

Report: The alarming state of traditional BPMS

Executive summary

It's not a secret that productivity is the key to successful business. More and more companies nowadays are turning to automating process management to enable business, increase productivity and reduce costs. They pay close attention to the Business Process Management (BPM) concept - a systematic approach to making an organization's workflow more efficient and improving business performance outcomes and operational agility.

Being very powerful, traditional BPM systems (BPMS) are quite expensive to implement and difficult to use. BPMS projects require big investments, long learning cycles, and complex user adaptation as well as dedicated professionals involved.

Important is the factor of ever-changing environment of business – being adaptive to circumstances and changes is vital for efficient business process management in enterprises. Though a traditional BPMS is usually a solid and reliable product, being adaptive to unpredictable cases is its Achilles' heel.

Last but not least is the significance of the human factor which is in many cases underestimated. Poor adoption of the new standards can affect the success of the whole BPMS project.

Research in this study explores these issues in detail and identifies the respective business impact.

Traditional BPM system is complicated to implement and use

Most BPM systems are expensive and require a long implementation process. In a survey conducted by MIT Sloan a respondent said that senior leaders ... seem to be paralyzed by business systems and business processes that will take a good deal of effort and cash to change/adapt.^[1]

Learning BPMS is also challenging. Traditional software for Business Process Management is not easy enough to be mastered during a couple of hours of training. As a result, the training time either becomes too long, or the employees have to work in a new system without the required skills for the qualified work. Twenty five percent of CIOs claim they see a significant gap in employees' skills related to the Business Process Management area, which eventually leads to a negative impact on business.^[2]

Senior leaders seem to be paralyzed by business systems and business processes that will take a good deal of effort and cash to change/adapt.^[3]

Business impact:

- ✓ Implementation of most traditional BPM systems can require months of work
- ✓ Long training requirements hinder work and decreases productivity

Traditional BPMS is not adaptive to unpredictable cases

The users of traditional BPM system face the serious problem of “cemented processes” – the processes are hard-coded, and the process changes together with the BPM system enhancements can easily cost millions of dollars and years of work.

The story of an insurance company who had purchased a solution off the shelf shows the result of using the traditional BPM system. Over the years the company had customized the package to meet its needs. After years of enhancements costing tens of millions of dollars, the organization was faced with a product that was so highly customized that it could not be upgraded and was out of support, but still did not meet current or future requirements.^[4]

But is it quick to identify the problem in such a cemented business process before fixing it and applying changes? Not really. It can take more than a week to resolve the problem. It's clear that errors – if they are caught – and disruptions in critical processes take too long to be addressed in many companies.^[5]

Signs of traditional BPMS

- Customization and dedicated developer\development team required
- Even a minor process change needs coding
- BPM tool enhancements cost you money and time
- There is a gap between modeling and implementation phases

Business impact:

- ✓ Implementation of the BPM system is a pain in the neck for all stakeholders
- ✓ End users cannot solve problems in process modeling, nor can they re-model the processes themselves in real-time
- ✓ Some organizations postpone or completely cancel BPMS projects

Silo mentality is a culture present in some companies when several groups or departments are not willing to share information with others in the same company.

Traditional BPMS is dependent on human factor

Success of BPMS implementation very much depends on the human factor - such projects need experienced and skilled professionals, as well as organizational and individual acceptance of the changes. Change management plans in a BPMS project often have little time for user training and adaptation to the new way they are expected to work. In most cases BPMS deployment becomes a surprise for employees, and their attitude to changes can become negative.

Poor adoption is one of the main barriers to unsatisfactory results of BPMS implementation. First, people do not understand how it will solve the problems they face in their everyday work. Second, a BPM system that is too hard to master, leads to low work motivation. Finally, people lose interest, especially if the BPMS implementation takes too long. It all builds a negative attitude to the whole BPMS project.

Silo culture in companies is another barrier to successful implementation and adoption of the BPMS project.

Silo syndrome signs

- Low level of employee collaboration
- Searching for answers but never really finding them
- There is no single source of data for the company departments
- Processes exist on paper, they are not followed in reality



24%

Business units
implementing
independently
in silos⁶

The role of IT is a disputable question, too. Some suppose BPMS implementation to be an IT matter, some think that mostly Business Process specialists, or, sometimes even Finance, are in charge of such projects. Research by Capgemini shows that there can be resistance from IT staff who have responsibility for existing systems in the company.⁷

The role of IT is not limited to pure software implementation. The **BPM Leader**⁸ defines the following IT roles in a successful BPMS project.

- ✓ IT Process Owner
- ✓ Head of IT program office
- ✓ IT/BPMS architect: Operates the Business Process Management tool
- ✓ IT Consultant

Business impact:

- ✓ Poor adoption and miscommunication can lead to BPMS project failure and lost money
- ✓ Negative attitude to BPMS implementation, low motivation to work according to new standards influence the implementation results

Conclusion:

The successful implementation of a BPMS project is estimated in terms of enabled business processes, increased productivity and reduced costs. The BPM system should serve the operational excellence, but at the same time be flexible and efficient.

This is not an easy goal to achieve. BPMS implementation results show there are still a lot of pitfalls to avoid, and the choice of BPM system should be made very carefully.

About Comindware Tracker

Comindware Tracker – powerfully simple and adaptive BPMS.

Comindware Tracker delivers all the traditional BPMS benefits and includes the most frequently used and powerful business process management concepts, but provides teams with easy to implement and use tools to achieve the same and greater results.

With Comindware Tracker you make your business processes work:

Implement fast and with ease

- Build processes and business apps with drag-and-drop simplicity and no coding involved
- Kick processes off instantly right after setup
- Forget about costly and long-term redeployment procedures
- No need to involve IT specialists
- Eliminate time consuming training and learning

Adapt to any uncertainty

- Comindware Tracker is perfectly suitable to support unpredictable business processes that are by design impossible to automate with traditional BPM systems.
- Perfect to support unpredictable business processes
- Flexible to adapt Comindware Tracker to your processes, not the other way around
- Processes can be updated as and when required without any redeployment process
- Visual drag-and-drop Workflow builder. No programming required

About Comindware, Inc.

Comindware® is a fast-growing, global software company delivering innovative solutions that enable businesses to operate more efficiently and effectively. Businesses are moving at breakneck speed requiring powerful tools that adapt to provide real-time visibility and control of business processes. Built on award-winning ElasticData technology, our unique software architecture and products are designed to be flexible, fast and easy-to-use. With Comindware, businesses get the adaptive process management solutions they need to succeed.

Comindware Mission

Our mission is to optimize the performance of businesses worldwide. Our disruptive technologies power today's global, distributed and always-on organizations helping them efficiently manage business-critical as well as routine processes, projects and communications.

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Endpoints:

- 1 MIT Sloan Findings From the 2013 digital transformation global executive study and research project (Embracing digital technology) <http://sloanreview.mit.edu/projects/embracing-digital-technology/>
Gartner report http://www.gartner.com/imagesrv/cio/pdf/cio_agenda_insights2013.pdf
- 2 Gartner report http://www.gartner.com/imagesrv/cio/pdf/cio_agenda_insights2013.pdf
- 3 MIT Sloan Findings From the 2013 digital transformation global executive study and research project (Embracing digital technology) <http://sloanreview.mit.edu/projects/embracing-digital-technology/>
Gartner report http://www.gartner.com/imagesrv/cio/pdf/cio_agenda_insights2013.pdf
- 4 Business Process Re-engineering 2.0 – Mastering Business Agility (Capgemini) http://www.capgemini.com/sites/default/files/resource/pdf/business_process_reengineering_2.0_mastering_business_a
- 5 Strategies for managing risky business processes: 2011 OAUG Enterprise governance, risk and compliance survey <http://www.oracle.com/us/solutions/corporate-governance/strategie-mana-riskybus-proc-1368906.pdf>
- 6 Capgemini - 2013 digital transformation global executive study and research project
<http://sloanreview.mit.edu/projects/embracing-digital-technology/>
- 7 Ibid
- 8 <http://www.bpmleader.com/2012/11/07/must-have-roles-in-bpm-for-the-interaction-between-it-and-business/>