Applying BPM 2.0 in BPM Implementation Projects
Short Paper

A practice report demonstrating the opportunities and limitations of BPM 2.0 in a BPM implementation project and an ISO 9001 certification at Eisen-Fischer GmbH

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Abstract. Businesses today have to adapt their business process models to new market changes instantaneously. New social BPM approaches leverage collaborative Enterprise 2.0 methods and tools in order to empower the process participants to improve their business processes continuously. By enabling those who are running the processes to adapt "their" processes, businesses can respond to new market demands faster. A well-tested example of such an approach is BPM 2.0. This contribution reports about a BPM implementation project conducted at Eisen-Fischer GmbH, which uses BPM 2.0 as the underlying methodology. It provides insights in the potentials and limitations of social BPM approaches like BPM 2.0. As a major objective of the BPM implementation project is to retain the existing ISO 9001 certification, this report assists businesses in a similar situation to assess the potentials social BPM may provide for their individual situation.

Keywords: BPM 2.0, Social BPM, Practices Report, ISO 9001, Enterprise 2.0.

1 Introduction

Business processes are subject to ever-increasing flexibility requirements, as businesses have to adapt to more dynamic and complex business environments [1]. In order to address these issues, Enterprise 2.0 approaches towards business process management (BPM) like *Business Process Management 2.0* (BPM 2.0; [2]) or *Decentralized Business Process Management* [3] are becoming more popular.

BPM 2.0 has the objective to adapt business processes more quickly to new requirements by empowering employees participating in the respective business process as part of their daily routine to adapt the processes by themselves. BPM 2.0 combines elements from self-organization and empowerment and applies them to business process management (BPM). The approach has three key principles:

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1. When redesigning businesses processes, employees may actively contribute to the redesign project.
2. The operational employees can adapt or improve "their" business processes by themselves as well.
3. Several facilitator and expert roles ensure that methodical knowledge is available to the employees when needed.

This contribution can only provide a brief overview of BPM 2.0. The approach is documented in greater detail in [4] and [5]. BPM 2.0 has been applied to a number of companies [4]: A plant construction company successfully utilized the approach for improving business processes. Furthermore, BPM 2.0 has been used for documenting selected business processes at a European defense company. This contribution reports from a BPM 2.0 related project at the German wholesaler Eisen-Fischer.

2 Eisen-Fischer GmbH

The Eisen-Fischer GmbH (short Eisen-Fischer) is a medium-sized wholesaler with three sites. The company was founded 1874 and has about 400 employees. Its customers primarily comprise craftsmen, specialist dealers, industrial companies, and the public sector.

In 2007, the company introduced an enterprise resource planning (ERP) system based on SAP R/3. This system automates the company's core processes, increases their efficiency, and reduces the number of errors. However, the ERP system can only benefit the processes supported by the system. Therefore, Eisen-Fischer initiated a project for further improving the management of business processes not supported by the ERP system. This project established BPM using the BPM 2.0 method and tools.

With certified quality management increasingly gaining significance in business-to-business commerce, Eisen-Fischer's customers are increasingly asking for a certified quality management of their suppliers. Therefore, it is essential for Eisen-Fischer to extend the existing ISO 9001 certification.

At the time of the certification, the implementation of BPM has not been completed entirely. Instead, the following most important components have been in place:

- **Process map:** All top-level processes are identified and structured in a single process map. Eisen-Fischer focused on order management, inventory management, and delivery processes.
- **Responsibilities:** The BPM 2.0 role concept serves as a foundation for assigning the responsibilities. In order to reduce the initial resource requirements for establishing BPM 2.0, the BPM project manager is responsible for the main supporting and facilitating roles as well.
- **Conventions and notation:** A radically reduced subset of BPMN 2.0 (business process model and notation 2.0; [7]) is used as the modeling notation. This subset is based on the descriptive conformance subclass of BPMN [7]. Special attention has been paid to ensure that only the most important elements are part of this

subset. Therefore, this notation distinguishes no task types and supports only a single pool within a diagram.
- **Tool:** The Microsoft Sharepoint based BPM 2.0 modeling environment is used as the central instrument for documenting and optimizing the process models.
- **Training:** In order to spread the modeling knowledge across the company, a small group of key multipliers is selected for in-depth training. This group is trained using two ways: Web based trainings of a university convey the methodical and conceptual knowledge. In-house trainings complement this foundation and tailor it to the specifics of Eisen-Fischer.
- **Process analysis and optimization:** As BPM 2.0 is not yet completely established, the business processes are primarily improved by the process owners. On the other hand, the collaborative nature of BPM 2.0 increased the acceptance for the modeled processes.
- **Process automation:** In order to analyze changes to the ERP system more efficiently, change requests are required to describe the changes in the process model. This has proven useful for discovering unplanned implications of change requests.

3 Certification Result

Based on the current state of the BPM implementation, Eisen-Fischer was successfully certified according to ISO 9001. In the report for the certification, three aspects were applauded in particular:

- Using the BPM 2.0 approach as well as the web based modeling tool for documenting and optimizing business processes.
- Measuring and analyzing key performance indicators for the business processes.
- The efficient and standardized order management automation using the ERP system.

4 Discussion of the Findings

While the foundation for BPM and BPM 2.0 is laid, encouraging a larger share of the process participants to actively develop or improve new processes appears to be a more time-consuming endeavor. This can be attributed primarily to three factors: (1) The process participants find it difficult to find enough time to actively improve their processes. (2) This reluctance is reinforced by the lack of modeling knowledge of many process participants. (3) The process participants see limited use in formalizing the daily routine in a process model. The last factor is particularly surprising, as the lack of formal and standardized processes was a major cause for issues in the past.

In this case, starting a BPM project by an IT department appears to be a sound strategy as it is vital for this department to understand and standardize business processes before they are automated by the ERP system. As a gatekeeper for changes to the central ERP system, IT departments are in a good position to provide a business case for establishing BPM in small companies. However, once established, the

responsibility for managing the processes should move over to the organizational units responsible for the processes as soon as possible.

Despite the low number of proactive process innovations from the process participants, the respective process owners receive substantial feedback and improvement suggestions during workshops that use both the platform and the simplified modeling notation. In other words, it appears as if using Enterprise 2.0 methods and tools supports classical workshops well. Improvement suggestions from process participants primarily occur in contexts where the participants are already documenting, analyzing, or discussing "their" business processes.

This observation is in line with the case study presented in [5; 6]. In this case study, processes of a large European plant construction company were improved using both the BPM 2.0 approach and the web-based modeling platform. While there were substantial improvements to the processes during the project, there were only few ad-hoc improvements to the processes from outside the project. However, contrary to the experience at Eisen-Fischer, the process participants at the plant construction company contributed to the process improvements without attending to workshops. This can be attributed to the fact, that the plant construction company already had a working BPM implementation. Therefore, the process innovations at the plant construction company were more incremental when compared to the situation at Eisen-Fischer, which just began establishing BPM. This observation is well in line with the finding that BPM 2.0 works well for process optimizations with limited complexity yet proves to be inefficient for more complex scenarios [5; 6].

5 Summary

While the findings are based on the experience gained at Eisen-Fischer and therefore not necessarily generalizable, small and medium sized companies considering to establish BPM may wish to consider the following lessons learned.

- BPM 2.0 methods and tools assist in the initial discovery and documentation of a company's business processes even if discovery and documentation happen as part of workshops.
- BPM 2.0 works well for incremental improvements to business processes. However, complex changes are difficult to tackle using pure Enterprise 2.0 instruments. In these cases, experienced BPM practitioners should be consulted.
- Ensuring the continuous improvement of processes requires organizational structures like working groups or projects. However, contributions during such projects are simpler for process participants using web-based modeling tools.
- By starting with simple tools and notations, the learning curve is less steep for process participants without prior BPM knowledge. If necessary, more complex notational elements may be introduced later.
- IT departments are a candidate for being the driving force behind the effort to establish BPM within a company, as their work depends on well-defined processes. Still, in the long run, the responsibility for managing the processes should move to the businesses departments.

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