

Process Automation

A European insurance company conducted a feasibility study and estimated they could increase revenue by up to SEK100 million by adopting a BPM solution to improve its claims handling process. By using a BPM solution to automate claims processing, the company increased customer satisfaction by responding to claims faster and enabling clients to submit claims via the Internet, providing a new channel and increasing revenue by about \$20M annually.

A core component of BPM is the ability to streamline and automate business processes, providing the flexibility required to compete in today's complex, fast-paced environment. Transforming manual, disjointed activities into streamlined, repeatable ones with consistent results saves time, optimizes costs, and allows organizations to work smarter. More versatile and powerful than siloed applications, process automation helps usher in flexibility and deliver innovative business models by recombining and reusing existing assets to speed delivery of new initiatives.

IBM BPM can support a range of continuous process improvement and quality methods such as Six Sigma and Lean Six Sigma, while addressing the spectrum of automation, from straight-through processing to solutions that integrate expert human skills.

Only 3%
of businesses believe
they have achieved
process excellence.

Source: AIIM Market Intelligence –
Forget Process Excellence, Most
Companies are Process Ignorant,
2008

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IBM process automation capabilities include:

- **Full process automation** – jobs that can be entirely automated without any human interaction, which yields substantial and rapid ROI, eliminates labor and shortens cycle times
- **Collaborative human workflow** – jobs that require some level of human interaction, controlled and automated by a process engine that routes process-relevant information, updates back-end systems, and presents data to human users
- **Exception/complex case handling** – tasks that require further analysis, explicit personal approvals or physical work, but are designed to be flexible, allowing employees to intervene and circumvent processes

Transform Manual Tasks into Automated Efficiencies

Process automation helps reduce or eliminate redundant or unnecessary tasks to achieve the highest possible rate of straight-through processing. For situations requiring human intervention, such as exception handling, IBM process automation offers extensive support for Human Tasks through a unique approach – treating humans just like other services, as part of a service oriented architecture (SOA).

Every Human Task has a Service Interface that describes what data goes into the task (e.g., loan origination data) and comes out of the task (e.g. “approved” or not). This approach has a few advantages:

- Human Tasks can be invoked from anything, not just a business process
- Human Tasks can easily be replaced with automated tasks without changing the business process

Transform Inconsistency into Compliance

When processes aren't truly automated, it is difficult for organizations to have confidence in their ability to reliably meet service level agreements (SLA), audit and regulatory objectives. Manual processes limit the ability of auditors to determine whether the task was performed in the right sequence and by the appropriate people, and make it difficult to accommodate increasingly demanding, transaction-intensive processes. Process automation from IBM helps ensure processes run consistently and makes them measurable and auditable.

Transform Inefficiency into Integration

Process automation, in combination with a Smart SOA™ approach, also helps you avoid the high cost of hard-coding a variety of complex integrations

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between in-house and supplier or customer applications. In addition, it offers the flexibility to accommodate changes and the agility to combine IT assets into composite business applications to help achieve faster time to value and lower operating costs.

Business Rule Management Systems

How can you harness the power of decision automation? BPM systems can standardize and integrate key business processes to create a more streamlined, responsive IT environment. A business rule management system (BRMS) adds the dimension of intelligence.

BRMS from IBM helps businesses simplify the way they store, execute, and maintain business rules for agile decision making. Rather than relying on programming languages to capture rules, this system allows users to capture, add, change and test rules translating into huge gains in speed to market. A new product can be introduced to market within days, not months. As compliance and regulatory mandates continue to proliferate, IBM BRMS offerings present proof of compliance in a variety of reports.

The addition of ILOG business rule management systems complements IBM BPM promoting the natural synergies between them. Combining IBM ILOG BRMS and IBM BPM powered by Smart

SOA™ offerings, IBM creates comprehensive solutions to help achieve full automation and straight-through processing. IBM BPM offerings facilitate automation and connectivity, while IBM ILOG BRMS offerings can automate decision points throughout the process.



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