BPTrends ARTICLE

Business Process Management Systems (BPMS) Reimagined?

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While there are still players in the traditional BPMS market, most have either been subsumed or disappeared from view. Process headlines are dominated by; significant process modeling investments, the new kid on the block - Process Mining, or the outlandishly valued RPA sector. But is everything really as it seems?

In the recent past, we have seen Microsoft, IBM, and Hyland acquire RPA vendors (Softmotive, WDG Automation, and Another Monday, respectively). We have witnessed UIPath (ProcessGold) and Abby (Timeline PI) acquire process mining vendors and Process Modeling vendors like Signavio (Signavio Process Intelligence) and GBTec (Apromore) launch process mining offerings. In some ways, these moves suggest that the current vendor landscape is very fluid but dig deeper, and I think we start to see an apparent trend.

Analysts like my old friend Jim Sinur started creating quadrants and waves around BPMS over 15 years ago. At that time, the market was crowded with large and small players scrambling for position, yet even the most successful vendors never really won! Sure they drove revenues, acquired customers, and increased valuations, but none truly achieved what they might have done.

At the time, this was most often seen by the inability of some vendors to reconcile analysis and design with automation, and inevitably BPMS become about automation, not about broader BPM. Metastorm, with the ProVision acquisition, tried to connect the two worlds but found that introducing analysis tools slowed potential automation sales and risked the more significant order values. Simultaneously, most BPMS vendors accepted that they were either application vendors selling pre-built solutions or were just the latest in a long line of development tools.

But think back to the criteria analysts like Jim Sinur, Connie Moore, Neil Ward-Dutton (and to a much lesser extent me!) were suggesting or evaluating against. They saw that truly effective BPMS would encompass Automated Process Discovery, Analysis and Design, Simulation, Automation, Monitoring, and Continuous Improvement. They saw that it needed to be business-centric and focus on business outcomes. Even players like Software AG that either built or acquired more of the pieces than anyone could not create breakout solutions.

Now three key things have happened in the past three years that will impact the market that we have not yet seen fully play out. Firstly cloud-based process

modeling vendors like Signavio have seen revenues soar to far above what former market leader IDS Scheer ever saw, proving that there is indeed serious interest in process modeling. Two, RPA vendors have created the breakout automation technology that is more business-centric than old school BPMS vendors managed and are achieving more significant revenues and market penetration as a result. Thirdly, Celonis has genuinely managed to make 15+-year-old process mining commercially viable and seen massive revenue growth. These three trends, taken together, prove that with the right product/market fit, there is still enormous interest in what was in the past thought to be niche technologies.

This brings us to what I think will become BPMS reimagined. The next generation of BPMS won't be startling in that it is likely to only actually deliver on the promise of earlier ideas. However, a few things will be different; it will likely be a cloud-first technology. All aspects of the suite will be geared towards business users and managers, and it will move away from being an IT play. It will also move away from the vertically integrated feature set used by old school BPMS vendors and instead will emphasize the "S'" and instead will genuinely become a suite offering. Rather than a platform, the suite will offer a range of loosely coupled components that, when deployed together, will address the full range of process centricity required by organizations.

Interestingly enough, I suspect that market adoption will be driven by a rearward looking approach. Rather than start with development as the driver, these suites will focus on dashboards and monitoring first and then work backward through scenario planning (simulation) through detailed analysis and design then into automation, before going into the deploy monitor and manage. (and of course, much of that automation will be undertaken by teams more on the business side of the house then on the IT side)

Whether it will be called BPMS 2.0, BPMS 4.0, iBPMS 4.0, or something completely different, I will let the marketers decide. But I am pretty confident that watching the direction of players like Signavio, Celonis, Nintex, and Abbyy, along with the resurgence of Software AGs offering, then the trend is starting. Of course, we have yet to see where big money places its bets. Still, with SAP making all their customers migrate to a new architecture, there is a lot of money that could be spent in new directions. (If I have to replace my old SAP system, who says I have to replace it with SAP? Maybe it's an excellent time to consider alternatives?). In the meantime, watch out for more acquisitions in the RPA, Modeling, and Process Mining spaces, and don't discount additional mergers and acquisitions in the low-code/no-code development space.

Of course, if I am wrong, customers will feel challenged and challenged because they will need to assemble such toolkits or suites by themselves. While it may be straightforward in some respects, the pain of dealing with many (small?) vendors and managing multiple contracts, all with different pricing models, just complicates things. As in other markets, the one thing we can be sure of is that complexity for customers just slows or limits market adoption. However, the idea of having to use multiple tools from different vendors opens up the market to other players. You would not naturally think of someone like ServiceNow as a BPMS or iBPMS player, but if you were a ServiceNow customer, choosing a selection of vendors that operate on the Now.com platform and could be used on a single contract might be attractive. The same would be true for other platform base vendors with an integrated marketplace.

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A former Research Director at leading IT industry analysis firm Gartner, Mark has an extensive background in enterprise architecture, business process management, and change management. He has held executive positions with several technology companies. Since retiring from Gartner, he has worked with with clients such as Changepoint, Erwin, Mega, Planview, LeanIX, and Signavio

Mark has authored or co-authored four books on business and process management, including "Thrive! How to Succeed in the Age of the Customer" and "In Search of BPM Excellence" and "People-Centric Process Management. Widely respected for his knowledge and views on business change, he is the creator of "Next Practice" and has been described as a" BPM Guru," a "Thought Leader" and a "Master of Mindset."

Mark is passionate about the people aspects of change, and he has spent much of the last twenty years traveling the world, learning, teaching and researching the cultural issues of change and how executives perceive business and process improvement In this capacity he has taught hundreds of people and been fortunate to interview and interact with many CEO's.

Mark holds certifications in Six Sigma, PRINCE2, Sales, Neuro-Linguistic Programming and Hypnosis! Mark suggests that it is the variety of his studies, which provide the depth he offers to his clients. In his words, "It is the difference that makes the difference."

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