

September Sponsor



CONSULTING & EDUCATION

Learn how our comprehensive, integrated BPM methodology can work for your organization.



BPTrends Associates

Expand Your Knowledge with Professional BPM Training and Certification:

- ➔ At Our Locations Nationwide or
- ➔ On-site at Your Facility



CORPORATE EDUCATION CENTER

1.800.BU.TRAIN

[MORE INFO >>](#)

What is a Business Process?

Business Process Trends has been publishing information about business processes since the beginning of 2003. During that period, we have published well over 1000 Articles that have the word “process” in them. One might think that, by now, everyone would agree on the meaning of the word “process.” I was shocked, however, in the course of a recent discussion on the BPTrends [LinkedIn](#) site, to see the wide range of definitions provided by the participants. Clearly, there is no agreement on the meaning of the basic term, process.

I could say that I would like to “clarify” or “define” the term, but others are just as entitled to define the term as I am and, clearly, they choose to define it in a way that I do not. I can only tell you how I use the term, and remind anyone reading anything that I have written for BPTrends that this is the way I will always use the term.

First, whether I use the word “process” or “business process,” I am always referring to a business process. Merriam Webster’s Collegiate Dictionary, for example, offers the following as its first definition of “process:” (1): *a natural phenomenon marked by gradual changes that lead toward a particular result; <e.g. the process of growth>*. This, clearly, isn’t the kind of process I am talking about. When I use the term “process,” I am referring to how work is organized and executed in a human organization. So, for clarity, when I use the term process I am referring to a **business process**.

Most people are familiar with this popular definition of a process - **A process is a bounded set of activities that takes inputs and transforms them into outputs**. There doesn’t seem to be much disagreement about this basic definition. To accommodate the idea of a business process, some add that a process generates outputs that are of value to an organization (or to customers of the organization). In diagrams, a business process is commonly represented as a rectangle with inputs flowing in and outputs flowing out, as depicted below.

3rd International BPM Seminar in Brazil



Featuring **Paul Harmon** and **Michael Rosemann**

October, 2011
Brasilia, São Paulo and Rio de Janeiro



[More Info](#)
[Click Here](#)



REGISTER TODAY!

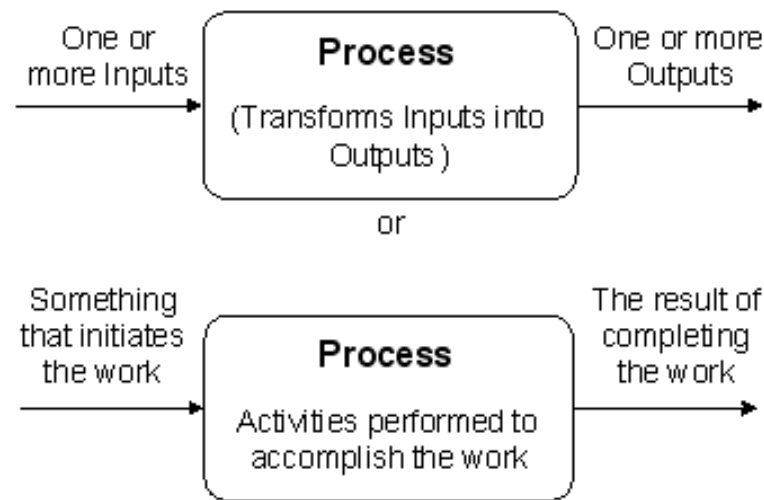
[CLICK HERE](#)



BUILDING BUSINESS CAPABILITY
OCT 30 - NOV 3
FORT LAUDERDALE, FL



BPTrends Associates
BPM TRAINING
 delivered in
AUSTRALIA and NEW ZEALAND
 by



 www.auraportal.com

THE NEXT WAVE!



BP Trends Business Process Education
Now Available in EUROPE!
 Gain professional certification with our BPM courses
 need more details?
[Click here](#)


Business Process Change
 A Guide for Business Managers and BPM and Six Sigma Professionals
 Second Edition
 Paul Harmon
 Managing the Business
 M.C.E.

NEW
BPTrends Discussion Group


While there is nothing wrong with these simple models of a business process, interpreting the nature of the inputs and what is transformed seems to be where the problem lies.

I began process work in the Sixties, before most companies were concerned with software systems. At that time, I worked for Geary Rummler at Praxis and when a company hired us to improve a process, they were invariably referring to something that employees did. Thus, they wanted us to improve their Sales Process, or their Manufacturing Process, or their Employee Hiring Process. The person hiring us may have initially had in mind that we would look at the sequence of activities the employees executed and suggest changes in the flow or the nature of the activities. If they did, we quickly explained that we could not guarantee good results if we couldn't study and change every aspect of the process in question.

Let me put this a different way. Imagine that we had been asked to help the organization improve its Sales Process. From our perspective, a process required a manager who would be responsible for achieving the outputs the organization wanted. Whatever the company called the Sales Manager, we thought of that individual as a process manager. To fix the process managed by the Sales Manger, we needed to study and, potentially, change any aspect of that process. Perhaps the sales process wasn't working because the products weren't priced right, or the wrong customers were being targeted. Perhaps it wasn't working because the sales staff were unqualified or not trained properly. Perhaps the activities weren't being performed in the optimal sequence. Perhaps the incentive system wasn't set up to support the sales objectives. Perhaps critical sales and marketing tools weren't available. The idea that we would study the flow of events in a typical sales process without looking at the way the sales people performed was absurd.

A business process is what a business process manager manages. Today a process manager is not only responsible for the activities performed by people he or she manages, but he or she is also responsible for any software applications people use in the course of their work. The fact that today's business processes often contain subprocesses or specific activities that are automated, in whole or in part, doesn't change the fact that the manager is

ultimately responsible for achieving the desired output of the process and that in order to do this, he or she needs to be in charge of all of the elements of the process, including employees, business rules, applications, incentives, and a wide range of support systems and materials.

I began process work to help organizations make major improvements in the way the organizations performed. I think of a process methodology as a systematic approach to figuring out how an organization works and a way of diagnosing what types of changes will result in major improvements in organizational performance.

When I presented my definition of a process on the BPTrends LinkedIn site, one of the participants responded by saying that he saw what I meant, but that he, personally, always used the following definition of a process: "**a process is a flow of the activities.**" He went on to say that if he used a broader definition of process he was accused of "thinking everything is a process" and that a broader definition overwhelmed people in his organization. Of course I understood what he said. But it relegates process work to something trivial and very limited, and it isn't something I want to spend my life doing.

This limited definition can be associated with John Zachman and his popular framework. In 1987, Zachman, an IBM researcher, proposed what is now popularly called the Zachman Framework - a way of conceptualizing what is involved in any information systems architecture. [1] Zachman borrowed the term *architecture* from the building trades and discussed the various types of drawings and blueprints a building architect typically develops in order to create a house. He then suggested parallels in software development. He stressed that an organization does not have a single architecture, but has, instead, a whole range of diagrams and documents representing different aspects or viewpoints. In the years since he wrote his original article, Zachman has worked to refine and elaborate his framework. Figure 1 provides an overview of a recent version of the Zachman Framework. [2]

The Zachman Framework	DATA <i>What</i>	FUNCTION <i>How</i>	NETWORK <i>Where</i>	PEOPLE <i>Who</i>	TIME <i>When</i>	MOTIVATION <i>Why</i>
SCOPE (Contextual) <i>Planner</i>	List of Things Important to the Business	List of Processes the Business Performs	List of Locations in Which the Business Operates	List of Organizations Important to the Business	List of Events Significant to the Business	List of Business Goals/ Strategies
ENTERPRISE MODEL (Conceptual) <i>Owner</i>	Semantic Model	Business Process Model	Business Logistics System	Work Flow Model	Master Schedule	Business Plan
SYSTEM MODEL (Logical) <i>Designer</i>	Logical Data Model	Application Architecture	Distributed System Architecture	Human Interface Architecture	Processing Structure	Business Rule Model
TECHNOLOGICAL MODEL (Physical) <i>Builder</i>	Physical Data Model	System Design	Technology Architecture	Presentation Architecture	Control Structure	Rule Design
DETAILED REPRESENTATIONS (Out-of-Context) <i>Sub-Contractor</i>	Data Definition	Program	Network Architecture	Security Architecture	Timing Definition	Rule Specification
FUNCTIONING ENTERPRISE	Actual Business Data	Actual Application Code	Actual Physical Networks	Actual Business Organization	Actual Business Schedule	Actual Business Strategy

Figure 1. The Zachman Framework

In the abstract, there's nothing wrong with what Zachman did. He has tried to clarify terms, and, in effect, he designed a model that one might use to structure a repository in which you can store lots of discrete artifacts. But what he has, in fact, done, is separate the idea of process from things like a "list of things important to the business," a "list of processes a process performs," and "workflow models" and "business rules." In other words, if you take Zachman seriously, you begin to think of a process as a narrow, discrete description of how activities are related – as a flow diagram that shows the order in which things happen. I understand that lots of people have adopted this perspective and define processes in this very narrow way, but it is certainly not how I use the term. In fact, I regard this perspective as diametrically opposed to modern process work.

Let me explain why I disagree with the Zachman perspective. Imagine that you assign someone as a core process or value chain manager. Then, you show the individual a diagram of the activities that take place in the value chain. "You will be responsible for this diagram," you explain. "If the diagram needs changes, you will be expected to manage the changes to the diagram." What serious manager would take that job? Process work is not about rearranging the boxes on a diagram – it's about changing the performance of an organization.

Process work is about producing measurable results, like doubling the number of widgets the process produces, and/or reducing customer complaints by 50%, and/or cutting costs by 20%.

Let's consider another scenario. You are asked to improve a product manufacturing process. You study the flow of a set of activities and see that they are logical and that they prescribe steps that, if properly implemented, would generate the specified product. You report back to your boss that the "process" is fine. "But," your boss responds, "it isn't producing products that satisfy customers. The products are often defective and are being returned in droves." "Ah well," you respond, "perhaps the people aren't following the process, or the managers aren't enforcing the rules, or, perhaps, the suppliers are delivering defective parts. But, if those things are occurring, they are management problems, or employee problems, but they aren't "process" problems because the flow is correct and the steps, as specified, will result in good products." What senior manager wants to hear this? What senior manager, who has to listen to a report like this, will ever ask this process manager for advice in the future?

Over the years, I've become aware that people in IT often use the word "process" to refer to something a software system does. By this definition, a process begins when someone makes inputs to a software process, which then applies some algorithm to the inputs and generates an output. Let's term this a **software process**.

I understand that, empowered by the huge changes that computers have wrought in the way we do work, some process consultants are satisfied to focus only on the kinds of performance changes they can obtain by installing, upgrading or modifying computer or software systems. That work is important and, on a large-scale project, I would want someone like that on my team. But, I, personally, am not interested in limiting my analysis or redesign efforts to the IT aspects of a major business process. First, in many cases, IT elements play a minor role in creating the value the company desires. Second, even when IT plays a major role, the decisions and the actions of employees are still key elements in successful performance improvement. You might be able to improve a subprocess by just altering the software being used, you might even be able to revolutionize the way the company does business by installing a website and automating the way customers interact with your organization, but all this will ultimately do is expose the fact that the overall success of the organization still depends on what the employees and managers do.

I love Amazon.com. I buy books from them all the time. Just the other day I received the wrong book. I went online to get the information I needed to return the book, and it evolved that I needed to contact someone, which I did. That individual wrote me an email apologizing for the mix-up and arranged for an exchange. The exchange went smoothly and I remain a happy Amazon.com customer. If it hadn't gone well, I might have explored alternative sources for buying books online. Amazon.com is a very good example of a highly automated business process. But there are still places in the Amazon.com business process where people get involved, and the role they play is critical because they are the human face of Amazon.com.

Increasingly, however, I think of process as a management perspective – as an approach that managers need to use to understand their organizations. To my mind, **process is the one**

perspective that brings everything else together. In this mode, I am usually referring to the ultimate processes in an organization – the value chains. It's the value chain processes that produce the goods and services and deliver them to the customers. Customers are either happy or they aren't. If they aren't happy, then the process needs to be changed.

The value chain process is not only the flow, but the activities, which include what managers and employees do and what software applications do. If I want to know if an employee is doing his or her job, ultimately, I check to see how they contribute to the value chain and whether what they do is contributing to satisfying customers or not. Similarly, if I want to evaluate software systems, business rules, or the work of managers I will look at whether or not they work together to generate the desired value chain outputs. If they don't, I know I have a problem.

I often use the diagram shown in Figure 2 to explain the central role that process can play in how one thinks about an organization. If you think of an organization as a collection of functional or departmental units, you don't have this perspective. There is no customer on an organization diagram. Nor is there a path to creating value. There are only isolated units that perform activities that may or may not be valuable. It's the process perspective that shows you how you put everything together to achieve results.

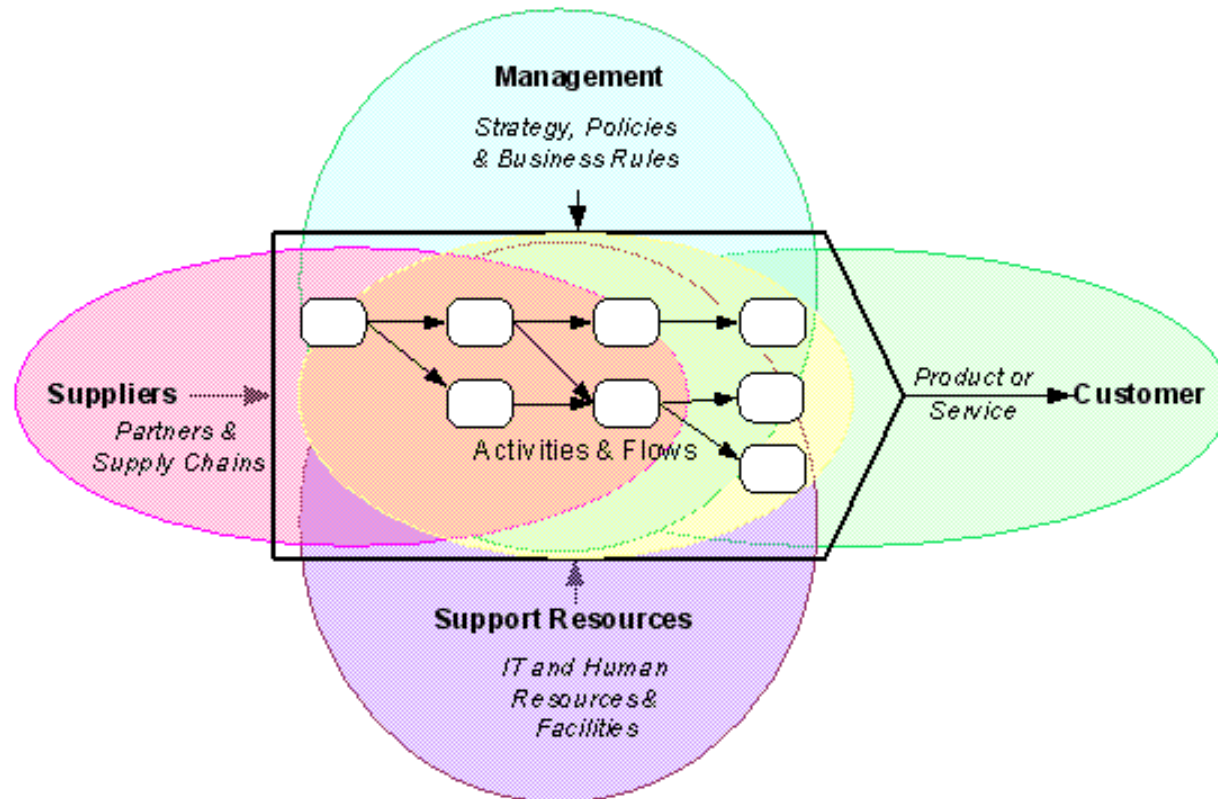


Figure 2. The Process perspective integrates everything in the organization around creating value for customers.

The view of process, as the major management perspective for modern organizations, is the exciting idea that those of us involved in process should be promoting. **Organizations exist to execute processes that create value for customers and other stakeholders. To manage an organization you must manage its processes.** The processes either produce something of value or they don't. Everything in the organization exists to support the processes and they either do so, or they should be eliminated or changed. This is the vision that Deming, Shingo, Rummler, Davenport, Hammer, Burlton and many others have promoted, and it's still the most powerful and useful approach to managing an organization.

If you need a short definition, keep in mind that **a business process refers to everything that a value chain manager needs to manage in order to assure that he or she can produce the desired results.**

:: [email us](#)
:: [Visit BPTrends](#)

Till next time,

Paul Harmon

[1] J.A.Zachman. "A Framework for Information Systems Architecture," *IBM Systems Journal*, Vol. 26, No. 3, 1987. (The same article was reprinted in 1999 in a special double issue of the *IBM Systems Journal* that is easier to locate: Vol. 38, Nos 2&3, 1999.)

[2] Information on Zachman's current work can be obtained from The Zachman Institute for Framework Advancement (ZIFA) www.zifa.com

BPTrends LinkedIn Discussion Group

We have created a BPTrends Discussion Group on LinkedIn to allow our members, readers and friends to freely exchange ideas on a wide variety of BPM related topics. We encourage you to initiate a new discussion on this publication or on other BPM related topics of interest to you, or to contribute to existing discussions. Go to LinkedIn and join the [BPTrends Discussion Group](#).