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# Business Process Engineering (BPE)

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# Outline

- **Core concepts and their descriptions**

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# Process vs Project

- The defining characteristic of process vs. project is **repeatability** vs. **uniqueness**.
  - **Process** is a repetitive collection of interrelated tasks aimed at achieving a certain goal.
  - **Project** is a unique endeavour with a beginning and an end undertaken to achieve a goal.
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# Core Concepts

- BPM addresses end-to-end work and distinguishes between sets of subprocesses, tasks, activities and functions
- BPM requires a significant organisational commitment, often introducing new roles, responsibilities and structures to traditional functionally oriented organisations
- BPM is technology enabled with tools for visual modelling, simulation, automation, integration, control and monitoring of business processes and the information systems which support these processes

# Core Concepts



# (1) Management Discipline and Enabling Technologies

- Enabling technology is meaningless without the management disciplines and processes for exploiting the technology
- Vendors have created application suites which help enable organisations to better manage their business processes
  - Tools to visually design and model business processes
  - Simulate and test business processes, automate, control and measure business processes
  - Provide feedback and reporting on process performance
  - Some vendors have combined these into integrated business process management suites

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# Management Discipline and Enabling Technologies

- Most large organisations have a significant investment into a number of legacy systems:
    - Designed to support specific functions
    - A BPMS must be able to integrate with legacy systems in order to control work, get information or measure performance
    - Common framework for how these technologies are deployed is most often referred to as a Service Oriented Architecture (SOA)
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## (2) Addresses End-To-End Work

- Business ***functions*** are typically defined by a group of activities related by a particular skill or goal such (i.e. sales, finance, manufacturing)
- Business ***processes*** focus on the end-to-end work, i.e., tasks and activities, across functional boundaries to deliver customer value
- Business ***processes*** have defined inputs and outputs and functions have not



## (3) Ongoing Management of Processes

- BPM involves a permanent ongoing organisational commitment to managing the organisations processes
  - Includes:
    - Modelling
    - Analysis
    - Process design
    - Performance measurement
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## (4) Modelling, Analysis, Design and Measurement of Processes

- Practice of BPM requires the measurement and supervision of process performance
  - Setting process performance goals
  - Measuring actual performance, the efficiency of the business processes (*“doing the thing right”*)
  - Reviewing the effectiveness of business processes (*“doing the right thing”*)
  - Providing information, insight and feedback to other primary activities such as process analysis, design and transformation
- Gather information at key points in the process to support decisions regarding cost or timing

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## (5) Organisational Commitment

- Management of end-to-end business process crosses organisational boundaries
  - New roles and responsibilities are introduced, such as process owners, designers and architects
  - Individuals responsible for end-to-end process design must interact with traditional functionally based managers
  - New governance structures need to be introduced which may change the way organisations make decisions and allocate resources
  - Practice of BPM requires a significant organisational commitment: without organisational commitment, the practice and benefits of BPM is unlikely to mature within an organisation
  - Without supporting leadership, values, beliefs and culture, BPM is unlikely to successfully take hold within an organisation
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## (6) BPM Technology

- BPM is a technology enabled and supported management discipline
  - Wide range of technologies available to support the planning, design, analysis, operation and monitoring of business processes
  - Application suites available which help enable organisations to better manage their business processes
  - BPM systems must be able to integrate with legacy systems in order to control work and get information or measure performance
  - Common framework for how these technologies are deployed is most often referred to as a Service Oriented Architecture (SOA)
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# End of Lecture

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