ABSTRACT

To be successful in today’s rapidly changing market, enterprise requires a solution that business process can cross functional and geographic boundaries. By automating and streamlining the unique and routine processes that power the business, business process management (BPM) offsets the administrative burden of the organization and creates an environment where processes can be leveraged for strategic value. BPM fills in the gaps for true business performance. BPM can monitor and manage processes while they are executed.

This thesis tries to create a new business process for service request and material reservation at E&P company, with help from information technology and Business Process Management approach to create a process that can improve monitor, reduce cost, and reduce time.

The research conducted with framework from Bulrton (2001) that is defining the business context for change, architecting processes and aligning business strategies, creating the vision for change, develop project strategy, understanding the existing process, renewing the process design, developing enablers and support mechanism, implementing the change, and operating the process and continuing to improve.

When the new process is done, we simulate the new process using PROCESS 2000, a process simulation software. Then we compare the old and new process to see differences and judge the success of the business process management approach. The simulation showed that with Business Process Management approach, time of process is reduced around 50%. With this improvement time and money can be saved.

# TABLE OF CONTENTS

Front Page .................................................................i
Statement of Purpose ..................................................ii
Supervisor Approval ....................................................iii
ACKNOWLEDGEMENT....................................................iv
ABSTRACT ......................................................................v
LIST OF CONTENTS.........................................................vi
LIST OF TABLES ..........................................................viii
LIST OF FIGURE...........................................................ix

BAB 1 INTRODUCTION.....................................................1
  1.1 Background .........................................................1
  1.2 Problem Definition .................................................3
  1.3 Objective and Benefits ............................................3
  1.4 Scope of Works ....................................................4

BAB 2 THEORETICAL REVIEW.......................................6
  2.1 Business Process ..................................................6
  2.2 Business Process Management ..................................7
  2.3 Business Process Management Framework .......................10
  2.4 Procurement .......................................................13
  2.5 Relation between BPM & Information Technology ...............16
  2.6 The Role of the IS Function in BPM ................................18
  2.7 Simulation ........................................................18
  2.8 Porter’s Competitive Analysis and Value Chain ...................22

BAB 3 METHODOLOGY................................................24
  3.1 Time and Location of the Study ..................................24
  3.2 BPM Methods ....................................................24
  3.3 Computer Simulation .............................................38

BAB 4 FINDINGS AND ANALYSIS................................40
  4.1 Company Profile ................................................40
  4.2 Existing Processes ..............................................45