

BMC INNOVATES FOR CUSTOMERS AT THE BMC INNOVATION LABS



A small team of former Shell Oil employees founded BMC Software in 1980, focusing on software for mainframe computers.

In the intervening four decades, BMC expanded its focus to include distributed systems as it completed dozens of acquisitions. The company went public in 1988 and subsequently private again in 2013. Global investment firm Kohlberg Kravis Roberts (KKR) acquired the company in 2018.

Given this rich history and commensurate established customer base – including continuing expertise in the mainframe marketplace – one might jump to the conclusion that BMC might struggle with ongoing innovation.

Under the auspices of CEO Ayman Sayed, however, innovation is a strategic priority for the venerable vendor. While much of BMC's innovation takes place behind the scenes, it presents a public face to its efforts: the BMC Innovation Labs.

Realizing the Vision for the Autonomous Digital Enterprise

One of Sayed's first initiatives at BMC was to call for the development of the vision for the Autonomous Digital Enterprise (ADE).

The ADE is a framework for how customers can leverage technology to compete in an increasingly disruptive future. The ADE contains five technology tenets: Transcendent Customer Experience,

Automation Everywhere, Enterprise DevOps, Data-Driven Business, and Adaptive Cybersecurity.

While the ADE lays out a high-level roadmap for customer success, BMC's own product capabilities depended on collaboration with a broad partner ecosystem. The company had the courage to lay out an aspirational yet necessary vision with the confidence they would get there over time.

This gap between vision and reality is what drives innovation at BMC. Sayed set a difficult but not impossible goal for the company – a goal that innovation alone would help BMC achieve.

Traditional software research and development, while necessary, would never be sufficient to achieve such audacious goals. The company needed to step up its innovation game – and the BMC Innovation Labs were born.

About BMC Innovation Labs

The BMC Innovation Labs bring together BMC employees as well as customers and partners to accelerate the development of products and solutions that power the ADE, and the BMC Innovation Summit this past June was an opportunity to get an insider's look at projects in development.

"Think of it as an incubator of internal startups, where anybody can submit an idea for innovation," Ayman Sayed [explained](#). "An internal team reviews the ideas, and we fund a select number of them with seed funding and then progress it like a startup, with the hope that out of 10 or 12 of these we get one or two new products that are exported to the customer."

The goal of the Labs is to help both internal and external parties reimagine and reinvent how they think about technology and how it helps organizations meet business needs. They provide an incubator where BMC customers and partners can work on ideas that go beyond traditional enterprise thinking.

Not all ideas that people bring to the Labs will pan out – and that's part of the idea. They are a safe place to fail fast while taking an iterative approach to creating, nurturing, and testing new ideas.

"BMC's Innovation Lab exists today as an incubator or accelerator with the goal of devising novel ideas that can either disrupt or complement the overall company," [explained](#) Sam Lakkundi, VP of Innovation for BMC. "We know that our innovation lab lets us discover the best opportunities, excite our employees, collaborate on new ideas and lets us take an innovative idea and turn it into a business outcome that will provide tangible benefits that can be a long and complex process."

Examples of Innovation from the BMC Innovation Labs

Some innovations from the Labs have found their way into BMC products, while others are still in the experimental stages.

BMC Helix IoT Edge for Unmanned Aerial Vehicles is an example of a Labs-based innovation underway. It is an extension of the BMC Helix IoT Edge, a platform for collecting, aggregating, and analyzing operational technology data at the edge.

The Unmanned Aerial Vehicles version of this platform uses modern drone technology to deliver the BMC Helix IoT Edge capabilities to enterprises with remote operations in industries such as telecommunications, chemicals, and mining.

Another example in the BMC Innovation Labs is Automated Data Analysis, an artificial intelligence-

driven tool for deriving actionable business insights from past dashboard creation endeavors.

It automates the creation of dashboards, leveraging machine learning, natural language processing, and voice automation to support modern data operations.

A productized graduate of the BMC Innovation Labs is for log data enrichment, which became an addition to the BMC Helix Operations Management solution. Log analytics and enrichment provide the ability to collect and analyze log files from a variety of data sources in order to provide early diagnoses of potential issues and avoid service disruptions.

Other projects within the BMC Innovation Labs are still in the experimental stages.

Teams are working on applications of virtual reality and augmented reality to improve the customer experience as well as to provide immersive virtual 'dashboards' for IT operations personnel.

Additional work in progress includes an application for computer vision to support workplace compliance. For example, the system can automatically alert warehouse workers when they aren't wearing the proper safety equipment or if they are in the wrong position on the floor – issues of both safety and regulatory compliance.

The Intellyx Take

Despite the saying, it is indeed possible to teach (smart) old dogs new tricks – but it takes dedication and effort. The BMC Innovation Labs are an excellent example.

Simply setting up the Labs is only part of the solution. It was also important for BMC to drive interest and participation using modern techniques like gamification.

"We have internal hack-a-thons which help us be sure we don't miss a good idea. We also ran an Innovation Challenge," Sayed continued. "We received over 500 submissions and sifted through them and picked 80 or 90. Now we're funding a number of them and some are progressing through different business units. Some are going through the BMC Innovation Labs."

Not every innovation to come out of the labs will be successful – but 100% success isn't the goal of any innovation effort. The bulk of the value derives from effort itself, while successful products provide the validation that the BMC Innovation Labs are on the right track.

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