Vendor viability is an important consideration in the application-independent business process management market. Economic conditions have buyers concerned about BPM products surviving the ongoing industry shakeout.

The roots of business process management (BPM) go back to the late 1980s, when model-driven tools promised to generate code that automated business processes. Until recently, the only place to find best-of-breed process management was the document-centric workflow market. From 1999 to 2001, integration broker suite (IBS) vendors took the lead in establishing process management at a system-to-system level only, treating BPM as a core feature of their IBS solutions.

Document-centric workflow vendors were not to be left behind. Recognizing the need to expand beyond the limited process management deployed in document-centric workflow products, many of these vendors recognized the need to support the automation of business processes whose activities are implemented by applications, workers and even intelligent devices. This transformation of form-centric vendors, combined with an influx of new vendors that embraced the mixture of human-to-human, human-to-system and system-to-system, caused the formation of a market of pure-play vendors focusing on BPM technology.

We expect IBSs to develop better human-to-human capabilities during the next 18 to 24 months, creating even more competition. Vendors such as IBM and Tibco Software, which are "good enough" in human-to-human business process flow, are marketed as a complete stack; therefore, they will not be on this Magic Quadrant. BPM is one of the major factors in rating IBS vendors, so they will be rated on BPM on the IBS Magic Quadrant.
Inclusion Criteria

- A rich human-to-human process flow — worklists and escalation
- A business-friendly graphical process model — not as IT-focused as Unified Modeling Language (UML)
- Pricing and sales kept separate from related technologies — for example, brokers and adapters
- Good performance when working with other integration technologies — not focused solely on its own technology
- A sales force organized to sell directly to business users, rather than just the IS department
- Good business activity monitoring (BAM) for controlled processes.
- Agility supports
- Active marketing of the product as a stand-alone offering — that is, pure-play

This "snapshot" of the pure-play BPM market (see Figure 1) identifies vendors active in this space and characterizes their roles in the industry. This Magic Quadrant covers 50 software vendors that offer functionality aimed at supporting the automation of business processes. Each vendor has been positioned within one of the four quadrants: Leaders (see Note 1), Visionaries (see Note 2), Challengers (see Note 3) or Niche Players (see Note 4).
The horizontal axis represents the vendor’s vision with respect to the requirements and conditions that characterize the demands of BPM. An evaluation of current product features plays a prominent role in this axis. Our consideration of vision also includes an assessment of how well each vendor’s management team understands the technical and marketing issues, as well as its ability to innovate, differentiate its products and grow its business. Vision is reflected in the vendor’s strategies and product plans, which may encompass features that are unavailable in the currently shipping software. The prospects for a vendor and its customers will be strongly affected by the strength of its vision.
Ability to Execute (Vertical Axis)

The vertical axis rates vendors on their ability to act on their vision. This assessment takes into account the technical expertise, technology assets, and financial and marketing resources the vendor allocates to the development and support of the product. Large vendors have an advantage in this dimension, but they do not always receive a high rating on their ability to execute, because they may not dedicate sufficient resources and management focus to the particular market to ensure success.

Criteria

We rate vendor and product viability heavily in this Magic Quadrant. Economic conditions in the market in general, and this segment in particular, are challenging, and buyers are justifiably concerned about whether their choices of BPM technology are likely to survive the ongoing industry shakeout.

Domain of Usefulness

The ratings represent a broad mix of BPM requirements, spanning business-to-business (B2B) and internal application integration scenarios. Each enterprise deploying BPM functionality has a unique set of business and technical requirements. The best solution for a particular job may come from a niche vendor that offers just the right combination of features. Although most of these products are designed for a variety of applications in different industries, most of the vendors are strongest in a few specific industries or application types. Indeed, some of these vendors concentrate on a single vertical market to maximize their marketing effectiveness and their ability to deliver a stronger product for that industry.

Quovadx, for example, has built a strong business in the healthcare sector and has a sweet spot for the U.S. Health Insurance Portability and Accountability Act (HIPAA). It's impossible for even the largest vendors to have a balanced and deep set of BPM features, process templates and domain knowledge across all potential applications.

Interpretation

Vendors in the Leaders quadrant are most likely to have high revenue in this market, high market share and products that are of interest to a wide audience. Visionaries understand the market and customer requirements well, but they have fewer assets committed to the pursuit of this particular market than the leaders. Challengers have focused significant resources on this
market, but they have a narrower understanding of the market and a less-impressive product strategy, or they have deliberately chosen to limit the scope of their product lines. Vendors in the Niche Players quadrant are limited to a particular geographical or industry segment, or have a smaller range of features or resources that, taken together, preclude them from competing "across the board" in many major segments of the BPM market.

Enterprises should also note that a vendor's inclusion in this Magic Quadrant does not imply that the vendor operates only in the BPM market. Many of these vendors offer additional products, such as process templates that accelerate the automation of business processes.

**Bottom Line:** A vendor's position in the Magic Quadrant for pure-play business process management vendors should be considered a general indication of that vendor's market presence and its product's efficacy. Enterprises are advised to use this Magic Quadrant as part of a larger, more-detailed assessment process that weights the selection criteria in the context of the enterprise's particular business requirements.

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**Acronym Key**

B2B  business-to-business  
BAM  business activity modeling  
BPM  business process management  
HIPAA  U.S. Health Insurance Portability and Accountability Act  
IBS  integrated broker suite  
UML  Unified Modeling Language