• What is Business Process Management?
• Why it matters
• Design Tools
  ↩ Stand-alone
  ↩ Integrated
• Vendors
• Questions
1. Way to Improve Operations

2. A Software Category

“Business Process Management encompasses the design, automation, management, and continuous improvement of business processes.”
Definition of Business Process

“A business process is the complete set of end to end activities required to complete a transaction that provides value to a customer.”
• Total Quality Management
• Six Sigma
• Lean
• ISO 9001
Processes must be managed and improved! This involves:

- Defining the process
- Measuring process performance (metrics)
- Reviewing process performance
- Identifying process shortcomings
- Analyzing process problems
- Making a process change
- Measuring the effects of the process change
- Communicating both ways between supervisor and user
BPM Architecture

Traditional

- Presentation Layer
- Application Layer
- Data Layer

Process embedded in code

4-Layer Architecture

- Presentation Layer
- Process Layer
- Application Layer
- Data Layer

Process easily changed
### Gartner Survey – BPM Project Success

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>75%</strong></td>
<td>Projects currently underway; 25% had 6 or more</td>
</tr>
<tr>
<td><strong>95%</strong></td>
<td>Experienced &gt;90% success rates in BPM projects</td>
</tr>
<tr>
<td><strong>75%</strong></td>
<td>Multi-department projects (3 or over)</td>
</tr>
<tr>
<td><strong>67%</strong></td>
<td>Projects completed in &lt; 6 months</td>
</tr>
<tr>
<td><strong>50%</strong></td>
<td>Projects completed in 4 months or less</td>
</tr>
</tbody>
</table>

*Source: Gartner Research Report*
Gartner Survey – BPM ROI Statistics

- **100%** Achieved at least >10% ROI
- **78%** Greater than 15% ROI
- **77%** ROI greater than $100,000 per project
- **55%** ROI greater in $100,000 - $500,000 range

Source: Gartner Research Report
• Integrate applications across the entire business process
• Provide a single point of entry for related data
• Reduce or eliminate human error
• Replace people tasks with automated tasks
• Reduce or eliminate waiting time for tasks
• Provide real-time status about processes to management
• Started in the 1980s as an adjunct to Imaging and Document Management systems.
• For our purposes we are using a subset of potential definitions to refer to Workflow as the set of tools necessary to route, manage, and monitor the creation of Electronic documents.
• Structured and collaborative processes
## Problems Addressed by BPM

<table>
<thead>
<tr>
<th>Issue</th>
<th>WF</th>
<th>BPM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human-to-human communication</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Human-to-system communication</td>
<td>=</td>
<td>X</td>
</tr>
<tr>
<td>System-to-system communication</td>
<td></td>
<td>=</td>
</tr>
<tr>
<td>Repeatable process</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Ad-hoc process flow</td>
<td>=</td>
<td></td>
</tr>
<tr>
<td>Creation of documents</td>
<td>X</td>
<td>=</td>
</tr>
<tr>
<td>Content retrieval and publishing</td>
<td></td>
<td>=</td>
</tr>
</tbody>
</table>
• Procure to Pay Process
  ➫ Business Issues
    ◆ 7 Payment methods, six manual
  ➫ Solution
    ◆ Web-Based Procurement
    ◆ FileNET Imaging System
    ◆ SAP Workflow

• Inception to Order Process
  ➫ Business Issues
    ◆ Lack of Clarity of Roles
    ◆ Inconsistent scheduling
  ➫ Solution
    ◆ Map out Complete Business Process
    ◆ Define handoffs
• Casino Operations Business Issues
  ◆ Manual processes take too long, too many errors
  ➔ Solution – Phase 1
  ◆ Business Process Analysis
  ◆ Improve Data Integration
  ◆ Automate individual tasks

• Reinsurance Company
  ➔ Business Issues
  ◆ Lack of Communication between IT and Business
  ➔ Solution
  ◆ Map out Complete Business Processes
  ◆ Training in Object-oriented development
  ◆ Integrated Solution
Design Tools

- Graphical Design Tool
- Integration with Analysis Tools
- Version Control
- Process Simulation
- Forms Generator
- User Management
- Business Rules
- Prebuilt templates
• Microsoft: VISIO
• EMC: ProActivity Suite
• Metastorm: ProVision
• iGrafx: iGrafx Process
• IDS Scheer: ARIS Process Platform
• Casewise: Corporate Modeler
• Telelogic Popkin System Architect
• CA: ERWin
• Phaon: Beacon
• Ultimus: Ultimus BPM Suite
• Captaris: Captaris Workflow
• Metastorm: e-Work
• Lombardi Software: Teamworks
• Savvion: Business Manager, Process Modeler
• Appian: Appian Enterprise
Product Survey – BPM Engines (Large)

- IBM: Wepshere Business Process Integration Suite
- IBM: FileNET P8 Business Process Manager
- Documentum: Business Process Manager
- TIBCO: iProcess Suite (From Staffware)
- BEA: BEA Aqualogic and Fuego BPM
- Intalio: Business Process Management System
- Pegasystems: Smart BPMSuite
DEMO
Top Ten Rules for Success

1. Have Executive Sponsorship
2. Have a Process Owner
3. Change Management Plan
4. Define Business Objectives
5. Understand Customer Objectives
6. Map out as-is process
7. Map out to-be process
8. Simulate to-be process
9. Develop iteratively
10. Be Prepared to Change
• BPM Recap

• The benefits
Questions

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