



BPM: A Global View

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It's all about the person in the process, stupid

There is an anomaly in the BPM industry today. On the one hand are two factors that strongly suggest that BPM is a viable technology which should be widely adopted. First, there are numerous documented BPM case studies by analysts, users and vendors demonstrating high ROI for companies who have deployed BPM. Second, BPM vendors and analysts no longer talk about the nitty-gritty challenges of process automation. Instead their messaging is around advanced capabilities such as optimization, standards, and BAM which are the characteristic of mature industries. On other the hand, my own observations of Global 2000 companies around the world, which are corroborated by analyst reports¹, indicate that the penetration of BPM is in the 2-5% range. This suggests that BPM is in its early stages. For years I and many others have often wondered why BPM is not more widely adopted when the technology is supposedly mature and the ROI is strong and well-documented. BPM makes so much sense that every company and organization should be a customer!

Having thought about this for a long-time, I am convinced that the answer to this discrepancy lies in the complex nature of human beings who play the central role in business processes. BPM changes the way people work. People work in highly complex ways that differ from person to person, and these individual work patterns cannot be easily modeled or captured by software. In addition, changing the way people work is not easy, as old habits are hard to break. In the modern knowledge economy, people work in collaboration with each other, and indeed collaboration must be encouraged as it fosters learning. The modes of collaboration are dynamic and also cannot be easily modeled.

Early attempts at BPM and workflow automation used the "production line" paradigm. In this paradigm, automated business processes are production lines of information that travel from person to person and to systems, akin to the factory assembly line.. A person is treated as just another component of a process, with the workers acting as "automatons" in a production line. Tasks are routed to them, and they simply perform the task and move on to the next task. This model is relatively easy to implement because production lines are relatively rigid, exceptions are few, and the resources are fixed with well-defined tasks. There are a good number of business processes that fit this model. These include call centers, help desks, claim centers, loan processing and order processing. I call these "heads-down" processes. The participants of these processes are performing tasks heads-down and do the same tasks repetitively. They get a task, perform it, and move on to the next task. There is not much collaboration or flexibility. If there is, an exception is generated and a separate process is followed. When BPM is used to automate such processes the challenges are simpler, the payback is higher, and the need for flexibility and collaboration is minimal. These processes are typically limited to departments such as call centers and loan processing in the back office, and do not extend to the company at large. Heads-down processes are the ones that are most often used in case studies that tout the ROI of BPM. However, the vast majority of processes do not fall in to this category.

The more challenging processes are what I call "heads-up processes". A large number of people can participate in these processes. However, the individuals participating in these processes are not dedicated to the tasks in the process. Indeed process related tasks represent only a small

part of what these people are responsible for. They get a task notification from the BPM system and navigate to the BPM client. Then they open the task and perform it. Once complete, they resume the work they were doing before the interruption. Heads-up processes are difficult to automate and more pervasive throughout the organization. For this reason, increased automation of heads-up processes is essential for the wider adoption of BPM.

Many industry observers and prospective customers do not recognize these as two distinct types of processes. To muddle the situation even further, the acronym BPM covers both system-centric as well as people-centric processes, suggesting that the challenges are one and the same. System-centric processes traditionally fall into the category of EAI. People-centric process automation on the other hand evolved from human workflow automation. System-centric and people-centric processes have very different requirements as I summarize in the table below:

<u>Requirements</u>	<u>System-Centric</u>	<u>Human-Centric</u>
Number of Participants	Few	Many
User Interface	None	High
Need for Collaboration	None	High
Exceptions	Few	Many
Change in Roles	None	Many
Process Definitions	IT	Business
Resource Allocation	IT	Business

As this brief comparison indicates, the similarity between human-centric and system-centric processes is only superficial. A closer look reveals major differences between the two. Many BPM vendors have their roots in EAI. These vendors have a “factory automation” mindset that leads to the belief that simply by automating processes, BPM will do for office productivity what factory automation did for manufacturing productivity. The flaw is that people can not be treated simply as automatons.

The wider use of BPM for a larger number of heads-up processes will evolve like the wider user of cars as a means of transportation. The focus of BPM must shift from the mechanics of automation to “human-comfort features” that will promote wider adoption. The need for human-comfort features and capabilities can best be understood by placing them in the following four categories:

- i. **Handling Exceptions:** Exceptions are rife in every organization. The number of exceptions is directly proportional to the size of the organization and number of people involved. Some of these exceptions are planned, while most of them are unplanned. Every organization and every process has its own flavor of exceptions. People and their diverse behavior and work patterns are the largest contributors to exceptions. BPM, like most other software solutions, can handle planned exceptions but has a very hard time handling unplanned exceptions. When dealing with manual processes, people will find a way to adapt to the exception. However, when a BPM solution is rigid and unable to handle an exception, people will be forced to work around the system thereby diminishing the value of the solution and reducing its wider use.
- ii. **Facilitating Change:** Change is a constant in the modern organization. People get promoted, change responsibilities, and leave the company. New employees come on-board and companies reorganize. Work processes change as well, based on competitive pressures, re-engineering efforts and new compliance requirements. When change impacts core processes, an organization must have the ability to adapt quickly or risk having processes that are out of date and may require a return to inefficient, undocumented processes or manual work-arounds. BPM needs to provide a robust set of capabilities to facilitate change quickly without burdening IT.

- iii. **Supporting Collaboration:** In human-centric business processes, tasks are performed by people who work with others to make decisions and move work forward. For workers in a knowledge economy, it is important to consult, confer, delegate, monitor and interact with others while performing these tasks. Human-centric BPM must support this natural and important interaction between people in the organization because the lack of collaboration results in the loss of productivity. Collaboration is also an important ingredient for organizational learning.
- iv. **Providing Usability:** When cars were first introduced to the public, they were an innovative and productive means of transportation and little emphasis was placed on human comfort features. However as automobile technology evolved, wider use of cars was driven by the introduction of human comfort features, beginning with features such as self-starters, windshield wipers, turn indicators and automatic gears. Now as the car industry has evolved even further, few people put as much emphasis on the engine as they do on comfort features such as ergonomic seats, electric windows and mirrors with memory, navigation systems, and entertainment systems. As BPM evolves it must also provide comfort features that provide a natural and intuitive way for people to do their work. Only then will BPM be widely adopted.

There are literally hundreds of features and capabilities that a BPM system must offer in order to meet the requirements of exception handling, collaboration, usability and change. Like the strands of a rope, none of these capabilities alone is substantial enough to get the attention of analysts and prospective customers. However, when all the human-centric capabilities are wound together, they collectively provide a powerful set of capabilities that are time consuming to discover and challenging to implement. The absence of these comprehensive people-centric capabilities is what creates the discrepancy between the high potential and relatively modest adoption of BPM. That's why I might conclude by saying, "It's all about the person in the process, stupid!"

References:

1: The penetration of BPM in Global 2000 companies, who are the early adopters, is projected by Gartner Research to reach only 20% by the year 2009, and 40% by 2012, suggesting that it is about 5% today. "Gartner's Position on Business Process Management 2006", Gartner Research ID Number G00136533

