



Best Practice Insight

BPM case study: Competency Centre in a large Swiss bank

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This report examines the implementation of a BPM Competency Centre within a large Swiss bank, which is one of the world's leading financial services companies.

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Case study key facts

Organisation	An international, Swiss-based financial services company providing private banking, investment banking and asset management services.
Industry	Financial services
Current BPM goals	Continue implementation of Workflow Competency Centre to guide implementation of BPM projects within the bank, with the overall strategic goal of helping the company rationalise and standardise its application portfolio to reduce IT costs and increase quality of IT service delivery across the business as well as improve business processes through automation of process management.
Process scenarios	<ul style="list-style-type: none"> ● Sequential workflow ● Straight-through processing ● Case management ● Content lifecycle management ○ Collaborative process work ○ Value chain participation
Current approach	The bank's Workflow Competency Centre provides a range of services to project teams across the company, centred around the concept of a bundled 'platform' of configured technology and associated services and best practice guidance. It maintains a close working relationship with key personnel from the bank's strategic BPM technology provider, which among other things helps the Workflow Competency Centre get advance notice of new and potential BPM projects.
Outcome	Since its inception the Workflow Competency Centre has helped around 15 projects across the bank use BPM technology effectively.
BPM tools and suppliers used	Oracle's BPM Suite.

Company background

This Swiss-based bank is one of the world's premier financial institutions, providing private banking, investment banking and asset management services from three separate divisions to companies, institutional clients and high net worth private clients worldwide.

Project background

This large Swiss bank has been active in BPM for many years: it's had an energetic ARIS user community since 2001. It's also a company with a strong sense of technology-enabled strategy, and this plays into the organisation's decision to set up a Workflow Competency Centre.

The Workflow Competency Centre has a clear vision: to enable business improvement, deliver added value, monitor IT and business agility, and help optimise the bank's application landscape. The company sees its Workflow Competency Centre work as a key element of an IT strategy priority to standardise and consolidate its application platforms to lower project costs and risks.

The bank is pursuing BPM technology as a key element of its application portfolio strategy for two reasons: firstly, because it's found that many important business processes aren't currently well-supported by co-ordinating IT systems, and this reduced the organisation's ability to manage processes and work; and secondly, because many of the applications currently in place need to be more flexible and agile. BPM technology is seen as a way to deliver systems that can soak up and reflect business change quickly, as well as being a way to structure and support important work more effectively.

Implementation characteristics and status

Initially the Workflow Competency Centre was set up within the Private Banking division of the bank, but in line with the company's 'one bank' corporate strategy, the extent of the Workflow Competency Centre is now expanding to cover investment banking, corporate systems and asset management. Today the Workflow Competency Centre team has 15 members, all based in Zurich, Switzerland – although the Workflow Competency Centre is contributing to BPM technology deployments in both the US and Singapore as well as to projects across multiple regions and divisions in Switzerland.

In the bank's Private Banking division the Workflow Competency Centre is helping guide ten projects that are all currently in development. In the Investment Banking division the Workflow Competency Centre has guided a number projects that are planned to be deployed into operation by the end of 2010. Overall about 20 projects are currently being supported by the Competency Centre.

The Workflow Competency Centre's deliverables are based around the Oracle BPM Suite, which is the bank's BPM technology platform of choice.

The approach

Strategy

This Swiss bank is a very large organisation, and it's managed to create a sizeable Workflow Competency Centre to serve the needs of the various BPM projects that are ongoing across geographies and divisions. The Workflow Competency Centre is focused on delivering both skills and technology: it combines them (consultancy, process assets, product management skills, BPM methodology knowledge, and technology pieces) as capabilities within a BPM project enablement 'platform' that is offered to projects as they start up. Its goal in taking this platform approach is to allow it to effectively deliver assistance to projects across the bank at scale – reducing project costs and increase maturity (and therefore decreasing risks and increasing the likelihood of strong business outcomes).

The Workflow Competency Centre aims to be able to set up its platform within a target project environment in a few days. The Workflow Competency Centre installs and configures the Oracle BPM technology platform within the project environment, integrates it with the necessary infrastructure services, and provides necessary skills and consulting services to make it easy to deploy the platform in multiple locations – as well as providing significant advisory material concerning use of technology standards, process improvement method guidelines, and so on. Workflow Competency Centre staff typically provide most assistance at project start-up, and aim to remove themselves from projects as early as possible (without introducing risks to those projects).

The Workflow Competency Centre realises that its standard BPM technology and practices platform isn't going to deliver equal value in all project scenarios. It's optimised to deliver the highest value in the context of operations processes where there are medium-level volumes of repeatable work being done with only marginal automated assistance; it's less likely to be applicable in very high-volume environments such as trading, and areas which are primarily concerned with customer interaction need to be examined for applicability on a case-by-case basis. In some customer-facing activities (such as complaints handling) process is likely to be repeatable; in other areas (such as the delivery of advisory services) the work is primarily knowledge-based and can be very unpredictable.

Architecture

The bank's Workflow Competency Centre has a strong architectural foundation to its work, as you might expect from its BPM approach, which is very focused on use of software tools to provide process automation assistance and replication of a common platform across BPM projects.

The Workflow Competency Centre views effective SOA practice as being a prerequisite for BPM implementation success, and key to both driving reuse of software elements across projects (which is key to the wider aim of reducing the size of the bank's application portfolio) and effectively enabling integration with existing system and information assets. The bank has a large investment in mainframe applications and a strategic goal to migrate applications away from this platform over time; the integration abstraction and isolation afforded by SOA helps it ensure it can innovate in application delivery through BPM without affecting this goal.

Organisation and people

The bank's Workflow Competency Centre has found that in the projects it's been involved in so far, those projects that revolve around close collaborative working relationships between business and IT staff tend to be much more successful than those that don't. Consequently the Workflow Competency Centre always advises the project teams it works with to drive their work as collaborations between technical and non-technical stakeholders. However the Workflow Competency Centre does only play a consultancy role with the projects it advises: it can recommend an approach, but ultimately the approach taken is a decision between the project provider (IT) and project sponsor (business).

Governance

The Workflow Competency Centre has its own governance structure to ensure that it delivers best value to its internal customers: a sounding board with representation from across the bank's operating divisions and regions. The board meets regularly to check that the Competency Centre is offering the right mix of services and capabilities, and also that those services and capabilities are being accessed and used in the most effective ways.

Separate from this aspect of governance, as is often the case in large organisations, the ability for the bank's Workflow Competency Centre to successfully exert influence over BPM projects relies on it being able to hook into existing 'external' IT governance and portfolio management structures that exert monitoring and control over IT projects across the company. The Workflow Competency Centre's involvement with relevant projects as they start up is tied in via the bank's central Project Review Board. The Workflow Competency Centre is asked to check projects as they work through the Project Review Board process, particularly where the Review Board process finds that projects may be looking to use non-standard approaches or technologies. This ensures the Workflow Competency Centre has the opportunity to make its value clear early on.

In order to ensure that the Competency Centre is in a position to deliver its capabilities and services effectively, projects across the bank have to first understand that it is available as a resource – and this isn't trivial in a company as large as this Swiss bank.

One way that the Workflow Competency Centre advertises its capability within the company is by running a continuous internal marketing programme to business sponsors (not to IT teams). As part of this it delivers webcasts and also conducts roadshows where it presents directly to business sponsors of projects about its capabilities. These generate demand for the Workflow Competency Centre's services that 'trickles down' through local IT delivery teams as sponsors bring projects to the table. In addition, the Workflow Competency Centre also collaborates with its key BPM technology supplier, Oracle. Oracle's field personnel help the Workflow Competency Centre identify potential new projects; in turn, the Workflow Competency Centre helps ensure that use of the Oracle technology is optimised and the ultimate outcomes are as good as they can be – which ultimately helps Oracle obtain renewed commitments from the bank.

Technology and infrastructure

As mentioned above, the bank's preferred BPM technology partner is Oracle. The Workflow Competency Centre spends a lot of time and effort developing and maintaining a set of technology standards and guidelines that help individual BPM project teams understand the optimal ways for individual technology components to be used, and also the optimal ways for those technology components to be used together to create complete process applications. The Workflow Competency Centre also provides a complete reference application as part of its platform to help illustrate the use of its technology standards and guidelines.

Because of the constraints of the bank's broader architecture principles, which mandate use of specific standards (particularly in the area of task user interface implementation) that the Oracle BPM technology platform doesn't currently support, the Workflow Competency Centre also plays a role in helping ensure that individual projects *don't* use all features of the Oracle BPM technology platform. Rather, it provides a set of bank-supported APIs and libraries for developers to work against, in order to ensure that core Oracle BPM technology can work with the bank's standard user interface framework specification (which is based around the JSR-168 standard).

The results

The bank's Workflow Competency Centre currently captures technology-related metrics concerned with its assistance on projects – such as the numbers of processes operational and applications deployed on the Oracle platform, and levels of reuse across platform-hosted components. It also makes sure it collects direct feedback from project teams.

To date, though, the Workflow Competency Centre hasn't embarked on a measurement project that looks more at the business impact of its services, although it's currently exploring a project to do this in 2010.

Recommendations for BPM adopters

In carrying out this case study, we asked representatives from this large Swiss bank to share any recommendations they'd offer to other organisations building a BPM Competency Centre. The following four points were highlighted in particular.

Firstly, creating a BPM-friendly culture and spirit in your company takes time – it can't be forced on a company by an autocratic leadership style. In developing a Competency Centre and delivering value from it, define your expectations for outcomes but don't be too prescriptive about how they should be achieved.

Secondly, work hard to deliver 'quick wins' and talk about them as much as you can. Marketing your Competency Centre is very important, and you should use 'real life' examples as much as possible.

Thirdly, set up your Competency Centre so that it can act globally – but start the organisation up within one delivery unit if you can, to enable your team to get critical mass and learn lessons early.

Lastly, align the structure and priorities of your Competency Centre with your IT and business strategies, and track its progress and success against those strategies.

Best practice insights

Through the ongoing implementation of its Workflow Competency Centre this large Swiss bank has demonstrated three best practice insights that you should think about in the context of your own implementation:

Find ways to 'sell' the value of what you do not only to IT teams that will be responsible for implementing the requests of business sponsors, but also to business sponsors themselves. If you can reach the business leaders who create needs for BPM projects and explain how your Competency Centre lowers cost and risk or increases speed-to-market of products and services, you'll be in a very strong position.

Find ways to measure the impact of your BPM Competency Centre; don't rely on the value of helping to share best practices and drive standardisation as self-evident. When you do look to measure value, look at all the different services you offer and 'think out of the box' about how you can demonstrate how you're helping the organisation. The easy-to-measure things might not be the core activities you spend every day working on.

Be prepared to forge relationships with the vendor(s) that provide BPM technology into your organisation, even if your organisation isn't as large and distributed as this bank. In very large, distributed organisations a good working relationship with key vendor salespeople can provide valuable intelligence to help you understand where to direct your efforts; in any organisation, regardless of size, you will gain internal influence and relevance if you're 'ahead of the curve' when it comes to understanding the technologies that get used in projects.