

# Process management

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#### **Compulsory:**

- Rosing, M. V. (2014). The complete business process handbook: body of knowledge from process modeling to bpm. Waltham, MA: Elsevier.
- Weske, M. (2012). Business process management concepts, languages, architectures. Berlin: Springer.

#### **Recommended:**

- Smith, H., & Fingar, P. (2007). Business process management: the third wave. Tampa, FL: Meghan-Kiffer Press.
- Boutros, T., & Purdie, T. (2014). The process improvement handbook: a blueprint for managing change and increasing organizational performance. New York: McGraw-Hill Education.
- Osterwalder, A., Pigneur, Y., & Clark, T. (2010). Business model generation: a handbook for visionaries, game changers, and challengers. Hoboken, NJ: Wiley.





Baroudi, R. (2010). KPI mega library: 17,000 key performance indicators. Scotts Valley, California: [CreateSpace Independent Publishing Platform].
Davies, B. (2007). Developing sustainable leadership. London: Paul Chapman.
Beitler, M. A. (2013). Strategic organizational change: a practitioner's guide for managers and consultants. Greensboro: Practitioner Press International.
Armstrong, M. (2016). Armstrong's handbook of strategic human resource management. London: Kogan Page.
Wheelen, T. L., & Hunger, D. J. (2008). Strategic management and business policy: concepts and cases. Upper Saddle River: Pearson/Prentice Hall.
http://www.ariscommunity.com/
https://www.simul8.com/





#### Lecture topics:

- 1. The essence of business process management and its particular phases.
- 2. Concepts of Managerial Thinking.
- 3. Strategy, strategic goals. BSC.
- 4. Business model and value management.
- 5. Principles of process management
- 6. Methods of mapping and process control.
- 7. Process modeling in ARIS.
- 8. 8. Implementation project and change management.
- 9. Competence, teamwork and motivation.
- 10. Leadership.
- 11. Simulation methods in business process management.
- 12. Information systems and business process management.





# Definition of Process Management







**Process Management** is a process of systematically identifying, visualizing, measuring, evaluating, and continually improving business processes with using methods and principles. They are based on a process approach and they are geared towards ensuring business performance.





## Hammer (2002) understands **process management** as assuring that processes operate at the highest possible level of their potential, looking for opportunities to improve them and subsequently implementing these opportunities into reality.





#### Process management



**Phases of Process Management** 





Horizontal corporations (3-6 degree of control, autonomous teams - business units, team work organization)

- **Reengineering of the production process** (flow approach to process control)
- Mass customization (individualisation of production)
- **Customer integration** (The customer is always right)
- **In-house markets**
- Elimination of decision-making powers (noncompensatory product)



## Supplier integration (JIT method) Open book management

inform employees; make financial results available; learn, educate, explain; empower people to make decisions; everyone is responsible





# Processes and their definition







Proces

The **process** involves interconnected subactivities that in turn transform inputs into desired outputs (for example, the flow of work progressing from one person to another).

There are no fixed and invariable rules for constructing of processes.





#### Process



Process

**Activity** - the partial activity typically performed by a particular worker within the process.

**Core processes** are usually linked to products, services, or business ideas. Their final value is measured by customer needs.

**Support processes** support activities and resources for key processes, or perform activities provide their required properties.





**Process boundaries** - processes have their beginning and end. These are the places where inputs and outputs into the process come and leave.

**Inputs** (default sources, vendors, outputs from other processes) trigger the process. Inputs can be the source resources needed for the process, and vendors.

**Outputs** appear at the end of the process and serve (internal or external) to customers.





# Case study IBM Credit Corporation







# Locate and describe as many potential solutions to improve the condition.





## **Solutions - partial attempts to correct**

- 1) Control point
- 2) Automate the whole process
- 3) Applying a number of business rationalization techniques
- 4) Standardization of individual measures
- 5) New incentive programs
- 6) Radical solutions reengineering



## **IBM credit corporation**

## **Radical solutions - reengineering**



The **problem** is in the process architecture. The operations last a total of 90 minutes. Bindings (arrows) - 7 days. **Action** - exclude arrows, rationalize operations