



University of Wisconsin-Madison

UW E-Business Consortium

"Helping Industry Gain Competitive Advantage Through E-Commerce and E-Business"

www.uwebc.org

Project Report

Communications-Enabled Business Processes: Opportunities and Leading Practices

Project Sponsor

American Family Insurance

Authors

Jeffrey Ehman
Bryan Fondrie
Matthew Groose
Chinmay Puranik

December 2008

Executive Summary

Our team's goal was to assist American Family Insurance in developing its Communications-Enabled Business Processes (CEBP) strategy by researching the current state of CEBP technology and its adoption in industry, as well as identifying potential opportunities for and benefits of CEBP. This report includes Web-based research on CEBP, research on vendors offering CEBP solutions, perspectives on unified communications (UC) and CEBP from several University of Wisconsin E-Business Consortium member companies, and potential opportunities for CEBP in American Family Insurance business units.

Through our Web-based research, we learned that CEBP should not be viewed as a technology – rather, it represents an approach to business process transformation that leverages UC technology platform capabilities (such as presence and call control) and its integration in business processes to achieve automated and adaptive communication and workflow. CEBP largely remains a vendor specific term being promoted by companies like Avaya. However, this acronym seems to make the most sense out of other alternative descriptors we encountered, and so we will refer to it as such. We also discovered that the boundary between UC and CEBP is not rigid, and that they should be seen as part of a continuum. There is value in both basic UC and its enhanced form of adoption represented by CEBP, and companies need to determine what is better suited for their particular business needs and workflow environment.

Our vendor research consisted of reviewing vendor white papers and case studies, and contacting leading UC and CEBP vendors to learn about suitable uses for CEBP and ROI justification. One opportunity touted by vendors is to incorporate CEBP in customer service processes to reduce customer response times and improve customer satisfaction (e.g., through first call resolution by being able to automatically route the request to alternate resources when the primary resource is not available). Examples of other opportunities are flexible media and conference switching, and reduction in procurement process time. Vendors also saw presence monitoring as important for UC and CEBP in order to quickly locate a qualified decision maker. One more opportunity that vendors often advertise is CEBP's use in the context of temporary employee staffing.

Our consultation with IT executives at several leading member companies of the University of Wisconsin E-Business Consortium revealed that each of them believed that UC is here to stay, and that the functionality of CEBP (in some form) is the logical next step of adoption. All pursuit of UC and CEBP should either identified as a business need or as a part of a gradual systems upgrade. Integration issues with systems will arise, even when they are from the same vendor, and generally more so with systems from different vendors. Most important, however, is the belief that maintaining a cohesive long term vision is key when developing any UC or CEBP strategy so that the right decisions can be made to meet identified business needs.

In addition, our project team met with representatives from several business units within American Family Insurance. We conducted a CEBP overview and group discussion session, and subsequent meetings with individual business units, to both build awareness regarding the capabilities of CEBP and also to stimulate thinking regarding CEBP's potential application in their own daily activities and challenges. After a number of meetings, we came up with several

specific examples of current situations that exist within the insurance industry that could be improved through CEBP. These examples focus on real-world situations and business processes and are focused on using CEBP to improve customer satisfaction, as that is one of American Family Insurance's primary distinguishing and competitive features.

We hope that our findings will help guide American Family Insurance in advancing its UC and CEBP strategy as well as to identify specific opportunities for implementing CEBP within individual business units.

Acknowledgements

This report could not have been compiled without the support of our project sponsors whom we would like to thank for their help throughout:

Jim Wolfe, I/S Messaging Specialist at American Family Insurance, for serving as our project manager and primary contact, providing us with a great foundation of resources and possible contacts.

Steve Clemens, Director of Network and Security Technologies at American Family Insurance, for his initiation of the project and for taking an active role in its progression.

Jeff Pergal, I/S Manager at American Family Insurance, for his feedback and perspectives over the course of the semester

The University of Wisconsin E-Business Consortium Member Companies (UWEBC), for taking the time to answer questions and provide their personal insights on the direction and development of UC and CEBP.

Professor Raj Veeramani, of the University of Wisconsin-Madison, for creating a structured process for successful project completion and providing frequent insight and feedback at all stages of the project.

Thank you,
Bryan Fondrie
Jeff Ehman
Matthew Groose
Chinmay Puranik

Table of Contents

Executive Summary	i
Acknowledgements	iii
Table of Contents	iv
List of Figures.....	vi
1.0 Introduction.....	1
1.1 Company Background	1
1.2 Project Motivation	1
1.3 Project Objectives	3
1.4 Project Goal	3
2.0 Project Methodology.....	4
2.1 Four Targets	4
3.0 Web Based Research.....	6
3.1 What is CEBP	6
3.2 Definitions	6
3.2.1 Voice-Over Internet Protocol (VoIP):.....	6
3.2.2 Unified Communications (UC):.....	7
3.2.3 Communications Enabled Business Processes (CEBP):.....	7
3.3 IP Telephony (VoIP).....	7
3.4 Unified Communications (UC).....	9
3.5 Business Processes Today	11
3.6 Communications Enabled Business Processes (CEBP).....	12
3.7 Communications Enabled Business Processes - Continuation of UC	14
3.8 Role of Communications Enabled Business Processes	16
3.9 Example of Communications Enabled Business Processes.....	17
4.0 Vendor Research.....	18
4.1 Methodology	18
4.2 Vendor Landscape	18
4.2.1 Leading Vendors of UC and CEBP	19
4.2.2 Opportunities.....	20
4.2.3 Implementation	22
4.3 Organizational evolution to CEBP	22
4.3.1 Stage 1: Providing and Upgrading Basic Communications Infrastructure	22
4.3.2 Stage 2: Horizontal Communications Applications.....	24
4.3.3 Stage 3: Facilitating Collaboration for Knowledge and Process Workers	25
4.3.4 Stage 4: Broad Integration of Communications From Within IT Applications.....	26
4.3.5 Stage 5: Purposefully Choosing to Create a Transformed Organization.....	26

5.1 Methodology	27
5.1.1 List of Questions	28
5.2 Member Company Interviews	29
5.2.1 Company A	29
5.2.2 Company B	30
5.2.3 Company C	32
5.2.4 Company D	34
5.2.5 Company E	36
5.2.6 Company F	39
5.3 Summary of Interview Findings	40
6.0 American Family Insurance Business Units.....	42
6.1 Methodology	42
6.2 Business Units.....	42
6.3 Possible CEBP Application	43
6.3.1 Policy Change Example.....	43
6.3.2 Real World Customer Satisfaction Example	44
6.4 Potential Questions That Help Identify CEBP Opportunities	46
7.0 Key Findings.....	47
7.1 Findings & Recommendations.....	47
7.2 Achieving CEBP.....	49
7.3 Business Transformation Timeline.....	50