

Automating for Efficiency

Business Process Automation: A Clear IT Priority

Recent research among CIOs and IT leaders reveals that, with communications as the foundation of automation, enterprises are striving to drive latency and human error out of business processes.

In these competitive times, a keen focus on efficiency is the mantra. And many believe that business process automation (BPA) is the means to that end—despite the cost and complexity issues that have hampered traditional versions of the technology for years.

But with the economy still uneven and customer confidence in enterprise still low, is business process automation even on IT's radar?

Apparently so, according to a recent survey by IDG Research Services, in conjunction with *CIO* magazine, which found that BPA is an IT priority right now. "Even in this challenging economy—as enterprises reel against budget constraints and priority shifts—IT and business leaders see the operational cost savings and inherent value of process automation," says Joseph Staples, senior vice president of worldwide marketing at Indianapolis-based Interactive Intelligence, a provider of business communications software and services.

In fact, the results of this online survey tell a tale of big payback, especially when it comes to integrating communications within process automation. The findings conclude that:

- **The value of BPA lies in minimizing latency and human error.**
- **The primary barriers to BPA are the costs and complexity associated with legacy offerings, which are resolvable issues.**
- **A communications-based approach to BPA is a key to maximizing ROI.**

With that ever-elusive goal of ROI on everyone's agenda these days, process automation is poised for a growth spurt, with communications technology playing a leading role.

PROCESS AUTOMATION TOPS THE IT TEAM'S TO-DO LIST

From horizontal processes such as employee onboarding and helpdesk support tickets to vertical-specific processes such as insurance claim processing and loan applications, business processes are core to running any successful enterprise. Still, many of those critical processes are manual, siloed and at best merely supplemented with rudimentary communications mechanisms like email. It's an approach that has largely proven slow and error-prone, leaving enterprises wanting more.

Change is brewing. IDG Research Services surveyed more than 100 senior IT and business executives in companies of 2,500-plus employees across a range of industries. The results reveal that automation of business processes is critical in enterprises today, with 87 percent of respondents saying that process automation is an IT priority.

"Business process automation helps keep your organization honed to improve," says IDG survey respondent Dwight Fischer, assistant vice president of information technology services at Canada's Dalhousie University. "When you automate one process and then another, it becomes part of your culture."

Still, many enterprises have their concerns about automation, which has over the years garnered a reputation for high costs and complicated implementations. Rightly so, as the technology has historically required extensive technical acumen—and often a costly team of external consultants—to analyze, design, develop, customize, integrate and deploy applications.



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That history puts enterprises at odds with the level of automation they've achieved. Less than a quarter of IDG respondents say they have automated all processes under centralized governance, while many say that most of their processes are still manual.

That said, newer approaches to BPA would remove much of the complexity and implementation costs, and the rewards of automation appear to be numerous, spurring many enterprises to push past those once seemingly impenetrable barriers. Eighty-eight percent of CIOs and IT leaders say that the greatest ROI

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says Blair Christensen, director of IT, TranSystems.

from BPA comes from minimizing latency and human error. In business terms, that

translates into real business benefits, such as cultivating more leads, handling claims faster, processing financial loans more accurately and servicing customers more effectively—all the activities that spell success in these competitive times.

“Competition is fierce and businesses must maintain strategic advantages to survive,” says survey respondent Blair Christensen, director of information technology at TranSystems, a transportation provider in Great Falls, Mont. “This requires continuous improvement and increased efficiency through process automation

and streamlining.” Enterprises that don't automate can quickly lose their competitive advantage, he adds.

COMMUNICATIONS-BASED PROCESS AUTOMATION RAISES THE BAR

Perhaps most intriguing, the IDG research results clearly demonstrate that leveraging communication technology as the basis for process automation can enable enterprises to maximize BPA value. The majority of respondents (87 percent) acknowledge the inherent connection between unified communications and BPA. What's more, 50 percent see where communication technology could be used to automate business processes.

“So many business processes are people-oriented. They inevitably start and end with a communications event as people review, comment, approve and reject transactions throughout each step of the process,” says Staples. “So it's logical to approach those processes from a communications standpoint.”

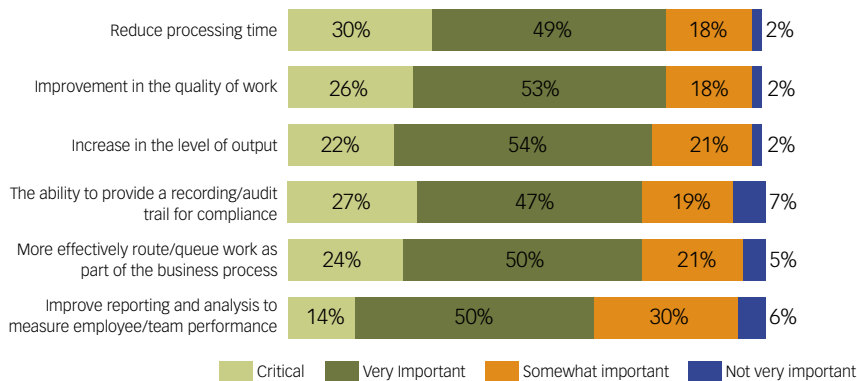
For some, the industry term communications-enabled business process (CEBP) comes to mind. However, the potential of using communication technology as the foundation for process automation extends beyond the limited definition of CEBP, which typically refers to incorporating communications capabilities, such as email notification, into processes. “CEBP does not address the respondents' core concerns,” Staples says. “It does not take on the primary role of automating the process; it simply adds communication and notification functional-

ity to existing processes.” It's the actual automation of key business processes, he says, that drives out latency and errors in realizing the strongest ROI.

And that's where communications-based process automation (CBPA) comes into play. Unlike CEBP, it utilizes proven communication technology to prioritize, route, escalate and track each step of the process flow.

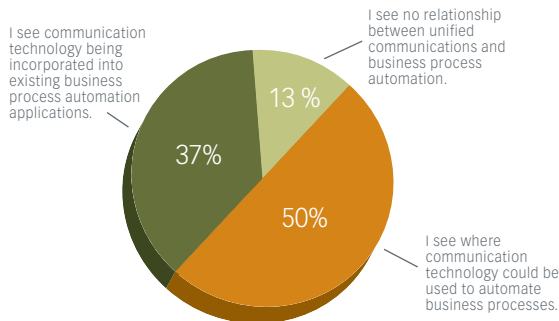
“Unified communications technology has perfected methods to

The Benefits of Automating Company Business Processes



Source: IDG Research Services, April 2009

The Connection Between BPA and UC



SOURCE: IDG Research Services, April 2009

collaborate,” says Staples. “With CBPA all the know-how used for communication events can be applied to process workflow,” he adds. For example, contact-center-style queuing and routing distributes work in multistep workflow processes. “Process presence” indicates availability for a work assignment to speed processing time. Recording ensures compliance for business processes. Real-time monitoring offers visibility into the work process for supervisory, audit and reporting functions. And VoIP allows employees to participate in those businesses processes from anywhere.

Interestingly, most IT executives are ready to board the CBPA bandwagon, agreeing that it can reduce latency and human error. What’s more, 76 percent indicate that these benefits provide a greater ROI than improved communications efficiencies.

That’s because CBPA brings unified communications and process automation together for maximum efficiency. Christensen explains that where the business processes represent the heart and the lungs, directing the workflows to the necessary parts of the business, the communications infrastructure represents the veins and arteries.

CBPA IN THE REAL WORLD

Here’s how a communications-based process might play out in the real world.

Consider a typical insurance claim, first reported into the company’s contact center. With CBPA, the system automatically routes the claim to the appropriate

Process Automation by Way of Communications

Good people are behind every good business process. Of course, those people interact, analyze results and make decisions. So taking a communications approach to BPA is the best path to success.

Interaction Process Automation™ (IPA), from Interactive Intelligence, makes that an easy path to follow. It’s the first all-in-one process automation solution borne of the communications industry. The solution provides an automated means of moving work and associated communication interactions throughout an enterprise using proven technologies such as queuing, routing, monitoring, presence and reporting. IPA is a straightforward approach to an otherwise complex, expensive endeavor, enabling the automation of core business processes without heavy customization or teams of consultants.

“Over time, we see communications and process automation systems being one and the same,” says Staples. And IPA is the foundation—a complete convergence of the two—on which to do exactly that.

claims adjustor based on that adjustor’s availability and skills—for example, language, experience, certification, and so on. This automated routing continues throughout each step of the process.

On the other hand, with a manual process, a physical file may sit on a desk untouched for days if an employee is out of the office. Its claim may be delayed even longer if the employee needs to hand off the file to someone better qualified to handle the claim—tacking days onto the processing time.

Contrastingly, once the transaction is under way in a CBPA world, all necessary processes and people are notified, and the work is routed and queued in an automated fashion. A supervisor—who has visibility into queues and workgroups—may spot a glitch in the payment transaction and proactively maneuver the claim. A preset escalation rule might then be activated to automatically reroute the claim around a bottleneck in an overburdened processing center. Additionally, all such

Unified Communications: Making Inroads But Still Challenged for ROI

With all its advancement, one thing remains clear, says Staples: “Unified communications, in many respects, lacks a good, measurable ROI, except when analyzed in the context of process automation.” That rings true in the IDG Research results, which reveal that—aside from the typical barriers of a tough economy—being able to prove a strong ROI is a top challenge in adopting unified communications.

It can prove difficult for many CIOs and CFOs to quantify the soft-dollar rewards that accompany productivity gains and improved communications. Conversely, they can really get their arms around the ROI for reduced processing time or for increased revenue—which is what CBPA brings to unified communications. Indeed, 63 percent of respondents agree strongly or somewhat that “the automation of business processes can deliver the hard ROI sought after by unified communications solutions.”

To see those quantifiable savings, CFOs calculate the impact of, for example, reducing the time required to process an insurance claim from three weeks to one week. Or reducing the time it takes for a sales lead to be processed and distributed to a salesperson from 28 business hours to two business hours.

With hard numbers like those, a strong ROI is more easily visible and relatable.

activity is recorded and tracked so that when it’s time for periodic audits, the insurance company is covered.

In the end, a process that would have taken several weeks, is accomplished in a matter of days while tapping all the right resources for the best outcome. And it’s possible because of the underlying technology and its communications backbone.

CBPA IN ARM’S REACH

With such advantages ripe for the taking, CBPA is more attainable than one might think. “The world that we live in today is clearly one of highly scrutinized IT budgets. CIOs and IT directors are spending money only on those items that have real value for the organization. Fortunately, the cost savings from process automation is very demonstrable, and the other obstacles to automation cited by respondents—including cost of implementation and complexity—are resolvable items,” Staples observes, because these concerns stem from overly complex process automation systems of the past that IT professionals have experience in handling.

Today, overcoming such issues is a matter of finding the right fit, for which respondents are on the right track. Eighty-four percent say they are looking for a strong ROI. But what’s more telling, reliability and ease of integration are recognized as the most important influencers. Indeed, CIOs and IT leaders need solutions with less complexity that require little reliance on specialized skill sets and external resources—making for simple and affordable process automation.

Finding that perfect fit means zeroing in on a vendor with a proven implementation track record. The research by IDG found that vendor attributes such as easy integration, affordable implementation, demonstrable ROI and timely deployments are considered critical or very important. Platform and company reputation are also rated highly.

But buyers must beware. Today, there are few vendors approaching process automation from a unified communications perspective. And that perspective is important for enterprises looking to get the most from automation.

“If you’ve got people-oriented business processes, it makes sense to look at a vendor with a communications background and the technology to bring that element into BPA,” Staples concludes. Only then can the potential of process automation and unified communications be realized to the fullest.

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