



Industry Watch

Process Improvement and Automation 2016 - A Look at BPM

Underwritten in part by:





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Process Used and Survey Demographics

While we appreciate the support of these sponsors, we also greatly value our objectivity and independence as a non-profit industry association. The results of the survey and the market commentary made in this report are independent of any bias from the vendor community.

The survey was taken using a web-based tool collecting responses from 486 individual members of the AIIM community between March 2016, and April 2016. Invitations to take the survey were sent via email to a selection of the 196,000+ AIIM community members and through various social media outlets. Survey demographics can be found in Appendix 1. Graphs throughout the report exclude responses from organizations with less than 10 employees.



About AIIM

AIIM has been an advocate and supporter of information professionals for over 70 years. The association mission is to ensure that information professionals understand the current and future challenges of managing information assets in an era of social, mobile, cloud and big data. AIIM builds on a strong heritage of research and member service. Today, AIIM is a global, non-profit organization that provides independent research, education and certification programs to information professionals. AIIM represents the entire information management community: practitioners, technology suppliers, integrators and consultants.

— Bob Larrivee
Vice President of Market
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Introduction

Many organizations recognize the need to improve their business processes and the benefits that result from process automation. Similar to the rise in the dependence upon and criticality of Enterprise Content Management (ECM) systems shown in the 2016 AIIM Industry Watch Report titled “Information Management – State of the Industry 2016”, fifty-five percent of respondents to this survey say Business Process Management (BPM) is significant (38%) or imperative (17%) for their business.

Research shows that it is quite clear that many business leaders understand now more than ever before, that information and process form an integrated component of business operations as a whole. There is a growing realization that when something is changed in the way information is managed, it inherently impacts the associated business processes and the way people work and interact with that information. Likewise, when process is changed, it will impact worker interactions with each other and with business information. The simple truth is that content without process goes nowhere and process without content serves no purpose.

Given this growing sense of importance and need for BPM, attention turns to how well BPM is truly understood by the users and business leaders, how amenable organizations are to change their ways-of-working, and the focus they have on solving business problems through process improvement and automation. There is also a commitment that should be made to continuously improve business processes as an ongoing effort, rather than approach it as a singular project. Ongoing improvement should be an embedded part of the business culture with periodic assessments to identify additional areas for improvement and automation as a follow-up to project completion.

In this comprehensive report, we look at the perceptions of BPM, business drivers, technology infrastructure, benefits, technical requirements, and purchase and spend plans of responding organizations. Each section presents our findings along with the analyst’s views. The report concludes with a summation and recommendations organizations can apply to their business, based on the survey findings.

Key Findings

Perceptions of BPM

- 1 **The majority of respondents see BPM as the combination of a systematic approach to improving business processes (97%) and workflow or BPM technology (79%).** 66% see BPM as change management.
- 2 **Forty-eight percent of respondents say they are vaguely familiar or have no clear understanding of BPM.** 18% say it is well understood and embraced in their organizations.
- 3 **Nearly a third of respondents say there is no one directly responsible for ownership of their processes.** 58% say they have process owners.
- 4 **Fifty-five percent of respondents say BPM is significant (38%) or imperative (17%) for their business.** For 14% there is little to no importance placed on BPM.

Business Drivers

- 1 **Stuck-in-process is the biggest operational problem for 58% of respondents.** For 46% it has to deal with compliance errors.
- 2 **According to 32% of respondents, BPM projects are driven departmentally.** For 31% BPM project are driven from the top down.
- 3 **Outsourcing of payroll and benefits is routine for 35% of respondents.** Outbound mail and print are routinely outsourced for 30%.
- 4 **Process governance policies are in place for 48% with 14% of those respondents indicating they are enterprise-wide.** For 18%, there are no process related policies at all.

Technology Infrastructure

- 1 **Large mailroom scanners are in place, supporting digital mailrooms for 21% of respondents.** For 31% of respondents, a distributed capture process is in use.
- 2 **Cloud services and mobile device use are key functionalities in use by 40% of respondents.** ECM/ERP data management integration is in place for 46% of organizations.
- 3 **Process modeling (66%) and Business Activity Monitoring or BAM (53%) are being used by respondents' organizations.** While Application Programming Interfaces (API) and Software Development Kits (SDK) are in use by 47% of responding organizations.

Benefits

- 1 **One-third of organizations have seen a decrease in their review and approval cycles and 62% say they have gained benefits from better routing to and between individuals.** For 42%, the benefits come from greater organizational agility and routing between processes.
- 2 **Faster processing of business critical activities has provided the biggest value for 53% of respondents.** 45% cite their biggest value from fewer errors and exceptions processing.
- 3 **Payback has been realized within a year for 41% of respondents of which 17% cite ROI within 6 months.** For 25% their ROI was within 18 months.

Technical Requirements

- 1 **Analytics and reporting are considered mandatory for 64% of respondents.** User defined process mapping and modification is the top requirement for 51%.
- 2 **Mobile and cloud support are seen as important for 67% of organizations.** Production of executable files is considered irrelevant (47%).
- 3 **Audit trails and executed process must be secured for 89% of respondents.** Security over performance metrics and reporting is key for 74%.

Purchase and Spend

- 1 **When considering a supplier, functionality (87%) and scalability (66%) rate high.** Out-of-the-box processes are a high consideration for 41% of respondents.
- 2 **Purchases will be made within a year by 22% of respondents with 12% citing within 6 months.** In that same time frame, those who have solutions plan to expand within a year (38%) and of those, 20% plan expansion within 6 months.
- 3 **The line-of-business managers will conduct the evaluation process for 35% of respondents.** The decision will be made by the CIO/COO for 68%.

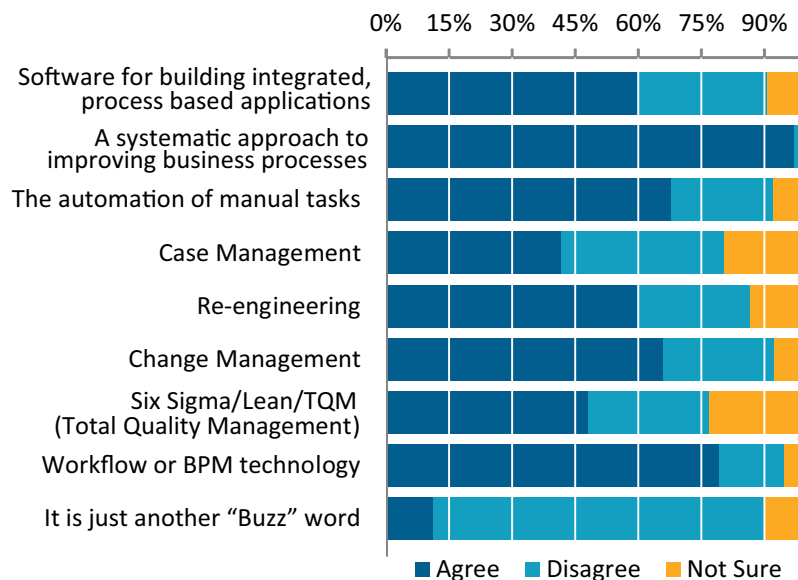


Perceptions of BPM

When you ask for a definition or perception of BPM, responses can be quite different based upon who is asked. BPM can mean many things to many people. IT personnel may indicate it is a non-technical element of business related to the department head while the business manager may indicate it is technology and therefore needs to be addressed by IT.

The plain truth is that it is all of this and more. Successful organizations embrace BPM as a cross-functional team effort soliciting feedback from various stakeholders that include the client base for outward facing processes. BPM is more than just technology made up of people, process, change management, governance, and technology. This viewpoint is recognized by 97% of our respondents who agree that BPM is a systematic approach to improving business processes. (Figure 1)

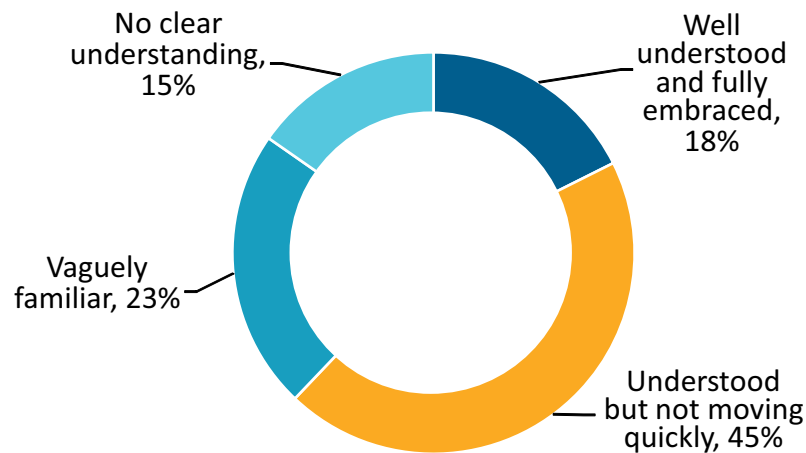
Figure 1: In my view, BPM is:



Given this response, one might think that there is a clear and decisive movement by organizations toward a more efficient, automated operational status using BPM. The fact is that many projects are slowed or even ground to a halt as a result of user reluctance and lack of user adoption.

Our survey shows that 63% of responding organizations have an understanding of BPM with 18% indicating it is fully embraced, yet 45% indicate they are not moving quickly. (Figure 2) This is likely due to the change management element of BPM. In this case, change refers to the cultural aspect of an organization and the willingness of its employees to change the way they work. In many cases, it is a fear of the unknown, a lack of understanding that is the cause of this reluctance.

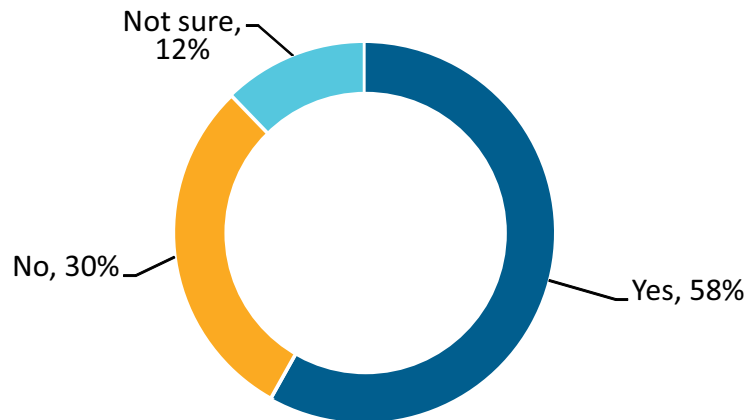
Figure 2: How well is BPM understood in your organization?



One might think that the lack of movement for BPM extends beyond cultural change to a lack of direction and ownership in relation to process. In fact, oftentimes when asked who is responsible for process in a department, the response is likely to be “I don’t know.”

Surprisingly, our research finds that 58% of responding organizations indicate they do have process owners for their “core processes.” Of less surprise are the 30% who indicate they have no one responsible at all. (Figure 3) Since the perception of BPM is now turning toward a must have for many organizations, it stands to reason that the focus should extend beyond only “core processes,” to all processes and not just departmental but end-to-end.

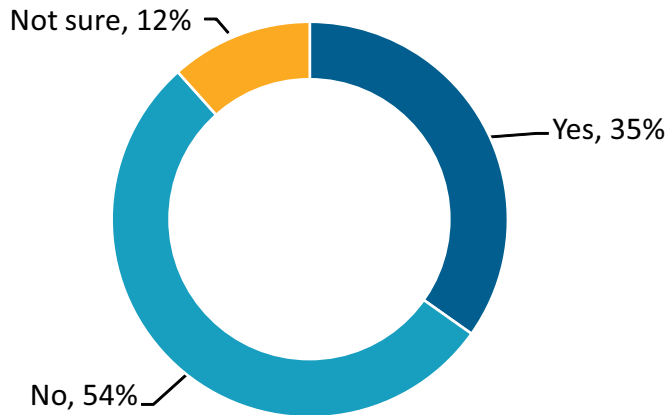
Figure 3: Do the core processes in your organization have a process owner?



More than half (58%) of responding organizations indicate they have a process owner responsible for their “core processes.”

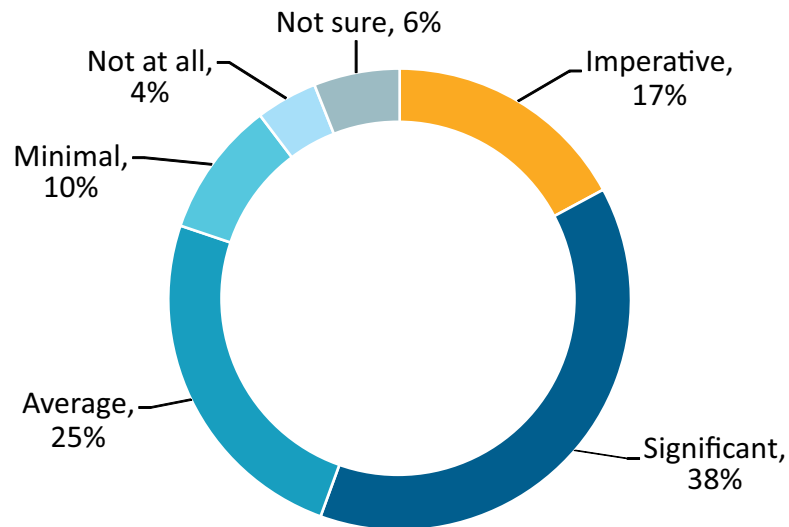
For some organizations (35%) there is a group responsible for BPM initiatives. (Figure 4) Since process improvement and automation should take into account the end-to-end process, spanning various departments within the enterprise and perhaps even beyond to partners, and even clients. This approach is sound and considered to be a best practice by many organizations. BPM should be viewed as a team approach, comprised of a cross-functional membership.

Figure 4: Does your organization have a specific group responsible for BPM initiatives?



One could surmise that the relationship between the approach to BPM and actions taken are based on the level of importance placed against successfully meeting business goals. When asked about the importance of BPM to their organizations, 55% of respondents indicate it is significant (38%) to imperative (17%). (Figure 5) This aligns somewhat to the number of organizations (58%) who in an earlier question responded as having someone responsible for their processes.

Figure 5: How important is BPM to your organization's business goals and success?

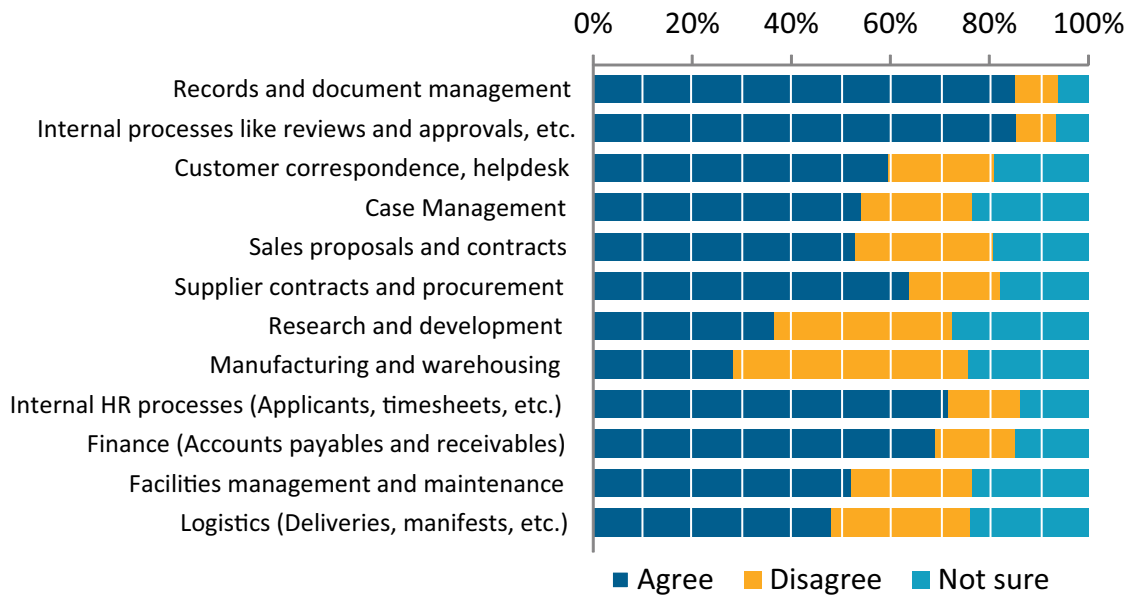


It also has to be acknowledged the candidate processes must be identified and assessed for process improvement and automation. In some cases, the identification and assessment of candidate processes is a stumbling block for an organization.

When we inquired about the more likely candidates, Records and Document Management (DM), and reviews and approvals, were equally cited as the top choices for improvement. From a line-of-business perspective, Human Resources (HR) was cited by 72% while 63% cite Accounts Payables and Accounts Receivables (AP/AR) as good candidates. (Figure 6)

The key element being one of focused efforts to address a business problem like stuck-in-process for review and approval cycles, streamline operations, improve efficiency, and achieve a specific goal. These are opportunities to explore the use of technologies like esignatures to further enhance the process by keeping the content and process digital, while enabling the user community to participate in a completely digital manner.

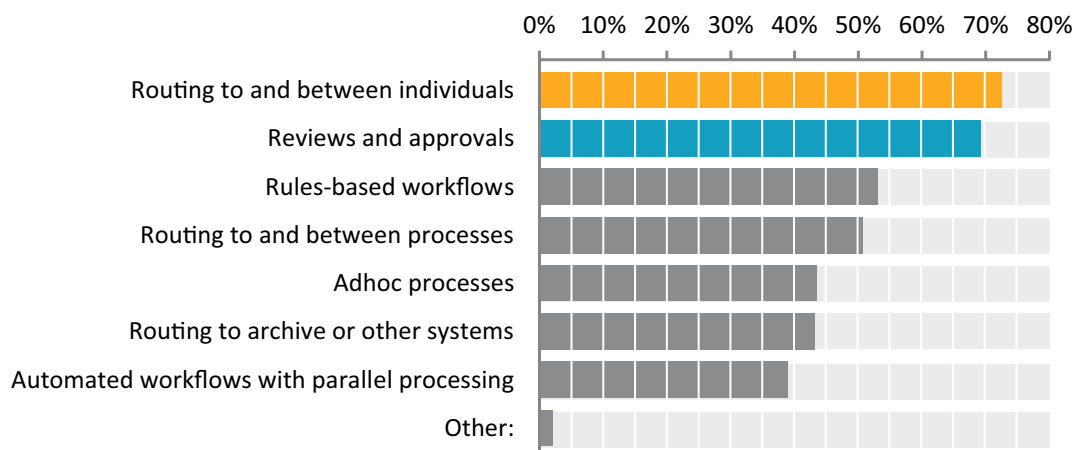
Figure 6: Which common business processes are the most likely candidates for improvement in your organization?



This leads us to a discussion of workflow types. Given there are basic routing, parallel workflow, rules-based workflow, and more, we asked our respondents to choose all of the types of workflow in place within their organizations. Results show that routing to and between individuals is most commonly used by 73% of our respondents, with 69% indicating they also use review and approval workflows. These are followed by the use of rules-based workflows for 53% of our respondents, indicating some form of decision making as part of their automated processes. (Figure 7)

It is important to note that when assessing and choosing the right approach, identify the true functional requirement. For example, you would not need a rules-based approach to simply move information from point A to point B. If you have to make a decision as part of the process, to direct where the information must go based on meeting specific sets of criteria as in case management or claims processing environments, you would consider a rules-based approach.

Figure 7: Which of the following workflows do you use within your organization?



Thirty-nine percent of organizations are using rules-based workflows indicating some element of automated decision making as part of the workflow.



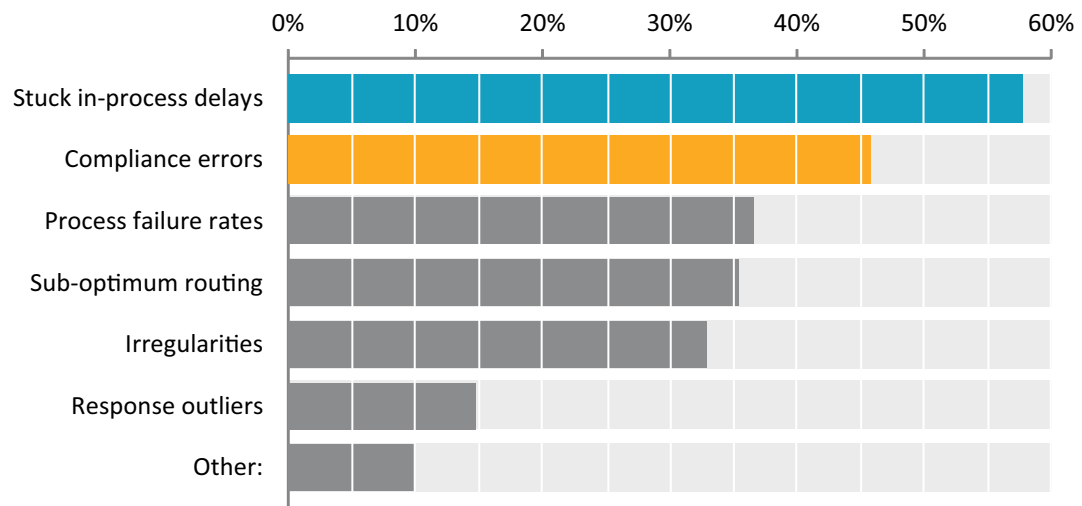
Business Drivers

There is a saying change is inevitable and it will happen regardless of your readiness. In business, there is typically something driving that change whether strategic in nature or as a reaction to outside influences.

In order for a change in business to be successful, the focus should be on a business problem. When asked about business problems, it is not unusual for the response to reflect a symptom rather than the problem. For example, when asked to identify or explain a business problem, the response might be that the problem is an inability to process transactions at a certain rate per hour. While this is an issue, it is the underlying cause that needs to be identified and corrected.

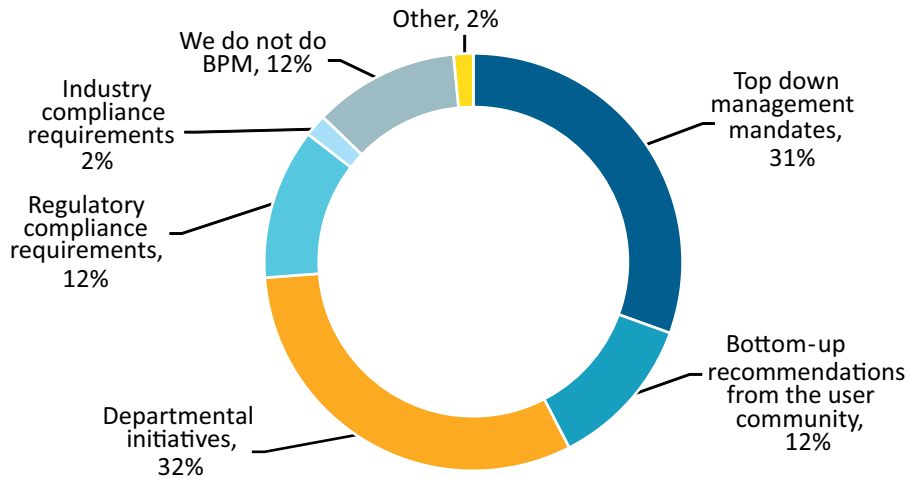
When asked to choose the top two business problems their organizations are trying to solve, 58% of respondents indicated that things are getting stuck in their processes and 48% are dealing with compliance errors. (Figure 8) These are most definitely issues that will hinder and impact a business. They are also indicators that an assessment of the process is needed to identify the root cause of the issue and identify why things get stuck in process or cause compliance errors.

Figure 8: In relation to your operational processes, what business problems are you trying to solve?



It's easy to assume that most process change is the result of a reactive mandate from senior management, as indicated by 31% of our respondents. The reality is that process improvement and automation projects are equally driven at the departmental level (32%), and for some from the user community (12%). Successful organizations embracing change as part of their cultural fabric, welcome recommendations for change and improvement from all stakeholders, regardless of their rank in the organization. When there is a reactive situation, it is best to address it quickly while at the same time, turning it into an opportunity for continuous improvement once completed.

Figure 9: Process improvement and automation projects in my organization are primarily driven by:

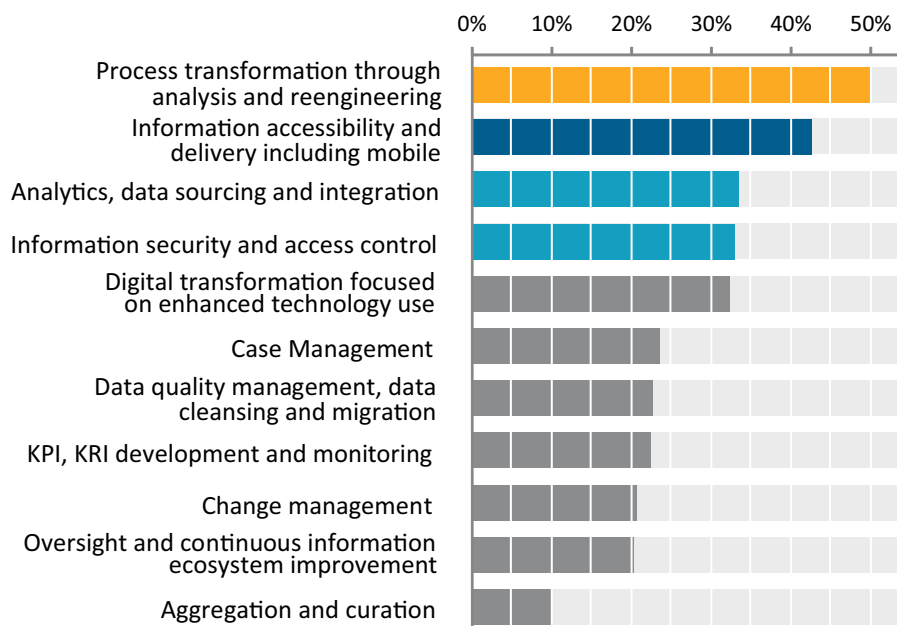


As stated earlier in this report, success requires focus, not only to solve a business problem but also on an end goal or result. The question is what are you trying to accomplish as a result of your project?

When asked to choose the top three areas of focus for their process improvement and automation projects, 50% of the organizations say their focus is on process transformation through analysis and reengineering. Forty-three percent say their focus is on accessibility, and just more than a third chose equally between analytics, data sourcing and integration, and security and access control. (Figure 10)

When there is clear focus on a business problem, and it is addressed by a cross-functional team, typically multiple options are developed and explored that will deliver the best results, as opposed to a singular approach that may not be the best one. What we see here is half of the responding organizations taking a radical approach to process improvement, by analyzing and reengineering their current processes. This is a great step forward and hopefully the beginning of an ongoing effort of continuous improvement that includes the assessment of additional options and directions.

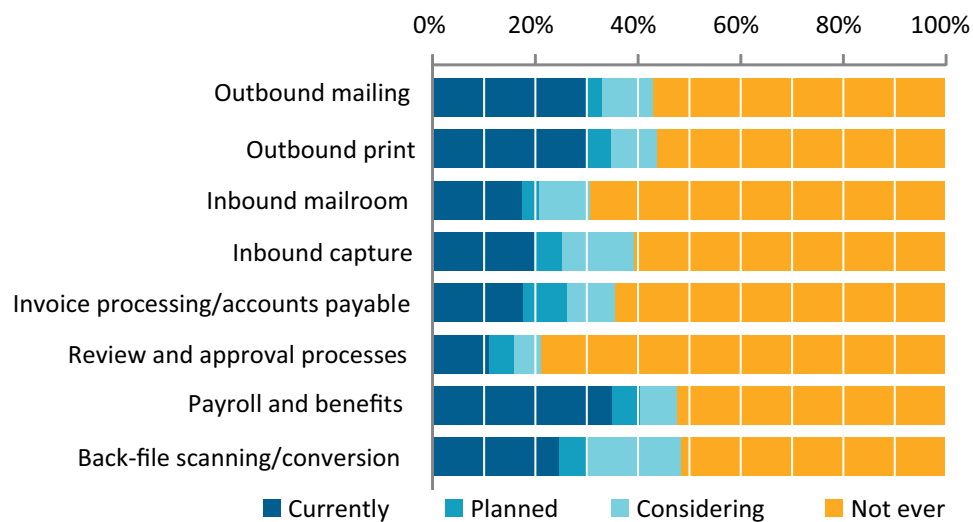
Figure 10: Our process improvement and automation projects focus on:



Outsourced services have been a viable option for line-of-business applications for many years, and the same can now be said for processes today. When asked about outsourcing their processes, 35% of respondents say they routinely outsource their payroll and benefits processes. Results show that the mailroom is also a focus for outsourcing with 30% of respondents indicating they routinely outsource their outbound mail and print processes. (Figure 11)

Business Process Outsourcing (BPO) is rapidly gaining recognition as an option to explore on many levels. Areas where BPO is a consideration may include HR, supply chain management, finance, accounting, the front office, and of course mail and print services as we show in Figure 11. There are opportunities available that may be a good fit. When assessing your needs and options available, it may be that BPO is a good way to go.

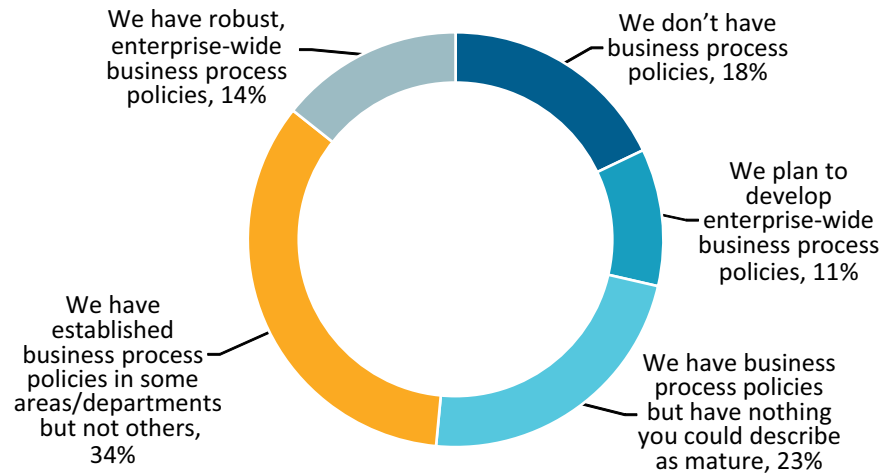
Figure 11: The following processes are routinely outsourced by my organization:



As with ECM, BPM requires some form of governance. Governance policies that include assigning roles and responsibilities, procedures for changing a process, technologies to be used, and how processes will be monitored. Additionally, there may be governance over issue resolution if processes are not being followed.

Just under half (48%) of our respondents say they have established policies in some areas (34%) or even enterprise-wide (14%), while eighteen percent indicate they have no business process policies at all. (Figure 12) This lack of policies is a risk indicator and should signal the need to begin addressing process improvement and governance as quickly as possible. Begin by identifying any policies that may be in place and use that as the foundation. If there are no policies, begin drafting high-level guidelines and share them with the organization. Make this part of your overall information and process management program.

Figure 12: How mature are your business process governance policies?

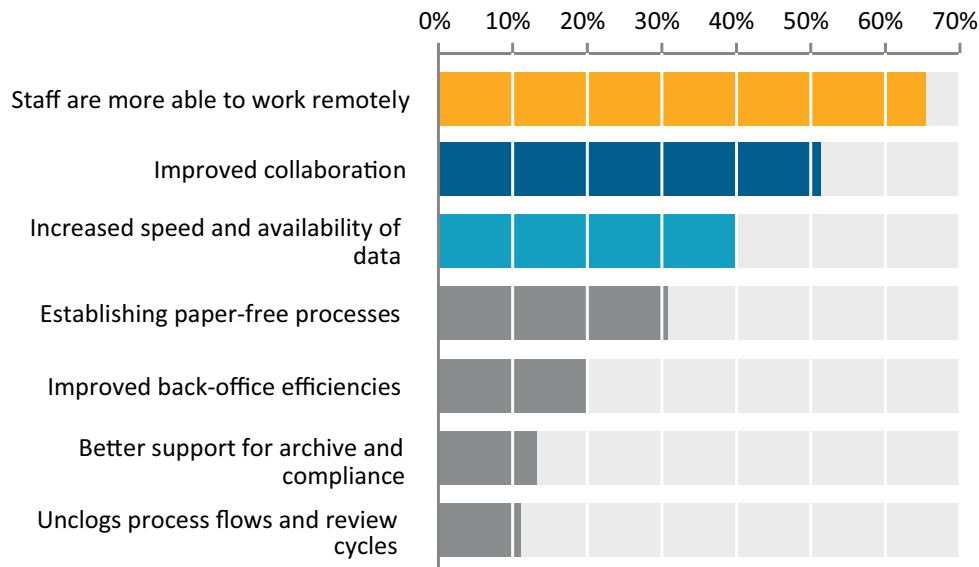


These days it is hard to discuss any element of information and process management without including mobile and cloud. Business organizations are being driven by their remote workers, partners, and clients to provide a more flexible and agile work environment, supporting anytime, anywhere information access and process interaction.

When asked to identify the top two areas impacted by mobile and cloud as it relates to their processes, 66% of respondents say these have improved remote work capabilities while 51% cite improved collaboration. Forty percent of respondents say the biggest impact of mobile and cloud for them is increased speed and access to data.

What we see here is the benefit of extending the information ecosystem and expanding the technology infrastructure to support remote works and extended stakeholders that may include customers. Review and approval, and editing processes requiring mark-up or a signature were once confined to an activity within the corporate walls or even paper. Today, access is provided through a mobile device to a cloud storage location, the document is accessed in real time, and can even be signed using esignature technologies from any location, at any time.

Figure 13: How are mobile and cloud impacting your processes?



More than half of business organizations polled cite improvement in remote work capabilities and improved collaboration as a result of mobile and cloud impacting their processes.



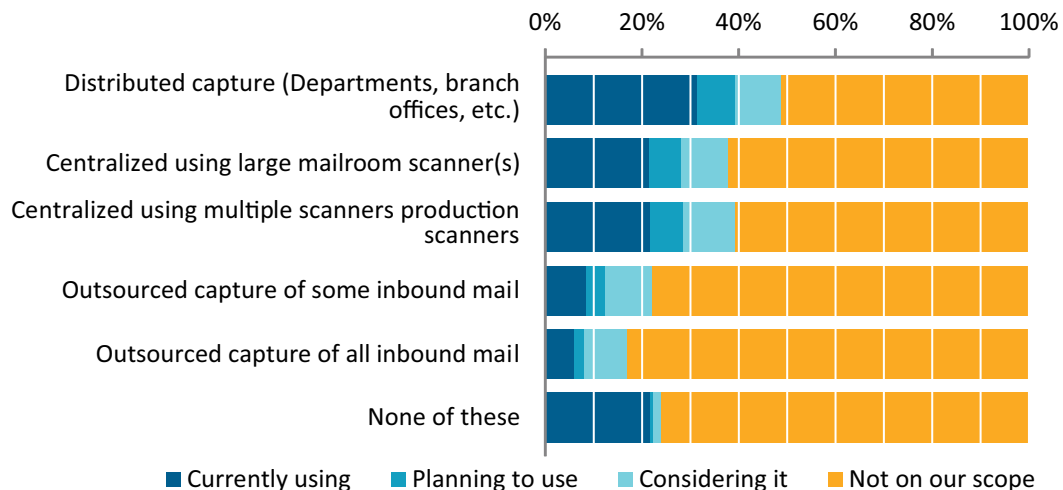
Technology Infrastructure

A well planned and maintained BPM environment is built within an infrastructure consisting of people process, governance, and technology. From a technology perspective, it is always best to document what you have – an inventory of sorts – before you can determine what is missing in relation to what you are trying to achieve.

For many organizations, the first touch point of information is through a mailroom of some sort. It may be a centralized location at headquarters or the reception desk of a field office, but it is the first time the information enters the organization. In these cases, a hybrid approach combining large mailroom scanners in a central location with scanners placed in remote locations delivers the best results. The more this process can be automated to accurately and consistently capture vital information, the faster it is under control and made actionable.

Since capture is a trigger for many processes, and we have seen earlier in this report that mail and print services are on the scope for many of our respondents, it is common that discussions around the “digital mailroom” come into play. Today, with the emphasis on capturing information and content early in the process, 31% of our respondents say they are using a distributed capture process, while 22% are using centralized production scanners, and 21% are using large mailroom scanners. (Figure 14)

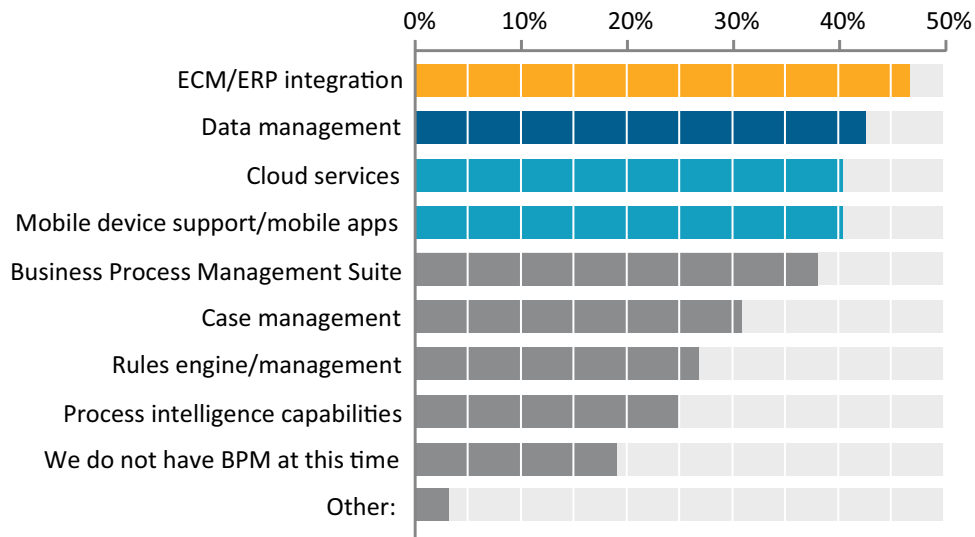
Figure 14: My organization uses or plans to use the following “digital mailroom” scenarios (i.e., scanning, capture, and electronic distribution of general incoming mail):



This leads us to further investigate the current levels of BPM functionality within the organization, once information is ingested into the system. Since BPM often serves as the link across systems and between humans, it is no surprise that 46% of respondents say they have integration with their ECM and ERP systems, and 42% with data management in place. Cloud services and mobile device support with mobile apps tied for third at 40% each. (Figure 15)

It is not enough to capture information and store it in a specified location. The greatest benefit is to be able to take action, whatever that may be, once this information enters the system. The ability to identify, categorize, and process information immediately enables the business organization to respond to customer inquiries, process claims, and even generate new business with greater efficiency and more cost effectively.

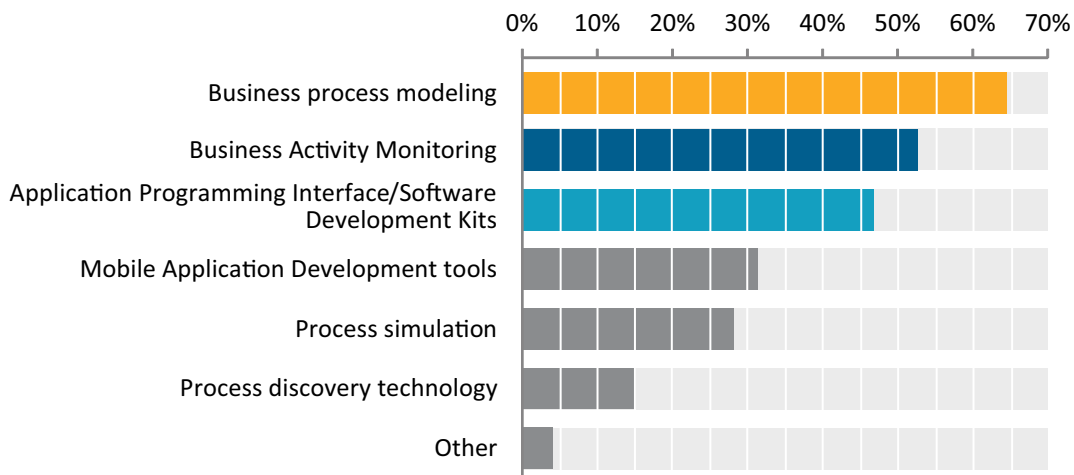
Figure 15: Our BPM functionality includes:



So, if this is the functionality being used, what exactly are the tools? We asked our respondents to choose all of the tools in use by their organizations and found that 65% are using process-modeling tools, indicating elements of proactive and planned process design. When it comes to monitoring, 53% of respondents say they are using Business Activity Monitoring (BAM) tools and 47% are using Application Programming Interface (API) and/or Software Development Kits (SDK) for integration purposes. (Figure 16)

Most business processes occur out of serendipitous need. Something had to happen, someone made it happen, it worked, and that is the way the organization has done it since. Business organizations have come to realize that while the process may work it is likely not the best it can be and therefore, process design has become the direction to take. When combined with the ability to monitor and generate reports using real data, refinement of the model becomes more accurate and somewhat predictable.

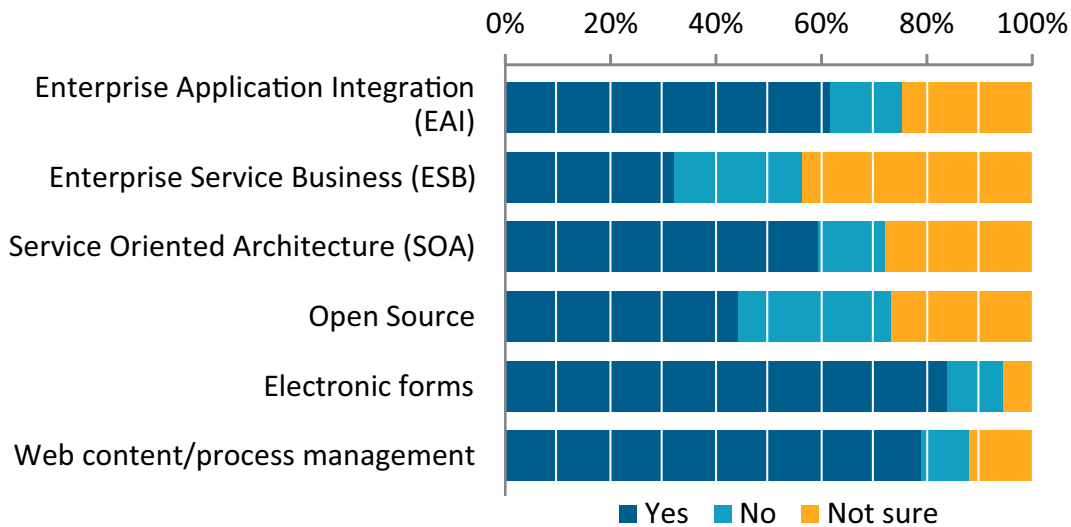
Figure 16: In relation to BPM, our organization uses:



Given that API/SDK use in play, we next look at the development approach is most commonly used in their organization. For 84% electronic forms are in use while 79% cite web content/process management as their development approach of choice. Falling into third is Enterprise Application Integration (EAI) followed closely by use of a Service Oriented Architecture (SOA). (Figure 17)

Agility, flexibility, and responsiveness have become the mantra for many business organizations, and their approaches may differ from company to company and even departmentally. When dealing with legacy systems and technologies, an EAI approach may remain the best option. When upgrading and moving to more modern technologies and applications, SOA is often considered the best approach. The key is one of realizing the greatest value and benefit from their investment.

Figure 17: Our development approach includes:



Technical Requirements

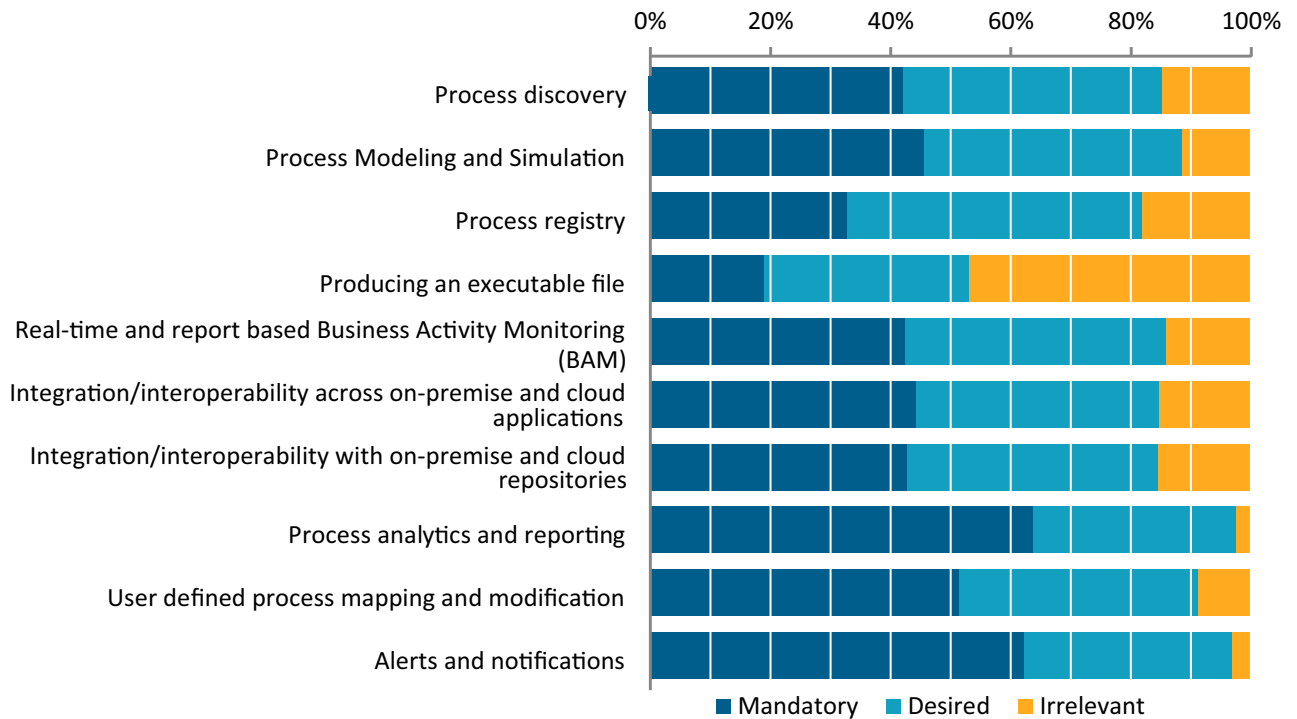
Up to now, we have presented our findings related to infrastructure, governance, functionality, and more, but what about the technical requirements for BPM. What do responding organizations feel are the most important BPM requirements from their point of view?

One thing that is clear for 64% of our respondents, say process analytics and reporting are considered mandatory while 62% say the same of alerts and notifications. As a sign that usability and simplicity is becoming a hot target, 51% say that user defined process mapping and modification are considered mandatory.

Surprisingly, the ability to generate an executable file did not rank as high on the priority list given the high percentage seeking user level mapping and modification capabilities. Perhaps they feel this is to remain in the hands of their IT or programming staff once the process maps are created. (Figure 18)

Looking further at requirements and levels of importance in relation to process automation, we asked about cloud and mobile support. Sixty-seven percent of respondents said that these are of importance with 15% indicating no importance to them. This is a sure sign that businesses are embracing the mobile workforce, by providing an extended infrastructure enabling greater engagement and interaction beyond the corporate walls. Of course this must be done in such a way as to maintain the security of corporate assets.

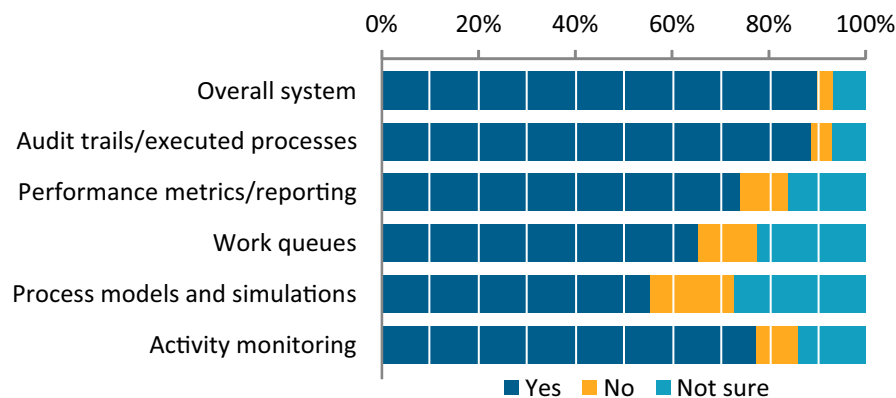
Figure 18: How important are the following feature/technologies in meeting your BPM requirements?



Security, from a requirements perspective, should always be brought into the discussion, especially with the increased rate of breaches and unauthorized access to corporate information assets. When asked about security requirements 89% of respondents say they need security for their audit trails and executed process while 74% cite security needs for performance metrics and reporting. (Figure 19)

In the same way information is a corporate assets, so to are the operational processes and manner in which a business organization operates. As businesses modify, automate and streamline their operations the processes and methods they develop to do so should be considered intellectual property and in some cases, may be patentable.¹ Security should also be part of the overall requirements discussion in the selection process to vet a solution provider.

Figure 19: My organization sees a need for security controls in the following areas:



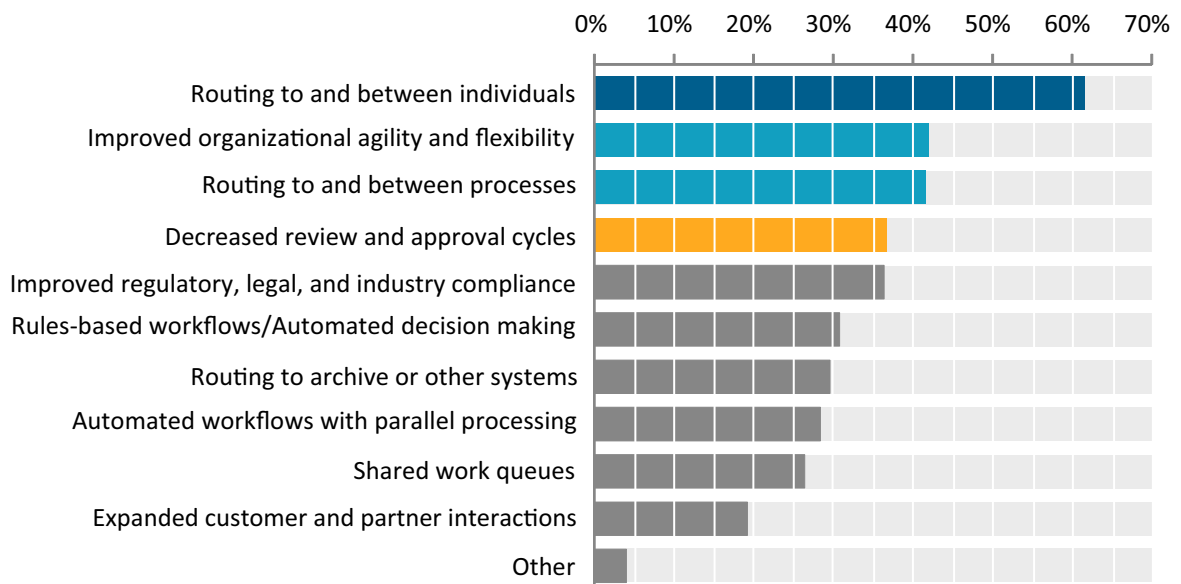


Benefits

We know that there is benefit to be gained by improving and automating business processes, especially when there is clear focus on what the end result should be. When asked to choose their top three benefits as a result of process improvement and automation, 62% of respondents indicate routing between individuals is their top benefit. In a tie for second place at 42% each is organizational agility and routing between processes. Falling into third is decreased review and approval cycles. (Figure 20)

Times, efficiency, effectiveness, all of these are related to the response we see here and all of these can represent a dollar value. If we reduce the time to process and approve loan applications, we have now opened the door to increased cash flow as the sooner the loan is approved and issued, the sooner the financial institution begins making money on the interest. When looking at the benefits, it is one time to save time, and another to specifically target a decreased processing time from two weeks to two hours.

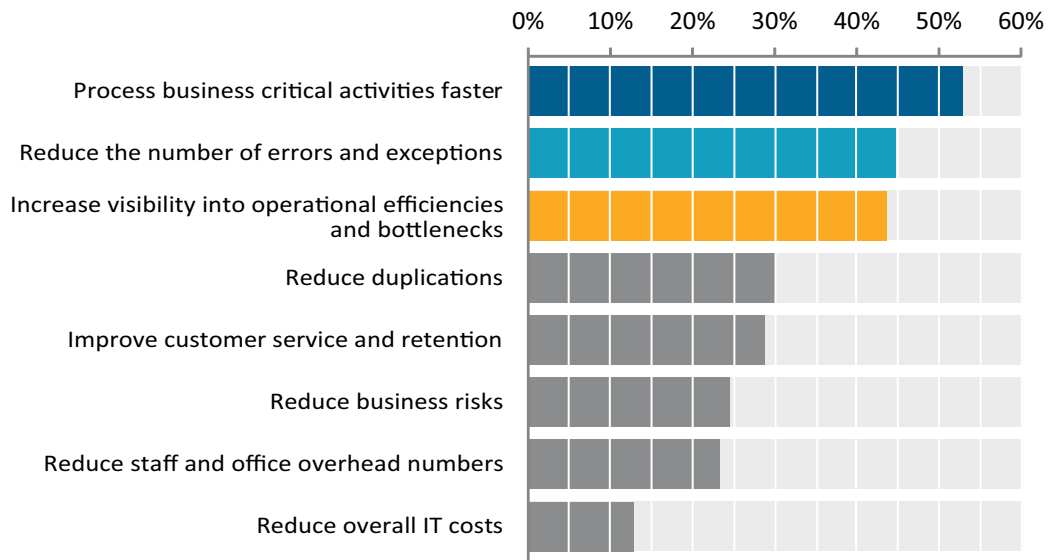
Figure 20: We have seen benefits resulting from process improvement and automation in the following:



For every benefit cited, there should be some assignment of value to the organization, whether it is time, volume, or dollar. When we asked for the top two value gains their organizations claimed as a result of process improvement and automation, 53% say their top choice is the ability to process critical activities faster. This is followed by fewer errors and exceptions cited by 45% and a greater visibility into operational efficiencies for 44% of respondents. (Figure 21)

Think about how value can be calculated for your project. Perhaps it is faster billing times, meaning that once a signed delivery receipt is in hand – the digital version for the sake of this discussion – you can issue the invoice to your customer. Scanned delivery receipts, electronically signed forms on a mobile device, all of these can be the trigger to issue the invoice. It may even be possible that the process is fully automated so the system recognizes the delivery receipt is in hand or signature captured, and issues the invoice without human intervention.

Figure 21: Where have you seen the biggest value to be gained from process improvement and automation?



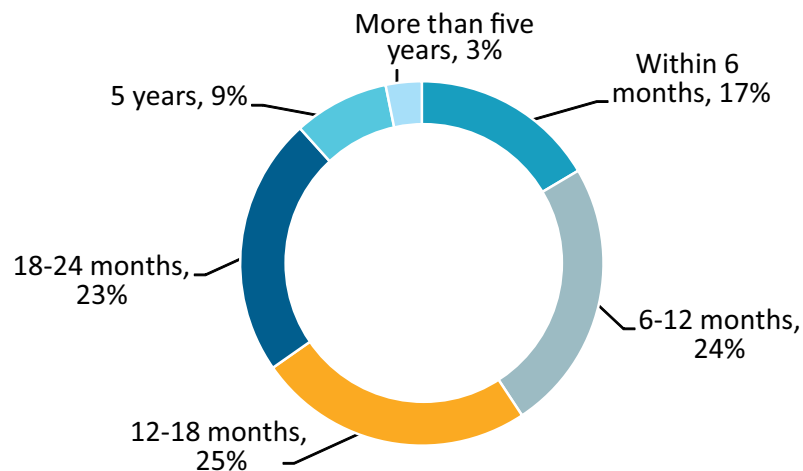
The ability to process business critical activities faster (53%), reduce error and exception rates (45%), and gain greater visibility into their operational efficiencies (44%) are seen as the greatest values gained from process improvement and automation.

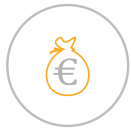
Given there is investment of resource, funding, and infrastructure involved in building a sound BPM environment, and valued benefits are indeed identified, we turn our attention to the Return-on-Investment (ROI) for these organizations.

When asked about the actual or anticipated payback period for their process improvement and automation projects, 41% of respondents indicate a return within one year and of those, 17% cite payback within 6 months. An additional 25% say they have seen a return within 18 months, indicating that an anticipated payback period within 18 months can in fact be a realistic expectation based on the scope and complexity of the project. (Figure 22)

For these, it is likely that business and functional requirements were well documented and validated in order to create a set of technical requirements to meet their needs and from which to solicit solution providers. As such, the right selections were made, training provided, and implementation well coordinated with specific metrics in place to ensure goals and results were achieved.

Figure 22: What do you feel has been the payback period you have or are on track to achieve as a result of your process improvement and automation project?



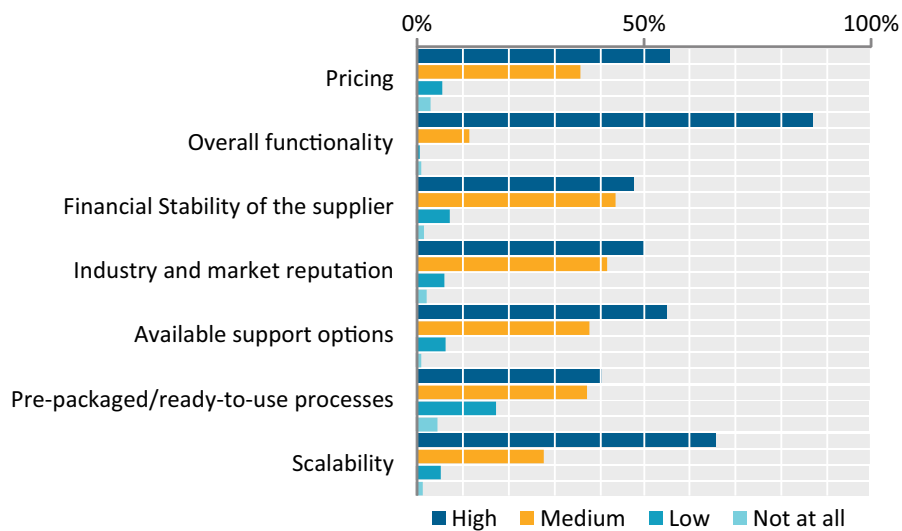


Purchase and Spend

All businesses go through a process of identifying, vetting, and selecting a solution or services provider. When asked about what is most important when selecting a BPM solution provider, 87% rated functionality as their most important criteria with scalability following at 66%. While it is a consideration and one that might be top-of-the-list criteria in this day of plug-and-play, pre-packaged/ready-to-use processes rated lower at 41%. (Figure 23)

In some cases it is beneficial to use a comparative matrix identifying potential suppliers and your requirements, allowing a visual comparison of functionality that readily sorts and identifies capabilities at a high level. In this way a targeted choice can be made in relation to further evaluation.

Figure 23: Please rank the importance of the following when considering BPM solution providers.

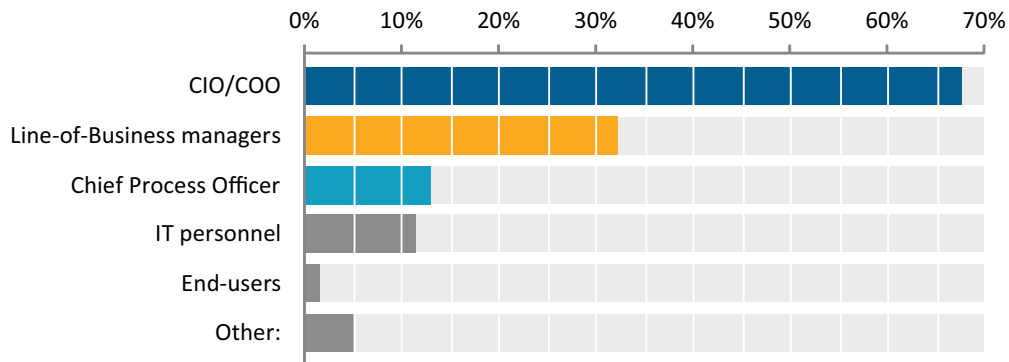


While pre-packaged processes might be a strong consideration (41%), the most important criteria in selecting a solution provider remain the overall functionality (87%) with scalability following at 66%.

Every solution option under consideration needs an evaluation process and a final decision to be made. While BPM should be undertaken as a team effort, 35% of respondents say it is the line-of-business manager who evaluates solutions while 26% say it is their CIO and/or COO conducting evaluations.

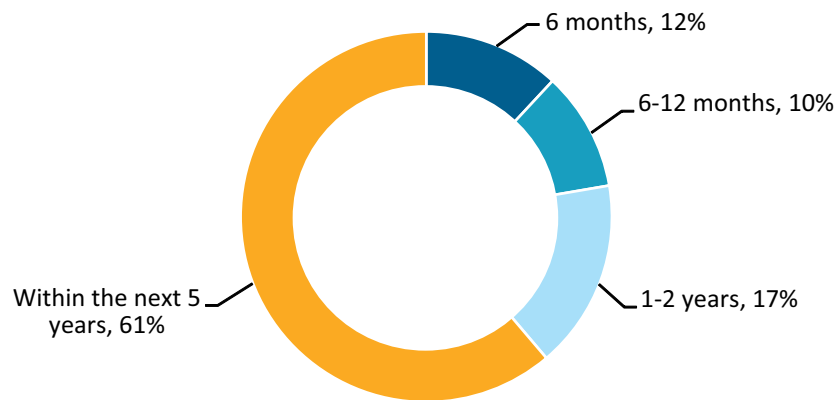
When it comes to the actual decision, 68% say it is their CIO and/or COO making the decision with 32% saying this decision rests with the line-of-business manager. While it is likely we may see these activities shift to the rapidly emerging role of Chief Process Officer, of which 13% of respondents indicate makes their purchase decision (Figure 24), the fact remains and it is indicated here that at some level senior management, department heads, and IT are working closer together to make the right decisions. It is not being done in a vacuum or by a single entity.

Figure 24: The decision for BPM will be made by:



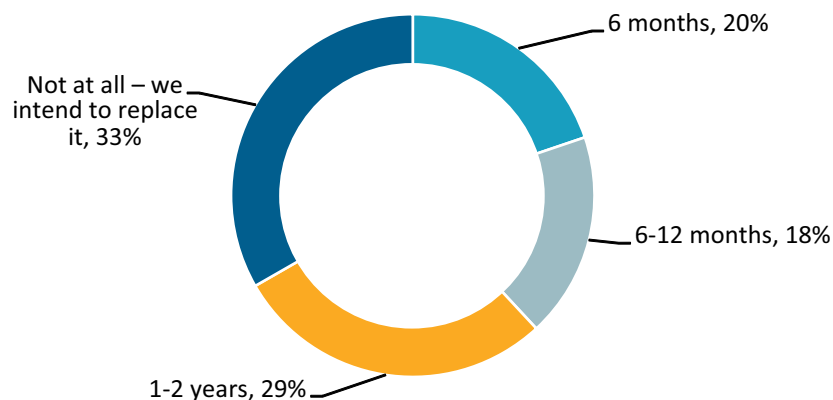
With criteria identified and documented, evaluations completed, and a decision on the horizon, the next obvious question is when will a purchase be made? According to 22%, their purchase will be made within the year, and of those it will be within six months (12%). Extending the horizon to two years, we find an additional 17% who will buy within that period bring the total to 39% who will make a purchase within two years. (Figure 25)

Figure 25: Our organization is planning to purchase a BPM solution within:



When we explored the type of purchase, with those who have BPM in place, we find that 38% plan to expand their current systems within a year, and of those 20% plan to do so within six months. Indications are dissatisfaction or major updating for 33% who say they plan to replace their current solution. (Figure 26)

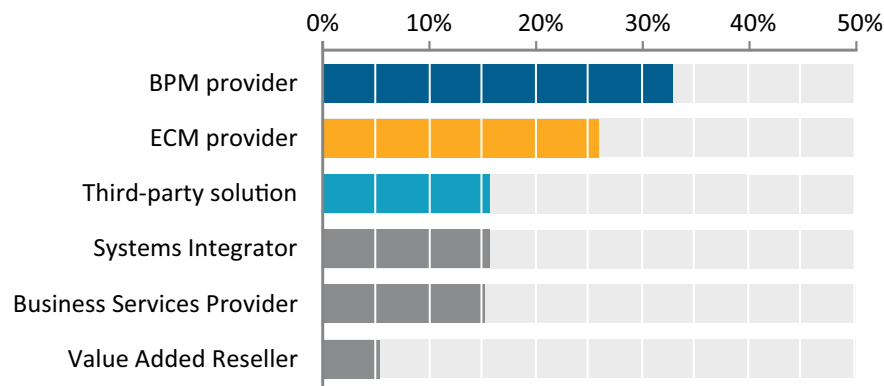
Figure 26: Our organization plans to expand our current solution within:



Replacement of their current BPM solution is on the agenda for 33% of respondents, while expansion is on the one-year horizon for 38%, with 20% of those saying it will happen within the year.

Regarding where this purchase will be made, 33% of respondents say they will turn to a BPM provider for their solution, while 26% will seek a solution from their ECM provider. Third party providers and systems integrators fall in a tie for third most likely source at 16% each. (Figure 27)

Figure 27: Where will you look for your BPM solution?



Conclusion and Recommendations

Process improvement, workflow, and BPM are not new; in fact they have been around since the late 1980s. Yes they have evolved and continue to do so but as was true of ECM, BPM, once seen as a nice to have, is now considered a critical part of business operations.

In my view, this continued evidence that business organizations have begun to seriously embrace the idea that their operations can survive without paper, and in fact function more effectively when paper is eliminated from their business critical processes. What we are seeing is Digital Transformation taking hold, not only between the Fortune 500, but also across all business types and sizes.

There is a growing realization that information once born digital, should remain digital and can in fact bring about greater value to the organization when managed and processed quickly and efficiently. There is also a growing realization that designing, automating, and refining operational processes enables business organizations to explore new types of innovation and instill creativity in relation to business process options, rather simply trying to enhance and support their current ways-of-working. Where once the limitation was based on media type or restricted to confinement within the corporate walls, businesses today can extend their processes and interactions beyond the corporate walls – securely.

Process improvement and automation using BPM as the framework is an essential part of the Digital Transformation of businesses. The more paper is eliminated from processes and digitally born information is created, the greater the dependence upon and need for efficient, effective, and secure digital workflows. When assessing process improvement and automation opportunities, include the identification of and ways various information sets are integrated with the process and remember to look at the end-to-end process rather than just the departmental workflow. What gets changed in the department could have negative impact on other departments feeding this process or that this process feeds.



Recommendations

- *Begin with existing process maps if they exist and if they do not; create at minimum, high level maps to document the steps in the process.*
- *Identify areas of opportunity for process improvement. Look for bottlenecks in the process and ways these bottlenecks can be eliminated. Perhaps use of parallel processing would be the approach.*
- *Improve the existing process before introducing automation or extending the automation capabilities you have in place. Automating an inherently bad process will not resolve the underlying issues.*
- *Uncover the real business problem you are trying to solve. When you are told that the issue is slow processing times or too many exceptions, look deeper into the root cause. Ask the question of why there are too many exceptions.*
- *Assess how paper can be eliminated from the process. If the reason for paper is one of acquiring signatures, explore how esignature can be incorporated to enhance the process and eliminate the paper.*
- *Take time to design the process. The best question to ask is why things are done the way they are and then explore how it could be different.*
- *Take inventory of your current BPM capabilities, using this as the foundation of reference when developing a set of requirements. In this way you can maximize your current investment and only purchase those technologies that are missing.*
- *Document the business requirements first. "I need capture capabilities of 500 pages-per-minute," is not a business requirement. The business requirement is, "to process 10,000 applications per day, in 50 locations around the globe."*
- *Build your functional requirement based on the business requirements. Map the current process of capturing applications from each location, including volumes and all activities to bring this information into your systems.*
- *Develop technical requirements based on the functional requirements and map these against your current technology sets. In other words, do a gap analysis to determine what is missing then seek to purchase the missing elements.*
- *Consider how cloud and mobile device use, along with mobile apps, can help address your current needs and support remote workers and stakeholder of your processes. At the same time, assess how these would be synchronized across the enterprise and the line-of-business applications. Remember that BPM can serve as the integrating mechanism.*
- *Establish a continuous improvement program that will periodically review and refine those changes you make now. BPM is not a one-stop project; it should be a cross-functional team sport that is ongoing across the enterprise.*

Take the first step, which is better than no step. If you are unsure of where to begin or how to begin, seek professional assistance and/or training to help you set off on the right path. Look to your current suppliers and service providers for guidance. Turn to your professional associations and peers to find advice and training that will teach you best practices.



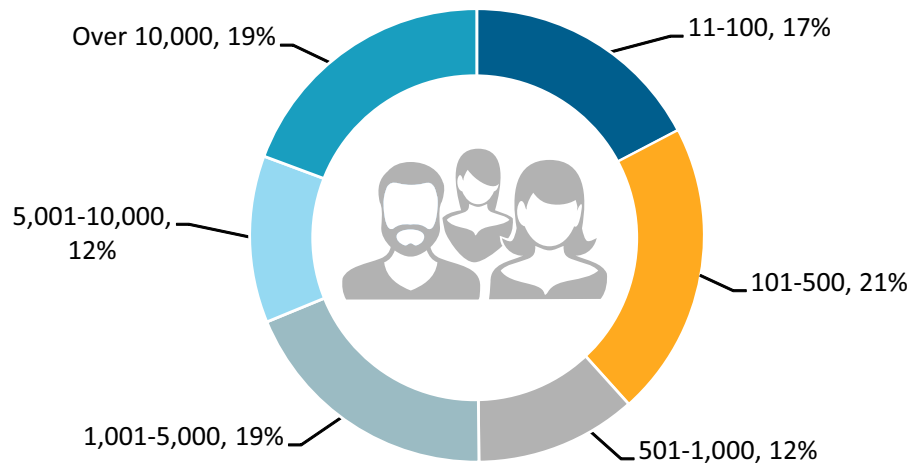
Appendix 1: Survey Demographics

Survey Background

486 individual members of the AIIM community between March 2016, and April 2016 took the survey using a web-based tool. Invitations to take the survey were sent via email to a selection of the 196,000+ AIIM community members.

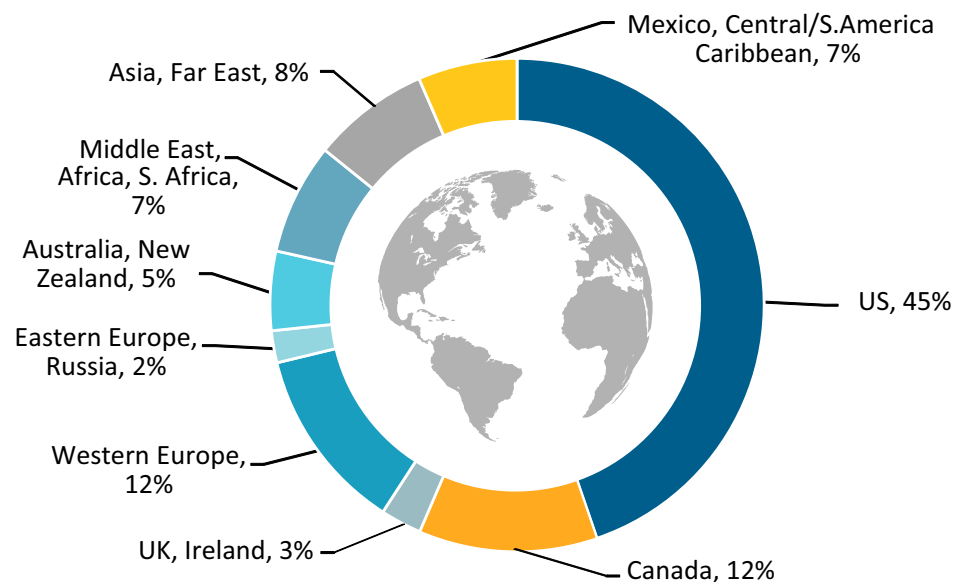
Organizational Size

Survey respondents represent organizations of all sizes. Larger organizations over 5,000 employees represent 31%, with mid-sized organizations of 500 to 5,000 employees at 31%. Small-to-mid sized organizations with 11 to 500 employees constitute 38%. Respondents from organizations with less than 10 employees have been eliminated from the results.



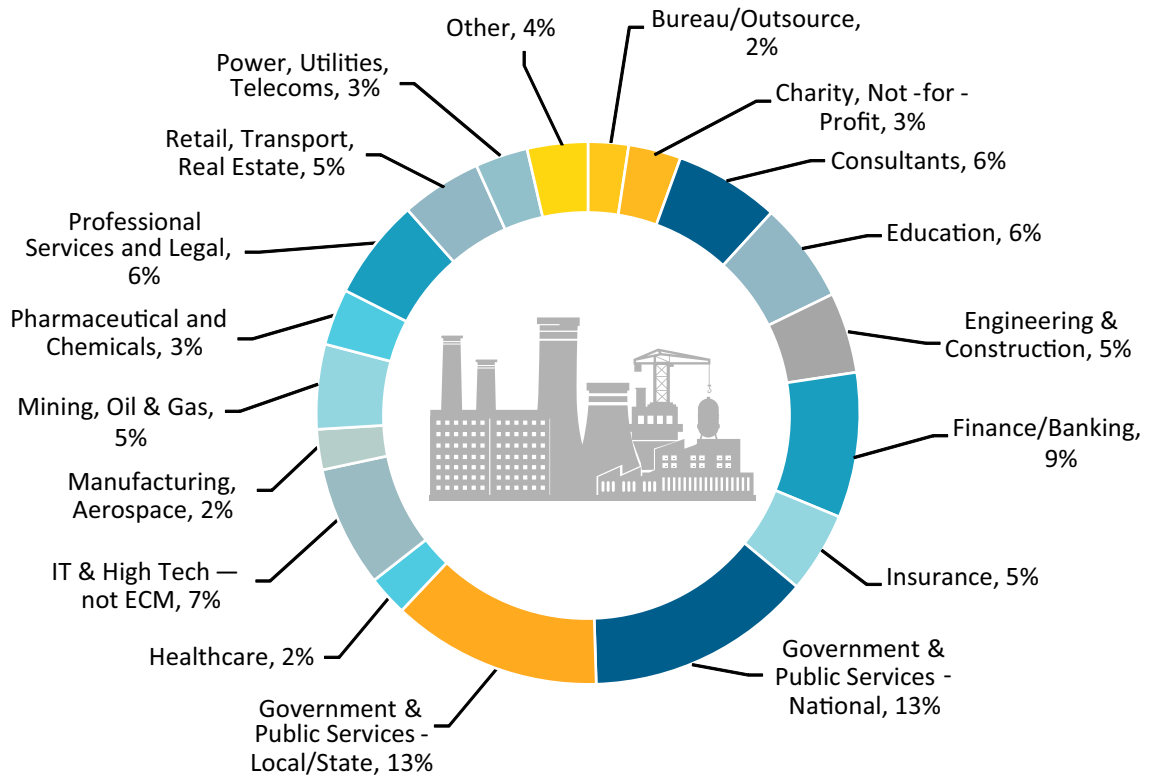
Geography

57% of the participants are based in North America, with 24% from EMEA-R, and 19% rest-of-world.



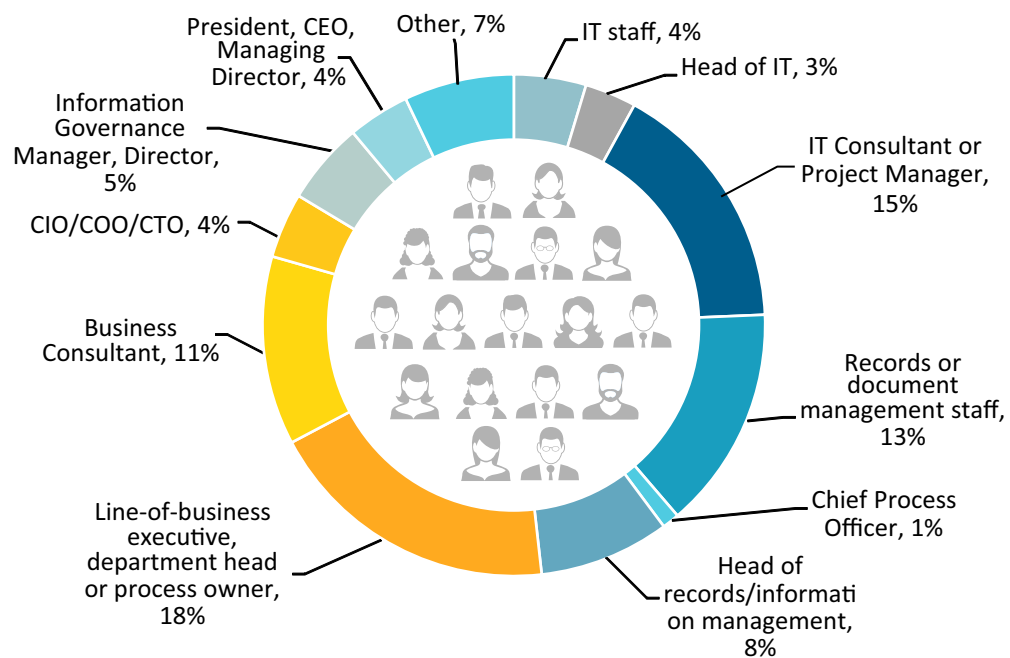
Industry Sector

Local and National Government together make up 28%, and Finance and Insurance 13%, Energy 9%. Other sectors are evenly split.



Job Roles

27% of are senior management, line-of-business managers, department heads, or process owners. 26% of respondents are in information, records, governance, or content managers. 22% of respondents are associated with IT and IT services.





Appendix 2: Selective Comments

Do you have any general comments to make about your BPM systems and future strategies? (Selective)

- *Must be simple for users to actually use.*
- *Because of BPM, we no longer work in silos.*
- *Faster, cheaper, more consistent work being performed is the primary improvement.*
- *Social process mapping including Risk & Compliance.*
- *Global organization needs centralized information and processes (not necessarily an automated mailroom).*
- *Our communications are born digitally (emails) so we want to capitalize on this.*
- *Culture is still considered more important than change hence change is difficult to introduced.*
- *Identification of the right people for the right job, in order to utilize people to their maximum strengths and potential.*

References:

¹ United States Patent and Trade Office:

<http://www.uspto.gov/patents-getting-started/patent-basics/types-patent-applications/utility-patent/patent-business>



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