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2010 BPM Partners Annual Survey: Business Performance Management is Key to Managing Through the Recovery

Stamford, CT—July 7, 2010— [BPM Partners](#), the leading independent authority on business performance management (BPM) solutions, today released results of the [2010 BPM Pulse survey](#). In its eighth year, this annual survey identifies important trends in business performance management as well as the market's perceptions of vendors and service providers. The survey also addresses the underlying corporate motivation and goals associated with BPM initiatives.

The 2010 results indicate corporate executives are still concerned about the economy but are starting to shift their mindset to longer term strategy. "The BPM marketplace is an early indicator of general economic health and a measure of executive issues and concerns," said Craig Schiff, CEO, BPM Partners. "The 2010 BPM Pulse seems to indicate we are still hung over from the economic woes of the last 18 months but many companies do realize that BPM can help them weather the storm while preparing for brighter days ahead."

Management Reporting is Driving More BPM Initiatives

In 2009, respondents cited "improved bottom line performance" as their primary motivation for adopting BPM. This year, improved management reporting overrode other priorities by a wide margin. This year strategic planning regained its fourth place position, pushing operational analytics down. While not a dramatic change, it seems to indicate that the business community is recovering from a "crisis mentality" to again focus on longer term strategic concerns.

Larger companies are leading the way. Over the past year, 21% of large companies (those with over 2,500 employees) had spent over \$1,000,000 on BPM projects, breaking a down trend. In 2009, only 15% spent this much. Schiff notes, "We have to look back to 2007 to find a quarter of large enterprises hitting this spend level."

BPM Late Adopters Still Take Some Convincing

Even though there are many signals that performance management is quickly regaining its momentum, the 2010 survey did show a significant slippage in the percentage of respondents who either have BPM projects planned, in progress or just completed, falling from 2009's 81 percent to 73 percent, below even 2008's 79 percent.

When asked why there is no BPM initiative in progress, the main reasons given were lack of clarity regarding the benefits and lack of executive sponsorship. Lack of ROI justification doubled from the 2009 responses. Good news on the economic front: lack of funding was less frequent as a reason than in 2009. In general, it does not appear that the "no plan" organizations are simply unable to fund projects that can impact bottom line performance. With many companies having adopted BPM, some of those that have held out say they do not see how the benefits are applicable to their organization, and vendors have not made the ROI case sufficiently to convince them.

"The vendor community needs to focus on return-on-investment and help educate those that have yet to embrace BPM on the potential positive financial impact," said Schiff. "There is a great deal of competition for corporate time and attention. Show what a difference BPM makes. Help champions make their case for BPM."

On average, companies are experiencing shorter implementation cycles, with only 15% requiring a year or more for an implementation. That result is down from 18% last year and from 31% in the previous year, 2008. Perhaps this is because packaged applications are becoming the standard and do-it-yourselfers are becoming rarer. 2010 results show a notable swing from vendors that offer both tools and applications toward the application-only vendors.

With more than 500 responses, the BPM Pulse, which is not vendor-sponsored, covers a wide range of geographies, industries and titles; a quarter of the respondents work in companies with more than 5000 employees, and more than half the sample (58 percent) were senior executives. More than three-quarters of the respondents are directly responsible for finance within the organization.

For a free summary report, link to: http://www.bmpartners.com/bpmcentral_whitepapers.shtml

About BPM Partners

BPM Partners is the leading independent authority on business performance management (BPM) solutions. The company helps organizations address their budgeting, planning, financial reporting, regulatory compliance, profitability optimization, key performance indicator (KPI) development, and operational performance challenges with vendor-neutral experts who can guide companies through their BPM initiatives from start to finish while both reducing risk and minimizing costs. BPM Partners has specialized packages that lead clients through project justification, requirements definition, vendor selection and deployment of departmental or enterprise-wide BPM or business intelligence (BI) systems. For further details, go to <http://www.bmpartners.com>.

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