Push your Business Process Management initiative to the next level, into the cloud

The discipline of business model agility demands an agile infrastructure

IBM

Introduction

Our businesses today operate in a complex environment that is changing at a tremendous pace. The factors driving this complexity and pace include everything from regulatory compliance, to demographics, to trade disruptions. Businesses are also affected by the way customers bank and the way they purchase and consume goods or services. Business leaders are starting to feel a loss of control and are turning to innovation in an attempt to regain some of that control over their operations and infuse a sense of nimbleness in the way they do business.

When it comes to cloud computing, many organizations are realizing the immense potential it holds in giving them the ability to quickly scale resources based on the ever changing market conditions. Technology empowered consumers are putting increasing demands on an organization's back end systems and the cloud is rapidly becoming a platform for keeping up and staying ahead of these demands without sacrificing diminishing IT budgets. The ability to quickly scale your computing resources might have been the spark that gave rise to the cloud, but it will be the strategic imperative to innovate that will transform the cloud into a place where organizations go to do business.

At the same time, Business process management (BPM) is becoming the blueprint through which today's agile organizations are gaining unprecedented visibility and control over their day-to-day operations. BPM platforms have enabled business and IT leaders from across the organization to collaboratively discover, document, automate and continuously improve business processes to help increase efficiency and reduce costs. Furthermore, the transition to the cloud requires that organizations first and foremost understand the business processes that will be impacted by such a move. Without this critical first step,

organizations risk spending valuable time and resources on cloud initiatives that generate little to no lasting business value. The agility that comes from applying both cloud computing and the BPM discipline independently is exactly what makes the two of them an unbeatable pairing for enabling enterprise transformation.

The opportunity

As the value proposition of the cloud is evolving from a cost-saving mechanism into a growth vehicle, more and more organizations are turning to the cloud in an attempt to redesign their core business processes. Each year, Fortune 500 companies lose USD 488 billion due to process inefficiencies. The opportunity for process innovation is immense, and it will take the disciplined approach of BPM, with the computing prowess and accessibility of the cloud, to make the most of what lies ahead.

The democratization of process improvement

Today's agile organizations are looking for ways to standardize the way they document, communicate and act on process change. Organizational leaders know that the type of actionable insights they are looking for will not come from one part of the organization or another, but rather from the organization as a whole. Business and IT, finance and HR, C-suite and mid-level management are all in this together, and the cloud offers a unique opportunity to align every stakeholder and get the organization moving together towards transformation. Cloud based solutions such as IBM Blueworks Live™ act as flatteners, where entire organizations are choosing to engage in meaningful, lasting and democratic business process redesign initiatives. Through use of social networking concepts, one quickly discovers how tools such as Blueworks Live have significantly lowered the barriers of entry in documenting, finding opportunities for and communicating process changes within an organization. By

leveling the playing field, both in terms of how processes are being managed and who can engage in their management, the cloud provides the basis for democratizing process improvement on an organizational level.

When Doug Johnson, the director of innovation for Presbyterian West Side Healthcare System was tasked with making a new facility as innovative as possible, he realized that it will only be by bringing together the voices from the organization at large that this will be achieved. "Using IBM Blueworks Live, employees are a lot more productive. The key word here is empowerment. Employees are now empowered to create the processes that they need," says Johnson. In fact, in just two months, the managers of the Presbyterian Rust Medical Center documented in detail approximately 120 process flows. By merely taking process improvement to the cloud, the organization laid down a solid foundation for continually innovating for today and for the future.

The cloud-enabled enterprise
Business process redesign in the cloud in itself is the means, but not the end. The end, as stated previously, is the ability of an organization to innovate quickly, at scale and often. In the 2010 IBM Global CEO Study, 81 percent of the executives who participated indicated that innovation would be the key factor in determining how well their organizations meet and exceed their customers' expectations. Customers are looking for organizations to service them whenever and however they choose, and technology has been the key driver that has empowered these demands. Acting on new delivery channels has become an imperative of many businesses. Constantly adapting your business processes in this environment in order to keep up with these rising expectations is paramount.

Cloud computing allows organizations to test their business plan quickly with little capital upfront. If you are a start-up, or a division within a company that wants to test out or implement an idea for something new, you should investigate how to incorporate cloud computing in your business plan. To the end, prototyping has moved upstream from technology, into the ranks of business as a preferred methodology for innovation. Designers have been using prototyping for decades to create something new and the cloud embodies the ideal environment in which business leaders are free to become designers and experiment with new business processes that can get them closer to their customers.

A major financial institution recently has deployed IBM's Business Process Management suite on the IBM SmartCloud™ Enterprise in an attempt to get better at prototyping new customer offerings without incurring the upfront investments in technology infrastructure usually associated with such initiatives. In doing so they were able to not only better manage the time and the cost investment required to onboard new developers on the process improvement initiatives, but also quickly demonstrate how certain improvements will impact the overall offering and customer experience.

We are living in unprecedented times. Technology is fuelling tremendous and seemingly continuous change all around us and time to value is no longer a competitive differentiator. Companies treating the cloud as just another technology will miss out on the significant value it holds in empowering business leaders to bring about significant agility in their business processes and, in doing so, bring their operations in line with the changes happening all around them.

For more information

To learn more about IBM Blueworks Live or IBM BPM on SmartCloud, please contact your IBM marketing representative or IBM Business Partner, or visit the following website: blueworkslive.com or **ibm.com**/developerworks/downloads/bpm/cloud.html

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[1] Tech CEO Council Report Oct. 2010: "BPM improvements can be expected to yield savings of up to 5 percent of sales," *CNN Money U.S. Fortune 500 Revenues* (May 2010)

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