BAM
Business Activity Monitoring

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Agenda

- What is BAM
- Solution Benefits
- BAM vs. BI
- Solution Examples
- BAM Architecture
- Enabling Technologies
- Barriers to BAM
- Expert Opinions
What is BAM - It Depends

BAM is different things to different people...

“BAM enables me with the tools to integrate our enterprise applications” - CIO

“BAM gives me the ability to manage the business closer and make corrections with greater efficiency” - Management

“BAM provides me the tools to access real-time data and compare it against expected norms” - Analysts

“With BAM I am able to gauge the effectiveness by which I am servicing my customers” - Sale Representative

“BAM creates a framework to share operational data through a publish and subscribe philosophy” - Application Developer
BAM Defined

Business activity monitoring" (BAM) is a Gartner term for the concept of providing **real-time access** to critical business performance indicators to improve the speed and effectiveness of **business operations**. BAM is the convergence of **operational business intelligence** and **real-time application integration**, aimed at **business goals** but enabled through advances in **IT**.
What is BAM

Business activity monitoring" (BAM) is a Gartner term for the concept of providing **real-time access** to critical business performance indicators to improve the speed and effectiveness of **business operations**. BAM is the convergence of **operational business intelligence** and **real-time application integration**, aimed at **business goals** but enabled through advances in **IT**.

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Deploy Business Activity Monitoring solutions without changing existing IT architectures

- Improved speed and effectiveness of business operation
- Unified access to structured and unstructured data
- Systems
- Drawing on information from multiple applications
- Broad and rich views of business activities by indicators
- Real-time access to critical business-performance

BAM Benefits
# BAM vs. BI

<table>
<thead>
<tr>
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<th>BAM</th>
<th>BI</th>
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<tbody>
<tr>
<td><strong>Target Audience</strong></td>
<td>Operational Business Management</td>
<td>Knowledge Workers, Strat. Mgmt</td>
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<td><strong>Breakdown</strong></td>
<td>Business Process Specific</td>
<td>Enterprise Planning and Control</td>
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<td><strong>Focus</strong></td>
<td>Process Events</td>
<td>Business Events</td>
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<td><strong>Transformation</strong></td>
<td>Low (Indicators close to Business)</td>
<td>High (Many Calculation, Bus. Rules)</td>
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<td><strong>Time Scale</strong></td>
<td>Real time to Daily</td>
<td>Daily or Less Frequent</td>
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<td><strong>ROI Justification</strong></td>
<td>Process Efficiencies</td>
<td>Business Effectiveness</td>
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<td>Order Status Issues, Tracking</td>
<td>Sales Forecasting, Financial</td>
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<td><strong>Typical Subject</strong></td>
<td>Cargo, Airline Delays, Call</td>
<td>Consolidation, Process</td>
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<td>Center Loads, Capacity Planning</td>
<td>Automation, Mgmt. Reporting</td>
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<td><strong>Typical Metrics, Methodologies, Business Rule</strong></td>
<td>Exception Base Triggers, Operational Performance Indicators, Speed and Quality</td>
<td>Repetitive or Analytical Information Balanced Scorecard, Activity-based Costing, CRM Analytics, Fin. Rpt.</td>
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BAM Enabled Solutions

- Shipping Logistics and Tracking
- ATM Status Monitoring
- Credit Card Fraud Detection
- Call Center Monitoring
- Investment Performance Monitoring
- Customer & Transaction Monitoring / CRM
- Supply Chain Management
- Digital Dashboard Control Centers

Real-time Information Access
BAM Architecture - Layers

Technical Feeds
- Infrastructure Component Failures
- Sniffing Integration Traffic
- Polling Integration Components
- Application Programming Interfaces
- Data Warehouse feeds

Business Feeds
- Financial System
- Logistic Systems
- Call Center Systems
- Transaction Systems

Examples: KPI Changes, Dropped Calls, Sales Returns, System/Process Generated Warning, Series of data collected indicating a critical trend.
BAM Architecture - Layers

Processing / Filtering Based On:
- Business Rules
- Technical Rules
- Real-time Processing of Events for Effect
- Data Analysis, Business Models
- Application Integration / Business Process Automation Tools

Examples: Apply context to events, trend analysis, use DW to spot outlying data, rule-based analysis, fuzzy logic, pattern recognition
BAM Architecture - Layers

Event Absorption Layer
- Technical Feeds
- Business Feeds
- New Events -> Valid Event(s)

Event Processing and Filtering
- Real Time
- Data Analysis
- Modeling
- Tuning

Event Delivery and Display

Delivery & Display
- Device and Application Independent
- Render data in multiple fashions
- Support multiple devices: mobile, kiosk, consoles, email, etc.

Examples: Digital Dash Board, In-line Analytics, Call Center Control, Logistics Monitoring
BAM Architecture - Decomp.
Enabling Technologies

Data Management
- HP (Z/OS)
- Teradata (ADB)
- Informatica (PowerCenter RDI)
- DataStage (RTI)

Network System Management
- WebSphere
- BizTalk
- webMethods
- ActiveEnterprise

Integration Brokers
- OLAP (Essbase)
- BusinessWare
- FileNet

Extranet
- egate

Internet
- Metastorm
- Staffware

WAN LAN Mobile
- Business Process Management
- Business Intelligence
- Cognos

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Barriers to BAM

- Hardware requirements: "Fast" Networks / "Fast" Computers
- No widely recognized standards or protocols (XML is helping)
- A shortage of the skilled workers to perform application integration and subsequently BAM
- Question over the ability of hardware/software vendors to meet the demands that will allow for real-time reporting and analysis
- Elimination of the "buffers" that exist today
- Unresolved issues of the effect on the workforce of constantly changing workflow, tasks and priorities
- No single vendor provides an end-to-end solution
- Union concerns over increased worker productivity because of less downtime
BAM's Effect on Business

Warehouses will hold less stock and workers outside of the warehouse will be able to see the inventory, ordering, and sales data in close to real-time. In addition, they will be able to compare this info to historic trends with automatic alert notifications generated when inventory drops below a predetermined level.
By 2005, application integration will affect 40 percent of workers, who will then have access to business process information and metrics that are outside of the application with which they principally deal (0.8 probability).