

Achieve agility and profitable growth

Accelerate process automation and integration solutions with IBM BPM



Market pains

Today's unpredictable and fast-moving global marketplace presents a substantial opportunity for businesses to optimize performance and gain a competitive advantage. Yet companies are restrained by siloed organizations, processes and systems that inhibit collaboration and stifle business flexibility. It is these very silos that prevent organizations from reacting quickly to the ongoing changes occurring in today's dynamic business network.

As whole industries change to become more efficient, tomorrow's market leaders must transition to focus on growth. These organizations will transform their operations, processes and activities to increase agility and enable them to quickly capitalize on new market opportunities.

But as our world becomes smarter—more instrumented, interconnected and intelligent—organizations are also finding smarter ways to work, by creating a collaborative and connected environment that delivers new tools to the workforce and adapts and responds to change—ultimately increasing productivity. To remain competitive in this ever-changing global marketplace, businesses must be supported by truly dynamic business processes.

Organizations that are significantly outperforming their industries are much more focused on growth than their peers, and are driving agility by adopting work practices and transforming their business processes to be more dynamic, collaborative and connected. This new growth imperative is confirmed by business leaders around the world. In a recent IBM survey of 300 global executives,¹ those that are significantly outperforming their industries are relentlessly focused on growth while their peers are still focusing on stabilization, with plans to revisit growth initiatives in the next several years. Key focus areas for the market leaders surveyed included developing new offerings and entering new markets, while other businesses were still focused on reducing costs and increasing efficiency.

Market leaders that are focused on growth are twice as likely to be using modeling and automation to understand and improve their business processes. They are three times as likely to use collaborative workspaces to drive greater productivity. And they are nine times as likely to use a service-oriented approach to their IT infrastructure to integrate people, processes and information throughout the enterprise.

Process automation and integration

Logical BPM entry point

One of the biggest questions organizations have is how to get started with business process management (BPM). A core component of BPM and a logical starting point on the BPM journey, process automation delivers the flexibility required to compete in today's complex, fast-paced environment. That's because transforming manual, disjointed activities into streamlined, repeatable ones with consistent results saves time, increases efficiency, optimizes costs and helps organizations to work smarter.

SOA makes process automation more powerful

IBM process automation is built on service oriented architecture (SOA). When combined with SOA, process automation can abstract business services into reusable process components. These standardized, reusable components can be quickly discovered and used as tasks within new processes being modeled and automated, resulting in lower costs and faster time to value for new implementations.

Process automation and integration, in combination with an SOA approach, helps you avoid the high cost of hard-coding a variety of complex integrations between in-house and supplier or client 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.

By combining the power of process automation and integration with SOA, IBM can help you grow the business value of your existing applications and solutions by:

- Removing fixed process logic from custom applications.
- Replacing fixed process logic in packaged applications with flexible processes.
- Delivering strong SOA-based integration with applications and other IT assets.

Automating manual processes can quickly reduce your costs by reducing the amount of manual labor needed for simple process activities. The more streamlined and efficient automated processes can also greatly reduce redundancies and exceptions, and help you avoid penalties for noncompliance with industry or environmental standards. By leveraging process automation, one company was able to reduce supply chain handling costs by 63 percent, while reducing the labor needed for manual tasks by 85 percent.

Process automation and integration is purposely designed to span any number of disjointed IT systems, information and human tasks, orchestrating them into an optimized process flow. Key features and benefits of process automation include:

- Broad process integration capabilities connect to diverse IT systems and information, and include the use of SOA and adaptors.
- Model-driven versus hard-coded, making it is easier and faster to deploy changes.
- Process integrity to ensure processes are executed as designed.
- Human workflow management capabilities streamline manual tasks, making them faster, repeatable and consistent.

Process automation also takes advantage of reusable process components in an SOA. These standardized, reusable components can be quickly recombined into new processes, which can result in lower costs and faster time to value for new implementations. Exploiting reusable assets extends the life of your IT assets, increasing their value.

Integration with suppliers, partners and clients **Process automation eases integration with supplier and client systems**

When connecting business processes with IT systems and business partners beyond the organization, differences in systems, applications and custom or nonstandard interfaces can make processes unmanageable. IBM's process automation solution can help you avoid the high cost of hard-coding a variety of complex integrations between in-house and supplier or customer applications. In addition, it offers the flexibility to accommodate changes and the agility to combine IT assets. And, by choreographing the separate steps in a process, process automation can help ensure processes generate the same responses—time after time.

To focus on improving processes, organizations must consider their broad business network of customers, partners and suppliers, and how their processes span this network. To improve these processes they must be supported by robust and flexible connections throughout the business network to eliminate hand-off bottlenecks, and to accommodate the pervasive change throughout their extended enterprise.

Most organizations reflexively think of their business network within the walls of the business, but the fact is that the business network is significantly broader than most organizations initially perceive—composing an extensive set of relationships

between employees, clients, suppliers and partners. Each of these external connections is just as important as the ones inside the business and, in fact, may be becoming more important. In a recent survey of business executives, 79 percent said that they expect the number of collaborative relationships they have with third parties to increase,² while 87 percent of CIOs think their organization will become more collaborative in the next five years.³ As more and more functions move outside the walls of the businesses, the distinction between external and internal members of the business network is disappearing, and companies must look to maximize the value of the interactions throughout their networks.

The broad business network also profoundly affects how your organization can improve business processes. The pervasive processes that we've discussed don't take place within the four walls of the business—they span the broad business network. In this example we see how three insurance companies' processes touch multiple points inside and outside of their business. In order to improve these processes, they must also consider the touch points and connections between the different entities within their business network. Otherwise, these hand-offs between the business and external entities will remain a performance bottleneck.

Even more challenging is the fact that this broad business network is anything but static. Relationships with partners and suppliers are constantly changing, as companies change policies and business models, or even go out of business altogether. In addition, in many industries customer-switching costs have dropped dramatically, causing a surge in customer churn. This pervasive dynamism throughout the extended enterprise means that not only must the processes that span the network be robust, but they must also be flexible enough to easily accommodate change without disrupting business activities.

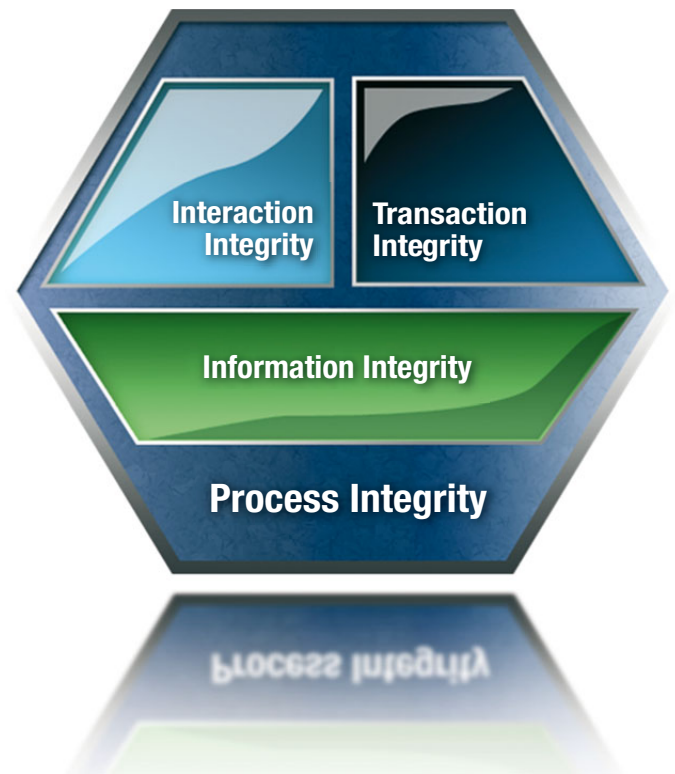


Figure 1: Process integrity consists of three parts—interaction integrity, transaction integrity and information integrity.

Process integrity

Process integrity is the ability to conduct reliable business activity in a secure, scalable SOA environment with seamless synchronization between services, human tasks, information, domains and users.

Process integrity is focused on synchronizing end-to-end processes so they provide the right amount of integrity. Process integrity is comprised of three components: interaction integrity, information integrity and transaction integrity.

- *Interaction integrity* is about providing users with the right access to information and content. This means, for example, being able to customize the information accessed based on the role of the user. It's also about simplifying the user's interaction with the system—providing an easy-to-use interface that clearly displays the information that the specific user needs.
- *Information integrity* focuses on consistency of information. Information sources must be synchronized so that there aren't multiple views of the same customers, partners and products.
- *Transaction integrity* is about executing both short-running and long-running transactions with confidence. Short-running transactions often require full-scale transactional properties; for example, the ability to roll back a transaction if some aspect of it fails. Long-running transactions must also be able to maintain their integrity, and have compensations specified for aspects of the transaction that don't execute successfully.

A process automation and integration solution from IBM enables reliable execution of distributed business activity spanning multiple platforms, applications, data sources, domains and users. Built around SOA for maximum process flexibility, IBM's solution enables you to automatically manage transactional integrity among multiple systems, as process work occurs.

Robustness, scalability and reliability

IBM's process automation and integration solutions provide a robust SOA environment that enables you to:

- Increase operational efficiency by dynamically adjusting to changing business needs.
- Reduce IT costs by optimizing the utilization of your existing applications and servers.
- Deliver higher quality of service and meet your service level agreements (SLAs).

- Easily scale your IT resources to meet increasing transaction volumes.
- Ensure consistent and predictable performance for business-critical applications.
- Gain real-time insight into system health and utilization.
- Enable on-the-fly application updates and continuous application availability.

Streamline human tasks

Streamline tasks to deliver business value throughout the organization

The goal of process automation is to improve business performance through streamlining business processes—to understand what those processes are and discover ways to make them more efficient. Central to BPM, process automation transforms manual, disjointed activities into streamlined, repeatable and consistent results, and enables the smooth orchestration of IT systems, information and human tasks without the need for manual intervention or additional programming.

Process automation doesn't necessarily result in the elimination of human tasks. In fact, many business processes are just that—a collection of tasks that people perform. Process automation is also tremendously beneficial in these situations, helping organizations to increase productivity and optimize the performance of their people. Without automated workflow, business processes are ad-hoc and rely on a variety of different methods to carry out the process. Unstructured processes lead to errors, inefficiencies and higher costs. In automated human workflow the process is controlled and automated by a process engine that routes process-relevant information, updates back-end systems, and presents data to human users. By automating workflow, organizations can ensure that tasks are routed to the correct person along with the correct information, documentation and forms necessary to perform the task. Automating workflow also makes it easier to manage exceptions and escalations.

Automating workflow can also provide users with tools to be more productive. Human task widgets allow people to work faster and manage work tasks with greater ease. These capabilities include a to-do list for managing ad-hoc activities and actions associated with work tasks and a customizable task management user interface, with the ability to filter and sort the task list based on business data. The to-do list and customizable task management interface enable users to work faster with more flexible task- and process-list views, which are organized in an efficient manner to get work done. Users can see at a glance the most important tasks, including escalation status. This enables them to easily track to-do activities and collaborate on documents associated with a task.

Create efficiencies by automating tasks throughout your processes

The costs of manually orchestrating each activity of an end-to-end process can be staggering. Routine tasks drain employee resources from higher-value projects. Worse, poor quality and slow cycle times can reduce customer satisfaction and revenues. Process automation can help reduce or eliminate non-value-add tasks that span the end-to-end process so you can achieve the highest possible rate of straight-through processing, improve quality and enhance the customer experience. IBM process automation capabilities can address the entire spectrum of automation needs, and for those processes that still require human interaction, such as exception handling, IBM offers extensive human workflow capabilities as well.

Ensure consistency and compliance

As you automate processes throughout your business network, robust governance is key to ensuring that your processes and activities are in compliance with your organizational policies and industry and government regulations. Process automation

and integration helps to standardize business process execution and facilitate compliance with the latest industry regulations, and to provide more efficient integration throughout the organization and beyond.

A key challenge that arises with managing processes is one of governance. At its most fundamental level, governance can be defined as the establishment of chains of responsibility, measurement, policies, control mechanisms and communication. As regulations continue to multiply, organizations are under increased pressure to prove that their processes are operating as designed, and that they are in line with legal and industry regulations or internal controls. At the same time, a highly competitive environment means organizations cannot afford even the possibility of a missed SLA.

Make processes consistent to increase compliance

When processes aren't truly automated, it is difficult for organizations to be confident they can reliably meet SLAs and compliance objectives. Manual processes prohibit auditors from seeing if tasks are performed in the right order, by the right people. They also make it difficult to accommodate transaction-intensive processes like payroll processing. IBM process automation and integration helps ensure processes run consistently, by the right people, at the right time, to increase compliance.

Based on SOA, IBM's process automation and integration solutions combine the flexibility of loosely coupled open systems with the scalability and reliability associated with tightly coupled, and much more rigid, systems. The result is the best of both worlds: an agile infrastructure that can adjust workflows on the fly, and the integrity needed to deliver uninterrupted, long-running processes that span disparate systems.

Client reference: Airbus

Atlas Air Worldwide Holdings is the leading provider of outsourced freighter aircraft and operating solutions to the global air freight industry. After a decade of rapid growth, it was becoming an increasing challenge for Atlas to adapt its operations to the dynamism and variability that are endemic to the air freight business. Atlas needed to become more agile by making its business processes more flexible.

Business challenges

Atlas saw one of its biggest challenges as achieving “dynamic optimization” by maximizing the efficiency and profitability of its operations in the face of changing inputs—for example, new customer delivery requests—and operational constraints such as flight crew rest requirements. Determined to prevent the growing complexity of its business processes from dragging down its efficiency, profitability and growth, Atlas realized it needed a process automation and integration capability to fundamentally change the way it translated information spanning its operations into the best possible business decisions.

Business benefits

Atlas realized substantial returns on its investment in a process automation and integration solution, including:

- Eighty percent reduction in expected cost of integrating operations with strategic delivery partners.
- Fifty percent reduction in expected time required to integrate operations with strategic delivery partners.
- Significant expected reduction in operational costs.
- Improved time to market with new business services.
- Stronger decision support through increased transparency into key performance indicators (KPIs).
- Decreased application-support costs associated with integration.
- Potential for market differentiation through increased agility.
- Expected 30 percent reduction in application-development costs.

Automate and improve decision making with business rules

Another way to increase efficiency of processes is through decision automation. A Business Rule Management System (BRMS) provides the ability to automate many decisions that have typically been handled manually, including complex decisions. This adds intelligent decision making to BPM, simplifying the way you store, execute and maintain business rules. A BRMS allows business users to capture, add, change and test rules for faster time to market, so you can introduce new products in days instead of months.

Getting started quickly with process automation and integration

IBM has numerous offerings to help you more quickly realize faster time to value with process automation. They include:

- *IBM BPM FastPath*—Implement your BPM solution within 90 days with BPM FastPath, a solution that helps optimize resources through a prescriptive approach for delivering BPM and improving collaboration between business and IT.
- *IBM WebSphere® Industry Content Packs for BPM*—Accelerate and enhance the delivery of BPM solutions for healthcare, telecommunications, insurance, banking and industrial product lifecycle management with a rich set of prebuilt, industry-specific process assets and scenarios.
- *Business Improvement Workshop*—Ask your IBM representative to schedule a BPM workshop to help prioritize and scope your BPM project, enabling you to get up and running quickly to realize rapid return on investment (ROI).

Begin your BPM journey with IBM

IBM's process automation and integration solutions deliver the flexibility and efficiencies you need to work smarter—and to compete in a fast-paced, interconnected world. It's common to begin with a simple process automation scenario that you can then easily scale to broader BPM initiatives that include

modeling and monitoring. As the leading provider of BPM solutions with more than 5000 BPM customers around the globe, IBM has the expertise, market-leading products and broad ecosystem of technology partners to provide the process automation and integration solution that makes sense for your business.

For more information

To learn more about [process automation and integration with IBM WebSphere BPM](#), please contact your IBM marketing representative or IBM Business Partner, or visit the following website: ibm.com/software/info/itsolutions/business-process-management/?cm_re=masthead_-_business_-_bzn-bpm

Additionally, financing solutions from IBM Global Financing can enable effective cash management, protection from technology obsolescence, improved total cost of ownership and return on investment. Also, our Global Asset Recovery Services help address environmental concerns with new, more energy-efficient solutions. For more information on IBM Global Financing, visit: ibm.com/financing



© Copyright IBM Corporation 2010

IBM Corporation
Route 100
Somers, NY 10589

Produced in the United States of America
August 2010
All Rights Reserved

IBM, the IBM logo, ibm.com, and WebSphere are trademarks or registered trademarks of International Business Machines Corporation in the United States, other countries, or both. If these and other IBM trademarked terms are marked on their first occurrence in this information with a trademark symbol (® or ™), these symbols indicate U.S. registered or common law trademarks owned by IBM at the time this information was published. Such trademarks may also be registered or common law trademarks in other countries. A current list of IBM trademarks is available on the web at "Copyright and trademark information" at ibm.com/legal/copytrade.shtml.

Other company, product or service names may be trademarks or service marks of others.

- ¹ A New Way of Working, Insights from Global Leaders. IBM Institute of Business Value, 2010
- ² Economist Intelligence Unit—Companies without Borders, Collaborating to Compete
- ³ IBM Global CIO Study, 2009



Please Recycle
