

CeBIT 2015 – Business Leader

An interview with Dr. Ulrich Kampffmeyer

Participants: Geert Krüter, John Symon and Dr. Ulrich
Kampffmeyer



London, 2015



DOCUMENT BOSS (DB) ist eines der führenden Merger&Acquisitions-Unternehmen im Markt für Informationsmanagement. Um die Trends einschätzen zu können, ist es wichtig, immer ein Ohr an den lokalen Märkten zu haben. Geert Kruiter und John Symon führten auf der CeBIT hierzu ein langes Gespräch mit Dr. Ulrich Kampffmeyer (Kff), das in das aktuelle Interview zum ECM/EIM Markt mündete: <http://bit.ly/DB-Kff>

Business Leader Interview - Ulrich Kampffmeyer, CEO, Project Consult

At the recent CeBIT fair in Hannover, the primary vendors covering the ECM sector are still concentrated in Hall 3, named "ECM Input & Output Solutions". All the leading, multi-national and local German software, hardware, technology & solutions providers were present, with IBM in the adjacent Hall 1, attracting a lot of attention with their "Watson" and related analytics solutions.

While "ECM" has been the established acronym for vendors in this sector for the past two decades, it is apparent that a broader definition around Enterprise Information Management (EIM) is now emerging, given the convergence of technologies and the impact of SMAC (Social, Mobile, Analytics and Cloud) technologies. Innovation surrounding such disruptive technologies was to be found in many outlying halls at CeBIT and it is clear that the established order of "ECM" is now undergoing dramatic change, forcing traditional vendors in this sector to adopt new, go-to-market, software development and growth strategies if they are to survive and thrive over the next decade.

John Symon and Geert Kruiter caught up with Dr. Uli Kampffmeyer, Managing Director of PROJECT CONSULT, to hear his insights on the changing market dynamics of this sector, the key issues facing end-users and the challenges and opportunities facing the traditional "ECM" vendor community over the next 2-3 years.

<DB>: We understand you are a big proponent of the term "EIM"? How do you define this? What are the key differences to "ECM" and what are the major factors impacting this sector?

<Kff>: In Germany, quite a lot of vendors stick to the term "ECM", although internationally, it is no longer "sexy". EIM (Enterprise Information Management) is a term which has been developing over the past few years. However, where ECM is very clearly defined, and generally accepted, with EIM, many different definitions can be found.



My big vision is that we no longer differentiate between structured and unstructured information. Information management has to handle every type of data and provide information to the user in its context, independent of time, original source, device, format, location - and so on. The ECM technologies are still at the heart of EIM but have become part of the infrastructure and are no longer visible to the end user – probably only the in-basket, scanning, document viewers and the electronic folder remain visible as an ECM user interfaces. But even these features are integrated into other applications, enabling these systems to make use of the stored data, documents, assets and content.

If we define ECM technologies as the backbone of EIM, then there are two different levels of impact. One is that ECM provides services to other applications, (eg. archiving, workflow, metadata management, rendition management, capture, audit trail etc). New technologies require this infrastructure such as Big Data, Portals with Mashups, Internet of Things (IoT), Mobile and others. On the other hand new developments in the SMAC environment are being added to the product suite of traditional ECM vendors who are now trying to adapt to these new trends. In EIM, both aspects come together, creating a larger environment and a kind of ecosystem (<http://de.slideshare.net/DRUKFF/eim-englisch-kampffmeyer20140327>). However, EIM is as well only a short-lived acronym and I hope we will skip the “E” for enterprise soon and continue with Information Management only.

<DB>: From an end-user perspective, what are some of the key application requirements and drivers influencing their purchase of Information Management solutions?

<Kff>: The end users want the old promise of “information at your fingertips” (literally, with touch panels), fulfilled. They do not care if we name an application Archive or ECM or whatever. The information needs to be integrated into the application and deployed to more effectively manage the day-to-day workload.

However, I believe your question is focused more on the question of which solutions both business and IT departments are buying inside an enterprise? This brings us back to the two definitions of systems of record and systems of engagement. On the one hand, we have many special legal requirements in Germany, which continue to advance the use of electronic archiving (in Germany unfortunately, we do not use the better term Records Management) and the migration of older archives for commercial, tax and other data.



Classic document management often uses Sharepoint, but this is no longer a rallying point of interest. Business Process Management is still of growing interest but it requires change in the processes and the organisation. Integration of document technologies into business applications is still a costly, but essential, requirement. So, buyers do not look at a general, enterprise-wide process strategy, instead they look for quick wins such as electronic invoice processing, capturing paper and electronic documents alike. - For example, in Germany, we also have our own standard for electronic invoices: (ZUGFeRD).

People are looking for ready-to-use industry solutions. The main problem for this sector is that the offerings have become part of the general software and IT industry, so there will be an increasing lack visibility for the special solutions covered by traditional Enterprise Content Management. "ECM" needs to embrace new areas & market trends such as consumer-oriented software, apps, cloud, IoT, automation, mobile, wearables – just to name a few. Basic ECM technologies are mature and the products from different vendors have hardly any USPs anymore. ECM has never been sexy and I fear that EIM will share the same fate as well. From an end user-perspective, the purchasers are looking at solutions that can fulfil their application requirements and they do not care if it is an ECM-based solutions or just something else.

<DB>: With respect to the German market, what are the biggest challenges facing some of the local software vendors, many of whom appear to have reached an annual revenue threshold of €20-€35M? How can their further growth be accelerated and do you anticipate further consolidation via acquisition in this sector?

<Kff>: As already mentioned above, the changing market and the change of user interest has had a large impact on smaller-sized manufacturers and vendors of ECM products. With regard to the set threshold, such companies have don't always have sufficient resources to care, on the one hand, about the long term obligations and requirements of the use of archived information and, on the other hand, do not come up with new innovation of their own.

Looking at new versions of software products shows that most of the companies only try to adopt such new trends by adding apps, cloud, new types of data processing, automation, user interfaces, analytics and other features. The development is not driven from inside the ECM industry, but from the outside. With standard ECM products the vendors will not succeed. That is why they are going into business solutions for solving certain business problems or providing a ready-made industry solution. The German market is overcrowded with vendors, new international vendors



are moving in, and mergers & acquisitions continue – as Document Boss knows best. The midsize vendors will not survive if they focus on standard ECM modules and on the German market only. The German market is not big enough to provide sufficient growth. They must expand to other areas of software products or buy competitors or integrators, or go international. At the very least, they have to become European vendors. The European “specialities” with regard to multiple languages, multiple cultures and multiple legal requirements, continue to offer some protection against international vendors from across the ocean. But there is a larger challenge. Most of these vendors are still focusing on “on-premise” solutions.

ECM/EIM in the cloud is becoming increasingly acceptable, even for important or regulated content. Past initiatives to merge such companies into larger entities didn't succeed, so most of these vendors are under considerable stress and are facing all the above mentioned challenges. I believe, if many do not change their business models, and their market approach soon, they might become the prey of other, larger international vendors - or fade into oblivion.



Profile



Dr. Ulrich Kampffmeyer is founder and president of PROJECT CONSULT Unternehmensberatung Dr. Ulrich Kampffmeyer GmbH, one of the leading independent management consultancies for EIM Enterprise Information Management, ECM Enterprise Content Management, BPM Business Process Management, KM Knowledge Management, CM Change Management and other information technologies. He was co-founder and member of the board of directors of the DLM-Network EEIG, Worcester.

As a principal consultant he has supported a large number of vendors, distributors, and users of well-known companies of all industries in Europe in strategy, compliance, planning, organization, implementation and migration of such systems. German industry magazines elected him as one of the 25 most important people of the EIM industry - the only consultant within this group - , and as one of 100 of the most important IT managers in Germany.

Dr. Kampffmeyer is an internationally well-known keynote speaker, presenter, and panelist on the subject of EIM, ECM, archiving, records management, document management, workflow, groupware, content management, code of practices, knowledge management, project management, business reengineering, and organizational change management.

Within the Association of Information and Image Management (AIIM), the most important association for the global community of information professionals, Dr. Kampffmeyer was one of the directors and member of the executive committee of AIIM International in Europe and Vice-Chair of the board of directors of AIIM International (1999 – 2003). For the major part he has played in the introduction of information technologies and their applications in Germany, he has received the "Award of Excellence" in 1992, the "Fellow of IMC" in 1994, the Award „Fellow of Merit“ in 1997, the Award „Fellow of AIIM“ 1999, and in 2000 the award „Master of Information Technology“.

As Chairman of the Board of the VOI "Verband Optische Informationssysteme e. V." (trade association of German EDM manufacturers, distributors, and integrators) from 1991 to 1998, Dr. Kampffmeyer gained detailed market knowledge in the segments of document management, workflow, groupware, electronic archiving, and digital optical storage media. He is regarded as mentor of the EIM field in Germany.

He is publisher of several DLM/AIIM Industry White Papers for electronic document, records management, and content management for the Public Sector in Europe. Leading industry magazines regularly publish his articles and opinions in several languages.

He is author of the book „Document Management – Principles and Future“ as well as the German Codes of Practice „Fundamental Principles of Electronic Archiving“, and „Principles of the documentation of audit-proof records management“. He is also co-author of other European Codes of Best Practice.

Dr. Kampffmeyer takes part in standardizing groups such as the AIIM Association for Information and Image Management, and several ISO/DIN groups. He was a member of the DLM Monitoring Committee of the European Commission, was Head of the DLM Scientific Committee of the DLM Forum Conference 2002 in Barcelona, and worked in the Steering Committee of the DLM Network of Excellence.

Press:

Silvia Kunze-Kirschner (Marketing & PR)
PROJECT CONSULT Unternehmensberatung Dr. Ulrich Kampffmeyer GmbH
Isestraße 63
20149 Hamburg
skk@project-consult.com
+49 40 41285653
+49 174 2588458