Understanding Business Processes

The benefit of using Visuals for Business Analysis
My Background
BA Role
BA Role / IM Role
Understand overall requirement
Identify the stakeholders
Understand the process
Understand issues or need for change
Key learning points
BA Role

“A business analyst is any person who performs business analysis tasks, no matter their job title or organizational role.” IIBA

Business Analysis tasks

1. Understand overall requirement
2. Identify the Stakeholders
3. Understand the process
4. Understand issues or need for change
5. Understand how to change
6. Document the change requirements
7. Support development of the changes
8. Support implementation of change
“A business analyst is any person who performs business analysis tasks, no matter their job title or organizational role.” IIBA

**Business Analyst**

1. Understand overall requirement
2. Identify the Stakeholders
3. Understand the process
4. Understand issues or need for change
5. Understand how to change
6. Document the change requirements
7. Support development of the changes
8. Support implementation of change

**Information Manager**

1. Understand Overall requirement
2. Identify Stakeholders
3. Understand the process
4. Understand information risks
5. Understand how to mitigate the risk
6. Document the mitigation recommendation report
# BA Role vs/ IM Role

For case study – Focus on these 4 Tasks

<table>
<thead>
<tr>
<th>Business Analyst</th>
<th>Information Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Understand overall requirement</td>
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</tr>
<tr>
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</tr>
<tr>
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</tr>
<tr>
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</tr>
<tr>
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</tr>
</tbody>
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Case study: “PO–Flip e–Invoicing”

1. **Understand overall requirement**
2. Identify the Stakeholders
3. Understand the process
4. Understand issues or need for change
Understand overall requirement

- Work with Request Owner to understand the Project Requirements.
- Draw high level Process Flow to verify my understanding
- Document Problem statement, Scope and Objective etc.
E2e Procurement and Invoice process

Client

Negotiate and Agree Contract → raise PO in ERP → Receive and reconcile

ePV (e-procurement Vendor)

Negotiate and Agree Contract

Load Order in ePV

Validate Order Revenue

Validate & Process Billing

Create Invoice

Retrieve Invoice

Access Order in Portal → PO Flip

Sales PMO

Invoicing System

Contract Management

B2B Execution Team
Case study: “PO–Flip e–Invoicing”

1. Understand overall requirement
2. **Identify the Stakeholders**
3. Understand the process
4. Understand issues or need for change
Identify the Stakeholders

User / SME / Process Owner

- Client
  - Negotiate and Agree Contract
  - raise PO in ERP
  - Receive and reconcile

- ePV
  - Load Order in ePV
  - Generate B2B Invoice

- Sales PMO
  - Negotiate and Agree Contract
  - Validate Order Revenue

- Contract Management
  - Validate & Process Billing

- Invoicing System
  - Create Invoice

- B2B Execution Team
  - Retrieve Invoice
  - Access Order in Portal
  - PO Flip

Use as-is process flow
Identify the Stakeholders

User / SME / Process Owner

Client

Negotiate and Agree Contract

raise PO in ERP

Receive and reconcile

ePV

Load Order in ePV

Generate B2B Invoice

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Negotiate and Agree Contract

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Invoicing System

Create Invoice

B2B Execution Team

Retrieve Invoice

Access Order in Portal

PO Flip

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Case study: “PO-Flip e-Invoicing”

1. Understand overall requirement
2. Identify the Stakeholders
3. **Understand the process**
4. Understand issues or need for change
Stakeholders from different background, different roles and different experience don’t see things the same way.

Draw High level Graphic Representation of the overall Business Function.

Align Stakeholder Understanding.
Understand the process

What do we mean by B2B?

Customer | Communication Channel | Supplier
---|---|---
**Procurement Transactions**
- Request for Service
- Request for Quote
- Purchase Orders

**Procurement Transactions**
- Quotation / Contracts
- Order Response
- Invoice

**Gateway**

- **Other Customers**
- **Customer ERP**

**Gateway**

- **Suppliers**
- **Supplier Systems**

**ePV**

- Electronic Purchase Vendor or Supplier Network

Understand the process

Align stakeholder understanding

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Current B2B Setup (PO–Flip)

Complex Operational Business Processes

Customer Business Rules
- Allow supplier to change unit price: y/n
- Allow supplier to increase quantity: y/n
- Allow Supplier to change Payment Terms: y/n
  Etc. (over 120 rules)

PO–Flip
- Access Order in GUI and “PO–Flip” it to an e–Invoice

Time consuming Process
B2B Invoice ultimate Objective

Understand the process  Align stakeholder understanding

Aligned Operational Business Processes

E2e Align Backend process
Understand the process

E2e Procurement and Invoice process

Client

- Negotiate and Agree Contract
- raise PO in ERP
- Load Order in ePV
- Validate Order Revenue
- Validate & Process Billing
- Create Invoice
- Retrieve Invoice
- Access Order in Portal
- PO Flip
- Receive and reconcile

ePV

- Generate B2B Invoice

Sales PMO

- Negotiate and Agree Contract
- Validate Order Revenue

Contract Management

Invoicing System

B2B Execution Team

Understand the process
Review, update and agree process
Understand the process

Problem Statement
• PO-Flip Invoicing is highly manual and time-consuming
• Many invoices faces various issues
• Issues identified so far includes:

Issues
› Payment Term Mismatch:
   › Payment Term on system invoice does not match Payment term on the ePV order
› Partial Billing of qty 1:
   › Service orders with qty 1 can only be partially billed via fraction quantities
› PO and Invoice line mismatch:
   › Invoice lines of system invoice can not be matched to the order lines
› Missing PO
   › PO referenced on system invoice can not be found in ePV
› Error PO:
   › PO in ePV has some form of error which can not be PO Flipped
› Non Contract T&C’s on Order
   › The order is submitted with T&C’s not recognized on the contract
› Attachment location issue
   › Attachments are stored in various different places based on country and LOB
Case study: “PO–Flip e–Invoicing”

1. Understand overall requirement
2. Identify the Stakeholders
3. Understand the process
4. Understand issues or need for change
Understand issues or need for change

Issue impacting process

Payment Term Mismatch

Client
- Negotiate and Agree Contract
- Enter order in ERP
- Receive and reconcile

ePV
- Load Order in ePV
- Generate B2B Invoice

Sales PMO
- Negotiate and Agree Contract
- Validate Order Revenue

Contract Management
- Validate & Process Billing

Invoicing System
- Create Invoice

B2B Execution Team
- Retrieve Invoice
- Access Order in Portal
- PO Flip

Can only PO Flip using incorrect Payment Term
Understand issues or need for change

**Payment Term Mismatch**

- **Client**
  - Negotiate and Agree Contract
  - Enter order in ERP
  - Load Order in ePV
  - Negotiate and Agree Contract
  - Validate Order Revenue
  - Validate & Process Billing
  - Create Invoice
  - Retrieve Invoice
  - Access Order in Portal
  - PO Flip

- **ePV**
  - Validate Order
  - Revenue

- **Sales PMO**
  - Negotiate and Agree Contract
  - IBM Payment Terms not specific enough
  - Incorrect Payment Term or. not rejected

- **Contract Management**

- **Invoicing System**

- **B2B Execution Team**

**Identify root cause**

- Payment Term can not be different in invoice
- Can only PO Flip using incorrect Payment Term
- IBM Payment Terms not specific enough

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Understand issues or need for change

- **Payment Term Mismatch**
  - Negotiate and Agree Contract
  - Enter order in ERP
  - Load Order in ePV
  - Validate Order Revenue
  - Validate & Process Billing
  - Create Invoice
  - Retrieve Invoice
  - Access Order in Portal
  - PO Flip

- **Partial Billing of Qty 1 Orders**
  - Large Service Orders placed with Qty 1
  - Unit Price cannot be different in invoice
  - Generate B2B Invoice

**Client**

**ePV**

**Sales PMO**

**Contract Management**

**Invoicing System**

**B2B Execution Team**

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Understand issues or need for change

- **Payment Term Mismatch**
  - Negotiate and Agree Contract
  - Client

- **Partial Billing of Qty 1 Orders**
  - Large Service Orders placed with Qty 1
  - Load Order in ERP
  - ePV

- **PO and Invoice Line Mismatch**
  - Unit Price can not be different in invoice
  - Receive and reconcile

- **B2B Execution Team**
  - Generate B2B Invoice
  - PO Flip

- **Negotiate and Agree Contract**
  - IBM Payment Terms not specific enough
  - Validate Order Revenue
  - Sales PMO

- **Validate & Process Billing**
  - Incorrect Payment Term ord. not rejected
  - Partial billing with qty 1
  - Validate Order Revenue

- **Create Invoice**
  - Cant process invoice w/o using fraction qty
  - Invoicing System

- **Retrieve Invoice**
  - Cant Match Partial billing Invoice to order
  - B2B Execution Team

- **Access Order in Portal**
  - Can only PO Flip using incorrect Payment Term

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24
Understand issues or need for change

- **Payment Term Mismatch**
  - Negotiate and Agree Contract
    - Uses different Payment Term than in contract

- **Partial Billing of Qty 1 Orders**
  - Load Order in ePV
    - IBM Payment Terms not specific enough

- **PO and Invoice Line Mismatch**
  - Validate Order Revenue
    - Incorrect Payment Term ord. not rejected

- **Missing / Error PO’s**
  - Validate & Process Billing
    - Partial billing with qty 1

- **B2B Execution Team**
  - Create Invoice
    - Cant process invoice w/o using fraction qty

  - Retrieve Invoice
    - Accurate order not available for PO Flip

  - Access Order in Portal
    - Can only PO Flip using incorrect Payment Term

  - PO Flip
    - Cant Match Partial billing Invoice to order

  - Generate B2B Invoice
    - Payment Term can not be different in invoice

  - Receive and reconcile

  - Generate Invoice

  - Update Invoice

  - Receive and reconcile

  - Load Order in ePV
    - Large Service Orders placed with Qty 1

  - Validate Order Revenue
    - Orders expired, not raised on time or errors

  - Validate & Process Billing
    - Partial billing with qty 1

  - Create Invoice
    - Cant process invoice w/o using fraction qty

  - Retrieve Invoice
    - Accurate order not available for PO Flip

  - Access Order in Portal
    - Can only PO Flip using incorrect Payment Term

  - PO Flip
    - Cant Match Partial billing Invoice to order

  - Generate B2B Invoice
    - Payment Term can not be different in invoice

  - Receive and reconcile
Understand issues or need for change

**Client**
- Negotiate and Agree Contract
- Enter order in ERP
- Load Order in ePV

**ePV**
- Generate B2B Invoice

**Sales PMO**
- Negotiate and Agree Contract
- Validate Order Revenue
- Validate & Process Billing
- IBM Payment Terms not specific
- Incorrect Payment Term ord. not rejected

**Contract Management**
- Store attachment in various local repositories
- Validation time-consuming and risky
- Billing processed w/o order line reference
- Partial billing w/o qty 1

**Invoicing System**
- Create Invoice

**B2B Execution Team**
- Retrieve Invoice
- Access Order in Portal
- PO Flip
- Cant process invoice w/o using fraction qty
- Can only PO Flip using incorrect Payment Term
- Cant Match Partial billing Invoice to order
- Accurate order not available for PO Flip
- Time consuming locating attachment

**Payment Term Mismatch**
- Partial Billing of Qty 1 Orders
- PO and Invoice Line Mismatch
- Missing / Error PO's
- Non Contract T&C’s on Order
- Attachment location issue
In Summary

E2e Procurement and Invoice process

Client

- Negotiate and Agree Contract

ePV (e-procurement Vendor)

- Negotiate and Agree Contract
- Load Order in ePV
- Validate Order Revenue
- Validate & Process Billing
- Create Invoice

Sales PMO

- Negotiate and Agree Contract
- Validate Order Revenue

Contract Management

- Retrieve Invoice
- Access Order in Portal
- PO Flip

Receive and reconcile

Generate B2B Invoice

In Summary

B2B Execution Team

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High Level Process Flow

Invoicing System

Create Invoice

Receive and reconcile

B2B Execution Team

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In Summary

E2e Procurement and Invoice process

Verify I Understand the Requirements

Client

ePV (e-procurement Vendor)

Sales PMO

Contract Management

Invoicing System

B2B Execution Team

High Level Process Flow
In Summary

User / SME / Process Owner

Client

- Negotiate and Agree Contract
- raise PO in ERP
- Load Order in ePV
- Receive and reconcile

ePV

- Verify I Understand the Requirements
- Identified the Stakeholders

Sales PMO

- Negotiate and Agree Contract
- Revenue

Contract Management

- Validate & Process Billing

Invoicing System

- Create Invoice

B2B Execution Team

- Retrieve Invoice
- Access Order in Portal
- PO Flip

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Verify I Understand the Requirements

Identified the Stakeholders

Understood the Process

In Summary
Verify I Understand the Requirements

Identified the Stakeholders

Understood the Process

Identified issues and the need for change
1. Understand overall requirement
2. Identify the Stakeholders
3. Understand the process
4. Understand issues or need for change
5. Key learning points
The benefit of visuals

- Enables Quick Understanding of Business Model, Issues and Project Objective
- Provides a Visual Concept of the project
- Enables and encourages participation from stakeholders
- Allow stakeholders to correct and improve BA’s understanding
- Highlight different understanding within the stakeholder team
- Allows alignment of stakeholder understanding
- Causes team to start thinking about the issues and how to address them
- Most Important: Brings everyone on the same page and establish a good base for further analysis
Questions?
Socialise Proposal to strengthen it
- Share proposal as wide as possible and ask for feedback ..... 
- If agreement – more stakeholders agree = stronger proposal 
- If disagreement – analyse and adjust as appropriate = stronger proposal

Change management as a bonus
- Including User, SME and Process owner in analysis and resolution
- automatic buy-in and agreement from people who will implement
- Change management for free!

Instant Resolution
- Including technical stakeholders on process mapping calls (if possible)
- They will understand better what they have to build
- As issue encountered, propose possible solution to user. If acceptable ask whether technical team can build – they usually can – problem solved.
Key learning points

- Use of process diagrams

Powerpoint
Key learning points

Poor visual value
Key learning points

B2B Enablement Process

1. Start
   - Pre-Concept Request from Assurance Board
   - Assign resources and Pre-concept Project Kickoff
   - Request Solution Proposal

2. Compliance repository
   - Update Compliance Repository and Inform BDC
   - Request City Tax data
   - Provide City Tax data

3. Standard Solution
   - Yes
   - No

4. Solution proposal & Compliance Walkthrough
   - Provide Compliance SME input

5. Solution design review
   - Review & Approve
     - Compliance Questionnaire
     - Technical Approval

6. Peer Review w/ Invoice & Compliance SME
   - Submit Compliance Questionnaire for Tax approval

7. Build Compliance Questionnaire
   - Submit Solution Request & To-Be

8. ROM Sizing & Approve via Assurance Board
   - Concept Project Plan
   - Acceptance
   - No

9. Input to Process Owner facilitating sign off
   - Input Draft contract to Compliance Walkthrough

10. Signoff & Store Contract & Local Addendum
    - Negotiate, Agree And update documentation

11. Approval Input
    - Gain Stakeholder Approval

12. Sample Invoice Client Approval
    - Manage Implementation

13. Move to Production & Go Live
    - Provide Solution implementation Training material

14. Provide Test scope and scenarios
    - Connectively Choreography and Mapping Document Creation

15. End
    - Manage ePV And Client Implementation

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