

Cool Vendors in Business Process Management, 2007

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We will introduce three small and cool business process management (BPM) vendors. In an already overcrowded business process management suite (BPMS) market, the unique value propositions of these vendors are likely to be missed, even by those users that are tolerant of leading-edge, riskier technology investments.

Key Findings

- Innovative vendors of business process architecture (BPA) tools and BPMSs continue to appear, despite these markets already being overcrowded.
- Being cool by itself does not equate to long-term market success; execution, especially in an already-crowded market, matters more.
- No matter how cool they are, many of these new vendors will not be long-term market competitors.
- Innovation in the BPM market continues to appear in technology features, distribution channels, licensing models and feature packaging.
- Many innovative vendors may lack large customer bases, market visibility, references and geographic presence.

Recommendations

- Realize that a vendor's innovative potential is often directly attributable to its newness on the market.
- Clients must decide whether innovative value or a large market reach is more beneficial to them.

ANALYSIS

What You Need to Know

Demand for BPM-enabling technologies continues to accelerate, especially in the BPA and BPMS segments. With so many vendors competing in these markets, it is difficult for users to find truly unique products. We are highlighting these three small vendors because their uniqueness holds the potential to be disruptive to the BPM technology markets in which they compete, despite being relatively unknown. Users that can tolerate the higher risks of doing business with small vendors, whose tools are less proven and whose future is less certain than their competitors, should consider these vendors.

Intalio has adopted an open-source business model that is unique in the BPMS market, using open-source content, licensing and community marketing to advance the adoption of its BPMS. Regardless, its business model holds the potential to increase the market availability of BPM skills.

Nimbus Partners adds a unique approach for involving masses of workers in process modeling, letting them define and sustain models as a kind of electronic operations model, keeping the models up-to-date with execution.

Ascentn provides a unique BPMS tool for Microsoft-centric users. Its metadata-driven paradigm enables dynamic process execution and goal-driven processes.

Intalio, Redwood City, California (www.intalio.com)

Analysis by Janelle Hill

Why Cool: Intalio is a small BPMS provider that was founded in 1999 and is led by Ismael Ghalimi, a thought leader in BPM. (Ghalimi and Howard Smith created bpmi.org with the mission to promote and develop the use of BPM through the establishment of standards for process design, deployment, execution, maintenance and optimization.) Intalio is trying to use open-source technology and the open-source community in its business model and go-to-market strategy, making it unique in the BPMS market. After multiple false starts as a company, Intalio announced in December 2006 that it would distribute its Intalio/BPMS Community Edition under the Mozilla Public License. For more information, see "Intalio Boosts BPMS Usage With Open-Source-Like License."

Intalio/BPMS Community Edition includes capabilities developed by Intalio that were built on top of open-source technologies, such as MySQL and JBoss. This zero-cost, publicly available BPMS is credible, meeting Gartner's minimum BPMS feature set. With its open-source-like license, technology and business model, Intalio hopes to quicken adoption of its BPMS, increase the availability of process modeling and development skills, and accelerate the adoption of BPMS technology to mainstream users.

Increasingly, software vendors are finding open-source software and the open-source community to be a viable way to encourage the adoption of technology. For a tiny company such as Intalio, this channel will be more effective at raising awareness and promoting the use of its software than its past approach of providing free downloads via its company Web site.

Intalio is the only credible open-source BPMS (although there are more than 170 commercial BPMS vendors). As BPMS technology has matured — and market acceptance has increased — prices have climbed, making it difficult for novices to get hands-on experience in requisite BPM technology skills. Intalio had offered its BPMS Community Edition at no cost, but the company

lacked a distribution channel and effective marketing. Its decision to eschew the more traditional and expensive route of using a direct sales force and instead adopt a license-based approach to the open-source community demonstrates an aggressive effort to seed the market and competitively position the company, with the opportunity to sell upgrades to its full Enterprise Edition.

The use of this product by a large number of people will increase the availability of individuals that are skilled in business process modeling notation (BPMN), development and deployment. A credible, open-source-based BPMS will put some short-term pricing pressure on commercial vendors and force the company to further differentiate itself, especially in terms of ease of use for business users and IT professionals. However, users that later upgrade from the Community Edition to Enterprise Edition may find that it is no less expensive than alternative commercial offerings.

Challenges: This approach is Intalio's latest attempt to generate growth and create a more-profitable business model. Success hinges on Intalio's ability to catalyze and sustain an open-source user community that broadly upgrades to its Enterprise Edition. The adoption of open-source-based products has predominantly been in the public sector (such as government and higher education), scientific/research-oriented commercial segments (that is, biotechnology and pharmaceuticals), and high-tech and telecommunications companies. In addition, open-source products are attractive to companies with tight budgets and those that simply want to experiment. Furthermore, the most-successful open-source-based products, such as JBoss's application server and MySQL's SQLDB, have been in mainstream and well-established technology categories. In these cases, the open-source approach provided further cost advantages for functionality that were largely commoditized. However, the BPMS product category is relatively new and just became a growth segment, instead of an emerging technology one, in 2006. Intalio's timing for taking advantage of open-source community dynamics is therefore still a little early.

Who Should Care: Users whose BPM initiatives are being driven more by IT professionals than business users and want to do early proof-of-concept testing to gain an understanding of BPMS technologies, process modeling and development should consider the open-source Intalio/BPMS Community Edition. Any user organization that already participates in the open-source community and uses other open-source-based products may want to consider Intalio.

Ascentn, Mountain View, California (www.ascentn.com)

Analysis by Janelle Hill

Why Cool: Many Microsoft-centric user organizations that are interested in BPM are looking to get more from their investments in .NET technologies and skills. Although there are easily 12 Microsoft-centric BPMS providers, few fully take advantage of the .NET framework and Microsoft's new Windows Workflow Foundation (WWF). In addition, almost none have completely eliminated the need to translate their XML (generated by their modeling tool) into executable code before running the process. In other words, their execution engines still require compiled code, even if it is a just-in-time compilation. This implementation approach inhibits process adaptability for processes that must evolve dynamically. For processes in which the sequence of work is not well-understood or must change dynamically based on the context of the transaction in real time, compilation before execution inhibits dynamic change. This class of process problem is not easily defined by structured automation. Ascentn is a small and emerging vendor that provides a Microsoft .NET-based BPMS tool to address this need for more-dynamic process execution.

Ascentn's AgilePoint uses an XML and Web service-based architecture and a model-driven development framework to provide for such dynamic and collaborative functionality. AgilePoint's internal design lets users design and deploy processes that can be dynamically changed in real

time. This real-time infrastructure is one of the key elements that differentiates Ascentn from other Microsoft technology-centric vendors. This metadata-driven IT asset-abstraction framework is a key concept, found in leading-edge J2EE-based BPMSs (such as Lombardi, Pegasystems, Savvion and Appian).

This framework provides the necessary instrumentation to fully experience the value proposition of service-oriented architecture (SOA). Ascentn uses this metadata framework to support the dynamic processes that are typical for organic collaboration, whereas other vendors try to cope with these processes through the use of business rules.

Ascentn brings dynamic, adaptable processes to the Microsoft application base and any SOA assets through integration with Visual Studio for encapsulating services and managing processes. Its use of Visio for modeling is unique in that models are executed directly with no recompilation. These two aspects provide developer flexibility and business user empowerment in the use of dynamic adaptable processes. Microsoft users will appreciate the integration with SharePoint, BizTalk, InfoPath, Exchange, CRM, Axapta, WWF, Windows Communication Foundation and so on.

Challenges: The biggest challenge to Ascentn is to gain market visibility and adoption by Microsoft loyalists. Its capabilities compare favorably with the aforementioned strong, J2EE-based tools. However, at this point in the evolution of the BPMS market, many Microsoft customers do not need such sophisticated capabilities. More typically, users want to create simple, human-centric workflows that use SharePoint, InfoPath and Office. Thus, Ascentn has the challenge of educating potential buyers of the possibility that its technology enables, versus other Microsoft-centric products such as Metastorm, Ultimus, Global360 and K2.net. As long as users don't see the benefits of managing unstructured collaborative types of processes, it will be difficult for Ascentn to take advantage of this unique differentiator.

Nevertheless, Ascentn's decision to take advantage of Microsoft's applications, such as Office, and server and development tools lets users get more out of many of their existing investments. By not introducing proprietary BPM development technologies for Web form building and other tasks, Ascentn customers can enjoy the benefits of Microsoft's ongoing investment and support in these areas, without worry of being abandoned. In this way, the risks with Ascentn are reduced because its approach preserves users' investments in the design of the end-to-end process and skills; only parts of the Ascentn runtime engine are proprietary.

Who Should Care: Microsoft-centric users looking to get more out of Visio, BizTalk, Office, Visual Studio .NET, and other Microsoft products and skills within their BPM initiatives should consider this product.

Nimbus, Portsmouth, United Kingdom (www.nimbuspartners.com)

Analysis by Janelle Hill

Why Cool: Although every enterprise sets strategic goals, many struggle to align execution to them. Most lack an intuitive set of tools to manage the transition from theory to ongoing practice (without using expensive external resources). Nimbus provides a software product to address this gap. Its Control-ES product is a unique process modeling and management tool that enables a broad and shared up-to-date understanding of operational processes. Control-ES is often mistakenly compared with BPA tools, which address the process modeling, simulation and analysis needs of business and IT analysts and architects but do not synchronize their resulting design with its implementation. Although Control-ES misses some of the deep functionality that is typically covered by BPA products, it targets a different need: to close the strategy-to-execution gap by using the process modeling metaphor to create an electronic, easy-to-consult, process-oriented operational procedures manual within a personalized portal. In this way, Control-ES

provides process management functionality more so than traditional BPA tools — yet less process management than a BPMS. Like a BPMS, Nimbus can link business metrics to processes and includes facilities for activity-based costing and making scorecards. In addition, Nimbus offers many packaged solutions tied to common frameworks such as Six Sigma, balanced scorecards and compliance. Introduced to the market in 1998, deployments demonstrate that the approach goes from a handful of analysts doing process mapping to 100,000 end users running the business process from a single instance of the software. Although most clients purchase and install the software, many have it hosted on a Nimbus server (software as a service).

Like BPA tools, Control-ES enables process design via modeling, process collaboration and communications. Its storyboard view creates text-based training and testing manuals. However, Nimbus goes beyond these capabilities, linking the resulting operational manual to the actual systems used and capturing process performance data to populate its metrics. In this way, execution is linked to the explicit process model, synchronizing the model with its implementation (a benefit of broader BPMS tools). Lastly, Nimbus plans to integrate Control-ES with SharePoint 2007, making SharePoint 2007 the delivery portal.

Challenges: The biggest challenge to Nimbus is to overcome the perception that Control-ES is yet another process modeling tool to support enterprise architects and other IT-centric roles. In addition, its unique blend of capabilities and largely proprietary architecture means that it doesn't fit neatly with established technology categories, making it difficult for users to easily compare it to alternative approaches. Finally, Nimbus is a relatively small company, with little market visibility beyond Europe, the Middle East and Africa, and has a tiny partner ecosystem.

Who Should Care: This technology will be of interest to enterprises that want to make the process mind-set part of their embedded culture, in which everyone knows its roles within each process that each associate contributes to and is actively engaged in maintaining the best operational procedures and sharing knowledge. In addition, consultants looking for more of a brainstorming front end to engagement assessments, especially for large transactional suite implementations such as SAP and Oracle, will find it useful.

RECOMMENDED READING

"Magic Quadrant for Business Process Management Suites, 2006"

"Magic Quadrant for Business Process Analysis Tools, 2006"

"Selection Criteria Details for Business Process Management Suites, 2006"

Note 1

Disclaimer

This research does not constitute an exhaustive list of vendors in any given technology area, but rather is designed to highlight interesting, new and innovative vendors, products and services. Gartner disclaims all warranties, express or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

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