

IBM Software

# Impact2010 Comes to You



## Successful Strategies for BPM Adoption & Rapid Deployment

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SOA, Connectivity & Commerce



# Agenda

1

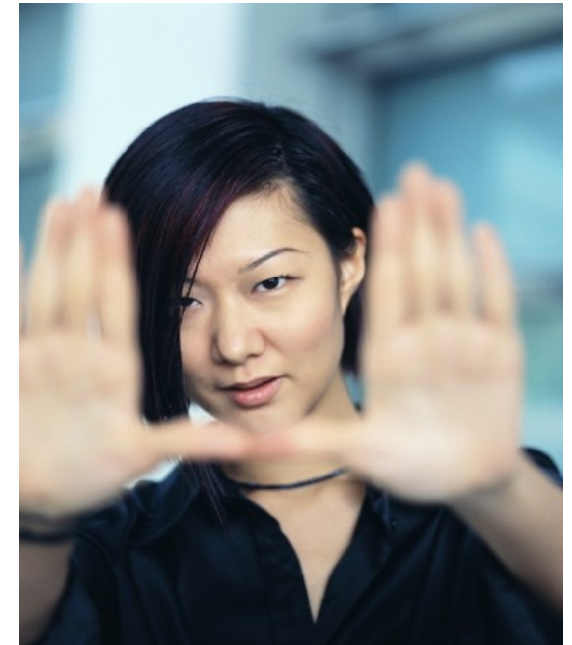
***Maximizing Benefits for Your Organization Means Having an Adoption Strategy***

2

***Leverage Prescriptive Methodologies for Process Design to Speed Development***

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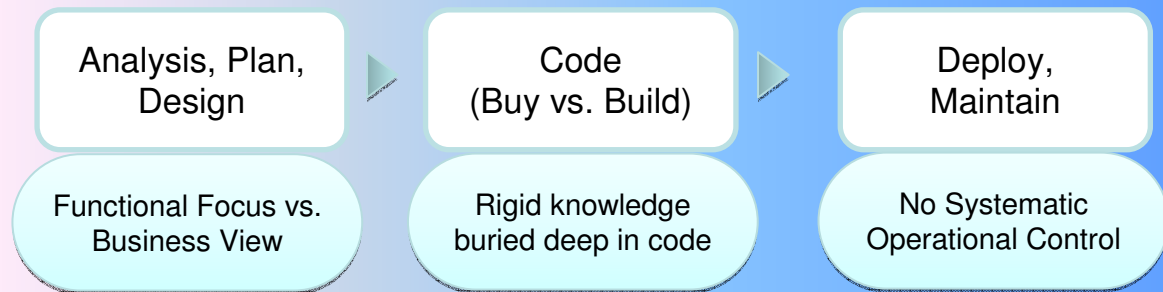


# Organizations Turn to BPM to Transform the Traditional Development Process

## Process Improvement Disciplines (i.e. Six Sigma)



## Solution Development Lifecycle

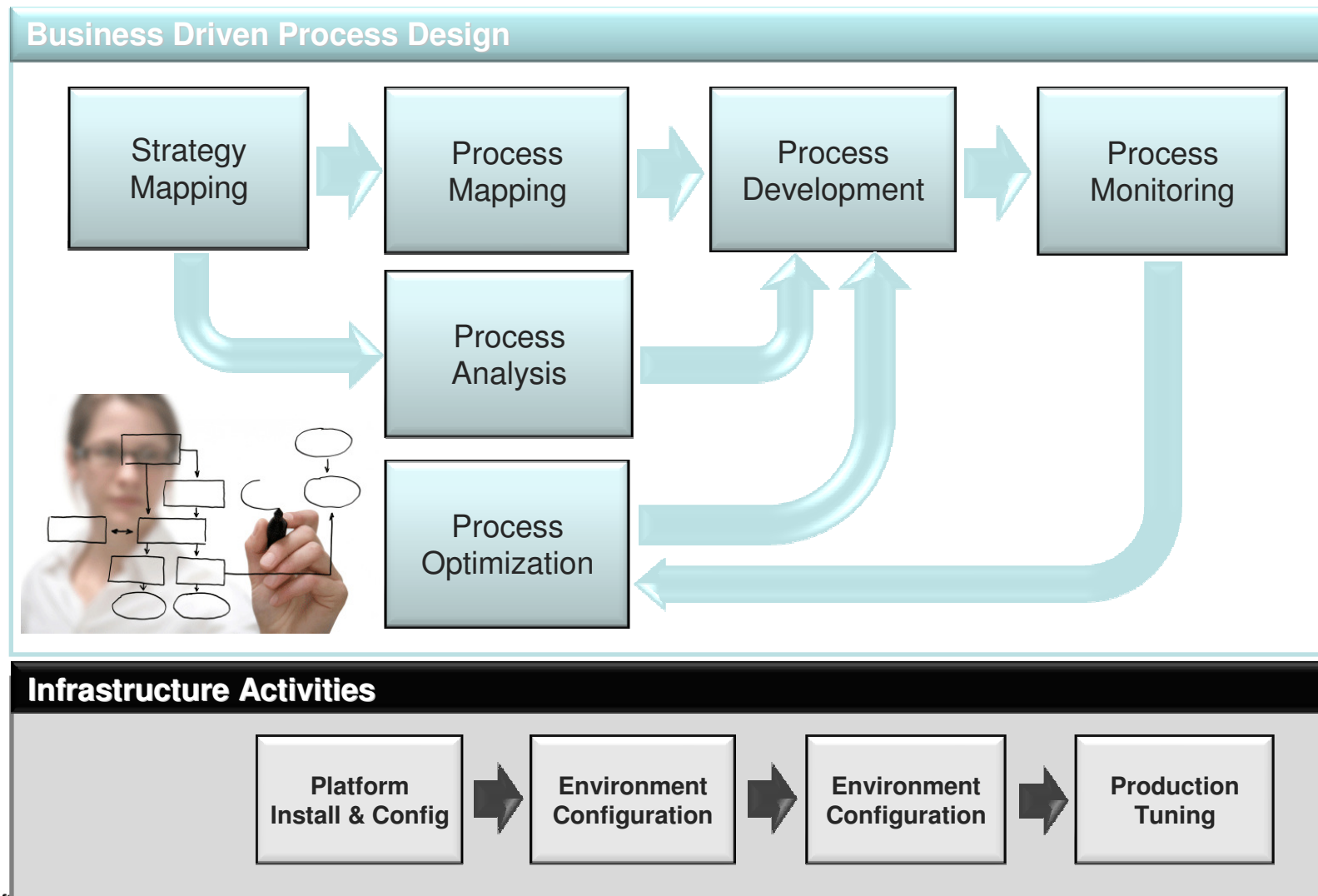


## Inhibitors to Increased Effectiveness:

- No direct traceability to business objectives
- No integrated measures of success
- Separation “gap” of business knowledge from implementation
- Difficult to communicate and visualize business impact of change
- Limited audience can effect change
- Not oriented towards the needs of making people more effective: As collaborators and as participants



# BPM Shifts Development Towards a Business Driven Approach



# Business Process Management is a team sport...



# Case Study: Large Insurance Provider Automates Invoice Disputes

*Fortune 500 Company. Leading writer of voluntary insurance coverage*



## Client Pains

- Resolve 150,000 invoice disputes per month
- Maintain excellent customer service as business grows

## Real Results

- Automated work assignment and tracking
- Real-time visibility into at risk invoices and tasks
- Reduced manual work by 80%
- Deployed first version in just 90 days.



# Globe Telecom



*Gaining tactical agility with smarter promotions*



## Client Pains

- Needed to reach a new level of agility in the creation and management of promotional service offerings
- Required agility to compete in their intensely competitive market.

## Real Results

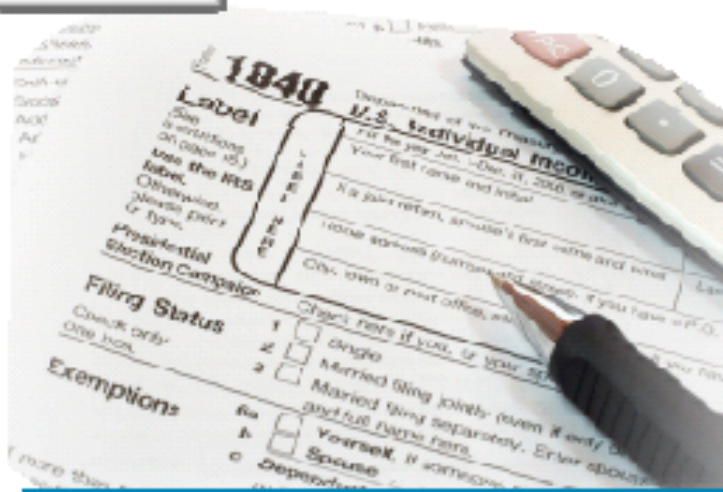
- Leveraging information gathered from handsets, Globe is able to identify the optimal service promotion for each customer—and the best time to deliver it.
- Expected one-year payback period
- **95% reduction** in time and cost of developing new promotions.
- **600% increase** in promotion effectiveness.



# Agile tax collection Transforms Insight into Action



*drives down exceptions and processing time for tax returns*



## Client Pains

- Slow, expensive, paper-intensive, manual processes
- Lengthy exception processing times

## Real Results

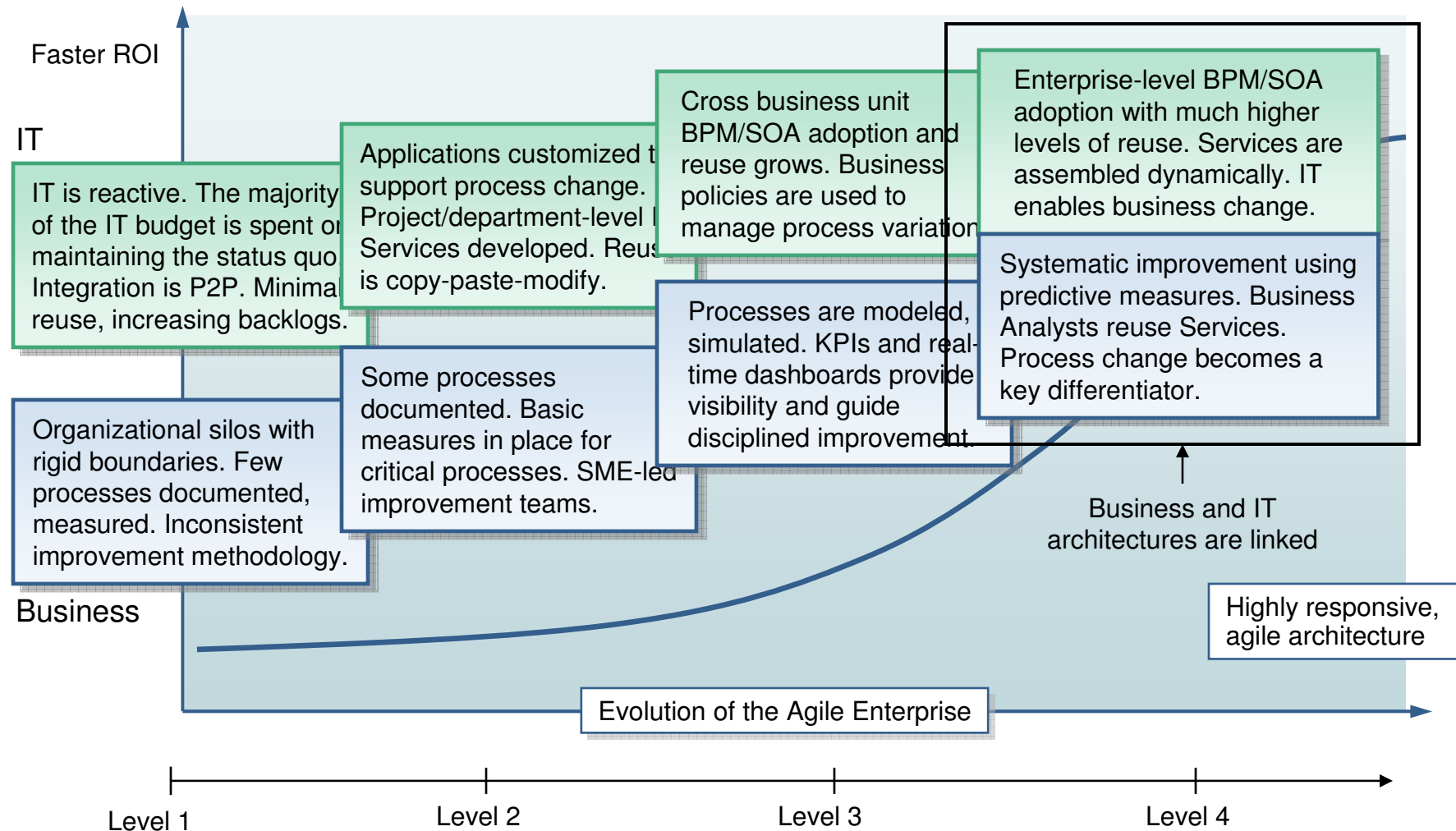
- **80% reduction** exception backlogs
- **80% reduction** in average age of work queue, avoiding extra interest cost





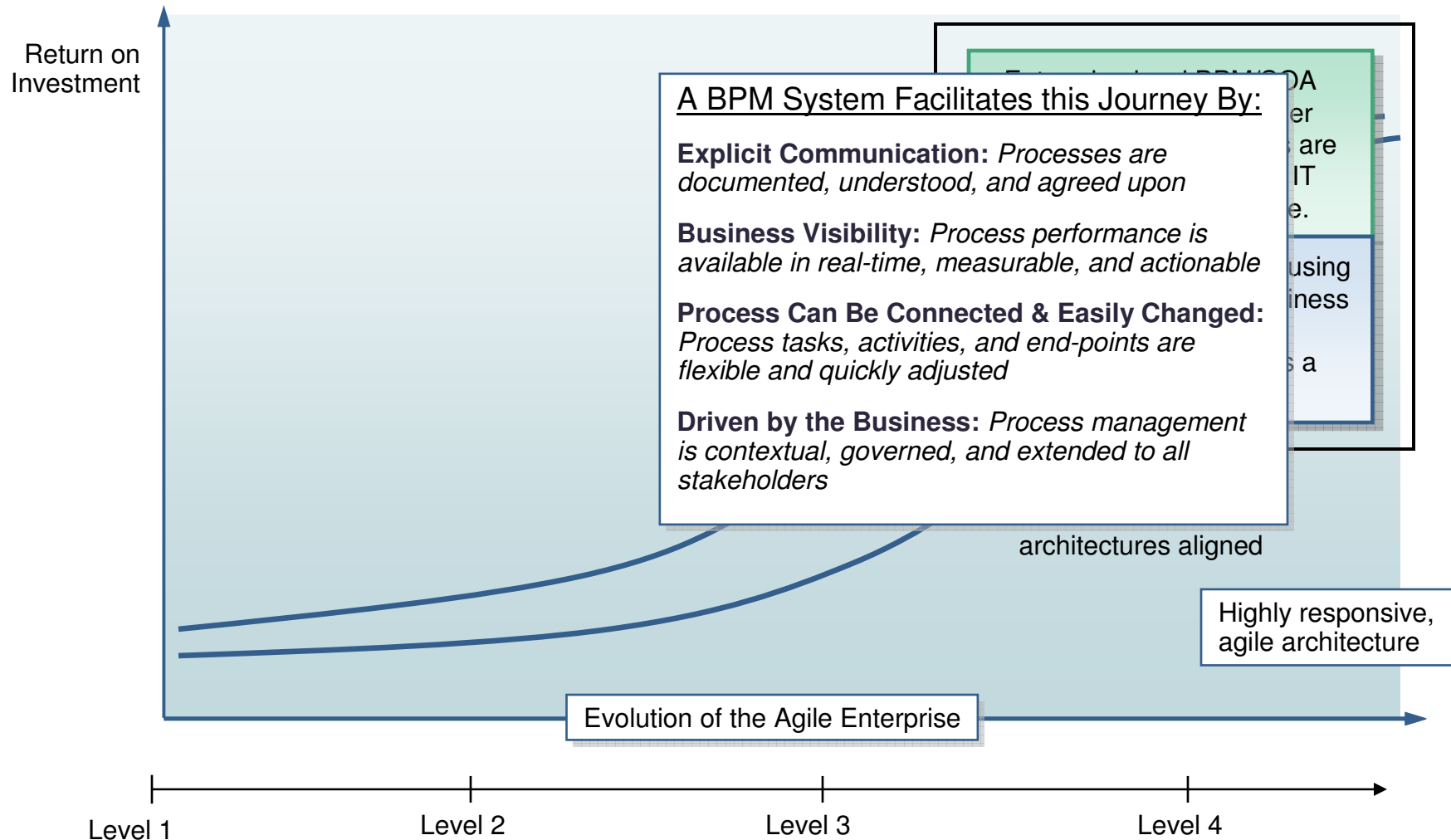
# Successful Adoption of BPM Is A Journey for Business & IT

*Culture, Architectural Alignment, & Market Pressures Impact Adoption*



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*Culture, Architectural Alignment, & Market Pressures Impact Adoption*



## Establish the Owners

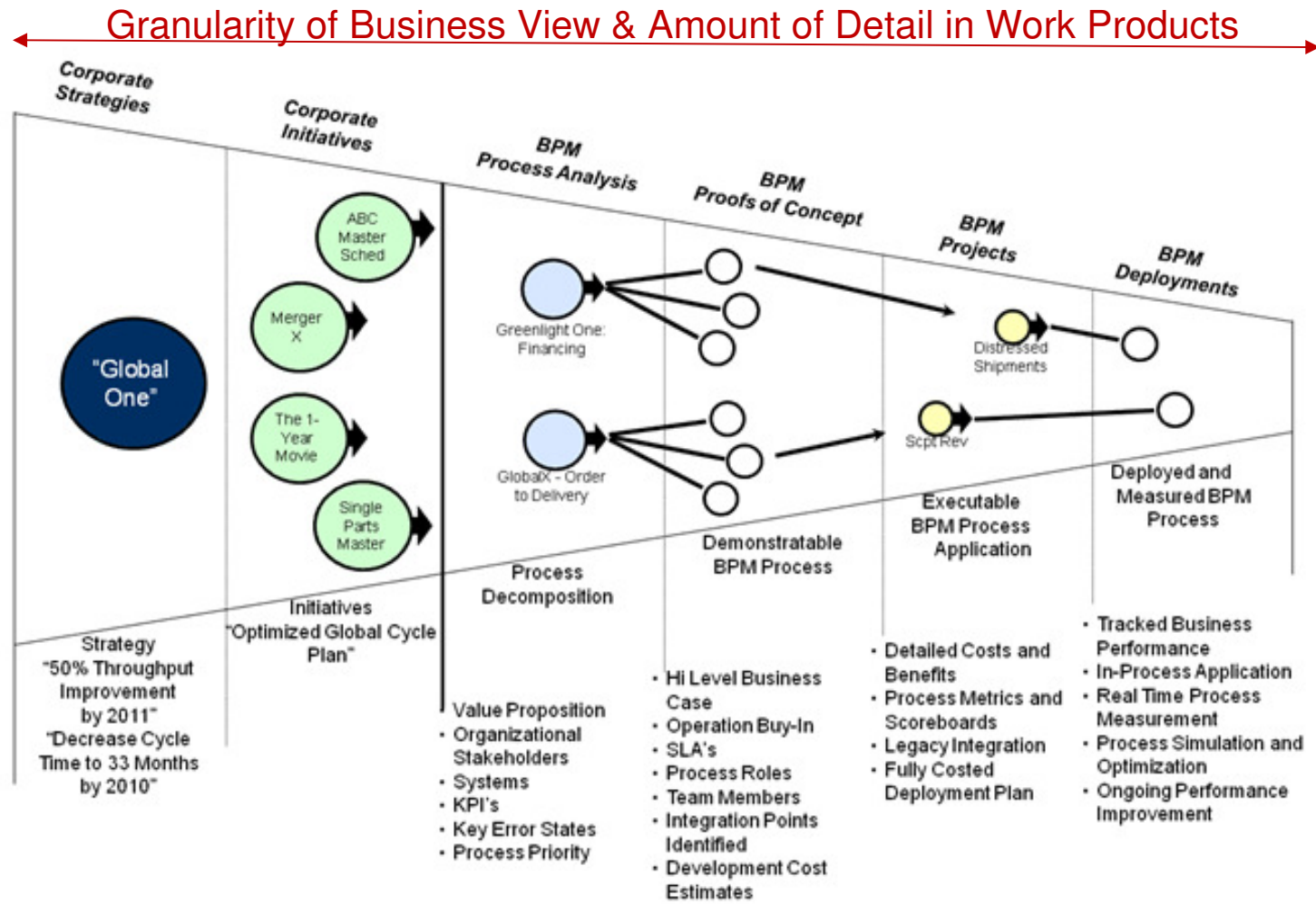


*Who should own the BPM project - **Business** or **IT**?*

*The business should own the **process improvement** and IT should own the **BPM program**.*



# Planning for Execution is Key to the Success of a BPM Project: Your BPMS Should Facilitate This Collaboration

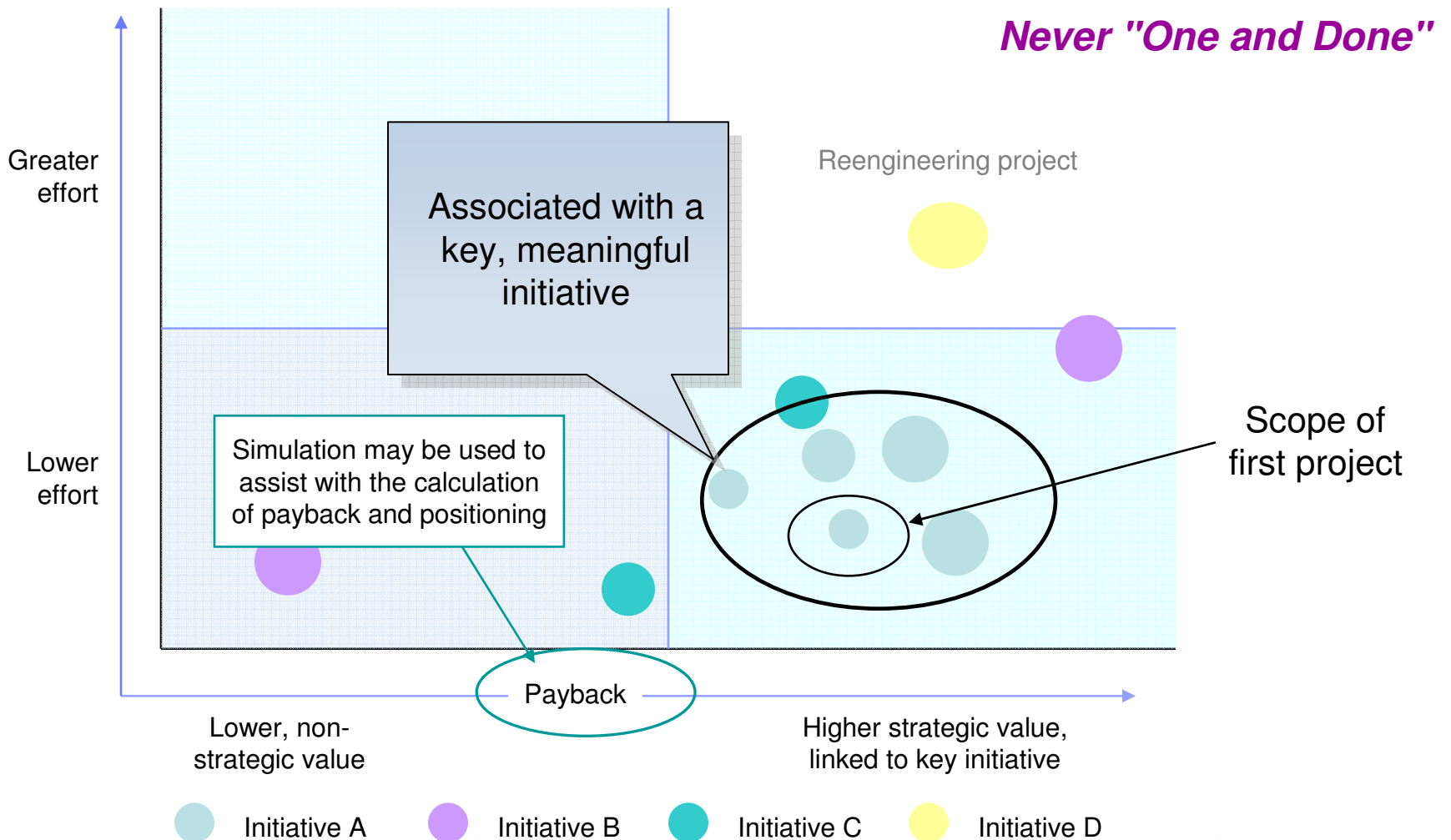


← Business Strategy      Process Improvement & Implementation →



# As Planning Shifts Towards Process Improvement, Identify the Low Hanging Fruit and Start Small

Use a prioritization matrix early on in your process analysis



## A Simple Sample Prioritization Matrix

	Impact to employee satisfaction	Relevance to organizational strategy	Financial Impact (ROI)	Total
Employee On-boarding	4	3	1	8
Customer return process	2	2	3	7
New sales process	2	4	4	10

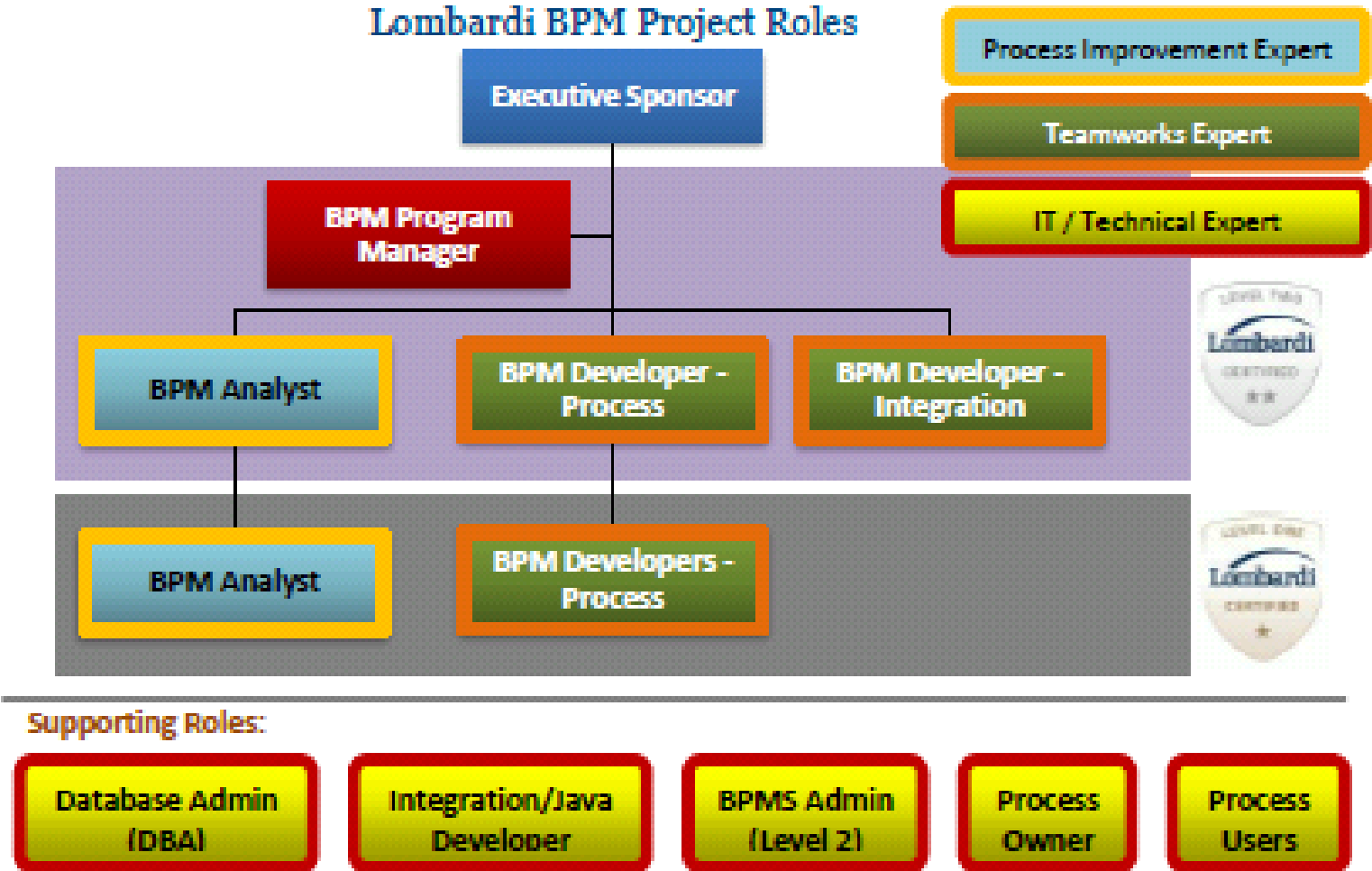
### ***Need Help Identifying Opportunities? Look for the Signs***

- Process errors causing revenue loss
- Inefficiency is causing additional cost or headcount
- Rework required
- Unsure of steps for process improvement
- Low customer or employee satisfaction
- Losing opportunities to more responsive competitor
- Lack of visibility into systems execution
- Difficult to evolve IT systems to changing business need
- IT not responsive to business needs








# Structure Your Project for Success

## *Build a Complete Team*



# Analyze & Evolve Your Core Skill Needs

Role	Responsibilities	Skills Required
<b>Business Leadership</b> 	<ul style="list-style-type: none"> <li>• Set project goals, strategy, organization, and expectations</li> <li>• Define measures of operational success and ROI</li> <li>• Identify “biggest bang for the buck” areas through documentation &amp; analysis of current state of the business</li> </ul>	<ul style="list-style-type: none"> <li>• Understand of functional areas &amp; performance of the business</li> <li>• Key signoff &amp; stakeholder on realization of the project and associated resources</li> </ul>
<b>Process Analyst</b> 	<ul style="list-style-type: none"> <li>• Leads process improvement efforts</li> <li>• Expert in process decomposition, scoping, optimization</li> <li>• Identifies business case, key opportunities, and ROI</li> <li>• Enforces delivery of KPIs, SLAs, and scoreboards</li> <li>• Can model deployable processes; dependent on IT for supporting services</li> </ul>	<ul style="list-style-type: none"> <li>• Experience with process flow design, requirements gathering, facilitation</li> <li>• Critical Analysis and Reporting skills</li> <li>• Certification in Lean or Six Sigma is a bonus</li> </ul>
<b>Developer</b> 	<ul style="list-style-type: none"> <li>• Collaborates with analysts to define low level processes and scope of supporting service function</li> <li>• Collaborates with analysts to reflect process “IT realities”</li> <li>• Creates service function using Java code, connectors to access existing systems, or ESB function to integrate legacy systems</li> </ul>	<ul style="list-style-type: none"> <li>• Process skills for low granularity process design</li> <li>• Java skills for creating new business function</li> <li>• System integration skills in order to leveraging existing data sources, interfaces, and third party services to support process execution</li> </ul>
<b>System Administrator</b> 	<ul style="list-style-type: none"> <li>• Responsible for deployment architecture</li> <li>• Supports access to database storage &amp; optimizes application workload</li> <li>• Sets up production staging process &amp; automates configuration</li> <li>• Guides infrastructure design and implementation</li> </ul>	<ul style="list-style-type: none"> <li>• Experience with application server administration</li> <li>• Experience with operational administration around role-based access, system health, and maintenance of operational data stores</li> </ul>
<b>BPM Program Manager</b> 	<ul style="list-style-type: none"> <li>• Expert in Iterative Delivery Methodology</li> <li>• Manages scope, budget, and resources</li> <li>• Identifies and mitigates risks</li> <li>• Conduit for escalations and issue resolution</li> <li>• Provides internal and external status and dashboards</li> <li>• Lets Delivery Team deliver</li> </ul>	<ul style="list-style-type: none"> <li>• Experience delivering iterative projects and managing program roadmaps that are delivered incrementally</li> <li>• Able to facilitate business and IT collaboration</li> <li>• Communicates to sponsor and executive levels of the organization</li> </ul>



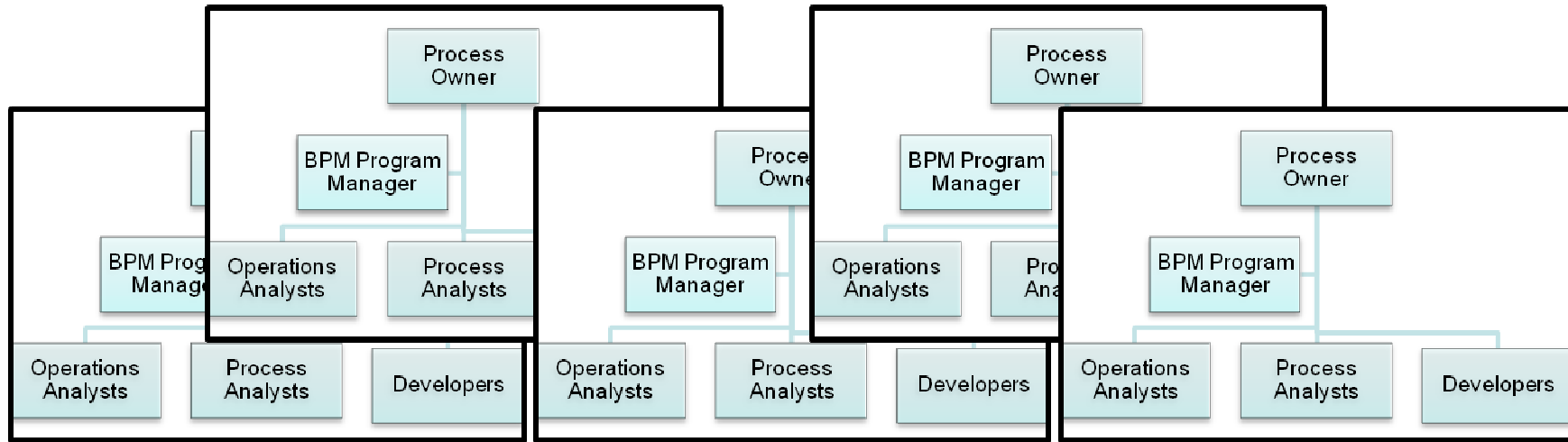
# Structure for Effective Execution

## *Connect Strategy to Action*

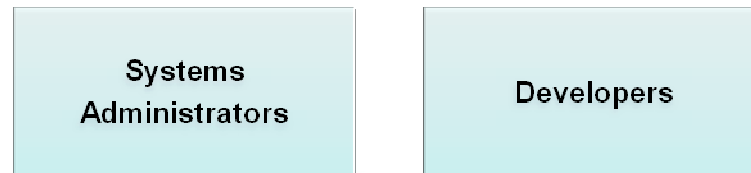
Cross-LOB Leadership Teams (May be BPM CoE):



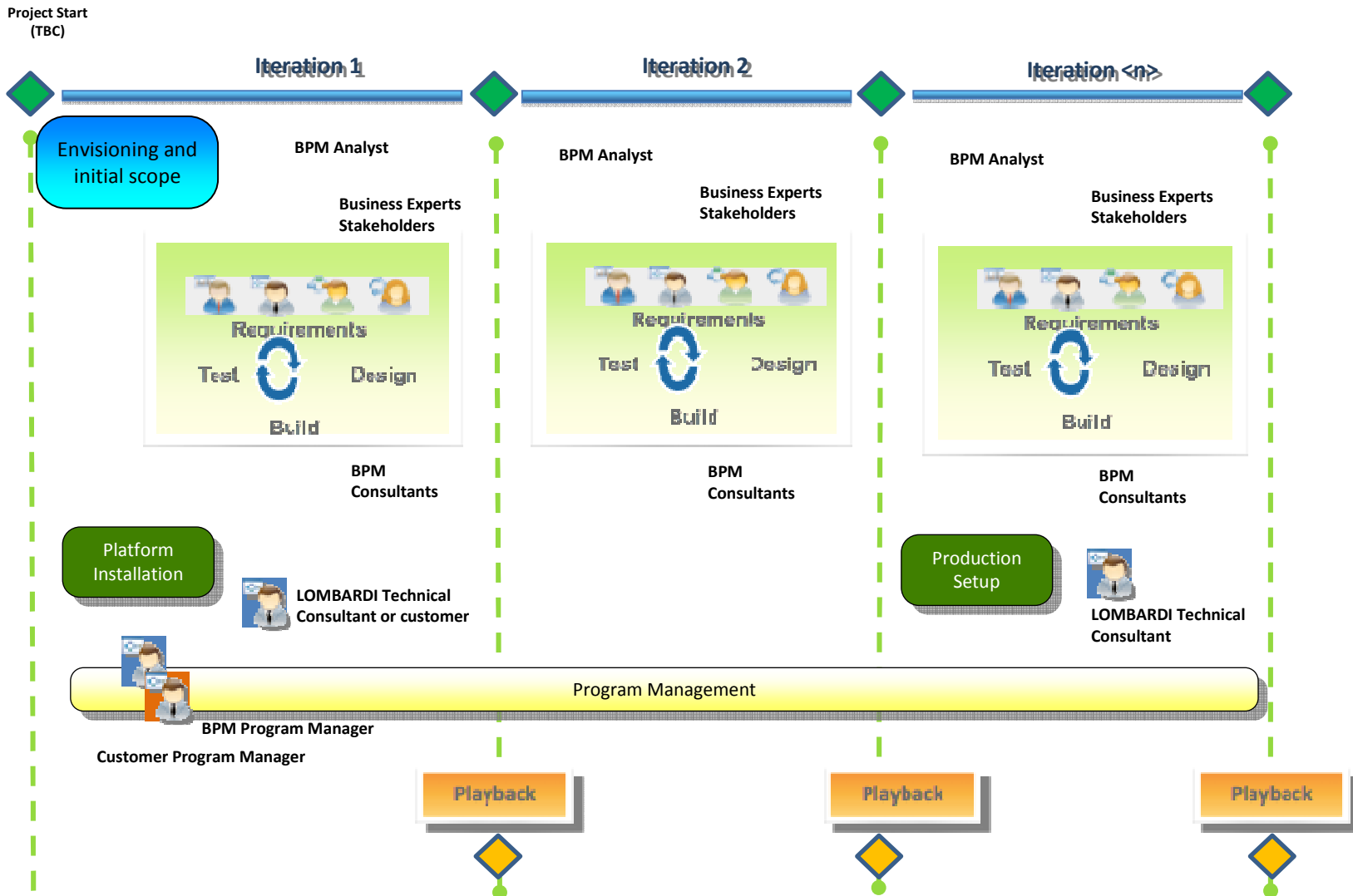
Cross-Functional Project Team:



Platform and Support Team:



# BPM Project Implementation

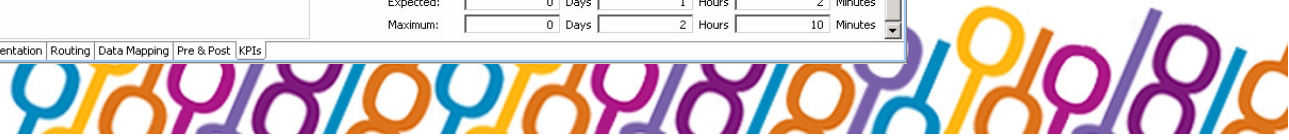


# Visibility Is Critical To Improvement

The screenshot displays the Teamworks Process Portal interface. At the top, it shows the browser address bar with the URL `http://msmith2:8081/portal/jsp/viewScoreboard.do?id=1078`. The main dashboard area is titled "PM My Team Performance" and includes a "Task Status" pie chart showing 60.00% on track and 35.00% at risk. Below this is a "Task List for all and All" table with columns for Status, Id, and Sub. A central process flow diagram for "f07 Customer Dispute (Checked Out)" shows steps like "Enter Dispute", "Resolved?", "Get More Data", "Research Dispute", "Notify Customer", and "Issue Credit". A "Properties" window is open at the bottom, showing "Key Performance Indicator" settings for "Execution Time (Clock)" and "Assignment" settings for "Automatic" type with "Threshold Settings" and "Time Range" options.

**Metrics, KPIs and SLAs should be part of the Definition Phase**

*Out-of-the-box scoreboards provide real-time visibility and control over in-flight processes – managers can reroute or escalate “at risk” an overdue processes*



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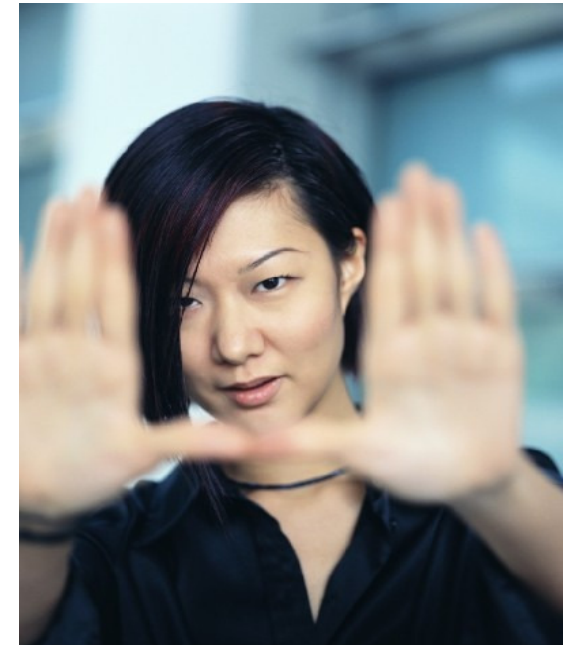
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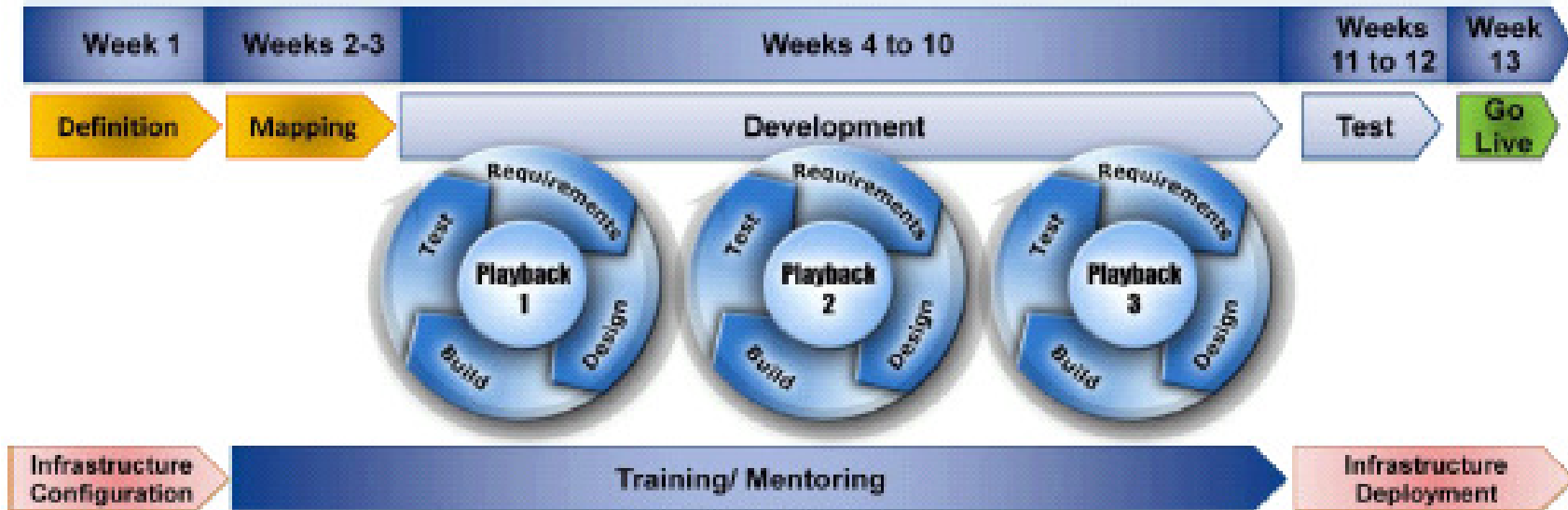
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***More Resources for Getting Started Quickly No Matter What You Choose***



# Prove Business Value First - Success Breeds Success

## BPM Project Timeline



BPM is agile. You need to take advantage of that – and don't attempt to solve all problems with a single "big bang" deployment of an end-to-end process. You need to continuously improve and iterate.

"If there is no business owner for the process, there's no process application. I won't do it." - Erik Keller, CIO, SIRVA ... and Lombardi customer.



# Success of a Repeatable BPM Program

## Efficiency

- Automated Agent 'Quick Quotes'
- Increased agent and customer service satisfaction, decreased manual handoffs and eliminated need to buy a new system

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- Eliminated 87% of "human touches" required to apply Premium Monies

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- Implemented automated New Business 'Sort and Search'
- Enabled team to complete new annuity setup in less than 48 hours, increasing broker satisfaction and avoiding penalty cost for missed SLAs

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## Effectiveness

- Automated Relationship Management to effectively manage customer complaints

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- Totally automated market research and survey management, providing management visibility and reporting for top 3 customer service issues

## Agility

- Reduced lead time required for new product code setup from 57 down to 4 days

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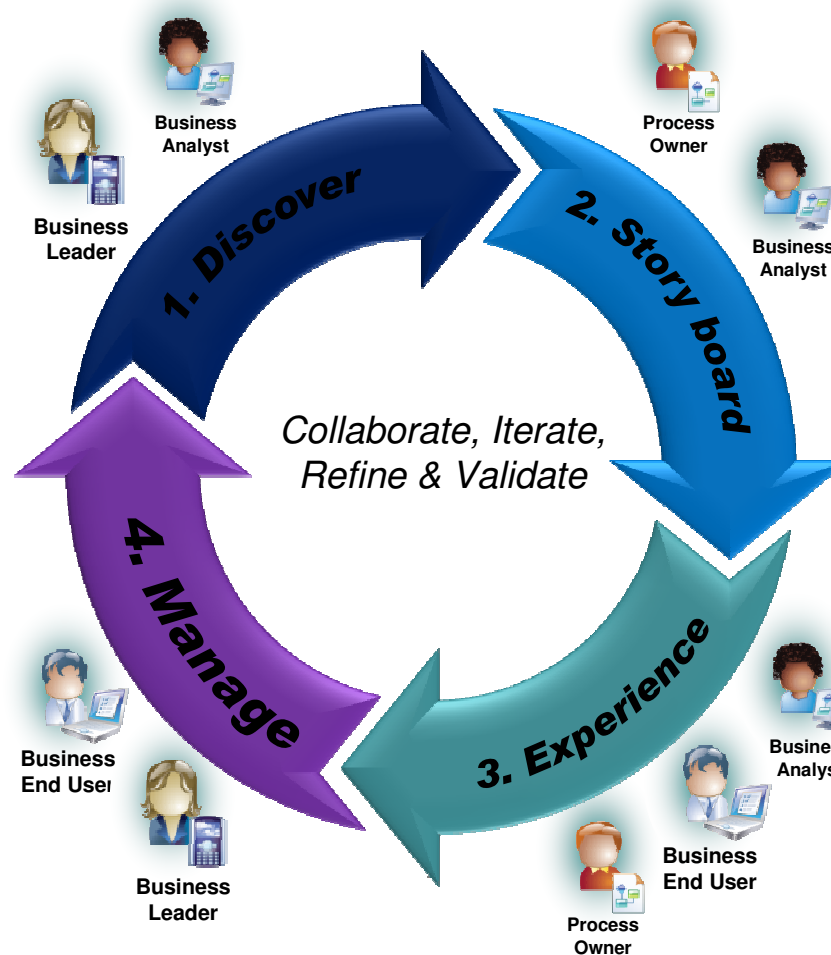
- Automated new securities application process, enabling the business to support growth without additional head count



# Iterative Business Solution Design & Process Improvement

## *Business driven design*

**Discover** your business intent;  
Map intent to business capabilities and processes;  
Identify and prioritize options



**Story board** the user interaction by capturing and defining as-is process and to-be processes; Specify business measures & KPI's; Mock up forms to validate and visualize human interactions

**Manage** real-time performance by empowering business end users to customize their experience, managing KPI's and alerts based on changing business conditions

**Experience/visualize** the solution via elaboration and refinement of business measures and KPI's; Add operational characteristics to future state processes; Interactively validate elaborated processes in IT sandbox



# Using Playbacks With WebSphere Lombardi Edition to Achieve Iteration





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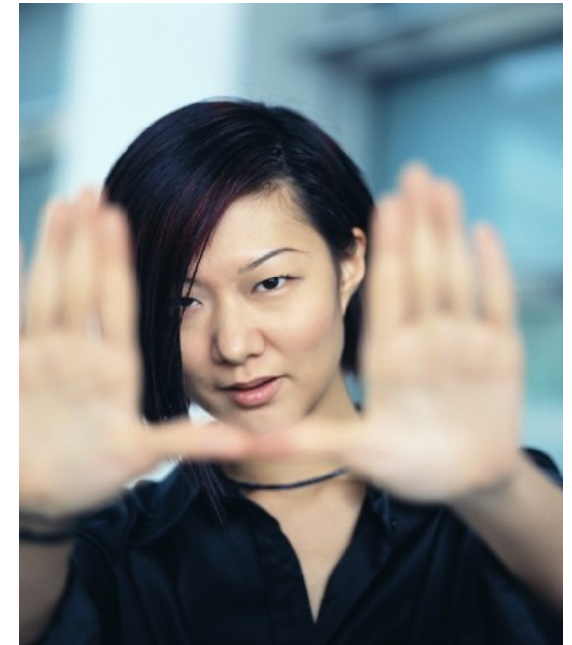
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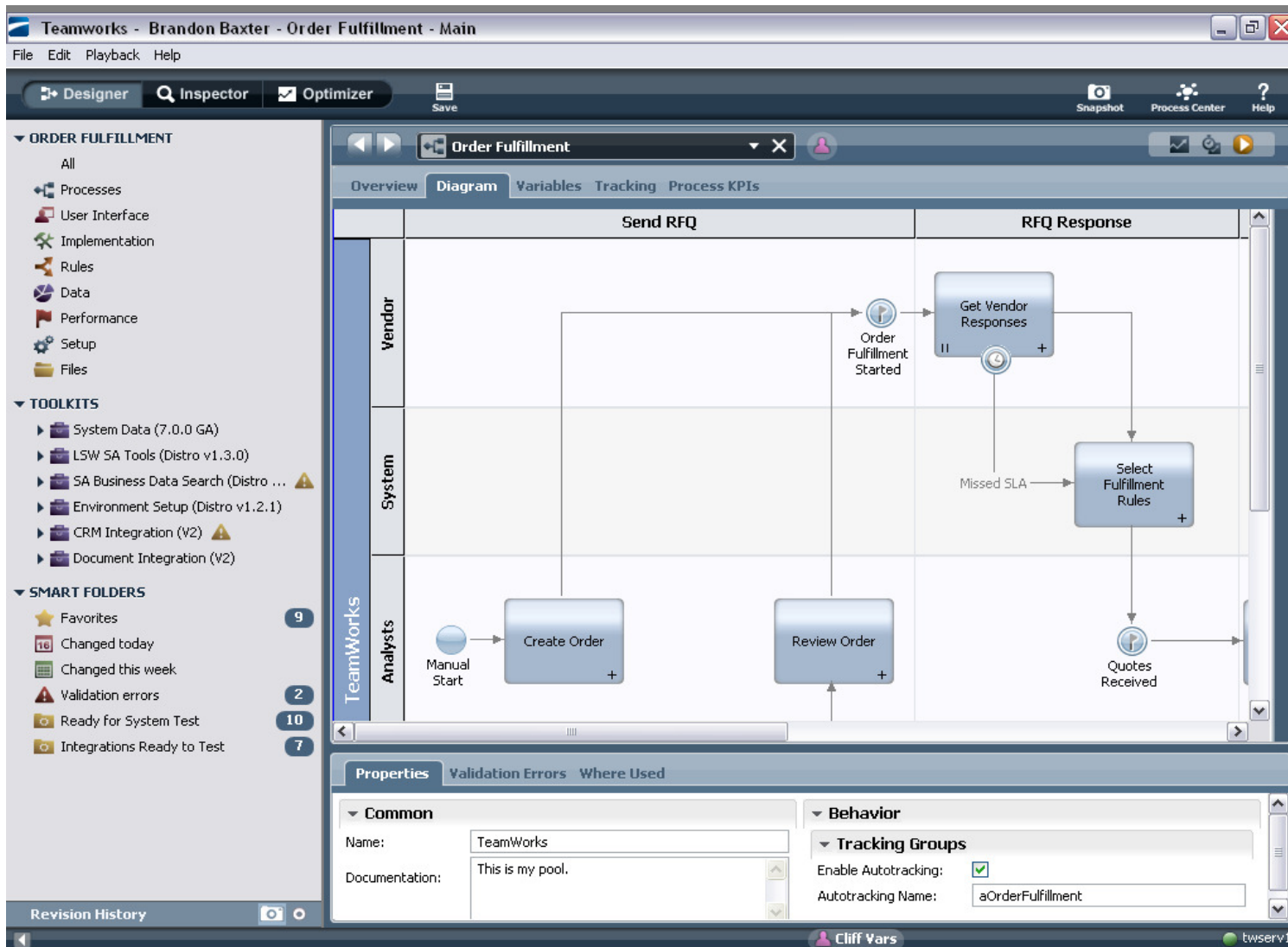
BPM allows us to  
focus on our most critical  
**business** priorities **first**.

”

— Eric Keller, CIO, Sirva

Keynote Presentation, Driven Online 2009.





## The Picture is the Process

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Process Developers

Call Center Managers

VP, Pharmacy Operations

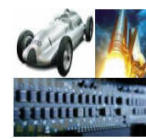
# Leverage the BlueWorks Community to Augment Your Know How @ bpmblueworks.com

Best Practices

Participate in Community

Industry Insight

-  Articles and Papers
-  Webcasts
-  Podcasts



Benchmarks



- KPI categories
- 1.0 Develop and Manage Products/Services (10003)
  - 2.0 Market and Sell Products and Services (10004)
  - 3.0 Deliver Products and Services (10005)
  - 4.0 Manage Customer Service (10006)
  - 5.0 Develop and Manage Human Capital (10007)
  - 6.0 Manage Information Technology (10008)
  - 7.0 Manage Financial Resources (10009)

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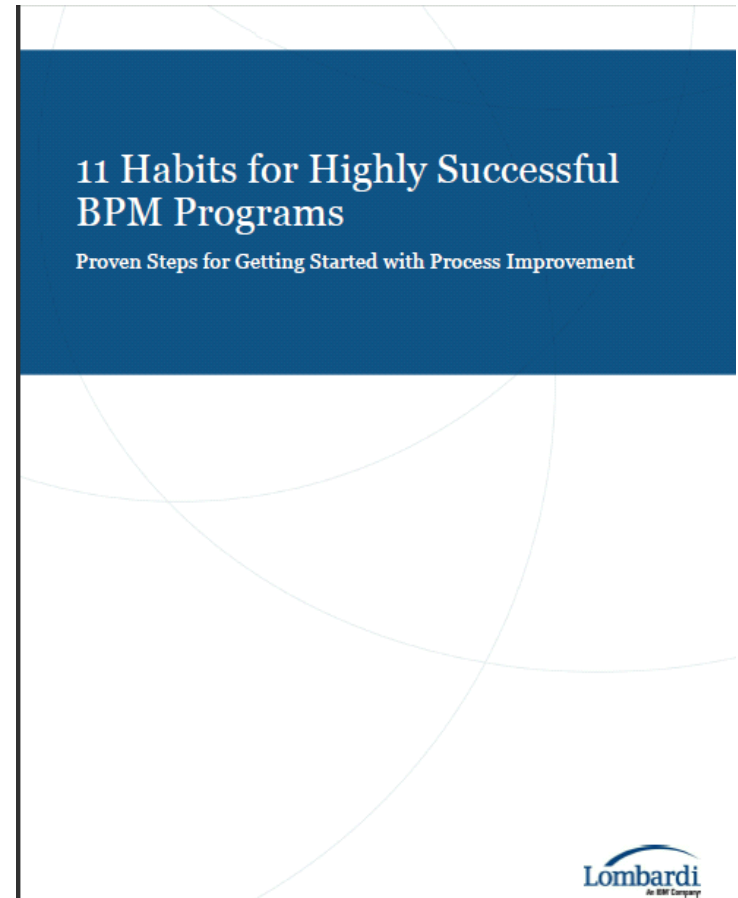
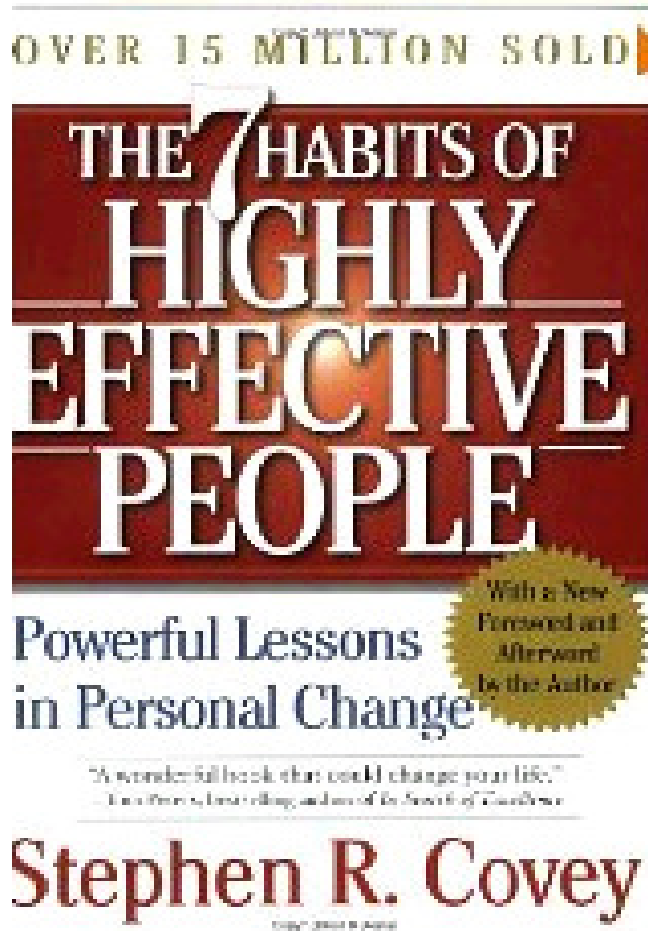
# Experimenting With Your BPM Journey? Need to Demonstrate Quick Value? Consider IBM BPM FastPath

***Go from Zero to BPM within 90 days\* for Smarter Business and Faster Results***

- **A prescriptive approach for achieving BPM within 90 days**
  - Accelerate your business' time to value with a human-centric BPM solution in production
  - Optimize your resources through a tried-and-tested, prescriptive approach to BPM
  - Improve business results through tighter collaboration between your business and technical teams
  - Achieve competitive advantage through improved process performance and customer satisfaction
  - Empower your department on key technological skills and methodologies
- **IBM Software Services for WebSphere Delivers!**
  - A 90 day implementation lifecycle that spans discovery, story-boarding, experience, managing and deployment of your BPM solution
  - Configuration and Installation – deployment of the prescribed IBM Software products
  - Project Governance – closely manage the project's goals and activities with the client
  - Deployment – a BPM solution in a production environment
- **\* Your success within 90 days**
  - Includes software and services
  - 90 day delivery assumes strict conformance with scope and delivery boundaries as jointly defined by IBM and the client
  - Cost and implementation times may vary based on actual scope



# Learn from Our Highly Successful Customers



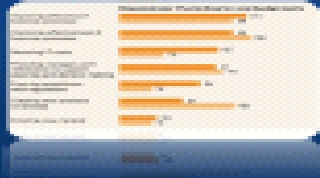
## What's Next?

### Blueprint Account



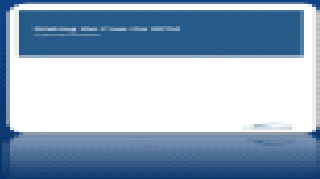
- Go to [www.lombardi.com/blueprint](http://www.lombardi.com/blueprint)
- Sign up for a free 30 day account!
- Single best way to get people in your business thinking about BPM and starting to document process problems that can feed into your process project pipeline.

### Webinar: Justifying a BPM Project



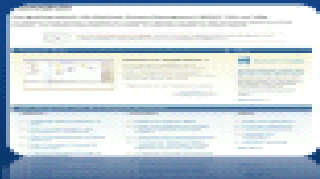
- Check this out if you are trying to get your organization on board with BPM
- This really emphasizes why process improvement is a number one priority that IT teams and CIOs should be investing in.

### Whitepaper: How to Structure your First BPM Project to Avoid Disaster



- Must read during the BPM planning phase!
- Contains specific tips and tricks which will be critical for setting you up in your first BPM project.

### Resource Center



- Go to [www.lombardi.com/bpm-resource-center](http://www.lombardi.com/bpm-resource-center)
- Provides different kinds of assets and ideas for getting BPM projects started and sustaining them across your enterprise





Are you ready to take that  
journey with us,

With more than 5000  
CIOs putting their **trust**  
in us. So can you!

One **Committed** Team  
with **Solid** and **Proven**  
Software Platform

Now you can make that  
**Change!**

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Thank

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