Gartner Business Process Management Summit 2009

23 – 25 February 2009 | London

The Annual Gartner Business Process Management Summit was held on 23-25 February 2009, at the Royal Lancaster Hotel in London. Marking its 4th anniversary, the Summit drew close to 300 attendees from across Europe, bringing together BPM professionals from a cross section of organizations and industries.

Summit Highlights

KEYNOTES

Welcome Address

Michele Cantara, Elise Olding, Marc Kerremans, **Gartner**

Business process management is featured as a number one business priority for CIOs for the past 3 years, based on the annual survey carried out by Gartner. The main focus areas are process review, cost optimization and workforce effectiveness.

Gartner Keynote: Making the Case for BPM in a Time of Crisis

Janelle Hill and Mark Raskino, **Gartner**

We are on a roller-coaster ride and perched on the downward edge, looking at further economic downturn. The G7 nations are showing negative growth, with global GDP growth rate forecast at just 0.2%. For business leaders, the future can be summed up in three words — **reconsider, re-analyze, restructure**. In this economic climate, business leader priorities are very clear — 68% of CEOs interviewed by Gartner reported that their number one priority is **cutting operating costs**.

Given this finding, the impact on IT budgets, so far, looks relatively benign, since IT budgets have essentially been flat during the past three years. IT will be one of the most resilient investment areas, coming in at 2nd place after product enhancement initiatives as a priority. Cuts will have to be made elsewhere.

But be warned! The Gartner business executive survey data also shows that business leaders see their way out of this recession constrained by their IT

Key Takeaways

- BPM is a lifeline for companies in this economy

- More "first-timers" are looking for cost cutting ideas and how to justify and sell BPM in their organization

- Many attendees are focusing on reducing costs by streamlining and rationalizing disparate processes and are combining BPM with SAP and Oracle applications

- There is still confusion about whether BPM is more than workflow

- Most attendees have not settled on a BPMS but are considering a range of BPM technologies

- There is a better understanding that BPM is about more than technology — communication, change management, program management, business process competency center and governance are key to success.

capability. In many organizations, the ability to change the IT infrastructure and applications is standing in the way of realizing the business goals. Changing existing solutions is difficult, is costly and takes time. However, the current technology implementation isn't what needs to change; behaviors need to change.

Key Takeaways:

- BPM leaders should already be looking for process-based, cost-cutting opportunities. It is time for change. Apply BPM practices — more than just to gain the necessary competencies. Do make changes now. Later, you'll have to invest time and energy into increasing your competencies.

- 2009 must be a year of action. The focus should be on tactical ideas and approaches — don't ask for a new set of toys — identify old processes and redesign them. Process is the way to execute on business strategy.

Executive Keynote: Process Mining: Beyond Business Intelligence

Prof. dr. ir. Will van der Aalst, Professor of Information Systems, **Technische Universiteit Eindhoven**

This is something completely NEW, something people said wasn't possible, that the data wasn't there to allow systems that really could map out a process; they were wrong. Data is now everywhere; it is accessible, there is an abundance of data and it can provide you with insights you could never find just in interviews. The goal is to get away from workflow systems that are divorced from reality and from how people really work. Today's tools oversimplify reality when what you need is a view as close to the real world as possible.

Since the 1990s such process tools have been a disappointment; they haven't covered the true lifecycle. Process mining is a new step which involves seeing how processes are really being executed and using this as an input to allow the design and improvement of processes.

Gartner Keynote: Using BPM to Survive, Thrive, and Capitalize

Michele Cantara, Elise Olding, Jim Sinur, **Gartner**

Moderated by Daryl Plummer, **Gartner**

This keynote presented a series of real-life examples in which BPM has helped organizations survive and thrive and even capitalize on business process improvement opportunities that have transformed their business.

The normal reaction of most companies in an economic downturn is to cut costs, but to cut resources that support business processes can bring with it some unforeseen consequences such as not being able to execute to reach the original revenue targets or its strategic objectives. So, how can you deal with the challenges in this toxic economy without killing your business? This keynote focused on the sub-themes of the Summit: survive, thrive and capitalize.

The "survive" section revealed how several companies have used BPM as a lifeline to ensure their company's survival. These companies used BPM to cut costs, identify redundant programs before they could consume precious funding, reduce errors and comply with regulatory requirements in a timely, cost-effective fashion. The survive sub-theme showed why it is necessary that BPM competencies survive, so that you can position your organization to thrive despite the economic climate.

The keynote also focused on how to "thrive," i.e. how you can use BPM to increase capacity, grow revenue, use process visibility to reduce risk and improve profits, and to manage collaboration without stifling creativity.

Last, despite the economic downturn, BPM can help organizations capitalize on opportunities to transform their business and gain competitive advantage.

Key takeaways:

- BPM provides a foundation for process visibility, and process visibility is essential to your efforts to bring your processes into compliance, identify and reduce errors, and avoid costs. These are the basic ways in which you can ensure the survival of your company while using BPM.

- Thriving companies don't stop with a one-time BPM project. They focus on continuous process improvement and establish BPCC and business process centers of excellence to expand their BPM efforts in other areas.

- Longer term, BPM isn't only about surviving or even thriving and growing on a moderate basis. BPM can also help companies capitalize on opportunities that their competitors don't see — because they don't have the same level of process visibility. Companies that capitalize on opportunities with BPM can fundamentally transform their businesses and leapfrog the competition.

- Some business processes are key to your company's survival; others will support thriving growth. A few will transform your business and help you capitalize on market opportunities. Surviving, thriving and capitalizing with BPM are not mutually exclusive goals. Your business process portfolio includes processes that can benefit from each of these three scenarios.

Panel Discussion: Making the Case for BPM in a Time of Crisis

Kevin Haugh, Vice President Management, **Metastorm;** John Hoogland, Co-Founder and CEO, **Pallas Athena** and Michael Lees, Senior Director, **Software AG**

Moderated by Jim Sinur, Research VP, **Gartner**

BPM is under the spotlight! And under a lot of pressure to help organizations survive, thrive and capitalize. There is a greater focus on efficiency and towards greater visibility, transparency and compliance, especially in relation to risk management. In this economic environment, we are noticing that the focus is more on the Survive and Thrive — but organizations should not let go of the Capitalize idea and be ready for the upturn.

Organizations have shifted their approach, notably in Europe, away from big BPM projects into high-impact ones with short-term ROI success. This is the opportunity for IT and business to showcase that BPM is about solving business issues — helping organizations become more flexible and responsive to

rapidly changing environments. The overall approach in this economy for BPM is for organizations to become more pragmatic and focus on rapid results — not a year down the line but in the next quarter!

Many of the issues facing BPM projects rest in the political ways that organizations behave. They often have high expectations from a project; grandiose desires to improve a given process that sometimes spans across departments, with multiple egos and strong feelings. There can also be technical limitations or a misfit between what the organization is trying to achieve and the capabilities of the technology or the vendor to deliver. The success of BPM projects rests on a coordinated approach rising above the politics. We are seeing coordination taking place through competency centers, working at the project level with short-term impact and then moving on to the strategic level. Organizations need to map out what they are trying to achieve and what is actually possible.

Key Takeaways:

- Leading BPM vendors are experiencing strong growth. The challenge for the industry as a whole is to build strong relationships with their clients — especially with the business buyers by simplifying the messages, the capabilities of their offerings. It is incumbent on the industry to morph and evolve — to anchor BPM capabilities to the business and deliver the information that will help executives do the "right" thing.

SNAPSHOT OF ATTENDEES
On the morning of Monday, 23 February, close to 300 attendees walked through the doors of the Royal Lancaster Hotel in London representing 29 countries. The industry breakdown showed the core of the audience coming from financial services, public sector / government bodies and manufacturing, representing 55% of the audience.

What People Asked About

- Many attendees are just launching their BPM efforts. There are still questions about how to justify BPM in their organization, how to gain sponsorship and how to communicate and get buy-in?

- How do I identify the top opportunities for process improvement in my enterprise? How can I determine which ones will deliver the greatest results?

- How should I set up my BPM organization, what skills do I need, who is involved, where does it report?

- What are the best practices to observe when starting a BPM effort?

- What do the tools do? What do I apply BPM technologies in the most effective way? Do I need a methodology?

- What are the best practices when undertaking process modeling? How much as-is modeling should be done, where should I start?

- What emerging trends should I be exploring?

What Actions Must You Take to Use BPM as a Tactical and Strategic Asset?
Action Plan for BPM Success

1 **Focus BPM efforts on the right things** to help your organization survive – build successes on projects. Be mindful of finding opportunities that will enable your enterprise to thrive and capitalize when the economy begins to turn around.

2 **Results are critical and necessary for BPM survival.** Get back to the basics – improving processes that deliver real business value.

3 **Prepare the business case and lobby your executive committees** to support a simultaneous focus on at least two different kinds of process projects: one that restructures costs and a second that defends revenues and cash flow.

4 **Don't forget the people side of BPM.** Gain a competency in communication and change management and focus on adoption in your organization. Define the basic terminology, how BPM will work in your organization and communicate results.

5 **Sustain your BPM initiative** – establish a business process competency center. Plan for the BPCC, evolve it over time. Include the training you will need in your organization to support your process goals.

6 **Avoid BPM being seen as a "cost problem"** – assess the real need for new technologies if what you have will do the job. In the meantime, understand the available and emerging technologies and be ready to utilize them as budgets are opened up.

7 **The leading enterprises recognize collaboration as a strategic advantage**, explore coordination of social interactions, not just transaction automation to get a true picture of opportunities – now and in the future.

Hold the date:

Gartner Business Process Management Summit 2010
1-2 March, London

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