

An Introduction to Business Process Management: Tools and Techniques

Presented by Arthur Hedge



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Agenda

- **What is Business Process Management?**
- **Why it matters**
- **Design Tools**
 - **Stand-alone**
 - **Integrated**
- **Vendors**
- **Questions**



What is It?

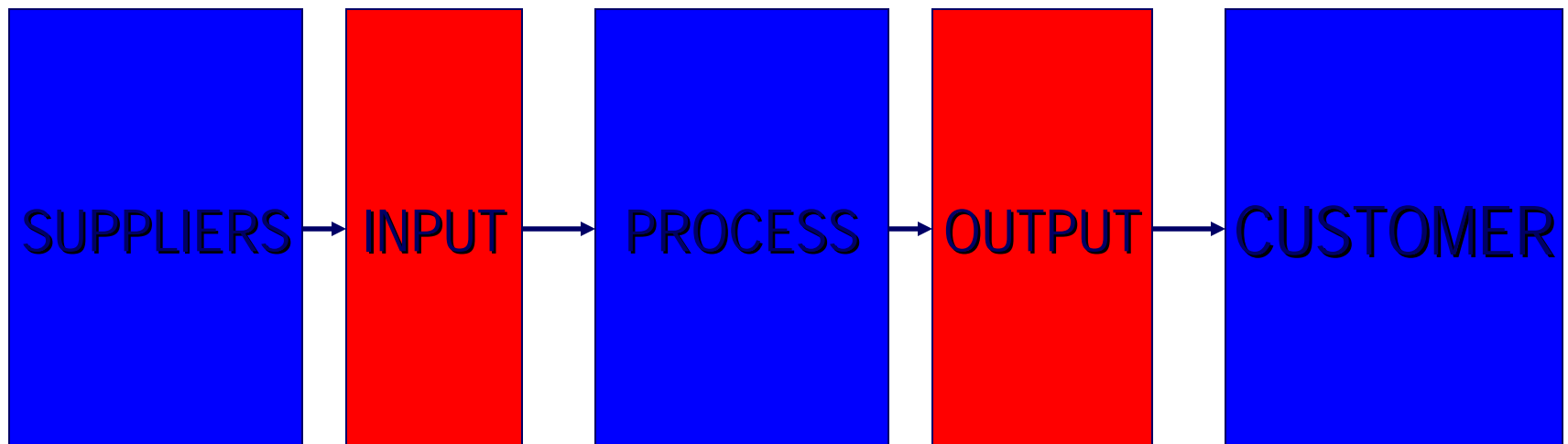
- 1. Way to Improve Operations**
 - 2. A Software Category**
- “Business Process Management encompasses the design, automation, management, and continuous improvement of business processes.”**



Business Processes

- **Definition of Business Process**

“A business process is the complete set of end to end activities required to complete a transaction that provides value to a customer.”





Process Methodologies and BPM

- **Total Quality Management**
- **Six Sigma**
- **Lean**
- **ISO 9001**



Process Management

Processes must be managed and improved! This involves:

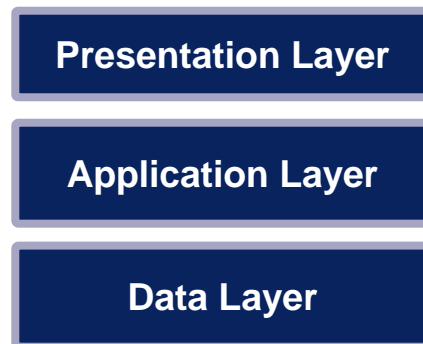
- **Defining the process**
- **Measuring process performance (metrics)**
- **Reviewing process performance**
- **Identifying process shortcomings**
- **Analyzing process problems**
- **Making a process change**
- **Measuring the effects of the process change**
- **Communicating both ways between supervisor and user**



BPM Architecture

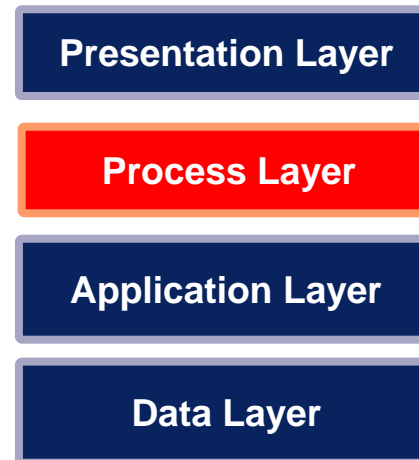


Traditional



Process embedded
in code

4-Layer Architecture



Process easily
changed

Gartner Survey – BPM Project Success

75% Projects currently underway; 25% had 6 or more

95% Experienced >90% success rates in BPM projects

75% Multi-department projects (3 or over)

67% Projects completed in < 6 months

50% Projects completed in 4 months or less

Source: Gartner Research Report

Gartner Survey – BPM ROI Statistics



100%

Achieved at least >10% ROI

78%

Greater than 15% ROI

77%

ROI greater than \$100,000 per project

55%

ROI greater in \$100,000 - \$500,000 range

Source: Gartner Research Report



Benefits

- **Integrate applications across the entire business process**
- **Provide a single point of entry for related data**
- **Reduce or eliminate human error**
- **Replace people tasks with automated tasks**
- **Reduce or eliminate waiting time for tasks**
- **Provide real-time status about processes to management**



Workflow

- **Started in the 1980s as an adjunct to Imaging and Document Management systems.**
- **For our purposes we are using a subset of potential definitions to refer to Workflow as the set of tools necessary to route, manage, and monitor the creation of Electronic documents.**
- **Structured and collaborative processes**



Problems Addressed by BPM

	WF	BPM
Human-to-human communication	X	X
Human-to-system communication	=	X
System-to-system communication		=
Repeatable process	X	X
Ad-hoc process flow	=	
Creation of documents	X	=
Content retrieval and publishing		=



Examples

- **Procure to Pay Process**
 - **Business Issues**
 - ◆ 7 Payment methods, six manual
 - **Solution**
 - ◆ Web-Based Procurement
 - ◆ FileNET Imaging System
 - ◆ SAP Workflow

- **Inception to Order Process**
 - **Business Issues**
 - ◆ Lack of Clarity of Roles
 - ◆ Inconsistent scheduling
 - **Solution**
 - ◆ Map out Complete Business Process
 - ◆ Define handoffs



Examples

- **Casino Operations Business Issues**
 - ◆ Manual processes take too long, too many errors
 - **Solution – Phase 1**
 - ◆ Business Process Analysis
 - ◆ Improve Data Integration
 - ◆ Automate individual tasks
- **Reinsurance Company**
 - **Business Issues**
 - ◆ Lack of Communication between IT and Business
 - **Solution**
 - ◆ Map out Complete Business Processes
 - ◆ Training in Object-oriented development
 - ◆ Integrated Solution



Design Tools

- **Graphical Design Tool**
- **Integration with Analysis Tools**
- **Version Control**
- **Process Simulation**
- **Forms Generator**
- **User Management**
- **Business Rules**
- **Prebuilt templates**



Product Survey – Modeling Tools

- **Microsoft: VISIO**
- **EMC: ProActivity Suite**
- **Metastorm: ProVision**
- **iGrafx: iGrafx Process**
- **IDS Scheer: ARIS Process Platform**
- **Casewise: Corporate Modeler**
- **Telelogic Popkin System Architect**
- **CA: ERWin**



Product Survey – BPM Engines (SM)

- **Phaon: Beacon**
- **Ultimus: Ultimus BPM Suite**
- **Captaris: Captaris Workflow**
- **Metastorm: e-Work**
- **Lombardi Software: Teamworks**
- **Savvion: Business Manager, Process Modeler**
- **Appian: Appian Enterprise**



Product Survey – BPM Engines (Large)

- **IBM: Wepshere Business Process Integration Suite**
- **IBM: FileNET P8 Business Process Manager**
- **Documentum: Business Process Manager**
- **TIBCO: iProcess Suite (From Staffware)**
- **BEA: BEA Aqualogic and Fuego BPM**
- **Intalio: Business Process Management System**
- **Pegasystems: Smart BPMSuite**



BPM Tools



DEMO

Appian Process Modeler

On boarding

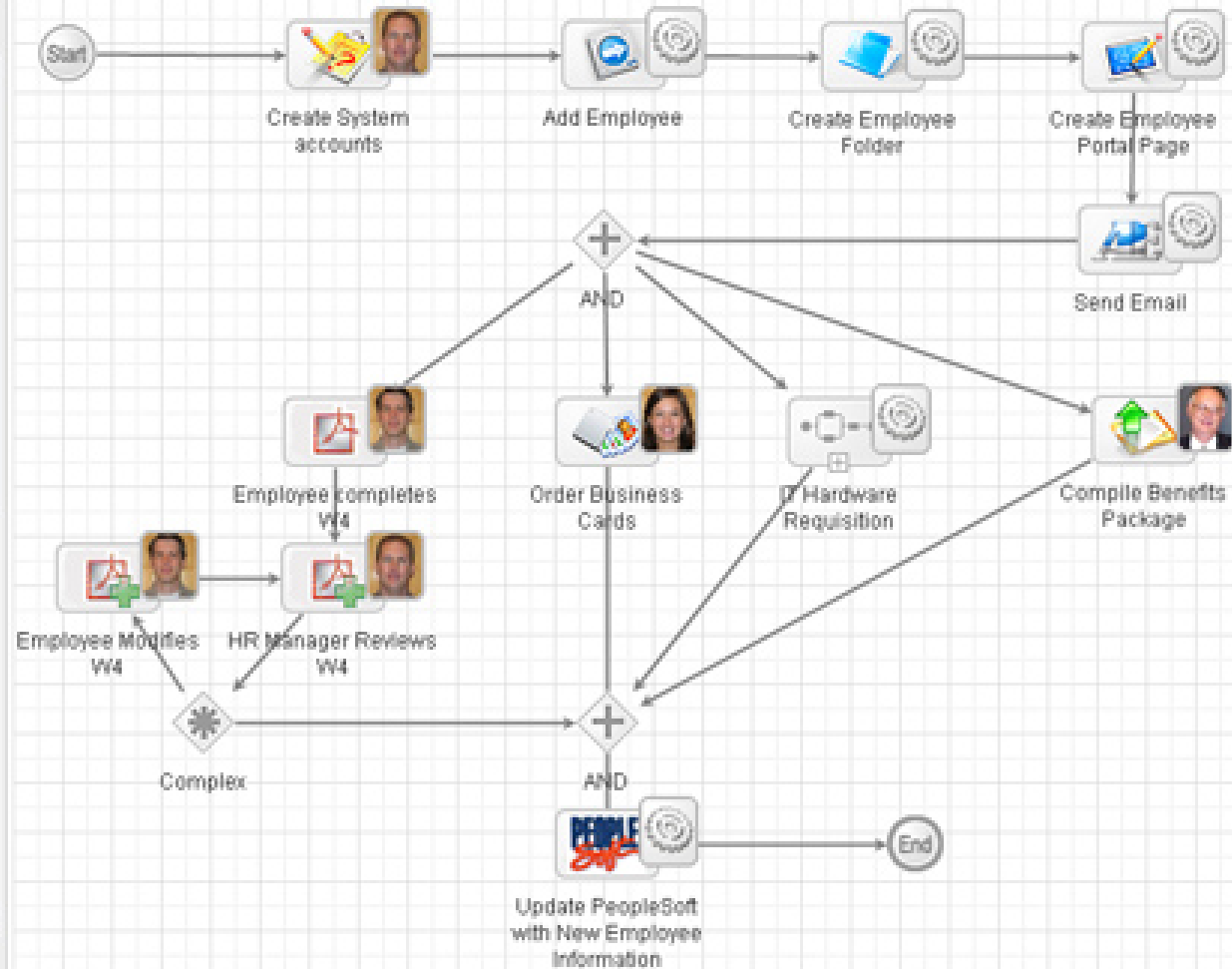
Exit

File Edit View Tools Simulation Help



Palette

- System Nodes
 - Basic
 - Start Node
 - End Node
 - Sub-process
 - Link process
 - AND
 - OR
 - XOR
 - Complex
 - Expression Node
- Appian Smart Nodes
 - Collaboration
 - Upload Document
 - New Version
 - Create Folder
 - Create Forum
 - Start Topic
 - Post Message
 - Send Email
 - Content Management





Top Ten Rules for Success

1. **Have Executive Sponsorship**
2. **Have a Process Owner**
3. **Change Management Plan**
4. **Define Business Objectives**
5. **Understand Customer Objectives**
6. **Map out as-is process**
7. **Map out to-be process**
8. **Simulate to-be process**
9. **Develop iteratively**
10. **Be Prepared to Change**



Summary

- **BPM Recap**
- **The benefits**



Questions



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