorisation include:

- organisation affected (faculties, research centres, library, TLC, administrative units etc.)
- type of benefit (more flexible delivery of services, cost reduction, increased revenue, etc.)
- timing of benefit (immediate, first year, future, etc.)

Do not hesitate to point out benefits that may be mutually exclusive. For example, greater flexibility may incur costs rather than savings during the set-up or transition phase. Therefore for some definable period flexibility and cost reduction may not both be possible.

Implementation Timeline

Depict each major step in the implementation of the solution on a timeline. Major steps should include: development, testing, training, initial implementation, and rollout. Consider any impacts to the university from a productivity or operational viewpoint.

Most implementation plans are dictated by the systems development schedule because it is usually the least flexible and has the most dependencies. However, it is important that your team think about each solution element, and define an implementation timeline that will maximise benefits while having the fewest impacts on the organisation. The implementation focus will enable you to create priorities for the steps in the implementation.

For example, if the focus were to streamline the operation, then the priority would be to implement the automated functions quickly. In order to help you to focus your implementation, link your costs and benefits to the timeline.

Critical Assumptions and Risk Assessment

List the main assumptions made by your BPI team. Include assumptions about: the current state of the business, the status quo of organisations, processes and systems that are outside the scope of the project. Your description should indicate the impact to the solution if the assumptions did not hold true.

Discuss the risks of the implementation. Discuss what will happen to the organisation if the benefits from the BPI effort do not come to fruition. Include an assessment of the risks caused by implementation on the ongoing operation of the business. What can we do to minimise or mitigate each risk?

SWOT Analysis

This analysis looks at the Strengths, Weaknesses, Opportunities and Threats (SWOT) of the solution being proposed. Demonstrate how the organisation will maximise strengths and minimise weaknesses of the solution. Include a discussion of the opportunities now possible because of the solution. Include a means to minimise and prevent threats to the organisation caused by the solution.

Conclusions and Recommendations

This should summarise the issues, risks and benefits of the solution. Convey a sense of urgency. Re-iterate the goal of the solution.

This brief outline of BPI Essentials is based on:

Nancy Maluso (2000) *The Business Case - The Essential Elements - Part 2*, part of the Business Process Review Tutorial Series at <http://www.prosci.com/bus2.htm>