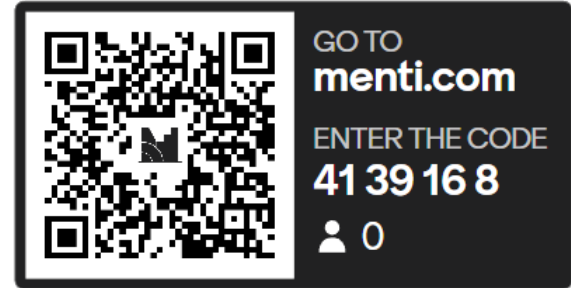




Business informatics (BI) is a discipline combining [economics](#), [economics of digitization](#), [business administration](#), [information technology](#) (IT), and concepts of [computer science](#). Business informatics centers around creating programming and equipment frameworks which ultimately provides the organization with effective operation based on information technology application.^[1] The focus on programming and equipment boosts the value to the analysis of economics and information technology.

- 15+ years history
- consultancy projects as business (process) analyst
- 10+ years lecturer

- BPM is not IT
- BPM is mainly business





MASARYKOVA
UNIVERZITA
Ekonomicko-správní fakulta

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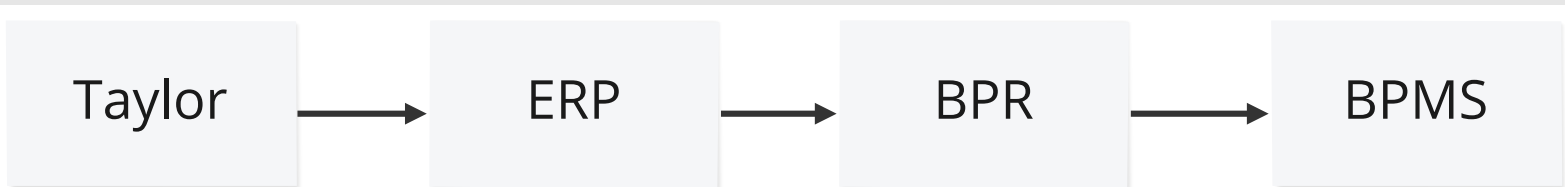
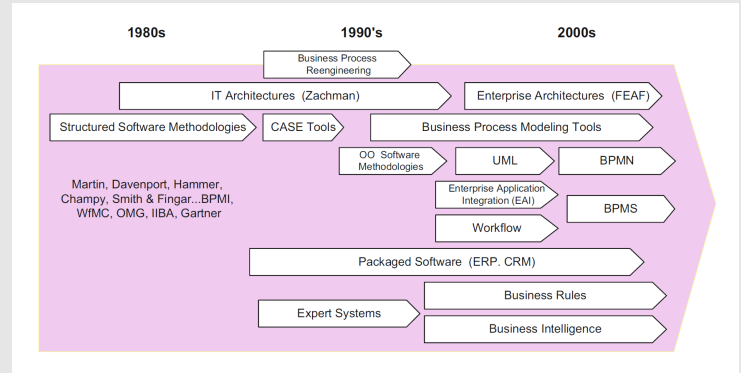
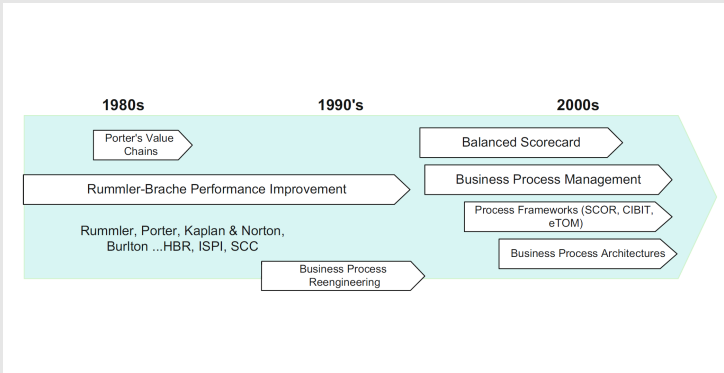
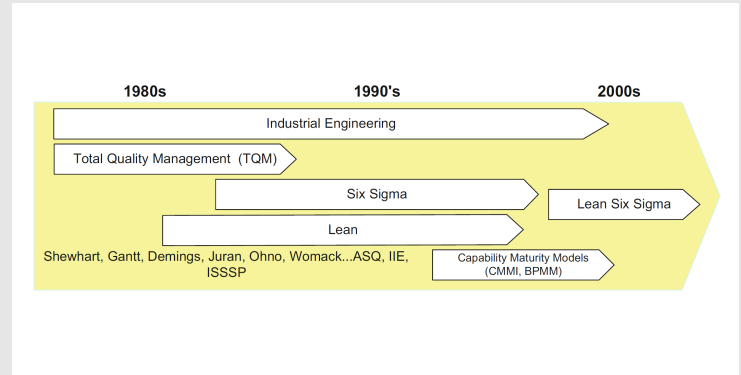
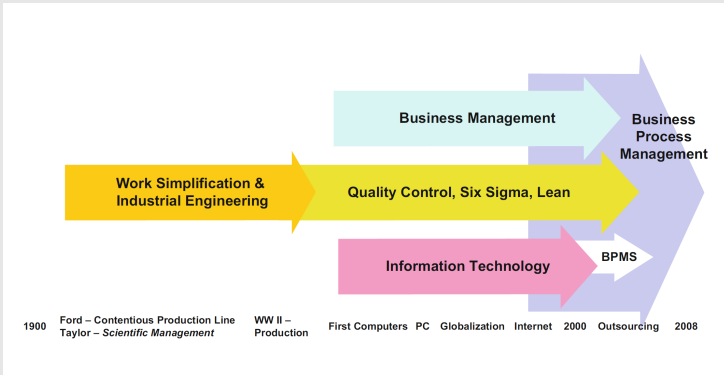


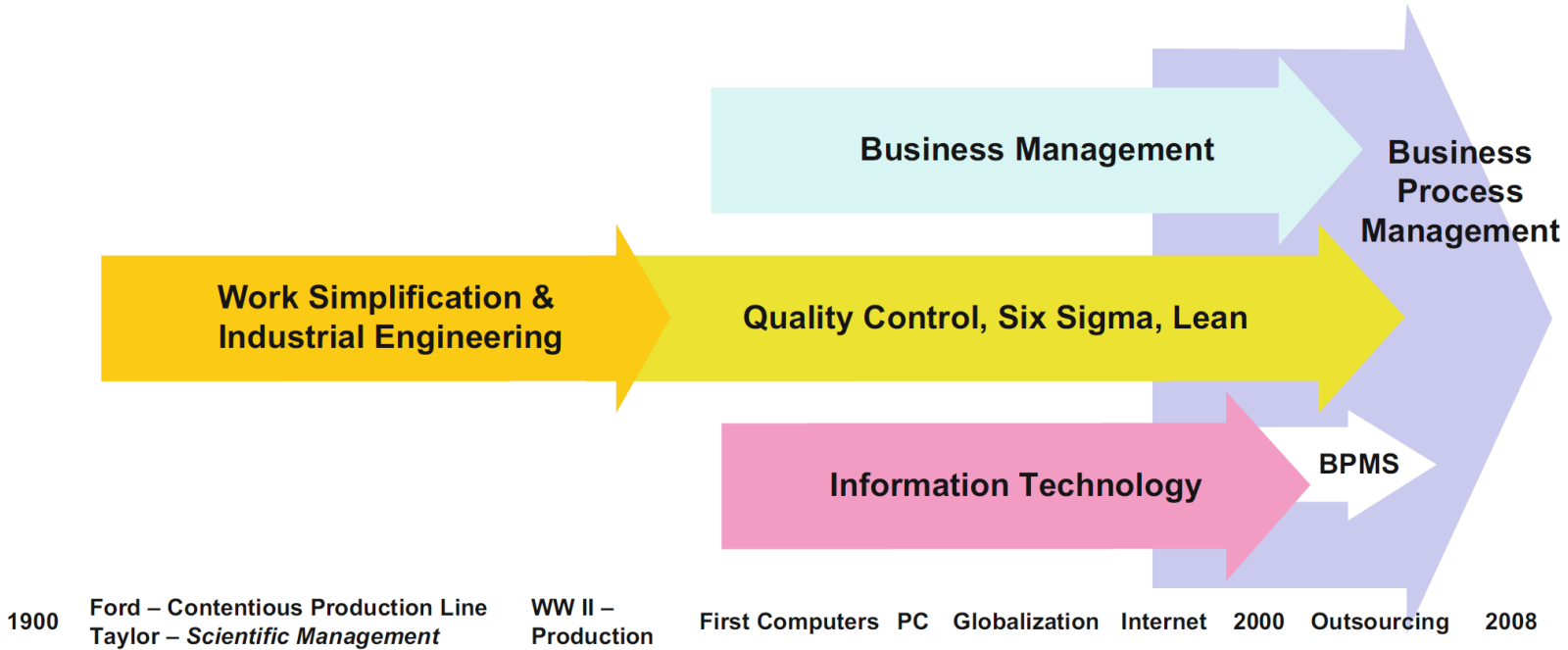
GO TO
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 **0**





1980s

1990's

2000s

Industrial Engineering

Total Quality Management (TQM)

Six Sigma

Lean Six Sigma

Lean

Shewhart, Gantt, Demings, Juran, Ohno, Womack...ASQ, IIE,
ISSSP

Capability Maturity Models
(CMMI, BPMM)

1980s

Porter's Value
Chains

Rummler-Brache Performance Improvement

Rummler, Porter, Kaplan & Norton,
Burlton ...HBR, ISPI, SCC

1990's

Business Process
Reengineering

2000s

Balanced Scorecard

Business Process Management

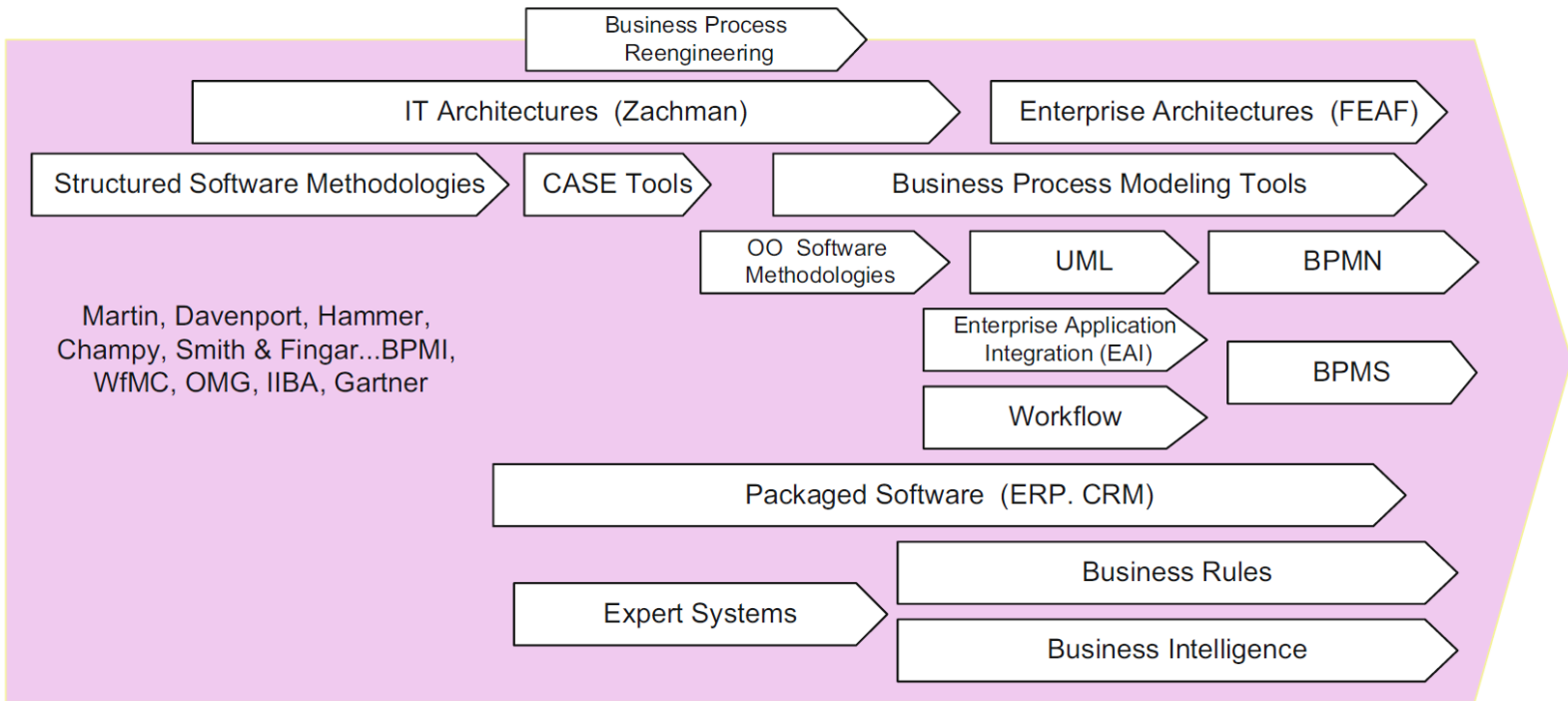
Process Frameworks (SCOR, CIBIT,
eTOM)

Business Process Architectures

1980s

1990's

2000s



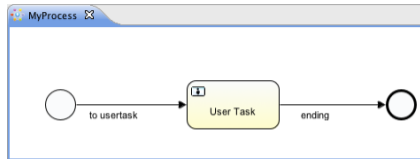
```
graph LR; Taylor --> ERP; ERP --> BPR; BPR --> BPMS
```

Taylor

ERP

BPR

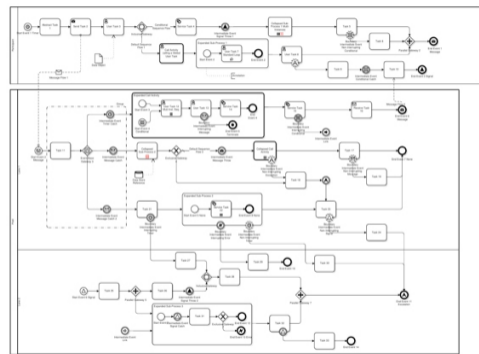
BPMS



```

MyProcess.bpmn
<?xml version="1.0" encoding="UTF-8"?>
<definitions xmlns="http://www.omg.org/spec/BPMN/20100524/MODEL" xmlns:activiti="http://activiti.org/bpmn" name="process1">
  <process id="process1" name="process1">
    <startEvent id="startevent1" name="Start"></startEvent>
    <userTask id="usertask1" name="User Task" activiti:assignee="<extensionElements>
      <activiti:formProperty id="name" name="Name" type="string"/>
    </extensionElements>"></userTask>
    <endEvent id="endevent1" name="End"></endEvent>
    <sequenceFlow id="flow1" name="to usertask" sourceRef="startevent1" targetRef="usertask1"></sequenceFlow>
    <sequenceFlow id="flow2" name="ending" sourceRef="usertask1" targetRef="endevent1"></sequenceFlow>
  </process>
</definitions>

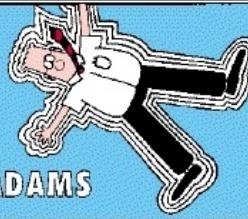
```





DILBERT[®]

BY
SCOTT ADAMS



PATTY IS OUR NEW "PROCESS MANAGER."

Panel 1 SCOTTADAMS.COM



PATTY DOESN'T KNOW HOW TO DO ANYTHING.



SHE ONLY KNOWS HOW TO DO THINGS BETTER!
PROCESS!



FOR EXAMPLE, THIS MEETING IS POORLY MANAGED BECAUSE YOU HAVE NO PROCESS!



AND THIS INTERN OBVIOUSLY HAD NO PROCESS FOR DECIDING WHETHER TO ATTEND

Panel 5 © 1999 WINDY MEADOWS PUBLISHING, INC.



OKAY, PATTY IS ANNOYING.
ALL IN FAVOR OF GETTING RID OF HER.



www.dilbert.com



YOU LASTED LONGER THAN TIMMY THE "FACILITATOR."



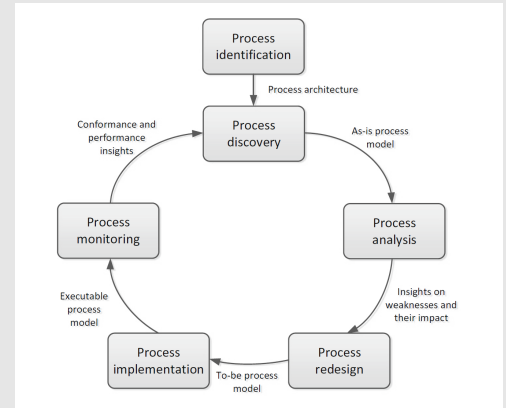
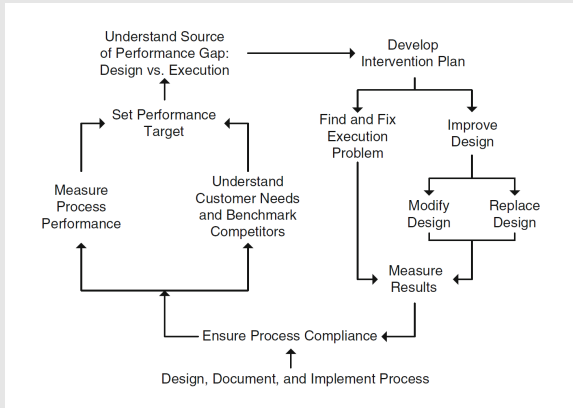
Coffee
Break
TIME

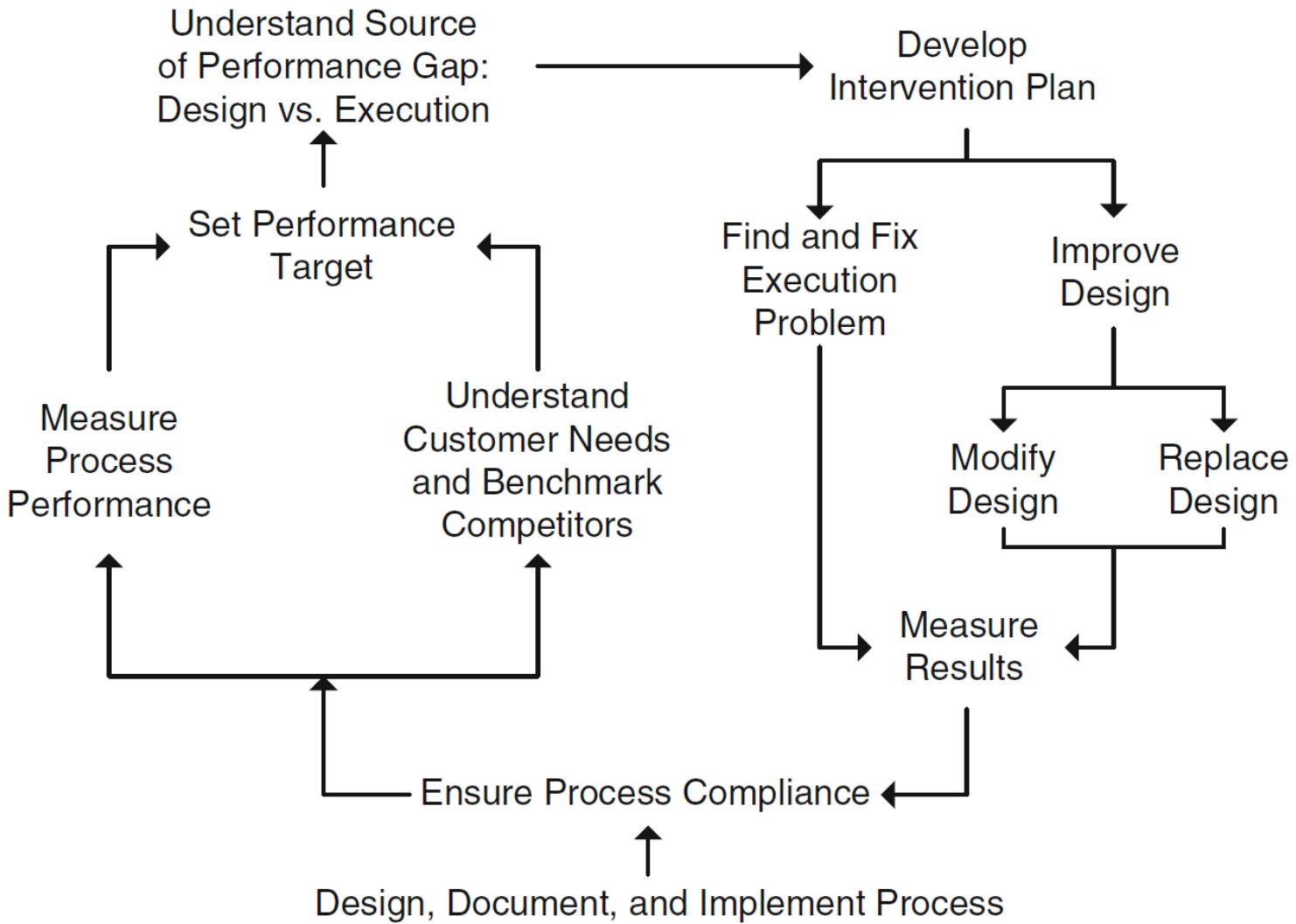
Business (Process) Analyst
must understand business

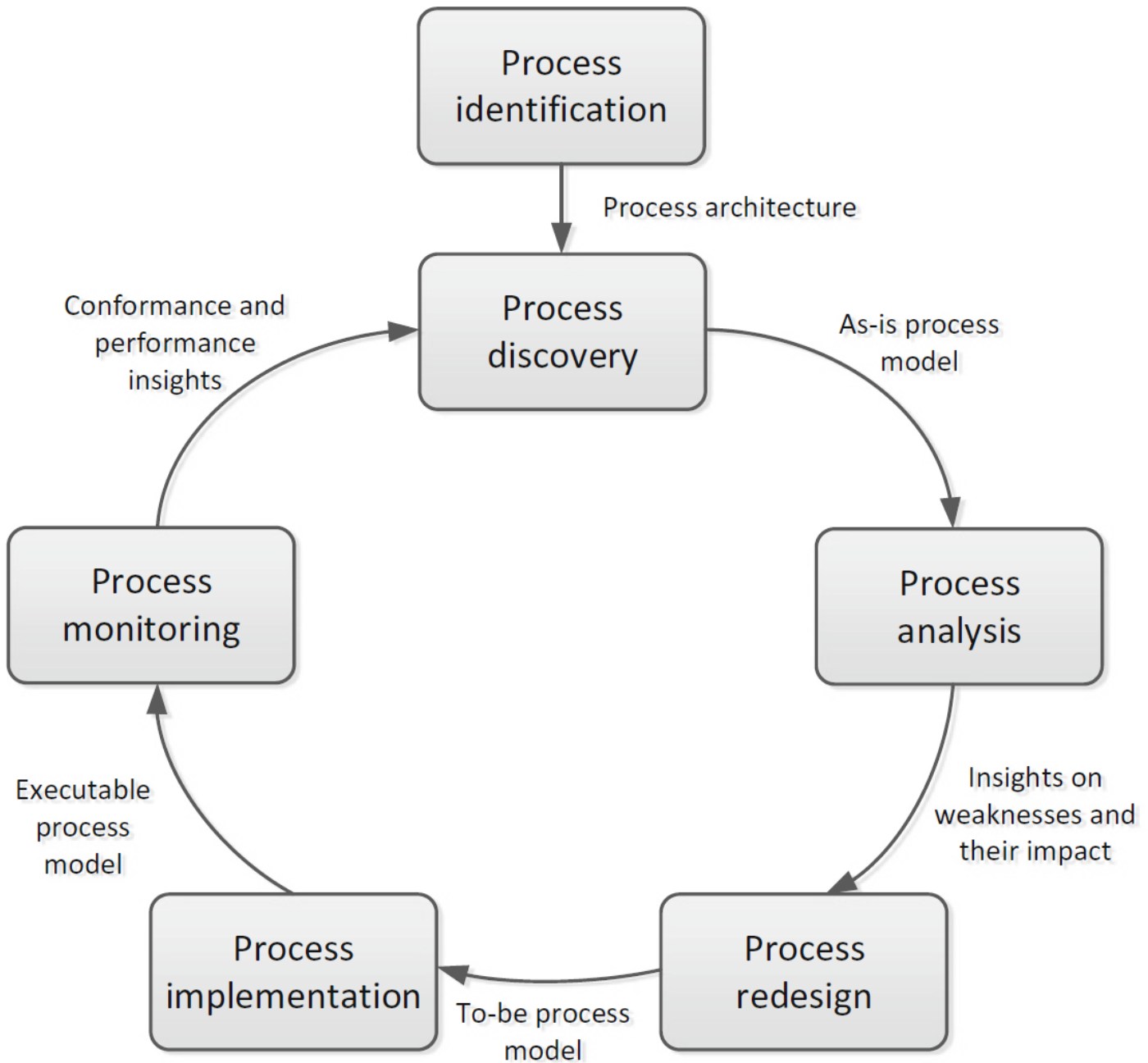
Business analysis is the practice of enabling change in an enterprise by defining needs and recommending solutions that deliver value to stakeholders. Business analysis enables an enterprise to articulate needs and the rationale for change, and to design and describe solutions that can deliver value.

Business analysis is performed on a variety of initiatives within an enterprise. Initiatives may be strategic, tactical, or operational. Business analysis may be performed within the boundaries of a project or throughout enterprise evolution and continuous improvement. It can be used to understand the current state, to define the future state, and to determine the activities required to move from the current to the future state.

Business analysis can be performed from a diverse array of perspectives: agile, business intelligence, information technology, business architecture, and business process management.



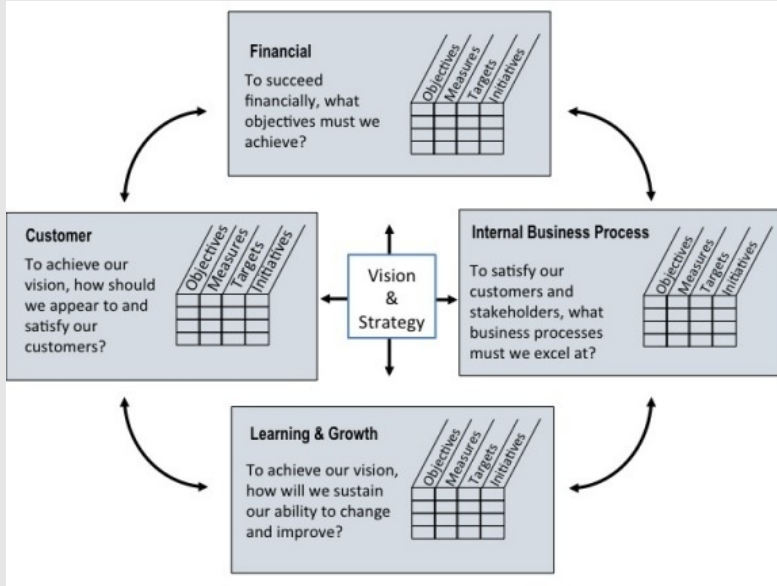




You will function in this environment

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	

What are the main process metrics?

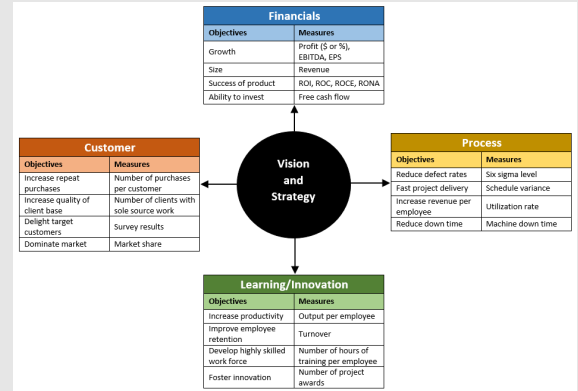


BALANCED SCORECARD CURRENT TIME FRAME: 01.2018 - 11.2018 TARGET DATE: 12.2018

FINANCIAL OBJECTIVES				LEARNING & GROWTH OBJECTIVES			
OBJECTIVES	TARGET	CURRENT	TO TARGET	OBJECTIVES	TARGET	CURRENT	TO TARGET
Increase Total Revenue	€5.458K	€5.197K	(-13.5%)	Open New Sales Regions	4	4	(0)
Increase Net Profit	€1.208K	€1.173K	(-2.9%)	Reduce Operating Costs	€30K	€26K	(-13%)
Increase Profit Margin	25.5%	23%	(-9.8%)	Develop New Products per Year	2	3	(+1)
Increase Profit per Customer	€100	€97	(-3%)	Standardise Staff Training Hours (monthly)	8 HRS	5 HRS	(-3 HRS)

CUSTOMER OBJECTIVES				INTERNAL OBJECTIVES			
OBJECTIVES	TARGET	CURRENT	TO TARGET	OBJECTIVES	TARGET	CURRENT	TO TARGET
Increase Active Customers	5300	4.993	(-5.8%)	Reduce Average Absenteeism	6 DAYS	3 DAYS	(-3 DAYS)
Increase Customer Signups	876	819	(-6.5%)	Maximise Overall Labour Effectiveness	87%	76%	(-12.6%)
Sustain Customer Retention	151	128	(-14.6%)	Internally Fill Vancancies	30	29	(-1)
Improve Customer Satisfaction	85%	73%	(-14.1%)	Decrease Average Overtime (per Year)	30	30	(+0)

LIKELIHOOD OF REACHING TARGET: ■ VERY LIKELY ■ LIKELY ■ DETERMINABLE ■ UNLIKELY ■ VERY UNLIKELY



What is the cost of a process?

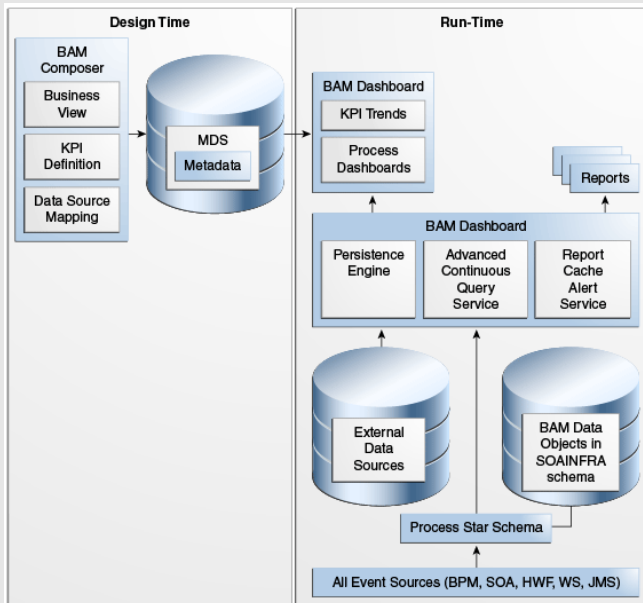
Activity-based costing (ABC) is a costing method that identifies activities in an organization and assigns the cost of each activity to all products and services according to the actual consumption by each. Therefore, this model assigns more indirect costs (overhead) into direct costs compared to conventional costing.

WHAT IS ABC?

ABC IS A SPECIFIC METHODOLOGY TO ASSIGN COSTS TO SPECIFIC ACTIVITIES ALLOWING A MORE EFFICIENT COST SPLIT AND HELPS IDENTIFYING ACTIVITIES THAT ARE NOT NECESSARY.

WHAT IT HELPS IN?

- 1 → IMPROVE EFFICIENCY
- 2 → SET UP PRICES
- 3 → TAKE DECISIONS REGARDING OUTSOURCING
- 4 → TAKE DECISIONS REGARDING IN-HOUSE PRODUCTION
- 5 → FINANCIAL SUSTAINABILITY TO PURSUE SOCIAL MISSION



Q&A



MPH_BUPA



Task 1



Task 2

Assignment 1 – Activity-Based Costing

You have a small SW company with X employees with the following roles:

- CEO/founder – 2000 czk/hour
- Project manager – 1200 czk/hour
- Salesperson – 500 czk/hour + 1% from the value of a closed contract
- 2 team leaders – 1000 czk/hour
- 8 coders – 800 czk/hour
- 4 testers – 800 czk/hour

You want to know how much each phase of an SW project does cost you. The cost structure of your SW company is as follows:

- Office rent = 50k czk/month (including heating, electricity, etc.)
- Licence for IDE = 5k czk/month
- Licence for PM tools = 2k czk/month
- HW costs = 20k czk/year per coder; 10 czk/year per other employees

The average duration of tasks that your employees perform:

- Salesperson
 - Contract closing = 60 hours
 - Customer communication during the project = 4 hours per week
- Project manager
 - Project planning = 30 hours per project
 - Project management = 6 hours per project per week
 - General communication = 5 hours per week
 - Deployment of SW = 40 hours
- Team leader
 - 30 hours of design and analysis per project
 - 10 hours of leader responsibilities per week
 - Generates 100 LOC per hour
 - Deployment of SW = 40 hours
- Coder
 - Generates 80 LOC per hour
- Tester
 - Tests 120 LOC per hour

Your Salesperson secured a 3M project that consists of 10k LOC. You have two tasks.

1. Find out the costs of the following phases:
 - Sales phase
 - Analysis and design
 - Development
 - Testing (every 50th LOC needs to be refactored after testing and tested again)
 - Deployment
2. Should you take the job?

Assignment 2 - simulation

This exercise is adapted from Dumas, M., Rosa, M.L., Mendling, J., Reijers, H., 2018. Fundamentals of Business Process Management, 2nd ed. Springer-Verlag, Berlin Heidelberg. pp. 283-285. The purpose is for you to experience how it is to focus on the business side of the process and try to make changes in it based on economic aspects.

Your goal will be:

1. Based on the average cycle time of the process for both variants for a week (week as usual; week with disaster) and the average costs for both variants for a week (week as usual; week with disaster), formulate several changes in the process.

2. Identify what should be done with the process when the following changes in KPIs should happen:
 - a. Decrease the percentage of closed (paid) weekly claims by 10%.
 - b. Decrease the average cost of the process per week by 10%.
 - c. Decrease the average cycle time of the process per week by 10%.
 - d. Increase customer satisfaction with call center per week by 5%.
 - e. Increase customer retention with the insurance company by 5%.

What are the main process metrics?

What is the cost of a process?