Course of
Digital Management Consulting

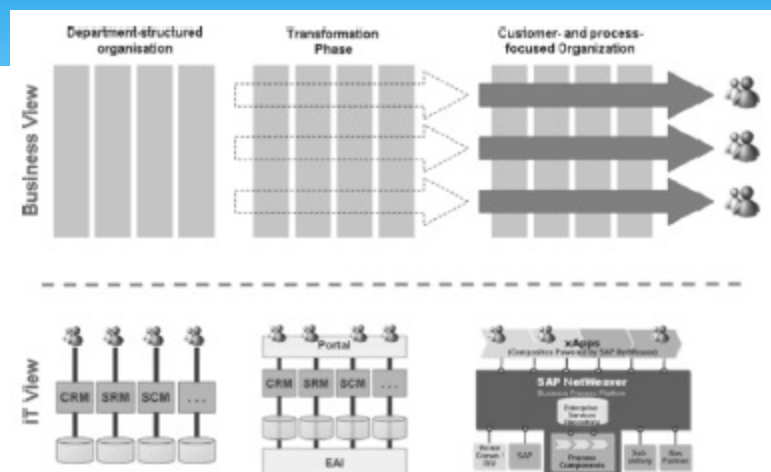# *Alternative approaches to BPM*

Prof. Corrado Cerruti

Agenda

➢ What is Business Process Management;

➢ The «golden rules» for BPM;

➢ A fully digital approach: Process Mining.

Business Process Management

* What is Business Process Management (BPM)?

   a discipline of combining software capability and business expertise to accelerate process improvement and facilitate business innovation

   a discipline that uses a set of methods to document, design, analyze and optimize business processes

* BPM is a based on ongoing change management approach both from TQM and BPR and it requires:

   - Software that enables BPM as to
         Integrating / Modeling / Monitoring / Workflow Mgmt

   - Expertise that delivers BPM requires
         People / Methodologies / Metrics / Process Knowledge as well as
         Pre-Built Models, Policies, and Rules
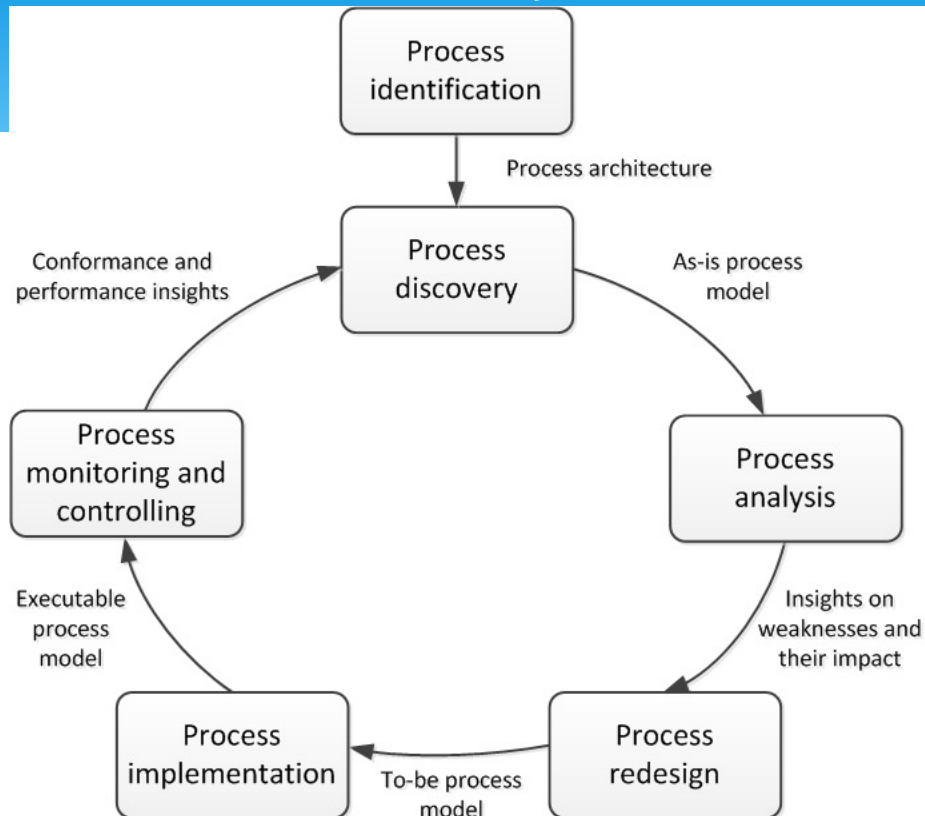
3

Merging processes and IT in BPM

Source: Davis & Brabander, ARIS design platform. Getting started with BPM

* The Business View has to be taken into account together with the IT View in order to implement – and then manage – more streamlined processes and it can support a Business Process Redesign

4

The BPM Lifecycle

Sorce: Dumas M. et al., Fundamentals of Business Process Management, Springer, 2018

Golden rules for process mapping and analysis…

Aspects to be addressed before beginning to collect information:

1. Purpose
2. Audience
3. Standards
4. Level of Detail
5. Scope
6. Information Gathering Approach
7. Information Recording Approach
8. Other Data

This is a minimum set of information only as further considerations may need to be addressed

These «Golden Rules» have been presented by
Dr. **Marco Giustacchini** – PwC Partner, in one of his lectures on BPM

Golden rules for process mapping and analysis...

1) *Purpose*

This is to provide an answer to the following questions:

"Why a process should be mapped?"

"What should be achieved?"

The Purpose of mapping should be clearly stated, communicated and agreed upon by all parties (Consultants, Clients, etc.)

Golden rules for process mapping and analysis...

2) *Audience*

This is to provide an answer to the following questions:

"Who will use the process maps?"

"How many people will use the maps and what do they do?"

Understanding your Audience is key to meet their requirements in terms of information needs

Golden rules for process mapping and analysis…

3)   *Standards*

This is to provide an answer to the following questions:

"What process mapping technique / layout should be used?"

"The classic flow chart /Swimlane?"

"SIPOC? Supplier – Input- Process – Output – Customer?"

The Standard to be adopted is naturally driven by the Purpose and the Audience for the process mapping

Golden rules for process mapping and analysis…

4)   *Level of Detail*

This is to provide an answer to the following questions:

"How much data / information should be provided?"

"What is the right level of detail?"

The Level of Detail depends on what is relevant for the Audience and what is needed to support the decision taking

Golden rules for process mapping and analysis…

5) **Scope**

This is to provide an answer to the following questions:

"What has to be mapped and analysed?"

"Order-to-Cash? Procure-to-Pay? Other?"

The Scope is critical for setting boundaries of the analysis and to focus mapping activities on what is relevant

Golden rules for process mapping and analysis…

6) **Information Gathering Approach**

This is to provide an answer to the following questions:

"How information will be collected"

"Workshops? Interview? Desk review? Other?"

A mix of different Information Gathering Approach, where applicable, is a better strategy…

Golden rules for process mapping and analysis…

7) **Information Recording Approach**

This is to provide an answer to the following questions:

"Where and how maps are saved / recorded?"

"PowerPoint? ARIS? Casewise? Other?"

Whatever is the Information Recording Approach, each party should be able to access / use it

Golden rules for process mapping and analysis…

8) **Other Data**

This is to provide an answer to the following questions:

"What data are key to enrich the maps"

"Performances? KPIs? Time? Other?"

The Other Data are useful to better communicate the meaning of process analysis and redesign

Golden rules for process mapping and analysis...

5) *Scope*

This is to provide an answer to the following questions:

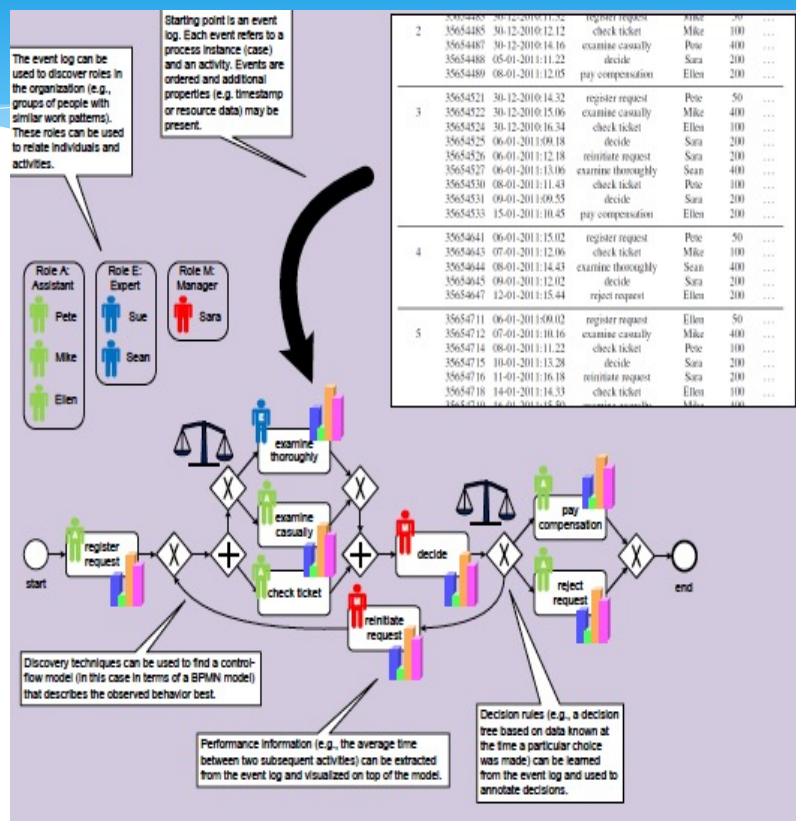*"What has to be mapped and analysed?"*

"Order-to-Cash? Procure-to-Pay? Other?"

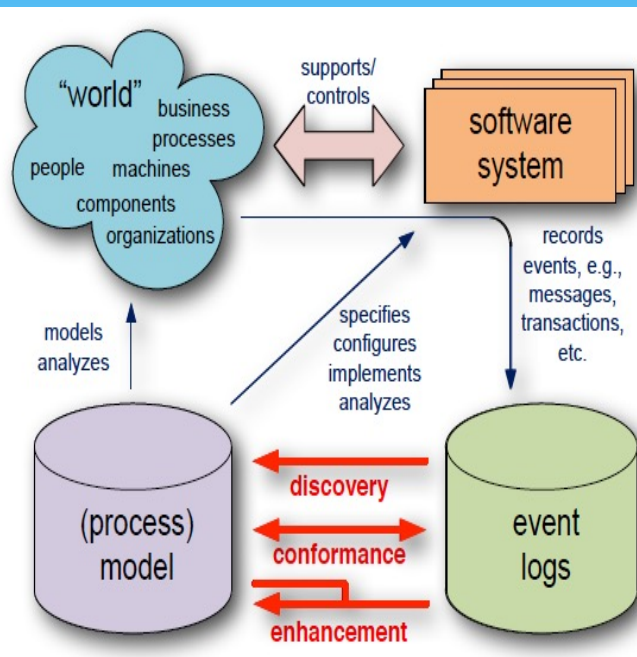*The Scope is critical for setting boundaries of the analysis and to focus mapping activities on what is relevant*

Process Mining definition

The idea of process mining is to **discover, monitor and improve real processes** (i.e., not assumed processes) by extracting knowledge from event logs readily available in today's (information) systems.
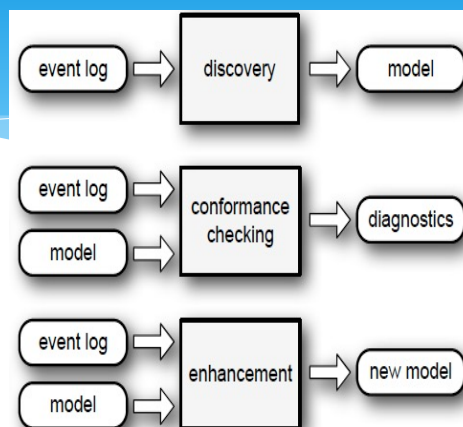
Overall structure of Process Mining

Source: Process Mining Manifesto IEEE

Basic types of Process Mining

Process mining includes :

- **(automated) process discovery** (i.e., extracting process models from an event log),

- **conformance checking** (i.e., monitoring deviations by comparing model and log),

- **model enhancement** (extension, repair, case prediction, and history-based recommendations.

Source: Process Mining Manifesto IEEE