



BPM: A Global View

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Latest book:
*Business Process Management:
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What BPM can Learn from Robotics

In a previous business, in the mid-Eighties, I developed a commercial system using lab robots, and that experience gave me an understanding of the dynamics of the robotics industry. Robots were invented in the US. The first company to market commercial robots was Unimation of Danbury, Connecticut. Its leader, Joseph Engleberer, is considered the “father of robotics.” However, the US robotics industry was soon taken over by visions of grandeur and large scale, highly sophisticated systems. Driven by large infusions of venture money, a number of companies in the CAD/CAM area emerged with the vision of fully automated factories where raw material would enter on one side and finished products exit from the other, with barely a human inside. Companies like GE, GM, Ford, Chrysler, and Westinghouse, along with numerous smaller ones, invested billions in such grand schemes. The majority of these projects failed.

In the same era, the Japanese borrowed the idea of robots. They started by making simple “pick and place” robots to do very simple things, but they made them in very large numbers. They learned from this experience and benefited from the resulting productivity improvements. Then they made more sophisticated robots to do more complex tasks. And they did this on a large scale, soon starting to export these robots. Then came the third wave of even more sophisticated robots and the Japanese companies either bought the US robotic companies or started partnerships with them to create the likes of GE-FANUC.

Today Japanese companies are leaders of industrial robots. Not only that, but it seems that all the ultra-sophisticated robotic dogs, robotic pets, robotic personal assistants, and robotic soccer players are made in Japan. Japanese companies learned from the practical implementation of robotics on a large scale to attain the leadership mantle.

The BPM industry has evolved in the US along similar lines. Workflow automation was invented in the US, and Action Technologies of California was probably the first company to commercialize it. It was followed by a number of new companies in the mid-Nineties. Those years were the heydays of CRM and ERP. Success was equated with large, multi-million dollar deployments. Investors wanted workflow companies to grow faster, which meant selling larger complex solutions and services in the footsteps of ERP and CRM. Industry analysts and consultants pushed the envelope by projecting a large, more comprehensive grand vision without themselves having to face the practical challenges of automation and real world deployments. Under these pressures, workflow automation gave way to BPM and advanced infrequently used and misunderstood features such as simulations and “round tripping” at a time when the vast majority of the simple processes in the world were not even modeled, let alone automated.

So what is the state of the BPM industry today? Here are some revealing facts:

- No pure-play BPM vendor is big enough or strong enough financially to go public, though several have continued to threaten for several years now that they will soon. It does not happen even while every year the analysts continue to forecast rapid growth in the

industry and among its leaders.

- We keep hearing every other year that the big players such Oracle, Microsoft, and SAP will make major inroads into the BPM market, but that also has not happened.
- Gartner, after having pushed BPM, simulations, “round-tripping,” and SOA, is now onto a new gig called “Pattern Based Strategies,” to further confuse their already confused customers, which is always good for their business. (See http://blogs.gartner.com/jim_sinur/2009/11/18/how-will-bpm-deal-with-pattern-based-strategies-pbs/)
- All this while, Gartner admits that the most important “hot questions” their clients ask are basic BPM 101 questions such as “1. What are the benefits of BPM?” and “2. How should I get started?” (See http://blogs.gartner.com/jim_sinur/2009/10/26/what-are-the-hot-questions-in-bpm/) Makes one wonder why companies are paying Gartner money for answering such basic questions, unless they are totally confused!
- There is no slowdown in the number of new entrants to the BPM market, which indicates that the market is still largely open, with no strong leaders and no sign of consolidation, contrary to all predictions.

The conclusion I draw is that the BPM industry is up for grabs. Most of the current leaders have complex BPMS that have been unable to get the traction necessary for industry leadership. Their complexity makes them vulnerable to being undermined by simple but truly agile solutions, similar to how the Japanese robotics industry made an end-run and dominated the robotics industry through their experience and through the volume of doing simpler things.

While Japanese BPM companies are not a threat, I think the real threat to the BPM industry, lurking out there, are with companies that leverage social networking technologies to deliver simple, easily-changeable, and adaptive workflow automation solutions in very large numbers. The world will first learn how to do a large number of simple workflows. When the world has mastered that, then it will evolve to more sophisticated workflows and BPM that will be based on practical experience rather than the needs of BPM vendors to grow faster or on the prognostications of analysts.