
Preface

Innovation can be regarded as the *idea-to-execution process*, i.e., the conversion of emerging insights, opportunities, and creative designs into new products, services, processes, or entire new business models. However, unlike most transactional processes such as purchasing, sales, or payroll, the transformational process of innovation has been underexplored by the business process management (BPM) community. Beyond support for internal idea management processes, corporations have been short on improving the productivity and scale of their innovation value chain consisting of processes such as open innovation, design-led innovation, or co-innovation.

Adding a process-centered mind- and toolset to innovation promises all the BPM benefits organizations have harvested for over two decades. In particular, a well-orchestrated and where possible IT-supported innovation process will be more efficient, predictable, and less risky while at the same time protecting the pockets of creativity along such processes. As such, BPM has the potential to accelerate innovation processes and to reduce the failure rate of innovation, leading to a much needed increase in innovation activities.

Innovation processes are of course less predictable than highly repetitive transactional processes. Nevertheless, by now BPM has grown in terms of maturity when it comes to case management, exception handling, cloud, and social processes. As such, BPM seems sufficiently equipped to approach the challenges related to innovation process management (IPM) as its next significant unit of analysis.

In contrast to the view of adding BPM to innovation, there is also tremendous potential in *enriching BPM approaches with innovation methodologies*. Currently, the typical process life cycle starts by capturing the actual process via a series of interviews, observations, or more recently process mining. Subsequent activities are then dedicated to identifying process issues and their root causes and to creating solutions, which overcome these. This inside-out approach can be characterized as being reactive and problem driven.

Such an approach was more than sufficient in the *age of automation* which was centered on streamlining processes by eliminating waste (lean), variation (Six Sigma), and manual labor (workflow), leading ultimately to cost-resilient processes.

However, in the *age of digitization*, cost resilience is no longer sufficient. Digital solutions have shifted the focus from corporate digital capital as materialized in compliance-driven IT systems to customer-centered mobile apps and solutions and by this are much more revenue sensitive.

As a series of recent examples, most prominently Kodak, have shown, high levels of cost efficiency are necessary but not sufficient for survival. In the current economic environment, competition emerges quickly in the form of technology-savvy disruptors able to provide superior value propositions based on light asset models. Thus, organizations have to strive for revenue resilience in addition to cost resilience when designing future-proofed processes.

Consequently, the BPM body of knowledge is in desperate need to be complemented by a more opportunity-driven, proactive approach to process design. Instead of questions such as “How do we reduce re-work, bottlenecks, or waiting time in our processes?”, such an opportunity-driven approach answers questions such as “In which of our processes do Google Glasses create substantial gains?” or “Where in our landscape of processes could mobile, social, or location-based services lead to new revenue streams?”

The coexistence of demands for cost and revenue resilience, i.e., the need to simultaneously address process issues and to capitalize on new digital process design opportunities, is called “*Ambidextrous BPM*.” Ambidextrous BPM demands two different types of capabilities, i.e., the continuation of the exploitative strength of traditional BPM needs to be combined with the explorative potential of a design-intensive approach sensing external opportunities and converting these quickly into improved processes.

Adding BPM to innovation and innovation to BPM will ultimately lead to a new class of (process-aware) information systems, which can be labeled “*(process) innovation systems*.” After understanding, modeling, analyzing, and proposing reference models for most of the transactional processes, the speed, disruptive potential, and opportunities of the digital age now require making transformational processes the focus of our investigations.

This book can be seen as an important step toward such process innovation systems. I very much like to congratulate the editors and authors for presenting such an impressive scope of ideas for how to address the challenging but very rewarding marriage of BPM and innovation.

Brisbane, Australia

Michael Rosemann

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von Brocke, J.; Schmiedel, T. (Eds.)

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