

Business Performance Management: *Efficient Business Process Monitoring and Controlling*

CrossZ Solutions Market and Product Opportunity

An analysis of



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Overview

The mandate to operate at an optimal performance level and meet financial and organizational expectations is transforming the way organizations do business. This evolution is driving higher standards of competence in day-to-day operations and adding new pressure to increase stakeholder value. In today's rapid-paced business climate, the agility with which a company manages performance can determine market position and company profitability.

Companies are searching for ways to bring IT investments in line with their most critical business priorities. This quest has created a shift from transaction-centric to informationcentric approaches offering collaboration and information that can drive actionable decisions throughout organizations. This focus is the impetus behind a new class of software capabilities now evolving from the roots of business intelligence (BI) and decision support that help organizations manage performance in a methodical and coordinated manner.

The core principles and goals of performance management are the following:

- **Efficiency:** The ability to optimize the operations and actions of the organization, individuals, and business processes to ensure that they result in defined goals and desired outcomes
- **Quality:** The ability to continuously improve the quality of relationships, processes, and products or services to fully leverage practices or methodologies that maximize the value of resources and assets
- **Value:** The ability to create and manage assets to increase business throughput and deliver long-term ROI for maximizing stakeholder return

Performance management provides a critical foundation for organizations to manage their businesses and empower individuals to make the right decisions to maximize profitability. Capturing knowledge and information across the organization can build long-term value for stakeholders. This is now possible by applying performance management principles to technology investments. Now, as never before, businesses have the ability to implement performance management to transform entire organizations with a focus to achieve goals. And now, as never before, the pressure is on businesses to manage their performance.

Business performance management links business intelligence to business strategies and processes via business metrics. This adds a top-down approach to the traditional bottom-up approach of business intelligence, and it adds new processes to the traditional business intelligence processes. These new processes are in particular about publishing and distribution of performance metrics and performance indicators to all people that have responsibility to run and to manage business processes. The impact is that more and more information for monitoring, controlling, managing and optimizing business processes is to be processed, because you can only manage what you can measure. Volumes of data warehouses and operational data stores are increasing like never before. And given the cycle speed of certain business processes, given the real-time opportunities of innovative channels like the web, mobile/wireless, and voice, business performance management must become real-time in many situations like real-time trading and brokerage on electronic markets, realtime interaction management with customers, and real-time monitoring and controlling of trading, production and transportation processes.

Performance Management is ubiquitous: Since everybody in an enterprise has responsibilities for executing and/or managing certain activities or processes, everybody

needs metrics to measure and manage the performance of his/her activities and processes. The principle is “information democracy”: Deliver the right information to the right information consumer to the right location in the right moment – an information supply chain paradigm is to be implemented. As enterprises have started to share key information, knowledge, and processes with its partners, suppliers, and customers, the information supply chain extends beyond the borders of an enterprise. Information democracy now includes all constituents of an enterprise’s value net.

So, the technical constraints and challenges of business performance management are

- Managing and analyzing high volumes of data
- Managing and analyzing data in real-time
- Personalized publishing and distributing of information to everybody

CrossZ Solutions in the Business Performance Management Market

CrossZ Solution’s research and development team has developed an “Information Hologram” technology, an infrastructure for business performance management. The core of what CrossZ Solution want to position is the difference between DOC and PDF or Visual Basic and compiled C program or all content of the Internet versus content published by a search engine like Google. The information compiler generates ‘holograms’, that contains the result set of answers to questions, but not the physical data. This is based on statistical learning to generate the optimal space for information and results for applications and tools.

Mathematical background is joint research with university on information holograms. This database image can be automatically generated and distributed based on batch processes. Information holograms compress the data and provide super fast access to the results of any SQL or OLAP inquiry. These properties make information holograms to an interesting alternative to dynamic data marts and enable complex queries on large volumes of data with the speed of mouse clicks. Due to its compression, information holograms can easily be shipped and published to information consumers providing them a secured environment: An information consumer gets the information he/she needs as a type of pdf- file, but has all power to browse and to exploit the information locally for any performance measurement purpose. This supports nicely the principles of information democracy.

This “Information Hologram” technology could play a role in all three categories of realtime analytics. But given the state of today’s product and short-term development goals, best opportunity for CrossZ Solutions is to play the role of an infrastructure for real-time analytics for analysis (real-time data exploration) and real-time deployment of analytics for enriching operational business processes. This brings CrossZ Solutions into the Application Server Market.

CrossZ Solutions in the Application Server Market

CrossZ Solutions through its partners (EDS, Italtel, Telesoft, etc.) has demonstrated how custom analytic application solutions have been developed and delivered to customers. The focus of CrossZ to be a technology supplier for OEM and channel partners will require tighter levels of integration with application server platforms (i.e. IBM, BEA, Sybase, Sun).

Through further analysis, CrossZ has an opportunity to develop interfaces into the

application servers so that the application components are easily integrated and customizable for the application developer. Through the joining of the application server partner programs and building of simple demonstrable levels of integration, CrossZ can directly provide potential partners a quick and seamless method of integrating analytics within the solutions.

The partners of the application server providers are directly available through their partner catalogs and can be selected based on CrossZ overall market strategy. This along with the application server vendors having their own portal application framework provides CrossZ a nice opportunity to target the market without having to build application infrastructure but can recommend or select an existing application server provider.

Summary: Market Trends and Future

Process-Oriented (collaboration, customer relationship management, supply chain management, business integration etc.) drives Business Performance Management for efficiently monitoring, controlling, and optimizing business processes via a closed loop system approach.

Business Performance Management is the next generation of Business Intelligence. It links Business Intelligence to business processes and business process management, and it uses the information democracy paradigm: Availability and accessibility of the right information to the right information consumer at the right location in due time.

From a technology point of view, there are still two open issues about Business Performance Management:

- Personalize information deployment to the information consumer via publishing, delivery, subscriptions, alerts, and notifications across all channels (web, mobile, traditional).
- Enable real-time access to distributed operational and analytical data without moving data into operational data stores.

CrossZ Solutions product development plan is targeting these two open issues.

Future:

Secured, personalized mass distribution of information according to the information supply chain paradigm is still a challenge. Local post-processing of personalized information is a must, but nearly all vendors still include “real” data in information objects. The problem is limitation on size of information objects, insufficient speed of queries when objects get big, and quality problems in data consistency (risk of data manipulation by information consumer). CrossZ Solutions Information Holograms provide a way out of these problems and could provide an infrastructure for secured personalized mass distribution of information. There are not yet many technologies on the market providing this functionality. The only up to now known competing technology comes from Panoratio (a Siemens spin off).

Literature

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Biographies of Mark A Smith and Wolfgang Martin

Mark Smith

Mark Smith is CEO and Senior Vice President of Research at Ventana Research, a business and IT research and advisory services firm focused on Business Performance Management. Mark is a leading authority on providing insight and education on how organizations can understand, optimize and align their business to reach the highest level of performance through leveraging information, best practices, methodologies and technology. Mark is a contributing editor of Intelligent Enterprise where he authors the Business Performance Management column and writes weekly online analyst reports at IntelligentEnterprise.com. Mark is also the community editor for the forum IntelligentBPM.com that is jointly managed by Intelligent Enterprise and Ventana Research. Mark is on faculty and BI advisory board at The Data Warehouse Institute. Mark was recently CMO of SAP Portals, a wholly owned subsidiary of SAP focused on the business intelligence, enterprise portals and knowledge management markets. Mark is an experienced industry veteran with over 16 years experience in business, IT and technology vendors having worked at companies like SAP Portals, META Group, WhiteLight Systems, AlphaBlox, Oracle and IRI Software. Mark can be reached at mark.smith@ventanaresearch.com

Dr. Wolfgang Martin

Recently designated one of the top 10 most influential IT consultants in Europe (by Info Economist magazine), Wolfgang Martin is a leading authority on Customer Relationship Management (CRM), Enterprise Application Integration (EAI), Business Intelligence (BI), and Business Performance Management (BPM).

After 5½ years with META Group, latterly as Senior Vice President International *Application Delivery Strategies*, Mr. Martin established the Wolfgang Martin Team. Here he continues to focus on technological innovations that drive business, examining their impact on organization, enterprise culture, business architecture and business processes.

Mr. Martin is a notable commentator on conference platforms and in TV appearances across Europe. His analytic skills are sought by many of Europe's leading companies in consulting engagements. A frequent contributor of articles for IT journals and trade papers, he is also an editor of technical literature, such as "*Data Warehousing – Data Mining – OLAP*" (Bonn 1998), "*Strategic Bulletin on EAI*" (Munich, 2002), "*Strategic Bulletin on CRM*" (Munich, 2002), "*Jahresgutachten CRM 2003*", (Würzburg, 2002). Prior to META Group, Wolfgang Martin held various management positions with Sybase and Software AG, responsible for business development, marketing and product marketing. Prior to this, he became an expert on decision support while with Comshare. His academic work included Computational Statistics at the Universities of Bonn (Germany) and Paris-Sud (France). Dr. Martin has a doctoral rer.nat. degree in Applied Mathematics from the University of Bonn (Germany).