

Sample of Final Exam
Business Process Management & Digital Innovation

1. Multiple-Choice Questions (10 questions)

Question 1: Which of the following is NOT one of the six core elements of BPM?

- a) Strategic alignment
- b) Governance
- c) Team hierarchy
- d) Methods

Answer: c) Team hierarchy

Question 2: What does BPM primarily focus on improving?

- a) Employee satisfaction
- b) Financial investments
- c) Business processes
- d) IT infrastructure

Answer: c) Business processes

Question 3: The PDCA cycle, used in BPM, stands for:

- a) Plan, Develop, Create, Assess
- b) Plan, Do, Check, Act
- c) Process, Design, Create, Adapt
- d) Process, Develop, Compare, Act

Answer: b) Plan, Do, Check, Act

Question 4: In BPM, what is a "process owner" responsible for?

- a) Budget allocation
- b) Managing an end-to-end process
- c) Hiring and firing employees
- d) IT system integration

Answer: b) Managing an end-to-end process

Question 5: What is a key benefit of process standardization in BPM?

- a) Increased customer dissatisfaction
- b) Reduced process variation and improved consistency
- c) Higher operational costs
- d) Fragmentation of workflows

Answer: b) Reduced process variation and improved consistency

Question 6: Which BPM method emphasizes reducing process variation?

- a) BPMN
- b) Six Sigma
- c) Lean Management
- d) Process Simulation

Answer: b) Six Sigma

Question 7: What role does process modeling play in BPM?

- a) It automates workflows.
- b) It helps in visualizing and analyzing business processes.
- c) It eliminates all manual work.
- d) It increases data redundancy.

Answer: b) It helps in visualizing and analyzing business processes.

Question 8: What does BPMN stand for?

- a) Business Process Model and Notation
- b) Business Planning, Metrics, and Norms
- c) Business Process Measurement Network
- d) Business Practices for Management Needs

Answer: a) Business Process Model and Notation

Question 9: A well-designed process in BPM should:

- a) Be flexible and support customer value creation
 - b) Focus only on cost reduction
 - c) Avoid standardization
 - d) Eliminate the need for metrics
- Answer:** a) Be flexible and support customer value creation

Question 10: BPM is most closely aligned with which organizational objective?

- a) Reducing employee turnover
- b) Enhancing process efficiency and customer satisfaction
- c) Expanding market share
- d) Increasing investment returns

Answer: b) Enhancing process efficiency and customer satisfaction

2. True/False Questions (6 questions)

Question 1: Business Process Management (BPM) integrates IT and non-IT organizational systems.

Answer: True

Question 2: Six Sigma methodologies are irrelevant to BPM.

Answer: False

Question 3: Metrics in BPM should only measure financial performance.

Answer: False

Question 4: BPM encourages cross-functional collaboration.

Answer: True

Question 5: BPM only applies to large enterprises and not small businesses.

Answer: False

Question 6: Process improvement in BPM is a one-time activity.

Answer: False

3. Open Question

Question: Discuss how BPM aligns with organizational goals and provide two examples where BPM has successfully enhanced operational efficiency.

Answer:

BPM aligns with organizational goals by streamlining processes to improve efficiency, enhance customer satisfaction, and reduce operational costs. It ensures alignment between processes and strategic objectives, enabling organizations to adapt to market changes effectively.

Example 1: An insurance company reduced claims processing time from 10 days to 9 hours by redesigning its workflow, improving customer satisfaction and reducing costs. **Pages 6-7**

Example 2: A consumer goods manufacturer implemented BPM to standardize its product deployment process, reducing inventory by 25% and out-of-stock situations by 50%. **Page 7**

4. Case Analysis (2 cases)

Case 1: Analyze a scenario where a company improves its customer service using process redesign. What BPM methods would you suggest, and why? **Pages 6–7**

Answer:

A company facing delays in customer query resolution could use BPMN to model its customer service process, identify bottlenecks, and redesign workflows. Implementing Six Sigma methods can help reduce variation in query handling times, while Lean principles can streamline workflows, removing non-value-adding steps. These methods ensure faster and more consistent responses, improving customer satisfaction.

Case 2: Examine the role of metrics in monitoring process performance, using a real-life example from the textbook. **Page 15**

Answer:

Metrics are crucial in BPM for assessing process efficiency, accuracy, and customer satisfaction. For instance, in the case of a health insurer, BPM metrics such as cost per claim and processing time were used to identify inefficiencies. The redesign of the claims process based on these metrics led to significant cost savings and improved customer satisfaction.