



IDC MARKETSCOPE

IDC MarketScape: Worldwide Business Process Platforms 2014 Vendor Assessment

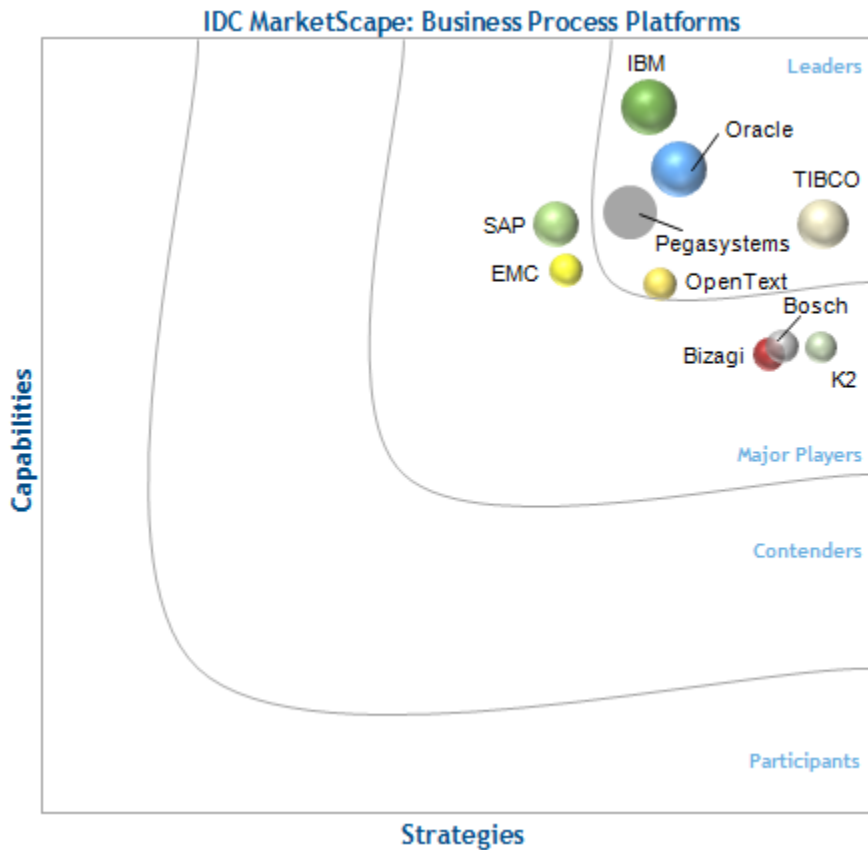
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THIS IDC MARKETSCOPE EXCERPT FEATURES: OPENTEXT

IDC MARKETSCOPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Business Process Platforms Vendor Assessment



Note: Pegasystems is an important vendor in business process platforms and was invited to participate in our assessment, although we were unable to do a full product evaluation of the company's current release. For that reason, we marked Pegasystems' position on the IDC MarketScape graphic in flat gray.

Source: IDC, 2014

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Business Process Platforms 2014 Vendor Assessment (Doc # 247683). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

This IDC MarketScape focuses on 10 choices for business process (BP) platforms, which are product suites or portfolios that support the design and runtime environments for comprehensive business process automation. BP platforms support the most sophisticated requirements of enterprises focused on a variety of initiatives that range from operational excellence to strategic growth through the delivery of innovative digital services. Key findings of this study include:

- Of 22 business process management (BPM) products that were fully assessed in the current BPM evaluation cycle, 9 are included in this study. Those vendors are Bizagi, Bosch Software Innovations, EMC, IBM, K2, OpenText, Oracle, SAP, and TIBCO. Pegasystems was invited to participate, but we were unable to do a full product evaluation, and because of this, its position was marked in the graphic as a flat gray circle.
- Following extensive demos that, on average, took six hours each and discussions with reference customers and BPM systems integrators, the 9 vendors fully assessed clustered fairly closely, and differences were associated with architectural elements and richer runtime features or development capabilities. The five IDC MarketScape Leaders are IBM, Oracle, TIBCO, OpenText, and Pegasystems.
- We also created another group of leaders we call disruptive innovators. These vendors have products and product strategies that demonstrate innovation leadership by pushing the envelope of process automation in ways that broaden adoption and change the types of projects enterprises are able to do. The disruptive innovators, identifiable by their right-most position in Figure 1, are TIBCO, K2, Bosch Software Innovations, and Bizagi.
- This study serves as a guide to short-listing the selection of BPM software used for midlevel to highly sophisticated projects. Participants in this IDC MarketScape consist of familiar strategic vendors and disrupters. We recommend that, as you go through your decision process, you evaluate a few of your strategic vendors appearing here along with a couple of the disruptive innovators. In-depth profiles published as companions to this study will help you determine which BP platform vendors to invite to compete for your business.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

In our briefings with vendors, we commonly hear the comment that if competitor X is competing for the same deal as competitor Y, one of them is in the wrong deal. The early effort for each competitor is trying to figure out as quickly as possible which one is in the wrong deal. When an enterprise doesn't

quickly understand the difference, it invests too much in the evaluation and runs the risk of making a mistake that will cost far more in development and user dissatisfaction.

BPM Software Segments

In this BPM software evaluation cycle, we've focused extensively on sorting out and aligning the many providers of BPM software into logical competitive groups. We were assisted by BPM implementation partners and enterprises that have achieved success in BPM across the different competitive segments. As a result, we've organized BPM software into three main segments:

- Business process platforms
- BPM suites
- Case management

These segments are not discrete because vendors can serve more than one. This often depends on the related portfolio that is configured with the solution or the emphasis on certain features over others as they support customer requirements.

Business Process Platforms

BP platforms are sophisticated products and portfolios of offerings that provide enterprises with capabilities to support strategic process improvement initiatives. Process automation involves human task and system-to-system automation as well as management of cases. It increasingly involves automated opportunity and problem detection and coordination across larger end-to-end processes spanning multiple applications inside a single enterprise datacenter, across datacenters, in the cloud, and with business partners. These platforms also support cross-border processes (multiple languages and time zones) and complex integration scenarios that may involve legacy custom or packaged applications, a variety of data sources, and/or Web services.

BPM Suites

Capabilities are optimized for human-centric workflow, ad hoc requirements, and worker adaptability. These are primarily used to improve worker productivity and operational efficiency, supporting individual worker and collaboration-based processes. The focus is on business-developer partnership in development and an effort to minimize the need to use developers to make minor changes and tweaks to the process in runtime. BPM suites are optimized for rapid development, and many elements are straightforward enough for business analysts to play a meaningful role as a member of the development team. BPM suites are able to support departmental, matrixed, and team projects as well as process automation for small and midsize businesses.

Enterprises that adopt a BPM suite are able to use the product broadly and repeatedly across the organization, particularly for bottom-up improvements in efficiency and productivity. Because there are so many of these types of projects across organizations, enterprises that invest and learn how to improve productivity at the smallest team unit through horizontal processes will improve overall profitability – one project at a time.

Case Management

Case management is an event-driven and decision-centric style of automation that tends to execute in milestones and stages. As part of the design of a case application, developers create a set of activities and rules that establish criteria about when an activity is fired. Depending on privileges and design, users may be able to create their own tasks or activities and associate those with the case. In all cases, the order of the activity is not controlled by a workflow but by the context, although activities within stages may execute structured workflow. The "management" portion of the term keeps track of the state of activities. In a technical sense, the "case" portion of the term essentially refers to the architecture and container that houses, or is composed of, all of the elements of the case.

A wide variety of projects involve case management, including highly structured decision automation as well as highly unstructured, or ad hoc, management of decisions. In addition, applications built from case management can be long running or of short duration. For example, the duration can encompass the lifetime of a customer or a decision that is the result of a fraud investigation. Case management is also referred to as dynamic case management and adaptive case management.

IDC MarketScape on Business Process Platforms

This IDC MarketScape covers BP platforms. Subsequent studies will cover BPM suites and case management. There were four important elements that qualified BPM offerings for inclusion as a BP platform:

- The BP platform covers products that are used in projects rated as highly to moderately sophisticated. This was determined by a scoring model associated with complexity, based on our reference calls with customers and partners.
- The products, whether offered standalone or as a portfolio with supplemental products from the same vendor, demonstrated the ability to support a development team across the life cycle. This includes the ability to assign and manage independent teams of developers, who work individually or as a team on diverse elements of the project, including workflow, data modeling, integration, user interface (UI), and decision services. Not all vendors offered case management, but where this was present in the offering, case design and development supported the same team-oriented style of development.
- Vendors in this group exhibit an orientation toward extending model-driven development beyond core workflow automation to enable use of BPM software across a broader set of use cases.
- The offerings are architecturally solid, supporting strategic investments that require reuse and scalability across an enterprise.

Of 22 BPM products that were fully assessed in the current BPM evaluation cycle, 9 are included in this study. Those vendors are Bizagi, Bosch Software Innovations, EMC, IBM, K2, OpenText, Oracle, SAP, and TIBCO.

ESSENTIAL BUYER GUIDANCE

The roots of BPM software are in efforts to improve the productivity of workers inside an organization by standardizing workflow associated with human-centric work. As teams began learning more about

the benefits and challenges of workflow and as projects became more strategic, an evolution toward broader and more comprehensive offerings began that focused on solving the larger issue of operational excellence. Over the past couple of years, BPM entered into another evolution providing an operational foundation for strategic growth and innovation initiatives.

Today, BP platforms are becoming the automation engines for diverse strategic initiatives including:

- Efforts to reengineer and improve customer experiences across all forms of inbound and outbound interactions across all channels and endpoints
- Mobile BPM enablement. Customer experience improvement initiatives often include mobile-enabled self-service. Using mobile for on-the-spot claims in insurance is an example. Mobile BPM enablement also includes extension of process automation to mobile devices for field sales and field service. These are associated with classic BPM productivity and paper reduction initiatives as well as for innovation around digital customer service.
- End-to-end process control across diverse applications
- Use of process automation in conjunction with analytical systems to deliver new styles of digital services. An emerging example is the combination of process automation with event processing and sensors for predictive maintenance, health monitoring, and chronic care support. As the Internet of things [IoT] continues to expand, BP platforms play a foundational role as the response orchestration engine.
- Use by ISVs and business process outsourcing organizations to create standardized but configurable offerings across the dimensions of public and private cloud and managed services
- Improvements in the consistency and quality of complex decision-centric processes that involve knowledge workers, where the platform must support dynamic and ad hoc behaviors to fully support the complexity and variation of patterns of work

Effectively, BPM software is adopted from the top down for major changes that align with strategic initiatives that provide a way for enterprises to differentiate. BPM also continues to play an important role in supporting day-to-day worker productivity, ranging from small teams to cross-enterprise horizontal processes. In this case, BPM software is adopted from the bottom up to improve productivity, automate, deliver more consistency, and drive efficiency improvements. The result is improved overall profitability – one project at a time.

There are many important project improvement projects that involve the need to automate teams and departments, with a focus on rapid development and runtime flexibility. We call this long tail because the number of successful implementations and ongoing projects across the market are significant, but the scope and complexity of each project is within a relatively narrow set of bounds. Enterprises tend to build skills in their BPM suite tooling and use them repeatedly across the organization.

Meanwhile, there are far fewer strategic, or transformational, initiatives underway across the market but the scope tends to be large and the complexity high. The BP platforms used in these projects support the breadth of complexity of the requirements. Similar to BPM suites, the goal within enterprises may be to use BP platforms across many projects or comprehensively across a large initiative, but there is a much more significant effort to deliver architecturally solid components supporting standardization and reuse. In that sense, BP platforms may not deliver value as quickly as

a BPM suite, but the speed to value accelerates over the life of a successful longer-running project as reusability creates momentum.

There may be an innovation initiative within a department or business unit with a limited budget or limited development staff. This may not be linked to a larger BPM initiative. In those cases, the BPM suite may be the logical choice. Likewise, there are many standardization efforts that originate from a business unit or department that are highly complex and require a BP platform.

VENDOR SUMMARY PROFILES

OpenText

OpenText is a Leader in our IDC MarketScape for BP platforms. Because there is so much capability embedded in a single product, OpenText Process Suite is a value leader. Since inception, Process Suite was conceived as a platform capable of supporting all of the elements needed to build an application sturdy enough to be a system of record. It is well architected and has an integrated point of view across components.

OpenText Process Suite was created from the 2013 acquisition of Cordys. Process Suite is a cloud application platform and is available on-premise and in public and private clouds, supporting hybrid runtime environments. Already adopted by ISVs as a PaaS or application platform, we expect OEM and value-added reseller adoption to accelerate under OpenText ownership. We also expect to see combinations of Process Suite and OpenText's content management and customer communications assets offered as solutions by partners and directly by OpenText.

Strengths

Key product strengths include:

- OpenText offers a platform for hybrid process automation, supporting on-premise, public, and private cloud.
- With the addition of social and ad hoc case management capabilities from OpenText combined with the well-engineered platform from Cordys, enterprises are offered a good mix of process worker and knowledge worker capabilities.
- Process Suite is a very technical platform competing against vendors selling to business. OpenText's challenge is to begin building more accessible and appealing business services and solutions that address a business audience. But we also view this as a major opportunity with the integration of OpenText assets.

Challenges

Key product challenges include:

- Customers are frustrated with the status of other OpenText BPM products. OpenText named Process Suite as its strategic platform in 2013, but there are much larger installed bases for MBPM (formerly Metastorm) and Case360. The latter came from the July 2011 acquisition of Global 360. Customers went through a reorganization period during the acquisitions, and

many of the issues were worked through to customer satisfaction. However, when one offering is named as strategic, that means all new innovation will move forward with the strategic product. OpenText's challenge is to shift new projects to the strategic platform for customers that have effectively been told their current offerings are no longer the focus of innovation.

- A more aggressive mobile strategy and mobile capabilities are required.
- We would like to see more event-driven capabilities in the platform to prepare for some larger technology changes that need back-end process automation, such as the IoT, large-scale operational intelligence, and continuous analysis of streaming data.

Guidance Summary

OpenText Process Suite is well suited for midlevel to highly complex process improvement efforts across a variety of deployment patterns, geographies, types of process participants, and on-premise and cloud locations. OpenText is well suited for enterprises that need to:

- Create reusable business services and composite applications
- Use a strategic business platform for transformation and business process reengineering initiatives, particularly where there is a content orientation
- OEM a platform as the basis for value-added solutions, such as enterprise applications or business services
- Use a PaaS for cloud process automation

OpenText should be considered by enterprises as a BP platform candidate for initiatives that range from departmental process improvement to transformation-focused process change. With the large installed base of content-centric customers, OpenText Process Suite is a logical choice for automating processes that involve the use of content for such things as inbound and outbound customer communications as well as initiatives that are built in the cloud.

For more detailed information about OpenText's BP platform capabilities, see *OpenText Profile for IDC MarketScape: Business Process Platforms* (IDC #247815, April 2014).

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

For this IDC MarketScape, vendors that have a strategy of innovation that disrupts the market are found furthest to the right of the x-axis. Innovation includes both the product and product strategy as well as how the vendor goes to market innovatively to generate demand. How far to the right each one ultimately appears depends on their overall strategy.

Large vendors with many customers and a large portfolio tend to have a deeper set of product development concerns associated with integration across a larger product portfolio that is different from that of pure-play vendors. For enterprises about to embark on BPM software selection, the graphic in this study (refer back to Figure 1) will help identify the disruptive innovators that can teach the selection team about newer ways to handle aspects of design and automation that may be important enough to create room for a new vendor. The graphic also helps identify relative positions of vendors with which they may already have relationships because they cluster above the midway point of the y-axis. The vendor profiles provide strengths, challenges, and differentiators to assist in identifying vendors you may want to invite in to evaluate.

IDC MarketScape Methodology

A group of vendors were invited to participate in one or more IDC MarketScapes covering business process automation. This evaluation process involved several steps, including the following:

- Business briefings were conducted with each vendor to learn about each group's growth, sales, marketing, customer service, and product strategies as well as background information about business performance, offering differentiators, and key market trends. The briefings are initiated with a request to deliver the briefing based on a standard set of questions. Briefings were used to score the strategy sections of the IDC MarketScape.
- Reference interviews were conducted with at least two customers from each participating vendor to gauge the customers' experience working with the vendor and the overall complexity of the project. For vendors new to our assessment, we asked for three customer references. Customer reference interviews were built around a standard set of questions. Analysts were trained and encouraged to probe for further details as warranted during the reference interview. Customer reference interviews were used to score different elements of the capabilities section of the IDC MarketScape.
- Reference interviews were conducted with at least two partners to gauge partner experience working with the vendor and the joint customers. Partner references were built around standard questions. Analysts were trained and encouraged to probe for further details as warranted during the reference interview. Partner reference interviews were used to score different elements of the capabilities section of the IDC MarketScape and also helped us organize the vendor alignment into each of the IDC MarketScapes covering business process automation.

A demo was presented by each vendor based on a demo guide we distributed in January 2013. The purpose of the evaluation was to assess the creativity and technical capabilities offered by each

vendor in both basic and advanced scenarios across the spectrum of categories that make up a common business process platform, BPM suite, or case management offering. Vendors were encouraged to show key differentiators if their area of specialization in a particular category is under-represented in the scenario. In the scenario, roughly 200 features across 13 categories were covered during the demo. The demo is used to score the offering capabilities section of the IDC MarketScape.

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of a review board of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capabilities.

Market Definition

BP platforms are products and portfolios of BPM software that provide broad capabilities used by enterprises to support strategic enterprise and sophisticated departmental process improvement initiatives. Process automation involves human task and system-to-system automation as well as management of cases. Automation may also involve monitoring and problem detection across larger end-to-end processes that require coordination across applications deployed inside a single enterprise datacenter, across datacenters, in the cloud, and with business partners.

Strategies and Capabilities Criteria

High weighting of functionality or offering road map in the offering strategy and other business capabilities in the business capabilities section were used to position vendors as disruptive innovators and incumbent strategic vendors to make it easier to use the graphic, this IDC MarketScape study, and the individually published profiles to improve the ease of identifying vendors to invite to compete for your business.

LEARN MORE

Related Research

- *BPM Software Demo Guide* (IDC #247799, April 2014)
- *Bizagi Profile for IDC MarketScape: Business Process Platforms* (IDC #247811, April 2014)
- *Bosch Software Innovations Profile for IDC MarketScape: Business Process Platforms* (IDC #247825, April 2014)
- *EMC Profile for IDC MarketScape: Business Process Platforms* (IDC #247826, April 2014)
- *IBM Profile for IDC MarketScape: Business Process Platforms* (IDC #247807, April 2014)

- *K2 Profile for IDC MarketScape: Business Process Platforms* (IDC #247813, April 2014)
- *OpenText Profile for IDC MarketScape: Business Process Platforms* (IDC #247815, April 2014)
- *Oracle Profile for IDC MarketScape: Business Process Platforms* (IDC #247703, April 2014)
- *SAP Profile for IDC MarketScape: Business Process Platforms* (IDC #247796, April 2014)
- *TIBCO Profile for IDC MarketScape: Business Process Platforms* (IDC #247820, April 2014)

Synopsis

This IDC study employs the IDC MarketScape model to cover BP platforms. There were four important elements that qualified BPM offerings for inclusion as a BP platform:

- The BP platform covers products that are used in projects rated as highly to moderately sophisticated. This was determined by a scoring model associated with complexity, based on our reference calls with customers and partners.
- The products, whether offered standalone or as a portfolio with supplemental products from the same vendor, demonstrated the ability to support a development team across the life cycle. This includes the ability to assign and manage independent teams of developers, who work individually or as a team on diverse elements of the project, including workflow, data modeling, integration, user interface, and decision services. Not all vendors offered case management, but where this was present in the offering, case design and development supported the same team-oriented style of development.
- Vendors in this group exhibit an orientation toward extending model-driven development beyond core workflow automation to enable use of BPM software across a broader set of use cases.
- The offerings are architecturally solid, supporting strategic investments that require reuse and scalability across an enterprise.

"In our briefings with vendors, we commonly hear the comment that if competitor X is competing for the same deal as competitor Y, one of them is in the wrong deal," according to Maureen Fleming, vice president of IDC's BPM and Middleware research programs. "When an enterprise doesn't quickly understand the difference, it invests too much in the evaluation and runs the risk of making a mistake that will cost far more in development and user satisfaction. This IDC MarketScape is designed to help enterprises with vendor selection when their process automation projects are highly to moderately sophisticated."

About IDC

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