

Accelerate ROI for business
process management with
IBM solutions designed for
rapid deployment

IBM

Accelerate ROI for business process management from IBM

Business process management (BPM) is a discipline consisting of software and expertise, designed to improve the performance, visibility and agility of business processes. With the right BPM solution, organizations can break down silos of information, streamline workflows and help business professionals work better by working together.

For many organizations, the first step in leveraging the advantages of BPM is the deployment of a solution addressing process issues that are prominent for one department. By starting with a clear process area, an initial BPM solution can help prove the value of BPM and support a rapid ROI. Properly developed, a BPM solution can also be scaled to support multiple departments, a division, a functional area or enterprise-wide BPM requirements in the future.

IBM provides offerings to help organizations develop BPM solutions designed for rapid ROI. With IBM, organizations can start small and grow their investment over time as they realize value from BPM.

Introduction

In today's marketplace, increased customer demands and business pressures are requiring organizations to become more efficient, transparent and responsive. To help address these needs, organizations often use optimized business processes to break down organizational silos, increase flexibility in rigid IT systems and better manage all the shifting elements within their business networks. The right business processes can also help them strengthen customer relationships, create new business models, enter more markets, and quickly deliver innovative products and services.

Today's business leaders repeatedly emphasize the importance of business processes. In a recent survey, 75 percent of the companies surveyed said their approach to change management was usually informal, ad hoc or improvised.*

Unfortunately, many businesses still struggle with processes that result in waste, errors, rework and inefficiencies. For example, processes are sometimes poorly documented or even misunderstood. Bottlenecks lead to lost productivity, exceptions and errors. The use of disparate, non-integrated tools adds more inefficiencies and process changes that are inconsistent and unplanned. Despite these problems, many users are reluctant to adopt new and unfamiliar processes that might involve extensive training or adjustments in the way they do their jobs.

The good news is that a BPM solution from IBM, properly designed and deployed, can help organizations optimize their business processes to become more competitive. BPM is a discipline consisting of software, methods and expertise to improve the performance, visibility and agility of business processes. A key point to remember is that BPM is more than just software. Success increases with a sound methodology and the addition of outside resources such as integrators and consultants. These professionals should be specialists in BPM with the ability to leverage their experience and expertise in the design and deployment of BPM solutions.

By continuously improving key business processes, BPM solutions can help organizations:

- Rapidly adjust to changing customer expectations and business demands.
- Empower workers to operate in real time with detailed process visibility.
- Improve decision making with new insights based on accurate, timely data.
- Automate and extend business processes to easily find and use the best resources anytime, anywhere.
- Easily enforce the use of a consistent, optimized process.

As an added benefit, BPM adoption is not an all-or-nothing proposition. In fact, many businesses take their first steps in BPM by starting with a small, well-scoped project providing high value. This approach has the advantage of quick deployment, minimal disruption and rapid ROI. Businesses can later build on their success with additional BPM solutions across departments or divisions.

This white paper will discuss procedures, practices and guidelines that support the design and implementation of an initial BPM solution within a brief period — 60 to 90 days in many cases. Supported by the value delivered by the initial project, organizations can scale and expand BPM to the enterprise level. The paper will also review IBM tools, programs and services that offer a range of entry points for businesses considering BPM.

Select the right process based on clearly defined goals, metrics and benefits

A BPM solution begins with a clear understanding of the strategic goals of the organization, and how performance against these goals is measured. Initial BPM projects should seek to positively impact key performance indicators (KPIs) that are linked to business objectives and provide meaningful benefits to customers.

Team members should look at the business value of processes in terms of revenue contribution, cost reduction and profitability, overall cycle times, and other factors that influence ROI and provide opportunities for immediate business impact. Other BPM metrics can include productivity levels influenced by manual tasks, bottlenecks and other factors.

For an initial BPM solution, organizations should strive for rapid deployment with selected key improvements, then evolve and expand over time

At a business level, the right process is one that:

- Clearly involves an issue that causes pain inside the organization or with customers.
- Can be addressed with progressive improvement approaches.
- Has enough visibility so other areas in the organization will take interest in the improvements.
- Can be understood well enough to address quickly.

Gain management buy-in

A successful BPM project depends on the solid support of management, starting with initial discussions and continuing throughout the project. This support is strengthened when managers clearly understand the business benefits of BPM for both a specific department and the organization as a whole. At the same time, managers need to be given a realistic assessment of the time, cost and resources required for deployment.

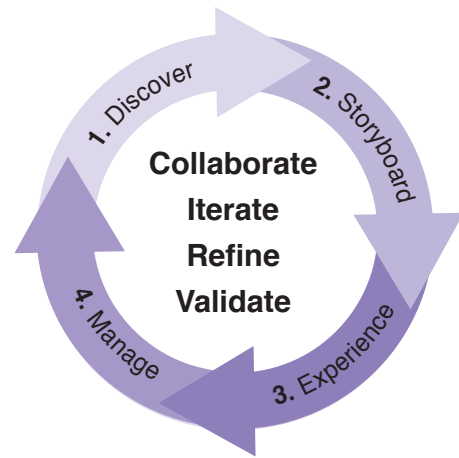
Based on an informed understanding of project benefits and requirements, management can then serve as project champions, encouraging the adoption of BPM to personnel in a fully articulated, consistently delivered and well-coordinated manner.

Follow a prescriptive guide for design and implementation

Following the familiar business adage “plan your work and work your plan” can support the success of an initial BPM project. Drawing on a wide range of experience in the field, IBM has developed a prescriptive guide based on best practices

for the design and implementation of BPM solutions. Although not a methodology in itself, this guide can supplement or serve as an extension of existing BPM methodologies.

The IBM guide consists of five activity areas. These areas are sequential only in a general sense. They sometimes overlap across the project schedule, and each area can support ongoing collaboration, iteration, refinement and validation of the solution.



IBM is the world's most popular provider of BPM solutions, with over 5,000 BPM customers in more than 30 countries.

- 1. Discover the actual business intent.** Business leaders and analysts discover and then map intent to business capabilities and processes. Options are identified and prioritized. For initial projects in particular, modeling tools should be used to understand the current state of the process. This area is where bottlenecks can be discovered and opportunities can be identified based on KPIs.
- 2. Storyboard the user interaction.** Process owners and business analysts capture and define both the current and future states of processes. Modeling based on simulation and analysis is used to refine and optimize the process. Business measures and KPIs are specified, and forms are simulated to validate and visualize human interactions.
- 3. Experience and visualize the solution.** Process owners, business users and analysts can “see” the optimized process through the elaboration and assessment of business measures and KPIs. Operational characteristics can be added to future state processes, and elaborate processes can be interactively validated in IT simulation environments.
- 4. Manage real-time performance.** Business users can customize their experience by managing KPIs and alerts, based on changing business conditions. Relevant data such as KPIs and alerts can be presented according to different roles played in the process. Real-time performance data allows business users to take immediate action to optimize business results.
- 5. Deploy the solution.** IT sets up the software and hardware environments, prepares and deploys production artifacts, tests the solution and monitors the health of the solution to ensure process integrity. All IT production-level activities should happen in parallel with business activities.

Consider how to start

The following IBM offerings can be especially valuable for businesses considering the rapid deployment of a BPM solution:

- IBM BPM BlueWorks, a BPM community for business leaders, analysts and professionals. Through learning and collaboration, community members can leverage prebuilt BPM content and contributions from BPM experts and users around the world, helping their organizations to move quickly from strategy mapping to process execution.
- IBM BPM FastPath, a set of prescriptive activities and tools designed to expedite BPM deployments within 90 days. Intended for deployments that involve significant interaction by individuals, BPM FastPath software and services can help accelerate time to value with a prescriptive approach to BPM, helping organizations to improve business results through tighter collaboration between business and technical teams.
- IBM Business Impact Workshop, a results-based service offering designed to identify a business process improvement project with high business value that can be implemented in a short period of time. Bringing together business and IT leaders across the organization, the workshop can help ensure that BPM projects are aligned to business strategies and based on measurable objectives.

Retailer achieves six-month payback on BPM solution from IBM

A major clothing retailer was famous for its extensive product selection. However, the company was using a traditional manual process — dependent on e-mails, faxes and phone calls — to find products when a given retail location was out of stock. This process resulted in a sale almost every time, but several hours were required to locate items in a large network of stores, distribution centers and warehouses. Meanwhile, customers became frustrated as they waited for information or deliveries.

The company turned to IBM to help streamline fulfillment and improve customer service by automating key processes. Using a solution based on IBM WebSphere® Business Modeler, the company's IT and business teams were able to analyze their existing processes, identify bottlenecks and develop an improved, automated solution. The modeling process even revealed how the teams were going to be organized under the new process.

As a result, the company was able to quickly automate a large part of the fulfillment process, from the initial request for merchandise to its shipment and tracking. Retail store associates now use a Web-based interface on the company's Web storefront to locate, allocate and ship product from another store directly to the address specified by the customer. In addition, the solution seamlessly integrates with key back-end systems to provide customer order-tracking capabilities throughout the order management lifecycle.

With new processes supporting faster customer service and greater efficiency, the company was able to achieve:

- A return on their BPM project investment within six months.
- A \$3.7 million increase in sales within the first 10 weeks.
- A savings of \$250,000 per month through faster ordering and shipping.
- Additional savings in time and money by reusing processes in other areas.

With IBM products, services and programs, businesses can develop BPM solutions to support their business priorities and objectives, both now and in the years ahead.

For more information

To learn more about the rapid deployment of BPM solutions, contact your IBM representative or IBM Business Partner, or visit ibm.com/bpm

Additional information is available at the following Web sites:

- IBM software and services for business process management: www-01.ibm.com/software/info/bpm
- IBM BPM BlueWorks: www.bpmbpblueworks.com
- IBM BPM FastPath: www.ibm.com/developerworks/websphere/services



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*2008 CEO Study, IBM



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