<u>CAMUNDA</u>



The Digital Transformation Imperative



Contents

| Processes are the Algorithms that Define How Organizations Run | 4 |
|--|----|
| Getting to the Heart of Digital Transformation | 5 |
| Factors that Drive Change | 6 |
| Every Transformation Starts With Process | 7 |
| Three Roadblocks to Digital Transformation | 8 |
| Successful Transformation is Gradual | 9 |
| Reinventing Process Automation for the Digital Enterprise | 10 |
| Automate Any Process, Anywhere | 11 |
| About Camunda | 12 |



Create a world where you can capitalize on new opportunities and improve customer experiences – at the right time and with the flexibility to change quickly.

A world where you can automate precisely as needed, improving continuously as you gain further insights over time.



Processes are the Algorithms that Define How Organizations Run

Like so many, you've probably thrown up your hands in frustration more than once as your efforts to streamline operations and accelerate growth get derailed. Roadblocks can appear at every turn: legacy systems that can't be changed, organizational silos that make collaboration impossible, infrastructure that doesn't scale. The list goes on and on. Your digital transformation initiatives are ambitious and well planned, but progress crawls at a snail's pace, seriously limiting your opportunities and putting the future of your company at risk.

Processes are the algorithms that define the inner workings of any organization. Successful businesses are masters in optimizing these algorithms, improving their operations as they leave no part of a process behind. They're delivering better customer experiences, streamlining operations,

and improving the bottom line.
This paper uncovers the most fundamental approach to digital transformation, which starts with business processes. At the heart of every transformation are business processes, as they determine how an organization runs. You'll learn the market drivers

of change, how every transformation starts with process, the three roadblocks to digital transformation, and the process automation principles that will deliver results.





Getting to the Heart of Digital Transformation

Companies, government agencies, and organizations of all sizes have found themselves in the perfect storm of opportunity and peril as technology, consumer expectations, and new business models have turned the corporate world upside down. This leaves established titans of industry fighting for their survival and allows innovative market entrants to take markets by storm.

As a result, organizations around the world are racing to not only adapt, but to transform their entire business to take advantage of new technology, build new revenue streams, and create meaningful, real-time digital relationships with their customers, partners, suppliers, employees and the overall ecosystem they live in. Organizations that cannot transform in such a way are quickly left behind.

This means organizations of all sizes have to reinvent how they:

- Organize processes between people, systems, and devices
- Provide seamless and amazing experiences across different channels for all interactions
- Effectively streamline and optimize activities to reduce operational costs and improve profitability

At the heart of such a transformation are business processes, as they are what determine how an organization runs. Successful organizations take advantage of effective processes to compete and thrive. Your success in delivering on your transformation initiatives is tied to your ability to view processes holistically and automate them to their fullest extent, no matter what they entail and where they may be, to lay the true foundation for a new digital enterprise.



Factors that Drive Change

Consider the convergence of factors driving organizations to reinvent the core of their business – both the methods powering their operations and delivering on the customer experience.

Consumerism of IT

The proliferation of IT in everyday life and experience has created entirely new expectations for corporate IT. From online shopping to social media apps, payment apps to smart speakers, consumer IT quickly resets expectations, ultimately raising the bar for enterprise IT. Consumer tech ripples quickly to the business world, and the diversity of technology and innovation only adds complexity to company IT roadmaps.

Proven business models can quickly fall prey to innovation

Sustainable competitive advantage doesn't only come from delivering an in-demand product or service.
Customer service models, modes of business operation, disruptions in marketing and sales processes can all compromise an otherwise successful and competitive business. All of these rely on business processes that require management, systems, and operations that are ready to adapt to new market demands or pressures practically on the fly.

Technical innovation creates opportunity

Advances in AI, the cloud, big data, and IoT have created limitless opportunities to change the fundamental ways that business gets done. Beyond the digitalization of modern business that moved formally manual and paper-based tasks to online technologies, these innovations make it possible to profoundly disrupt the status quo and completely reset how information may be gathered, analyzed, and acted upon. Organizations may find themselves reimagining previously proven and effective strategies for this new world.



Failing to respond to such factors can erode competitive advantage and stop your business in its tracks. That's why transformation is an imperative. Modernize or die is the familiar mantra. More than moving the customer experience to digital or adopting new technologies, transformation starts with a willingness to reinvent the business in ways that will create growth and opportunity.

Whether reimagining the customer experience, discovering new markets for products and services, or streamlining operations, transformation requires some reinvention. All of the elements that underpin such change require not only the strategy, but also the capability to employ new innovation, and the ability to operate efficiently and advance the processes that are powering an organization. These capabilities live in the core processes on which your business operates.



Every Transformation Starts With Process

At the heart of every transformation are business processes, as they determine how an organization runs. Processes define the inner workings of any organization.

A strategy isn't worth the paper it's written on if you are not putting in place the organization and processes to implement it. Successful businesses are masters in managing and improving business processes. They take advantage of effective processes to compete and thrive.

This is why processes matter. How you align your organization for success

in building automation with proven, repeatable processes is an imperative for profitable operations and customer delight.

As a result, process automation has emerged as a linchpin for digital transformation, powering innovation across a company. Process automation is equally sought after to improve an organization's top line as well as its bottom line – helping to improve customer service, lower costs, and drive business growth. In fact, in a recent survey 97% of IT leaders agreed that process automation delivers transformative business value, enabling them to deliver new levels of service and expand business opportunities.





Three Roadblocks to Digital Transformation

Just as proven, repeatable processes can deliver more efficient operations and increase customer satisfaction, broken processes are bound to create hurdles that prevent growth and success. Incomplete or broken processes can shackle a business, and lack of insight into these inefficiencies can create added cost and, potentially, loss of customers or new growth opportunities.

Systems

An organization's legacy IT systems – the digital revolution of yesteryear – are often the biggest roadblock to the digital transformation of today. It's often outmoded, inflexible and, expensive technology that's preventing you from innovating and integrating with more modern s stems.

Infrastructure

Legacy infrastructure also creates challenges. Despite innovations in both datacenter and cloud technology, many organizations still struggle to scale their infrastructure and find critical systems are siloed.

Organization

Finally, organizational boundaries and legacy business practices can be a significant barrier to transformation. Ultimately, such roadblocks prevent businesses from implementing the processes they need to scale, optimize, become more competitive, and transform into a true di ital business.

Because of these roadblocks, organizations often experience:

Serving the lowest-common denominator with solutions defined by their technology limitations instead of business needs

Working in silos with business and IT misaligned on expectations because they're not working together

An inability to innovate with applications delivered much later and more limited than the business requires

Added legacy debt with limited "bandaid" solutions that may make part of a process more efficient, but don't transform the business

Rigid legacy systems that make it difficult to change with the needs of the business

A lack of transparency into end-to-end processes that leaves no clear path to improvement

Under the weight of these roadblocks, organizations end up with a digital patchwork instead of digital transformation. Such patchwork results in increased cost, wasted resources, and missed opportunities. The risk averse may be hesitant to challenge the constraints preventing transformation, rather than dig into the processes that can turn the tide and deliver for an organization.

Successful Transformation is Gradual

How do you turn your digital transformation strategies into reality before it is too late? How do you implement the algorithms that make your organization more competitive, delight your customers, and make your business more efficient?

Companies and government agencies have built up a tremendous amount of systems, infrastructure, and organizational solutions to run their existing processes. It has taken decades and billions in investments to acquire, design, implement, and integrate these systems.

"If it ain't broke, don't fix it" is the reality for virtually every organization around the world, and even just the thought of changing some of the core systems that are the backbone of any company's operations will stop most modernization discussions in their tracks. The tough reality is, as businesses attempt to compete in the digital economy and harness new technologies, it is exactly those legacy technologies, monolithic platforms, and outdated workflows that are preventing business from moving forward quickly enough.

Yet, modernization is a matter of survival — the solution is actually right in front of our eyes: gradual transformation.

If you approach process automation in a way that works with the old, takes advantage of the new, and brings both together seamlessly, it offers the simplest, most powerful way to manage these challenges.

Successful teams often start with individual projects to try out new technologies and approaches – some may be new greenfield projects, others might be major changes to one or two existing applications. Large "rip and replace" initiatives are often fraught with challenges such as unsurmountable organizational disruption, high cost, and very long timelines. Taking one project at a time gives you the opportunity to test out new technologies and

strategies that over time will grow across the organization. Step by step, you'll get you closer toward your ultimate goal of becoming a digital enterprise – without breaking the bank. However, it is important to tackle gradual transformation not with the same old approach, but with a strategy that allows your organization to forge a path towards the digital enterprise of the future.

One such example is the use of RPA bots. They are a quick fix to automate small tasks. After this initial step, bots can be combined together with other process steps in a more complete end-to-end process. Eventually organizations transition to less maintenance-intensive, more robust and secure API-based services that can be an integral part of a modern end-to-end process required in a scalable digital organization.

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Deutsche Telekom is taking a step-by-step approach to digital transformation¹. The company embraced process automation to drive a company-wide initiative to improve customer service and replace inefficient processes.

Deploying more than 3,000 RPA bots, Deutsche Telekom achieved automation at scale that resulted in annual savings of approximately 100 million euros. The next step for the company is to transform this "front-end automation" technology – which is expensive to maintain, manage errors, and control business processes end-to-end – into back-end automation, integrated more strongly with core IT systems.

1 "Digital Transformation: Deutsche Telekom Counts on Camunda for Process Automation and RPA Orchestration", Camunda, March 2020; "Bots and Process Improvements at the Same Time", CamundaCon Live 2020.2 presentation.



Reinventing Process Automation for the Digital Enterprise

Transforming step-by-step is a common-sense approach that easily resonates. However, its implementation is easier said than done, especially when you need to show tangible results along the way.

The following key principles provide practical, proven approaches and a working foundation to deliver the process automation that is required to drive truer digital transformation. They include:

- Start with process: Bring together the parts of your business activities in one end-to-end process that reflects what your customers need, not what your legacy systems dictate
- Design for the business: Design your processes to focus on business needs and not technical boundaries, optimize for a great customer experience and better operations

- Work together: Build and improve processes with business and IT working collaboratively
- Be agile: Get ready to respond to new business opportunities quickly and expect business needs will constantly change
- Orchestrate everything:

Choreograph all pieces of a process to work together, including people, systems or devices, wherever they may be located — in the office, in the cloud or anywhere in the world

• **Find what's broken:** Establish transparency and get better insight to detect inefficiencies and bottlenecks

 Review and optimize: Analyze your processes end to end to make them smarter, faster, and more efficient over time

When you invest in your processes and build your operational efficiency, you'll undoubtedly see a significant and measurable impact on the business over time. Organizations are achieving transformation through automation in an effort to build new revenue streams, all while creating meaningful, real-time connections with customers, partners, and coworkers.



Create a world where you are not limited by legacy technology and organizational boundaries, where you automate business processes that are designed precisely to your needs, and you can improve continuously as you gain further insights over time.

Automate Any Process, Anywhere

Camunda Process Automation software enables some of the most competitive organizations around the world to orchestrate and automate complex processes. It allows them to overcome legacy boundaries and lay the foundation for a new digital enterprise – and follow the vision of automating any process, anywhere.

At Camunda, we are innovating process automation for the digital enterprise in a new and unique way.

Build **better customer experiences** by leaving no part of a process behind and orchestrating all parts of your processes end-to-end.

Get to value and achieve your business goals more rapidly by
delivering mission-critical projects
faster while relying on a scalable and
open architecture that is the foundation
for future growth.

Increase business agility and rapidly respond to market needs by continuously improving your processes

through business and IT collaboration that is standards-based and allows all collaborators to truly work together.

Drive operational cost savings by reducing manual tasks, minimizing errors, and optimizing processes with deep insight into your process performance.

Camunda enables true end-to-end process orchestration, helping organizations design, automate, and improve all components of the entire business process across different technologies, systems, infrastructures, people, and devices.

Camunda's open architecture fits

into diverse and complex enterprise environments and technology stacks, and its developer-friendly approach makes it easy for development teams to use Camunda in their own environment and get started right away.

As organizations look to transform their business, process automation has come into strategic focus. With Camunda, organizations are laying the foundation for the new digital enterprise, following our vision of automating any process, anywhere.

The Camunda Difference



End-to-end Orchestration
Design, automate, and improve
all components of the entire
business process end-to-end.



Standards-based Business-IT Collaboration

Rely on the power of BPMN and DMN standards as a common language for developers and business stakeholders alike.



Open Architecture

Camunda's open, scalable platform can be easily integrated with most common technical architectures or frameworks.



Developer-friendly Approach Get started right away with full access to all our docs, open APIs to integrate with just about anything, and a vibrant community of 100,000 developers.



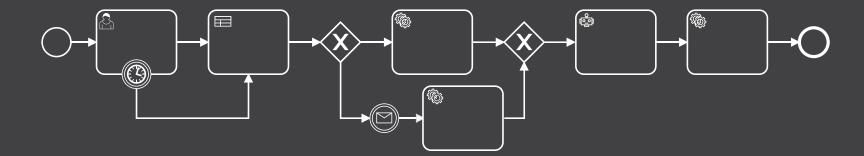
About Camunda

Camunda is an open source software company innovating process automation with a developer-friendly approach that is standardsbased, highly scalable and collaborative for business and IT.

A community of tens of thousands of users design, automate and improve mission-critical business processes end-to-end with Camunda.

Our workflow and decision automation tools enable them to build software applications more flexibly, collaboratively and efficiently, gaining the business agility, visibility and scale needed to drive digital transformation.

Learn more at www.camunda.com



CAMUNDA

Automate Any Process, Anywhere

