What is a Business Process

Often times, the simpler the term, the harder it is to define in a specific context. Ultimately, ‘process’ is just a word, after all, and, as Alice insisted in Wonderland, we can each use it to mean whatever we want it to mean. The challenge, however, is to agree on a common definition that we use when working together in our daily work as process practitioners.

The term ‘process’ is used in a wide variety of ways. The first definition offered by Merriam-Webster Online is (1) a natural phenomenon marked by gradual changes that lead toward a particular result (e.g. the process of growth). In order to avoid confusing our use of the term ‘process’ with any other possible usage, we will consistently use the term Business Process.

A business process describes how an organization does the work necessary to produce valuable outputs. Specific business processes may have been carefully designed, or they may have simply evolved over the years.

Since a business process describes the work that leads directly to the products or services the organization creates, processes are central to understanding how anything in the organization creates value. Employees, for example, are valuable to the organization to the extent that they do necessary process work. Similarly, software applications are valuable to the extent that they support activities required by necessary processes. The idea of effective and efficient processes that create value for customers is key to determining the value of everything else the organization does.

More technically, a business process is one or more activities that transform an initial set of
inputs into one or more outputs that are valued by an organization.

In diagrams, a business process is commonly represented as a rectangle with rounded corners with inputs flowing in and outputs flowing out:

Most business processes can be decomposed into subprocesses which can, in turn, be further decomposed. The largest process in most companies is a **Value Chain** – a business process that describes every step or activity that an organization goes through to produce a line of products or services valuable to a specific group of customers.

A Value Chain can be decomposed into major processes, like Make Product and Sell Product, and these processes can, in turn, be divided into subprocesses. Typical organizations can decompose a Value Chain into from five to seven levels of subprocesses. The smallest subprocess is an **Atomic Activity**, a non-decomposable, concrete action.

Following are some of the definitions that have been put forth by individuals and organizations working in the process field.

- **Wikipedia:**

  Process or processing typically describes the act of taking something through an established and usually routine set of
procedures to convert it from one form to another, as a manufacturing or administrative procedure, such as processing milk into cheese, or processing paperwork to grant a mortgage loan, or converting computer data from one form to another.

- **Davenport** in *Process Innovation* (1993) defines a (business) process:

  "a structured, measured set of activities designed to produce a specific output for a particular customer or market. It implies a strong emphasis on how work is done within an organization, in contrast to a product focus’s emphasis on what. A process is thus a specific ordering of work activities across time and space, with a beginning and an end, and clearly defined inputs and outputs: a structure for action. … Taking a process approach implies adopting the customer’s point of view. Processes are the structure by which an organization does what is necessary to produce value for its customers."

- **Hammer & Champy** in *Reengineering the Corporation* (1993):

  "a collection of activities that takes one or more kinds of input and creates an output that is of value to the customer."


  "a business process is a series of steps designed to produce a product or service. Most processes (…) are cross-functional, spanning the ‘white space’ between the boxes on the organization chart. Some processes result in a product or service that is received by an organization's external customer. We call these primary processes. Other processes produce products that are invisible to the external customer but essential to the effective management of the business. We call these support processes."
The OMG BPMN Specification  The OMG’s *BPMN Specification* defines a process notation.

The BPMN specification defines the basic unit, following Porter, as an **activity**. An **Activity** is defined as “a generic term for work that a company performs in a process.” Activities can be atomic (not decomposable) or non-atomic (compound).

A **process**, in this definition, is made up of one or more activities. A **Sub-Process** is a compound Activity that is included within a Process. An Atomic Activity cannot be decomposed.

- **H. James Harrington** – the former head of ASQ and a Quality Control Consultant at Ernst & Young -- in the Business Process Improvement Workbook (1997) – defines a process:

  A **process** is a logical, related, sequential (connected) set of activities that takes an input from a supplier, adds value to it, and produces an output to a customer.

- **ASQ** - T.M. Kubiak and Donald W. Benbow in the ASQ’s *The Certified Six Sigma Black Belt Handbook* (2nd Ed). define a process:

  **Process** – a series of interrelated steps consisting of resources and activities that transform inputs into outputs and work together to a common end. A process can be graphically represented using a flowchart. A process may or may not add value.

- **IIBA** - Definition from the IIBA BABOK:

  **Processes** are a sequence of repeatable activities executed within an organization.

  Processes can be simple (involving one person and a system) or complex (involving many people, departments, organizations and systems). Processes describe who and
what has to be involved in fully responding to an event, or how people in the enterprise collaborate to achieve a goal. Processes are normally described in Process models, although useful information may also be captured in organization model, state diagrams or use cases.

- **ABPMP** - Definition from the ABPMP CBOK:

  **2.1.2 What is Process?**
  In order to understand BPM, it is necessary to understand business process. A “process”, in this context, is a defined set of activities or behaviors performed by humans or machines to achieve one or more goal. Processes are triggered by specific events and have one or more outcome that may result in the termination of the process or a handoff to another process. Processes are composed of a collection of interrelated tasks or activities which solve a particular issue. In the context of business process management, a “business process” is defined as end-to-end work which delivers value to customers. The notion of end-to-end work is critical as it involves all of the work, crossing any functional boundaries, necessary to completely deliver customer value.

As you can see, there is broad agreement, but each author or group provides some additional information.

I invite our readers to weigh in with their thoughts on the BPTrends Linkedin Discussion Group.

‘Til Next Time,

Paul Harmon

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