

Business Process Management Folio

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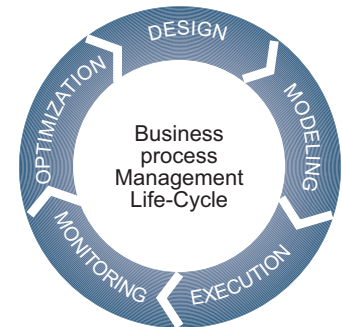
Business Process Management (BPM) is a method of efficiently aligning an organization with the wants and needs of clients. An approach that promotes business effectiveness and efficiency, where organizations strive for attainment of their objectives. Changing business requirements call for flexible business processes which are realistic and adaptable. Business processes are not static. They change persistently. It is not easy for any organization to undergo change. In this day of age where new industries are emerging every day, a wave of mergers and acquisitions is taking over and where competition is at its peak, only the fittest survive. BPMS facilitates organizations to achieve this objective.

Business Process Management Life-Cycle

Activities that constitute business process management can be grouped into five categories: design, modeling, execution, monitoring, and optimization.

Highlights: Gartner says

- By the end of 2006, Organizations Spent nearly \$ 1.7 Billion on acquiring the BPMS software
- The BPMS is the second fast growing middleware Application.
- BPMS market expected to have a compound annual growth rate of more than 24% from 2006 to 2011.
- IT Spending on BPMS Software will reach \$ 5.1 Billion by 2011.



Business Process Management

Design

Process Design encompasses both the identification of existing processes and designing the "to-be" process.

Modeling

Modeling takes the theoretical design and introduces combinations of variables, for instance, changes in the cost of materials or increased rent, which determine how the process might operate under different circumstances.

It also involves running "what-if analysis" on the processes: What if I have 75% of resources to do the same task? What if I want to do the same job for 80% of the current cost?

Execution

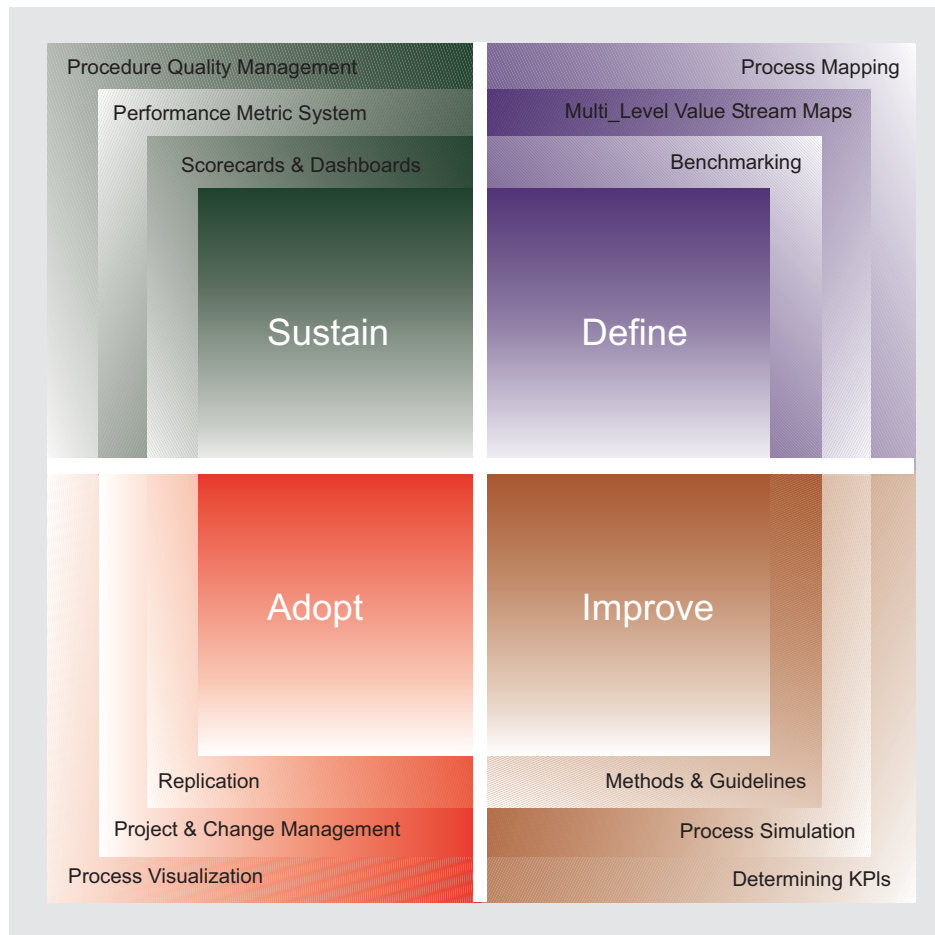
Business rules have been used by systems to provide definitions for governing behavior, and a business rule engine can be used to drive process execution and resolution.

Monitoring

Monitoring encompasses the tracking of individual processes so that information on their state can be easily seen and statistics on the performance of one or more processes provided. An example of the tracking is being able to determine the state of a customer order (e.g. ordered arrived, awaiting delivery, invoice paid) so that problems in its operation can be identified and corrected.

Optimization

Process optimization includes retrieving process performance information from modeling or monitoring phase and identifying the potential or actual bottlenecks as well as potential rooms for cost savings.



Role of BPM:

Today's accelerated business cycles require managers to manage operations in real time. Managing work activities by using after-the-fact reports is no longer enough. Increasingly business managers, employees and potentially even external constituents to the process want to proactively adjust work in progress, not just to react to information about completed business transactions.

Achieving Agility through BPM:

Furthermore in today's global business environment, operational excellence is measured increasingly by process responsiveness that is agility – rather than by efficiency. By itself, efficiency is no longer enough. BPM is the latest process management theory meant to address these new business realities. BPM's disciplines largely are technology-enabled to better address today's more unpredictable market dynamics by applying process management approach.

Competency through Explicit Approach:

A BPMS takes process management to the next level; in addition to explicit process modeling, it makes the model executable, while retaining the model as a central focus for future process changes. The graphic model is actually metadata that is dynamically interpreted and transformed into the executed process. A BPMS supports the entire process improvement cycle, from definition to implementation, monitoring and analysis, and through ongoing optimization. As a software infrastructure platform, it enables business and IT professional to work more collaboratively on process design, development, execution and enhancement, and to close the execution gap between IT and the business.

BPMSs deliver short term benefits, such as cost and time saving, and help in meeting compliance demands, and long-term advantages, including visibility across board, cross functional processes and process agility to meet changing market and constituent needs.