



BPM in India

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Spreading their Wings: Home-grown Indian BPM Products

Indian businesses are seeing high growth, riding on the rising demand patterns of the large and growing Indian consumer class. With businesses having to handle huge volumes and transactions, and human centric processes still being popular, enterprises are moving toward workflow and BPM products to increase customer reach and the scale of their business.

Almost all the global BPM vendors have a significant presence in India and are working at increasing their reach. While a lot has been written on the global BPM players, we thought it would be interesting to look at the home-grown Indian BPM players, how they grew, challenges faced unique to India, and, finally, the possible trends for the future. We looked at the local BPM vendors who, while catering to the needs of Indian organizations, are servicing customers in other countries as well. In this article, we focus on companies offering BPMS products. This article is based on interactions with the senior management of the BPM product vendors and from information available on the product websites. In addition to company-specific information, we also gathered perspectives on the awareness and readiness of the Indian market with respect to BPM. This article is divided into three parts: analysis of the Indian BPM products, perspectives on the Indian BPM market, and, finally, some thoughts on possible trends for the future.

The “Indian” BPM products

Most of the Indian BPM products have been in the market for the last 8 to 9 years, steadily increasing their customer base and product features (a list of the BPM vendors we looked at is given at the end of this Column). The two mature products, Omniflow from **NewGen** [1] and Skelta BPM.NET from **Skelta** [1] have around 600 to 800 implementations across the world. Most of the other companies are in a mature start up mode with a development staff of around 30 to 50 people. The focus appears to be more on the product sales than on the marketing aspects. The websites provide details of the products with case studies and solutions offered.

Market Focus:

Most of the products surveyed focus on some specific industry vertical as they have built the required domain knowledge in-house for those verticals. **Karomi** [1] focuses on the manufacturing sector, especially the medium to large auto and auto ancillary organizations, with solutions for the quality management processes (e.g., auditing processes), HR processes, and vendor payments, deployed on their BPM engine. BizApp Studio from **AppPoint** [1] has most of its implementations in the medium and large BFSI, Hi-tech, and government organizations. A leading stock exchange in India has used BizApp for their compliance management process, comprised of more than three hundred activities, that integrates the brokers and sub brokers. **ProKosha** [1] focuses on e-business and small and medium services organizations. While most of their implementations have been in the order management process, an interesting case study is the usage of ProChara, their workflow engine for the facilities management help desk of a large global infrastructure major with focus on airports, highways, and energy. **SOAIntegrator** [1] from

SOA Matrix focuses on integration centric processes. One of their solutions is an innovative use of BPMS in the telecom space for real-time monitoring and control of the equipment at the telecom transmission tower site. The solution involves receiving data from each tower, automatically generating trouble tickets based on data, and integrating with other systems such as asset management, IVRS, Email, etc.

Newgen software's flagship BPM product, OmniFlow, is mentioned in Gartner's Magic Quadrant for BPMS-Jan 2009 report in "Vendors considered, but not included," though it is included under the niche players in the Gartner's Magic Quadrant for ECM October 2009 report. Newgen's knowledge of best practices and rapid implementation has been highlighted as the differentiator. The front-end processes of banks (loan processing, check processing) and insurance organizations (claims processing, policy issuance, etc.), BPOs, and shared service centers are the primary customers for Newgen. Cheque truncation, which uses its BPM and Document Management offerings, is one of the most successful solutions from Newgen [2]. Skelta was named as a cool vendor by Gartner in the March 2009 "Cool Vendors in Business Process Management, 2009" as the product can be used in an embedded mode in addition to its SaaS offering. BPOs, IT organizations, and BFSI are the predominant verticals where Skelta has been successful. Interestingly, Skelta has a considerable amount of implementations where it is used in an OEM mode in other products and SaaS offerings. Karomi is another product that has used the OEM mode in a Loan Origination system and in Healthcare in the Radiology Area.

While most of the products adopt a vertical solution based approach to sell the BPMS capabilities to the customers, the large vendors have been able to sell more horizontal solutions (like Compliance Management) built on the BPM stack, in addition to the generic BPM stack offered to clients as a base for building their processes. Implementations of the Indian BPM products appear to be still largely on the human workflows around project management, quality management (process audits, service tickets and helpdesk), document management, imaging, and external party interfaces. However, penetration into the core value chain processes appears to occur less often. Most of the vendors (the smaller ones), though predominantly focused on the Indian market, also have presence in other countries like Kenya, Mexico, the Middle East, Australia, US, and UK. Newgen has over 800 implementations across 40 countries. Skelta similarly has a larger percentage of sales from US, Europe, and rest of the world, as compared to sales in India.

Product Snapshot:

Most of the BPM Products are feature-rich with components like modelers, dashboards, process server, BAM, and e-forms. Some of them also have integrated document management, rules engines, security, and adaptors for ERPs. The usage of Java or .Net as the technology platform seems to be equally distributed among the Indian BPM products. Though BPMN and BPEL are supported by some products, almost all products are compliant to at least one of the technology standards like XPDL or WSDL. While the solutions on the BPM platforms have been on-premise deployments, vendors did mention the Cloud as part of their strategy for the near future. Skelta BPM.NET, because of its web based, embeddable, multi-tenanted offering, is used by several OEMs as a hosted SaaS offering. AppPoint is working on an Azure version of BizApp that would help accelerate the development of the application which can be deployed on Azure cloud. Karomi has an expense management solution on the cloud that is built on top of its product. Orangescape offers its BPMS product in a Platform as a service (PaaS) mode.

Marketing Approach:

While the larger companies either have or are moving towards an established sales force, by and large the approach to new customer acquisition seems to be through alliances with SI partners, word of mouth publicity, and personal contacts. Most of the vendors have a partner who handles the product implementation, while the initial requirements analysis and process design is handled

by their own team. The focus of most companies seems to be on product development and research, and marketing is now becoming a focus area. The typical competition the Indian vendors face in the Indian market is from the global BPM products like Filenet, Savvion, Pega, and Documentum, and rarely the other Indian products. This is largely due to the fact that there is minimal overlap in the market segment addressed by the Indian vendors.

Apart from the BPM product vendors, some of the large Indian IT services and consulting enterprises have their own BPM platforms that are used by them to develop workflow enabled applications and other business solutions for their customers. PEAS is the BPM platform from Infosys that is the workflow component in its flagship banking product, Finacle, and in a few other solutions for the BFSI segment. Polaris offers a host of solutions built on its BPM platform, Intellect Business process studio.

BPM market in India, as seen by the Indian vendors

BPM product vendors have some interesting observations and findings about the BPM market in India. As with other products and services, Indian companies tend to be more conscious of the price-value equation of the BPM products they are buying. This works as an advantage for the Indian BPM products as they are more cost effective, as compared to a global player, for the same set of capabilities and features. On the other hand, a longer sales cycle is found not just for government projects but also in most of the private sector.

Awareness and appreciation of the value of BPM as a horizontal value-product is still gaining critical mass, especially outside the IT community. There is some lack of clarity between a document management system and a BPM product. Customers sometimes mistakenly look for document management solutions when the process which they want to improve typically involves some paper forms and documents. Since several organizations (especially smaller ones) either do not have an IT group or have a very small team focused on program management, creating awareness of BPM technologies is the first challenge. Especially in smaller companies, what appears to be selling is not BPM as a horizontal offering but vertical solutions built on top of the BPM product. The initial sale is made through the business folks as a specific vertical solution offering, and the IT groups get involved during implementation. The BPM product vendors find that they are sometimes called in to make process changes even after implementation. BPO/ITES and the IT sectors appear to be the most mature with respect to appreciation of BPM's full range of capabilities and promise. These organizations make all process changes and new process deployments onto the BPM platform by themselves with little support required from the BPM vendors.

There are specific instances that highlight the maturity and vision of Indian organizations – like the implementation of BizApp studio by an NGO for its “missing child” initiative. The project involves linking the various offices of the NGO, police departments, railway stations, and bus stations to handle the information and activities related to reporting and locating missing children.

The Way Forward

The Indian BPM vendors are working on building strategic partnerships with the large Indian IT services companies. This is critical for them to increase their ability to execute and deliver to their customers. They would have to work on marketing, training, and strategic alignment with the IT services companies to ensure that these organizations consider them when recommending a product to their customers. Here, they face a tough challenge from global BPM product vendors due to the latter's greater branding and marketing efforts (collateral, sales, and marketing activities, training sessions, evaluation copies, open workshops, and events) in their outreach to the IT service companies. The Indian BPM vendors can leverage their strengths of being local companies, with deep knowledge of specific verticals, dedicated teams for customer accounts,

ease of dealing due to reduced bureaucracy, ability to make quick decisions on customer specific requirements, knowledge of local partners and vendors, etc. These products are already making an impact on the BPM landscape of India and are now expanding their reach to other countries. The innovative features and capabilities of the Indian BPM products are also catching the attention of the global players and the consolidation in the global BPM product space has had its impact in India as well. Skelta was recently acquired by Invensys, a UK based organization, while SAP AG had earlier acquired Yasu technologies, an India-based business rules product company.

As the Indian BPM market matures with greater awareness and adoption, and more innovative products from Indian and global players, we are in for exciting times in the Indian market. Watch this space for more insights...

BPM vendor list

Product Name	Organization	Website
BizApp Studio	AppPoint	www.appoint.com
Cuecent	Bahwan CyberTek	www.bahwancybertek.com
DotSphere Work Manager	Automated Workflow	www.aworkflow.com
Enj	BISIL	www.enjbiz.com
Karomi Workflow	Karomi	www.karomi.com
OmniFlow	Newgen Software	www.newgensoft.com
Orangescape	Orangescape	www.orangescape.com
ProChara	ProKosha	www.prokosha.com
Skelta BPM.NET	Skelta	www.skelta.com
SOAIntegrator	SOA Matrix	www.soa-matrix.com

References

- [1] Based on interviews with senior management of the organization.
 [2] BPM in India: Banking, The Interest in BPM, BPTrends.com, March 2009.

BPTrends LinkedIn Discussion Group

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