DIGITAL
TRANSFORMATION
with Business Process Management

Foreword by Nathaniel Palmer

Introduction: Digital Transformation with Business Process Management

Layna Fischer, Future Strategies Inc.

BPM is essential to a company's survival in today's hyper-speed business environment. The goal of ***Digital Transformation*** is to help empower enterprises to compete at the highest level in any marketplace.

This book provides compelling award-wining case studies contributed by those who have been through the full BPM experience. The case studies describe the processes involved to generate successful ROIs and competitive advantages.

Digital transformation describes the changes associated with the application of digital technology in all aspects of human society. Digital transformation may be thought of as the third stage of embracing digital technologies: from digital competence to digital usage to digital transformation, with usage and transformative ability informing digital literacy. The transformation stage means that digital usages inherently enable new types of innovation and creativity in a particular domain, rather than simply enhance and support the traditional methods.[1]

These industry thought-leaders together with the leading-edge case studies will help you understand the meaning and impact of Digital Transformation and how you can leverage that transformation; likely using BPM you already have. Learn how to extend that into core processes that run the business and thus engage more meaningfully with your customers. The authors discuss the impact of emerging technologies, the mandate for greater transparency and how the ongoing aftershocks of globalization have collectively impacted predictability within the business enterprise.

Section 1: Digital Transformation

FOREWORD: BPM AS THE PLATFORM FOR DIGITAL TRANSFORMATION

Nathaniel Palmer, WfMC, USA

Today's BPM platforms deliver the ability to manage work while dynamically adapting the steps of a process according to an awareness and understanding of content, data, and business events that unfold. This is the basis of intelligent automation, enabling data-driven processes adapting dynamically to the context of the work, delivering the efficiency of automation while leveraging rules and policies to steer the pathway towards the optimal outcome. For these reasons, BPM is the ideal platform for digital transformation. Not old wine in new bottles, but the critical leverage point for capitalizing on digital disruption.

---

[1] https://en.wikipedia.org/wiki/Digital_transformation

TRANSFORM CUSTOMER EXPERIENCE AND OPERATIONAL EXCELLENCE BY GOING DIGITAL OUTSIDE *AND* INSIDE

Connie Moore, Digital Clarity Group

The amount of information generated each day within businesses and government is enormous. It continues to outstrip the abilities of workers to process incoming requests and information from customers and prospects, and for sales, service, support and finance to fulfill those requests internally.

Connie Moore examines how this unending deluge of structured and unstructured information pushes organizations to ditch their old, outdated ways of working. In place of old ways, they must embrace a plethora of channels to capture the ever-rising amounts and types of data submitted by customers in an effort to become fully digital on the *outside*.

At the same time, enterprises are concerned with internal efficiency and advances in operational excellence in their rapidly changing industries. In response, they are putting their efforts behind new systems that transform digital operations, stream-line internal processes, reduce the information glut, integrate business applications with information stores and go digital *inside*.

IOT WITH IBPM & DCM FOR BATTLEFIELD DIGITAL TRANSFORMATION

Kerry M. Finn, Raytheon Corporation, USA, Dr. Setrag Khoshafian, PegaSystems Inc., USA

Aspects of business process management (BPM) have been around for many years, with a known value statement in terms of business efficiency and cross-functional life-cycle improvements. The essential concept is that when a business can agree on and build a common model for key business processes that span functional organizations, followed by supporting organizational, user process and technology changes, then very significant life-cycle improvements in cost, cycle time and man-power can be achieved beyond the scope of one business function or organization. The evolution of intelligent Business Process Management (iBPM) as workflow au-tomation shifts to its 4th generation provides a powerful tools suite that enables dynamic processes that accommodate agility and change through a common and integrated suite of DevOps-inspired automation and time to market deployment of workflow solutions.

The paper spans the complete spectrum of digital technologies as they are leveraged in Battlefield planning and operations, including mobile, social collaboration, cloud, analytics, IoT, and especially digitized theater value streams through iBPM and Dynamic Case Management (DCM). The authors provide frameworks to accel-erate process responsiveness, visibility, and transparency with continuous optimi-zations. They also address the digital transformation maturity assessment frame-works for battlefield responsiveness to accommodate tactical networks.

BPM FARMING: REAP BENEFITS BY NURTURING YOUR EXISTING PLATFORMS

Kay Winkler, NSI Soluciones, Panama

BPM *everywhere* indeed! The third wave of business process management has come and receded, having left an irreversible imprint on today's technological land-scape and business practices. The Internet of Things (IoT) enables business pro-cesses to extend services closer to our customers than ever before, while even more business applications sport BPM capabilities of some sort or another. Chances are that you have multiple workflow tools and BPMS set up in your organization. Thus,

likely having an immense arsenal of technologies at your disposal to automate business processes, your stakes are high to harness the power of existing technologies, while avoiding the pitfalls of redundancies, information silos and misuse of applications whose main purpose is different to BPM.

The author details the key questions a company needs to address when desiring to keep using its existing BPM while improving current and creating new process solutions. He explains how to achieve business transformation, whereby all pieces of a larger and holistic strategy must fit perfectly.

CREATING DIGITAL THREADS, DRIVING LEAN STARTUP MODELS

Neil Ward-Dutton, MWD Advisors, UK

Digital transformation is a subject on every executive's lips; no matter what industry they're in. Organizations from sectors as diverse as financial services, retail, utilities and logistics see the threats posed by both new digital natives entering their marketplaces, by more traditional competitors stealing a march on them with new digitally-powered services and experiences, and even by out-of-sector players using digital channels to launch competitive products and services. However, digital technologies also hold the promise of giving you ways to protect your company against these threats, at the same time as improving the experiences that your organization can deliver to customers; improving your operational efficiency and agility and driving more innovation into your products and services.

In this paper, the author digs into several aspects of the concept of digital transformation and show the strategic role that IT has to play in delivering those aspects. He then goes on to show the extent to which modern business process application platforms fit the technology platform requirements that spring from serious digital transformation efforts.

IMPROVE, AUTOMATE, DIGITIZE

Frank Kowalkowski, Knowledge Consultants, Inc., USA

Have you ever wondered why organizations spend a lot of money, get involved with large projects for improvement or transformation, get outside help, and yet, *still* don't realize the value they expected? Then, several years later, things seem to get on track or they get worse. Did the management learn anything? Every time a new technology, method or other 'hot thing' comes out, organizations try to take advantage of it before the competition. The author looks at new advances in digitization, process automation and myriad other technologies pushing their way into the business space.

He points out that there are organizations that already have a staff of 1000 or more analysts doing analytics on data. Often this is not automatically captured data but is data that supports decision-making by humans. This is true especially in health care and government. The digital parts are usually not operationally integrated into processes but are linked to business needs that require support by human operators of the processes.

Mr Kowalkowski details orderly ways to proceed with integrating digitization, transformation and BPM efforts. The basic idea is to start with accurate processes at the *beginning* of a transformation rather than jumping into the new technology immediately. At the same time management needs to know if the value proposition they read about is realistic for their organizations.

A METHODOLOGY FOR HUMAN BPM PROCESSES

Keith D Swenson, Fujitsu America, Usa

We often think of digital transformation in terms of machines and data flows. As we make everything digital, what is it that we are transforming? There is little to gain from digitizing things that are already automated.

The real benefit comes from transforming things that are not automated; things that today are human processes. The goal cannot be to simply automate earlier manual processes. Many processes are done by humans today because they cannot be automated by the traditional means. Humans have a natural decision-making ability that far exceeds the capability of pre-defined rules. The important question in front of us is how to make a digital organization that works symbiotically with people. Not replacing, but enhancing, their work.

In this chapter, Mr Swenson offers a method to take a human information worker process and to properly implement a case process that support the worker to get more done, to be more efficient and more accurate.

Section 2: BPM Execution

Award-winning Case Studies

ARAYMOND, BRAZIL

Nominated by Lecom S/A, Brazil

A multinational French company with extensive presence in Brazil, ARaymond Brazil adopted a Business Process Management suite for increasing efficiency and control of its internal processes, ensuring a sustainable growth in the country. Created in 1865, ARaymond has, for several generations, developed manufactured and marketed fastening and assembly solutions.

The Brazilian branch, ARaymond Brazil, started operating 19 years ago and is currently a national reference in the auto parts sector, working with most automakers in the country, besides being an important supplier for all South America. A few years ago the company identified the need to improve its internal processes in order to support operation growth. Based on that, the company started a project to automate some of its processes with a technological suite. An agile BPM methodology was used, enabling delivery with quality in short cycles of process analysis, redesign, prototyping and validation by end users.

DIE MOBILIAR, INSURANCE COMPANY AG, SWITZERLAND

Nominated by ISIS Papyrus Europe AG, Austria

The Swiss insurance company *Die Mobiliar* is the oldest private insurance organization in Switzerland. As a multiline insurer, offering a full range of insurance and pension products and services, *Die Mobiliar* needs to handle a huge quantity of documents, exchanged with approximately 1.7 million customers. Therefore, the "Mobiliar Korrespondenz System" MKS (Mobiliar Correspondence System) for ad hoc generation of well-designed and rich content documents is vital for *Die Mobiliar*.

Each insurance document is designed and delivered in high quality by the document generation processes executed in a huge and manifold working environment. Documents are composed from building blocks following insurance regulations. Moreover, the data filled into a certain document is retrieved on the fly from diverse data sources. These complex business processes are handled in a quick and exact

way by the MKS built on the Papyrus Platform and its ACM (Adaptive Case Management) and BPM (Business Process Management) capabilities. The combination of these two technologies enables flexibility from design time to run time of the document generation process.

FUJIREBIO DIAGNOSTICS, USA

Nominated by Wonderware, India

Fujirebio Diagnostics, Inc. (FDI) is a premier diagnostics company and the industry leader in biomarker assays. We specialize in the clinical development, manufacturing, and commercialization of in-vitro diagnostic products for the management of human disease states with an emphasis in oncology.

FDI personnel identified a major opportunity to save time and paper by automating the acquisition of equipment data and generating electronic reports for review and approval.

With direction from FDI's executive management driving a strategic "Electronic Initiative" as a vision for future systems, a project team was assembled to define and implement a system capable of addressing a complex set of user requirements to streamline our existing paper based GMP record system and manual data logging process with an electronic system.

A comprehensive Project Management Plan was then developed to drive the ensuing project to completion by incorporating FDI's System Development Life Cycle (SDLC) procedures to ensure that all deliverables were generated and the project completed in accordance with company requirements to comply with FDA regulations.

INTA, ARGENTINA

Nominated by PECTRA Technology Inc., USA

In order to optimize institutional management, INTA (National Institute of Agricultural Technology) developed the "Administration Modernization" project which included implementation of a Business Process Management System (BPMS) parallel to modification of internal regulations and structure in order to reduce the complexity of processes, while maintaining legal protection and improving the information system. More than five years after the implementation of the BPMS, INTA's National Directorate for Information Systems, Communication, and Quality reports multiple benefits: greater adoption of BPMS (rising from 1 to 30 implemented processes); 1400% growth in number of users and the incorporation of 15 regional centers, 5 research sites, 50 research stations, 16 institutes, and more than 300 extension units; greater employee satisfaction (99%) due to the reduction of administrative and manual tasks—mostly tracking the status of internal procedures.

The project made it possible to integrate and digitize the information from multiple applications and manual procedures. A BPMS Center of Excellence (CoE) was created and it continues optimizing and automating processes. Reports and control panels for all processes were configured.

Today the BPMS implemented at INTA manages more than 7,500 daily automated process transactions that manage funds of up to $700 billion and involve internal and external organization users, showing improvements in time management, organizational transparency, and ease of access to the information.

MINISTRY OF INTERIOR, COLOMBIA

Nominated by AuraPortal, Spain

The platform meets the needs of legal representatives from over 5000 religious entities, which according to the figures estimated by the Interior's Public Information Bureau, agglomerate over 10 million parishioners.

The Ministry's religious entity process was confusing for the general public. This situation was exploited by unscrupulous people who acted as intermediaries in managing the process and charged very high rates for their services. Furthermore, it was difficult maintaining updated information in the public record which led to circumstances of misinformation and duplication problems.

The Religious Affairs processes were analyzed, developed, tested and put into service on time; and in March 2015 the Ministry was able to offer the free online certificate of recognition of legal status to non-Catholic religious entities.

Both the Ministry and citizens are pleased with the results. Now, thanks to the automation of these processes, requested Legal Entity recognition certificates are issued within a few minutes. The certificates are sent via e-mail free of charge. This constitutes an important alignment with the Ministry's mission of transparency, effectiveness and efficiency, hereby providing the citizens optimal services.

NATIONAL BANK OF KENYA

Nominated by Newgen Software Technologies Ltd, India

National Bank of Kenya is one of the largest banks in the country providing financial services to all the sectors of the economy. The bank needed a platform to include digitization tools and provide statistical data on stock, incoming and shredded documents. Previously, manual and paper-based transaction processing/data entry was done in the branches. Customers had to wait in long queues. There was no tracking and monitoring of files.

National Bank of Kenya was facing several business challenges such as: lack of process standardization because as the processes were not centralized, all the business processes were working in silos. Manual intervention in business processes slowed things down and there was no process visibility and auditability. To centralize and streamline the business processes, the bank successfully implemented a product suite for automation of Business Process and Document Management System.

SANTOS CITY HALL, BRAZIL

Nominated by Lecom S/A, Brazil

Santos is a municipality in São Paulo, the richest state of Brazil. In 2014, the City Hall began a program called "Digital Processes", aiming at improving its internal processes. One year after implementation, the program already presents significant numbers, with countless operational and financial benefits. The initiative of Santos City Hall has been widely spread in Brazil and has become a significant benchmark for Brazilian federal, state and municipal government entities.

With a population of 433,200 inhabitants in 2015, Santos is currently ranked sixth place in Human Development Index (HDI) among the municipalities of Brazil, which evidences its quality of life and economic development higher than the national standard. Its GDP per capita is double that of São Paulo state.

The Digital Processes program was based on the application of an Agile BPM methodology, with short cycles (sprints) of process redesign, prototyping and delivery.

One year from initial implementation, there are already 39 processes in place and 53 under construction. Development in sprints helped to minimize users' resistance and showed great results in a short period of time. It gave power to the program team and motivated Santos City Hall to move forward with its implementation.

SEGUROS UNIVERSAL, DOMINICAN REPUBLIC

Nominated by Bizagi, UK

Founded in 1964, Seguros Universal ("Universal") is an insurance company based in the Dominican Republic. Part of Grupo Universal, the organization offers a wide range of products from personal cover for fire, health and accident, through to company pension and liability plans. Universal also supports the insurance needs of retail companies and banks.

In 2013-14, Universal embarked on a BPM initiative to automate its Vehicle Insurance Claims process. Utilized by three subsidiaries (Seguros Universal, Propartes y Asistencia Universal) of the Group and nearly 500 end users, this is considered the most complex of all processes within the organization. Today, "BPM Auto" underpins the end-to-end process, complete with comprehensive and robust case management and analytics.

A key aim of the BPM system was to reduce the amount of parts returned in the claims process: which it has achieved by 30%. Additionally, BPM has given every participant in the process access to timely and accurate information related to claims, delivering a faster, more productive and error-free process that continues Universal´s reputation for service excellence. The BPM initiative is the first of its kind in the Dominican Republic, testifying to Universal´s commitment not only to innovation, but giving the 50-year old company a significant competitive edge.

PURCHASE THIS BOOK AT
http://BPM-BOOKS.COM

Win an Award for *your* BPM project

The annual WfMC **Awards for Global Excellence in BPM** are the ideal way to be recognized by the industry worldwide, to publicly acknowledge and recognize the efforts of your team and to inject passion into your BPM projects. The prestigious annual Awards are highly coveted by organizations that seek recognition for their achievements.

Get recognized for your vision and your team's superb efforts by entering the Global Excellence Awards

Co-sponsored by WfMC and BPM.com, and coordinated by Future Strategies Inc., these prestigious awards recognize user organizations worldwide that have demonstrably excelled in implementing innovative Business Process Management solutions. We work with leading industry analysts such as Forrester and Gartner who use these case studies to analyze BPM technology users and suppliers, illustrate trends, industry growth, ROI and more.

General information and guidelines for submissions, see **http://bpm-awards.org**