

BPM At The Crossroads

Howard Smith and Peter Fingar

BPM stands accused. The accusations are flying in from many quarters. Let's take two prominent ones: First, many in the workflow community perceive BPM as nothing new and that they have been doing the same for years. For them, there is "no third wave" of BPM.¹ So why is it that they have only recently dropped the term workflow in favor of BPM? And why do some BPM vendors distance themselves from workflow? Why is IBM developing a BPM run time that will subsume workflow, integration and application development?

Second, many in the business "reengineering" community believe that BPM is nothing new. They don't understand the new-fangled BPM technology and don't believe more technology is the answer in any case. For them, there might be a "third wave" of BPM, but they don't understand why technologists don't understand that the real issues are people, culture and change. They say, "reengineering isn't about IT automation, it's about discovering and analyzing business processes ... and in any case low-level BPMN diagrams suck!"

These were two of the topics discussed at DCI's November 2003 BPM conference in Orlando as attendees grappled with "What exactly is BPM?" Confusion is no doubt in abundance.

So what's really going on?

Early uses of the term BPM, circa the mid-nineties, were adopted to distinguish process management from business process reengineering (BPR) ala Hammer and Champy's wholesale replacement and otherwise disruptive, radical business process change approaches. Rather than replace the current way work gets done with some utopian process, BPM is a *business approach* to the management of the complete process lifecycle (discovery, design, deployment, optimization and analysis). A *business approach* means that business analysts, not technologists, are able to manage the business process lifecycle without dipping into middleware or other technical plumbing. On the other hand, BPM does *not* mean adopting a specific process theory such as BPR, TQM, SCOR or Six Sigma. It means realizing and managing the complete lifecycle of whatever management theories a company adopts.

Thus, the notion of BPM is indeed not new, for companies have always wanted to manage their business processes, no matter what management approach may have been used to initially innovate new processes—they want to manage them thereafter without being bogged down by dependencies on rigid integration software (EAI), predetermined workflow systems, Java code in application servers, business process mapping tools with no connection to execution, or any other IT bottleneck.

¹ 1st Wave, Taylorism and 2nd Wave, BPR and ERP systems—3rd Wave, direct representation and manipulation of business process designs/models by business analysts, obliterating the divide between business and IT.

It was precisely these problems that companies were grappling with that inspired a fresh new approach to BPM when the founders of BPML.org sat down in 1999 to explore the business-IT quagmire. They determined that what was needed wasn't a new management theory, but a holistic *platform* that could unify EAI, workflow, process mapping, and scalable process execution. They envisaged tools, as simple as spreadsheets, to support process work and work with processes.

Such a platform must have a solid theoretical underpinning (just as relational algebra underpins today's database systems) yet must provide tools that could be placed directly in the hands of business analysts so that business people can manage their own business processes without taking a number and getting in the IT-backlog line. If you consider a comparison to email platforms, you can see that the network technologies are based complex theoretical underpinnings, but their use is simple and intuitive for business people—no IT intervention is needed to send an email. Similarly, spreadsheets eradicated the need for complex and time-consuming computer programs to be developed by COBOL programmers and IT specialists and, of course, the associated IT Project Prioritization Review. The spreadsheet made it possible for business users to take control of their own numerical calculations. Something similar is absolutely needed for business processes, even in automation-intensive businesses.

Why has the term BPM been filling the pages of the press for the past two or three years? What's really new here? Isn't BPM just workflow plus the new technology darling, Web services?

It's the Business Process Management System (BPMS), a platform for complete process management that's new.

Yet there is still confusion over what exactly a BPMS is. To clarify, there are two broad approaches to using technology to bring about the BPM capability that companies so desire—*BPM suites* and the *BPMS*. The former represents an amalgamation or federation of pre-existing technologies (process modelling, EAI, rules engines, and workflow) into another technology tier, while the latter is a green-field approach where the fundamental paradigm is the business process, not a collection of pre-existing technologies stretched and bent to wrap around the business process. With the BPMS, the business process is *the* first-class citizen in the world of technology, unifying pre-existing technologies into a holistic, business process management platform that covers the entire lifecycle of business processes—along with strong theoretical underpinnings capable of coping with the dynamics of real business processes (the mathematics of pi-calculus and the computer science of distributed mobile processes).

Indeed, it's the BPMS that's new, and it is as new and different as the DBMS was twenty years ago in the word of data management. The BPMS provides a *single* runtime engine capable of executing multiple workflow styles, application logic and business rules techniques and the many other discrete technology engines and legacy systems being federated or spliced together by *BPM suites*.

For many BPM practitioners stuck in the old world of process diagramming case tools or Visio diagrams with no easy way to mobilize new processes in the enterprise,

except to throw them over the wall for IT to miraculously implement, the notion of a BPMS platform placed directly in their hands can seem daunting. Better to knock it than to learn about it, for it appears disruptive and feels like an exclusive club with strict membership rules. If you are outside of the club it feels like things that you do now are at risk. But as enterprises learn that the BPMS platform is real, practical and tangible, just like the early relational DBMS products, they will bring the BPM practitioners into multi-disciplinary BPM teams to create and fully manage the new processes that businesses so desperately needed. As companies go through a period of transition to the BPMS platform, BPM practitioners are advised to buckle up and hold onto their hats for the ride ahead, as they would for any new journey into unknown territory.

Step 1 – The game has changed. Companies don't want reengineering alone with no path to execution. Any project that adopts that approach is doomed in today's complex, automation-intensive and networked interdependent business world.

Step 2 – The tools have changed. If you think workflow will cut it, try integrating SAP with Siebel, with workflow, with database, with SCM, with legacy with B2B to create a new business process. During the BPMS transition, there are going to be BPMS-enriched projects and BPMS-deficient projects. Better get used to it, for the change must occur within the context of ongoing business operations and existing information systems.

Step 3 – The objectives have changed. Once the business process is moved center stage in the world of business automation, the objective is not to replace one process with another, but to replace existing ways of producing, managing and improving processes with “BPMS-accelerated” means. This is called “process manufacturing”. For example, companies don't just need a new order management process; they need improved means of creating new order management processes. The BPMS is the CAD/CAM for business analysts, meaning that for the past fifty years IT has automated the business, but now the business can automate IT. With the BPMS platform, process-modelling diagrams can be placed directly into operation without intervening software development steps—the old “systems development” phase following reengineering is wrapped into one BPMS-enabled transition. What you could do before in months can now be done in weeks, days, hours or minutes; and then repeated thereafter, as required.

Step 4 – The skills are changing. It used to be said that technologists that did not address business issues would fail. Now it equally true that BPM practitioners that don't address the integration of the BPMS platform into their companies will fail. Organizational change and reengineering practitioners better get with the IT of BPM or contemplate their demise.

Is the BPM term being hijacked by technologists and the IT industry as yet another three-letter acronym? We think not. Whether it's the *BPM suites* providers providing cost effective and good-enough solutions for specific business problems or BPMS providers offering platforms that can be as systemic as email or ERP platforms are today, all the BPM technology is trying to do is take BPM to the next level, as occurred with data management systems, with spreadsheets and with CAD/CAM tools in manufacturing. Nothing more, nothing less. But with the realities of today's

global and uncertain economy, that “nothing more, nothing less” is precisely what companies need to eliminate hidden costs and find hidden profits buried in their time-worn and often broken business processes. Standing at the crossroads, the BPM direction that a company takes today will determine how well it manages its business processes, which, in turn, will determine how well it manages its business and its future. Good processes don’t make winners; winners make good processes. Ultimately, the winners will use a BPMS.

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About the authors

Smith and Fingar are co-authors of two books about business process management, *Business Process Management—The Third Wave* and *IT Doesn’t Matter—Business Processes Do*. They can be previewed at www.bpm3.com.

HOWARD SMITH is Chief Technology Officer (Europe) of Computer Sciences Corporation (CSC) and co-chair of the Business Process Management Initiative (BPMI.org). With more than 24 years in the IT industry, he is a sought after speaker and advisor. His work in predicting and shaping technology at the intersection with business led him to take an active role in the development and application of the third wave. He is currently researching the application of business process management to corporate sustainability, innovation and growth, for which he has global research and development responsibility at CSC.

PETER FINGAR is an Executive Partner with the digital strategy firm, the Greystone Group. He delivers keynotes world wide and is author of the best-selling books, *The Death of “e” and the Birth of the Real New Economy* and *Enterprise E-Commerce*. Over his 30-year career he has taught graduate and undergraduate computing studies and held management, technical, consulting and CIO positions with GTE Data Services, Saudi Aramco, American Software and Computer Services, the Greystone Group, Noor Advanced Technologies, the University of Tampa, the Technical Resource Connection division of Perot Systems and IBM Global Services.