



Why, What, and How of Business Process Management Systems (BPMS)

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High Level of Effort (LOE) required to deliver Business Applications

- **Lack of process-centric development platform and re-usable services**
- **end:end process based views of any particular business operation are limited or outdated**
- **Gaining understanding of systems role in business operations is time consuming**

Impacts

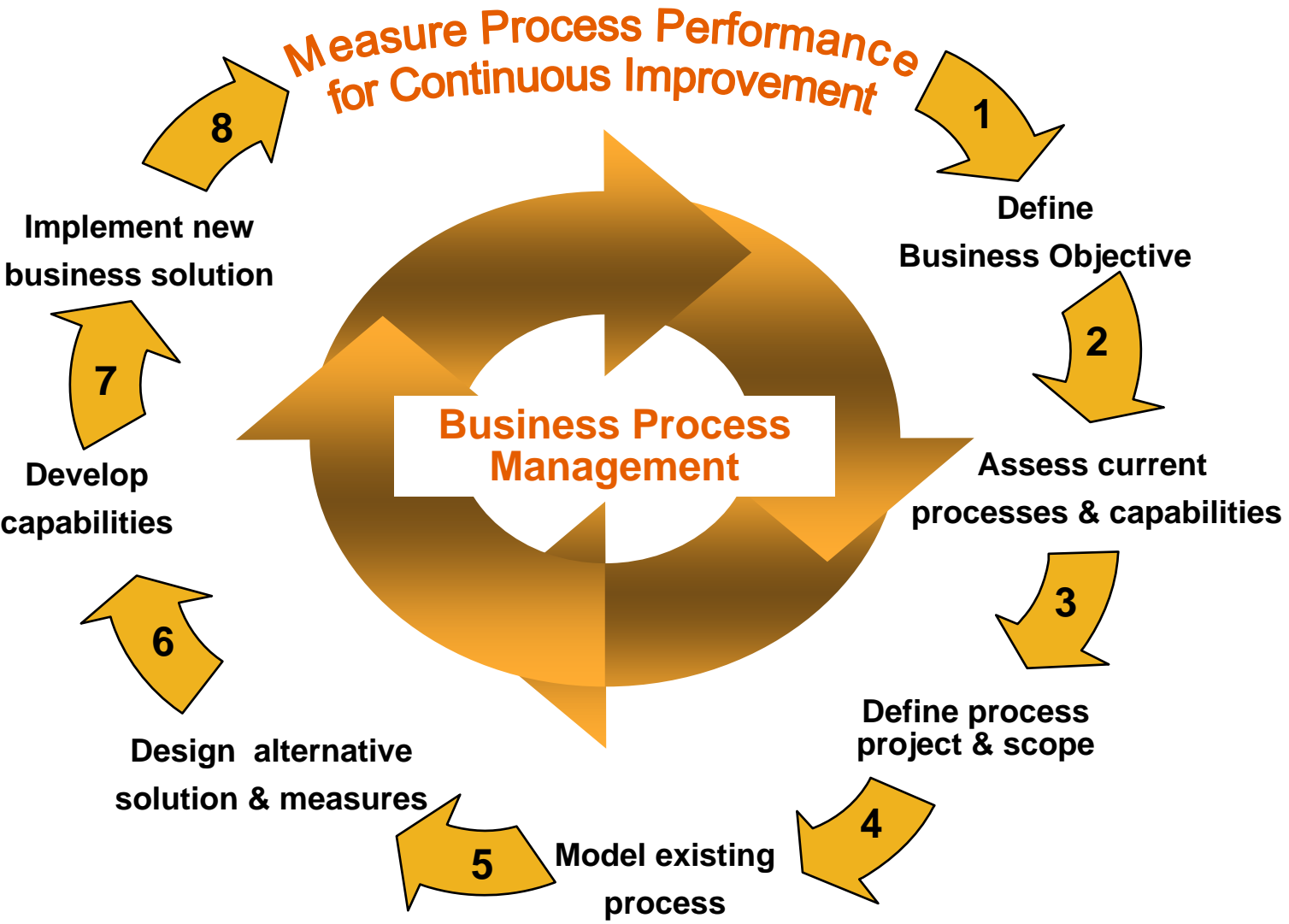
- **High development LOE increases cost, delivery timeframes, requirements 'misses' and friction between business and Information Technology (IT)**
- **High development LOE increases automation 'holes' which are filled by departmental applications, access databases, report driven work and manual exception handling**
- **Operational impacts on up- & down-stream operations, applications and data difficult to assess**



- **Increase the speed at which business applications are developed, deployed and changed**
- **Reduce time and cost required to develop, deploy and change applications**
- **Increase the business benefit (\$\$) delivered by Information Technology (IT) by:**
 - **increasing the amount of work that can be delivered at current staffing levels**
 - **providing operational managers better applications to monitor, manage and improve work activity**
- **Lock-in operational productivity gains via increased automation creating scale for growth in volume, products and customers**
- **Better identify and set priorities for future automation and improvement**
- **Avoid primary process automation pitfall:**
 - **most projects fail because the true business requirements, operational impacts, and anticipated impacts on corporate metrics are not known or impossible to measure**



What is Business Process Management System (BPMS)



❖ A BPMS is an integrated collection of software technologies that enables the control and management of business processes.

❖ Compared with other traditional development tools, such as integrated development environments, a BPMS emphasizes business user involvement in the entire process-improvement life cycle.

❖ As a discipline, BPM is about coordination, rather than control (via automation) over resources.

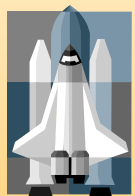


BPMS Building Blocks

Step 1: Evaluate and choose the "right" Technology Solution



Functional



Technical / Operational



Cost



Vendor Stability and Contract

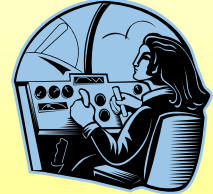
Step 2: Align the Organization



Training



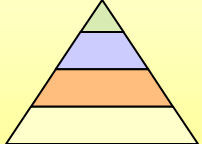
Competency Center / Cross-Functional Teams



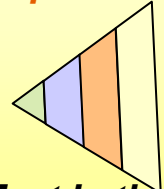
Pilots

Step 3: Identify and Implement Projects (6-18 Months)

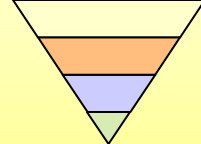
Example: Bill-of-Materials, Hotel Reservation .etc.



Top Down (Business Driven)



Meet In the Middle



Bottoms Up (Technology Driven)

Example: IT Service Request handling .etc.

Step 4: Understand the Metrics that Matter for Collection and Reporting



Development and Maintenance Costs

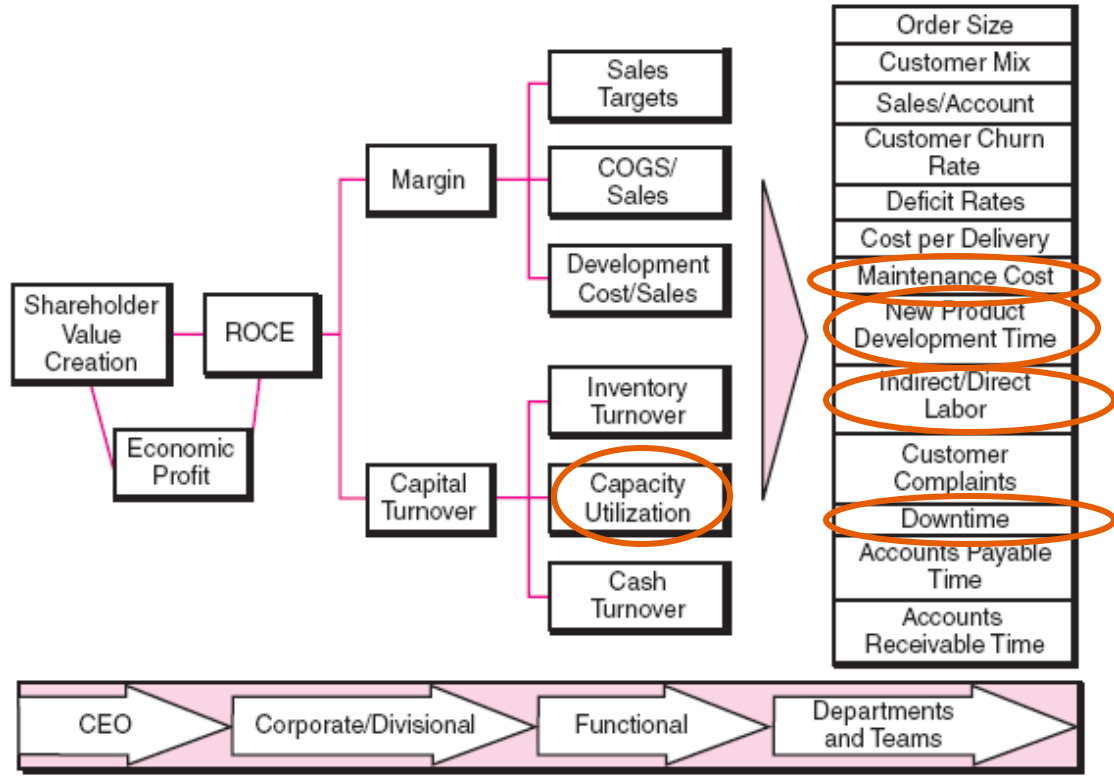


Time-to-Market

Collect quarterly

Report half yearly in Management review

Metric - Balanced Score Card Framework May Help



Examples of Common BPM Projects

- **Document Current Processes** – a BPM project may be interested in just documenting current processes.
- **Automate Manual Processes** – in order to automate manual processes you need to be able to understand and communicate the current processes. Also, you may want to simulate or analyze the processes to ensure they are efficient and add value to the process.
- **Process Improvement Project** – this is a project where the purpose is improving a process or processes. Examples include; reducing cycle times, decreasing cost, decreasing waste, or increasing customer satisfaction.
- **Create New Processes or Systems** – a new process could be required because of a changing business environment, new regulations, or some other change.

