Slides 45 and 48
Identify Processes

Follow 8 guidelines:

1. A process with **different flow objects** can be spilt vertically
    - A **flow object** is an object in the organisation that flows through a business process. It is the object on which business process activities are being carried out. Typically, each business process has a single flow object.
    - For example: different flow objects **mortgage application** and **mortgage product** (see slide 46, Figure 2.5 – green and red boxes)
2. A process with different flow objects that change **multiplicity**, can be split up vertically.
    - A single flow object is sometimes used, while at other times multiple (large number or variety), flow objects of the same type are used, e.g. batch processing (certain activities are performed for multiple customer cases in batch at the same time).
    - If, in the same process, the number of flow objects that is processed per activity differs this may be a reason for splitting up the process, e.g. **mortgage collection** (see slide 47, Figure 2.6)
3. A process which changes **transactional state** can be split vertically
    - According to the action-workflow theory, a business process goes through a number of transactional states. For example the initiation, the negotiation, the execution and the acceptance state. In the initiation state, contact between a customer and a provider is initiated. In the negotiation state, the customer and the provider negotiate about the terms of service or delivery of a product. During the execution state, the provider delivers the product or service to the customer and during the acceptance state, the customer and the provider negotiate about the acceptance and payment of the delivery. A transition in a process from one state to another is an indication that the process can be split up. E.g. State change from **mortgage application** to **mortgage payments** (see slide 47, Figure 2.6 – blue and purple shading)
4. A process which contains a logical **separation in time** can be split vertically
    - A process contains a logical separation in time, if its parts are performed at different time intervals. Intervals that can typically be distinguished include: once per customer request, once per day, once per month and once per year.
    - Mortgage selection, offering, and contracting are performed once per mortgage application, while payment and collection for mortgages is performed once per month. By the logic of Guideline 4, it would make sense to split up mortgage selection, offering, and contracting from mortgage payment collection. E.g. Time separation, **mortgage application** and **mortgage collection** (see slide 47, Figure 2.6 – blue and orange shading)
5. A process which contains a logical s**eparation in space** can be split horizontally
    - A process contains a logical separation in space, if it is performed at multiple locations and is performed differently at those locations. It is important to note that it

is not sufficient for processes to just be separated in space. The separation must be such that there is no choice but to perform the processes differently for the different logical units.

- In case a process is performed at different locations within the same country, there is not necessarily a reason to perform it differently at those locations. Consequently, there is no reason to split it up. In fact, organisations should strive to make their processes as uniform as possible, to benefit from economies of scale.
- For example 1: Mortgage payment and collection may be the same in Belgium and the Netherlands. However, risk assessment, mortgage brokering and product development may differ between the **Netherlands** and **Belgium**, due to country-specific rules and regulations, (see slide 47, Figure 2.6 – blue and green shading)
- For example 2: Gippsland and Mt Helen exam timetable

6. A process which contains a logical **separation in another relevant dimension** can be split horizontally
7. A process which is **split up in a reference** model can be split up
   - A reference process architecture is an existing process architecture that is pre-defined as a best-practice solution. It structures a collection of processes.
   - For example, if a reference financial services process architecture exists, its structure can be used as an example or starting point to structure your own process architecture.
8. A process that **covers (many) more functions** in one case type can be split up horizontally
   - The application of this last rule depends upon the current decomposition of processes. If applied, it is necessary to look at the current decomposition of processes and check if, within a process, (many) more functions are performed for one case type than for another, i.e.: whether a process has many more crosses in one column than in another. If so, this is a strong indication that the process should be split up for these two case types.
   - For example, when looking at Figure 2.6, see that the Mortgage Application Netherlands process has many more function for composite mortgages than for simplex mortgages. By the logic of Guideline 8, we would split up this process for composite and simplex application (see slide 49, Figure 2.7 – blue shading and blue X's more in Composite column than in Simplex column)
   - The application of all of these eight guidelines yields a process architecture for level one. The result can be seen in slide 49, Figure 2.7, which is the finalised process landscape model for our example.