

Problem

“Companies made up of many different business units will face an important question as they make the shift to a process enterprise:

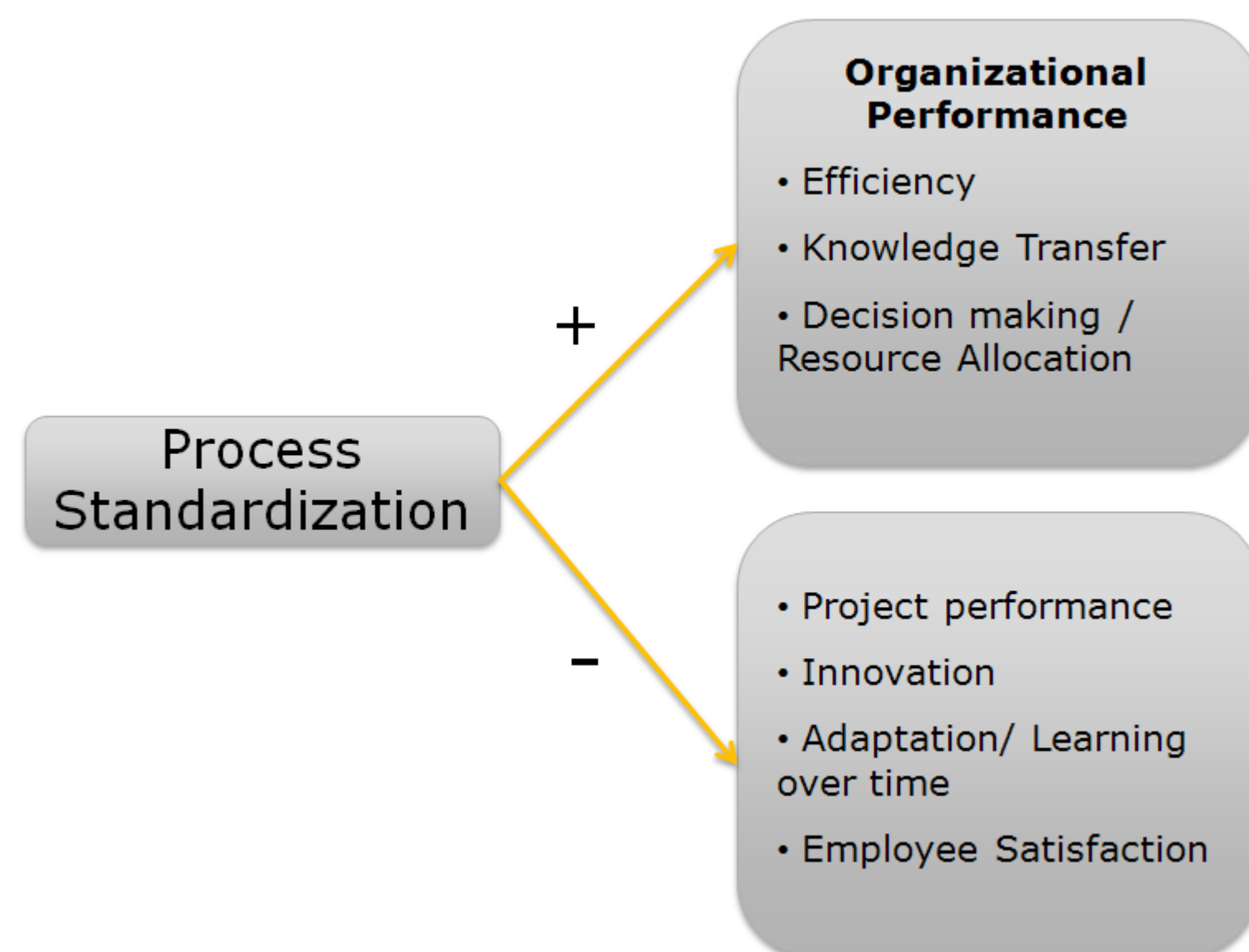
Should all units do things the same way, or should they be allowed to tailor the process to their own needs?

In a process enterprise the key structural issue is...**process standardization versus process diversity.**

There's no one right answer.”

Hammer and Stanton, 1999

Motivation

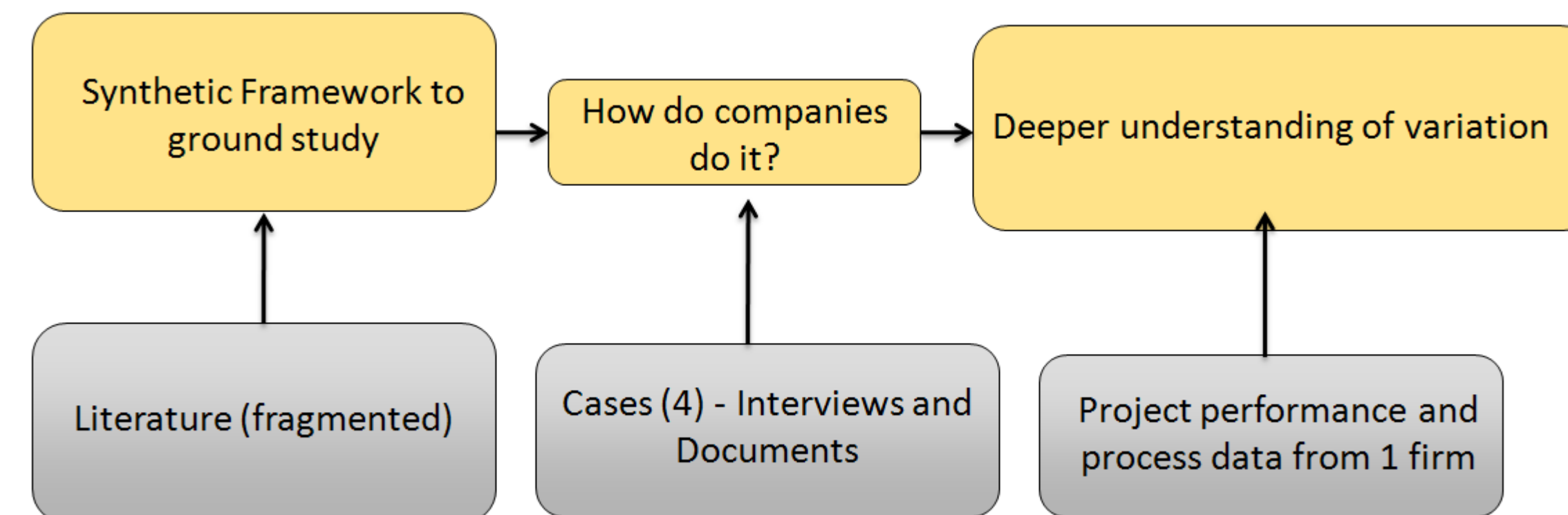


Overarching Question

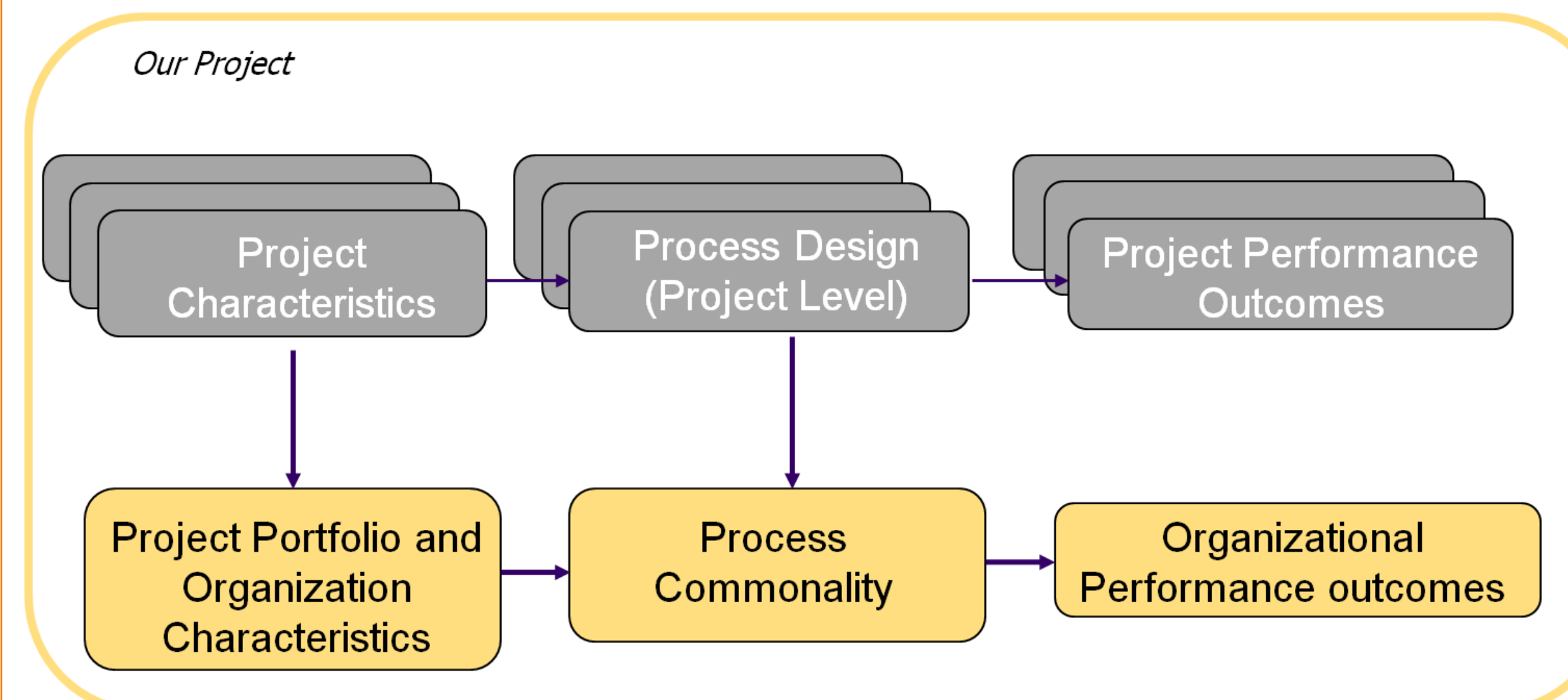
What is the impact of process standardization on organizational performance?

Research Questions and Design

- How do product development processes for different projects in an organization differ?
- What factors drive these differences?
- How do differences or standardization across processes impact performance on project-level and organization level outcomes?



Research Framework



Results

- “Variety decisions are driven by a combination of inertia, historical precedent, ad hoc criteria, and rational decision-making.” (Ramdas, 2003)
- Breaking down process standardization into commonality along various process attributes or dimensions provides opportunities for much more fine grained analysis
- Process attributes along which standardization provides benefits may not entirely coincide with those that drive project performance outcomes. This provides opportunities to harness benefits of both standardization and diversity
- Companies differ in the project attributes they consider in customizing process, the algorithms they use to customize the process, as well as the dimensions of the process that they allow customization on.

Contributions

- Finer-grained understanding of performance impacts of process standardization, considering:
 - individual process dimensions
 - stakeholders' decision making (cognition)
 - allocation of decision rights (hierarchy)
- Framework to help firms with decision making about process standardization