

PROCESS EXCELLENCE FRAMEWORK

Using Process Management as a Continuous Value Creation Machine



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Dear reader,

How do companies not only manage their processes but also turn them into real drivers of added value? At valantic, we encounter this question in almost every project involving transformation, digitalization, or efforts to increase efficiency.

With the Process Excellence Framework (PEF), we present a structured approach that begins at exactly this point: Business Process Management as a strategic tool, anchored in a company's vision, strategy, and culture. In our experience, one factor is especially critical: the strong connection between operational change and the active involvement of top management. Process-oriented ways of working require change—for organizations, teams, and employees alike.

In this white paper, we show how the PEF helps companies, regardless of their current level of maturity, to implement process management in a practical and systematic way. From governance and process mining to choosing the right technologies, our goal is to use the PEF to support continuous improvement—always on equal footing with our clients and with our trademark “chief physician treatment.”

I hope this paper provides valuable insights and fresh inspiration for your process landscape.

Enjoy reading!

Sincerely,
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Using processes as a “value creation machine”¹ with the valantic Process Excellence Framework

What is the valantic Process Excellence Framework (PEF)?

valantic’s **Process Excellence Framework (PEF)** is a systematic approach that supports organizations in continuously improving their business processes and optimally aligning them with their strategic goals. It offers a methodology for analyzing, designing, monitoring and controlling processes. The aim is to optimize the **efficiency, quality and innovative capacity of organizations in a customer-centric manner**. It considers both strategic and operational requirements. The PEF is flexible and is used individually based on your needs, company size and industry to support the achievement of specific business goals and strategy through process excellence. The PEF supports mature organizations with optimizations, companies with the transformation of their process models and start-ups with the scaling of their process model. Ultimately, it is important to view the **organizational model**

as a kind of “value creation machine” and to continuously improve it as a management task, not only operationally but also strategically.

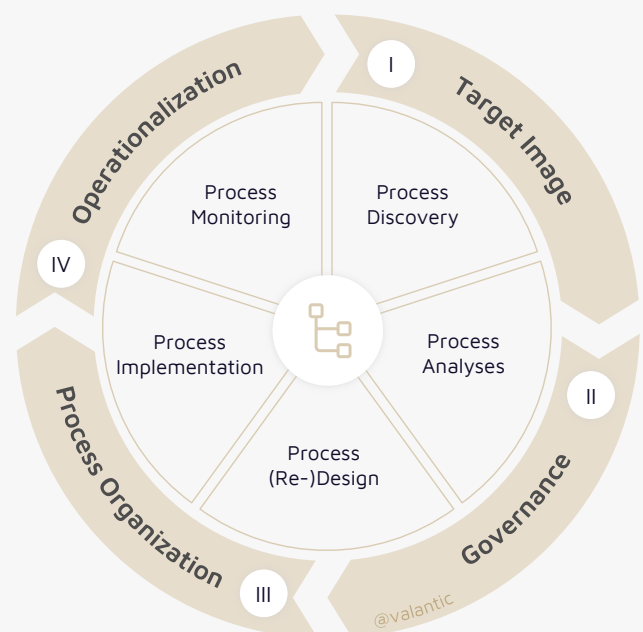


Figure 1: The valantic PEF approach

¹The term value creation machine in the context of processes comes from [Suter, Vorbach & Wild-Weitlaner \(2019\)](#).

Which target groups does the PEF address?

- **Corporate management:** To achieve strategic goals through a process landscape geared towards them
- **Process manager:** As a central guideline for the design and control of business process management
- **Employees in operational roles:** To ensure clear, more efficient and optimized workflows
- **Quality Manager:** For ensuring standards and continuous improvement
- **Customers:** Customers benefit from a process landscape tailored to their needs thanks to shorter process times and optimized process results



How do companies benefit from using the framework?

-  Optimized business processes have a short-term effect on value creation and ensure **higher efficiency** and **productivity** (short-term value creation effect).
-  In order to use “processes as a long-term value creation machine”, strategic governance and a corresponding **process organization** are also required.
-  Business processes become “**communicable**”, **analyzed** and **documented**. This enables better control and decision-making.
-  By **identifying** and **optimizing inefficiencies**, resources can be deployed in a more targeted manner – particularly relevant in transformation projects.
-  The company’s **strategy and vision are optimally supported** by these coordinated processes.
-  Organizations can **react more quickly to market changes**, as continuous improvement is a core element of the PEF.
-  KPIs and other metrics define clear success criteria – **continuous monitoring** and **optimization of processes** helps to achieve the corporate vision.

Strategic level of the Process Excellence Framework

Dimension 1: Target Image

What?

The target image describes the desired future state of the organization in relation to its processes. In this sense, processes, or rather the process model, are understood as a “value creation machine” and are continuously optimized. It formulates clear goals and visions for business process management, process performance and organization and serves as a guideline for all activities regarding process excellence within the company. It also interacts with the desired future capabilities (business capabilities) of an organization.

Why?

A clear target picture sets the direction and ensures a common direction for all those involved. It motivates and helps to set priorities and measure the success of business process management and the associated process improvement initiatives.

How?

- Ensure that the process objectives support the overall business objectives
- Formulate specific, measurable, achievable, relevant and time-bound (SMART) objectives for the establishment of Business Process Management
- Communicating objectives to all employees and integrating them into the corporate culture



Dimension 2: Governance

What?

Governance in the context of process management comprises the structures, responsibilities, guidelines and decision-making processes that ensure that processes are effectively managed and continuously improved.

Why?

Clear process governance creates a framework, responsibilities and accountabilities for process management. It ensures that process initiatives are strategically aligned, resources are used effectively and decisions are made transparently. Consistent quality within the process landscape is crucial for sustainable process excellence.

How?

- Clear assignment of responsibilities for process owners, process managers and other stakeholders
- Definition of standards and specifications for process management
- Creation of structures for controlling and decision-making in process management
- Regular review and adjustment of governance structures



Dimension 3: Prozess organization

What?

Process organization refers to the way in which process responsibilities and competencies are structured within the organization. This can range from functional structures to a process-oriented organizational form.

Why?

A process organization that matches the culture and strategy supports the effective execution and improvement of processes. It ensures that the right people are equipped with the necessary skills and responsibilities to design processes that add value.

How?

- Definition of roles such as process owner, process manager, process participants
- Clear assignment of tasks, responsibilities and competencies
- Establishment of organizational units that focus on process management
- Promotion of a process-oriented mindset throughout the entire organization

Dimension 4: Operationalization/CIP

What?

Operationalization refers to the establishment of business process management in the organization and day-to-day operations. In addition to the introduction of corresponding roles and responsibilities, there is also a stronger focus on process-oriented thinking and possible supporting tools.

Why?

The aim of operationalization is the sustainable establishment of defined governance, including roles and responsibilities, and a step-by-step introduction of the process organization in accordance with the approved target image. Operationalization focuses only on activities that contribute to the defined goals in the context of process excellence.

How?

- Provision of the required infrastructure and resources
- Integration of the processes into the IT systems
- Development and implementation of control mechanisms
- Ensuring the availability of relevant information and data
- Continuous support of process execution
- Linking with the concept of continuous improvement (CIP) or similar



Operational level of the Process Excellence Framework

Dimension 1: Process discovery

What?

The process discovery phase deals with the identification, recording and documentation of existing processes within an organization. This includes identifying the activities involved, roles, information flows and systems used.

Why?

Process discovery is the fundamental first step for any process improvement initiative. Without a clear understanding of current processes, it is impossible to identify weaknesses, recognize potential for improvement or design future processes.

How?

- Interviews with process participants
- Joint development of process flows with those involved in workshops
- Review of existing guidelines, instructions and documentation
- Data mining and process mining



Dimension 2: Process analysis (qualitative/quantitative)

What?

What In process analysis, the discovered and documented processes are examined and evaluated in detail using data and tools (process mining) or qualitatively. The aim is to identify inefficiencies, bottlenecks, redundancies, sources of error, risks and potential for improvement. Development of a holistic process model, prioritization of processes, definition of core, support and management processes. This step is often carried out by using BPM tools such as Signavio, Celonis, GBTec or EAM tools such as LUY, SAP LeanIX. valantic also provides agnostic support in the selection of BPM tools.

Why?

The analysis provides the basis for well-founded decisions about necessary process improvements. It helps to understand the causes of problems and prioritizes the areas in which changes will bring the greatest benefit.

How?

- Data-driven (process mining) or qualitative analysis of material/information flow to identify waste
- Identify potential causes of problems/challenges
- Prioritization of problems according to their frequency or impact
- Evaluation of process performance based on relevant metrics (KPIs)
- Modeling and analysis of process behavior under various conditions



Dimension 3: Process (re-)design

What?

Based on the findings of the process analysis, new, improved target processes are designed, or existing processes are fundamentally revised in this phase. The aim is to eliminate the identified weaknesses, increase efficiency, improve quality and better support the company's objectives.

Why?

Process design is crucial to realize the potential for improvement identified in the analysis. A well-designed target process forms the basis for successful implementation and sustainable performance improvement.

How?



- Development of new process ideas
- Benchmarking with best practice processes from other organizations
- Application of methods to reduce waste
- Modeling of the target process (e.g. with BPMN)
- Simulation of the target process to check performance

Dimension 4: Process implementation

What?

In the implementation phase, the designed target processes become reality in the organization. This includes the introduction of new ways of working, the adaptation of IT systems, the training of employees and the design of the changes.

Why?

Successful implementation is critical to realizing the expected benefits of the new process design. A poorly executed implementation can lead to resistance, errors and ultimately failure of the entire initiative.

How?



- Planning, controlling and monitoring the implementation activities
- Accompanying the change process and involving employees
- Transparent communication about the changes
- Educating and training employees to use the new processes.
- Piloting of the new processes in a limited area
- Rollout of the new processes throughout the entire organization

Dimension 4: Prozess **monitoring**

What?

After implementation, process monitoring is crucial to continuously monitor and evaluate the performance of the new processes. This includes collecting relevant key performance indicators (KPIs), analyzing process performance and identifying deviations or emerging issues.

Why?

Monitoring makes it possible to check the effectiveness of the implemented changes, react to problems at an early stage and initiate continuous improvements. It ensures that the processes deliver the desired results in the long term.

How?

- Definition and measurement of KPIs
- Regular review of key performance indicators
- Check compliance with process specifications
- Continuous feedback from process participants



The valantic process house approach



Figure 2: The valantic process house approach

The valantic Process Excellence Framework in conjunction with continuous improvement (process innovation)

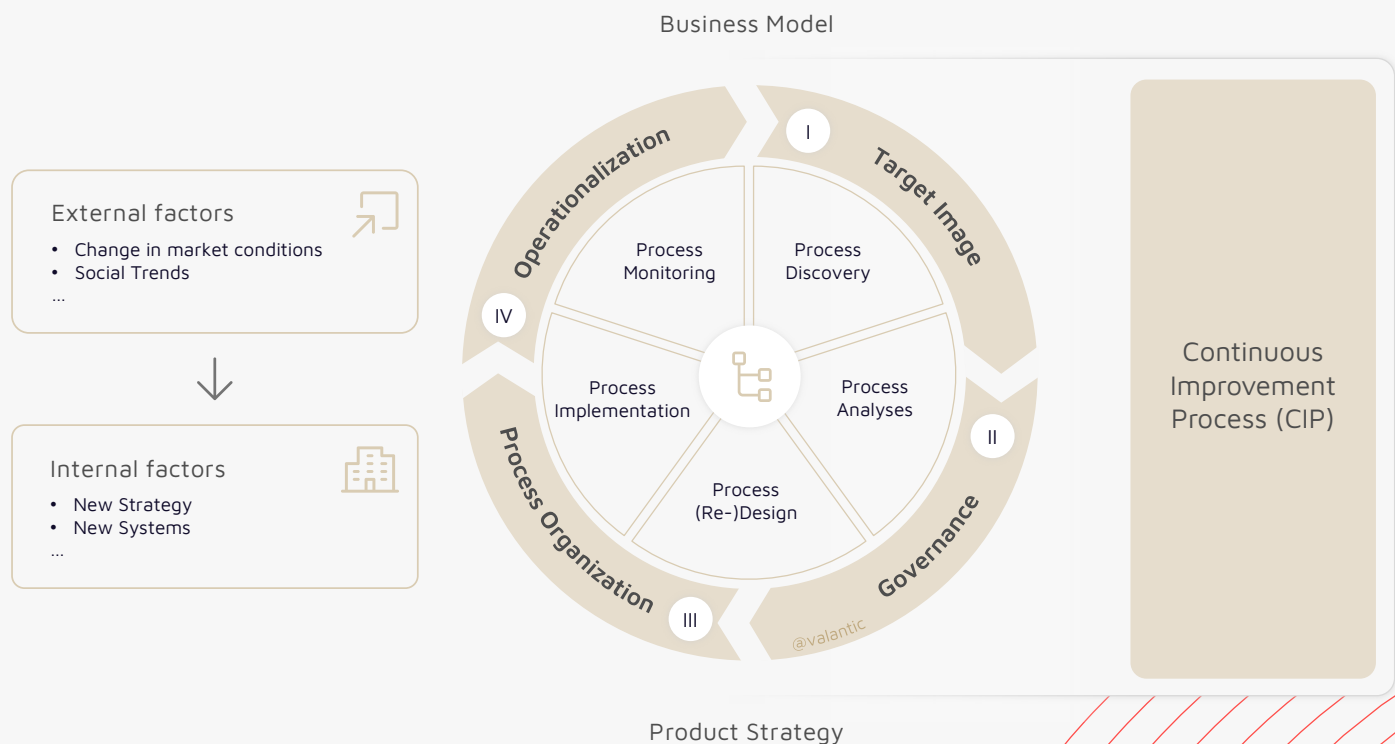


Figure 3: The valantic PEF approach as a driver of continuous value creation and innovation



Summary

valantic's **Process Excellence Framework (PEF)** is a structured approach for introducing business process management with the goal of **continuous improvement** in the company. The corporate vision and strategy are decisive for the design of process excellence. The goal is to align the management with a target image - process-oriented working methods usually present employees and the organization with a major change that should be proactively supported by top management in the company.

The framework aims to **continuously increase efficiency, quality and innovation within the processes ("processes as a value creation machine")** and at the same time support the organization and culture (continuous improvement) with the necessary governance.

Experience has shown that the need for business process management in a company is often discovered during transformation projects. We at valantic **react flexibly to the degree of maturity and the current status of process-related projects** and align our activities accordingly. With the Process Excellence Framework, we pursue the goal of helping you with your challenges in a customized and at the same time systematic way, in line with our consulting approach "the chief physician's treatment". valantic supports companies in all aspects of the Process Excellence Framework, from governance, the development of a process organization, the implementation of process mining to the agnostic selection of a suitable BPM tool, change management and the selection and implementation of new software systems for the implementation of new processes.

Learn more about the valantic Process Excellence Framework on our website.



About us

valantic is one of the fastest growing digital consulting, solutions and software companies on the market. More than 500 blue chip customers already rely on valantic - including 33 of 40 DAX companies and numerous international market leaders. With more than 4,000 digitalization experts, valantic is represented in 18 countries worldwide.

In the last five years, around 2,000 successful digitization projects have been implemented - clear proof that valantic's experts not only understand their customers' challenges but can also solve them sustainably. From strategy to operational implementation, they have the necessary experience and expertise to successfully accompany projects from start to finish. In doing so, valantic combines technological competence with industry knowledge and genuine humanity.

valantic supports companies holistically in their digital transformation - from managing corporate performance to leveraging potential through data and artificial intelligence. Our goal: sustainable value creation. Together with our customers, we design customer experiences, rely on future-oriented technologies and optimize corporate processes consistently and measurably.

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