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The Creation of Business Process Standards

Everyone agrees that we need standards. We need to agree on what side of the road to drive on, a currency to denominate contracts with, and standards for screw heads so we can use a common set of screw drivers. Every industry has its own set of standards, and every government has a national standards group. Beyond the common need, however, there are many differences. Some urge standards developed by formal standards organizations (de jure). Others prefer to let the dominant companies within an industry set standards (de facto). And, some let governments and trade groups set standards.

However they are created, most everyone agrees that both commerce and efficiency are improved when intelligently chosen standards are widely adopted. Imagine a merger between two different companies, each with a supply chain process. Most likely, the two processes use different terms to describe their activities. If the processes were modeled in software tools, the odds are that the models are incompatible. Similarly, the two sets of data are probably stored in different databases, in different formats and without standards it is difficult to compare, let alone merge, the processes. On the other hand, if both companies use the Supply Chain Council's SCOR framework, the two supply chains can be easily aligned and performance metrics can be accurately compared.

There are dozens of standards groups working to create business process standards. Some of the groups are public (ISO), some are industry consortia (BPMI, OMG, OASIS) and others are private (GE, IBM, Microsoft). Some companies cooperate, while others resist. Similarly, some standards groups cooperate, while others contend.

Figure 1 suggests some of the kinds of standards that might be useful for companies involved in business process management.

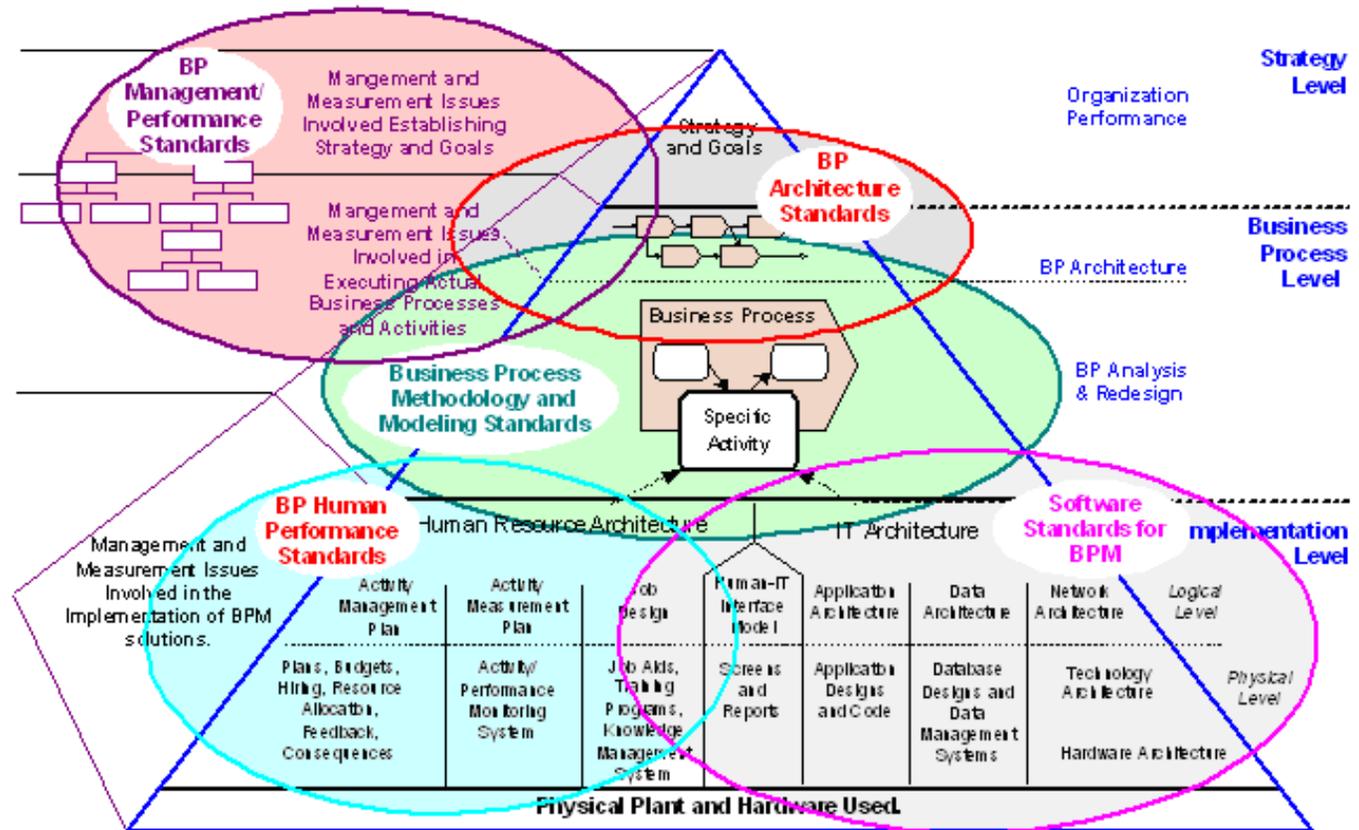


Figure 1. Five general types of business process standards.

BP Management and Performance Standards. Many industry groups define performance standards that allow companies to compare their performance against others in their industry. Similarly, benchmarking organizations provide information about industry benchmarks that enable companies to compare the performance of their processes. The best example of a de facto standard in this area is the Balanced Scorecard, a popular format and methodology for defining managerial goals and objectives.

BP Architecture Standards. A good example of an industry standard is the Supply Chain Council's SCOR, a standard that defines a vocabulary, high-level process models, process measures, and best practices for supply chains.

BP Methodology and Modeling Standards. This is a vast and complex area. One could easily include Six

Sigma and DMAIC in this area, just as one could include IDEF0, UML 2.0 Activity Diagrams, and BPMI's BPMN. One might also include ISO 9000 standards in this category.

Software Standards for BPM. This area is even more vast and complex. There are XML-based BP modeling languages, like BPEL, and architectures, like ebXML. There is IBM's new Event standard (to be submitted to OASIS) and the Object Management Group's (OMG) Business Rules, Business Organization, Ontology, and Business Process metamodels. There's the Workflow Coalition's XPDL, and the Telemangement Forum's NGOSS. Arguments about the value of fundamental mathematical approaches, like pi calculus or petri nets, might also fall in this area.

BP Human Performance Standards. There are methodologies like the International Society of Performance Improvement's (ISPI) HPT methodology, and many might include Balanced Scorecard here, as well.

Most companies would like to be able to obtain and use good standards, but few have time to involve themselves in even a few of these efforts, let alone all of them. Standards are usually developed by a strange combination of large companies that can afford the time and money required to participate in the effort and a few dedicated individuals who are passionate about the need for one or another standard.

The Business Process Management Initiative (BPMI) held a meeting in Miami last week where a wide variety of people got together to discuss some of the BP standards being developed and to brainstorm about possible future efforts. The meeting was focused primarily on Modeling and BPM software standards with BPMN, BPEL, and closely related standards largely dominating the discussions. BPMI hopes that it will become a catalyst for more cooperation among those working on BPM standards. It's too early to tell what will come of this effort, but they got off to a good start in Miami. For more information, check www.bpmi.org.

At this point, it seems the primary venue for BP software standards work is the OMG. OMG committees are working on Business Modeling, Business Rules, Ontology, and Organization standards, as well as several industry specific standards. The OMG's work is conducted at their Technical Committee meetings which occur 5-6 times a year. Their last meeting was in Burlingame, CA in January and we were impressed by the growing number of BP firms that have joined the OMG to participate in these efforts. For more information, check www.omg.org.

Readers who are interested in the technical underpinnings of BPM may want to consider participating in a group that is concerned with how Petri Nets and Pi Calculus can serve as a foundation for BPM systems. An informal group, sometimes referred to as the Petri-Pi Group, has scheduled a workshop on June 6-8 at Eindhoven University of Technology in the Netherlands. For more information, check http://www.smartgroups.com/groups/petri_and_pi. Expressions of interest and position papers should be sent to Roger Whitehead at rgw@office-futures.com.

In addition, the Third International Conference on BPM, which is technical and academic, will be held this year on September 6-7 in Nancy, France. There are several events planned in conjunction with this conference that will focus on standards. For more information, check <http://bpm2005.loria.fr>.

Those interested in architectural standards will want to follow the work of the Supply Chain Council which is beginning to think about how to extend SCOR to create a framework for describing the complete value chain. See www.supply-chain.org for more information.

The International Society for Performance Improvement (ISPI) is also planning a new SIG on business process management issues, and will include discussions and presentations on the subject at their April convention. Check www.ispi.org for more information.

This overview hardly begins to consider all of the different efforts underway. Suffice to say that there are some existing BP standards and a great deal of activity concerning new BP standards, many of which will be completed in 2005. While some of these standards won't prove all that useful, many will. Once these standards are established it will take between 12-18 months before they will be incorporated into software products, methodologies and training materials, but once they have, it will make it a little easier for everyone to build and manage their business processes.

'Til next time,

Paul Harmon

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