



FORMVERSE

FORMVERSE WHITEPAPER SERIES

PROCESS AUTOMATION, FORMS, & THE INTEGRATED BACK OFFICE

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Process Automation, Forms and the Integrated Back Office

Summary

Companies with integrated back-office activities enjoy a 97% greater annual improvement in customer satisfaction rates and demonstrated an increase in meeting quality related SLAs that was nearly 5 times that of companies with poor back-office activities.

“Best-in-Class”ⁱ companies do the following to achieve an integrated back office (in ranked order):

1. Remap and re-engineer processes to be more efficient
2. Promote collaboration between disparate business processes and units
3. Improve visibility into workflows
4. Involve the line of business in more business strategy decisions
5. Build-in compliance and traceability to business processes

Forms and Forms Management play an important role in re-engineering processes to be more efficient.

Steps to build a “Best-in-Class” Integrated Back Office

5 important considerations when selecting a process automation tool:

- 1) Simplification- use what you have!
- 2) Find a tool that is easy for end-users!
- 3) Find a tool that integrates with your other systems!
- 4) Find a tool that gives you the Agility you need to react to changes in the business!
- 5) Find a tool that makes it easy for departments to create their own workflows!

FORMVERSE as one tool used in building a “Best-in-Class” integrated back office.



Improving employee productivity and Integrated Back Office programs can have a huge impact on an organization's bottom line!

That's the finding of a recent study by the Aberdeen Group.

You might have wondered: What does "Back-Office" really mean? We hear the term often thrown around to cover everything from Accounts Payable to Shipping and Receiving. Well that's about right, it's a catch-all term for all of the programs and activities that companies conduct without directly interfacing with customers or prospects. And according to Aberdeen, Integrated Back-Office Activities are formal programs through which companies constantly strive to improve the productivity and performance of employees who work in the Back-Officeⁱⁱ.

Importance of an Integrated Back-Office

How important is an Integrated Back-Office? A studyⁱⁱⁱ from late 2013 performed by Aberdeen shows that "companies with integrated back-office activities enjoy a 97% greater annual improvement in customer satisfaction rates, compared to those with poor back-office activities." That's almost twice the improvement! That should be enough get your attention, but even more surprising is that companies with integrated back-office activities demonstrated an increase in meeting quality related SLAs that was nearly 5 times that of companies with poor back-office activities.^{iv}

Even though the back-office is not directly responsible for driving revenue, it's responsible for keeping customers happy, which means they'll probably buy more!

Top 10 Organizational Business Priorities

Each year the highly respected consulting firm, Gartner Inc. surveys^v ^{vi} up to 2,300 CIOs, and every year the top ten business priorities include these items:

- Reducing Enterprise Costs
- Delivering Operational Results
- Improving Efficiency
- Increasing Enterprise Growth
- Improving IT Applications and Infrastructure

These are all priorities affected by an organization's back office. Increased efficiency, increased employee productivity, improved operational results, improved applications and infrastructure are all things that help drive enterprise growth. Gartner's research further highlights the need for a strong Back Office, and the need for implementation of Integrated Back Office Programs.



How Does My Organization Get There?

What are these Integrated Back Office programs, and how does an organization implement them?

Aberdeen points to a survey^{vii} they did in July of 2013 for the answers. In this survey, Aberdeen interviewed over 400 corporations and found that “Best-in-Class”^{viii} companies do the following:

- Remap and re-engineer processes to be more efficient
- Promote collaboration between disparate business processes and units
- Improve visibility into workflows
- Involve the line of business in more business strategy decisions
- Build-in compliance and traceability to business processes

Of all these tools mentioned, the ones used most by surveyed organizations are: **Re-engineering of processes**, and the Promotion of collaboration between processes and departments, or **Sharing of information between systems and departments**. According to the Aberdeen’s survey, these two strategies have helped Best-in-Class organizations reduce cycle time of key business process by 18% in the 12-month period preceding the survey! While the industry average was a mere 4% decrease. That is an improvement of 450% above the industry average.

Of course, visibility and measurement are key requirements in achieving these kinds of results. Aberdeen’s survey points out that Best-in-Class companies are twice as likely as other companies to be able to **measure those cycle times**, and have real time visibility into the **status of all processes**. Best-in-Class organizations are also **more agile** and can **react quickly to update processes** as new best practices emerge.

What is the Role of Forms in Reengineering Business Processes?

Contrary to what some technology firms would like us to believe, forms are “here to stay”! For centuries, forms have been used as a way to standardize the collection of data. Processes and their related forms are today, as in the day of Abraham Lincoln, an integral part of keeping organizations running. The larger the organization, the more processes and the more forms that are required to keep things running smoothly.

In a recent article, consulting group IDC’s Director of Workflow Solutions, Ron Glaz dissects an IDC survey of 421 organizations^{ix} to find that the top functional areas targeted for process automation include: Accounting, Human Resources, and Financial. ^x



The majority of business processes identified in the study were forms based, and author Glaz states that the IDC study also determined that Forms Management is one of the key drivers for organizations to implement process automation projects!

At FORMVERSE we see managing forms and workflows to be a big challenge for our clients.

Management of organizations are faced with questions like:

- How do I manage different versions of my forms?
- How do we get the correct form (most recent version) to the employee?
- How do we ensure that management responds to a form/request in a timely manner?
- What is the workflow protocol when a first line manager is on vacation?
- How long do we have to retain forms?
- How do we dispose of requests/forms correctly?

Employees ask questions like:

- What form do I use?
- Where do I find the correct form?
- Where is my form in the process?
- What is the correct entry for that field?
- Who do I give my form to?
- My boss is on vacation, who do I give my form to?
- Why do I have to reenter the same information on different forms or in different places?
- Did I send that form? What did I send?

It's no wonder that one of the top five reasons for organizations to automate business processes last year was Forms Management!

Steps to Build a Best-in-Class Integrated Back Office

We know where it is your organization needs to go, and we know the key areas to focus on.

But, how do organizations:

- Reengineer business processes?
- Share information between systems and departments?
- Measure cycle times?
- Receive status on processes?
- React quickly and update processes when needed, and become more agile?



Well, most of the Best-in-Class organizations in the Aberdeen study rely on Business Process Management (BPM) solutions. Those with BPM solutions saw 9 times the decrease in cycle times vs. those organizations without BPM solutions in place!^{xi} They also saw 5 times the improvement in response times to client requests. But the real proof is that corporations with BPM solutions showed an 8% improvement in profit margins over the previous 24 months than those without a Business Process Management solution.

The question is: How does a firm quickly and easily automate business processes without breaking the bank? Especially when for the average organization, most Business Process Automation (BPA) tools are either too expensive or too cumbersome to use on anything that is not mission critical.

Selecting Your Business Process Management Tools

In a recent white paper^{xiii} by the database behemoth, Oracle Corporation, the author points out that “The B in BPM stands for Business, and these are the people who interact with the process on a regular basis, who understand the operational limitations, and who have ideas for improving the process. There is an increasing desire among the business users to get into the driver’s seat while creating business applications. Business users want to manage the design and execution of business processes.”

With that statement in mind, here are four points to consider as you are looking for a process automation system:

1. Simplification- use what you have!

- a. Your organization chose Microsoft, and it spent a lot of money on that infrastructure, so why not make use of it? If your firm is like most, you have Microsoft products running nearly every facet of the business. Your office automation platform runs on Microsoft (Office), your email system is Microsoft (Outlook), your databases are Microsoft (SQL, SharePoint). Pretty much everything runs on Microsoft technology! Find a business process automation tool that can leverage that existing Microsoft Infrastructure.

2. Find a tool that is easy for end-users!

- a. No one is going to use a new tool if it’s not easy. Pick a tool that uses an environment that end-users already know and understand. Far too many organizations select full featured, state of the art technologies, only to find out that end-users refuse to use them. Or, that use of the new system has to be



forced upon end-users in a way that causes internal strife/resistance. The tool must be EASY for employees!

3. Find a tool that integrates with your other systems!

- a. A wise philosopher once said: Automation for the sake of automation is folly (roughly translated)! If your business process automation system does not make it easy to integrate with your other systems, it's not worth it. Start over! Again, Microsoft is prevalent in your firm, make sure the tool you select uses Microsoft as the basis for its technology, and that integrating with your ERP, HR, or CRM is simple and smooth.

4. Find a tool that makes it easy for departments to create their own workflows!

- a. It seems like creating workflows with some tools require a PhD. Sure, there are tools with very advanced functionality, but If IT (or even worse, a consultant) has to be involved with creating every workflow, it could take forever! Choose a tool that someone in Operations can actually use, that's the only way that you'll have the agility to really make a difference.

5. Find a tool that gives you the Agility you need to react to changes in the business!

- a. In its white paper on Business Driven Process Management, Oracle points out that "Business agility is all about being able to adapt to the changing circumstances." "... if your systems are not designed to change easily, even the most efficient organization with good business visibility will be at a disadvantage. If there is a need to change the business process due to change in business demands, you should be able to make that change immediately." We couldn't agree more!

Where does FORMVERSE fit in?

A tool that is **Easy-to-Use** for both end-users and management, that leverages your **Existing Infrastructure**, that individual departments can use to **Create their Own Workflows**, and **Quickly Change those Workflows** as needed, is what we've created with FormVerse.

Today, the vast majority of business processes in corporations and government organizations are performed manually using paper forms, fax, and electronic forms attached to emails. Larger companies may have legacy BPA/BPM systems in place (e.g., IBM, Appian, Metastorm (OpenText), Oracle, SAP, etc.), but these systems are too expensive to use on anything but the



most mission critical business processes. In addition, employees often have to switch from application to application to carry out business processes (e.g., from email to Excel or Word, or to an ERP/CRM module, or to a workflow-based application such as an expense report management tool). All of this is highly inefficient and ineffective, resulting in wasted time and resources, significant unnecessary costs, and poor responsiveness to process participants (both internal and external to the company). Ultimately, this negatively impacts a company's productivity and bottom line as well as its agility in the marketplace.

FORMVERSE's solution to this challenge is to leverage the organization's current email communications infrastructure (Microsoft Exchange/Outlook) and automate manual business processes within Outlook, an application in which users already spend a large percentage of their time^{xiii} and are completely familiar with the user interface. FORMVERSE's patented Active Structured Email™ technology adds structured forms and workflow capabilities to Outlook, transforming corporate email from an informal, unstructured medium to a highly structured one, and enabling organizations to leverage email as an agile and ubiquitous BPA tool. Process templates and forms are easily designed and published by business users for use within the Outlook application, without requiring support from IT. Process participants never have to leave Outlook to participate in their portion of the process. Any data collected through the processes can be easily extracted and integrated with existing ERP/CRM applications and enterprise databases, enabling more timely and informed decisions associated with these processes.

With the FORMVERSE solution, manual business processes can be quickly and easily automated within an environment (Microsoft Outlook) that is already well known and used by all participants, in a fraction of the time, and at a fraction of the cost of using legacy BPA/BPM systems. By automating these manual processes, the company will achieve significant time and cost savings through greater efficiencies, as well as more timely and accurate results.

Key features of the FORMVERSE solution include:

- *Full integration with Microsoft Outlook* – FORMVERSE is fully integrated with Microsoft Outlook as an extension, and can be deployed on any Outlook-enabled desktop.
- *Embedded structured forms in emails* – FORMVERSE emails contain embedded XML-based forms (Microsoft InfoPath) that enable data to be collected in a structured manner, which allows automated processing of information via processing rules, automated extraction and storage in a database, and integration with other enterprise applications.
- *User-transparent use of FORMVERSE emails* – FORMVERSE emails containing electronic forms within the Microsoft Outlook environment are sent as regular emails, and can be managed and archived just like regular emails.



- *Policy-driven emails* – Each FORMVERSE email is designed to meet the requirements of the recipient and to ensure that vital data and information important to the recipient will be processed and actioned appropriately and in a timely manner.
- *FORMVERSE access rules* - FORMVERSE administrators can define specific rules regarding which users have access to which forms. Once defined, authorized users can start a process by simply choosing an email-based form from a drop down menu within Microsoft Outlook.
- *FORMVERSE processing rules* – FORMVERSE administrators can define specific rules for the processing of FORMVERSE structured emails to ensure that the emails are routed to the appropriate person next in line in the process until the entire process is complete. Processing rules also determine if and when data contained within a FORMVERSE email needs to be extracted and where the extracted data should be placed (e.g., an enterprise application or database).
- *Workflow execution capabilities* – The FORMVERSE system can execute complex business workflows against pre-defined access and processing rules.
- *Visual design for business workflows* – Business workflows are designed with FORMVERSE Workflow Editor, an intuitive and user-friendly graphical editor. Visualized workflow diagrams provide a straightforward way to review, understand and simplify even the most complex business processes.
- *Easy integration with other enterprise applications* – FORMVERSE emails can be used as an effective way to securely collect data, which can then be extracted based on recipient defined processing rules and integrated with enterprise applications and databases.

Key benefits of the FORMVERSE BPA solution include:

- *Lower implementation costs and faster time to benefit versus legacy BPA/BPM systems* – Legacy BPA/BPM systems are very expensive from a software purchase, implementation, and ongoing maintenance perspective. Implementing with FORMVERSE is much more cost-effective.
- *Ongoing cost savings due to efficiency and productivity increases* – By automating existing manual processes, companies gain significant cost savings due to greater efficiencies and productivity across the organization as well as reduced opportunity costs (employees spend less time dealing with inefficient manual processes and more time on the higher priority, more strategic aspects of their job).
- *Greater ease of use, resulting in more rapid adoption of the automated business processes* – FORMVERSE applications are designed to be developed, deployed, and used by business users. Process forms, templates and business rules are designed using an intuitive graphical interface based on Microsoft InfoPath and are deployed within the



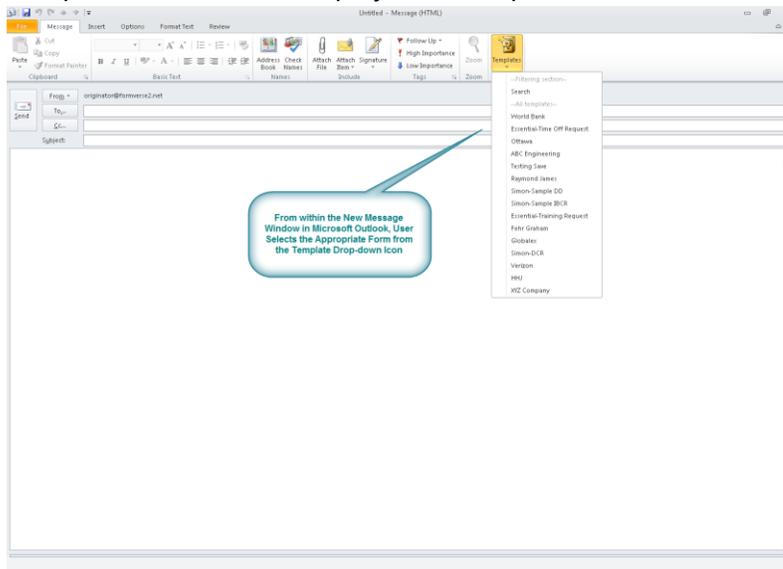
ubiquitous Microsoft Outlook environment. This will result in faster and more complete adoption by the organization, leading to the corresponding cost and efficiency benefits.

- *Better, more informed decisions* – By enabling the rapid automation of existing manual processes and collecting the data disseminated through these processes for integration with enterprise applications and databases, FORMVERSE enables more timely and informed decisions associated with these processes.

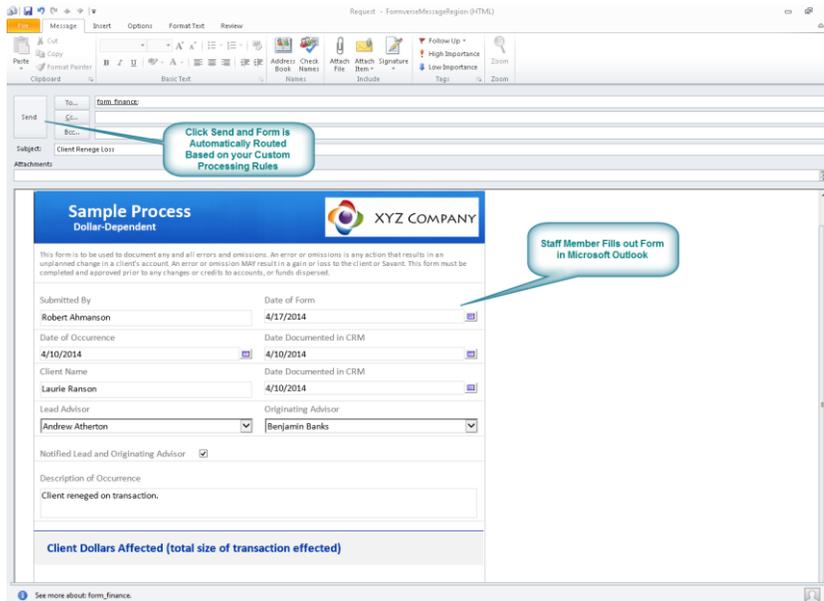


FORMVERSE Overview

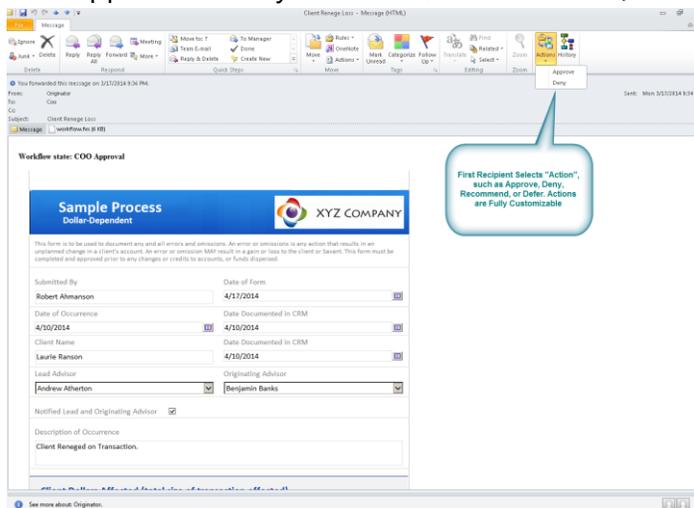
1. The Originator begins the process by opening a new email message and selecting the Templates icon, which displays a list of processes he/she has access to.



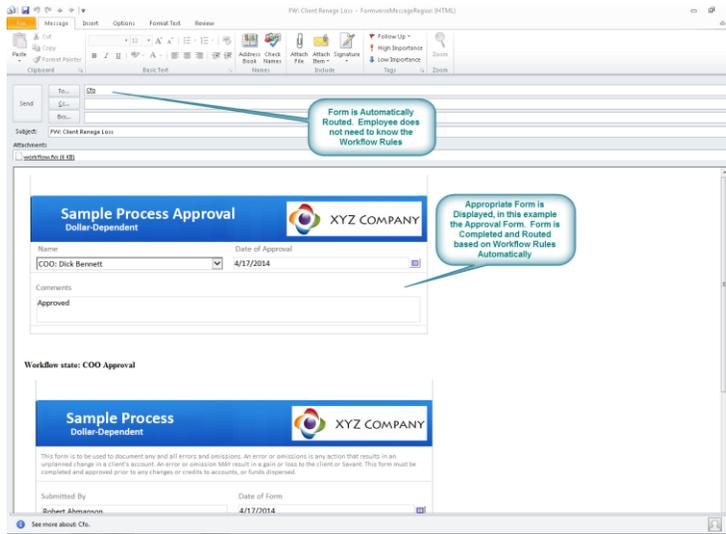
2. After the Originator selects the desired process, the XML form populates directly inside of the Outlook message where the Originator has the ability to populate the form with the necessary information. Where specific responses are required, the form displays "drop-down" boxes which can be populated from a database or other information source. The Originator hits "Send", and the form goes off to the next appointed step in the process. The workflow is designed and built into the FORMVERSE system. Workflows can change based on field entries on the form.



3. The Approver (in this case the COO) receives the form and can take "Action" on it, in this case Approve or Deny. However, other actions (Defer, Review, etc.) can be used as well.

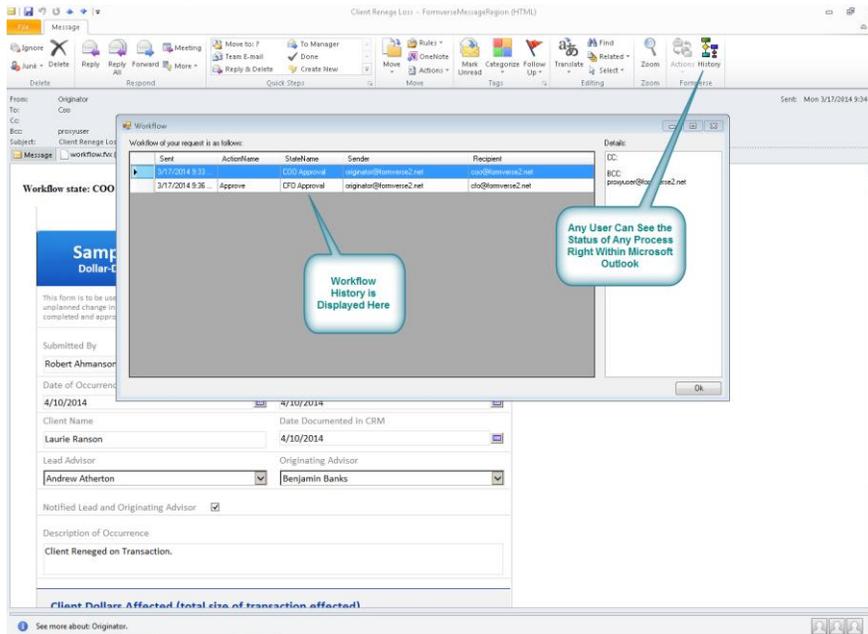


4. After the approver selects "Approved", a new form is appended to the message (approval form). This is completed by the approver who then hits "Send", and the form travels to its next assigned destination in the workflow. This is step is repeated with other approvers until the process is complete.

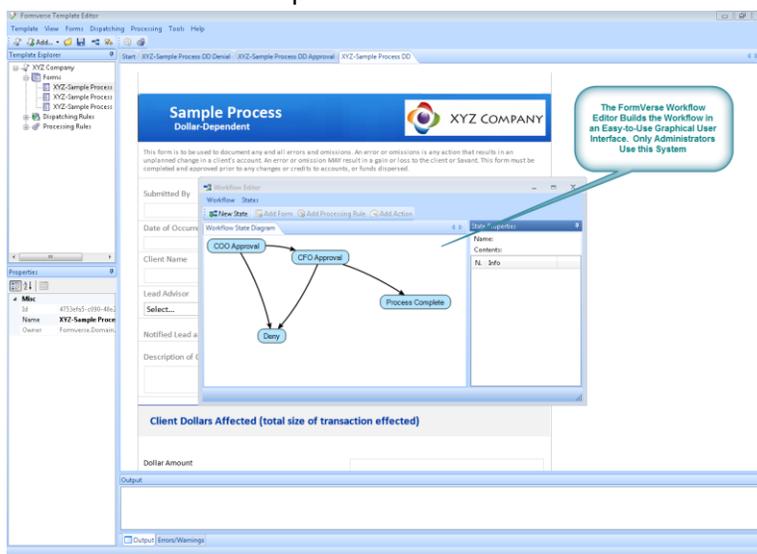




- At any point in the process the Originator can go to his/her Sent Folder to see where the form is in the process.



- Creating workflows with FORMVERSE's graphical user interface is easy. FORMVERSE was created for business people and departments to create workflows, without requiring the assistance of the IT department.





Conclusion

Striving to be Best-in-Class when it comes to process management may not be easy, but the rewards make the effort most worthwhile! And, the impact on your organization could be huge.

“Best-in-Class” organizations use re-engineering of processes as the primary tool to increase employee efficiency, which leads to enhanced customer satisfaction and a higher percentage of SLAs achieved.

Tools for automating processes should be Easy-to-Use for both end-users and management, leverage your Existing Infrastructure, be something that individual departments can use to Create their Own Workflows, and Quickly Change those Workflows as needed.

FormVerse is a tool that should be considered to use in re-engineering of processes, or used to supplement existing Business Process Management tools inside of the organization.

We urge you to visit www.formverse.com to learn more.

ⁱ Best-in-Class= Top 20% of respondents based on performance (Improved Profit Margins, On-time Delivery, Cycle Time of Key Business Processes

ⁱⁱ Secrets for Improved Productivity & Performance in the Back-Office- Aberdeen Group

ⁱⁱⁱ Advanced Case Management: Empower the Knowledge Worker- Aberdeen Group

^{iv} Figure 1- page 2 of Secrets for Improved Productivity & Performance in the Back-Office- Aberdeen Group

^v Gartner Top 10 CIO Business and Technology Priorities 2012- Gartner

^{vi} Hunting and Harvesting in a Digital World: The 2013 CIO Agenda- Gartner

^{vii} Business Process Management: Looking at the Plan in the Mirror

^{viii} Best-in-Class= Top 20% of respondents based on performance (Improved Profit Margins, On-time Delivery, Cycle Time of Key Business Processes

^{ix} IDC- Business Workflow End-User Pain Points- Automation and Optimization Opportunities, Feb. 2014

^x <http://www.documentmedia.com/Main/articles/top-business-processes-for-document-automation-opt-1447.aspx>

^{xi} Secrets for Improved Productivity & Performance in the Back-Office- Aberdeen Group

^{xii} Business Driven Process Management- Fusion Middleware, An Oracle White Paper, January 2013

^{xiii} According to The Radicati Group, the average worker spends 41% of their time in their email application(s).