

Refocus Process Automation To Rescue Your Digital Transformation

Mastering The Post-BPM World Of Digital Process Automation

by Rob Koplowitz and John R. Rymer
May 17, 2018

Why Read This Report

Enterprises struggle to transform to digital business because they don't automate the operational processes that underpin customer journeys. Breakdowns in processes like parts and service scheduling, pricing, returns, and warranties derail customer journeys, creating a huge task for application development and delivery (AD&D) pros. A new generation of digital process automation practices, platforms, and plans are the answer. Read this report to learn what these are and how to adopt them.

Key Takeaways

Process Automation Is Crucial To Customer Experience And Digital Transformation

About half of process specialists say advancing digital transformation is the top goal for process improvement (automation) in the next two years, eclipsing cost savings. It stands to reason: Broken, manual processes turn even the most creative mobile and web apps for customers into digital illusions. Most enterprises have thousands of these processes.

Process Owners Must Lead Development — With Support From AD&D And Executives

Digital transformation demands automation of hundreds or thousands of operating processes, work best led process owners, if not completed by them. These businesspeople need AD&D's support to sustainably automate processes. They also need strong executive support for organizational and cultural change.

A New Class Of Vendors And Platforms Is Rising To Meet The DPA Challenge

Digital transformation demands both business process management (BPM — deep process) and digital process automation (DPA — wide process) platforms. Vendors serving BPM needs struggle to DPA. Customers have better DPA success with platforms offering quick starts, low initial costs that grow with business value, and tools for development by business experts.

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The Customer Journey Is The Process That Matters

Bonnie Urquhart comes to work each day at Northern Health facing a very daunting challenge: Leading a team that supports clinicians who provide healthcare for 300,000 Canadians across 600,000 square kilometers (a bit smaller than the state of Texas).¹ She brings to this work a rare combination of business experience, technical knowledge, and change-management expertise, which she focuses on one thing: the emotional experience of each patient from start to finish.

The Customer Journey Is Now The “North Star” For Business Process

Urquhart’s focus on the patient, or customer, journey is the new north star for process professionals (see Figure 1).² She uses process-mapping software from iGrafx to document the end-to-end journey and help Northern Health automate and improve its processes.

This approach to process automation departs from those of the past, particularly business process management (BPM). When Aditya Birla Finance of India looked to drive a new customer experience for loan origination, the management insisted it be completely digital. Kuliza software, deployed on Amazon Web Services, helped the firm meet this requirement. The project team learned that improving customer journeys:

- › **Focuses on experience and innovation, while deemphasizing cost savings.** BPM projects usually focus on reducing costs, cycle times, and error rates. As objectives for process shift to digital transformation and customer experience, the focus shifts to customer outcomes — immediate, personalized service delivery, for example. Costs are a constraint; cost savings are usually secondary goals (see Figure 2).³
- › **Requires automating hundreds of operational processes . . .** When big cost reductions are the goal, organizations prioritize automating their (few) most complex (and thus costly) processes using traditional software-delivery methods. When improving customer journeys is the goal, organizations incrementally automate hundreds or thousands of day-to-day processes. Typical operational processes address scheduling; discounts, returns, and warranties; incident responses; eligibility; renewals; audits and information requests; evaluations and investigations; and campaign and program execution.

How many operational processes does your organization have? To start, count the spreadsheets businesspeople use to bridge automation gaps. (Hint: There are at least hundreds.)

- › **. . . in Agile, incremental projects led by process experts.** These software projects are led by the business and delivered using low-code platforms and Agile methods. At Northern Health, says Urquhart, “everyone does small changes, testing each before moving to the next ideas.” Agile’s incremental approach to software is ideal, as these projects both automate and reinvent existing

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activities and flows. The approach works well with business users that struggle with process maps and requirements documents and prefer to see the application in action in order to understand if it meets their requirements.

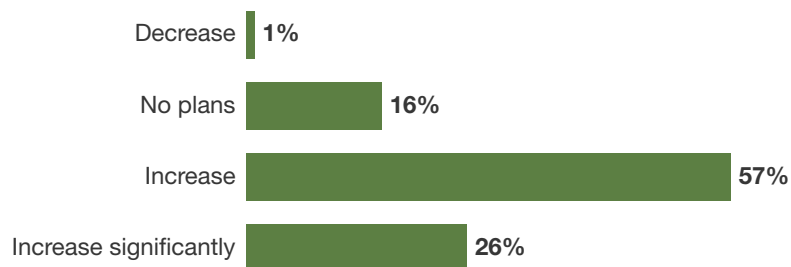
“We planned 50 projects per year and did 70 in the first year. Using Nintex we can deploy fast and at an insanely lower cost compared to packaged solutions.” (IT specialist, large US government agency)

- › **Demands executive support to drive organizational collaboration.** Automating customer journeys requires coordinating tasks, actions, and data across fiefdoms that are not set up to collaborate toward common goals. Without the right level of executive sponsorship to drive collaboration — such as the management directive at Aditya Birla Finance — automating end-to-end customer journeys is impossible.

FIGURE 1 Customer Journey Mapping Is Gaining Traction As A Process Documentation Methodology

“How do you plan to change or expand use of these process improvement methodologies in the next 24 months?”

Customer journey mapping

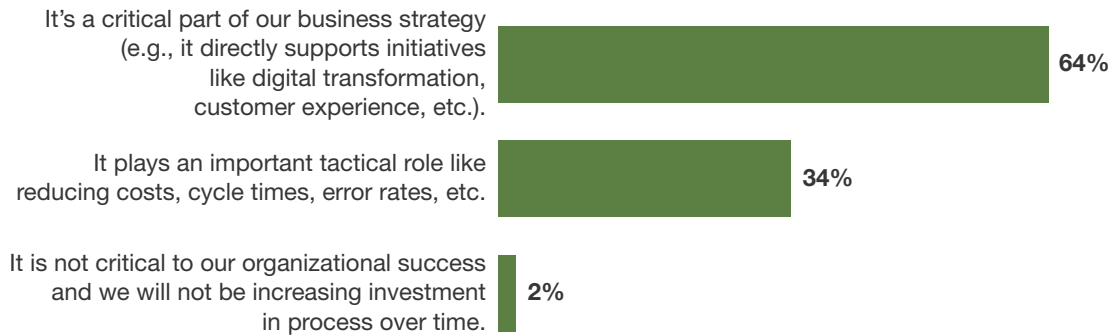


Base: 354 business and technology decision makers

Source: Forrester's Q1 2018 Digital Process Automation Survey

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FIGURE 2 Alignment With Business Strategy Is The Most Prominent Driver For Process Improvement**“Please describe the role of process improvement in your organization.”**

Base: 354 business and technology leaders

Source: Forrester's Q1 2018 Digital Process Automation Survey

Digital Transformation Requires The New Process Approach

We call this new approach DPA to distinguish it from BPM (see Figure 3). Both are valuable in automating operational processes, but they aren't interchangeable. Neither are the vendors supporting each approach. Yet BPM and DPA must be part of an overall strategy, coordinated by AD&D leaders and executed by business experts.

This is very different from what traditional software developers are used to. We found commonality among firms that are finding success with DPA approach; their execution depended on taking a number of steps:

- › **Add a DPA practice and methods to address customer journeys.** A focus on customer journeys requires much greater attention to user experience and application design to ensure users stay engaged and the business realizes benefits. Why? The higher level of automation for customer journeys and experiences will lead to many more employees using process applications. Also, customers will increasingly access DPA applications, even if indirectly through mobile or web front ends. Organizations respond by placing a premium on Design Thinking to support process initiatives.⁴ In contrast, traditional BPM projects have a relatively small number of users, focused on internal tasks.
- › **Empower business experts to lead software projects — and AD&D to support them.** Who best understands all those manual, disconnected processes? The businesspeople who live in them every day and so are best equipped to automate them with the support of AD&D. Letting businesspeople lead software projects is uncharted territory for most development teams, which

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have long had the luxury of focusing on a small number of highly controlled applications. The path to automating operational processes extends out to a long tail of applications well beyond AD&D's capacity (see Figure 4). However, AD&D's expertise in scoping projects, security, and integration is crucial to the success of business developers working on low-code platforms (see Figure 5).

"We're committed to empowering our 'citizen developers,' but we've still got a lot to learn. We rolled out too fast. People got started on project, the scope exploded, and the project took longer than expected." (Program manager, large North American retailer)

- › **Coordinate grassroots actions with top-down strategy.** The biggest strategic challenge: obtaining buy-in from both the top and the bottom of the organization and coordinating priorities. Process owners must lead, but as part of an overall strategy. Otherwise, chaos reigns as individual departments pursue narrow goals and create new-app silos.

Northern Health tackled this challenge by managing a portfolio of processes and assigning a patient-journey owner to coordinate work across departments. Process improvements continued to be small and incremental, but they gradually came together to address complete patient journeys.

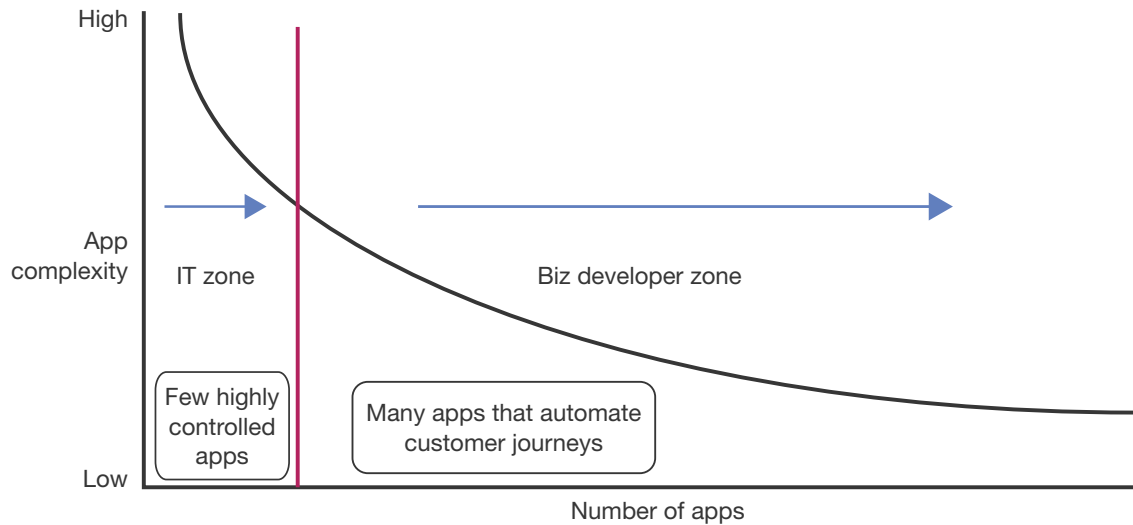
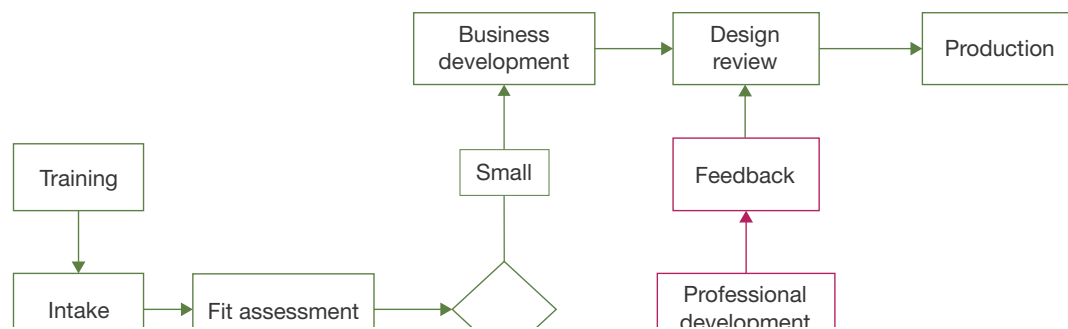
- › **Leverage a DPA center of excellence (CoE).** Part of balancing top-down control with grassroots execution is a centralized function to support process excellence, establish and maintain architectural standards, and drive organizational change. This new CoE function builds on existing BPM CoE concepts and continues to focus on best practices for refining and optimizing key processes, but it also focuses on execution at scale. This expands the function to include enabling business users to participate in development.

FIGURE 3 Comparing Digital Process Automation To Business Process ManagementFORRESTER® **RESEARCH****Comparing Digital Process Automation To Business Process Management***Refocus Process Automation To Rescue Your Digital Transformation*

	BPM (deep process)	DPA (wide process)
Primary goals	Cost reduction, compliance	Great customer experiences
Number of apps	Tens	Thousands
Development approach	Waterfall	Agile, iterative
Project lead by	IT, center of excellence	Business experts
AD&D's role	Deliver the apps, end-to-end	Provide platform with guardrails

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FIGURE 4 DPA Use Cases: Uncharted Software-Delivery Territory**FIGURE 5** A Big Retailer's Decision Tree For Business-Led Process Projects**FORRESTER® RESEARCH****A Big Retailer's Decision Tree For Business-Led Process Projects***Refocus Process Automation To Rescue Your Digital Transformation*

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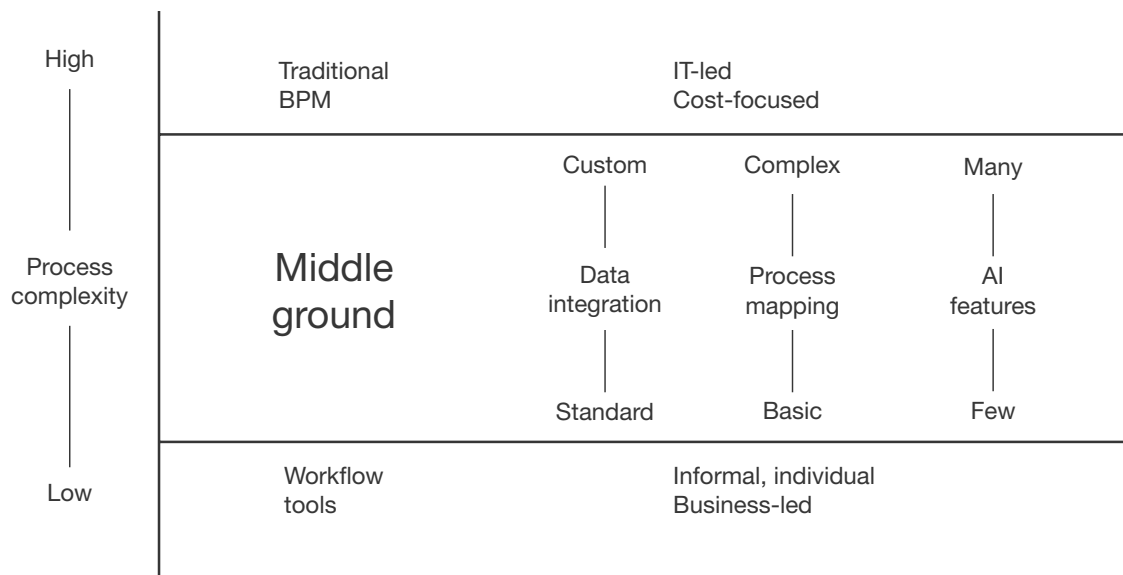
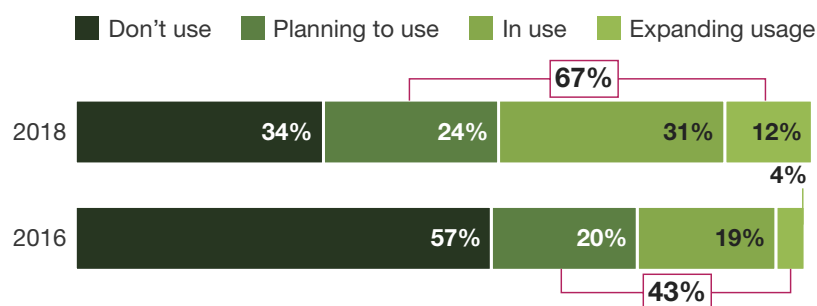
DPA Platforms Occupy The Middle Ground Between BPM And Low-End Workflow

Software selection often requires evaluating a tradeoff between power and simplicity, and the emerging market for process software to support digital transformation is no exception. Any application that involves even moderate process complexity can overwhelm trigger- and UI-based workflow solutions, such as Microsoft Flow. On the other hand, applying the high-end capabilities of traditional BPM — from IBM or Pegasystems, for example — to everyday processes can be like using a sledgehammer to kill a fly. DPA offerings that live in the middle ground include those from AgilePoint, Bizagi, K2, and Nintex.⁵ They feature:

- › **High process functionality, but not overkill.** The technology needs to be robust enough to manage complex processes, but it doesn't require the deep capabilities of BPM. For example, most common solutions (Salesforce, Office 365, Workday, etc.) require integration, but usually not an extensive custom connector library. The solutions will favor simplicity over addressing the most complex requirements (see Figure 6).
- › **Fast application development and deployment.** With so much software to deliver, speedy solution development, deployment, and evolution are paramount in DPA. Low-code development techniques and platforms play a major role in meeting these needs, particularly those available as cloud services (see Figure 7).
- › **Prices optimal for broad deployment.** Reaching the scale that automating customer journeys requires involves a lot of applications and a lot of users. The licensing models of high-end BPM solutions are a nonstarter at this scale. Solutions that thrive in the middle ground are priced for low-cost initial adoption and spread. While vendors offer many pricing models, \$10 per (internal) user per month is becoming a benchmark.

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FIGURE 6 DPA Platforms Occupy The Middle Ground Of Process Automation**FIGURE 7** Low-Code Usage Is Taking Off Among Process Pros**“How will you change your usage of the following process-related technologies?”****Low-code (lightweight) process software**

Base: 354 and 215 business and technology leaders

Source: Forrester's Q1 2018 Digital Process Automation Survey and Forrester's Q2 2016 Digital Business Automation Survey

Recommendations

Four Steps To Process Automation For Customer Journeys

This is one of those moments in AD&D when everything must change. We don't write this glibly. Without individualized, unbroken customer journeys, digital transformation is an illusion. The answer is massive process automation delivered in small increments, led by businesspeople, reversing decades of AD&D practices. Creating and executing strategies to meet this urgent need will take years, as well as political courage and a learning culture. Start by creating a strategy and initial implementations that:

- › **Elevate customer journeys to the top of the priority list.** Whoever your customers are — patients, consumers, students, business buyers, agents — digital business allows you to win, serve, and retain them as individuals. To attain this goal, make customer journeys the context for any automation investment, whether it be modernizing record keeping or automating and fixing broken operational processes.
- › **Realign executive and organizational goals to automating customer journeys.** Executives (perhaps boards) will make these calls, carrying out reorganizations and leadership replacements. However, AD&D leaders can exert powerful influence here: first by educating executives about the whys and hows of organizational reform; second by helping to design realigned roles, responsibilities, and relationships; and third by continually informing executives of results and the course corrections they highlight.
- › **Empower and support business-led development and delivery.** Start empowering business experts to lead development projects now. Three steps are crucial to make a strong start. First, identify businesspeople to start with, relying on volunteers, tribal knowledge, or a structured workshop AD&D supports. Second, determine a process for development work by businesspeople. Third, establish incentives and metrics that reward business experts who develop and deliver software, in whole or in part.
- › **Add a DPA or low-code platform into your portfolio.** Separate your requirements for BPM from those for DPA. In evaluating options, take advantage of freely available cloud platforms, which allow teams to test usability, development speed, and feature depth at low or no cost. The right platform will empower your business experts, not your developers, but provide administrative tools that allow AD&D staff to configure, monitor, and integrate business-developer work.

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Supplemental Material

Survey Methodology

Forrester's Q1 2018 Digital Process Automation Survey was fielded to 354 business technology decision makers. For quality assurance, we screened respondents to ensure they met minimum standards in terms of content knowledge.

Forrester fielded the survey during Q1 2018. Respondent incentives included a summary of the survey results and a courtesy copy of the published research. This survey used a self-selected group of respondents (Forrester clients knowledgeable about business process improvement efforts taking place within their companies) and is therefore not random. This data is not guaranteed to be representative of the population, and, unless otherwise noted, statistical data is intended to be used for descriptive and not inferential purposes. While nonrandom, the survey is still a valuable tool for understanding the industry is headed.

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Companies Interviewed For This Report

We would like to thank the individuals from the following companies who generously gave their time during the research for this report.

Aditya Birla Finance	JobRouter
Aon	Northern Health
Centers for Medicaid and Medicare Services (CMS)	PMG
Computershare	PWC
FlowForma	Siemens
iGrafx	

Endnotes

- ¹ Northern Health is part of Canada's publicly funded healthcare system, serving the northern half of British Columbia.
- ² Forrester's Q1 2018 Digital Process Automation Survey indicates a shift in priorities among process professionals to digital process automation, as well as use of customer-journey mapping to design processes. For more information, see the Forrester report "[The Growing Importance Of Process To Digital Transformation](#)."
- ³ When asked to "describe the role of process automation in your organization," 65% responded that "It is a critical part of our business strategy (e.g., supports initiatives like digital transformation, customer experience, etc.)." That was nearly double the 35% who responded "It plays an important tactical role like reducing costs, cycle times, error rates, etc." Source: Forrester's Q1 2018 Digital Process Automation Survey.
- ⁴ Fifty-six percent of respondents indicated that they plan to increase the use of Design Thinking while another 26% plan to increase it significantly. Source: Forrester's Q1 2018 Digital Process Automation Survey.
- ⁵ In its most recent evaluation of the space, Forrester evaluated DPA software vendors on functional capabilities including the ability to serve the type of wide processes that require low-code programming, strong governance models and other key criteria. To learn more, see the Forrester report "[The Forrester Wave™: Digital Process Automation Software, Q3 2017](#)."

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