VIEW POINT



BUSINESS PROCESS INTELLIGENCE AND CONTINUOUS IMPROVEMENTS



A fundamental objective of any organization is to deliver maximum value to its stakeholders. Companies seek opportunities to grow their business through organic and inorganic expansion into new markets and territories for this purpose. During this quest, they often tend to veer away from optimized processes defined across their enterprise. The deviation directly impacts efficiencies, growth opportunities, and operations costs, hindering innovation efforts and adding pressure to a business. How can enterprises tackle this dilemma?

Enterprises need an in-depth assessment of the existing landscape to identify problem areas and arrive at improvement suggestions. Such programs can be particularly valuable before kicking off an IT system modernization program

or a large-scale ERP implementation such as S/4 HANA. They can eliminate hurdles that can cause significant issues to these large programs. While a few forward-thinking enterprises conduct such exercises periodically under the continuous improvement purview, most do it before undertaking a large-scale program.

Business process intelligence (BPI) and continuous improvement assume significance in this context. While business process management (BPM) has existed for a while, BPI tools can perform a holistic assessment of the data and processes to check how the organization is executing on processes and if process standards are being maintained. This evaluation provides recommendations on process

optimization, thus enabling the company to realize value from its investments. Further, BPI tools can help build a business case for major implementation projects by providing insights on process improvements and sharing data on how current KPIs deviate from industry benchmarks.

Because BPI tools get a detailed view of the customer's activities and processes, they are able to gather the intelligence to transform them. Armed with this intelligence, enterprises can zero down on the true needs of any business process and highlight those elements that can add a competitive advantage.

Furthermore, the tool-based collaborative approach between business and IT lessens change resistance and ensures a higher chance of success.

Initiative Types



Enterprise Transformation (program)

Process Excellence

(project plus ongoing continuous improvement)

Examples of Corporate Initiatives

Rusiness Transformation

- Company-wide process standardization and simplification
- Process consolidation, including shared services
- Equipped for mergers and acquisitions or carve-outs
- Foundation for continuous improvement programs

IT Transformation

- Conversion to SAP S/4HANA
- ERP consolidation
- End-to-end processes across multiple systems
- Digital foundation

Process Focus (to address a particular process area)

- Sales order management (order to cash)
- Purchase requisition to procure to pay (P2P)
- Lean manufacturing
- Service management

Performance Initiatives (cross- or multifunctional)

- Customer excellence
- Cost reduction (procurement, plant floor, and so on)
- Automation of processes or manual activities
- Governance, risk, and compliance

Figure 1 Source: Presentation at the Infosys Roundtable by Wassilios Lolas, Global Vice President and Head of Center of Excellence, SAP Business Process Intelligence

Such an analysis is the stepping stone for larger initiatives such as process transformation or digital transformation, both of which make an enterprise nimbler, operationally excellent and more ready to grow business.

BPI tools from SAP (a combined offering from SAP and Signavio) are fully equipped

to assist process transformation, reinvent customer experiences, and eventually lay the foundation for the intelligent enterprise of the future.

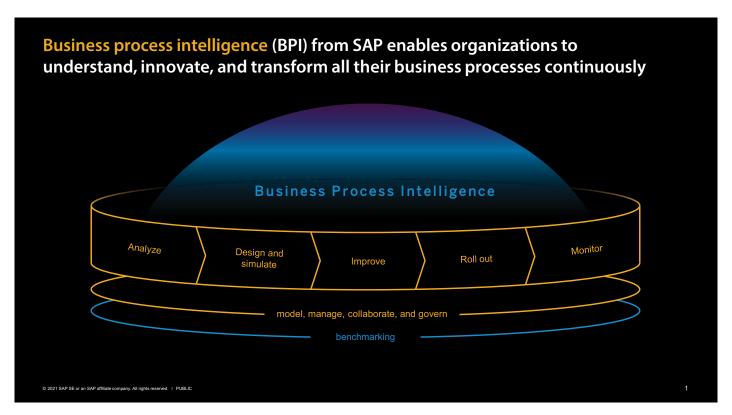


Figure 2 Source: Presentation at the Infosys Roundtable by Wassilios Lolas, Global Vice President and Head of Center of Excellence, SAP Business Process Intelligence

Infosys recognizes the exponential value that BPI tools can add to a business. A recent roundtable hosted by Infosys generated an informative and insightful discussion on real-life experiences from industry practitioners and experts. This event involved a large beverage giant, an automotive components manufacturer, an aviation services company, a large pharmaceutical company in Europe, a large American surgical and vision equipment company, SAP and Constellation Research.

Process mining's 9-point agenda

Constellation Research, a Silicon Valley research and advisory firm, encapsulated the benefits of process mining into nine key areas for an enterprise in this way –

- 1. Just keep running
- 2. Know where you are
- 3. Know what to do
- 4. Monitoring
- 5. Real-time update
- 6. Business user empowerment

- 7. Al opportunity
- 8. Business model agility
- 9. Enterprise resilience

In short, BPI tools can be a gamechanger for enterprises that wish to cope with market changes and demands effectively.

Behind the scenes – BPI in action

Here's a glimpse into how some companies are steering the BPI and continuous improvement agendas and the results.

1. Attaining stable processes and systems to derive value - The beverage company has enjoyed a highly customized yet stable ECC system for over 20 years. Recently, they switched to S/4 HANA for their finance operations, with supply chain operations next in the pipeline. The company was keen to maintain standard processes with the move to S/4 HANA. A strong governance model in partnership with Infosys for processes and systems has led to highly stable operations. The stability has been a key factor helping this organization to derive value from their SAP investment.

2. The first step towards process optimization -

- A multinational medical company was implementing SAP ECC 6 for its surgical and vision care business. It planned a worldwide rollout across multiple plants in North America, EMEA and APAC regions. Cognizant of the need to maintain standardized processes in a multi-country environment, the company was determined to restrict customizations and ensure a competitive advantage. For this purpose, it embarked on a BPI program to identify the weak spots and provide recommendations for process optimization.
- A multinational pharmaceutical corporation used SAP ECC for global operations with plans to change to S/4 HANA soon. It implemented a BPI solution for mining its processes with the sole objective of keeping them standardized. It began with the critical R2R and OTC processes as the company believed that standardization was necessary to derive value. In this case, the BPI solution demonstrates how it can work with both ERP and non-ERP processes.
- A large CPG company merged three companies and lacked visibility of the merged entity. A BPI exercise helped streamline and harmonize processes resulting in a single source of truth.
 - A large bank simplified key processes, accelerated over 20 processes and reduced costs by initiating a process mining project that generated many insights. The insights helped the bank to put in place changes that yielded tangible benefits.

- 3. A continuous improvement philosophy -
 - A significant supplier of automotive components worldwide had a mature and well-structured continuous improvement approach. The program rested on three operational excellence pillars - process efficiency, quality of service and enhanced business value. It was expected to generate substantial improvements in productivity, user experience, compliance and agility in the organization. It implemented BPI solutions to streamline the discrete sales order process by introducing appropriate automation and eliminating manual processing. Another BPI initiative solved the problems of inaccurate invoicing and delayed payment in a specific region of operations. Finally, the company addressed issues in its P2P processes where the SAP and QAD systems were out of sync leading to many transactional errors. The BPI solution's suggested process changes drastically reduced error rates and incidents related to this issue.
- A leader in global vertical flight offshore services for the oil and gas, search and rescue industry was using S/4 HANA for their business operations. The company has been able to deliver business value by harnessing S/4 HANA capabilities and continuous improvement programs. This organization adopted a process standardization approach right from the implementation stage. In this approach, users were involved in defining process improvement areas. Making users part of the implementation and maintaining the high touch approach has helped the organization continuously reap value from the investment.
- An airline wished to improve on-time performance and keep its gates open longer. So, with the help of insights garnered from a BPI initiative, it redesigned its gate process. Now, the airline reduced delay minutes by 20% and is 17% more punctual.

Concluding thoughts

As seen, BPI and continuous improvement agendas can be a tremendous value addition to enterprises looking at process optimization and ongoing business enhancements. While only a small segment of enterprises has discovered BPI tools, it should soon become a common way of doing things. In an age where organizations must embrace and adapt to change rapidly, BPI tools can help accelerate the journey towards becoming an intelligent enterprise.

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