

1 ABSTRACT

Organisational context comprising of deeply imbedded business models and mindsets and existing business circumstances is very difficult if not impossible to systematically capture and analyse. This research addresses this issue. The research question is 'How can *most* of the information related to the *context* of the business processes, mainly the human context, be systematically captured and integrated with the business processes?'

The present research was motivated by the study of business operations of an organization, where business process analysis had failed to spot the problems in operations that were located in its business context. To answer the research question, an Object Oriented [OO] approach to organisational understanding was developed. It is based on Richard Watson's (1999) work that derives a set of OO based principles as a guide to strategy formulation in Internet based firms. The OO approach captures behavioral patterns of people running the business processes and the surrounding context. Their informal interaction is captured through 'causal patterns'. Causal patterns were often found to be the root of organisational success and failure.

The OO approach was validated by applying it to an organization. Case study research methodology was used. Research results indicated that 5 years back causal patterns had led to good market reputation with good loyalty of customers, suppliers as well as employees. Over time, though the business processes remained unchanged, the context changed, turning virtuous causal patterns into vicious. The OO approach was able to capture the phenomenon in its context.

The research is important as it enriches the theory of organizational analysis and change. The research implies 1] organizational complexity to an extent can be more systematically understood and analyzed. 2] revision in business analysis methodologies by helping them capture a greater amount of organizational complexities 3] give directions in identifying process granularity and help ERP implementation.