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Transforming Customer Experience

*The Convergence of Social, Mobile and
Business Process Management*

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Introduction

To stay ahead in today's rapidly changing business environment, organizations need agile business processes that allow them to adapt quickly to evolving markets, customer needs, policies, regulations, and business models. The convergence of a trio of technologies and business practices—social computing, mobile computing and business process management (BPM) – is opening up interesting avenues for business.

Social and mobile business models have already contributed important new frameworks for collaboration and information sharing in the enterprise. While these technologies are still in a nascent state, BPM and service oriented architecture (SOA) solutions are well established, providing a history of clear and complementary benefits. This is not surprising, given that BPM and SOA have arisen as the natural result of business and IT users striving to work together more efficiently and effectively.

As the technologies and business practices surrounding Social, Mobile and BPM mature, IT and business stakeholders are discovering new ways to work together and engage customers via dynamic business processes that address several important business imperatives:

Delivering consistent experiences: Fragmented data, disjointed systems and multichannel interactions make it difficult to deliver a consistent customer experience. Such inconsistent experiences result in lower customer satisfaction and NPS (net promoter score) numbers.

Increasing Revenue: There are multiple opportunities to up-sell and cross-sell products that impact the bottom line. If companies can't identify such opportunities, bring a product to market quickly, or offer the right product to the right customer at the right time, significant loss of revenue may occur.

Ensuring Compliance: Companies must comply with regulations such as Know Your Customer (KYC), export/import laws, PCI/DSS data security standards, and taxation policies. They must also comply with the SLAs that they have committed to their customers. If they don't meet these requirements they can face serious fines, penalties and loss of business.

Business processes are at the heart of what makes or breaks a business, as well as what differentiates it from the competition. Business processes that deliver operational efficiency, business visibility, and agility give an enterprise an edge by enabling it to conduct business in a cost-effective, dynamic way. As organizations strive for greater efficiency and effectiveness, they create or adapt technology to fill their needs. BPM, Social, and Mobile technologies are helping to drive a fundamental business transformation. Astute organizations are implementing these technologies to respond to today's multi-faceted business challenges and to take advantage of new opportunities.

Key Concepts

In order to take advantage of the convergence of Social, Mobile and BPM to become more innovative, nimble, and adaptive to change, we must first understand how these technology-based solutions work independently of one another. The following subsections provide a brief description of each domain; the rest of the white paper considers their convergence.

Social Computing

Social computing concerns the intersection of social behavior and computational systems. It encompasses various technologies and tools for social engagement, social media monitoring, and analytics. As consumers share experiences on social networking sites such as Twitter, Facebook, LinkedIn, and Google+, astute organizations are tapping into the dialog to better understand their customers and prospects. Analyzing the data generated from social interactions can reveal insights into what customers want, need, and prefer, a body of knowledge commonly called customer sentiment. Social computing tools help organizations identify key trends and develop ideas for new products and services. Within the workplace, companies use similar social technologies for collaboration, brainstorming and innovation. Wikis, chats, discussion threads, content ratings, gamification, and crowd sourcing are commonplace.

Mobile Computing

Mobile computing implies more than just doing familiar tasks from new devices and locations. Today's mobile applications infuse device-centric features such as GPS-driven location services, contextual search results, gamification, and the ability to easily interact with social media sites for group validation. Smartphones and tablets support these new modes of interaction while integrating traditional work-related tasks, drawing on information from enterprise information systems. The mobile technology landscape is driven by consumer apps that utilize a variety of operating systems, tools, languages, and platforms. Innovative organizations are taking advantage of mobile computing advancements to help employees, partners and customers connect and collaborate, regardless of location.

Business Process Management

BPM represents a strategy of managing and improving business performance by continuously optimizing business processes in a closed-loop cycle of modeling, execution, and measurement. Everything companies do to attain their business goals involves a process, structured or unstructured. BPM technology helps organizations to create, document and modify business processes quickly and drive process changes in a nontechnical, business-friendly manner, along with technology for implementing, executing, and monitoring end-to-end processes. BPM systems often span numerous departments and IT systems in an organization. By merging technologies and functions into a seamlessly integrated environment, BPM gives technologists and business specialists a common language for achieving their shared and separate goals.

Service-Oriented Architecture

SOA has become a popular method for linking disparate applications across many different business lines and functions, thereby centralizing and improving process efficiency. It facilitates the creation of loosely coupled, interoperable business services that are easily shared within and among enterprises. Companies utilize this architecture for its reuse and agility. When properly constructed and interfaced, SOA applications can last for decades in the form of virtualized enterprise applications. SOA interoperates with all parts of the IT architecture to integrate business applications, moving them on to a common service bus and a common workflow engine.

The Need for Converged Technology in the Enterprise

Effective collaboration is often fueled by information that is created and managed both within the business and through external sources. To complete an assigned task, knowledge workers must access and discover many pieces of information. For many organizational processes, this has increased the number of people who are involved in a completely unscripted and undefined chain of events. Without a defined process, the time required to complete an activity increases.

In addition to discovering information and people who can aid decision-making, employees continually create new information using a variety of tools and resources, both within and outside the company. The use of these tools is typically not well coordinated in the context of what these people are working on. Even more troubling, many knowledge workers can't access them.

The term “Social BPM” is sometimes used to describe the use of social tools and techniques in business process improvement efforts. Social BPM helps eliminate barriers between decision makers and the people affected by their decisions. These tools facilitate communication that companies can leverage to improve business processes. Social BPM enables collaboration in the context of BPM and adds the richness of modern social communication tools.

In conjunction with SOA, Social BPM increases business value by extracting information from enterprise systems and using it within social networks. Meanwhile, social technologies permit employees to utilize feedback from social networks to improve business processes. This interplay is illustrated in figure 1.

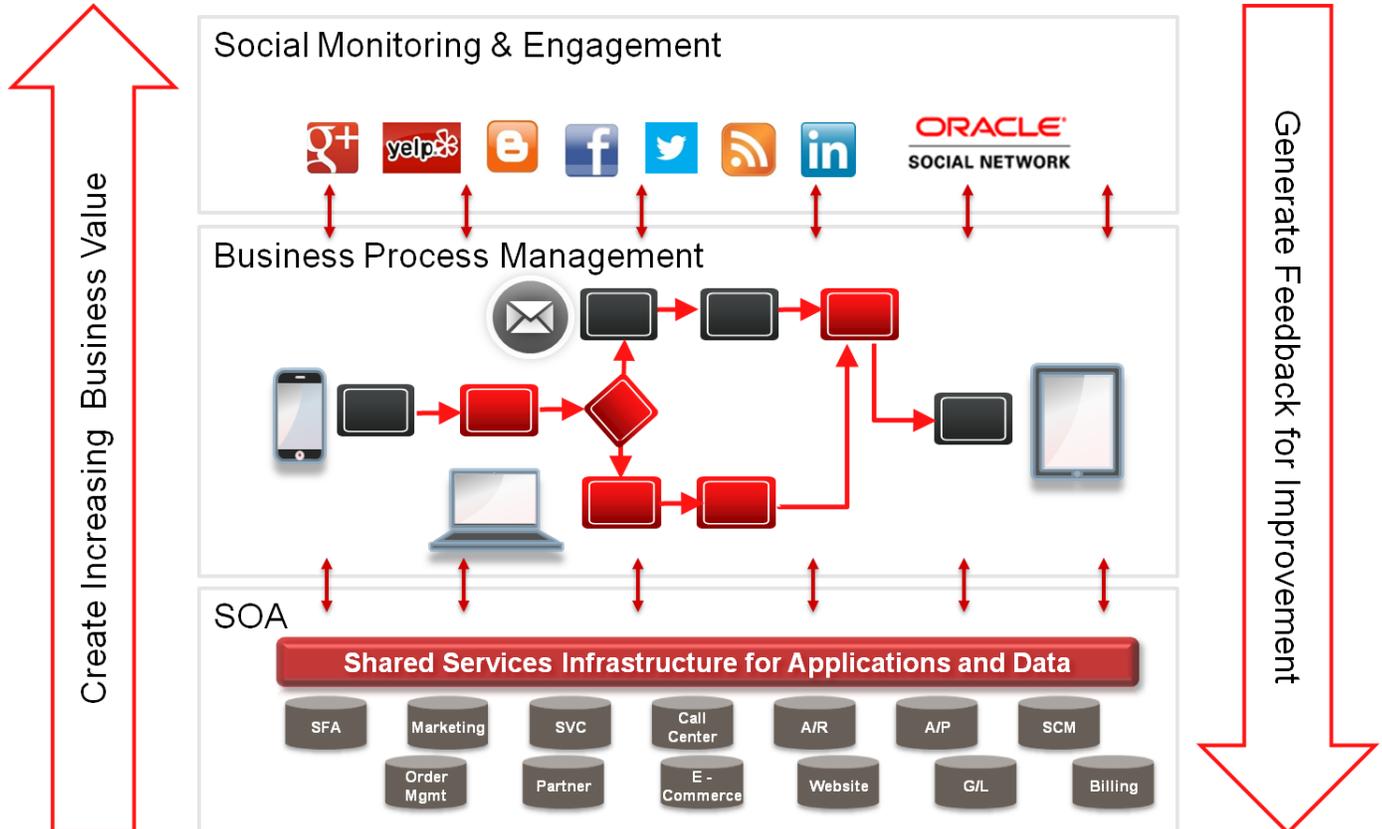


Figure 1: Using Social engagement and feedback, and BPM to increase business value of SOA investments.

Use Cases

Let's look at some examples of how the convergence of BPM, SOA, and Social technologies can improve internal efficiency for employees and create better experiences for customers.

Enabling Effective Customer Experiences

With the advent of social networks and mobile technology, companies not only need to focus on process efficiency but also on customer engagement. Customers demand to interact with companies via new types of social and mobile channels. They want to place their orders using mobile phones and tweet about their issues. Companies need to gear up to meet these expectations according to the customers' demands. Most companies are organized into departments such as Marketing, Sales, and Service. They might maintain prospect data in an SFA system, order information in an ERP system, and customer issues in a CRM system. In order to best serve the customers, organizations must pull information scattered across systems, include information from social networks and create a unified customer view. No matter what channel customers use, no matter what departments they contact, they get a consistent response from the company. BPM helps deliver these experiences and design customer experiences that integrate the underlining channels, systems, and applications to make sure that accurate, consistent information is delivered to the right people at the right time across any channel of interaction.

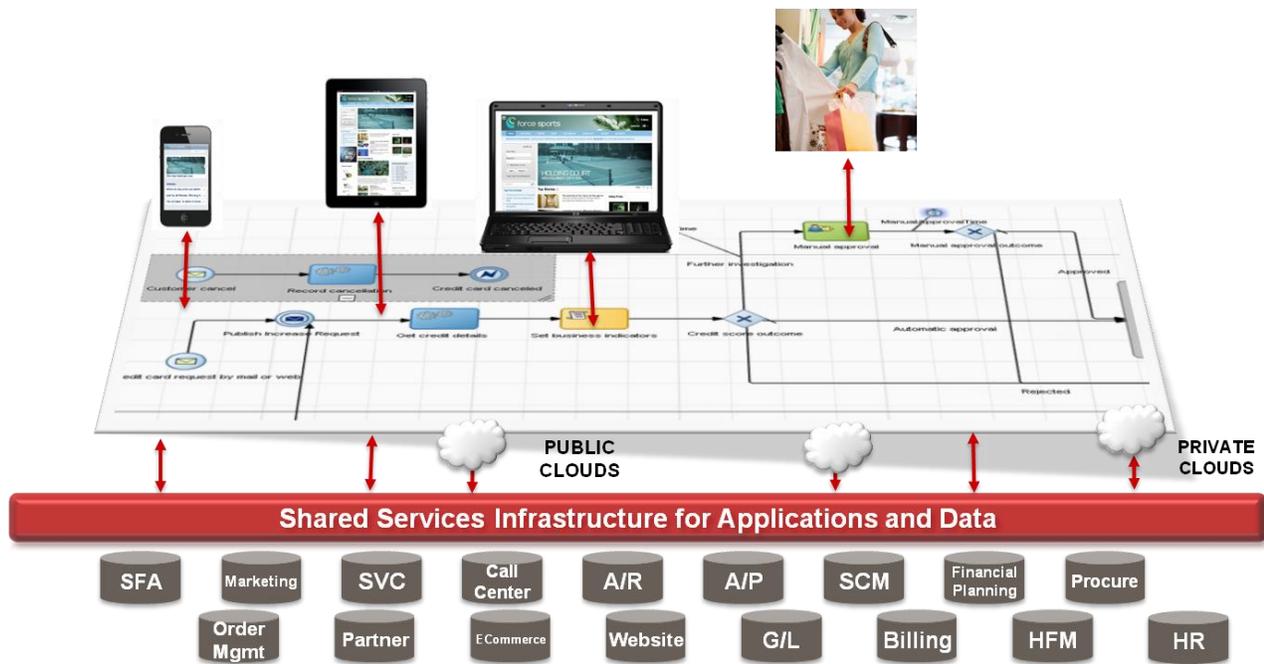


Figure 2. BPM orchestrates information across systems, departments, and channels.

In addition to orchestrating systems and channels for consistency, BPM also enhances decision-making. By using data from both current and historical transactions, sales and service professionals can determine customer preferences, customer value, and churn propensity. When infused into the process and presented in the right context, this insight can enable knowledge workers to make timely suggestions, such as presenting a targeted offer, presenting a discount, or offering a troubleshooting tip based on experiences with similar customers. BPM in conjunction with complex event processing (CEP) capabilities can “listen” for event patterns and identify customer issues as they arise (credit card stolen, baggage lost, change of

address). Powered with this insight, systems can trigger alerts or invoke corrective processes immediately. Such abilities let customer service reps take action before routine issues snowball into disasters.

Learning from customers' past experiences, interactions and social conversations provides valuable insight that can be used to improve products, enhance customer-facing processes, and ultimately improve the overall customer experience. If customer experience is important for your business, make sure you have incorporated BPM as a part of your strategy to design, orchestrate and improve your customer-facing processes.

Illustration: Enhancing Retail Experience

A customer's relationship with a vendor is like a journey. It starts with researching a product, leads to a purchase, and continues after the sale with service and support. A typical customer journey is depicted below:

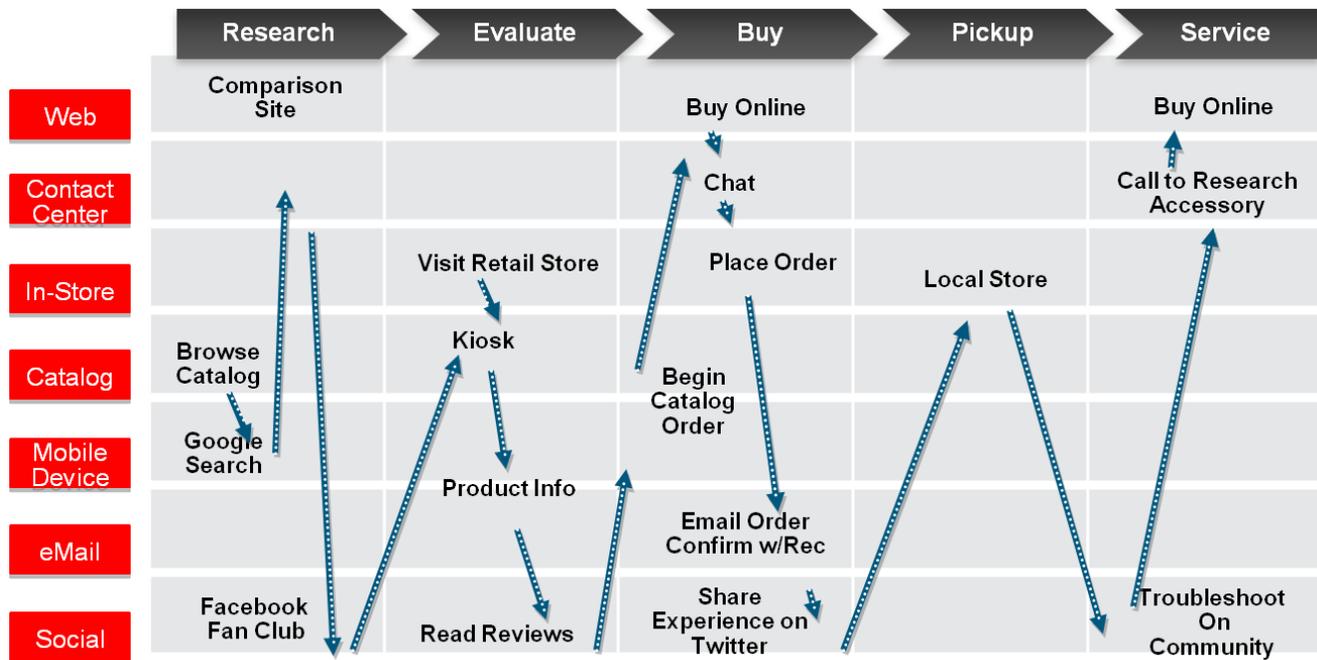


Figure 3. The “customer journey” encompasses many interrelated processes and applications.

Retailers must develop complex workflows and business processes to interact with customers through multiple channels including social, digital, direct, in-store, mobile, and call center. Customers expect to have a consistent experience, no matter what interaction channel they choose. If a customer puts a product in her shopping cart using her smart phone, she expects it to be there when she resumes the session on her PC.

If you fail to meet these expectations, customers will not only abandon the purchase and go to a competitor but may also influence other potential customers. They can easily amplify their dissatisfaction with a post on Twitter, Facebook, Yelp, and other social networks.

Unfortunately, many fundamental business processes are too rigid and disjointed to adapt to these market realities. For example, if your systems for capturing and fulfilling orders aren't integrated across channels and systems, and if the associated business processes can't access up-to-the-second data about each

customer's history, then you will most likely experience revenue leakage from purchase abandonment midway through the sales cycle.

Modern BPM suites incorporate social computing technologies to enable new modes of work via a wide range of communications channels. They facilitate collaboration for developers and business users. Common and shared workspaces allow process designers to share thoughts and suggestions with each other while designing a new business process. BPM environments also support activity streams, chat rooms, rating systems and other techniques that support a free flow of ideas as part of a documented communication environment. Social monitoring tools can harvest ideas from internal and external sources to gain insight that will improve the processes.

Enhancing Internal Efficiency for Knowledge Workers

BPM does a great job of unifying and providing information in the context of everyday tasks to help information systems function and help people be more productive. If information can be captured and included in a workflow, at the right step, then BPM can help drive efficient and informed decision-making. Many times, however, the information people need to complete their tasks is not readily available from other systems, documents, or databases. This omission necessitates further collaboration among workers and subject matter experts to obtain that information.

While the majority of BPM implementations are focused on transactional business processes, BPM products are also starting to facilitate unstructured processes that are currently handled by e-mail, documents, and spreadsheets. In these highly dynamic and collaborative situations, BPM plays the role of facilitator, delivering the technologies that allow end users to create their own dynamic teams and facilitating collaborations and social interactions within the process.

Illustration: Improving Claims Management

Claims management represents a classic transactional workflow, yet it is laden with complex exception-handling backed by multiple policies and business rules. Typically, a claims process starts with a request or submission of a claim that is processed in a linear fashion to completion. Many times this represents a straight-through process—meaning it can be completed by routing information provided in the claim process design. However, in some cases, exceptions arise that require people to collaborate with subject matter experts and access specific knowledge to process the claim.

A claims management system assigns a task to an individual claims worker with the expectation that the user will complete the task to advance the process. Social BPM tools allow organizations to structure this interplay between structured processes and unstructured collaboration. They also allow the steps outside of a structured process to be tracked and enforced during the execution of a workflow, as shown below.

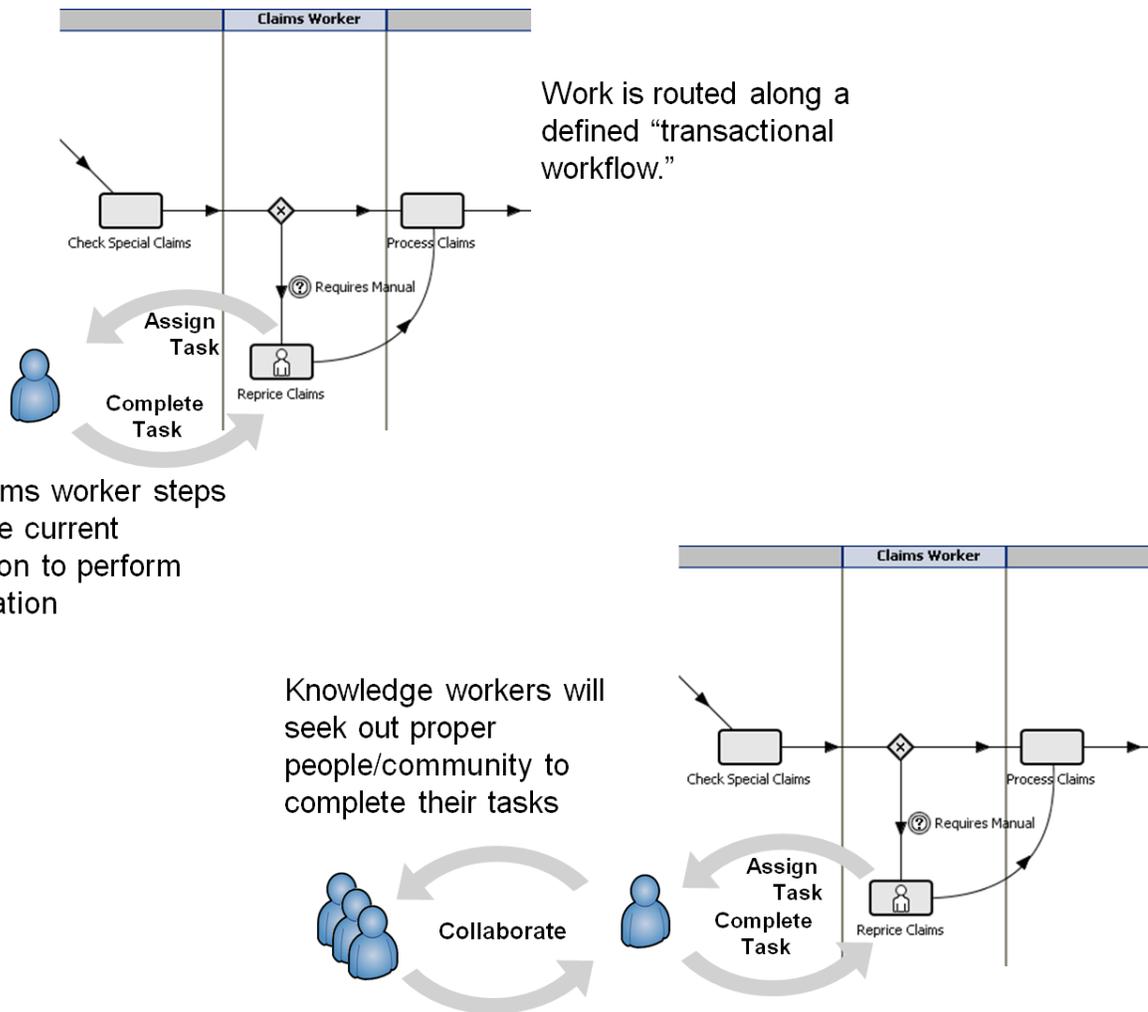


Figure 4: BPM assists with the claims process by routing transactions and facilitating collaboration.

Of course, to accomplish this type of knowledge-based task, the individual must often engage other people within the business. These co-workers must collaborate to achieve the best outcome or to share information to derive the best solution. Sometimes it is clear who those co-workers are. In other instances they need to discover each other. Discovering the right people in a timely manner, in the context of their needs, saves knowledge workers’ time and makes them more efficient.

Not only can internal knowledge workers use social networking tools to find each other and share information, but also customers can interact with the process at specific steps, using mobile devices, to supply their own information into a business process. For example, a customer involved in an auto accident might upload photos taken with a cell phone into the process via a claims management app provided by the insurance company.

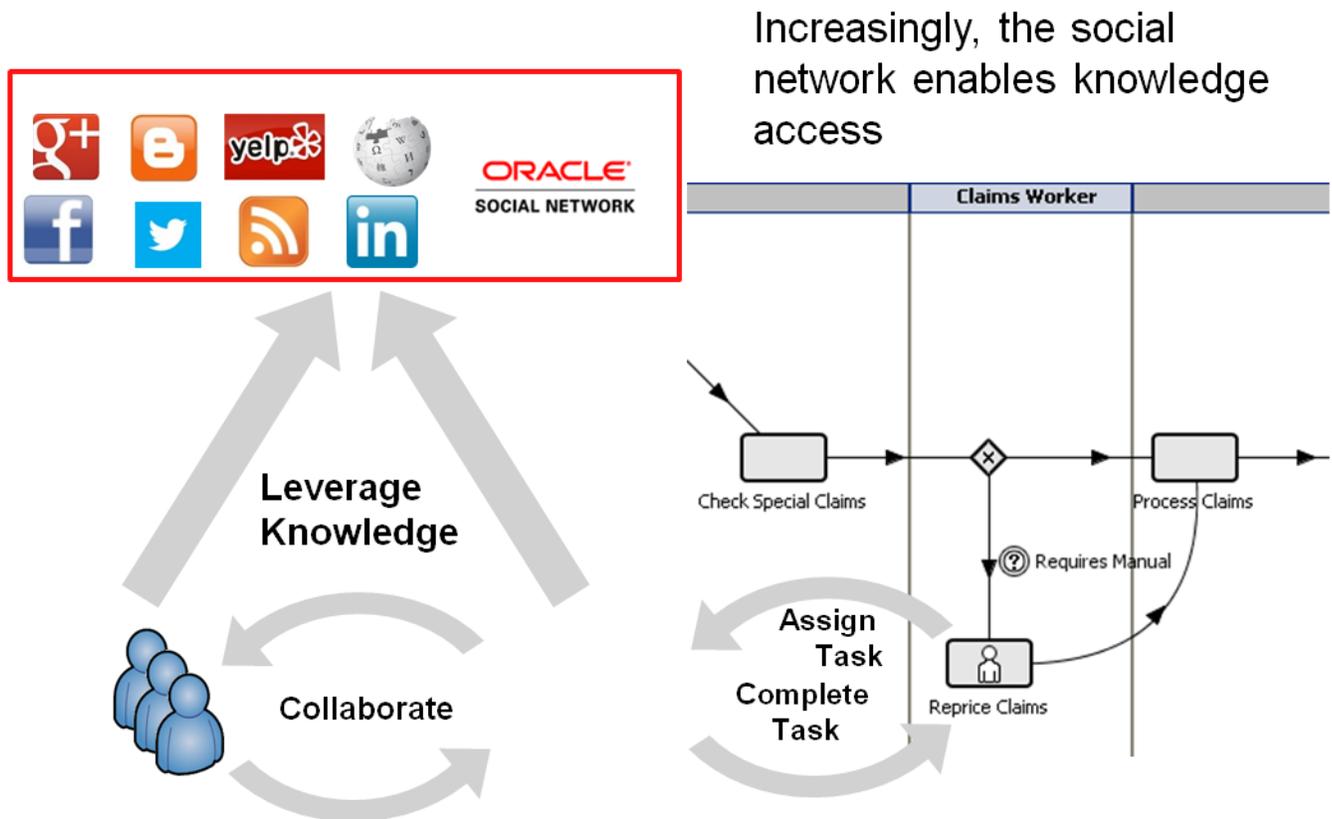


Figure 5: Both customers and employees can use social media to manage claims management process.

Social BPM tools put users at the center of the experience, providing a foundation for creating dynamic applications that deliver targeted information in the context of each instance of a process.

We can see such use cases across many industries. Banks and credit unions face many of these same issues during the loan approval cycle. Loan origination includes a series of steps from the time a customer shows interest in a loan all the way to disbursing funds (or declining the application). Some of the steps in the loan-origination process can be automated with machine-to-machine connections. However, loan officers also need visibility into the process to make notes, approve exceptions, and track a host of variables. If a knowledge worker is working on a non-standard loan and needs help from a subject matter expert, she can initiate collaboration using social technologies. BPM provides a framework for “decoupling” and synchronizing automated loan origination processes and discrete sub processes so that loan representatives can easily interact and maintain control throughout the loan origination cycle.

Oracle Solutions for Converged Efficiency

As the above use-cases demonstrate, managing complex interactions and unstructured activities, and coordinating them with business processes, is becoming increasingly critical to organizational performance and delivering right customer experience. The best way to facilitate these capabilities is through a unified BPM suite. Common components within BPM suite include process designer and analysis, mobile and web interfaces, business rules, integration services, and task management portal with social collaboration. Taken together, these tools create a collaborative environment that helps organizations to complete complex tasks.

Oracle helps enterprises achieve all the benefits of better-managed processes by delivering unified, industry-leading products for business process management and related tasks. These unified products span modeling tools for business analysts, developer tools for system integration, business activity monitoring, dashboards, and user interaction for process participants.

Oracle Business Process Management Suite

Oracle Business Process Management (BPM) Suite makes it easy for business managers, business analysts, and developers to create new business processes and improve existing ones. It is ideal for modeling, simulating, executing, and optimizing business processes across divisions, systems, and applications. Oracle Business Process Management Suite is the industry's most complete and unified BPM solution. It delivers immediate and impactful ROI, driving enhanced customer service and operational excellence, and providing business value to service-oriented architectures.

Oracle WebCenter

Oracle WebCenter brings together a complete portfolio of portal, web experience management, content management, social, and collaboration technologies in a single product suite. It helps people work together more efficiently through contextual collaboration tools that optimize connections between people, information, and applications and ensures that users have access to the right information in the context of the business process in which they are engaged. Oracle WebCenter also helps organizations deliver contextual and targeted Web experiences to users and enables employees to access information and applications through intuitive portals, composite applications, and mash-ups.

Oracle SOA Suite

When integrated with Oracle BPM Suite, Oracle SOA Suite enables unified customer experiences by simplifying connectivity across cloud, on-premise, and business-to-business applications. SOA components include an enterprise service bus as the foundation for shared services, cross-system orchestration, event processing for proactive pattern detection, and business activity monitoring to deliver role-based business visibility. Oracle's complete SOA platform lets you rapidly design, assemble, deploy, and manage adaptable business applications. The combination of Oracle Business Process Management Suite and Oracle SOA Suite provides everything organizations need to implement, execute, and monitor end-to-end business processes and individual sub-processes and tasks.

For more information on Oracle BPM go to www.oracle.com/bpm



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