

# What is business process management? The key to enterprise agility

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Business processes are the key to the way that almost every company operates. That's because they are the blueprints that are followed to achieve all kinds of business functions, and they enable the different parts of the organization to work together and to interact with suppliers and customers.

That being the case, it's not hard to see that a company can only be as flexible, efficient and agile as its business processes interacting with each other.

Here's the problem: Many companies develop business processes in isolation from other processes they interact with, or worse, they don't "develop" business processes at all. In many cases, processes simply come into existence as "the way things have always been done," or because software systems dictate them. As a result, many companies are hampered by their processes, and will continue to be so until those processes are optimized.

## What is business process management?

Business process management (BPM) is the practice of aligning goals and processes as businesses evolve. BPM software helps organizations define the steps required to carry out a business task, mapping these definitions to existing processes and then streamlining or improving these processes so that the steps are taken more efficiently.

It's important to remember that businesses are dynamic, so their goals and processes are continually evolving. For that reason, business process management should be thought of as a continuous practice rather than a one-off event – prompting some people to suggest that it would be better named "business process improvement."

In the past, the focus of BPM was to achieve cost savings, add efficiencies and increase value to businesses. But in the last year or so that's changed, according to Rob Koplowitz, a principal analyst at Forrester Research. "BPM priorities have overwhelmingly shifted to customers," he says in the report [BPM Platforms for Digital Automation](#). "Organizations considering BPM initiatives are doing so to serve customers, not cut costs. Increasingly, BPM and process change are focusing on facilitating cross-channel collaboration among employees, customers, partners, and 'things,'" he says.

To give you an idea of the shifting priorities, a February 2017 [Forrester report](#) looking at which business processes BPM users are re-engineering found that 64 percent are looking at customer servicing and 52 percent at customer on-boarding, while just 26 percent are looking at supply chain and partner-facing and 25 percent accounting and financial.

## **Business process management examples**

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The following case studies provide explore how companies used business process management to solve real-world business problems.

1. **How a Travel Giant Turned Its Ship Around**

Declining sales. Cost pressure. Customers who wanted change, fast. Maritz Travel's COO tells how a group travel giant facing all of these pressures revamped its business processes, and how business and IT came together to make the effort pay off.

2. **How BPM Brought IT and End Users Together**

A BPM project did more than improve design processes for NACCO Materials Handling Group. It provided a lesson in how to work better with end users.

3. **Wyeth's Prescription for Business Process Management Success**

By putting business process ahead of technology, the drug giant laid the groundwork for BPM success.

4. **How One Business Uses Social Networking and BPM to Handle Disasters**

When a hurricane hit, insurance claim outsourcer Crawford & Company struggled to efficiently deploy adjusters. Here's how business process management and a social application helped the company move beyond whiteboards and sticky notes.

## **BPM software**

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The BPM platform market is a broad one, and participants include software industry heavyweights like IBM, Oracle, SAP and Software AG. But in addition to these names there are many more specialized companies, as well as companies better known in other areas, such as Red Hat (Linux operating system software) and TIBCO (data analytics).

At the highest level, Forrester Research groups the BPM market into three categories:

1. Enterprise stack providers
2. Application platform vendors
3. Specialists for specific market niches

### **Enterprise stack providers**

This includes large vendors with diverse portfolios offering solutions that can serve the majority of an organization's needs through pre-integrated or easily integrated configurations. Examples include:

- IBM
- OpenText
- Oracle
- Software AG
- TIBCO Software

### **Application platform vendors**

These vendors offer highly integrated platforms, which their customers use to develop complex end-to-end solutions. Many of these vendors have placed a premium on providing tools with a common development and deployment experience to improve speed and lower training costs. Examples include:

- AgilePoint
- Appian
- Appway
- AXON IVY
- Bizagi
- iTESOFT | W4
- K2
- MatsSoft
- MicroPact
- Pegasystems

### **Specialists for specific market niches**

These vendors provide solutions that are aligned with particular vendor ecosystems or market opportunities. The three most important are Microsoft-focused (e.g., BP Logix, Nintex and PNMsoft), open source (e.g., Alfresco Software, Bonitasoft, Camunda and Red Hat) and domain specialists (e.g., Newgen Software and SAP).

## New BPM software features

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One result of this shift in priorities is that many BPM vendors are now investing in technologies that allow for the rapid development and deployment of customer-facing applications. The two most important technologies to achieve this are so-called "low code" development tools that are often used by "citizen developers" or business process management professionals who are not necessarily software developers and user interface technologies to make it simple for customers (rather than trained employees) to interact in various ways with internal systems.

BPM software vendors are also beginning to invest in artificial intelligence (AI) to add new capabilities to their offerings. "AI elements show up in new interfaces such as voice and chat, cognitive expertise sources to support processes, and machine learning to drive process optimization," Koplowitz explains in the Forrester report.

Another key change over the last few years has been a move towards the use of analytics and other techniques to provide real-time insights to improve business processes. This has become so important that Gartner has switched from talking about business process management suites to "intelligent business process management" suites, or iBPMSs as the company calls them.

"iBPMSs have added enhanced support for human collaboration such as integration with social media, mobile-enabled process tasks, streaming analytics and real-time decision management," Gartner analyst Rob Dunie explains in the research firm's Magic Quadrant for Intelligent Business Process Management Suites.

One final change worth mentioning is that vendors are increasingly looking to introduce "thing" integration to allow for business processes that rely on, or will rely on, vast quantities of data generated and ingested from the internet of things (IoT). That's not surprising considering 73 percent of companies surveyed by Cisco said that they are using data from IoT deployments.

## Choosing a BPM vendor

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The most appropriate vendor for any given organization will depend on the current state of its business processes, the activities it is involved in, and many other factors. But there are some general features to look for.

"Those solutions that balance ease of use and time to solution alongside greater intelligence capabilities are seeing the most success," says Gartner's Rob Dunie. "Also essential are strong partner networks for business transformation capabilities, in addition to traditional implementation services."

Gartner identifies just three leaders in its IBPM magic quadrant: Pegasystems, Appian, and industry heavyweight IBM.

Here's why they stand out, according to Gartner:

1. **Peagasystems:** The largest, best known pure-play iBPMS vendor, its primary strength is its unified architecture based on a powerful business rule management system (BRMS) and predictive analytics decision management engine.
2. **Appian:** This is one of the few cloud platforms that can manage business outcomes as well as process orchestration of hybrid processes spanning on-premises and cloud environments
3. **IBM:** Its offerings have a notably broad set of product features, and its products support most relevant industry standards so developers can readily mix and match IBM products with software from other vendors.

Hot on these three companies' heels, Gartner highly rates four other vendors: Bizagi (for its completeness of vision) and Software AG, Oracle, and AuraPortal for their combination of completeness of vision and ability to execute that vision.