

REPORT REPRINT

Infosys brings together BPM, robotic process automation and AI with Amplify framework

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The company has created Amplify to bring business process management, robotic process automation and AI technologies together for customers, to showcase how they can be used.

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Infosys is working on an agenda of renewing its core services and innovating a set of new services while creating a learning culture. The company recently began reporting digital service revenue (recording 8.3% of revenue from its new software and service lines), and estimates 23% of revenue would be recorded as digital if it were applying a similar approach to Accenture and taking into account all omni-channel revenue.

The Infosys BPM practice, which is the focus of this report, is aligned with the company's two agendas – renew and innovate. It is part of renewing the core because of the legacy modernization work it is involved with, but the practice itself sits in the new services area and undertakes about 40% of its work as new, 'from scratch' projects.

THE 451 TAKE

Infosys believes it is the first service provider to go to market with a distinct business process management (BPM) practice as part of its digital transformation capabilities. Although BPM is an extremely important technical component for many projects, it is not currently a high-profile technology in the digital transformation market in comparison with, say, robotic process automation (RPA) and AI. It is interesting that Infosys is calling it out as a separate skills base that can protect the customer's existing investments while exploring the value of new technologies for the customer.

CONTEXT

Originally, BPM was all about rules-based workflow, but three years ago, the focus shifted to low code application development platforms such as Pega. Then the positioning for BPM transitioned into digitization platforms for strategic applications, because this created a much larger addressable market for the technology, which now also increasingly incorporates RPA tooling.

The reason for this evolution is that supporting digital transformation initiatives requires the design of hybrid IT architecture to be guided by business strategy and organized within a blueprint that describes how an enterprise structures and uses innovative technology to meet transformative intent.

This blueprint is referred to as a 'digital business architecture.' Its unique composition illustrates how a few specific core-enabling technologies interoperate. Among them are tools to automate and orchestrate business processes and stakeholder collaboration, integrate data and applications, and align hybrid IT with business strategy.

At 451 Research, we track the process and collaboration management market of systems that make use of various types of content, which often have stringent requirements for permissions, rights and risk management. These may include specialized workflow or process engines that dynamically construct, execute and end various tasks and workflows based on user needs.

These 'activity streams' (or 'work streams') enable users to execute structured and unstructured tasks and processes; dynamically access, integrate and assimilate heterogeneous data sources; enable on-the-fly routing of information and tasks to other collaborators or systems; and monitor performance and track outcomes.

Infosys is a professional service provider in this market, partnering for its BPM tools with software vendors such as Appian, Pega, IBM and Bizagi. It has a combination of in-house RPA software (AssistEdge) and partnerships (with Blue Prism, UI Path and Automation Anywhere) for RPA.

STRATEGY

Himanshu Arora, Infosys BPM practice leader, said that over the past five years, the customer focus for the application of BPM has changed – it is less about cost reduction and more about customer engagement. The end users it is targeting are no longer just internal employees, but also the organization's customers and the 'liquid workforce' of the 'gig economy'.

Consequently, the company's BPM offering has evolved from being a rule-based /workflow-based engine, to a more advanced offering addressing digital operations, customer experience management and the digitization of processes. The Infosys RPA expertise is also homed with the BPM practice so that the two areas work closely together for clients and are not separate, siloed capabilities. Because design thinking is not baked into BPM tools, which always begin with process modeling, Infosys first runs a series of workshops with the customer to bring design thinking to the project.

Arora says that the BPM practice is seeing three main types of project in the market: customers that want to set up an automation factory incorporating multiple RPA and BPM tools; customers that want to use BPM as a low code application development factory partly to support legacy modernization but also to support new apps for, say, HR onboarding or digital marketing; and customers that want to use the technology as part of a digitalization strategy where the platform sits on top of Salesforce or an ERP system to talk to big data lakes and apply machine learning and artificial intelligence. In this type of digitalization projects, the BPM approach can increase the span of digitalization across the value chain to mitigate against companies digitizing resources in silos.

SERVICES

As Infosys applies patterns to its BPM capabilities, it can use BPM-driven orchestration and case management to create systems that can guide the user through the workflow. It can also progressively automate frequent, repeatable, algorithmic manual activities. Ultimately, it can provide deep visibility into process steps and the status of specific transactions, making changes on the fly.

Infosys brings RPA and AI into the mix, and refers to its approach as the 'art of super glue.' Arora explains that in the 'as is' scenario, work manages people and the support agent is the glue holding the process together, whereas in the 'to be' scenario, the case context is the glue and the system manages the work by applying BPM and RPA and AI, so that the human agents in the process can focus on customer needs and exceptions.

To help customers get to the to-be scenario, the Infosys consulting arm works closely with the BPM team around internal communications, release management and training paradigms for new workflow procedures. Infosys often takes on the customer workforce and merges it with the Infosys teams. The mantra is that Infosys is all about amplifying the potential of humans.

AI is applied to the capability by creating a loop of continuous learning so that once something is done in the process workflow, it raises events and data that need to be contextualized and figured out so that insights can be developed into the actions that need to be undertaken. For example, in some cases, Infosys is adding BPM to the Force.com platform to make it more dynamic. The same loop continues, and improvements are made every time the loop is completed. The recommendations for improvement are baked into the system (but can be overruled). The Salesforce Einstein technology, meanwhile, has to be asked for assistance.

At the end of 2009, Infosys acquired the insurance BPS provider McCamish Systems, which operated using green screens and legacy apps to deliver insurance BPO. Infosys could see the potential of developing a single platform that could also deal with each customer's data and legacy systems. Over 18 months, the Infosys BPM practice transformed customer-facing apps with Pega; this has increased efficiencies, and improved the customer experience.

This experience contributed to the BPM practice creating its own technology framework, called Amplify, to enable it to demonstrate the value of its technologies for customers. In this way, the practice can showcase Infosys Nia, or it can work with the customer's existing investments.

Applying the Amplify approach, the Infosys BPM practice has worked with a global manufacturing leader on worldwide order management process. This was a unique example that was self-funded through an innovative approach of savings within year one that helped pay for the investments.

The process automation paid for itself in year one. Infosys took the savings in payment, and thereafter the client received the savings. The efficiency of processes were increased on average by around 30-35%. For another large global company, Infosys helped standardize all customer interactions on a single platform globally, supporting 97 countries and 57 languages.

The Infosys BPM practice currently has approximately 3,500 people, and expects to grow to 4,200 by end of 2017 (55% of the workforce is based in India, 20% in North America, 15% in Europe, and 10% in APAC). It has undertaken 80+ active engagements with 50+ clients.

COMPETITION

Infosys traditionally competes with Cognizant, Genpact, HCL, NTT Data, TCS and Wipro. Each of these competitors has BPM capabilities integrated with their platform approach to service delivery. Some, such as NTT Data and Genpact, have embedded their own BPM engine into their offerings.

For example, Genpact acquired Israeli PNMsoft in 2016, and its intelligent BPM Software (iBPMS) is an important element of the company's approach to providing dynamic workflow that can route processes to enable rapid build and change of high-availability workflow applications as part of its Cora platform.

Whether embedding their own BPM engine or not, all systems integrators can also work with a customer's preferred BPM engine. For example, Infosys, which has not developed or acquired its own BPM technology, partners with vendors such as Pegasystems, IBM BPM, Appian, jBPM, Bizagi and K2.

SWOT ANALYSIS

STRENGTHS

Infosys has a clear technical vision of the future, and is putting structures and initiatives in place to sustain the business as it transitions toward delivery of new-style IT services requiring advanced technologies. Its vision of pulling together software with services has significant potential to grow the company, and the BPM Practice has a strong role to play here.

WEAKNESSES

BPM is currently a largely silent advanced technology area, eclipsed by the market's interest in RPA and AI, so it is challenging to market. But nonetheless, it is an important part of the customer's digitalization requirement. It is shrewd of Infosys to home its BPM capabilities alongside its RPA capabilities, so the two can pull each other into projects, depending on the requirements.

OPPORTUNITIES

At the moment, AI and automation are in fashion in the tech sector, because every enterprise is looking to use these technologies to create a competitive edge and to differentiate. Bringing together its BPM, RPA, AI, IoT and machine-learning expertise should provide Infosys with cross-industry opportunities in both its core and new services businesses as enterprises pursue their digital transformation projects.

THREATS

While Infosys is growing its own consultancy expertise, it should not overlook the ecosystem opportunities of working with consultancies that need access to the fast-growing skills base that Infosys is growing in the BPM area.