Approach for management by processes in sport organizations

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UNIVERSIDADE OF TRÁS-OS-MONTES AND ALTO Douro

DOCTORAL THESIS

Approach for management by processes in sport organizations

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1st June 2016
Declaration of Authorship

I, Pedro SOBREIRO, declare that this thesis titled, 'Approach for management by processes in sport organizations' and the work presented in it are my own. I confirm that:

- This work was done wholly or mainly while in candidature for a research degree at this University.
- Where any part of this thesis has previously been submitted for a degree or any other qualification at this University or any other institution, this has been clearly stated.
- Where I have consulted the published work of others, this is always clearly attributed.
- Where I have quoted from the work of others, the source is always given. With the exception of such quotations, this thesis is entirely my own work.
- I have acknowledged all main sources of help.
- Where the thesis is based on work done by myself jointly with others, I have made clear exactly what was done by others and what I have contributed myself.

Signed:

______________________________

Date:

______________________________
“It is not the strongest of the species that survive, or the most intelligent, but the ones most responsive to change.”

Charles Darwin
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The writing of this thesis has been a journey that I had the privilege to have had, along with my principal supervisor José António Serôdio and the support of Rui Claudino. I’d also like thanks to Trevor Slack for its precious suggestions and perspectives.

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This thesis reflects a lifetime of experiences acquired so far. I have developed my professional activity in the field of information technology and information systems, worked in education as teacher and simultaneously as professional of informatics. As teacher I developed the lecturing in the areas related to informatics and management, which led to the involvement in the department of Management of Sport Organizations. As informatics professional, I have managed network infrastructures, users, servers, applications, developed websites and computer software, and was partner several business, including informatics area. For the last years I have also collaborated in the Department of Quality Assurance, first in my school, later for the Polytechnic Institute. This multidisciplinary of activities provided me the ground base, which is also the essence of the area of study, technology, management and quality. From this multidisciplinary emerges this PhD. Thanks to all that have worked with me.

At last, I would like thanks to my family and extent a very special thank to my son, for being who is.
For my grandfather, now I understand why.

For my son, for being who is.
UNIVERSIDADE OF TRÁS-OS-MONTES AND ALTO DOURO

Abstract

Universidade of Trás-os-Montes and Alto Douro
Department of Sport Sciences Exercise and Health

Doctor of Philosophy

Approach for management by processes in sport organizations

by Pedro SOBREIRO

This thesis focus in the development of an approach to operationalize the business strategy for the sport organizations, using Business Process Management (or BPM) as theoretical framework. The approach is tested and improved within the context of several sport organizations, using action research as a research methodology, which have the double objective of developing the research and simultaneously achieve the expected results in the organizations, where the improvement actions were developed. The research results of this thesis are materialized in four studies, study 1 - addresses the development of the approach and studies 2, 3 and 4 applies the approach respectively in a context of a public organization, sport department of a municipally, and in a context of a Sport Federation.

The articulation of the organizations accordingly their needs facilitates the achievement of the business objectives, properly supported in an integrated approximation, to operationalize the strategy, which simplifies the identification of the improvement priorities in the organization. The research is supported in the adoption of a holistic approach, to develop the strategic alignment based in the organization of the work without the traditional functional perspective. The results of the research in the sports organizations are the impact in their work, planned improvements, and the adoption of the approach to facilitate the achievement of their business objectives systematically.

Keywords: Business Process Management, Strategy Operationalization, Sport Organizations
Contents

Declaration of Authorship  ii

Acknowledgements  iv

Abstract  vii

Contents  vii

List of Figures  xiii

List of Tables  xv

Abbreviations  xvii

1 Introduction  1
  1.1 Contextualization  ..............................................  1
  1.2 Research Problem  .............................................  4
  1.3 Research Objectives  .........................................  6
  1.4 Research Methodology  .......................................  6
  1.5 Outline of the thesis  .......................................  7
  1.6 Funding  ......................................................  9

2 Theoretical Framework  11
  2.1 Business Process Management  .........................  11
     2.1.1 Why BPM  .............................................  12
     2.1.2 What is BPM  ........................................  13
     2.1.3 Business Processes  ..................................  16
     2.1.4 Types of processes  ..................................  20
  2.2 Process Frameworks  .......................................  24
  2.3 Processes Organization  .................................  26
     2.3.1 Process Architectures  ...............................  28
     2.3.2 Business Capabilities  ..............................  29
  2.4 Strategy Alignment  .......................................  36
  2.5 BPM approaches  ...........................................  41
     2.5.1 Effective Process Framework  .......................  43
     2.5.2 Office of BPM  .......................................  45
5.5.3 Diagnosing .......................................................... 130
5.5.4 Action Planning ..................................................... 132
5.5.5 Action development .............................................. 134
5.5.6 Action Assessment ................................................. 136
5.5.7 Action reflection .................................................... 138
5.6 Conclusions .......................................................... 139

6 Study 3: Local government ........................................ 141
6.1 Abstract ............................................................. 141
6.2 Introduction .......................................................... 142
6.2.1 Why BPM as an approach ...................................... 144
6.2.2 Proposed Approach .............................................. 145
6.3 Methodology .......................................................... 147
6.3.1 Background and participants ................................... 148
6.3.2 Study Development .............................................. 149
6.4 Research Results ..................................................... 153
6.5 Discussion ............................................................ 158
6.6 Conclusions .......................................................... 161

7 Study 4: National Sport Organization .......................... 163
7.1 Abstract ............................................................. 163
7.2 Introduction .......................................................... 164
7.3 Study design and methodology .................................... 167
7.3.1 Background and participants ................................... 167
7.3.2 Context and objectives .......................................... 169
7.3.3 Diagnosing .......................................................... 172
7.3.4 Action Planning .................................................... 175
7.3.5 Action Taking ...................................................... 176
7.4 Results and findings .................................................. 181
7.5 Discussion and Conclusion ........................................ 182

8 Conclusions and recommendations ............................. 185
8.1 Proposed Approach .................................................. 185
8.2 Approach adoption ................................................... 188
8.2.1 Study 2 .............................................................. 189
8.2.2 Study 3 .............................................................. 190
8.2.3 Study 4 .............................................................. 190
8.3 Research findings ..................................................... 191
8.4 Recommendations for future research ......................... 192
8.5 Conclusions .......................................................... 193

Bibliography ............................................................ 197

Information retrieved in a Sport Organization .................... 215

Publications ............................................................ 219
<table>
<thead>
<tr>
<th>Contents</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Approach Overview</td>
<td>221</td>
</tr>
<tr>
<td>Processes Modeling and Designing Overview</td>
<td>223</td>
</tr>
</tbody>
</table>
## List of Figures

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Research Steps</td>
<td>8</td>
</tr>
<tr>
<td>2.1</td>
<td>Porter Value Chain</td>
<td>20</td>
</tr>
<tr>
<td>2.2</td>
<td>Categories of Business Processes</td>
<td>23</td>
</tr>
<tr>
<td>2.3</td>
<td>Business Process Standards by hierarchical layers</td>
<td>25</td>
</tr>
<tr>
<td>2.4</td>
<td>Business Capabilities</td>
<td>32</td>
</tr>
<tr>
<td>2.5</td>
<td>Business Capabilities Decomposition</td>
<td>35</td>
</tr>
<tr>
<td>2.6</td>
<td>Weske Approach</td>
<td>43</td>
</tr>
<tr>
<td>2.7</td>
<td>Rummler Approach</td>
<td>44</td>
</tr>
<tr>
<td>2.8</td>
<td>Tregear staged implementation</td>
<td>46</td>
</tr>
<tr>
<td>2.9</td>
<td>Tregear approach layers</td>
<td>48</td>
</tr>
<tr>
<td>2.10</td>
<td>BPM project success stool</td>
<td>49</td>
</tr>
<tr>
<td>2.11</td>
<td>BPM project framework</td>
<td>49</td>
</tr>
<tr>
<td>2.12</td>
<td>Process enablers and constraints</td>
<td>51</td>
</tr>
<tr>
<td>2.13</td>
<td>Integrated Management System</td>
<td>52</td>
</tr>
<tr>
<td>2.14</td>
<td>Fundamental Elements BPM</td>
<td>53</td>
</tr>
<tr>
<td>2.15</td>
<td>Project types</td>
<td>54</td>
</tr>
<tr>
<td>2.16</td>
<td>&quot;Fragments&quot; types</td>
<td>55</td>
</tr>
<tr>
<td>3.1</td>
<td>Global approximation</td>
<td>62</td>
</tr>
<tr>
<td>3.2</td>
<td>Stakeholders perspective</td>
<td>67</td>
</tr>
<tr>
<td>3.3</td>
<td>Steps Spreadsheet</td>
<td>81</td>
</tr>
<tr>
<td>3.4</td>
<td>Mission and Vision</td>
<td>81</td>
</tr>
<tr>
<td>3.5</td>
<td>Strategic objectives</td>
<td>82</td>
</tr>
<tr>
<td>3.6</td>
<td>Stakeholders</td>
<td>83</td>
</tr>
<tr>
<td>3.7</td>
<td>Business Capabilities</td>
<td>83</td>
</tr>
<tr>
<td>3.8</td>
<td>Issues and Concerns</td>
<td>84</td>
</tr>
<tr>
<td>3.9</td>
<td>Improvement priorities</td>
<td>85</td>
</tr>
<tr>
<td>3.10</td>
<td>Meeting Participants</td>
<td>86</td>
</tr>
<tr>
<td>3.11</td>
<td>Global approach</td>
<td>87</td>
</tr>
<tr>
<td>4.1</td>
<td>Global approximation</td>
<td>106</td>
</tr>
<tr>
<td>4.2</td>
<td>Global approach</td>
<td>107</td>
</tr>
<tr>
<td>4.3</td>
<td>Spreadsheet used to support the proposed approach</td>
<td>112</td>
</tr>
<tr>
<td>4.4</td>
<td>Identified Stakeholders</td>
<td>115</td>
</tr>
<tr>
<td>4.5</td>
<td>Business Capabilities</td>
<td>115</td>
</tr>
<tr>
<td>5.1</td>
<td>Global Approximation</td>
<td>127</td>
</tr>
<tr>
<td>5.2</td>
<td>Identified Stakeholders</td>
<td>131</td>
</tr>
<tr>
<td>Figure</td>
<td>Description</td>
<td>Page</td>
</tr>
<tr>
<td>--------</td>
<td>-----------------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>5.3</td>
<td>Business Capabilities</td>
<td>132</td>
</tr>
<tr>
<td>5.4</td>
<td>Identified collaborators to develop the interviews</td>
<td>133</td>
</tr>
<tr>
<td>6.1</td>
<td>Overall aproximation to identify the improvement actions in the organization</td>
<td>146</td>
</tr>
<tr>
<td>6.2</td>
<td>Spreadsheet used to store the information retrieved in the developed meetings</td>
<td>153</td>
</tr>
<tr>
<td>6.3</td>
<td>Identified stakeholders</td>
<td>154</td>
</tr>
<tr>
<td>6.4</td>
<td>Project sheets definition</td>
<td>159</td>
</tr>
<tr>
<td>7.1</td>
<td>Global approximation</td>
<td>166</td>
</tr>
<tr>
<td>7.2</td>
<td>Identified Stakeholders</td>
<td>171</td>
</tr>
<tr>
<td>7.3</td>
<td>Business Capabilities</td>
<td>171</td>
</tr>
<tr>
<td>7.4</td>
<td>Spreadsheet used to support the proposed approach</td>
<td>173</td>
</tr>
<tr>
<td>7.5</td>
<td>Clarification of the Capability Manage Athletes</td>
<td>179</td>
</tr>
<tr>
<td>7.6</td>
<td>Process ”Athlete Registration”</td>
<td>180</td>
</tr>
<tr>
<td>7.7</td>
<td>New process design ”Athlete Registration”</td>
<td>180</td>
</tr>
</tbody>
</table>
# List of Tables

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Examples of Business Processes by categories</td>
<td>21</td>
</tr>
<tr>
<td>2.2</td>
<td>Three levels of performance</td>
<td>45</td>
</tr>
<tr>
<td>2.3</td>
<td>Effective Process Framework</td>
<td>46</td>
</tr>
<tr>
<td>3.1</td>
<td>Template for the assessment of the Mission</td>
<td>64</td>
</tr>
<tr>
<td>3.2</td>
<td>Template for the assessment of strategic objectives</td>
<td>66</td>
</tr>
<tr>
<td>3.3</td>
<td>Template for the clarification of the stakeholders</td>
<td>67</td>
</tr>
<tr>
<td>3.4</td>
<td>Example for the assessment of the Business Capabilities</td>
<td>69</td>
</tr>
<tr>
<td>3.5</td>
<td>Example for the assessment of the Issues or concerns</td>
<td>72</td>
</tr>
<tr>
<td>3.6</td>
<td>Identification of improvement priorities</td>
<td>75</td>
</tr>
<tr>
<td>3.7</td>
<td>Projects assessment</td>
<td>76</td>
</tr>
<tr>
<td>3.8</td>
<td>Ranking of Improvement actions</td>
<td>77</td>
</tr>
<tr>
<td>3.9</td>
<td>Elements necessary to create a project definition</td>
<td>78</td>
</tr>
<tr>
<td>3.10</td>
<td>Resume of the developed Workshops</td>
<td>88</td>
</tr>
<tr>
<td>3.11</td>
<td>Issues identified in the development of the proposed approach</td>
<td>93</td>
</tr>
<tr>
<td>4.1</td>
<td>Adopted and integrated elements in the proposed approach</td>
<td>104</td>
</tr>
<tr>
<td>4.2</td>
<td>Mission clarification</td>
<td>108</td>
</tr>
<tr>
<td>4.3</td>
<td>Example of the terminology simplification</td>
<td>109</td>
</tr>
<tr>
<td>4.4</td>
<td>Issues identified in the development of the proposed approach</td>
<td>110</td>
</tr>
<tr>
<td>4.5</td>
<td>Global steps developed create the action plan</td>
<td>111</td>
</tr>
<tr>
<td>4.6</td>
<td>Assessment of strategic objectives</td>
<td>114</td>
</tr>
<tr>
<td>4.7</td>
<td>Issues and concerns related to athletes</td>
<td>116</td>
</tr>
<tr>
<td>4.8</td>
<td>Identification of improvement priorities</td>
<td>116</td>
</tr>
<tr>
<td>4.9</td>
<td>Clarification of improvement priorities</td>
<td>117</td>
</tr>
<tr>
<td>4.10</td>
<td>Ranking of improvement actions</td>
<td>118</td>
</tr>
<tr>
<td>4.11</td>
<td>Elements necessary to create a project definition</td>
<td>119</td>
</tr>
<tr>
<td>5.1</td>
<td>Strategic Objectives</td>
<td>131</td>
</tr>
<tr>
<td>5.2</td>
<td>Interview script</td>
<td>134</td>
</tr>
<tr>
<td>5.3</td>
<td>Developed Interviews</td>
<td>134</td>
</tr>
<tr>
<td>5.4</td>
<td>Framing of the retrieved information related stakeholders to the issues or concerns</td>
<td>135</td>
</tr>
<tr>
<td>5.5</td>
<td>Developed steps to gather the information from the organization employees</td>
<td>135</td>
</tr>
<tr>
<td>5.6</td>
<td>Developed sessions to identify the priority improvement areas</td>
<td>137</td>
</tr>
<tr>
<td>5.7</td>
<td>Developed sessions to identify the improvement priorities</td>
<td>137</td>
</tr>
<tr>
<td>5.8</td>
<td>Improvement actions final ranking</td>
<td>138</td>
</tr>
</tbody>
</table>
## List of Tables

<table>
<thead>
<tr>
<th>Table</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1</td>
<td>Global steps developed during the context clarification with the responsible</td>
<td>151</td>
</tr>
<tr>
<td>6.2</td>
<td>Interview topics</td>
<td>152</td>
</tr>
<tr>
<td>6.3</td>
<td>Sport Clubs Business Capabilities</td>
<td>155</td>
</tr>
<tr>
<td>6.4</td>
<td>Issues and concerns related to athletes</td>
<td>157</td>
</tr>
<tr>
<td>6.5</td>
<td>Evaluation of the improvement actions by the SDM</td>
<td>158</td>
</tr>
<tr>
<td>6.6</td>
<td>Project sheet model</td>
<td>159</td>
</tr>
<tr>
<td>7.1</td>
<td>Global indicators</td>
<td>168</td>
</tr>
<tr>
<td>7.2</td>
<td>Developed meetings</td>
<td>168</td>
</tr>
<tr>
<td>7.3</td>
<td>Mission clarification</td>
<td>169</td>
</tr>
<tr>
<td>7.4</td>
<td>Assessment of strategic objectives</td>
<td>170</td>
</tr>
<tr>
<td>7.5</td>
<td>Business Capabilities Clarification</td>
<td>172</td>
</tr>
<tr>
<td>7.6</td>
<td>Issues and concerns related to athletes</td>
<td>173</td>
</tr>
<tr>
<td>7.7</td>
<td>Identification of improvement priorities</td>
<td>174</td>
</tr>
<tr>
<td>7.8</td>
<td>Identification of improvement priorities</td>
<td>175</td>
</tr>
<tr>
<td>7.9</td>
<td>Ranking of improvement actions</td>
<td>175</td>
</tr>
<tr>
<td>7.10</td>
<td>Elements necessary to create a project definition</td>
<td>176</td>
</tr>
<tr>
<td>7.11</td>
<td>Projects identified</td>
<td>177</td>
</tr>
<tr>
<td>7.12</td>
<td>Concerns identified in the business capability &quot;Support clubs and regional associations&quot;</td>
<td>178</td>
</tr>
<tr>
<td>7.13</td>
<td>Business Capability &quot;Support clubs and regional associations&quot; framing</td>
<td>178</td>
</tr>
</tbody>
</table>
Abbreviations

ACORN  Accomplishment, Control, Objective, Reconciliation and Numbers
APQC  American Productivity and Quality Center
BPM  Business Process Management
BPMN  Business Process Model and Notation
BPMS  Business Process Management System
BPR  Business Process Re-engineering
BVS  Business Value for Scoring
CBI  Critical Business Issue
CBOK  Common Body of Knowledge
CEO  Chief Executive Officer
CJI  Critical Job Issue
CMS  Content Management System
CPI  Critical Process Issue
CSF  Critical Success Factors
EFQM  European Foundation for Quality Management
FEAF  Federal Enterprise Architecture Framework
ISO  International Organization for Standardization
IT  Information Technology
ITIL  Information Technology Infrastructure Library
MIS  Management Information System
NGO  Non Governmental Organization
NSO  National Sport Organization
OBPM  Office of Business Process Management
OMG  Object Management Group
OOP  Object Oriented Programming
Abbreviations

PAHM  Process Assessment Heat Map
PAM  Process Accounting Model
PCF  Process Classification Framework
PEAF  Pragmatic Enterprise Architecture Framework
PRISM  Partnership for Research in Information Systems
SCOR  Supply Chain Operations Reference-model
SWOT  Strengths, Weaknesses, Opportunities and Threats
TAFIM  Technical Architecture for Information Management
TOGAF  The Open Group Architecture Framework
TQM  Total Quality Management
Chapter 1

Introduction

This chapter is addresses the assumptions underlying the research developed, motivations and the context used for this thesis. Are also presented the research objectives, methodology and an overview of the remaining chapters.

1.1 Contextualization

This thesis is the consequence of the experience gained and the intervention developed in several areas. The entrepreneurial activity with the responsibility in management, sales area and customers management: (1) between 1992 and 1998 developed software applications; and (2) between 1998 and 2000 supported organizations in the retail and industry sectors. The work was related to the implementations of sales processes, “order-to-production” processes, and the corresponding support processes on information systems.

In the end of nineties the author started to work in the Sport Sciences School of Rio Maior. Initially, the core activity was related to teaching informatics and statistics. In parallel was responsible to support all the computers and network infrastructure of approximately 50 users. With the creation of the sport management course, started teaching business informatics and management of information systems for sport organizations, this leaded to the development of projects in sport organizations, which enhanced existing problems. The need to solve the identified concerns, leaded to the creation of
a systematic approach to operationalize the business strategy, trying to develop the improvements supported on human resources, and when possible implementing information systems.

Later, with the participation in the Office for Quality Assessment of the Sport Sciences School of Rio Maior, led to a greater involvement with the Business Process Management (BPM) area. The development of BPM initiatives for improving the processes related to the evaluation, accreditation and funding of lectured courses, was materialized in actions based in the clarification of the end-to-end process. The developed enhancements were based in the centralization of the information, integration of the collected data with external systems, and the implementation of surveys for quality evaluation. These improvements were the first approximation, based in the adoption of the underlying concepts acquired in the BPM area. The intervention was developed as described in BPM Common Body of Knowledge, using following knowledge areas (Antonucci et al., 2009):

- **Process Modeling/BPM Technology**: global analysis and modeling of the accreditation end-to-end process, done in standalone Business Process Management System (BPMS) using the Business Process Model and Notation (BPMN), for all the actors understand the process and communicate its importance.

- **Process Analysis/Process Design**: Implementation of a database for the centralization of the information necessary for the accreditation process in the Agency for Assessment and Accreditation of Higher Education. It was also adopted to generate academic information about the teaching courses and simultaneously, for the institution web site. The main advantages were related to the elimination of the manual routing for collecting information, improving of the satisfaction of the teachers (less work) and minimizing the errors caused by execution of unnecessary activities.

- **Process Analysis/Process Design**: Development of a solution for retrieving and publishing information. The aim of this project was publishing the information retrieved on the forms provided by the Agency for Assessment and Accreditation of Higher Education, for report generation and courses analysis. Increasing of the process capacity and reducing the cycle time related to filling forms and using less handover.
- Process Analysis/Process Design: Implementation of web-based surveys, for quality evaluation, eliminating paper based tasks. The advantages were related to the cost reduction changing the surveys, from paper based to electronic surveys, reducing the cycle time activities related with the preparation of the questionnaires for data analysis.

The presented experience was acquired during 22 years. The research idea started in 2007, when was raised the subject of how to use BPM in sport organizations. In the beginning the interest was related to the development of the research on BPM Systems applied in sport organizations, but during the study and after working with some sport organizations, it appears that the problem wasn’t on the adoption of the technology, but clarifying what is intended to do, and to improve areas that are priority considering their business objectives. This assumes that in some cases the work developed in the organizations is not oriented to their real needs and is a waste of resources. According to Hammer (1997) this should be eliminated, and also everything that don’t generate value to the organization, which is also attuned with the concept of the value chain of Porter (1985). How to develop this assessment in sport organizations is our concern, identifying improvements based on the clarification of the organization value chain targeting the human work (e.g. training or changing how is developed), using or not technology.

The need to develop improvements in the organizations and increase their performance is one of main purposes for the managers develop their activity. Understanding what the organization does and how could it better is an important facet and a ground base behind organizational improvement. The comprehension during the development of the professional activity, and the existing difficulties to develop improvement actions properly articulated to the organizations needs, in antithesis to the development of improvement actions misidentified, triggered the subject of how develop the work properly articulated with the organization needs? This perspective was also enhanced, developing consulting services in sport organizations, e.g. Department of a higher education institution, Higher education institution or a Sport Department in a City Hall, using an approach top-down and bottom-up.

Considering that BPM is in general understood as way to get a comprehension of the organizations with a holistic perspective, resulting of the combinations of several
knowledge areas, led to an deepening of theme in a training on 2013, where were contacted several practitioners in the field, which allowed to get other perspectives. Later, the context and the identified limitations in the area of the sport management, where the lack of research related to the sport organization operations in antithesis to greater predominance in organizational strategy (Thibault, Slack, & Hinings, 1993; Slack, 2010; Emery, 2010), clarified the idea to develop an approach to facilitate the development of improvement actions in the sport organizations, properly articulated with their business objectives, supported in the Business Process Management theoretical framework, to support a holistic perspective underlying the improvement areas with an organizational broadband impact.

The outlook previously presented combined with the development of the professional activity in the area of the management of information technology, simultaneously with involvement in the teaching activities developed in the course of management of sport organizations, the involvement in the area of the quality and the contact with the sport organizations, triggered the interest in this area of study and created the motivation to develop the research to improve the organizations. These perspectives contributed to the definition of a set of undergoing assumptions that leaded to the development of this thesis.

1.2 Research Problem

The lack of studies dealing with the strategy operationalization (Thibault et al., 1993; Slack, 2010; Emery, 2010), identifies a limitation in the research in the area of Sport Management, that this thesis tries to solve. Furthermore, the nonexistence of an approach based in BPM to be adopted in the sport organizations to operationalize the strategy remains unsolved. The perception of the importance that BPM can have to implement the strategy in sport organizations, lead us to the present study.

There are approximations that can be adopted (Aalst, Hofstede, & Weske, 2003; Ould, 2005; Jeston & Nelis, 2008; Sharp, 2009), frameworks to be used (Scheer & Nüttgens, 2000; APQC, 2012; ISACA, 2012) and management tools to support the strategy clarification. To develop an internal or external assessment and get an organizational insight, could be used management tools borrowed from the strategy (Rigby
& Bilodeau, 2013; Harmon, 2014), like the strengths, weaknesses, opportunities and threats (or SWOT) analysis; stakeholders analysis; balanced scorecards, and tableaux du bord, to enumerate some of them. But these tools require learning and involvement of the internal organization collaborators, to achieve the know-how to develop the assessment and the necessary skills to accomplish the planned results. To reach the results the underlying concepts should be streamlined, facilitating its evaluation, simplifying the development of the process of strategy clarification, ensuring the richness of the information gathered to support the strategy, without an excessive focus on the tools.

The approach should be developed without the requirements of adopting of an overall framework, and be applied on the sport organizations independently of their size, and simultaneously understood by all elements involved in the organization, removing the concept burden for the assessment. The agility and simplicity necessary to develop this approach, targeting an improvement and aligning the actions for the organization accomplish its real objectives, requires the existence of the necessary conditions to support the organization adaptability based in a pre-identified context.

The need to get a quick insight in the strategy formalized or not, and to develop systematically an approach to operationalize the strategy, starting from the strategy until the identification of the necessary improvement actions, required that the strategy clarification be developed with agility and simplicity, ensuring its application without existing the prerequisites in the adoption of an overall framework or existing approach, and at the same time be applied in sport organizations, independently of their size, and without the constrains of being previously understood by all involved collaborators.

Our aim is to propose an approach to be adopted in sport organizations, using BPM to support the operationalization the strategy under the assumptions that isn’t properly addressed by the research in sport management (Thibault et al., 1993; Slack, 2010; Emery, 2010). The questions that arise are: How we can develop an approach based in the strategy to define improvements in the sport organization, facilitating the definition of necessary actions to achieve the strategy? How can we get an insight in the sport organization with the constrains of agility and simplicity, supporting the improvements actions articulated according their business objectives?
1.3 Research Objectives

The goal of this work is to deepen the understanding of how we can operationalize the strategy of the sport organizations, developing an assessment optimized and orientated to achieve the intended results, supported in a previously identified context of the organization strategy. Once this is established, and an approach to be adopted is identified, the goal of this research, through the adoption of the action research is to demonstrate the applicability of the proposed Business Process Management approach to support the strategy operationalization in the sport organizations.

After the clarification of the described elements, are defined the following research objectives:

1. Develop and propose an approach that could be applied in the context of the sport organizations, based in existing best practices proposed by practitioners;

2. Apply the proposed approach in a context of different organizations, identifying and implementing improvement actions, contributing to the enhancement of the targeted organizations;

3. Refine and advance the proposed approach based in the research findings identified in their application.

1.4 Research Methodology

The structure of the developed research is based in the action research. Lewin (1946) considered the founder of the action research, emphasis that is a research methodology that supports the practitioners knowledge generation about the social system that intends to change. Action-research is a methodology with the double objective of action and research: (1) action to change the organization, community or program and (2) research to increase the comprehension of the researcher about the study carried, or both (Dick, 1993). J. M. Davis (2004) also considers this as the main element of this type of research. Benbasat, Goldstein, and Mead (1987) suggest that the action researcher isn’t an independent observer, but participates in the process of change. Perry and Zuber-Skerritt (1992) proposes action research has an alternative type of research, which is appropriate
to graduate management research programs, enhancing its relevance to management practice. Altrichter, Kemmis, McTaggart, and Zuber-Skerritt (1991) cited by Perry and Zuber-Skerritt (1992) points that the main aspects are: (1) a group of people at work together; (2) involved in the cycle of planning, acting, observing and reflecting on their work more deliberately and systematically than usual; and (3) a public report of that experience (such as a thesis). One of the characteristics of the action research is its non linearity (J. M. Davis, 2004) or the implied adaptability to the environment were the researcher acts (Kumar & Sankaran, 2010). Coghlan and Brannick (2005, p. 13) states that action research is appropriate when:

"...the research topic is an unfolding series of actions over time in a given group, community or organization, and the members wish to study their own action in order to change or improve the working of some aspects of the system, and study the process in order to learn from it. Hence action research is akin to experiential learning and reflective practice."

The relationship between the two projects is represented in the Figure 1.1. The projects were develop in parallel, in three types of organizations acting in the sport area, the Portuguese Federation of Taekwondo, Municipality of Santarém and a Public Municipal Company.

### 1.5 Outline of the thesis

The research was developed using the assumption that is possible to improve the organization performance, targeting areas according their real needs. This requires a shifting of the organization focus, aligning to the value added areas. The research proposes an approach that could be adopted in Sport Organizations for developing improvement actions contextualized in their business objectives, targeting areas facilitating the achievement of their goals. To demonstrate the approach is presented the action-research developed, involving three different types of sport organizations.

Chapter two addresses the theoretical framework used to gain insight in the assumptions leading to formulation of the proposed approach. This investigation clarified underlying base concepts, like Business Processes and the management of the organization
using BPM. The adoption of the notion of value added activities led to the categorization of the different types of processes, simplifying the definition of the improvement priorities based on their classification. To systematize how could be developed an approach to the sport organizations, existing process approaches and frameworks were evaluated. This initial assessment created the need to structure the organization according to their business objectives, which lead to the research on how to produce this alignment, and the exploration of the related underlying concepts like "Process Architectures" and "Business Capabilities". Finally, existing BPM approaches that could be adopted, their main characteristics, and critical factors to be considered were described.

The elements addressed previously leaded to the definition of an initial approach to be adopted, considering the different perspectives and experience gained during the research developed. This is explained in Chapter Three.

Chapter Four, Five, Six and Seven present the publications created as a consequence
Chapter 1. Introduction

of the developed investigation. The Chapter Four present Study one that originated
the article related to the development of the approach. Chapter Five addresses the
Study two dealing with the adoption of the proposed approach in a public organization
that performs the management of sport facilities. The Study three in the context of a
sport department of a local organization and Study four in a sport federation, presented
respectively in the Chapters Six and Seven.

Finally, Chapter eight presents conclusions related to proposed approach, its adop-
tion and the main findings. It is also presented the recommendations for future research
and final conclusions.

1.6 Funding

This study was developed framed in the project of the Sport Sciences School of Rio
Maior (ESDRM - Escola Superior de Desporto de Rio Maior), for the Science and Tech-
nology Park of Alentejo (PCTA - Parque de Ciência e Tecnologia do Alentejo), in the
scope of Sport Management, particularly on the Unit for Monitoring Sport Indicators
(UMID - Unidade de Monitorização de Indicadores em Desporto), sub-operation GD1 -
Characterization of Sport Associations.
Chapter 2

Theoretical Framework

This chapter provides an overview of related work, creating the underlying assumptions to the development of this thesis. First, Section 2.1 provides the clarification of the concept and its importance. Next, an overview of existing frameworks to clarify existing processes are presented in Section 2.2. According the identified limitations in the process frameworks are identified other process organization mechanisms. The Section 2.4 addresses how to develop a context using the strategy, to support the adoption of BPM approaches in Section 2.5. The development of a BPM approach requires the consideration of Critical Success Factors related to its implementation, which is presented in 2.6. Finally, are presented the main conclusions gathered after the assessment developed in this chapter in 2.7.

2.1 Business Process Management

Business Process Management (BPM) is based on the comprehension of the organizations with a holistic perspective, resulting from the combination of several knowledge areas. In this section we will approach, why was considered BPM, clarify of the concept, and perform an analysis and the evaluation of the underlying notion of what is processes. It is also described how can processes be organized? and simultaneously achieve a better understanding of what represents and its broadness.
2.1.1 Why BPM

Business Process Management (BPM) uses elements from strategy and operations, with a horizontal perspective and the involvement of collaborators to deliver customer requirements (Zairi, 1997; Hung, 2006). This multidisciplinary can be identified in the roots of quality and reengineering (Hammer, 2010; Hung, 2006), or according to Harmon (2010) quality, management and technology. The perspective of Hammer is supported in the assumption that managers always developed work optimization to increase productivity and quality, supported in technology. The complementarity in each root area, according to Hammer (2010) quality considers a process a sequence of activities without strategic meaning, limitation that is matched with the focus in the customer from the reengineering, moreover the reengineering limitation related to lack of continuous improvement is solved with the perspective of quality (Hammer, 2010). These different areas and complementarity give BPM a holistic perspective supported in a comprehensive approach integrating several areas (Zairi, 1997) developing articulated improvement efforts (Hammer, 2010). The process improvement holistic perspective (Smart, Maull, Childe, & Radnor, 2004) allow to integrate strategy and operations (Smart, Maddern, & Maull, 2009).

The different areas supporting BPM provides an unifying theme directed to the improvement of organizational performance (Hammer, 2002) based on processes and considering systematically elements like strategy, scope of change, performance measurement, process architecture, human factors and information technology (Smart et al., 2004). BPM tries to create value from a sustained focus on business process (Smart et al., 2009) which is supported in the assumption that people work on functions, and that the processes are not functional (Zairi, 1997; Ould, 2005; Sharp, 2009). The functional approach has barriers to achieve customer satisfaction (Zairi, 1997) when removed improves the perspective to the customer (McAdam, 1996) solving the problems created by the Taylorism functional specialization (Hung, 2006). The work developed in departments (organizational functions) isn’t easily articulated and have conflicting objectives, creating sub-optimizations, overheads and non-value-adding work\(^1\), which difficult the identification of a responsible (Hammer, 2002).

\(^1\)The value-adding is supported in the concept of value-chain of Porter (1985).
Processes are visualized as a horizontal perspective of the organization, to reduce cycle times, process cost and increase customer satisfaction (Kilmann, 1995). The orientation for the customer satisfaction is supported in the execution of the activities efficiently and effectively (Hung, 2006), according the business goals and adding value in the development of the work (Zairi, 1997). Several organizations recognized the need to change from the functional approach and shift to a set of rules according the customer needs (Zairi, 1997).

BPM is considered the best approach to support the competitive advantage aligning the operations with the business objectives (Hung, 2006), allowing articulating objectives apparently incompatible, as reducing inventory and out-of-stocks (Hammer, 2010). BPM is an systematic approach to support the achievement of organizational objectives (Antonucci et al., 2009, p.12; R. Davis, 2007, p.24; Jeston & Nelis, 2006) highlighting the importance of an overall articulation of the work to fulfil the business objectives. Smart et al. (2009) suggest that the articulation depends of the strategy approaches, deployed in an infrastructure based in the processes, which are viewed as an underlying support, to configure the organization and the work developed (Hammer, 1990) or as an overall approximation (Hammer, 1997), which simplifies the work redesign (Hammer, 2002).

BPM has an important role in the organizations, relevance enhanced by Hammer (2010), stating that is a comprehensive system for managing and transforming operations, based on what is arguably the first set of new ideas on organizational performance since the Industrial Revolution. Smart et al. (2009) considers that BPM is strategy in action. The understanding of the importance of BPM as a multidisciplinary approach, giving a holistic perspective, allows articulating solutions based in the adoption of processes as underlying and aligning concepts. These assumptions enhance the relevance of BPM, which bring us to the description of what is BPM.

2.1.2 What is BPM

There are several interpretations and attempts to define what is BPM and transmit its holistic perspective. In the attempt to clarify the BPM concept, we can find some consulting companies such as Gartner, transmitting its holistic perspective, framed as
a management discipline, related to the quality management and supported with technology as the main element for its development. This perspective is present in the first approximation to the concept that tries simultaneously to reflect its broadness (J. Hill, Sinur, Flint, & Melenovsky, 2006):

"Business process management (BPM) is a management discipline that requires organizations to shift to process-centric thinking, and to reduce their reliance on traditional territorial and functional structures."

The Gartner in a report developed by J. Hill et al. (2006) considers BPM a management discipline, supported by Information Technologies, that represents a substantial change from how the organizations are managed and execute their business processes, in an attempt to create an embracing BPM definition, states that:

BPM has evolved from past management theories and practices, such as total quality management (TQM) and business process re-engineering (BPR). BPM requires and enables organizations to manage the complete revision cycles of their processes, from process design to monitoring and optimization, and to change them more frequently to adjust to changing circumstances. Such rapid change is impractical while processes are embedded in conventional applications. The development of BPM technologies is enabling business managers to abstract process flows and rules from the underlying applications and infrastructure, and to change them directly. BPM is neither a technology nor an updated version of BPR. It is an IT-enabled management discipline. It represents a fundamental change in how businesses manage and run their operational processes." (J. Hill et al., 2006)

The previous perspectives considering BPM a management discipline are also found in the Association of Business Process Management Professionals (ABPMP) that certifies the practitioners of BPM, and presents a guide identifying the knowledge necessary to the BPM practice (BPM CBOK – Business Process Management Body of Knowledge), as a foundation for the accreditation of BPM practitioners. Within the scope of the BPM CBOK, Antonucci et al. (2009, p. 12) describes that is both a management discipline and a set of technologies that supports management by processes. The same author states that is a systematic approach to achieve consistent goals aligned with the organization strategic goals (Antonucci et al., 2009, p. 24).
The practitioners of BPM like Jeston and Nelis (2008, p. 25) consider that BPM is a community of people working together, with a common goal to deliver a solution, product or service to the customers ensuring they are serviced to a high standard and leave the experience delighted. Another perspective from the same author, suggest that BPM supports the achievement of the organization objectives through the improvement, management and control of the fundamental business processes (Jeston & Nelis, 2006, p. 36). R. Davis (2007, p. 24) considers that BPM is a systematic approach to managing and improving an organisation business by the active, coordinated management of all aspects of the specification, design, implementation, operation, measurement, analysis and optimization of business processes in order to effectively and efficiently deliver business objectives.

After the evaluation of the perspectives from the previous practitioners about BPM, we are going to get an insight in the academic publications. Weske (2007) refers that BPM not only covers the representation of business processes, but also concepts, methods and techniques, to support the planning, administration, configuration, approval and analysis of the business processes. The graphical representation of the processes, activities and executions restriction is a fundamental aspect to facilitate the comprehension of what is involved. This perspective is supported in the assumption that to improve, analyze and approve a process, is necessary its assessment. Dumas, La Rosa, Mendling, and Reijers (2013) states that BPM investigates how organizations function and can be improved using their business processes. Hammer (2010) considers BPM a comprehensive system for managing and transforming organizational operations, based on what is arguably the first set of new ideas about organizational performance since the Industrial Revolution. Darnton (2012, p. 249) states that is the management of the creation, use, maintenance, and cessation of the business processes. Bandara, Chand, et al. (2010) consider that BPM has a perspective to the business processes as a corporate asset, which should be properly managed and defined, with all that implies (property, objectives, monitoring and control, supervising, strategic alignment and development). Trkman (2010) refers that BPM represents all developed efforts in a organization, to analyze and improve continuously the main activities, like marketing, production, communications e other fundamental elements in the operations of the organization. BPM support business processes using methods, techniques, and software to design, enact, control, and analyze operational processes involving humans, organizations, applications, documents
and other sources of information (Aalst et al., 2003).

Møller, Maack, and Tan (2008) in a study developed to clarify the BPM concept, concluded that is a holistic management discipline that uses technology to control and operate the entire business through rules that clearly defines business processes. Reporting that is related to a continuous improvement and optimization in order to ensure a high performance, to achieve agility and the flexibility needed to gain competitive advantage.

The BPM acronym integrates the concepts of Business, Process and Management, that allows in a first approximation understand BPM as something that tries to clarify how to manage by Business Processes or as an approach to develop the Management of Business Processes, however this last interpretation is not usually accepted. Reviewing globally the presented perspectives we can mention that BPM is a management discipline that incorporates approaches with the objective to improve its efficiency, using the management by business processes, to develop the modeling, organization and optimization iteratively and continuously, supported by technology as an enabler and facilitator. Considering BPM as a facilitator or support for the management of the organizations, we will interpret BPM as Manage by Business Processes, considering that manage using processes reflects more the reality of BPM, than Management of Business Processes, that is less extensive, and more related to the management of only the processes.

After the analysis of the concepts related to the BPM, we need to clarify what is business process. The management by processes implies the comprehension of what are processes and at simultaneously how to accomplish its management.

### 2.1.3 Business Processes

The processes can have multiple interpretations, is important to clarify what is and understand the broadness of the concept. Davenport (1993) defines process as a structured, measured set of activities designed to produce a specified output for a particular customer or market. According Rummler and Brache (1995, p. 45) a business process is a set of steps designed to develop a product or service, cross-functional, spanning the "white space between the boxes of the organization chart." Hammer and Champy (1994) have a similar perspective, but consider that the output should generate value for the
client. Kirchmer (2011, p. 8) considers also that the value should be generated for the customers, adding also the internal customers. Scheer and Nüttgens (2000) describes business process as a procedure relevant for adding value to an organization, is triggered by an initial event, followed by intermediate events resulting from executed functions and ends with a final event. Harmon (2011) integrates the concept of system, associating system to process, maintaining the perspective of the existence of inputs, developing its transformation to outputs generating value for the customer. Weske (2007) adds business objective to clarify what is a business process, referring that the activities are developed in coordination in an organizational and technical environment to achieve a business goal. Ould (2005, p. 6) considers also an objective as something fundamental for the existence of the process, referring that is a coherent set of activities, developed by a group in collaboration to reach an objective.

The perspectives of the practitioners in the BPM area, maintain the alignment with the previous concepts. Antonucci et al. (2009, p. 24) differentiating the concepts of processes and business processes points out that:

A ”process”, is a defined set of activities or behaviors performed by humans or machines to achieve one or more goal. Processes are triggered by specific events and have one or more outcome that may result in the termination of the process or a handoff to another process. Processes are composed of a collection of interrelated tasks or activities, which solve a particular issue. In the context of business process management, a ”business process” is defined as end-to-end work that delivers value to customers. The notion of end-to-end work is critical as it involves all of the work, crossing any functional boundaries, necessary to completely deliver customer value.

According to Tregear and AlKharashi (2012) business process are collections of cross-functional activities that deliver value to and other stakeholder. Sharp (2009, p. 56) define Business Process as a set of activities interconnected, started in response to an triggered event, that achieves a result discrete and specific for the customer and process stakeholder. This perspective considers process, as something that has in its genesis a trigger event and when finish delivers a result specific and relevant. The event results from a decision, something previously determined or a condition (or rule), that is processed, delivering results relevant for the stakeholders. More recently, Sharp (2011) suggest that a Business Process can be understood as a particular ability or capacity
that a business may possess or exchange to achieve a specific purpose or outcome. Sharp (2009) argues that business process are mainly related to the coordination and alignment developed to an intended end result, and suggest that is normally more effective than making assumptions that everything is based in efficiency. Jeston and Nelis (2008, p. 4) suggest also a relation between the concept of business processes to an ability that the organization should possess to deliver products and services to the customer, linking organization to: supplies; partners; distribution channels; products and services; personnel and other stakeholders. Keen (1997) suggest that process is any work that: (1) it is recurrent; (2) affects some aspect of organizational capabilities; (3) can be accomplished in different ways that make a difference to the contribution it generates in terms of cost, value, service, or quality; and (4) involves coordination. Coelho (2005a) considers a process a business capability to respond to internal or external stimulus, managing the resources in a optimized manner, being structured during life cycle of the business object.  

In the perspective of the previous authors, processes can be related to a capability to treat a request submitted to the organization that should deliver a result (tangible or not) to a customer or other stakeholder. Represents an existing capacity and ability that the organization should possess, that can be interpreted as a business capability. Other important facet is related to the consciousness that the clarification of the processes and its alignment according the needs of the organization, allow to define more objectively what is intended to do against the ambiguity of the concept of effectiveness adopted to represent something to achieve in the organization, without clarifying how.

Tregear, Alkharashi, Leandro, and Macieira (2010) consider business process as set of multi-functional activities that generate value for the external customer and others stakeholders, assuming that the lack of articulation of the functional areas don’t generate value to the external customers. An organization executes the strategy using business processes that are the mean to develop handovers between customers and the organization. Business processes should be managed cautiously and improved continuously, generating value to the customers and others stakeholders. This perspective incorporates elements related to the value creation and to the alignment of organization strategy.

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2 Entity that stores the information necessary to respond to an stimulus, receiving its name (Coelho, 2005a), e.g. order, complaint, information request and sport facilities request.
Few authors mention simultaneously the concept of process and business process. Harrington (1991, p. 24) considers that a process is an activity or group of activities that takes an input, adds value and provides an output to an internal or external customer, using the organization resources. The same author, also refers that a business process is a group of related tasks that use resources of the organization to provide defined results in support of the organization objectives. This author suggests a greater broadness in the concept of business processes, stating the importance of its alignment according to the identified business objectives.

The quality standards have some similarities to the perspectives already presented. The quality management system ISO 9001:2008 (ISO, 2008) defines a process as an activity or a group of activities using resources, managed to support the transformation of inputs into outputs. The standard ISO 9001:2008 (ISO, 2008) considers that a process approach is the application of a system of processes within an organization, simultaneously with the identification and interaction of the processes, that should be managed to produce the desired outcome. Hoyle (2009) states that a process is a group of inter-related activities or in interaction, which transform inputs in outputs, where the processes are executed and planned to create value.

The Object Management Group (OMG) as the supervisor of the standard Business Process Model and Notation (BPMN), which is used to model business processes, considers that is a defined set of business activities that represent the steps required to achieve a business objective, including the flow and use of information and resources (OMG, 2011).

Processes are a group of activities, performed by humans or machines to achieve a desirable result. If is considered the generation of value to an external customer or other stakeholder that allows achieving the business objectives as consequence of the execution of the processes, we can interpret it as business process. Generally, the processes start with a trigger event and after being executed deliver a result. The result can be used as an input to another process, creating a chain of processes. Grouping a chain of processes, crossing several organization functional units, generating value to an external customer or other stakeholder, is a broader concept that helps to clarify an end-to-end perspective, which could be interpreted as generating value to an external stakeholder (e.g. customer).
We can understand Business Processes as a Capability of the organization to treat a request and deliver a result generating value to a customer or other stakeholder, using resources of the organization to achieve results according its business objectives.

### 2.1.4 Types of processes

The process classification allows the organization of the processes by areas with several perspectives. The value chain proposed by porter (Porter, 1985) considers the existence of two types of activities, primary and support (Figure 2.1). The primary activities are related to the creation and transformation of products and services, embracing related areas: (1) inbound logistics; (2) operations; (3) outbound logistics; (4) marketing and sales and (5) after sales. The support activities sustain the main activities and are related with: (1) firm infrastructure; (2) human resource management; (3) technology development and (4) procurement of human resources.

![Porter Value Chain](Porter, 1998).

Aligned with the concept of value chain, Hammer (1997, p. 33) considers that the activities can be grouped in three categories: (1) value-adding, which the customer is willing to pay; (2) non-value-adding work, work that doesn't generate value for the customer, but is necessary to support the value-adding activities and (3) waste, work that neither adds nor enables value. Hammer (1997, pp. 33-34) considers that the value adding activities includes all activities that creates goods or services, that the customers want, which is unlikely to be eliminated, but is possible to be improved. Non-value
work integrates and supports the value-adding activities. Waste is related with the development of the work that if isn’t executed, the customer does not realize.

Rummler and Brache (1995, p. 45) consider that the primary processes result from a product or service to a external customer, support processes produce results that are not visible to the end customer, and the management processes that includes the managers actions developed to support the processes. The types of processes are exemplified in the table 2.1

Table 2.1: Examples of Business Processes by categories

<table>
<thead>
<tr>
<th>Generic Primary Processes</th>
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<tbody>
<tr>
<td>Business generation</td>
</tr>
<tr>
<td>Product/service development and introduction</td>
</tr>
<tr>
<td>Manufacturing</td>
</tr>
<tr>
<td>Distribution</td>
</tr>
<tr>
<td>Billing</td>
</tr>
<tr>
<td>Order fulfillment</td>
</tr>
<tr>
<td>Customer service</td>
</tr>
<tr>
<td>Warranty administration</td>
</tr>
<tr>
<td>Industry-Specific Primary Processes</td>
</tr>
<tr>
<td>Loan processing (banking)</td>
</tr>
<tr>
<td>Claim adjudication (insurance)</td>
</tr>
<tr>
<td>Grant allocation (government)</td>
</tr>
<tr>
<td>Merchandise return (retail)</td>
</tr>
<tr>
<td>Food preparation (restaurant)</td>
</tr>
<tr>
<td>Baggage handling (airline)</td>
</tr>
<tr>
<td>Operator services (telecommunications)</td>
</tr>
<tr>
<td>User-manual writing (computer)</td>
</tr>
<tr>
<td>Reservation handling (hotel)</td>
</tr>
<tr>
<td>Generic Support Processes</td>
</tr>
<tr>
<td>Formal strategic and tactical planning</td>
</tr>
<tr>
<td>Budgeting</td>
</tr>
<tr>
<td>Recruiting</td>
</tr>
<tr>
<td>Training</td>
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<tr>
<td>Facilities management</td>
</tr>
<tr>
<td>Purchasing</td>
</tr>
<tr>
<td>Information management</td>
</tr>
<tr>
<td>Generic Management processes</td>
</tr>
<tr>
<td>Strategic and tactical planning</td>
</tr>
<tr>
<td>Goal-setting</td>
</tr>
<tr>
<td>Resource allocation</td>
</tr>
<tr>
<td>Human performance management</td>
</tr>
<tr>
<td>Operations review/performance monitoring</td>
</tr>
</tbody>
</table>

Note: Examples of process organized by process types (Rummler & Brache, 1995, p. 46).

Harrington (1991, p. 9) considers the existence of two categories of processes, business processes and production processes:

Production processes are all processes that comes into physical contact with the hardware or software that will be delivered to an external customer, up to the point the product is packaged (e.g., manufacturing computers, food preparation for mass customer
Chapter 2. Theoretical Framework

consumption, oil refinement, changing iron ore into steel). It does not include the shipping and distribution processes. A business process consists of a group of logically related tasks that use the resources of the organization to provide defined results in support of the organization’s objectives.

Ould (2005) propose the division of the processes in three categories: core, support and management. The core processes contribute directly to external customers, support processes handle the external customers and the management processes manage the core processes and support processes. Sharp (2009, pp. 60-61) considers two types of processes, core processes and support processes. The core processes are processes that support the external customer, and are the reason of existence of a business – suggesting that most of the business have between 7 to 10 core processes. Processes serving internal customers are named support processes. Also suggest the subdivision in two subcategories Technical supporting processes that provide or enhance the organization infrastructure and Social supporting processes that provide or enhance people. Sharp (2009) considers that the processes serving the external customers are typically why the business exists, and therefore considered the core processes. Ko (2009) suggest the existence of two approaches that could be adopted to identify the types of process. The first suggest that the processes could be organized based in a hierarchy of processes, associated with underlying context of traditional organization charts. The second is based in the competence perspective. The core competency groups the business process in two categories, Core Business Processes, Management Business Processes and Support Business Processes.

Weske (2007, pp. 17-21) suggest the classification of the processes in: (1) organizational and operational considering organizational related to a broader process of high level, related with the organization strategy, and operational dealing with the implementation of the organizational processes. This perspective is also proposed by Ko (2009) suggesting the division of the process accordingly the management levels. Kirchmer (2011, p. 6) suggest also the categories of the processes based in the management level: Governance Processes; (2) Management Processes and (3) Operational Processes (Figure 2.2).

Jordan, Neves, and Rodrigues (2005, p. 174) considers that the activities that generate value related to the mission and that are fundamental for the business are known as
core capabilities. The activities that support the core activities are identified as support activities.

The organization of the activities according the generated value, give us guidelines for the optimization or elimination of activities. *Hammer* (1997, p. 46) classify the work activities in three categories: (1) value-adding work or the work the costumer is willing to pay; (2) non-value adding work, or work that don’t create value for the client but is necessary to accomplish the value-adding work, and (3) waste, or work that neither adds value nor enables value. To *Hammer* (1997, p. 46) waste is unnecessary work and by definition not be noticed by the costumer, exemplifies with reports that no one reads, work developed erroneously that need to be redone, and redundant checking activities. The non-value-adding work is considered by (Hammer, 1997, p. 47) as the mean by which the work-value adding activities are connected, like administrative tasks for reporting, checking, supervising, and controlling. Suggesting that management should eliminate or reduce the work that don’t generate value in its base or existing branches, because creates unnecessary costs, errors, delays and inflexibility, and complexity to the processes. The waste work should be eliminated at the root and branches (Hammer, 1997, p. 47).

core business processes are end-to-end activities related to the production or supplying of a product or service. The primary support processes are a logical set of related activities that allows accomplishing and ordering or delivering a product or service. The secondary supporting processes are fundamental activities to achieve the desired levels of quality enabling the primary supporting processes.

The assessment of the types of processes allow its organization according the value adding, non-value adding and waste. Where value represents something that the customer is willing to pay, non-value support value processes and waste don’t generates value or provides support. The value could also represent processes related to products or services that the customer is willing to pay. Other perspectives propose the organization in core, support and management, suggesting also its division in organizational and operational. This provides global guidelines to evaluate, optimize or eliminate process (work).

2.2 Process Frameworks

To identify the processes of an organization, it can be used existing industry best-practice models as a checklist, to determine the processes of an enterprise or apply a analytic approach (Kirchmer, 2011). The Business Process Management Body of Knowledge identify the following approaches: MIT Process Handbook Business Activity Model; American Productivity and Quality Council; Value Chain Group and Supply Chain Operations Reference (SCOR) (Antonucci et al., 2009, pp. 162-168). Harmon (2014, pp. 473-479) suggest the division of the standards related to the business processes in three areas (Figure 2.3):

1. Enterprise Level: used by executives and senior business managers to organize their overall understanding, evaluation, and management of a business’s performance;

2. Process Level: used by managers, employees, business analysts, and human performance analysts change how processes work;

3. Implementation Level: Technology used to implement processes according a context defined in upper levels. It can be also develop job descriptions or hire new collaborators.
Kirchmer (2011, p. 100) identify the reference models, like SAP, PMOLink project management model, the SCOR model, the VRM model, the Y-Model, and the retail-H model.

Harmon (2008) states that process frameworks are a formal description of a set of high level processes, usually with linked metrics, which can be used as a model to define a new or existing process. A framework creates a start point and a common vocabulary to use their orientations providing us a start point, allowing to focus in the competitive advantage for the organization (Harmon, 2008). Sharp (2009, p. 100) identifies several frameworks for the identification of business processes, like IT Infrastructure Library (ITIL), Supply-Chain Operations Reference-Model (SCOR), and the Process Classification Framework (PCF) from American Productivity & Quality Center (APQC), but don’t suggest its use, to start the process discovery. The advocated reasons are: (1) they are not in the process level; (2) are more suitable to identify the work in an area, after the identification of that area; (3) organizations have common features, the differences emerge from the discovery, which isn’t identified in the frameworks; (4) remove the focus from what makes the organization different; (5) the discovery cannot be developed using prescriptive approaches (Sharp, 2009, p. 100).
Generally we can state, that process frameworks provide a description of high-level processes, which can be used as a start point, but are not suitable to identify the organizations differences, which is related to their competitive advantage. This could be interpreted that frameworks aren’t recommended for an initial phase of process discovery, but could be used in a subsequent step as a checklist or assessment.

APQC is the most referenced process framework, according to Harmon (2008); Kirchmer (2011); Sharp (2009). APQC proposes the Process Classification Framework (PCF) as taxonomy of cross-functional processes (APQC, 2012). The processes are organized into 12 categories, processes groups, with more than 1000 processes. Are considered two types of processes, operating and management and support services.

Although, could be adopted a process framework to clarify and organize the process. Isn’t recommended to identify the organization differences or in an initial phase of process discovery. In the next section we describe how can be developed process organization without the adoption of processes frameworks.

2.3 Processes Organization

Harmon (2007, p. 506) states that in the 1990s it was sufficient to understand how the processes work, nowadays considers that the organizations need to work with enterprise tools to monitor and control the organization with processes technologies. To solve this problem is necessary the organization of the processes in a structure allowing the development of the alignment of the end-to-end business processes and the processes architecture. Framing and understanding the processes in a organizational environment, or as states Spanyi (2010), in an organizational architecture, oriented to processes, optimization and supporting the improvements on the operational performance, which requires that the governance create the appropriate structures, metrics, functions and responsibilities to monitor and manage the performance of the organization end-to-end processes.

The Enterprise Architecture simplify the strategic alignment, Gregor, Hart, and Martin (2007) and Cuenca, Boza, and Ortiz (2010) suggest that the understanding and analysis of the gap between the as-is and the to-be provides essential information to the
strategic and operational planning. Harmon (2010) considers that Enterprise Architectures are used mainly in the IT area, as global perspective how the models of IT and the organization resources should be articulated, considering the processes as a sources of requirements leading to the software development. More recently Harmon (2011) considers the existence of Business Architectures and Enterprise Architectures, the last, more attuned with the area of Information Technologies, suggesting that Business Architectures are considered a broader architecture. Although, also states that in opposition, there is the perspective of considering business architecture a subsidiary architecture of Enterprise Architectures. Rummler and Ramias (2010) states that the critical focus of an Enterprise Architecture should be how work the gets done, who (both human and technology) is performing the work, and how performance is managed.

OMG (2010) suggest that Business Architecture is a organization model providing an overall comprehension to align the strategic objectives and operational requirements. This perspective considers the organization of the processes as a structural element facilitating the alignment from top levels to the lower levels of the organization.

There are different perspectives regarding the organizational architectures. Considering a more agnostic perspective, some authors considers the Process Architecture, as mechanism of organization of processes, without the underlying concepts related to the Business Architectures or Enterprise Architectures. Jeston and Nelis (2006, p. 80) consider Process Architecture is the link between the organization strategy and the development of a process approach. Suggesting that is an approximation to organize the processes according a organization structure. Coelho (2005b) suggest that process architecture is a set of processes modeled in several levels, as well their relations. The process architecture is a hierarchical structure of process levels, related with the perspectives involving all the organization as perceived by business process. Harmon (2011) suggest the adoption of the concept of “Business Process Architecture.”

In a general, the processes should be properly contextualized in a overall business requirements (organizational context). The development of process alignment should be realized considering process architecture, simplifying the decomposition upon the lower organizational levels; this facilitates and reduces the gravitational attraction of the traditional functional structure (Sharp, 2009, pp. 97-98).
Coelho (2005b) suggest the organization of the processes using business capabilities. C. Hill and Jones (2007, p. 75) consider that represents business skill to coordinate its resources, putting in a productive use, allowing the organization to achieve intended results (Rosen, 2012). The adoption of business capabilities simplifies the process organization, allowing grouping the processes. Sharp (2009) corroborates this perspective, suggesting the organization of the processes in a process area, with a similar perspective, and more recently agreed with the use of the concept of capability (Sharp, 2011). To simplify the process organization we can adopt the business capabilities, that allow grouping the processes in the organization.

The business capabilities simplify the organization and identification of an improvement area, according the their importance to the organization mission. The improvement actions in the organization targeted to areas relevant for the organization fulfill their business objectives, simplify the clarification where to target according their importance to the organization. The business capability is composed by business processes, organized to fulfill business objectives according the organization mission. To simplify the organization of the concepts related to the process architectures, like business architectures, enterprise architectures or business process architectures, we will adopt the concept of ”Process Architectures”.

2.3.1 Process Architectures

Zachman (1987) is often referred to as one of the founders of the field of enterprise architecture, even though the original PRISM and ARIS frameworks were already published in 1986 (Greefhorst & Proper, 2011, p. 8). Enterprise architectures typically involve additional domains such as business architecture, process architecture, data architecture, application architecture and infrastructure architecture. The PRISM, ARIS and Zachman frameworks already suggested to take an enterprise-wide view on the aspects that are relevant to the design of (computerized) information systems, from the business process level to the IT infrastructure level (Greefhorst & Proper, 2011, p. 8).

Sessions (2007) identify the following approaches to organizational architectures: (1) Zachman Framework; (2) The Open Group Architectural Framework (TOGAF); (3) The Federal Enterprise Architecture and (4) The Gartner Methodology. Tang, Han, and Chen (2004) considers the following approaches to enterprise architectures: (1) Zachman
Chapter 2. Theoretical Framework


Blowers (2012) quoting the report of the OVUM “Ovum’s 2012 Business Trends” states that the three more used frameworks are TOGAF, Pragmatic EA Framework (PEAF) and Essential Project. Despite the less visibility also considers the DoDAF, MoDAF, Zachman and FEAF. BOC Group (2011, p. 27) a provider of software solutions for Enterprise Architectures suggest the use of TOGAF. TOGAF finds its origins in the Technical Architecture Framework for Information Management (TAFIM), the first version of TOGAF was developed, as an evolution of TAFIM (Greefhorst & Proper, 2011, p. 27). TOGAF provides an elaborate reference on enterprise architecture, including an architecture development method, an architecture content framework, architecture reference models and an architecture capability framework. In the view of TOGAF, enterprise architecture is divided into four architecture domains: business architecture, data architecture, application architecture and technology architecture (Greefhorst & Proper, 2011, p. 27).

2.3.2 Business Capabilities

Miles, Snow, Meyer, and Coleman (1978) suggest that organizations with a strategy are more successful, which can be improved if is developed an adjustment to the surrounding environment. The organization adaptability depends on their ability as processing systems to develop adjustments (Miller & Friesen, 1983). The strategy requires the articulation of the necessary structures to pursue the strategy (Miles et al., 1978), which demands that the organization be structured to deal effectively with the contingencies of the environment (Miller, 1987). The viability of the organizations requires that they master the challenges posed by the environment (K. R. K. R. Andrews, 1980), as an information processing system (Miller & Friesen, 1983).

The perceptions of the dynamics and the importance of the surrounding environment, create the need for management articulate existing organizational capabilities,
and adapt to new realities (Prahalad & Hamel, 1994). Hoye (2006) considers that Sport Managers have the responsibility to create the necessary conditions for the organizations react to opportunities in the market, or the demands of their stakeholders. The concept is adopted in several occasions as related to the adaptability of the organization to the surrounding environment. Miller (1982) considers that the organizations are often slow to adapt to changes in their environments. The unstable environment of rapid transformations creates a need for managers to recognize and manage existing competencies in a firm and also acquire new ones (Prahalad & Hamel, 1994) in order to adapt to new realities. Several authors suggest the importance of the adoption of internal process management, to clarify how they are deployed and evolve (Teece, Pisano, & Shuen, 1997; Peteraf & Bergen, 2003; Helfat & Peteraf, 2003; Teece, 2007; Peteraf, Di Stefano, & Verona, 2013), focusing the sustainability of a competitive advantage of a firm in their “dynamic capabilities”. Teece et al. (1997) considers dynamic capabilities “the firm’s ability to integrate, build, and reconfigure internal and external competences to address rapidly changing environments” going beyond traditional approaches, emphasizing the “traits and processes needed to achieve good positioning in a favorable ecosystem, but it also endeavors to explicate new strategic considerations and the decision-making disciplines needed to ensure that opportunities, once sensed, can be seized; and how the business can be reconfigured when the market and/or the technology inevitably is transformed once again” (Teece, 2007).

The Open Group (2011, p. 23) define capability as an ability that an organization, person or system possesses, expressed in general terms, requiring a combination of organization, people, processes and technology. Considering the perspective of Business Capability as something that is distinguishing. C. Hill and Jones (2007) enhances the importance of a company, which have firm-specific and valuable resources, needs to use those resources effectively, to be able to create a distinctive competency. Capabilities refer to a company’s skills coordinating its resources and putting them to productive use. These skills are materialized in the organization rules, routines, and procedures, representing, the style or manner used to make decisions and manage the internal processes to achieve organizational objectives (C. Hill & Jones, 2007, p. 75). In general the company capabilities is the product of its organizational structure, processes, control systems, and hiring systems (C. Hill & Jones, 2007, p. 75). According to Homann (2006) a capability is an ability or capacity to achieve a specific purpose or outcome, describes what
the business does that create value to the customer, and abstracts and encapsulates the people, processes/procedures, technology and information as the essential building blocks to facilitate performance improvement. The capabilities can be interpreted as an encapsulation of processes, people and tools. Homann (2006) confirm this perspective, interpreting as an abstraction or encapsulation of people, processes, technology and information, describing what the organization does without identifying how (Rosen, 2012). Rosen (2010) states that the main advantage in the adoption of the business capabilities is that they reflect what the organization does, in a long term perspective, instead the greater variability of the processes over the time. Rosen (2010, 2012) reinforces this perspective suggesting that a capability describes what an organization does, not how it does it, providing to the organization the capacity to achieve desired outcome, with a black box perspective. Perspective also shared by Sharp (2011), stating that is a concept very similar to business processes, although presents improvements related to the limitations in the definition of business processes and greater advantages in the initial approximation to a process architecture, allowing to focus first in the ”what?” to analyze after ”how?” and ”who?”). Other advantage in the adoption of the concept of Business Capability is that is less confusing than ”Business Process”, since to clarify a Business Process is necessary to understand what activities includes (Sharp, 2011).

Considering the capabilities being related to the organization of the work and simultaneously delivering value, which allows the organization to differentiate from the competitors (Prahalad & Hamel, 1990), enhancing the importance of organizing the processes and generating value to the organization, perspective attuned with the value-chain of Porter (1985). A capability provides a way to develop a reflection around the root of the issues (Rosen, 2012). Keen (1997) also suggest that processes support the competitive advantage, and its improvements sustain the construction of the necessary business capabilities. This assumes that the processes are a decomposition of business capabilities, articulated for its improvement.

Sharp (2009, pp.60-61) gives some orientation how to develop the organization of the processes, using Business Capabilities, considering at maximum 10 processes areas, each one is composed of business processes, representing end-to-end processes, which are interpreted as something from the client to the client. Hammer (2002, 2010) also suggests the identification at most 10 processes areas, but identifies a minimum value of 5. Zairi (1997) exemplifies five core process areas resulting from the development of
a BPM effort: (1) supplier management; (2) supply chain; (3) customer development; (4) brand development and (5) business planning strategy. Sharp (2009, p. 71) consider that the process areas don’t provide real information but are important to contextualize. Process areas represent the reason of existence of an organization and support external customers, such as: Market Research; Customer Relationship Management; Product Life Cycle Management; Supply Chain Management; Demand Chain Management; Workforce Management; and Regulatory Compliance (Sharp, 2009, p. 70). Sharp (2009, p. 52) perspective considers that each business process has $5 \pm 2$ sub-processes, were each subprocess represents a milestone delivering or achieving something in the business process that the organization is interested to count or measure (Sharp, 2009, p. 52). APQC (2012) provides a framework to facilitate the identification of the Business Capabilities (Figure 2.4).

![Business Capabilities](image)

**Figure 2.4: Business Capabilities. Adapted from APQC (2012).**

Other authors suggest relating the concept of competences, to individual competence development and knowledge. Prahalad and Hamel (1990) consider that core competences are interpreted as collective knowledge and incorporated organizational abilities, representing the organization and the delivery of the work. Hellström, Kemlin, and Malmquist (2000) developed a study considering competence management as manly a
method to create long term competence potential, Baladi (1999) states that involves the evaluation of the gaps, competence outsourcing, competence development through training and coaching, and staffing of projects. The development of the core competences requires some change to be introduced in the organization, some authors consider that they are related to ”Individual Job Competence”, and its improvement is based in enhancing individual competences, according a strategy context (Deist & Winterton, 2005).

Distinguishing competence and capability, Stephenson (1998) suggest that capability is a broader concept than that of competence, which is primarily about the ability to perform effectively, related to here and now. Aligned with this perspective Hase and Davis (1999) consider capability is attuned with the intention to achieve an intended state, assuming a perspective of a desired ability, representing a planning for the future, changing something to achieve what is intended. Noce, Martins, Belfo, Ferreira, and Coelho (2011) states that organizational competences are means to support what the organization as to do, providing to the business capabilities the ability to respond to a stimulus. These perspectives led us to consider the adoption of business capability as something that integrates the concept of competence, representing something that is intended to achieve.

To clarify a Business Capability we can develop their decomposition. The decomposition of the business capabilities can be carried out in multi levels, until the identification of lower level elements, the process. To validate if we have the processes properly identified, Sharp (2009, pp. 39-41) provides the following perspectives:

- Involves work, that can be described as a set of activities;
- Is named using a verb-noun form, e.g. Perform Registration;
- the verb-noun name inverted represent a process outcome, e.g. Registration Performed;
- Delivers a specific and essential result, that is can be quantified, e.g. How many registrations are performed;
- The outcome of the process contributes and is essential for the organization;
The previously described process characteristics can be used to assess if the processes are properly identified, mitigating an improper process assessment. Additionally allow us to verify if the decomposition is developed until an appropriate level of work, clarifying the business capability.

The perspective Malone et al. (1999, pp. 16-17) also considers the adoption of a combination of verb-noun, suggesting that could be compared with the object oriented programming. The object oriented programming (OOP) uses nouns to represent abstractions of real entities, which incorporate methods (verbs) that represent the action performed by the object (instantiation of a noun). The use of this principle provides a mean to develop a simple assessment to verify if the business process is properly identified, performing the validation with the verbalization of the noun, inverting the name of the business process, to clarify the process output Sharp (2009).

The decomposition facilitates the identification of the business processes (Figure 2.5). Along with the decomposition of the business capabilities it should be accomplished the decomposition of the business objectives, providing a mechanism to identify lower level objectives, crossing the traditional functional perspective. MLearn propose the decomposition until the identification of business objects. According to Sutherland (1995), business objects encapsulate traditional lower-level objects that implement business processes. The user interfaces are views of business objects and the database maintain a record of the "state" of business objects as they change over time. The OMG (1996) considers a business object:

"A business object is defined as a representation of a thing active in the business domain, including at least its business name and definition, attributes, behavior, relationships, rules, policies and constraints. A business object may represent, for example, a person, place, event, business process or concept. Typical examples of business objects are: employee, product, invoice and payment."

Business object is an informational entity that needs to be managed, according a external stimulus triggered by a stakeholder. In the MLearn approach is used to clarify the concept of process, Coelho (2005b) considering a business capability a mean to treat external and internal stimulus, managing in a optimized way a group of resources, organized around the business object life-cycle. This perspective assumes business object as an element that facilitates the identification of a lower level process. The business
process represents a set of resources aligned to respond to an external stimulus triggered by a stakeholder, managing a business object. Coelho (2005b) in the context of the MLearn, clarifies process as an organizational ability to threat internal and external stimulus, optimizing the resources, according the life cycle of business object. In this perspective is considered that a business process is developed accordingly the life cycle of the business object and as a reaction to an external stimulus. Process is envisioned as a set of existing resources and internal organization managed to respond optimally to an event triggered by an external stakeholder, managing the business object considered as an informational entity.

Globally, we can use business capabilities to organize the business processes in core areas, related to the value-chain or representing what the organization needs to develop to ensure is survival. The clarification of business capabilities can be developed realizing its decomposition until the lower level elements, the process. The achievement of the process level can be identified evaluating the process outcomes or if is in the appropriate level to treat business objects. This logical approach to organize the business processes, simplify the definition of a process architecture and context.
2.4 Strategy Alignment

Organizations with strategy are more successful (Miles et al., 1978) and should be supported with the ability to develop adjustments (Miller & Friesen, 1983). The strategy is formalized in the definition of the business objectives.

A sport organization is goal directed (Slack & Parent, 2006), supported with the formulation of clearer objectives, using organizational strategies (Das, 1990). Chandler (1962, p. 13) considers long-term goals and objectives a determination of the strategy, to accomplish using the necessary means (Das, 1990; Chandler, 1962), influenced by external factors leading to internal adjustments (K. R. K. R. Andrews, 1980). The strategy supports the formalization of the organizational objectives that are properly contextualized, allowing according to Doran (1981) to create a climate of management excellence in which company officers and managers talk in terms of objectives. The strategy is formalized with objectives (Chandler, 1962), needs resources (Das, 1990) and is influenced by external factors (K. R. K. R. Andrews, 1980). The objectives are actions formalizations through which the mission of the business is developed (Drucker, 2007, p. 71), they should be defined in all the areas on which the survival of the business depends. The organizations need to develop a strategy.

The definition of a context, based in the strategy assessment facilitate the identification of improvement actions. The strategy supplies a context and defines the axioms that facilitates the clarification of what is being done and involves a work adjustment to support the achievement of the business goals. The work adjustment should be developed moving the work from non-value areas to value-ones. According to Harmon (2010), this optimization must be performed with an alignment of the strategy with the operations, organizing and managing the employees to fulfill the organization goals. Rummler and Brache (1995) addresses this question, referring the importance of improving organizational performance, claiming that process re-engineering would be the best approach, to improve processes enhancing the performance of management and organization employees. Hung (2006) suggest that process alignment has an important impact on the organizational performance, providing an empirical evidence as a guiding principle to get the strategic objectives aligned with the business processes.
Studies on strategy address the internal and external environment of the organization, approaching how to position among competitors, and comprising the intentions and actions at the same time (Chandler, 1962; Scott & Davis, 2007). The strategy support the understanding of what is needed for the organization to achieve the intended results, which leaded to the development of analytical frameworks. This perspective is found on Ansoff (1965), Rumelt (1974) and Porter (1980). However, is criticized due to the difficulty to deal with the complexity on implementing the strategy in the organizations (de Souza, 2011). This conception of strategy relate to a more rational-hierarchical organization, where coordination and control, as well as formalization, are high (Fumasoli & Lepori, 2011).

Other approaches to the strategy suggest that the strategy is a process, which is focused in the analysis of the strategy formation, where the objective its to understand how the strategy is created and performed. Pettigrew (1985) developed a study of corporate strategy, organizational analysis and change, in order to define how the strategy is implemented and is adjusted. Mintzberg and Waters (1985) points out the limitations of strategy planning and the need of emergency plans against the lack of flexibility. Pettigrew (1985) emphasizes the limitations of planning, perspective enhanced by Mintzberg and McHugh (1985) conferring a low importance to a formal definition of the strategy and business history.

Although these general arguments, viewpoints on strategy differ among authors leading to different streams (de Souza, 2011; Fumasoli & Lepori, 2011). The optimization of the organizations operations should be achieved with the articulation of the organization needs. The existing approximations are based in top down approaches and consider functional structures (Kaplan & Norton, 1996a).

Harmon (2011, p. 475) suggest the Balanced Scorecard as an approach to clarify the business context. Jeston and Nelis (2008) sustain this perspective suggesting the alignment between the formulation of strategy, process and projects execution using process governance, supported on the Balanced Scorecard, for clarifying the strategy. Nevertheless, other approaches can be adopted for the strategy clarification. Noce et al. (2011) suggest the strategy clarification using the improvement motivations, presenting some similarities with the Balanced Scorecard. The Balanced Scorecard has been evolving

Nevertheless, despite of the importance to clarify a business context, there are approximations that develop a bottom-up approach for the strategy (Mintzberg & Waters, 1985) or less formalized (Mintzberg & McHugh, 1985). The approximation to the strategy and the process of development, should developed in articulation with the business objectives to be achieved. Harmon (2010) suggest that the optimization of the organization should be achieved realizing the alignment between the strategy and the operations, organizing and managing the workers to accomplish the business goals. The work should be developed in an overall improvement context. The organizations need to create an overall context, to define an initial approximation. It can be used several approaches with a top-down approximation, based in three layers, such as: (1) Rummler-Brache (Rummler & Brache, 1995); (2) Office of BPM (Tregear et al., 2010); (3) BP Trends (Harmon, 2014) and (4) MLearn (Noce et al., 2011). Darnton (2012, p. 12) suggest that the top-down are appropriate to the identification of a global perspective involving several aspects in the organization, although presents a limitations in the lower levels assessment.

Considering an approach based in three layers: strategy; operations and improvements, the definition of a context assumes what should be developed considering the strategy clarification. To define the context supported in the business strategy, we can anticipate the existence of two scenarios: (1) formalized strategy or (2) non-formalized strategy. The existence of a formalized strategy provides us the assumptions of the organizations intentions. The non-formalized strategy scenario requires the clarification of the organization intentions, clarifying what is intended to achieve.

The strategy operationalization should be supported in a strategy clarification. This assumes the adoption of emergent management theories, combining two types of strategy, intentional or deliberated, to clarify constructs as: mission, vision, strategic objectives,
stakeholders, business capabilities, adopted to the definition of a context simplifying subsequent steps developing improvement actions in the organizations. Chandler (1962); Scott and Davis (2007) considers fundamental the external and internal environment, including actions and intentions at the same time. Generally, the studies developed related to the strategy are based in prescriptive assumptions, to support the development of what if necessary build a strategy. Some authors with this classical perspective are Ansoff (1965), Rumelt (1974) and Porter (1980). Despite the contributions they had in the development of analytical tools, the biggest criticism is related with the fact that this type of approximations doesn’t consider the complexity in the implementation of the organization strategy (de Souza, 2011). This perspective in the comprehension of the strategy is more related to a rational perspective, with a hierarchical organization, were the formalization, coordination and control are attached to the upper levels (Fumasoli & Lepori, 2011). Other approximation to the strategy, consider the strategy as a process and with the focus of the approach in the analysis of the strategy development (Mintzberg, 1978). The objective is understanding how the strategy is formulated and executed in the organization.

Generally, the results of studies based in the strategy as a process, analyze organization internal dynamics, to understand how the strategy is implemented and adjusted (Mintzberg & Waters, 1985), pointing the limits of the planning (Pettigrew, 1985) and considering the process of a formal strategy definition of low importance (Mintzberg & McHugh, 1985). The strategy as process appears as a concept of emergent strategy by Mintzberg (1978) in opposition to the deliberate strategy. The last is intentional, in opposition to the first, were identified strategy patterns, despite the of nonexistence of intentions (Mintzberg & Waters, 1985, p. 252). An emergent strategy is primarily an unplanned strategy that only is perceived as strategy after occurring (Mariotto, 2003). Emergent strategies are developed based in patterns identified in a set of actions that are not based in upon a predetermined plan (Hamel & Prahalad, 2005; Mintzberg, 1987). The organization has to possess strategic agility to react frequently, evaluate and perceive the market conditions, which became more important than the concept of sustainability (Bonnet & Yip, 2009).

Eisenhardt and Brown (1998) mention that a strategy approximation requires adjusting an organizational competence, to adapt and react to an environment in constant mutation. An adaptive strategy is simultaneous deliberated and emergent, according to
Mintzberg and Waters (1985), there are few strategies only deliberate and emergent, in emergent, it must exist some control and in deliberates there must be a learning process. In an adaptive (deliberate-emergent) strategy, time encompasses both the notion of "stretching out the past" together with probing into the future in order to obtain a strategy that is both deliberate and emerging (Eisenhardt & Brown, 1998). A deliberate strategy is a planned and controlled by the organization, the traditional approach to develop the strategy advocates the adoption of deliberates strategies. In this approach, the strategy is triggered by assumptions that are engaged in a action plan, which is transmitted and the actions developed according the plan. The main goal in the development of this type of strategy is in to be able to create and maintain a position resulting in a competitive advantage in the marketplace (Eisenhardt & Brown, 1998; Mintzberg & Waters, 1985).

Mintzberg (1987) suggest that in a business context, the strategy consists in a pattern that could be found in group of actions. Mintzberg and Waters (1985) argue that the strategy consists of two elements: deliberate strategy and emergent strategy. In this perspective, the strategy is simultaneously planned and emergent, resulting from the strategic planning, evolving from a pattern of decisions or a combination of both. In the traditional approach, the organization objectives are determined by top management, leading to the development of action plan by the lower level management, adding more detail. Senior management should sanction the action plans before any commitment is made or any action is performed (Ansoff, 1965). Once the decisions are made about the actions plans, there are few decisions to be made by the lower levels, when the plans are implemented. This type of structure is usual in an organization implementing strategic planning based on a traditional approach, with a top down approximation (Mariotto, 2003).

The existence in the organizations of traditional structures, functional oriented, created a higher prevalence of deliberated approaches, which supports structurally the deliberate approach. Bryan and Joyce (2007) state that most organizations were designed within the context of the industrial revolution, were vertical integrated structures were designed for efficient operations, exhibiting high levels of hierarchical authority and control, more suitable for a stable environment. Traditional hierarchical organization structures are designed to break up managerial task into pieces using departments and divisions (Labovitz & Rosansky, 1997). This work division difficult the integration of
the organization strategy, business processes and systems into a cohesive working whole, and is barrier to change and improving performance (Peko, Dong, & Sundaram, 2014). Is necessary to develop a different approach to the traditional vision.

The adoption of business capabilities allow to have a cross functional perspective (horizontal) considering their decomposition in business processes, with an end-to-end perspective according the value-chain of the organization. Allowing to diverge from traditional functional structures, supporting the addressing of problem using other approximation, enabling the integration and optimization of the tasks in vertical functional structures.

The strategy clarifies what is necessary to accomplish in the organization, supplying a context and a set of axioms to develop the subsequent steps. This creates a ground base that can be used to develop enhancements to the organization according top level orientations and incorporating lower level perspectives, organized in compliance with the business capabilities supporting the cross functional perspectives, enabling the organization optimization.

### 2.5 BPM approaches

Considering not use frameworks as working basis, but as a complement, supporting the understanding of the involved work in an area, as a checklist after process discovery (Sharp, 2009, p. 100). It was considered the adoption of an approach, to support the strategy operationalization, starting from the strategy clarification, identifying the business capabilities and the business processes to improve. The greater difficulty on using this approach is related with the development of an alignment, i.e., the strategy operationalization. Problem enhanced with the variety of existing management practices, for different organizational units, that aren’t integrated, because don’t share common concepts (Noce et al., 2011). The strategy operationalization is multidisciplinary, requires several tools and is simultaneously complex. The approximation should be developed starting with the strategy as a context, breaking down until the identification of improvement priorities in its operationalization. BPM can be approached in different ways, considering the level were to be applied: strategic; processes (operational) and implementation (work). There are several approaches using three layers (Coelho,
The approach could be sustained in three layers, simplifying the strategy decomposition until the operations (improvements in human work, supported or not by technology).

The development of improvements should be performed to achieve the maximization of the impact in the organization. There are several approaches that can be adopted and its orientations used. In this section we will analyze some existing approaches, gathered during the development of projects and the performed networking with practitioners of the BPM area. Although there is the existence of many approaches, this is not corresponded with the availability of information about how develop its appliance, and how to achieve improvements in the organizations using a systematic way. We can use an analytic approach to identify the processes of an organization, using relevant objects that interact with process, namely products and services of an organization or channels and markets used. After, is developed the identification of the processes used to sell or deliver products and services, and the related processes used to manage and govern those processes (Kirchmer, 2011, p. 6).

The alignment to the organizational strategic objectives, can be achieved using the processes as an underlying support, to configure the organization and the work developed (Hammer, 1990) or as an overall approximation (Hammer, 1997), perspectives that can be combined with the value-chain of Porter (1985), considering process orientation as an improvement, based in the generated value to the organization.

BPM practitioners consider BPM an appropriate approach to support the achievement of organizational objectives (Antonucci et al., 2009, p. 12; R. Davis, 2007, p. 24; Jeston & Nelis, 2006).

Wolf and Harmon (2012) in a study developed about the state of the BPM market, identify the main methodologies in the market, organized by: (1) top-down with impact in the performance of all organization and improving it; (2) bottom-up with particular emphasis in improving specific activities and (3) process automation. Weske (2007) considers the use of several layers, starting in the business strategy until the process implementation, considering the following facets: (1) the top layer identifies the organization strategy, related to median and long term; (2) the second layer is related to the decomposition of the strategy in operational objectives, that could be also decomposed;
(3) the third layer represents the business processes, which are high level processes providing to and receiving from other processes; (4) fourth layer, its about operational processes with the activities and relations between them, presented in a schematic way; and (5) fifth and last layer, identifies implemented processes that contains information about the execution, technical information about the activities, and the execution environment (figure 2.6). Sharp (2009, p. 72) suggest a framework using three layers: (1) mission, strategy goals and objectives; (2) business processes and (3) information systems. Mission, strategy and objectives are supported by Business Processes, which in their turn are supported by information systems.

![Diagram of business process layers until the implementation (Weske, 2007).](image)

There are several approaches that could be adopted and their orientations considered. Thereafter, we will analyze some existing approaches, considering the availability of the information by BPM practitioners.

### 2.5.1 Effective Process Framework

Approach proposed by Rummler (2004) is sustained in the following guiding principles: (1) organizations are systems; (2) organizations are processing systems; (3) organizations
are adaptive systems; (4) jobs or roles and functions exists to support the processes of the organization; (5) all performers are part of a human performance system; (6) management must keep the organization system aligned and (7) the results chain must link to Critical Business Issue (CBI). Is intended that all the work be developed according the critical factors associated to the business, organizing the human resources to developed the work that is necessary to the organization, with an overall process articulation as a whole.

According to Rummler and Brache (1995) the work in the organization is executed by individuals organized by jobs or roles and functions, used to perform, support and manage the primary and support processes in any organization. This perspective assumes that the only purpose of the work is to develop and support products and services that the organization delivers, contextualized in their business processes. This approach focuses in the identification of a CBI, which should be linked to a critical process issue (CPI) that should be associated to a critical job issue (CJI) (Rummler, 2004). This alignment suggests that the work can be adjusted to respond to CBI, properly aligned in a CPI. This aspects are represented in the Figure 2.7.

![Figure 2.7: Anatomy of performance of organization Rummler (2004).](image)

This approach considers the existence of nine performance issues organized by three levels of performance and according three performance needs (Rummler & Brache, 1995,
• Goals: represents the customer expectations for the product and service quality, quantity, timeliness, and cost;

• Design: the structure of the organization, processes and job/performer, configured in a way that enables the goals to be achieved efficiently;

• Management: practices to ensure that the goals are suitable and being achieved.

<table>
<thead>
<tr>
<th>Table 2.2: Three levels of performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Three Levels of Performance</td>
</tr>
<tr>
<td>Organization Level</td>
</tr>
<tr>
<td>Job/Performer Level</td>
</tr>
</tbody>
</table>

Note: The three levels of performance articulated with the three performance needs origins nine performance variables.

Ramias and Rummler (2009) proposes an effective process framework, enhancing some critical facets to improve the organization operations, based in eight performance variables, as shown in table 2.3.

2.5.2 Office of BPM

Tregear et al. (2010) suggest an approach to adopt BPM using the BPM Center of Excellence, the Office of Business Process Management (OBPM). To achieve a fully operational Office of BPM: (1) Office of BPM reference model; (2) staged implementation and (3) BPM capability development program. The implementation is simplified using three layers of capability. The OBPM Reference Model as four main components: (1) management processes; (2) support processes; (3) process improvement services and (4) process management services.
Table 2.3: Effective Process Framework

<table>
<thead>
<tr>
<th>Process performance variable</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Desired process outputs and results</td>
<td>The requirements for process outputs/results must be: (1) Linked to organization and customer requirements; (2) Clear; (3) Communicated to all parties designing, improving, performing, and/or managing the process. Failure to meet these requirements is the greatest single contributor to process performance failure. This variable is the starting point for any process performance design or improvement effort.</td>
</tr>
<tr>
<td>2. Process design</td>
<td>Process must be designed to meet the output requirements: (1) Batch versus continuous flow; (2) Serial process flow versus parallel flow; (3) Unnecessary (non-value-added) steps; (4) Redundant (non-value-added) steps and (4) Bottleneck operation.</td>
</tr>
<tr>
<td>3. Underlying models</td>
<td>The underlying models of a process must be appropriate for the desired outputs and results.</td>
</tr>
<tr>
<td>4. Resources</td>
<td>Availability of the necessary resources to perform the process (equipment, materials and supplies).</td>
</tr>
<tr>
<td>5. Inputs and triggers</td>
<td>Must meet input standards. Process are triggered by events or time.</td>
</tr>
<tr>
<td>6. Jobs and roles</td>
<td>Jobs and roles must be properly aligned with the process, with the necessary adjustments in the work involved in the process steps outputs and requirements.</td>
</tr>
<tr>
<td>7. Technology</td>
<td>Technology properly aligned and executed.</td>
</tr>
<tr>
<td>8. Process performance management system</td>
<td>In place, aligned and executed. The planned performance sets the direction and ensures the necessary capability to achieve stated goals. The managed performance monitors performance to assess and close gaps between planned and actual performance.</td>
</tr>
</tbody>
</table>

Note: Identification of the variables of the effective process framework (Ramias & Rummler, 2009).

Figure 2.8: Staged Implementation considering the maturity levels Tregear et al. (2010).
Is suggested a staged implementation and is not recommended a global implementation, which is considered to have a biggest risk of being unsuccessful. It is important to developed all services gradually, with a warranty that are made available professionally and matching the business needs (Tregear et al., 2010).

The Office of BPM is a mechanism used to coordinate BPM initiatives and deliver the related benefits throughout the organization. It has the following responsibilities (Tregear & AlKharashi, 2012):

- To provide a strategic, customer-value view of the organization;
- To facilitate the continuous improvement of business processes;
- To nurture innovation in process improvement;
- To track benefits delivered from process improvement and management initiatives;
- To define and maintain methods and tools, and support their use in all BPM initiatives;
- To provide an internal BPM research and analysis resource for the organisation;
- To support the use of BPM Systems and other process-related technology;
- To share process-related knowledge and successful BPM outcomes.

Tregear et al. (2010) suggest the articulation between strategy, processes and improvement project (Figure 2.9). Advocating the fulfillment of the alignments among strategy and processes, using improvement priorities in relevant areas, according the business strategy. Having the underlying objective to operationalize the strategy in the organization, as an input to the OBPM.

2.5.3 Project Framework 7FE

According Jeston and Nelis (2008, p. 25) the Project Framework 7FE is based in the assumption that:

"Organizations exist to supply customers with products and services, and business processes are the means via which this can be achieved to, hopefully, a high level of service and satisfaction. So customers must be the primary focus for business processes."
This framework starts with the formulation of strategic objectives and ends with their fulfillment (Jeston & Nelis, 2008, p. 98). Proposes an alignment between strategy, process and project execution, with process governance. The Business processes are the central core from which the business is conducted, linking: suppliers; partners; distribution channels; products and services; people (personnel); other stakeholders (Jeston & Nelis, 2008, p. 4). It is suggested its adoption using the Balanced Scorecards (Kaplan & Norton, 1996a) as starting point to support the strategy clarification (Jeston & Nelis, 2008).

Jeston and Nelis (2006) consider four critical aspects for their framework approach: people; process; technology and project management (Figure 2.10).

After the development of the definition of a strategy context is developed the assessment of the factors that influence the business processes, before their implementation. The organization results from how the critical components are synchronized: strategic intent; strategic vision; execution; values/culture/behaviors and people. Figure 2.11 shows the phases and essential elements of the framework.
Figure 2.10: BPM Project success stool Jeston and Nelis (2006, p. 48).

Figure 2.11: BPM Project project framework Jeston and Nelis (2006, p. 49).
2.5.4 Tools for Process Improvement

Sharp (2009) suggest the "framing the process" as an approach, based in three steps represented in three phases:

1. Frame the process.
2. Understand the current (as-is) process.
3. Design the new (to-be) process

The first phase involves establishing a process context, scope and goals: (1) developing the identification of the related processes; (2) clarifying the target process scope; (3) stakeholders, goals and performance indicators. The second phase involves developing a session with the involved stakeholders in the scope of the current process. Developing an understanding of the activity sequence, as well the participants, using swimlane diagram. The last step is based in the identification of the necessary enablers to achieve what is intended. This demands the development of workshops sessions with the objective of redesigning existing processes.

The enablers allow the process to perform accordingly what is intended to achieve. When an enabler isn’t properly articulated is interpreted as a disabler that needs to be corrected to support adequately the process. Sharp (2009) considers six enablers: (1) Process workflow design; (2) Information systems (use of information and communications technology); (3) Motivation and measurement; (4) Human resources; (5) Policies and rules; (6) Facilities design. In the Figure 2.12 we have represented the process enablers contextualized as a support of the business process being drive by a business context.

2.5.5 MLearn

The MLearn is a top-down approach divided in two parts. The first part is developed using interactive session defining a should-be scenario, capturing the strategy that should be developed by the organization. The second part develops the as-is, representing how the activities are currently executed in the organization (Coelho, 2005b).
During the workshops the discussions are centered on the strategy, and not on individual interests, departments or responsibilities defined on the organization charts (Coelho, 2013).

The requirements to develop the effective work sessions (Coelho, 2005b):

- Focus on the strategy and the organization as a whole;
- Use an Organizational Therapy;
- Focus on the knowledge management;
- Modeling of the Enterprise Architecture using a systemic and Business Object oriented way;
- Deploy the strategy using a Process-Centric Enterprise Architecture;
- Define a continuous improvement management model and the respective implementation team;
- Use interactive and real time techniques;
The method develops a unique perspective of the organization for all collaborators, to ensure an effective communication and convergent decision process. This perspective is acquired during the conception of the process architecture, based on interactive sessions, is identified globally the business strategy. The main result of these sessions is the identification of a global business strategy (figure 2.13).

![Management Integrated System](image)

**Figure 2.13:** Integrated Management System. Adapted from Coelho (2013).

### 2.6 Critical Success Factors

The definition of an approach to develop a sustainable application of BPM requires the adoption of the correct elements to ensure the success in its application.

As a matter of fact, BPM has become a holistic management discipline (Rosemann & Brocke, 2010). This global understanding requires the need to address several facets to develop a sustainable application. Rosemann and Brocke (2010) suggest six critical core elements (figure 2.14) to develop a holistic approximation using BPM:

- Strategic alignment with the overall strategy of the organization;
- BPM governance establishing a transparent and appropriate accountability in terms of roles and responsibilities for different levels of BPM (portfolio, programs, projects and operations);
• Methods defined in the context of BPM, as a set of tools and techniques supporting and enabling activities, along the process lifecycle within enterprise-wide initiatives;

• Information technologies supporting BPM initiatives;

• People as core element of BPM who enhance and apply improvements to the processes and process management skills and knowledge to improve business performance;

• BPM culture incorporate collective values and beliefs concerning to the process-centered organization.

Bucher and Winter (2010) identify four design factors for developing BPM: (1) process degree of performance; (2) professionalism of process management; (3) impact of process managers and (4) usage of methodology and standards. Based on this factors identify four global approaches to BPM (Figure 2.15): (1) BPM Individualist; (2) BPM Collectivist; (3) BPM Freshman and (4) BPM Intermediate. These approximations allowed to identify five project types (PT): (1) PT1:BPM collectivist to BPM individualist; (2) PT2:BPM freshman to BPM individualist; (3) PT3:BPM intermediate to BPM individualist; (4) PT4:BPM freshman to BPM collectivist and (5) PT5:BPM intermediate to BPM collectivist.
These aspects allowed the identification of "fragments" and the necessary projects to develop an approach suggesting how to develop a BPM approximation customized according the needs of the client. The identified fragments are 18 (2.16), they have preconditions and associated projects. Identify also the necessary activities to achieve each "Fragment" (e.g. fragment 01 needs to be achieved the necessary activities to identify the main processes and their limits, fragment 06 identify the existence of a strategy to guide the definition of the processes and identify with the customers of the process the performance objectives).

Hung (2006) advocates that chances of achieving successful Business Process Management is increased if the strategic objectives are aligned with business processes, is demonstrated executive commitment and the employees are empowered. The competitive advantage is supported if the organization seeks process alignment, which involves: Horizontal Structure Alignment, IT Alignment, Strategic Alignment and People Involvement (Hung, 2006). People Involvement includes Executive Commitment and Employee Empowerment, under a suitable organizational structure and use of IT (Hung, 2006). The People Involvement is achieved providing more authority to the employees to manage their work, which allows greater performance of the organization. The results of the study developed by Hung (2006) provide a useful insight for what should be considered for the organization implementing Business Process Management, mainly is use to gain competitive advantage.
The importance of Process Alignment, People Involvement and Executive commitment is fundamental for achieving the intended business performance (Hung, 2006; Rosemann & Brocke, 2010; Bucher & Winter, 2010). The alignment should be developed according to strategy assumptions and supported in a suitable organizational structure. The People Involvement considers people a core element in BPM, which could be achieved by empowering their work and professionalism in its execution. To support the Process Alignment and People Involvement is required Executive Commitment. The described elements provide relevant orientations about what to be addressed, namely the identification of key elements to consider on an approach to BPM.

2.7 Conclusion

In this section we provide conclusion gathered after the assessment of the theoretical framework. First, this chapter evaluated the conceptual assumptions of BPM and why
was considered relevant in our study, which provided a clarification of the importance in adopting BPM as an approach to operationalize the Business Strategy.

BPM is supported in the concept of Business Process, which represent the work developed in the organization with a horizontal perspective, against the traditional vertical orientation. However, the clarification of the existing processes could require an organizational mechanism. Processes can be organized by areas, according their importance for the organization, like as primary or support processes. This organization allowed us to identify what are the processes that supports the value generation in the organization, which is related to the concept of value-chain. The primary processes could also being identified according their interaction with the external customers.

To simplify the identification of the business processes was evaluated Process Frameworks. The Process Frameworks can be used as checklist to determine the processes of an organization, however, it was found that was not recommended to use of process frameworks in a initial phase of the process discovery, because provide a common vocabulary and don’t identify the organization differences, which is related to the competitive advantage and should be addressed first. Without the use of processes frameworks is necessary to identify an alternative process organization mechanism to allow the configuration of an organizational structure oriented to processes. Business architectures and enterprise architectures provides the underlying assumptions to define a process architecture. Business Architectures is considered a broader architecture, encompassing the Enterprise Architectures.

The adoption of Business Capabilities allow to organize the processes, at the same time that provides a link to the strategy, supporting it, encompassing features as adaptability to the surrounding environment, which allow to clarify the organization ability to adapt to the environment. Business Capabilities can be used to support the strategy and simultaneously organize the business processes. It also can be used as a process organization mechanism, which is sustained with its use for process decomposition. In this perspective processes envisioned as a decomposition of Capabilities, allowing their clarification.

However, the business capabilities should have a proper context, this requires the strategy definition, as an assumption. Strategy requires the configuration of organizational abilities and structure, which allows supporting the adaptability and strategy
operationalization. The organization should be structured to deal successfully with the contingencies of the environment. Business Capabilities enables the articulation of resources, rules, routines, processes and people in a distinctive way, describing what the organization does without specifying how, allowing to focus in the "what". The concept simplicity allow to reflect around the root issues, like the competitive advantage of the organization or what differentiate the organization from the competitors. Simultaneously, provides a simple organization mechanism for the processes that could be used in an initial assessment. The Business Capabilities concept provides a simpler approach to identify what the organization does, that could be used to support the business strategy and simultaneously be clarified using business process, aligning this way, to the top-layer (strategy) and the bottom-layer (processes), acting as an intermediate layer, allowing to conceptually connect the strategy to the operations.

The discovery should supported in a approach, were identified several BPM approaches, considering the availability of information: Effective Process Framework; Office of BPM; Project Framework 7FE; Tools for process improvement; BPM Project Delivery Framework; BPTrends and MLearn. The adoption of BPM allow us to identify the critical factors related to its operationalization, which give us the orientations about concerns to be addressed, namely the identification of key elements to consider on an approach. The importance on developing an alignment, the clarification of who is involved and how the approach is supported in terms of tools and techniques, are issues to consider. The analysis of existing approaches and the consideration of the critical factors in their implementation, allowed sustaining an approach, to be applied in sport organizations seeking real impact in their activities. The steps include the assumptions of the strategy, as axioms that will be used to clarify the targeted areas, encompassing the processes that have impact on the work, organized in business capabilities. In the next section is presented the approach proposed.
Chapter 3

Approach to be adopted

Although there are frameworks that could be adopted, the main focus should be the organization differences and particularities, and this could be achieved not using a framework (Sharp, 2009, pp. 99-100). The identification of business capabilities allows us to target areas that differentiate from the competitors (Prahalad & Hamel, 1990) allowing targeting areas related to the value creation (Porter, 1985). Another important facet is the development of an approach that could be adopted in a simple way and without a learning curve.

Considering the different handled perspectives is proposed the development of an approach that combines top-down approximation for an overall perspective getting the global elements of the strategy and bottom-up to clarify what is possible to accomplish for the organization contextualized in the strategy level, acting at the same time as a validation mechanism.

This chapter addresses an integrated approach applied in a business environment, using three organizational layers materialized in the institutional, middle and operational levels. It suggested a combination of Business Strategy, Knowledge Management and Business Process Management in order to support the clarification of the organizational strategy and the definition of business operations.
3.1 Clarification of the suggested steps


These three base layers are used to develop an articulation and decomposition. They provide a base to identify the information needs to start clarifying the organization operations, properly framed in their business strategy. For the assessment of the strategy was considered the identification of fundamental constructs, like mission, vision and strategic objectives. These constructs are also identified by Sharp (2009) and Harmon (2014). Weske (2007) considers that the business objectives are determined by the business strategy, perspective similar to Tregear et al. (2010). Noce et al. (2011) also suggest the identification of the mission, vision and strategic objectives as an initial assessment.

The importance of the adaptability of the organization (Prahalad & Hamel, 1994) and the difficulties to develop the adjustments (Miller, 1982). Provided the assumption to adopt business capabilities as an organization mechanism for the business process, facilitating the framing of the processes according the classification of the Business Capabilities, in core or non-core (Porter, 1980) or as primary or support, according to their contribution to the value chain (Porter, 1998).

The concept of Business Capabilities allowed reducing the functional attraction (departments or other functional areas), normally found in the organization structures that difficulties an overall perspective for the optimization of the organization. Considering that processes consider that people work on functions, and that the processes are not functional (Zairi, 1997; Ould, 2005). The functional approach has barriers (Zairi, 1997) that should be removed enabling a better response to a CBI (Rummler & Brache, 1995), triggered by financial stakeholders and customers, perspective that can be
also applied to other stakeholders, like suppliers or competitors. The ability to respond to an external stimulus could be represented using the Business Capability construct. The stakeholder theory provides the context to identify trigger sources, which must be managed by the organization’s Business Capabilities, properly clarified using business processes. The clarification of Business Processes in this context allows us to develop their assessment within an underlying context, framed in the business strategy. To handle with the exceptions to the normal process workflow is suggested the Knowledge Management (Klein & Dellarocas, 2000). The Knowledge identified can be used as reference for employee training, allowing the identification of the improvement areas based in the human resources (Harmon, 2014).

To facilitate the organization of the processes, is used the classification of the business processes according their relation with core or non-core organization areas – perspective inherited from Porter (1985). This allows identifying more easily processes related to more important areas. The decomposition of the Business Capabilities in processes adopts the suggestions, as conceived by Sharp (2009, p. 53), where the process area is interpreted as business capability, considering the greater conceptual deepness, as described previously. This perspective is also present in the approach advocated by Coelho (2010b). The processes are envisioned as a response mechanism to a concern or issue related to a stakeholder, which allow us to identify the business processes as a response to an external stimulus, triggered by a stakeholder. Processes materialize the concept of organizations as processing systems (Rummler, 2004), managing information and adapting to the environment (Miller & Friesen, 1983).

To facilitate the evaluation of the improvement areas, considering the organization priorities, according the information retrieved, is proposed a decision matrix to facilitate the identification of improvement priorities which leads to an action plan.

The previously discussed elements, allow us to propose three base steps, strategy, operation and implementation (Figure 3.1), which we clarify and describe how can be developed.
3.1.1 Strategy

The identification of a business context assumes that it is necessary to clarify elements like mission, vision and top-level objectives, supporting what is intended to achieve (vision) and the reason of existence of the organization (mission). The adopted constructs are Mission and Vision; Business Objectives; Stakeholders and Business Capabilities. The clarification of a Business Context can be developed using existing management tools and the adoption of elements as proposed by Kaplan and Norton (2008b) to clarify the strategy, required process enablers (Sharp, 2009, p.306), or how to develop a process architecture (Jeston & Nelis, 2008, p.190). These perspectives combined with the already described business capabilities and stakeholders, allowed to propose the following elements to facilitate the development of the proposed approach and to clarify what is necessary to develop in each step, trying to reduce the subjectivity and increase the systematization to optimize the development of a business context.

3.1.1.1 Mission and Vision

The clarification of the Mission and Vision defines an axiom identifying the company purpose and is aspiration to future. The Accomplishment, Control, Objective, Reconciliation and Numbers (ACORN) test can be adopted and used to develop the clarification and validation of the mission (Tague, 2005, pp. 93-95):

- **Accomplishment**: Does the goal describe results rather than behaviors? Could fulfillment of the goal be verified if the people responsible for it were not there?
• Control: Do the group actions determine whether the goal is accomplished? If it depends on actions of others, it is not within the group control.

• Only Objective: If this and only this were accomplished, would it be enough? If something else also is required, then sub-goals have been identified, not the true goal. (Sub-goals do not have to pass the O part of the test.)

• Reconciliation: Will accomplishing this goal prevent another group within the organization from accomplishing its goal? Or, does another group share the same goal? Two groups should not be addressing either the same goal or conflicting goals. (Sub-goals do not have to pass the R part of the test).

• Numbers: Can the goal be measured? It must be possible to generate practical, cost-effective data to measure the goal. Measurement will indicate whether or not the goal has been achieved.

To develop the assessment of the mission, it could also be used the European Foundation for Quality Management (EFQM) guidelines. The EFQM Toolbook (EFQM, 2001) suggest that the mission should be developed using the following considerations:

• The mission should express the reason of existence of an organization;

• The mission can be restructured or adjusted;

• Should reflect what the organization is and express a motivation to the employees;

• Should be relevant, credible, short and unforgettable;

To facilitate the definition recommends the following steps:

1. Identify what the organization is doing using action verbs;

2. Define 2 or 3 competences that are critical to your long term success;

3. Define the customers;

4. Define were the organization operate geographically, including cyberspace;

5. Combine the previous elements in a sentence;
To assess if the mission is properly defined, it can be evaluated if can be used to explain to a new collaborator what the organization does, providing the necessary information. The mission defines limits, framing the organization activity on the long run, transmitting globally the understanding of the organization. Provides a first construct to clarify the organization strategy. Kaplan and Norton (2008b) state that mission is a brief statement, one or two sentences, defining why the organization exists, namely what offers to customers and clients.

In relation to the vision construct, Collins and Porras (1996) suggest that the underlying concept is attuned with Big, Hairy, Audacious and Goals (BHAGS), to empower the growth. Kaplan and Norton (2008a) suggest that vision is a short message defining medium and long term, from 3 to 10 years.

Starting from the wide range of perspectives it was considered to use clear guidelines, simplifying the evaluation of the mission and vision, or their clarification. To develop the clarification of the vision, we adopted the proposed recommendations of the EFQM as a foundation (EFQM, 2001). Combined with the other perspectives described previously (Table 3.1).

### Table 3.1: Template for the assessment of the Mission

<table>
<thead>
<tr>
<th>Elements</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Identification of action verbs emphasizing what the organization does</td>
<td>Promote; Train; Disseminate; Contribute; Designing; Organize</td>
</tr>
<tr>
<td>2. Two or three critical capabilities on the long term success</td>
<td>Disseminate the sporting and training practice; Keep an sustainable growth in the formal practice; Contribute to excellence in Federation</td>
</tr>
<tr>
<td>3. Define who the customers are</td>
<td>like athletes; practitioners; coaches; referees; clubs or associations</td>
</tr>
<tr>
<td>4. Identify where we operate geographically</td>
<td>Country</td>
</tr>
<tr>
<td>Combine the previous elements to articulate a statement to define the mission</td>
<td>Promote, disseminate and contribute to the excellence of the Organization through the training of athletes, coaches, referees and support for clubs and associations, sustaining the growth of the sport practice</td>
</tr>
</tbody>
</table>

Note: The information in the table is for sample purposes demonstrating how could be defined. The values should reflect the perspective of the participants in the work sessions in each dimension.

#### 3.1.1.2 Strategic objectives

According to Drucker (2007, p. 69) to develop a proper planning in the organization is required a systematic analysis involving the assessment of what the business is, what will be and what should be. This should provide a ground base for the objectives identification. Drucker (2007) suggest the definition of objectives in eight key areas: (1) Marketing; (2)
Innovation; (3) Human Organization; (4) Financial Resources; (5) Physical Resources; (6) Productivity; (7) Social Responsibility and (8) Profit requirements. Jordan et al. (2005, p. 244) considers that objectives result from efforts developed using means, like investments in marketing and commercial expenses. Jordan et al. (2005, p. 244) suggest also that the objectives results from efforts in the assessment developed in the areas of profitability, dimension, innovation and internal social atmosphere. Antonucci et al. (2009, pp. 104-105) state that the objectives are linked with the process performance, measuring: time, costs, capacity and quality. Kaplan and Norton (1992) proposes the definition of business objectives, based on the concerns of the customer, related with time, quality, performance and service, and cost, exemplifying with the response time to an order.

Sharp (2009, p. 73) propose the objectives identification as something measurable, related to intermediate steps and goals, as something to achieve representing a final state. The Balanced Scorecard has four perspectives to support the clarification how to achieve the vision and clarify the business objectives: financial; customers; innovation and processes (Kaplan & Norton, 1996a). The suggestion to adopt the Balanced Scorecard to clarify the business context in BPM approaches is also present in recommendations from Harmon (2014, p. 475) and Jeston and Nelis (2008). Noce et al. (2011) suggest the identification of the strategic objectives, based in the improvement motivations, which are: financial; customers; collaborators and society, presenting some similarities with perspectives of the Balanced Scorecard (Kaplan & Norton, 1996b).

According to (Coelho, 2003; Noce et al., 2011) the business strategy should translate an orientation to investment, motivated by: the interest of the shareholder or business partner; the interest in meeting the needs of collaborators and customers; and the contribution to the society. To validate the consistency of the identified objectives we can use the acronym SMART (Specific, Attainable, Relevant and Time-Related), that allows define a criteria to evaluate an objective (Doran, 1981).

The objective definition should consider the identification of something measurable, related to time, costs, capacity or quality. Targeting areas like marketing, innovation, resources (human, physical or financial), productivity, social responsibility and profit. Developed with the clarification of what is the business (current situation), and what
is intended to be. In table 3.2 is presented an example to the definition of strategic objectives.

<table>
<thead>
<tr>
<th>Improvement area</th>
<th>Strategic Objectives</th>
<th>Indicator</th>
<th>Actual</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial</td>
<td>Increase revenues</td>
<td>Revenues of the area A</td>
<td>±x ±y</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Revenues of the area B</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase revenues from sport results</td>
<td>Revenues from Sport Activity A</td>
<td>±x ±y</td>
<td></td>
</tr>
<tr>
<td>Customers and markets</td>
<td>Reduce the response time</td>
<td>Average time to process a customer order (days)</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Human resources</td>
<td>Increase the productivity</td>
<td>Average Absenteeism time</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Society</td>
<td>Increase of sport activity</td>
<td>Number of person developing sport practice with regularity</td>
<td>z</td>
<td>w</td>
</tr>
</tbody>
</table>

Note: The information in the table is for sample purposes demonstrating how could be defined. The values should reflect the perspective of the participants in the work sessions in each dimension.

3.1.1.3 Stakeholder Analysis

The identification of the stakeholders can be developed using theoretical assumptions. Freeman (1984, p. 54) suggest the adoption of the Figure 3.2 as a starting point for the identification of the stakeholders in typical organization. Considering a stakeholder "any group or individual who can affect or is affected by the achievement of the organization’s objectives" (Freeman, 1984, p. 46).

Friedman and Miles (2006) consider that the main stakeholders in an organization are the customers, employees, local communities, suppliers and distributors, and shareholders. Clarkson (1995) states that stakeholders are persons or groups that, have or claim ownership, rights, or interests in a corporations and its activities, past, present, or future, which can be grouped considering their interests, claims or rights, like: employees or customers. Friedman and Miles (2006) considers main stakeholders: customers; employees, local communities, suppliers and distributors, and shareholders. Additionally also reckon: the media; the public in general; business partners; future generations; past generations (founders of organizations); academics; competitors; Non-Governmental Organization (NGO) and activists – considered individually; stakeholder representatives
like trade unions or trade associations; financiers not being shareholders (e.g. debt holders, bondholders, creditors); competitors and government, regulators and policymakers. Stakeholders are external entities that constrain the organization strategy and simultaneously can be influenced to facilitate the strategy, e.g. customers, suppliers, competitors, employees and shareholders (Coelho, 2010b).

These elements were considered to define an initial checklist, to simplify the identification of the stakeholders. Another approach that can be used is the identification of entities with whom the organization has issues or concerns important to solve according their business objectives.

Table 3.3: Template for the clarification of the stakeholders

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coaches</td>
<td>Responsible for training athletes and practitioners</td>
</tr>
<tr>
<td>Athletes</td>
<td>Someone competing and registered in a sport federation</td>
</tr>
<tr>
<td>Practitioners</td>
<td>Anyone o develops a regular sport practice</td>
</tr>
</tbody>
</table>

Note: The information in the table is for sample purposes demonstrating how could be defined. The values presented should reflect the perspective of the participants in the work sessions to whom they consider who are the stakeholders.
3.1.1.4 Business Capabilities

The clarification of the Business Capabilities should be developed considering as mean to organize the business processes in core areas, related to the value-chain or representing what the organization needs to develop to ensure is survival. This assumes the use of the concept as a logical approach to organize the business processes, simplifying the organization of the processes architecture (Section 2.3.2).

The assessment of Business Capabilities should be developed considering that is an ability to achieve a specific purpose or outcome (Homann, 2006), providing a way to reflect about root issues (Rosen, 2012), considering what the organization does without clarifying how (Rosen, 2010, 2012; Sharp, 2011). This allows to develop a reflection about what the organization does, differentiating from the competitors (Prahalad & Hamel, 1990). The business capabilities represent an ability that the organization must have to gain competitive advantage. Concept that is aligned to the value chain of Porter (1985).

To develop the clarification of the Business Capabilities is considered that are representations of the "what" the organization must do, to support its Mission and accomplish its Vision, ensuring its survival, and supporting the adaptability of the organization to the environment. In this context can be interpreted as something that the organization must know how to do, that is fundamental to their survival, according its stakeholders. This concept simplifies the initial assessment, about what the organization has to do, without specifying how, which facilitates the initial steps of the approach, removing the need of additional detail. Business capabilities can be interpreted as an encapsulation of processes, people and tools, facilitating the organization of the Business Process. This construct assures that the organization as the means to respond to external stimulus, triggered by his stakeholders. Business capabilities are also suggested to be used as an organization mechanism for the business processes. This facilitates the processes organization and integrate them in structurally, avoiding the existing functional orientation used traditionally to decompose the work, based in departments or functions, until the break up in tasks to be performed by the personnel.

Despite that can be provided examples, it recommended not to do that, during the assessment in the work sessions, because can bias the Business Capabilities identification. Is recommended provide the information necessary to the discovery and identification of
Chapter 3. Approach to be adopted

the business capabilities. (Sharp, 2009, p. 100) suggest not providing elements previously identified before their discovery, but as a complement, supporting the understanding of the involved work in an area, and as a checklist after the discovery. In the Table 3.4 is presented an example of the definition of Business Capabilities. Is recommended to name the Business Capability the use of an action verb and a noun, e.g. Organize events.

Table 3.4: Example for the assessment of the Business Capabilities

<table>
<thead>
<tr>
<th>Identified Capability</th>
<th>Business Capability</th>
<th>Business Capability Clarification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Get Athletes</td>
<td>Fundamental business capability for the existence of the sport club and the renewal of the athletes</td>
<td></td>
</tr>
<tr>
<td>Get Sport Club Members</td>
<td>Entities related to the sport club contributing with monthly fee or supporting the club activity providing free services supporting its activity.</td>
<td></td>
</tr>
<tr>
<td>Develop training</td>
<td>Train athletes or practitioners in a context of competition or involvement to the sport activity with including the transfer of moral values</td>
<td></td>
</tr>
<tr>
<td>Manage sport club</td>
<td>Organize the sport club to develop the optimization of its business capabilities, including the social and legal capabilities, according its Mission, Vision and Business Objectives.</td>
<td></td>
</tr>
<tr>
<td>Manage human resources</td>
<td>Manage employees, volunteering and people with close relations to the sport club, including parents, fans, sport coaches and managers.</td>
<td></td>
</tr>
<tr>
<td>Organize Events</td>
<td>Plan, organize and develop events to publicize the sport club and raise revenues.</td>
<td></td>
</tr>
</tbody>
</table>

Note: The information in the table is for sample purposes demonstrating how could be defined. The values presented should reflect the perspective of the participants in the work sessions about what is considered a Business Capability in the organization.

3.1.2 Operations – Issues or Concerns

This step develops an issue and concern assessment related to stakeholders, properly integrated in strategic objectives and framed in a Business Capability. This perspective assumes that organizations are processing and adaptive systems, were the results must link to a CBI (Rummler, 2004). Coelho (2005b) considers that issues are a mechanism to identify unfulfilled responses to the stimuli. The external stimulus are interpreted as an issue or concern about a stakeholder, which give us some guidelines to what the organization should react to. Rummler (2004) suggest the identification of a CBI related to Customers and Financial Stakeholders, associated respectively to ”Product/Service” and ”Earnings/Returns”, which the organization should respond properly. CBI can be problems and opportunities (Rummler, 2004). A issue or concern to be properly
managed creates the base to develop the assessment of the stakeholders concerns and issues to be transformed in a business objective to be solved, perspective also advocated by Coelho (2005b). The Business Objectives are supported by the Business Capabilities.

Rummler (2004) suggest the assessment of a Critical Business Issue (CBI) to identify an organization results area, aligning to a Critical Process Issue using the relation of the CBI based in their dependency to solve a performance issue, which is implemented in a Critical Job Issue (CJI). Rummler (2004) develops its assessment based in the Financial Stakeholders and Customer, that are supported by organization goals and primary business processes. Other authors suggest the assessment of Critical Success Factors (CSF). Bullen and Rockart (1981) consider that is an area of the activity in which favorable results are absolutely necessary for a particular manager to reach his goals. The CSF are used as a method to develop a set of requirements specifications, providing a focal point to direct Computer Based Information System improvement efforts, later used as an Management Information System (MIS) planning tool (Daniel, 1961; Rockart, 1979; Bullen & Rockart, 1981).

Coelho (2010b) suggest the identification of CSF related to the organization stakeholders, validated with the following rules: (1) critical success factor of the strategic objectives; (2) viable indicator that should be measurable during the analysis; (3) the indicator should explain the contribution to the strategic objective. Each CBI should be properly framed in a Business Capability (or primary processes as proposed by Rummler (2004)), which supports the necessary improvements to solve this issue. Each objective must be associated to a Business Capability that as the responsibility to support the achievement of the necessary results, based on improvement actions or projects.

To perform the evaluation of the issues or concerns in the organization is proposed an assessment in an organization workshop with the subject matter specialists, concept adopted by Antonucci et al. (2009, p.63) when involving experts of the organization in a subject area. The assessment should target the Business Capability identified in the previous steps allowing to clarify were the improvement should be developed. The involvement of the collaborators is fundamental (Sharp, 2009) to clarify how the work is developed (operational issues bottom-up), get support to develop the implementation and generate solutions to the identified issues or concerns. The workshop allows a greater involvement and different perspectives supported by subject matter experts, supporting
a holistic perspective. In this workshop should be generated consciousness about the current performance of the organization. Alternatively can be developed an interview with a Chief Executive Officer (CEO) to identify a set of CSF (Rockart, 1979). To measure the organization performance, is necessary to identify the indicator related to the objective to be accomplished, this indicator allows the clarification of the actual performance and what is intended to achieve, which is more simple if are present in the workshop the participants with the necessary information.

The issues or concerns are identified based in the assessment developed to each stakeholder identified in the previous steps, which are associated to Business Objectives that corrects the concern, measured by indicators, which monitors the progress being developed, to an intended state (goal), supported by an improvement in a Business Capability. At this level the objectives should be managed with a short-term perspective (within one year), translating the strategy to more immediate objectives, and considering that are problems and opportunities that should be solved or exploited. This articulation is defined based in the association of an operational objective to the correspondent top-level objective (strategic), identification of the stakeholder, current value, goal to be achieved, Business Capability to be improved, and improvement action (Project) to be developed.

This approach is used in the identification of the concerns in each level, which simplifies the alignment of the objectives (Strategy, Operations and Improvements). The adoption of a workshop allows a greater involvement, incorporating different viewpoints, which allow gathering a holistic perspective. The identified issues or concerns result from a reflection developed by the workshops participants about a stakeholder, considering the actual performance of the organization, and the existing means. The fulfillment of the objectives can only be achieved based in the Business Capabilities improvements supported in Projects (improvement actions). The alignment is supported in the Business Capability solving the issue or concern, allowing the achievement of the Business Objective.

This step should be developed using the information retrieved in the previous steps, namely: (1) Strategic Objectives; (2) Stakeholders and (3) Business Capabilities. In the Table 3.5 is provided a sample of the assessment that can be developed.
Chapter 3. Approach to be adopted

Table 3.5: Example for the assessment of the Issues or concerns

<table>
<thead>
<tr>
<th>Stakeholder or Concern</th>
<th>Strategic Objective</th>
<th>Operational Objective</th>
<th>Business Capability</th>
<th>Improvement Action/Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary and Middle Schools</td>
<td>Lack of inscriptions of sport members</td>
<td>Increase own revenues</td>
<td>Increase the inscription of students of primary and middle schools</td>
<td>Current: 11%  Goal: 33%</td>
</tr>
</tbody>
</table>

Note: The information in the table is for sample purposes demonstrating how could be defined. The values presented should reflect the perspective of the participants in the work sessions about the issues or concerns related to a stakeholder.

3.1.3 Implementation

The prioritization of the improvement projects can be developed using a decision matrix, crossing the information and validating its consistence. After the assessment of the project priorities the action plan can be developed to clarifying the project initiatives considering their priorities. The development of the action plan, after the previous steps allows a proper contextualisation and project definition according a Business Context. Bellow we describe the Improvement Priorities and the development of the Action Plan.

3.1.3.1 Improvement Priorities

The identification of improvement priorities is based in the assumption that resources in the organization are limited (e.g. financial, human or material) and that isn’t easy to develop concerted actions across all the organization, at the same time. Ohlsson, Han, Johannesson, and Rusu (2014) addresses a method to support managers decision-making, prioritizing process improvement initiatives, proposing the Process Assessment Heat Map (PAHM). Bandara, Guillemain, and Coogans (2010) describe how to help decision makers to take decisions considering that relevant resources are scarce, and that the decisions must select the appropriate projects, according to the organization Business Objectives.

The problems (issues) confronted with strategic objectives, allow the identification of improvement areas according the organization objectives. Considering that the issues or concerns originate Business Objectives, which requires an improvement action to support the achievement of the objective. The decisions must be carried out when there are several options to be considered. Kepner and Tregoe (1981) proposes an approach
Chapter 3. Approach to be adopted

73

to support the decision based in five steps: (1) define the problem; (2) describe the problem; (3) establish possible causes; (4) test the most probable cause and (5) verify the true cause. Bandara, Guillemain, and Coogans (2010) suggests business value for scoring (BVS) when relevant resources are scarce, and correct decisions must be made to make sure that those projects that are of best value are implemented. Tague (2005) in the quality toolbox suggests several examples to be used in decisions. The described perspectives deal with the same problem, crossing objectives, investments, resources (what is available) with restrictions, improvements, generally what to be solved.

Providing more specific directions to be taken, the EFQM provides a set of resources, which were developed in Europe’s most respected organizations. The EFQM Excellence Model (EFQM, 2001, pp. 122-123) proposes a tool to be adopted to select key processes. The proposed tools is developed in the following steps: (1) Identify the processes to define a list of key processes; (2) identify the criteria to select key processes; (3) enter the contribution value for each process/criteria intersection; (4) multiply the contribution values for each process and (5) select the processes with bigger overall contribution. This tool can be adopted to target Business Capabilities or the underlying Business Processes, and to evaluate operational level or top level Business Objectives. If is adopted as criteria the Business Objectives and the Business Capabilities as what as to be solved.

Gosenheimer (2012) proposes an approach to define a prioritization matrix and enhances its adoption advantages. All perspectives consider crossing two elements, adding or not a scoring and heightening the factors. Decision should provide outputs to define improvement plans for the organization. The matrix allows the use of a simple and quick implementation (e.g. using a spreadsheet) that can be used in real time (e.g. meeting), and provides a simple validation mechanism.

The validation using the matrix can be developed crossing the information retrieved in the previous steps, e.g. Business Objectives (operational objectives and strategic objectives), Business Objectives and Business Capabilities, or Stakeholders and Business Objectives. The evaluation of Business Objectives can be used to assess the contribution of the operational to strategic objectives. The lack of relations could represent the need to reassess the information retrieved in the previous steps. The inexistence of operational objectives to support a strategic objectives, or strategic to related to operational, could represent the need to develop a reformulation of the business objectives. This could also
be used to evaluate the support of Business Objectives to a stakeholder representing the need to develop a re-evaluation of the concerns and issues related to a stakeholder, not reflecting properly the concerns or issues. The lack of relation could also mean that the stakeholder isn’t relevant.

The existence of relation provides several interpretations. Crossing the Business Objectives with the Business Capabilities allow to identify if the Business Capabilities is properly supported by Business Objective or the Business Objective support more Business Capabilities. This information can be used to clarify if an improvement of a Business Capability has a broader impact, or if the achievement of Business Objective has a greater contribution to the Business Capabilities. Allowing us to select priority to target areas, e.g. working in objectives with more impact or business capabilities with more impact in the business objectives. The relation between stakeholders and Business Objectives or Business Capabilities, allow to identifying, which Business Objectives have more impact in the stakeholders and which stakeholders are supported by Business Objectives. This also allows determining which stakeholders are being covered by Business Objectives.

Considering the importance of the business capabilities in the identification of areas that represents an competitive advantage for the organization (Prahalad & Hamel, 1990) and the adaptability to develop adjustments (Miller & Friesen, 1983) posed by the environment (K. R. K. R. Andrews, 1980). One important application that can be performed with the matrix is the identification of the the improvement priorities, which can be developed based in the assessment of the Business Capabilities with bigger contribution to the Business Objectives. Coelho (2010b) suggest the identification of improvement priorities based in the assessment of the Business Capabilities with the major contribution to the Business Objectives. Ensuring that-top level objectives are properly supported by lower level objectives (operational), we can assess which Business Capability represents an improvement priority based in their impact. The impact can be identified based in the achievement of a Business Objective using a Business Capability improvement. This perspective allows clarifying, which Business Capability should be targeted first, considering the importance of the related objective and its contribution.

To identify the improvement priorities, we can develop the following steps (Table 3.6):
Chapter 3. Approach to be adopted

1. List horizontally the Business Capabilities;

2. List vertically the Business Objectives and quantify their importance (scale from 1 to 3);

3. Introduce a value (scale from 1 to 3) to quantify the contribution of the Business Objective to the Business Capability;

4. Calculate the sum of the product between contribution and is importance;

5. The Business Capabilities with bigger values are priority.

<table>
<thead>
<tr>
<th>BO</th>
<th>BC A</th>
<th>BC B</th>
<th>BC C</th>
<th>BC D</th>
<th>BC E</th>
<th>BC F</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 BO 1</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>2 BO 2</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>3 BO 3</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 BO 4</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 3.6: Identification of improvement priorities

Note: BO represents a Business Objective and BC Business Capability. The table represents an example.

Using the previous table (Table 3.6) that identifies the improvement priorities, it can be added additional information. In the intersection between the Business Objective and Business Capability can be inserted an improvement action to clarify how to operationalize the contribution of the Business Capability to the Business Objective. Additionally this information can be used to support the development of an Action Plan and the organization Budget, to quantify the investments needed to fulfill the Business Objectives. This improvement actions or projects are properly contextualized in a Strategy, and their consequences to the organization could be easily clarified, e.g. the contribution to a Business Objective or improving a Business Capability. The analysis of the projects vertically, can facilitate the assessment of what is necessary to develop to improve a Business Capability. The analysis of the projects horizontally simplifies the assessment of the projects contribute to a Business Objective.
The projects identified can be ranked, multiplying the importance of the Business Capability by the priority of the Business Objective, which allow us to quantify a importance of a Project. This value can be used to create a ranking of Business Projects (Table 3.7). The projects that have a bigger impact are more relevant for the organization according the context gathered.

Table 3.7: Projects assessment

<table>
<thead>
<tr>
<th>P</th>
<th>Priority</th>
<th>Importance</th>
<th>BC/BO</th>
<th>BO</th>
<th>#</th>
<th>Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>3x2=6</td>
<td>BC A</td>
<td>BO 1</td>
<td>#3=1X3=</td>
<td>Project 1:</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>3x1=3</td>
<td>BC B</td>
<td></td>
<td></td>
<td></td>
<td>BC=BC F</td>
</tr>
<tr>
<td>2</td>
<td>3x2=6</td>
<td>BC C</td>
<td></td>
<td></td>
<td></td>
<td>BO=BO 1</td>
</tr>
<tr>
<td>3</td>
<td>3x3+3x3=9</td>
<td>BC D</td>
<td></td>
<td></td>
<td></td>
<td>BC=BC A</td>
</tr>
<tr>
<td>1</td>
<td>3x3=9</td>
<td>BC E</td>
<td></td>
<td></td>
<td></td>
<td>BC=BC B</td>
</tr>
<tr>
<td>3</td>
<td>3x11=3x3+3x3=11</td>
<td>BC F</td>
<td></td>
<td></td>
<td></td>
<td>BC=BC C</td>
</tr>
<tr>
<td>2</td>
<td>2x4=8</td>
<td>BO 2</td>
<td></td>
<td></td>
<td></td>
<td>BC=BC D</td>
</tr>
<tr>
<td>3</td>
<td>2x9=18</td>
<td>BO 3</td>
<td></td>
<td></td>
<td></td>
<td>BO=BO 2</td>
</tr>
<tr>
<td>3</td>
<td>3x9=27</td>
<td>BO 4</td>
<td></td>
<td></td>
<td></td>
<td>BC=BC E</td>
</tr>
</tbody>
</table>

Note: BO represents a Business Objective and BC Business Capability. The table represents an example.

3.1.3.2 Action Plan

The reflection and analysis developed to clarify the business strategy and operations lead us to the creation of a context that facilitates the identification of the improvements that are necessary to perform. To enhance the Business Capabilities according the organization Business Objectives is necessary to develop a project to correct the gap between the actual performance and the intended one. The necessary performance is measured using an indicator, which monitors the effort that is needed to achieve the intended results, supported by a Business Capability, using a project to sustain the correction for the intended performance. The Business Capability represents what the organization as to do that is vital to accomplish its vision and supports its mission, were the improvement efforts should be targeted based in the organization objectives. In the Table 3.7 is represented an example of identified projects and their ranking.
Chapter 3. *Approach to be adopted*

Sorting the projects using their ranking allow us to create a project queue that identifies what the organization must accomplish according their business objectives and the information previously retrieved. Each project has the context that supported their identification, for example the Business Capability that should be targeted or the Business Objective that should be achieved. The Business Objective represents "Where" should be targeted, the project "How" can be done and the Business Capability "What" should be developed. The progress is measured using an indicator contextualized in the Business Capability and Project that monitor the evolution of the project.

### Table 3.8: Ranking of Improvement actions

<table>
<thead>
<tr>
<th>#</th>
<th>Improvement action</th>
</tr>
</thead>
<tbody>
<tr>
<td>33</td>
<td>3x11 = Project 4: Business Capability=BC F – Business Objective=BO 2</td>
</tr>
<tr>
<td>27</td>
<td>3x9 = Project 7: Business Capability=BC D – Business Objective=BO 4</td>
</tr>
<tr>
<td>18</td>
<td>3x6 = Project 2: Business Capability=BC A – Business Objective=BO 2</td>
</tr>
<tr>
<td>18</td>
<td>2x9 = Project 6: Business Capability=BC D – Business Objective=BO 3</td>
</tr>
<tr>
<td>9</td>
<td>3x2 = Project 3: Business Capability=BC B – Business Objective=BO 2</td>
</tr>
<tr>
<td>8</td>
<td>2x4 = Project 5: Business Capability=BC C – Business Objective=BO 3</td>
</tr>
<tr>
<td>3</td>
<td>1x3 = Project 1: Business Capability=BC F – Business Objective=BO 1</td>
</tr>
</tbody>
</table>

Note: The ranking facilitates the identification of what is needed for the organization to develop based in their Business Objectives.

The action plan developed after the clarification of the strategy, operations and improvement priorities, facilitates the project definition, which should represent a broader perspective to move the organization to a new state, according their Business Objectives, which needs to be achieved. Jeston and Nelis (2006, pp. 208-209) proposes several implementation scenarios, how to address change: (1) Big-bang for disruptive implementations; (2) Relay producing step by step implementations; (3) Parallel starting the new project before ending the previous one and (4) Combination of previous three. In any of the implementation the scenarios the action plan can be used as project source. The action plan provides a context for the clarification of the projects, supporting their definition. To simplify the elements to define the project, was adopted the project charter (Tague, 2005, pp. 431-437) as exemplified in the Table 3.9.
Table 3.9: Elements necessary to create a project definition

<table>
<thead>
<tr>
<th>Required project field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project:</td>
<td>Project identification</td>
</tr>
<tr>
<td>Description:</td>
<td>Project description</td>
</tr>
<tr>
<td>Business Capability:</td>
<td>Project targeted capability</td>
</tr>
<tr>
<td>Project Responsible:</td>
<td>Project implementation responsible</td>
</tr>
<tr>
<td>Project description:</td>
<td>Long project description, includes the value to determine the project ranking, project description and identification of the capability and operational objective supported</td>
</tr>
<tr>
<td>Project objectives:</td>
<td>Objectives set for the project</td>
</tr>
<tr>
<td>Project results:</td>
<td>Project expected results</td>
</tr>
<tr>
<td>Operational Objectives:</td>
<td>Operational objective related to the project</td>
</tr>
<tr>
<td>Strategic Objectives:</td>
<td>Identification of the strategic objectives related to the project</td>
</tr>
<tr>
<td>Priority:</td>
<td>Project implementation priority</td>
</tr>
<tr>
<td>Expected date to start</td>
<td>When the beginning of the execution of the project is predicted</td>
</tr>
<tr>
<td>Project length</td>
<td>Estimated project duration (implementation and execution)</td>
</tr>
<tr>
<td>Cost:</td>
<td>Estimated cost for project execution</td>
</tr>
<tr>
<td>Notes:</td>
<td>Additional comments for the project operationalization or generic ones</td>
</tr>
<tr>
<td>Actions:</td>
<td>Necessary action to achieve the project objectives</td>
</tr>
</tbody>
</table>

Note: The information for the project definition is generated based in the data retrieved from the previous steps.

3.2 Adoption of Knowledge Management

The adaptability already described and materialized in the Business Capabilities can be complemented with the ability to adapt and learn from the past (Nonaka & Takeuchi, 1995; Mariotto, 2003), requiring organizational error detection and correction (Mariotto, 2003).

The clarification of the Business Capabilities involves their decomposition in Business Processes. According to Antonucci et al. (2009, p. 29), understanding the Business Processes typically involves Process Modeling. The Business Process Model allows to describe the normal flow of the work being developed, but can occur deviations caused by non-regular events or exceptions. The use of Knowledge simplifies the design of robust Business Processes. Instead to anticipate all possible exceptions and incorporate them in their models, business processes can be articulated to detect and avoid exceptions (Klein & Dellarocas, 2000). Exceptions are deviations from "normal" workflow that uses
available resources to achieve task requirements on an optimal way (Klein & Dellarocas, 2000).

Klein and Dellarocas (2000) proposes an approach to assure that the process as the ability to support the organization Business Objectives, incorporating exception handling features, allowing the processes to deal with non-systematized situations and process deadlocking. Process flows that are not standard or not formalized, traditionally supported by the managers, to handle the process deviations from expected flow of events (Klein & Dellarocas, 2000). The increasing complexity and requirements, combined with environmental changes, requires greater adaptability by the organization and consequently in their Business Processes, which difficult the managers ability to articulate their intervention using their experience and intuition.

Other authors relate the concept of Organizational Competences\textsuperscript{1}, with learning. Prahalad and Hamel (1990) consider that core competences represent a collective knowledge and incorporated organizational abilities, describing the organization of the work and the delivery of the work. Hellström et al. (2000) developed a study were is considered competence management a method to create long term competence potential, Baladi (1999) states that involves the evaluation of the gaps, competence outsourcing, competence development through training and coaching, and staffing of projects. The development of the core competences requires some change to be introduced in the organization, considering that they are related to ”Individual Job Competence”, and its improvement is based in enhancing individual competences, according a strategy context (Deist & Winterton, 2005). To improve organizational knowledge is required also the enhancement of individual competences, this relation reinforce the importance to improve individual competences.

Rummler and Brache (1995) stated that the work in the organization is executed by individuals organized by jobs and functions, executing, performing, supporting and managing the primary and support processes. The change in the Business Capability requires that the job level performer executes its functions according to what is intended by organization, contextualized in a Business Capability. This perspective needs a proper job level performance, which involves knowledge to execute the work. This relation with the individual performer, was already described by Rummler et al. (2009) in the three

\textsuperscript{1} The concept Competence, according to Stephenson (1998); Hase and Davis (1999); Noce et al. (2011) is incorporated in the Business Capability, considering also what is intended to achieve.
levels of performance or referred as implementation by Harmon (2007, pp. 505-512), being approached using training as a mechanism to introduce change in the job design.

The adoption of knowledge constructs simplifies the modeling and identification of what is necessary by the job level performer execute is work. The integration of knowledge management concepts to handle exceptions situations, avoiding deadlocking situations, and gathering the knowledge used in the decision, allow us to identify what is necessary to be incorporated in human resources trainings. Additionally can be adopted also the Knowledge Construct to clarify what Knowledge is necessary to support the processes redefinition. The identification of the necessary knowledge to support the operation of the processes, simplifies the assessment of the areas to be targeted, to developed training supporting the Business Processes, which are a clarification of the Business Capabilities.

3.3 Tool development

To support the operationalization of the workshops, was implemented a spreadsheet to simplify the development of the proposed approach. The spreadsheet was parameterized to simplify the development of the approach steps and store the information retrieved. This allowed greater objectivity and simplicity in the clarification of the: (1) Mission and Vision; (2) Strategic Objectives; (3) Stakeholders Analysis; (4) Business Capabilities; (5) Operations - Issues and concerns; (6) Improvement Priorities and (7) Action Plan, which were defined in separated sheets to facilitate the articulation of the different constructs (Figure 3.3).

To clarify the Vision and Mission was used the proposed Template, complemented with an example to facilitate the initial assessment and some guidelines to create the statement (Figure 3.4). The guidelines provide orientations considering that the Mission and Vision are a management tool oriented to the organization and not for the customers; Define the delimitation and contextualization of the organization and activity; Provide recommendations how the organization wants to be known in the long-run, the characteristics and qualities that are intended to achieve.
Chapter 3. Approach to be adopted

Figure 3.3: Integration of the steps in the spreadsheet.

Figure 3.4: Clarification of the Mission and Vision.
The step to clarify the Strategic Objectives is supported in the orientations provided in the proposed template, identifying the improvement area, strategic objectives, indicators, type of indicator, current value and goal. The objectives definition should be realized considering if they are measurable, which requires the identification of the current value and the goal to be achieved. The assumptions in the definition of the objectives is that they should be developed according the mission and vision, representing what is intended by the organization to achieve. The goals to be accomplished should be negotiated during the workshops to facilitate the operationalization of what is intended to reach by the organization and increase the involvement and the accountability of the collaborators.

![Figure 3.5: Clarification of the strategic objectives.](image)

The Stakeholder Analysis is developed based in the proposed template complemented with an example to facilitate the assessment. The identified stakeholders should be inserted along with a description (Stakeholder Clarification), to illustrate what is the stakeholder (Figure 3.6).

The assessment of the Business Capabilities is based in their representation using Ellipses. Where each ellipse represents a critical Business Capabilities, reproducing an ability fundamental to support organization mission and that allow achieving the intended vision (Figure 3.7).
Chapter 3. *Approach to be adopted*

**Figure 3.6:** Clarification of the stakeholders.

**Figure 3.7:** Clarification of Business Capabilities.
To identify the issues and concerns are inserted the elements as clarified in the proposed approach: (1) Stakeholder; (2) Issues or Concerns; (3) Strategic Objective; (4) Operational Objective; (5) Indicators and (6) Business Capability. Each element is inserted according the stakeholders and the issues and concerns identified to each one (Figure 3.8).

After the assessment of the issues and concerns is developed the clarification of the improvement priorities. This step is implement as matrix based in the business capabilities and business objectives retrieved in the previous steps. The prioritization is calculated based in the insertion of values that quantify the contribution of the Business Objective to the Business Capability (Figure 3.9), which allow calculating the value of the Business Capability.

3.4 Workshops developed

The workshops are developed supported in the use of the action-research methodology. This assumes that is a research methodology with the double objective to create organizational change solving practical problems, and simultaneously to expand the scientific knowledge using the research (Baskerville & Myers, 2004). This methodology assumes
the change in a system and simultaneously knowledge generation (Lewin, 1946). Susman and Evered (1978); Baskerville and Wood-Harper (1996) suggest the establishment of a research environment and the development of an approach with five steps iterated: (1) diagnosing; (2) action planning; (3) action taking; (4) evaluating and (5) specifying learning. This identifies two research cycles, an initial phase with a research setup followed by a phase of five steps, framed cyclically (Susman & Evered, 1978).

The workshops were developed in three different organizations described (Table 3.10). The initial pool of organizations was selected considering the proximity to the authors and the availability to develop an initial assessment, aiming to identify ways to operationalize their business strategy, supported in an action plan.

In the phase of the research environment was developed an initial assessment to identify a context, before entering the five steps of the research. This context definition aimed to clarify what was our intention and check the availability to develop this study in the organization. Before the initial contact was developed a previous assessment about the organization, retrieving information about is mission, products and services, and analysis of the information available, to get an insight. Another important facet was to assure the existence of an internal sponsor\(^2\), to develop the project and support

\(^2\)Internal Sponsor is considered an critical factor for the success of the project, and should be guaranteed by someone with responsibility in the organization (Antonucci et al., 2009, p.33). Hammer and
the involvement of the organization collaborators to participate in the workshops. After this initial contact is presented how to develop the work sessions and how they are going to be operationalized, as well the information to be considered. Additionally, was identified the meeting participants and the assumptions to their involvement, namely the representation of the organization main areas. To facilitate the integration with the organization, was also requested the business information to analyze (e.g. organization reports or financial information).

Integrated in the phase of research environment is developed the awareness according to the proposed approach, with the participants previously identified. This requires the clarification of the business objectives for the organization and how to achieve. To support the sessions development is used a platform to share the information retrieved from to the workshops participants. The solution adopted was the Alfresco (Alfresco Software, 2011) an open-source Content Management System (CMS) oriented to document management. Its main characteristics are version control, support of user profiles, content transformation, search engine and browsing the file system. This tool allowed to store the information related to the workshops, inviting the meeting participants (Figure 3.10).

It was also developed a presentation to the participants describing the approach steps, what was going to be developed and how is going to be executed (Figure 3.11).

Champy (1994) suggest also the importance of this element in the organization for the success of the projects, exemplified with the case of Taco Bell (restaurant chain in the United States).
The presentation transmitted also the main concepts to be adopted in the assessment of the business context.

Figure 3.11: Clarification of the global approach

To facilitate the development of the workshops was used a data-show, enabling the information to be presented simultaneously to the participants, and facilitating their contribution. The information was inserted in a spreadsheet and simultaneously being presented to all participants. The adopted method allowed sharing the information also in the end of the sessions, using the CMS. The workshops were carried in different types of organizations (Table 3.10).

The assessment in the Department of Higher Education institution was the first use of the approach, being involved the department members, which develop the teaching activity in different areas of expertise, like organization strategy, marketing, accounting, entrepreneurship and human resources. This allowed to validate the approach considering the knowledge in different expertise areas. The approach steps were developed during one session, being articulated the information retrieved using a data-show and was developed the following steps: (1) Mission and Vision; (2) Strategic Objectives; (3)
Table 3.10: Resume of the developed Workshops

<table>
<thead>
<tr>
<th>Organization</th>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of a higher education institution</td>
<td>27.03.2013</td>
<td>This workshops were developed in a department of higher education institution. The meetings were negotiated with responsible for the department, and were present the teachers of the department. The approach was tested.</td>
</tr>
<tr>
<td>Higher education institution</td>
<td>12.08.2013</td>
<td>Development of the approach steps to clarify the organization strategy and identify areas to be targeted. Development of the organization action plan.</td>
</tr>
<tr>
<td>Sport Department in a City hall</td>
<td>26.09.2013</td>
<td>This approach was developed in a Sport Department of a large city. The meetings were negotiated with the responsible for the department and was manifested the interested in the developing the project and to articulate with the Framework of Evaluation and Accountability (QUAR).</td>
</tr>
</tbody>
</table>

Note: The workshops developed in organizations

Stakeholders Analysis; (4) Business Capabilities, (5) Operations - Issues Assessment and (6) Improvement Priorities. The Strategic Objectives were based in information present in the strategy plan of the institution. After the assessment of the stakeholders and the business capabilities, was developed the Issues or Concerns step. This allowed to test the alignment of the information retrieved in the previous steps, namely the business objectives that solve an issue or concern, with the stakeholders, strategic objectives and business capabilities.

The sessions in the Higher education institution were developed using a spreadsheet to each approach step, with the purpose to add more information and help to clarify what was intended to achieve. During its implementation it was found that handicapped the development of the approach, due to the availability of a great amount of information that burdensome the reflection, discussion and retrieval of the information. The difficult to iterate during the approach steps when was necessary, demanded a simpler articulation mechanism. Another approach issue was related with the information being shared as an example that was used by the participants not as an example, but as an element to be considered. This hampered the assessment removing the focus from what is essential for the organization. The objective should be the discovery of what is important for the organization, and wasn’t being possible due to the focus in the information itself and not in the the approach steps development. This caused difficulties during the session execution, which forced to return back to the use of a single spreadsheet with less information, and a simpler use.
The work developed in a Sport Department allowed identifying an important facet to develop the approach, the involvement and preparation of the work. Although the approach being proposed as pro bono consulting, the agreement of the Subject Matter Experts is fundamental before the development of a group session. The approach steps preparation was developed as planned, and was arranged the first session, were present the responsible for the sport department and operations, and the following areas: financial; human resources and sport installations. This meeting reinforced the importance to remove the business function that each participating element has in the organization and enhance their presence in the meeting according the expertise in the organization. Not considering this allowed that the participants suggested that wasn’t important to develop the following meetings, because they developed their work according the business function responsibility. Another problem is that the participants don’t give contributions about other business areas if they consider that they aren’t related to the functional area that they develop in the organization and represent in the meetings. This leaded to a lack of consensus and prevented the development of the next session.

The main reflections due to the development of the workshops are described in the next section, which allowed improving the approach and increase its adaptability.

### 3.5 Approach Improvements

This initial approach assessment was developed in three different organizations: Department of higher education institution; Higher education institution and Sport Department in a City Hall. The initial pool of organizations was selected considering the proximity to the authors and the availability to develop the initial assessment. After the development of the workshops to evaluate the proposed approach, were identified improvements or other aspects to consider. Are presented important facets that are intended to create improvement actions organized by improvements in the session preparation, tool development and the approach.

#### 3.5.1 Improvements in the session preparation

In the initial meeting, in each organization was presented a graphical summary of the steps involved, a presentation describing the approach steps and information about the
tool to be used in the work sessions. To have greater impact in the organizations was requested the presence of a responsible for each major area (e.g., financial, human resources, operations, marketing, and an head director). This representation by functional area should be performed considering the knowledge and not the function performed in the organization, this is fundamental and should be reinforced. Another improvement is related with the ability to simplify and decompose the approach, according the complexity or detail level necessary, in the targeted organization. Starting from a simple approach, which could be explained easily in the initial steps, and detailed as we move forward. The structuring of the approach using some modularity allows the decomposition as necessary and an easier overall approximation with greater adaptability.

The session preparation should be developed with a proper contextualization, which should be articulated to identify clearly what roles each organization member should perform. This should be performed with the organization responsible, to emphasize the internal sponsor, performing a presentation, to formalize what is intended to achieve.

The meeting participants should be involved considering the assumptions like the non-existence of positions and that aren’t in representation of an organization function or role, participating as Subject Matter Experts (Antonucci et al., 2009, p. 146), having a deep understanding of the business functions or operation. This principle to adopt to the meeting participants is important to increase the autonomy and participation not limiting to the executed organizational function, which should be properly backed up by the organization responsible to increase the quality of the results being achieved.

3.5.2 Improvements in the tool

During the development of the workshops was identified some limitations in the adoption of the developed tool. The session execution was operationalized using a spreadsheet for each step of the approach, this became impractical, namely for the articulation of the approach steps, and was found to be more convenient to place all of the steps in a single spreadsheet. The objective should be the discovery of what is important for the organization, and wasn’t being possible due to the focus in the information itself and not in the approach steps development. This caused difficulties during the session execution which forced to return back to the use of a single spreadsheet with less information, and easier to use.
After the development of workshops, the Mission and Vision were structured using a different approach. The recommendations were organized and divided, by cells, creating building blocks to define the Mission and Vision simplifying the construction of the statement. The business capabilities in the first approximations were inserted as ellipses, which was found later during its application during the work sessions that wasn’t practical. This created some constrains and was adopted a different approach using a textual description to insert the Business Capability name and additional comments, which was easier to insert the information, and allowed in the following steps to clarify more easily what was each Business Capability. The graphical model adopted for the business capabilities was simplified using a text description.

After the development of the approach and the definition of projects, it was also found that this information could be used to generate the action plan and project information files, based in the use of the information retrieved.

3.5.3 Improvements in the approach

After the development of the workshops were carried out adjustments to the proposed approach based in problems or issues identified during their development. This assessment was realized to test the proposed approach in the context of the sport organizations, and verify its applicability.

The first test, was developed in a Department of a higher education institution, it identified some problems related to the business capabilities, using a graphical model that wasn’t adequate to quick changes in interactive meetings. Other aspect that caused problems in the application was due to an excessive number of examples and comments, taking the participants to move to the information proposed and moving away from the real aspects related to the organization. We can find some references documenting this problem, Sharp (2009) suggest the use of references and other elements, later and as a checklist. This created the need to improve the knowledge in adopted elements of the approach, problem that was approached increasing the knowledge in the area.

The second test was leaded to the reformulation of the approach, manly related to the use of several documents to store the retrieved information during the workshops. It was adopted a framework to simplify the identification of the Business Capabilities, that
difficult the participants to clarify the core capabilities, due to the consideration of the elements identified in the framework. This reinforces the aspect that the frameworks should be adopted as a checklist and cannot be used in initial assessments. Another concern that should be addressed is the reinforcement of the knowledge that is required to develop the approach steps.

The third test raised the need to check first the individual perspectives before developing the work sessions. This leaded to an individual assessment, to reduce the attrition and increase the initial involvement. In this organization the developed work sessions were a symptomatic demonstration of this problem, the global receptiveness conflicted with an individual perspective. Another identified problem was the need to ensure that in the organizations, the top level responsible guarantees their commitment, and remains in the organization structure allowing the project to be developed. In this organization there was some instability due to the development of the elections to mayor. The project development should evaluate the continuity of the project sponsor in the organization and ensure the project continuity.

In a general way were considered some changes in the initial proposed approach. The adoption of the guidelines used in the Mission and Vision to systematize their construction as building blocks. The simplification of the assessment of the Business Capabilities being described has something that is critical to ensure the organization survival, which allowed the reflection to be made by the participants in the work sessions, to be developed more easily and without the additional concerns, like its division in core and support. The assessment of the Business Objectives considered several elements that later were dropped, e.g. identification of the periodicity or the type of the analysis. This doesn’t mean that those elements aren’t relevant, but was additional information needed to clarify in the workshops. To simplify the assessment was considered not clarify that elements.

Another identified limitation was the availability of a great amount of information that burdensome the reflection, discussion and retrieval of the information. This was more troublesome when was necessary to iterate during the approach steps, which demanded a simpler mechanism. The development of a previous assessment, with the development of tests in some organizations, leaded to a reevaluation of the proposed approach and its simplification. In the table 3.11 is presented the main aspects related
to the improvements in the approach. In the next section we will develop the description of the proposed steps created after the literature review and after the first developed assessment.

### Table 3.11: Issues identified in the development of the proposed approach

<table>
<thead>
<tr>
<th>Organization</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of a higher education institution</td>
<td>Problems in the identification of the business capabilities, using a graphical model that wasn’t adequate to quick changes in interactive meetings. The lack of mastership leaded to the inclusion of many examples and comments, taking the session participants to the information proposed and moving away from the real aspects related to the organization. Problem also documented by Sharp (2009) suggesting its use in later sessions, after an initial assessment.</td>
</tr>
<tr>
<td>Higher education institution</td>
<td>Difficulty using different documents to store the information complicated the approach use. It shouldn’t be used frameworks to developed the initial assessment, but as a checklist. This difficult the identification of the business capabilities. The session participants diverged from the core capabilities, using the sample capabilities as a checklist.</td>
</tr>
<tr>
<td>Sport Department in a City hall</td>
<td>It is important to check first the perspectives before developing the work sessions. This aspect creates need of an individual assessment to reduce the attrition and increase the initial involvement. This case as a symptomatic demonstration of this problem, the global receptiveness conflicted with an individual perspective. The need to ensure the support of the top level.</td>
</tr>
</tbody>
</table>

Note: Development of initial assessment leading to approach adjustments

### 3.6 Conclusion

In this section we provide the conclusion after the assessment of the proposed approach. First, was presented in the Section 3.1, the proposed approach supported in the steps: (1) Mission and Vision; (2) Strategic Objectives; (3) Stakeholders Analysis; (4) Business Capabilities; (5) Operations - Issues and concerns; (6) Improvement Priorities and (7) Action Plan.

The improvements actions could be developed using job training actions, this requires the identification of the necessary knowledge to support the operation of the processes, which simplifies the assessment of the areas to be targeted, developing the training supporting the Business Processes, which are a clarification of the Business Capabilities (Section 3.2).
To simplify the use of the approach to support the operationalization of the workshops, was implemented a tool to simplify its development. The spreadsheet was parameterized to simplify the development of the approach steps and store the information retrieved, which is presented in the Section 3.3.

The identified assumptions were tested in developed workshops (Section 3.4), which allowed the identification of approach improvements in the session preparation, tool and execution of the approach (Section 3.5).

After this chapter is presented the adoption of the approach in three types of organizations, public organization that performs the management of sport facilities, sport department of a local government organization and the Portuguese Federation of Taekwondo. The organizations were selected according existing requirements and the convenience to develop the studies. The consequence of this intervention originated the development of the research papers presented in Chapter 5, 6 and 7, where are described the adopted methodologies and the information related to the organizations studied.
Chapter 4

Study 1: Operationalization Approach

Improving Sport Organization Performance based on Business Capabilities integrated in a Business Process Management Approach

Article waiting submission, in articulation with Trevor Slack.

4.1 Abstract

Organizations are entities that develop their activity based in strategy assumptions. The lack of research dealing with the strategy operationalization in the sport organizations, created a research gap that this study tries to address, using the Business Process Management (BPM) as theoretical framework. Is described how BPM can facilitate the definition of the action plan for the strategy considering its scope, holistic perspective and proximity with the operations of the organization, which facilitates the articulation of improvement approaches. This paper proposes an approach to be adopted in sport organizations and clarify the improvement actions to develop according their strategy. To demonstrate the approach is presented a case study providing information about steps developed and the results achieved, is suggested how can be used and are provided recommendations how can be adopted in other organizations. The results of this study is
how to systematically clarify the strategy operationalization using in strategy as context to support the improvement actions for the operations of sport organizations.

Keywords: Sport Organizations, Strategy Operationalization, Business Process Management approach

4.2 Introduction

Sport organizations are social entities involved in the sport industry; are goal directed, with a consciously structured activity system and relatively identifiable boundary (Slack & Parent, 2006). The goal orientation is supported by the formulation of organizational strategies, articulated with clearer objectives, better guidelines for employees, improved organizational performance, and an enhanced ability to anticipate and respond to environmental changes (Das, 1990). Chandler (1962) considers long-term goals and objectives a determination of the strategy, to accomplish using the necessary means (Das, 1990; Chandler, 1962), influenced by external factors, leading to internal adjustments (K. R. K. R. Andrews, 1980). To develop the strategy, according to Miles et al. (1978) can be adopted one of the following approximations: defenders; prospectors or analyzers, were the success depends of the development of an adjustment between the environment and the strategy. Berrett and Slack (2001) also considers fundamental for the success, a suitable fit between the strategy and the environment. A good strategy requires an adjustment between the external (threats and opportunities) and the internal (strengths and weaknesses) (K. R. K. R. Andrews, 1980), where the viability of the organizations to master the challenges posed by their environments, depends on their ability as information processing systems to develop adjustments (Miller & Friesen, 1983).

Strategy plays an important part determining the structure adopted by the sport organization (Hoye, 2006), which allows to break down the tasks allocating the work to employees or volunteers (Slack & Parent, 2006). The organization structure should be designed to maximize the chances of the organization strategy being achieved (Hoye, 2006). Miles et al. (1978) considers that to support the strategy is necessary the structures to pursue the strategy. Slack and Parent (2006, p. 125) also states that the strategy can be also influenced by the structure, "the decisions on what to do next should be
based, at least in part, on the organization structure.” The strategy determines structure and the structure determines the strategy, “none takes precedence: each always precedes the other and follows it” (Slack & Parent, 2006, p. 126). Organizations must be structured to deal effectively with the contingencies of their environment (Miller, 1987), using an internal structure providing better conditions to achieve the strategy.

The development of a strategy increases the success of the organizations, which is enhanced performing an adjustment with the surrounding environment, where the organization operates (Miles et al., 1978). The strategy provides the necessary capabilities to master the challenges posed by the environment (Miller & Friesen, 1983). The perception of the dynamics and the importance of the surrounding environment, creates the need for the management recognize and articulate the organizational capabilities, to adapt to new realities (Prahalad & Hamel, 1994) and adjust its key strengths (Beech & Chadwick, 2004). Hoye (2006) considers that the Sport Managers have the responsibility to create the necessary conditions for the organizations react to opportunities in the market, or the demands of their stakeholders, maintaining adequate forms of control and accountability. The perspective that the management of resources is essentially dynamic, is also sustained by Sirmon, Hitt, and Ireland (2007), considering that the change results from adapting to environmental contingencies and from the exploring opportunities created by those contingencies. The necessary adaptability requires an internal process management, as a mean to support organizational reconfiguration, defining how to deploy and evolve business capabilities (Teece et al., 1997; Peteraf & Bergen, 2003; Helfat & Peteraf, 2003; Teece, 2007; Peteraf et al., 2013), sustaining the competitive advantage of an organization in their "dynamic capabilities". The internal readjustment and the adaptability of the organization to the environment, is supported in the concept of dynamic capabilities, reinforced with the need to adapt to the surrounding environment dynamics.

The articulation of the internal organization configuration reflecting the adaptability to develop adjustments to the external environment, requires that the manager deploy properly the organization operations according their business objectives. This identifies a critical aspect related to the organization configuration, considering the objectives to be targeted and the importance of how to manage organization operations. Although the relevance of the subject how to develop the operationalization of the strategy, there is almost an nonexistence of works in the field of sport organizations operations (Thibault
et al., 1993), which is reinforced by the criticism of Slack (2010) for the absence of studies related to the formulation and implementation of organizational strategies in sport. Emery (2010) strengthen this perspective specifying the need to develop the operations of sport organizations, particularly in the nonprofit sector.

The development of improvement actions properly articulated with the organization strategy requires the definition of a business context to support an effective action plan targeting the operations. Existing approaches for strategy operationalization are typically top-down (Kaplan & Norton, 1996b), however some authors consider other approximations, bottom-up (Mintzberg & Waters, 1985) or less formal (Mintzberg & McHugh, 1985). The different approximations and strategy definitions should be adjusted to the organization objectives to be achieved. Harmon (2010) considers that the organization optimization should be developed achieving an alignment between the strategy and the operations, managing the employees to fulfill the organizational objectives.

4.3 The need for a BPM approach

Business Process Management (BPM) uses elements from strategy and operations, with a horizontal perspective and the involvement of collaborators to deliver customer requirements (Zairi, 1997; Hung, 2006). This multidisciplinarity can be identified in the roots of quality and reengineering (Hammer, 2010; Hung, 2006), or according to Harmon (2010) quality, management and technology. The perspective of Hammer is supported in the assumption that managers always developed work optimization to increase productivity and quality, supported in technology. The complementarity in each root area, according to Hammer (2010) quality considers a process a sequence of activities without strategic meaning, limitation that is matched with the focus in the customer from the reengineering, moreover the reengineering limitation related to lack of continuous improvement is solved with the perspective of quality (Hammer, 2010). These different areas and complementarity give BPM a holistic perspective supported in a comprehensive approach integrating several areas (Zairi, 1997) developing articulated improvement efforts (Hammer, 2010). The process improvement holistic perspective (Smart et al., 2004) allow to integrate strategy and operations (Smart et al., 2009).
The different areas supporting BPM provides an unifying theme directed to the improvement of organizational performance (Hammer, 2002) based on processes and considering systematically elements like strategy, scope of change, performance measurement, process architecture, human factors and information technology (Smart et al., 2004). BPM tries to create value from a sustained focus on business process (Smart et al., 2009) which is supported in the assumption that people work on functions, and that the processes are not functional (Zairi, 1997; Ould, 2005; Sharp, 2009). The functional approach has barriers to achieve customer satisfaction (Zairi, 1997) when removed improves the perspective to the customer (McAdam, 1996) solving the problems created by the Taylorism functional specialization (Hung, 2006). The work developed in departments (organizational functions) isn’t easily articulated and have conflicting objectives, creating sub-optimizations, overheads and non-value-adding work\(^1\), which difficult the identification of a responsible (Hammer, 2002).

Processes are visualized as a horizontal perspective of the organization, to reduce cycle times, process cost and increase customer satisfaction (Kilmann, 1995). The orientation for the customer satisfaction is supported in the execution of the activities efficiently and effectively (Hung, 2006), according the business goals and adding value in the development of the work (Zairi, 1997). Several organizations recognized the need to change from the functional approach and shift to a set of rules according the customer needs (Zairi, 1997).

BPM is considered the best approach to support the competitive advantage aligning the operations with the business objectives (Hung, 2006), allowing to articulate objectives apparently incompatible, as reducing inventory and out-of-stocks (Hammer, 2010). BPM is an systematic approach to support the achievement of organizational objectives (Antonucci et al., 2009; R. Davis, 2007; Jeston & Nelis, 2006) highlighting the importance of an overall articulation of the work to fulfill the business objectives. Smart et al. (2009) suggest that the articulation depends of the strategy approaches, deployed in an infrastructure based in the processes, which are viewed as an underlying support, to configure the organization and the work developed (Hammer, 1990) or as an overall approximation (Hammer, 1997), which simplifies the work redesign (Hammer, 2002).

\(^1\)The value-adding is supported in the concept of value-chain of Porter (1985).
BPM represent processes, using concepts, methods and techniques to support the design, administration, configuration, enactment, and analysis of business processes (Weske, 2007), manages the life cycle of processes (Darnton, 2012), considers processes an organizational asset (Bandara, Chand, et al., 2010) and represents the efforts of the organization to analyze and improve the fundamental activities (Trkman, 2010). It is a holistic management discipline that uses technology to control and operate the entire business, through the use of rules that define business processes (Møller et al., 2008), supported with methods, techniques and software to design, represent and analyze organizational processes involving, people, organizations, applications, documents and other sources of information (Aalst et al., 2003).

BPM has an important role in the organizations, relevance enhanced by Hammer (2010), stating that is a comprehensive system for managing and transforming operations, based on what is arguably the first set of new ideas on organizational performance since the Industrial Revolution. Smart et al. (2009) considers that BPM is strategy in action.

The lack of research in the area of sport organization operations (Thibault et al., 1993; Slack, 2010; Emery, 2010), identifies a limitation that to be properly addressed, need an adequate articulation. Furthermore, the nonexistence of an approach based in BPM to be adopted in the sport organizations to operationalize the strategy remains unsolved. The perception of the importance that BPM can have to implement the strategy in sport organizations, lead us to the present study.

Considering the aforementioned aspects and the existent studies, our aim is to propose an approach to be adopted in sport organizations, using BPM to operationalize the strategy based on their business capabilities.

### 4.4 Theoretical background

Interestingly thought, none of the identified research addresses how to operationalize the strategy in sport organizations using BPM as an approach. This could be the consequence of the research field being recent (Hung, 2006). Considering this hiatus, this paper evaluates existing BPM approaches, according the information provided by practitioners to support the assessment of an approach to be adopted in sport organizations.
Additionally, it is also analyzed critical success factors providing insightful information identifying issues to be addressed in the proposed approach.

### 4.4.1 Existing Approaches

There are several BPM approaches proposed by BPM professionals to improve organizations: Effective Process Framework (Rummler & Brache, 1995); Office of BPM (Tregear et al., 2010); Project Framework 7FE (Jeston & Nelis, 2006); Tools for process improvement (Sharp, 2009); BPM Project Delivery Framework (Miers, 2005); BPTrends (Harmon, 2007) and MLearn (Coelho, 2005a). Considering the availability of information, we present a brief description of each approach and their main characteristics.

The Effective Process Framework (Rummler & Ramias, 2010) is based on the concept of the organization as system, starting outside (super system) and drilling down into the organization level by level. The approach is based on the assumptions that: (1) organizations are systems; (2) organization are processing systems; (3) organizations are adaptive systems; (4) jobs or roles and functions exist to support processes of the organization; (5) all performers are part of a human processing system; (6) management must keep the organization system aligned and (7) the results chain must link to a critical business issue (Rummler, 2004).

The Office Of Business Process Management (OBPM) proposed by Tregear et al. (2010) suggest an approach for BPM adoption using a BPM center of excellence, the OBPM. Three accelerators are suggested for the implementation of the OBPM: (1) the OBPM reference model; (2) the staged implementation and (3) the BPM capability development program. The implementation is facilitated using three levels of maturity in the organization and is supported by four main components: (1) the management processes; (2) the support processes; (3) the process improvement services and (4) the process management services. The guiding principles are based on the balance between the strategy and the improvement projects, developing alignments between strategy and processes, using improvement initiatives (Tregear & AlKharashi, 2012).

The project framework 7FE Jeston and Nelis (2006) starts with the formulation of strategic objectives and ends with their fulfillment. It proposes an alignment between the strategy, the process and the projects execution, and the process governance, suggesting
their application supported with the Balanced Scorecard (Kaplan & Norton, 1996b), as a foundation to clarify the strategy.

Sharp (2009) proposes Tools for Process Improvement, suggesting a set of orientations based on the identification of core business processes, starting with the contextualization of processes, supported in the clarification of process objectives, properly aligned with the business objectives. The proposed steps are: (1) establishing the process context, its scope, and goals; (2) understanding its as-is process-workflow and other enablers and (3) defining the to-be process characteristics and requirements. The approach provides a set of guidances, on how to validate and test the clarification of the processes, suggesting ways of developing the working sessions in the organizations.

The BPM Project Delivery Framework (Miers, 2006) is a set of steps, to ensure that projects are addressed in an adequate sequence, linked to business goals, properly supported, with a delimited scope and using an appropriate BPM technology. The approach requires the identification of a steering group, a suitable target to develop a business case, and to assure the executive sponsorship. After the initial preparation, suggest the identification of a BPM project team, to assess the current situation and identify improvement opportunities. The improvement in the organization is based in the development of a prototype on a BPM Suite. Finally, is carried its implementation and ends with the alignment of the organizational change.

BPTrends is based on three layers: enterprise level and business process level supported by an implementation (Harmon, 2007). The enterprise level develop activities to create tools enabling executives and BPM Centers of Excellence to manage the organization. The process level articulate the activities to design processes allowing: (1) understand and organize the strategy and processes; (2) define a process architecture and performance system; (3) define a process governance and (4) align processes with other resources (e.g. technology and employees). The implementation level consider targets to identify and prioritize improvement actions (Harmon, 2007). To identify the improvement actions are selected projects with bigger impact enhancing the processes, using a systematic approach (Harmon, 2007).

The MLearn approach (Coelho, 2005a) proposes a method to identify fundamental factors to a successful implementation, using a model of continuous improvement, oriented to an effective fulfillment of the business strategy, with the main characteristics:
(1) holistic perspective of the organization; (2) employees involvement; (3) support of knowledge management; (4) systematic view of the organization; (5) business objectives aligned with the organization business capabilities and (6) definition of a workgroup for improvement and implementation. The approach is developed in two parts. The first part develops the identification of what the organization should accomplish (business objectives). The second part clarifies how the organization develops currently the activities, allowing to identify existing gaps in relation to business objectives (Coelho, 2005a).

Generally, all approaches identify the development of improvement actions, which should create the necessary conditions to support process improvement and move the organization to a desirable state. Tregear et al. (2010) suggest the identification of improvement projects defined in the context of the processes based on strategy assumptions. Instead of using a project layer, Harmon (2007) suggest an implementation layer, identifying the human resources as an improvement area combining three elements: Job Design, Training Development and Knowledge Management. This articulation assumes an orientation to improve the organization human resources.

The analyzed approaches consider the strategy as a context, framing the processes, which supports underlying improvement actions. The developed assessment allowed us to reflect how to build an approach and identify what elements to consider. This evaluation is based in the fact that the information is scattered and each approach provides different insights. The overall overview allowed us to propose the steps how to address the strategy operationalization in the sport organizations. In the table 4.1 we present a resume of the elements or orientations considered to be adopted.

### 4.4.2 Critical Success Factors

The adoption of BPM based approaches in organizations allowed the identification of the critical factors to develop a successful implementation. This evaluation intends to identify elements to be considered or incorporated, which tries to anticipate critical aspects to consider when using the proposed approach in sport organizations.

BPM is a holistic management discipline (Rosemann & Brocke, 2010), which implies the use of a wide range of elements. Rosemann and Brocke (2010) identify six core
Chapter 4. Study 1 — Business Process Management Approach

Table 4.1: Adopted and integrated elements in the proposed approach

<table>
<thead>
<tr>
<th>Approach</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective Process Framework (Rummler &amp; Ramias, 2010)</td>
<td>Organization as a system, starting from the outside (super system) and decomposing the organization by levels, proposing the Value Creation Architecture consisted of Business Architecture, Management System Architecture, Technology Performance Architecture and Human Performance Architecture.</td>
</tr>
<tr>
<td>Projects 7FE Framework (Jeston &amp; Nels, 2008)</td>
<td>Alignment between the formulation of strategy, process and projects execution using a process governance, supported on the Balanced Scorecard, for clarifying the strategy. Although other approaches can be adopted for the strategy clarification.</td>
</tr>
<tr>
<td>Tools for process improvement (Sharp, 2009)</td>
<td>How to develop the identification of the processes, properly contextualized in the end-to-end processes, clarified with the respective business goal, grounded in the organization strategy. Set of guidelines to improve the processes with richness of detail, including how to develop meetings approaches.</td>
</tr>
<tr>
<td>BPM Project Delivery Framework (Miers, 2006)</td>
<td>How to ensure that projects are addressed in the proper sequence, linked to business goals, with its scope properly identified and supported with appropriate resources and sponsorship. Identification of a set of steps to develop a successful BPM approximation.</td>
</tr>
<tr>
<td>BPTrends (Harmon, 2007)</td>
<td>Uses two approximations, at a strategic level and process level. The main goal at the strategic level is to create and organize the tools and resources that managers need to coordinate the processes across all the organization. In the process level the objective is the development of projects with bigger impact in process improvement, using a systemic approach to the business model underlying the processes, as well as, inputs, outputs, streams and activities, management processes, process control and support processes.</td>
</tr>
<tr>
<td>MLearn (Coelho, 2005b)</td>
<td>How to develop a top-down approach, trying to systematize a set of steps properly grounded in a business context, developed with the involvement of the organization collaborators and the use of interactive sessions on real-time.</td>
</tr>
</tbody>
</table>

Note: The proposed approach articulates several elements and concepts to facilitate a quick assessment to operationalize the business strategy.

elements to be considered in a holistic approximation to BPM: (1) strategic alignment with the overall strategy of the organization; (2) BPM governance establishing a transparent and appropriate accountability in terms of roles and responsibilities for different levels of BPM (portfolio, programs, projects and operations); (3) methods defined in the context of BPM, as a set of tools and techniques supporting and enabling activities, along the process lifecycle within enterprise-wide initiatives; (4) information technologies supporting BPM initiatives; (5) people as core element of BPM who enhance and apply improve their process and process management skills and knowledge to improve business performance, and (6) BPM culture incorporate collective values and beliefs concerning to the process-centered organization.

Bucher and Winter (2010) identify four design factors for developing BPM: (1) process degree of performance; (2) professionalism of process management; (3) impact of process managers and (4) usage of methodology and standards. Based on these factors they identify four global approaches to BPM, allowing the specification of 18 fragments
and projects necessary to develop an approach. The authors suggest this approach as an approximation to the customization of BPM based on the customer context (e.g. fragment 06 need first to be finished the activities ”Assess existing business strategy for process directions” and ”Consult with process customers for performance objectives”)

The critical factors for the operationalization of BPM give us the orientations about concerns to be addressed, namely the identification of key elements to consider on an approach. The importance on developing an alignment, the clarification of who is involved and how the approach is supported in terms of tools and techniques, are issues to consider. Additionally, should be considered the importance of the people as source and target of the improvements. Finally the understanding of the relevance of an ”approach adaptability” enabling adjustments considering the target organization, providing flexible steps as a recommendation, where is important to ensure a fit between the approach and the organization.

4.4.3 Proposed Approach

The analysis of existing approaches and the consideration of the critical factors in their implementation, allowed to sustain an approach, to be applied in sport organizations seeking real impact in their activities. The steps include the assumptions of the strategy, as axioms that will be used to clarify the targeted areas, encompassing the processes that have impact on the work, organized in business capabilities.

To facilitate the initial assessment, the concept of business capabilities is included, as a way of organizing the business processes. Allowing to focus first on the ”what?” before clarifying the ”how?” and ”who?” (Sharp, 2011), representing what the organization has to do, without specifying how. The processes specify how the work is done in the organization (Davenport, 1993). The simplification of the work sessions with the person responsible, allow the identification of the major areas to stand out, giving competitive advantage (Prahalad & Hamel, 1990) to the organization, without getting into details clarifying the business processes, requiring the knowledge about the underlying processes and their activities.
The business capabilities acts as a response to the external stimulus (Coelho, 2010a), allowing the use of the stakeholders as a source of events triggering the reaction developed in the organization business capabilities.

The premises underlying the implementation of the approach are based on the simplification of a set of constructs related to the business strategy and the integration of several concepts that can be applied in a workshop with the responsible of the organization, regardless of their size or knowledge. The approach is structured in three layers of approximation: strategy; operations and implementation (Figure 4.1).

In the strategy level the development of an assessment is proposed, creating a context for the improvement actions, based on the clarification of: (1) mission and vision; (2) strategic objectives; (3) stakeholders analysis and (4) business capabilities. In the operations layer we developed the issues assessment, integrating the information retrieved from the previous layer. Stakeholders are used as the source of stimulus, processed with a business capability, supporting the fulfillment of an objective, developing an improvement, moving the organization from an actual state to an intended one. The last layer involves the clarification of the implementation necessary to fulfill the top-levels, optimizing the impact of an improvement in the organization, decomposed in two sub-steps: improvement priorities and action plan.

The approach uses elements from several management tools and provided orientations: (1) Mission and Vision (Kaplan & Norton, 2008b; EFQM, 2001); (2) Strategic Objectives (Noce et al., 2011; Kaplan & Norton, 2008b); (3) Stakeholders (Freeman, 1984); (4) Business Capabilities (Porter, 1985; Homann, 2006; Rosen, 2012); (5) Operations (Noce et al., 2011); (6) Improvement priorities (Bandara, Guillemain, & Coogans, 2010; Gosenheimer, 2012) and (7) Action plan. The approach elements provide what is
necessary to facilitate the articulation of the Business Capabilities, Strategic Objectives, Operations and Business Capabilities Improvement Priorities. This allows retrieving the necessary information to identify the context to facilitate the assessment of what is necessary to accomplish in the organization. The elements are clarified and is identified how they should be gathered, e.g. the mission and vision were systematized according to the premises identified in the European Foundation for Quality Management (EFQM), considering the following elements (EFQM, 2001): (1) action verbs reflecting what the organization does; (2) definition of two or three critical competences on the long term success; (3) definition of who our customers are; (4) definition of where we operate geographically, and; (5) sentence building articulating (1)+(2)+(3)+(4), as exemplified in Table 4.2. The adoption of a similar procedure to the vision is suggested. This systematization is facilitated, considering that is adopted a spreadsheet to gather the information required by the propose approach, simplifying its retrieval, allowing that isn’t needed by the participants the knowledge of a business ontology and a concepts adjustments. This allows to focus on the information to be retrieved and not on the management tools.

This approach tries to provide an alternative to the lack of studies to operationalize the business strategy (Thibault et al., 1993; Slack, 2010; Emery, 2010). Our proposal...
Table 4.2: Mission clarification

<table>
<thead>
<tr>
<th>Elements</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Identification of action verbs emphasizing what the organization does</td>
<td>Promote; Train; Disseminate; Contribute; Designing; Organize</td>
</tr>
<tr>
<td>(2) Two or three critical capabilities on the long term success</td>
<td>Disseminate the sporting and training practice; Keep an sustainable growth in the formal practice; Contribute to excellence in Federation</td>
</tr>
<tr>
<td>(3) Define who the customers are</td>
<td>athletes; practitioners; coaches; masters; referees; clubs; associations</td>
</tr>
<tr>
<td>(4) Identify where we operate geographically</td>
<td>Portugal</td>
</tr>
<tr>
<td>Combine the previous elements to articulate a statement to define the mission</td>
<td>Promote, disseminate and contribute to the excellence of the Federation through the training of athletes, coaches, referees and support for clubs and associations, sustaining the growth of the sport practice</td>
</tr>
</tbody>
</table>

Note: Example of a clarification of the mission in a context of sports federation.

gives some orientations how this can be developed, allowing systematically to address the problem. Another characteristic is that doesn’t requires knowledge about the used constructs, which are simplified (Table 4.3). This is reflected in a adopted terminology, to be used instead of the traditional management constructs, e.g. stakeholders, or balanced scorecards, to name few, which requires an adaptation. Based on this principles, the approach doesn’t requires a apprenticeship adaptation and can be applied without a learning curve in sessions workshops. This aspect is also described by Sharp (2009) considering that is important concentrate our focus in the comprehension of the organization particularities and not in frameworks that diverts us from the organization issues.

In the next section we describe how the proposed approach was applied in a sport organization, providing information how was developed.

4.5 Approach adopted in a Sport Organization

4.5.1 Research methodology

The study methodology assesses the theoretical findings identified, i.e. if the proposed approach can be adopted in a sport organization, namely developing its appliance within a National Sport Organization (NSO).

We documented our progress in the study inserting the retrieved information in the research instrument developed to support our approach that was built to be applied in the sport organizations and gather the required information. Eight steps are suggested:
## Table 4.3: Example of the terminology simplification

<table>
<thead>
<tr>
<th>Step</th>
<th>Approach element</th>
<th>Adopted simplified question</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Mission and Vision</td>
<td>Mission</td>
<td>(1) What does your organization?</td>
</tr>
<tr>
<td></td>
<td>Vision</td>
<td>(2) What your organization intend to be?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(3) What is the organization ambition?</td>
</tr>
<tr>
<td>2. Strategic objectives</td>
<td>Increase the number of practitioners</td>
<td>(4) What are the necessary supports to increase the number of practitioners?</td>
</tr>
<tr>
<td></td>
<td>Increase the number of existing levels</td>
<td>(5) What are the necessary support to increase the number of levels?</td>
</tr>
<tr>
<td></td>
<td>Increase revenues</td>
<td>(6) What is necessary to increase revenues?</td>
</tr>
<tr>
<td>3. Stakeholder assessment</td>
<td>Stakeholders</td>
<td>(6) With whom have to worry?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(7) Who contributes or causes difficulties to achieve the sport club objectives?</td>
</tr>
<tr>
<td>4. Assessment of Business capabilities</td>
<td>Business Capability</td>
<td>(8) What the sport club have to know to do?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(9) What the sport club knows to do?</td>
</tr>
<tr>
<td>6. Issue assessment related to stakeholders</td>
<td>Issues that concern us related to a stakeholder</td>
<td>(11) What are the main issues or concerns related to a stakeholder (identified in the previous step)?</td>
</tr>
<tr>
<td></td>
<td>Operational objective that corrects the issue</td>
<td>(12) How to solve a issue or concern related to a stakeholder?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(13) What is the objective that have to be fulfilled to remove the issue?</td>
</tr>
<tr>
<td></td>
<td>What is the necessary business capability to solve the issue</td>
<td>(14) What objective as to be fulfilled to remove a issue or concern?</td>
</tr>
</tbody>
</table>

Note: This terminology simplifies the information retrieving, based in the proposed approach.

(1) organization mission and vision; (2) identification of strategic objectives; (3) stakeholders analysis; (4) identification of business capabilities; (5) assessment of stakeholders concerns and objectives; (6) clarification of operational objectives aligned with stakeholders, business capabilities and strategic objectives; (7) prioritization of improvement areas and (8) definition of an action plan, based in the improvement needs to be identified and materialized in projects. The resulting dataset allows us to point out qualitative findings of the case-study, as proposed by Eisenhardt (1989), to address and research an emerging area (Yin, 2003).

The developed approach was initially tested in three different organizations described in Table 4.4 before developing our case. This allowed to check is usability, which provided insights of what to consider and guarantee when addressing a sport organization. The initial pool of organizations was selected considering the proximity to the authors and the availability to develop an initial assessment, aiming to identify ways to operationalize their business strategy, supported in an action plan. The approximation was developed with an initial contact with the responsible in the organization, conducting a briefing, explaining the approach and the outcomes. To have greater impact and richness on the identified solutions for the organization, the presence of a responsible for each major
area was requested (e.g. financial, human resources, operations, marketing and a head director). This meeting was used to explain the advantages for the organization and facilitate the development of this initial assessment, a graphical summary of the involved steps was provided, a presentation, and a tool to gather the information retrieved in the work sessions.

Table 4.4: Issues identified in the development of the proposed approach

<table>
<thead>
<tr>
<th>Organization</th>
<th>Date</th>
<th>Issues identified</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of a higher education institution</td>
<td>27.03.2013</td>
<td>Problems in the identification of the business capabilities, using a graphical model that wasn’t adequate to quick changes in interactive meetings. The lack of mastership led to the inclusion of many examples and comments, taking the session participants to the information proposed and moving away from the real aspects related to the organization. Problem also documented by Sharp (2009) suggesting its use in later sessions, after an initial assessment.</td>
</tr>
<tr>
<td>Higher education institution</td>
<td>12.08.2013</td>
<td>Difficulty using different documents to store the information. The adoption of elements of existing frameworks, difficult the identification of the business capabilities. The session participants diverged from the core capabilities, using the sample capabilities as a checklist.</td>
</tr>
<tr>
<td>Sport Department in a City hall</td>
<td>26.09.2013</td>
<td>It is important to check first the perspectives before developing the work sessions. This aspect creates need of an individual assessment to reduce the attrition and increase the initial involvement. This case as a symptomatic demonstration of this problem, the global receptiveness conflicted with an individual perspective. Another factor that was difficult was the development of the elections to mayor.</td>
</tr>
<tr>
<td></td>
<td>09.10.2013</td>
<td></td>
</tr>
</tbody>
</table>

Note: Development of initial assessment leading to approach adjustments

The outcomes of this initial assessment provided us guidelines and orientations of elements to consider (see Table 4.4), which confirmed some issues already identified, e.g. assure executive sponsorship or assume people as source for the identification of target improvements. Other consequence of the development of the initial approximation to the organization, was the need to simplify the approach, with the possibility to be decomposed as needed, giving greater modularity.

4.5.2 Case description

This section describes how the approach has been applied within a National Sport Organization (NSO). Describing how the approach was developed in the organization related to the ongoing study. Were performed five work sessions after an initial contact (Awareness), were was presented the objectives and what was going to be developed in the following meetings. The global steps are represented in the Table 4.5.

Next, we describe how the work was developed, and what was the information retrieved until the identification of the action plan. The information was stored in a
Table 4.5: Global steps developed create the action plan

<table>
<thead>
<tr>
<th>Steps</th>
<th>Overview</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awareness</td>
<td>Awareness action; articulation of the first work session; was presented the work to be developed and get commitments by the participants. Was scheduled the first work session to clarify the steps to be developed; the articulation of the following sessions and the clarification of the work to be developed.</td>
<td>(1) President; (2) Vice-president; (3) Secretary; (4) accounting officer; (5) accounting clerical</td>
</tr>
<tr>
<td>First Work Session</td>
<td>Mission, vision and strategic objectives. Stakeholders assessment and Business Capabilities.</td>
<td>(1) President; (2) Vice-president; (3) Secretary; (4) accounting officer; (5) sports director; (6) accounting clerical</td>
</tr>
<tr>
<td>Second work session</td>
<td>Concerns and issues related to stakeholders. Identification of business objectives solving the concerns and issues related to: (1) athletes; (2) coaches; (3) referees; (4) municipalities; (5) district associations; (6) sport schools and clubs</td>
<td>(1) President; (2) Secretary; (3) accounting officer; (4) sports director; (5) accounting clerical</td>
</tr>
<tr>
<td>Third work session</td>
<td>Concerns and issues assessment. Identification of business objectives solving the concerns and issues in the stakeholders: (1) schools; (2) Portuguese Institute of Youth; (3) Portuguese Olympic Committee; (4) Sport Confederation; (5) media; (6) Employees; (7) Sponsors; (8) Paralympics Committee; (9) Class associations; (10) Sport club managers. Assessment of priority business capabilities.</td>
<td>(1) President; (2) Secretary; (3) accounting officer; (4) sports director; (5) accounting clerical</td>
</tr>
<tr>
<td>Fourth work session</td>
<td>Assessment of priorities areas and evaluation of the information handled in the previous sessions.</td>
<td>(1) President; (2) Vice-president; (3) Secretary; (4) accounting officer; (5) sports director; (6) accounting clerical</td>
</tr>
<tr>
<td>Fift work session</td>
<td>Clarification of improvement actions – Projects Definition.</td>
<td>(1) President; (2) Secretary</td>
</tr>
</tbody>
</table>

Note: The developed steps, results and participants, to identify a necessary context for the action plan according the requirements identified.

spreadsheet previously structured, being presented to all participants using a data-show, which allowed discussing and validate the information inserted (Figure 4.3).

The participants in the work sessions were informed that each step was flexible and that was possible to go back, to a previous step, if is identified any lack of elements in a following step. This means that if is confirmed the need of an new construct in a following step, like a Stakeholder or Business Capability, its altered and is developed an adjustment in all steps, e.g. identifying issues or concerns on a stakeholder not being considered initially. This characteristic reflects the possibility to use the top-down approach and bottom-up, which gives a greater richness to the approach and simultaneously more flexibility. Other aspect relevant in the development of the approach in the work sessions,
Figure 4.3: Spreadsheet used to support the proposed approach

is that participants in the meetings don’t have positions or aren’t in representation of an organization function or role. This means that they are present as a Subject Matter Expert (Antonucci et al., 2009), who have deep understanding of business functions or operations. This principle is important to increase the autonomy and ensure a greater participation considering their perspective of the organization and not limited to the executed organizational function. Aspect that should be backed by the organization responsible, to increase the quality of the results of the developed meetings.

The first step was the clarification of the mission and vision, considering (EFQM, 2001): (1) the adoption of action verbs; (2) representation of two or three core business capabilities; (3) clarification who are the customers; (4) where operate; and (5) articulate the previous elements to provide a mission statement. The vision was clarified quickly, considering the agreement by all participants of what is intended for the NSO to be in the future. The mission and vision was developed with the involvement of the NSO members, which also intends to increase their involvement and motivation, this principle is also adopted in the other steps of the approach. The mission and vision identified is intended to act as a support for the clarification of the strategic objectives.
Mission

Promote, disseminate and contribute to the excellence of Taekwondo through the training of athletes, coaches, referees and support for clubs and associations.

Vision

Be a reference in the sports of combat and martial arts, recognized nationally and internationally

The strategic objectives were identified according the perspectives: financial; customers and markets; human resources and society, based in the guidelines provided in the MLEARN (Noce et al., 2011). To each perspective were identified Business Objectives, considered relevant by the meeting participants. These objectives reflect a time-lapse period of four years long.

The next step was the development of the stakeholder assessment. The participants were clarified about the adopted concept of stakeholder, as someone that can influence or be influenced by the organization strategy. The stakeholder allows to clarify business objectives and simultaneously to identify events to be processed by the organization. To simplify the assessment was presented an example of stakeholders, proposed by Freeman (1984). In the Figure 4.4 are represented the identified stakeholders.

The identification of the Business Capabilities was based in the assumption that reflects what the organization has to do, without identifying how. Represents what the organization has to do, to ensure is survival. This assessment was materialized in the questions: ”What NSO have to do for survive?”, ”What the NSO have to do better?” and ”What is that the NSO is good?” – presenting similarities to the identification of the internal strengths and weakness, of the organization. It was suggested a limit of 10 business capabilities, to ensure simultaneously a focus on the essential and according what is advocated by Sharp (2009). The identified Business Capabilities are presented in the Figure 4.5.

The step related to the issues assessment was based in the identification of issues or concerns related to a stakeholder, by the participants in the work sessions. To clarify the objectives, was identified what must be accomplished to solve the issue or concern. To support the achievement of the business objective, is articulated in the scope of a
### Table 4.6: Assessment of strategic objectives

<table>
<thead>
<tr>
<th>Improvement motivation</th>
<th>Strategic Objectives</th>
<th>Indicator</th>
<th>Actual</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial</strong></td>
<td>Increase own incomes</td>
<td>Revenues of activities</td>
<td>± 70.000</td>
<td>±100.000</td>
</tr>
<tr>
<td></td>
<td>Increase revenues from sport results</td>
<td>Revenues from contract-programmes</td>
<td>±190.400</td>
<td>±380.800</td>
</tr>
<tr>
<td><strong>Customers and markets</strong></td>
<td>Athlete with Olympic medal</td>
<td>Number of medals in Olympic games</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Athletes with medals in European Championship</td>
<td>Number of athletes with European Championship medals</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Increase the number of federated Athletes</td>
<td>Number of federated athletes</td>
<td>3922</td>
<td>6000</td>
</tr>
<tr>
<td><strong>Human resources</strong></td>
<td>Improve the employees capabilities</td>
<td>Number of training actions</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Society</strong></td>
<td>Increase the number of sport graduation with specialization in Taekwondo</td>
<td>Number of sport graduation with specialization in Taekwondo</td>
<td>4</td>
<td>12</td>
</tr>
</tbody>
</table>

Note: The information was gathered in January of 2014 and was assumed the end of the mandate in 2016, to develop the quantification of the objectives, this means that wasn’t considered a time-lapse of four or five years, since the mandate of the responsible by the NSO finish before. The information reflects the perspective of the participants in the work sessions in each dimension.

business capability, what improvement must be developed, which solve the identified issue. Simultaneously, the business objective is related to a top-level objective, which was identified in a previous step (strategic objectives) (Table 4.7). This facilitates the decomposition of the business objectives and clarifies which top-level objective is being supported by a lower-level objective. The information collected, also allows to validate the consistency of objectives, crossing lower-level objectives with upper-level.

After the assessment of the issues and concerns is developed the clarification of the improvement priorities. In the Table 4.8 is represented the improvement priorities. To the participants in the workshop were asked to quantify the contribution of the Business Capability to the Business Objective, in a Likert scale from 1 to 3, were three represents a greater contribution. The non-existence of contribution is represented by
an absence of value. The same criteria were adopted to quantify the importance of an Business Objective. This table also allows clarifying which Business Objective doesn’t have a contribution to a Business Objective and at the same time evaluate if a Business Objective is being supported. This allows to question the relevance of a Business Capability without Business Objectives and if is relevant to have Business Objectives not supported by Business Capabilities. This also could lead to a restructuring of the
### Table 4.7: Issues and concerns related to athletes

<table>
<thead>
<tr>
<th>Issue or concern</th>
<th>Strategic Objective</th>
<th>Operational Objective</th>
<th>Business Capabilities</th>
<th>Improvement Actions/Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficulty in control athletes not registered</td>
<td>Increase the number of federated athletes</td>
<td>Minimize athletes not registered</td>
<td>Recruit athletes and members</td>
<td>Create advantages to registered athletes</td>
</tr>
<tr>
<td>Reduced participation in international competitions</td>
<td>Athlete with Olympic Medal Athlete with European Championship Medal</td>
<td>Increase the participation in international competitions</td>
<td>Manage national competitions</td>
<td>Identify approaches and sponsors to develop initiatives to increase the involvement in these competitions.</td>
</tr>
<tr>
<td>Reduced number of athletes in the Olympic ranking</td>
<td>Athlete with Olympic Medal</td>
<td>Increase the number of athletes in the Olympic ranking</td>
<td>Support international competitions</td>
<td>Develop more competitions to increase the participations of sport clubs and associations</td>
</tr>
</tbody>
</table>

Note: This table represents a part of the issues and concerns related to the stakeholder athletes. Also were identified related to the stakeholders identified in the figure 4.4.

### Business Capabilities or Business Objectives.

#### Table 4.8: Identification of improvement priorities

<table>
<thead>
<tr>
<th>P</th>
<th>Priority</th>
<th>Importance</th>
<th>Business Capabilities/Operational Objectives</th>
<th>Business Capabilities/Operational Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>29</td>
<td>Recruit Athletes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1</td>
<td>14</td>
<td>Generate Opportunities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>27</td>
<td>Support International Competitions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>42</td>
<td>Train and manage referees</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1</td>
<td>12</td>
<td>Support clubs and regional associations</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>44</td>
<td>Support clubs and regional associations</td>
</tr>
</tbody>
</table>

Note: The importance is calculated based in the sums of the product of the value intersecting the operational objective and business capability by the priority of the business objective. The table represents part of the original values.
The last step clarifies which type of improvement that can be developed in the Business Capability to support the objective. Although being identified in a previous steps, the assessment of the issues and concerns related to a stakeholder. The development of this step allows us to understand how the Business Capability can contribute to the achievement of the Business Objective (Table 4.9).

**Table 4.9**: Clarification of improvement priorities

| P | Priority | Importance | Business Capabilities/Operational Objectives | Importance | Business Capabilities/Operational Objectives | Importance | Business Capabilities/Operational Objectives | Importance | Business Capabilities/Operational Objectives | Importance |
|---|---|---|---|---|---|---|---|---|---|
| 1 | Increase athletes with updated information | | | 29 | Recruit athletes and members | 14 | Organize and promote events and activities | 27 | Generate Opportunities |
| 3 | Minimize athletes not registered | #87=3x29=Enroll non-federate athletes to increase the number of athletes: CP=Recruit Athletes and members — OO=Minimize athletes not registered | | | #42=3x14=Publicize and raise the awareness of the NSO for the practice of Taekwondo: CP=Organize and promote events and activities — OO=Minimize athletes not registered | |
| 5 | Increase the participation in international competitions | | | #81=3x27=Develop and support the sport clubs to increase sponsorships to participate in international competitions:CP=Generate Opportunities — OO=Increase the participation in international competitions | |

Note: The projects to support the improvement actions are represented in the intersection between the Business Capability and the Business Objective. CP represents the Business Capability and OO Business Objective.

This information is used to build a final ranking of improvement actions, ordered according their importance (Objective Priority x Business Capability Importance) The final improvement actions ranking, allow us to reorder the improvement actions according the lack of financial resources or the simplicity of the project development. Moving easier improvement actions to upper positions (Table 4.10).

The projects are identified after the development of the improvement actions ranking. The projects clarify what is necessary to developed to correct existing deviations
## Table 4.10: Ranking of improvement actions

<table>
<thead>
<tr>
<th>Importance</th>
<th>Improvement Action</th>
<th>Simplicity</th>
<th>Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>42</td>
<td>#42=3x14=Publicize and raise the awareness of the NSO for the practice of Taekwondo: CP=Organize and promote events and activities — OO=Minimize athletes not registered</td>
<td>3</td>
<td>126</td>
</tr>
<tr>
<td>87</td>
<td>#87=3x29=Enroll non-federate athletes to increase the number of athletes: CP=Recruit Athletes and members — OO=Minimize athletes not registered</td>
<td>1</td>
<td>87</td>
</tr>
<tr>
<td>81</td>
<td>#81=3x27=Develop and support the sport clubs to increase sponsorships to participate in international competitions; CP=Generate Opportunities — OO=Increase the participation in international competitions</td>
<td>1</td>
<td>81</td>
</tr>
</tbody>
</table>

Note: The simplicity is represented by a value CP represents the Business Capability and OO Business Objective.

according to what is intended to accomplish. Identify elements like objectives, costs, expect results, objectives supported. In the Table 4.11 is represented the information related to the identified improvement action.

### 4.6 Discussion and Conclusion

Several findings and aspects to consider arise from adoption of the proposed approach and the case developed. First, the presented case allowed to illustrating how the approach could be developed in a sport organization. Where, the involvement and the sponsorship of the NSO responsible was fundamental for execution of the approach steps to achieve the expected results, how to develop their business strategy operationalization. This confirms the need for an internal sponsorship (Miers, 2006), governance, and accountability in terms of roles and responsibilities (Rosemann & Brocke, 2010), which cannot be done without the organization responsible.

The simplification of the business concepts, streamlined the intervention of the collaborators allowing their involvement without management knowledge or training. The collaborators where present as Subject Matter Experts, but when developing the meetings it should be reinforced the importance of not being in representation of a business function. This aspect is related to the very foundations of BPM (Zairi, 1997; Sharp,
Table 4.11: Elements necessary to create a project definition

<table>
<thead>
<tr>
<th>Project field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project: +Visibility</td>
<td>Project to increase the awareness of the NSO</td>
</tr>
<tr>
<td>Business Capability:</td>
<td>Organize and promote events and activities</td>
</tr>
<tr>
<td>Project Responsible:</td>
<td>Project implementation responsible</td>
</tr>
<tr>
<td>Project description:</td>
<td>#42=3x14=Publicize and raise the awareness of the NSO : CP=Organize and promote activities and events - OO=Minimize athletes not registered</td>
</tr>
<tr>
<td>Project objectives:</td>
<td>Increase the athletes registration increasing the visibility</td>
</tr>
<tr>
<td>Project results:</td>
<td>Hits in the Google News.</td>
</tr>
<tr>
<td>Operational Objectives:</td>
<td>Minimize athletes not registered</td>
</tr>
<tr>
<td>Strategic Objectives:</td>
<td>Increase the number of federated athletes</td>
</tr>
<tr>
<td>Priority:</td>
<td>Very Important</td>
</tr>
<tr>
<td>Expected date to start:</td>
<td>2014/2015 season</td>
</tr>
<tr>
<td>Project length:</td>
<td>1 year</td>
</tr>
<tr>
<td>Cost:</td>
<td>Photographer present in the competitions and journalist to develop press releases $(50€x2+ travel distance 0.25 x km + meals 8€x2) x 6 competitions = \pm 700€$</td>
</tr>
<tr>
<td>Notes:</td>
<td>Identify the number of hits before the development of the project. After the project launch quantify how many hits and the number of athletes registrations. The objective of the program is to increase the visibility. Is is found growing in the number of hits (Google News) the program continue, if doesn’t increase after the first year is developed an evaluation at the end of the first year and may be terminated.</td>
</tr>
<tr>
<td>Actions:</td>
<td>The actions to be developed are:</td>
</tr>
<tr>
<td></td>
<td>(1) During each competition the Photographer takes photos;</td>
</tr>
<tr>
<td></td>
<td>(2) The journalist send a press release about the competition with the media;</td>
</tr>
<tr>
<td></td>
<td>(3) Post the news in Social Networks;</td>
</tr>
<tr>
<td></td>
<td>(4) Ensure that the press releases arrives to the newspapers until 19:00 to warranty that come out in the news in the following day;</td>
</tr>
</tbody>
</table>

Note: The information for the project definition is generated based in the data retrieved in the previous steps.

2009; Hung, 2006) and enhances the importance of removing the organizational functional perspective to develop an approach supported in BPM.

The approach alignment allowed to correct early retrieved information, for example, after the identification of issues and concerns related to athletes and the correspondent operational objective, was detected that was missing an adequate strategic objective. This allowed to redefining the strategy, based in an adjustment identified in an operational level. These adjustments configure the top-down (Kaplan & Norton, 1996b), bottom-up (Mintzberg & Waters, 1985), or informal strategy operationalization (Mintzberg & McHugh, 1985), which facilitates the strategy alignment and the
identification of improvements, supported in the employees (Harmon, 2010).

The clarification of business capabilities is simplified with the mission definition, which allows identifying more easily what the organization must do that is fundamental for its existence. This perspective could also be used to validate the strategic objectives and strategic objectives verify if the business capabilities are properly identified. For example, if an objective doesn’t have a proper business capability to support its achievement how is operationalized? If a business objective isn’t related to a business capability, why is identified? The importance of a proper mission clarification, and not a definition of a mere statement is fundamental for evaluation of the business objectives and simultaneously the business objectives allow to validate the mission coherence. The vision can be also analyzed if is properly supported in the business objectives.

The definition of Mission and Vision is fundamental and simplifies the next steps, which should be reinforced during the development of the approach, as well demonstrating its relation to the other approach steps with the workshops participants.

The assessment of the Business Capabilities and Business Objectives in the strategic level could be developed in future cases with a matrix crossing strategic business objectives and business capabilities to evaluate its consistency, before developing the operational level next approach step “Issues and concerns related to stakeholders.” This allow check-up the retrieved information related to the strategic level before developing the next step.

The approach step to Identify the issues and concerns related to stakeholders, is fundamental, it integrates Strategic Business Objectives, Operational Business Objectives, Stakeholders, Business Capabilities and Improvement. The improvement provides the base information for the project to be developed in a business capability. This step should be developed carefully, integrates the information from the strategic level and provides the base for the operations improvement. The use of matrices allow us to validate this information, supporting the reflection by the meeting members about the relation between the constructs from the lower levels to the upper level, e.g. crossing the relation between operational business objectives and business capabilities, could mean if a business capability doesn’t have a operational objective, why should exist?
There are several management tools (e.g. (Rigby & Bilodeau, 2010)), but the proposed approach allowed to articulate tools that can be adopted in a sport organization, integrating different perspectives, creating the conditions to develop an strategy operationalization, with the involvement of the organization colaborators. The proposed approach intends to facilitate the clarification of improvement priorities in the sport organizations, according to their business capabilities and with the objective of identifying an improvement area on the organization, with an optimized impact in their strategic objectives, formalized in an action plan materialized in projects specifications. The improvement of the performance of the sport organizations should be developed articulated with their real needs, framed in the business capabilities, properly identified in their strategic objectives.

BPM allow us to support the fulfillment of the strategy in an articulated way. The use of business capabilities simplifies the identification of the areas that generate value in the organizations and gain competitive advantage, facilitating the approximation to the processes. The improvement is targeted to the processes articulated with the strategy and implementing an enhancement using an improvement action, supported in a project definition targeting the organization resources, mainly people and technology. The presented set of steps, help to clarify the improvement actions properly articulated to the identified needs, materialized in business objectives and business capabilities identified in a systematic way.

This paper has several limitations, namely being applied as a single case study. Our goal was to propose an approach that could be adopted in a sport organization, exploring the lack of research in strategy operationalization combined with the nonexistence of works in the BPM area. The multidisciplinary of the adopted concepts supported in the essence of BPM, as well the adoption of its advantages allowed us to propose an approach properly framed in a theoretical framework. The approach was tested in a NSO, which allowed us to corroborate is appliance and assess the theoretical findings. In the future studies the development of action-research in a Sport Organization will enable evaluate the results of developing this approach in the organization.
Chapter 5

Study 2: Municipal Company

Approach to process management in a public organization that performs the management of sport facilities

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5.1 Abstract

The operationalization of the strategy in organizations is a problem that Business Process Management (BPM) intends to address. Considering the lack of an approach to develop the strategy alignment in the sports organizations, was developed an holistic approximation to facilitate the operationalization of the strategy supported in BPM. In order to test the proposed approach a research was conducted using the action-research methodology, seeking to develop improvement actions in the organization. The study was developed during eight months in a public organization and identified systematically the improvement areas in the organization, properly aligned with the business strategy identified by the top-management.

Keywords: Sport Organizations, Strategy Alignment, Action-research, Business Process Management
5.2 Introduction

The Business Process Management (BPM) relies in the comprehension of the organizations with a holistic perspective, supported in several knowledge areas. In this section we will approach the concept of BPM, developing its decomposition in order to understand is comprehensive overview.

There is several interpretations and attempts to define what is BPM. Harmon (2010) states that BPM is the result of the combination of three areas: Management; Quality Control and Information Technology, which is related to the assumption that managers always tried to simplify the work, control its execution and quality, using simultaneously technology to simplify the work to develop. Møller et al. (2008) clarified the concept of BPM, stating that is a holistic management area using technology to control and operate the organization using business rules clarifying the business processes. Is related to the improvement and continuous optimization, in order to ensure a high performance, to achieve the necessary agility and flexibility to required to achieve competitive advantage.

Jeston and Nelis (2006) suggest that BPM allows to achieve the business objectives through the improvement, management and control of essential business processes. R. Davis (2007, p. 24) considers BPM is a systematic approach, to manage and improve the organization business developing an active and coordinated management of all aspects of the specification, design, implementation, operation, measurement, analysis and optimization of business processes, to achieve business objectives.

BPM considers the Business Processes as a main element in its approximation. Davenport (1993) define a process as a structured, measured set of activities design to produce a specific output for a customer or market. Rummler and Brache (1995, p. 45) states that a process is a set of steps designed to produce a product or service. Hammer and Champy (1994) have a similar perspective, but consider that the output should generate value to the customer. Kirchmer (2011) considers also that the value should be generated for the customers, however adds the internal customer. Scheer and Niittgens (2000) describe business process as a procedure with significance to generate value in the organization, being triggered by a start event, followed by intermediate events triggering functions and ending with a end event. Harmon (2011) adds the concept of system, relating system to process and maintaining the perspective of the existence of inputs,
their transformation in outputs generating value to the customer. Weske (2007) adds business objective to clarify what is a business process, considering that the activities are developed framed in an organizational and technical environment, to achieve the business objectives. Ould (2005, p. 6) considers an objective as something fundamental for the existence of a process, stating that is coherent set of activities developed by a collaborating group to achieve a goal.

Considering processes as the fundamental element in BPM, allowing to achieve the business objectives, which lead to the emergence of several approaches that intend to develop the alignment between the strategy and the processes. The current study is structured as follows: first is addressed the problem of the alignment between the strategy and the processes, after is presented the approach steps. At last is described the study developed using action-research in a municipal company.

5.3 Processes and strategy alignment

The problem of the alignment between the strategy and the processes is discussed in several studies. Burlton (2010) suggest a methodological approach to develop the strategic alignment of BPM. Kirchmer (2010) states that the automation of the processes can enhance the business strategy.

Brenner and Coners (2010) suggest processes as a fundamental resource for the strategy. Noce et al. (2011) discuss the strategic alignment in the public organizations. Lind and Seigerroth (2010) addresses the process models aligned with the strategy, in sport retail store. The processes emerge related to the strategy and are perceived as a support of the strategy.

The development of approaches to improve the organizations should be developed to maximize the impact. It can be adopted several approximations developed by practitioners, which operate in the BPM field that can be considered: Effective Process Framework (Rummler & Brache, 1995); Office of BPM (Tregear et al., 2010); 7FE Project framework (Jeston & Nelis, 2006); Tools for process improvement (Sharp, 2009); BPM Project Delivery Framework (Miers, 2006); (Harmon, 2007) and MLearn (Coelho, 2005b).
The adoption of this types of approaches allowed to analyze and identify existing problems, and important factors. Rosemann and Brocke (2010) identify six fundamental elements, to be considered in an holistic approximation to BPM. Bucher and Winter (2010) addresses the fundamental factors for the development of BPM initiatives, coordinating fragments that can be combined according the characteristics of the implementation to develop. The critical factors associated to the implementation give us orientations about the elements to consider in an implementation.

Considering the lack of developed studies\(^1\) and the nonexistence of approaches to develop the alignment on the sport organizations using BPM, we developed an approximation to approach the strategy operationalization on the sport organization supported in the BPM. A first approach was developed (Sobreiro, Bento, & Claudino, 2013) to clarify the necessary steps and later using it to support the knowledge management in the organizations (Vivas, Sobreiro, & Claudino, 2014) or to operationalize the strategy in a municipally (Sobreiro, Santos-Rocha, & Claudino, 2014).

These perspectives and involvements allowed to identify an approach that can be adopted in the clarification of improvement actions in the sport organizations. The ongoing research allows to operationalize the strategy of the sport organizations, starting from an initial context until the identification of an action plan. In the next section we present the steps of the proposed approach.

### 5.4 Proposed approach

Based in the different perspectives and implications, the steps in the proposed approach include strategy assumptions, as underground axioms that are adopted to clarify the processes with impact in the developed work, based in improvements. In the figure 5.1 are given the assumptions of the developed assumptions.

The identified context based in the strategy provides the assumptions to build the organizational alignment, in the several layers until the operations. Next we clarify the steps and the existing concepts, and how we interpret and support them.

\(^{1}\)The case of Intersport (Lind & Seigerroth, 2010) is an exception.
1. Mission and vision: are adopted the recommendations proposed by the European Foundation for Quality Management (EFQM) that systematize its definition EFQM (2001);

2. Identification of strategic objectives according the principles presented in the Method Learn (Coelho, 2005b);

3. Stakeholders assessment identifying groups or individuals that can affect or being affected by the fulfillment of strategic objectives of the organization (Freeman, 1984, p. 46);

4. Assessment of Business Capabilities, which represent abilities or capacities that the organization has. Are an abstraction or encapsulation of people, processes, technology and information (Homann, 2006). Depict what an organization does and not how it does, with a back box perspective (Rosen, 2012);

5. Assessment of issues related of the stakeholders (Coelho, 2005a);

6. Identification of improvement priorities;

7. Development of an action plan based in the evaluation and analysis based in the context defined in the previous steps, allowing to frame the improvement project enhancing the business capabilities;

### 5.5 Methodology

To validate the proposed approach is developed this study using action research as a methodological support. The action research is a methodology with the objective to
create organizational change and solve practical problems using the research (Baskerville & Myers, 2004). Lewin (1946) considered the founder of action-research, states that is a research that helps to generate knowledge about the social system and simultaneously change it. As a methodology as two objectives: (1) action to achieve change in an organization, community or program and (2) research to increase the knowledge of the researcher (Dick, 1993). (Baskerville, 1999) suggest the development: (1) diagnostic; (2) action planning; (3) action development; (4) action assessment and (5) action reflection. The action research can be developed in two research cycles (Susman & Evered, 1978), framed cyclically.

For the development of the action-research was carried out an initial step, to clarify the context and objectives, followed by four base steps, diagnostic, planning, development and assessment (Coghlan & Brannick, 2005, p. 21) The initial step is to clarify the context and the next steps can be developed cyclically. Simultaneously is developed the reflection about the research, where is realized the assessment of the action research alongside the research project were the knowledge is extracted.

Next, we describe each developed steps and reflections, related to the adoption of the approach in the organization targeted in this study.

5.5.1 Background and participants

The organization subject of study, hereinafter called OG, was selected considering the proximity with the authors, the existing institutional relations and the characteristics of the Portuguese reality. The OG is a public organization that develops its activity since 1999, has 74 collaborators and the objective to promote and manage the sport in the municipally. Its main activity is the management, maintenance and conservation of sport equipments and facilities, property of the municipally.

The action-research was developed with the business administrator and 11 collaborators with the knowledge in different areas of the organization. The length of the study was of eight months, since January until August of 2014. The work sessions involved the business administrator, the responsible by the administrative services and the responsible for each facility. Later were involved several collaborators related to other areas of the organization.
To captivate the interest of the business administrator and identify the elements more relevant, we developed a briefing to assure the organization sponsor\(^2\), followed with a work session with the elements participating in the action-research.

After the development of the initial briefing, the business administrator shown interest developing the project, considering the identified assumptions and was articulated the development of the next steps. Where provided the documents to simplify the framing in the OG, and arrange the following meetings.

### 5.5.2 Context and objective

The assessment of existent approaches and the construction of an approximation to apply in the sport organizations, allowed to identify a framework to develop in the OG. We try to understand how the approach can be used to operationalize the strategy, identifying an action plan and simultaneously validate and test the proposed approach.

This study intend to validate and test the proposed approach and simultaneously develop its implementation in the OG and identify how can be operationalized the objectives, according a context that identifies the strategy defined by the organization. The strategy is clarified in its objectives, that are decomposed in operational objectives, supported by improvement actions, aligned with the development of an action plan. The action plan and the improvement priorities are identified according the business context.

The approach intends to work as a support to the sport organizations. Based in the adoption of the suggested approach that can be used with flexibility, simplicity and quickly.

Oriented to achieving results and clarify improvement priorities, according the strategic objectives, supported in the work definition and knowledge of the collaborators, with impact in the business strategy. Based in the adoption of BPM as an approximation to simplify the organization work, integrating several areas that were articulated. Additionally were encompassed several elements of the strategy, business architecture and knowledge management, to support a wider coverage of the approach.

\(^2\) The internal sponsor is considered a critical success factor and should be assured by someone with responsibility in the organization (Antonucci et al., 2009, p. 33). (Hammer & Champy, 1994) also suggest the importance of the internal sponsor and relate its nonexistence to the lack of success of some projects, exemplifying with the case of the Taco Bell (Restaurant chain in the United States).
5.5.3 Diagnosing

After the development of a context and the identification of the business objectives we developed an assessment with the organization responsible. In the first work session were present the responsible of the OG to develop the clarification of the approach to be developed: which objectives, how they unfold, and which are the necessary steps to built a context and develop improvement actions. After the clarification the business manager considered that was an approximation that could be adopted and suggested the identification of the human resources, that could collaborate in the initial steps. Were made available documents, manly reports that simplified the initial framing with the OG and the development of the work sessions, aligned with the organization needs.

The diagnostic involved a work preparation to develop based in an three layers approximation: strategy; processes and work. Processes were interpreted as a mean by which the organization fulfill its strategic objectives and clarify the developed work. The top-down approximation support the articulation in the organization according the defined objectives, which identify an initial context to solve the identified problems, with impact in the business objectives.

The diagnostic was developed with the presence of the business administrator, project manager, responsible for the marketing and responsible for the operations. Where was explained to the participants that the development of improvement actions (projects) solve problems related to stakeholders, which should have a broader impact in the organization. An improvement in a business capability as "Organize and promote events", "Develop activities" or "Manage the competitive framework" has the purpose to identify ways how to fix deviations in business objectives, which should have broader impact.

The approach steps requires the identification of the Mission and Vision of OG. The Business Administrator suggested that were already defined, which lead us to the clarification of the business objectives that support the mission and identify how to advance to the vision. The clarification of the business objectives should be evaluated to reflect the reason for existence of the OG, working as an assumption to identify what is necessary to accomplish and develop in the following steps. This diagnostic allowed us to identify globally what is the effort that the organization has to develop and what are the targeting areas, as presented in table 5.1.
Table 5.1: Strategic Objectives

<table>
<thead>
<tr>
<th>Improvement area</th>
<th>Strategic Objectives</th>
<th>Indicators</th>
<th>Actual</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial</td>
<td>Maintain the existent financial stability</td>
<td>Revenues from developed</td>
<td>RL=0</td>
<td>RL=0</td>
</tr>
<tr>
<td></td>
<td>Increase the profitability to reduce operational costs in</td>
<td>Revenues contract programs</td>
<td>25,00%</td>
<td>25,00%</td>
</tr>
<tr>
<td></td>
<td>social areas</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: The strategic objectives reflect the information retrieved during a work session. It’s only represented part of the table, and aren’t included the improvement areas Customers and Markets, Human Resources and Society.

Figure 5.2: Identified Stakeholders

After the identification of the Business Capabilities and Stakeholders, we started the issues assessment to clarify the operational objectives. The issues related to a stakeholder identify a problem in the relation between the stakeholder and the OG. This assumption lead us to the identification of what has to be solved clarified in the definition of an objective, properly aligned in a business objective, to be supported in a
business capability. The importance of this step to operationalize and develop the approach, requires a proper diagnostic and the identification of concrete actions in the context of the organization.

This step has the purpose to define operational objectives, however, was proposed a modification in the approach by the business manager. The modification was based in the importance of gathering the perspective of the organization collaborators.

"The identification of the issues that concern us would be more interesting if they would be achieved based in the collaborators that could bring a new perspective concerning the improvement actions intended to be developed. The issues should be identified based in the collaborators, having a deeper knowledge in different areas of the organization."

The responsible.

The diagnosing demanded the assessment how the approach could be developed. In this step was developed the definition of a context to support the work sessions involving the collaborators responsible for each organization area. Where was obtained the feedback regarding the construction of the approach and its improvement suggestions.

5.5.4 Action Planning

The action planning is developed after the diagnostic of the organization and the definition of a context to develop the project. This required the clarification of the underlying
reasons, stakeholders and the business capabilities that define an initial context to support the assessment of the issues. The identification of the issues is developed based in the information obtained from the collaborators previously identified by the business manager. The criteria to select the collaborators was based in: (1) expertise and organization knowledge; (2) responsibility in the organization; (3) area of operation in the organization. Based in the identified assumptions were selected the collaborators (figure 5.4) to developed the interviews. The anonymity was guaranteed using a tag to identify the collaborators. Additionally was considered that would also be retrieved the information to be used in further steps.

![Figure 5.4: Identified collaborators to develop the interviews](image)

Before the execution of the interviews was discussed with the Business Manager what would be addressed as well the information to be retrieved. Based in this assessment was developed a interview script to be adopted implementing a semistructured interview, were the researcher as a list of questions or topics to be addressed (Quivy & Campenhoudt, 2008), with some flexibility in is application.

The developed interviews followed the script presented in the table 5.2, articulated the necessary elements to develop the steps that allow us to identify the priorities in the development of the improvement actions.
Table 5.2: Interview script

<table>
<thead>
<tr>
<th>Step</th>
<th>Element</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Mission and Vision</td>
<td>Mission</td>
<td>(1) What does your organization?</td>
</tr>
<tr>
<td></td>
<td>Vision</td>
<td>(2) What do you want your organization to be?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(3) What is the organization ambition?</td>
</tr>
<tr>
<td>2. Strategic objectives</td>
<td>Improve the satisfaction of the</td>
<td>(4) What is necessary to improve the satisfaction of the collaborators?</td>
</tr>
<tr>
<td></td>
<td>employees</td>
<td></td>
</tr>
<tr>
<td>3. Stakeholders assessment</td>
<td>Stakeholders</td>
<td>(6) Which whom have to worry?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(7) Who contributes to the OG or who causes more difficulties to its functioning?</td>
</tr>
<tr>
<td>4. Assessment of the Business Capabilities</td>
<td>Business Capability</td>
<td>(8) What the OG have to know to do?</td>
</tr>
<tr>
<td>6. Issues and concerns related to stakeholders</td>
<td>Issues that concern us related to a stakeholder</td>
<td>(11) What are the main issues or concerns related to a stakeholder (identified in the previous step)?</td>
</tr>
<tr>
<td></td>
<td>Operational objective that corrects the issue</td>
<td>(12) How to solve a issue or concern related to a stakeholder?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(13) What is the objective that have to be fulfilled to remove the issue?</td>
</tr>
<tr>
<td></td>
<td>What is the necessary business capability to solve the issue</td>
<td>(14) What do have to do to remove the issue or concern (Considering the business capabilities identified in the previous step)?</td>
</tr>
</tbody>
</table>

Note: The number of questions for the strategic objectives depends of the identified strategic objectives, is exemplified one question.
The step one of the approach wasn’t developed because was already defined and was agreed to surpass this step.

Table 5.3: Developed Interviews

<table>
<thead>
<tr>
<th>#</th>
<th>Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>E1</td>
<td>Physiotherapist</td>
</tr>
<tr>
<td>E2</td>
<td>Responsible by the receiving desk, cleaning and laundry.</td>
</tr>
<tr>
<td></td>
<td>Arrange medical appointments, transports, medical exams, receiving exams payments.</td>
</tr>
<tr>
<td>E3</td>
<td>High performance triathlon coach</td>
</tr>
<tr>
<td>E4</td>
<td>Responsible by all sport facilities excluding swimming pool</td>
</tr>
<tr>
<td>E5</td>
<td>Responsible by the swimming pools</td>
</tr>
<tr>
<td>E6</td>
<td>Responsible by training centre and dinner service</td>
</tr>
<tr>
<td>E7</td>
<td>Responsible of the receiving desk</td>
</tr>
<tr>
<td>E8</td>
<td>Swimming pool vigilant</td>
</tr>
<tr>
<td>E9</td>
<td>Swimming pool front office</td>
</tr>
</tbody>
</table>

Note: The interview to E1 was developed to test the semi-structured interview to allow the development of adjustments before developing the most interviews.

5.5.5 Action development

First where developed the contacts with the employees to identify their availability to realize the interviews, which where scheduled by a organization member. The interviews where developed between March and April, to retrieved the necessary information for the following steps of the approach (Table 5.3).
Table 5.4: Framing of the retrieved information related stakeholders to the issues or concerns

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Issues or concerns</th>
<th>Strategic objectives</th>
<th>Operational Objectives</th>
<th>Business Capability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional</td>
<td>Reduced information about satisfaction and expectations to increase the customer satisfaction</td>
<td>Improve existing information about customers</td>
<td>Manage professional customers</td>
<td></td>
</tr>
<tr>
<td>Customers</td>
<td>Lack of initiatives to spread and frame the athletes in local attractions</td>
<td>Increase the customer satisfaction</td>
<td>Increase the guided tours to local tourist attractions</td>
<td>Manage the professional customers</td>
</tr>
<tr>
<td></td>
<td>Articulation between the school and professional athletes</td>
<td>Increase the customer satisfaction</td>
<td>Improve the articulation between the professional customers and the education system</td>
<td>Manage the professional customers</td>
</tr>
</tbody>
</table>

Note: This table represents part of the information retrieved in the interviews framed in the scope of the issues or concerns related to each stakeholder.

Table 5.5: Developed steps to gather the information from the organization employees

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
<th>Interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessment of the retrieved operational objectives</td>
<td>Validate the retrieved business objectives</td>
<td>Responsible 1</td>
</tr>
<tr>
<td>Assessment of the gathered operational objectives</td>
<td>Assessment of the gathered objectives</td>
<td>Responsible 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Responsible 2</td>
</tr>
</tbody>
</table>

Note: To guarantee the anonymity each responsible was identified with a tag.

The interviews implemented the developed script (Table 5.2). To test the semi-structured interviews was developed the interview with E1. The information retrieved was loaded and converted in a format that could used to frame the issues and concerns related to each stakeholder (Table 5.2).

The information retrieved in the interviews after being properly framed in the developed approach was validated in a work session to understand how is aligned with the business objectives developed previously, considering the responsible perspective (Table 5.5).

We identify the existing problems and built a framework for the resolution of the issues in the organization systematically, with a top-down approach oriented to the resolution of the existing problems in the organization, identified by the employees. The previous step allowed to retrieve the necessary information in the organization collaborators, to be validated subsequently by the responsible and consider or not as generating short term objectives.

The information retrieved in this step represents the collaborators perspective against the elements retrieved in the semi-structure interview. The retrieved information identify
elements like issues or concerns related to the organization stakeholders:

"It should be considered as an assessment criteria the organization response capacity, when are identified problems as a malfunction." "When is requested an intervention it should be provided the necessary information to being executed without delays."

Employee 4

The development of the action allowed to identify the issues or concerns, properly framed with the strategic objectives, business capabilities, stakeholders and operational objectives.

5.5.6 Action Assessment

For development of the action assessment was considered the information gathered in the previous steps with the operational objectives properly validated by the responsibles. The information was placed in a matrix to simplify the identification of the business capabilities improvement priorities, resulting from a greater relation with the operational objectives representing the concerns related to a stakeholder. This allows to assess what is the business capability with a bigger impact in the operational objectives, which solves the related problems.

In table 5.6 we can identify the sessions to develop for the assessment of the improvement actions. Where developed two work sessions, the first was used to clarify the business objectives and how would be developed the prioritization of the improvement area

The identification of improvement priorities assume that the organization resources are scarce, e.g. financial, human and materials, and that isn’t possible to developed an coordinated action for all organization. The improvement priorities are identified using matrices crossing the information retrieved in the previous steps, considering the operational objectives and the business capabilities that the OG possess (Table 5.7).

The identified relations between each business capability and business allow us to asses if an improvement can be supported, i.e., which improvement has to be performed
Table 5.6: Developed sessions to identify the priority improvement areas

<table>
<thead>
<tr>
<th>Session</th>
<th>Description</th>
<th>Respondent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intersection between the objectives and business capabilities</td>
<td>Validate the business objectives and clarification of the next step. Approach definition and explanation of the prioritization mechanism used to develop an improvement action.</td>
<td>Responsible 1 Responsible 2</td>
</tr>
<tr>
<td>Identification of the improvement priorities. Business Capability with greater impact in the Business Objectives.</td>
<td>Identification of improvement priorities and assessment of priority actions. Responsible 1 Responsible 2</td>
<td></td>
</tr>
</tbody>
</table>

Note: To ensure the anonymity each responsible was identified with a TAG

Table 5.7: Developed sessions to identify the improvement priorities

<table>
<thead>
<tr>
<th>P.</th>
<th>Priority</th>
<th>2</th>
<th>3</th>
<th>1</th>
<th>1</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weight / Operational Capabilities</td>
<td>Manage professional customers</td>
<td>62</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Manage Social Customers</td>
<td>44</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Manage Facilities</td>
<td>25</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Manage Competition</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Quality services</td>
<td>58</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3 Improving existing information about customers | 3 | 2 |
2 Increase the customer satisfaction | 2 | 2 |
1 Increase the guided tours to local tourist attractions | 1 | 1 |
2 Improve the articulation between the professional customers and the education system | 2 | 2 |

Note: This information represent part of the table used to clarify the improvement target area with more impact in the organization.

in the business capability to contribute for a business objective being achieved. The identified improvement actions in the intersection between the business objectives and the prioritary business capability, if they are evaluated vertically allow us to understand the type of improvement that could be developed in a business capability. This perspective allow us to identify the types of improvements to develop with impact in the business capability and simultaneously, how to support the achievement of the business objectives.

The last step was the development of a ranking, considering the improvement easiness\(^3\) (Table 5.8). The ranking was built based in the assigned score of the two responsibles participating in the work session, calculating the average obtained from easiness

\(^3\)Was asked to the session participants the clarification of the improvement action. The simplicity of implementation is quantified in a scale from 1 to 3, where 3 represents something that is easier to implement and 1 more difficult.
Chapter 5. *Study 2— Public organization managing sport facilities* 138

Table 5.8: Improvement actions final ranking

<table>
<thead>
<tr>
<th>#</th>
<th>Imp.</th>
<th>Improvement action</th>
<th>Simplicity (1..3)</th>
<th>Simplicity (1..3)</th>
<th>Actions ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>186</td>
<td>#186=3x62=Create and manage customer recommendations. Reward the coaches by successful recommendations. CP=Manage Professional Customers OO=Increase coach recommendations</td>
<td>3</td>
<td>3</td>
<td>558</td>
</tr>
<tr>
<td>5</td>
<td>186</td>
<td>#186=3x62=Institutional communication for promoting national and international services between counterparts. CP=Manage Professional Customers OO=Increase national and international promotion by the state agencies</td>
<td>3</td>
<td>3</td>
<td>558</td>
</tr>
<tr>
<td>2</td>
<td>186</td>
<td>#186=3x62=Create mechanisms to retrieve information formally and informally during the use of the accommodations or facilities. CP=Manage Professional Customers OO=Improving the information about the customers</td>
<td>2</td>
<td>3</td>
<td>465</td>
</tr>
</tbody>
</table>

Note: Representation of part the ranking of improvement actions.

of implementation, multiplied by its importance. This ranking allow us to assess more easily the priority of the improvements simple to implement.

5.5.7 Action reflection

Development of the second reflection cycle about the previously developed steps: context and objective; diagnosing; action planning; action development; action evaluation and action reflection. This step is fundamental for the development of thesis (Coghlan & Brannick, 2005).

The identified actions were validated by the responsibles and the approach assessment allowed to develop other approximation to the problem. Were developed adjustments supporting the necessary information for the development of the proposed approach, using a semi-structured interview. This improvement in the approach emerged after being identified the possibility to retrieve the information in the employees as complement of the work developed with the responsibles in the organization. This adds more flexibility to the approach, considering that allows the development of a top-down approach in initial sessions and latter as bottom-up to clarify and support the identified assumptions initially.

In the final ranking of improvement actions, the responsible suggested the development of a mechanism for voting the priorities. This possibility become available in the approach for being possible in future situations to vote the priority actions.
Other identified improvement opportunity is the possibility to use a spreadsheet supporting simultaneous collaboration, where the participants can insert the information in simultaneously if necessary, e.g. Microsoft Excel in the Office 365.

5.6 Conclusions

Considering the problem related with the operationalization of the strategy in the sport organizations and the nonexistence of an approach for the sport sector, based in the BPM, is proposed an approach to clarify and developed the decomposition of the strategy in several steps, according the identified problems in the organization related with its stakeholders. The proposed approximation was tested in a organization that manage sport organizations, where we developed the identification of improvement actions to be developed in progressive stages according the identified business objectives.

The proposed approach is proved to be suitable, for an orientation to the change, with the involvement of the collaborators to identify the need to change the organization and being involved in the transformation process, considering the importance of their contributions. Nevertheless, this approach has to be implemented in other contexts, to allow the generalization of the respective application. The authors are developing other tests related to the adoption of the approach in other organizations.
Chapter 6

Study 3: Local government

Approach to management by processes in a sport department of a local government organization


6.1 Abstract

The strategy creates assumptions that should reflect the organization and the municipality surrounding environment. The difficulties in the operationalization of the strategy and the lack of available resources for the non-profit sport organization require effective approaches. This study uses the Business Process Management to support the strategy operationalization using improvement actions according the existing circumstances of each organization. Based on the action research we analyze the existing situation of the non-profit sport organizations and identify the line of actions to achieve the municipality intended outcomes. The lack of financial resources requires the identification of improvements according the existing resources. The assessment of the concerns and issues provides a mechanism to clarify which improvement action should be developed considering the involvement of different board members of the organization. The formation assumes an important area to target actions to contribute for the development of the non-profit organizations increasing the knowledge of their managers. Our findings
highlight how an approach can be used in non-profit sport organization to develop an action plan to engage their business objectives according its environment.

Keywords: Sport organizations, Strategy Operationalization, Action-research, Business Process Management

6.2 Introduction

The definition of objectives underlies the concept of a Sport Organization, considered by Slack and Parent (2006) goal oriented, with a structured and delimited activity. The strategy creates a set of ground base axioms to develop the business objectives supported with the necessary means to accomplish it (Chandler, 1962; Das, 1990), reflecting the organizational situation and environment where operate (Thibault et al., 1993). The importance to advance in the strategic planning for government, public agencies and nonprofit organizations, to fulfill their missions and serve their stakeholders effectively, efficiently and responsibly was reinforced by Bryson (1988). The formulation of the strategy provide clearer objectives, better guidelines for employees, improved organizational performance, and an enhanced ability to anticipate and respond to environmental changes (Das, 1990).

However, the strategy formulation in the nonprofit sport organizations is difficult, considering their lack of management resources (Ferkins, Shilbury, & McDonald, 2005). Nonprofit organizations are under heavy pressure, mainly in the areas of volunteers, economy, institutional relations and facilities (Seippel, 2004). The funding decreasing for the sport sector (Berrett & Slack, 2001) have aggravated the situation. Portugal is not an exception to this context, which became more complicated since the austerity program has being imposed by the troika in 2011 (Gorjão, 2012).

Ferkins et al. (2005) suggested that the sport management scholars addresses the strategic planning and the responses of the organization to the external environmental superficially. The environmental constrains can be targeted by the nonprofit sport organizations using different approaches. Shilbury and Ferkins (2011) stated that the challenges associated to the sport organizations are the increasing demands for strategic thinking and action, considering the organization priorities clarification. The strategy is
appointed as one of the primary means by which the organizational performance can be improved (R. Andrews, Boyne, Law, & Walker, 2009), which is already identified in the private sector (Boyne & Walker, 2004) and in the public sector linking the management strategy to the organizational performance (R. Andrews et al., 2009). The sport sector isn’t an exception, considering the lack of studies in the area of sport organizations operations (Thibault et al., 1993) and for the formulation and implementation of strategies in sport organizations (Slack, 2010), which is strengthen by Emery (2010).

Like most sport organizations, there is a lack of research addressing strategy formulation in the nonprofit local sport club strategy formulation. The nonprofit organizations goal is to produce valuable social results (Moore, 2003), where their process of decision making reflect the knowledge and experience of the directors and sport coordinators (Soares, Correia, & Rosado, 2010), mainy in the organizations managed by volunteers (Ferkins et al., 2005). The board contributes to the development of strategic activities such as vision and mission, and environmental adjustments (Ferkins et al., 2005).

The lack of professionals in the nonprofit sport organizations is addressed by Hoye (2004) identifying the existence of conflicts between paid professionals and volunteers to control the decision making, however, this diversity could be beneficial. According to Ferkins et al. (2005), the board diversity is more suited to the stakeholder’s demands and multiple objectives. Again Ferkins et al. (2005) stated that the decisions are analyzed and discussed according the available information and actors interpretation.

Considering the existence of manly volunteers in nonprofit sport organizations, the lack of professionals in the boards and the inexistence of research to identify, is important to understand how to operationalize the organization strategy according their business objectives. So the aim of this study is to propose an adoption of an approach for the nonprofit sport organizations engage their business objectives, supported in improvement actions, using the Business Process Management as an underlying assumption for the operationalization of the strategy.
6.2.1 Why BPM as an approach

Business Process Management (BPM) possesses features that could support the strategy operationalization and simplify the clarification of the organization priorities. BPM supports the business objectives improving the business processes (R. Davis, 2007, p.24; Jeston & Nelis, 2006, p.36), developing the alignment between the strategy and operations, based in the management of the employees (Harmon, 2010). Møller et al. (2008) considered that BPM has a holistic perspective, using technology to operate and control the entire business through rules that define the business processes.

BPM is also considered a management approach (Antonucci et al., 2009; R. Davis, 2007; Jones & Dixon, 2011), holistic (Jones & Dixon, 2011; Møller et al., 2008) to achieve business objectives (R. Davis, 2007; Jeston & Nelis, 2008). Rosemann and Brocke (2010) stated that is a management discipline, with a multidisciplinary perspective, integrating the knowledge areas of management, quality control and information technology (Harmon, 2010), considered also a comprehensive system for transforming the operations in the organizations (Hammer, 2010).

To clarify the advantages of BPM, can be considered the economic value to develop an initiative. Brocke and Sonnenberg (2014) proposed the Process Accounting Model (PAM) to justify the economic impact, resulting from the business processes. Antonucci et al. (2009, pp. 104-105) stated that the benefits from the adoption of BPM results in better performance in the organization, in the dimensions of cost, time, capacity and quality. The development of the improvement should be supported in the clarification of their impact, which requires an evaluation of the business context. The improvement action should be properly articulated with the organization business strategy.

Burlton (2010) suggested a methodological support, to align the business strategy, where the processes are a fundamental resource for the strategy (Brenner & Coners, 2010) that the organization could benefit from its automation (Kirchmer, 2010). Processes are the underlying element to BPM, Davenport (1993) defined as a structured, measured set of activities designed to produce a specific output for a particular customer or market.

Business process is a set of steps, projected to produce a product or service (Rummler & Brache, 1995, p.45), generating customer value (Hammer & Champy, 1994). Kirchmer
(2010) also considered, that the value should be generated for the customer, but adds the internal customers. Business process add value to an organization, triggered by a start event, followed by intermediate events, resulting of executed functions and finished with an end event (Scheer & Nüttgens, 2000), with a business objective (Weske, 2007, p.16). The consideration of processes as an element that facilitates the achievement of the business objectives, has led to the emergence of several approaches, intending to develop the alignment between the strategy and processes.

6.2.2 Proposed Approach

The approaches to improve organizations should be developed as a way to maximize their impact in the organizations. There are several approximations developed by practitioners operating in the BPM field that can be considered: Effective Process Framework (Rummler & Brache, 1995); Office of BPM (Tregear et al., 2010); 7FE Project framework (Jeston & Nelis, 2006); Tools for process improvement (Sharp, 2009); BPM Project Delivery Framework (Miers, 2006); (Harmon, 2007) and MLearn (Coelho, 2005b). The existing approaches consider the strategy as a context, framing the processes, which require the development of improvement actions to achieve the business objectives of the nonprofit organization.

Considering aforementioned aspects and the lack of management resources that the sport organizations have at their disposal to perform strategic functions (Ferkins et al., 2005), is proposed an approach to support the non-profit sport clubs based in the articulation of three layers: strategy, operations and implementation (Figure 6.1). The strategy is considered a context, using processes to clarify the areas to be targeted, supported in improvement actions (Harmon, 2007; Tregear et al., 2010). To simplify the initial assessment is adopted the concept of business capabilities, allowing to focus in what the organization must do before clarifying how (Sharp, 2011), representing areas giving competitive advantage to the organization (Prahalad & Hamel, 1990) and attuned with the concept of value chain of Porter (1998). The business capability depicts a first hierarchical level of what as to be accomplished by the organization, representing also, what the organization must do to respond to an external stimulus, triggered by their stakeholders.
Figure 6.1: Overall approximation to identify the improvement actions in the organization

For the assessment of the necessary information to develop the meetings with the organization boards, was considered the importance of the existence of several representatives during the meetings, where the diversity is important in the nonprofit sport organizations (Ferkins et al., 2005; Soares et al., 2010). The representatives should be present considering their knowledge and not in functional representation, considering its barriers (Zairi, 1997), which should be removed enabling a better response to a stakeholder (Rummler & Brache, 1995). According to Ferkins et al. (2005) the board diversity provides also advantage to deal with several stakeholders.

The context obtained in the strategy provides the foundations to develop the construction of the alignment and identify the improvement actions. The identified approach steps to develop the alignment were:

1. Mission and Vision: considered the recommendations by the European Foundation for Quality Management (EFQM, 2001), that systematize its definition;

2. Strategic objectives identification: based in the principles presented in the Learn Method (Coelho, 2005b);

3. Stakeholders: based in the identification of a group or individual that can affect or be affected by the fulfillment of the strategic business objectives (Freeman, 1984, p. 46);

4. Business capabilities: identify skills or abilities that the organization has. Is an abstraction or encapsulation of people, processes and information technologies (Homann, 2006). Describes what the organization has to do, without specifying how, using a black box perspective (Rosen, 2012);
5. Assessment of stakeholders concerns and objectives: detect issues or dissatisfaction in the interaction between stakeholders and the organization, which originates a business objective to correct (Coelho, 2005a);

6. Identification of improvement priorities: based in the identification of the existing resources in the organization to establish the improvement priorities;

7. Definition of an action plan: based on the assessment and analysis developed to create a business context, led to the identification of improvement projects targeting business capabilities.

The proposed approach step 5 “Assessment of stakeholders concerns and objectives” allows clarifying the relationship between business capabilities, stakeholders, business objectives and improvement actions. The improvement action is executed in a business capability and materialized in a business objective, representing what must be achieved to solve the concerns. This approach step provides an interface between strategy layer and improvements to perform, represents the operational layer (Figure 6.1).

6.3 Methodology

This study was methodological supported in the action-research, since there wasn’t prior action plan to be developed in the sport clubs supported by the sport department in the municipality, which required the active intervention of the researcher. The action-research improve knowledge and solves practical problems (Argyris, Putnam, & Smith, 1985), with a tight coupling of research and action, and the deliberate involvement of the researcher in the changes to the situation being researched (Huxham & Vangen, 2003). The action-research has the objective to generate organizational change, solve practical problems (Baskerville & Myers, 2004). According Lewin (1946), the action-research is a research that helps the knowledge generation about the social system targeted and simultaneously develop change.

In our study, the development of the action-research was executed during three consecutive months. According to De Vries (2007) the duration of the action-research studies could be between few months to 10 years. The initial step involved the assessment
of the context and objectives, followed by the diagnostic, action planning, action taking, and action evaluating (Coghlan & Brannick, 2005, p.21)

This study was developed with a sport department of a municipality (SDM), which agreed to participate in this study and coordinate the involvement of the local nonprofit sport clubs. The first steps involved the assessment of the existing situation in the sport department, followed by the interviews with the sport clubs. The next step was the assessment of the existing conditions to develop the actions and finally, the reflection to obtain the main conclusions. Next, is described a background, the participants in the study, and how the study was developed.

6.3.1 Background and participants

According to the SDM, there are 100 sport clubs and associations in the municipality. The regulation of the SDM define programs and rules underlying the support by the municipality to the cultural, sport and recreational associations with the mission of training, fruition and promoting of the citizens (Câmara Municipal Ourém, 2010). The lack of financial support by the SDM is an underlying assumption, which allowed to develop this study and to engage different approaches supporting the sport clubs.

The participants were selected by the SDM, based in their importance to the region, dimension, board member availability and agreement for conducting the study. The sport clubs where contacted by the SDM to verify the availability of the board members to be present in the scheduled meetings. The number of selected clubs that agreed to participate in the study where five. All the clubs are managed by volunteers and their main features were as follows:

1. Sport Club 1 (SC1). Develop its activity in futsal supporting 50 athletes. The elements present where president, treasurer, secretary and head coach;

2. Sport Club 2 (SC2). Main activity is swimming with 120 athletes and futsal team with 14 players. The elements present where president, vice-president and treasurer;

3. Sport Club 3. (SC3). Soccer club with 400 athletes in different classes, for men and women. The element present was the president;
4. Sport Club 4. (SC4). Develop various sporting activities namely: karate; swimming; amateur football teams; professional football team; veteran football team; mountain biking and duathlon. Representing approximately 255 athletes. The element present was the president;

5. Sport Club 5. (SC5). The main activity is athletics with 150 practitioners, from which 107 are federated athletes. The element present was the technical director in representation of the president.

To maintain their anonymity was used an identification tag suffixed with a sequential number representing each sport club evaluated. The development of the data collection was based in the analysis of statutes, internal regulation and interviews (individual and group). The interview gives the flexibility to select the order, which the various topics are dealt with, using suitable expressions (Corbetta, 2003). Tharenou, Donohue, and Cooper (2007) stated also that their advantage allows to discuss scenarios with the interviewer that can be used to identify particular issues. To support the data collection during the interviews was proposed the use of an audio recorder, but the lack of availability by the sport clubs responsible and the advantage to make the participants feel more comfortable relaxed and more willing to voice their opinions (Puhakainen & Siponen, 2010) led us to the adoption of field notes.

6.3.2 Study Development

The first meeting was with the responsible of the SDM, where was established how to address the sport clubs and the global steps to develop the study (Table 6.1). The second meeting, where were present the responsible by the SDM, sport senior technical and intern, which allowed to the definition of the strategic objectives to achieve:

1. Decentralization of the sport practice, assuring homogeneous participation rates by region;

2. Increase the number of practitioners, assuring a greater participation in the different age groups;

3. Identify alternative supports to the sport clubs, to minimizing existing difficulties related to the lack of financial autonomy.
These objectives require the clarification how to engage their operationalization in the sport clubs, based in the identification of improvement actions to contribute to their achievement. The improvement actions in the sport clubs enable the achievement of business objectives, supported in business capabilities. The first contact allowed to develop the assessment of the “Mission and Vision” which was supported in the regulation of the SDM (Câmara Municipal Ourém, 2010). The strategic objectives were also identified in the first contact. The following steps were developed based in the interviews with the sport clubs.
Table 6.1: Global steps developed during the context clarification with the responsible

<table>
<thead>
<tr>
<th>Steps:</th>
<th>Overview</th>
<th>Results</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awareness</td>
<td>Awareness action; Identification of the study assumptions; Articulation of the approach to develop, with the involvement of Sport Sciences School as project partner; The municipally as enabler and interested partner in the promotion of the region of partner entities to identify ways</td>
<td>Articulation of the following sessions. Presentation of the work to develop involving the project participants: Municipality; Sport Sciences School and research team. Identification of the entities for the development of the work in the Sport Clubs in the Municipality.</td>
<td>(1) Responsible by the sport sector in the municipality (2) Sport Senior Official (3) Sport Management Intern</td>
</tr>
<tr>
<td>Presentation of the conclusions of the information retrieved in the sport clubs</td>
<td>Presentation of the developed clarification to obtain a action plan according the real needs for the municipally in a global context to improve the sports practice.</td>
<td>Was presented the conclusions of the study and articulated a work session to clarify the areas where is possible to develop an intervention in the actual context.</td>
<td>(1) Responsible by the sport department in the municipally (2) Sport Senior Official (3) Sport Management Intern</td>
</tr>
<tr>
<td>Identification of the improvement actions to develop</td>
<td>Analysis of the issues identified and respective improvement actions. Identification of the target areas in a context of the existing capabilities in the municipally.</td>
<td>Potential improvement actions to develop in the current context</td>
<td>Responsible by the sport department in the municipally</td>
</tr>
</tbody>
</table>

Note: The developed steps, results and participants, to identify a necessary context for the development of an action plan according the requirements identified by the municipally.
After the initial assessment with the sport department, where developed the interviews with the non-profit sport clubs, considering the several perspectives already presents in the approach steps, which we describe generally (Table 6.2). The assessment of the Mission and Vision is based in the topic “1. What does your sport club” to identify the mission, the topics “2. What your sport club intended to be?” and “3. What is the sport club ambition?” helps the clarification of the organization vision. The topics “4. What are the necessary supports to increase the number of practitioners?” , “5. What is the necessary support to increase the number of classes?” and “6. What is necessary to do to increase the revenues?” allow the identification of the strategic objectives. The identification of the stakeholders was based in “7. Who contributes or causes difficulties to achieve the sport club objectives?”

The assessment of the business capability considered that represents “8. What the sport club have to know to do?”, which gives competitive advantage to the organization (Prahalad & Hamel, 1990) and allow to reflect on the root issues (Rosen, 2012), generating value to the organization (Porter, 1985) ”9. What the sport club knows to do?”. To clarify the identified business capability was also described its meaning, to simplify the comprehension of what represents in the context of the work being developed, and should be interpreted.

### Table 6.2: Interview topics

<table>
<thead>
<tr>
<th>Step</th>
<th>Approach element</th>
<th>Adopted simplified question</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Mission and Vision</td>
<td>Mission</td>
<td>(1) What does your sport club?</td>
</tr>
<tr>
<td></td>
<td>Vision</td>
<td>(2) What sport club intend to be?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(3) What is the sport club ambition?</td>
</tr>
<tr>
<td>2. Strategic objectives</td>
<td>Increase the number of practitioners</td>
<td>(4) What are the necessary supports to increase the number of practitioners?</td>
</tr>
<tr>
<td></td>
<td>Increase the number of existing levels</td>
<td>(5) What are the necessary support to increase the number of levels?</td>
</tr>
<tr>
<td></td>
<td>Increase revenues</td>
<td>(6) What is necessary to increase revenues?</td>
</tr>
<tr>
<td>3. Stakeholder assessment</td>
<td>Stakeholders</td>
<td>(6) With whom have to worry?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(7) Who contributes or causes difficulties to achieve the sport club objectives?</td>
</tr>
<tr>
<td>4. Assessment of Business capabilities</td>
<td>Business Capability</td>
<td>(8) What the sport club have to know to do?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(9) What the sport club knows to do?</td>
</tr>
<tr>
<td>5. Issue assessment related to stakeholders</td>
<td>Issues that concern us related to a stakeholder</td>
<td>(10) What are the main issues or concerns related to a stakeholder (identified in the previous step)?</td>
</tr>
<tr>
<td></td>
<td>Operational objective that corrects the issue</td>
<td>(11) How to solve a issue or concern related to a stakeholder?</td>
</tr>
<tr>
<td></td>
<td>What is the necessary business capability to solve the issue</td>
<td>(12) What is the objective that have to be fulfilled to remove an issue?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(14) What objective as to be fulfilled to remove a issue or concern?</td>
</tr>
</tbody>
</table>

Note: This interview supports the information retrieving, based in the proposed approach.
These assumptions were used to develop the interview and allowed the gathering of the necessary information. After the development of the interviews, the retrieved information was inserted into a spreadsheet (Figure 6.2) and integrated in each step of the proposed approach.

![Figure 6.2: Spreadsheet used to store the information retrieved in the developed meetings](image)

### 6.4 Research Results

Figure 6.2 showed the stakeholders identified by the participants. This information represents the combination of the stakeholders identified by the interviewed sport clubs. Some stakeholders were identified taking into account their importance for the development of sport events, such as “Scouts” and “Church members”, namely for their support and promotion respectively.

After the identification of the stakeholders, where fulfilled the conditions for the assessment of the business capabilities by the board members, reflecting important skills or abilities that the sport organization should possess. The study participants considered
fundamental to ensure the sport club survival, the capability to increase new members, athletes or other members. This lead to an identified business capability “Get Members”, which was split in “Get Athletes” and “Get Sport Members”. This division reflects the differences in what the organization has to do to increase or renew the athletes and increase or retain the sport club members. This assumption was adopted in the assessment of all the business capabilities, reflecting what the organization must do to in reaction to a stimulus triggered by a stakeholder. To retain athletes and sport members was also considered important the “Satisfaction Assessment” and “Retain Athletes”. The importance of the training or formation of the athletes and practitioners is represented in “Develop Training”.

The concern for the sport clubs increase profits is represented in the business capabilities to “Get Sponsorship” and “Organize Events”. The organization and management of the sport club was also considered a fundamental ability for the Sport Club, which is identified in “Manage Sport Club”. This capability was considered fundamental to articulate the several areas of the organization, or the identified business capabilities. The participants also considered the business capability “Communicate and Disseminate” fundamental for the promotion of the club activities, events or results. In Table 6.3 are represented the identified business capabilities and their description.
Table 6.3: Sport Clubs Business Capabilities

<table>
<thead>
<tr>
<th>Business Capability</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Get Athletes</td>
<td>Get athletes and practitioners which is fundamental for the existence of the sport club and renewal of their practitioners</td>
</tr>
<tr>
<td>Get Sport Club Members</td>
<td>Get sport club members contributing with financial and non-financial supports</td>
</tr>
<tr>
<td>Satisfaction Assessment</td>
<td>Understand the satisfaction with the sport clubs and what athletes, practitioners, members and sponsors intend</td>
</tr>
<tr>
<td>Communicate and Disseminate</td>
<td>Communicate and inform what is performed and what is intended to carry</td>
</tr>
<tr>
<td>Develop Training</td>
<td>Train athletes for the sport activity including social and ethical values</td>
</tr>
<tr>
<td>Manage Sport Club</td>
<td>Manage the sport club to develop its business capabilities optimally. Includes legal and social responsibilities</td>
</tr>
<tr>
<td>Manage Human Resources</td>
<td>Manage volunteers, board members, coaches, parents and other members related to the sport club</td>
</tr>
<tr>
<td>Get Sponsorship</td>
<td>Develop new approaches to get sponsors, fundraising, or other resources that the sport club needs to develop its activity</td>
</tr>
<tr>
<td>Organize Events</td>
<td>Plan, organize and execute sport events fundamental to disclose the club and increase revenues</td>
</tr>
<tr>
<td>Retain Athletes</td>
<td>Develop and execute approaches to retain the athletes in the sport club.</td>
</tr>
</tbody>
</table>

Note: Identification of business capabilities and description of their meaning.

After the retrieved information is possible to integrate the identified constructs based the assessment of the issues and concerns related to the stakeholders. The resolution of an issue and a concern is accomplished using an objective, which if is fulfilled the issue is solved. The objective fulfillment is supported by a business capability that has to be improved to correct the gap between the current state and a desired one. Simultaneously, the operational objective is associated to a strategic objective, to support the alignment of lower level objectives with upper level. These assumptions were used to frame the issues or concerns identified by the sport clubs.

“Our concern in relation to the schools is the lack of partnerships to attract athletes. Our objective is to increase the number partnership and recruited athletes. To achieve this objective, we have to develop partnerships with schools and the teachers of physical activity to develop athletes tracking.”

Sport manager of the sport club SC4

The concern identified by the sport manager in the sport club SC4 was framed in strategic objective increase the number of practitioners and supported in the business
capability “Get Athletes”. Each issue or concern related to a stakeholder originates an objective. Each objective stipulates the necessary conditions to support the achievement of the strategic objectives and simultaneously the resolution of the issue or concern. This approach was developed to each stakeholder.

The monthly payment as to have lower values in the first year of sport practice to facilitate the attraction of new athletes.

We have to increase sponsorship to support the reduction of the first year monthly payment or reduce globally the tuition fees.

The bar revenues are not possible because the bars are installed away from the practice and competition sites.

Sport manager of the sport club SP2

The identification of the concerns and issues support the definition of the objectives. In table 6.4, we have the assessment of the issues or concerns related to athletes stakeholders. The business capability related to the issue or concern supports the improvement to achieve the gap correction associated to a business objective. The evolution related to the improvement in the business capability is monitored using a business indicator to evaluate its progression to accomplish the business objective.

The information retrieved allows us to have an overall perspective and development an assessment of the improvement actions that can be engaged to support the achievement of the strategic objectives. The improvement actions contribute to the achievement of a business objective, which supports the strategic objective. This relationship allows the integration of top-level strategic objectives with business objectives supported in lower level improvement actions targeting business capabilities.

The improvement actions were analyzed according the availability of the SDM to support the improvement actions (Table 6.5). The responsible by the SDM identified the improvement actions, which are options to develop its operationalization by the municipality. This allowed establishing the identification of improvement priorities. It is identified a recurring business capability ”Manage Sport Club”, despite of being also
Table 6.4: Issues and concerns related to athletes

<table>
<thead>
<tr>
<th>Issue or concern</th>
<th>Strategic Objective</th>
<th>Operational Objective</th>
<th>Business Capabilities</th>
<th>Improvement Actions/Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low revenues</td>
<td>Sport Revenues</td>
<td>Club Revenues</td>
<td>Increase the revenues obtained in tuition fees</td>
<td>Increase the number of athletes to increase the tuition fees related to the practice. Develop strategies to increase the number paying to develop the sport practice.</td>
</tr>
<tr>
<td>High costs with equipment</td>
<td>Increase the sport practice</td>
<td>Support equipment procurement</td>
<td>Get Athletes</td>
<td>Identify approaches to reduce costs related with sport equipment; Identify sponsors in sport shops; Equipment procurement with reutilization by the athletes; Scale economy with the centralization of the acquisitions.</td>
</tr>
<tr>
<td>Reduced ability to ”Get Athletes”</td>
<td>Increase the sport practice</td>
<td>Increase the capability to have more athletes</td>
<td>Get Athletes</td>
<td>The sport facilities have limited capacity to simultaneously practitioners. Develop strategies to articulate simultaneously practitioners.</td>
</tr>
</tbody>
</table>

Note: This table represents a part of the issues and concerns related to the stakeholder athletes, after the development of the semi-structured interview.

identified ”Manage human resources” or ”Develop Training”, that the interviewed sport managers consider more relevant for the organization. The evaluation of the improvement actions allowed also considering the more relevant business capabilities, to clarify the priority areas to target the enhancements.

After the identification of the priorities, were defined projects sheets to clarify improvement actions. The projects were identified according the existing abilities in the municipality, and represent what is necessary to accomplish, to correct existing gaps against to what is expected to fulfill, according the identified objectives. To reduce the number of projects, was realized the integration of similar improvement actions, the definition of the project sheets was simplified based in a template (Table 6.6), using project definitions guidelines (Coelho, 2013; EFQM, 2001; Tague, 2005) and using the information resulting from the development of the approach steps (Figure 6.4).

The assessment by the SDM leaded to the proposal of a formation cycle, to be developed by the municipality, oriented to the improvement of the skills and competences of the people related to the sport club, in areas important for the organization. To improve the knowledge of the sport club managers, allowing to increase their performance in strategic thinking and action.
Table 6.5: Evaluation of the improvement actions by the SDM

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Issues or Concern</th>
<th>Strategic Objective</th>
<th>Operational Objective</th>
<th>Business Capability</th>
<th>Improvement Action/Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>District Associations</td>
<td>Athletes registration costs</td>
<td>Sport Club Revenue</td>
<td>Reduce registration costs</td>
<td>Manage Sport Club</td>
<td>Assess the extent of costs associated to the registration of athletes by the sport clubs of the region. Support the inscription of federated athletes.</td>
</tr>
<tr>
<td>District Associations</td>
<td>Costs to train sport coaches</td>
<td>Increase the sport practice</td>
<td>Support the training of sport coaches</td>
<td>Manage Human Resources</td>
<td>Channel resources to the coach certification. Negotiate with district associations the development of an integrated action. Support fund raising. Develop an articulated train action after an initial assessment, considering the needs of all sport clubs.</td>
</tr>
<tr>
<td>District Associations</td>
<td>Low visibility women’s football</td>
<td>Decentralization of the sport activity</td>
<td>Be a reference in the women’s football</td>
<td>Manage Sport Club</td>
<td>Transform the district to a reference in the women’s football, increasing competitiveness, reduce the registrations costs and match fee to half.</td>
</tr>
<tr>
<td>Athletes</td>
<td>Children transport laws and lack of resources to acquire transportation</td>
<td>Sport Clubs Revenues</td>
<td>Report the situation to the authorities. Facilitate the generation of revenues.</td>
<td>Manage Sport Club</td>
<td>Increase the availability in the transportation of the athletes and simultaneously solve the issue related with the age of the transport van. Vans older than sixteen years cannot transport children with less than sixteen years, even with inspection done. Legislation 13/2006 of 17 April, covering the public transportation of children, under the context of the legislation for scholar transportation.</td>
</tr>
<tr>
<td>Athletes</td>
<td>High costs with sport equipment</td>
<td>Increase the sport practice</td>
<td>Support equipment acquisition</td>
<td>Develop training</td>
<td>Identify approximations to reduce costs related to the sport equipment; Sponsorship by stores of sport equipment; Development of procurement approaches and centralization of acquisitions; Acquisition of equipment for the reutilization by the athletes, considering that are maintained for future use.</td>
</tr>
</tbody>
</table>

Note: Information retrieved during the development of the approach steps. The improvement actions were evaluated according the existing resources of the SDM.

6.5 Discussion

The aim of this study was the adoption of an approach in a nonprofit sport organization for the engagement of their business objectives, properly supported in improvement actions. The strategy operationalization should be developed with the involvement of different board members, where the formation assumes an important area to improve their knowledge and enhance the organization performance. The study revealed in early stages, the lack of financial resources, which required the definition of business objectives to identify alternative supports for the sport clubs, minimizing the difficulties related to the lack of financial resources. The lack of funding in the sport organizations, had already been described in other investigations (Berrett & Slack, 2001), which has been
Table 6.6: Project sheet model

<table>
<thead>
<tr>
<th>Project Field</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project:</td>
<td>Project identification</td>
</tr>
<tr>
<td>Project description:</td>
<td>Description of the project to developed</td>
</tr>
<tr>
<td>Business Capability:</td>
<td>Business capability targeted to develop an improvement action</td>
</tr>
<tr>
<td>Responsible:</td>
<td>Responsible for implementing the project</td>
</tr>
<tr>
<td>Project Description:</td>
<td>Long description about the project, includes the value to determinate the project ranking; project description and what is its source, i.e. operational objective and business capability.</td>
</tr>
<tr>
<td>Project objectives:</td>
<td>Describes what is intended to accomplish with the project</td>
</tr>
<tr>
<td>Project results:</td>
<td>Expected results by the project development</td>
</tr>
<tr>
<td>Operational Objectives:</td>
<td>Operational objective that is related to the project</td>
</tr>
<tr>
<td>Strategic Objectives:</td>
<td>Identification of the strategic objectives associated to the project, allowing defining the impact of the project in the strategic objectives.</td>
</tr>
<tr>
<td>Priority:</td>
<td>Considering its importance to the organization to implement the project</td>
</tr>
<tr>
<td>Scheduled beginning date:</td>
<td>When is expected the project to start</td>
</tr>
<tr>
<td>Project length:</td>
<td>Project implementation and execution length</td>
</tr>
<tr>
<td>Cost:</td>
<td>Estimated cost for project execution</td>
</tr>
<tr>
<td>Obs:</td>
<td>Detailed information related to the project operationalization or additional information considered relevant.</td>
</tr>
<tr>
<td>Actions:</td>
<td>Actions to develop to accomplish the project objectives</td>
</tr>
</tbody>
</table>

Figure 6.4: Project sheets definition

aggravated in the Portuguese context (Gorjão, 2012). The initial contacts revealed a barrier to develop the study, the lack of availability to use an audio recorder during the
meetings, which is recommended (e.g. Ferkins et al. (2005)). This difficulty was already addressed by Rapoport (1970).

During the development of the study, the assessment of the stakeholder concerns allowed the identification of business objectives, which to be achieved require the development of improvements in the sport club to solve the concern. This allows clarifying the response that the organization needs to perform to the external environment, triggered by the stakeholder. According to Ferkins et al. (2005) the response to the external environment is a topic superficially explored by sport managers scholars, that could benefit from the board diversity to identify different perspectives. The identified improvement actions based in the stakeholders, support the decision to establish strategic priorities, contributing to solve an existing difficulty already described in the literature (Shilbury & Ferkins, 2011).

The lack of knowledge in areas such “Manage Sport Club” was a requirement often referred. The sport club board members need specific formation. This seems attuned with the research findings of Thiel and Mayer (2009) stating that sport club managers seem unable to work efficiently without a special knowledge about how voluntary sport organizations function. The idea expressed by Seippel (2004) discussing the major obstacles such as economy, volunteers, leaders, trainers and recruiting, was also found in the identified business capabilities, considered important by the sport club boards.

This study allowed to create a solution where there wasn’t one available, using the adoption of action-research to enable the researcher applying prescriptions, which is also suggested by Ferkins et al. (2005). This allows supporting the alignment of the strategic objectives and the improvement actions according the organization context. The development of this alignment is a hiatus in the research (Emery, 2010; Slack, 2010; Thibault et al., 1993) that this study exemplifies how can be addressed.

The identified improvement actions based in the assessment of the concerns (Table 6.4) are attuned with the main obstacles for the sport clubs. This was already described by Seippel (2004) with the identification of elements such as: economy, institutional relations and facilities. The economic obstacle underlies the development of this study and is mentioned improvement actions, although the facilities were also identified.
The proposal of a formation cycle for the sport managers highlights the demand for knowledge to increase their strategic thinking and action. Perspective that was already identified by Shilbury and Ferkins (2011).

6.6 Conclusions

This study evaluates the adoption of Business Process Management to operationalize the organization strategy according their business objectives. Through action-research, we identified actions to develop in non-profit sport organizations according existing resources in the organization materialized in an action-plan.

The adopted approach allowed developing more objectively the strategy operationalization. The assessment of the concerns and issues related to each stakeholder allows defining business objectives, supported in improvement actions.

The board diversity provides wider perspectives and a richer assessment, identifying what should be developed in the organization. Increasing the knowledge of the sport managers in areas related to management of the nonprofit sport club, provides an approach to increase the organization efficiency, allowing also improving their strategic thinking and action.

The clarification of what the organization has to fulfill, simplifies the prioritization of what needs to be developed, according existing organizational resources. This study tried to develop systematically the identification of operational solutions targeting a strategic context, using a set of steps based in the proposed approach.
Chapter 7

Study 4: National Sport Organization

Approach to process management in a National Sport Federation

Article waiting submission, in articulation with Trevor Slack.

7.1 Abstract

The National Sport Organizations are immersed in an environment that requires a constant adaptability to address the challenges posed. The Business Process Management provides an horizontal perspective of the organization allowing to developed optimizations crossing the traditional functional perspective. This research proposes an approach adopted in a sport organization through the use of the action research, based in the clarification if the strategy assumptions, operational improvements priorities and process adjustment, solving the strategy operationalization problem. The need for simplicity and the involvement of the organization collaborators lead to the use constructs to simplify the creation of conditions to develop the articulation between the top and operational level, defining and executing projects according the identified context. The main results were the identification how to targeting areas that solve existing problems related
to stakeholders, which simultaneously contribute to the fulfillment of top-level objectives, creating conditions to develop an articulation between top and operational level objectives using a systematic approach.

Keywords: Sport Organizations, Strategy Operationalization, Business Process Management approach

7.2 Introduction

Sport managers are in the business of uncertainty, which is an important assumption for the management of sport organizations (Simon Chadwick, 2009). However, the sport organizations require a set of assumptions to ground base their operations and accomplish the business objectives. Slack and Parent (2006) states that the goal orientation requires the clarification of what is intended to achieve by the organization. The need to achieve results is not different on Non Profit Organizations (Moxham, 2009). Public and non-profit, and private organizations differences results from how they generate their income (Micheli & Kennerley, 2005), which is mainly from the state in public and non-profit (Moxham, 2009). Nonprofit organizations have increasingly turned to traditional business models to improve their effectiveness and efficiency (Sawhill & Williamson, 2001). The reality is not different in National Sport Organizations (NSO), where the impetus for the development of strategic plans is emanated from pressures of the NSO’s external environment (Thibault et al., 1993).

The need for assumptions requires the clarification of what the organization is intended to achieve. The strategy supports the goal orientation providing the necessary ability to respond to environmental changes (Das, 1990), which requires the improvement of their operational performance. The assumptions created by the strategy, should be supported by the operations. However, this is not properly addressed by the research, linking the strategy to the sport organizations operations (Thibault et al., 1993; Slack, 2010; Emery, 2010).

Bayle and Madella (2002) considers that the performance of a NSO is related to the capacity to accomplish its goals, using human, financial, and material means, which requires a suitable fit between the strategy and the environment (Berrett & Slack, 2001). The environmental changes that occurred in Portugal, namely the austerity program
negotiated with the Troika is having a devastating impact on the Portuguese economy (Gorjão, 2012), creating pressure in the NSO activity. The ability of the organizations to master the challenges posed by their environments, depends on their capacity as information processing systems to develop adjustments (Miller & Friesen, 1983).

The organizational adjustments should be developed structuring the organization to support the strategy (Hoye & Cuskelley, 2007; Miles et al., 1978; Miller, 1987) that is also influenced by the strategy (Slack & Parent, 2006). (Hoye & Cuskelley, 2007) states that the Sport Managers have the responsibility to create the necessary conditions for the organizations react to opportunities in the market, or the demands of their stakeholders, maintaining adequate forms of control and accountability.

The Business Process Management (BPM) provides a link between the strategy and operations (Hung, 2006), with a holistic perspective (Zairi, 1997) supported in process improvement (Smart et al., 2004) integrating strategy and operations (Smart et al., 2009). BPM allows the achievement of the organizational goals (Zairi, 1997), based in the articulation of the improvements using the assumptions that people work in functions, but processes are not functional (Zairi, 1997; Sharp, 2009). The development of the improvements using BPM as support, allow to achieve overall optimizations without the functional structure based in the process perspective. Processes are interpreted as a horizontal point of view of the organization, crossing the functional structure, to reduce cycle times, process cost and increase customer satisfaction (Kilmann, 1995), enhancing the importance of an overall articulation of the work to achieve the business objective, providing a systematic approach (Antonucci et al., 2009; R. Davis, 2007; Jeston & Nelis, 2006). The importance of BPM is strengthen by Hammer (2010) and is considered by Smart et al. (2009) strategy in action.

There are several BPM approaches proposed by BPM professionals to improve organizations using top-down approach (Tregear, 2010; Jeston & Nelis, 2006; Sharp, 2009; Miers, 2005; Harmon, 2007; Coelho, 2005a). BPM should be developed considering the critical factors related to its operationalization, which gives orientations about concerns to be addressed, namely the identification of key elements to consider on an approach. Rosemann and Brocke (2010) considers that developing an alignment, requires the clarification of who is involved and how the approach is supported in terms of tools and
Chapter 7. Study 4 — Sport Federation

techniques. Hung (2006) suggest the importance of aligning the strategy to the business processes, the executive commitment and the empowerment of the employees. The importance of Process Alignment, People Involvement and Executive commitment are fundamental for achieving the intended business performance (Hung, 2006; Rosemann & Brocke, 2010; Bucher & Winter, 2010). These perspectives allowed to support the definition of an approach, to be applied in sport organizations. The proposed approach include assumptions of the strategy, as axioms that will be used to clarify the targeted areas, encompassing a set of constructs related to the business strategy that can be applied in a workshop.

The approach is structured in three layers of approximation: strategy; operations and implementation (Figure 7.1). The strategy layer develops of an assessment, creating

![Figure 7.1: Global approximation](image)

a context for the improvement actions, based on the clarification of: (1) mission and vision; (2) strategic objectives; (3) stakeholders analysis and (4) business capabilities. In the operations layer are developed the issues assessment, integrating the information retrieved in the previous layer, where stakeholders are used as the source of stimulus, processed in business capabilities, supporting the fulfillment of objectives, developing an improvement, moving the organization from an actual state to an intended one. The concept of business capabilities is used as an abstraction, representing organization resources (Homann, 2006), describing what does without specifying how (Rosen, 2012; Sharp, 2011) allowing to differentiate from the competition (Prahalad & Hamel, 1990). It shouldn’t be identified more than 10 business capabilities (Sharp, 2009; Hammer, 2010). The clarification of the business capability is developed using their decomposition until the process level (Keen, 1997; Sharp, 2009), which enables also their use as a process organization mechanism. The improvement layer involves the clarification of what is
necessary to fulfill the previous levels, optimizing the impact in the organization, which is decomposed in two sub-steps: improvement priorities and action plan.

This research was developed to clarify how to operationalize the NSO objectives, identifying improvement actions, developed aligned with the strategy, to achieve the strategy operationalization using BPM as an approach.

7.3 Study design and methodology

The study methodology is based in the action-research, which involves the research to support the knowledge generation and the action related to the intervention in the organization. The action-research allows to improving knowledge and solving existing problems in the targeted system (Lewin, 1946; Dick, 1993; Baskerville & Myers, 2004). In the present study the targeted system is a National Sport Organization (NSO), where we intend to identify improvement actions properly aligned with the organization strategy. The research was developed considering a initial cycle involving a step for the context and objectives, followed by the diagnostic, action planning, action taking, and action evaluating (Coghlan & Brannick, 2005). The research steps are supported in the proposed approach to clarify the context for developing the improvement actions.

7.3.1 Background and participants

The organization targeted in this study is a NSO that started its activity in 1974 and was formerly created in 1992, according the legal framework established by the decree-law n.º 144/93 dated of 26 April. This NSO is a non-profit organization, encompassing sport clubs, sport associations, professional leagues, coaches, judges and referees, and other entities that contribute to its activity. The synoptic table with the global indicators is represented in the Table 7.1.

The first approximation was developed in an initial briefing with the responsible to ensure the necessary support before developing the meetings with the organization members (Table 7.2). The meeting participants where encouraged to participate according their experience and not in relation to the organizational function performed, which allowed to remove their feedback from the functional area where they perform the their
work, and gather data from other areas. Another aspect issued before the development of the sessions was the approach steps, objectives, information to be gathered, the necessary articulation and the expected outcomes. The retrieved information was stored in a spreadsheet previously structured, presented to all participants using a data-show, to support the discussion and validation of the information inserted.

**Table 7.1: Global indicators**

<table>
<thead>
<tr>
<th>Indicators</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nº of practitioners</td>
<td>3310</td>
<td>3586</td>
<td>3499</td>
<td>3740</td>
</tr>
<tr>
<td>Growth rate</td>
<td>7%</td>
<td>8%</td>
<td>-2%</td>
<td>6%</td>
</tr>
<tr>
<td>Nº of female practitioners</td>
<td>845</td>
<td>949</td>
<td>1103</td>
<td>948</td>
</tr>
<tr>
<td>Nº districts</td>
<td>13</td>
<td>13</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>Sport Clubs</td>
<td>170</td>
<td>201</td>
<td>135</td>
<td>123</td>
</tr>
<tr>
<td>Training courses</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Nº referees and judges</td>
<td>66</td>
<td>49</td>
<td>24</td>
<td>18</td>
</tr>
<tr>
<td>Nº coaches</td>
<td>128</td>
<td>189</td>
<td>161</td>
<td>145</td>
</tr>
<tr>
<td>Public funding</td>
<td>€155,000</td>
<td>€160,400</td>
<td>€177,620</td>
<td>€134,000</td>
</tr>
<tr>
<td>Olympic Project</td>
<td>€83,214</td>
<td>€45,760</td>
<td>€49,885</td>
<td>€34,975</td>
</tr>
<tr>
<td>Own Revenues</td>
<td>€73,248</td>
<td>€66,414</td>
<td>€86,023</td>
<td>€73,373</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>€311,463</td>
<td>€272,574</td>
<td>€313,528</td>
<td>€242,347</td>
</tr>
</tbody>
</table>

Note: This table represents the financial and non-financial indicators.

**Table 7.2: Developed meetings**

<table>
<thead>
<tr>
<th>Steps</th>
<th>Overview</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awareness</td>
<td>Awareness action; articulation of the first work session; was presented the work to be developed and get commitments by the participants. Was scheduled the first work session to clarify the steps to be developed; the articulation of the following sessions and the clarification of the work to be developed.</td>
<td>(1) President; (2) Vice-president; (3) Secretary; (4) accounting officer; (5) accounting clerical</td>
</tr>
<tr>
<td>1º Session</td>
<td>Mission, vision and strategic objectives. Stakeholders assessment and Business Capabilities.</td>
<td>(1) President; (2) Vice-president; (3) Secretary; (4) accounting officer; (5) sports director; (6) accounting clerical</td>
</tr>
<tr>
<td>2º Session</td>
<td>Concerns and issues related to stakeholders. Identification of business objectives solving the concerns and issues related to: (1) athletes; (2) coaches; (3) referees; (4) municipalities; (5) district associations; (6) sport schools and clubs</td>
<td>(1) President; (2) Secretary; (3) accounting officer; (4) sports director; (5) accounting clerical</td>
</tr>
<tr>
<td>3º session</td>
<td>Concerns and issues assessment. Identification of business objectives solving the concerns and issues in the stakeholders: (1) schools; (2) Portuguese Institute of Youth; (3) Portuguese Olympic Committee; (4) Sport Confederation; (5) media; (6) Employees; (7) Sponsors; (8) Paralympics Committee; (9) Class associations; (10) Sport club managers. Assessment of priority business capabilities.</td>
<td>(1) President; (2) Secretary; (3) accounting officer; (4) sports director; (5) accounting clerical</td>
</tr>
<tr>
<td>4º session</td>
<td>Assessment of priorities areas and evaluation of the information handled in the previous sessions.</td>
<td>(1) President; (2) Vice-president; (3) Secretary; (4) accounting officer; (5) sports director; (6) accounting clerical</td>
</tr>
<tr>
<td>5º session</td>
<td>Clarification of improvement actions – Projects Definition.</td>
<td>(1) President; (2) Secretary</td>
</tr>
</tbody>
</table>

Note: The developed steps, results and participants, to identify a necessary context for the action plan according the requirements identified.
7.3.2 Context and objectives

The clarification of the strategy layer provide us the assumptions to developed the operationalization based in the assessment of the approach steps: (1) mission and vision; (2) strategic objectives; (3) stakeholders analysis and (4) business capabilities. The necessary elements for each step are gathered according existing management tools, e.g. the mission and vision were identified based in the assumptions European Foundation for Quality Management (EFQM), considering the following elements (EFQM, 2001): (1) action verbs reflecting what the organization does; (2) definition of two or three critical competences on the long term success; (3) definition of who our customers are; (4) definition of where we operate geographically, and; (5) sentence building articulating (1)+(2)+(3)+(4), as exemplified in Table 7.3. It was adopted a similar procedure for the vision. This systematization is facilitated, considering that is adopted a spreadsheet previously formatted to insert the information required, simplifying its retrieval, removing the business concepts burden required to meeting participants, which allows to focus in the information to be retrieved and not in the management tools.

<table>
<thead>
<tr>
<th>#</th>
<th>Elements</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Identification of action verbs emphasizing what the organization does</td>
<td>Promote; Train; Disseminate; Contribute; Designing; Organize</td>
</tr>
<tr>
<td>2</td>
<td>Two or three critical capabilities on the long term success</td>
<td>Disseminate the sporting and training practice; Keep an sustainable growth in the formal practice; Contribute to excellence in Federation</td>
</tr>
<tr>
<td>3</td>
<td>Define who the customers are</td>
<td>athletes; practitioners; coaches; masters; referees; clubs; associations</td>
</tr>
<tr>
<td>4</td>
<td>Identify where we operate geographically</td>
<td>Portugal</td>
</tr>
<tr>
<td>5</td>
<td>Combine the previous elements to articulate a statement to define the mission</td>
<td>Promote, disseminate and contribute to the excellence of the Federation through the training of athletes, coaches, referees and support for clubs and associations, sustaining the growth of the sport practice</td>
</tr>
</tbody>
</table>

Note: Example of a clarification of the mission in a context of sports federation.

The identification of the strategic objectives was developed based in an adapted Balanced Scorecard (Coelho, 2003), allowing to identify improvement motivations related to perspectives: Financial; Customers and markets; Human resources and Society. The objectives identified under these assumptions should represent the translation of the mission and vision (Noce et al., 2011), defining what have to be accomplished to fulfill its mission and achieve the intended vision (Table 7.4). The strategic objectives provide a validation mechanism for the mission and vision.
Table 7.4: Assessment of strategic objectives

<table>
<thead>
<tr>
<th>Improvement motivation</th>
<th>Strategic Objectives</th>
<th>Indicator</th>
<th>Actual</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial</td>
<td>Increase own incomes</td>
<td>Revenues of the developed activities</td>
<td>± 70,000</td>
<td>±100,000</td>
</tr>
<tr>
<td></td>
<td>Increase revenues from sport results</td>
<td>Revenues from contract programs</td>
<td>±190,400</td>
<td>±380,800</td>
</tr>
<tr>
<td>Customers and markets</td>
<td>Athlete with Olympic medal</td>
<td>Number of medals in Olympic games</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Athletes with medals in European Championship</td>
<td>Number of athletes with European Championship medals</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Increase the number of federated Athletes</td>
<td>Number of federated athletes</td>
<td>3922</td>
<td>6000</td>
</tr>
<tr>
<td>Human resources</td>
<td>Improve the employees capabilities</td>
<td>Number of training actions</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Society</td>
<td>Increase the number of sport graduation with specialization in Taekwondo</td>
<td>Number of sport graduation with specialization in Taekwondo</td>
<td>4</td>
<td>12</td>
</tr>
</tbody>
</table>

Note: The information was gathered in January of 2014 and was assumed the end of the mandate in 2016, to develop the quantification of the objectives, this means that wasn’t considered a time-lapse of four or five years, since the mandate of the responsible by the NSO finish before. The information reflects the perspective of the participants in the work sessions in each dimension.

The stakeholder assessment was developed under the explanation to the meeting participants that a stakeholder is group or individual that can affect or being affected by the fulfillment of the organization objectives (Freeman, 1984). Simultaneously, the stakeholders support the identification of triggered events to be treated in the organization. To simplify this step was presented an example of stakeholders proposed by Freeman (1984). The customers stakeholder was decomposed in Coaches, Athletes, Referees, Sport Clubs, Schools, local associations, due to the need of different support mechanisms or approaches in the organization (Figure 7.2). The assessment of stakeholders can be adjusted according the identification of issues, i.e. if isn’t identified an issue related to a stakeholder should be included? This should be articulated in the work sessions.

The approach step to clarify the business capabilities was developed considering that was a representation of an ability that the organization must possess to ensure

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1 Was considered customer someone who contributes with a due or assessment payed according the mission definition. A due represents a fee for the membership and an assessment is payment for an inscription on an activity, e.g. events, competitions, referee course, workshop.
its survival, without clarifying how, reflecting simultaneously an area that could be improved, to achieve the business objectives. The identified business capabilities are represented in the figure 7.3, which depicts what the NSO must do that is fundamental for its mission and to achieve its vision. After the assessment it became necessary to provide an additional clarification of the business capability, using a description, resulting from the difficulty to understand what represents in subsequent steps.

The information retrieved allowed to integrate the constructs stakeholders, strategic
Table 7.5: Business Capabilities Clarification

<table>
<thead>
<tr>
<th>Business Capability</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruit Athletes and Members</td>
<td>How to attract athletes and members</td>
</tr>
<tr>
<td>Organize and promote events and activities</td>
<td>Association and development of initiatives to increase the visibility. Collaborate and participate in partners initiatives</td>
</tr>
<tr>
<td>Generate Opportunities</td>
<td>Influence, communicate to increase visibility, promote, achieve sponsorships and partnerships.</td>
</tr>
<tr>
<td>Support international competitions</td>
<td>How to support and manage the participation of Portuguese athletes in international competitions.</td>
</tr>
<tr>
<td>Train and manage coaches</td>
<td>Manage, train and attract coaches. Includes managing the coach qualifications and renovations.</td>
</tr>
<tr>
<td>Train and manage referees</td>
<td>Manage, train and attract referees. Includes managing professional qualifications.</td>
</tr>
<tr>
<td>Manage national competitions</td>
<td>Manage national championship and Portuguese cup. Develop new competitions, support the awareness and increase the competitiveness</td>
</tr>
<tr>
<td>Support clubs and regional associations</td>
<td>Provide support mechanism like financial, logistic, organization of events, athletes inscription, retention, and manage new members.</td>
</tr>
</tbody>
</table>

Note: Example of a clarification of the mission in a context of sports federation.

Objectives and business capabilities. This is fundamental to support the alignment between the global perspective of the organization and what is intended to achieve (top-down), and how can be achieved (bottom-up).

7.3.3 Diagnosing

The development of the context and objectives supported the identification of the necessary constructs to develop the diagnosing of the issues related to the stakeholders. The integration of the concepts is used also as a validation mechanism of the previous steps and is the base to develop improvement actions properly contextualized. These assumptions were informed to the meeting participants before developing the identification of the issues related to a stakeholder, a issue allow the identification of a business objective that solves the issue. The business objective is supported in an improvement of a business capability. During the execution of this approach step, the meeting participants appeared to demonstrate some inhibition in the use of the word issue and was decided to use also concern, allowing the identification of issues and concerns related to a stakeholder, concerns was interpreted as something that not yet happened and may happen, in contrast to issue representing understood as something that already occurred.
In the Figure 7.4 are represented issues or concerns related to athletes (there where also identified concerns related to all stakeholders identified in the Figure 7.2).

**Figure 7.4:** Spreadsheet used to support the proposed approach

**Table 7.6:** Issues and concerns related to athletes

<table>
<thead>
<tr>
<th>Issue or concern</th>
<th>Strategic Objective</th>
<th>Operational Objective</th>
<th>Business Capabilities</th>
<th>Improvement Actions/Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficulty in control athletes not registered</td>
<td></td>
<td></td>
<td></td>
<td>Create advantages to registered athletes</td>
</tr>
<tr>
<td>Reduced participation in international competitions</td>
<td></td>
<td></td>
<td></td>
<td>Identify approaches and sponsors to develop initiatives to increase the involvement in these competitions.</td>
</tr>
<tr>
<td>Reduced number of athletes in the Olympic ranking</td>
<td></td>
<td></td>
<td></td>
<td>Develop more competitions to increase the participations of sport clubs and associations</td>
</tr>
</tbody>
</table>

Note: This table represents a part of the issues and concerns related to the stakeholder athletes. Also were identified related to the stakeholders identified in the figure 7.2.

The business capability supports an improvement action to achieve the business objective, e.g. the difficulty to control the athletes not registered is supported in the improvement of the business capability “Recruit athletes and members”. The identified capabilities improvements allowed the clarification of improvement actions, considering that the resources are limited (e.g. financial, human or material), and that is not
possible to developed a concerted action for all the organization. These assumptions were considered to develop the matrices to cross the gathered information and validate the consistency of the information. The matrix was built using the business objectives and business capabilities, where each objective was prioritized in a Likert scale from one to three (three represent higher priority), this was also used to quantify existing issues or concerns related to stakeholders, with a bigger priority to the organization.

**Table 7.7: Identification of improvement priorities**

<table>
<thead>
<tr>
<th></th>
<th>Priority</th>
<th>2</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>1</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Importance</td>
<td>29</td>
<td>14</td>
<td>27</td>
<td>42</td>
<td>12</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td>Business Capabilities/Operational Objectives</td>
<td>Recruit Athletes</td>
<td>Organize events and activities</td>
<td>Generate Opportunities</td>
<td>Support International Competitions</td>
<td>Train and manage referees</td>
<td>Support clubs and regional associations</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Increase athletes with updated information</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Minimize athletes not registered</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Increase the participation in international competitions</td>
<td>1</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Increase the number of athletes in the Olympic ranking</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: The importance is calculated based in the sums of the product of the value intersecting the operational objective and business capability by the priority of the business objective. The table represents part of the original values.

The relations between capabilities and objectives allow to identify how the contribution is supported, i.e., if a business capability contribute to a business objective, what is the improvement to be developed to achieve the objective (Table 7.8).

The last step is the development of a ranking of actions considering the simplicity of implementation. This assumes that after the development of the previous step, the actions with better ranking could be difficult to implement (e.g. lack of human or financial resources), table 7.9 provides an example how the final ranking was calculated, which allowed to reorder the improvement actions, moving simpler actions to upper positions.
Table 7.8: Identification of improvement priorities

<table>
<thead>
<tr>
<th>P</th>
<th>Priority</th>
<th>Importance</th>
<th>Business Capabilities/Operational Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>Recruit athletes and members</td>
</tr>
<tr>
<td></td>
<td></td>
<td>29</td>
<td>Organize and promote events and activities</td>
</tr>
<tr>
<td>1</td>
<td>Increase athletes with updated information</td>
<td>1</td>
<td>Generate Opportunities</td>
</tr>
<tr>
<td></td>
<td>Minimize athletes not registered</td>
<td>3</td>
<td>Publicize and raise the awareness of the NSO for the practice of Taekwondo: CP=Recruit Athletes and members — OO=Minimize athletes not registered</td>
</tr>
<tr>
<td></td>
<td>Increase the participation in international competitions</td>
<td>3</td>
<td>Develop and support the sport clubs to increase sponsorships to participate in international competitions: CP=Generate Opportunities — OO=Increase the participation in international competitions</td>
</tr>
</tbody>
</table>

Note: The projects to support the improvement actions are represented in the intersection between the Business Capability and the Business Objective. CP represents the Business Capability and OO Business Objective.

Table 7.9: Ranking of improvement actions

<table>
<thead>
<tr>
<th>Importance</th>
<th>Improvement Action</th>
<th>Simplicity</th>
<th>Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>42</td>
<td>#42=3x14=Publicize and raise the awareness of the NSO for the practice of Taekwondo: CP=Organize and promote events and activities — OO=Minimize athletes not registered</td>
<td>3</td>
<td>126</td>
</tr>
<tr>
<td>87</td>
<td>#87=3x29=Enroll non-federate athletes to increase the number of athletes: CP=Recruit Athletes and members — OO=Minimize athletes not registered</td>
<td>1</td>
<td>87</td>
</tr>
<tr>
<td>81</td>
<td>#81=3x27=Develop and support the sport clubs to increase sponsorships to participate in international competitions: CP=Generate Opportunities — OO=Increase the participation in international competitions</td>
<td>1</td>
<td>81</td>
</tr>
</tbody>
</table>

Note: The simplicity is represented by a value calculated multiplying the simplicity by the ranking. CP represents the Business Capability and OO Business Objective.

7.3.4 Action Planning

The retrieved information allowed us to identify improvement projects according the interests of the organization. The projects clarify what is intended to achieve in the organization, and correct existing deviations. The initial pool of 19 projects achieved in
the previous step, where analyzed and grouped by similarity in a work session, leading to the definition of 10 projects (Table 7.11) as exemplified in table 7.10.

Table 7.10: Elements necessary to create a project definition

<table>
<thead>
<tr>
<th>Project field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project:</td>
<td>+Visibility</td>
</tr>
<tr>
<td>Description:</td>
<td>Project to increase the awareness of the NSO</td>
</tr>
<tr>
<td>Business Capability:</td>
<td>Organize and promote events and activities</td>
</tr>
<tr>
<td>Project Responsible:</td>
<td>Project implementation responsible</td>
</tr>
<tr>
<td>Project description:</td>
<td>#42=3x14=Publicize and raise the awareness of the NSO: CP=Organize and promote events and activities - OO=Minimize athletes not registered</td>
</tr>
<tr>
<td>Project objectives:</td>
<td>Increase the athletes registration increasing the visibility</td>
</tr>
<tr>
<td>Project results:</td>
<td>Hits in the Google News.</td>
</tr>
<tr>
<td>Operational Objective:</td>
<td>Minimize athletes not registered</td>
</tr>
<tr>
<td>Strategic Objective:</td>
<td>Increase the number of federated athletes</td>
</tr>
<tr>
<td>Priority:</td>
<td>Very Important</td>
</tr>
<tr>
<td>Expected date to start:</td>
<td>2014/2015 season</td>
</tr>
<tr>
<td>Project length</td>
<td>1 year</td>
</tr>
<tr>
<td>Cost:</td>
<td>Photographer present in the competitions and journalist to develop press releases (50€x2 + travel distance 0.25 x km + meals 8€x2) x 6 competitions = ±700€</td>
</tr>
<tr>
<td>Notes:</td>
<td>Identify the number of hits before the development of the project. After the project launch quantify how many hits and the number of athletes registrations. The objective of the program is to increase the visibility. Is is found growing in the number of hits (Google News) the program continue, if doesn’t increase after the first year is developed an evaluation at the end of the first year and may be terminated.</td>
</tr>
<tr>
<td>Actions:</td>
<td>The actions to be developed are: (1) During each competition the Photographer takes photos; (2) The journalist send a press release about the competition with the media; (3) Post the news in Social Networks; (4) Ensure that the press releases arrives to the newspapers until 19:00 to warranty that come out in the news in the following day;</td>
</tr>
</tbody>
</table>

Note: The information for the project definition is generated based in the data retrieved in the previous steps.

7.3.5 Action Taking

The priority business capability is "Support clubs and regional associations", to clarify the work involved are analyzed issues and concerns previously identified in the context of the business capability, as we can see table 7.12, these assumptions allowed to developed the framing to identify the improvement actions (table 7.13). Considering that the business capability processes inputs triggered by related stakeholders, which are treated by the business capability (e.g. process a inscription from a sport club), and that the
### Table 7.11: Projects identified

<table>
<thead>
<tr>
<th>Project name</th>
<th>Business Capability</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>+Competition</td>
<td>Support international competitions</td>
<td>Develop an incentive plan for the sport clubs (support matrix) according the sport results to increase the participation in international competitions.</td>
</tr>
<tr>
<td>+Visibility</td>
<td>Support international competitions</td>
<td>Communicate and publicize the sport results or participation in international events, using press releases and follow-up to increase the visibility in the media.</td>
</tr>
<tr>
<td>+Athletes</td>
<td>Recruit Athletes and Members</td>
<td>Create new affiliation approaches and mechanisms (e.g. loyalty, merchandising) to increase federated athletes.</td>
</tr>
<tr>
<td>+Distrital Participation</td>
<td>Manage National Competitions</td>
<td>Raise awareness to support and develop initiatives in district associations (e.g. Events, activities, training or competitions) and organize district leagues, to contribute to the improvement of sport practicing.</td>
</tr>
<tr>
<td>+Internacional</td>
<td>Support international competitions</td>
<td>Achieve sport results and increase funding in the Olympic projects, to support the participations in international events. Increase the number of athletes in the Olympic projects</td>
</tr>
<tr>
<td>+Awareness</td>
<td>Generate Opportunities</td>
<td>Develop a marketing plan to increase the awareness.</td>
</tr>
<tr>
<td>+News</td>
<td>Organize and promote events and activities</td>
<td>Increase the news in the media.</td>
</tr>
<tr>
<td>+Inscriptions</td>
<td>Support clubs and regional associations</td>
<td>Simplify the athlete’s inscriptions and increase the visibility advantages of being registered to reduced federated athletes.</td>
</tr>
<tr>
<td>+Associations</td>
<td>Support clubs and regional associations</td>
<td>Increase the regulatory compliance to extend the number of associations with public utility and develop program contracts with local authorities and public organisms</td>
</tr>
<tr>
<td>+Sport Agents</td>
<td>Train and manage coaches</td>
<td>Develop more training actions in the local associations, proposed according their priority areas. Decentralize to increase the participants.</td>
</tr>
</tbody>
</table>

Note: The projects reflect priority areas and don’t represent improvements targeted to all business capabilities.

Issues or concerns require an objective to solve, which to be achieved should be supported in an improvement in a business capability. This allowed identifying sub capabilities to process the inputs: (1) manage athletes; (2) support protocols; (3) support clubs financially and (4) support local development.

Considering the capabilities identified, the clarification of "Manage Athlete" was developed, testing if was necessary additional decomposition. The clarification of the business capability requires its decomposition, which is developed until the achievement of a process level that can be validated adopting the criteria proposed by Sharp (2009): (1) don’t use ambiguous verbs, e.g. "Manage Athlete", because the output of the process isn’t clear, which can be tested inverting the order of verb and noun "Athlete Managed"; (2) the output is discrete and measurable and (3) the output is important and meaningful for the organization. The first validation criteria of the output of "Manage Athlete" is
Table 7.12: Concerns identified in the business capability "Support clubs and regional associations"

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Issue or concern</th>
<th>Strategic Objective</th>
<th>Operational Objective</th>
<th>Indicator</th>
<th>Current Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>District Associations</td>
<td>Not compliance of statutory duty</td>
<td>Support the development of national competitiveness</td>
<td>Improve the fulfilment of the regulation</td>
<td>% of associations non-fulfilment</td>
<td>33% 100%</td>
</tr>
<tr>
<td>Sport schools and clubs</td>
<td>Incorrect information</td>
<td>Increase the number of federated athletes</td>
<td>Reduce the number of anomalies</td>
<td>% of faults and omissions</td>
<td>30% 0%</td>
</tr>
</tbody>
</table>

Note: This table represents a part of the issues and concerns related to stakeholders in the business capability.

Table 7.13: Business Capability "Support clubs and regional associations" framing

<table>
<thead>
<tr>
<th>Name:</th>
<th>&quot;Support clubs and regional associations&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description:</td>
<td>Provide support mechanisms to simplify clubs and associations the athlete’s management, establish protocols, allocate financial supports and facilitate the local development.</td>
</tr>
<tr>
<td>Trigger:</td>
<td>Handover developed with the related stakeholders, e.g. &quot;Athletes Inscriptions&quot;; &quot;Request for financial supports&quot;; &quot;Support to establish protocols&quot;</td>
</tr>
<tr>
<td>Output</td>
<td>Number practitioners increased and more initiatives</td>
</tr>
<tr>
<td>Sub-Capabilities</td>
<td>(1) Manage Athletes; (2) Support protocols establishment; (3) Support clubs financially; (4) Support the local development</td>
</tr>
<tr>
<td>Issues or concerns</td>
<td>Lack of competition in some regions; Lack of compliance with statutory duty; Increase athletes and reduce the dropout; increase the competitiveness at a national level.</td>
</tr>
<tr>
<td>Objectives</td>
<td>(1) Increase athletes; (2) Increase city hall funding; (3) Increase financial support to the clubs and (4) Increase the local competitiveness.</td>
</tr>
<tr>
<td>Stakeholders</td>
<td>Clubs; Associations; Athletes; City Hall</td>
</tr>
</tbody>
</table>

Note: The information for the project definition is generated based in the data retrieved in the previous steps.

"Athlete Managed", which don’t provides a clear interpretation of what is the output. Using the second criteria isn’t possible to identify a discrete result, don’t makes sense to state that the output of the work developed is an athlete managed, this means that we cannot identify a measurable result in a "Athlete Managed". The last validation criteria allow us to confirm if the output is or not relevant for the organization, considering that isn’t ambiguous and that don’t provide a discrete result, we cannot define a business objective with the number of athletes managed. These criteria allowed us to assess with the workshop participants if was in the appropriate level, which led us to develop an additional decomposition of the business capability to achieved the necessary clarification level.
The assessment of this capability is developed using the same approach used in Table 7.13, the issues and concerns related to the athletes allowed to identify “Register Athlete”, “Retain Athlete”, “Recapture Athlete” and “Assess Abandonment” (Figure 7.5), which are perceived as processes because:

1. Provide concrete results relevant for the organization: “Athlete Registered”; “Athlete Retained”; “Athlete Recaptured” and “Abandonment Assessed”
2. The results are measurable: one athlete registered, retained, recaptured or one abandonment assessed.
3. Is relevant for the organization: we can define an objective to increase the number of athletes registered, retained, recaptured or to identify the number of abandonment assessed;

Each identified process should be evaluated to improve according the identified context. The process related to the ”Register Athlete” was framed with the collaborators processing the registrations in the organization. This process is triggered with the ”Athlete inscription” and have the output ”Athlete Registered”, the identified main activities are: (1) register athlete; (2) validate payment; (3) request for insurance; (4) generate membership card and (5) deliver membership card. In Figure 7.6 is represented the process ”Register Athlete”. The identified difficulties are related to: manual process; taking much time; unnecessary handover and repetitive insertions of the same information. These allowed to design a new process to increase its processing capacity, reducing the amount of time of human labor to allocate developing work in other areas generating value to the organization. The new process is represented in the Figure 7.7, which requires technological solution to support the redefinition of the process.

Figure 7.5: Clarification of the Capability Manage Athletes
The need of a technological solution to support the new process led us to identification of a partner to articulate the organization website and a management software with the main advantages: (1) reduce costs in card issuing; (2) centralization of the information; (2) integrate the information of the website with a management software; (3) automation of processing dues; (4) Sport events management including inscriptions in the events, access control, historic of event participation.

The processes addressed are identified in a priority area according to the identified assumptions of the organization. In this section, we described how the proposed approach...
was developed in the NSO until the implementation of actions for organization achieves its intended results at the process level.

7.4 Results and findings

The richness of the contributions depends on the capacity of the organization responsible for removing some discomfort that could exist to contribute in the meetings, mainly in the identification of the concerns or issues related to a stakeholder. This aspect should articulate with the importance of reinforcing that the organization collaborators do not participate in representation of an organizational function. Another aspect that is fundamental for the success of the developed meetings was the involvement of organization responsible and continuous support to achieve the credibility necessary to develop the work.

An advantage of this approach was global understanding and the reflection developed systematically of what is necessary to achieve.

President of the National Sport Organization

The involvement of the organization collaborators in the approach allowed the understating what intended to achieve, and why was necessary to change how the organization work is developed (processes). To support change is important to explain that the execution of non-value tasks should be eliminated, as exemplified in the process "Athlete registration" redefinition. This allows to remove the resistance to change, justifying the support of work redefinition to value added areas, e.g. eliminating repetitive tasks and start executing work related to the recapture of athletes, contributing to the achievement of the organization objectives.

The evaluation of the action performed in the NSO allowed to assess that is possible to achieve improvements systematically and properly framed in the organization objectives, providing simultaneously a context to identify a solution to be implemented, supporting the organization objectives.

Another aspect that should be enhanced is that actions that are intended to change the organization are communicated more easily providing the context that led to their
identification. This allowed presenting the project in a general meeting and to discuss
the action plan supported in the identified projects, properly framed in the developed
approach until their identification.

7.5 Discussion and Conclusion

Several findings and aspects to consider arise from adoption of the proposed approach,
which confirmed the importance of assumptions considered. The support by the National
Sport Organization responsible was fundamental for the development of the study, the
executive commitment is a critical success factor the BPM success, as well the contri-
bution of the collaborators to identify how to developed the operationalization (Hung,
2006; Rosemann & Brocke, 2010; Bucher & Winter, 2010). The reflection and discussion
has richer contributions of the collaborators considering the assumption that BPM isn’t
functional, this allowed to receive feedback on areas different from the performed (Zairi,
1997; Sharp, 2009).

The change in the work performed should be supported with a suitable approach to
address the problem. Six-sigma and lean are considered popular approaches to process
improvement (Pojasek, 2003), perspective reinforced by Cima et al. (2011) stating that
Lean or Six-sigma, allow to increase the efficiency removing non-value added tasks at
the work level increasing the process efficiency, reducing the wasteful steps. These ap-
proaches are more suitable to optimize the work execution. The improvement in the
implementation level, and the development of the work in value added areas should be
articulated with employee performance evaluation, according the contributions to the or-
ganization performance. This wasn’t considered, but if a collaborator contributes to the
organization objectives, this should be linked to the employee performance assessment.

The development of the approach steps allowed us to identify a context, to sup-
port the goal orientation of the organization. The environmental challenges require a
greater adaptability by the organization; the BPM provides the assumptions to develop
improvements allowing achieving a greater organization optimization according context
assumptions. The improvements are targeted to a process level (work performance),
which requires a great effort for developing the assessment and implementation of im-
provement actions.
This study allowed to demonstrate how to operationalize the NSO objectives, identifying improvement actions, developed aligned with the strategy, to achieve the strategy operationalization using BPM as support.
Chapter 8

Conclusions and recommendations

The objective of this thesis (as identified in Section 1.3) was to establish an understanding how we can operationalize the strategy of the sport organizations based in the following objectives: (1) propose an approach that could be applied in the context of sport organizations, based in the existing best practices; (2) apply the proposed approach in a context of different organizations and (3) present research findings related to its application.

8.1 Proposed Approach

The clarification of the initial approach was developed based in the assessment of theoretical assumptions that underlie the Business Process Management (BPM). The motivations related to the adoption of BPM to support the strategy alignment, using its holistic perspective, was described in Section 2.1 providing the clarification of the concept and its importance. Considering the adoption of BPM, were clarified frameworks to support the processes based approach presented in Section 2.2. However, can be adopted other approximations, which leaded us to the process discovery, assuming that the processes aren’t identified using the frameworks checklist. Process discovery requires a process organization mechanism (this is discussed in section 2.3), which arises the use of process capabilities, providing two underlying concepts, first related to the connection of
the business strategy with the operations, second using the competitive advantage and as a conceptual element facilitating the processes organization used as a logical construct. These perspectives provided a relation to the organization strategy, allowing the identification of what the organization must achieve, which requires to structure the organization to achieve the strategy. The consideration of business capabilities, allowed to diverge from the traditional functional structures enhancing the importance of the business capabilities as a support of the cross functional perspective, which is related to the BPM advantages enabling the organization optimization (Section 2.4). After this assumptions were analyzed BPM approaches in Section 2.5 that supported the strategy operationalization. Assuming the adoption of BPM, were evaluated Critical Success Factors related to its implementation, which is presented in 2.6. Finally, are presented the main conclusions gathered after the assessment developed in this chapter in 2.7. These different perspectives supported the formulation of an approach to be adopted by the sport organizations, which was described in Section 3.1 allowing the construction of the study 1.

The study 1 (Chapter 4.1 addresses the approach development based in the following steps: (1) Mission and Vision; (2) Strategic Objectives; (3) Stakeholders; (4) Business Capabilities; (5) Operations; (6) Improvement priorities and (7) Action plan. The definition of the Mission and Vision triggers the approach, providing the assumptions to developed the assessment of the Strategic Objectives, which gives the necessary context to identify the Stakeholders (e.g. as described in the Section 3.1.1.3 with who the organization has issues or concerns important to solve according their business objectives). The clarification of the business capabilities is easier based in the assessment of the Mission and Vision constructs, providing the necessary support to identify more easily what the organization must do that is fundamental for its existence. This perspective is also used to validate the strategic objectives and the strategic objectives verify if the business capabilities are properly identified.

The relation between the concepts allow simultaneously to develop its validation, this is also present in the business objectives, where its achievement should be supported in the business capabilities. This also applies in the assessment of the consistency between the Business Capabilities and Business Objectives in the strategic level using a matrix crossing strategic business objectives and business capabilities. The approach
step "Issues and concerns related to stakeholders" allow to check-up the retrieved information related to the strategic level before developing the next step. This approach step is fundamental, and integrates Strategic Business Objectives, Operational Business Objectives, Stakeholders, Business Capabilities and Improvements. The improvements identified with this context provides the assumptions for the projects be developed enhancing the business capabilities. The integration of different perspectives creates the conditions to develop the strategy operationalization, where the involvement of the organization collaborators is fundamental to identify improvement actions that should be supported in the process level, i.e. involving the work developed by the collaborators. The proposed approach facilitate the clarification of improvement priorities in the sport organizations, according to their business capabilities and with the objective of identifying an improvement area on the organization, with an optimized impact in their strategic objectives, formalized in an action plan materialized in projects specifications. This allows the improvement of the performance of the sport organizations to be developed articulated with their real needs, framed in the business capabilities, properly framed in their strategic objectives.

In the Section 3.2 was discussed the use of Knowledge Management, to provide abilities to adapt and learn from the past, and detect and correct existing problems. This considers the use of knowledge to execute the work. Klein and Dellarocas (2000) suggest the use of knowledge to simplify the design of the processes. The processes are encapsulated in business capabilities, which represent an organizational ability (Prahalad & Hamel, 1990). The representation of the processes with the required knowledge to handle exceptions and deviations from standard process flows simplifies the processes design. Simultaneously, these assumptions allow us to identify the underlying knowledge required for training human resources. This perspective allowed us to consider the possibility to use Knowledge Management to support the job training and simplify the process design, which was addressed in the Chapter 6, where was identified the need to develop training actions in the management areas, as well as in exercise and sport training, after the development of the approach.

To support the development of the approach was implemented an spreadsheet, which was parametrized to support the approach steps. The approach steps (1) Mission and Vision; (2) Strategic Objectives; (3) Stakeholders Analysis; (4) Business Capabilities; (5) Operations - Issues and concerns; (6) Improvement Priorities and (7) Action Plan,
were defined in separated sheets to facilitate the articulation of the different constructs. This was described in the Section 3.3.

The next section provides aspects related to the approach adoption, developed in this thesis.

8.2 Approach adoption

The first actions developed with the approach are identified in the workshops presented in the Section 3.4. These workshops where developed in a Department of a higher education institution, Higher education institution and a Sport Department in a City Hall, which allowed the identification of problems in its implementation leading to adjustments in the approach. The improvements that arise from the adoption of the approach are presented by developed action and in the developed workshops, which were presented in the Section 3.5. The adjustments were developed in the session preparation (Section 3.5.1), tool adopted (Section 3.5.2) and proposed approach (Section 3.5.3).

The session preparation requires the clarification of the steps to be developed and how the sessions will operate. Another important aspect that emerged was the importance of the session participants being aware that they were present considering their knowledge and were not in representation of the functional area where they work, this relates to the quintessence of BPM, discussed in the Section 2.1.1. The approach should be backed up by the organization responsible to achieve the intended results and provide the necessary credibility to who is developing the approach in the organization. The tool improvements were related to its simplification and necessary adjustments developing the changes in the approach. It was also implemented a mechanism to generate the projects clarifying the improvement actions, which supports the action plan generation.

The improvements in the approach were related to reducing the excessive amount information being presented, which removed the focus of the workshops participants from the issues related to the organization. Another aspect was the simplification of the approach and used concepts, which simplifies its development and allow greater contributions from the participants (e.g. the assessment of business capabilities, or the clarification of Mission and Vision). The simplification reduces the necessary knowledge to develop the approach. The approach execution requires that the sessions should be
prepared, with an appropriate knowledge by sessions facilitator in the different areas inherent to BPM and which are necessary to achieve the expected results developing this approach.

The initial workshops allowed to developed two research cycles, an initial phase with a research setup followed by a phase of five steps, framed cyclically (Susman & Evered, 1978): (1) diagnostic; (2) action planning; (3) action development; (4) action assessment and (5) action reflection. Allowing to participate in the process of change (Benbasat et al., 1987) enhancing the management practice (Perry & Zuber-Skerritt, 1992) based in the planning, acting, observing and reflecting the work systematically as described by Altrichter et al. (1991) cited by Perry and Zuber-Skerritt (1992) implying adaptability to the environment where the researcher acts (Kumar & Sankaran, 2010). The first iteration and refining of the approach was developed with workshops.

The initial actions originated the intervention in three types of organizations, public organization that performs the management of sport facilities, the sport department of a local government organization and the Portuguese Federation of Taekwondo. The consequence of this intervention originated the development of the research papers presented in Chapter 5, 6 and 7. Next, we present the conclusions after the development of these studies, which is related to the step action reflection.

8.2.1 Study 2

The action developed in this organization allowed to test the proposed approach and identify the improvement actions. The organization collaborators where involved during the developed workshops, however was proposed a modification by the organization responsible to involve other collaborators of the organization as source of information to identify issues or concerns and the objectives that should be achieved to solve the identified issues or concerns. The information retrieved during the interview was integrated later and was evaluated its relevance with the organization responsible.

Although, the information wasn’t retrieved in a workshop with the inherent discussion of the information being incorporated in the approach, allowing a greater
involvement of the collaborators. This assessment enabled to gather different perspectives suggesting the possibility to use a different context to retrieve information, which could be integrated in the assessment of stakeholders concerns and objectives.

8.2.2 Study 3

This study allowed to develop a quick assessment to evaluate existing issues or concerns, and simultaneously identify the work to be developed according the previously defined requirements. The constrains to get a quick assessment in five sport organizations required the definition of a semi-structured interview based in the proposed approach. The board diversity provides wider perspectives and a richer assessment, identifying what should be developed in the organization. Increasing knowledge of the sport managers in areas related to management of the nonprofit sport club provides an approach to improve the organization efficiency, and strategic thinking and action. This information was integrated later in the context of a sport department of a municipally to develop the assessment of the potential improvement actions considered priority by the responsible.

8.2.3 Study 4

Several findings and aspects to consider arise from adoption of the proposed approach in this organization. The support by the National Sport Organization responsible was fundamental for the development of the study, the executive commitment is a critical success factor the BPM success, as well the contribution of the collaborators to identify how to developed the operationalization (Hung, 2006; Rosemann & Brocke, 2010; Bucher & Winter, 2010). This involvement allowed also a greater richness of the contributions, which was related to the capacity of the organization responsible removing some discomfort that could exists to contribute in the meetings, mainly in the identification of the concerns or issues related to a stakeholder.

The participation in the meetings should be contextualized with the assumption that collaborators do not participate in representation of an organizational function. The involvement of the organization collaborators in the approach allowed the understanding what intended to achieve, and why was necessary to change how the organization work is developed (processes). To support change is important to explain that the execution
of non-value tasks should be optimized. This allows to remove the resistance to change, justifying the support of work redefinition to value added areas, e.g. eliminating repetitive tasks and start executing work related to the recapture of athletes, contributing to the achievement of the organization objectives.

The evaluation of the action performed in the organization allowed to assess that is possible to achieve improvements systematically and properly framed in the organization objectives, providing simultaneously a context to identify a solution to be implemented, supporting the organization objectives. Another aspect that should be enhanced is that actions intended to change the organization are communicated more easily providing the context that lead to their identification. This allowed presenting the project in a general meeting and to discuss the action plan supported in the identified projects, properly framed in the developed approach until their identification.

The alignment and validation developed in the approach steps, allowed the identification of issues and concerns and the identification of the correspondent operational objective. This allowed to detected missing elements in previous steps (e.g. strategic objectives), which allows the redefinition of the strategy, based in an adjustment supported in an operational level.

### 8.3 Research findings

This section describes the research findings related to approach adoption. The ability to communicate and enhance the importance to developed the approach ensuring a suitable application context in the organization, with the support of a responsible in the organization is fundamental to achieve the intended results according the interests of the organization.

The approach steps, should be developed as proposed, although some steps could be bypassed using existing information, this shouldn’t be done. The approach steps provides the basic constructs elements to clarify the context, even in scenarios where is already available the information. This reflection arises from the development of the approach, in the Study 2 (Chapter 5) was considered not developing the assessment of the Mission and Vision, considering that the organization already had one defined. The importance of a proper mission clarification, and not a definition of a mere statement is
fundamental for evaluation of the business objectives and simultaneously the business objectives allow to validate the mission coherence. The vision can be also analyzed if is properly supported in the business objectives. The definition of Mission and Vision is fundamental and simplifies the next steps, which should be reinforced during the development of the approach, as well demonstrating its importance with the workshops participants. The approach is iterative and allows the reflection, supporting during the process the development of adjustments, which provides consistency to strategy clarification and action lines to be adopted.

The simplification of the business concepts, streamline the intervention of the collaborators and allow their involvement without management knowledge or training.

The involvement of the organization collaborators is fundamental and provides a richer reflection, discussion and contributions. This should be supported in assumption that BPM isn’t functional, allowing to receive feedback on areas different from the performed, which is related to the very foundations of BPM (Sharp, 2009; Zairi, 1997; Hung, 2006) and enhances the importance of removing the organizational functional perspective to be developed in the approach. The collaborators should be present as Subject Matter Experts, and when developing the meetings should be reinforced the importance of not being in representation of a business function, but as someone who have knowledge about the organization. The involvement is also powered with a proper sponsorship of the organization responsible. This aspect was also identified in the development of Study 4 (Chapter 7), where is confirmed the importance of an internal sponsorship (Miers, 2006; Rosemann & Brocke, 2010).

The alignment supported by the approach iteration allows the validation to correct and adjust information retrieved. Each step supports the next and the next step validate previous step, this increases the consistency of the information and the identification of the improvement actions.

8.4 Recommendations for future research

One recommendation that arises after the development of this thesis is related to the development of a research that could identify improvements in the sport practice attuned with the business objectives, this means that the planning related the sport practice
should be developed contextualized in the objectives of the sport organization. The identification of the objectives related with the sporting results should be articulated with the organization structure and management practices to achieve these results. This requires an alignment to be developed properly articulated with the execution of the activities by the operations the operations executing the activities related to the sport practice that are related to the organization mission, which should be optimized to achieve the business goals.

The collaborators are fundamental in an organization. The improvement in the implementation level, and the development of the work in value added areas should be articulated with employee performance evaluation, according the contributions to the organization performance. This should be addressed in future research, developing a mechanism in the sport organizations based in the proposed approach assumptions that links the performance of the collaborator to the business objectives, providing a performance evaluation according this contribution.

Another area is related to initial aspects that were considered in the beginning of the development of this thesis. Namely, researching BPM Systems applied in the context of sport organizations to support their improvements actions.

The last recommendation is related to the change required in the work performed, which should be properly supported in a suitable approach to address the problem. This aspect is related to the processes improvement after the identification of the area to be targeted, where is more suitable to develop an optimization of the work execution. The development of the work optimization allow to be considered popular approaches to process improvement (Pojasek, 2003; Cima et al., 2011) to increase the efficiency removing non-value added tasks at the work level and increasing the process efficiency, reducing the wasteful steps. These approaches are more suitable to optimize the work execution.

8.5 Conclusions

The objective of this thesis was to develop an approach to operationalize the business strategy for the sport organizations, supported in the Business Process Management (BPM) as theoretical framework. The approach was backgrounded in a theoretical
framework allowing to clarify the assumptions for its development, which originated an article (chapter 5). The approach was tested in three organizations that originated three articles presented in the chapters 5, 6 and 7.

BPM allow us to support the fulfillment of the strategy in an articulated way. The use of business capabilities simplifies the identification of the areas that generate value in the organizations and allow to gain competitive advantage, which simultaneously encapsulate processes facilitating the approximation to the work developed. The improvement is targeted to the business capabilities articulated with the strategy and implementing an enhancement using an improvement action, supported in a project definition targeting organization resources, mainly people and technology. The work developed with the organization resources is developed using processes, which to be improved should be changed how is executed, to support the achievement of the organization objectives.

The approach steps help to clarify the improvement actions properly articulated with the identified needs, materialized in business objectives, supported in business capabilities, which is identified systematically. Our goal was to propose an approach that could be adopted in a sport organization, exploring the lack of research in strategy operationalization, motivated with the nonexistence of works addressing the problem using BPM. The multidisciplinary of the adopted concepts are supported in the quintessence of BPM, as well the adoption of its advantages allow us to propose an approach properly framed in a theoretical framework. The approach adoption allowed us to corroborate is appliance and assess the theoretical findings.

The objectives proposed in this thesis where achieved, namely:

1. Develop and propose an approach that could be applied in the context of the sport organizations, based in existing best practices proposed by practitioners;

2. Apply the proposed approach in a context of different organizations, identifying and implementing improvement actions, contributing to the enhancement of the targeted organizations;

3. Refine and advance the proposed approach based in the research findings identified in their application.
The first part of thesis allowed the clarification of the proposed approach. Its appliance was developed in the articles. The improvements in the approach and the research findings are presented in each article and in the thesis conclusion.

The limitations of this thesis are related to the requirement of other approaches to development the improvement in the work level. This wasn’t addressed and is a limitation that requires specific knowledge to develop the process improvements. The advantages of this thesis are related to the support of the clarification of strategy and identification of improvements to be developed in the organization using the proposed approach without requiring depth knowledge in the areas of the strategy or BPM, which underlies the approach but are obfuscate to simplify its application. Another benefit of this approach was global understanding and reflection developed systematically of what is necessary to achieve. This is reinforced with the simplification of the concepts to support the approach steps in the workshops to be developed in the organizations.


Chapter 8. Conclusions and recommendations


Câmara Municipal Ourém. (2010). *Regulamento de apoio ao associativismo cultural e desportivo do município de ourém.*


Chapter 8. Conclusions and recommendations


EFQM. (2001). *Excellence one toolbook*. EFQM.


Chapter 8. Conclusions and recommendations


Slack, T. (2010). From the locker room to the board room: Changing the domain of sport management. *JSM, 10*(1).


Information retrieved in a Sport Organization

Information retrieved during the development of the approach in the National Sport Organization, until the identification of the improvement priority.

Figure 1: Mission and Vision
Appendix A. Example of the information retrieved in a Sport Organization

**Figure 2: Strategic Objectives**

**Figure 3: Business Capabilities**
Appendix A. Example of the information retrieved in a Sport Organization

Figure 4: Stakeholders

Figure 5: Issues and Concerns
Appendix A. Example of the information retrieved in a Sport Organization

Figure 6: Improvement Priorities

Figure 7: Improvement Actions
## Publications

**Articles status resulting the development of this thesis**

<table>
<thead>
<tr>
<th>Article</th>
<th>Journal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improving Sport Organization Performance based on Business Capabilities integrated in a Business Process Management Approach</td>
<td>Sport Management Review (To be submitted)</td>
</tr>
<tr>
<td>Approach to process management in a public organization that performs the management of sport facilities</td>
<td>Journal Motricidade (Submitted)</td>
</tr>
<tr>
<td>Approach to management by processes in a sport department of a local government organization</td>
<td>Journal Motricidade (Accepted for publication)</td>
</tr>
<tr>
<td>Approach to process management in a National Sport Federation</td>
<td>Systemic Practice and Action Research (To be submitted)</td>
</tr>
</tbody>
</table>
Approach Overview

Improving sport organizations performance using Business Process Management

**Define a context**
1. Organization mission and vision;
2. Identification of strategic objectives;
3. Stakeholders assessment;
4. Identification of business capabilities;
5. Assessment of stakeholder issues or concerns;
6. Clarification of operational objectives;
7. Prioritization of improvement areas;
8. Definition of an action plan.

**Design Business Processes**
1. Business Capabilities;
2. Business Processes;
3. Processes;
4. Tasks

**Organizational Architectures**
1. Top-down approach;
2. Clarify organizational structure;
3. Support the definition of a business process architecture;

Clarify Knowledge that supports the processes normal flow and exception handling
Processes Modeling and Designing Overview