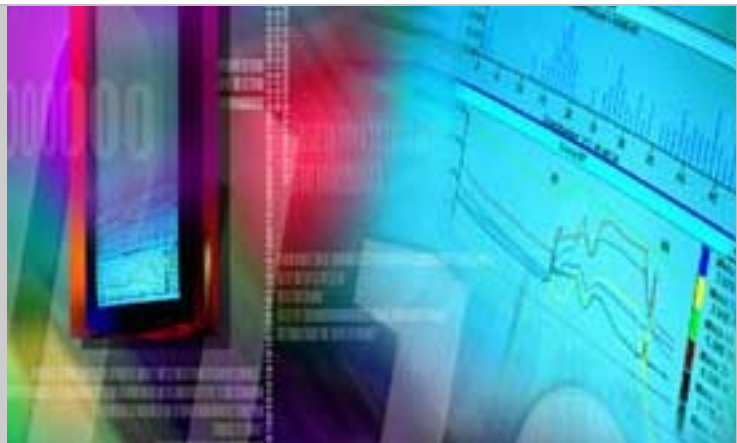

Managing the Growing Complexity of Desktop Application Environments

FINANCIAL SERVICES WHITEPAPER

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Velociti Partners, Inc.

STRATEGY :: EXECUTION :: SUCCESS

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Introduction

Any form of enterprise application integration has been difficult to achieve; especially on the desktop where business users have become accustomed to navigating multiple applications concurrently. Web Services and Service-Oriented Architecture (SOA) have taken the main stage over the last several years, but have yet to prove to be the cure all. IT and LOB staff and executive management bear the tactical (e.g., lagging productivity) and strategic (e.g., decreased revenue) impacts of poorly integrated desktops.

For instance, let's take your average financial services organization where a Customer Service Representative (CSR) might require a series of legacy, windows-based, and custom applications to update customer data needed to complete a single call. As a result, Average Call Time (ACT), employee productivity, and revenue are adversely impacted. Unfortunately, this scenario is commonplace and extends beyond the call center to retail branches to middle office processing. It also extends to sales, marketing, operations and management functions within financial services organizations.

Velociti Partners, a research and consulting firm, worked with technology vendor OpenSpan to better understand the challenges large financial services organizations are running into with desktop complexity.

OpenSpan offers a novel solution to application integration challenges, transforming application integration from popular discourse to an attainable reality. Its client-centered technology integrates

Windows, web, host, Microsoft Office, and other legacy enterprise applications, web services, and SaaS applications without APIs or adapters. The OpenSpan Platform also enables process automation, the extension of existing applications, and building new composite applications. The result can be highly efficient, streamlined desktop environments that improve customer service and knowledge worker productivity, with an impressive ROI to boot.

The problems uncovered during the study were impressive in both quality and quantity. Financial services enterprises appear to face significant integration and workflow challenges that could be successfully remedied by leveraging the OpenSpan Platform.

Methodology

Velociti Partners conducted a random survey of IT and operational staff (e.g., IT Manager, Call Center Manager, Operations, Sales, etc.) within Financial services organizations (e.g., banking, investments, diversified financials, mortgage, and insurance). The survey was executed via E-mail; 200 respondents were collected. Results found that the large majority of respondents had sufficient experience and/or insight into application integration pain-points.

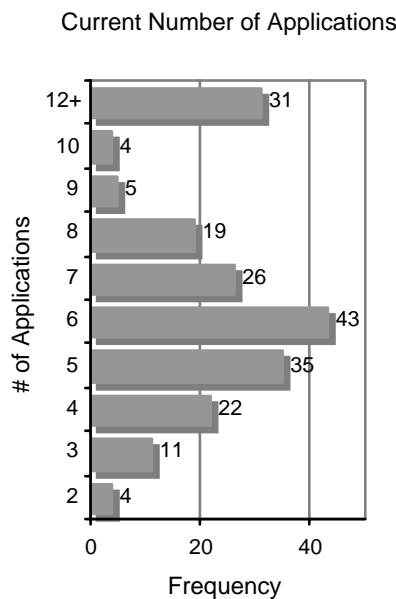
Respondents were given a series of qualitative questions to assess desktop application usage rates, utilization of best practices, and top problem areas. The following question types were utilized: Demographic, Dichotomous, Multiple Choice, and Open-Ended.

Survey Results

Current Application Usage

Nearly everyone has experienced CSR delays due to an agent switching screens or the necessity to repeat important information, such as a phone number or account number. Although savvy CSRs may be able to quickly navigate multiple applications and find copy and paste second nature, the challenges are self-evident. In a financial services enterprise a single customer interaction could require a CTI application, CRM, KM, legacy, and issue tracking system. However, this issue is not isolated to the call center. Results indicate that the majority of employees are utilizing six or more applications on a day-to-day basis pointing to highly complex, cluttered desktop environments.

What is the average # of different software applications that employees in your organization use on a day-to-day basis? (N=200)

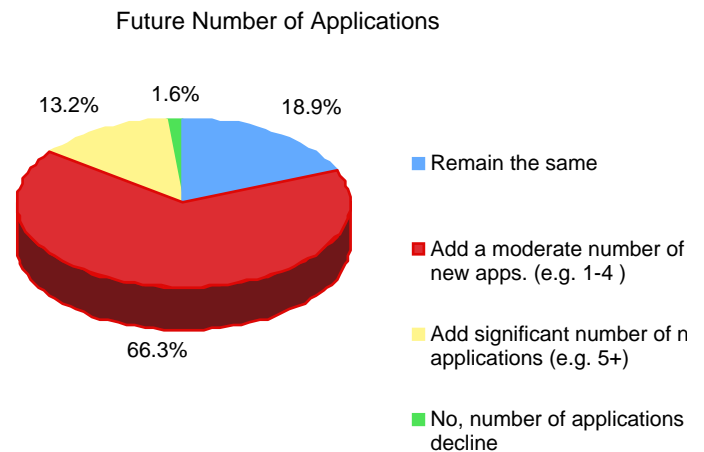


Future Application Usage

The data suggests organizations intend to expand, as opposed to consolidate, their application portfolio to help meet future tactical and strategic goals such as revenue, compliance, or budding SOA requirements. Approximately 80% of respondents indicated that they intend to add a moderate to significant number of applications in the upcoming 1.5 years further complicating employee desktops and increasing IT management costs.

The amount of IT management resources will grow exponentially as the number of end-user applications grows. Not only will administrators have to manage the new application, a host of integration efforts will be made, such as manual data replication, simplifying sign-on, and training.

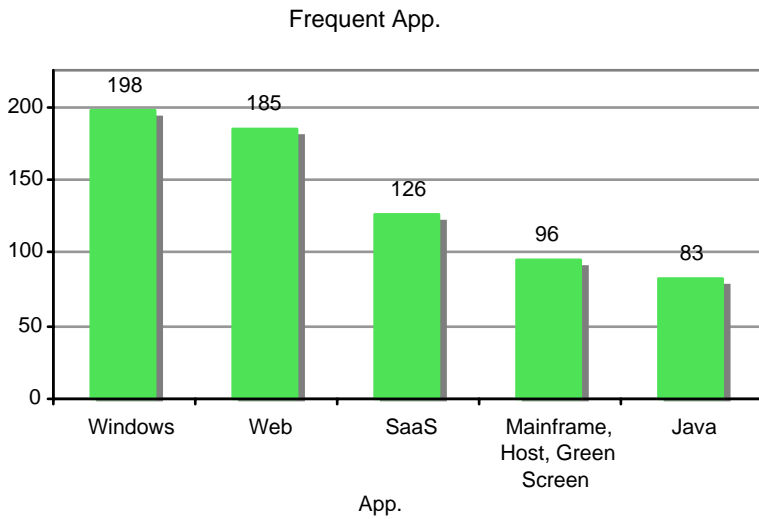
Do you expect the number of applications deployed in your organization to increase over the next 18 months? (N=190)



Applications Regularly Utilized

Utilizing multiple, different application types is akin to an arduous long-distance journey requiring many transportation types to reach a destination. Although each mode has its purpose, they do not work in concert (e.g., one must wheel luggage the entire journey). Although each application serves its process most effectively it is often only a part of broader, more important goal. 99% of organizations utilize Windows-based applications. However, the majority require multiple application types further challenging strained IT organizations and complicating integration efforts.

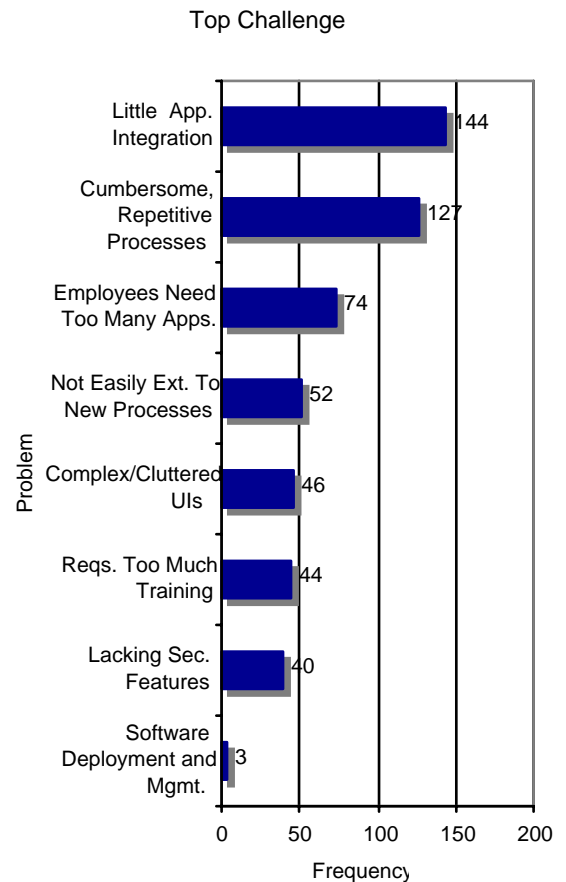
Which of the following types of applications are commonly used on a regular basis in your organization? (N=198)



Biggest Desktop Challenges

An employee desktop may include a 20 year-old application, 2 year-old application, Microsoft Office Suite, and SaaS solution that are used on a daily basis. Given the variety of application ages, types, and functions, it is no surprise that application integration ranks #1 as the top desktop challenge. F100 and SMB IT organizations alike often struggle with developing sufficient point-to-point interfaces. If integrations are achieved, it often results in a highly complex, maintenance-intensive environment.

What do you think are the biggest challenges of your organization's desktop environments? (N=200)

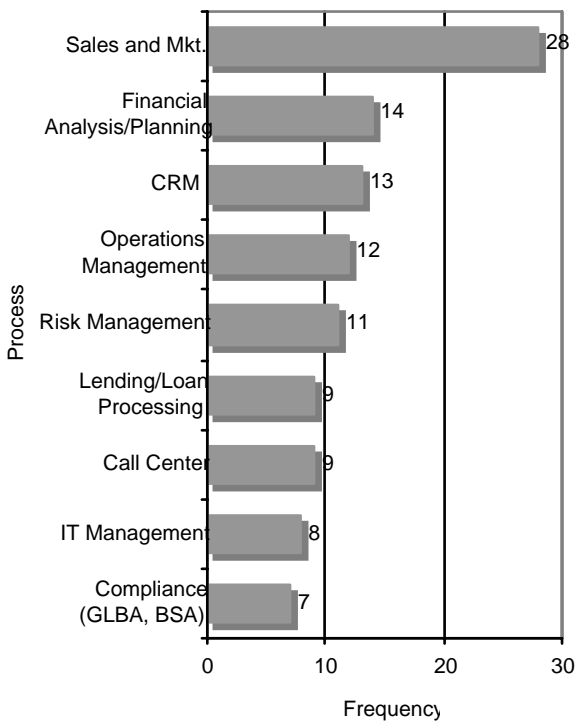


Processes Require Different Apps

A sales representative’s workflow for a prospect interaction may look something like this: a prospect is logged into a SaaS CRM, a new contact is created Outlook, and then a pipeline is updated in Excel. With a high percentage of respondents indicating process redundancy, similar situations are likely prevalent across horizontals – decreasing employee efficiency and increasing room for error. Sales and marketing, financial analysis, and planning processes appear to be the most heavily impacted in the financial services market.

What business processes does your organization support that require the use of many different applications? (N=138)

Business Processes, Mult. Apps.

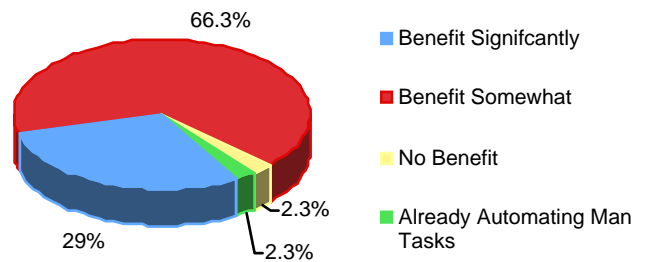


Manual Task Automation

It is difficult to appropriately automate tasks that truly require the human element, such as language reproduction or language recognition. Conversely, highly repetitive, simpler tasks lend themselves to automation. The results do not truly speak to a willingness to automate processes, but rather how receptive processes are to automation. The overwhelming clear results point to significant opportunity for automating redundant processes. The vast majority of organizations, 90%, acknowledge some perceived benefit of manual task automation associated with navigating desktop applications. Automating data access and entry processes on the desktop greatly improves efficiency as users will not be forced to duplicate data and continually navigate between windows.

Would your business benefit from automating manual tasks associated with navigating desktop applications? (N=169)

Manual Task Automation



Benefits Reducing Desktop Complexity

Sales management understands that it is difficult to ensure that sales representatives accurately and consistently detail each prospect interaction. If we extend this example slightly further, it is extremely difficult to ensure adherence to standard business processes if they are complicated, repetitive, and extend across a team of 100s. If desktop environments are streamlined, employees, customers, IT, and management alike reap benefits beyond process optimization. However, employees might stand to gain the most. By a clear margin, an improvement in employee productivity was noted as the most significant business impact of reduced desktop application complexity.

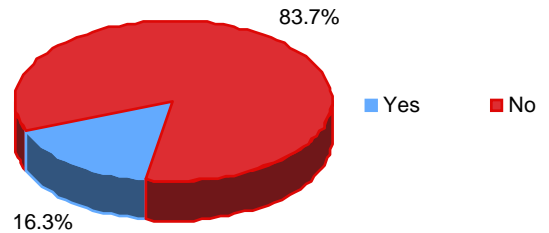
Strategy To Improve User Experience

With the proceeding trends so abundantly clear, it is surprising that the majority of organizations do not have a strategy in place to improve the desktop user experience to drive coveted productivity gains. This is likely due to the fact that IT organizations find point-to-point application integration difficult, time consuming, and ultimately costly. This statistic will likely change if organizations are presented with a simple, effective solution.

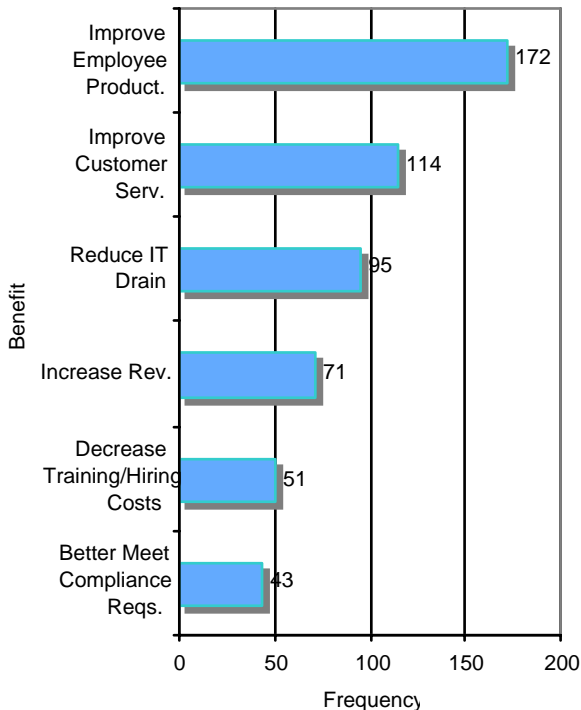
Does your company currently have a strategy in place to improve the desktop user experience to drive employee productivity gains? (N=129)

In terms of business impact, which of the following areas do you think would benefit from reducing the complexity of employee's desktop applications? (N=195)

Strategy Improving Desktop User Experience



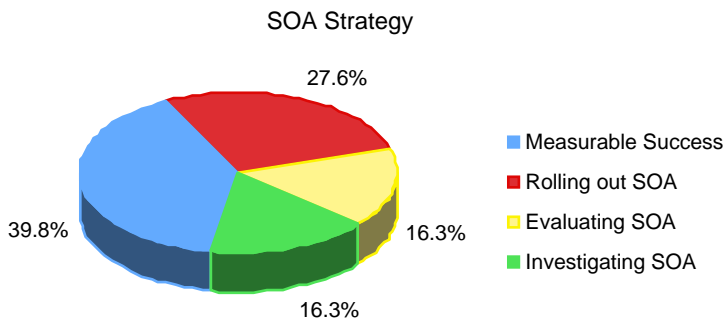
Benefit Reducing App. Complexity



SOA Strategy

As organizations grow in size or expand into new markets through mergers and acquisitions, the threat of dreaded data silos increases. IT organizations are well aware of this challenge, as they are responsible for addressing application integration and presenting functional, flexible solutions to the enterprise without interfering with operations. SOA also defines and provisions the IT infrastructure to allow different applications to exchange data and participate in business processes. It allows organizations to achieve diversity in their software portfolio and better leverage existing applications. The results of the study indicate that the majority of financial services organizations have initiated their investment in SOA, but could benefit from a more rapid realization of SOA benefits such as reduced integration expenses and improved business agility.

*What best describes your SOA strategy?
(N=98)*



Summary

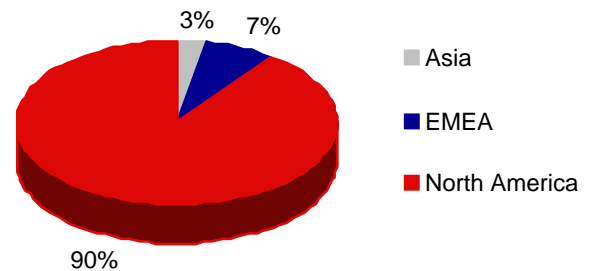
Today, financial services employee desktop applications are numerous AND increasing in number. They are also diverse and generally unable to talk to one another. Most importantly, they are still unable to work collectively to help employees meet their goals. Employee productivity, customer service, and revenue generation are suffering. The challenges are pervasive and organizations generally do not have a comprehensive strategy for improvement. Organizations have been tasked with building complex integrations on a case-by-case basis, or worse, have chosen to do nothing at all. Today's desktop environment is ripe for change.

One technology vendor solving this problem for customers is OpenSpan, Inc. based in Alpharetta, Georgia. OpenSpan's mission is to enable rapid application integration, automate business processes, and extend application functionality. The company takes a unique approach to application integration by leveraging the communications between applications and the operating system. Respondents included in this analysis prove that financial services organizations of all sizes can dramatically benefit from improved application integration, streamlined business processes, and extensions in application functionality. OpenSpan solves an age-old problem, slashes maintenance times and costs, increases productivity, reduces user training, and creates the agile, intelligent desktop environment of tomorrow.

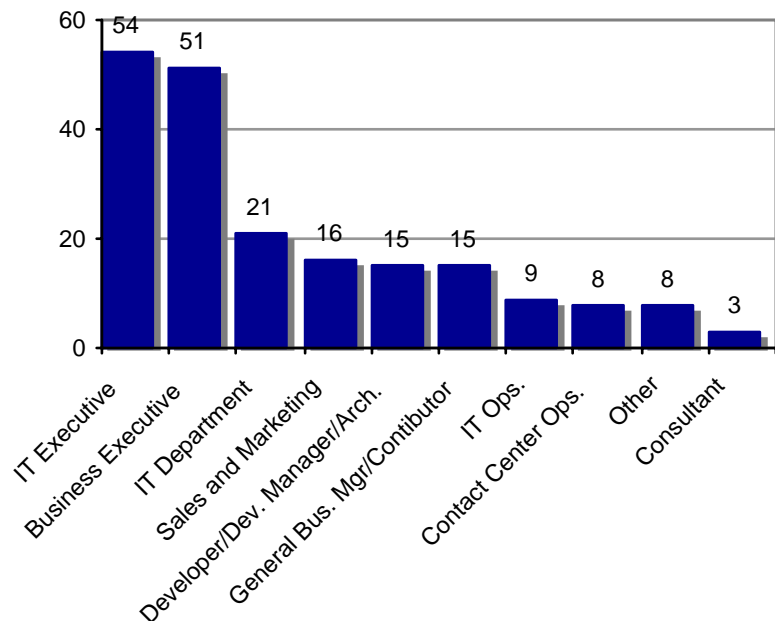
About the Study Participants

200 survey respondents were collected via a simple random E-mail survey. The proceeding charts illustrate the respondents' geographic location and organizational roles.

Geographic Location



Organizational Role



About Velociti Partners, Inc.

Velociti Partners, Inc. is the premier research and marketing consulting firm for technology enterprises. Through our suite of strategic marketing services, we deliver in-depth and actionable information to some of the most sophisticated technology marketing organizations in the world. Our modular services focused on Win/Loss Analysis, Customer Insights, Competitive Assessments, and Market Intelligence are leveraged by the Fortune 500 and emerging organizations alike. Based in the San Francisco Bay Area, Velociti Principals and Senior Consultants each have several years of operational experience with leading technology firms, strategy firms, and start-up ventures and play active roles in all client engagements.

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