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"Leading the Conversation"

The Essentials Series

Communications Enabled Business

by Ken Camp

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Article 1: Convergence Sets the Stage for Communications Enabled Business Processes

When working professionals are better connected, they're more productive and creative. Easy access to the tools they need to work effectively simplifies their work. In short, they're able to focus on the work they need to do. Just as companies need to focus on their core competencies and business objectives, individuals operate at peak performance when they can focus all their energy on their primary objectives. As workers become more mobile and geographically dispersed, virtual teams need enhanced communications tools to access the array of enterprise data systems required to work effectively.

Communications-enabled business processes (CEBP) introduce an important new way of thinking about the simplification and automation of human communications in the context of enterprise business applications. In a recent paper, Forrester Research defined CEBP as “business processes and applications tightly integrated with unified communications technologies to enable concurrent or consecutive communications among customers, suppliers, and employees within the context of business transactions.”

The following paper will trace the maturation process of what the industry calls *convergence* from its roots in circuit integration for cost savings through the maturation of integration technologies such as Voice over IP (VoIP) to where the industry sits now. Today, we're on the cusp of the next-generation CEBP integration of enterprise business applications—Enterprise Resource Planning (ERP), Customer Relationship Management (CRM), Sales Force Automation (SFA), and the like—with a complete range of network services, including data, voice, and video.

Convergence Phase 1: Wires Converging for Voice and Data

Convergence became a focal point for the broad telecommunications industry at the end of the 1990s. IP moved beyond existence as a protocol for carrying data traffic across local and wide area networks (WANs) to a transport technology and IP telephony or VoIP emerged as a potentially disruptive technology.

Up to this point, enterprise businesses commonly maintained multiple networks, each dedicated to specific purposes. The data network carried internal LAN traffic and connected the corporate intranet to the Internet. Email and Web traffic prevailed over IP. Voice communications were carried over a separate voice network. Two networks had to be maintained by different technical and administrative staff groups.

In *Telecom Convergence, How to Bridge the Gap Between Technologies and Services* (ISBN 978-0071387859), Steven Shepard describes the “inexorable evolution to a single technology-agnostic converged network capable of delivering a wide array of sellable services” as a factor in company convergence. The concept of convergence quickly evolved from the idea of voice and data networks converging onto a single circuit infrastructure using IP to the coalescence of companies consolidating capabilities.

Circuit integration of voice and data reduced service costs, improving the bottom line for many enterprise businesses. Integration of network technologies brought efficiencies in billing, staff support, process consistency, and workflows that were widely adopted and embraced globally.

Convergence Phase 2: Protocols Converging for Efficiency

Circuit convergence was simply the beginning of an evolutionary path. The next catalyst in the convergence timeline was IP telephony or VoIP. VoIP was one of the most talked about technologies to appear in the Internet space. There were many drivers that made VoIP an attractive alternative approach to business telecommunications services. Cost reduction and operational performance improvement are always key drivers for an organization considering new technologies. With the variety of business needs ranging from small companies with home offices to very large enterprises spread around the globe, there has never been a single “one size fits all” solution for telephony requirements in either legacy services or through VoIP.

Voice vs. Data

Voice or telephony applications have typically required long holding times to support call durations, which average about 4 minutes per call. The signal is sensitive to delay and jitter because it is a real-time interactive communication. Traditionally, this voice service was provided using circuit switched technology over the public switched telephone network (PSTN). Many businesses implemented private telephone links, such as tie lines, between offices to carry internal voice traffic from site to site. Video conversations carry the same general service requirements as voice but with the added requirement of greater bandwidth.

Data communications—including Web services, email, and database transactions—are often bursty and unpredictable in nature. The durations of data transfers may be very short. Traffic is typically not delay sensitive because email and Web browsing are not two-way interactive services between people directly. Data services generally use all the available bandwidth on the network for a very short duration.

It wasn't unusual for businesses to have two or three completely separate networks for conducting business. Voice traffic was handled through a private branch exchange (PBX), connected to the PSTN. Interactive data was transmitted via some type of packet network, usually IP or Frame Relay. Large file transfers between computers, such as mainframe connections, were often performed across a dedicated point-to-point connection.

The Cost of Doing Business

One of the major drivers behind convergence overall and VoIP in particular was cost. But cost is made up of many smaller factors. Calculating the true total cost of two networks, voice and data, is a complex process. One factor is the cost of the network—the circuit infrastructure. Traditional telephone services billed based on minutes of usage. A legacy phone call requires the establishment of a circuit for the duration of the call, so this approach made sense. Data networks, however, typically billed for the bandwidth provided. That was often in the form of either raw circuit capacity or some overlying Service Level Agreement (SLA).

Equipment costs have often been seen as one-time costs. These costs are scrutinized closely when businesses invest in new network designs because these are often capital investments.

Operational cost is another factor organizations had to weigh in. The labor effort required to support network moves, additions, and changes has always been difficult to quantify. With constant reorganization and consolidation in business, these operational costs typically far outweigh the one-time equipment costs over the life of the network. For companies that had multiple networks for voice and data, these costs were duplicated across each network.

Other cost factors included:

- Strategic planning for future technologies and integration with existing technologies, which can be labor intensive.
- Training—This may be a cost factor in both time and dollars.
- Technical support—This factor might require special additional contracts or be billed on a per-call basis.
- Software upgrades and changes—These may have to be purchased and then result in downtime, labor, and training required to implement and support added features.

Given the technologies available, “analysis paralysis” was a common phenomena that impacted many companies. Determining whether it was practical to build one single network infrastructure that could deliver all traffic and service types proved for many to be a question that took many years to answer.

VoIP has taken a different path than envisioned for many. Once expected to be the disruptive technology that would drive the long distance carriers out of business, it has instead become, over the past 10 years, a stable, widely adopted part of the infrastructure. Although VoIP proved to be a powerful enabling technology, its real value is as another transport mechanism for voice as a service on the network.

Parallel Convergence Path for Mobility

Mobile technology has also converged in parallel. As the cost of integrated circuits drops and CPU capability becomes more efficient, devices shrink in size. Today, notebook and tablet computers are far more powerful than the enterprise workstation of 10 years ago. As the size has decreased, so has the cost. Mobile technology, once an expensive and esoteric tool, is now easily within the hands of anyone.

The rise of wireless broadband technologies coupled with advances in device design has brought us to the point where, for many professionals, a Blackberry or smartphone device connected via high-speed technologies from Verizon or AT&T has become not just a business tool but the primary workstation. Today, mobile computing solutions provide a fundamental business tool that many organizations simply can't function without.

For the past 10 years, convergence in some form has been taking place at every level. Circuits converged to reduce costs. Business consolidation in workforce and internal services followed. Desktops converged to smaller, lighter devices. The pure technological evolution delivered what we have today—powerful workstations that can sometimes fit into a shirt pocket, with near-ubiquitous high-speed connectivity that put the power of doing business everywhere.

Phase 3: Unified Communications

The convergence of voice and data networks has evolved over many years. Many networks today still haven't fully converged. They're still in process. Businesses are still implementing VoIP in an effort to cut communications costs or leverage the competitive advantage of integrated services; but today, convergence means much more than that.


The term convergence is generally used in reference to the integration of telephony, both voice and features, with data services and applications and video onto a single network. This single network is frequently assumed to be the Internet. These technologies all used dedicated, separate resources in the past, but can now share resources and interact with each other, creating new efficiencies for business. In the past 2 years, the word convergence is heard less. The industry at large began to focus on the concept of unified communications. For most, unified communications simply means the fully converged network.

There are several vital enterprise business applications that make up the next evolution of the cycle. Key business applications, and associated workflows, include:

- ERP
- CRM
- SFA
- Supply Chain Management (SCM)
- Human Resource Management (HRM)

These applications are at the vortex of change as they begin to effectively integrate with common network data, voice, and video services. This next phase of integration provides not only unified communications but also unified platform for business. Today, we view that unified platform as CEBP. Leaders in the progress to fully deployed CEBP fall into three categories:

- **Enterprise business applications and services leaders**—Companies such as Microsoft, Oracle, and SAP are prime movers and shakers in the business application software arena. They provide the ERP, CRM, SCM, and other business application platform software that runs business globally. Services leaders include the expected telecommunications carriers such as AT&T and Verizon. More broadly, solution providers such as Salesforce.com (<http://salesforce.com>) or Lotus Sametime Unyte from IBM (<http://www.unyte.net/>) play a pivotal role in the development of CEBP.
- **Philosophical thought leaders**—Companies such as Forrester Research (<http://www.forrester.com>) provide direction and strategic vision in industry analysis and papers.

 *Communication-Enabled Business Process* by Henry Dewing is an excellent 12-page paper that gives a comprehensive view of CEBP and how it will transform business.

- **Tactical thought leaders**—Innovators such as Jaduka (<http://www.jaduka.com/>) provide tactical tools to deliver real CEBP integration of voice and data services through APIs and toolkits. Other companies such as iotum (<http://iotum.com/>) offer emerging views on incorporating conference services or presence and availability information as new services to tightly couple with business processes and workflows.

The Advantage

The promise of CEBP is larger than any promise offered by prior disruptive technologies such as VoIP. CEBP isn't a technology. CEBP is a methodical approach to integrating unified communications technologies with business applications, processes, and workflows.

The benefit of CEBP is the potential it unlocks to deliver huge competitive advantages for those enterprises that are well positioned to leverage the power of the unified communications evolution to their advantage. Those organizations that are in the process of unifying all communications technologies, or already have, possess an unparalleled competitive edge because they're already where the biggest changes will take place. They've already embraced change and are ready to seize the CEBP advantage.

CEPB will drive major business process re-engineering. The potential of fully integrated services coupled tightly with business processes and workflows will re-energize and renew corporate culture and vitality for the companies that embrace change. CEBP also heralds the end of an era for many who can't accept change. Just as we experience life-altering events as people, businesses experience profound change. CEBP represents a profound change in how we do business. It will alter the business processes and workflows of industries in ways that will leave new leaders, and leave those who can't keep up in ruins, unable to compete effectively.

What's Ahead for CEBP

We'll close this paper with a glimpse of the power of fully mature CEPB in an enterprise organization from the Human Resources (HR) view. When a new employee is hired, what are some of the basic tasks that need to be completed?

- Complete a stack of forms to be signed
- Create an ID card or badge
- Assign a work space or cubicle
- Order a computer workstation
- Order a telephone (both set and phone number)
- Order a cell phone
- Set up a network ID and email address
- Schedule orientation and training

These are labor-intensive and costly tasks in large part. They require the involvement of several people. They take coordinated effort. They cost the company money to complete.

A company that has already adopted unified communications can integrate all systems with network services and resources. The HRM system already typically has a function to add a new hire. Let's revisit that list of tasks and how they might be completed through the mature communications enhanced business processes of CEBP:

- Complete a stack of forms to be signed—Paper forms will always be labor intensive for someone, but they don't need to be maintained as blank forms. An electronic library, coupled to the HRM system, can easily email the new employee all forms required as part of the standard hiring process.
- Create an ID card or badge—For many organizations, this means making an appointment to go have a photo taken, having the physical badge created, and creating another database entry for audit purposes. CEPB could allow an appointment to be scheduled and automatically placed on appropriate calendars in the next available open time slot.
- Assign a work space or cubicle—The HRM system coupled with the facilities management system can automatically assign new employees to appropriate work space.
- Order a computer workstation—HRM connected to the vendor or supply ordering process can easily trigger the order of a new computer.

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- Order a telephone (both set and phone number)—The facilities system has already identified the work area. A telephone number can be assigned automatically. A phone can be ordered as part of the new hire process. CEPB can go a step further and place a work order for the right technician to install the phone at the right location on the day the phone set is delivered. CEPB can manage resources and handle work task scheduling.
 - Order a cell phone—Mobile carriers want efficiency just like any other business. Large enterprises typically have standard contracts for corporate cell phones and service. CEPB simply enables one more order process associated with the addition of a new hire in the HRM system.
 - Set up a network ID and email address—At the simplest level, this is a work order that can be automatically created and routed to the network systems administrator who will manually build the accounts. In the fully mature CEPB view, network services will be tightly coupled for more automation. The HRM system itself could be configured to automatically provision a network ID and email address. The entire process could be automated.
 - Schedule orientation and training—Simple calendaring with the use of automation technology to coordinate available dates. Systems can easily query for the next available dates and populate both the new person's calendar and the training class roster.

The fully CEPB-enabled enterprise can take the laborious task of adding a new employee and turn it into a dynamic, efficient, low-impact task. What for many organizations is today a checklist of things to be done can become simply a quick function—add new hire.

The power of CEPB is enormous. The approach of CEPB is rapid. The impact will profoundly alter the landscape of business. Those who can adjust and adapt will thrive. Those who cannot may well be left in tatters, unable to keep up with stronger, fiercer competition.

Article 2: Communications-Enabled Business Processes in the Enterprise Environment

Today more than ever, businesses are seeking measurable results from their investments. Communication-Enabled Business Processes (CEBP) is a rapidly emerging approach to delivering business value through connecting the people, information, and workflow processes that support business objectives. In early CEBP deployments and other similar work on Software Oriented Architecture (SOA) and Software as a Service (SaaS), we've seen increased revenue, improved efficiency, and rising customer satisfaction. In the manufacturing sector, a decrease in defect rates has also been noted.

CEBP Benefits	Working Example	Measurable Business Result
Increased efficiency in business workflow process	During a system outage, link repair team automatically via communications tools	Critical business systems can be repaired quickly and proactively
Enhanced customer experience	Eliminate the need for customer callback after consultation	Single call service, measurable in call center
Improved decision-making tools	CEBP enables bringing experts together when needed	Repeatable decision-making processes

Table 1: The Business Value of CEBP.

Saving time, increasing productivity, satisfying customers, and increasing revenues each present a compelling focus to the business enterprise. That CEBPs can indeed bring them all to bear makes it absolutely vital for the competitive business organization of today to take proactive steps to begin integrating their business applications and network services.

CEBP tightly couples communications technologies with business processes and applications to enable better communications channels among customers, suppliers, and employees. The benefits of this integration can include business techniques, best practices, administrative and management tools, and third-party utilities. CEBP is a vital approach in the competitive enterprise environment. It can provide focal areas of business process re-engineering that are ripe for change to make an organization more effective and competitive.

The Business Environment of Today

Although all businesses go through cycles, there are some basic tenets of business management that simply never change. Return on Investment (ROI) is a driving business motivator that impacts every decision. Investment can be many things, and it isn't always capital expenditure (CAPEX), which is easily quantified.

Business applications are investments. They're investments in process and methodology. They require money, but they're also investments of human capital. We invest resources of our business in working through our established workflows and processes.

As businesses implement enterprises applications, in parallel they build an array of network services. These services include everything from Web and email solutions to human resources management tools. CEBP is about bringing things all together. There's a maturity model to CEBP deployment that every organization is participating in.

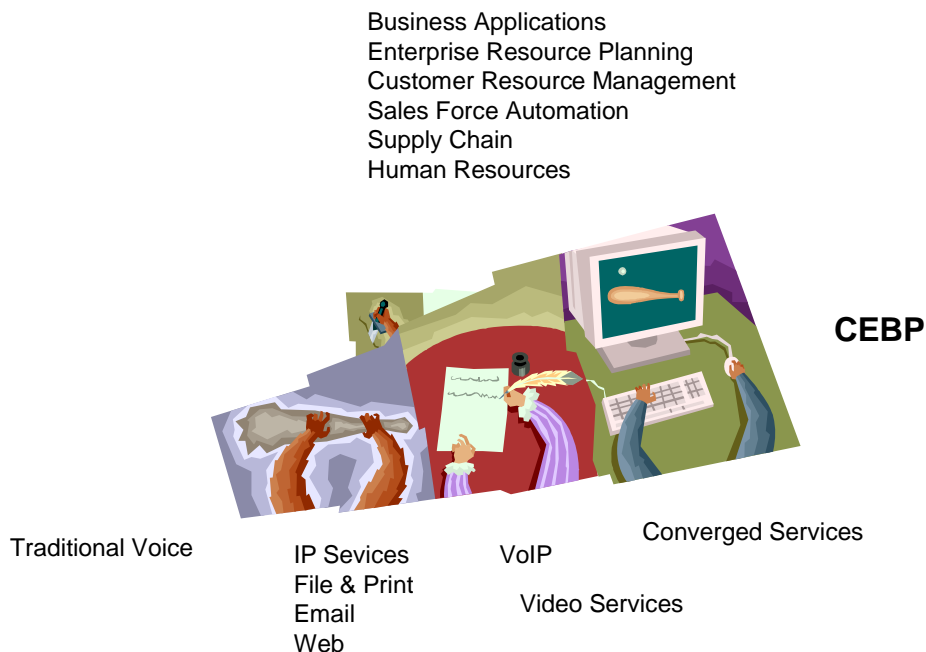


Figure 1: Maturity model to fully unified communications.

Figure 1 provides a high-level representation of the sort of maturity model involved in achieving fully integrated CEBP deployment. An organization probably began with voice services as a basic business tool. IP networks grew from simple file and print services to email and Web applications. Along the way, enterprise applications emerged. Although they may vary in form between large and small enterprises, the fundamental roles they play in workflow remains consistent across all industries and organizations of all sizes. Voice may have already moved to VoIP, and video services may exist in some fashion. As the services converge on the IP-based network, we find ourselves exercising a fully converged network. CEBP is the next step in this evolution and integration of business applications and network services.

VoIP Convergence as a Catalyst

Many industry leaders have seen VoIP as a key element and a disruptive technology. VoIP convergence is a catalyst—not as a technology but as an integrator. VoIP is simply an alternative delivery mechanism for voice as a service. Voice is one of the many services available on the high-performance fully converged enterprise network.

The advantage of VoIP is that, for companies already using this technology, their network requirements have often already been considered. They have, by implementing VoIP, already staged the enterprise for the fully converged data, voice, and video network. Today, VoIP isn't a necessity, but the integration of IP services as the single, core service delivery platform in an enterprise sets the stage for the most vital aspect of thinking about change—how we view services.

Services are the things the network can do for us—for our business. These services support the core competencies in an organization that process operational activity through established workflows and procedures. In the past, it's been easy for organizations to become enamored of a particular technology and then to be distracted by the technology. The technology is not the end game. The end game is the core business objectives of the organization. These objectives are supported by network services and enterprise applications.

The Power of CEBP—Process Re-Engineering and the Corporate Culture

Process engineering or redesign has often been one of the most frightening and deleterious exercises any organization might ever undertake. For employees of large corporations, the term process re-engineering has been the sound of a bell tolling cutbacks, layoffs, or worse.

CEBP positions a different era and trend in enterprise evolution. CEBP truly allows the enterprise to proactively invest time, energy, and resources in reinventing itself. It stages the re-creation of the corporate culture. The organization that has moved through the maturity model to a fully converged data, voice, and video network can effectively embrace these services as tools to further integrate with core business applications.

Enterprise Resource Planning

The goal of Enterprise Resource Planning (ERP) systems is to integrate all data and processes of an organization into a single unified system. This system is essentially the nervous system of the enterprise. One key component of most ERP systems is of one unified enterprise database to store data for all outlying system modules.

The most basic ERP software system has to include at least two sub-systems. A solution combining payroll and accounting functions might be considered an ERP software package for some organizations. More commonly, the term *ERP system* encompasses more broadly based enterprise applications.

Customer Relationship Management

Customer Relationship Management (CRM) is the practical method of thoughtfully locating and targeting customers. It's a very broadly used term that covers the framework organizations use to describe how they manage their relationships with those with whom they interact. There are a number of technologies used to support CRM, ranging from data gathering and collection to data mining to data warehousing. Knowledge management plays a key role in customer relationship management methodologies.

CRM has three distinct aspects that might be implemented either separately or together. The operational aspect describes business process automation. The collaborative aspect of CRM defines how an organization communicates with customers. The analytical aspect leverages knowledge management techniques to provide business intelligence about how the business is doing. Together, these three are ripe for CEBP adoption.

Sales Force Automation

Sales force management systems are typically a subset of CRM. They provide an information technology system to support sales and marketing efforts. Sales Force Automation (SFA) most commonly includes a means to automatically record each stage of the sales cycle. It includes contact management capabilities to track every interaction with a given customer, the purpose of the interaction, and any follow up work that may be needed. SFA often includes some type of sales lead tracking system. Other functional components might include forecasting and order management.

Supply Chain Management

Supply chain management (SCM) is methodology for effectively planning, implementing, and controlling the operations of the supply chain as efficiently as possible. It's an efficiency model most commonly associated with a manufacturing environment where component supplies are used as parts of a larger product. An automobile manufacturer, for example, has many suppliers for the myriad smaller parts that make up an automobile. SCM covers the movement, inventory management, and storage of raw materials. It also commonly provides tracking for the finished goods to point-of-sale or consumption.



One professional organization describes SCM as a practice that "encompasses the planning and management of all activities involved in sourcing, procurement, conversion, and logistics management."

Human Resources Management

Human resource management (HRM) is the enterprise approach to managing what many companies view as their most important assets—the employees who work together every day to meet the business objectives of the organization. In the past, this role might have been referred to as personnel management. It's a business area that is evolving rapidly both in practice and as an academic theory. From a practical standpoint, it includes the techniques for managing people in the workforce: Seizing competitive advantage using the weapons of technology.

What's Ahead for CEBP

The future of CEBP is powerful and formidable as a competitive tool. Enterprises that adopt CEBP principles will be the ones that are quicker to streamline business processes, quicker to adopt new workflows, and quicker to adapt to a changing landscape. CEBP portends an era of competition wherein the quick will get quicker, the nimble more nimble, and the gap between leaders and losers in the environment will widen quickly. What lies ahead is a window of time that will see spectacular leaps forward as innovative companies seize leadership positions in their respective markets from competitors who fail to adapt as quickly. We'll see large wins and large losses ahead that will directly correlate to how aggressively CEBP principles are adopted.

In a Full CEBP-Enabled Enterprise

The vision of the CEBP-rich enterprise of the future presents a new kind of company, a new business that has self-reinvented to become a virtual call center across the company, around the world. In such a global enterprise today, to reach a product specialist, a customer needs to know who to call. In a CEBP-rich enterprise, a call into the company can lead to a directory front end, complete with interactive voice response systems tied into corporate resource databases. Imagine calling a financial services institution looking for information about 401k programs. Regardless of how the call comes in, minimal information can be gathered in the unified communications front-end call processing system. Account information, geographic data, demographics, and an array of data can be collected quickly and seamlessly from a caller.

With complete integration of CEBP tying not just the communications but all the information technology resources of the corporation together, call routing can incorporate new intelligence. A repeat customer can quickly be identified and routed anywhere in the company. If there are only a half dozen employees who can answer questions of this nature, the CEBP system's approach can instantaneously group these few people into a call center based on presence and availability information and pass the call to the ad hoc group just established.

In short, a database schema can contain all the metadata about employees everywhere. The CEBP process tools can integrate unified communications systems to link enterprise applications, like the CRM tool, to voice and data networks to establish ad hoc pools of skills to meet fluctuating business needs.

This dynamic capability can dramatically alter the workflow of the business and its corporate culture. This organization doesn't need to plan and design a call center environment, then deal with staffing and management. The call center becomes an enterprise-wide ad hoc resource, created on demand from known information about the organization's resources.

CEBP holds the potential to be one of the most disruptive changes to hit the business process landscape in many years. As companies work to adopt the Information Technology Information Library (ITIL) framework, press for ISO17799 compliance, tighten controls to meet Sarbanes-Oxley (SOX) requirements, and other business process changes, the evolution of CEBP will allow many organizations to redefine themselves and reinvent their corporate culture. Those that seize this advantage may well be able to seize the reins of market leadership within their business segment.

Article 3: Communications-Enabled Business Processes for Service and Solution Providers

Communications-Enabled Business Processes (CEBP) are an important new innovation in the automation of human communications within the context of business applications. CEBP is defined as tightly integrating communications technologies with business processes and applications to enable concurrent or consecutive communication among customers, suppliers, and employees.

For providers delivering enterprise application software solutions, there are new expectations coming from enterprise businesses. An off-the-shelf solution may be enough for some organizations, but most are looking for tighter integration coupling between network services and business workflow processes. This integration must come at the enterprise business application level.

Managed services providers (MSPs) have to continually evolve and provide greater depth and breadth of services. An MSP who evolves in parallel with initiatives such as CEBP is well-positioned to be viewed as a value-added partner. The MSP that simply keeps pace with the trailing edge of innovation and integration runs the great risk of becoming nothing more than another commodity infrastructure solution.

Enterprise Software Solution Providers

Enterprise solution software providers are many and varied, but they all deliver a common set of enterprise business applications with some slight variation. The following sections explore these applications.

Enterprise Resource Planning

Enterprise Resource Planning (ERP) systems are designed to merge organizational data and processes into one unified system. The enterprise database is a component that is nearly universal across ERP systems. The most basic ERP software system includes at least two business systems, such as payroll and accounting. In most current implementations, the ERP system encompasses the full array of enterprise applications.

Customer Resource Management

Customer Resource Management (CRM) solutions focus on methodically locating and targeting customers. CRM applications directly support sales and marketing efforts. CRM is a broad discipline that describes how organizations manage their relationships. CRM is a subset of knowledge management (KM) theory and often includes multiple technology applications:

- Data collection or gathering
- Data mining
- Data warehousing

How Do We Build Value?

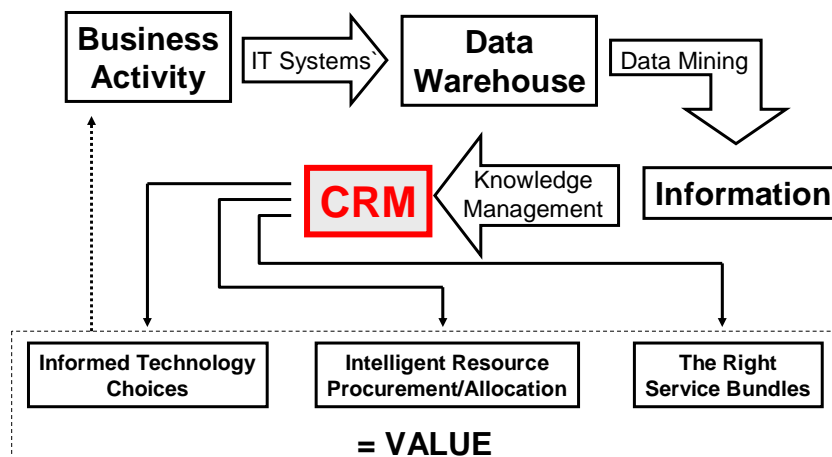



Figure 1: Building value with CRM.

Figure 1 shows how CRM plays a pivotal role in creating the value of intellectual capital we call business intelligence. CRM has three different aspects that might be implemented either separately or together. Together, these three are ripe for CEBP adoption.

- The operational aspect describes business process automation
- The collaborative aspect of CRM defines how an organization communicates with customers
- The analytical aspect leverages KM techniques to provide business intelligence about how the business is doing

Sales Force Automation

Sales Force Automation (SFA) systems are most often a subset of the CRM solution. They provide an information technology (IT) system to support sales and marketing efforts. They deliver a mechanism for tracking each step of the sales cycle. One vital role SFA solutions play is in delivering comprehensive contact management tools that can track every interaction with the customer. Many SFA solutions also integrate lead generation and tracking, order management, and future sales forecasting.

 What's your Salesforce.com strategy? Salesforce.com (www.salesforce.com) has proven to be one of the most successful integrators of tools to support the sales process for many organizations, especially in the small-medium business (SMB) market. They claim to be "The Leader in On-Demand Customer Relationship Management." It's a claim that's widely supported by their growing customer base. They pride themselves on making it easy for customers to share and manage business information.

Enterprise business application providers in the CRM/SFA space must have a "Salesforce.com strategy" to survive. Failure to present a comprehensible value proposition coupled with an easy-to-implement and use software solution will fuel incentives for customers to abandon commercial software solutions in favor of proven managed services.

Supply Chain Management

Supply Chain Management (SCM) is a discipline for planning, implementing, and controlling supply chain operations as efficiently as possible. Process improvement in manufacturing environments was the primary driver for developing what we now call SCM solutions. SCM solutions commonly provide tracking for the finished goods to point-of-sale or consumption in addition to inventory control and management tools.

Human Resources Management

Human Resources Management (HRM) is the current iteration of what used to be referred to as *personnel management*. For many companies, HRM helps manage their most important asset—employees. In the information economy, the employees work every day to meet business objectives and are the cornerstone of success or failure.

Anticipating Customer Needs

When we consider the idea of a *mature CEBP deployment*, the benefits of integrating communications services with enterprise business applications will be a primary factor in customers' decision-making process. Customers analyze solutions to fully understand the benefits of this convergence. There are some fundamental benefits of CEBP that solution providers must be able to explain fully and succinctly:

- Faster response times come about in business workflows by reducing or removing human latency from the process
- Improved accuracy improves process interactions by reducing and removing human error from the process
- Integrated communications technology solutions provide a better social context for communication between the enterprise, business partners, and customers
- CEBP can reduce costs, making business processes more profitable
- Revenue increases through improved customer acquisition, service, and satisfaction are quite common

Articulating the Next-Generation CEBP-Enabled Enterprise Business Applications

For some software solution providers, it's easy to fall into the trap of using current industry buzzwords. Advertising that solutions support a Software Oriented Architecture (SOA) or Software as a Service (SaaS) is a common technique. What's important for application providers is not using the right buzz phrases but being able to clearly articulate and demonstrate the value proposition your solution delivers.

Companies such as Oracle, SAP, and Microsoft are widely acknowledged as leaders in the enterprise application software space, yet the trap these leaders sometimes fall into is relying on their market penetration and presence rather than clearly articulating the value of their solutions.

One very successful approach to delivering enterprise application software is to treat the software as simply a framework for supporting business processes. For the solution provider, this frequently sets up the need for a consultative services group or service integration team. The advantage of this approach is the strategic partnership that develops with customers. CEBP can only be effective when the business processes and workflows are thoroughly understood. Integration for the sake of integration has limited value. Integration with thoughtful planning, focusing at vital steps in the business process, will produce greater value.

Managed Service Providers

In the past 5 years, managed services have proven their value time and again to companies large and small. What we once simply referred to as outsourcing has become a new approach to partnering for core network services and business applications.

The idea of a telecommunications vendor or an Internet Service Provider (ISP) as an MSP has spread widely to encompass several areas. Telcos routinely provide an array of voice services including Interactive Voice Response (IVR) systems and Computer Telephony Integration (CTI) solutions. Although neither technology is new, the way these types of technologies have matured over time has led to a natural progression into what we now call CEBP.

ISPs have broadened their suites of services as well. What began as a set of data and security services, such as managed firewalls or VPN services, now include integrated voice and video services and integrated support for a number of enterprise business applications.

Regardless of whether managed services are approached from a voice or data communications legacy, the advance into CEBP is continuing to gain momentum and traction in the market. CEBP are clearly a key business differentiator in the future of managed services.

Differentiating Real Value for a Competitive Edge

As the MSP market continues to mature, the requirement for delivering value-added services and clearly differentiating that value will be one of the vital criteria for success. Salesforce.com was pointed out earlier as a competitor for the software solution provider set, but it also provides an outstanding example of how MSPs must evolve and embrace CEBP across a wider array of network services and business applications. Today, Salesforce.com offers solution services for several key business areas:

- SFA
- Service and support
- Marketing
- Partner relationship management
- Content management
- Innovation management
- Analytics
- Mobile
- AppExchange applications

Looking at the list, there is an obvious gap that for some competitors could be a chink in the armor in competing against an MSP such as Salesforce.com. There are no network services notably present. No voice, video, or data services. Any integration of their solutions has to be accomplished either by the customer or with the help of a third-party integrator. In short, they deliver part of the solution set but not a mature CEBP solution.

Core Infrastructure vs. Strategic Value

Although the difference between core infrastructure and strategic value might seem clear, there is at least one aspect that is too often overlooked. Core infrastructure can quickly degrade into nothing more than commodity service. As an MSP, if you're delivering a set of services that are so basic that they don't embrace the richness of CEBP, your services may quickly be relegated to competing on cost. Once pricing becomes the differentiator in a customer relationship, you've become a commodity and nothing more.

Are You a Strategic partner or Simply a Service Provider?

Strategic value as part of the value proposition you deliver to customers is a competitive differentiator that will always be the biggest success factor. If customers view you as a strategic partner with a vested interest in their success, they will not only be loyal customers but also become a word-of-mouth marketing ally.

Understanding CEBP and how it impacts your customers requires understanding your customers' business workflows and processes. In some vertical industries, these workflows are fairly common across the sector. Financial services sector businesses, for example, follow a fairly consistent set of workflow procedures. Although the actual steps in a process may vary widely from company to company, the basic business flows are very similar.

Seizing Competitive Advantage—Positioning Against Everyone Else

One of the greatest differentiators an MSP can offer today is open dialogue and conversation with customers. How you engage your customers sets an expectation of your presence in the market.

Although virtually every company in business today in the information services sector has a Web site, the level of engagement with customers varies widely. This communication can no longer be a unidirectional broadcast of services offered. The corporate Web site that was used to deliver marketing material is an information repository that quickly stagnates. In the current climate of what are often referred to as *Web 2.0 services*, that legacy Web site may be far less valuable than it once was.

Today, blogs and wikis provide a platform for open discussion with customers, employees, and business partners. They offer a place to not only participate in the IT community but also provide a platform that adds value in important ways.

- Blogs allow for bi-directional conversation between experts within your company and customers. Customers can engage and ask questions. Blogs can provide an open footing to frame the early stages of business conversations. They provide entry to an audience of leading-edge users.
- Wikis enable customer interaction on a different level. They can provide excellent support and collaboration tools. They encourage interaction between sales, support, and engineering teams with customers and between customers. A strong MSP can leverage a wiki-like solution into focus groups, customer innovation teams, and as a strong marketing tool.

Do You Use Your Own Solutions? Are They Shining Examples of Success?

If you aren't using your own tools and can't cite how they've improved your own operations, you don't have the most important success story of all for your customers. It's important that you use your own tools and that you tell a compelling story about how CEBP within your business—whether as a software solution provider or an MSP—has streamlined your business, improved your processes, enhanced communications between people, cut costs, and improved the bottom line. Write your own case study about how your solutions have positively improved your business.

What's Ahead for CEBP

The explosion of CEBP solutions is right around the corner. Business enterprises are moving quickly in an effort to stay competitive and win in their respective market segments. There are a number of key areas in the evolution of CEBP. These are areas to focus on and ensure you've built effective strategies for.

Voice services have been too oriented toward VoIP in the past few years. Now is the time to recognize that voice is one more service of the network and that VoIP is just one way to deliver voice services. Voice services are crucial to the success of almost every business enterprise. Whether they're delivered over traditional TDM telephony, VoIP, cellular/wireless, or some other technology isn't a real differentiator to the business enterprise who is focused on their core competency.

Conferencing and collaboration tools will be an area central to the evolution and widespread adoption of CEBP. Solutions, such as IBM's Lotus Sametime Unyte, provide examples of how innovative services and integration that originated in a smaller, entrepreneurial company can be quickly expanded to provide full-blown enterprise collaboration solutions.

Application Programming Interfaces (APIs) are becoming a vital component. Whether we call it SOA, SaaS, or CEBP, the concept of using APIs to build and connect via "hooks" into services and applications provides the technical freedom to quickly innovate and develop new CEBP solutions. Companies such as Jaduka deliver API functionality that treats voice as simply a service. Imagine the ease of integrating voice services into enterprise business applications if we add a simple API to the wide range of voice services available in the Public Switched Telephone Network (PSTN). The power of APIs is undeniable.

Summary: The Full Spectrum

The CEBP landscape is filled with opportunity across the spectrum of enterprise business applications. The foundation cornerstone is to deploy a fully converged network in the customer environment. That's simply helping customers position to win and use integration tools to the best possible advantage. The converged network provides the first layer of the foundation for CEBP.

For most organizations, adoption will come based on business drivers—business trends, industry segment trends, and regulatory factors. These will all be balanced carefully against the ROI and effort. To tell a compelling and winning story for customers, the service and solution provider needs to understand the basic framework of enterprise business applications across the family of ERP, CRM, SFA, SCM, and HRM solutions. The winners will be those who can understand the needs of the enterprise customer and prove the value they add in understanding and delivering mature CEBP solutions.