PRESS RELEASE
New Industry Research Finds That Gaps Remain in Business Process Management Maturity

- The "State of Business Process Management 2008" report concludes that most enterprises are at CMMI Level 2 in terms of adoption
- Majority of respondents believe that their current business processes are only "occasionally" or "never" supported by existing applications
- Interest in Business Process Management Suites grows dramatically year-over-year

DARMSTADT, Germany [May 7, 2008] According to a recent survey of nearly three hundred executives, major gaps in maturity remain despite growing interest in business process management (BPM) as an enterprise discipline. In terms of the Capability Maturity Model Integration (CMMI) scale, most enterprises in the research are described as Level 2 organizations that have begun to formally document their processes. However, these organizations have yet to fully implement an enterprise process architecture, systematically measure performance, or continually improve process efficiency and effectiveness at the enterprise-level, which is behavior associated with Level 3, 4 and 5 organizations respectively.

The survey, "The State of Business Process Management 2008", was conducted, analyzed and produced by BPTrends, the leading source of business intelligence for business process change with 20,000 members worldwide. Software AG, a global leader in business infrastructure software, was the exclusive sponsor of the research.

"The BPM market continued to develop and expand in 2007 as most enterprises now recognize its strategic potential. More growth is expected in the current year," said Paul Harmon, Executive Editor and co-founder of BPTrends, and co-author of the study. "The growing interest in business process management suites as a richer alternative to simply modeling processes was also noteworthy. Our research indicates that these organizations are typically more sophisticated in their overall approach to process management."

Within the survey, half of the respondents said that their enterprises were pursuing BPM as a strategic discipline. More specifically, 26% of respondents described BPM as a "major strategic commitment by executive management" while another 24% noted that their organizations had made a "significant commitment to multiple high level process projects."

In comparison with similar research conducted in 2006, the number of respondents identifying BPM as exclusively a set of software technologies declined from 16% to 9%. Rather, most described it more broadly as either "a top-down methodology designed to organize, manage, and measure the organization based on the organization's core processes" (40%) or as "a systematic approach to analyzing, redesigning, improving, and managing a specific process" (29%).

Greater consensus also emerged in 2007 versus 2006 in terms of adoption drivers. Over half of all respondents now identify the "need to save money by reducing costs and/or improving productivity" [56% (2007) v. 33% (2006)] and the "need to improve management coordination or

organizational responsiveness" [51% (2007) v. 23% (2006)] as their top two reasons for pursuing BPM.

Reflecting the relative immaturity of their adoption, the majority of respondents (55%) only "occasionally" documented and maintained their processes in an up-to-date manner. Not surprisingly, this lack of an enterprise process architecture limited many of their subsequent activities. For example, respondents only "occasionally" standardized process models, reused components across subsequent implementations, or defined consistent measurement strategies.

"Users recognize that BPM is an extended journey and remain committed to making this passage. However, we also found that they're also seeking greater guidance in terms of education and training that will allow them to accelerate their efforts," said Celia Wolf, publisher and co-founder of BPTrends, and co-author of the study.

Likewise, a significant majority (61%) of respondents believed that their current business processes were either "occasionally" or "never" supported by their existing applications. This perception may have driven an increased focus on Business Process Management Suites (BPMS) as the number of respondents indicating that they currently plan to acquire this technology grew significantly from 11% in 2006 to 25% in 2007.

"Bringing modeling and execution together in a single platform is critical to delivering on BPM's promise of rapid process redesign and continuous process improvement. This is the unique role that BPMS plays," said Kiran Garimella, vice president for BPM Solutions, Software AG. "BPMS is also important for facilitating effective collaboration across the diverse stakeholders supporting BPM initiatives. All of this positions BPMS as a major driver of BPM's growth and success at the enterprise-level."

The survey attracted 274 qualified responses, which were drawn from BPTrends' global membership base, and was conducted in November and December of 2007. A majority of the respondents described themselves as Process Practitioner/Business Analyst (55%) followed by Business or Line of Business Manager (17%), IT Manager/IT Developer (15%) and Executive (12%). Geographically, they were split between North America (42%), Europe (30%), Asia/Australia (16%), Africa/Middle East (7%) and South America (5%) with responses drawn from more than fifteen industry sectors.

The full, 54-page report, "The State of Business Process Management 2008", is available for download via http://www.bptrends.com/surveys_landing.cfm

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