

# The Case for Humans

## Where BPM Falls Short

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At its core, business process management (BPM) is a basic sequence of activities characterized as having measurable inputs, added value and measurable outputs. The activities, which can cross organizational boundaries, are repeatable, definable and predictable.

Because of its ability to deliver on cost reduction, increased productivity, higher customer service levels and a respectable return on investment, more and more organizations are recognizing the value that BPM provides.

For a class of applications, however, business processes must be flexible enough to incorporate uncertainty and human judgment into the process the first time around. It's this point—agility—that is uncovering the limitations of traditional BPM.

### The Limits of BPM

*Dynamic* is hardly the word used to describe most process applications, primarily because the very heart of BPM lies in repeatable, definable, predictable tasks. Yet industry analyst Forrester says that organizations are seeking “dynamic applications” in order to gain the most benefit from process applications.<sup>1</sup> Dynamic is more than a catchphrase here: It's an absolute necessity for accommodating uncertainty and human judgment, combined with the ability to adapt to change quickly.

Why are dynamic applications so critical these days? Increasing pressure to drive down operating costs, rising customer demands and price competition are at the top of the list. Changing market conditions require that organizations be more responsive and deliver increased value to customers and clients.

The problem with traditional BPM is that many processes require human intervention when decisions cannot be modeled by a rules engine. *Yet precisely the opposite occurs when humans interrupt a business process:* Costs can rise and responsiveness can drop dramatically—a tried-and-true recipe for creating unhappy customers and investors.

Human intervention has a way of morphing a straightforward task into a complex web of changing business rules, shifting

external factors and potential business risks to handle situations that simply don't fit into defined, repeatable processes. Most BPM products cannot elegantly synchronize complex situations. Yet many organizations use interactive processes that demand tight integration with decisions from knowledge workers combined with ad hoc collaboration and decision-making.

For example, in the financial, insurance, pharmaceutical and healthcare industries, where governmental regulations can drive daily business decisions, compliance issues can create exceptions that must be addressed on a case-by-case basis. It's imperative that an organization be agile enough to deal with these exceptions appropriately and in a regulated way.

Take the simple scenario of opening a savings or checking account at a bank. A woman comes in to open a new account, so the account representative begins the process on the computer. Several standard process steps occur: input name, address, phone number, etc. Then, the woman, who is from another country, tells the account representative that she does not have a social security number.

The process comes to a screeching halt. An exception is required to open the account without a social security number. The account representative must now take a detour from the standard account-opening process and determine whether authorizations are required to open the account, who must provide those authorizations, what information can be accepted instead of a social security number—and the list goes on. If one step is missed, the financial institution can invoke the ire of the government and potentially incur fines or other penalties. In addition, even after the account is opened, compliance and governance demands can persist long after the processes are complete.

Software coding just isn't enough to handle all the possible combinations of activities that might occur with this seemingly simple account opening. Experience and judgment are absolutely essential for managing the situation and making procedural decisions. Knowing when to be suspicious of fraud, when to involve specific knowledge workers



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or when to use compassion in a process is a human thought process that mechanics just can't match. For cases like these, a new process approach is not only desirable but necessary.

### Case Processing

That new approach is case processing, also known as *case management*. This is a pattern of work in which processes can be sequential, nonsequential, manual and/or automated as well as standard and ad hoc in nature. You can't get much more dynamic than that.

Gartner says that case management “...departs from the traditional view of structured and sequential predefined processes. Instead, workflows are nondeterministic, meaning they have one or more points where different continuations are possible. They are driven more by human decision-making and content status than other factors.”<sup>2</sup>

Case processing differs from BPM in several key ways:

- ◆ The case offers a central point of control and containerizes multiple documents, data, tasks and discussions related to the matter at hand;
- ◆ It provides deep flexibility for “on-the-go” process changes by taking into account all potential outcomes of a given step within the case; and
- ◆ It allows nondeterministic workflows in which activities can be performed in different ways depending upon the details of each case instance.

In any given case, there are one or more points where different continuations are possible, and the workflow depends on the details of each case. Case processing, then,

depends most on human decisions concerning specific facts of the case.

Perhaps the most unusual aspect of case processing is that it is simultaneously knowledge-worker and data-intensive. Groups of people—both internal and external—can collaborate on a case to complete the process, even when the case is ad hoc in nature and still changing during a process. This collaboration is achieved through a user-defined configuration approach instead of a developer-oriented coding approach to the process: Users can manipulate the process as needed to optimize their access to information, make decisions, and create resolution.

What's needed is a convergence of technologies designed to support the knowledge worker, allowing people to process information with an accelerated approach and to easily collaborate in nondeterministic workflows.

As shown in the illustration, a *case folder* is a virtual document folder that contains all the processes, people and information relevant to the case. This case folder provides a workspace that allows the workers to exchange information involved in the research, assessment, evaluation and resolution of the case. Events can be triggered by the individuals working on the case or by the case processes dependent on the situation. Reports, policies related to the case (such as compliance requirements), history of the case (including audit trails, change controls and version controls) and any other data necessary to resolve the case are included in the case folder.

Because case management is such a highly dynamic process—although structured

at the same time—it becomes BPM at its most effective: repeatable *and* agile. Risks created by ad hoc handling of issues, such as those presented by compliance or governance demands, untimely follow-through or client expectations, are substantially reduced. Even though each case follows its own processes, the team still tracks and reconciles it to ensure conformity where required.

The *repeatability* in flexible situations offers the blueprint for success in case management. If your organization hasn't taken a case management approach yet, it's time to look into it. It can:

- ◆ lower costs;
- ◆ require fewer resources;
- ◆ reduce risks associated with compliance/governance issues; and
- ◆ increase productivity.

In today's economy, all these elements require thoughtful consideration.

### A Case In Point

*Here's an example of why BPM is just not enough in some situations. EMC recently worked with a large insurance company to review a billing process that was getting bogged down in standard process management procedures. As you read the process, you'll see why case management is the only solution to the problem:*

A bill is received and routed to a reviewer, who either accepts or rejects it. If it is accepted, a case is created and sent to a claim handler. So far, this is standard BPM. But here's where BPM breaks down.

The claim handler then uses human judgment to decide whom the case needs to

go to next: to a legal reviewer, to a nurse reviewer or to special investigations. *There is no automated way to make this decision.* A human must make a decision. In addition, when any of those people are finished looking at the case, he or she can reroute it—either to a queue (for example, “any legal reviewer needs to look at this”) or to a particular person (“Bob in legal needs to look at this, because he is an expert in injury law”). At any time, the case can be returned to someone who has already looked at it.

The number of individuals who need to look at any case—and the particular people who need to look at any case—is completely unknowable in advance. In every case, it involves a human being using experience, knowledge and judgment to decide where the case needs to go. The process continues until the claim handler—using experience and judgment—decides it is complete.

There is, in fact, no practical way to model this process using traditional BPM tools. Instead, this case demands a case-processing tool capable of handling ad hoc routing and robust case modeling.

Other industries, too, benefit in similar ways from case processing. When applied directly to transactional applications, the possibilities for use are extensive—think employee on-boarding, issue tracking, policy management, tax processing. In fact, any industry is ripe for cutting costs and reaping improvements through case management.

Case management is critical to expanding the use of BPM into more strategic and knowledge-driven processes. Although BPM is certainly a must-have, it's inevitable that higher-order processes will require human judgment, collaboration and document management that BPM cannot provide independently. ■

Driven by market demand to build case-based solutions better, faster and at a lower cost, EMC created the Documentum xCelerated Composition Platform (xCP). Configuration-based with the user in mind, it uniquely combines processes, people, information, customer communications and compliance into a single comprehensive yet highly integrated application composition platform. Documentum xCP further differentiates itself by providing an application composition platform which enables customers and partners to build case management applications with minimal project risk. Application xCelerators provide case-processing best practices in the form of reference applications, process templates, pre-built components and design guides.

With Documentum xCP, you can reliably automate your most important processes and thereby reduce operational costs, delight your customers, and cut organizational risk.

1 Forrester Report 41037, Sept. 24, 2007.

2 Mark Kerremans, Case Management Is a Challenging BPMS Use Case, Dec. 8 2008



It's all about the case: A virtual case folder contains everything knowledge workers need to make decisions and complete the case.