White Paper:

Five Key Benefits of Business Process Modeling
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Overview

Business Process Modeling is becoming a higher priority for business managers and analysts as there is an increasing emphasis in organizations to document, understand and improve their business processes. Managers and business owners are realizing that operating their businesses without well documented processes is just like a pilot who is flying blind without properly functioning instruments and navigation. Well documented and streamlined processes are essential in a smooth functioning of a team as they help ensure consistency, trackability and focus towards a shared goal.

Business Process Modeling is a combination of various process related steps such as Process Mapping, Process Discovery, Process Simulation, Process Analysis and Process Improvement. Although a holistic business process modeling exercise would cover all these steps in some depth, analysts have found that even a partial modeling exercise that involves a subset of these steps is a good start and yields significant benefits.

Benefits

Business process modeling provides important benefits to companies and organizations such as the ones listed below.

**Align Operations with Business Strategy**

Implementing a business strategy or a new business model requires changes in the operations and in how people perform their work. This can be affected only by operationalizing the business changes to the actual business processes, business rules and decisions that are made on a day to day basis by all the people in the organization.

Business Process Modeling facilitates this by helping:

- Link organizational strategy to well-defined business processes - Business process modeling is a critical tool for management and executives to ensure that the business processes are consistent with and enable execution towards achieving the overall strategy of the organization.
• Align business execution and operation activity with strategy - Process modeling ensures that the operational tasks and activities performed by the team members actually help the organization implement its strategy. If the processes and the strategy are not aligned it usually leads to failure in execution because even if the operational tasks are performed correctly, the overall organizational goals are not achieved.

• Implement Business Process Reengineering (BPR) by understanding the existing processes and changing them for improved performance - Business process analysis helps in identifying bottlenecks and inefficiencies in the processes and thus improving them.

• Enable Process Agility, an ability to change and communicate processes quickly to take advantage of new business opportunities or address business challenges.

**Improve Process Communication**

One area that distinguishes successful businesses and teams is that they have a very clear idea of what they are supposed to do, how they are supposed to do it and what is the exact role of every team member. Clear communication of the operational processes is critical to facilitate a smooth functioning of a team.

Business Process Modeling enables the documenting and communicating of the organizations business processes:

• Process modeling offers a common unified language and methodology for communicating processes and information about processes and decision rules.
• It is ideal for training of new people and rapid knowledge transfer because with a thoroughly documented process any new team member can be very quickly trained on what they have to do in any situation that they may face.
• Minimizes potential danger of loss of staff resulting in loss of business process knowledge.
• It helps business managers communicate their ideas quickly and clearly.
• Jump-starts the organizational process documentation initiative.
• Turns the team's experience and "tribal knowledge" into documented processes.

**Increase Control and Consistency**

Organizations and companies that succeed are ones that ensure their business processes and rules are well designed and that they are consistently applied the same way every single time. This process control and consistency is key for success in organizations ranging from fast-food chains to hospitals to NASA Space Shuttle operations.

Business Process Modeling makes this possible by helping:

• Formalize existing processes which may not be well documented or which have evolved over time into "informal knowledge".
• Execute process in consistent manner because instead of relying on people to remember to do the right thing the documented process can be given to the business users.
• Make better decisions because guesswork is eliminated as business users can have the documented business rules in front of them.
• Handle exceptions faster and in a better way.
• Complete regulatory compliance by ensuring that the documented processes follow the company guidelines and legal regulations.
• Put business people in charge.
• Support compliance initiatives such as Six Sigma, ISO 9000, and Sarbanes-Oxley.

**Improve Operational Efficiencies**

In today's business environment, every business and every manager wants to ensure that they are achieving the best possible results with the resources available to them. There is no room for inefficiencies and wastage.

The Process simulation and analysis steps of Business Process Modeling are critical tools for managers and analysts to ensure that their processes are optimized and are running like a well-oiled machine:

• Process Simulation allows analysis and understanding of the process flows and helps managers know if there is room for further optimization and efficiencies.
• It helps spot needed improvements and reduce process cycle time.
• It increases productivity of existing resources and staff and so allows the team to do more with less.
• It facilitates risk free experimentation and encourages exchange of process improvement ideas.
• Process simulation allows modeling of process designs before actually implementing them thus minimizing disruptions.
• It encourages a mind-set of continually optimizing business critical processes to incrementally improve operational efficiencies.
• Process analysis enables better resource utilization.
Gain Competitive Advantage

All the benefits mentioned above lead to a significant competitive advantage for an organization that has invested the time and effort to document, simulate and improve its business processes. Studies of many wildly successful companies has often shown that their success was not due to better ideas or better business models but because they invested significantly in business process modeling to constantly refine and improve their processes.

A slight improvement in one activity here and another one there leads to an overall better process and as that process is executed repeatedly in the day-to-day running of the business it makes an organization much more efficient and better than its competitors.

Summary

A business that has aligned its operations to its strategy, is agile, that has control over its processes, is running efficiently and has well trained staff is indeed at the top of its game. Business Process Modeling is an important best practice and tool that is critical for the long term success of an organization.
About AccuProcess, Inc.

AccuProcess provides process modeling solutions for companies and organizations of all sizes. Our AccuProcess Modeler product is a visual, easy-to-use business process modeling software that helps business people DESIGN, DOCUMENT and ANALYZE their business processes. AccuProcess has created its product for business users and with the aim of helping put business people in charge of business processes. Our goal is to help business people gain control of their processes, align operations with business strategy, communicate "how we work" to the team, improve operational efficiencies and thus gain competitive advantage.

AccuProcess is located in Chicago, Illinois. The AccuProcess Modeler is being utilized by thousands of users in hundreds of companies and organizations all over the world.

To promote its vision for a "process-centric world", AccuProcess offers a completely free, permanent but limited functionality LITE edition of its industry-leading AccuProcess Modeler. This free edition will enable customers to easily create, map and document process models and share them with other users. This modeling software and online video tutorials are available at www.accuprocess.com.