Traditional BPM Gives Way To Digital Process Automation

Customer Obsession Means Faster Evolution For A Legacy Workload

by Rob Koplowitz February 24, 2017

Why Read This Report

Within the next two years, the primary goal for business process management (BPM) projects will be to drive digital transformation initiatives. This is a stark change from just two years ago, when application development and delivery (AD&D) professionals considered the primary goal to be cost reduction. To support and exploit this shift, vendors will pivot their offerings so dramatically that the term BPM will no longer properly describe the category. This brief outlines Forrester's rationale for replacing the term BPM with digital process automation (DPA).

Key Takeaways

Goals For BPM Are Shifting Dramatically

Traditional BPM projects — long, hard, expensive, and resource-intensive — paid off with cost reduction. Now companies cite digital transformation as the BPM investments. Products and projects will need to adjust to get there.

But Old Requirements Remain Critical

Digital transformation requires access to systems and processes that are complex, mission-critical, and well understood by BPM vendors and AD&D pros who work with them. The foundation BPM lays will be a critical part of the journey to digital transformation.

DPA Will Hinge On Scale And UX

Automating processes means more software — and more software that delivers great user experiences. These applications will increasingly touch both employees and customers. AD&D teams will have to innovate rapidly to add new interfaces like voice and chat to satisfy demanding customers.

Traditional BPM Gives Way To Digital Process Automation

Customer Obsession Means Faster Evolution For A Legacy Workload

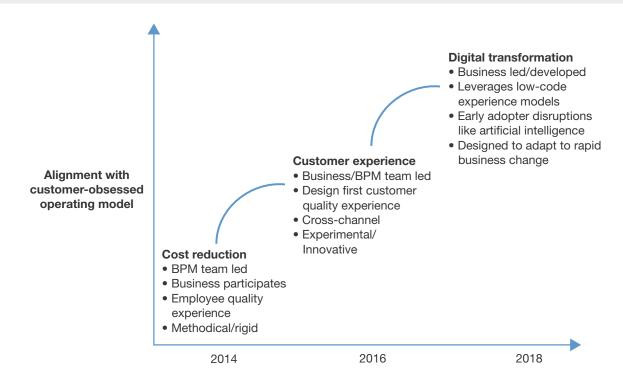


by Rob Koplowitz with Christopher Mines, Allison Vizgaitis, and Andrew Reese February 24, 2017

Customers Drive Toward Digital Transformation

Where once cost savings drove BPM, the new goal is digital transformation. As organizations move increasingly toward a customer-obsessed operating model, digitizing all business functions becomes an imperative. This means that AD&D pros must make underlying systems and processes that were once considered "back-office" accessible in order to turn data into insights and respond to customer needs in moments, rather than hours or days. The transition will take time as the primary driver for BPM moves from cost reduction, to an emphasis on customer experience, and then to digital transformation. The underlying elements of these initiatives also shift as the journey progresses (see Figure 1).

FIGURE 1 The Drivers For Traditional BPM Shift And Become More Aligned With Customer Obsession



As BPM Evolves To DPA, AD&D Pros Will Demand New Functionality

Traditional BPM functionality will play an important role in this transition. The complex task of driving consistent processes across disparate systems will not go away. In fact, it becomes a foundational requirement for digital transformation. AD&D pros will play a meaningful role in the move to digital transformation, and they will seek solutions that offer functionality, pricing, and delivery that are far faster, inexpensive, and more user-centric than old-line BPM suites. To make the shift from BPM to DPA, AD&D pros should look for vendor offerings with three characteristics:

- > Tools to build and onboard applications fast. While BPM vendors claim their tools are fast and easy, the truth is BPM tools are expensive, time-consuming to procure, and spawn projects that are lengthy and delay-plagued.³ New-era DPA tools need to be inexpensive, and easy to adopt and offer rapid deployment and iteration. They must also become more accessible to citizen developers in business roles.
- A focus on user experience. The path to digital transformation goes through user experience. The closer users get to the processes, the faster and more efficient they become, and the more user satisfaction goes up. To get there, these systems must meet the users on their terms with consumer-like experiences across all channels.

Traditional BPM Gives Way To Digital Process AutomationCustomer Obsession Means Faster Evolution For A Legacy Workload

> Innovation at consumer pace. When consumers directly access a company's applications, the usability and performance standard becomes like the best consumer applications. The companies that excel are constantly pushing the boundaries with new directions like artificial intelligence, new interfaces like voice and chat, and new input and new nonhuman connections via the internet of things. To achieve digital transformation, AD&D pros will need tools that embrace these emerging trends.

What It Means

DPA Will Become A Critical Part Of Digital Transformation

Software is the central differentiator of a customer-obsessed organization. Fast, simple, elegant, and delightful are all terms one might hear as part of an excellent software experience. But most companies' underlying processes and BPM projects to date have not met with these types of glowing descriptions. Long, expensive, and inflexible may be more apt. However, like the plumbing and electrical systems in a building, a framework has been set. Once manual processes have been digitized, they offer a starting point for your organization to extend and exploit. The path will require very different capabilities and strategies than those of traditional BPM vendors. The shift will be profound, and some vendors will not be able to adjust. AD&D pros will align with vendors that support a new set of shifting requirements that focus on customers while still serving the traditional foundational elements of managing complex processes across legacy back-office systems.



Customer Obsession Means Faster Evolution For A Legacy Workload

Engage With An Analyst

Gain greater confidence in your decisions by working with Forrester thought leaders to apply our research to your specific business and technology initiatives.

Analyst Inquiry

To help you put research into practice, connect with an analyst to discuss your questions in a 30-minute phone session — or opt for a response via email.

Learn more.

Analyst Advisory

Translate research into action by working with an analyst on a specific engagement in the form of custom strategy sessions, workshops, or speeches.

Learn more.

Webinar

Join our online sessions on the latest research affecting your business. Each call includes analyst Q&A and slides and is available on-demand.

Learn more.



Forrester's research apps for iPhone® and iPad®

Stay ahead of your competition no matter where you are.

Endnotes

- ¹ BPM has struggled to remain relevant in the face of rapid technology and business innovation. BPM will reassert its dominance as an important technology for driving automation, collaboration, and engagement. To read more about how BPM practitioners will shift gears to accelerate digital business transformation, please see the Forrester report "Future Look: BPM Programs Shift Gears To Accelerate Digital Transformation."
- ² Companies must assess and address six key operational levers technology, structure, culture, talent, metrics, and processes derived from the four principles of customer obsession: customer-led, insights-drive, fast, and connected. For a more in depth road map to becoming more customer obsessed, please see the Forrester report "Chart Your Course To Customer Obsession."
- ³ BPM projects have become lengthy, expensive, and deliver ambiguous results. In addition, the focus has shifted to improving customer engagement across digital channels. To learn more about how to directly link BPM to customerfacing systems of engagement, please see the Forrester report "Digital Transformation And Customer Experience Frame The New Business Case For BPM."





We work with business and technology leaders to develop customer-obsessed strategies that drive growth.

PRODUCTS AND SERVICES

- > Core research and tools
- > Data and analytics
- > Peer collaboration
- Analyst engagement
- Consulting
- > Events

Forrester's research and insights are tailored to your role and critical business initiatives.

ROLES WE SERVE

Marketing & Strategy Professionals

CMO

B2B Marketing
B2C Marketing
Customer Experience
Customer Insights
eBusiness & Channel
Strategy

Technology Management Professionals

CIO

Application Development & Delivery

Enterprise Architecture Infrastructure & Operations Security & Risk

Sourcing & Vendor Management

Technology Industry Professionals

Analyst Relations

CLIENT SUPPORT

For information on hard-copy or electronic reprints, please contact Client Support at +1 866-367-7378, +1 617-613-5730, or clientsupport@forrester.com. We offer quantity discounts and special pricing for academic and nonprofit institutions.

Forrester Research (Nasdaq: FORR) is one of the most influential research and advisory firms in the world. We work with business and technology leaders to develop customer-obsessed strategies that drive growth. Through proprietary research, data, custom consulting, exclusive executive peer groups, and events, the Forrester experience is about a singular and powerful purpose: to challenge the thinking of our clients to help them lead change in their organizations. For more information, visit forrester.com.