

# **Fit Measurement: How to Distinguish Between Fit and Misfit**

Notes for Brainstorming Session prepared by Pnina Soffer

## **Discussion mission**

1. To characterize approaches to fit assessment and identification.
2. To characterize fit maintenance triggers and policies, and factors that should be considered for such decisions.

## **Motivation**

Business processes may change frequently, as the business environment is dynamic and constantly evolving. Adjustments in the BPS system do not necessarily immediately follow every such change, and are subject to decision making. Such a decision should be based on (a) identifying that the BPS system does not “fit” the current business processes, and (b) evaluating the disruption as justifying the cost of adjustments to be made. Non-fit identification requires the application of fit measurement methods. Evaluation of fit disruption can be made on an ad-hock basis, or as a policy that defines triggers for fit maintenance. Policies may range from an evolutionary approach, engaging frequent small adjustments, to a revolutionary approach, engaging rare adjustments of a large magnitude (even a total redesign or a replacement of the BPS system). They differ in their tolerance to fit disruptions, which may be expressed in terms of a threshold that triggers the maintenance action.

An important factor related to fit maintenance policy is the flexibility of the business processes and the BPS system. It can be argued that in order to maintain long term fit with its environment, a business needs flexibility that allows some freedom and variations in performing the business processes. As a result, the BPS system should be flexible enough or at least tolerant to such variations. In other words, flexibility of the business processes may be perceived as a continuing state of non-perfect fit between the business processes and the BPS system. Adopting a flexible or tolerant BPS system is a policy that leads to less frequent adjustments, but is not suitable for organizations that need to follow strictly defined and regulated procedures. Establishing the desired level of flexibility and tolerance of the BPS system and the business processes themselves directly influences the maintenance policy to be taken.

The aim of this brainstorming session is to discuss and reach an understanding of the factors that establish a fit maintenance policy. We will address the issues of measuring the fit and identifying fit disruptions, characterizing different types of

maintenance triggers, and indicating factors that should be considered in the maintenance decision making.

### **Main questions to be discussed**

- How can we measure the fit?
- What are the criteria for identifying “fit” and distinguishing it from “non-fit”?
- Criteria for characterizing levels of fit.
- Do flexible business processes require non-perfect fit?
- Is a certain level of non-fit desirable? To what extent?
- How to perform a cost-benefit analysis of required adjustments?
- Pros and cons of evolutionary vs. revolutionary maintenance policy.
- Is a computational measure of fit appropriate as a basis for maintenance decision, or should each situation be evaluated independently?
- Is a maintenance policy required at all, or are ad-hock decisions the best policy?
- What triggers are appropriate for maintenance decision (fit level, threshold, pre-defined event, ad-hock decision)?