

> ACHIEVING OPERATIONAL RESPONSIVENESS THROUGH RESPONSIVE PROCESS MANAGEMENT

Knowing what **will** happen in your business,
not just what **has** happened

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OPERATIONAL RESPONSIVENESS

Is your organization operationally responsive?

If you said “no,” you’re not alone. According to an independent study from research firm Vanson Bourne, most businesses have a long way to go before they are able to respond to market or customer changes quickly enough to be competitive. Why?

- > ***Lack of Visibility.*** Only 8% of 400 large organizations surveyed in the U.S. and Europe currently report business information in real time: indeed only 19% report on an intra-day basis. Without real-time visibility into what’s happening across their business, they can’t determine what’s working and what’s not and set the right course of action.
- > ***Information Overload.*** 74% of companies surveyed said they are overwhelmed by the amount of information flowing through the business. But it’s not just the volume; information is delivered in reports and spreadsheets without the business context, and, more often than not, the information is historic in nature. So its relevance, if any, isn’t clear. Of course, if you can’t make sense of the blizzard of information and events impacting your business, it’s hard to know how to respond.
- > ***Lack of Control.*** Even if organizations have a view into their business, they are unable to correct their course quickly in the event of changes to the business environment. 72% of those surveyed admitted that their business processes take too long to meet customer demand. Furthermore, changes take too long to implement to be of any value, leading to inefficiencies that happen repeatedly if not improved.

Without having actionable insight or the ability to sense and respond immediately to the events that affect your business, you cannot be operationally responsive. What’s more, without the controls you need to continuously improve your business processes, you’re stuck in the slow lane of commerce.

“Passively waiting until a plan is missed or customers complain is an expensive way to solve a problem and is increasingly risky to the brand and reputation of a business, particularly when prevention and problem optimization can be designed into the process.”

Maureen Fleming
Program Director, Business
Process Automation and
Deployment

“IDC Insight:
Business Navigation Systems
Combine CEP with BPM”

Operational Responsiveness

Operational responsiveness is the ability of businesses to respond to changing conditions as they occur, enabling business leaders to capitalize on more opportunities, drive greater efficiencies, make real-time course corrections and reduce risk. It's more than IT agility. It's more than business process optimization. It's about plugging decision makers at every level into business activities and empowering them to continuously respond to the unexpected and effect change directly. Being operationally responsive is being able to achieve the highest level of business performance.

Operational responsiveness is critical because in an era of constant change, organizations face enormous pressure to optimize performance and maximize business results. Organizations that address these key issues eliminate bottlenecks and process breakdowns to gain competitive advantage. By achieving operational responsiveness, you can gain the actionable insight you need to transform customer information, and even competitive, regulatory, and economic conditions into positive results.

Where do you start? Achieving operational responsiveness requires **real-time visibility**—comprehensive insight into your business events, business transactions and business operations as they occur. It requires the ability to **sense and respond to business events**—to understand how these events reveal opportunities, threats or inefficiencies. And it requires **continuous business process improvement**—so you can take what you've learned, analyze and optimize your existing processes, and even create new ones if necessary without disruption to your existing systems and infrastructure.

Unfortunately for businesses, there's often a disconnect between business objectives and what information technology



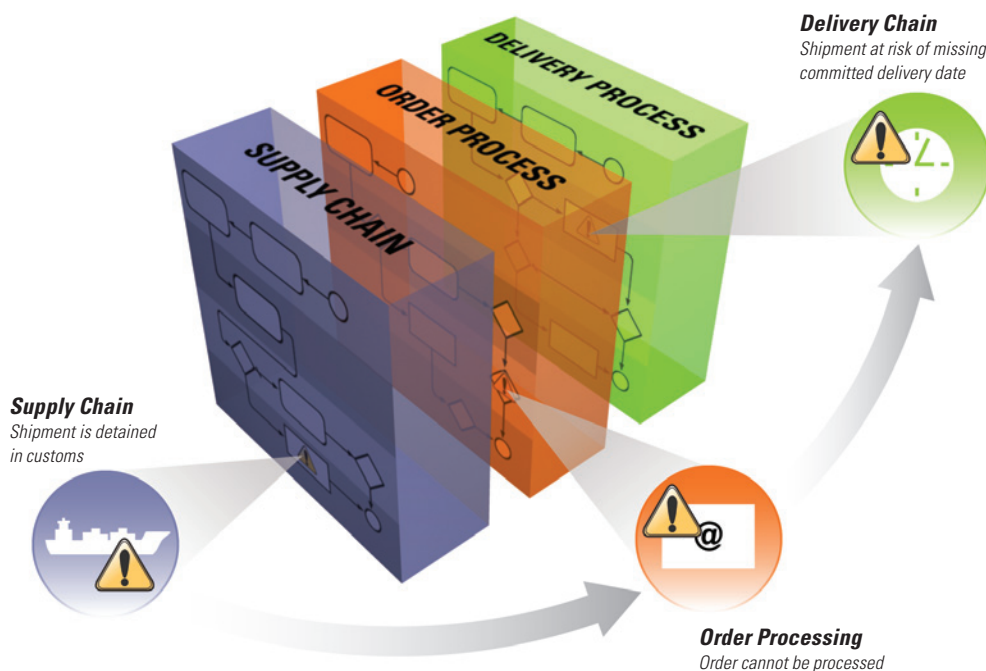
can deliver. Until now. Progress is the only enterprise software provider that empowers business leaders to anticipate and respond to threats and opportunities all from one interface. The Progress® Responsive Process Management (RPM) suite is a singular business platform that allows you to gain end-to-end visibility, anticipate and respond to business events, and improve your business processes—all in real time. It is the unique convergence of comprehensive visibility, Business Event Processing (BEP) and Business Process Management (BPM) capabilities working in concert on a single, unified platform that enables enterprises like yours to achieve operational responsiveness.

REAL-TIME VISIBILITY

Make the Invisible Visible

Four out of five companies struggle to gain timely visibility into what's happening across their business today. Many first learn about business problems from their customers.

The Progress® RPM™ suite delivers real-time, comprehensive visibility into any combination of processes, transactions, events, and system-level information. This allows you to determine what's working and what's not and set the right course of action.



With visibility into your processes, events and systems you can truly understand what's happening across your business. When unexpected events occur, you can see their impact across multiple processes—in real time.

Through its integration of Progress® Savvion™, the Progress RPM suite delivers a deep understanding of business processes—those that have been clearly defined within your organization.

The Progress RPM suite also delivers visibility into the events happening across all layers of your organization. An event is any occurrence that affects the day-to-day operations of your business, such as receiving an order, shipping a product, or an instance of fraud. Leveraging the power of Progress® Apama®, the industry's leading event processing platform, you can detect and analyze important patterns in rapidly moving event streams across your business. This real-time view of events puts you truly "in the moment" with the ability to make decisions quickly based on what you discover.

Both business processes and events often rely on distributed, interconnected applications. Because these systems often reside in different locations or are owned by different groups, it's hard to get a big picture of how these systems work together to improve your business. For that matter, it's often difficult to understand what systems are related to a specific business process or event. Progress® Actional®, the industry-leading business transaction management (BTM) solution from Progress Software, gives you the big picture even as the process flows across diverse systems.

Progress Actional delivers complete business process visibility across the infrastructure, by specific business criteria and by individual process. This gives you visibility into how IT systems are supporting the needs of the business and ensures that IT and the business stay aligned. You can gain comprehensive insight across your heterogeneous systems or view only the enterprise infrastructure supporting a specific business process.

IMMEDIATE SENSE AND RESPOND

20/20 Foresight

Having visibility is a start. Having the insight to sense and immediately respond to what's happening throughout your business puts you on the path to operational responsiveness.

Progress BTM helps companies quickly identify, resolve, and even prevent lost, stalled, or invalid transactions from occurring. By pinpointing the

"Our key working directive is how quickly we respond to emergency situations and how we deal with them in a very efficient manner. A slow response time can and has incurred costs running into millions of pounds."

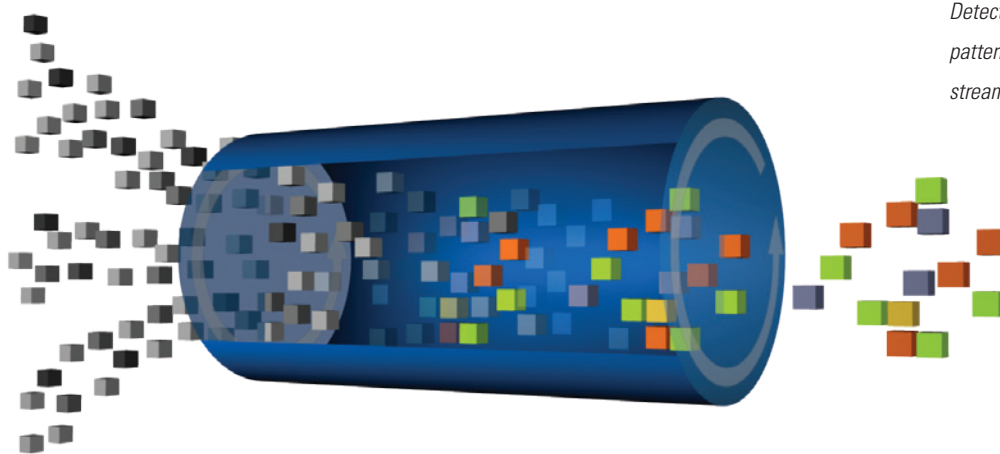
*IT Director,
a large telecommunications
provider*

exact business process step, system, service, or operation that is causing a particular issue, the Progress RPM suite empowers you to resolve problems before customers are negatively affected.

But the real benefits come from the power of business event processing (BEP). The Progress RPM suite can identify meaningful events or event relationships, detect complex patterns, and correlate and analyze multiple event streams in real time. This helps you make sense of the overwhelming information flow that's swamping 74% of the companies surveyed in the Vanson Bourne study.

Often, business systems are able to focus only on a single stream of events within a process. Using BEP, the Progress RPM suite enables businesses to understand the impact of events across multiple business processes. This insight into the interrelationship of processes in the context of external events allows the business decision maker to see key patterns that can focus their actions.

The ability to sense and respond to changing conditions and customer interactions as they occur can have a dramatic impact on any business. When you can correlate and analyze business events across



multiple data streams in real time, you can easily see how events reveal opportunities, threats or inefficiencies. Even more important, you can take action on this information immediately.

CONTINUOUS PROCESS IMPROVEMENT

Gain Agility

With complete visibility into your business and the ability to sense events as they occur, you're on your way to operational responsiveness. What's required next is the ability to respond: to take what you've learned about your business and continuously improve your processes for new levels of efficiency.

This capability is more than just being able to respond quickly. It's the ability to adjust or improve your business processes that makes the solution so powerful. The Progress RPM suite provides a unified modeling environment that enables new business processes to be rapidly created, modeled, monitored, controlled and improved dynamically.

"We are in an economy that changes daily. As an organization, we need to respond quickly to increase our market share and retain customers."

*Senior Vice President,
a large financial consulting
company*



You can create and track process metrics and view the live status of your business processes right from within your customized view in the Progress® Control Tower™.

BPM often fills in the gap where existing anchor applications leave off when business conditions change and people have problems. Part of the Progress RPM suite, Progress Savvion enables work processes that are captured in people's heads and as shared experiences to be recognized, defined, and translated into automated processes. This simplifies and expedites workflow across an organization and the global stage.

The Progress RPM suite allows business activities to execute without production system or code changes or human intervention. In addition, these solutions can be supported with minimal IT involvement while working with existing legacy infrastructure and systems with no disruption to these systems.

For IT, Progress Savvion allows system-to-system and system-to-human interactions, and human-to-human exchanges, to be captured in a repeatable, manageable way as a complete solution.

For business line owners and management, the Progress RPM suite makes metrics actionable, often without requiring direct human interactions. It lets business owners drive process improvement, providing the flexibility for the process to reflect the way people and teams actually work. It enables improvement without big bang costs or large IT integration projects.

PROGRESS CONTROL TOWER

Drive Your Business

To truly achieve operational responsiveness, businesses need a means to harness or control real-time visibility, immediately sense and respond, and perform continuous process improvement. The Progress RPM suite plugs decision makers into their business through the Progress® Control Tower™. The Progress Control Tower is a unified environment that displays real-time alerts, interactive interfaces and modeling tools to provide business leaders with the ability to both view what is happening within their business and manage them from a single place. It also provides a fully configurable, feature-rich, desktop-based framework that delivers a wealth of relevant, key performance indicators (KPIs) and company information to business users.

Through the Progress Control Tower, you and other decision makers gain a comprehensive view of what's happening in your business. The ability to view this information in real time is what separates the Progress RPM suite from traditional business intelligence (BI) products.

Beyond visibility, the Progress Control Tower gives you the power to act—in several ways. By tracking process performance against defined business metrics, you can quickly identify anomalies and take action. The



The Progress Control Tower gives business users the tools to view what is happening within the business and the ability to improve it from a single interface.

Progress | Control Tower

Progress Control Tower presents analytical information and immediately recommends corrective action.

With the Progress Control Tower, business users can drill down into the process affected by any events or systems being monitored and optimize the process in real time. This might include changing process rules or refreshing the process with newer versions. With the Progress Control Tower, you have all the tools you need for continuous process improvement including a process modeler, rules manager, process repository, and more.

For example, an agent in the fraud department at a bank is monitoring credit card activity in real time. The agent receives an alert through the Progress Control Tower as it detects a pattern of fraud. What happens next is the key to operational responsiveness. The system automatically suspends activity on the potentially compromised cards and triggers a process to contact cardholders and verify the fraudulent activity. Validation by the system initiates other processes to report the fraud to government agencies and generate replacement cards. The users also have control from the Progress Control Tower to adjust the process parameters or rules to quickly adapt processes to the required situation: for example, if a consumer is at a

different location from the home address and the replacement card needs to be delivered overnight to that location.

EASE OF IMPLEMENTATION

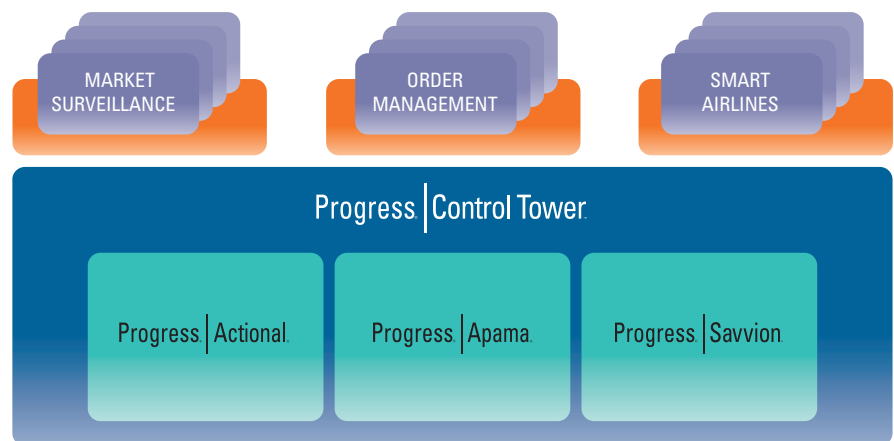
Simply put, operational responsiveness—the ability of the business to sense and respond to changing conditions and customer interactions as they occur—is now possible with Progress Software. And it doesn't require a major overhaul to your existing systems. The Progress RPM suite is designed to work with your existing infrastructure so you can dramatically increase ROI while maintaining low TCO.

Lower Total Cost of Ownership

Progress Actional plugs into your existing IT infrastructure and allows you to automatically discover new services and processes, providing complete visibility without new hardware requirements or negatively impacting system performance. You can turn any system in your IT environment into an event source that you can monitor from the Progress Control Tower.

The Progress RPM suite integrates easily and flexibly into your existing infrastructure, and Progress offers pre-built solution accelerators to get you started quickly without disrupting your business.

With its packaged adapters and flexible integration framework, Progress Apama provides bi-directional connectivity to many different event sources, messaging infrastructures, and databases. Because it was designed to work with your existing systems and is easily configurable to your unique needs, you can start responding quickly to changing market conditions.



You can use Progress Savvion to model, monitor and improve any of seven types of enterprise processes: human-centric, system-centric, document-centric, case management, project-centric, rules-centric or events-centric

processes. Progress Savvion allows business users to come together and collaborate with the best solution for the business.

Speed Time to Value

Progress also provides comprehensive solution accelerators—such as those mentioned in this paper—to get you started quickly and speed your time to value. Designed for industry-specific business processes, these accelerators include revenue assurance in communications, responsive logistics management in transportation and logistics, and real-time market surveillance in financial services.

Often, initial projects can be deployed in 30-to-90 days. The result is a strategic approach to process that starts with rapid modeling and iteration followed by a fast rollout, enabling measurable results. Using the Progress RPM suite, organizations can begin improving top-line and bottom-line metrics in the same quarter they're rolled out.

RESPONSIVE PROCESS MANAGEMENT IN ACTION

Handling Irregular Operations in Airlines

When a flight schedule is disrupted, airlines must undertake mass recovery and rescheduling efforts to make sure that equipment, crews, passengers, and baggage all get where they need to be so that schedules can be brought back on track and passenger journeys can be completed.

For many airlines, managing irregular operations requires interacting with many sub systems and, often, the intervention of many individuals to resolve each disruption. Yet, sometimes a change to one element of the process can further complicate the disruption recovery process down the road. Managing the disruption process more efficiently not only saves airlines time and money, it helps them to improve the customer experience.

Through a customized version of the Progress Control Tower, airlines can streamline the process of reaccommodating passengers and recovering the schedule. This “cockpit-like” console gives airline operations staff a holistic view of operations and lets them respond quickly to any problems so customers stay happy and flight schedules stay on track.



The Progress Control Tower gives airlines deep, real-time visibility into flight operations; helps users sense and respond to the various business events associated with any disruption; and gives them the power to respond more quickly to achieve new levels of operational efficiency and improve the customer experience.

The operations staff uses the Progress Control Tower to manage the downstream impact of any flight delay or cancellation. Not only does it provide complete visibility into operations, the solution proactively alerts users to any issues and even allows them to respond directly from the console to reroute customers, change gates, or reschedule crews—anything needed to get schedules and passengers back on track.

The Progress Control Tower provides airlines with an easy-to-use graphical representation of anything that needs to be tracked—from key performance indicators (KPIs), to system service-level agreements (SLAs), to business process performance—and lets users drill down into arriving flights, passenger status, onward departures, and more to determine the best course of action.

The Progress Control Tower can be used to create “what if” scenarios that let users see the results of any changes they might make. For example, if a user wanted to reschedule a crew from a delayed flight onto a new flight, the user could be alerted that the crew will go over their allotted flying hours. This empowers airlines to react to issues before they even occur and brings new levels of efficiency to irregular operations. Not only does the solution

improve operational efficiency, it can help airlines determine how to best compensate, rebook or reroute passengers in a way that improves customer service and loyalty.

Different airlines take different approaches to dealing with passenger re-accommodation due to irregular operations, ranging from automatic booking based on passengers' frequent flier status, through priority based on connection times, to simply waiting to see what other passengers show up at the customer service desk once they land and realize they've missed their next flight.

Through the Progress Control Tower, airlines can take a much more proactive and efficient approach to this process. The solution lets users analyze and correlate multiple variables in real time, such as lifetime customer value, ticket margin, available inventory, and other connection logistics to determine the best way to deal with passenger disruptions.

Based on business rules that are easily configured within the solution, the Progress Control Tower can be configured to recommend that a user rebook the three passengers with the highest lifetime value on a flight that has available seats or automatically initiate a process that books the next ten most valuable customers in local hotel rooms. The Progress Control Tower can even give users real-time visibility into potential compensation costs so airlines can weigh the costs of hotel rooms, ground transportation, or meal prices against the cost of booking passengers on a new flight.

The Progress Control Tower gives airlines deep, real-time visibility into flight operations, helps users sense and respond to the various business events associated with any irregular operations, and gives them the power to respond more quickly to achieve new levels of operational efficiency and improve the customer experience.

Transport and Logistics

A logistics company was experiencing customer service issues. Many of these issues not only seemed to occur over and over again, they also caused delivery delays that were expensive to track down because they involved globally distributed individuals responsible for different areas of the order management process.

After analyzing its order management and delivery processes, the company learned it was able to easily track inbound orders. But while the staff knew where to look to see the status of each order, the information was locked into application silos, and staff had to log into multiple applications to find the status of an order. There was no way to proactively initiate an alert on the conditions or status of the order, let alone inform the agents in advance that something will go wrong.

Progress customized the Progress Control Tower to give the logistics company actionable insight into its shipping process. Across the top of the delivery status view, the company can view inbound orders by region and where each order is in the shipping process.



With this Progress Control Tower customized to the logistics business, staff at a logistics company have visibility into and information on the status of individual deliveries and can take actions to prevent or fix a missed delivery.

Through interviews with the team responsible for tracking down lost and delayed shipments, the team learned that deliveries often incurred delays in the last leg of the trip due to unpredictable weather, construction, or traffic. Using that information, the team gathered GPS data from the entire fleet of trucks and correlated that data with the company's shipping manifest to build a map with truck locations.

The Progress Control Tower presents the state of the service-level objectives, giving managers a clearer picture of what's happening. With this

information they can better anticipate problems and take corrective action before delivery windows are missed. Using the Progress Control Tower, users can drill into each specific truck's information and apply corrective processes to avoid a missed delivery.

This is the key benefit of operational responsiveness. While the information being monitored can be used to find lost packages, it can also be used to anticipate and avoid delivery failures if policies are written correctly. Furthermore, by applying process improvements to prevent or fix a missed shipment, the team can learn their business more intimately, even automating fixes as part of their standard processes. Just as important, the logistics company can do all this without a major systems infrastructure upgrade.

ACHIEVE OPERATIONAL RESPONSIVENESS

Operational responsiveness enables businesses like yours to achieve a higher level of business performance. It gives you the ability to respond to changing conditions and business events as they occur, enabling business leaders to capitalize on commercial opportunities, drive greater efficiencies in their organizations, and reduce risk.

The Progress RPM suite is a seamlessly integrated, interactive and customizable solution that provides the insight and controls you need to drive your business. It empowers you and other decision makers to monitor, control and improve your business in real time.

Progress also provides comprehensive solution accelerators designed for industry-specific business processes, such as revenue assurance in communications, responsive logistics management in transportation and logistics, and real-time market surveillance in financial services.

Just as important, the Progress RPM suite integrates easily and flexibly into your existing IT environment without major modifications. This allows you to achieve rapid time to value and real competitive advantage.

Contact us to learn more about how the Progress RPM suite can help you to:

- > Gain comprehensive insight into business events and transactions as they occur
- > Determine how these events reveal opportunities, threats, or inefficiencies and take action
- > Easily modify your processes to continuously meet or exceed key business objectives
- > All without requiring a major overhaul to existing systems and infrastructure



PROGRESS SOFTWARE

Progress Software Corporation (NASDAQ: PRGS) is a global software company that enables enterprises to be operationally responsive to changing conditions and customer interactions as they occur. Our goal is to enable our customers to capitalize on new opportunities, drive greater efficiencies, and reduce risk. Progress offers a comprehensive portfolio of best-in-class infrastructure software spanning event-driven visibility and real-time response, open integration, data access and integration, and application development and management—all supporting on-premises and SaaS/cloud deployments. Progress maximizes the benefits of operational responsiveness while minimizing IT complexity and total cost of ownership.

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