



# BPX COMMUNITY EXCHANGE

In this executive head-to-head podcast interview sponsored by SAP, AMR Research's Nigel Montgomery talks to SAP's Marco ten Vaanholt about a community-based approach to business performance improvement and how SAP's Business Process Expert Community is putting the "been there, done that" idea to use.

**Can you tell us the benefits and pitfalls of participating in a community-based information exchange? Do you believe the benefits outweigh the downsides?**

**NM:** The biggest downfall is only taking a single source of knowledge, as well as the time it can take up. The benefits are enormous because it is very valuable to gain knowledge from people who have been there before you and have already experienced a process change, particularly within the same industry. There are many benefits in terms of helping business executives make better decisions quicker. It is also quite useful as ammunition, because if you are going into battle as a CIO or CFO to gain approval from the board on a project, it is very helpful to use examples from other organizations that have already been through it and seen success. It also serves as a good decision affirmation. If you decide to go a particular route with a particular process, it is comforting to be able to compare with your peers to test out whether it makes sense. The biggest danger is relying solely on this information for your knowledge base, mainly because of the political nature of the answers you may get since those decisions were made in a particular scenario for their business, which may not match your own.

**MT:** We see a few potential great things happening from an individual perspective as well as a company perspective. We cannot

keep up with the exponential growth of information. The only way to keep up with this growth is via a community. I ask the community to filter for me what is hot and what is not. The community also allows me to network beyond my existing network. This means I can interact with people on a global basis and around the clock that I would not normally interact with. This allows me to get insights into other companies and customer areas that I normally wouldn't have access to. I also like the notion of being able to learn on-demand. As the participant, this capability allows me to learn and adapt. You shouldn't see the community as the "holy grail," but you can see it as an extension of your own capabilities and learn via the traditional way as well as communicating with others who have similar and opposing ideas.

**NM:** One of the benefits derived from the business process communities is that they have learned from the IT communities. One of the challenges with a lot of the older communities was the structure of the information and how it was held and imparted. It can take a lot of time find the information you're looking for, whereas in newer, more mature exchanges, one of the benefits is that you now have a much better structure to access the information and get it to the people you need to get it to.

**MT:** From a company perspective, I think there are a few benefits for customers, partners and ourselves. From a customer perspective,

it will help you sell your new project internally. Customers now also have a direct channel back into SAP product management and development, so what we do with Business Process Expert Community (BPX) is create a channel back into our product management organization to allow customers and partners to tell us what is important to them. From a partner perspective, we have seen the community generate new business. If you have several experts sharing their knowledge, it becomes easier to get a foot in the door. From the SAP perspective, we can create a very strong bond with our customers and partners. We can also use the community to reduce some support costs. Problems solved inside the community prevent customers from coming to SAP support.

**NM:** The community will also guide you so that you don't do things that may be detrimental to your organization. One of the biggest issues for decision-makers is that they often have to act under a level of pressure because they need to change the business. If you are not careful, you can make the wrong decision. One of the things that the community can do is step in and ask questions on a particular decision. Just as the community can help you with the affirmation of the decision you've already made, it can also raise the question in your mind so that you at least look into whether the query fits your particular situation.

**MT:** We've seen a few situations where it shortens implementation cycles simply because of this ability.

**Are these business communities open to everyone or are there certain prerequisites that must be met by users in order to join the community?**

**NM:** There are certain prerequisites; it does no good to join a community as a sponge just trying to soak everything up. You have to be prepared to impart your knowledge and questions with the rest of the community. Otherwise, if you are not careful, many communities turn into propaganda machines for the vendors rather than a sharing of knowledge between the users. It is key that whoever joins assumes the role that is designated to them and remembers that the community does not have to focus on one particular topic or level of person. They can cascade down so that people can join for a short period of time around a given topic, but within a larger umbrella of topics. I might join as a CFO and be the main participant, but I may actually bring my financial control in to look at the monthly closing and discuss it with the community. There are different levels of participation. With every situation, the communities are no different on the Web than they are in real life. Communities are built through trust and relationships, so participation is a must. If you go on every six months and grab a little information and disappear again, you will not build strong relationships. The participant must be eager to take part with the rest of the group.

**MT:** Consuming the information is important, but so is contributing the information. In our BPX Community, we have a marriage system as well as a rewards system. If you provide quality answers or blogging solutions to the community, you will be rewarded with points. It is almost like an airline points system where the points act as an enabler. It also allows you to profile yourself inside the community as an expert, which might help further your career.

**NM:** Another element that is needed within these communities is a policeman, because although you don't want to restrict people from interacting, there is danger depending on who is involved;

it can turn into a "salesfest." It is important that the host vendor polices the activity.

**MT:** We have that same mechanism in our community, called BPX Community Evangelists. They are governors of the community who value all of the communications. Specifically, we do not want marketing messaging in our community. We want to achieve quality conversations between people, whether it is online or offline. It is really important that you deliver value and quality when you contribute, and not a marketing pitch. Through this communication, you get much more interaction with all of the people around you. Another prerequisite we have is for participants to have one foot in IT and one foot in business. I also think that it is important to have industry experience, enterprise consultancy experience or enterprise architecture experience to participate in the BPX Community.

**Other than the ability to speak to peers, are there any other features that allow you to gain knowledge from these communities – i.e., Q&A sessions with analysts, helpful whitepapers, etc.?**

**NM:** It mostly depends on the structure of the community. Many of the successful communities have developed their own hierarchy of activities and interactions. You can have the ability to post case studies of a given process change or even post a series of questions around a given topic to kick off a community discussion. Some communities also have training capabilities since a lot of process-related people have difficulty grasping how to implement a given piece of software. In the case of SAP, it is very important for the process-level people to be able to learn how to work with SAP. Sometimes you don't want to take on formal training, so it is helpful to have peer training. It should not be underestimated how powerful some of the information that can be imparted across these communities can be. In many cases, vendor information can also be added, which is typically very good. In any community, you are going to have 30 percent to 40 percent of the data coming from participants who are employees of the vendors. This isn't a bad thing because they can help reduce the training costs and speed up the acquisition of knowledge within the business. Sadly, in most enterprise application implementations, the one thing that tends to get cut from the project is the training budget. Therefore, this can help you facilitate the learning capability.

**MT:** Many of our SAP mentors are starting to create their own learning material and distribute it via our own learning community. We are also working closely with accredited writers like Bruce Silver and Paul Harmon, who are not liaised with SAP necessarily, but want to share their knowledge, visions and ideas with our BPX Community. We have many whitepapers and articles written by renowned experts that are available in the community. We also host podcasts and feedback into product management and development. Not only are the communities learning from what is being discussed, but SAP is also learning. You need to have fun in the community, so we invited the writers of "The Geek Gap," who talk about business speak versus IT speak. Some of our external evangelists who are working at customer and partner sites are introducing community-based projects where they are trying to get feedback from the community on how to improve a specific business process via collaborative modeling. Other people learn from the results of that particular community project.



**NM:** It is important to remember that you must be careful with the knowledge you are gathering from these communities if you are solely relying on this knowledge as your source for decision-making. Nobody joins a community just for the fun of it; they join the community because they want to impart and receive knowledge. Everyone has their own motives for imparting knowledge. The issue is to understand the underlying reasons. There is no community that gets off the ground and is successful from the start. They must build over a period of time so that the level of trust builds within. There is no question that there is great value to be gained and time to be saved in terms of decision-making. In the process end of the business, it cannot be underestimated how important the time savings of decision-making is.

**MT:** If you have a sense of community, you are more inclined to participate as well. We also have offline components that we are trying to make as strong as the online component so that people can meet face-to-face after they have engaged online.

**How is content structured and managed on these business communities so that users can easily and effectively find the information they are looking for?**

**NM:** This is a very important issue because one of the things that kills these communities is the inability to find and get to the information and people that are locked within. This is why most of the communities are set up by players like SAP and some of the other big technology players, because it takes a lot of technology structure to be able to run and hold the content within. It is critical that the hierarchy of information is structured.

**MT:** We structure our content by enablement of our technology. We use all of the social media tools available to us such as wikis, blogs, articles, podcasts and Webcasts. We are trying to structure it in evolution – we started small and are building out. Recently, with the help of our BPX Community, we created a whole new place to start. A lot of the people who are new to this should go there to gain an understanding of the capabilities of the community.

The way we have structured the information now is by industry. We see the industry focus as an important element in our overall content structure. We also structure horizontally. We realize that business process people want the content structured in business process lifecycle stages. In each stage, there is different information collected and disseminated. We try to take those three dimensions and put them together. We see that most people in the community find things by search. In the future, I want to move to guided search and search-by-process. As more and more social media tools come into the market, we will try to integrate them inside the platform as well.

**IT communities have been around for a while now and they provide a helpful platform for techies to vent their grievances to each other and share advice. Whereas sharing tech information seems helpful in an age where we are still trying to figure everything out, it seems like sharing business information would put an organization in a vulnerable situation. How can we encourage business users to engage in these discussions without feeling as though they are putting themselves at risk? What should organizations keep in mind if they do choose to engage in a community-based approach to business performance strategy?**

**NM:** Do not be fooled by the IT community; there have been just as many innovations from a technical and IT perspective. Take RFID, for example: People knew the advantages of RFID and didn't want to share that information outside of their organization. It isn't true to say that the IT communities are open and blasé with their information. They are just as controlled, and I think the business community is no different. The key is the fact that the level of people you need to engage changes dramatically. On the IT side, it is okay to have a programmer or an IT analyst involved and participating in the community; they can add some technological know-how. There are people graduating from universities today who can add just as much technological value as someone who has 20 years of experience.

In the business environment, that changes slightly. One of the challenges of business is that unless you have been there and done it, then all you are able to do is talk about it. It is important for the people who join the community to establish the level of experience they have so that members can determine the level of credibility of the information. The higher you go up the organization, in terms of participants, the chances are the more cynical they will be. Subsequently, the higher you go, the more the participants will be sensible in terms of what information to share and what not to share. In some cases, they will pull information from a third party rather than attribute to their own business. It is probably a patronizing thing to suggest that business managers don't understand what information to share and what not to. This is where the trust factor comes in and it is very important to build this community belief. Within the actual community itself, you can actually have a closed group of people to share information with. If you are discussing particular sensitive information, you can actually restrict other people from being able to see it outside of the trusted people you know with credibility in the community.

It is dangerous to rely too heavily on this information and not recognize the politics that can lie within an organization. People can have prejudices one way or another, whether it be about a particular vendor, manager or department. That can alter their view of how they have dealt with a particular situation and the information they impart. It is very clear that the bigger the community, the better the chances are that you will receive some truth. Then you have to temper it with a lot of common sense.

**MT:** It took about five to 10 years before the open source model came to light. In the beginning, code wasn't shared and it took a while before people became comfortable with sharing it. The same will happen on the business process level. Right now, a lot of the business process experts have never worked in an environment where they were able and capable of sharing information. Normally, all of that information lived within their project group or within their laptop. A lot of the late bloomers have the inclination of not wanting to share this information.

In many cases, these experts don't know if they should share this information. A lot of the process improvement information is not proprietary. Often times, there are similarities across many customer sites. However, I don't expect IP-related information to ever be shared amongst other people inside the community because that is where most companies have their competitive edge. Often times, people who are not comfortable with sharing in the early stages share in a closed community fashion. Once they have communicated with each other in the closed groups, they decide what they would like to post

in the community. The young generation is more inclined to share more freely, while still finding the balance of what they can share.

**NM:** A lot of best practice goes back into graduate programs in the university. Sometimes you need a view that isn't necessarily tainted with the cynicism of age. It is important to have the balance. That is where the profile of the individual providing the information becomes important. This is a challenge for many because there is a fixed amount of time for participation. However, if these people are adding value, then the benefits of participation become visible.

**MT:** If you participate in the SAP BPX Community, you learn how to utilize the social media tools. By utilizing social media tools, you are teaching yourself how to evangelize your solutions throughout your community. One benefit of being part of a community as a business process expert is that you become an evangelist for the new solution because you are always in a change management project. You need to get executive support, identify the change agent and once you have created the solution together with IT, you need to disperse it throughout the organization. By using social media tools, you can disperse immediately and get instant feedback. One of the dangers of sharing too much information is the conflicts with international law. When you start participating in the community, be aware that you are an advocate for the company you work for.

**Is there overkill with so many of these community-based platforms being formed for business executives today?**

**NM:** If we go back to the turn of the millennium, prior to the dot-com burst, there were about 370 exchanges in Europe. These exchanges were set up to transact business, pass information and be the middleman. This number has dwindled and the issue is that many of the communities that are being set up will die and whither because they are not adding value. The only reason people visit the communities is because they add value to what needs to be done as a business. That is the one difference between IT and the business side. Business will have a lot less resilience in sticking to the community; they will walk away a lot quicker than an IT person. Communities will kill themselves simply through a lack of value. A lot of these communities will start to merge around a particular situation. Retail communities may combine with consumer product communities in order to share information, for example.

**MT:** I really believe in community-to-community exchange programs. You can learn from other communities and as platforms progress,

communities will evolve into a tighter network. Right now, a lot of communities are separate and not linked; but the next evolution of communities is a network. People will connect via use of multiple communities, not just one. My biggest gripe is that there is so much information that needs to be put back into the system. Hopefully the communities of the future will evolve so that the consumer as well as the participants can disseminate information and participate and provide value to many communities in a different fashion. I believe that because of that evolution, the separate communities will become more tightly integrated with each other. Our America's SAP User Group (ASUG) used to have their communities and special interest groups. What they realized is that they are really strong in the local networking space, but it is more important to have a common platform. Now we have a tighter integration with ASUG and wherever we go, we have community day; ASUG is a part of that day.

**NM:** Whether they like it or not, most of these communities have been built around a particular software company. The challenge there is that when you start sharing across communities, the tolerance level for propaganda goes down dramatically. If I am a customer of SAP, I am going to be reasonably okay with a partner or SAP promoting something every now and then; but I am going to be a lot less tolerant where that isn't my backbone. There is also the danger of taking knowledge from somebody who is using a completely different set of systems than you. While this may err on the side of caution, I'm certain there will be some sharing across communities.

**MT:** Most of our customers have hybrid platforms. If you believe enterprise SOA is here to stay, most of our customers in the future will have hybrid business process platforms. The common denominator which most people will talk about is business processes. If the common denominator is the business process, it doesn't necessarily mean that you are talking about the solution on a single business process platform, but on a hybrid business process platform set. People would like to talk first about the business processes that should be implemented, which you could get from the hybrid platforms. What we are trying to do with the BPX Community is transcend beyond the boundaries of SAP. We are trying to set up a BPX Community on IBM. For us, it is better if everybody speaks the same business process language, and there are more business process people around in the world that will help the greater good.

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