

Lecture 02 - BPM Frameworks and Models

MPH_ACMS Business Process Management

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1 Unfinished business

2 BPM Conceptualization

3 BPM Life-cycle

4 Discussion

Repetition is the mother of all learning

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- **Recapitulation and intro for today's lecture**

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 - ▶ Every good process eventually becomes a bad process.
- Pay attention to the Enterprise Process Model (will come handy in projects).

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- Why is BPM so important for managers?
- What kind of processes are suitable for BPM implementation?
- Which are not suitable?

- Three business process traditions:

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 - ▶ IT tradition

Management Tradition

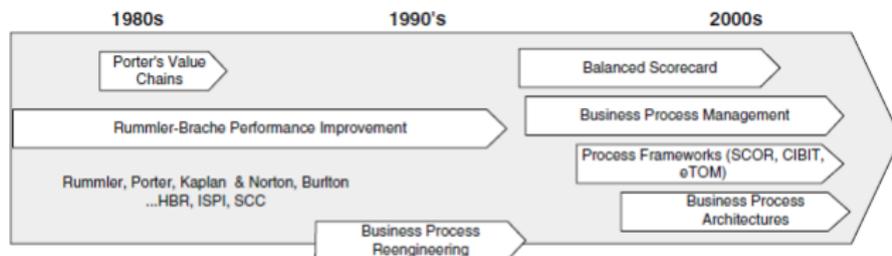


Fig. 6 The management tradition

The Scope and Evolution of Business Process Management

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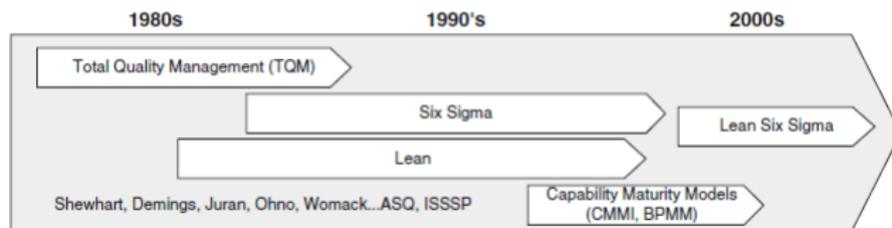


Fig. 2 The quality control tradition

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- 4 Managed: Managers consistently capture data on their processes and use that data to keep processes on track
- 5 Optimizing: Managers and team members continuously work to improve their processes

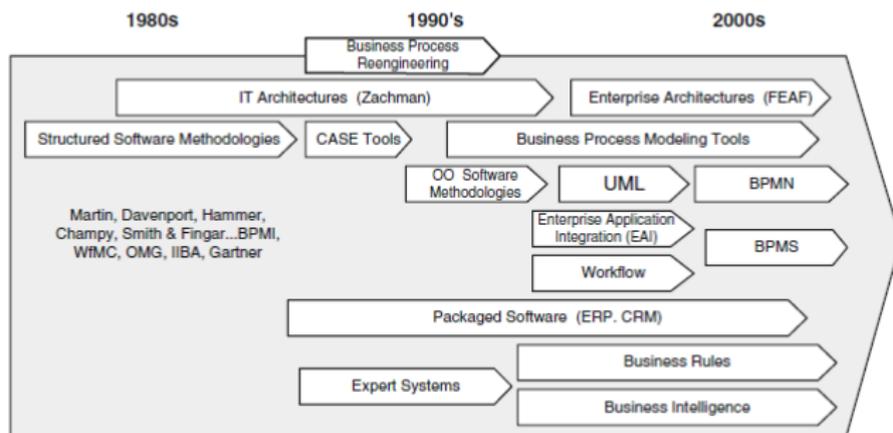


Fig. 7 The information technology tradition

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- Definition vs. Model (framework) - what's the difference?
- Framework = A basic structure underlying a system, concept, or text: "the theoretical framework of political sociology".

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- Framework = A basic structure underlying a system, concept, or text: "the theoretical framework of political sociology".
- Two perspectives:
 - ▶ Business perspective (from practise) = BPM (process) Life-Cycle
 - ▶ Academical perspective = BPM Framework from Rosemann and van. Brocke

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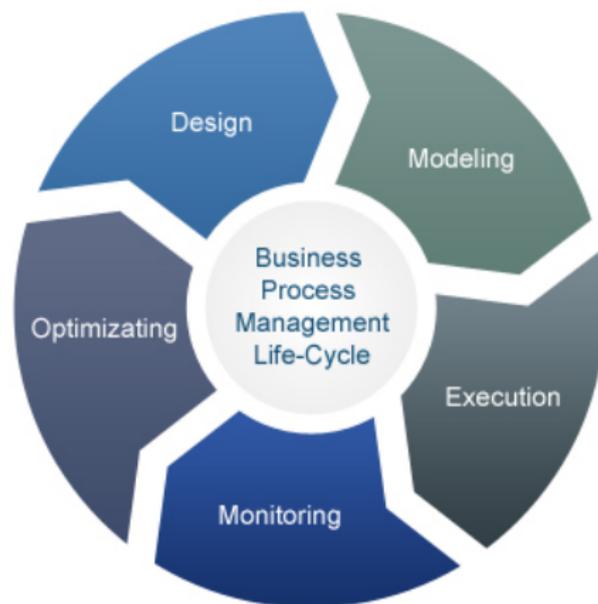
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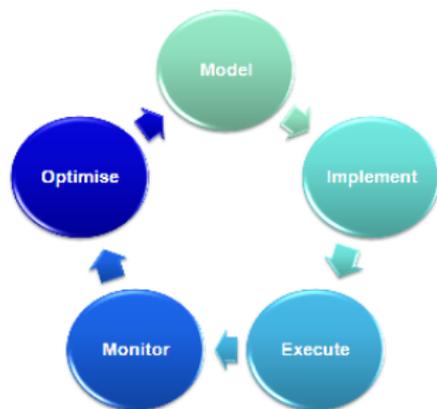
Process Life-cycle 1



Process Life-cycle 2



Process Life-cycle 3



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- You have to analyze processes and design them.
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- Then, you have to define them (i.e. to model them).
- Business people heavily involved.
- Usually, models are on quite high level abstraction.

- Adding more (changing some) details to the model in order to make executable processes.

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- More IT than business but consulting with business people needed.

- Adding more (changing some) details to the model in order to make executable processes.
- More IT than business but consulting with business people needed.
- Implement and execute the processes using some BPMS.

- Measure KPIs and defined metrics.
- Examples of KPIs or metrics?

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- Making reports about process performance.
- Analyze exceptions and process efficiency.

- Optimize processes according to data and analyzes from Monitor/Control phase.

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- Simulate different scenarios and business rules.

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- Simulate different scenarios and business rules.
- Assess an economical impact of different scenarios.

And back on the start

- Start a new loop - continue with design and model the new process.

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- Start a new loop - continue with design and model the new process.
- The lectures in this course should cover the whole life-cycle.

- Is this model sufficient?

BPM Life-cycle conclusion

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- Isn't there anything missing?

BPM Life-cycle conclusion

- Is this model sufficient?
- Isn't there anything missing?
- Rosemann and vom Brocke:
 - ▶ The framework to be identified has to comprehensively structure those elements of BPM that need to be addressed when following a holistic understanding of BPM, i.e., BPM as an organizational capability and not just as the execution of the tasks along a process lifecycle (identify, model, analyze, improve, implement, execute, monitor, and change).

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The Six Core Elements of Business Process Management

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- 1 Strategic Alignment
- 2 Governance
- 3 Methods
- 4 Information Technology
- 5 People
- 6 Culture

Capability Areas

Strategic Alignment	Governance	Methods	Information Technology	People	Culture	Factors
Process Improvement Planning	Process Management Decision Making	Process Design & Modelling	Process Design & Modelling	Process Skills & Expertise	Responsiveness to Process Change	Capability Areas
Strategy & Process Capability Linkage	Process Roles and Responsibilities	Process Implementation & Execution	Process Implementation & Execution	Process Management Knowledge	Process Values & Beliefs	
Enterprise Process Architecture	Process Metrics & Performance Linkage	Process Monitoring & Control	Process Monitoring & Control	Process Education	Process Attitudes & Behaviors	
Process Measures	Process Related Standards	Process Improvement & Innovation	Process Improvement & Innovation	Process Collaboration	Leadership Attention to Process	
Process Customers & Stakeholders	Process Management Compliance	Process Program & Project Management	Process Program & Project Management	Process Management Leaders	Process Management Social Networks	

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- ▶ 'Day-to-day' work on BPM = operative decision-making perspective.
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- ▶ People are the core element of BPM.

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- ▶ The 'softest' part of BPM (management in general).

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- BPM is not (only) modeling and IT! Even when it will look like that in this course :)

- Governance of BPM versus strategy
- Reading (mandatory):
 - ▶ Delivering Business Strategy Through Process Management (HoBPM 2, p. 5)
 - ▶ Business Process Governance (HoBPM 2, p. 201)
- Reading (voluntary):
 - ▶ Porter: What is business strategy (IS)