Exceptions are Painful and Costly!
Exceptions are an expensive reality for your business. Missing customer information, incorrectly allocated inventory, and data mismatches among systems are just a few examples of exceptions that can happen in the typical course of your business. These exceptions divert your business transactions from the normal process path resulting in labor-intensive resolutions, long delays, inaccuracies, and customer dissatisfaction. Exceptions are a costly reality, and can easily account for over 50% of process-related costs.

Most companies today are ill-prepared to manage and resolve exceptions. Exception management is often an afterthought, with little attention applied to the problem during design and implementation. As the business grows, both frequency of exceptions and cost of their resolution tend to grow even faster. Some of the pain felt by companies trying to manage exceptions include:

- Too Labor Intensive
- Ad-hoc Exception Classification and Inconsistent Resolution
- Unpredictable Results
- Little Automated System Support
- Lack of Systematic Knowledge Capture about Exception Resolution
- Lack of Visibility into Resolution Processes
- Difficulty Prioritizing and Balancing Exception Workloads
- Lack of Information for Process Improvement
- Not Scalable

Examples of Business Process Exceptions

Various Approaches to Exception Resolution
While resolving exceptions faster and more accurately can significantly benefit both the revenue and cost sides of your business, you need the right solution. There are various approaches to managing your exceptions: from coding resolutions into your ERP/CRM system, to using work queues, to leveraging a BPM tool. There is only one approach that is built to manage the complete lifecycle of exceptions across your enterprise with unprecedented visibility, empowering both business and IT users – Vitria’s Exception Manager.

What are Exceptions?
Exceptions are interruptions to a normal business process flow. Exceptions divert a business transaction into offline handling.

What causes Exceptions?
Root causes of exceptions can occur at several business and technical levels:

- **Business Level**: Business transaction needs special handling for business policy reasons such as upsell opportunities, special approvals
- **Process Level**: Business transaction is stopped by an external condition such as requested part out of stock
- **Services Level**: Process halts due to a problem with web services such as missed SLA, unauthorized service call
- **System Level**: Transaction halts due to technical exception such as insufficient disk space, connection failure, network throughput

Why They Matter?
Exceptions divert business transactions from the normal business path resulting in:

- Labor intensive offline resolutions
- Process delays and inaccuracies
- Customer dissatisfaction
- Billions of dollars in lost revenue and operational costs
- Fines for being out of compliance
- Worldwide spending on exceptions is estimated to exceed 100s of billions of dollars per year

“The pressures on profitability and growth are leading companies to look much more closely at existing exception management technologies to ensure they are up to the required task.”

Aberdeen
Vitria’s Exception Manager

Vitria’s Exception Manager is a specialized purpose-built product that provides a systematic approach to resolving exceptions across your enterprise.

Exception Manager helps resolve exceptions that occur at all-levels: business, process, service, and system. It manages business and process exception and elevates the service and system exceptions to the business and process level. Exception Manager classifies incoming exceptions, automatically resolves problems, guides resolutions with context-sensitive workflow when human involvement is still required, restarts the normal process flow, and provides full visibility and audit trails across the entire exception resolution lifecycle. It offers the flexibility to get started quickly by using existing applications and products non-intrusively.

Business Benefits
- Improves business and process continuity
- ROI in 6-12 months
- Increases customer satisfaction and retention
- Minimizes service disruptions
- Reduces risk of non-compliance
- Dramatically reduces costs and revenue losses
- Increases visibility into operations and processes

IT Benefits
- Full lifecycle management of exceptions, from intake to resolution to auditing – eliminates the need for multiple tools to manage your exceptions
- Standards-based including BPMN for modeling – increases ease of use and interoperability
- Role-based user experience – empowers business analysts, minimizes training and maximizes IT productivity
- Repository-driven approach – reduces need for traditional IT development cycle by enabling dynamic change and better re-use
- User-configurable dashboards – increases visibility into operations and process status
- Web 2.0 interfaces – speeds implementation

Systematic Management of Business Exceptions

Vitria’s Exception Manager provides a systematic approach to exception resolution. Exception Manager automates the resolution of business exceptions by systematically classifying exceptions using policies, retrieving contextual info, and logging. For those exceptions that need manual processing it guides the user step-by-step via a rich workflow.

Complete Resolution Lifecycle

Exception Manager maximizes the benefit of automation with a lifecycle approach to resolutions:
- Identify – Identifies an exception
- Classify – Classifies so the system will know how to potentially fix it
- Enrich – Enriches with additional data for a complete exception context
- Resolve – Resolves the exception automatically, semi-automatically, or manually
- Resume Business Process – Finally, resumes the original business process

Powered by M3O

Exception Manager is powered by Vitria’s M3O (Model, Manage, Monitor, Optimize). M3O platform empowers Business Analysts with a rich Web 2.0 modeling environment based on BPMN, the emerging standard for processing modeling. M3O supports dynamic process changes, integrated exception handling, powerful analytics, and role-based workflow.
Vitria’s Exception Manager – Key Capabilities

Automated and Assisted Exception Resolution
By applying easily-maintained automated process models and rules, Exception Manager can automatically fix exceptions that don’t require human involvement. If manual processing is still needed, Exception Manager efficiently guides users through exception-specific resolution tasks with context-appropriate data and resolution options. Automated resolutions eliminate delays and free up available staff for other work.

Role-based Collaboration and Modeling
Exception Manager’s user interface changes depending on user’s role, and limits or extends options available depending on user’s authority and task rights. Role-based collaboration enhances ease-of-use by presenting in-context user interface.

Many Means of Exception Capture
Capture exceptions from web services, enterprise applications (e.g. SAP), log files, databases (e.g. Oracle), messaging middleware (e.g. JMS) using various adapters. This helps resolve exceptions across your entire enterprise, not just within a specific application, and speeds implementation and time to value.

Policy-based Exception Classification and Resolution
Exception Manager enables the Business Analysts to define policies that classify the incoming exceptions and can invoke a full range of resolutions from automated to assisted. These policies are stored in the Model and Knowledge Repository where they can be organized, searched, and discovered. This increases resolution consistency and accuracy.

Model and Knowledge Repository
Exception Manager provides a centralized repository to capture knowledge formally in models that are both human- and machine-readable. It supports dynamic capability for changes of the business process models. Model and Knowledge Repository reduces time required to implement process changes and promotes knowledge sharing across business and IT users.

Comprehensive Visibility into Exception Management
Provides operational staff and managers with Flex-based, Web 2.0 views of exception status and history across the lifecycle of the exception process and resolution. This enables end-to-end visibility into process status, faster identification and correction of systemic problems, and greater control over resolution activity.
Exception Manager
Proven Value in the Real World

Companies across the world have selected Vitria’s Exception Manager for its systematic and comprehensive approach to exception resolution. These companies span multiple industries including Telecommunications, Financial Services, Manufacturing, and Entertainment.

Large Telco Company Reduces 65% in Labor Costs
A large telecommunications service provider in South America faced significant challenges with its expansion into wireless and internet services. Offline manual processing of exceptions was extremely labor-intensive, causing many delays in activating services for new customers. This impacted revenue because many affected new customers were dissatisfied and switched to the competition. This company implemented Vitria’s Exception Manager and realized spectacular benefits:
- 85% of exceptions resolved automatically without human involvement
- US $4 M per year revenue increase from reducing customer churn
- 65% reduction in direct labor costs
- Significantly shorter launch cycles for offering new services

Financial Services Company Readies 99% of Trades for Settlement
A large financial services provider in North America serving more than 12 million clients from offices in more than 30 countries, faced some key business challenges. Front, middle, and back office operations were segregated, existing processes were disjointed, many exceptions required manual resolution, and end-to-end visibility of trade status and performance was unavailable. This financial services company implemented Vitria’s integration and exception management platform for its trade order management. Results were impressive:
- Real-time visibility into trade status and control mitigated trade risk
- Significant reduction in manual handling
- 30% reduction in back office costs and no outages
- 99% of trades ready for settlement

Media & Communications Company Automates 90% of Order Flow
A regional service provider was in immediate need of: greater flexibility to beat competition, better process automation for more complex offerings, empowering business analysts to define processes, and robust exception handling. The company deployed Vitria’s business process management and exception management products and reaped significant benefits:
- 90% of order flow is automated
- Labor cost reduction for exception handling equivalent to 0.5% of revenue
- 80% reduction in IT costs to support new service launch
- Higher process visibility and compliance as required by SOX

For more information on how Vitria’s Exception Manager can make a positive impact on your business, contact a Vitria expert at +1 (408) 212-2700 or moreinfo@vitria.com

“Exception Manager enabled us to provide cutting-edge communications solutions without sacrificing service. With this innovative product, we are able to boost revenues and cut costs.”
Telco Customer

Reasons to Choose Vitria’s Exception Manager
- Complete exception resolution lifecycle management
- Lower TCO
- Immediate ROI
- Exception management across your enterprise with real-time visibility
- Business Analyst can directly make changes to the exception processes
- Easy, user-configurable dashboards for monitoring, reporting, and analysis of exceptions
- Knowledge base of exception resolutions
- Automated and assisted resolution of exceptions

About Vitria
Vitria Technology, Inc. is the leader in Business Process Management and Integration solutions. The company has a rich heritage as a pioneer of BPM that spans more than a decade. Vitria’s award-winning process integration solutions provide the backbone for many Global 2000 companies’ mission-critical business processes. Vitria has customers in North America, South America, Europe, Asia, and Australia.

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