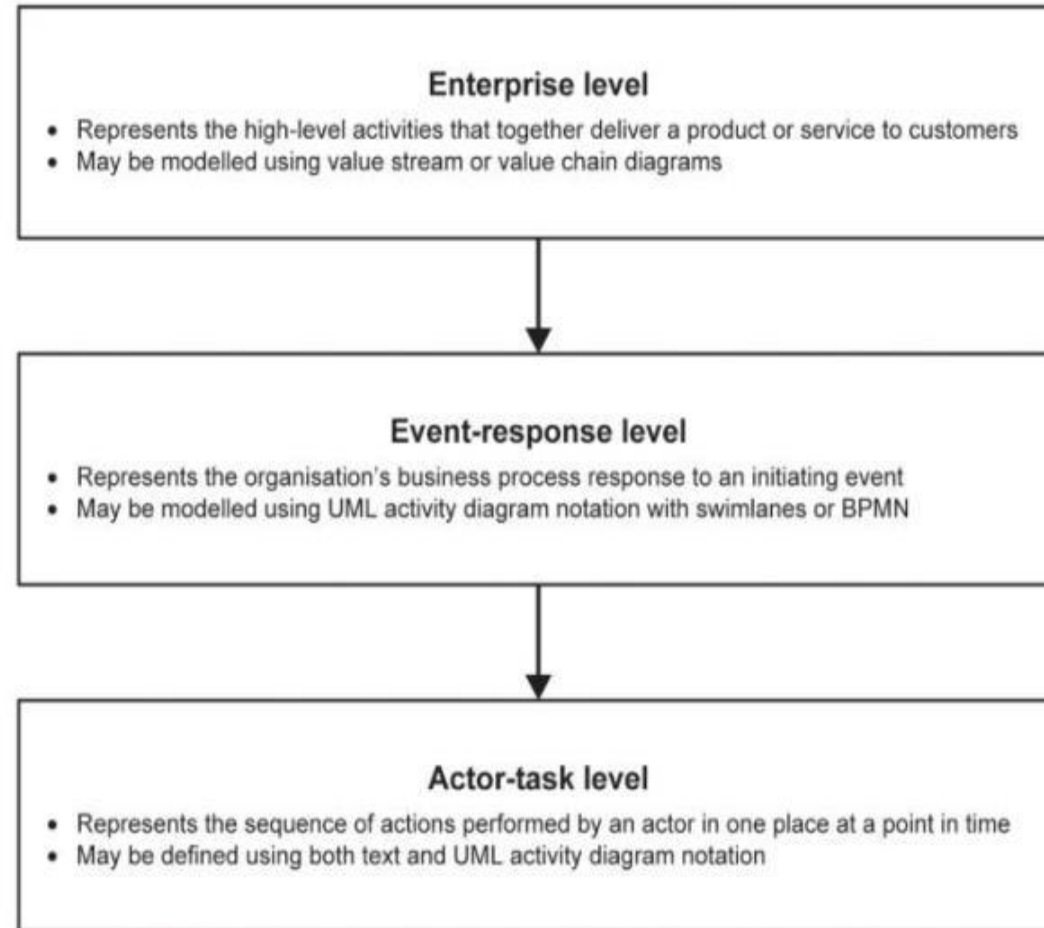


Improving Business Services and Processes

The business process hierarchy

Business processes are the **means by which an organisation carries out its work and delivers its products and services to customers.**

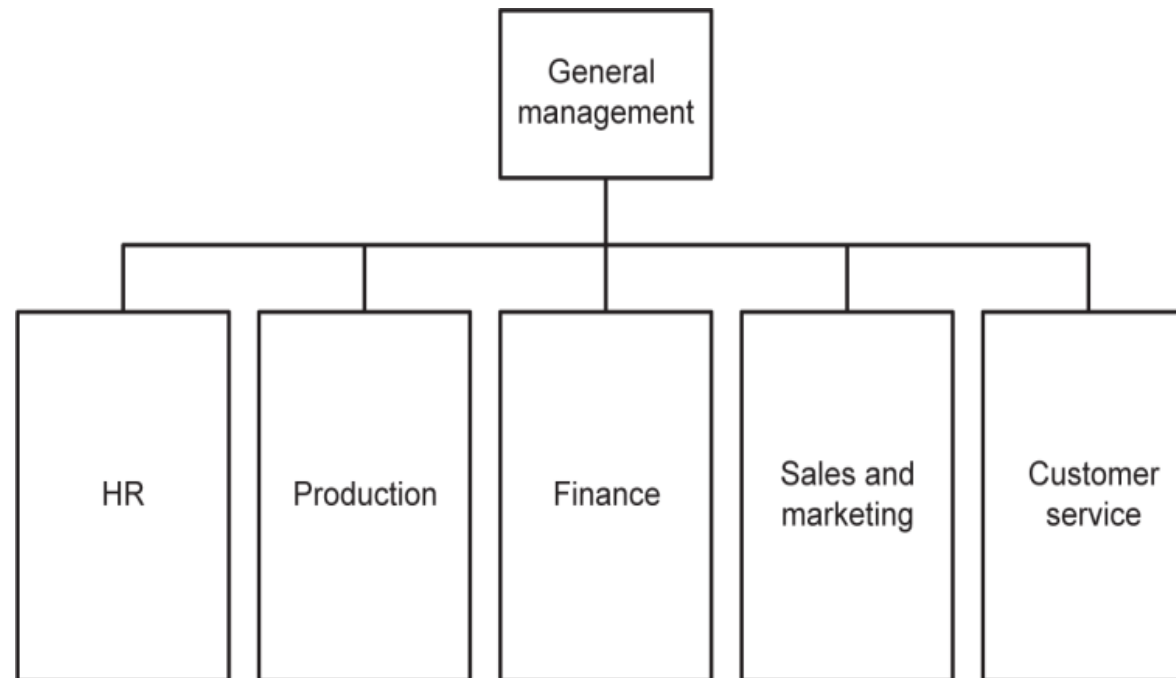


Business Analysis (4th Edition) Figure 7.1

Techniques used at the enterprise level

Organisational chart (functional view)

The traditional view of an enterprise represents how divisions, functions, departments and teams are organised and shows the line management reporting and staff allocation. This view is illustrated using an organisation chart.

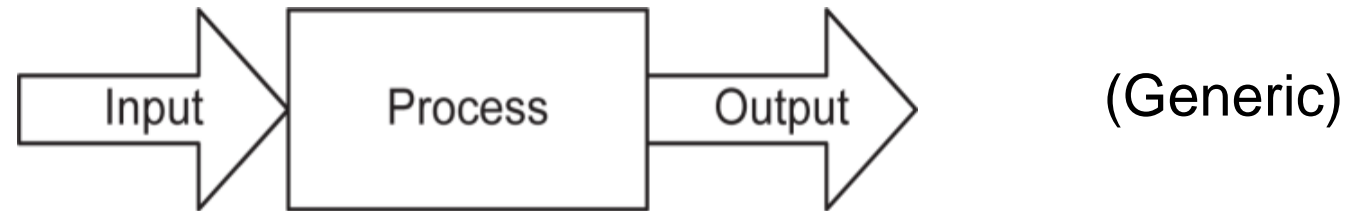


Business Analysis (4th Edition) Figure 7.3

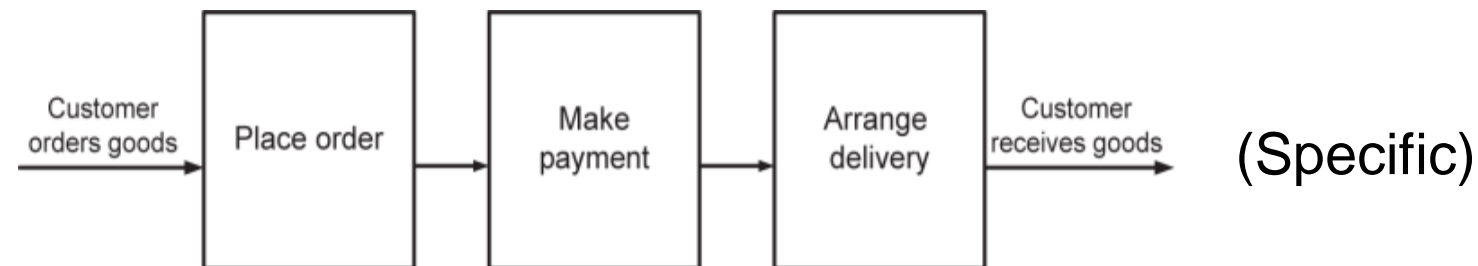
Techniques used at the enterprise level

Process model

An enterprise level process model shows the core areas of process that together deliver a product or service to the customer and fulfil the stated value proposition of the enterprise.



Business Analysis (4th Edition) Figure 7.2



Business Analysis (4th Edition) Figure 7.4

Techniques used at the enterprise level

SIPOC

The supplier, input, process, output, customer (SIPOC) framework is used to ensure that all five key elements are explored at this level of the process hierarchy.

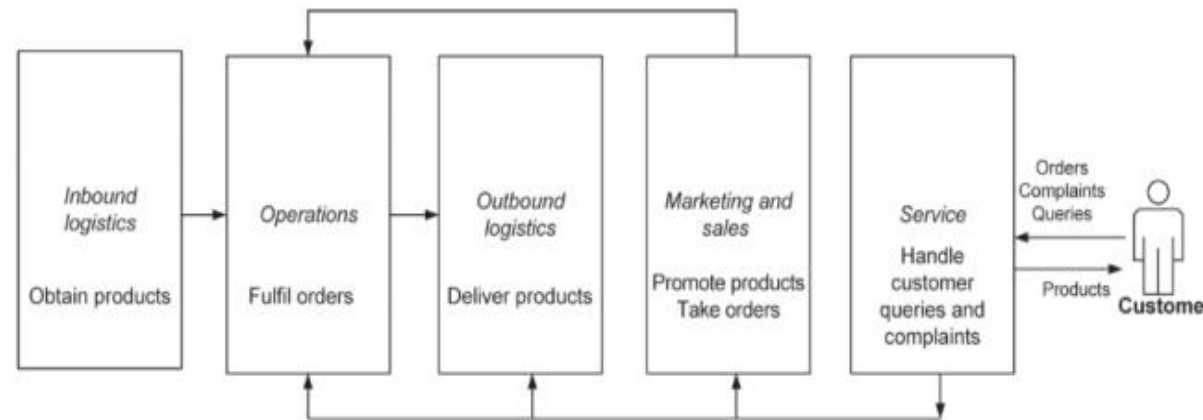
Supplier	Inputs	Process	Outputs	Customer
Consumers	Orders for products	Record order and take payment ↓		
Product suppliers	Products to be sold	Collate, package and deliver products	Delivered products	Consumers in receipt of products

Business Analysis (4th Edition) Figure 7.5

Techniques used at the enterprise level

Value Chain

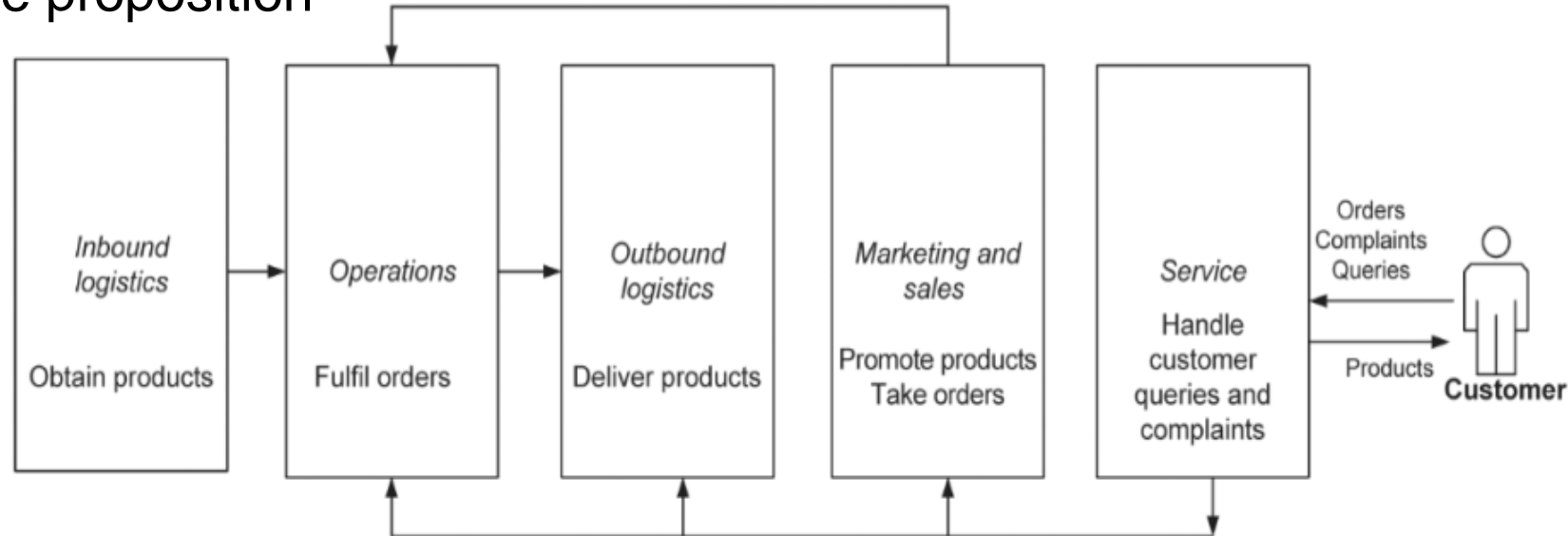
Michael Porter's value chain (Porter, 1985) provides an alternative framework for building an enterprise view of processes. The value chain is helpful to structure thinking about the areas of process required to deliver a value proposition. The value chain comprises two areas of activity: primary and support. The areas of activity and how they may be used to model enterprise level processes are explained in the next slides.



Business Analysis (4th Edition) Figure 7.6

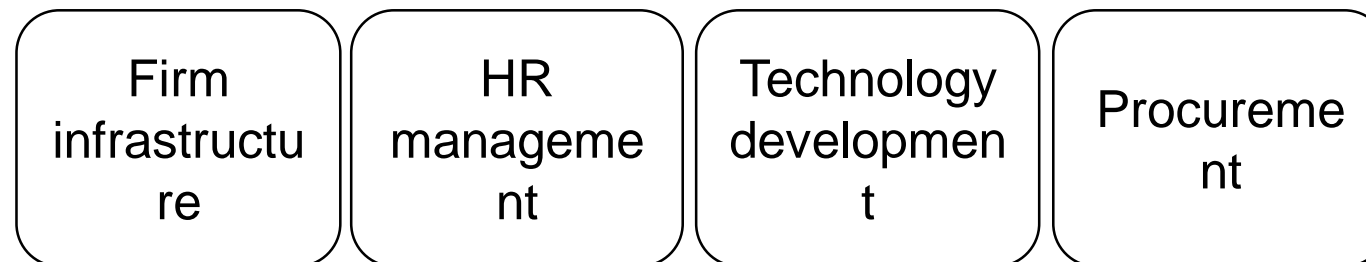
Value chain analysis (Porter)

Primary activities: Activities handling business processes and tasks that together deliver the value proposition



Business Analysis (4th Edition) Figure 7.6

Support activities: Activities handling business processes and tasks that support the primary tasks

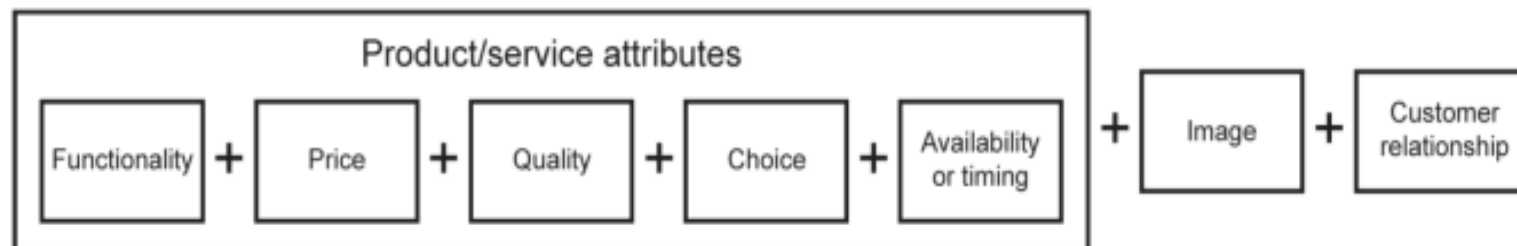


Techniques used at the enterprise level

Value Proposition

A value proposition is a key concept for organisations and has three areas of focus:

- **Clarifying the outcomes offered by an organisation** from the delivery of its products or services that the organisation believes will be perceived by customers to be beneficial.
- Demonstrating to customers that what is delivered will **achieve what they desire or need**.
- **Differentiating organisations from their competitors**. A value proposition can be a powerful mechanism where an organisation understands what customers require and value, and aligns this understanding with their values.



Aspects of the event response level

Business Events

Business events

Business events take place outside the business process under consideration and trigger the process to begin. The events may occur outside the organisation or may be internal. Some events are time-related where a business process is automatically initiated at a pre-defined point.



Aspects of the event response level

‘Process’ refers to a set of tasks, each of which may be conducted by a different actor.

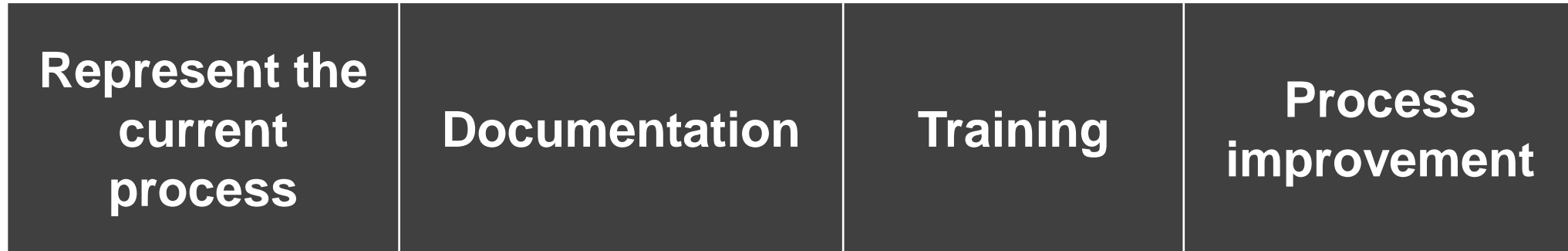
‘Task’ refers to an individual activity within the overall process.

OPOPOT: One Person, One Place, One Time

‘Step’ refers to an action carried out within an individual task.

Aspects of the event response level

Business process models may be developed for many reasons

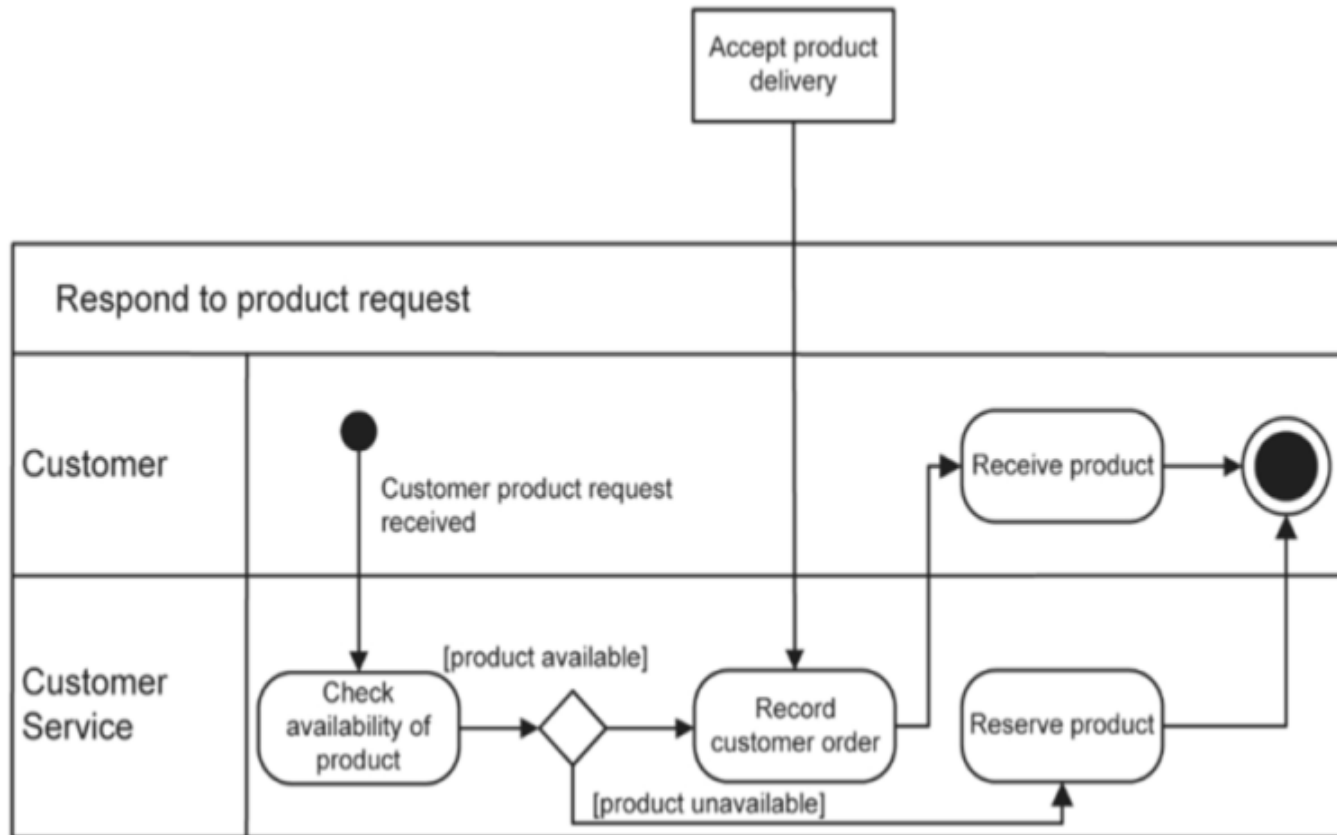


- A description of a process as it currently operates is referred to as an 'as-is' model'.
- A model produced to define a future process is referred to as a 'to-be' model.

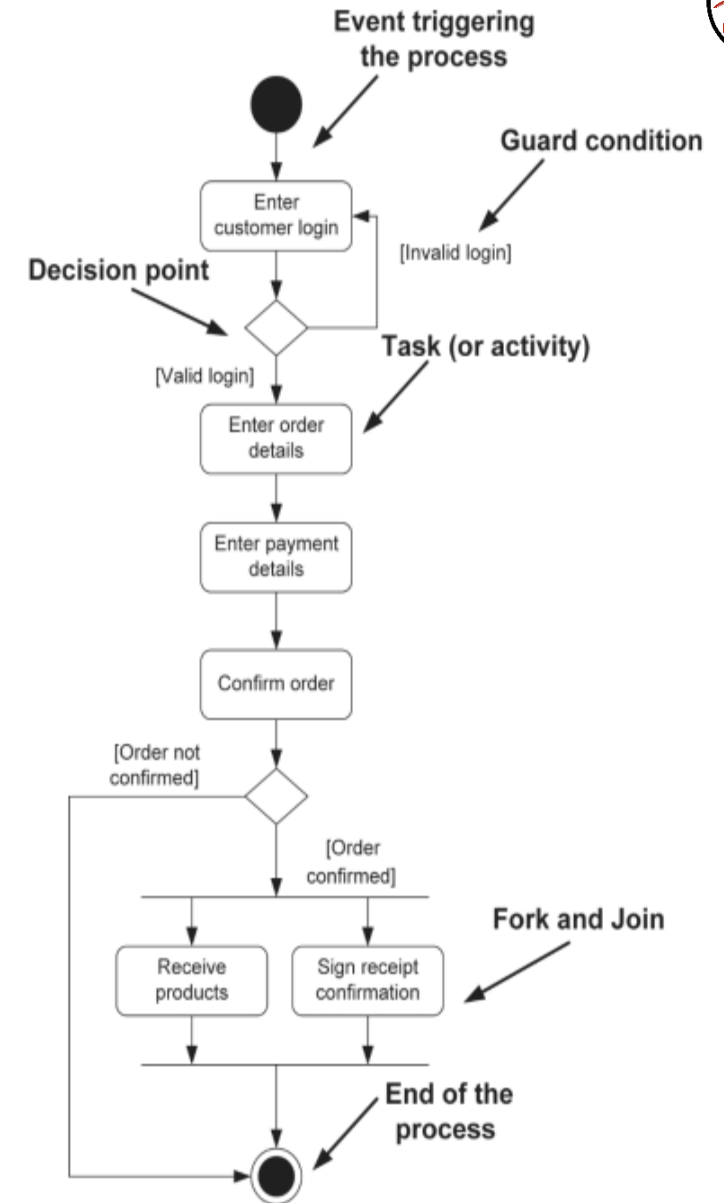
There are many different standards for modelling business processes and they can all be applied to both as it and to be.

In this course we will consider UML activity models.

UML activity models



Business Analysis (4th Edition) Figure 7.14



Business Analysis (4th Edition) Figure 7.11

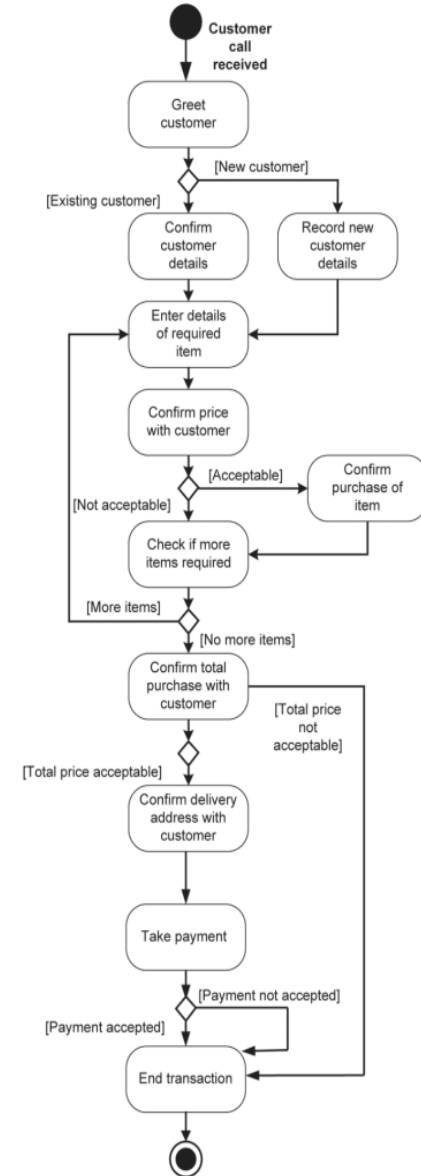
Analysis considerations at the actor-task level

Business Analysis (4th Edition Table 7.6)

Area for analysis	Description
Actor	Customer service
Event	Customer product request received
Input	Details of product the customer requires
Outputs	Order requirements to be fulfilled or reserved
Costs	Average time to handle call is 3 minutes; equates to 1/20 of hourly rate for customer service call handler
Performance measures	<ol style="list-style-type: none"> 1. Complete call within maximum of 5 minutes; on average, complete call within 3 minutes. 2. Check customer identity at outset of 100% of calls. 3. Advise customers of company policies and regulations once customer identity confirmed during 100% of calls.
Steps	<ol style="list-style-type: none"> 1. Greet customer 2. Perform customer identity check <ol style="list-style-type: none"> 1. If customer fails identity check, terminate call 2. Else continue with call 3. Ask for customer requirement <ol style="list-style-type: none"> 1. If product available proceed to <i>Record customer order</i> task 2. Else proceed to <i>Reserve product</i> task 4. End task



Business Analysis (4th Edition) Figure 7.14



Business Analysis (4th Edition) Figure 7.17

UML activity diagram representing the steps and rules in a task can be modelled as follows.

Analysing as-is process models

- Organisations have to respond to changes in their business environment (PESTLE).
- There may also be changes that emerge from within the organisation. A new senior executive may be appointed who has a different perspective, possibly resulting in a new strategy or tactical changes.
- Whatever the origin of change, organisations have to **decide on their response and this often involves a need to make business process improvements or adaptations.**
- Most processes change over time and often these are incremental changes to adapt to new circumstances. Unfortunately, these changes **can occur in an ad hoc and uncontrolled way, and may result in unnecessarily cumbersome business processes.**

Analysis of as-is process model

Identifying problems

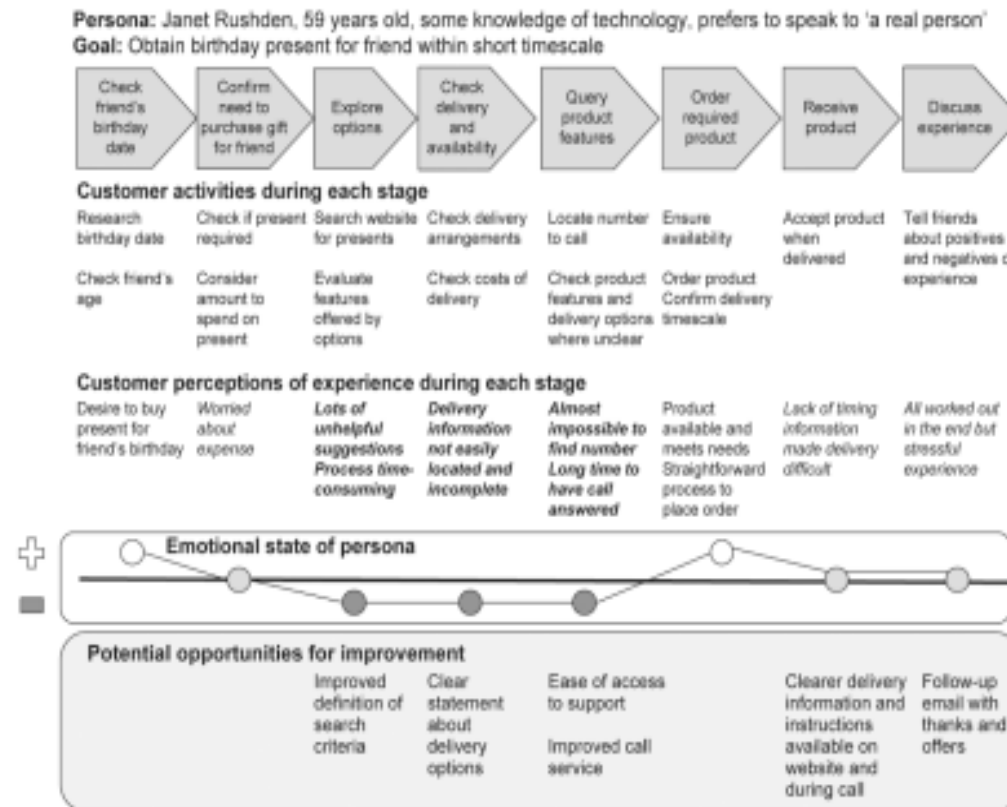
Problems with business processes tend to fall within the following categories:

Lack of customer focus: The process does not consider customer requirements and expectations so fails to provide what is needed; *for example, there may be issues with the accuracy, timeliness or costs relating to the products or services offered. The business processes may focus on meeting the needs of the organisation rather than the needs of the customers.*

Lack of organisation focus: The process meets customer needs but at significant expense to the organisation. *For example, there may be a lack of technological support, requiring excessive manual intervention in the process or some tasks may be redundant or duplicated for historical reasons.*

The purpose of customer journey maps

- **Customer journey maps examine processes from the customer's perspective.**



Business Analysis (4th Edition) Figure 7.21