Business Process Analysis Methodology

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Abstract

Analysis of the both external and internal working environment together is required for the growth of any business. The internal analysis related to the current position of the organization with respect to various serviceable areas like finance, production, R&D, marketing, and so on, which reveals its strengths and weaknesses of the organization. In the course of the external analysis conduct research on the production environment, business environment to identify the different threat and opportunity posed on the company which is discussed here. Risk taking change introduced for the purpose of maximizing economic opportunities. Creative process may be a new use for the old product or even change in the marketing technique, may be by offering lower price or attractive free gift or new or better product, a new convenience or the creation of a new are analysis here.

Keywords

Business process analysis;
Entrepreneurship;
Environmental factors analysis;
Generalized strategies management;
Risk management and analysis;
Strength and weakness analysis;

I. INTRODUCTION

The various inherent strengths and temporary weaknesses of the organization and different kind of opportunities and various threats analysis play important roles for any organization development[1]. The process of relaxation of government restrictions and economic reformation may create incredible opportunities for growth of various industries and organization [2]. The severe effects of any organization or institution due to these effects is different difficulties appear to them dynamically [3]. To meet such challenges, it required to quality enhancement as well as to improved competitive strengths by technology up gradation [4]. It becomes significant problems which need to sustain under emerging pressures and also increase overall growth rate.

The sincere effort by the members of the organization may ensure a bright future by conquering different problem [5]. The entrepreneurs

have to devote significant importance on the services quality and also the quality of product i.e., 'Better quality and better productivity'. Hence, it is the prerequisite for every entrepreneur has to provide more interest on R&D cell [6]. Process flow diagrams are a component of a prepared representation in the expansion of software as well as business modeling [7]. Data Flow Modelling is a widely used and matures the analysis method. It is suggested as the mainly prepared technique. It is a graphical method which is used to describe the data flow. This method can transform the data that are useful as information to shift from input to output [8]. Generally, data flow diagrams are techniques to illustrate the consumers a graphical study of a software scheme. This methodology also used to analysis the progress of any business system.

In the Section II, overview of the business process analysis described, followed by environmental factors analysis of business process. Generalized strategies analysis and advantages are discussed in Section IV followed by conclusion.

II. ANALYSIS OF BUSINESS PROCESS

Innovation is the appropriate step towards continuous growth. To innovative capability of an organization is one of the important pillars for any organization sustained an extended period [9]. The investigation of the existing situation is carried out by both internal environment investigation and external environment investigation and analysis.

Research on the both internal and external environment analysis together called SWOT Analysis methods [10]. These procedures are for realization of various strengths and weak points, different opportunities and reflected problem or threats of any establishment [11]. The SWOT Analytical procedure is generally utilized by any institution for their future planning towards the organizational growth.

For the internal analysis strengths and weakness which will cover the organizational position [12]. The internal analysis will do the necessary scanning its internal resources, various functional areas like R & D, production, marketing, etc. More specifically a deep research is carried out on profitability, sales volume, market share, etc. which will make known its various strength and different weakness.

For external analysis various opportunities and different threats are related to the working environment by recognized all kind threat and opportunities related to its products quality, services, performance, competitive and various activity including the organizational growth.

A. Strength and Weakness Analysis of the Business Process

Every organization required to estimate and recognized its strengths and weaknesses sporadically [13]. These processes generally carried out by internal team members or by an outside consultant. In these exercises, investigate various company strengths and weaknesses and find out all possible solution to rectify all of its weakness and convert it into opportunity and convert it into its strength.

Some of the important parameter for this analysis are:

(i) accessibility of necessary infrastructure, (ii) production capacity, (iii) trained manpower, (iv) high-quality manufacturing practices, (v) quality assurance, (vi) quality control, (vii) minimum manufacturing cost, (viii) suitable corporate attitude on R & D, (ix) facilities for product and process development, (x) accessibility of top R & D personnel (xi) proper budget for all the department or segment, (xii) appropriate location, (xiii) wide distribution network, (xiv) motivated staff, (xv) stable resources and consistency in profits, (xvi) good corporate image and brand image, (xvii) efficient management team, (xviii) flexible/responsive human resource management cell.

If any association have not meet any one of above points, may be consider as weakness. Few major weaknesses of an organization are

(i) rising production cost and maintenances cost, (ii) non-availability of raw material, (iii) scarcity of fund, (iv) utilization of capacity inefficient way, (v) unhealthy union and lack of effective co-ordination, (vi) problems of delegation of authority and unprofessional management team and insufficient managerial expertise, (ix) inadequate project planning, (x) poor infrastructure, (vii) shortage of skilled technicians, (viii) unorganized operation procedures.

B. Opportunity and Threat Analysis of the Business Process

An organization must be familiar with the different segment of the organization carefully to achieve desire goals [14]. It is essential to monitor different macro factors like economic, demographic,

technical, social factors, legal, political, and important micro environmental factors like all kind of customers, different competitors, distribution process, supply chain management, etc. which will directly influence the profits. For each development or establishment, management requests to recognize the disguised opportunity and intimidation for various profit.

Some of the common opportunities are:

(i) Increasing population, (ii) enhancement in disposable source of income and easy availability of money, (iii) international market, (iv) availability of advanced technology, (v) flexible/responsive government policies, (vi) online marketing etc.

An environmental difficulties or threats are a challenge may cause profit decline. Some of the crucial threats of an business organization are (i) tough competition, (ii) recession, (iii) prolonged economic depressions, (iv) financial policy consequential into taxes hike, licensing problem, preferences (v) raising of cost, (v) technological obsolescence and rejection by the market or changing customer tastes (vi) difficulty in retaining technical experts and resource crunch and (vii) climatic changes. Some basic questions related to small business are

Strengths

What are unique products or services plan to?

What resources do you have access to provide?

What advantages over the competitors?

What expertise and technology?

How customers recognize those expertise and technology ?

Weaknesses

What resources lack?

Why business not well?

Opportunities

Where are the good opportunities?

What trends influence the target business?

Which opportunities match with strengths?

Threats

What threats are taking place?

How it affect the business?

How can the economy affect your business?

How the competitors doing that could impact the business?

How weakness are improve?

On successful completion of the SWOT analysis, an business organization able to identify the present situation and may take necessary actions for future growth.

III. ENVIRONMENTAL FACTORS ANALYSIS OF BUSINESS PROCESS

A powerful business analysis models is PEST analysis. It is basically a tool or framework generally used by organization mainly marketing management group to analyze and also for monitoring the external marketing environment and various macro-environmental factors those have both direct and or indirect impact on the organization. The result mainly based on threats and weaknesses identified during the SWOT analysis. PEST is commonly used as analytical tools to analyze and develop various business strategies [15]. PESTE analysis is an analytical model investigative the external environment of the organization and the various international factors which may have direct or indirect affect on the organization. It may provide a quick survey on the various external pressures [16] generally facing by the business organization and their all possible constraints analysis related to its strategy planning. It generally subdivided into four external categories (i) political analysis, (ii) economical analysis, (iii) social and cultural analysis, (iv) technological analysis.

Political analysis: The main objective of this analysis is to find how political environments affected the organization. This analytical process model also analysis local political environments, national political environments and also global political environments which are affected or may be affected the present strategy of the organization. Target analysis areas to be covered (i) all kind of consumer laws and regulation, (ii) any kind of political pressures may be directly or indirectly, (iii) overall local government views on the certain organization or all kind of business, (iv) local, state, national or international government business policies and issues which are affected the business.

Economic analysis: To analysis how various economic factors may influence on the organization. This analytical process model also analysis (i) various consumer activities including static or dynamic activity, such as regular spending patterns, (ii) Present economic and financial conditions, such as inflation, unemployment, growth, etc. (iii) various government rules and regulations, also different policies like financial, monetary, global exchange rates, etc.

Social and cultural analysis: Different rigid cultural alignment some time becomes difficult. New business or re-establishing old production may have to face different changes in the production and market [16]. The main object of this analysis is to

detect different competitive advantages over the competitor may gain by the sociological changes. Under this analysis basically considered (i) customer trends and their motives, (ii) increase demands of any product markets, (ii) security condition, e.g. increase in crime may cause a business to increase insurance costs, (iii) pressure groups, such as environmental groups, human rights department, local community groups etc.

Technological analysis: This analytical testing model mainly related to find various effects of technology and currents trends of technological revolution or how new technology improves the present business activities.

Under this analysis basically considered (i) impact of technological development, (ii) impact of IT enable marketing, (iii) increase extra features of the existing products. Modern technology enable business may be replaced by new products or old products with extra features have an direct effect in the business. New production methods may be required to adopt for the existing technology.

IV. GENERALIZED STRATEGIES ANALYSIS AND ADVANTAGES

It is essential for any organizations to avail various competitive advantages. The model mainly consisting of three different bases: (i) cost leadership, (ii) differentiation, and (iii) focus or desire target. Under the cost leadership accentuates constructing or manufacturing the regular products for price-sensitive consumers at comparatively low per-unit production cost.

Generalized strategies also includes differentiation, a strategy aimed at producing products and services considered unique industry wide and directed at consumers who are relatively price-insensitive [17]. Focus mainly given on the production line targeting to minimized the production cost and improve different services for small groups of customers.

An organization can succeed only if it insists upon 'creativity' or 'constant innovation'. Creativity should be a continuous process in any organization, be it a sole trading concern, a partnership firm, a small scale industry or a large scale organization [18]. Creative process is necessary because, the intention of every organization is to increase sell, which is possible only by creativity. Any business enterprise has only two fundamental functions: marketing and innovation. Creative process may refers to purposeful, organized, risk taking change introduced for the purpose of maximizing economic

opportunities. It is the prerequisite for enhanced economical growth, by introducing relevant changes in different components of the marketing- mix. Creative processes are for new and better product, new use for the old product, improvement in design or even in the marketing techniques. It only controls one procedure node that simplifies the purpose of the whole scheme in connection to external entities.

In business flow diagram in a context diagram shows how the structure is separated into two or several sub-systems where every of which contract by one or more of the data flows to or from an external negotiator. It provides jointly all of the functionality of the system as a whole. Data Flow Modelling is a widely used and matures the analysis method. It is suggested as the mainly prepared technique.

Organizations before launching new product or for innovation are essential to conduct a different analysis to evolves it's all kind of resources, strength and various opportunities which are easily available, awareness about weakness and different threats. The various advantages for carry out a are

(i) An entrepreneur can easily know current market trends and how their product sustained in the competitive market by analyzing their strengths.

(ii) It also helps to develop innovative product and technology in enhancement.

(iii) An organization able to decide the right time to change the existing product or it is the time to develop a completely new product.

(iv) On the basis of information, entrepreneur's able to improve the production process.

(v) All the team members and employee of the organization get clear view of the short term duty and also long term assignment of the every department of the organization.

(vi) During this analysis many unconventional options or excellent opportunities and threats of an organization identified.

(vii) Plans can be formalized and priorities determination of different goals can be framed easily.

(viii) All the major operations and their sub-operations of the organization can be modified easily to fulfil the desire target.

(ix) The social, cultural, economical, technological, legal, political, etc. factors can be analyzed deeply which is essential for an organization.

V. CONCLUSION

For any creative process or any existing business process and any new and better product, a new use

for the old product, improvement in design or even in the marketing techniques analysis is an important procedure. Organizations before launching a new product or for innovation are essential to conducting a SWOT Analysis to evolves it's all kind of resources, strength and various opportunities which are easily available, awareness about weakness and different threats. It is basically a tool or framework generally used by organization mainly marketing management group to analyze and also for monitoring the external marketing environment and various macro-environmental factors those have both direct and or indirect impact on the organization. Generalized strategies management, which is essential for any organizations to avail various competitive advantages. In these exercises, investigate various company strengths and weaknesses and find out all possible solution to rectify all of its weakness and convert it into opportunity and convert it into its strength.

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