What's BPM For?

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LexisNexis, a Global 500 company and leader in information services, took a chance on a leading-edge BPM technology from a start-up company to enter a new market. The results? ROI delivered within four months. In the process, the LexisNexis leadership discovered the next "killer app" platform on which to base future IT projects across the company, according to CIO Allan McLauglin, one of the world's Top 25 Most Influential CIOs and Premier IT Leaders.

The emergence of major IT platform shifts are not always clear at first, to wit, relational database management systems. IBM introduced the first generation of database technology, known as hierarchical, when it installed its IMS (Information Management System) on its mainframe computers in the mid-1960s. As the term implies, in a hierarchical database records are grouped in a logical hierarchy, connected in a branching structure similar to an organizational chart. An application retrieves data by first finding the primary record and then following pointers stored in that record to other connected records. Although still in use by a few thousand mainframe computer installations, hierarchical database systems gave way to relational database (RDBMS) technology for two major reasons:

- Hierarchical database systems are difficult to use. They require application developers to program navigation through the connected records
- They also require developers to predict all possible access patterns in advance and design the database accordingly. A database access pattern that is not included in the design becomes very difficult and inefficient. As a result, whole classes of applications could not be developed on the hierarchical model, including some of the most widely used applications of today, such as Enterprise Resource Planning (ERP).

When technology start-ups like Oracle brought the first relational database management systems to market some asked, "What's relational algebra for?" and "What's a RDBMS for?" Indeed, who could have imagined the myriad applications today that use relational technology as the foundation? Similarly trying to predict what "BPM" is for is a pointless task. Applications of the BPMS will be as varied as applications of the RDBMS. But people are asking, "What's pi-calculus for?" and "What's a BPMS for?"

A look BPM vendors' Web sites provides a sense of how they are marketing the "BPM solution"—"orchestrating systems, people and business partners ... closing the gap between strategy and execution ... enabling visibility into processes ... allowing

business people to change processes ... enabling continuous process improvement, and so on. Are these examples what BPM is for? Sure, but they hardly point to the breadth of processes that can supported on a BPMS or the breadth of motivations that will lead a companies to invest in new IT systems built on top of a BPMS.

What the BPMS is for at Lexis Nexis

For more than 30 years, the legal information services firm, LexisNexis, has been the global leader in comprehensive and authoritative legal, news, business information and related applications tailored to individual client needs. The company has traditionally focused its business efforts on attracting and retaining big law firms and Fortune 500 companies with its vast stores of legal information.

But large law firms account for only a fraction of the law practices in the United States. Nearly 80 percent of the nation's one million lawyers work for small law firms, which had not traditionally used LexisNexis extensively because there was no easy, inexpensive way to tap into LexisNexis' resources. The Internet changed that completely. With ever-increasing numbers of small law firms gaining access to the Internet, it was clear to LexisNexis that they could expand their service market to accommodate the needs of smaller firms. On the down side, LexisNexis managers were quick to discover a catch, for smaller law firms often work on a faster calendar than their larger counterparts.

Where size matters to Big Law, the Small Law arena prizes speed and flexibility. When a lawyer at a small firm wants information, that lawyer wants it now—not two days from now—but LexisNexis' order fulfillment systems and business processes had not been designed to provide that kind of rapid response. For LexisNexis, the goal was clear—get Small Law law firms online fast and cost-effectively to seize a major new revenue opportunity. It wasn't just about getting faster, it was about meeting the dynamic, high volume, low margin, nature of Small Law, and that meant two things: processes that could flex to meet individual needs and a solution that could create new processes at will so that the cost of new business process production could be accommodated within the low-margin environment of Small Law.

CIO Allan McLaughlin and his team put their heads together to determine how best to position LexisNexis' computing infrastructure to accommodate these new demands. A company rooted in home grown and state-of-the-art technologies, LexisNexis looked outside the box to enable its organization to focus on new business opportunities, not just business process point solutions. In doing so LexisNexis discovered a pivotal new software platform, business process management (BPM). If it worked as promoted, BPM held the promise of dramatically accelerating systems development and deployment, and it would provide LexisNexis with a way to create new, rapid response services for the smaller law firms in a fraction of the time it took to develop and deliver traditional systems.

To accelerate its order fulfillment system for the smaller law firms, LexisNexis integrated a BPMS from Intalio into its existing order fulfillment infrastructure. Its Web-based intranet fulfillment tool sends an order in a predefined XML schema over the corporate intranet to the BPMS server running on the Microsoft Windows 2000

operating system. The BPMS "consumes" these orders, evaluates which of six possible decision pathways to take, and then branches toward various BPMS hosted sub-processes. The various processes and sub-processes were defined to include transactions with a database (via a JDBC connector) to update order status and provide reporting. The process sends the order to LexisNexis' existing back office systems, and may generate an e-mail message to one or more parties, depending on the content of the data in the order. All this functionality was defined in a BPML process model, and deployed on the BPMS. The BPMS was pre-integrated with existing systems, via connectors, so that they could play a role in the processes designed by business people, contrast to the normal approach of application integration (EAI).

"Our overall goal is to become more agile and cost-efficient as it pertains to literally translating business processes and practices into executable system functions, especially business processes that cross multiple organizations and systems. With Intalio's BPMS, we've established the BPM-driven solution that is necessary to integrate these various business systems. Up until now, these have been standalone data silos," said McLaughlin.

The use of the BPMS has enabled LexisNexis to dramatically decrease the amount of time it takes to fulfill an order, slashing processing times from 48 hours to two hours. Indeed, Small Law customers can be online accessing LexisNexis content within a few minutes of placing their orders, the key requirement for addressing Small Law marketplace.

LexisNexis's use of Intalio's BPMS also reduced the cost of processing an order and allowed LexisNexis to reassign multiple employees to revenue-generating tasks. The new system enabled LexisNexis to realize its return on investment in four months.

"But those are not the only returns," says Terry Williams, project manager at LexisNexis. "While project ROI has been substantial, the tight alignment that has resulted between our business and IT organizations has been even more significant. On the Small Law project, business and IT analysts worked side-by-side, modeling business process flows. This alignment has paved the way for rapid action on future cost-cutting and revenue-generating opportunities."

A process-oriented foundation for long-term evolution

While the Internet and the Small Law project may have raised awareness of the benefits of integrating and managing its business processes more effectively, it is unlikely to be the last mission-critical business project that reminds LexisNexis executives of the need for BPM. LexisNexis executives are confident about the advantages of BPM, for what started out as a simple BPM project has led LexisNexis to realize that this is how they should be approaching process development and deployment across its enterprise.

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Thirty years ago, LexisNexis introduced the world's first full-text, online research services, heralded as one of the top software inventions of the computer era. On its 30th anniversary this year, the company sees BPM as the next step that will help it stay at the forefront of the industry for the next 30 years and beyond. "With the BPMS," continues McLaughlin, "we've established the BPM-driven solution that is necessary to integrate these various business systems at the business process level. Up until now, these have been standalone data and applicaiton silos. With Intalio's BPMS we now have a way to unify applications and data, and that's the key to the flexibility and adaptability that will further accelerate our responsiveness to changes in the business environment."

What's BPM for? In the case of LexisNexis, it's enabling access to entirely new markets with techniques hard to replicate without using process-oriented technology. The first applications of the RDBMS had similar characteristics—a difficult problem that could not easily, or economically, be addressed with preexisting technologies. Had this not been the case with database technologies, business users and technicians alike would not have made the switch. BPM is for solving problems that cannot be addressed easily or economically with preexisting technologies to seize new busines opportunities.

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This column is dedicated to those at work every day building the company of the future, the process-managed enterprise. We look forward to your feedback to help shape this discussion. Like the third wave of BPM itself, this column will be built not just to last, but also to adapt to your needs and interests. Post your comments below or write to us at *authors@bpm3.com*.

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