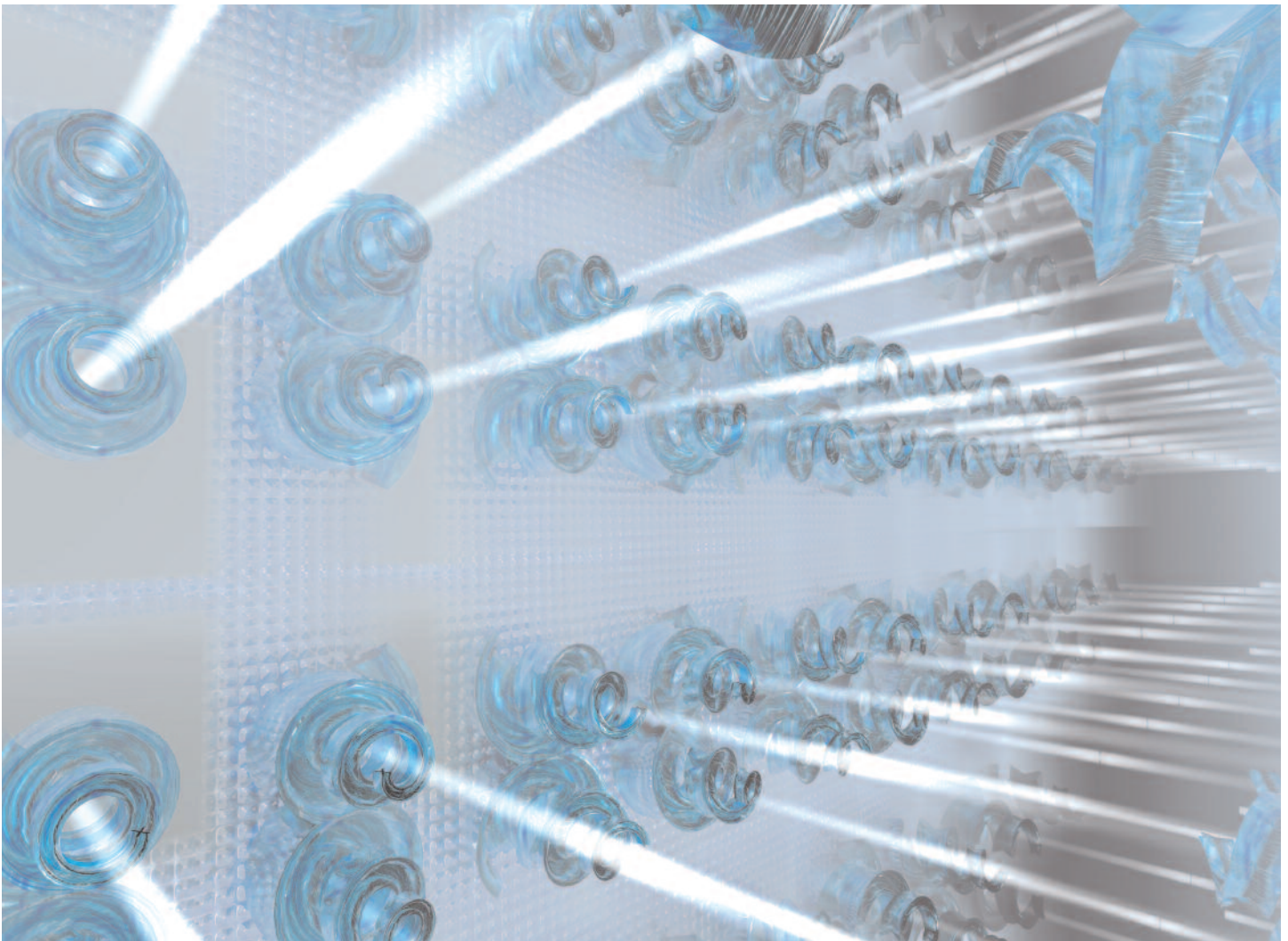


# *Industry Watch*

A Summary of Survey Findings on  
End User Perceptions of the Connections between  
Enterprise Content Management (ECM) and  
Business Process Management (BPM) Technologies

*I'm From ECM,  
You're From BPM*



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The Enterprise Content Management Association

# I'm From ECM, You're From BPM

## About the Survey

AIIM surveyed nearly 500 end users on their views of Enterprise Content Management (ECM) and Business Process Management (BPM) technologies in September 2004. The ECM-BPM Technologies End User Survey was sent to AIIM E-DOC Magazine subscribers, Transform magazine subscribers, and the ebizQ.com house list for response.

The survey consisted of 21 questions with respondents representing a variety of industries. The largest group of respondents was government (21 percent), including defense, public services, and local government officials. Other large respondent groups were from banking, finance, and insurance (17 percent), and manufacturing (8 percent).

Across the entire sample, there was a good representation of organizations of all sizes. Small organizations (0-99 employees) represented 20 percent of the overall sample, medium-sized organizations (100-999 employees) comprised 24 percent, and large organizations (over 1,000 employees) represented 56 percent of the end user respondents.

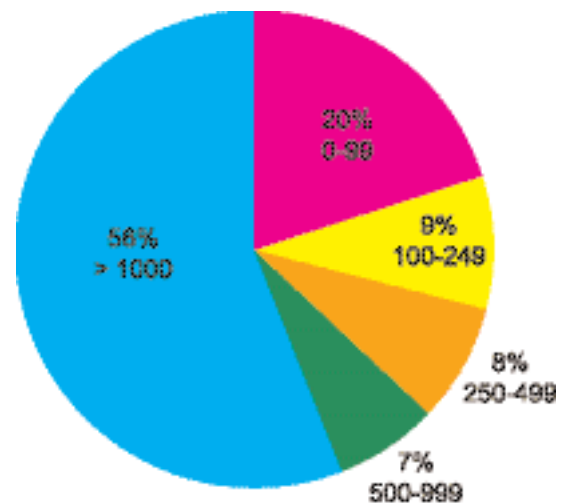
The ECM-BPM end user respondents also represented a variety of job functions within their organizations. Information and records management functions represented 22 percent of the respondents, followed by information systems/information technology functions at 11 percent, project managers comprising 10 percent, and ceo/president/owners at 9 percent.

## About the Survey Respondents

### Respondents by Industry

|                           |            |
|---------------------------|------------|
| Government                | 102        |
| Banking/Finance/Insurance | 83         |
| Manufacturing             | 41         |
| Professional Practices    | 41         |
| Oil & Gas Utilities       | 28         |
| Telecommunications        | 22         |
| Education                 | 21         |
| Healthcare                | 19         |
| Transportation            | 18         |
| Chemicals/Pharmaceuticals | 17         |
| Other                     | 93         |
| <b>Total</b>              | <b>485</b> |

### Respondents by Company Size



# I'm From ECM, You're From BPM

## Executive Summary

This AIIM Industry Watch presents the key findings from the ECM-BPM End User Survey conducted in September 2004. There are elements of "I'm From Mars, You're From Venus" in conversations among users and suppliers when discussing ECM and BPM technologies, along with other key industry marketing terms such as workflow and document management. The purpose of this summary is to provide an overview of how users understand and perceive these various terms.

Numerous terms have been developed to try to grasp the complex and fast-changing world of content management. This has caused considerable confusion among end users. The ECM-BPM End User Survey found that more than three-quarters of all respondents reported that they fully understand workflow and document management. However, only half of the end users responded they fully understand ECM technology. Even fewer, 47 percent, state that they have a full understanding of BPM technologies. Also, more than 60 percent of those surveyed said they see little connection between ECM and BPM technologies. These differences mean that users and suppliers often talk past each other. The survey shows that end users must do a better job of defining the business problem they are trying to solve and look past the buzzwords towards the functionality they solve. At the same time, vendors need to be clearer on the problems their technologies are best suited for.

*"Gather any five information technology, records managers, or end users, and you would get at least 10 different definitions for each term."*

ECM-BPM Survey Respondent  
September 2004

Enterprise Content Management (ECM) is a term introduced in 2001 by AIIM. It is defined as the "technologies, tools, and methods used to capture, manage, store, preserve, and deliver content across an enterprise." ECM technologies focus on unstructured information that exists outside the confines of data-bases such as email, word processing documents, digital images, and PDF files. This type of information represents the vast majority of information in most organizations, with some industry estimates placing it at 80 percent of all information created. At the most basic level, ECM tools and strategies allow the management of an organization's unstructured information, wherever that information exists.

Business Process Management (BPM) is concerned with the definition, execution, management, and analysis of business processes, defined independently of any single application. BPM technologies enable users to capture and retrieve data from disparate business systems. The key capabilities of BPM systems include a standards-based process application design and development environment, end-to-end transaction management capabilities, and packaged integration technology. BPM is a mix of process management/workflow with application integration technology.

# I'm From ECM, You're From BPM

## Key Findings – I'm from Mars, You're From Venus

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**Users are confused about ECM and BPM technologies.** Only half of the end users surveyed reported that they fully understood the term “Enterprise Content Management,” although awareness of this term is growing among end users. There was even more confusion about BPM technology solutions, with only 47 percent of end users reporting that they fully understand the term. By contrast, the survey indicates that respondents understand workflow, document management, and even enterprise application integration.

**Users see limited connections between ECM and BPM technologies.** Sixty-four percent of the respondents viewed ECM and BPM as two separate initiatives that intersect from time to time. They are seen as complementary and overlapping, but distinct.

**Users have varied implementation experiences with ECM and BPM technologies.** End user respondents reported that more than 50 percent have undertaken BPM solutions to address departmental projects. By comparison, 42 percent have undertaken departmental projects using an ECM solution. Interestingly, the survey found that only 11 percent of end users have deployed and implemented an enterprise scale initiative using BPM technologies, while 17 percent have used ECM solutions.

**Users rate productivity and costs savings as extremely important business process drivers.** End users cited increased productivity, reduced costs, and increased customer satisfaction as extremely important potential benefits of ECM and BPM technology solutions.

**Users identify key obstacles to ECM and BPM deployment.** Planning and managing implementation and justifying the investment to senior management are the key obstacles that end users identified in implementing either ECM or BPM technology solutions.

**Users view ECM and BPM implementation challenges comparable to other major software implementation challenges.** More than 50 percent of end users surveyed state that the implementation of ECM and BPM technology solutions present exactly the same challenges or similar challenges to other major software implementation challenges.

**Users cite finance and internal/administrative business processes as important reasons for BPM implementation.** BPM technologies could be used to address business processes across a variety of functional areas within enterprises, with finance, internal/administrative processes, and human resources as top beneficiaries.

*“I am pretty sure I understand the terms, but I am not entirely sure that my understanding squares with others.”*

*“Too many of these definitions represent umbrella terms that tend to lead into the gray ether area of overlap.”*

*“Vendors are seeking to sell – something, regardless of names or terms. I am accountable for the functionality and the success.”*

*“The definitions are evolving over a time period. We have yet to see the final version.”*

End User Respondents  
September 2004

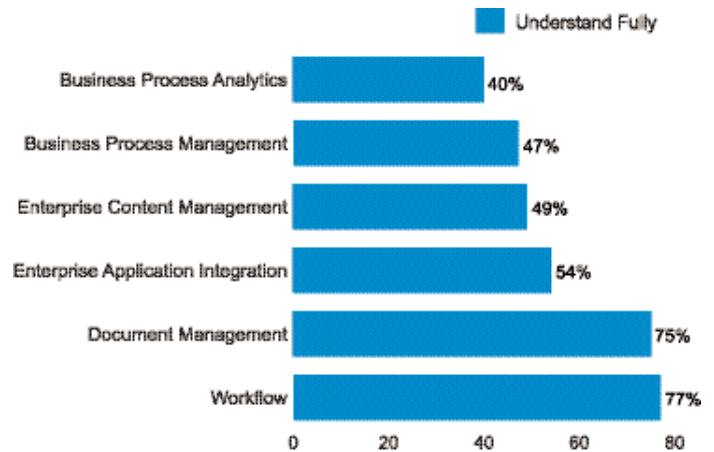
# I'm From ECM, You're From BPM

## Users are confused about ECM and BPM technologies

More than three-quarters of the respondents said that they fully understand the term workflow and document management. Only 49 percent reported that they have a good understanding of enterprise content management although other AIIM surveys indicate that awareness of this term is growing among users. There was even less of an understanding among survey respondents of business process management technologies, with fewer than 50 percent of the end users reporting that they had a solid understanding of the term.

When asked what they considered the best definition of BPM technology, there was consensus around the definition. More than 70 percent of the respondents said that they believe that technologies used to model, automate, manage, and optimize business processes was the best definition based on their understanding of the term.

### Confusion About ECM and BPM Technologies

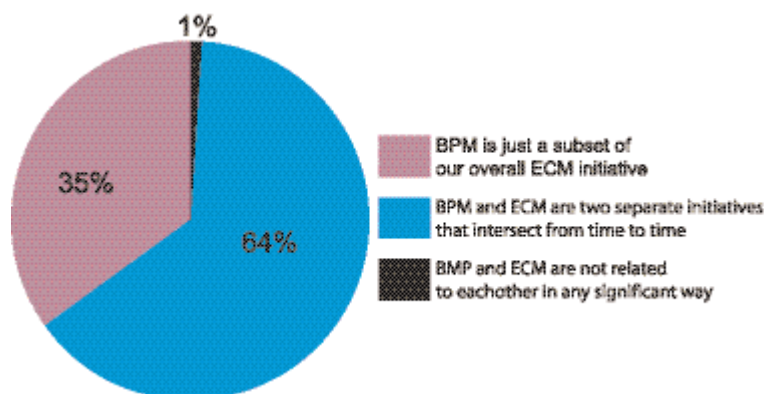


## End users see little connection between ECM and BPM technologies

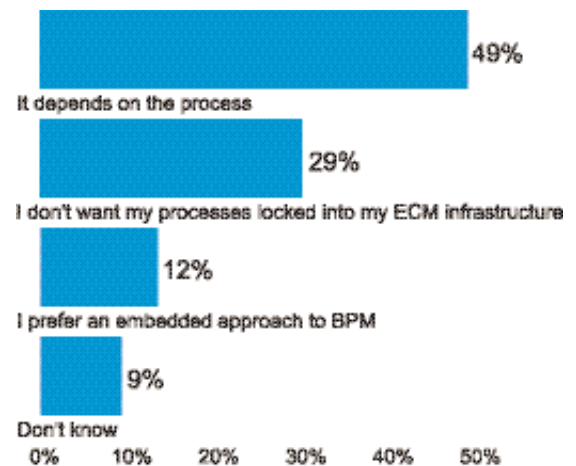
The end user ECM and BPM technologies survey showed that respondents did not see a relationship between the two terms. Sixty-four percent of the respondents said that ECM and BPM are two separate initiatives that intersect from time to time. This contrasts with the tight linkage that exists between workflow and imaging

Some ECM vendors provide BPM features in their products. However, only a small percentage of the respondents (12 percent) would prefer an embedded BPM solution. Nearly half of the respondents felt that an embedded solution largely depends upon the specific process.

### End Users View ECM and BPM Technologies as Mostly Separate



### Embedded BPM Solution vs. Separate BPM Solution



## I'm From ECM, You're From BPM

### Users have varied implementation experiences with ECM and BPM technologies

End user respondents have had the greatest amount of experience with both ECM and BPM technologies at the departmental level. Forty-two percent of the respondents have undertaken ECM departmental projects and 53 percent have undertaken BPM departmental projects. As the responses show, less than 20 percent have used ECM or BPM technologies to integrate projects across departments or to deploy and implement an enterprise scale initiative.

| <u>Varied ECM and BPM Experiences</u>                     | <u>ECM</u> | <u>BPM</u> |
|---|------------|------------|
| Have undertaken departmental projects                     | 42%        | 53%        |
| Strategic plan in place                                   | 21%        | 19%        |
| Working to integrate projects across departments          | 20%        | 17%        |
| Deploying and implementing an enterprise scale initiative | 17%        | 11%        |

### Users rate productivity and cost savings as extremely important potential benefits

Increased productivity, reduced costs, and increased customer satisfaction were rated as extremely important potential benefits of ECM and BPM technologies by end users for their enterprises. Indeed, more than 50 percent of the respondents viewed increased productivity as the primary business driver for BPM technology solutions.

| <u>Extremely Important Potential Benefits</u>                       | <u>ECM</u> | <u>BPM</u> |
|---|------------|------------|
| Increased productivity  | 48%        | 53%        |
| Reduced costs   | 42%        | 44%        |
| Increased customer satisfaction                                     | 38%        | 36%        |
| Increased compliance  | 38%        | 28%        |
| Improved organizational agility and flexibility                     | 36%        | 39%        |
| Expanded involvement of customers<br>partners in business processes | 16%        | 20%        |

*"The terms are used by 'experts' who do not agree on the definition. We have imaging/content management/document management/knowledge management/information management/enterprise content management/ electronic records initiatives/ etc. And there is continual 'Mutual Mystification'. I feel very comfortable with my understanding of the terms and the areas that they cover and do not cover – most of the time. There is a murky area regarding content management and web content management and enterprise content management."*

*"I am seeking business solutions – not technical solutions. I am seeking resolutions to business issues using technology to integrate my information distribution/security needs."*

End User Respondents  
September 2004

## Increased productivity rated as the most important potential benefit

### The Most Important Potential Benefit



End users also were asked to identify the most important potential benefit of ECM or BPM technologies. The leading potential benefit for both ECM and BPM technologies was increased productivity. Twenty-four percent of the respondents cited productivity gains as the top benefit of ECM implementation. Interestingly, increased productivity was seen as the leading benefit of BPM solutions by nearly 30 percent of the end user respondents. More than 20 percent of the respondents reported that they expect improved organizational agility and flexibility to be the most important benefit from implementing either an ECM or BPM technology solution.

*"I think BPM has become a relatively stable term over the last two years, although there may be some disparaging definitions still in use."*

*"The problem with some of these terms is that the definition is in the eye of the beholder."*

*"Other than workflow, I feel most of these terms are more 'political' than practical in the real working world. I believe they're becoming MORE solid, but there's still a ways to go before they're universally agreed definitions for them."*

*"It's difficult to position products/services into the BPM/ECM environment as there are various interpretations of the term."*

End User Respondents  
September 2004

## I'm From ECM, You're From BPM

### Users identify key obstacles to ECM and BPM deployment

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| <u>Obstacles to Deployment</u>                          | <u>ECM</u> | <u>BPM</u> |
|---|------------|------------|
| Planning/managing implementation, change implementation | 30%        | 33%        |
| Justifying the investment to senior management          | 28%        | 18%        |
| Understanding/specifying requirements                   | 17%        | 23%        |
| Getting employee commitment                             | 16%        | 17%        |
| Selecting products/suppliers                            | 4%         | 2%         |

The most significant obstacles, according to 30 percent of the end user respondents, in implementing either ECM or BPM technology solutions is planning and managing implementation. Justifying the investment to senior management was cited as another top challenge by more than 25 percent of the respondents when considering ECM deployment. By contrast, 18 percent of the end user respondents reported justifying a BPM investment to senior management as a key obstacle. Also, understanding and specifying requirements was a top concern in the deployment of both ECM and BPM technologies. Selecting the right products or suppliers was seen by less than 5 percent of the respondents as a key obstacle to the deployment of both ECM and BPM technologies.

### Users view ECM and BPM implementation challenges comparable to other major software implementation challenges

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More than half of the respondents said that the implementation challenges involving ECM or BPM technologies were similar or exactly the same as the adoption of other major software. On the flipside, 47 percent of the respondents felt that the challenges were somewhat or completely different compared to the implementation of other major software packages.

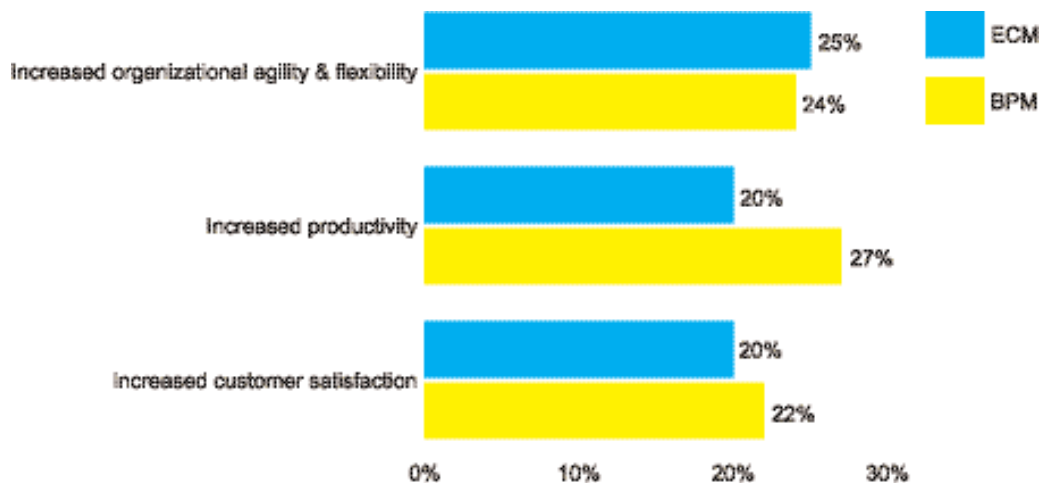
| <u>Implementation Challenges Compared to Other Major Software</u> | <u>ECM</u> | <u>BPM</u> |
|---|------------|------------|
| Similar challenges  | 44%        | 46%        |
| Exactly the same challenges                                       | 8%         | 5%         |
| Other   | 2%         | 2%         |
| Total   | 54%        | 53%        |
| Somewhat different challenges                                     | 35%        | 35%        |
| Completely different challenges                                   | 12%        | 12%        |
| Total   | 47%        | 47%        |

# I'm From ECM, You're From BPM

## ECM and BPM technologies viewed by position

The benefits of ECM and BPM technologies depend on what position the user holds within the enterprise. The most important potential benefit of either BPM or ECM technologies from the perspective of top executives is improved organizational agility and flexibility, along with increased productivity. A quarter of top executives expect greater organizational agility and flexibility as the key benefits resulting from the use of ECM and BPM technologies.

### Most Important Potential Benefit CEO/President/Owner Perspective



*"Too often twisted by marketers to meet the specific product that they are selling rather than the actual situation to be resolved."*

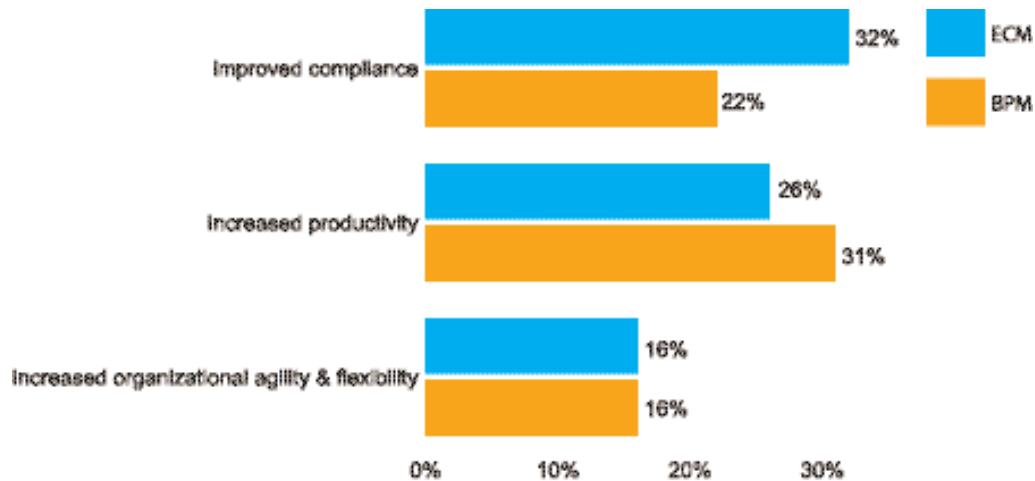
*"I've always wondered how one can 're-engineer' processes that were never 'engineered' in the first place!"*

*"Still confused about the difference in meaning between BPM and Workflow. I know I'm not the only one."*

End User Respondents  
September 2004

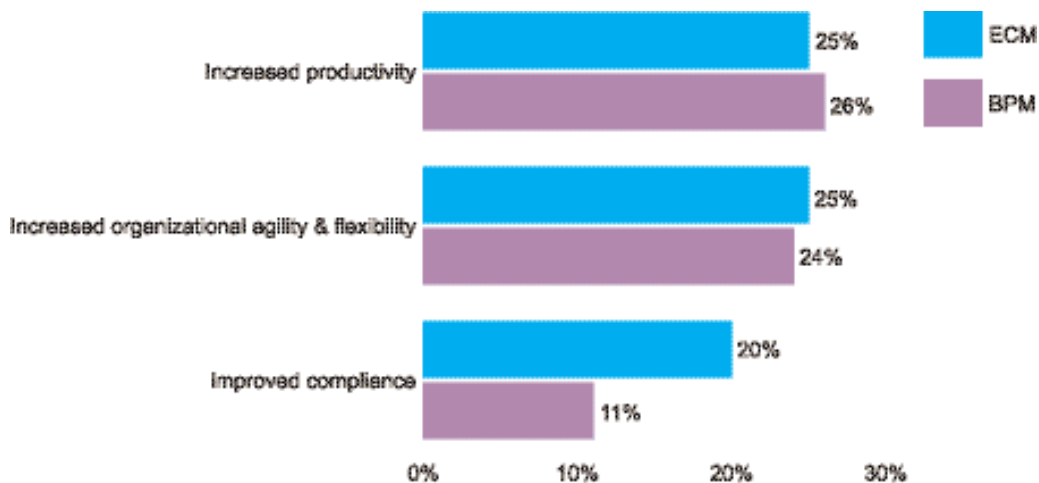
## I'm From ECM, You're From BPM

### Most Important Potential Benefit Information and Records Managers



By contrast, information and records managers see improved compliance and increased productivity as the key positive benefits of ECM and BPM technologies. Information and records managers reported improved compliance at 32 percent as the top benefit of ECM technology, followed by increased productivity. BPM technology, from the information and records managers' perspective, are expected to result in increased productivity and improved compliance.

### Most Important Potential Benefit Information System/Information Technology Perspective



Respondents that hold information systems or information technology positions within their organizations reported increased productivity and improved organizational agility and flexibility as the leading benefits of adopting and implementing ECM and BPM technologies into their businesses. Both technologies were viewed by these respondents as meeting those two objectives.

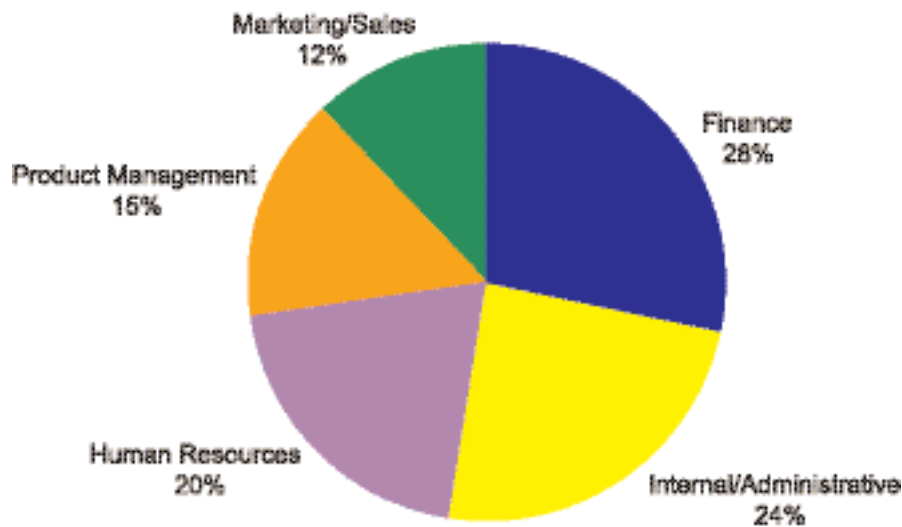
## I'm From ECM, You're From BPM

### BPM implementation important to finance and internal/administrative functional areas

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The end user survey found that BPM technologies could be used to address business processes across a variety of functional areas within enterprises, including finance, internal/administrative processes, and human resources. For instance, compliance with Sarbanes-Oxley was cited as a prime reason for considering and implementing a BPM solution for finance. Other important benefits of a BPM solution for finance include invoice processing, forecasting, and purchase requisitions. Additionally, BPM technologies help with a variety of internal and administrative needs such as creating more effective processes for help desks, expense reports, and document routing and approval.

#### BPM Implementation by Area



### Conclusion

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The ever-increasing volume of digital content in all businesses means that it must be managed, whether through workflow, document management, or the use of ECM or BPM technology solutions. Whatever the approach, today's mountain of data must be harnessed to become an asset. Left unmanaged, it could turn into a liability to an enterprise and undermine productivity and efficiency throughout the enterprise.

Businesses are looking for the right technology-based solution to help them. As this survey shows, there is still considerable confusion in the marketplace when end users consider ECM and BPM technology solutions. Often, ECM and BPM providers talk past the end user when describing their product to customers, resulting in an "I'm From ECM, You're From BPM" discussion. Imaging and workflow were clearly linked in the minds of users. While a complementary technology, BPM is clearly not viewed as a subset of ECM but rather as separate, but related, area of technology.

## I'm From ECM, You're From BPM

### About AIIM

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AIIM, the international authority on Enterprise Content Management (ECM), is leading the way to the understanding, adoption, and use of the technologies, tools, and methods associated with managing documents, content, and business processes. ECM tools and technologies provide solutions to help users with four key business drivers: continuity, collaboration, regulatory compliance, and reduced costs.

As a non-profit association for more than 60 years, AIIM provides industry news and information, educational events and career development, industry standard and advocacy, and professional networking. Complete information about AIIM is available on the Web at [www.aiim.org](http://www.aiim.org).

### About Transform Magazine

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Transform Magazine recently announced that it is combining with Intelligent Enterprise Magazine. Intelligent Enterprise is the only IT publication focused exclusively on the most critical issue in business today: unlocking the value of collected information



for competitive advantage. Intelligent Enterprise shows business and technology professionals how to plan, deploy, and manage the strategic applications their companies depend on to improve decision making, optimize business performance, and maximize the value of customer relationships. Published 18 times per year, Intelligent Enterprise provides comprehensive coverage of the technologies and practices that promote the collection, storage, analysis, and distribution of business information.

### About ebizQ

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ebizQ is the definitive venue for business and IT professionals, vendors, and industry analysts with the need to exchange information on business integration technologies, problems, and solutions. We are singularly focused on business integration, providing the most comprehensive and timely information available on vendors, products, market directions, best practices, and any other industry element that comes into play.

ebizQ communicates with its audience through the ebizQ Web site, the Virtual Integration Conference, and the Integration Insider magazine. All of ebizQ's content through each of its channels is freely available to subscribers.