Successful strategies for Rapid BPM Deployment
(Introduction to Lombardi BPM)

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Process Improvement is a Top Priority for CIOs

2010

5 Years in a Row!

2006 - 2009

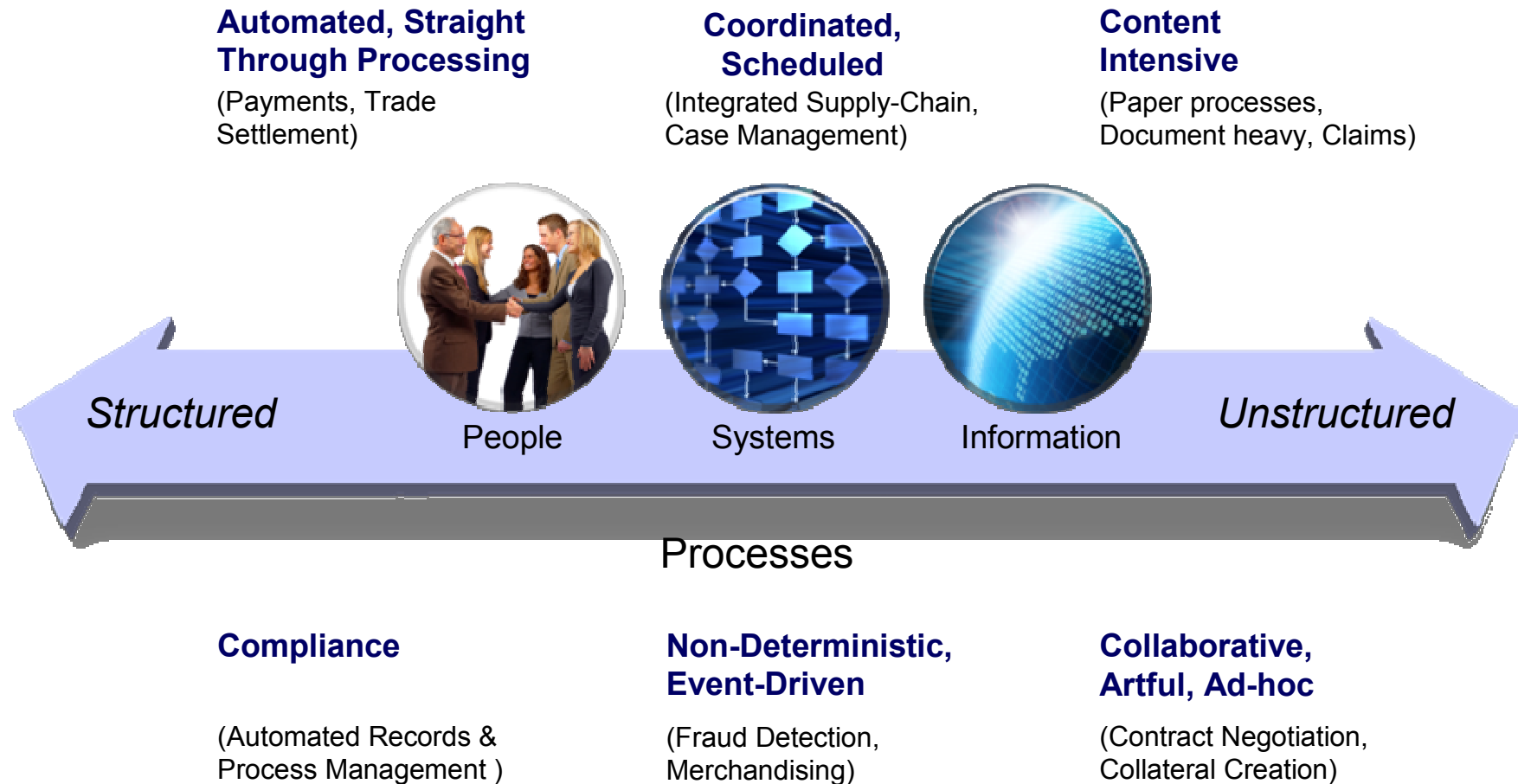**Business expectations for IT focus on improving current operations and performance**

Business expectations						
Ranking			Ranking of business priorities CIOs selected as one of their top 5 priorities			
	2009		2008	2007	2006	2012
Improving business processes	1	↔	1	1	1	2
Reducing enterprise costs	2	↑	5	2	2	7
Improving enterprise workforce effectiveness	3	↑	6	4	*	6
Attracting and retaining new customers	4	⇓	2	3	3	3
Increasing the use of information/analytics	5	↑	8	7	6	8
Creating new products or services (innovation)	6	⇓	3	10	9	1
Targeting customers and markets more effectively	7	↑	9	*	*	9
Managing change initiatives	8	↑	12	*	*	12
Expanding current customer relationships	9	⇓	7	*	*	11
Expanding into new markets or geographies	10	⇓	4	9	*	4
Consolidating business operations	11	↑	13	14	*	15
Supporting regulation, reporting and compliance	12	↑	14	13	*	16
Creating new sources of competitive advantage	13	⇓	11	8	*	5

Top 10 Business Priorities	Ranking
Business process improvement	1
Reducing enterprise costs	2
Increasing the use of information/analytics	3
Improving enterprise workforce effectiveness	4
Attracting and retaining new customers	5
Managing change initiatives	6
Creating new products or services (innovation)	7
Targeting customers and markets more effectively	8
Consolidating business operations	9
Expanding current customer relationships	10

Source: Gartner, 2010 CIO Survey

Types of Business Processes

A **business process** is a collection of interrelated tasks, which accomplish a particular goal, usually decomposed into several sub-processes.

Automated, Straight Through Processing

(Payments, Trade Settlement)

Coordinated, Scheduled

(Integrated Supply-Chain, Case Management)

Content Intensive

(Paper processes, Document heavy, Claims)

Structured   *Unstructured*

People   Systems   Information

Processes

Compliance

(Automated Records & Process Management)

Non-Deterministic, Event-Driven

(Fraud Detection, Merchandising)

Collaborative, Artful, Ad-hoc

(Contract Negotiation, Collateral Creation)

BPM is about Value <u>not Technology</u>

BPM Defined: An <u>integrated</u> approach to aligning the key activities of an organization into <u>processes</u> you can consistently <u>measure</u> to <u>optimize</u> value to your organization and its end customers.

Integrated

- Technology + methodology
- Compresses cycle time for process lifecycle
- Enabled by BPMS platform

Processes

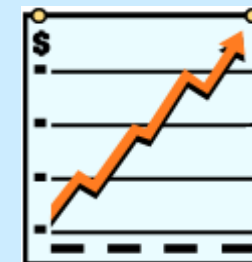- Align people & tasks to valuable outcomes
- End-to-end vs. silo
- Cross-functional

Measure

- High visibility into performance of process & people
- Metrics that are meaningful to the business
- Quantify impact of process improvements

Optimize

- Enhance process to maximize business value
- Identify & remove bottlenecks
- Eliminate non-value-add activities

Planning for Execution is Key to the Success of a BPM Project: Your BPMS Should Facilitate This Collaboration

Granularity of Business View & Amount of Detail in Work Products

Business Strategy   Process Improvement & Implementation
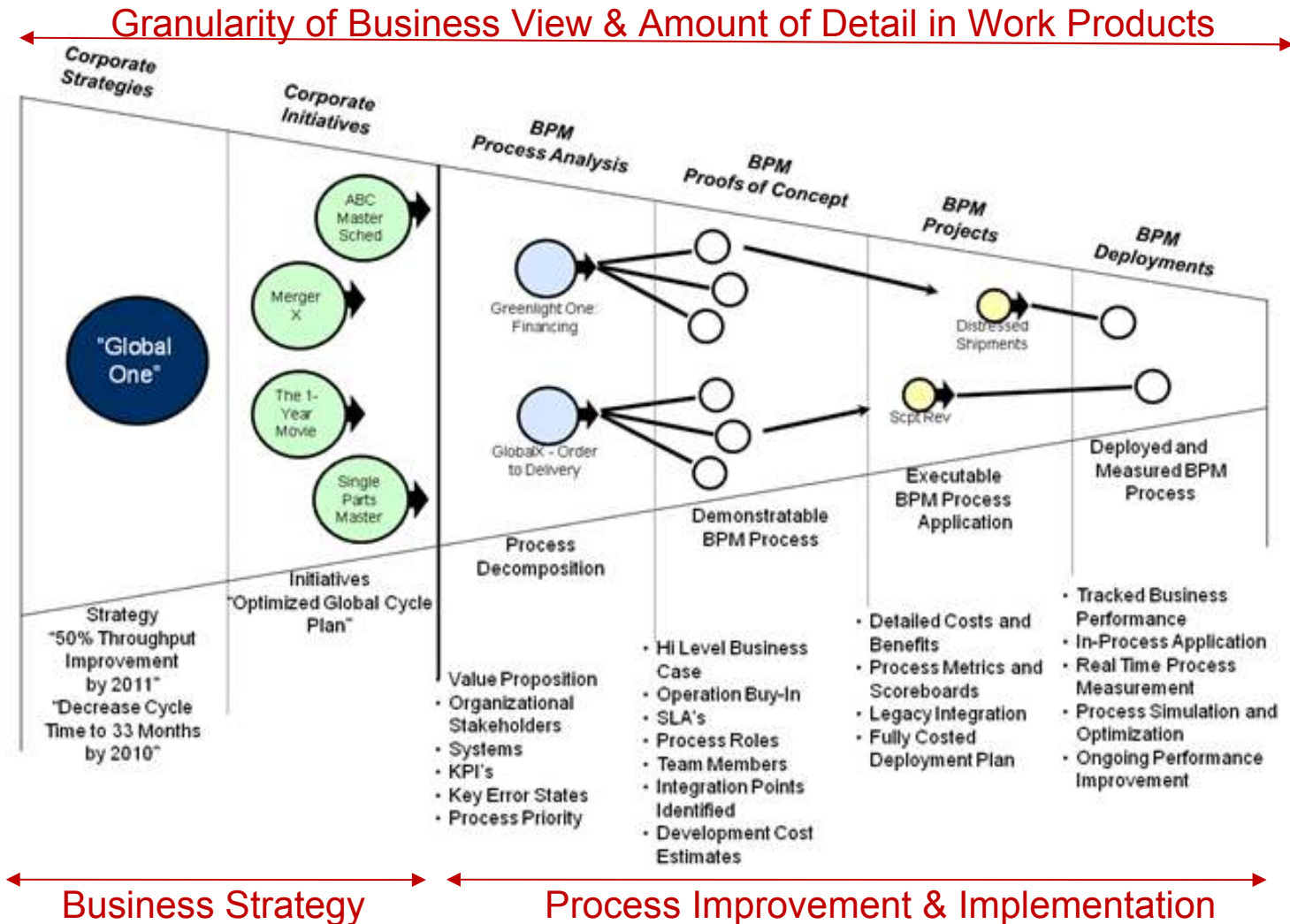
Discovering the Disguised BPM Opportunities

Financial Management
(SOX Compliance)

Marketing, sales, and services
(Contact Center Optimization)

Human Capital Management
(Employee Self-Service)

Product Lifecycle Management
(Category Line Extension)

Supply Chain
(Inventory Management)

BPM Opportunities are usually found in:

- **Strategic Business Initiatives**
- **Line of Business Projects**
- **CIO/CFO driven programs**
- **Regulated Businesses**
- **Outsourcing Projects**
- **ERP / CRM investments**
- **Key Performance Indicator programs**

- **Acquisitions, Mergers and Divestitures**
- **Risk reduction and mitigation programs**
- **Infrastructure Consolidation initiatives**
- **Human workflow management**
- **Supply chain improvement and optimization programs**

These opportunities will be spoken of and handled differently depending on the roles of the individuals within the organization… yet they are they same drivers and value to the business.

A Simple Sample Prioritization Matrix

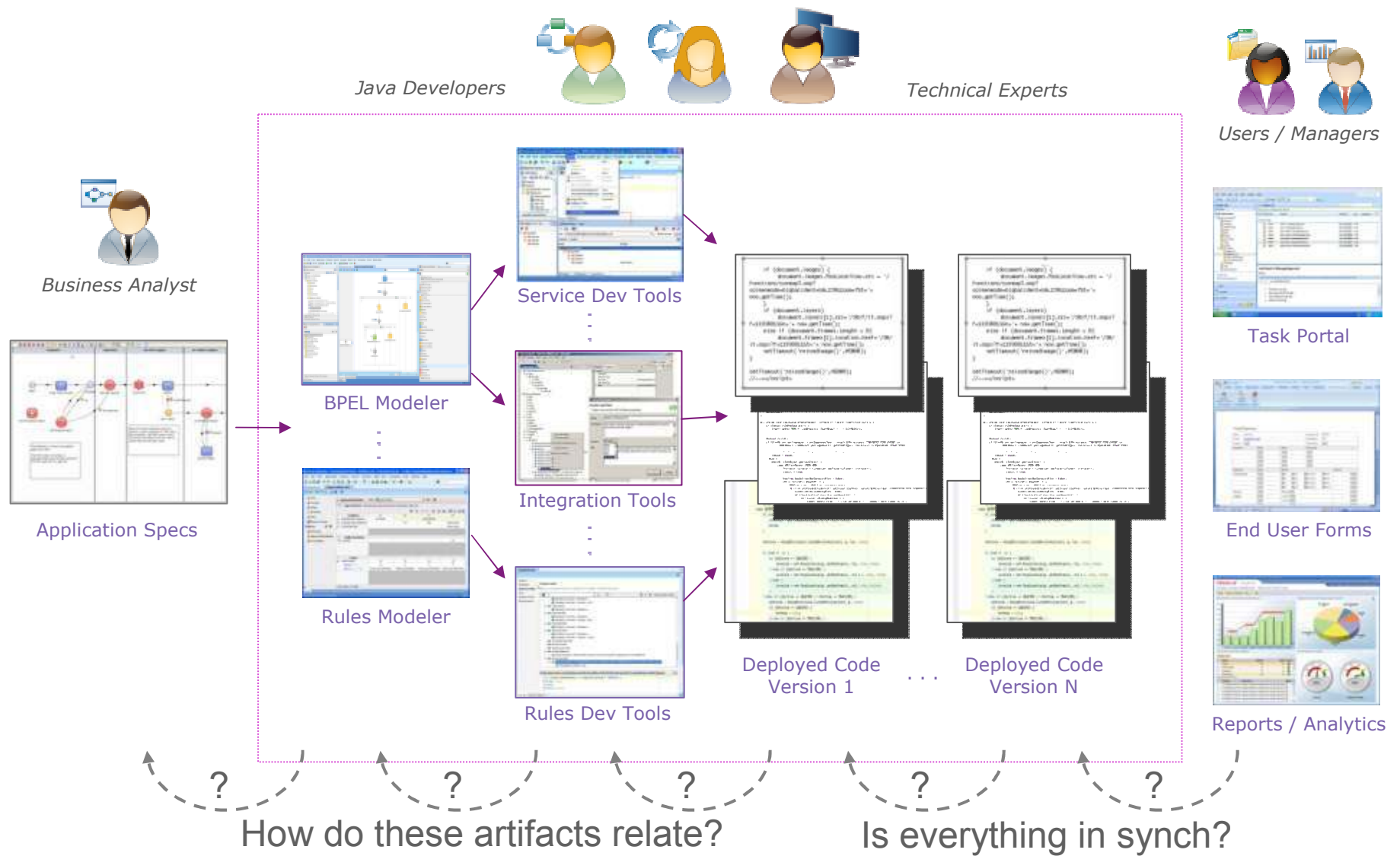|	Impact to employee satisfaction	Relevance to organizational strategy	Financial Impact (ROI)	Total
Employee Leave Mgmt	4	2	2	8
Customer return process	2	4	4	10
New sales process	2	4	3	9

Need Help Identifying Opportunities? Look for the Signs

Process errors causing revenue loss

Inefficiency is causing additional cost or headcount

Rework required

Unsure of steps for process improvement

Low customer or employee satisfaction

Losing opportunities to more responsive competitor

Lack of visibility into systems execution

Difficult to evolve IT systems to changing business need

IT not responsive to business needs

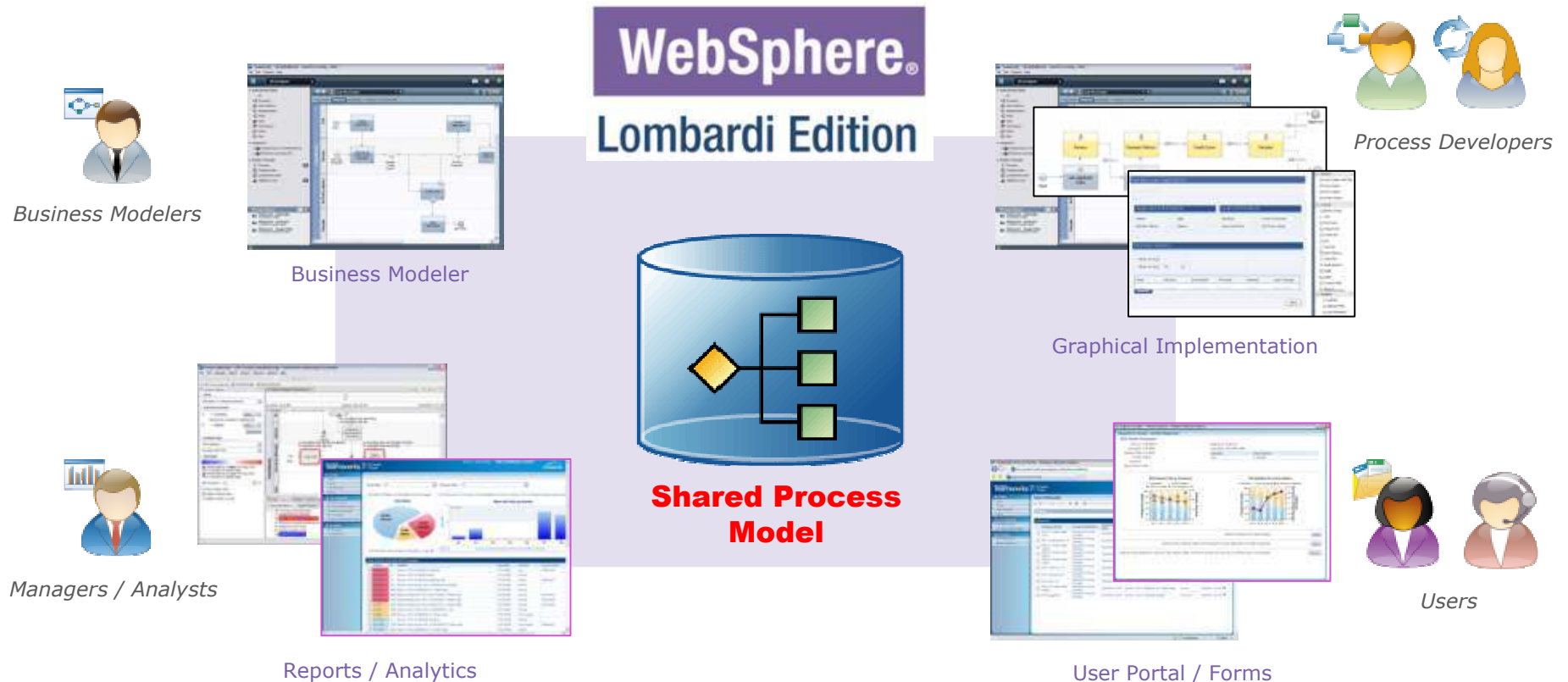# Introduction to
WebSphere Lombardi Edition BPM

Traditional Process Application Lifecycle

Java Developers

Technical Experts

Users / Managers

Business Analyst

Service Dev Tools

Task Portal

BPEL Modeler

Integration Tools

End User Forms

Application Specs

Rules Modeler

Deployed Code
Version 1

. . .

Deployed Code
Version N

Rules Dev Tools

Reports / Analytics

? ? ? ? ?

How do these artifacts relate?   Is everything in synch?

Lombardi Difference: "Shared Model" Architecture

Business Modelers

Business Modeler

Managers / Analysts

Reports / Analytics

WebSphere.
Lombardi Edition

Shared Process Model

Process Developers

Graphical Implementation

Users

User Portal / Forms

- Single shared process model – assets are always in synch
- Single integrated platform – everything you need in one product
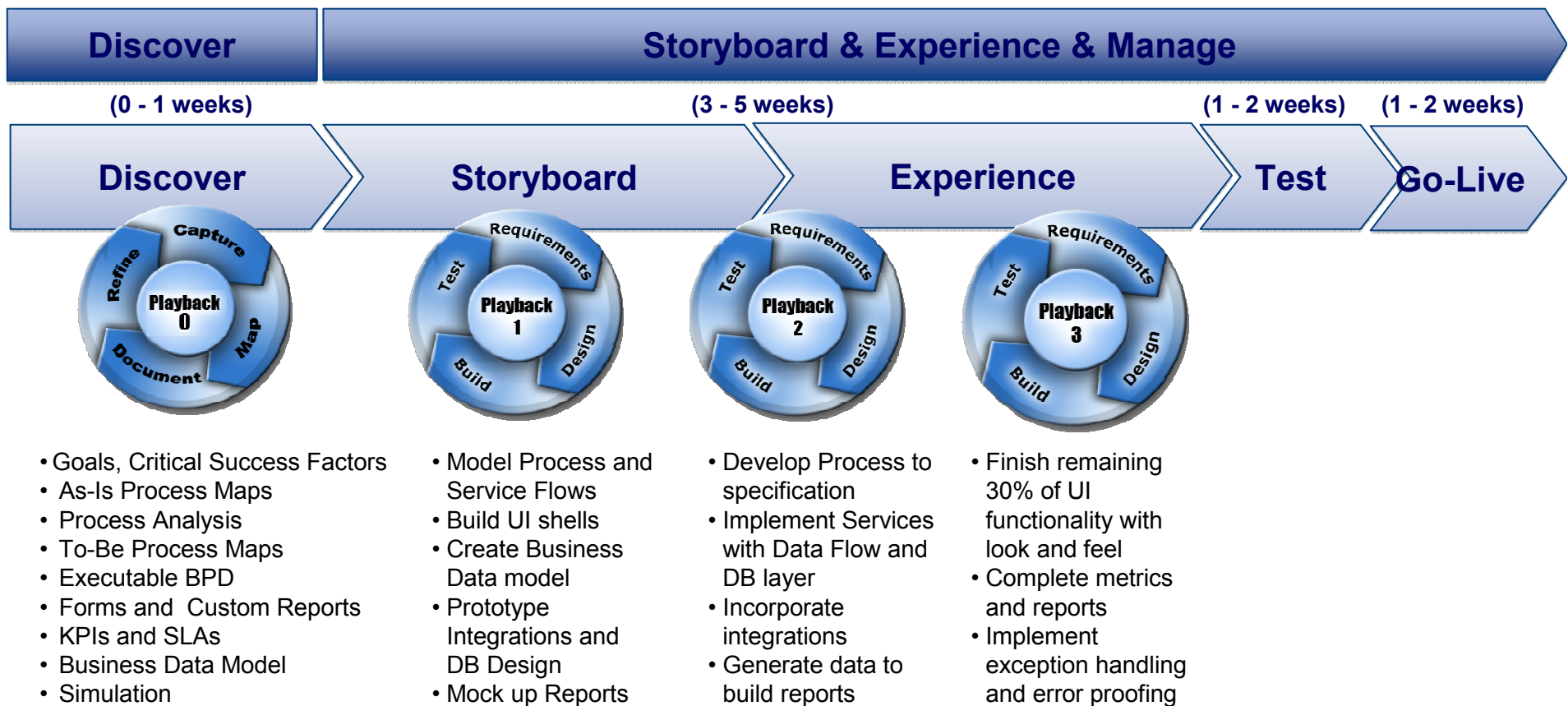- Lower technical effort – less development time, cost, risk

The Picture *Is* The Process

The simplest way to get started with your BPM initiative

The quickest way to deliver process applications

Using Playbacks With WebSphere Lombardi Edition to Achieve Iteration

Discover	Storyboard & Experience & Manage		

(0 - 1 weeks)	(3 - 5 weeks)		(1 - 2 weeks)	(1 - 2 weeks)
Discover	**Storyboard**	**Experience**	**Test**	**Go-Live**

- Goals, Critical Success Factors
- As-Is Process Maps
- Process Analysis
- To-Be Process Maps
- Executable BPD
- Forms and Custom Reports
- KPIs and SLAs
- Business Data Model
- Simulation

- Model Process and Service Flows
- Build UI shells
- Create Business Data model
- Prototype Integrations and DB Design
- Mock up Reports

- Develop Process to specification
- Implement Services with Data Flow and DB layer
- Incorporate integrations
- Generate data to build reports

- Finish remaining 30% of UI functionality with look and feel
- Complete metrics and reports
- Implement exception handling and error proofing

Simplicity .. with Sophistication

‣ **Shared Model Architecture** unifies design and run-time information

‣ Unified environment makes collaboration and "**playback**" possible

‣ **Snapshots** introduce an entirely new way to version

‣ **Toolkits** enable broad re-use of common assets across projects

Take action now!

Register for IBM Lombardi Blueprint

http://www.lombardisoftware.com/bpm-blueprint-product.php

- For additional information including whitepapers and demos, please visit:

  http://www-01.ibm.com/software/info/bpm/

- Contact your local IBM sales representative to learn more about:

  - IBM BPM Business Value Analyzer

  - Business Process Improvement Workshop

For more information, contact

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