

Face to Face.....

IT - SM Made Simple With OM TRIVEDI



Know Your Faculty

- Faculty Member of ICAI.
- Alumnus of Indian Institute of Management – Kolkata.
- More than 8 years' teaching experience in CA course.
- A renowned author of best-selling CA books, a corporate speaker and an educationist.
- Expert on competition studies, value creation, competitive advantages, management information systems and process improvement techniques.
- Management consultant and advisor to several Indian and multinational companies.
- Worked with eminent MNC's like Thomson, Firewall, Macmillan and McGraw-Hill.
- Partner with LexisNexis India (A Reed Elsevier Group Company) and MD of Carvinowledge Press.
- With an experience of more than a decade in industry, he has huge exposure to the dynamics of various organizations.
- I am still chasing "Perfection".

Author of Best-Selling Books



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QUICK BITES

Information Technology and Strategic Management

[For CA-Intermediate (IPC) Course]

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Quick Bites Information Technology and Strategic Management

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Part 1—Business Process Management and IT

Chapter 1: Introduction to Business Process Management

Business Processes

Business process is a set of steps of the process or activities that you and the personnel providing services perform to complete the transaction.

A business process comprises a combination of number of such independent or interdependent processes as:

- Developing new product
- Customer order processing
- Bill payment system

Overview of Business Processes and Process Flow

Business Process Flow

- A business process flow is a prescribed sequence of work steps.
- It is performed in order to produce a desired result for the organization.

Accounting Cycle

- Accounting covers the business processes involved in recording and processing accounting events of a company.
- It begins when a transaction occurs and ends with its inclusion in the financial statements.

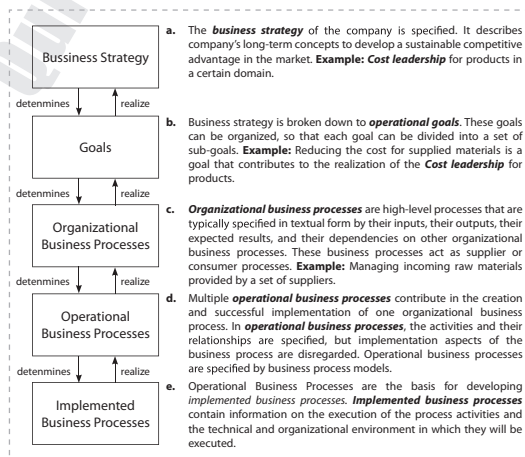
Sales Cycle

- Order to Cash (OTC or O2C) covers all the business processes relating to fulfilling customer requests for goods or services.
- It involves transactional flow of data from the initial point of documenting a customer order to the final point of collecting the cash.

Purchase Cycle

- Procure to pay (purchase to pay or P2P) cycle covers all the business processes relating to obtaining raw materials required for production of a product or for providing a service.
- It involves the transactional flow of data from the point of placing an order with a vendor to the point of payment to the vendor.

Classification of Business Processes



What is Process Management?

Process management involves concerted efforts to map, improve, and adhere to organizational processes.

Steps to manage a process:

- i. To **define** the steps (tasks) in the process.
- ii. To **map** the tasks to the roles involved in the process.
- iii. To **implement** the steps (tasks) in the process.
- iv. To **establish** performance measures to improve the process.
- v. To **set up the organizational**

Business Process Management (BPM)

What is BPM? BPM is a set of functions in a certain sequence that, at the end, delivers value for an internal or external customer.

BPM is a methodology used by the enterprises to improve end-to-end business processes.

Objectives of BPM

- To evaluate the efficacy and usefulness of business processes
- To constantly analyze
- To assess the usefulness of these processes

Benefits of using Techniques for BPM

- i. Effectiveness gains for enterprises
- ii. Creation of basic operational value proposition
- iii. Revenue growth

Benefits of Using Techniques for BPM

- | | |
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| i. Effectiveness gains for enterprises | iii. Revenue growth |
| ii. Creation of basic operational value proposition | iv. Process improvements |
| | v. Goal fulfillment |

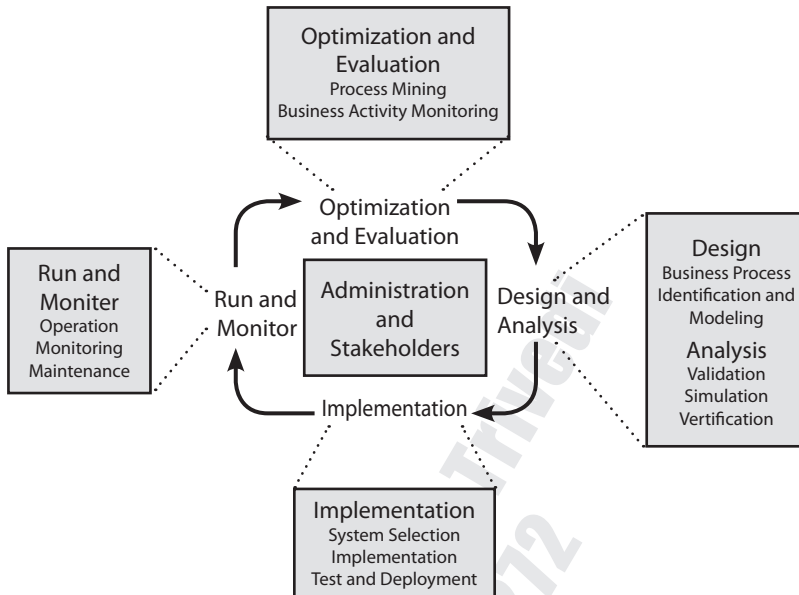
BPM Principles

- i. Processes are assets
- ii. Processes produce consistent value to customers
- iii. Continuous improvement of processes
- iv. Role of IT

BPM Practices

- i. Strive for process-oriented organizational structure.
- ii. Appoint process owners.
- iii. Senior management needs to commit and drive BPM.
- iv. Execution of BPM process improvements should take a bottom-up approach.
- v. Put in place information technology systems to monitor, control, analyze, and improve processes.
- vi. Work collaboratively with business partners on cross-organizational business processes.
- vii. Continuously train the workforce and continuously improve business processes.
- viii. Align employee bonuses and rewards to business process performance.
- ix. Utilize both incremental (e.g., Six Sigma) and more radical (e.g., BPR) methodologies to implement process improvement.

Phases of Business Process Management-Life cycle



Theories of Process Management

Six Sigma

Six Sigma is a highly disciplined process that helps us focus on developing and delivering near-perfect products and services.

Six Sigma has its base in the concept of probability and normal distribution in statistics. Six Sigma strives that 99.99966% of products manufactured are defect free.

It also follows a life-cycle having phases: Define, Measure, Analyze, Improve and Control (or DMAIC)

Total Quality Management (TQM)

Total Quality Management (TQM) is a people-focused management system that aims at continual increase in customer satisfaction at continually lower real cost.

Business Process Reengineering

A business process comprises a combination of number of such independent or interdependent processes as:

- Developing new product
- Bill payment system
- Customer order processing

Reengineering: The complete rethinking, reinventing and redesigning of how a business or set of activities operate.

BPR: Business Process Reengineering (BPR) involves **fundamental rethinking** and **radical redesigning** of a **business process** so that a company can create best value for the customer by eliminating barriers that create distance between employees and customers.

BPR Success Factors

- i. Organization wide commitment
- ii. BPR team composition
- iii. Business needs analysis
- iv. Adequate IT infrastructure
- v. Effective change management
- vi. Ongoing continuous improvement

Chapter 2: Business Process Management (BPM) Implementation and Role of IT

Need for a BPM Implementation

- a. To create the long-term future positioning of the business and enhance its future capability.
- b. To create short-term cost effectiveness and improvement to current customer service.
- c. To initiate continuous improvement from the base of the current, but improved, processes.
- d. To introduce a knowledge of product and customer profitability.
- e. To re-engineer the business radically and provide clear future competitive differentiation.
- f. To address the cultural barriers that prevent effective cross-functional and hierarchical working.
- g. To introduce leadership and a role for managers and empowered staff.

How does BPM lead to success?

The volume of work and the complexity of the business process demand that organizations look for possible IT applications to support and automate their processes.

- a. Enterprise Content Management (ECM) system
- b. Customer Relation Management (CRM) system
- c. Enterprise Resource Planning (ERP) system

Active Design + Optimal Add Value + Integrated Networking = Success

What is Business Process Automation (BPA)?

"A business process is a set of activities or strategies to automate business processes so as to bring benefit to enterprise in terms of cost, time and effort."

Business Process Automation (BPA): Removing the human element from existing business processes by automating the repetitive or standardized process components.

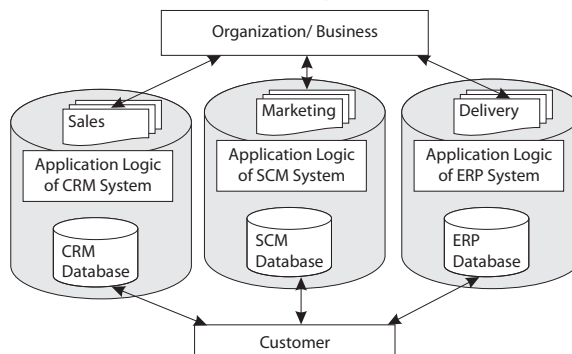
The Key Benefits of Business Process Automation

- i. Improved Efficiency
- ii. Better Process Control
- iii. Improved customer service
- iv. Flexibility
- v. Business process improvement
- vi. Improved procedures
- vii. Improved assignments

Automation of the Functional Units

Functional areas: in an organization are based on the functional capabilities, viz; sales, marketing, Supply chain, customer service, finance, production, research and development and human resource.

Automation of functional units: means the automation of all the functional areas involved in day to day business transactions or business processes.

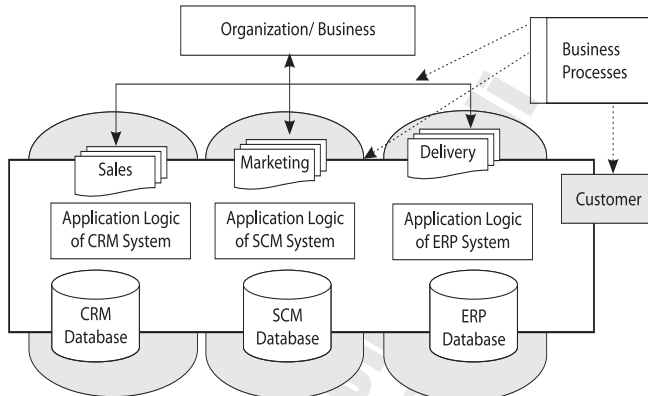


Enterprise Business Systems: End-to-end Customer Processes/End to end Business Process

There are numerous internal processes that form an internal supply chain, which relate to the end-to-end process of the organization.

- Sales – please treat me as one single client
- Marketing – what product or service do you have to offer?
- Delivery – please provide the product or service as quickly as possible.

BPM automation is also about a new way of working, monitoring and managing the organization, which could result in a new organizational structure. Refer to figure 2.4 for a better understanding of the end-to-end customer processes adopted by an organization.



Challenges in Implementing BPA

- i. The number of interfaces with the customers is growing (e.g. phone, fax, email, SMS, PDA, etc.)
- ii. The product, service and price options have increased the complexity of the business
- iii. Most organizations have a whole suite of 'build and buy' systems and applications, often each with its own data format
- iv. Budgets are being cut.

BPM Technology

BPM works as a bridge between the IT and business.

BPM provides an independent process layer, linking the various independent applications needed to execute a single end-to-end business process.

BPM = process and organization (including people) as well as technology

Components of BPM suit

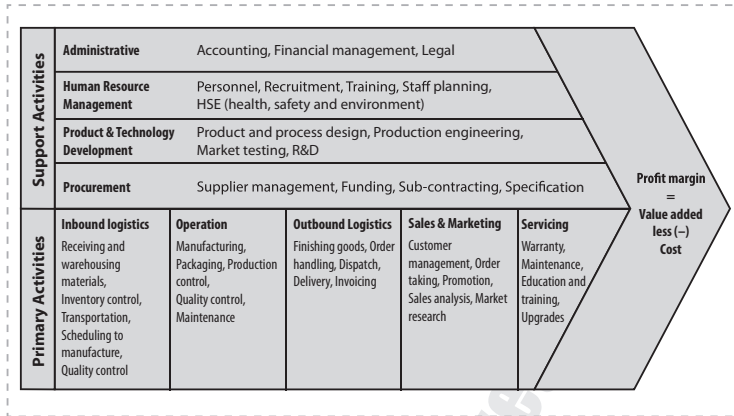
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| (i) Process engine | (iii) Content management |
| (ii) Business analytics | (iv) Collaboration tools |

Value Chain Automation

Value Chain: Viewing a firm as a series, chain, or network of basic activities that adds value to its products and services and thus adds a margin of value to the firm.

Value chain of an organization consist of:

- (i) Primary activity and (ii) Support activity

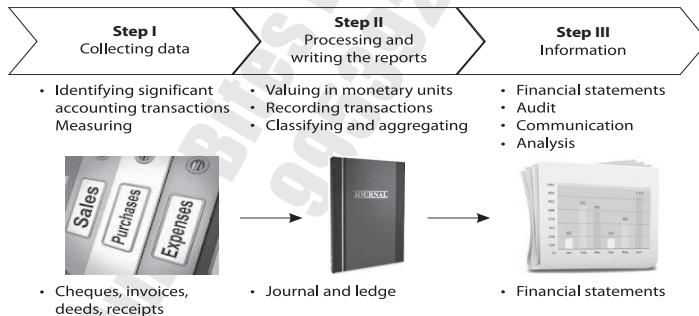


What is Information System?

A set of people, procedures, and resources that collects, transforms, and disseminates information in an organization. A system that accepts data resources as input and processes them into information products as output.

Accounting Information System

Information systems that record and report business transactions and the flow of funds through an organization, and then produce financial statements. These statements provide information for the planning and control of business operations, as well as for legal and historical recordkeeping.



Users of accounting information

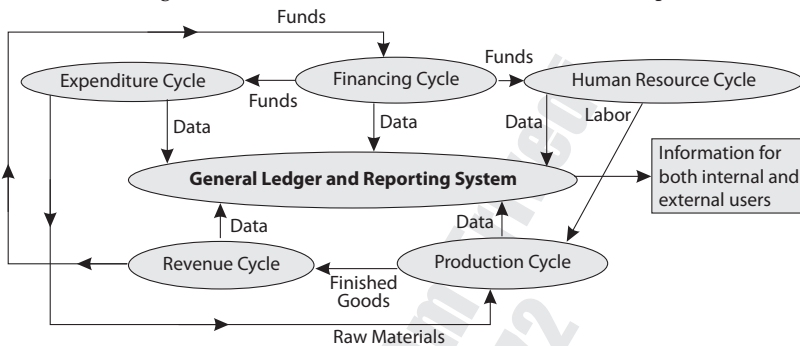
Internal: Owners, managers, employees

External: Customers, creditors, government

Processing Cycles of an Accounts BPM

- i. **Financing Cycle** – It provides a clear view of firm's processing framework and involves activities of obtaining necessary funds to run the organization, repay creditors, and distribute profits to investors.
- ii. **Revenue Cycle** – It involves activities of selling goods or services and collecting payment for sales.
- iii. **Expenditure Cycle** – It involves activities of buying and paying for goods or services used by the organization.
- iv. **Human Resource Cycle/Payroll Cycle** – It involves activities of hiring and paying employees.

- v. **Production Cycle** – It involves the recurring set of business activities and related data processing operations associated with the manufacturers of products including activities like converting raw materials and labour into finished goods.
- vi. **General Ledger and Reporting System:** This involves the information processing operations involved in updating the general ledger and preparing reports that summarize the results of an organization's activities.
- vii. **Data Processing Cycle:** The Data Processing Cycle consists of following basic steps with alerts, controls and feedback at each step:
 - Data input –
 - Data storage –
 - Data processing –
 - Information output –



Benefits of BPMS

- Automating repetitive business processes.
- BPMS works by 'loosely coupling' with a company's existing applications.
- Operational savings.
- Reduction in the administration involved in compliance and ISO Activities.
- Freeing-up of employee time.
- Greater company agility.
- Higher customer satisfaction levels.

Business Risks of failure of IT

Superficial or deficient executive involvement; deficient project management; breakdown in gap analysis; limited options for customization of the BPM software; too complicated to be customized; failure to identify future business needs; inadequate assessment of the need for change management etc.

Some of the other reasons for failure of BPMS include:

- i. Superficial or deficient executive involvement
- ii. Deficient project management
- iii. Breakdown in gap analysis
- iv. Limited options for customization of the BPM software is required
- v. Not flexible enough or too complicated to be customized to meet the precise workflow and business process.
- vi. Failure to identify future business needs
- vii. Inadequate assessment of the need for change management
- viii. Persistent compatibility problems with the diverse legacy systems of the partners.
- ix. Resources not available when desirable
- x. Software fails to meet business needs
- xi. System may be over-engineered when compared to the actual requirements.
- xii. Technological obsolescence.

Information as a Business Asset

Information becomes an asset for an organization if it is useful, digital, accessible, relevant, accurate, trust-worthy, searchable, understandable, spatially enabled and shareable at the time when required.

Chapter 3: Business Process Mapping Systems

Business process mapping takes a specific objective and helps to measure and compare that objective alongside the entire organization's objectives to make sure that all processes are aligned with the company's values and capabilities. techniques for mapping business processes are:

- A. Entity Relationship Diagrams
- B. Data Flow Diagrams
- C. Systems Flow diagrams
- D. System outline charts
- E. Decision Trees/Tables

Entity Relationship Diagrams

An **entity-relationship** (ER) diagram is a graphical representation of **entities** and their **relationships** to each other. It is typically used in computing in regard to the organization of data within databases or information systems.

Entity: 

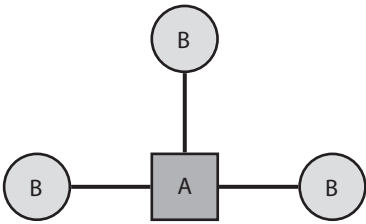
- Rectangular Boxes are commonly used to represent entities.
- An entity is a piece of data-an object or concept about which data is stored.
- An entity may be a 'physical object' such as a house or a car, an 'event' such as a house sale or a car service, or 'concept' such as a customer transaction or order.

Relationship: 

- A relationship is how the data is shared between entities.
- It specifies the relations among entities from two or more entities.
- Example: Instructor teaches Class or Student attends Class. Most relationships can also be stated inversely as 'Class is taught by Instructor'.

Attributes: 

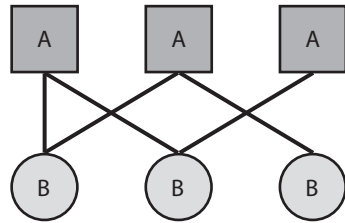
- Diamonds are normally used to represent relationships.
- Ovals are used to represent attributes.
- Attributes are common properties of the entities in any entity set.

One-to-One One instance of an entity (A) is associated with one other instance of another entity (B). Example: In a database of employees, each employee name (A) is associated with only one social security number (B).	
One-to-Many One instance of an entity (A) is associated with zero, one or many instances of another entity (B), but for one instance of entity B there is only one instance of entity A. Example: For a company with all employees working in one building, the building name (A) is associated with many different employees (B), but those employees all share the same singular association with entity A.	

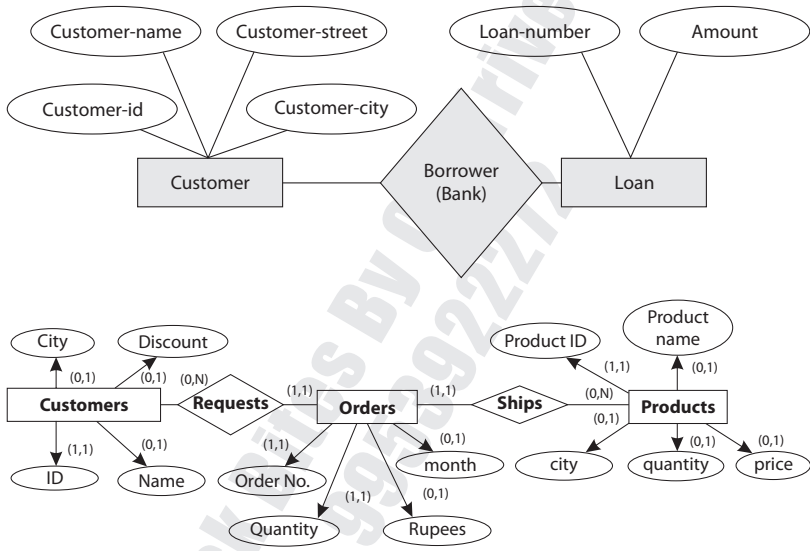
Many-to-Many

One instance of an entity (A) is associated with one, zero or many instances of another entity (B), and one instance of entity B is associated with one, zero or many instances of entity A.

Example: For a company in which all of its employees work on multiple projects, each instance of an employee (A) is associated with many instances of a project (B), and at the same time, each instance of a project (B) has multiple employees (A) associated with it.



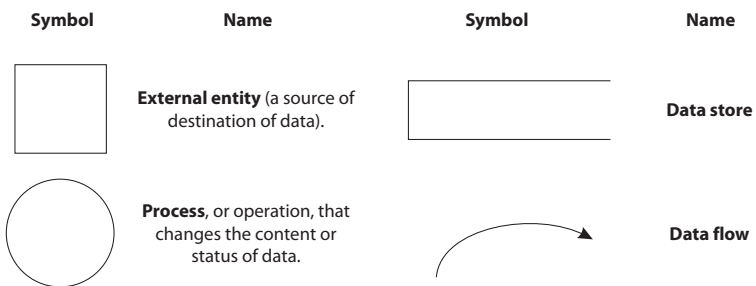
Types of Relationships



Data Flow Diagrams

Data Flow Diagram (DFD)

Data flow diagram (DFD) is a graphical representation of the flow of data through an information system.



Types of DFDs

- i. Logical Data Flow Diagram
- ii. Physical Data Flow Diagram

Flowchart

A flowchart is a graphical representation of an algorithm.

Types of Flow Charts

- a. **System Outline Chart:** System Outline Charts merely list the inputs, file processed and the outputs without considering their sequence.
- b. **System Flow Chart:** System Flow Charts are designed to present an overview of data flow through all parts of a computer
- c. **Run Flow Charts:** Run Flow Charts are prepared from the Systems Flowchart and show the reference of computer operations to be performed.
- d. **Program Flow Chart:** Program Flowcharts are diagrammatic representation of the data processing steps to be performed within a computer program.

Flowchart	Data Flow Diagram
Flow chart presents steps to complete a process.	DFD presents the flow of data.
Flow charts do not have any input from or output to an external source.	DFD describes the path of data from an external source to internal source or vice versa.
The timing and sequence of the process is aptly shown by a flowchart.	Whether processing of data is taking place in a particular order or several processes are taking place simultaneously is described by a DFD.
Flow chart shows how to make a system function.	DFD define the functionality of a system.
Flow chart are used in designing a process.	DFD are used to describe the path of data that will complete that process.
Types of Flow charts – System, Data, Document and Program.	Types of DFD – physical data flow and logical data flow.



Prof. OM TRIVEDI

Faculty Member of ICAI, EPSM-IIM

Author & Corporate Speaker

IT - SM

Batches for November 2017 and May 2018

"Sun Risers"

Subjects	Start Date	Days	Finish Date	Timings	Lectures	Venue
IT Then SM	21 st April, 2017	M/W/F	21 st July, 2017	6.30 to 9.30 am	42-44	NIRC of ICAI
SM Then IT	9 th June, 2017	M/W/F	27 th Aug., 2017	6.30 to 9.30 am	42-44	NIRC of ICAI
IT Then SM	24 th July, 2017	M/W/F/S	24 th Sep., 2017	6.30 to 9.30 am	42-44	NIRC of ICAI

"Smart 40"

Subjects	Start Date	Days	Finish Date	Timings	Lectures	Venue
IT Then SM	25 th May, 2017	T/T/S	31 st Aug., 2017	2.30 to 5.30 pm	42-44	Laxmi Nagar

"Game Changers"

Subjects	Start Date	Days	Finish Date	Timings	Lectures	Venue
IT Then SM	29 th May, 2017	M/W/F/S	11 th Aug., 2017	2.30 to 5.30 pm	42-44	Laxmi Nagar
SM Then IT	6 th July, 2017	M/W/F/S	8 th Sep., 2017	2.30 to 5.30 pm	42-44	Laxmi Nagar
IT Then SM	12 th June, 2017	DAILY	30 th July, 2017	5.30 to 8.30 pm	42-44	Laxmi Nagar
SM Then IT	6 th July, 2017	DAILY	31 st Aug., 2017	5.30 to 8.30 pm	42-44	Laxmi Nagar
IT Then SM	4 th Aug., 2017	DAILY	16 th Sep., 2017	5.30 to 8.30 pm	42-44	Laxmi Nagar

"Fast Track Revision" for Nov. 2017 Attempt

Options	Dates	Days	Timings	Venue
Option 1	29 th , 30 th Sep. and 1 st Oct.	Fri./Sat./Sun.	8.30 am to 4.30 pm	Laxmi Nagar
Option 2	6 th , 7 th and 8 th Oct.	Fri./Sat./Sun.	8.30 am to 4.30 pm	Laxmi Nagar

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D-151A, Vikas Marg, Near Metro Gate
No - 5, Laxmi Nagar, Delhi - 110092

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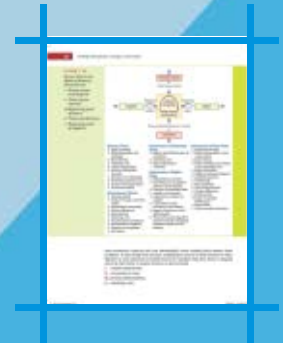
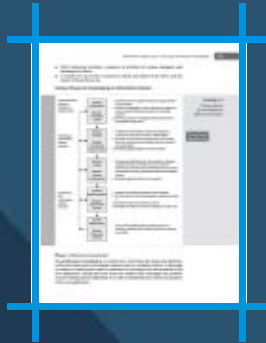
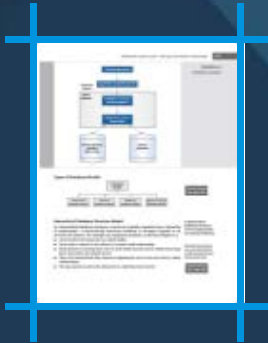
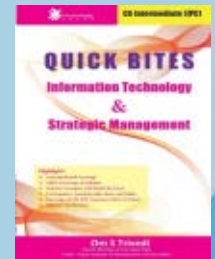
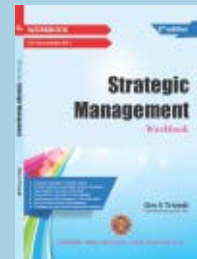
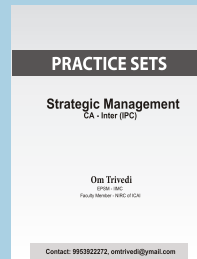
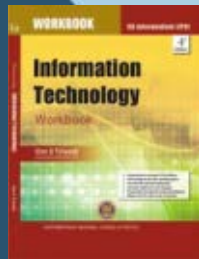
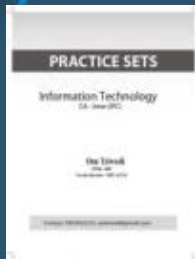
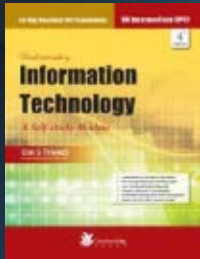
Advantage You



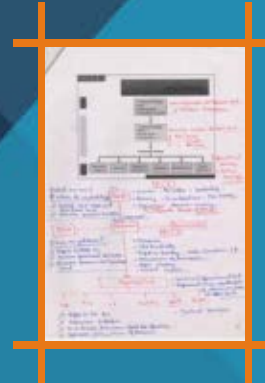
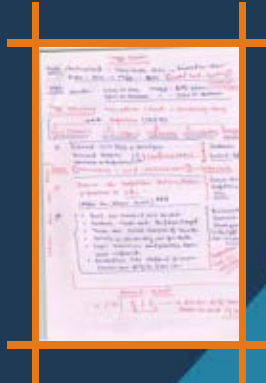
Concept Based Teaching

- Comprehensive coverage in 42 lectures
- Corporate example with Real Life Cases
- Complete coverage of SM, PM, Summary Notes and Charts

Well Designed Study Kit



Class Notes in Work Books



Memory Techniques

- Smart use of "Memory Codes" for memorization of concepts.

"Innovate through Motivation"

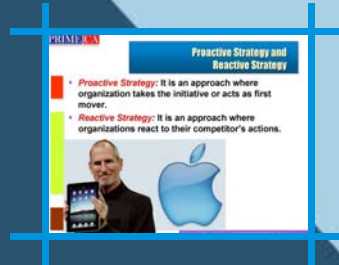
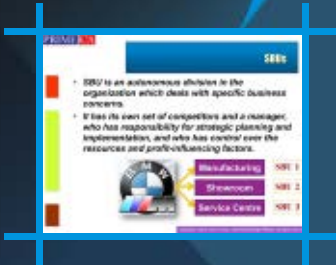
Advantage You



Audio Visual Techniques

- Use of PPTs in class at appropriate places for concept clarity.
- Smart use of Animated Videos and Videos Cases to facilitate easy learning of concepts.

PPTs



Animated Videos

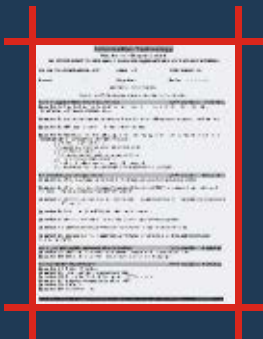
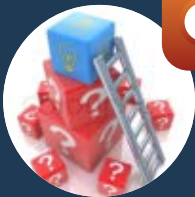


Corporate Videos Caselets



Class Test, Quick Bites, LMR, & Paper Analysis

- Chapter - wise Level I and II class tests.
- Charts and summary notes in the form of "Quick Bites" for quick revisions.
- LMR "Last Minute Revision" topics are provided just 2 days before the examination.



Class Tests



Quick Bites



LMR



Paper Analysis

"Plan to win with our study"

Advantage You

Collaboration Tools for You



- Apart from teaching in the Classroom, we facilitate you with several modes of interaction through modern interfaces and technologies.



- Social media interactions for revision and query resolutions.
- Use of Facebook Live for revision of each chapters.



- WhatsApp Groups for each batch to share all class notes, supplementary materials, etc. and query resolutions.

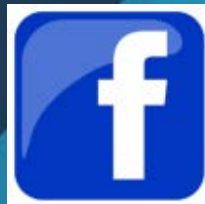


- Telephonic interaction to resolve doubts everyday between 8 to 10 pm on Om Sir's personal number.

Youtube Channel



Strategy Classes



Om Trivedi
IT-SM Classes



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Students' Helpdesk

☎ 011-45685002

☎ 9953922272, 9953878636

☎ 9958300572

Address : D-151A, Vikas Marg, Laxmi Nagar, Delhi - 110092 India (Near Metro Gate No. 5)

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Lecture Schedules for November 2017 Batches

“INFORMATION TECHNOLOGY”

Parts	Chapters	Name of the Chapters	Lectures	Caselets	Video Cases
PART-I Business Process Management and IT	Chapter 1	Introduction to Business Process Management	2	5	3
	Chapter 2	Business Process Management Implementation and Role of IT	2	3	1
	Chapter 3	Business Process Mapping Systems	3	0	0
PART-II Information Systems and IT Fundamentals	Chapter 4	Introduction to Information Systems	2	2	1
	Chapter 5	Computing Technologies	3	5	2
	Chapter 6	Information System Layers, life Cycle and Modern Technologies	2	4	1
PART-III Telecommunication and Networks	Chapter 7	Telecommunications and Networks	4	2	1
	Chapter 8	Internet and Other Technologies	1	3	0
PART-IV Business Information Systems	Chapter 9	Introduction to Business Information Systems	1	1	1
	Chapter 10	Specialized Business Information Systems	2	4	2
PART-V Business process automation	Chapter 11	Business Process Automation through Application Software	2	6	0

“STRATEGIC MANAGEMENT”

Chapters	Name of the Chapters	No. of Lectures	No. of Caselets	No. of Video Cases
Chapter 1	Business Environment	4	14	12
Chapter 2	Business Policy and Strategic Management	2	4	3
Chapter 3	Strategic Analysis	3	9	6
Chapter 4	Strategic Planning	3	5	4
Chapter 5	Formulation of Functional Strategies	2	7	15
Chapter 6	Strategic Implementation and Control	4	11	4
Chapter 7	Reaching Strategic Edge	2	5	3

“Study Kit”

