INTERVIEW WITH JERRY CUOMO

Lindsay Green: Hello and welcome to the Biztech Report's *Internet Radio*. Hi, I'm Lindsay Green and today we present the next installment in our IT Solutions Series, Doing More With Less, sponsored by IBM. In today's report, we once again discuss the challenges IT managers are facing and explore the latest trends and approaches being used by leading edge organizations around the world to accomplish organizational objectives. Here to bring us another discussion on how organizations in today's economy are doing more with less is Biztech Report's editorial director, Laine Cooper.

Laine Cooper: Thank you, Lindsay. According to a just-released study from the Aberdeen Group, best in class organizations drove an average of 26% year over year reductions in operating costs by leveraging process management strategies, tactics and tools. In a difficult economy, and a constantly fluctuating marketplace, achieving a competitive position is closely linked to an organization's agility and their ability to respond quickly to business opportunities.

                  According to the analysts, IT complexity and redundant operational processes lead to unnecessary costs and efforts. The elimination or at least the effective management of this complexity can serve as a springboard to organizational growth. Here to help us better understand the strategic and operational implications of business process management in general and the specific role that business mash-ups can play in addressing complexity and agility is Jerry Cuomo, an IBM fellow as well as Vice President and Chief Technology Officer for the company's Websphere unit. Jerry, thank you for joining us.

Jerry Cuomo: Thank you, Laine.

Laine: Before we get started, Jerry, perhaps you can help us better understand the concept of business mash-ups in an enterprise setting. Help us put it into a context of how business process management can be improved.

Jerry Cuomo: Sure thing Laine. So one of the important aspects of business mash-ups, and I think it's at some level a pretty simple thought but I think similarly a very powerful thought – powerful looking at what Facebook and MySpace has done to social networking – this is what we're doing in IBM to the business process management space. And I think one of the first things that is key here is – this is all around about smart SOA. You've heard, Laine, us talk about this before. And service oriented architecture is critical to this

whole business mash-up thought. It also kind of plays into this notion of aligning business and IT, and this is critical, and this is the magic behind this whole notion of business mash-ups. Think back to when the PC first came out, and I think this maybe is one example of where we've seen such a breakthrough before.

One of the things that has happened when the PC came out, which is a beautiful IT tool, the introduction of the spreadsheet really got the business user involved and allowed them to express their thoughts – their business thoughts – electronically. And then by sharing that spreadsheet with an IT user, we now had an electronic forum that linked and aligned the business thought with something actionable that the IT person can actually work from.

Now, turn the page and kind of fast forward to where we are today. The power of the web, the power of what we would call Web 2.0, rich internet applications. You know, I mentioned the Facebook, I mentioned the MySpace. Think about empowering the business user with a set of tools to allow them to electronically express what's important about their business, to kind of attempt to say code, or program – but of course this is all visually done. Express their business processes, express their interests in a way that's electronic, in a way that has high fidelity. Much better than a napkin exchange at a business lunch. Here, Mr. IT person, this is what I think is important. Business mash-ups start now that powerful alignment process. Again, think back to the spreadsheet and what it did to the PC. Business mash-ups are now transforming SOA and the relationship between business and IT

Laine Cooper: Jerry, can you give me an example of how business mash-up technology can enhance or streamline business processes?

Jerry Cuomo: Sure thing. One of the things that is critical is understanding your business process. So the first thing that a business mash-up environment would do, and we have this technology at IBM that codifies our business mash-up design or vision called Business Space. What Business Space first allows you to do is gives the business person insight into what's happening in real time, in their business. So they can actually peer in in real time and see what's happening. More importantly, not just see, but start to adjust what we call the key performance indicators, how many patients are being checked into your hospital per day, as an example. Looking at that, and then using that as a way to now go back and start a design process around their business, optimizing their business process based on empirical data.

So the first thing the Business Space allows a business user to do is see what's happening in their business and start to make adjustments, not based on IT metrics, like speeds and feeds, transactions per second, and things of that nature, but on business metrics – key performance business indicators, and allowing them to actually modify those and hone those in to get the ultimate, up to date perspective of their business.

Now with that empirical data, they can start managing their business processes in a way that they never could before. Again, they're doing it in the presence of knowledge. So the first thing that Business Space does is gives them a view into the real world of their business, then allowing them to springboard into action. How do you modify and agilely adjust your business processes, right? And optimize those in real time.

Laine Cooper: What are the Web 2.0 technologies that you can bring to bear for BPM?

Jerry Cuomo: First of all, the desktop of choice for the business user obviously is a web browser. So the Business Space operates within a standard web browser, utilizing technology – if you're familiar with Google gadgets, the widget technology that allows you to create custom portals, very similar approach that we're using in Business Space. We have a set of business widgets that you can drag and drop and personalize in a range within your browser portal to peer into your business space, if you would. So basically what we're doing is utilizing rich web technology – you've heard of things like Ajax, and JavaScript. So building out the experience from the glass first, and accelerating your experience with a set of pre-built widgets, widgets that connect you in to our business process management foundation, like our process server, like our business monitor service.

All right, so we have a set of tools on your web-based tool palette that you can start dragging and dropping and connecting back to your business systems, that are already provisioned and running.

Laine Cooper: Jerry, I can see how the millennial generation is all over Web 2.0 technology for consumer applications. My question, however, is whether this is a strategic initiative that you expect a broad cross-section of industry to embrace?

Jerry Cuomo: Absolutely, Laine. The web is pervasive. New generations, old generations – whether you're a grandmother or a teenager, you know, the web is a part of life. Again, the innovation here is bringing the web to the business user. Again, I keep using the spreadsheet analogy, empowering them. So I absolutely think this is going to appeal, first, because the web has become a way of life. The second appeal is going to be the time to value. All right? So the results that you get from working in this model, not having to look at 15 different product dashboards, and figuring out in your mind how these things connect.

Part of the innovation here is that these widgets aren't just decorations on the screen. These widgets, and the kind of canvas that they live on, represent the integration of some very complex back-end systems. And we're going that integration behind the scenes for you, while it kind of surfaces in a very cool way at the glass, behind the scenes we're using our 20 years of integration skills in IBM to pull that together. So evolving to and quickly leading to rapid value, so the business user is going to be totally into that, being able to see and adjust points of interest in their business in real time, to connect systems that are currently not connected at the glass – very powerful. So again, take the pervasiveness of the web, take the time to value equation that this brings, and how it empowers the business user – wonderful.

Now let me just answer the flip side of that – you know, so that's the business user's perspective. You know, the IT person has also reached a state of nirvana at some level as well, because they're not dealing with Visio diagrams, they're not dealing with – again, I mentioned before, napkins. They're dealing with things that are electronic, that are based on standards, like web services, web standards, XML – they're dealing with things that can be acted on in a repeatable way, in a way that can be tested.

So the exchange now between business and IT has a much higher fidelity, and IT greatly needs that to be able to respond nimbly, to respond quickly to the demands of business. If that's happening via word of mouth, if that's happening via a spreadsheet or something written on a piece of paper, time is money, and that's going to take time to translate, interpret. But if you put the business in the driver's seat, and I attempt to say programmer's seat, director's seat, now we've got the orchestra really playing a nice tune together.

Laine Cooper: Jerry, as enterprises do adopt and adapt to the business mash-up concept, how is this likely to affect the day-to-day operations of rank and file IT professionals? In other words, what are the new skill set requirements or new ways for IT to deal with the business users?

Jerry Cuomo: Laine, the nice part here is that over the last, you know, five plus years, we talk about smart SOA in IBM, we talk about agility in IBM. Much of this from an IT perspective has been enabled through standards, and the fact that now you can integrate an IBM system with an Oracle system with an IBM system with a Microsoft system, enabled through standards is wonderful, and a great enabler. So when you ask about what skills is powering this – I mentioned before, it's standards. Having a platform like the IBM BPM suite that is based on industry standards, industry standards like web services, WSSTAR suite of standards, like the web – like based on HTP and rest, XML, things like that, really provide the base fundamental technology.

And again, these are things now that our college and high school kids are learning in school. It has become the dial tone of business, these standard technologies. So we're building on it, and I think this is part of the adoption here is not revolutionary an adoption. In a sense it's evolutionary in that we're following the standards. What's revolutionary is how we're putting it together.

Laine Cooper: So Jerry, tell me a little bit about how IBM is enabling these capabilities and bringing these kinds of benefits to BPM offerings.

Jerry Cuomo: Well, we have a number of technologies and products that are at the foundation of what I'm talking about with respect to business mash-ups. Business mash-ups is the face, it's the view, it's what you see. And it's beautiful in the sense that it is integrating a number of products under the covers. So every one of our BPM products that are part of our BPM suite ship with our business face product. And whether you have one IBM BPM product or five, they all integrate through this common dashboard, again this business mash-up dashboard.

The anchors of that product line are products like our Websphere process server, which is kind of the workhorse for our BPM suite. It actually manages and executes business processes. Again, it's standards based, it's using standards like BPEL, which is a language for expressing electronically business processes. We also have the Websphere business monitor, which again is the tool that

provides some of the base dashboard technologies. It's the runtime that allows you to watch and get that perspective into your executing business environment. It allows you to peer in and adjust the key performance indicators, like I alluded to before.

Another exciting addition to the family of BPM products is our acquisition of Ilog, and the tools that come along, and the runtime components that come along with Ilog. Ilog, and when you first think of Ilog, many people think about rules – business rules, giving our business user a set of vocabulary to use – rules-based vocabulary, to express the conditions that drive their business. So having Ilog now as part of our suite, all surfaced through the business mash-up interface. Again, a very powerful set of products – I just named three here, but there's several more, certainly behind the covers there.

Laine Cooper: Well, Jerry, thank you very much for your insights and perspectives on this very interesting issue.

Jerry Cuomo: you're very welcome, Laine.

Laine Cooper: To learn more about the roles that BPM and business mash-ups are playing to help organizations to do more with less, in both large and small enterprises around the world, please visit Biztechreports.com and click on the link to the IT solutions series of reports and webcasts. There you will have access to other podcasts, webcasts, articles, case studies and white papers that are related to today's topics. Lindsay, back to you.

Lindsay Green: Thanks Laine. Today's Biztech Report podcast is sponsored by IBM, where the big blue team is working with clients to develop new business designs and technical architectures that enable the flexibility required to compete in today's economy and global landscape. For Biztech Reports, this is Lindsay Green.