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Business Process Frameworks

Of all the many confusing terms thrown around by business process practitioners, frameworks is certainly one of the most confusing. It's used in several different ways and one always needs to qualify the term if one hopes to communicate a specific meaning. In this Spotlight, I'm using the term to refer to a formal description of a set of high-level processes, usually associated with metrics, that one can use as a template to quickly define a new or existing process. The best known example is the Supply Chain Council's SCOR (Supply Chain Operation Reference model). The Supply Chain Council is an organization made up of some 750 organizations. Thus, like many business frameworks, SCOR provides a common language and common metrics that all supply chain executives can use to discuss their processes. Other good examples are the TeleManagement Forum's eTOM framework, the Value Chain Group's Value Reference Model (VRM-- formerly called VCR). ITIL and COBIT are more narrowly defined examples of business process frameworks. ACORD, an Insurance consortium, is working on an insurance framework, and the Finance Task Force at the OMG is working on a finance framework.

Frameworks have been around for several years but are only now beginning to catch on at most companies. In the past, each company tried to figure out its own business processes, just as in earlier decades each company worked to figure out its own software applications. Today, most companies use ERP software applications for routine use, and, increasingly, smart companies are using business process frameworks rather than struggling to reinvent the process wheel. This isn't to suggest that companies are adopting VRM or eTOM without modification, any more than companies use ERP applications without tailoring them. A business framework provides a starting place and a common vocabulary which each company can edit for its own needs. For example, you can adopt 80% of a common framework and then focus on modifying the 20% that gives your organization its competitive edge.

Frameworks are becoming more commonplace as companies begin to embrace enterprise architectures and want to work out how all their business processes fit together. An enterprise effort can be a major undertaking, or it can be managed by means of a framework and be put into place very quickly. In a similar way, lots of companies are now interested in identifying and standardizing common processes in different divisions or in different parts of a merged organization, and business frameworks can make such an undertaking both faster and easier.

BPTrends has published articles on business process frameworks ever since we began publishing in December 2002. I hardly want to call out all the Articles, but as I look over the list, here are a few that I think are particularly useful. To organize your reading, I've grouped the articles by type of framework and characterized each one.

Value Reference Model - a generic framework that describes all the Level 1-3 processes in a value chain. Created and maintained by the Value Chain Group. www.value-chain.org.

- [The VCG and the SCC](#) Paul Harmon - September 20, 2005
In this Advisor, I discussed both SCOR and the Value Chain Group's VRM model. As I concluded, each has merits and you might want to support one or both.

I notice that the VCG is doing an executive briefing in Europe in June in Amsterdam. For more information, check their website for more information.

SCOR - a generic framework that describes the top 3 levels of a supply chain. It was created and is maintained by the Supply Chain Council. www.supply-chain.org

- [An Introduction to the Supply Chain Council's SCOR Methodology](#) Paul Harmon - January 01, 2003
I wrote this Article just after I took a workshop in SCOR. It provides a detailed description of how one uses SCOR to analyze and design a new supply chain process.

Joe Francis has been the chair of the Supply Chain Council and is currently their CTO. He's been writing a Column for BPTrends for several years. Many of his Columns describe his experience at HP, using SCOR, or insights he's gained since then. Here are a couple of my favorites:

- [Managing BPM: Bootstrapping](#) Joe Francis - December 02, 2003
This is the first of Joe Francis's BPTrends Columns back when he was still a senior BP manager at HP and Chair of the Supply Chain Council. In this Column, he talks about how his group at HP decided to extend the SCOR framework-based approach and use frameworks in a wide variety of HP projects.
- [Managing BPM: The Normal Modeler](#) Joe Francis - February 07, 2006
One of the big mistakes BPM teams make when they use reference frameworks is to try to force business process experts to use the vocabulary of the reference model to describe their processes. Joe Francis discusses this problem and others and suggests more appropriate ways to use frameworks.
- [Managing BPM: The Process Crawl](#) Joe Francis - October 04, 2005
In this Column, Joe Francis considers how the use of business process frameworks simplifies the task of capturing current process information in an organization.
- [Managing BPM: To O or Not to O](#) Joe Francis - July 05, 2005
This month, Joe Francis describes how he approaches outsourcing proposals using a business process framework like SCOR.

Here's another perspective on the use of SCOR with ERP implementations.

- [Why Working With Reference Models Increases Process Innovation](#) Albrecht Ricken - February 07, 2006
Albrecht Ricken and Ansgar Steinhorst have both spent the past 15 years working with global companies on ERP and Supply Chain systems. In this Article they consider how a business framework like SCOR can lead to dramatic improvements.
- [Using Lean, Six Sigma, and SCOR To Improve Competitiveness](#) Dan Swartwood - October 07, 2003
Dan Swartwood, a senior consultant for PRAGMATEK, describes how Lean, Six Sigma, and SCOR are

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evolving toward an integrated framework for tackling supply chain redesign.

- [Book Review: Supply Chain Excellence](#) by Peter Bolstorff - July 01, 2003
This is the first book to provide a detailed description of the Supply Chain Council's SCOR framework. It walks supply chain managers through all the steps involved in analyzing and designing an improved supply chain.

eTOM - NGOSS - a process framework for a telecom organization. Created and maintained by the TeleManagement Forum. www.tmforum.org

- [The TeleManagement Forum's eTOM framework](#) Paul Harmon - April 22, 2003
This Advisor introduced BPTrends readers to the TeleManagement Forum, a consortium of Telecommunication companies working together to share information about business and IT developments in telecommunications, including eTOM, their industry specific business process framework.

These two articles provide a much more in-depth discussion of eTOM and its technical infrastructure, NGOSS.

- [eTOM and ITIL](#) Jenny Huang - January 04, 2005
Jenny Huang, an OSS Architect and Standards Strategist at AT&T Labs, describes how AT&T is using the best of the TeleManagement Forum's eTOM and NGOSS standards and combining that framework with the IT Infrastructure Library (ITIL), a British IT service delivery and support standard that is rapidly becoming a de facto international standard.
- [TMF White Paper on NGOSS and MDA](#) - John Strassner - April 06, 2004
The TeleManagement Forum has been working on a business process framework, eTOM, and an associated enterprise framework, NGOSS. In this paper, John Strassner, Joel Fleck, Jenny Huang, Cliff Faurer and Tony Richardson describe the similarities between the TMF's NGOSS program and the OMG's MDA initiative.

ITIL - a process framework that focuses only on the service processes that IT provides. It was created by UK Office of Government Commerce (OCG) and is maintained by the IT Service Management Forum (ITSMF). www.itsmf.com

- [ITIL](#) Celia Wolf - October 05, 2004
In this short technical brief, Celia Wolf described how a UK standard, the IT Infrastructure Library (ITIL) is rapidly becoming an international, de facto standard for companies that want to define and improve IT Service Management processes.

Other Business Process Frameworks

- [What is a Management Process?](#) Paul Harmon - February 27, 2007
Many analysts routinely define processes as core, support or management processes. Several business frameworks specify management processes. In this Advisor, we will discuss the nature of management processes and consider who should be responsible for them. In particular, we consider CIBIT and how it functions as an IT management framework.

Business Process Frameworks will continue to become more popular as companies learn of their advantages, and BPTrends will keep covering developments in this area. Meanwhile, these BPTrends Articles should give you a good idea of why they are important.

Till next time,

Paul Harmon, Executive Editor

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