

## Comparing Process and Functional Views: How Organizations Structure Work

Aspect	Process View	Functional View
<b>Definition</b>	Focuses on the <b>flow of work</b> that creates value for customers, typically crossing departmental boundaries.	Focuses on <b>organizational structure</b> — grouping people and activities by similar expertise, skills, or functions.
<b>Core question</b>	“How is value created and delivered from start to finish?”	“Who does what — and how are roles and responsibilities organized?”
<b>Main modeling unit</b>	<b>End-to-end business processes</b> (e.g. “Order-to-Cash”, “Hire-to-Retire”).	<b>Functions or departments</b> (e.g. “Sales”, “Finance”, “HR”).
<b>Orientation</b>	<b>Horizontal</b> — looks across the organization.	<b>Vertical</b> — looks within silos or departments.
<b>Aim</b>	Optimize the <b>flow of value</b> and eliminate non-value-adding steps.	Optimize <b>functional efficiency</b> within each department.
<b>Typical diagram or model</b>	Process model (flowchart, BPMN, SIPOC, etc.)	Organizational chart or functional decomposition diagram.
<b>Primary measure of success</b>	Customer satisfaction, cycle time, end-to-end performance.	Functional productivity, resource utilization, departmental KPIs.

Based on the book “Business Process Change” from P. Harmon