



## Outsourcing • BPM

# Analysis

## Group explores the meaning of **BPM**



Martin Richmond-Coggan, Applix

**The performance management space** made a bold attempt at defining itself last month with the formation of the BPM Standards Group. But hard questions over how far the group could go in finding common ground will take some answering.

The group, which includes consultancy BPM Partners, vendors Applix, IBM, Hyperion and SAP and analysts IDC and Meta and The Data Warehousing Institute, said its goals included common definition for BPM,

agreement on the scope of projects, clarity on agreed outputs and examples of best practice. Ironically, the analyst who has perhaps done most to gather momentum behind what it calls corporate performance management (CPM), Gartner, was absent.

The group initially defined the term as a first deliverable (see box) but said it plans to go further in helping define the scope and deliverables to help organisations maximise and target their investment in the area.

Ivor Herman, UK managing director of BPM Partners, said the common goal of those in the BPM was clear. 'All the aspects of BPM have been around for a long time. What makes this different is these are integrated solutions as opposed to best of breed point solutions. If you look at the constituent parts – business intelligence, analysis on actuals, statutory reporting – they are all things that people have been doing for years. Now they want to link that together so they can form a strategic plan, then deliver on that strategy and have it tied to the forecast and budget.'

Formed by one of the co-founders of Hyperion and well established in the US, BPM Partners started up in the UK in February to help companies go through BPM requirements, conduct tenders and then help on projects.

However, it will not get involved in implementations in order to maintain its independence. 'The main thing

we bring to the table is our detached perspective.'

Standards in the performance management space have had a chequered history. The Arbor-led MD-API and its OLAP Benchmark was ultimately unsuccessful while Microsoft's OLE DB for OLAP has become a *de facto* standard for front-end reporting. Martin Richmond-Coggan, VP EMEA of Applix and founder-member of the group, said: 'The BPM Standards Group will help define what BPM is and how you go about it. It will define what it means and how to implement it.'

A spokesperson for the group said Gartner's absence was simply a coincidence, since it was formed at a conference which Gartner did not attend. Up to 20 vendors have since expressed an interest in joining.

### Defining moment

As a first deliverable, the BPM Standards Group has developed a definition of BPM which includes the following principles:

- BPM is a set of integrated, closed-loop management and analytic processes, supported by technology, that address financial as well as operational activities
- BPM is an enabler for businesses in defining strategic goals, and then measuring and managing performance against those goals
- Core BPM processes include financial and operational planning, consolidation and reporting, modeling, analysis, and monitoring of key performance indicators (KPIs) linked to organisational strategy.