## Position Paper Computational Business Process Components for Electronic Commerce

Walt Scacchi
ATRIUM Laboratory
University of Southern California
Los Angeles, CA 90089-1421 USA
Wscacchi@rcf.usc.edu

## **Overview**

In this position paper, I will focus on addressing computational business processes as software components for Electronic Commerce. These components can be configured into an organizational process architecture that serves as a reusable framework for developing an EC information infrastructure. Process-driven Intranets then serve as a distributed development and run-time support environment for the framework. Since PDIs can span organizational boundaries, and since PDIs in different organizations may be interconnected, then process-driven extranets can be created and deployed. PDIs and PDEs enable the design, integration, and enactment of virtual enterprises. When a community of virtual enterprises emerges and begins to support business transactions among these enterprises, then virtual markets can appear, as can different kinds of computational economies. With the exception of this last item, I have experience in developing and applying these capabilities in different organizational settings. My experience leads me to believe that CBPs are viable components for EC. Furthermore, such components address an orthogonal set of issues compared to those addressed by other potential EC technologies such as CORBA/DCOM, EDI X12 transaction standards, Java/ActiveX, UML, and others. Subsequently, the potential value of CBPs can be assessed independent of choices made in using or evolving other EC technologies. Thus, CBPs merit consideration as a foundational software technology for EC.

## **Position**

Business-to-business transaction are expected by many to constitute an emerging market for EC. However, the requisite software application componentry and infrastructure to facilitate this is unclear. For a variety of reasons, it seems that many heterogeneous technological solutions will be put forward as contenders. As a result, businesses will seek to exercise autonomous choices that best serve their strategic interests when selecting software technologies to support their EC.

I am interested in understanding how complex business processes can be supported and executed using a widearea information infrastructure. Together with my colleagues, I have studied processes associated with <u>military</u> <u>procurement</u>, <u>research grants management</u>, <u>corporate financial operations</u>, <u>system acquisition</u>, and <u>large-scale</u> <u>software engineering</u> among others. All of these are appropriate domains for the application of concepts, techniques and tools for EC. I have led research projects that developed technologies for specifying, using and evolving computational representations of business processes. In this paper, I will refer to these representations as *computational business processes*. CBPs are a kind of software componentry. These components can model, support and execute business process activities within an organization, such as problem-solving tasks. They can also interconnect and coordinate business processes across organizations, such as to support inter-organizational workflow. CBPs can be specified using high level scripting languages [O98] that are extended and tailored for modeling computer-based business processes. CBPs specify a control flow sequence of actions (or transactions) that different organizational actors perform using available application tools that consume their required inputs in order to produce the provided outputs. In addition, CBPs are internally represented as directed attributed graphs that can be externalized as semantic hypertext networks [GS89, NS91, MS96]. This enables navigational traversal that in turns provides a familiar mode of user interaction for browsing and enacting CBPs. Furthermore, using the capabilities of scripting languages to glue applications and tools together with their typed input and output allows CBPs to be interpreted (or executed) with computer support. Thus we find that essentially any computer-supported business can be specified and executed to some degree using CBPs.

CBPs link and integrate the products, people/roles, applications, heterogeneous information repositories and network computing environment through an *organizational process architecture* [SM97, NS97b]. An OPA serves as a conceptual and representational framework for specifying how individual CBPs can be configured and interconnected through their inputs, outputs, and other bindings [MS96, NS97a]. As a framework, it is possible to compose appropriate CBPs that provide computer-based support for common business processes such as purchasing, accounts payable, accounts, receivable, and other corporate financial operations [SM97]. Such a framework of CBPs may then be reused and specialized in different organizational settings. Thus, OPAs provide a foundation for organizing CBPs as reusable software components for EC.

CPBs and OPAs are computational representations that can be interpreted. They also serve as prescriptive guidelines for how people in organizational settings perform their work. As such, we can characterize the kind of run-time environment that can support the development and execution of CBPs and OPAs. In simplest terms, these are called, *process-directed intranets* [SN97]. PDIs denote a network of application and repository servers, data transformation mediators, and end-user clients (Web browsers, integrated tools, and helper applications) that traverse a distributed semantic hypertext [NS91, NS97b]. PDIs in different organizational settings can be configured and interconnected to form *process-directed extranets* that realize *virtual enterprises* [NS97a, NS97b, SN97]. Thus, it is possible to rapidly prototype and engineer PDIs and VEs across their life cycle in a wide-area environment [SM97]. Similarly, PDIs and VEs can support the redesign and reengineering of business processes to which they are applied [SN97].

Finally, CBPs, OPAs, PDIs, and VEs are software technologies that are essentially neutral to the choice made for lower-level software interoperability mechanisms and data definition standards. Technologies and standards such as CORBA/DCOM, Java/ActiveX, EDI X12 transaction standards, UML and others are not necessary for CBPs. Alternatively, it is unclear whether these technologies and standards are necessary or sufficient for specifying or executing business processes in a coherent and tractable manner. However, these technologies and standards can be accommodated within CBP technology. In short, CBPs, OPAs, PDIs, and VEs can be developed and executed with or without the software technologies and standards noted above. Thus, it seems reasonable to posit and discuss how CBPs can serve as a foundational software technology for EC along side of the other technologies and standards that have been proposed so far.

## References

[GS89] P.K. Garg and W. Scacchi. ISHYS: Designing Intelligent Software Hypertext Systems. *IEEE Expert*,

4(3):52-63, 1989.

[MS96] P. Mi and W. Scacchi. A Meta-Model for Formulating Knowledge-Based Models of Software Development. *Decision Support Systems*, 17(3):313-330. 1996. http://www.usc.edu/dept/ATRIUM/Papers/Process Meta Model.ps

[NS91] J. Noll and W. Scacchi. Integrating Heterogeneous Information Repositories: A Distributed Hypertext Approach, *Computer*, 24(12):38-45, December 1991. http://www.usc.edu/dept/ATRIUM/Papers/Distributed\_Hypertext.ps

[NS97a] J. Noll and W. Scacchi. Supporting Distributed Configuration Management in Virtual Enterprises. *Software Configuration Management*, R. Conradi (ed.), Lecture Notes in Computer Science, Volume 1235, Springer-Verlag, New York. 142-160, 1997. <a href="http://www.usc.edu/dept/ATRIUM/Papers/DHT-SCM7.ps">http://www.usc.edu/dept/ATRIUM/Papers/DHT-SCM7.ps</a>
[NS97b] J. Noll and W. Scacchi. Supporting Software Development Projects in Virtual Enterprises. <a href="Journal of Digital Information">Journal of Digital Information</a>, (revised version, to appear). <a href="http://www.usc.edu/dept/ATRIUM/Papers/DHT-VE97.html">http://www.usc.edu/dept/ATRIUM/Papers/DHT-VE97.html</a>
[O98] J. Ousterhout. Scripting: Higher-Level Programming for the 21st Century. *Computer*, 31(3):23-30, March 1998.

[SM97] W. Scacchi and P. Mi. Process Life Cycle Engineering: A Knowledge-Based Approach and Environment. *Intern. J. Intelligent Systems in Accounting, Finance, and Management*, 6(1):83-107, 1997. http://www.usc.edu/dept/ATRIUM/Papers/Process\_Life\_Cycle.html

[SN97] W. Scacchi and J. Noll, Process-Driven Intranets: Life-Cycle Support for Process Reengineering, *IEEE Internet Computing*, 1(5):42-49, September 1997. http://www.usc.edu/dept/ATRIUM/Papers/PDI.ps