Business Process Management

Cordys BOP 4.1 Fundamentals

CORDYS

Agenda

CORDYS

- What is a Business Process?

- Why Business Process Management?

- Cordys Closed Loop BPM Cycle

- Modeling Business Processes

Wikipedia:

◆ A business process is a collection of related, structured activities or tasks that produce a specific service or product (serve a particular goal) for a particular customer or customers. It often can be visualized with a flowchart as a sequence of activities.
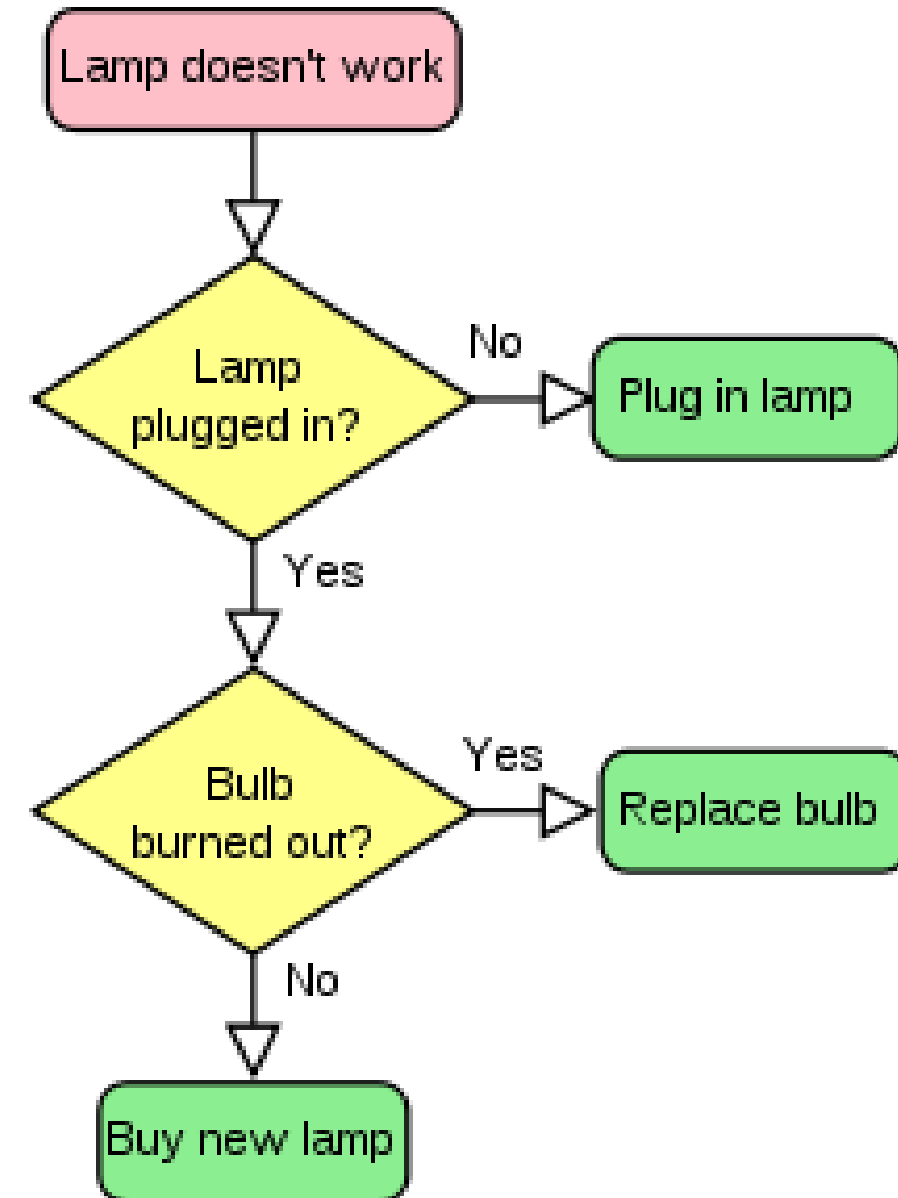
Some Other Definitions:

CORDYS

- Davenport:
  - a structured, measured set of activities designed to produce a specific output for a particular customer or market. It implies a strong emphasis on how work is done within an organization, in contrast to a product focus's emphasis on what. A process is thus a specific ordering of work activities across time and space, with a beginning and an end, and clearly defined inputs and outputs: a structure for action. ... Taking a process approach implies adopting the customer's point of view. Processes are the structure by which an organization does what is necessary to produce value for its customers

- Hammer & Champy:
  - a collection of activities that takes one or more kinds of input and creates an output that is of value to the customer
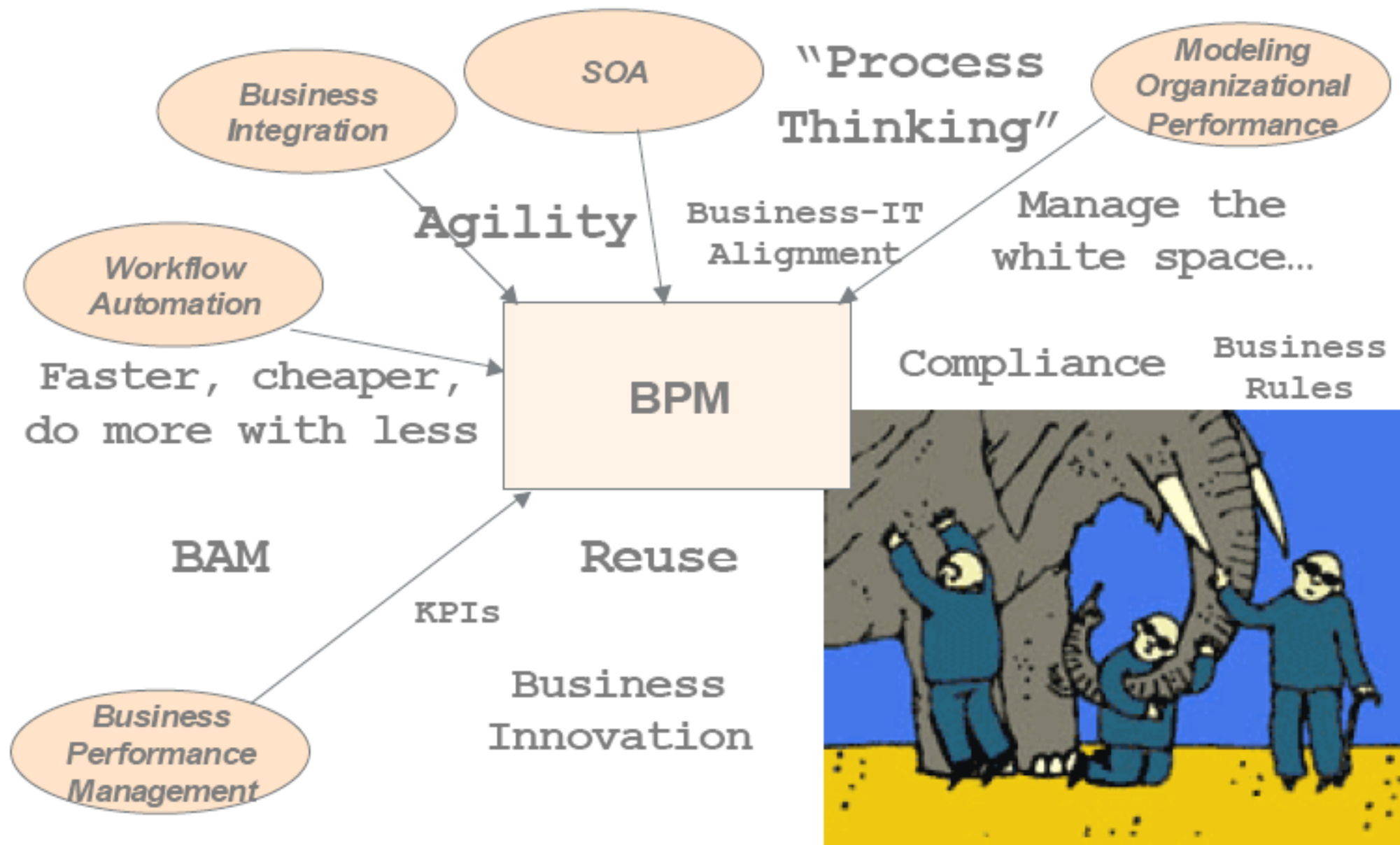
- Rummler & Brache:
  - a business process is a series of steps designed to produce a product or service. Most processes (...) are cross-functional, spanning the 'white space' between the boxes on the organization chart. Some processes result in a product or service that is received by an organization's external customer. We call these primary processes. Other processes produce products that are invisible to the external customer but essential to the effective management of the business. We call these support processes

- Johansson:
  - a set of linked activities that take an input and transform it to create an output. Ideally, the transformation that occurs in the process should add value to the input and create an output that is more useful and effective to the recipient either upstream or downstream

Business Integration
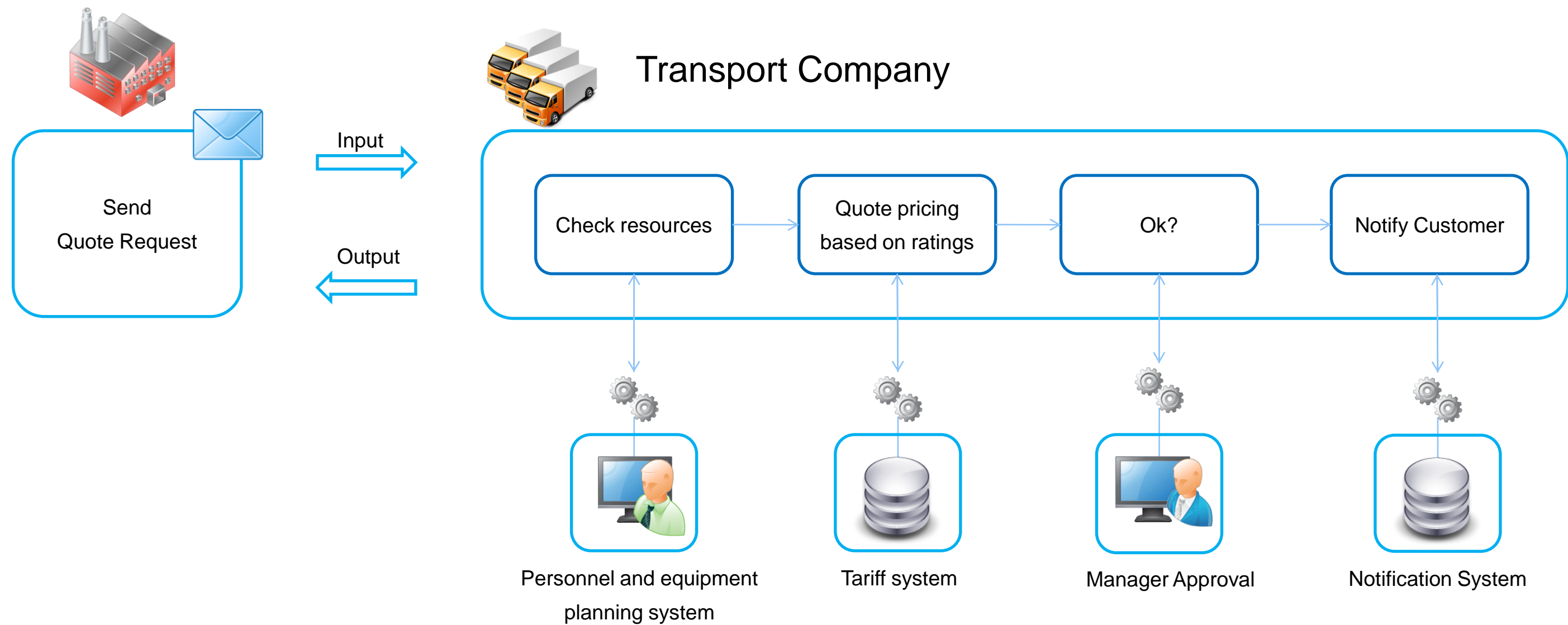
SOA

"Process Thinking"

Modeling Organizational Performance

Workflow Automation

Agility

Business-IT Alignment

Manage the white space...

BPM

Faster, cheaper, do more with less

Compliance

Business Rules

BAM

Reuse

KPIs

Business Performance Management

Business Innovation

BPM has many faces, making it easy to focus on one and lose sight of the whole.

Business Process Definition

CORDYS

◆ **Definability:**   It must have clearly defined boundaries, input and output.

◆ **Order:**   It must consist of activities that are ordered according to their position in time and space.

◆ **Consumer:**   There must be a recipient of the process' outcome: a consumer.

◆ **Value-adding:**   The transformation taking place within the process must add value to the recipient, either upstream or downstream.

◆ **Embeddedness:**   A process is embedded in an organizational structure.

◆ **Cross-functionality:**   A process regularly can, but not necessarily must, span several functions.

Business Process Example

CORDYS

Send Quote Request

Input

Output

Transport Company

Check resources → Quote pricing based on ratings → Ok? → Notify Customer

Personnel and equipment planning system

Tariff system

Manager Approval

Notification System

Automated Process Example

CORDYS
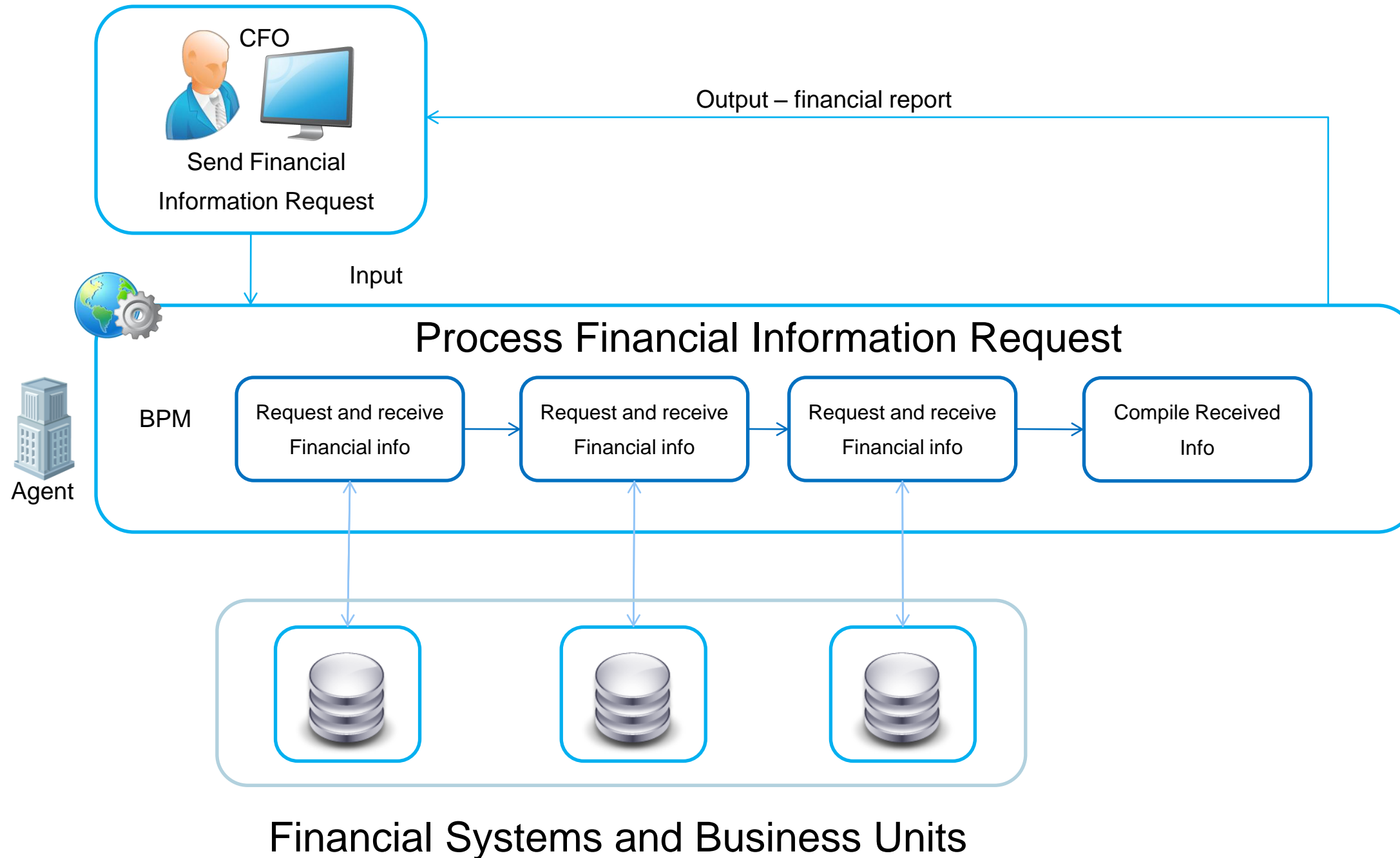
Agenda

CORDYS

◆ What is a Business Process?

◆ Why Business Process Management?

◆ Cordys Closed Loop BPM Cycle

◆ Modeling Business Processes

Quote Becomes Order

- ◆ Which activities have to be executed?
  - ◆ Order Material
  - ◆ Plan Resources
  - ◆ Send Invoice?
  - ◆ Celebrate?
- ◆ Which systems are involved?
- ◆ Which people are involved?

Business Event Example (2)

CORDYS

Employee is reported ill

- Which activities have to be executed?
    - Redirect telephone
    - Inform Department/Manager
    - Adapt Resources Schedule?
    - Hour Registration
    - HRM regulations process
    - Inform customers?
- Which systems are involved?
- Which people are involved?

Business Process Modeling

CORDYS

Before business process orchestration: *Hidden* process
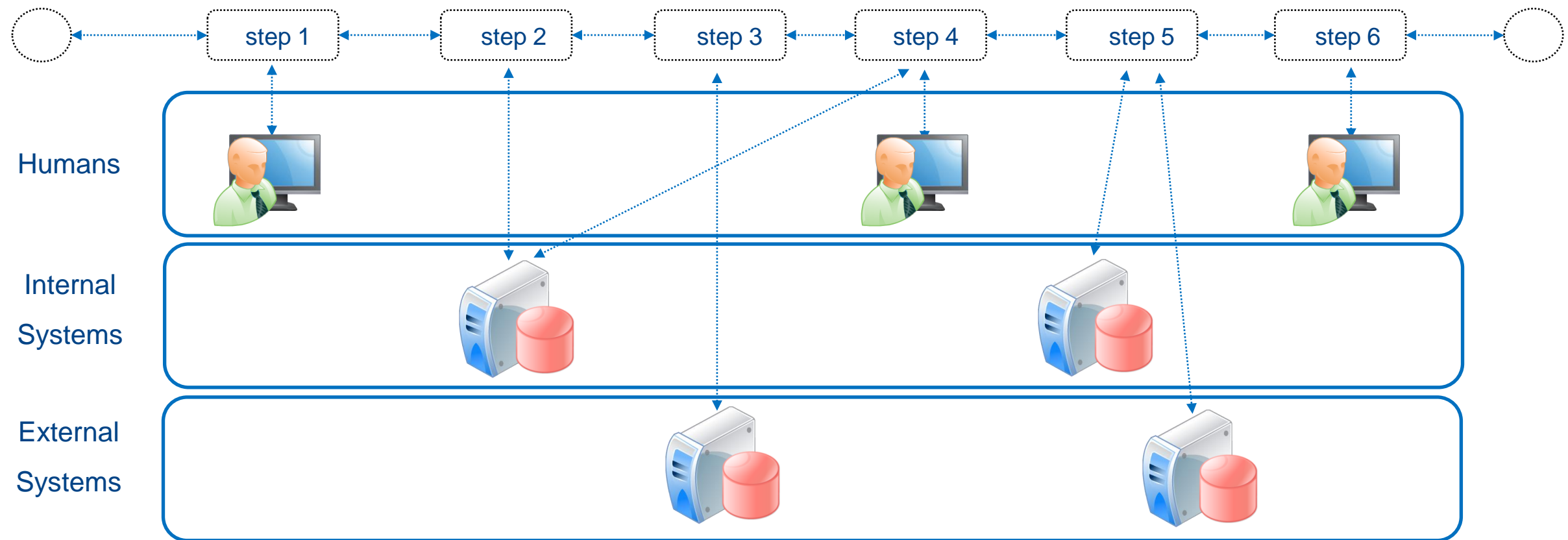
After business process orchestration: explicit business process definition

Clear view on business processes => Process Optimization

- Elimination of redundancy
- (Sub) Process reuse

What can BPM do?

◆ Get in Control

◆ Improve

    ◆ Efficiency/Effectiveness

    ◆ Quality/Quality of labor

    ◆ Agility/Flexibility

◆ Processes are the fundamental source to establish competitive advantage

Agenda

CORDYS

◆ What is a Business Process?

◆ Why Business Process Management?

◆ Cordys Closed Loop BPM Cycle

◆ Modeling Business Processes

Cordys Closed-Loop BPM Cycle

◆ Best-practice Implementation Methodology
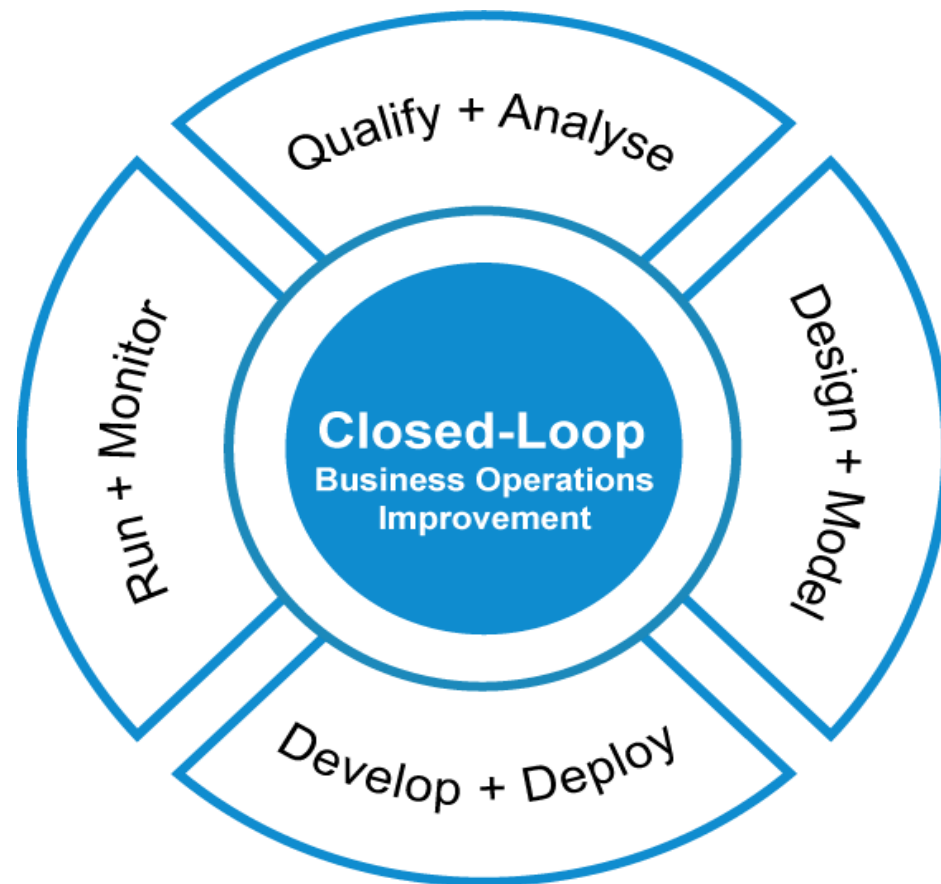
Qualify & Analyze the organization, select a process, determine goals and scope, analyze the as-is process and its gaps
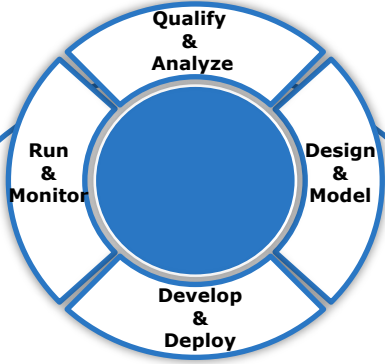
Design & Model an optimized to-be process, its sub processes, case activities and rules

Develop & Deploy services, integrations, transformations and user interactions

Run & Monitor business processes by collecting process performance information for analysis and optimization

Cordys@Work: Roles Involved

CORDYS

..collaboratively executed by different people

	Qualify & Analyze	Design & Model	Develop & Deploy	Run & Monitor
Business User	✔	✔		✔
Business Analyst	✔	✔		✔
Architect		✔	✔	
Developer			✔	
Administrator			✔	✔

Qualify & Analyze

CORDYS

1. Qualify the organization, select a process to implement or optimize

2. Analyze the as-is process and its gaps

3. Collaboratively work towards the to-be process using online Cordys Process Boardroom with integrated WIKI
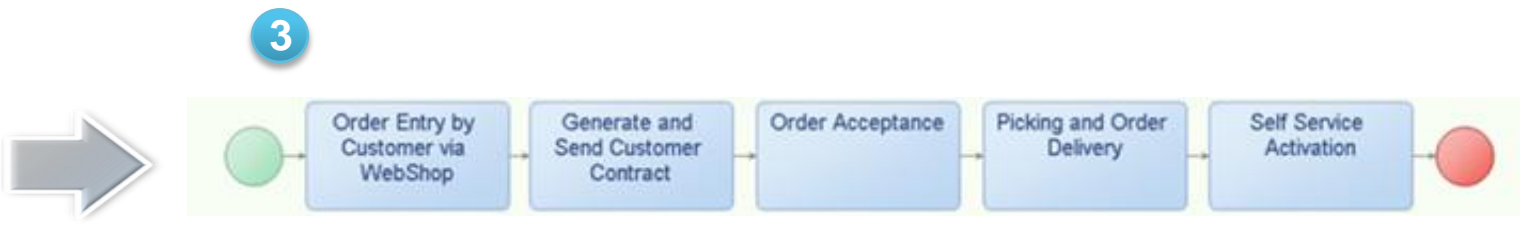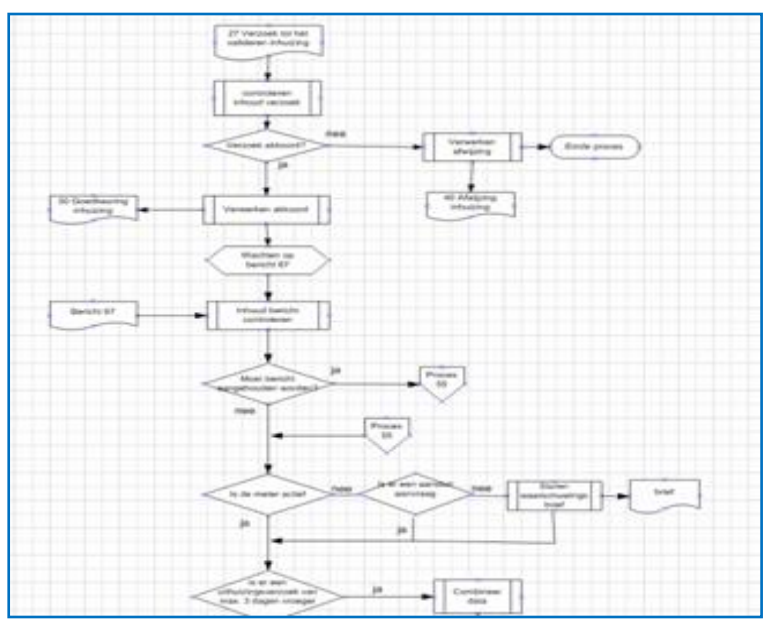
Design & Model - Standards Based Processes
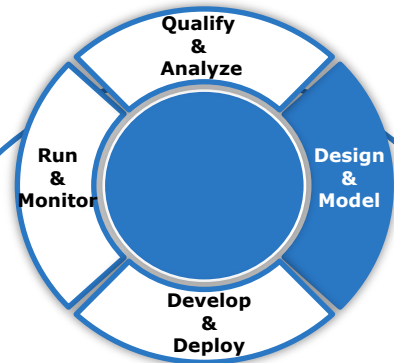
1. Support for Business Process Modeling Notation (BPMN) 1.1

2. Model executable business process models

3. Design, model and execute any type of process patterns
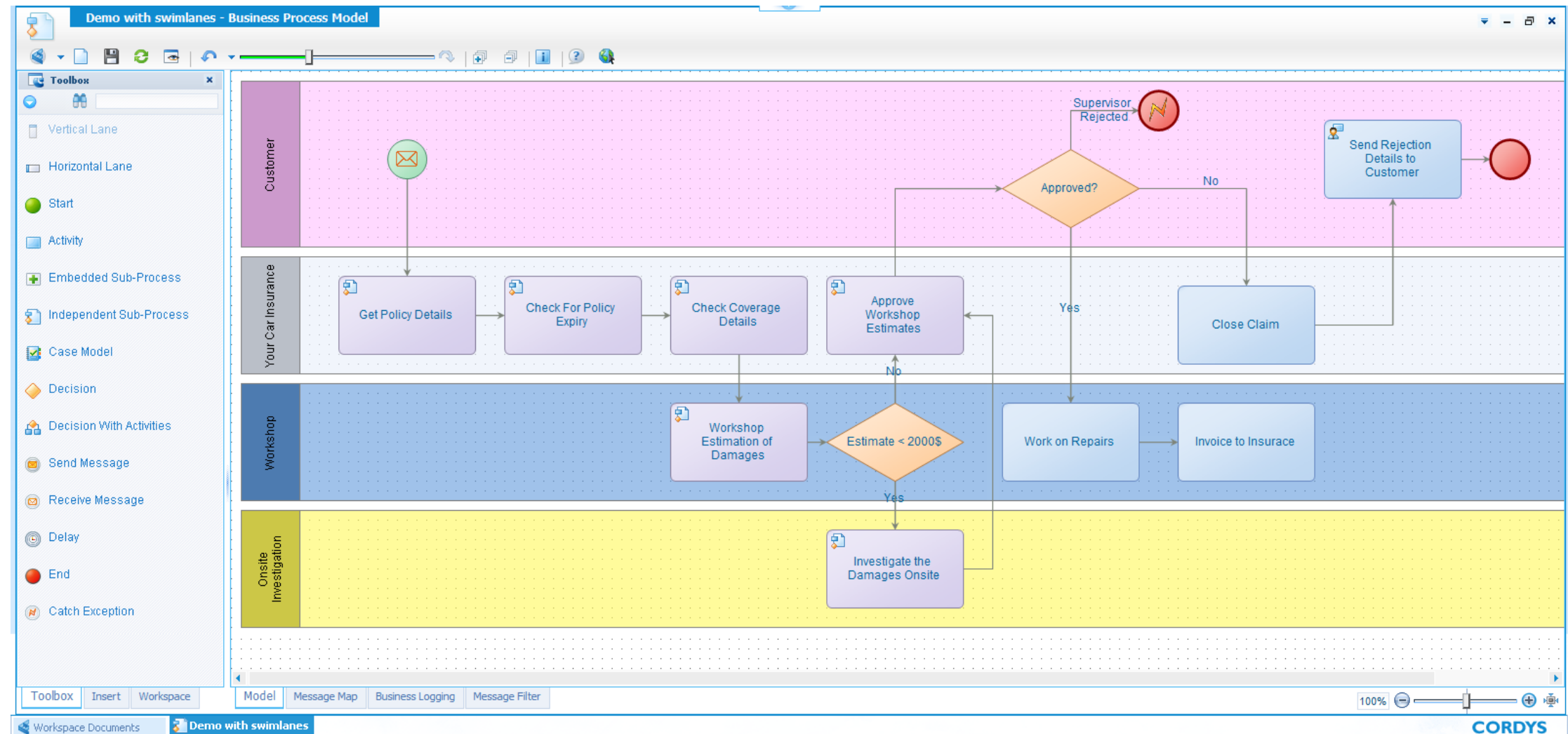
Design & Model – Case Management

CORDYS

1. Graphical Modeler for dynamic non-sequential case models

2. Decision flexibility for knowledge workers

3. Manage and monitor case instances
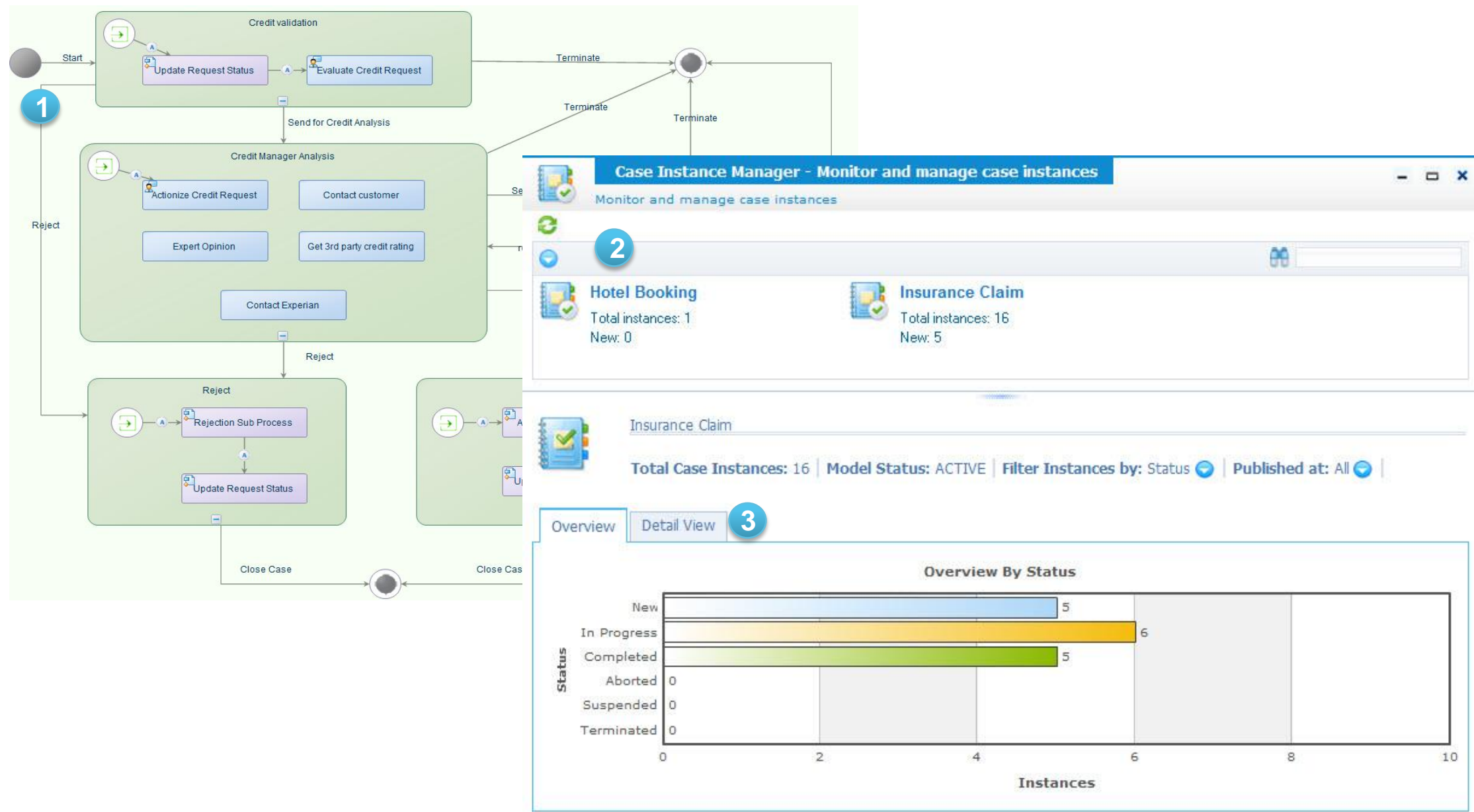
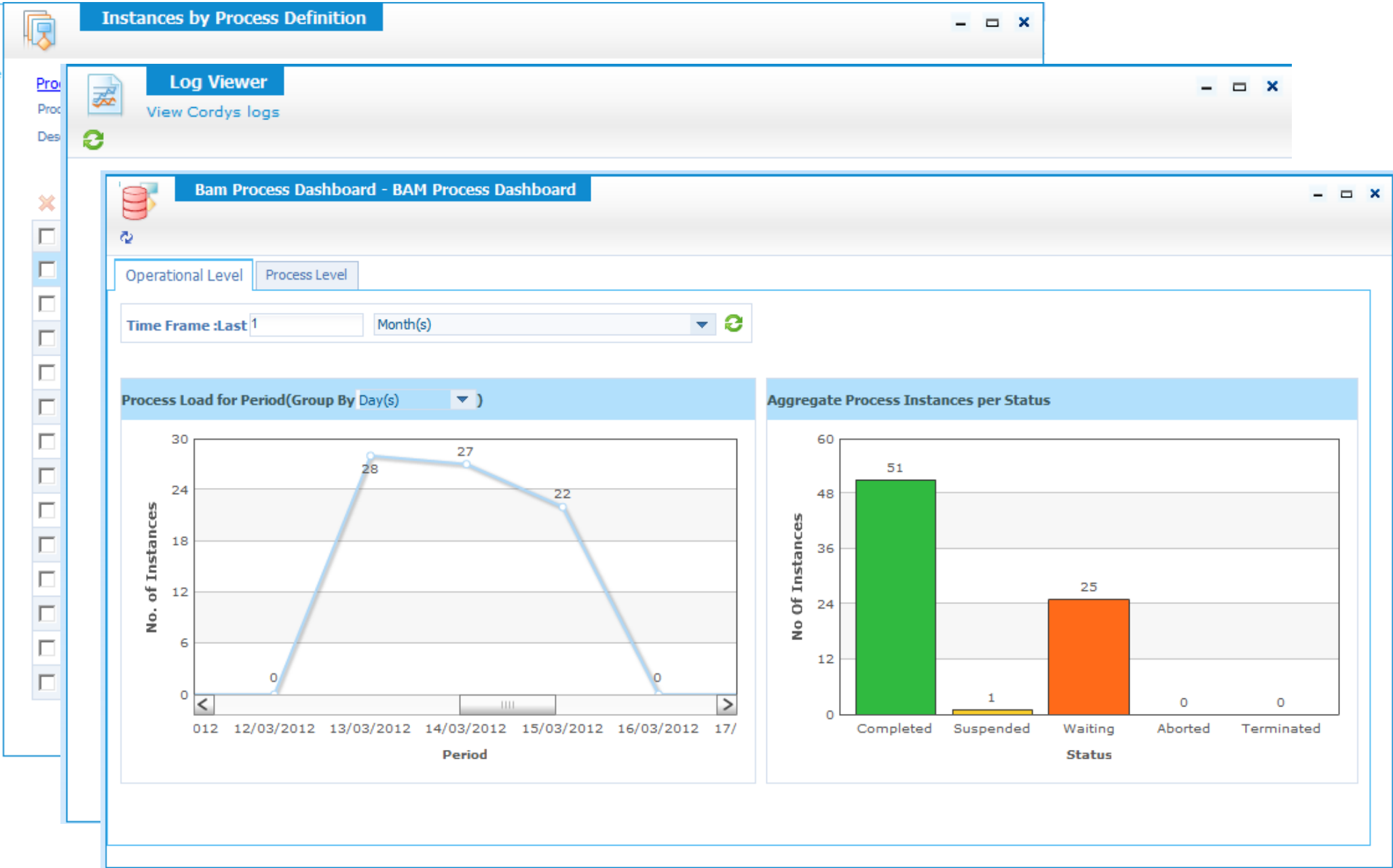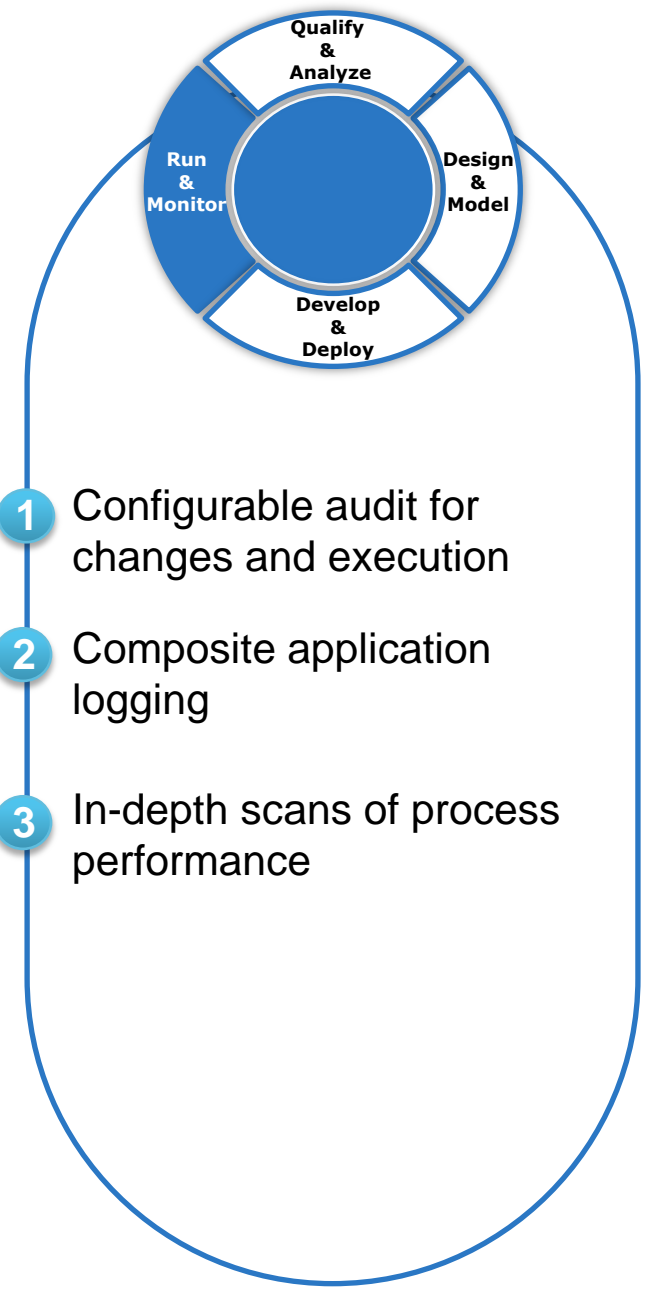# Develop & Deploy - Integrated Solution Development Environment

CORDYS
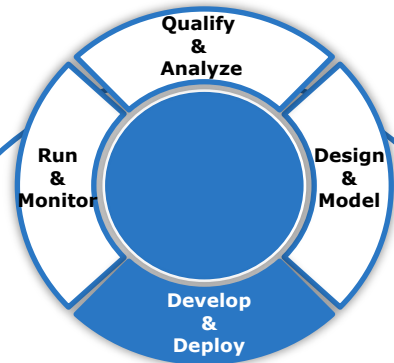
Model driven application development environment

Single look & feel and interaction for all modelers

Perspectives on solutions for business and IT for effective collaboration

Unified meta model and repository for all models
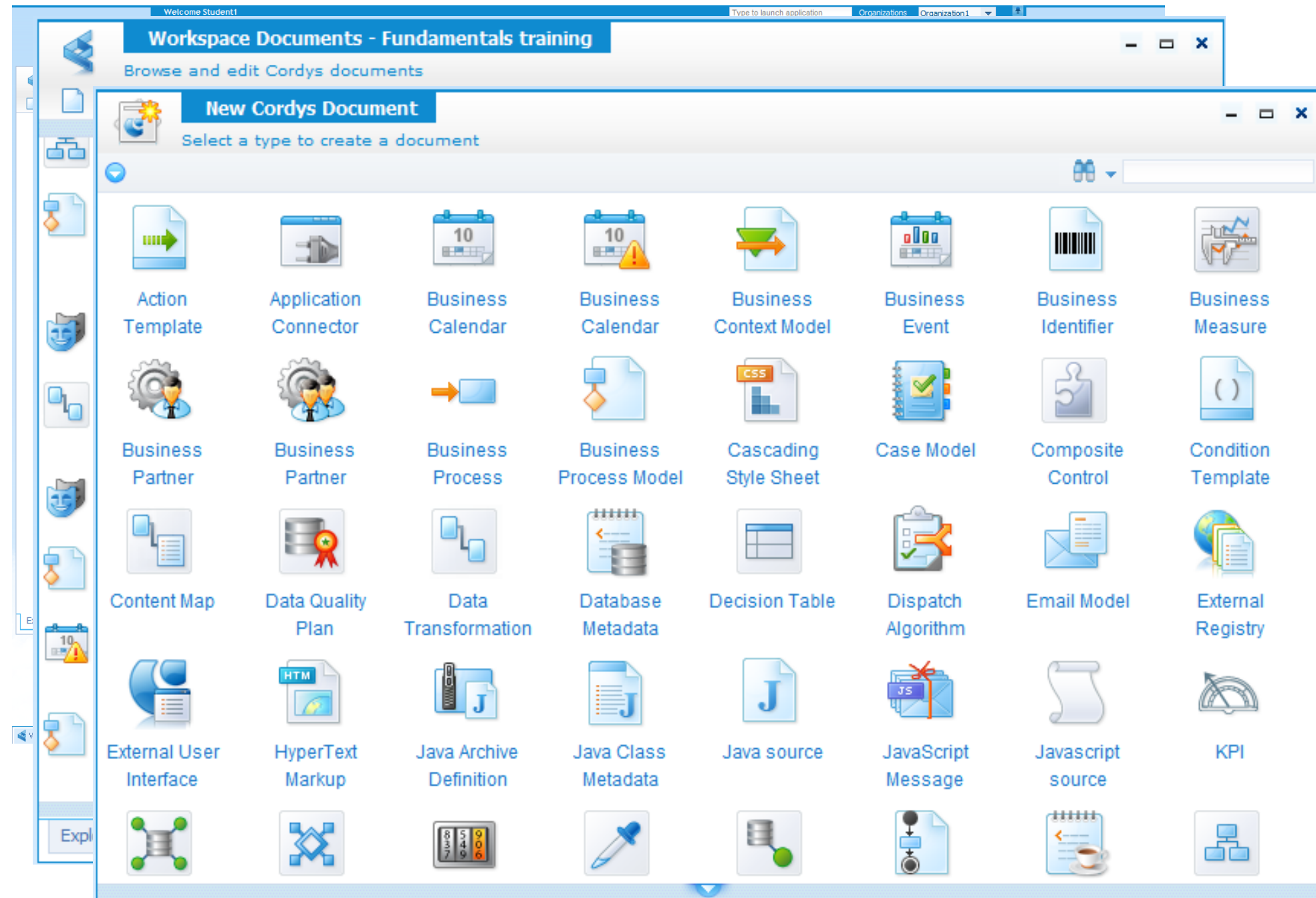
Run & Monitor - Effective Administration

CORDYS

1. Configurable audit for changes and execution

2. Composite application logging

3. In-depth scans of process performance

Agenda

CORDYS

- What is a Business Process?

- Why Business Process Management?

- Cordys Closed Loop BPM Cycle

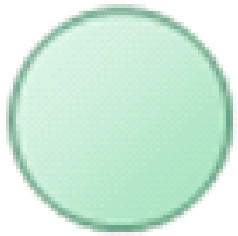- **Modeling Business Processes**

CORDYS

Core Set of BPMN Elements
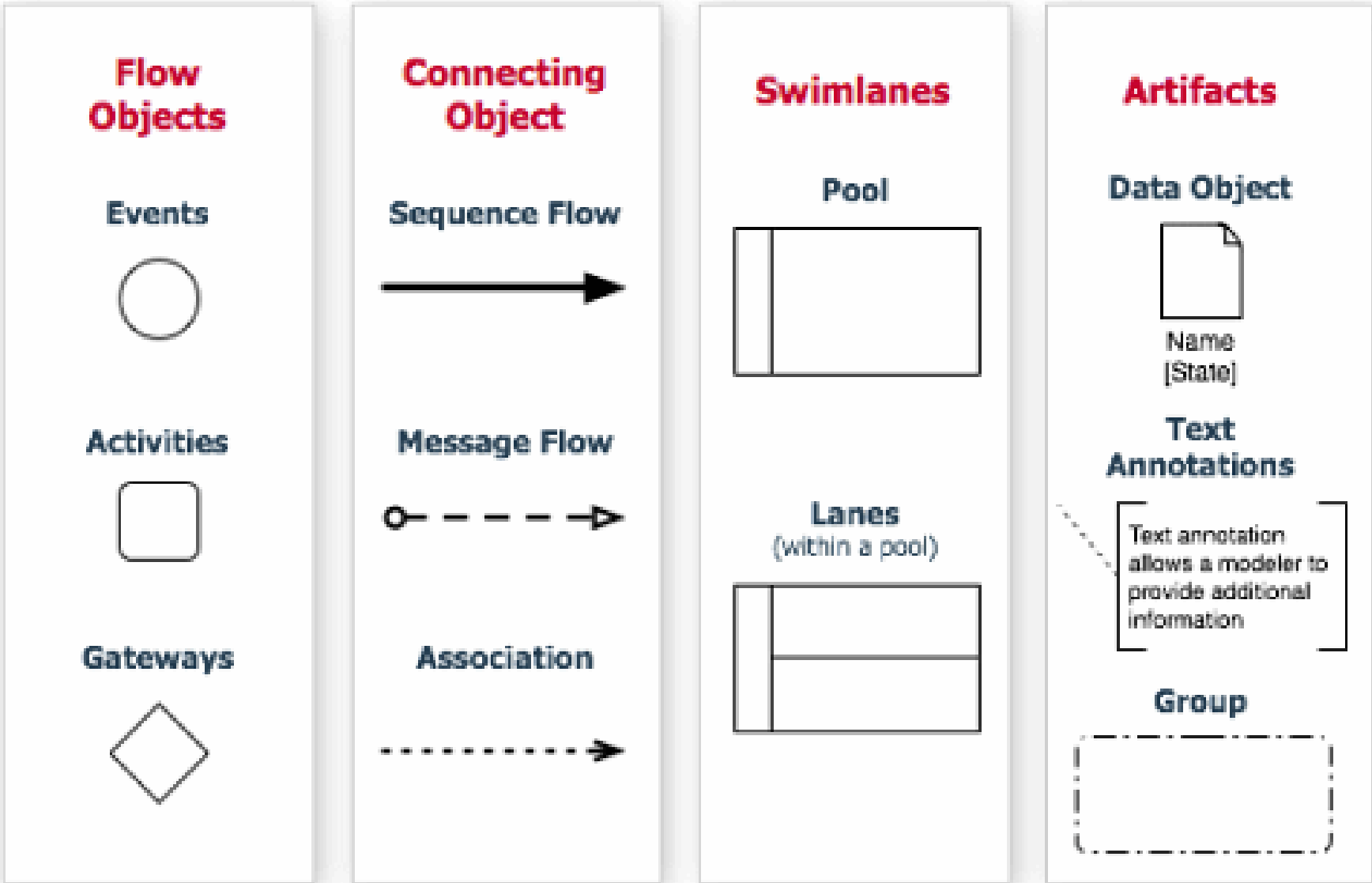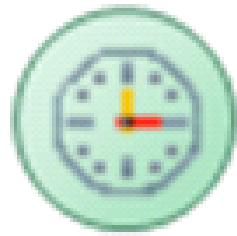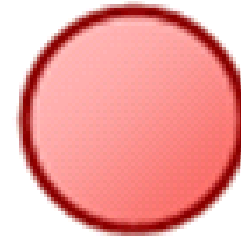
Business Process Model Example
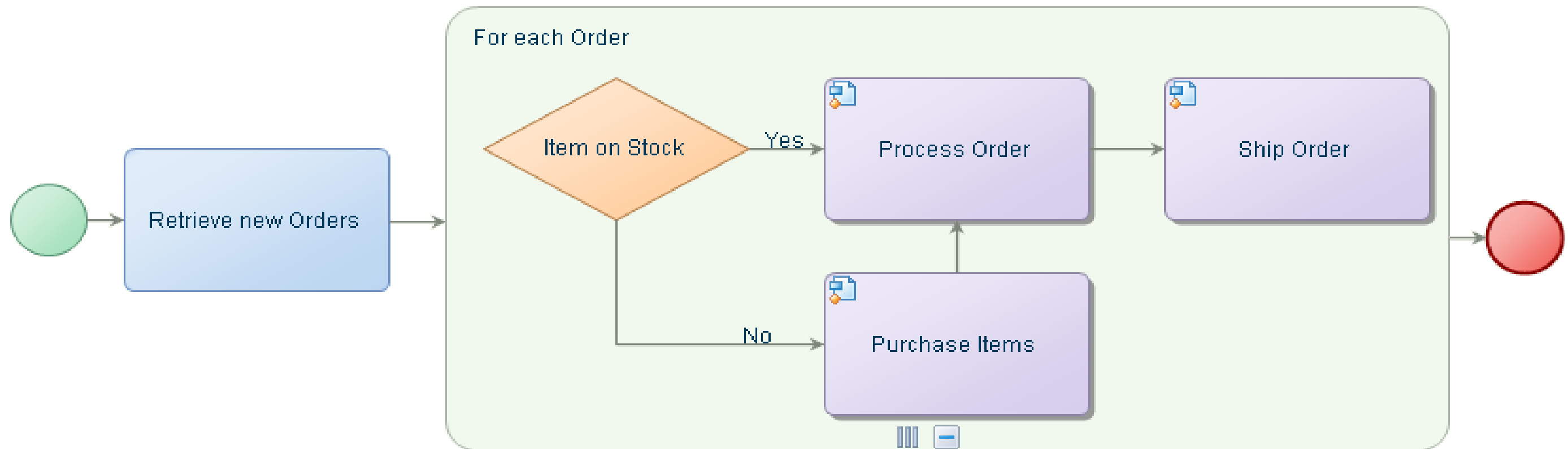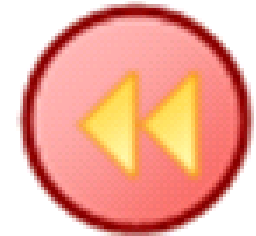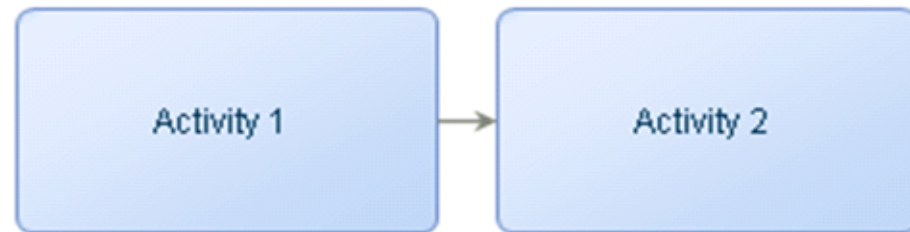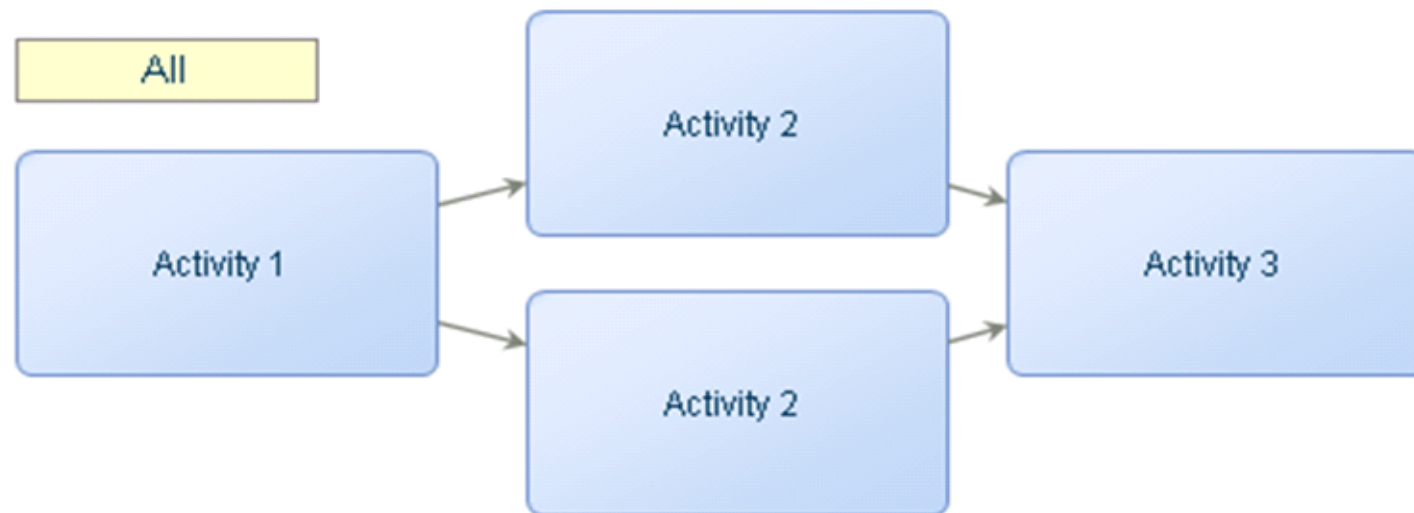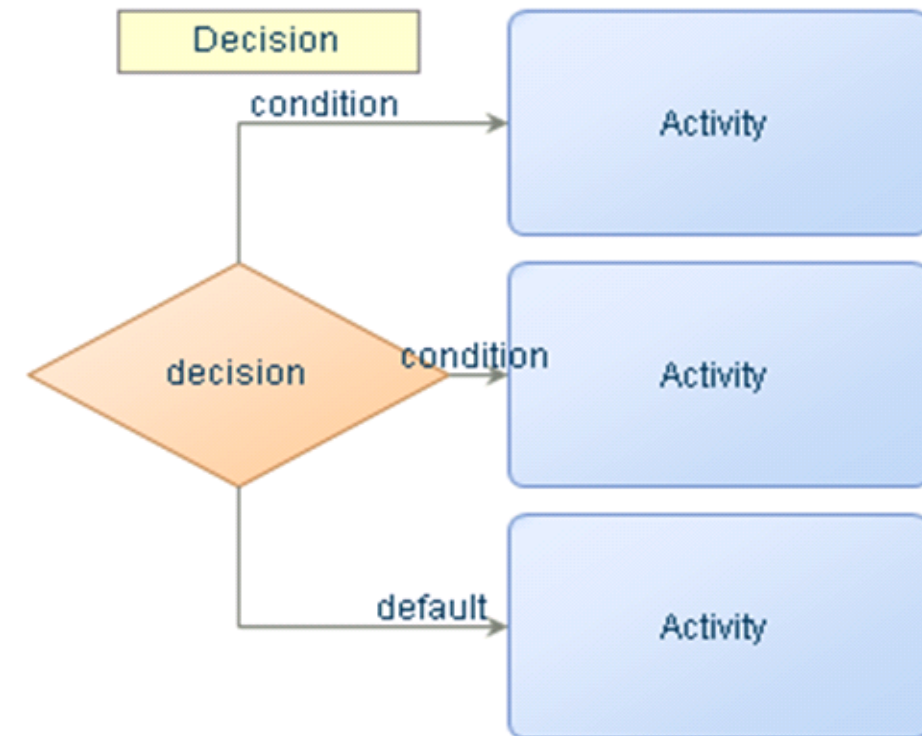
Event Examples

CORDYS
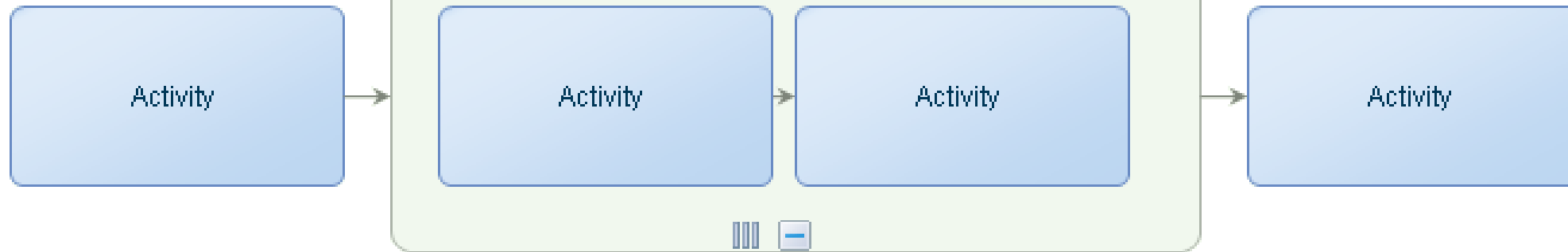
Flow Construct Examples
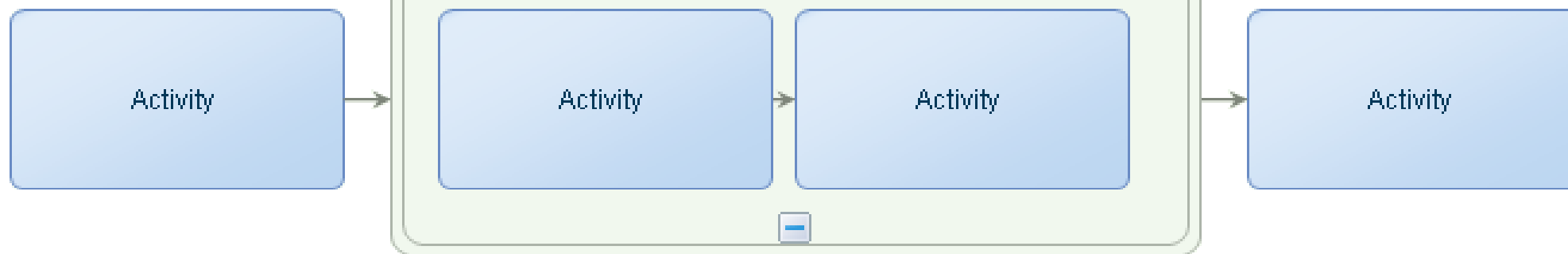
CORDYS

Loop Construct Examples
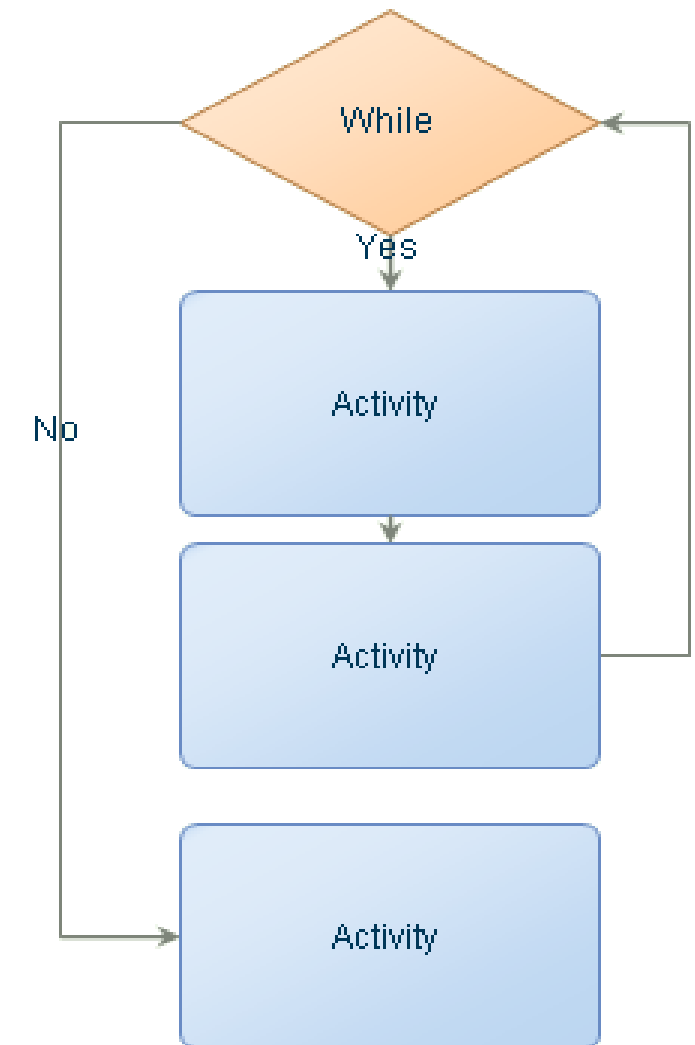
CORDYS

Other Construct Examples

CORDYS

Sub-Process

Activity → Sub-process → Activity

Time-Out

Activity → Activity → Activity

Activity when to late .... Continue in any direction

Exception Handling

Activity → Activity → Activity

Activity on Error X   Activity on error Y

.... Continue in any direction
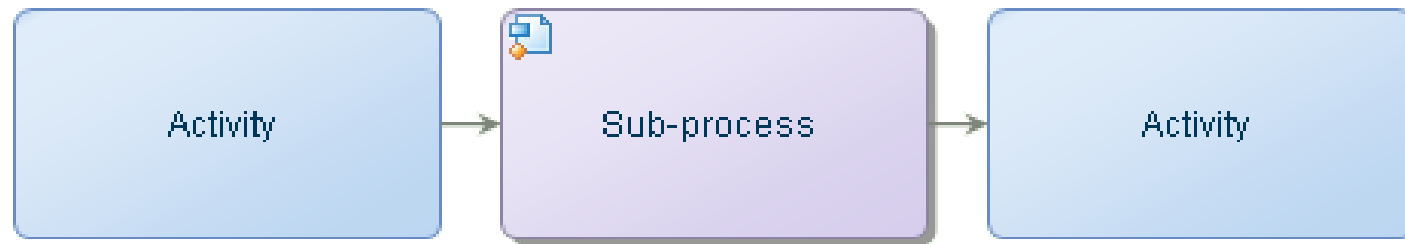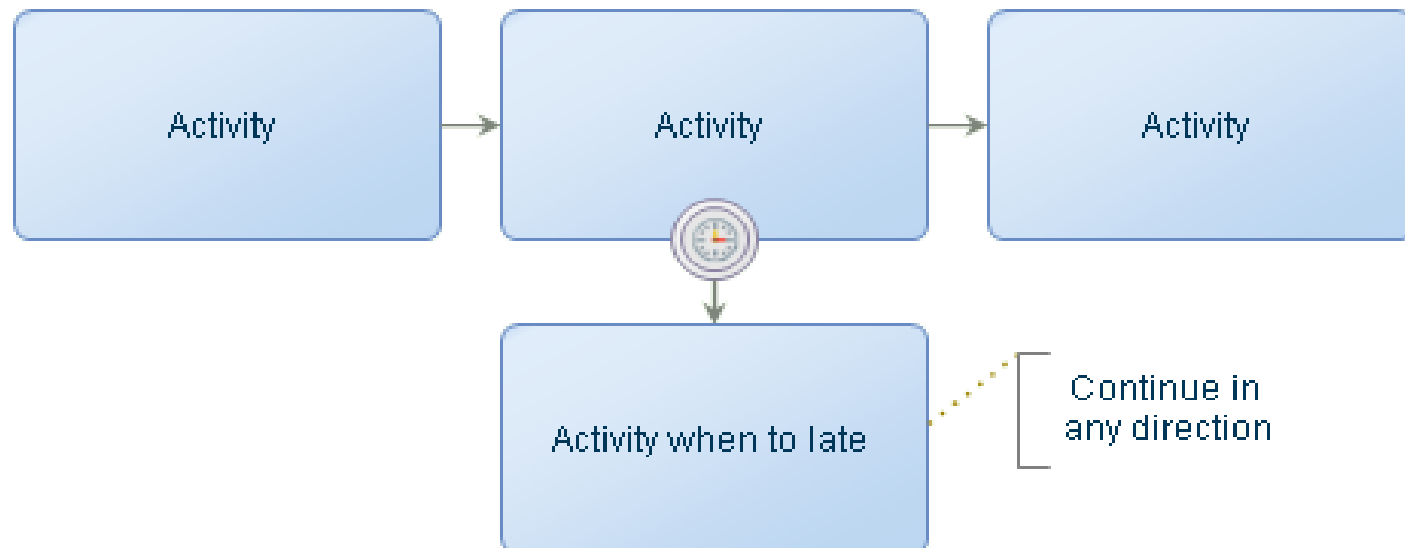
Case Management
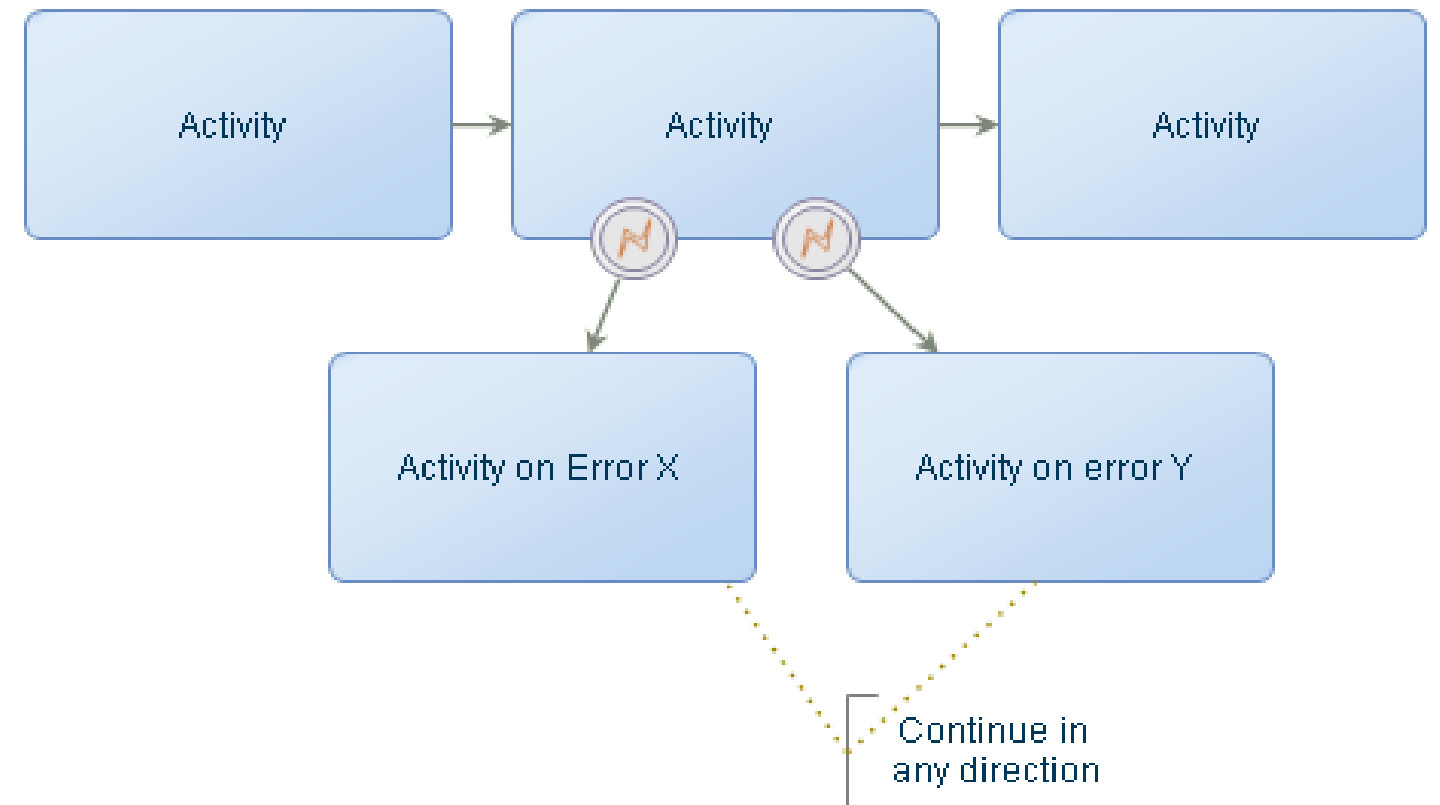
Cordys BOP 4.1 Fundamentals

CORDYS

The Business Challenges

CORDYS

- How do you manage the many business operations that are:
  - Unstructured, ad-hoc, dynamic and not automated?
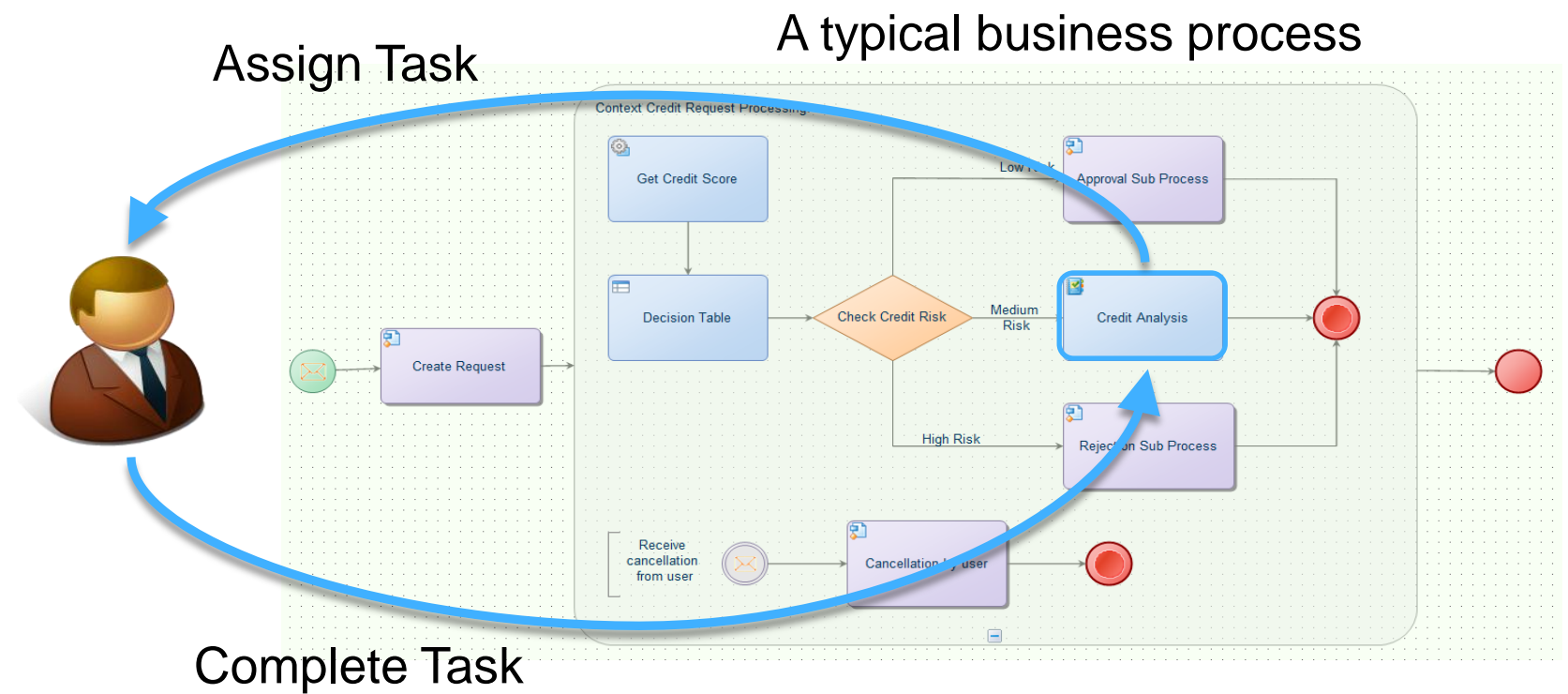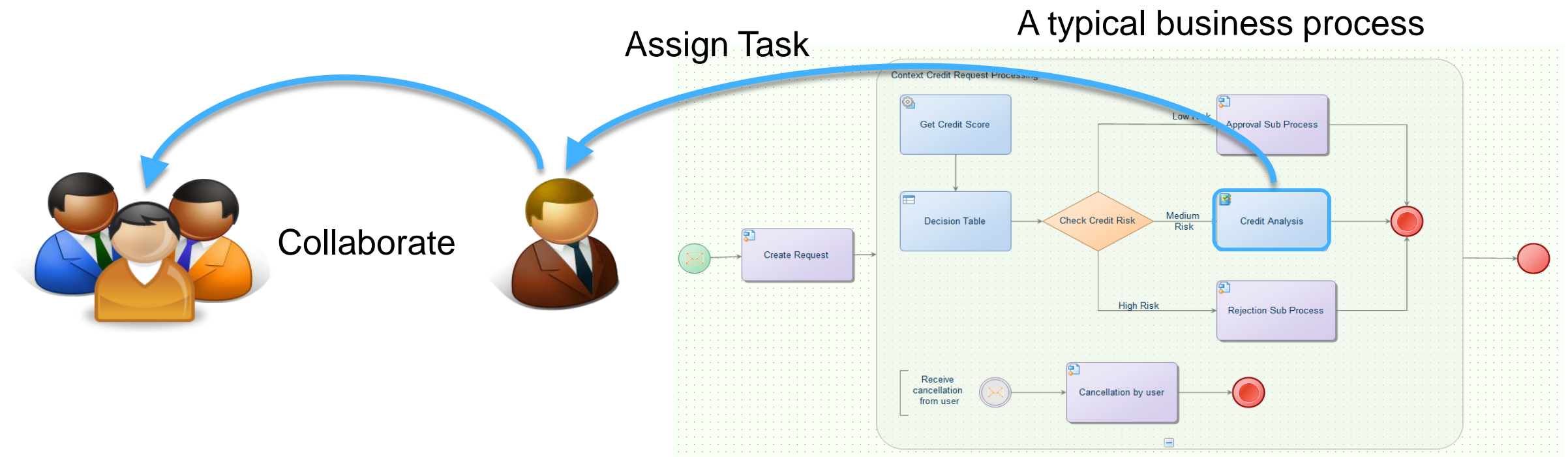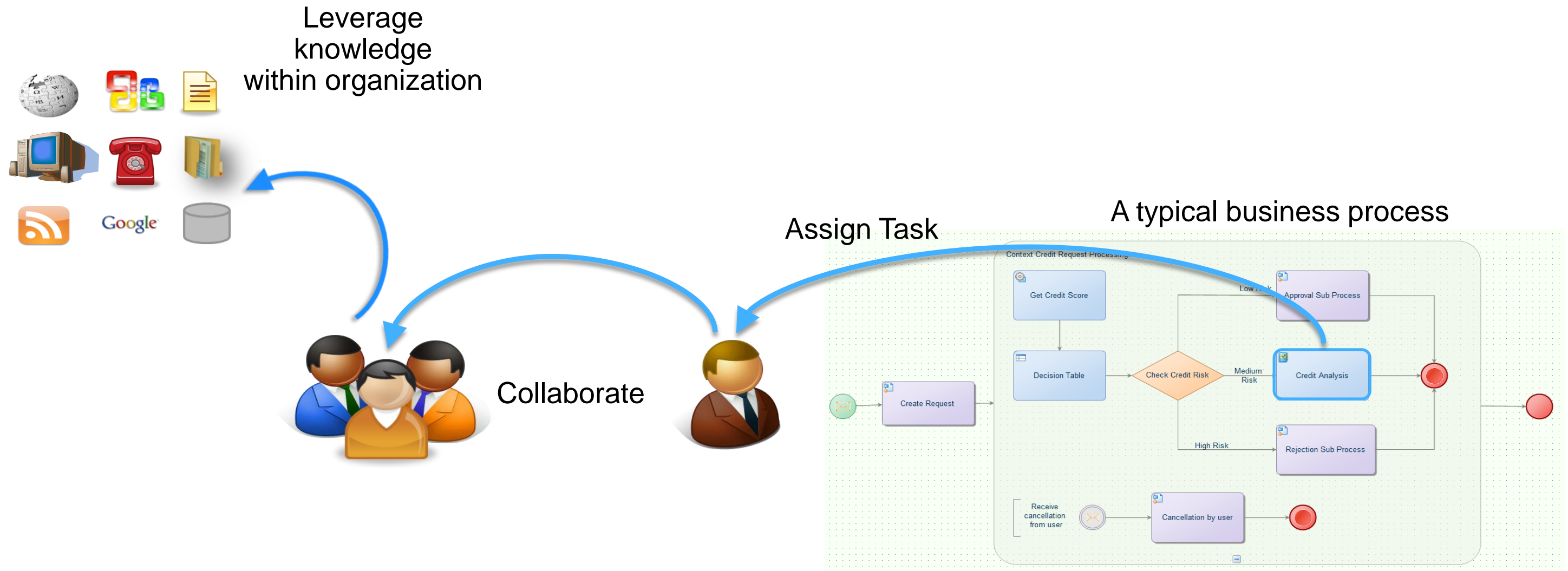 - Driven by people's expertise, experience and knowledge?
  - Decision lead with many possible events, options, outcomes and non-linear activities?
  - Focused on investigation and human-to-human interaction?
- How do you allow experts and knowledge workers to collaborate across the organization with great flexibility but still capture their expertise?
- How do you give access to structured data from underlying systems, documents and data to support these "cases"?
- How do you automate the parts of a case that are common to reduce workload?
- How do you give better control to the unstructured and dynamic?
- How do you improve decision making and align business outcomes with goals?
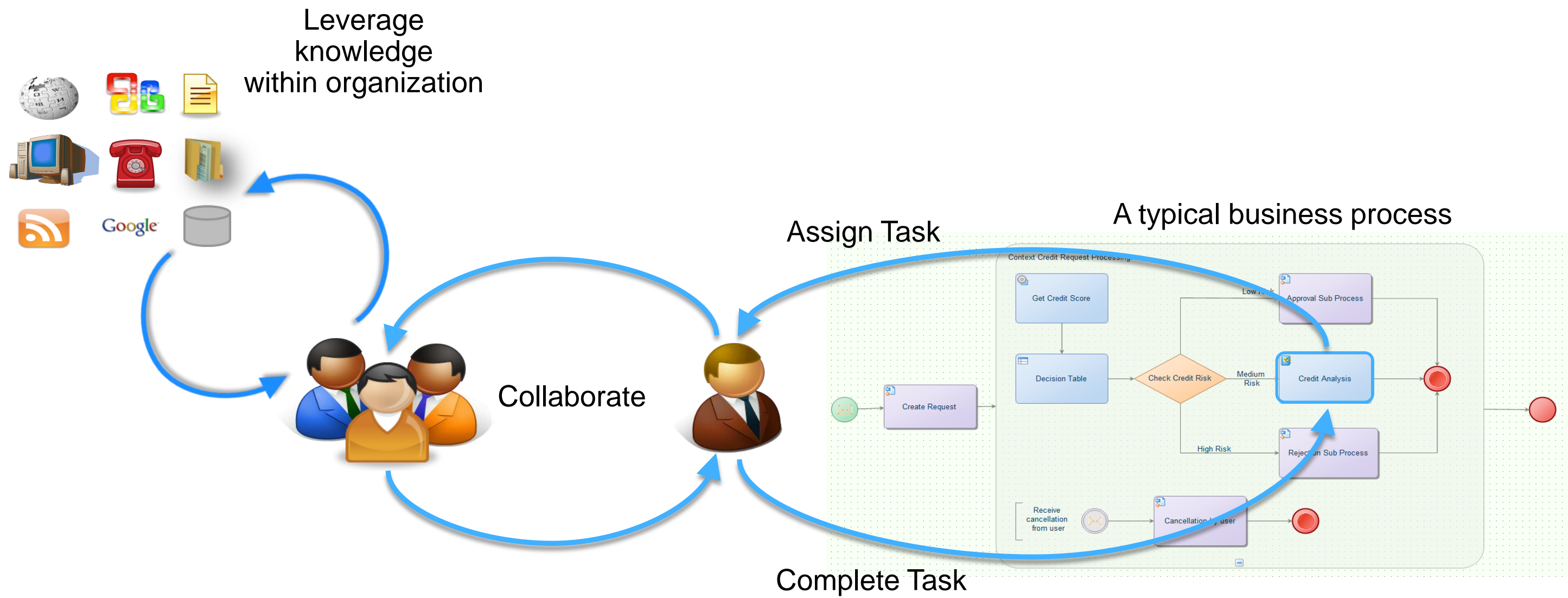
CORDYS

A typical business process

Assign Task

Complete Task

The Real World

CORDYS

A typical business process

Assign Task

Collaborate

The Real World

CORDYS

Leverage knowledge within organization

A typical business process

Assign Task

Collaborate

Complete Task

How Do You Escape the Pre-defined Route?

CORDYS

Case Management

"While BPM products tend to focus on repeatable, structured processes, case management applies to more dynamic, unstructured, ad hoc processes"

Forrester Dynamic Case Management Wave 2011

The Need for Case Management

- "Business Process Management is no longer about the structured work and automating the routine (20% of the enterprise). It is more about the 80% that is the unstructured, dynamic, ad-hoc, collaborative reality" *Janelle Hill, Gartner BPM Summit, March 2011*

- The way an organization runs its operations today is with a focus on high automation and efficiency.

- Case Management adds collaboration and flexibility to this whilst retaining control.

- The capabilities that Case Management should support are:
    - The ability to run multiple procedures against a given case of work
    - The ability to associate different types of objects with a case
    - Accessible mechanisms that allow end users to handle variation
    - Mechanisms to selectively restrict change on processes

CORDYS

◆ BPM is very good at Straight Through Processes (STP)

◆ Take the example below:

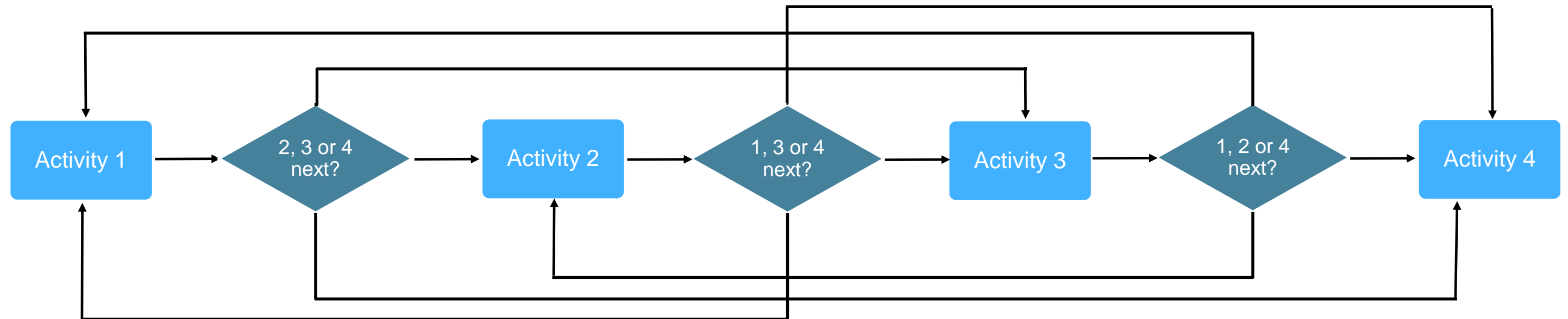| Activity 1 | → | Activity 2 | → | Activity 3 | → | Activity 4 |
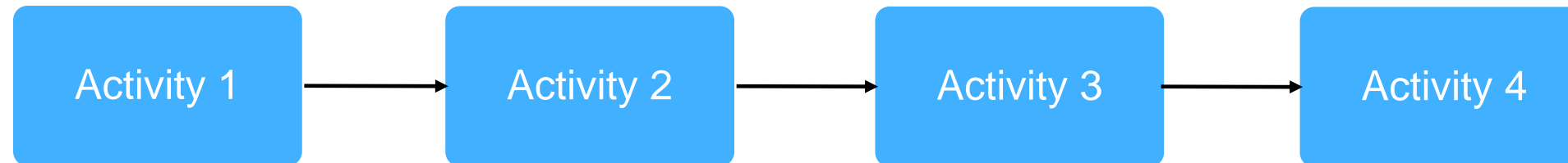
◆ However – what happens in most "real" processes?

◆ What happens if you have to cater for things that "might" happen at any stage?

◆ How do you model a process for the unplanned?
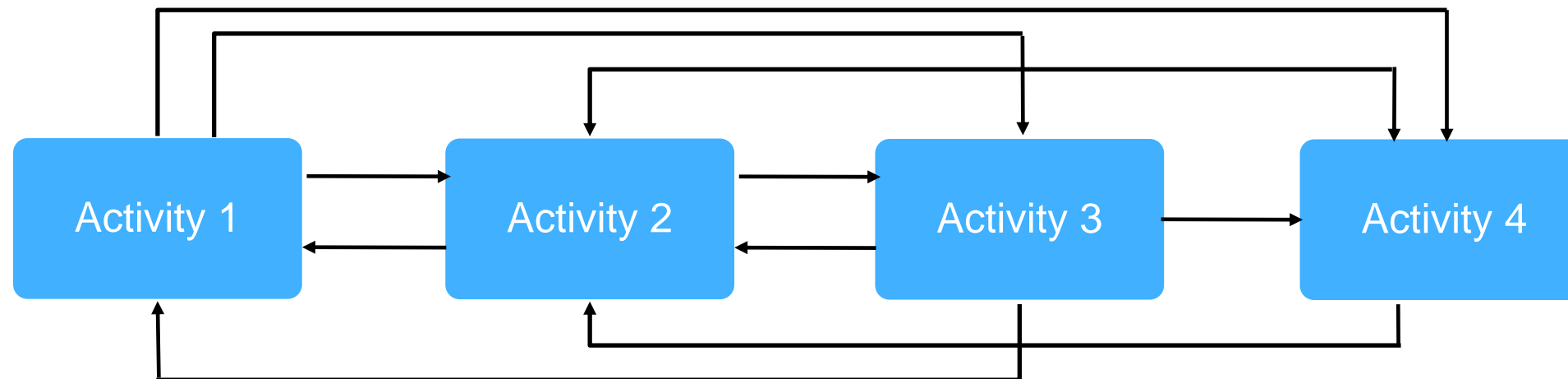

◆ It can get very complex with just four activities!

◆ BPM does allow you to add conditions to make optional decisions


◆ But it can still be very hard to model and follow

◆ Dynamic Case Management makes these kinds of patterns very easy

◆ It is designed for flexible, unstructured, ad-hoc, collaborative, plan-as-you-go usage

◆ The previous process is represented below in dynamic case management

State 1

| Activity 1 | Activity 2 | Activity 3 |
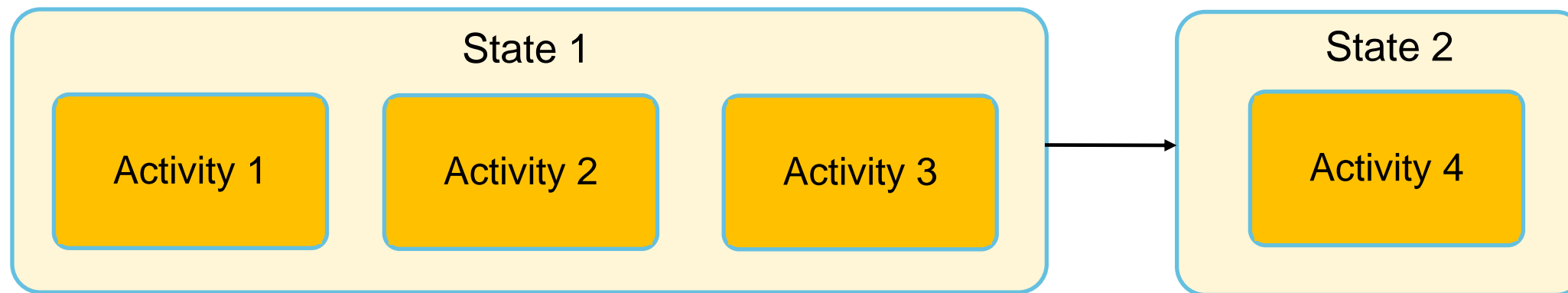
State 2

Activity 4

◆ Cases are based around events, states, activities and follow-ups

Cases and Processes Work Seamlessly Together

CORDYS
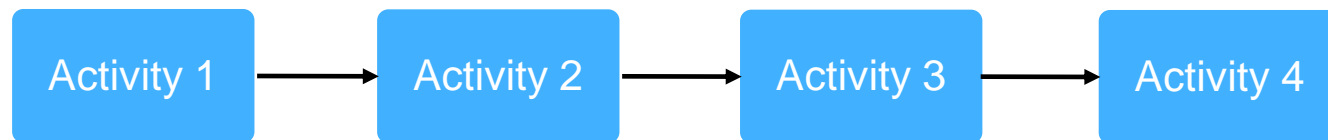
- A Typical Process Centric Approach:
  - Task driven
  - Structured and standardized
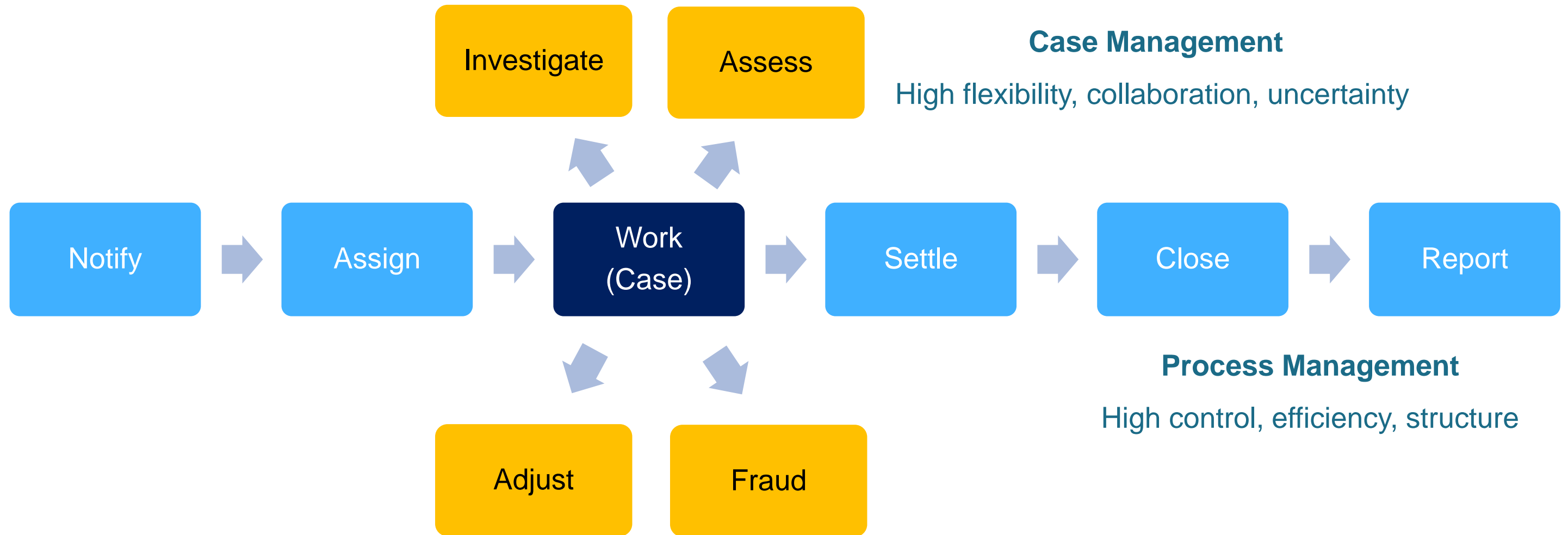 - Suited to Back Office

- A Typical Case Management Approach
  - Case and knowledge driven
  - Unstructured and collaborative
  - Suited to Knowledge Workers

Because processes and cases each have their own unique approach they can work seamlessly together

Suitable Targets for Case Management

CORDYS

- Investigative case applications
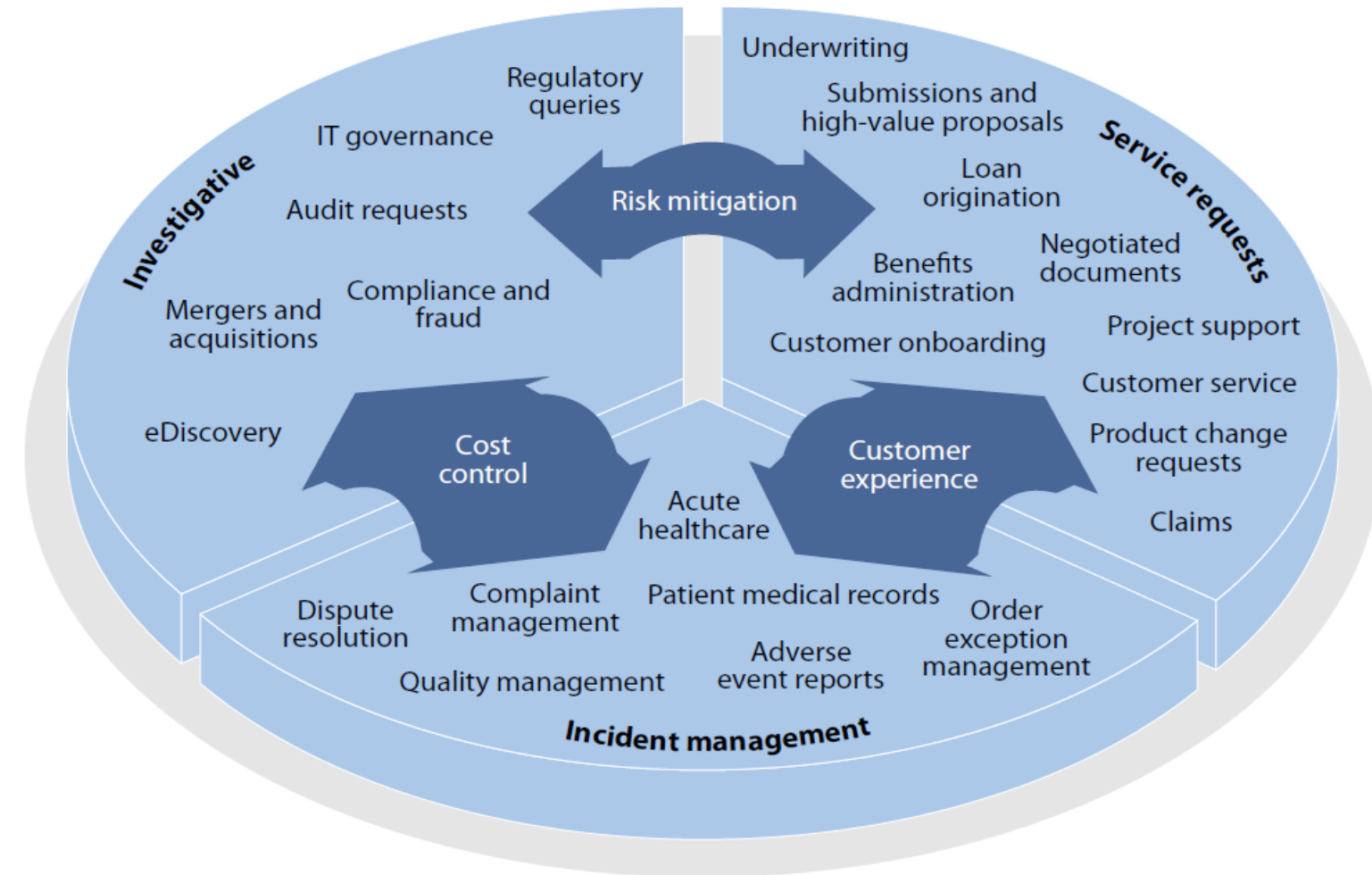 - Fraud
  - Legal
  - Regulatory compliance

- Service request case applications
  - Customer service
  - Underwriting
  - Claims

- Incident management case applications
  - Order exception management
  - Healthcare
  - Complaint management

Case Management Categories

Forrester Dynamic Case Management Wave, January 2011

Thank You

Questions?