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STRATEGIC AND PROCESS MANAGEMENT

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LIST OF SYMBOLS AND ABBREVIATIONS

BI	Business Intelligence
BOM	Bills of Materials
BPM	Business Process Management
CAD	Computer Aided Design
CRM	Customer Relationship Management
ERP	Enterprise Resource Planning
etc.	et cetera
EU	European Union
NP	natural person
ICT	Information and Communications Technology
IoT	Internet of Things
mil.	million
min.	minimum
MPM	Manufacturing Process Management
BR	Business Register
CC	The Commercial Code
PDCA	Plan-Do-Check-Act
PDM	Product Data Management
PLM	Product Life cycle Management
LP	legal person
PPM	Project Portfolio Management
REA	Resource, Event, Agent
SBU	Slovak Business Agency
SCM	Supply Chain Management
SME	small and medium enterprise
SOA	Service Oriented Architecture
SPC	Statistical Process Control
EC	Equity Capital (Equity)
TR	Trade Register

GLOSSARY OF TERMS

Activity – description of an act/ activity that represents one atomic (indivisible) step in performing the process:

- manual: human and machine resources,
- automatic: excluding human resources.

Application - use.

Availability - usability.

Implementation - the process of putting a theoretically determined idea or project into effect for the purpose of its further use.

Activity instance - the representation of an **activity** within a (single) enactment of a process, i.e. within a process **instance**.

Process instance – a particular execution of a **process**.

Business process model is an abstract representation of a business process that allows its further processing in an automated way.

Modelling - reproduction of the characteristics of one object on another object, specially designed for their study.

Optimization - the process of selecting the best variant (candidate solution) from a finite set of alternatives (small phenomena).

Business process - an organized set of procedures, actions and activities that are jointly implemented towards a business resp. strategic goal, usually in the context of organizational structure, it defines functions and relationships between them.

Procedure - a sub-process that is part of a given process.

Process specification:

- formal: a technique allowing to unambiguously specify the process through the precisely defined syntax and semantics of the method used, i. e. models that can be created, stored, processed and used in ERP, respectively WFM systems,
- informal: use of natural language, resp. figures (images), tables and other tools to facilitate understanding the process being described.

Task - a set of complementary skills, assigned to individual activities in order to enable their fulfillment within the execution of the process; a particular task is defined by the behaviour, competencies and responsibilities of individual persons, respectively group of people working in a team.

Workflow - automated business process; business process and workflow are interchangeable terms, as their meaning is identical, with the only difference being that workflow is managed and controlled by a customized software solution - ERP, resp. WFM; therefore, it also makes high demands on the specification of the process and its accuracy and unambiguity.

Resource - a means, resp. a group of means necessary to carry out activities, resources may be human (labour) resp. equipment (machines).

INTRODUCTION

The current competitive environment is influenced by the dynamics of the innovative or technological environment, as well as personalized demands by customers. This puts increasing emphasis on improving the quality in process management and optimization. Strategic management creates the necessary background for successful implementation of process management. Strategic management creates conditions for achieving the target behavior of the company as a whole, thus supporting a holistic approach within the management of the company. Through strategic management tools used in business practice, such as the Balanced Scorecard, it is possible to implement a particular strategy via the structure of balanced performance indicators used for managing and evaluating process performance.

The very implementation of goals, objectives and projects brought to a successful end and, last but not least, the achievement of desired results are among the basic factors helping a company stand out from competitors nowadays. It is therefore essential that businesses constantly improve their processes. Many companies are currently choosing the path of gradual process improvement, the so-called Kaizen. Such choice is conditioned by regular analysis of the existing processes as well as measurement and optimization of their performance. Industry 4.0 is a clear trend towards a new kind of business processes and e-commerce:

- Decentralized processes with greater decision-making autonomy.
- Electronic trading at every point being an activator of transactions.
- Real-time control of timeless organizational processes.
- Improving the performance and quality of logistics organizational processes integrated into the environment.

Business Process Management (BPM) is a systematic approach to identifying, mapping, documenting, designing, implementing, measuring and controlling business processes. It includes growing IT support aiming to improve, innovate and manage processes thoroughly, determine business results and create value for the customer, thus achieving business goals with greater flexibility. The moment this new industrial revolution digitizes all logistics, purchasing and sales processes, e-commerce will account for more than 90% of global business transactions. In other words, business processes and e-commerce can no longer be managed in isolation, and each service will include digitized processes integrated into the entire network of stakeholders (participants) in the business.

The aim of the monograph is to introduce readers to the issues of strategic and process management, to clarify the concepts related to the topic, as well as procedures in the analysis, modeling, optimization, implementation and performance measurement of production and non-production process environments.