The Third Wave

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**BPM: A Convergence of Business Disciplines,
BPMS: A Common Tool to Help**

Thomas Davenport calls for "BPM" to be interpreted as "a catholic approach—not the religion based in Rome, but a broad, all encompassing faith in the virtues of process thinking and the varieties of process technique." Paul Harmon states his belief that "managers, vendors, and consultants come to find that BPM does and should mean many different things. It should be a generic term used to describe the many different paths to managing process improvement." And IT Industry analysts such as Gartner have defined BPM as "a hot convergence market," leaving doubts in the minds of customers as to whether BPM is anything more than a re-branding of existing technologies to make up for past disappointments.

If IT vendors re-label workflow, ECM, EAI, and so on, as "BPM," perhaps we can re-label RPG as "BPM" since there are still a lot of AS400s out there. On the other hand, if you are a BPR consultant, or a HR consultant, or a BP "manager" inside a company, just keep doing what you are doing and call it "BPM," for there's really nothing new in BPM. Are we experiencing a new workflow revolution, or a BPR revolution? Is "BPM" just some new management theory or discipline? Or are we experiencing nothing new and different at all? Indeed, to hear some people, they would have us use the term only as a pseudonym for Six Sigma, SCOR, SEI CMM, Business Process Outsourcing, and SAP package upgrades. Taking this approach, "BPM" can mean whatever you want it to mean, and, therefore, has no distinguishable meaning at all.

None of this is how we define BPM. And we don't define its foundation, Pi-Calculus, as applying only to IT Automation or to supporting the development of Web Services orchestration languages such as BPEL. Business processes are essentially human phenomena. But just as machines extend the capabilities of the human body for building complex structures such as skyscrapers, information technology extends the capabilities of the human mind and is indispensable in today's complex, highly-automated business world—ditto for the complex tasks of business process management.

The Naming of Cats

TS Eliot once said that, "The naming of cats is a difficult matter." He pointed to a deep truth when he wrote in *Old Possum's Book of Practical Cats*,

> I tell you, a cat needs a name that's particular,
> A name that's peculiar, and more dignified,
> Else how can he keep up his tail perpendicular,
> Or spread out his whiskers, or cherish his pride?

BPM is a convergence of business disciplines, founded on a new understanding of the first principles of process. If one can accept that this as a possibility, one should also accept that common tools to support BPM also represent new possibilities. Indeed, the two are inseparable, a fusion between theory and practice, a path from thought to action as depicted in Figure 1.

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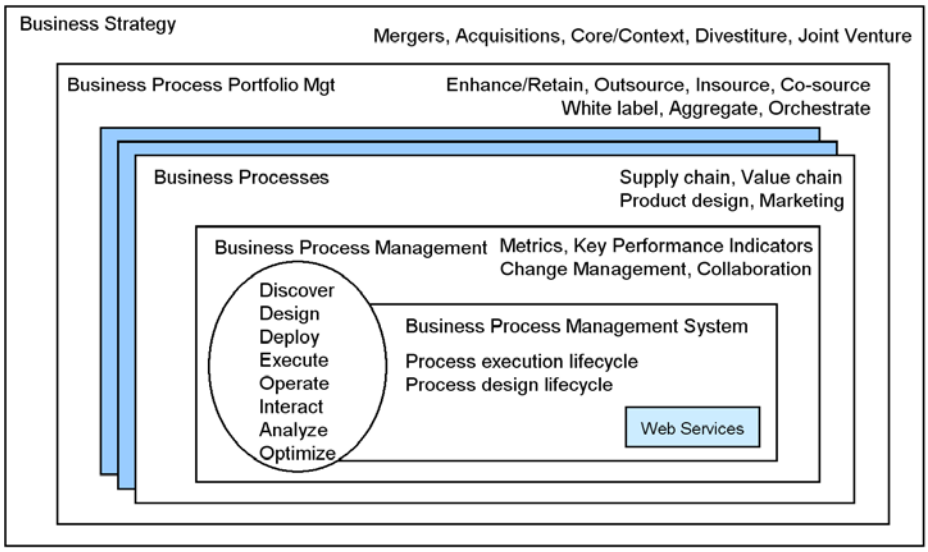

Figure 1. A Business Process Strategy Map
(Source: Computer Sciences Corporation)

Why is this fusion of theory and practice important?

Michael Hammer has spoken about the "proliferation of change initiatives and programs" in large organizations, pointing to the brand names under which these are pursued, including ERP, CRM, TQM, BSC, Globalization, E-Business, One Company, EVA, Six Sigma, M&A, Customer Satisfaction, and Growth. He has also documented the consequences, pointing to the internal confusion, competition, conflict, and cynicism that such a disparate approach can engender in employees.

On the other hand, a unified, holistic approach to change initiatives and programs is, indeed, possible, and is being pursued by leading companies. The objectives include alignment on priorities, clarity of action, an antidote to proliferation, metrics that reflect business drivers, end-to-end visibility, an agreed business terminology, and a framework that supports insight and intervention at all levels.

BPM: Integrated Process Work Supported by Integrated Tools

Mathematica [www.wolfram.com] is a fully integrated environment for technical computing. First released in 1988, it has had a profound effect on the way computers are used in many technical and other fields. It is often said that the release of *Mathematica* marked the beginning of modern technical computing. Ever since the 1960s, individual packages had existed for specific numerical, algebraic, graphical and other tasks. But the visionary concept of *Mathematica* was to create once and for all a single system that could handle all the various aspects of technical computing in a coherent and unified way. The key intellectual advance that made this possible was the invention of a new kind of symbolic computer language that could, for the first time, manipulate the very wide range of objects involved in technical computing, using only a fairly small number of

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basic primitives. Ever since *Mathematica* was first released, its user base has grown steadily, and, by now, the total number of users is above a million. *Mathematica* has become a standard in a great many organizations, and it is used today in all of the Fortune 50 companies, all of the 15 major departments of the U.S. government, and all of the 50 largest universities in the world. At a technical level, *Mathematica* is widely regarded as a major feat of software engineering. It is one of the largest single computer applications ever developed, and it contains a truly vast array of novel algorithms and important technical innovations. One of these is the *Mathematica* processing engine, a unification of procedural, functional, and rule-based programming metaphors, unleashing an unrivaled numeric and symbolic processing capability.

Think of the BPMS as the *"Mathematica"* breakthrough for process improvement, a tool to support the converged business disciplines of BPM, and founded on a new understanding of the first principles of process. While there are yet no clear winners in the BPMS space, we are sure several will emerge over the next years, for the BPM-theoretic cat is well and truly out of the bag. BPM is not a pseudonym for existing business methods and existing technologies. So before dismissing the tight link between BPM and its necessary technology foundation as just "technology," consider what lies beneath—BPM and the BPMS are two sides of the same coin for all process-related work.

To corrode BPM by using it only to re-label existing methods and tools would be little more than a cheap marketing trick. Six Sigma, Reengineering, CMM, BSC, TQM, SCOR, and CMM are not themselves BPM. Those cats already have perfectly good names. Rather, these existing business disciplines are what you *do* with BPM. BPM does not replace them—it amplifies them. At its core lies a process lifecycle, as shown in Figure 2.

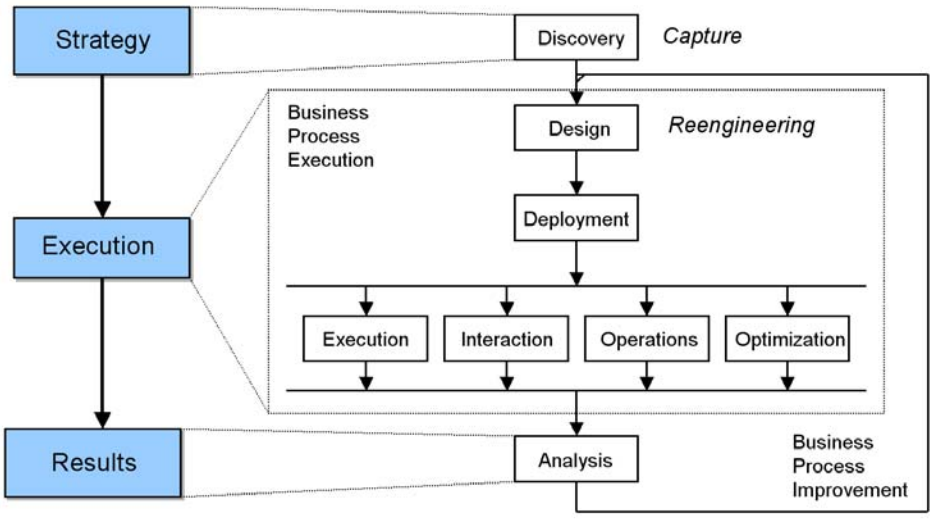

Figure 2. BPM tools allow for the encoding of a process lifecycle to meet the needs of process practitioners from different communities, empowering them to move effectively from strategy, to execution, to results. (Source BPMI.org)

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Texas Instruments and the Reengineering Abyss

In the 1980s, Texas Instruments was competing in the semiconductor market on price. To do so required it to ship electronic and other components around the globe to locations that offered a lower-cost manufacturing process. Shipping lightweight components was not so expensive when factored into the total cost of process ownership. But the market in which TI was operating was changing. Time to market was becoming as important as lowest cost, as competition and innovation drove consumers to demand ever more sophisticated and ever more varied products on a cycle that could be counted in weeks, not months. TI had to reengineer its processes from a lower cost model to a faster time-to-market model, and they had to do this without increasing the total cost of process ownership. TI initiated a reengineering project. It took eight months to design the new processes. The process diagrams, mainly documented on large sheets of paper, occupied eighty feet of one corridor where the "reengineers" were working. TI must have felt pleased after all this reengineering. But some TI employees began to realize that they were standing on the edge of a cliff, a cliff created by the ideas of the reengineering consultants. They began to realize that their problem had never been to dream up new processes, but to put them into effect, and do so step by step. TI's reengineering methods at the time were based on age-old common sense and general systems theory proposed fifty years earlier, but they offered no path to execution.

What is BPM? It's what's been missing all along, a path to execution. The impact and goals of BPM are shown in Figure 3.

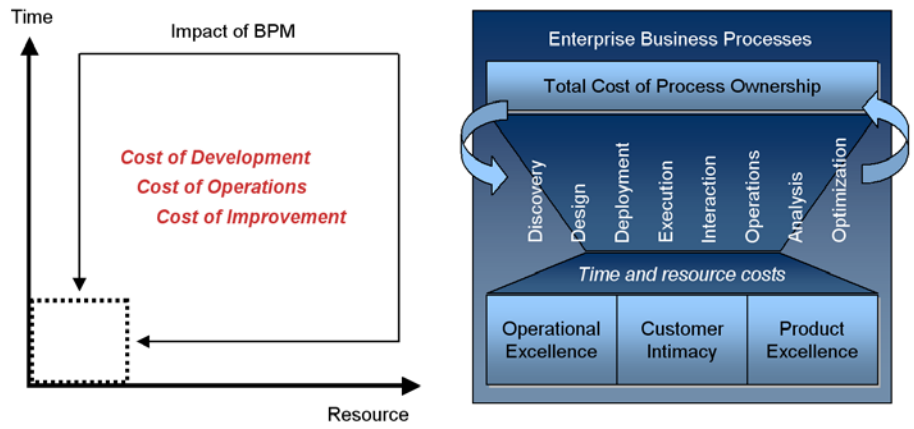

Figure 3. Squeezing out the time and resource costs for process improvement needed for operational excellence, customer intimacy and product excellence.

In 2004, as indicated by the left side of Figure 3, BPM will yield a 10x reduction in time and resource costs in each of process development, operations, and improvement for the processes where it is applied. But those goals won't be reached by telling everyone who now does process work to keep on doing what they are already doing, but re-label it "BPM." For, if the BPM community wants to be taken seriously in the business, BPM must mean more than a broad

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church and a new nametag to put on existing practices, for it is much more than that.

Why should people be surprised that we make the link between the practice of process management and its technology? The strong link between business and technology goes all the way back to the development of keeled-hull ships by the Phoenicians in 2000 B.C. that made it possible to sail against the winds and go beyond the shores to the high seas of the Mediterranean, developing a flourishing trade with other peoples. Today, technologies of various kinds are fused with virtually every aspect of business. Why should work *with* processes, and work *in* processes, be any different? Why shouldn't the whole process lifecycle (Figure 2) be supported by a technical solution? Why should the use of tools come to a dead stop just after the process has been drawn on the computer screen? Processes can come to life in the enterprise. That is how we define BPM.

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