

A THEORETICAL INSIGHT INTO THE BUSINESS PROCESSES FRAMEWORK

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The recent years have brought a plenty of researches and knowledge in the field of business process management as an effect to the interest on understanding and managing the enterprise functioning. Due to the growing importance of digital era and IT advance, enterprises striving to achieve competitive advantage are required to elaborate a common understanding of working environment by configuring their business processes. The paper aims to explore the core concepts embedded in the two well established frameworks for business processes: BABOK Guide (Business Analysis Body of Knowledge) and ISO 9001:2008 standard. The research methodology was consisted of a literature review on today's enterprise processes architecture that helps understand and organize knowledge about business processes models, followed by a comparative analysis of the frameworks chosen, from different views. The results capture the key differences and similarities between the frameworks and highlight the limitation of the BABOK Guide compared to ISO 9001:2008, with respect to business processes framework. However, regardless of the architecture, the business processes framework enables the development of the coordination mechanism of the processes relationships, diminishing the variance of input and output values with significant improvements on the predictability of process behavior. Finally, the authors share their view on how business processes framework is becoming a cutting-edge vehicle toward achieving the enterprise excellence, gaining thus the competitive advantages.

Keywords: business process management, business analysis, competitiveness.

INTRODUCTION

The business process management is a continuously growing body of knowledge since it helps to create a common understanding of enterprise functioning, representing the first step in automating the working environment. Regardless of the industry, the key challenge of any enterprise consists of defining the business processes framework in accordance with the given set of constrains including regulations, time, budget, and so on, towards meeting the stakeholders' needs and expectations, in a cost-effective manner. In this context, the scientific community has been striving to integrate the business processes framework with the developments of technological advance in an attempt to create an effective vehicle for gaining competitive advantage on business market.

With a high pace of growth, the process oriented enterprises are requiring an increased expertise in business process management since they are interested in adopting and leveraging different business processes frameworks. As consequence, business process management approach has become a powerful tool for any enterprise striving at gaining competitive advantage in these ever changing market requirements, (Mathiesen *et al.*, 2011).

In addition, business processes are seen as the capability of an enterprise to execute its strategy, based on a continuous approach to improve work processes in a bounded timeframe. Interestingly, the focus is on viewing business processes as a well-defined and properly managed corporate asset that requires specialized skills with respect to different roles of process owner, process analyst, and process architect, (Olding and Rosser, 2007; Bandara *et al.*, 2009).

In response to this growing need for a deeper understanding of the business processes, the research methodology has commenced with studying the most important models that proposed different views on business process frameworks. Within these circumstances, the scope of the comparative analysis was limited to the Business Analysis Body of Knowledge Guide (BABOK) and ISO 9001:2008 frameworks since they have gained remarkable attention, being the widely used models which allow the alignment of business goals to business strategy through the processes glue.

METHODOLOGY

There are a significant number of studies underway to formalize the various aspects of managing business processes. These efforts represent a maturation of the process movements of the 1990s that include Business Reengineering, Business Process Innovation, Six Sigma and Total Quality Management. Business Process Reengineering has proposed changing or entirely reconceptualization of processes by thinking in terms of comprehensive processes instead of changing in an incremental manner, (Hammer and Champy, 1993). Total Quality Management has established the processes required for managing the quality such as quality planning, quality control and quality improvement whereas Six Sigma has emphasized a mixed of process analysis and statistical quality control techniques to continuous process improvement in organization, (Pyzdek and Keller, 2010).

The evolution of IT has moved the focus on process modelling based on enterprise resources planning (ERP), work flow management, process modeling and simulating applications. These modelling techniques aim to assure the optimal convergence between the resources and the strategic direction needed to offer added value to the customers (Harmon, 2010).

As a result, the enterprises are typically interested in acquiring and using structured methods, methodologies and frameworks to better manage their business processes. According to scholars, a wide variety of business processes frameworks and models came under the broad umbrella of Business Process Management. The Association of Business Process Management Professionals, has been defined the Business Process Management (BPM) as a disciplined approach aims to identify, design, execute, document, measure, monitor, and control both automated and non-automated business processes to achieve consistent, targeted results aligned with an organization's strategic goals (ABPMP, 2009).

Another key underpinning that addresses the challenges of business processes frameworks is the widely accepted standard Business Analysis Body of Knowledge (BABOK Guide) developed by the International Institute of Business Analysis (IIBA), first published in 2006 and extensively revised and improved in 2009, IIBA (2009). By reflecting the current generally accepted practices with respect to the roles of process owner, process analyst or process architect, the BABOK Guide has proposed a systematic vehicle for creating, monitoring and sharing new knowledge in business processes area. It has defined seven knowledge areas focused exclusively on the business need and adding business value, as follows:

1. Business Analysis Planning and Monitoring: describes the processes required to complete the business effort.
2. Elicitation: describes the processes required to identify and understand the stakeholders' needs and concerns.

3. Requirements Management and Communication: describes the processes required to manage issues, conflicts and changes to the business solution scope.
4. Enterprise Analysis: describes the processes required to identify, refine and clarify the business need, and define a solution scope.
5. Requirements Analysis: describes the processes required to prioritize and progressively elaborate business solution requirements.
6. Solution Assessment and Validation: describes the processes required to assess, identify gaps and shortcomings in solution, and determine necessary workarounds of changes to the solution.
7. Underlying Competencies: describes the behaviors, knowledge, and other characteristics in support to an effective performance of business analysis.

In addition, the ISO 9001:2008 is also an outstanding standard that addresses the challenges of business processes frameworks, drawing valuable insights from the APQC's Process Classification Framework, APQC – PCF (2012). The PCF framework was developed by the American Productivity and Quality Center and enables to make objective comparison of organizational performance within and among organizations through an out-of-box thinking and to search for insights not typically found within intra-industry paradigms. Since its inception in 1992, the Process Classification Framework has been enhanced with updates inputs from a large number of industries and has created a common language by outlining all of the practiced processes in fourteen industries such as automotive, banking, consumer electronics, consumer products, telecommunication, etc. That's way, the business processes framework proposed by APQC represents a cross-industry high level business processes classification that organizes enterprise's processes into two groups with a twelve enterprise-level categories, as follows:

The operating processes group, aiming at setting, creating and fulfilling the stakeholders demand, is tightly connected to the enterprise value chain and comprises five operating processes: 1.0. Develop Vision and Strategy; 2.0. Develop and Manage Products and Services; 3.0. Market and Sell Products and Services; 4.0. Deliver Products and Services; 5.0. Manage Customer Service, APQC – PCF (2012).

The management processes group is focused on ensuring a coherent functioning of the enterprise by setting the goals and by enabling to achieve these goals based on providing capable resources: 6.0. Develop and Manage Human Capital; 7.0. Manage Information Technology; 8.0. Manage Financial Resources; 9.0. Acquire, Construct, and Manage Assets; 10.0. Manage Enterprise Risk, Compliance, and Resiliency; 11.0. Manage External Relationships; 12.0. Develop and Manage Business Capabilities, APQC – PCF (2012).

As reasoned earlier, the ISO 9001:2008 standard has taken advantage of the APQC's Process Classification Framework and has configured an interestingly processes framework by grouping business processes into four categories: Mission Management, Demand Creation, Demand Fulfillment, and Resources Management (Hoyle, 2009). Moreover, the ISO 9001:2008 standard has been rearranged and expended the business processes elements proving thus a context to the process management concept as a base to satisfy the stakeholders' demands using the available resources and constraints. The core concept of process management is referring to the well-known PDCA cycle (Plan-Do-Check-Act) develop by Deming and enhanced as DMAIC cycle (Define, Measure, Analyze, Improve, and Control) by Six Sigma in an attempt to make every employee responsible for process quality (Harmon, 2010).

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As consequence, the business processes frameworks proposed by BABOK Guide and ISO 9001:2008 were selected for the critical analysis as they support the requirements of a wide range of stakeholders, being globally accepted and having high applicability in a wide range of industries.

RESULTS AND FINDINGS

As a result of the conceptual research in the scientific literature, the comparative analysis of the business processes frameworks proposed by the BABOK Guide and ISO 9001:2008 reveals the key similarities and differences, as presented in the table 1.

Table 1. The BABOK and ISO 9001:2008 frameworks – comparative analysis

Key similarities	BABOK Guide	ISO 9001:2008
Aim	Enterprise coordination	Enterprise coordination
Management process	Planning, executing, monitoring and controlling (PDCA cycle)	Planning, executing, monitoring and controlling (PDCA cycle)
Constraints	Limited resources	Limited resources
Implementation	Human resources	Human resources
Key differences	BABOK Guide	ISO 9001:2008
Structure	Knowledge areas that interconnect management and business processes	Five requirements classes with specific clauses and a subset of requirements
Terminology	Different terms used for describing the processes based on the appropriate knowledge area	Macro processes for describing the management process Micro or support processes for accomplishing the customer requirements
Analyzed entity	Internal customer	Internal and external customers
Key elements	Focus on business processes	Focused on management processes
Process components	Inputs, techniques, outputs	Process requirements
Responsibility	Business analyst	Management team

The underlying concept for the similarities between business processes frameworks is consisted of designing the coordination mechanism that enables a thorough understanding of business in terms of processes and interactions. This serves as a basis for defining the structure, policies and operations of any enterprise with positive impact on satisfying the stakeholders' needs in a sustainable way.

In regard to the coordination purpose of the enterprise functioning, each of the frameworks takes advantage of the management processes represented by the well-established Plan-Do-Check-Act cycle defined by Stewart, improved by Deming and promote by ISO 9000 family of standard (Hoyle, 2009).

The BABOK Guide and ISO 9001:2008 frameworks for the business processes are both dealing with the resources constraints such as materials, equipment, time, budget, and human resources knowledge and expertise, in defining the cost-effective solution for satisfying the business need or stakeholders demand.

Worthy to be mention are the concepts that capture the key differences between the BABOK Guide and ISO 9001:2008 frameworks. The structure of the content for the Business Analysis Body of Knowledge encompasses the seven knowledge areas that define what should be done to understand the enterprise: business analysis planning and

monitoring, stakeholders requirements elicitation, requirements management and communication, enterprise analysis, requirements analysis, solution assessment and validation, underlying competences, IIBA (2009). Each knowledge area has defined the required processes to ensure the expected outcomes with the exception of underlying competences that provides only a description of behaviors, characteristics and personal qualities needed to support the practices of business analyzing.

As opposed to this, the ISO 9001:2008 consists of five classes of requirements on quality management and system development, management responsibility, resource management, product realization, and measurement, analysis and improvement as a means of achieving sustained success in a complex and changing market. Each class comprises a subset of requirements triggering the definition and execution of specific processes, (Hoyle, 2009).

As far as the terminology, the comparative analysis of process thinking gets out a roughly process configuration for the BABOK Guide compared to ISO 9001:2008 that proposes a highly structured process architecture composed of macro or main processes from the enterprise value chain and micro or support processes needed for satisfying the requirements of the internal customer. That's way, the BABOK Guide do not clearly structure the management and the support processes, being in fact grouped and getting different notations depending on the knowledge area in question. Anyway, the BABOK Guide explicitly defines the business processes with a strong focus on inputs, outputs, and expected techniques.

An interesting aspect is referring to the accountability for improving the enterprise performance. The BABOK points out the responsibility of business analyst in understanding the structure, policies and operations to define solutions that enable the achievement of enterprise goals whereas the ISO 9001:2008 accounts for the management responsibility in building an working environment focused on employees commitment towards accomplishing the performance goals.

CONCLUSIONS

Undoubtedly, the business processes configuration proposed by Business Analysis Body of Knowledge has brought valuable insights to the business process management area and business practitioners but it has significant shortcomings arisen from its very narrow approach of business system. With a strong focus on capturing the processes architecture that enables developing only the internal optimal solution to satisfy the business need, the BABOK Guide proposes a suitable business processes model towards improving the internal performance of any enterprise.

The journey for enterprise's competitiveness has also brought to light a more complete business processes architecture captured by the ISO 9001:2008 standard characterized by a broader and deeper understanding of the enterprise functioning as a system. Through a cross-industry process viewpoint, the ISO 9001:2008 configures two specific processes in accordance to the output stakeholders: business management processes for satisfying external stakeholders' requirements and support processes aiming at satisfying the internal customers.

Finally, the enterprises striving to satisfy their stakeholders in an attempt to raise the competitiveness on the market can either go through a process of trial and error selected from a wide management body of knowledge, or take advantage of one or more management frameworks available that combine proven concepts and principles needed to develop the enterprise capability. That's way, the conceptual analysis of business

process frameworks highlighting their strengths and weaknesses may give a clearer perspective on the subjected area, serving as a basis for raising the ambition level of practice for enterprises aspiring to gain high competitiveness.

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