

# LEAN BPM

A Pragmatic Approach to Automating Business Processes

BPM must get leaner...  
BPM projects and tools are bloated.<sup>1</sup>

Forrester Research, January 21, 2009

## Executive Overview

### **Lean Business Process Management and the Opportunity It Provides**

**Times Are Tough.** There is no doubt in light of the current economic and corporate downturn, businesses – and their IT departments – are actively seeking tools and methods to reduce cost and increase productivity. These goals become even more important when an organization is not able to bring additional resources (read: people) to address a need. Or worse, when they need to maintain the level and quality of work in light of a reduction in resources, money, and people.

**Businesses Are Looking For Process Improvement.** Especially in these times, process improvement is a critical strategy to address these goals. CIO Insight recently stated, “Reducing costs and increasing productivity are the leading drivers of business process improvement.” A recent Gartner report indicated that CIOs reported improving business processes as their number one priority.<sup>2</sup>

**Traditional Methods Are Too Costly.** Organizations have traditionally used custom application development or traditional business process management (BPM) suites to address these needs. Although traditional BPM addresses heavy volume transactional needs, the cost to purchase, deploy, customize and maintain BPM suites precluded them from extending their reach and value. A traditional BPM solution carries an average price tag that begins at \$500K, and requires teams of consultants and IT resources. Like other enterprise software solutions, BPM suites have become large and complex. Forrester Research recently reported that enterprise software as a whole has become bloated, overly complex, and overloaded to the point that they actually impeding their ability to meet their core purpose. Furthermore, Forrester indicates that lean software offerings are the alternative or “antidote” to meet business needs.<sup>3</sup>

**Lean BPM Provides A New Opportunity.** A simplified, lean approach to BPM provides a new opportunity to address the process needs of businesses today. Focused on collaborative, process-centric applications that are easy to develop, have a low cost to deploy, and deliver a fast return on investment, Lean BPM presents a new opportunity to reduce costs and streamline processes without the need for consultants and developers—enabling IT to deliver applications that increase productivity for the businesses without the associated high costs.

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## The Complexity Challenge

With the growing complexity of traditional enterprise software, we have seen a migration to simpler – or leaner – software offerings. These offerings focus on meeting a broader set of business needs without the complexity and high costs.

As an example consider traditional CRM solutions, like Siebel Systems. CRM was necessary, but Siebel had grown in cost, complexity and time to deliver on its return on investment. Leaner solutions arose in that marketplace in response to the need for a lower cost, simpler, faster ROI solution. As history shows, salesforce.com entered the market to address an unmet need. Focused on a specific set of needs, salesforce.com did not contain all the functionality of the traditional CRM solutions, but offered a powerful and pragmatic approach to CRM and was good enough. Salesforce.com's success illustrates how a lean solution can be more appropriate for businesses – based on their needs.

The complexity and cost of traditional BPM has limited its reach and value.

Business Process Management (BPM) is a recognized avenue to reduce costs and streamline processes. Traditional BPM is very well suited to heavy data and system transactions. Unfortunately, as recognized by analysts such as Forrester, traditional BPM has suffered from two challenges.

First, it has become overly complex and costly for many organizations. These solutions now offer discrete modules for different needs, each require separate (and at times costly) licenses, often requiring an army of consultants or specific programmers. The average cost across the high end traditional BPM solutions can be \$500K to get going, and the return on investment often takes years to materialize. And to make matters worse, organizations are often times utilizing little more than half of the features and functions they have paid for.<sup>3</sup> This makes traditional BPM cost preclusive to many organizations that can benefit from automating and improving processes.

Second, due to the cost and complexity, a whole set of common processes within an organization are not addressed. This means organizations continue to rely on manual and ad hoc methods, which are inefficient and costly.

The result of the growing complexity of traditional BPM solutions impacts organizations in three ways:

- Process improvement is limited to implementations where the high costs and complexity can be justified
- Manual and ad hoc methods continue to be used to coordinate activities that clearly can benefit from automated processes
- Financial and regulatory risks are heightened without process automation and the corresponding and auditing or traceability

## The Lean BPM Opportunity

As the costs and complexity of traditional BPM solutions grow, there is an opportunity for a newer, leaner set of solutions to meet the business needs for developing and using collaborative process-based applications. Lean BPM is that opportunity. It is designed to deliver easy business process development, low cost deployment, and fast return on investment.

There are three areas of opportunity for a lean approach to BPM:

- Delivering business processes when internal development is too costly
- Delivering business processes when purchasing traditional BPM solution is too costly
- Delivering business processes when using an existing traditional BPM solution is too costly

## The Lean Difference

Serena delivers Lean BPM with its Business Mashups technology—a patented ground breaking technology for delivering collaborative process-centric applications combined with the latest in Web 2.0 functionality. This enables employees to be more productive and businesses to be more efficient. Serena makes it simple to get business processes online quickly and at a much lower cost compared to traditional BPM systems.

### Easy Business Process Development

With speed of delivery key, Serena's solution for Lean BPM is designed to enable fast business process development. This is achieved via a simple drag and drop process design tool. In fact, it is simple enough so that non-coders, like business analysts, can use it. People comfortable with drawing processes in PowerPoint or Visio and capable of using an Excel macro can easily design a process with a Lean BPM solution. Business rules, workflows, forms design, security, and more are managed simply. This eliminates the need for coding, programmers (including large numbers of consultants), and frees up those resources for other critical projects. Remember, the workload is not necessarily going away, but the need to deliver improvements faster with the same or fewer resources is the reality.

In addition to easy process development, Lean BPM solutions make it simple to create rich user interfaces that show the information necessary to support decisions. Rich user interfaces that are intuitive and easy to use – like today's Web 2.0 applications – are very different from the classic enterprise applications currently available with traditional BPM systems. These modern, highly usable interfaces give users access to the data that drives collaboration and decision making. Towards that end, Serena leverages Web services (REST and SOAP), Web 2.0 widgets, and Mashup technology for access to critical business internal and external data and systems.

When automating business processes, auditing and compliance are critical. Traditional BPM solutions often require specific modules or coding to meet this need. Lean BPM includes this out-of-the-box. Complete auditing, traceability, and reporting are automatically included in every process. This reduces audit preparation times from weeks to minutes or hours, lowers the cost of generating reports, and minimizes the exposure to compliance and regulatory risks.

Lean BPM lets you design and deploy collaborative applications with a single, integrated, low cost platform.

### Low Cost Deployment

Traditional BPM often requires multiple, discrete modules requiring different administrators, consultants, and programmers to create and manage each piece of the process. Lean BPM is built on a single, integrated platform. That means less hardware, less software, less administration, and less cost. Because it is integrated, it also makes it simple to go from design to deploy in minutes or hours as opposed to days or weeks.

However, easy process development and low cost deployment should not come at the expense of governance. Lean BPM delivers a simple web-based tool to ensure complete transparency into the development process. IT defines the necessary workflow and approvals for those collaborative applications before they end up in production. This eliminates potential risk and chaos without squelching innovation and productivity.

Lean BPM does not require the expensive infrastructure associated with traditional BPM systems because it is available on premise and on demand (as Software as a Service or SaaS). This eliminates the weeks (or months) needed to prepare a server or data center. With on demand, there is no hardware to purchase and no administrators to pay – ever. It is a faster, cheaper, and a potentially more scalable option for today's businesses.

## Fast Return on Investment

Beyond easy development and low cost deployment, Lean BPM delivers fast return on investment – often in a third of the time of traditional BPM implementations. This is a critical difference in the lean approach over using the complex traditional BPM approaches. Deploying collaborative applications in the enterprise need not require a team of consultants nor lengthy project schedules. Serena’s solution can be installed in as little as 20 minutes onsite – 5 minutes if running via the on demand service. This greatly accelerates return on investment.

With Lean BPM, business analysts work with business owners in real time to define the process flow and business rules. Prototypes are deployed in hours and the user interface is rapidly iterated on. These collaborative process-centric applications, then, are deployed directly from the design environment to production. Shorter development times. Shorter development cycles. A faster return.

## Lean BPM Proof

Serena has helped businesses build lean business processes for almost 10 years. Called one of the top 3 business applications for 2008 by eWeek, businesses and government agencies, among others, have been using Serena’s Lean BPM solution (called Serena Business Mashups) to reduce their costs, automate their processes, and increase productivity.

Thomson Financial (now Thomson-Reuters) uses our Lean BPM solution to develop dozens of sales operational processes automated by business developers – not coders. The sales proposal process was reduced from 5 days to 3 minutes. Over 3,000 employees have access to these applications today.

U.S. Office of Personnel Management use of Serena has been instrumental in developing roughly 80 process solutions in the areas of health benefits, background checks, FOIA requests, OMB Circular A123 compliance, processes for federal acquisitions and IT defect and enhancement management. Many of the processes that typically took over a year to deploy in prior systems are now being deployed in less than two months. In keeping with the Lean BPM approach, these applications are developed by non-coders or programmers.

Serena has helped customers build lean business processes for almost 10 years.

These common business processes are just a few of the types that a Lean BPM solution addresses. Reducing Costs. Streamlining process. At a fraction of the cost of traditional BPM solutions.

## When to Use Lean BPM

Lean BPM and traditional BPM serve different needs. Traditional BPM systems focus on high-volume data transactions and heavy system-to-system interactions. Lean BPM focuses on collaborative, process-centric applications where human interaction, as well as systems, is needed. Lean BPM is not a replacement for traditional BPM with heavy system-to-system interaction, but complimentary when dealing with human collaboration and common business processes.

## Comparing Lean and Traditional BPM

This chart provides a high level comparison of the elements that make up Lean and traditional BPM.

Item	Lean BPM	Traditional BPM
Cost to Purchase	Affordable (\$10K's)	Expensive (\$100K's)
Implementation Services	Affordable (\$10K's)	Expensive (\$100K's)
Maintenance	20%	20%
Time to Deploy	Minutes to Hours	Days to Weeks
Time to Build New Process	Hours To Days	Weeks To Months
Programming Skills	Not Required	Required
Process Developer	Business Analyst	Coder
Outside Consultants	Not Required	Required
End Users	10,000's	10,000's
Auditing, Tracking, Reporting	Automatic	Requires Configuration
Reusability	Pre-Built & Reuseable Applications	Little or None
Mashup and Widget Technologies	Included	Little or None
Web 2.0 User Experience	Included	Not Available
Deployment Options	On Premise On Demand	On Premise Only
<b>Return On Investment</b>	<b>Weeks to Months</b>	<b>Months to Years</b>














































The information is based on publicly available vendor data, Gartner, and Serena Software.

When looking to automate common business processes across people and the systems they use, Lean BPM delivers the easy, low cost of deployment, and fast return solution when compared to traditional BPM.

## A Functional Comparison

Traditional BPM systems are usually used for high-volume data transactions and heavy system-to-system interactions. However, when common business processes need automation, Lean BPM is a more appropriate solution. Depending on which approach to process management is pursued, a different set of capabilities is needed.

The chart below provides a deeper comparison in the features of the different BPM solutions. It addresses the functionality offered by Lean BPM, as well as the human and system-centric traditional BPM offerings.

Item	Lean BPM	Traditional BPM	
		Human Centric	System Centric
Easy design of applications (processes, system connections, interfaces, security)			
Integrated environment between design and deployment			
Web 2.0 usability, protocols, and Mashup functionality			
Team and system processes			
Built-in security and session management			
Full application reusability			
Out-of-the-box reporting			
Full traceability and detailed auditing			
Governance of applications and all process components			
On demand deployment options			
User and group collaboration available offline			
Modeling, simulation and, real-time analysis of business processes			
Robust business rules support			
ETL functionality			
Out-of-the-box connectors			

**Easy Design Of Applications** – Ability to simply and easily design collaborative process-centric applications that coordinate teams and systems. Solution offers drag and drop capability for building process and system integration. Enables non-coders to create their own applications that include team processes, system connections, custom interfaces, security and reporting. Prototypes can be deployed in hours and the user interface construction can be reused and rapidly iterated on.

**Integrated Environment Between Design And Deployment** – Enables defined human workflows, user interfaces, business rules or system orchestrations to be designed build and deployed from the same, integrated platform. If environments are not integrated, it means that the design tool must produce an output that is handed off to another resource (and in some cases an entire team) to build the change into the software and then move it to production across one or more software system.

**Web 2.0 Usability, Protocols, And Mashup Functionality** – Delivers modern user interfaces employees are familiar with (and desire) similar to the standard web apps like Gmail, Facebook, or other intuitive user interfaces. This translated into little-to-no end user training. Support for Web 2.0 usability means lightweight, interfaces that



combine widgets (REST and SOAP) and data with Mashup technologies.

**Team and System Processes** – Enables the coordination of human-centric and system-centric processes. The Team-centric BPM systems specialize in human-based team processes and the System-centric focus on system-to-system, high transaction connections. Lean BPM supports both team and system processes—where you coordinate activities across people and the systems they use. However, it is not typically focused on high end system/data transactions.

**Built-In Security and Session Management** – Session management is critical in keeping your web applications secure for your end users—you want to be sure that a user’s identity is managed securely during the entire session, from login to logout. This means you have control over who has access to use, deploy and work with your applications. Some systems require this to be coded, which may require technical resources. Lean BPM includes granular security and embedded session management in every application you build ensuring safety and security.

**Full Application Reusability** – Processes and applications can be developed from an existing process or application. This reduces cost and time of development because you do not need to start from scratch, enabling one business unit or department to leverage a pre-existing process. Also, they are packaged so that they are easily moved from one place to another. This includes integrated path-to-production deployment and the ability to easily share applications. Integrated path-to-production deployment enables you to take a packaged application and move it from test to production with a few simple clicks. Lean BPM offers pre-built processes that help reduce time of development.

**Out-Of-The-Box Reporting** –Reporting data is automatically captured and presented in a set of out-of-the-box reports delivering full visibility across critical tasks, from status updates to trend reports.

**Full Traceability and Detailed Auditing** – Provides visibility into everything that is managed by a process or application. This gives managers real-time information about the status of critical tasks, and it ensures all necessary audit information is captured and quickly available to auditors.

**Governance of Applications and All Process Components** – Provides versioning and control for all processes and applications developed. There are two layers of governance to consider. First is the governance within the application itself and the second is governance of the applications and all of its components. Governance of the applications and its components means that these elements are managed with version control (so you retain the history of the application as it evolves) and access control (so you can govern who has access to see, edit, deploy and delete you applications). Lean BPM offers simple tools so that non-technical resources can design and deploy, while still ensuring that only approved applications are deployed live, following the security and operational protocols you already have in place.

**On Demand Deployment Options** – Provides the ability to run the process or application “in the cloud” and run it on demand—without requiring a server to run your applications. Additionally, provides are to test prototype processes and applications. This option reduces costs and resources, as it can take a few weeks to get a server deployed in a data center, and eliminates the upfront infrastructure costs.

**User and Group Collaboration Available Offline** – Supports the ability for end users to perform their business process activities offline. In these cases user and group access and collaboration may be available offline in thick-client interfaces.

**Modeling, Simulation and Real-Time Analysis of Business Processes** – Enables the ability to model the process in a design environment (typically one that supports UML or BPMN). Once designed, the process model is evaluated in one of two ways, one is through process model simulation and, the other is through real-time analysis of the process once it’s implemented. In environments where continual process improvement is driven by KPIs and other process artifacts within the process library, process simulation and real-time analysis help determine what changes should be introduced into the process model before re-simulation/re-analyzing.

**Robust Business Rules Support** – Typically associated with highly transactional systems allowing you to define and classify rules, verify the consistency of the rules and their definitions, and map out the relationships between rules. Offers guided decisions based on business rule engine logic should look for a system that supports business rule management

**ETL Functionality** – Extracting, loading and transforming are important pieces of transactional, system-to-system interactions. It is the practice of extracting data from some system, transforming it to fit match your needs or formats, and then loading it into the end application or system. ETL ensures that information is consistent across systems. This consistency may contribute to more efficient retrieval of the data by other systems.

**Out-Of-The-Box Connectors** – System-centric BPM vendors often offer out-of-the-box connectors to common legacy systems.

## The Lean Choice

In the current economic climate, organizations are actively seeking tools and methods to reduce costs and increase productivity. And as analysts note, there are two important points to consider. One, improving productivity through better business processes is a real opportunity—one that is the focus of many CIOs today. The second is that traditional software has reached a cost and complexity that makes meeting those goals a challenge.

Lean BPM has emerged as a pragmatic alternative to traditional BPM systems—an alternative that meets productivity needs without the complexity and costs of traditional approaches. It is a single design-to-deploy solution that is easy enough for business analysts to use. This means no high cost programmers or consultants, and no additional modules. With built in auditing and versioning, it is a quick method to built collaborative process-centric applications.

Already being used by businesses around the world, Serena's Lean BPM solution is a proven solution delivering easy business process development, low cost deployment, and fast return on investment focused to meet today's businesses needs.

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<sup>1</sup>Forrester Research, "Lean BPM" Serena webcast, Jan. 21, 2009

<sup>2</sup>Gartner, Midsize Enterprise CIOs Look to Business Process Improvement to Cut Costs, Gomolski and Browning, 23 January 2009

<sup>3</sup>Forrester, Lean Software Is Agile, Fit-To-Purpose, And Efficient , Rymer, West, and Gilpin, Jan. 18, 2009

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## ABOUT SERENA

Serena is a privately owned company, headquartered in Redwood City, California, with 29 offices in 14 countries and approximately 800 employees. Serena provides software on premise and on demand to over 15,000 customers including 96 of the Fortune 100. Serena enables teams of programmers to become more efficient by standardizing and automating development processes across both mainframe and distributed environments. Serena enables IT business analysts and power users to improve productivity with Lean Business Process Management (BPM) solutions such as Serena Business Mashups. Serena also provides tools that enable IT executives to gain visibility into their projects, resources and costs (in waterfall and agile). For more information on Serena, visit <http://www.serena.com>.

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Learn more about the enterprise-wide power of Serena products by visiting [www.serena.com](http://www.serena.com) or contacting one of our sales representatives in your area.

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