# **Summers 2020 Mid-Term Assignment**

Course Name	Max. Marks	Max. Time	Date		Instructor
Business Process Engineering	30	4 hours	25 <sup>th</sup>	August	Aasma Khan
		9AM-	2020		
		1PM			

Name : Alamgir Khan	Id: 13379
Course: Business Process Engineering	BS(SE)
Date: 25/08/2020	Section: (A)

- Attempt all questions.
- Marks will be given as per the DEPTH of the answer, not LENGTH.

**Question No: 01** (5+5)

a) What is a Business Process? Briefly explain different process types and illustrate it using figure. Name any 5 process improvement programs.

# **Answer No 1 Part (a):**

## **Business Process:**

A business process is a series of responsibilities that a group of stakeholders take on to achieve a concrete goal. At each stage of the business process, the task assigned to a partner is identified. It is the basis of many relevant ideas such as business process management, process automation and so on.

## **Different process types:**

## 1) Sales:

Sales standalone type of business process which can make a company.

## 2) Customer service:

Since sales is an essential and primary type of business process the next one is customer service. Once the sales orders are generated it is essential that there is a back in the team which process is the orders and provides them to the customers.

## 3) Finance department:

Once the business picks up and the money starts flowing and it is essential to manage the finances.

## 4) Operations processes:

Supply chain management and operations on the primary skill are an essential part of the business and that is why are categorized under primary processes.

### 5) Production:

Production or manufacturing of the product is of paramount importance for any business to run.

## 6) Accounting process:

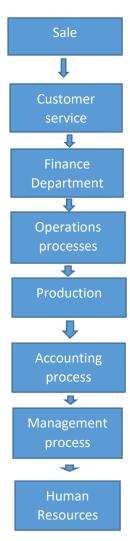
The finance department is a basic requirement of every organization but Accounting processes are essential for the smooth and efficient performance of the finance department

## 7) Management process:

While it is essential that the top management is present in the company irrespective of its size, the middle management comes into the picture when there is an expansion of the organization.

#### 8) Human Resources:

While it is important to have a human resources department, it is not exactly crucial and organization working doesn't stop without having a Human resource department.



## **5 process improvement programs:**

Improving product quality

Upgrade service quality
Improve delivery times
Reduce billing cycles

Make production more efficient

# b) Explain the difference among value added, non-value added and control activities with example.

## **Answer No 1 Part (b):**

#### Value added:

Added activity might involve completing an accounting statement or drawing for the customer.

## **Example**

Examples of common value-added resellers are computer retailers and service companies, automobile dealerships, and furniture stores.

#### Non-value added:

On the other hand, a Non-Value Added activity could include the copying and filing of documents

## **Example**

Examples might include drilling, piercing or welding a part. Non-Value Added activities, or those that consume valuable resources but do not meet the CPR criteria

#### **Control activities:**

Control activities are policies, procedures, techniques and procedures that ensure that management response is implemented to reduce the risks identified during the risk assessment process. In other words, control activities are measures to minimize risk.

#### **Example**

Segregation of Duties. Duties are divided among different employees to reduce the risk of error or inappropriate actions.

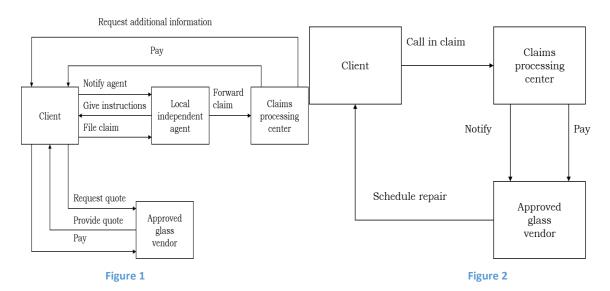
Authorization and Approval.

Reconciliation and Review.

Physical Security.

**Question No: 02** (10)

Below is the example of Claim Handling in a Large Insurance Company, Figure 1 is for the existing design and Figure 2 is for new recommended design, identify the procedural and structural changes with the new recommended design.



#### **Answer No 2:**

The recommended design is very simple so identify the structural changes is that the new design remove the local independent agent so the client direct communicate with claims processing center and the procedural changes the new design changes are very simple the so the existing design the client notify, give instruction and file claim to the local independent agent but in the new design change it and no more needed that, only the client call to the claims processing center and also the existing design the client request for quote to approved glass vendor and then approved glass vender provide quote to client and then client pay for quote but in new design it is very simple client call to claims processing center and claims processing center notify and pay to approved glass vendor and then approved glass vender send repair schedule to the client.

Question No: 03 (5+5)

a) Explain CPS model with figure and why we use it?

#### **Answer No 3 Part (a):** Stage 1 Stage 2 Stage 4 Stage 3 **Definition:** Creative Blocker ID: where we matching: understanding work to the the process putting in pinpoint the issues that of matching place the true nature stand in the creative creative of the techniques that way and problem will provide creative developing solving challenge the solutions ways to techniques we seek neutralise to problems them

#### **CPS** model:

Creative problem solving (CPS) is a way of using your creativity to develop new ideas and solutions to problems. The process is based on separating divergent and convergent thinking styles, so that you can focus your mind on creating at the first stage, and then evaluating at the second stage.

And we use CPS model for clarifying the problems and set our mind to how solve the problems and also use for best developing and implementation to give better result.

# b) What and when it is needed to re-engineer Business Process Re-engineering?

## **Answer No 3 Part (b):**

# **Business process reengineering:**

Business process reengineering is the act of recreating a core business process with the goal of improving product output, quality, or reducing costs. Typically, it involves the analysis of company workflows, finding processes that are sub-par or inefficient, and figuring out ways to get rid of them or change them.

## When needed to re-engineer Business Process Re-engineering:

Business Process Reengineering involves the radical redesign of core business processes to achieve dramatic improvements in productivity, cycle times and quality. In Business Process Reengineering, companies start with a blank sheet of paper and rethink existing processes to deliver more value to the customer.