Gartner Survey Shows Spending on Business Process Management to Grow Significantly in 2011

Asia Pacific Organisations Plan a Greater Spending Increase, But From a Lower Starting Point

Spending on business process management (BPM) projects will increase significantly in 2011, according to a global survey by Gartner, Inc. Overall, respondents were optimistic about spending plans, with 54 percent planning a spending increase of 5 percent or more and almost 20 percent planning an increase of more than 10 percent during 2011. “Many of these budget increases are driven by the fact that BPM is focused on improving business outcomes and explicitly meets the objectives of many organisations' return-to-growth strategies,” said Teresa Jones, principal research analyst at Gartner. “However, there is a mismatch between what users think they will achieve from BPM and what they actually achieve. Understanding the real benefits and how to measure them will help organisations create better business cases and get the expected business results.”

In Asia Pacific, respondents expected strong increases in BPM spending, with 25 percent of respondents indicating that spending growth was likely to exceed ten percent.

“Many countries in Asia Pacific are exhibiting strong economic growth, which correlates well with increased IT spending generally,” said Ms. Jones. “In addition, BPM technologies can be used to create highly flexible business applications, which are often needed to support rapidly growing businesses.”

According to Gartner, the market is changing as organisations look at software as a service (SaaS) subscriptions to tools which can offer a lower-cost starting point. In addition, BPM project funding comes not from an IT budget but from the line of business budget in 66 percent of cases, and because BPM is focused on business outcomes, many business units are funding it more readily than they are IT-specific projects.

Responses differed significantly worldwide regarding the average initial investment in a BPM project within their organisations. Overall, the most common initial investment was between $100,000 and $200,000, which is low in comparison with many BPM suite (BPMS) implementation projects. Asia Pacific respondents tended to have even lower initial project values, with nearly 35 percent spending between $50,000 and $100,000. These findings reflect the lower prices usually charged by software vendors in Asia Pacific, as well as the lower cost of external services.

“The survey findings indicate that users might want some BPM software capabilities but not necessarily a full blown BPMS,” said Ms. Jones. “Many organisations do not aim to achieve full process automation throughout their enterprise; most people improve process by process.”

Gartner conducted a primary research survey of nearly 600 mid-to-large end user organisations across 14 countries worldwide in the third quarter of 2010. The objective of the survey was to understand adoption patterns, preferences and investment plans related to BPM.

Additional detail is available in the Gartner report “BPM Survey Insights: Most BPM Budgets Set to Increase This Year." The report is available on Gartner’s website at http://www.gartner.com/resId=1733517

About the Gartner Business Process Management Summit 2011

The Gartner BPM Summit 2011 is designed to meet the needs of BPM practitioners and business and IT change leaders at every level of maturity, from those who are planning their first BPM initiative to those who are ready to stretch the boundaries of BPM programs already in place. During the Summit, Gartner analysts will explore proven BPM best practices and the latest BPM technologies and deliver the actionable insights, information and problem-solving needed to create or expand a successful BPM program.

The conference will be held at the Sydney Convention Centre on 8 and 9 August 2011. For further information about the Gartner BPM Summit or to register, please visit: www.gartner.com/ap/bpm

Companies interested in participating as an exhibitor should contact Ashish Naik at +61 2 9459 4683 or ash.naik@gartner.com

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