Business Process Management Case Study

Optimised customer fulfilment with automated processes
Bernstein - Safe Solutions

Bernstein AG, established in 1947 and headquartered in Porta Westfalica, Germany builds and sells components and systems for industrial automation peripherals used in elevators and escalators, doors and gates. Dependable innovations from the company's main portfolio of switches, sensors and enclosures guarantee safety for operators, machines and processes. The company provides a widespread spectrum of Safe Solutions to customers in the whole of Europe and overseas. Today, Bernstein employs 500 people in seven bases worldwide and has managed the jump into the 21st century.

Successful new thinking
Many companies try to distinguish themselves from their competition through quality and price. Though, in order to remain competitive in the future, it needs more than providing high quality products at a cheap rate. In the new millennium it is rather the time that has taken a leading role among the critical success factors. Particularly in the developed nations, time has become a much scarcer good as money. Following this trend, customers are willing to pay more for a product, if the shipping time is minimal or non-existent. Especially when placing an order, this phenomenon can be observed. The shorter the shipping time, the higher is the probability of closing a deal.

Bernstein headquarters in Porta Westfalica, Germany, where sales, development and production of the products are coordinated.

Also Bernstein saw itself confronted with the task to prepare the company for the future. In 1999, the individual enterprises were combined within the Bernstein AG. The reorganisation of the enterprise group was completed 2001 when all administration departments were pooled in Porta Westfalica. Along with these changes, the business processes had to be adjusted in order to fit the newly structured company and also improving them continuously became an important task. These activities aimed on securing not only quality leadership, even more realising cost advantages.
Within a real-time enterprise, order placement and shipment occur nearly simultaneously. Many processes though comprise unnecessary

time lags. Reducing delays in critical business processes ever further on the basis of current information in order to conduct them ideally with zero latency, is essential to the health of any company.
Bernstein soon discovered additional room for improvement. Further automation of processes would result in reduced time lags and would reveal optimisation potential. Through this, not only time and money could be saved, but also the strategic competitive position could be improved, delivering excellent customer service at minimum time.
These ideas induced Bernstein's board of directors beginning 2002 to assign the task of selecting and implementing a flexible, web-based business process management system to the information management department of the company.

Participating employees
Bernstein tried to realise multifarious goals with the Business Process Management product far beyond existing demands, like transparency and control of the operations, reduction of throughput time and costs of modelled business processes and the integration into existing and future systems and technologies. Also departments should be able to implement their processes on their own, and not, as usually, the IT department. This basic approach has one central advantage: Value can be much easier and faster created in departments, as only they know all improvement potential and can implement them in an optimal way. During realisation of the project, Bernstein identified many further positive effects and synergies. The employee's understanding of the dependencies within the companies entire process chain, were improved through their participation in the take-up and optimisation of their own processes. The project was deployed even better and faster as expected and the usual dependencies and costs for external service providers could be extremely reduced.

Integration into a heterogeneous system landscape
One of the most important technical requirements was the universal integration of the BPM Suite into the existing IT infrastructure of the company. The landscape consists of IBM iSeries (AS/400) with a PPS system, a Windows environment with Active Directory, Microsoft Exchange, Citrix XP server farm and an extensive 34 MBit radio link system with VPN.
Also the interaction of the new solution with the software currently in place like the IBM DB2-400 database and sales and archive solutions for example, was a major point of interest. Especially the wide variety of customer, article and manufacturing master data from the PPS

system on the iSeries had to be automatically integrated into the process - directly and redundancy free.
After an extensive evaluation of various solutions and having taken all requirements into consideration, the decision was made in favour of the Ultimus BPM Suite. Due to its unique patented technology, making it possible to implement complex processes without the need of programming, the solution was predestined for the innovative way of automating business processes, Bernstein had chosen. Being a long-time specialist for business process solutions with extensive experience through numerous implementations in companies of different sizes, from mid-size companies to large-scale enter-prises, it was clear that the requirements concerning scala-bility and complexity could be realised.
Additionally, the numerous integration possibilities of the Ultimus BPM Suite, allow seamless integration into an existing, heterogeneous IT landscape.

Customer Product Request
An elementary process, which was immediately implemented in the Ultimus BPM Suite, was the Customer Product Request.
Bernstein mainly manufactures customer specific solutions, which are based on existing products, but have to be customised, though. The purpose of the process is to check, whether the customisation is feasible and which costs and delivery time are to be expected. A sales person, who enters the customer request into the system, typically initiates the business process. While entering the data, plausibility checks are carried out so that errors and hence queries can be avoided from the beginning. This Ultimus form can be filled out by an office employee or by the field staff over a VPN connection.
After the request has been automatically entered into the database, the priority has to be defined. Time critical enquiries are handled with a higher priority and inform the customer about the feasibility of their request on schedule. In the next step, various persons in charge are asked to give a statement in order to evaluate, whether the project can be accomplished in their department. The results are forwarded to quality assurance and production, which then can sign off on the project. The sales agent receives the form with all relevant information automatically and now only needs the approval from the customer. Once this has taken place, production receives a notification automatically and the data is

transferred into the production process.

Every step has deadlines according to the desired date of the customer, initiating escalation procedures once a deadline is exceeded. Customer requests can through this be handled in the most efficient way.

The in-the-box Flobots for Microsoft Word and e-mail, that create letters, faxes and e-mails automatically from the process data, permanently keep the customer up to date on the status.

The benefit for Bernstein's employees as well as for its customers is immense.

Think in process chains

The aspired goal could be realised in no time. Additionally, employees started to think in complete process chains and not in single tasks any more. Also the holistic view made the employees identify themselves better with their task.

Human-System-Interface for easy and safe interaction between heavy machinery and workers.

After prospective cautiousness, employees have accepted the BPM system as a real aid and they participate actively in optimising processes on a daily basis. Further more, the Quality has improved through the introduction of the BPM system, as higher transparency resulted in an improvement in accurate work. Improvements couldn't only be achieved in processes in the area of product changes and production. Also within the customer and sales processes quicker throughput time could be realised.

Standardisation of business processes with the award winning business process management technology from Ultimus generates many beneficial facets: The cycle time could be dramatically reduced. Responses to customer product requests on technical product variation, which previously could take up to weeks, now are reviewed, calculated and answered within a few days. That way, Bernstein was able to reduce costs in many internal processes. Return on Investment could be reached within only six months. The implementation of the business process management solution could also address quality aspects and helped meet the quality management standards (ISO 9001).

The Ultimus BPM Suite provides all applications needed to manage business processes throughout their complete lifecycle. Reporting and analysis tools show up hidden delay time and allow checking the impact of different solution alternatives. Deploying the Ultimus BPM Suite and systematically utilising the comprised applications made Bernstein a Real Time Enterprise.

Interview with Bob McIntosh, Director Information Management, Bernstein AG

Ultimus: What were the reasons for deciding on Ultimus?

McIntosh: The solution provides all applications needed to manage business processes throughout their complete lifecycle. A big advantage of the Ultimus BPM Suite is, that you don't have to work with predefined processes, rather you can standardise you own company's process. After evaluating many business process management solutions, we decided on the Ultimus BPM Suite, as it has a unique simple way of implementing complex business processes with no need for programming, scripting or macros. Additionally, sophisticated Flobots can be used for the interaction with our different SQL databases and with MS Word and Excel. To make a long story short, Ultimus met all our requirements.

Ultimus: Are you happy with your solution?

McIntosh: I'm highly pleased with the Ultimus BPM Suite. From previous projects I knew, that new systems aren't accepted unreserved. Shifting the process design to the involved departments made possible by Ultimus, avoided this problem.

Also the software's flexibility and integration capabilities saved us from difficulties in the heterogeneous IT environment.

Ultimus: How many processes have you deployed and how many will there be in the future?

McIntosh: One year back we bought the Ultimus BPM Suite and will have 10 processes deployed at the end of this month. Consequently most of our main processes within our company are live and are being permanently optimised. Which processes will be implemented in the future depends mainly on our departments, as they know best, where there is need for optimisation and how Ultimus can ease work.

About Ultimus

A pioneer in Business Process Management and workflow automation, Ultimus is a profitable, global software company that enables enterprises worldwide to increase their profits by modelling, automating, managing, and optimising every business process. Ultimus has business operations and sales offices throughout North America, Europe, Asia, South America and the Middle East. Through these offices and a network of more than 100 partners in 61 countries, more than 1,200 customers, including Siemens, Sony, Microsoft, Newell Rubbermaid, and HP Indigo have deployed the Ultimus BPM Suite to address their business process management challenges. Ultimus and its partners use the Ultimus Business Process Development Methodology to standardise implementations, accelerate deployments, and enable continuous improvement

Ultimus Niederlassungen in EMEA (Europe, Middle East und Afrika)

Ultimus EMEABrunnenbachstr. 4086343 KönigsbrunnGermany
Tel.: +49 8231 989 70 -0Fax: +49 8231 989 70 -19
E-Mail: info_de@ultimus.comInternet: http://www.ultimus.com/de

Ultimus UK & IrelandTel.: +44 1189 65 34 51Fax: +44 1189 65 35 51
E-Mail: info_uk@ultimus.comInternet: http://www.ultimus.com/uk

Ultimus France
Tel.: +33 1 53 43 64 47
Fax: +33 1 53 43 63 00
E-Mail: info_fr@ultimus.comInternet: http://www.ultimus.com/fr

Ultimus Iberia
Tel.: +34 91 503 06 84
Fax: +34 91 503 00 99
E-Mail: info_es@ultimus.comInternet: http://www.ultimus.com

Ultimus Italy
Tel.: +39 0331 67 97 87
Tel.: +39 0331 62 94 36
E-Mail: info_it@ultimus.comInternet: http://www.ultimus.com

Ultimus Central Eastern Europe
Tel.: +43 1 537 12 48 28
Fax: +43 1 537 12 40 00
E-Mail: info_cee@ultimus.comInternet: http://www.ultimus.com/cee

Ultimus Middle East
Tel.: +971 4 391 44 66
Tel.: +971 4 391 44 65
E-Mail: info_me@ultimus.comInternet: http://www.ultimus.com/me