IBM BusinessConnect 2014
A New Era of Smart

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IBM BusinessConnect 2014
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Smarter Process

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The Open Group
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A Smarter Process…

…is a Social Process

Empower business users to collaborate and act on observed insights

…is a Flexible Process

Accelerate development, deployment, adoption and change

process

…is a Mobile Process

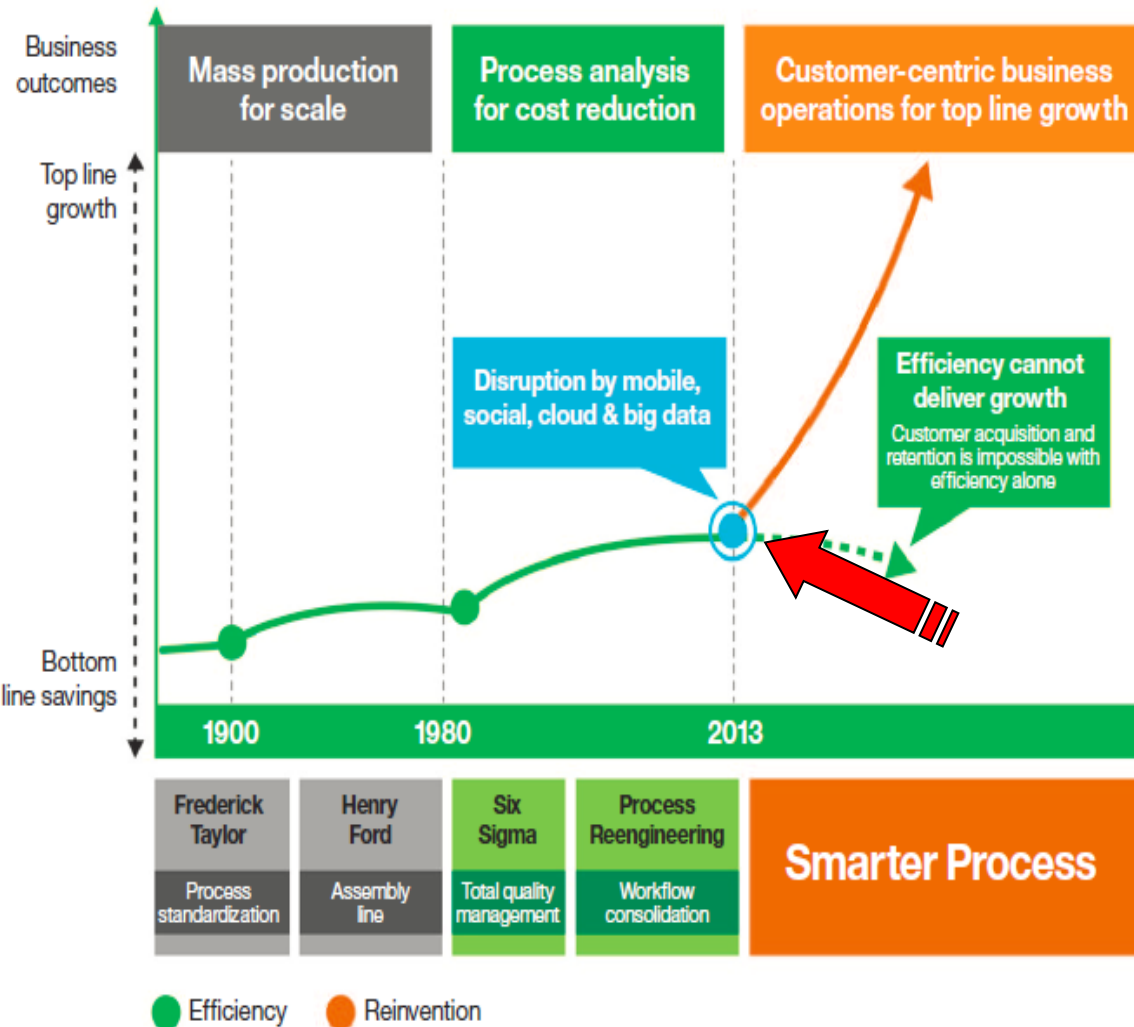**Exploit mobile devices to allow anyone to engage anytime, anywhere**

…is a Data-Driven Process

Enable faster, better decisions in response to business situations and opportunities

Impact of Smarter Process on Top Line Business Growth

- Forrester forecasts businesses will spend up to **US\$ 2.7 B in 2014** for **mobile process reinvention** services.
- Gartner ranks Business Process as a Service **(BPaaS)** as the **fastest growing cloud segment** with **47 % annual growth.**
- Opening an account online in retail banking
    - 47 % of all account opening attempts end in the customer abandoning the process midway and never complete
    - It takes just 5 minutes at the best-in-class banks, but up to 76 mts at the other end of the spectrum.

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What is Driving the Need for Smarter Process…

New forces are disrupting how companies do business

Mobile	$3.6B spend by 2014	**Mobile requires process reinvention** Forrester forecasts that companies will spend about $900 million on mobile process reinvention services in 2013 and up to $2.7 billion in 2014
Social	25% productivity improvement	**Socially-enabled productivity** According to McKinsey, enterprises, can raise p...
Cloud	47% growth in cloud processes	**Cloud deploymen... rethink their pro...** Gartner ranks Business Pr... growing cloud segment wit...
Big Data	€100B government savings	**Big data drives i...** McKinsey found governme... billion in operational efficie...

The "Nexus of Forces" (Gartner) are disrupting how companies do business…

..and are putting the customer in the center…

With heightened expectations, customer-centricity is not optional

US health insurance companies stand to *gain over* $6 billion by being simpler to do business with [1]

"Transforming the customer... means changing the way th... operates" [2]

80% of consumers are more likely to recommend a brand because it provides a simpler experience [3]

1. Global Brand Simplicity Index, 2012, Siegel and Gale
2. Adapt Business Process Improvement for Customer Experience, 2013, Forrester
3. Global Brand Simplicity Index, 2012, Siegel and Gale

What do you need from your processes in a customer-centric world? Processes must be:

Instant At Internet speed 47% of online bank account opening applicants don't successfully complete the process and fund their accounts

Seamless Interconnected & ubiquitous In the US, mobile banking jumped to 32% of customers in 2012 up from 21% in 2011

Insightful Targeted and relevant 47% say it frustrates them when companies don't use the information they have to make interactions and offers more relevant

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…driving the need for significant process innovation

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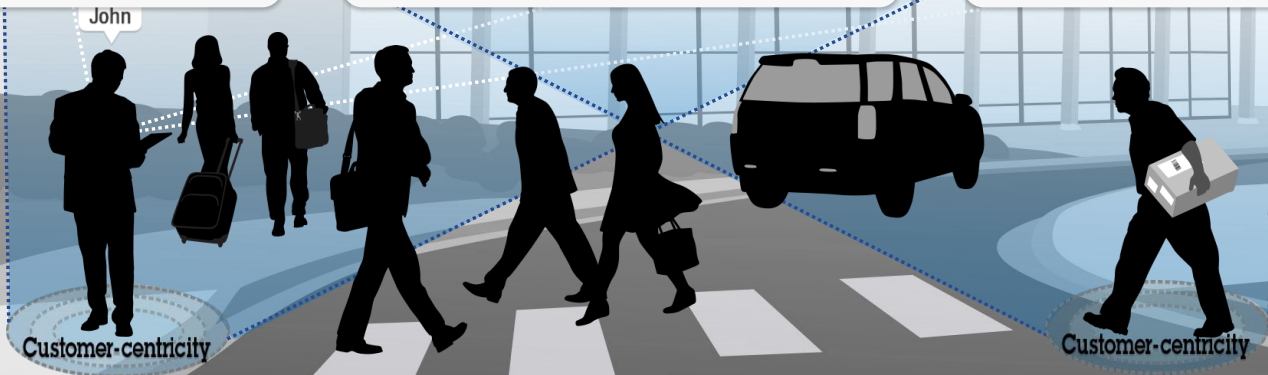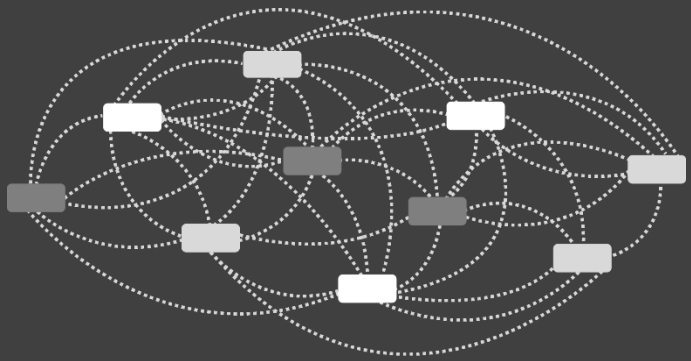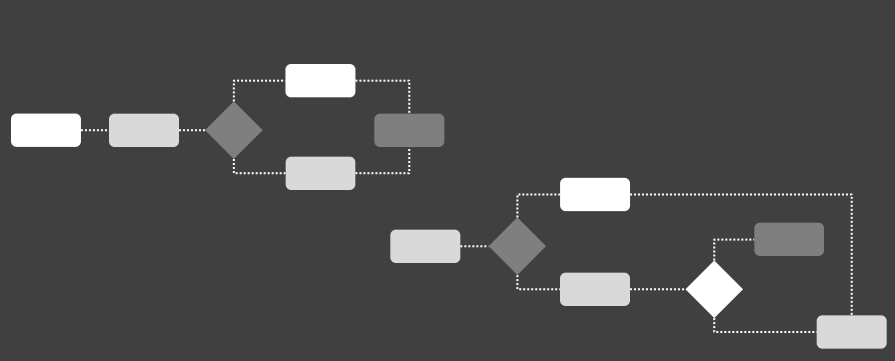
Smarter Process on the Cloud transforms process adoption

Cloud empowers six game changing business enablers:

Context-Driven: �**50%**
Individualized, context-relevant customer experiences

Business Scalability: **33%**
Instant capacity for expanding operations

Market Adaptability: **33%**
Rapidly adjust processes, products & services

Value Chain Connectivity: **33%**
Share resources, information & processes

Cost Flexibility: **31%**
Pay as you go

Masked Complexity: **20%**
Handled by the cloud so you don't have to

% of leaders' #1 choice

~ The Power of the Cloud
IBM Institute for Business Value, 2012

Smarter Process enables Business Performance Optimization

| Agile Processes	Operational Intelligence	Value Realization
Change processes at the pace required by the business	Transform visibility into insight and action	Manage value with closed loop triggers and orchestrated playbooks

- Agile processes enable new insights to be implemented at 'business speed'

- Operational intelligence
    - Drives the need for action
    - Assists or automates inline decision making
    - Helps the business characterize issues and potential solutions

- Value realization detects performance measure threats and initiated and manages structured and artful responses

- This combination allows the business to optimize its operations to significantly improve business outcomes
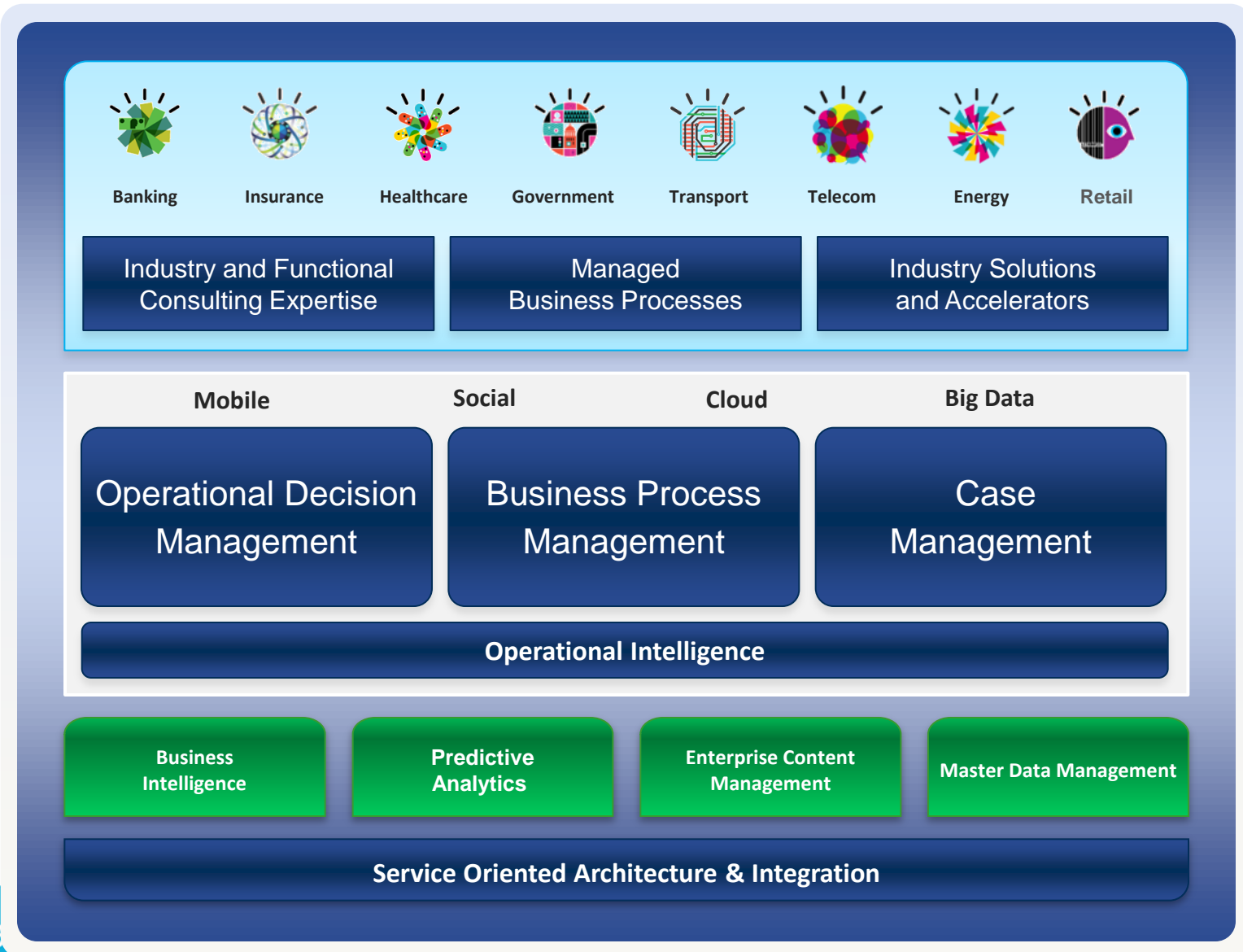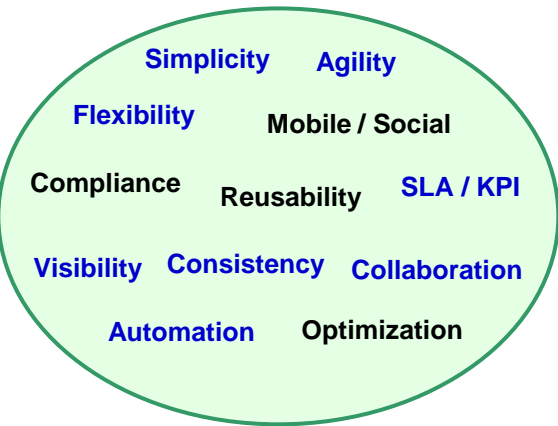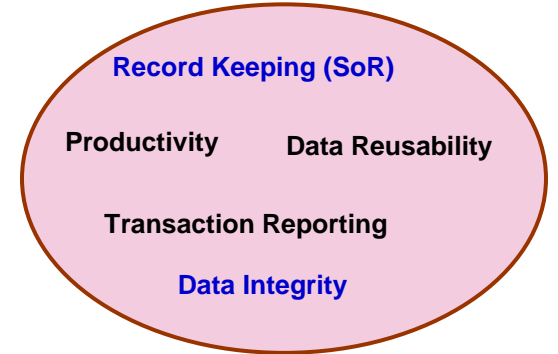
Smarter Process for SAP

(System of Engagement – 'process', 'mobile' 'social')

Simplicity **Agility**

Flexibility **Mobile / Social**

Compliance **Reusability** **SLA / KPI**

Visibility **Consistency** **Collaboration**

Automation **Optimization**

BPM

L1 Category

L2 - Group

L3 - Process

L4 - Activity

L5 – SAP Transactions

L6 – Sub-Transaction and Exception Management

Record Keeping (SoR)

Productivity **Data Reusability**

Transaction Reporting

Data Integrity

(System of Record)

SAP
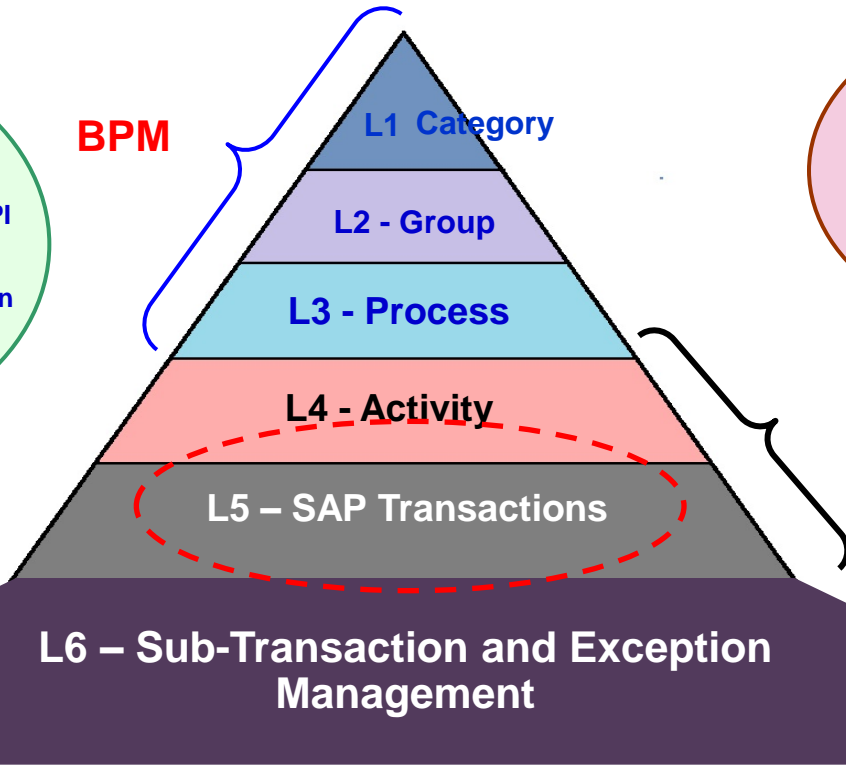
BPM + SAP

Process Levels - APQC Process Classification Framework

(Source: APQC – American Productivity and Quality Center)

Smarter Process for SAP Capabilities

Innovation

Transformation

Reduce blueprinting time, cost and risk

Improve process reliability, flexibility, visibility and control

Improve process efficiency and reduce business complexity

| Iterative Business Blueprinting | Guided Workflow | Process Discovery and Monitoring | Process Integration and Orchestration | Decision Automation | Process Automation |

Use an iterative, experiential-based approach to accelerate traditional SAP blueprinting with SAP Solution Manager

Interactively guide end users through SAP screens to improve productivity, visibility and consistency

Mine SAP Business Events to discover actual processes and act in real time to business challenges

Optimize process steps to improve cycle time, manageability and visibility of key processes

Automate complex decision making to reduce bottlenecks and improve business outcomes

Dramatically reduce the cycle time of high volume processes by reducing/removing human interaction

Business Optimization Potential

Non-disruptive to SAP
IBM BPM plugs into SAP Solution Manager and makes it easier to model business processes, in a roundtrip fashion

Non-disruptive to SAP:
IBM BPM generates business process applications that guide users through SAP screens & track process metrics for better productivity and control

Non-disruptive to SAP
Business Monitor tracks existing SAP transactions with workflow context to better manage existing processes with BAM dashboards

Incremental Innovation:
IBM BPM enables drastically easier enterprise service integration, process orchestration, inline business rules and process automation… in ways that enable business-driven improvements with **less risk, quicker results and more agility.**
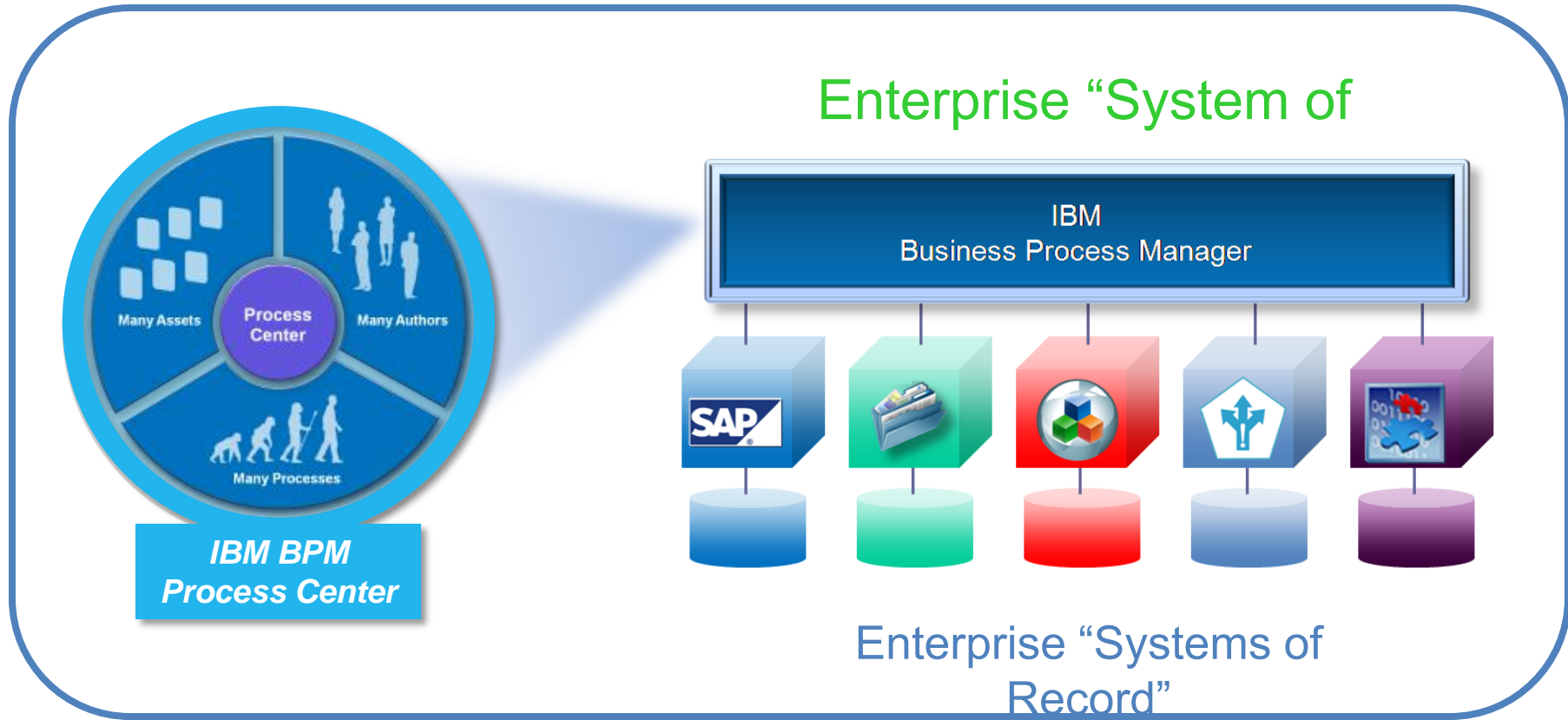
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Surround SAP With Smarter Process Capability

End to End Orchestration

Iterative Business Blueprinting

Transaction Orchestration

Forensic Process Discovery

SAP™

Real-Time Monitoring and Operational Insight

Empirical Process Characterization

Sub-Transaction Orchestration + Visibility

Orchestrated Value Management Processes

Orchestrated Exception Processes

IBM BPM for SAP delivers a radically superior SAP process paradigm.

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Scale Process Improvement & Change Across the Enterprise

Enterprise "System of

IBM
Business Process Manager

**IBM BPM
Process Center**

Enterprise "Systems of
Record"

• *Manage large numbers of
process assets & authors
with centralized governance*

• *Integrate enterprise-wide
operations across multiple
Systems Of Record*

IBM BusinessConnect 2014

IBM provides a comprehensive set of offerings

Industry consulting and expertise

Guide your Smarter Process strategy and execution

Broadest software portfolio

Build your Smarter Process solution with best in class software

Managed Business Processes

Smarter Process managed services to simplify your business & financial execution

Why IBM for Smarter Process?

Install base of *over 5,000+ active implemented customers* and *800+ business partners*

Leader in Gartner's Magic Quadrant for Intelligent Business Process Management Suites and *leader in the Forrester Waves* for BPM Suites and Dynamic Case Management

#1 market share in Business Process Management (BPM) and Business Rule Management Systems (BRMS) *according to Gartner and IDC*

Global Smarter Process *Center of Competency (CoC) with 650+ experts*

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Next Steps

Learn more with a Visioning Session

Contact your IBM seller to schedule an on-site guided interactive discussion on your objectives

See what's possible with a Discovery Workshop

On-site workshop with business and IT stakeholders to evaluate the applicability of BPM and Business Rules for your project

Implement a real project in 10 weeks with a Quick Win Pilot

Demonstrate immediate value to your LOB end-users with your first 'Quick Win' in 10 weeks

Visit the website: **ibm.com/process**