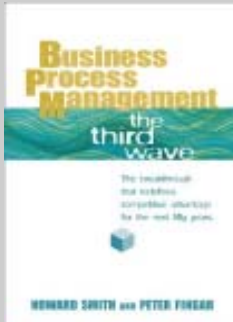


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**Business Process
Management:
The Third Wave**

by **Howard Smith and
Peter Fingar**

**Meghan-Kiffer Press,
2003
311 pages**

BPM -- Breakthrough? Or Another Bust?

by **Steve Olson**

Okay, okay – it’s another new, shiny category – Business Process Management with its very own new acronym, ‘BPM’. The killer app that is going to change the way we do business...we’ve all been there, and done that, right?

Already, books, publications and every vendor in paradise is plotting dominance through a variety of schemes and strategies. All the consulting firms are putting their teams together to profess their insights on the subject, the big professional service firms are planning practices around it, and the suite vendors are all trying to cram their strangely round architectures into the BPM square.

You know what concerns me the most about this all too familiar pattern? BPM is a real, viable, and likely a vital part of the future of enterprise computing. *All of this potential confusion could very well hurt many companies that truly need this type of technology to improve their lot in the world.*

How do I know this? My company, Savvion, provides pure-BPM solutions to over 120 Global 2000 companies worldwide and I see the dramatic impact first-hand and often.

Processes that used to take months to enable now take weeks. For the first time, many of our customers have made their processes ‘explicit’ giving them unprecedented control and information about how their companies design, execute and improve processes.

ROI? *So big, it’s hard to measure.* Reduced meeting time, reduced redundancies, reduced configuration and maintenance, decreased time-to-market, higher business user satisfaction. I could go on, and on.

Now, before you write me off as company wonk who drank too much of his own Kool-Aid, consider the following figures from Gartner and Forester:

- 5% of the top 3200 U.S. companies have already selected a BPM solution

- 6% of these same 3200 US companies are considering a BPM solution, and
- By 2005, 80% of these firms will have selected a BPM platform.

While facts and figures are interesting, my life is a testament to the reality of the demand as I just wrote 4 major RFP responses (All Fortune 50) in the last 2 weeks – and it doesn't seem like there is an end in sight.

So, if you haven't heard much about BPM until now, you most certainly will in the next few months. Many will hear from the CEOs or CIOs about it. (Also, I will likely call you personally – leaving 50 voicemails and 100 emails – like all good sales reps.)

Now, with any fast-growing category, there always seems to be one or two reference points that really tell the story well. *Business Process Management, The Third Wave* is that kind reference for the BPM category.

Make no mistake, the book *Business Process Management, the Third Wave* is not an easy – '20 minutes and you got it' kind of read. (Unless of course, your Mensa membership is up-to-date.) But it clearly and completely states the case for BPM, how it works, why you should do it, and what it might mean for the next, say, 50 years of computing.

Just the other day, while working on one of my RFPs with a large banking institution, the lead Enterprise Architect on the project and I were battling around the typical Q&A. They were still calling their project 'Workflow' but really meant BPM. (So the un-initiated internally did not get confused.) This didn't come out in full until my contact asked me if I read *Business Process Management, the Third Wave*. That launched us into a truly meaningful discussion to say the least – as we now had a common vocabulary and train of thought based on the book.

You know a book is powerful when a sales guy like me, and an Enterprise Architect are having a common vocabulary and thought process on anything.

I say this to illustrate how this book manages to help the dialogue between technical and business oriented people in and around the subject. *Business Process Management, the Third Wave* is truly one of those 'bridge the gap' books that you might want to use to get everyone on the same page



prior to launching off on a BPM effort. Fingar and Smith even provide little ‘fast tracks’ in the beginning to help each role cut to the chase more quickly.

It could just end up being the ‘Ya Ya Sisterhood’ of enterprise BPM.

My biggest knocks on the work really are minor compared to the benefit:

- The issue of standards and mathematical foundations, while critically important, take a little time to absorb. *Business Process Management, the Third Wave* addresses this at a theoretical level and provides good starting points, but further study may be required. However, don’t skimp on this one, it is critical.
- Fingar and Smith seem to want to discuss every possible implication of BPM and insist on discussing a variety of over-played and under-delivered technologies like AI in the book. My feeling is that these type of innovations are so far down the road that they risk positioning the book as too fantastical. (HAL – the business process management helper. “Dave, you forgot to simulate that process, would you like me to simulate it for you?”)

Now the biggie: How does this book address the huge field of process improvement initiatives we have faced over the last 20 years? (You know what I’m talking about: Process Re-engineering, Process Modeling, TQM, Six Sigma, etc.) This is perhaps the most meaningful and interesting aspect of the book to me. *They answer it head on.*

They correctly deduced that any failed process improvement initiatives in the past were due to the fundamental shortcomings of the theories and technologies that were available. *The failure was not that process management was needed to make meaningful change.* They make a compelling argument as to why BPM is the next evolutionary step that will make good on the promises of the past. This is what especially makes this book a must read for those who have tried and failed.

I am convinced that this information in the hands of those with process improvement experience could help answer a lot of the lingering questions, and re-package process improvement for a successful run underwritten by sound BPM theories and technologies.

At the end of the day, I am convinced BPM is here to stay as a category.



The questions you have to answer very quickly are the usual suspects: How does it work? How does it apply to my industry? How does it apply to us? How are our competitors using it and to what competitive benefit? How do I evaluate and select the right technology?

Business Process Management, the Third Wave is a great resource to get you off on the right start, and will definitely put a huge dent in the 'been there, done that' perspective to which we all understandably fall victim. Trust me, you just can't afford to have that perspective on BPM anymore. In fact, your biggest competitor just sent us an RFP...

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