Glossary: business transformation terms

Bemused by business transformation jargon? Improve your understanding with this glossary of frequently used terms and abbreviations in business transformation and software development.

As-is and to-be processes – the **as-is** state of a process is the current state. It's how the process operates before you change anything. The **to-be** process represents the future state. To make your process improvement initiative work, you must document both.

API – stands for Application Programming Interface. It's a kind of software interface that offers a service to other software. An **API specification** describes how to build or use this type of connection. An **API integration** is a connection between two or more applications, via an API, that lets the systems exchange data.

Business Process Model and Notation (BPMN) – a visual or graphical way, based on flowcharts, of representing business processes in a process model. It helps you understand processes and communicate them in a standard way.

Business process review (BPR) – it's simply a way to assess how your processes are working and identify ways to improve them. You should run one before starting a digital or business transformation project. However, you could carry one out at any time as part of a general company health check.

Business transformation – business transformation projects cover fundamental changes – large and small – to an organisation or business unit. These can involve systems, processes, people, culture or technology. It affects the whole company, even if the project focuses on one function or team. Business transformation is sometimes referred to as change management or digital transformation.

Business transformation framework – a framework is a key part of business transformation planning. It's a way of agreeing your approach, taking you from start to finish in a logical way. Sometimes known as a transformation map, it's often represented as a diagram.

CRUD operations – Create, Read, Update and Delete are the four basic database operations of persistent storage in computer programming. Persistent storage refers to a data storage device that retains the data after its power is turned off.

Data integration – combines data from different sources to give users a unified view and encourage collaboration. It's often used in data mining when extracting and analysing information from databases.

Data mapping – matching fields from one database to another database. Doing this will enable you to migrate and integrate data between systems, so the destination system can use it.

DevOps software – combines software development (Dev) and IT operations (Ops). Its aim is to shorten the lifecycle for systems development.

Digital transformation – the term is sometimes interchanged with business transformation. It refers to using digital technology to create new business processes, or modify existing ones. Like business transformation, the project can be large or small, and should put the organisation in a better position for the future.

Digital twin – a virtual copy of an organisation. It's used to help businesses understand how they work, and to trial process changes and initiatives that generate continuous improvement.

Enterprise data – data shared by the users of an organisation, across departments and/or regions.

Enterprise data management (EDM) – the ability to define, integrate and retrieve data for internal and external applications and communication. It focuses on creating accurate, consistent, transparent content.

Enterprise software – this is also known as enterprise application software. It is computer software used to satisfy an organisation's needs rather than those of individuals.

Enterprise system – these large-scale software packages track and control all of a business's operations. They act as a command hub to automate the business, and make reporting and decision making easier.

EPOS – stands for Electronic Point Of Sale and is a combination of hardware and software. It records your sales from till systems, and generates reports. **EPOS integration** refers to the connection of different operations such as online sales, stock control and finances.

ERP – stands for Enterprise Resource Planning. This software manages and integrates a company's financial, supply chain, operations, commerce, reporting, manufacturing, and HR activities.

ESG – Environmental, Social and Governance refers to the way non-financial information is incorporated into the way companies are evaluated. Measures cover a range of areas, from the amount of carbon your operations produce, to the percentage of women at board level. ESG criteria are becoming increasingly important to investors' views of a company.

GRC – Governance, Risk and Compliance covers the processes and procedures to ensure a business achieves its objectives, tackles uncertainty and acts with integrity. It's about instilling and following good business practices, as well as complying with legal requirements.

Instantiate – to represent an abstract concept with a real example, to clarify your idea or opinion. In computing, instantiation means creating a named object in a programming language.

Know-your-customer (KYC) process – also called know your client, this is a process to verify the identity and credentials of a financial services user. For example, someone who opens a new bank or savings account will go through this.

Master data – master data represents the objects at the heart of your business transactions: buyers, products, employees, office locations. You wouldn't be able to operate without them.

Master data management (MDM) – the discipline, usually enabled by technology, in which a business ensures the uniformity, accuracy and consistency of its master data.

Middleware – a type of computer software that connects or creates a bridge between an operating system/database, and applications. Sometimes described as software glue.

Minimum viable product (MVP) – an early or basic version of a product. It meets the minimum requirements for use, but can be adapted and improved following customer feedback.

Network optimisation – a range of tools, strategies, and best practices for monitoring, managing, and improving network performance.

Open architecture – this is a kind of computer or software infrastructure that makes it easy to add, upgrade or swap components with other computers. Its specifications are public, so anyone can design add-on products for it. You can integrate it with components made by outside vendors. One possible disadvantage is that it allows third parties to duplicate a manufacturer's product.

Operational excellence – at its heart, the aim is to work efficiently, effectively and consistently to meet (preferably exceed) customers' expectations. It's a philosophy that should be at the heart of an organisation's operating model, rather than a one-off process.

PaaS – stands for Platform as a Service. A cloud computing model, it gives users a complete platform to develop, run and manage applications without having to build and maintain the infrastructure themselves. It includes hardware, software and infrastructure.

Process mapping – a task to define what a business does, who does it, and how to measure its success. The task produces a diagram or flowchart of each process.

Process mining – a way of extracting data to give an accurate picture of how systems are, or aren't, performing. Insights are based on hard data.

Process modelling – similar to process mining, but more future-focused. It builds a picture of how a business should work. This doesn't rely on data and may be subjective.

Purchase to pay – this integrated system fully automates a business's purchasing process for goods or services.

SaaS – stands for Software as a Service and is a method of delivering and licensing software. Users access the software online via a subscription, rather than buying and installing it on their devices. As a user, you've always got the most up-to-date version, while the software provider looks after maintenance and support.

Scenario modelling and simulation – running various sequences of events to see how a process or system performs under different conditions. It helps discover the effects of process changes and improves the chances of success.

Schedule trigger – a trigger or condition that causes a task to be executed at specific dates, times or intervals (e.g. every two minutes).

SLA – standing for Service Level Agreement, it's the agreement between a service provider and its users. A contract that lists the services and quality standards that a customer should expect.

Solution stack – a set of programs or application software that work together to create a complete platform. Can also be called a software stack or suite. Covers back-end processes and the front-end user interface.

SQL – standing for Structured Query Language, it's a computer language used for storing and managing data held in a relational database (a database structured to recognise the relationships between stored items of information).

Systems implementation – a process to put a new system in place, from creating files and programs and training users, to installing and testing the software.

Systems integration – combining component sub-systems into one system and ensuring they work together. In IT, it's about linking different computing systems and software applications.

Target operating model (TOM) – this represents the ideal future state of a business and helps set its direction. If everything were working perfectly, this is how people, processes and systems would function.

Technology implementation – similar to systems implementation but broader and at a higher, more strategic level.

Transformation map/dashboard – a visual tool to help users define, plan, manage and analyse the actions needed to complete a project. It can be used for large and small initiatives and activities.

Vendor management system – also known as supplier management. Technology to manage and procure staffing services. Includes processes like selecting, negotiating, monitoring, and payment systems.

Work instructions – a set of supporting documents and information to help teams engage with processes and follow them efficiently.

Workflow management system – a structure to manage and monitor the delivery and performance of a sequence of tasks or activities (a workflow).

Next steps
Discover how our transformation consultants can help your organisation to analyse and improve its business processes. Arrange a free, no-obligation call with one of our team.

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