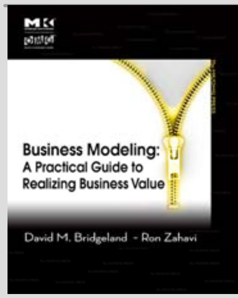

Business Modeling:

A Practical Guide for Realizing Business Value

David M. Bridgeland and Ron Zahavi
Morgan Kaufmann, 2009
$49.95 387 pages

Reviewed by Paul Harmon

Most modeling books confine themselves to process or flow models. This book, written by David M. Bridgeland, a Chief Business Architect at Unisys, and Ron Zahavi, another Chief Business Architect at Unisys and a member of the Architecture Board of the Object Management Group (OMG), describes several different types of business models.

As most BPTrends readers know, the Object Management Group (OMG) is making a major effort to establish standards for those working in various business process domains. The authors focus their book on three OMG standards. Thus, chapter 3 is on Business Motivation Models, and reflects the OMG's Business Motivation Model (BMM) standard. Chapter 5 is on Business Process Models and focuses on the Business Process Management Notation (BPMN) standard. Chapter 6 is on Business Rule Models and focuses on the OMG's Semantics of Business Vocabulary and Rules (SBVR) standard. The fourth model they consider is termed a Business Organization Model. There is no OMG standard in this area, so the authors focus primarily on a slight variation what Rummler and Brache called a Relationship Map, (and in a recent article on BPTrends referred to as the Enterprise/Business Model). Bridgeland and Zahavi refer to the Rummler-Brache diagram as the *de facto* standard for an organization model.

As everyone knows, the standards process is invariably drawn out. The OMG adopted the first BPMN standard in 2006, for example, and is just now preparing to adopt BPMN 2.0 which is different in a number of ways. Anyone trying to write about the OMG's process standards is necessarily trying to shoot a moving target. To make matters more complex, the OMG is, historically, a software standards organization. It is trying to adopt and become more generic, but the fact is that its process standardization efforts are dominated primarily by individuals associated with IT and software products. From the perspective of someone, like myself, who is primarily focused on business concerns and process redesign, the OMG's efforts are too often IT-oriented and inappropriate for business uses. Thus, anyone trying to write a book about the OMG's business process standards faces a major challenge.

There are some very interesting sections in Business Modeling, but it also contains some serious problems and a couple of major errors. For example, the authors duck a rigorous definition of modeling. They then introduce a chart that suggests that software modeling began in the Nineties. (This would surprise structured methodologists, like Ken Orr and Ed Yourdon, who were doing software modeling in the Seventies.) They then suggest that business modeling began later, around 2003. A few pages later they admit that financial statements – which were initially created in the Renaissance -- are a kind of business model. And later still they suggest that the four models they are going to be talking about in this book are the NEW business models. (Rummler and Brache published Improving Performance in 1990 and had been using their Relationship Maps throughout the Eighties.) These examples may seem trivial, but little stuff like this adds up and is confusing to the reader.

The first major model Bridgeland and Zahavi tackle is the Business Motivation Model. In essence this model describes a number of business terms and the relationships among them. BMM defines Organization, Goal, Mission, Objective, Strategy, Tactics, and Influencers, for example. Most leading companies use several of these terms, and they usually don't use them in exactly the same way as the OMG. To make matters worse, other important terms like Key Performance Indicator and Measure are not included in BMM. Some organizations are trying to adopt the OMG's BMM, but to imagine that it's anything other than an arbitrary vocabulary defined by the OMG is optimistic at best.

Bridgeland and Zahavi duck many of the terms in the OMG standard while simultaneously pointing out that the OMG hasn't defined a graphical notation for BMM. They proceed to invent their own. There's nothing wrong with what they come up with, but it's basically a matter of drawing boxes and arrows to show which objectives are derived from which goals which are used by which organizations. I'm not sure how useful these diagrams are. Most organizations I know do this sort of thing with written statements.

Next, Bridgeland and Zahavi move on to what they refer to as Business Organization Models. They begin by discriminating between an organization chart (which they say defines people, roles and reporting relationships) and those from the nested box diagrams they introduce that show which organizational units contain which other units. The authors then move on and end up with a diagram showing an organization, in typical Rummler-Brache fashion, with the organization in the center, the suppliers on the left, the customers on the right, government above and competitors below. So far so good, but then suddenly our authors start showing organization diagrams with roles written inside the boxes. Rummler-Brache used Relationship Maps to show either organizational units, or roles, depending on their objectives. (Similarly, I have seen Organization Charts that only show organizational units and others that mix organizational units, roles and managers names.) I don't mind the flexibility – I think its necessary for this kind of work – but it destroys the neat distinction that Bridgeland and Zahavi had early insisted on to discriminate between Organization Models and Organization Charts.

So far we are only dealing with trivial matters – confusing as it may be. When the authors get to BPMN diagrams, however, they go beyond the trivial and introduce serious confusion. Figure 1 shows one of their diagrams (Their Figure 5.7). In essence it attempts to describe a restaurant process for serving customers.

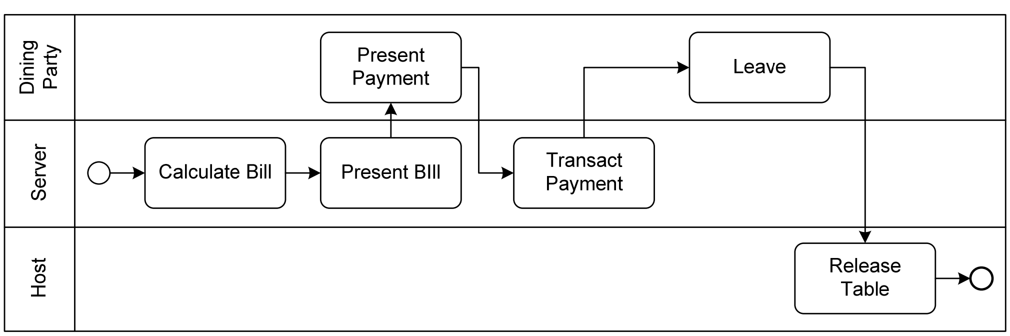

Figure 1. A business process from Bridgeland and Zahavi

Leave aside that this is an absurd process that surely doesn't really begin with Calculate Bill. The error is that our authors include the activities of the customers within the restaurant's business process. This violates their own definition of a process as a set of steps that a business uses to perform work. It also violates BPMN notational conventions and would lead to a really erroneous analysis if pursued.

A business process describes work done by a business. It is under the control of the business. It's a valuable feature of BPMN diagrams that they let you show what customers do, but that should not lead the analyst into thinking that what the customer does is part of the business process. What the customer does, if you want to focus on it, is the customer's process. The customer makes inputs and receives outputs from the business process but the two processes are profoundly different. (Imagine a customer who is trying to decide what to buy and checks with your company about a product while simultaneously checking with other companies.) Figure 2 shows how the OMG's BPMN specification defines an interaction between an external customer and a business process.

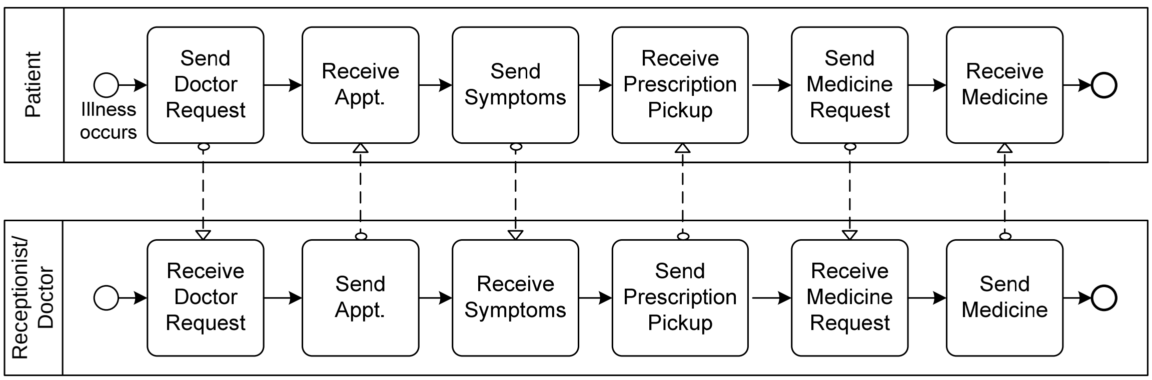

Figure 2. Example of Customer – Process Interaction from BPMN specification.

The basic distinction captured in Figure 2 makes it possible to see how the business process interacts with the customer. The Bridgeland-Zahavi alternative makes a clean analysis of the business process impossible. BPMN has moved to separating the customer process from the pool containing the business process (The lower lane in Figure 2.) Rummler-Brache didn't have this separation, but they certainly understood the importance of not confusing what a customer did with what a company did.

In another example, that incorporates this same confusion, the authors show the process including a box: Wait for Table. In fact, the business asks the customer to wait for a table. Some customer might walk out at that point, being unwilling to wait. If you diagram it the way Bridgeland and Zahavi do, your business process is in limbo because you have included a step that, in fact, isn't under the control of the business that is supposed to be managing the process.

Later in the process chapter, Bridgeland and Zahavi show how you might pair a motivation model and a process model. They argue that a business process realizes a course of action, and thus there is a one to one relation. This is true in a minor sense, but it is confusing a logical set of definitions with an empirical process. A good process may be designed to realize a course of action, but may fail to do so. By leaving measurement out of the motivation model we have a significant disconnect at this point. What you really want to do is have a KPI that specifies how you would judge whether the process is successful or not, and a measure that you could tie back to some goal. This disconnect isn't the fault of Bridgeland and Zahavi – it's a failure on the part of the folks who created these two OMG standards. But Bridgeland and Zahavi make it worse by trying to ignore the role of measurement and suggesting a simplistic relationship between stated goals and processes.

At the very end of the process chapter our authors show how an organization diagram – which they defined as picturing organizational units - is used to name the swimlanes on a BPMN diagram. That's OK as far as it goes, but then in most of their later swimlane diagrams they label the swimlanes with the names of roles and not departments, emphasizing the problems they have introduced with their earlier distinction between organization diagrams and organization charts.

Bridgeland and Zahavi follow the OMG line in their chapter on business rules. It works reasonably well when they treat rules as a decision point modeled by a gateway, but it breaks down a bit when they discuss rules contained within activities. This, again, primarily reflects problems with the OMG SBVR standard. The OMG has not yet figured out how processes and rules should be discussed, and it shows in this presentation. For example, the author's use the OMG approach to defining a business vocabulary for rules, but don't discuss how that vocabulary relates to the business vocabulary that someone developed when they created a BPMN model and named all their processes.

In later chapters the authors unexplainably wonder off into a discussion of developing a workshop to teach modeling. Some of it is interesting enough, but probably doesn't belong in this book. They also offer some general advice on how to create pleasing models, which is important, and they talk about simulation. Their discussion of simulating a business process is fine, but their discussion of simulating a motivation model is once again flawed because the BMM lacks an empirical element. How important is it to simulate logical relationships between goals and objectives? It would have been far more interesting to think a bit more about how KPIs and concrete measures might be included and might link objectives and measured results with the actual execution of realistic processes.

I can't recommend this book. It isn't a book for business managers – it is really a book for IT people who want some insight into the OMG emerging process standards. If you want to learn about the OMG's Business Motivation Model or the Business Rules Specification, go to the OMG website and download the actual specifications. If you want to learn about BPMN, read Bruce Silver's BPMN book that will be released this fall. It not only gets modeling right, but it gives really good advice on the pragmatics of modeling processes and it also explains how to develop pleasing diagrams.

There is a place for a book that explains the OMG modeling specifications, but *Business Modeling* isn't it. It probably isn't the time for such a book – the OMG is still working on most of these specifications and – in fact – they aren't serious standards yet, because, with the exception of BPMN, they aren't widely adopted. Thus, we don't have enough real experience with them and can't tell which aspects will be used and useful and which will simply fall by the wayside. In any case, whoever writes a book about OMG business modeling standards is going to have to be both a lot more careful with their definitions, and, at the same time, a lot more pragmatic about why business people model, if the book is to prove useful.

Paul Harmon is the executive editor of Business Process Trends website and the author of *Process Change* (2nd Ed).