

Business Process Modeling: Tame Your Organization's Complexity and Unleash Its Potential and Profits

A visual map of workflows, system interactions
and functional authorities optimizes enterprise
performance



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► Introduction






Potential and profits are the hallmarks of success, not uncertainty and losses.

What underpins—or even fuels—the successful, modern enterprise? Information, and within your organization’s business processes is where the information your company collects, creates, stores and analyzes actually transforms into something that makes your company go, hopefully for the long haul.

Every organization—particularly those operating in industries where quality, regulatory, health, safety or environmental issues are a concern—must have a complete understanding of its processes. Equally important, employees must fully comprehend and be accountable for appropriately carrying out the processes for which they are responsible.

With the help of business process modeling, your organization can visualize its processes and all the associated information, which in turn shines a light on areas of the business ripe for innovation, improvement or reorganization.

BUSINESS PROCESS MODELING HELPS YOU:

- |  Understand how your organization operates
- |  Paint a clear picture of workflows, inputs and outputs
- |  Streamline transactions (e.g., enrolling new customers, responding to inquiries)
- |  Introduce more information and automation into processes
- |  Gain visibility and context

To be agile and responsive to changes in markets and consumer demands, you need a visual representation of what your business does and how it does it.

BUSINESS PROCESS MODELING DEFINED

Business process modeling links business strategy to IT systems development to ensure business value. It combines process/workflow, functional, organizational and data/resource views with underlying metrics such as costs, cycle times and responsibilities to provide a foundation for analyzing value chains, activity-based costs, bottlenecks, critical paths and inefficiencies.

Source: Gartner

► The Role of Business Process Modeling

Business process modeling is vital to corporate governance because it enables enterprises to clearly define, map and analyze workflows and build models to drive process improvement and therefore business transformation.

It makes it possible to determine where cross-departmental and intra-system process chains break down. It also helps identify business practices susceptible to the greatest security, compliance, standards or other risks and where controls and audits are most needed to mitigate exposures.

Companies that maintain accurate business process models also are well-positioned to analyze and optimize end-to-end process threads—lead-to-cash, problem-to-resolution or hire-to-retain, for example—that contribute to strategic business objectives, such as improving customer journeys or maximizing employee retention. They also can slice and dice their models in multiple other ways, such as by functional hierarchies to understand what business groups organize or participate in processes as a step in driving better collaboration or greater efficiencies.

The key point is that useful change comes from routinely looking at process models and spotting a sub-optimality. Business process modeling supports many beneficial use cases and transformation projects used to empower employees and therefore better serve customers. Some of the most common are:

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Compliance. Industry and government regulations affect businesses that work in or do business with any number of industries or in specific geographies. Industry-specific regulations in areas like healthcare, pharmaceuticals, and financial services have been in place for some time. Now, broader mandates like the E.U.'s GDPR and the California Consumer Privacy Act are requiring businesses across industries to think about their compliance efforts. Business process modeling helps organizations prove what they are doing to meet compliance requirements and understand how changes to their processes impact compliance efforts (and vice versa).
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Knowledge retention. There is a lot of business and process-specific knowledge in businesses today, and unlocking that knowledge so the organization as a whole can benefit helps improve business processes. In certain sectors, like the nuclear energy industry for example, an aging workforce that is beginning to retire in large numbers can create a brain drain that negatively impacts the business.

► The Role of Business Process Modeling

continued

Software deployments. A deep understanding of your business processes and visibility into potential changes and improvements makes it easier for organizations to deploy enterprise software applications like ERP. Large-scale ERP deployments are notoriously difficult to run smoothly, and improving the visibility into your business processes can help. Emerging software deployments, such as those around next-generation customer experiences and the Internet of Things (IoT) will also benefit from business process modeling.

Mergers and acquisitions. Large organizations grow through M&A activity, and the combining of business processes, software applications and infrastructure when two organizations become one is very complex. Business process modeling offers visibility into existing processes and helps design new processes that will deliver results in a post-merger environment.

Digital transformation. There's a clear connection between business process modeling and digital transformation initiatives. With it, an organization can explore models to understand information assets within a business context, from internal operations to full customer experiences. This practice identifies and drives digital transformation opportunities to increase revenue while limiting risks and avoiding regulatory and compliance gaffes.



► How to Do Business Process Modeling

erwin Evolve is a business process modeling and analysis platform that creates the graphical map and documentation of how a business works today.

erwin Evolve details the tasks, responsible parties and information elements involved in processes and the interactions that occur across systems, procedures and organizational hierarchies. With these insights, you can clarify roles and responsibilities, increase productivity, reduce errors and mitigate risks to achieve organizational objectives. Its capabilities will enable you to:

Develop and capture multiple artifacts in a central repository.

The visualization of process value chains, business process models, procedure documents, RACI matrices, system interactions and business hierarchies drives the creation of enterprise process libraries, supports employee on-boarding and training, and contributes to targeted and holistic process improvements.

Built-in support for process improvement methodologies.

With templates for Lean and Six Sigma process improvement practices, businesses can achieve maximum efficiency and quality. Following these practices can bring numerous results to organizations, from better financial performance to greater customer satisfaction to improved ability to meet production quality metrics.

Identify documentation gaps.

Many businesses may not realize that key institutional process knowledge resides primarily with individuals who will someday leave the company. Only when they commit to a visualization of

current business realities does it become clear that they must capture such tribal knowledge to preserve expertise.

Digitize standard operating procedures (SOPs).

Organizations have produced volumes of hard-copy process documents and SOPs that take up shelf space and often collect dust. It's more cost-effective and efficient to digitize business processes and host them on web platforms. Doing so increases employee education and awareness of corporate policies and procedures and ensures they know where to find information on processes and how to apply those processes to their roles.

Incorporate all mission-critical information into business process models.

Identify where and how information elements are being used throughout the organization—regardless of information type or storage location. Showcasing such data lineage and interoperability in visualized models is particularly important given how many critical and potentially highly

► How to Do Business Process Modeling

continued

sensitive pieces of information used by key business processes may be tied to technology formats that are neither robust nor resilient.

Increase enterprise

collaboration. Develop integrated business models for a single source of truth delivered to stakeholders within the context of their roles. These role-based views, in concert with discussion threads, surveys and other social features, enhance cross-functional and enterprise collaboration to uncover critical insights and make faster, more-informed decisions.

Conduct impact analysis. An overarching view of processes as they exist individually and as they fit together across the organization paves the way to providing insights about the people, data and technology that could be affected by changes to them, and vice versa. In addition, potential issues can be addressed before they

jeopardize small-scale process optimization efforts and large-scale digital transformation exercises. Without the ability to model processes, a change might be implemented that could take too long, cost too much or pose other risks.

Enable business and IT infrastructure interoperability.

A common source of information used by business process professionals, enterprise architects, data stewards, compliance officers and others encourages greater understanding of how different line-of-business operations work together as a single unit. Integrated business models based on a single source of truth with integration to other erwin enterprise modeling, information cataloging and governance solutions breaks down silos to expose information that can be leveraged to create industry-leading experiences for both employees and customers.



► erwin Evolve in Action

erwin Evolve has been helping global enterprises model and document their business processes for more than three decades.

Following are a few examples of how we've helped customers in numerous industries drive value and reduce risk.

Enhancing Customer Experiences

Like many businesses, investment firm Fidelity International places a strong emphasis on customer centricity. That means transforming its business and processes to meet the demands of its customers, including the fastest-growing customer segment: Millennials.

This group is more comfortable using digital channels to communicate and conduct business, so Fidelity needed to identify and define the end-to-end processes that would support the dynamic architectures and agile operations for its customer-centricity efforts.

Using erwin Evolve, Fidelity's Business Process Knowledge Base is being deployed to capture and store the mission-critical information for holistic governance of end-to-end process journeys to analyze and improve customer experiences.







Eliminating Waste

Waste of time, raw materials and resources is a costly problem. When Balfour Beatty, one of the largest construction management companies in the United States, wanted to improve efficiency, transforming its business processes was a good place to start. The company's way of maintaining company documents in Word or Excel format in a SharePoint library was ineffective and limited sharing ideas, best practices and feedback.

Working with business process specialists from erwin, Balfour Beatty improved its documentation so the company's teams had instant access to all of the company procedures from any location or device.

By encouraging standardization of processes, Balfour Beatty was able to reduce waste, but the business also saw improvements in other areas, like faster training for new employees, the encouragement of innovation and creativity, and better productivity forecasting.

VALUE OF BUSINESS PROCESS MODELING

- |  Analyze risk
- |  Find inefficiencies and make improvements
- |  Unlock knowledge and retain it
- |  Optimize operations, including digital transformation
- |  Adopt centralized, uniform processes
- |  Understand information context and usage

► erwin Evolve in Action

continued

Managing Change and Digital Transformation

Utilities are complex organizations. A problem in one area can have a downstream effect on another, so their interconnected, multi-step processes need to work together. Southern California Edison (SCE) initially wanted to use erwin Evolve to document, analyze and simulate processes in a central repository but expanded its use to include both IT and business users to effectively manage change, including process improvements and technology implementations.

For example, during a major SAP integration, erwin Evolve helped reduce the stabilization period from three to six months to only three weeks. With additional savings realized by reducing resources required for lengthy technical procedures, the company estimates the solution paid for itself within a year.

SCE has a clear view of who is impacted by such transformation projects, and the communication required as a result. Without erwin Evolve, the organization could have eventually developed the right procedures, but it wouldn't have had the analysis and simulation capabilities to make fully informed decisions, train the right people and give them access to the correct information, and pinpoint trouble spots and bottlenecks.



► erwin Evolve in Action

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Ensuring Regulatory Compliance

In highly regulated industries like pharmaceuticals, identifying and standardizing business processes meets the scrutiny of regulatory compliance. Frequent M&A activity is also common within the pharmaceutical sector. One pharmaceutical giant implemented erwin Evolve to combine its best quality management processes for R&D with those of a firm it recently acquired.

The solution makes it easier to document processes, align documentation within document control and learning management systems, and give R&D employees easy access and intuitive navigation so they can find the information they need.

Expected ROI includes an annual 10,000-hour reduction in access burdens, a 5,000-hour reduction in training, and lower document churn that releases 6,000 hours back to the company. All of these results point to a proactive culture of quality for inspection/compliance readiness.

erwin Evolve will help your organization model, document, manage and communicate its business processes for optimal performance. With our technology and subject-matter expertise, you can tame the complexity of your business—from eliminating processes that don't work to developing new ones to support successful transformation initiatives. By understanding how your company works today, you can make better decisions tomorrow based on accurate, actionable insights to ensure compliance, innovation and transformation.

- Success starts with process, and we're ready to look under your organization's hood to accelerate yours.
- **Request a demo of erwin Evolve.**





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the data governance company

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About erwin, Inc.

As the data governance company, erwin provides enterprise modeling, data cataloging and data literacy software to help customers discover, understand, govern and socialize their data to mitigate risks and realize results. The erwin EDGE platform facilitates IT and business collaboration in driving actionable insights, agile innovation, risk management and business transformation. We help government agencies, financial institutions, healthcare companies and other enterprises around the world unlock their potential by maximizing the security, quality and value of their data assets.

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