

CONQUERING COMPLEXITY

IN THE MAELSTROM OF ENTERPRISE COMPLEXITY A NEW CATEGORY OF SOFTWARE THAT PROVIDES A POWERFUL SOLUTION TO COMPLEXITY IS EMERGING.

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CONQUERING COMPLEXITY

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Business in the Face of Complexity

The greatest challenge to every business and individual is the dramatic increase in complexity. In organizations that complexity shows up on computer desktops littered with applications that don't work with each other, a deluge of information sources, rampant growth in policies & procedures, increased regulations and compliance, and an unceasing degree of change. Yet, at the same time, employees are being tasked with being faster, more accurate and more efficient. In this pressure-cooker environment dealing with complexity is not an option but a core competency for every organization.

The greatest challenge to every business and individual in the 21st Century is the dramatic increase in complexity.

Yet, as complexity and risk increase the natural tendency of most people and businesses is to adopt an overly conservative attitude towards all decisions. In short, every decision gets dragged out to the last possible moment and every customer interaction involves greater risk. The irony is that the time we have to capitalize on an opportunity and to satisfy a customer is decreasing. Opportunities in today's marketplace are fleeting and customers are impatient, and both demand unprecedented accuracy.

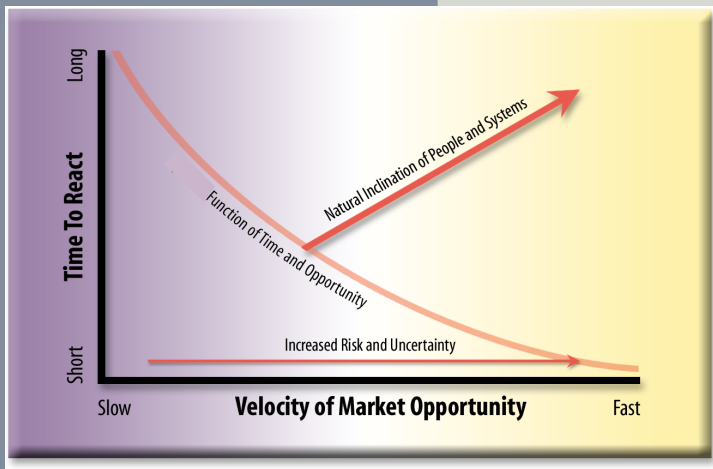
One often quoted study from the Standish Group, a research outfit that tracks corporate IT purchases, has found that 66% of all IT projects either fail outright or take much longer to install than expected because of their complexity. Among very big IT projects -- those costing over \$10m apiece -- 98% fall short.

THE COMPLEXITY FACTOR

That's an amazing statistic given that most organizations have relied on technology to solve the problem, but that's like relying on gasoline to douse a fire. Investing in layer upon layer of technology to reduce complexity results in just the opposite, costing organizations millions.

The problem, according to Mark McDonald, a Senior analyst at Gartner, is that "For many enterprises the

question [of complexity] is just strange, as they do not think about complexity, its impact on customers or costs. They treat the business symptoms of complexity with ad hoc solutions that create benefit but accrue complexity."



As Market Opportunity increases

so does complexity, however the natural response to increasing complexity is to slow down and further evaluate every action. Instead action needs to happen faster and the systems in place have to support this accelerated pace of decision making in order to keep up with the market. The bottom line is that complexity is not decreasing and you need to deal with it and overcome it in order to grow your business and serve your customers.

To address the issue of complexity a new approach is catching on with dozens of organizations that want to leverage and navigate through their existing investment in technology. We believe this approach, called Business Process Guidance (BPG), is a bellwether for organizations that will succeed in the future based on their ability to handle the increasing demands of complexity, change and compliance.

BPG is built around an entirely new solution to complexity that is not simply another layer technology but rather an entirely new way to look at how we approach the problem of complexity by navigating through it faster and more

accurately without disrupting underlying business and technology systems.

Evolution of Business Process Guidance.

BPG had its origins in Learning and Development over a decade ago. At that time the idea was to simply provide a basic on-demand tool for delivering information to users when it was needed. This "moment-of-need" is critical for many employees who are dealing with customers in situations that require the coordination of multiple disconnected information sources. For these employees there really is no such thing as a standard process. Every call they take, every questions they have to answer can take them down a circuitous route that can rarely be predicted.

Trying to address this sort of challenge with traditional approaches that use business process management or knowledge management will never adequately keep up with and support the process - because there really is no process!

Add to this the fact that the many business and technology systems that employees rely on were just not developed or even contemplated to work together and you are left with a monumental problem.

Trying to eliminate all of the complexity in our organizations and in the marketplace may be a wonderful vision but it is not practical.

The answer for many companies has been costly reengineering of processes using sophisticated Business Process Management systems. But these solutions are limited when it comes to dealing with rapid changes in the business environment from regulations, compliance and policies and procedures. What's needed is something far more flexible and dynamic than the relatively narrow and rigid solutions available to date.

This is where Business Process Guidance, or BPG, represents a radically different approach.

BPG provides a simple and powerful way to create coherence from complexity, without requiring a costly re-engineering of technology infrastructure and yet more investment in layers of application chaos. BPG does this with real-time, context aware navigation tools that provide users with immediate access to relevant information and procedures needed to make a decision, support a customer, reduce risk and increase revenue.

You Can't Kill Complexity but You Can Conquer it!

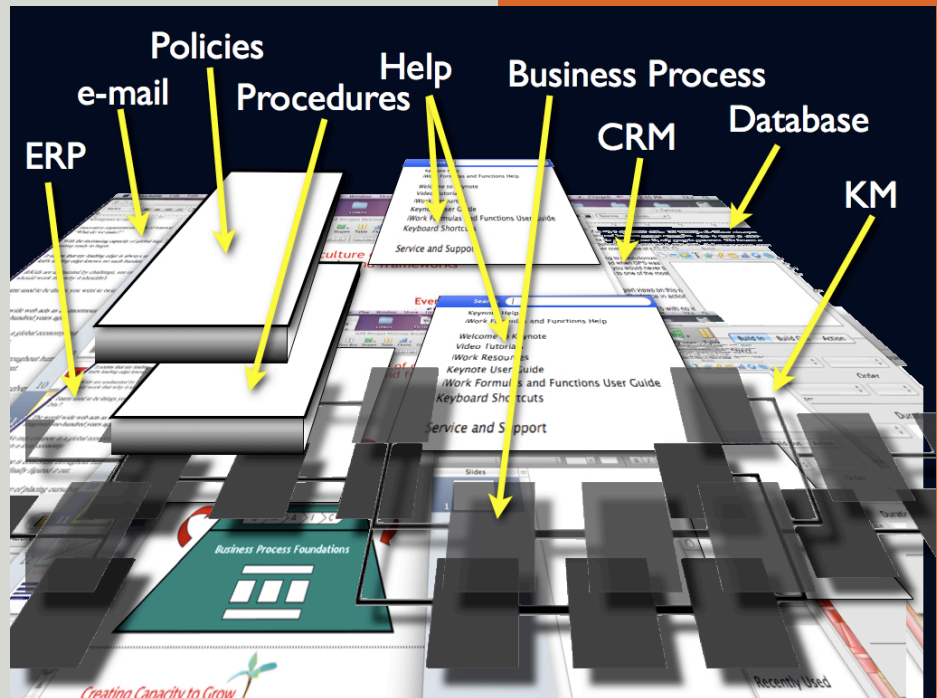
Trying to eliminate all of the complexity in our organizations and in the marketplace may be a wonderful vision but it is not practical. In fact, according to Mary Murcott, author of Driving Peak Sales Performance in Call Centers, one of her clients actually had more than 300 separate desktop and enterprise applications that they could potentially have to work with for a possible support call!

The range of information sources and applications workers have to deal with will not get less complex, instead we need to become better at dealing with this sort of complexity.

The answer lies in leveraging existing technology by creating pathways through it. Not unlike the way we use GPS to navigate complex roadways. A GPS does not change the pathways to a destination it simply identifies the fastest and most efficient path based on our goals.

Now imagine the same principle applied to an organization's processes

and technology. Here's an example; A customer support rep has to deal with an irate customer who has concerns about an issue that involves their account information, third party billing,



warranty, policies and procedures, and regulatory compliance. You can envision the poor CSR with several screens open on their desktop, a policies and procedures manual, and perhaps a connection to an outside partner's application as well. How does the CSR know which path is the fastest and most efficient path to use in order to respond to the customer? Oh, by the way, did I mention that the rep is also tasked with up-selling customers?

It's not difficult to put yourself in the shoes of our hypothetical CSR. In some form we've all been in situations where the information available exceeded the time allotted to make a decision. But for our CSR that time is measured in seconds, perhaps in minutes, but certainly not hours or days.

LAYER IT ON

Multiple layers of applications, processes and sources of information have created complexity that is crushing your employees and customers.

Each of these layers from ERPs and CRMs to BPM and KM, has been touted as the last and final solution to enterprise information management yet each has only increased the time and effort needed to navigation through the maze of disconnected applications and information.

The answer to all of this is not the search for Holy Grail technology that eliminates complexity but rather a way to leverage existing technologies and to deal with complexity. That's the objective of Business Process Guidance.

Using training, FAQs, and help systems only adds to our CSR's problems by prolonging the path to an answer. The proof is in the fact that fewer than 50% of all customer support calls are resolved in one call. But it's not just customer support that suffers. Delphi research shows that the typical knowledge worker spends 15% of his or her time searching for answers to process questions during the course of the day. This isn't research but basic info about how to do their work.

Instead let's say that we left all of the underlying applications and information sources as they are but built a real-time map to allow the CSR to navigate through them based on certain rules about the situation they are in. Again, think of a supercharged GPS which takes into consideration time of day, road conditions, real time traffic, and



even your style of driving in order to get you to your destination in the fastest and safest way possible.

Our CSR has certain skills, the customer has specific requests, and each piece of information and each application needed to address those requests has prescribed ways it supports finding an answer. So there is always an ideal path to follow, it's just not always obvious. BPG makes that path obvious, quickly and accurately.

How BPG Works

In practice BPG actually walks the CSR, or any user of a process, through the process step by step no matter how complex and detailed it may be. The

complexity is still there and, in fact, it can and will grow, but it will be invisible to anyone who uses BPG to navigate through it.

What makes the BPG approach unique is the combination of a non-invasive technology and a service methodology that can be applied to any combination of applications and information sources to define the way in which they interact together. This comprehensive navigation guide can also change in real-time as required by the actual experiences of users. This prevents the roll-back that frequently occurs with other business process solutions which map out the way a process should work but are unable to continuously guide someone through incremental changes in the process that occur in real-time.

Given the fact that BPG does not interfere with the current technology or information systems in place the payback is impressive, in most cases measured in months. In addition there are substantial benefits for employees and customers as measured in terms of decreased frustration and increased satisfaction.

Looking Forward

BPG is a foundation for change rather than just another layer of complexity on top of it. In the same way that the foundations of a building remain intact and immutable while the structure may be remodeled many times, the foundations laid for information systems must support an ever malleable business structure, which can take the shape most appropriate to its environment at the moment. - tk

BPG CONQUERS COMPLEXITY



While simple to describe, BPG has been daunting in practice. In large part that's due to the proprietary and monolithic nature of most software. Each generation of software solutions has created yet one more layer of complexity to deal with. And even the layers that promise to create unified applications, such as ERPs, end up creating enormous costs and reengineering. Trillions spent on technology have only fueled complexity.

As if that was not enough, the advent of Cloud Computing is making this Tower of Babel even harder to traverse.

The poor user of these systems is sandwiched between demanding customers and a maze of information and applications. It's a recipe for failure and frustration.

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