Business Process

PRESENTED BY DR. MYO

<DAY2>

What is Business Process?

- A business process is an activity or set of activities that accomplish a specific organizational goal

Business Process Management (BPM)

- Business process management (BPM) is a systematic approach to improving those processes, which helps organizations achieve their business goals.

- If an organization is unable to perform certain business processes internally due to cost or resource constraints, the company might use business process outsourcing.

- Many organizations contract specific business tasks -- such as payroll, human resources (HR) or accounting -- to a third-party service provider.

Why are business processes important?

- They help organizations identify and understand the actual work required to keep the lights on and to achieve organizational objectives.

- They break that work into organized, repeatable steps that workers can follow to achieve consistent outcomes.

- Using repeatable steps to produce consistent outcomes helps organizations to more accurately predict the resources they need, thereby lowering the risk of over or under provisioning valuable resources.

Why are business processes important? (Cont'd)

- The consistent, repeatable nature of defined business outcomes helps lower the risk of employees introducing workarounds or individualized steps that can cause disruptions, slow work and increase error rates.

- Being able to better measure the efficiency and effectiveness of the individual steps within the process enables teams to identify and mitigate inefficiencies and bottlenecks to improve performance; this is the foundation of continuous improvement.

- Teams are better able to identify where technologies -- such as robotic process automation (RPA) -- can be used to further boost effectiveness or efficiencies.

Business Process vs. Business Procedure vs. Business Function

- **A business process**, as previously stated, is a series of related tasks that result in a desired output; it is an established set of repeatable activities.

- **A business procedure** is a clearly stipulated way of undertaking a business process; it details the teams and individual workers responsible for each part of the process as well as the specifications applicable to performing and completing each of those parts.

- **A business function** is an organizational unit within an enterprise or organization; each business function has its own specific set of responsibilities and activities that it must execute to support the business as it carries out its mission and overall objectives.

Categories of Business Process

Business process categories

OPERATIONAL PROCESSES
- Taking customer orders
- Managing bank accounts

SUPPORTING PROCESSES
- Accounting
- HR management

MANAGEMENT PROCESSES
- Strategic planning
- Budgeting

Categories of Business Process (Cont'd)

- Operational Processes

- Support Processes

- Management Processes

Operational Processes

- *primary processes*, these processes deal with the core business and value chain and deliver value to the customer by helping to produce a product or service.

- Operational processes represent essential business activities that accomplish business objectives such as generating revenue

- Example of Operational Processes
  - Taking customer orders
  - Processing product payments
  - Managing bank accounts

Supporting Processes

- Secondary processes

- these involve back-office processes within the business functions that keep the organization running.

- One key difference between operational and supporting processes is that supporting processes do not directly provide value to customers

- Example of Supporting processes
  - Accounting
  - HR management
  - Workplace safety

Management Processes

- These processes measure, monitor and control the activities related to business procedures and systems.

- Like supporting processes, management processes do not provide value directly to the customers.

- Example of Management Processes

  - Internal communications

  - Governance

  - Strategic planning

  - Budgeting

  - Infrastructure or capacity management

Thank you

QUESTIONS?