

Business Processes

smart | fast | simple

Process-Mining as a Service



Featured Celonis Professional

Business Processes – smart | fast | simple

How do you know how your
business processes actually work ?



Business Processes – smart | fast | simple



How do you know about bottlenecks, inefficiencies and compliance violations?

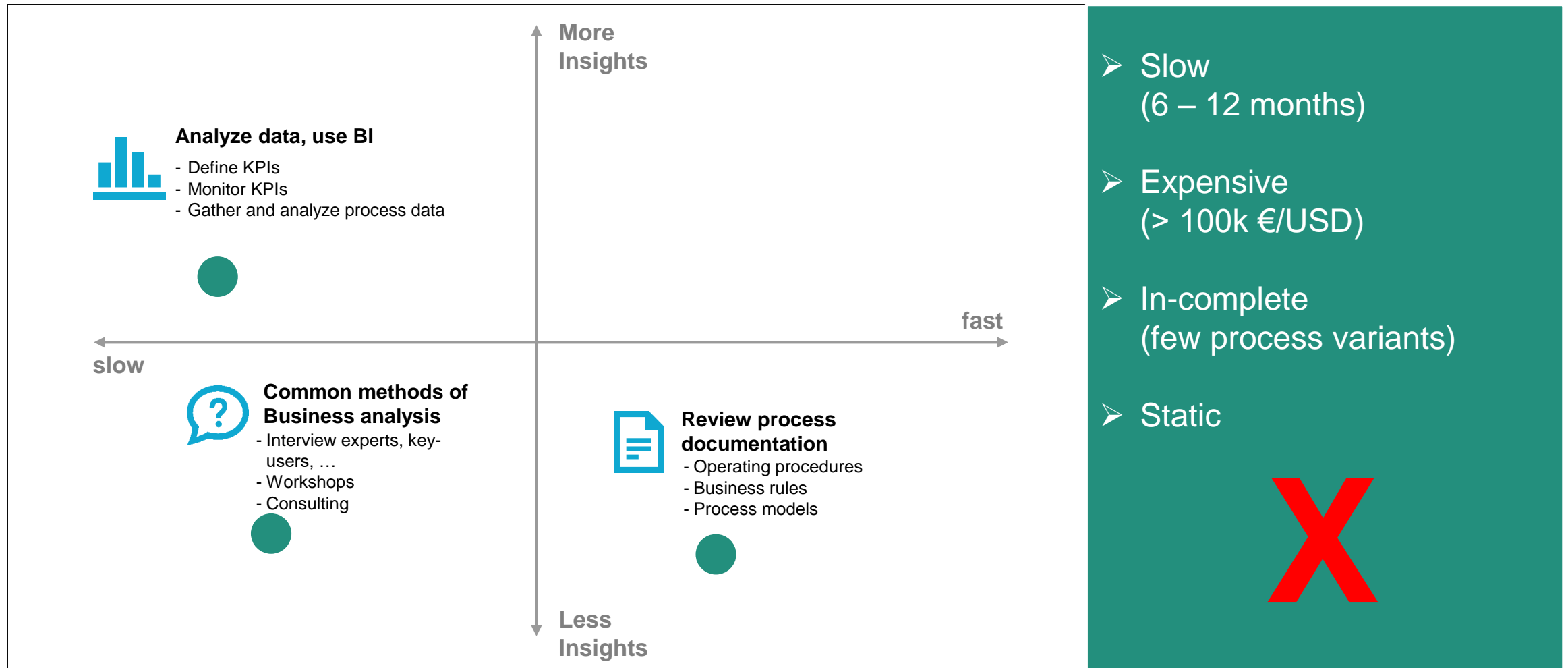


How quick do you learn about problems in your processes?

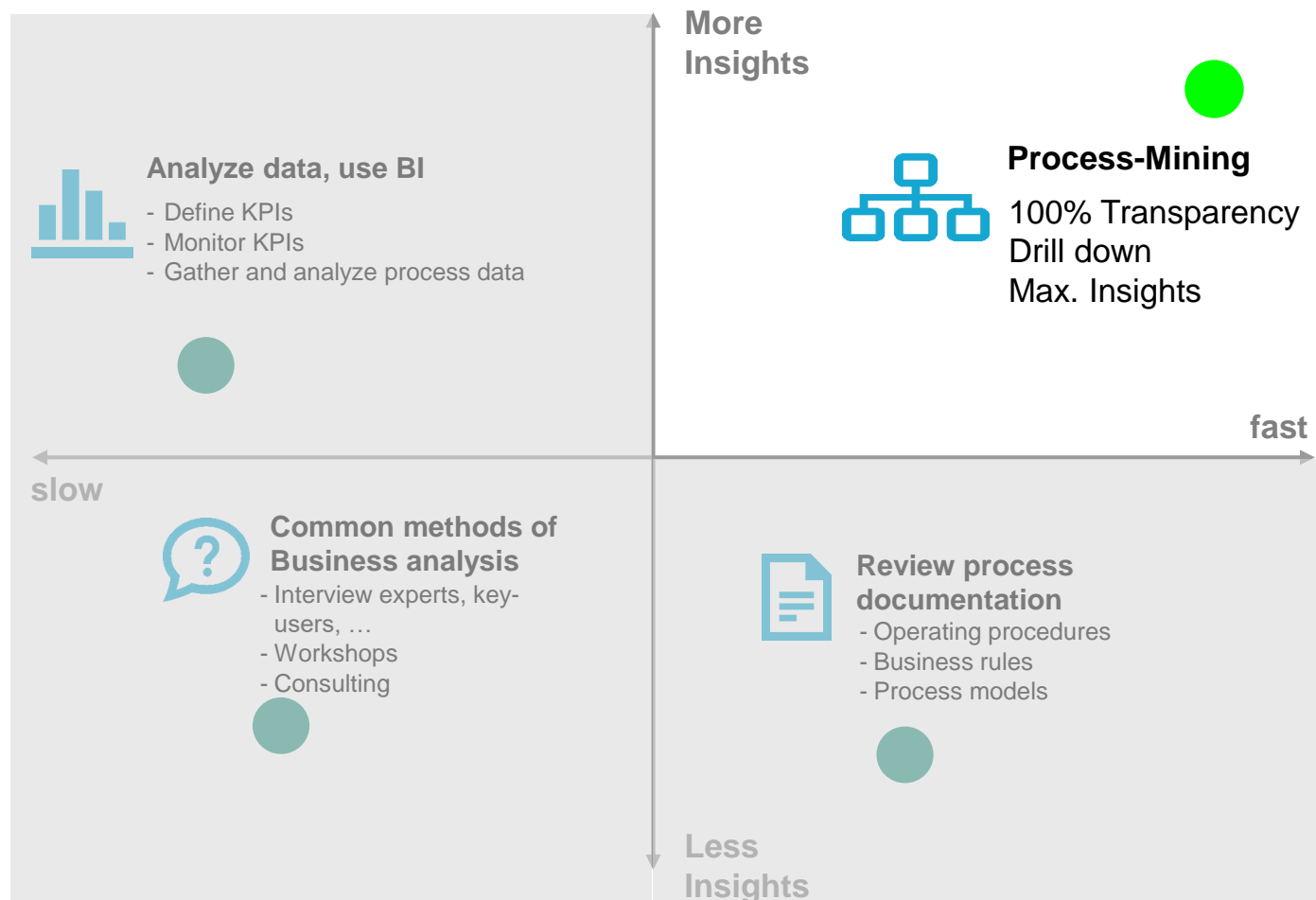


How do you identify levers to fix your processes?

Ways To Gain Insights



Switch The Light On

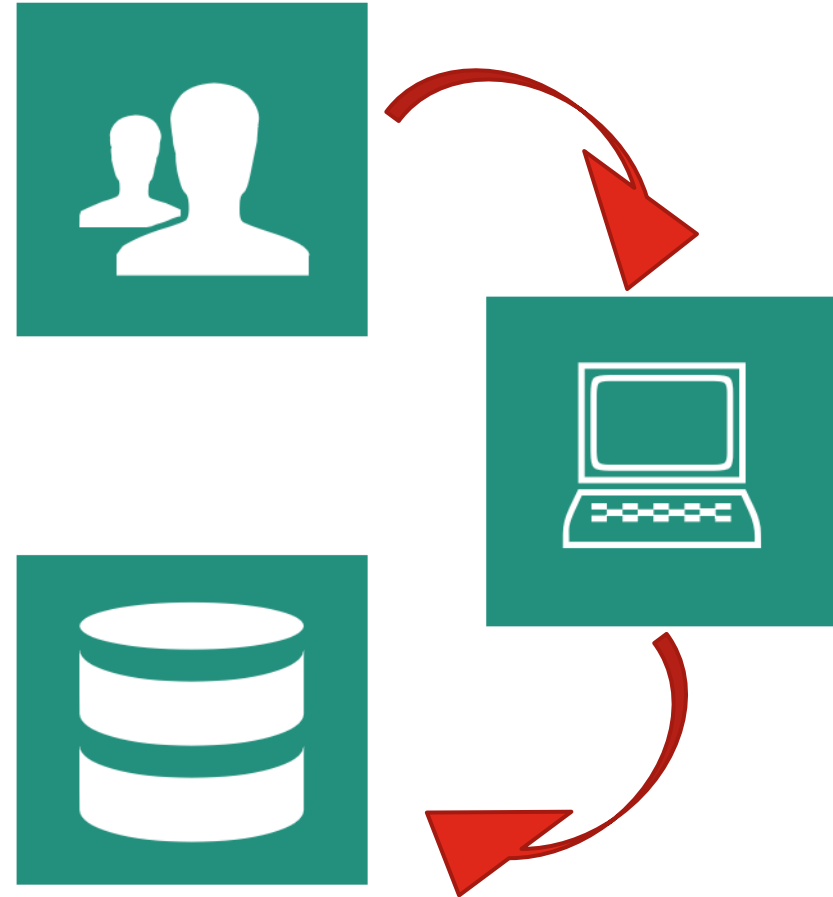


- Fast
(Weeks vs. months)
- Reasonable
(< 30 k €/USD)
- Complete
(all the variants)
- Dynamic

Process-Mining – Every Activity Generates Data

Business processes are conducted using IT-systems.

IT-based work generates data logs.

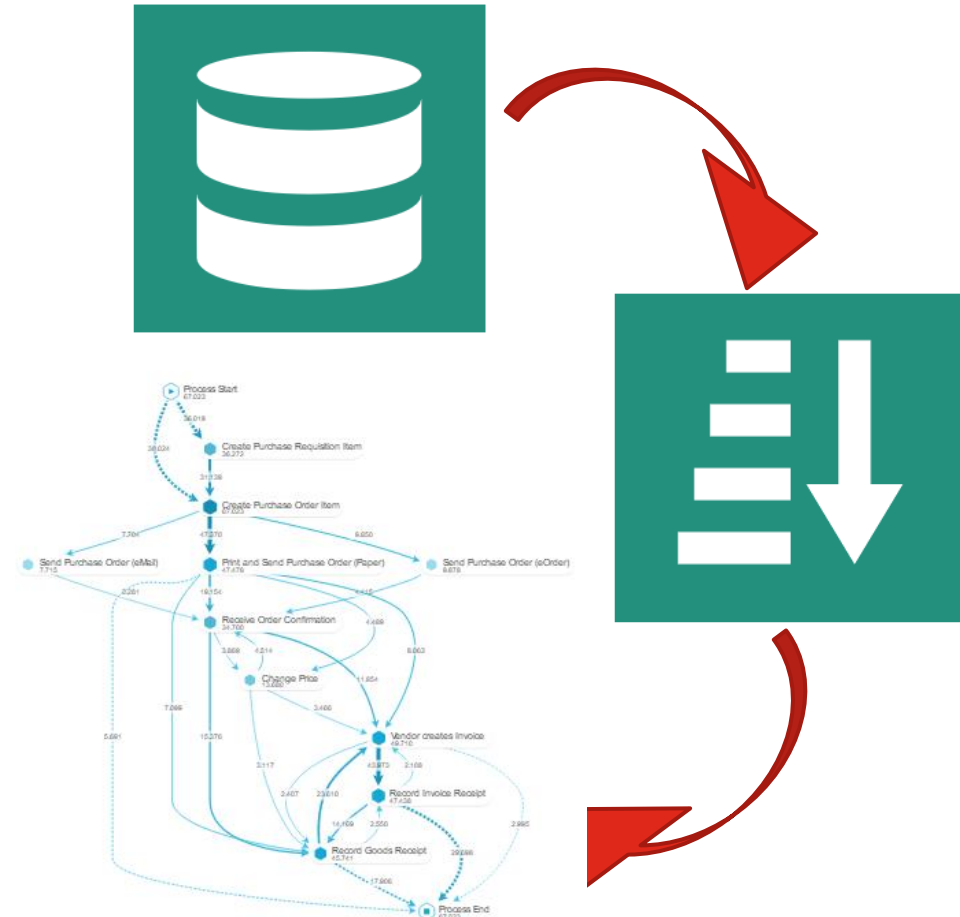


Process-Mining – Use Activity Generated Data

Extract activity /
transactional data

Create eventlogs and data
modells

Process-Mining tool
generates process-modell



Source: Celonis Process Explorer

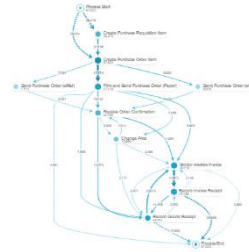
Process-Mining – Harvest Information

Explore processes

Optimize processes

Manage processes

Governance, Risk,
Compliance Mgmt



100% Transparency

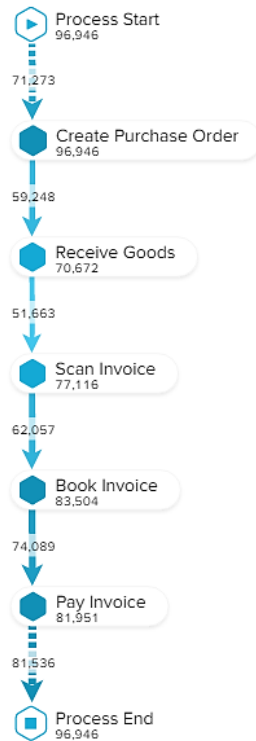
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Agile business processes

Compliant business processes

Process-Mining – Explore Actual Processes

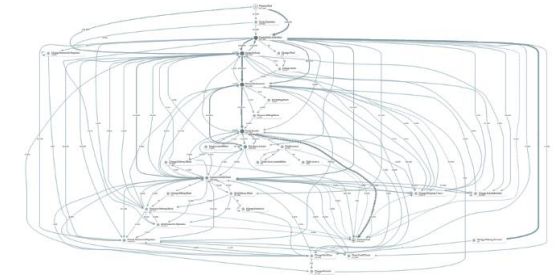
Happy Path



Variants



Full Picture



Source: Celonis Process Explorer

Process-Mining – Process Explorer Example

Ralf Peters Management & Consulting
Hands-On Management für Unternehmen im Wandel

Process Cockpit

Orders: **3.281**
Net Value: **2,12Md €**

Company Code
Plant
Trading partner
Purchasing Organization
Purchasing Group
Deletion Indicator

Process Explorer

Process Explorer flowchart showing the purchasing process. Key activities include: Create Purchase Requisition Item (36,272), Create Purchase Order Item (67,623), Print and Send Purchase Order (Paper) (47,476), Receive Order Confirmation (34,700), Vendor creates Invoice (49,710), Record Invoice Receipt (17,439), Record Goods Receipt (45,141), and Process End (67,623). Other activities include Change Vendor, Delete Purchase Requisition Item, Send Purchase Order (eOrder), and Adjustment Charge.

Development of cases and activities

Stacked area chart showing the development of cases and activities from 2008-01 to 2009-06. The Y-axis represents the number of cases (0 to 1,000). The X-axis represents time in quarters. The chart shows two series: # Activities (blue) and # PO items (orange). Both series show a strong seasonal pattern with peaks in Q2 and Q4 of each year.

Development of purchase orders

Bar chart showing the development of purchase orders from 2008-01 to 2009-06. The Y-axis represents Net order value (0 to 500Mn €) and # PO items (0 to 250). The X-axis represents time in quarters. The chart shows two series: Net order value (orange) and # PO items (blue). Both series show a strong seasonal pattern with peaks in Q2 and Q4 of each year.

Process Explorer Case Explorer **Process overview** Purchasing Overview Throughput Times Changes Conformance 7 PI Social 8

Process-Mining – Use Cases / Applications

- ▣ Identify the actual processes in your company.
- ▣ Identify re-work, root-cause and corrective actions.
- ▣ Discover bottlenecks and delays and resolutions.
- ▣ Look at the rate of automation, identify problems, improve the rate of automation.
- ▣ Discover throughput-time, identify delays, improve throughput / delivery / service time.
- ▣ Identify and eliminate compliance violations (e.g. Maverick Buying, ...).
- ▣ Check conformance vs. planned process model.
- ▣ Documentantion of actual processes (ISO, FDA, ...).
- ▣ Benchmark processes inbetween plants, companies, business-units.
- ▣ Support reengineering of business processes.
- ▣ Execute / enforce business rules and processes (e.g. Post-Merger, standardisation).
- ▣ Support process-analysis prior to IT-systems evaluation, selection, implementation, integration.
- ▣ What-If analysis of throughput times based on actual past process data (e.g. supplier performance, ...).
- ▣ ...

rpmc Process-Mining as a Service



One Process of your choice (Purchasing, Sales, Logistics, ...)



Results delivered 6 weeks after availability of data



100% process transparency
Kick-Off immediate improvements



low internal resource requirements (ca. 3 pd providing data)
rpmc: flat charge or 100% performance based, use of rpmc Celonis PM licence

→ smart | fast | simple business processes with low effort @ no risk to your budget or resource.

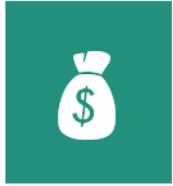


Performance Based Remuneration – What Performance?

By business process there will likely be improvement potential by:

- ▣ reducing re-work
- ▣ improving rate of automation
- ▣ reducing throughput time
- ▣ reducing the number of activities
- ▣ applying / enforcing business rules
- ▣ identifying data quality problems
- ▣ improving service quality
- ▣ ...

➔ Next are 4 business cases based on the purchasing business process (P2P).



Business Case: Manual Order Change

Example / Illustrative

Analysis

How often are orders changed manually ?

Result

15.000 changes identified p.a.
75% of changes conducted manually
→ 11.250 manual changes

Action

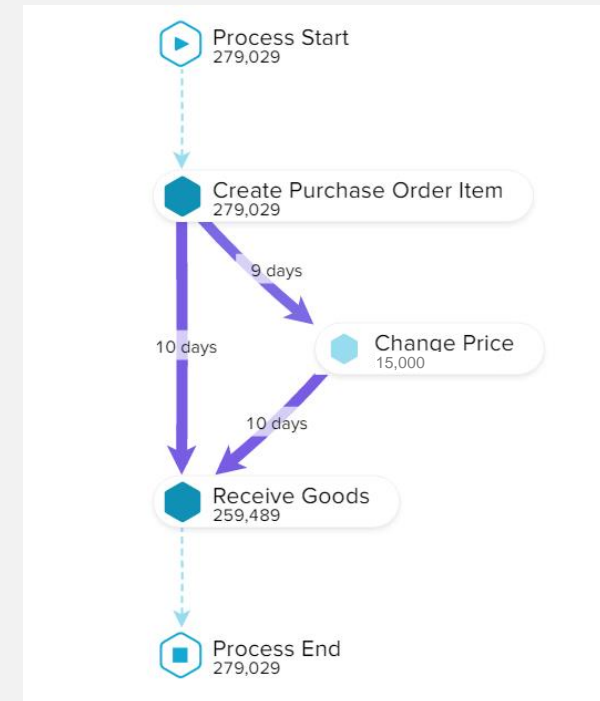
Common changes and causes were identified and analyzed.
40% reduction is plausible.

Benefit Value

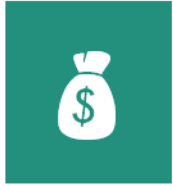
Time per manual change: 20 min.
Change p.a.: 15.000
To be improved 40%
Value: $11250 * 0,4 * 0,33h = 1485 h p.a.$
@ 1650 h p.a. => 0,9 FTE = 63.000 €
Benefits: Improved service level, reduce service time, fewer work stopps.

Assumptions: 1 FTE / VZÄ = 1650 h p.a. @ avg. total cost of 70.000€ p.a.

Purchase order changes slow down the P2P process, increase process cost, complexity and number of errors.



Note: all Screenshots are illustrative. No real customer data is used.



Business Case: Re-Work In The Purchasing Process

Example / Illustrative

Analysis

How often does re-work occur in the purchasing process ?

Result

25.000 cases p.a. of re-work p.a. identified.

Action

Re-work delays the process and requires manual intervention.

Common re-work items were identified using Process-Mining.
50% can be omitted.

Benefit Value

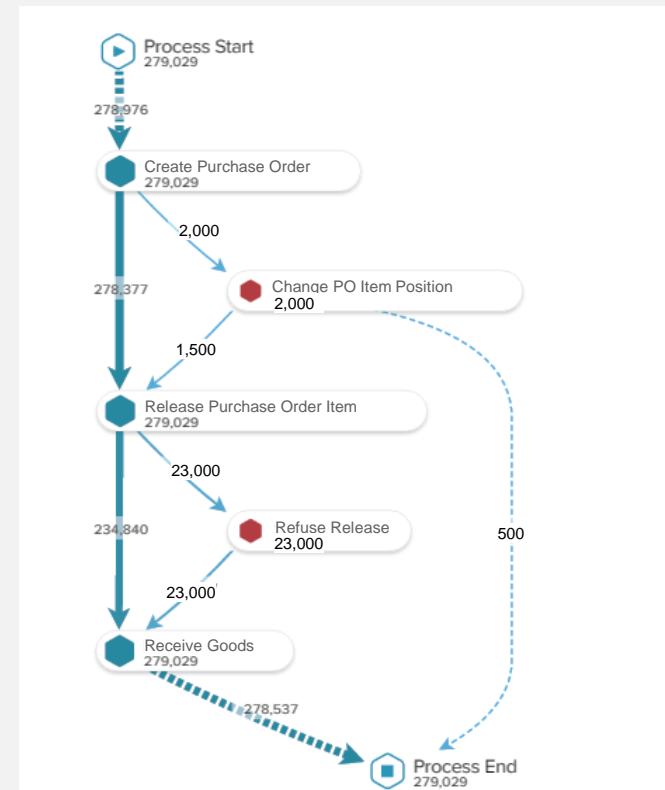
Cost of re-work:

Activity	#	Time	Sum
Refuse PO Release	15.000	10 Min	150.000 Min
Delete PO Item	5.000	3 Min	15.000 Min
Cancel Invoice	2.000	10 Min	20.000 Min
Cancel Goods Receipt	2.000	10 Min	20.000 Min
Refuse Release of PO Requisition	1.000	20 Min	20.000 Min

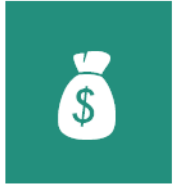
Savings: $225.000 \text{ Min} * 50\% = 1,875 \text{ h p.a.}$

$\Rightarrow 1.14 \text{ FTE} = 79.800 \text{ € p.a.}$

Assumption: 1 FTE / VZÄ = 1650 h p.a. @ avg. total cost of 70.000€ p.a.



Note: all Screenshots are illustrative. No real customer data is used.



Business Case: Improve Automation Rate

Example / Illustrative

Analysis

What is the rate of automation and can it be improved ?

Result

Rate of automation improvements have been identified for 68% of 100.000 order items p.a.

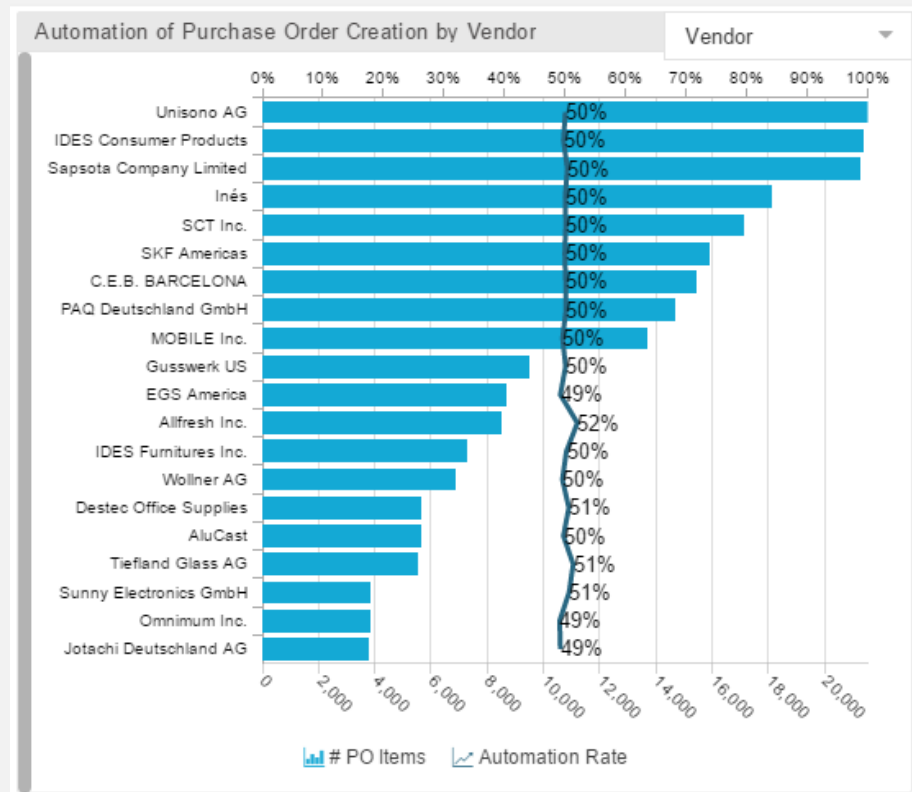
Action

Rate of automation can be improved for these activities:
Purchase Requisition Creation, Purchase Order Creation, Goods Receipt, Payment Block Removal, Purchase Order Approval

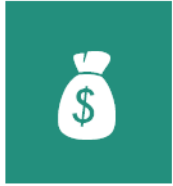
Benefit Value

Result:	Activities p.a.	100.000
	Improvable	68%
	Time saved/activity	10 Min.
Benefit:	Improved throughput and process quality	
Savings:	$68.000 * 10 \text{ Min} = 11,334\text{h p.a.}$	
	$\Rightarrow 6,87 \text{ FTE} = 480.900 \text{ € p.a.}$	

Assumption: 1 FTE / VZÄ = 1650 h p.a. @ avg. total cost of 70.000€ p.a.



Note: all Screenshots are illustrative. No real customer data is used.



Business Case: Reduce Maverick Buying

Example / Illustrative

(non-conformant purchasing)

Analysis

How many purchasing activities are conducted without involving the purchasing department ?

Result

20% of 25 Mio. € spend were ordered without involvement of the purchasing department.

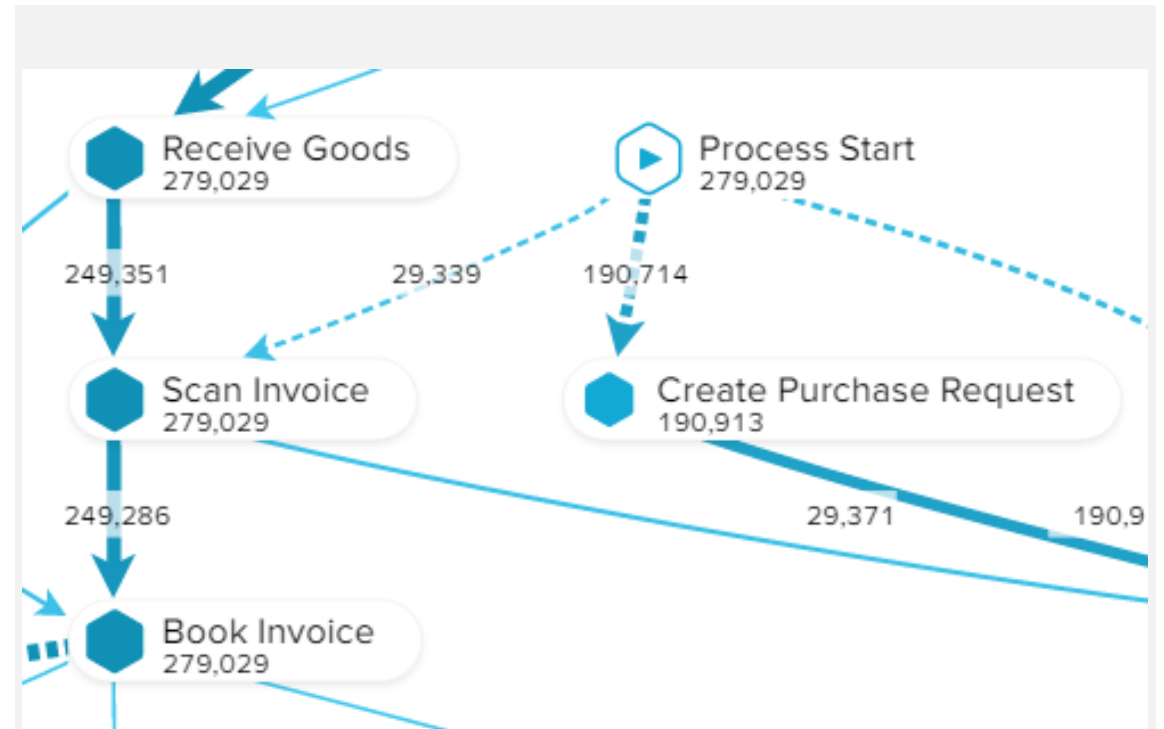
Action

Celonis Process-Mining easily identifies activities and sequences.
Professional purchasing reduces spend.
=> Reduce Maverick Buying.

Benefit Value

Result:	Maverick PO volume	5 Mio €
	To be improved	75 %
	Price / Term improvement	5 %
Benefits:	Lower spend and risk	
	Improved market strength	
	Improved supplier management	
Savings:	$5 \text{ Mio} * 75\% * 5\% = 187.500 \text{ €}$	

Assumption: 1 FTE / VZÄ = 1650 h p.a. @ avg. total cost of 70.000€ p.a.



Note: all Screenshots are illustrative. No real customer data is used.

smart | fast | simple Business Processes Available Here ...

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