

# Towards a common notion of goal for business process modeling

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We follow the most general definition that describes a business process as a set of partially ordered activities aimed at reaching a well-defined goal. Some examples of goals are as follows:

- Discharging a patient from the hospital in a (relatively) healthy state.
- Closing a sale.
- Making a decision on a particular matter.

When discussing business processes, it is important to differentiate the process type from the process instance. The notion of *process type* is used when talking about the process in general, like:

- Sales process (in general).
- Processing insurance claims.
- Decision-making.

The notion of *process instance*, or *process occurrence*, is used to pinpoint a particular process, like:

- Processing a sales lead that concern a particular customer.
- Processing insurance claim #1345678.
- Passing an elderly care plan for 2002.

Two types of goals can be distinguished when discussing business processes: strategic and operational goals. Strategic goals, like customer satisfaction, growth, profit, etc. are associated with the process type. They explain why the process exists/should exist in the organization, and why it should be driven in a certain way. Analysis of strategic goals results in the rules/procedures that dictate how the instances of the given business process should be run. All such rules for a given process type constitute a *process definition*.

Operational goals concern process instances, and they show when a given process instance can be considered as finished. Examples of operational goals that correspond to the process types above are as follows:

- Understand the customer's needs and make an offer (sales process).
- Insure that all basic documents that concern a particular insurance claim are collected and money are paid (processing insurance claims).
- Pass a decision on an elderly care plan based on the needs, available resources, and current legislation (decision-making).

It is very important to distinguish strategic goals from operational ones. It might be quite dangerous to move such strategic goal as “customer satisfaction” from the strategic plan directly to the operational plan. A nurse, or a doctor in the hospital

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cannot think about customer satisfaction every minute when they do their everyday work, they just need to follow the established policies, i.e., the rules of the business processes in which they participate.

To reach strategic goals in practice, the latter need to be translated into operational procedures. For example, for the sales process, “customer satisfaction” can be achieved only if the needs of each customer are understood and the product sold to the customer matches these needs. To ensure this “satisfaction”, one needs an operational procedure that requires (or sometimes) forces the sales personal to mandatory perform detailed analysis of the customer needs.

Though strategic and operational goals lie in different dimensions when they are considered in respect to the same process type, the way of achieving them may not differ that much. It is difficult, if ever possible, to create optimal operational procedures and policies that ensure fulfillment of strategic goals at once. Thus, there should exist another process aimed at stepwise creating a process definition that can ensure fulfillment of the strategic goals of the targeted business process. This other process is a managerial process, and it belongs to the domain of business process management.

The managerial process can be roughly defined as a following sequence of activities:

1. Define strategic goals for the targeted process and the way of measurement of their achievement. For example, for the sales process, customer satisfaction can be established as a percent of customers placing a new order within a year from the previous one.
2. Define new operational procedures and polices.
3. Ensure that the operational procedures are followed on practice.
4. Run a number of process instances based on the new procedures and polices.
5. Gather statistical information on “performance” of the new process definition (how well the strategic goals are satisfied). Preferably, this information should be gathered automatically when the process instances are running.
6. Compare performance measurements to the goals established at step 1. Change operational procedures, possibly, correct goals. Go to step 4.

Thus, strategic goals of a targeted business process can be viewed as operational goals of some managerial process. This allows us to have a common approach to process modeling and control. We can concentrate on operational goals: how to define them conceptually and formally, and how to measure the distance between the current state of the process and the projected goal