Achieving Operational Excellence requires management of Business Process Performance from a customer and business perspective

Bernard Tardy, VP Business Development EMEA
Agenda

1. Systar company overview
2. Realities and challenges of the Real time enterprise
3. Why managing performance of business processes can help regain control
4. Illustration: complex value chain, at BNP Paribas
Systar Company Overview

The leading provider of software solutions for Business Process Performance Management

- Publicly listed on Euronext NM since 1999
- 125 employees worldwide
- Co-headquarters in Paris France and Fairfax VA
- Offices throughout North America and Europe
- More than 200 customers in Europe, US, Canada
The new reality of our customers’ business processes

- Extended value chains with many flows of data
- More and more partners and providers involved
- Rely on complex, distributed environment

The Real-Time Enterprise
The challenges of the real time enterprise

Risks of failures and breaking business commitments increase accordingly, as organizations become Real-Time Enterprises.
To date, important investments in order to control IT infrastructure
But still, abnormalities occur in strategic business processes...

...impacting service levels and placing business commitments at risk

The data displayed on our Web has not been updated

There is a risk of missing cut-off due to abnormally long batch processing

We did not receive any acknowledge receipt from this customer. We do not know whether the files sent has been properly integrated in his host.

We did not receive the data from our partners on time

Some of the data that feeds the batch process is not accurate
Complex value chains and causes of problems

- Focus on IT infrastructure: will address only 1 problem out of 5...
- One needs to:
  - Reduce impact of technical problems
  - Address remaining sources of risks

Causes of Unplanned Process Downtime (source Gartner, June 01)

- Human Factors: 40%
- Technology Failures: 20%
- Application Errors: 40%
Important objectives to regain control in the real time enterprise

- Detect abnormalities before they impact business activities and service delivery
  - Warn customers in order for them to take actions

- Focus company’s energies on the real priorities, from a business perspective
  - Problem triage must be based on business and customer impact

- Measure quality delivered to customers and partners, and report on the measurements
  - Implement a proper measurement system, which must be shared within Business and IT, driven by customer’s expectations
Manage and monitor Business Process Performance

Key performance metrics (KPM)

- Availability of service
- Plausibility of volumes
- Consistency of exchanges
- Timeliness Deadlines met
- Free flowing End-to-end

How do business processes behave?
Is service delivered as expected?

The underlying IT and applications

Real Time analysis
Historical trends

The expectations for QoS, from the user’s and business perspective

Web Server
Firewall Services
Datafeeds Integration
EAI engine Workflow
Gateway To market
Online Trading Applications
Tivoli
Client-Server applications
HP
Back-office Applications
Distributed databases
BMC
Data Warehouse (Suitability)
CA
Legacy databases
Mainframes & Servers
Environment
Communications devices & network
Which criteria to measure business process performance?

Those who will make it possible to assess:

- If end-result is conform to expectations
- If business commitments towards clients and partners are met
- If current partners involved in the delivery do meet their own commitments

→ Means new types of metrics
Apply relevant controls on each processing type

Processes and Value chains carrying flows

Cut-off process

Straight Through

Online Services (Web, TP, other)
Information Tailored by Job Function

- **Business**
  - Real-time measurement of business performance and operational risks
  - Impact calculation of IT and business events on business commitments and customers

- **I.T.**
  - Real-time measurement across technology silos of QoS delivered to the Business
  - Business-oriented SLA reporting and warning of potential breaches
  - Business impact measurement of IT failures and root-cause analysis

- **Customer Care Support Center**
  - Business impact of IT and business events on business commitments
  - Visibility of customers impacted

Business Processes

Computing Infrastructure
Customer-Facing Information

Real-Time Enterprise

Customers
- Pro-active notification of potential impacts or problems.

Business Processes
A presentation adapted the right info, to the right person, in the right format

Real time dashboards

Real time graphical views

Real time Activity synoptics

Service Levels

Historical reporting
Illustration: how BNP Paribas monitors a strategic business process, serving demanding customers

International Cash Pooling
Illustration of a cut-off process:
International Cash pooling

**Business commitments**

- **Ontime**: consolidated balances will be transferred electronically every morning before 7am
- **Comprehensive**: all data from all countries will be processed

In case commitments are not met, explain

**Clients**

**IT Ops**

**Business Unit**
Example of Key Performance Metrics used for Int’l Cash Pooling

Quality of Incoming Data
- Data is received on time & is consistent
- Volume of data received is realistic

Quality of Client Reporting
- Reports are produced on time
- Data transferred is complete
- If not complete, an explanation is included

Process Behaviour
- Normal ending of each step
- All deadlines are, or will be, met

End-to-End Controls
- Critical path milestones met
- SLA requirements met
The situation at a glance - IT view

R/T dashboards for the Control Room
Drill down for more detail
Quality of Exchanges with Clients

Some technical acknowledgments have not been received.

Number of expected technical acknowledgments: 247
Number of received technical acknowledgments: 245

Transfers without acknowledgement: 2

Impacted customers:
- Peugeot
- Cegetel
Executive Dashboards: Trends

Weekly dashboards

Monthly dashboards
Benefits to IT

- Faster identification of “break-points” impacting business commitments
- Better triage of IT events, according to business priorities
- Improved quality of service delivered to business units.
- Improved contribution to the business
- Improved communication with business units and executive management
Benefits to Business

- Better control of operational risks
- Improve bottom line through higher operational efficiency, avoiding financial penalties for breach of business commitments, or potential loss of revenue
- Improve customer satisfaction and loyalty through pro-active customer management
- Crisis avoidance, or faster crisis turn-around
Systar helps large enterprises improve the operational performance of their strategic business processes.
The two challenges Systar addresses

End-to-end operational control of business process performance, in their execution

→ BusinessBridge
The two challenges addressed by Systar

For large distributed IT infrastructures, **manage IT service quality and capacity** in compliance with business activities and business objectives → OmniVision
Questions?
http: www.systar.com