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# Welcome

Jason Leonard

Business Unit Executive, IBM Rational Australia and New Zealand

IBM Software

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## Agenda

08.00 - 09.00 Keynote presentation - Enterprise Software Delivery: Balancing Agility and Efficiency in the Software Supply Chain					
Sessions					
Tracks	Agile ALM	Cloud, Mobile and beyond	Strategic Planning & Architecture	Continuous Delivery & Quality Management	Special sessions
Room	Promenade 1 & 2	M1	M2	M3	M4
09.15 - 09.45	The Agile Enterprise: How to Be Successful with Agile at Enterprise scale	Best practices for delivering mobile applications to market faster	Enterprise planning for SAP	A Demonstration of Continuous Integration with Automated Testing	Customer workshops - ClearCase and ClearQuest
09.55 - 10.25	Agile product development - the Kudos Badges story		Customer case study - Enterprise Architecture in action at Simplot	Putting the Integration into Continuous Integration with Green Hat	
10.25 - 10.55	Morning tea				
10.55 - 11.25	Customer case study - NBN's enterprise strategic tool vision	Improve speed to market through Continuous Delivery!	Implementing TOGAF	Automation Frameworks for Dummies: Delivering automated testing for manual testers	
11.35 - 12.05	The Agile PMO: Ensuring visibility and governance of your Agile projects	Realising the potential of cloud with DevOps	Agile enterprise architecture	Application Virtualisation: Breakthrough Approach for Reducing Cost and Improving Quality	
12.15 - 12.45	Agile Evolution: From small teams to customer value driven pipelines	DevOps: Accelerated results takes pragmatic integration and collaboration	How to work better with your outsourced software delivery partners	DevOps: Extending the Agile Development Discipline to Deployment	Don't be an accidental performance hero
12.45 - 13.45	Lunch				
14.00 - 17.30	Interactive technical demonstrations and IBM Rational technical certification examinations @ Cliftons - buses departing at 13.45pm				



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August 14 & 16

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Each session you rate gives you an entry into the draw to win a Magic Cube ultra-portable projection keyboard!

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# Enterprise Software Delivery: Balancing Agility and Efficiency in the Software Supply Chain

Michael O' Rourke

VP of Offerings Strategy and Delivery, IBM Rational

IBM Software

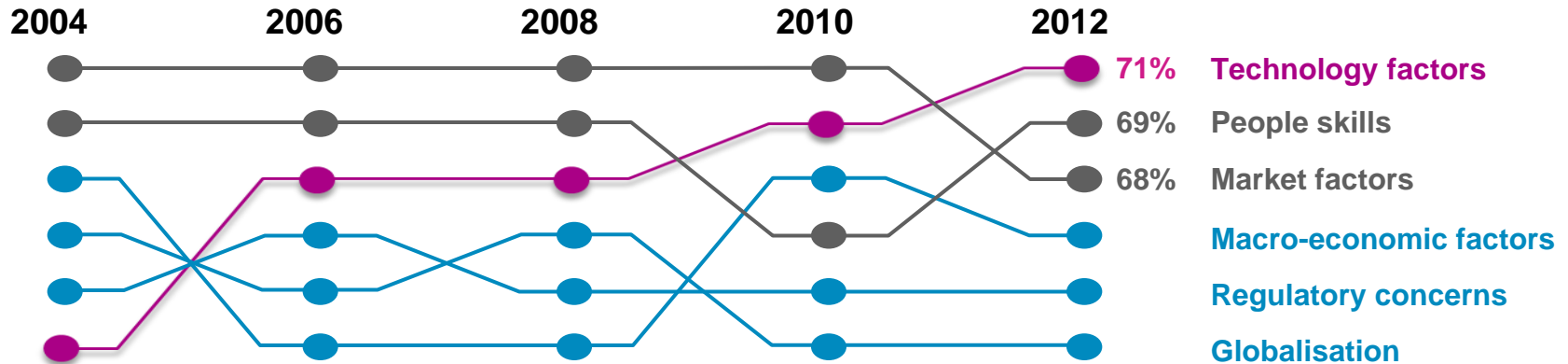
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# Technology has never been more important to business

*For the first time, CEOs identify technology as the most important external force impacting their organisations*



Source: IBM CEO Study, May 2012

## Market trends

*Software sourcing is shifting rapidly towards non-traditional models*

- Enterprises are rapidly increasing their use of multi-source options for software and systems delivery strategy
- Enabling technologies provide a dynamic way to manage the process across a continuum of options
- Growing market
  - +7.4% CAGR to \$361B by 2015
  - Increasing to >50% of overall spend
- This growing trend provides compelling benefits while introducing significant challenges



Outsourcing

Open Sourcing

Packaged Apps

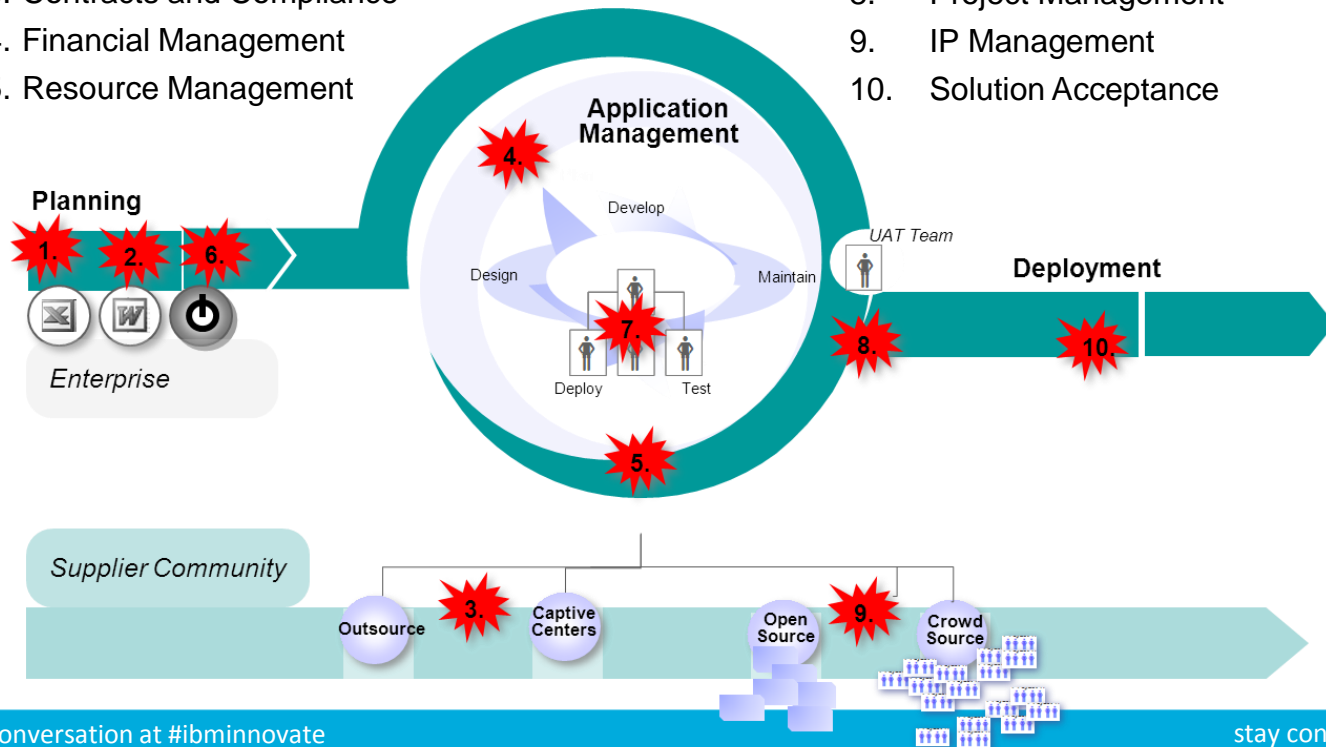
In-house Development

Crowdsourcing



# SW supply chain- Key pain points impacting business outcomes

1. Multi-source Decision Planning
2. Requirements Management
3. Contracts and Compliance
4. Financial Management
5. Resource Management
6. Capacity Planning
7. Project Visibility & Governance
8. Project Management
9. IP Management
10. Solution Acceptance



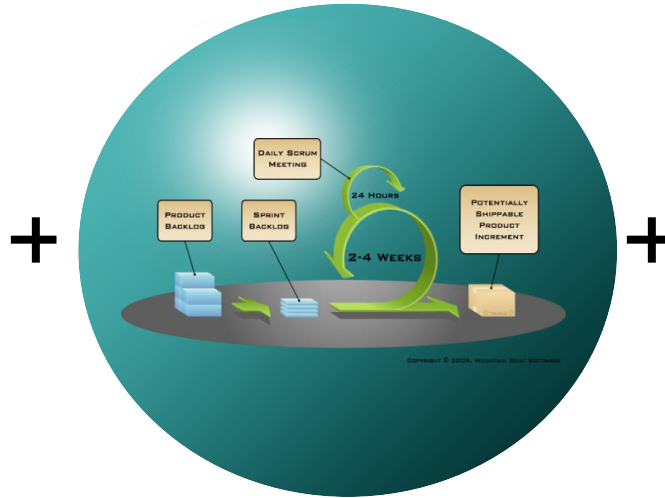
# Hypothesis:

*Effective Software Delivery in the Software Supply Chain*

Speed and Innovation



Delivery Discipline



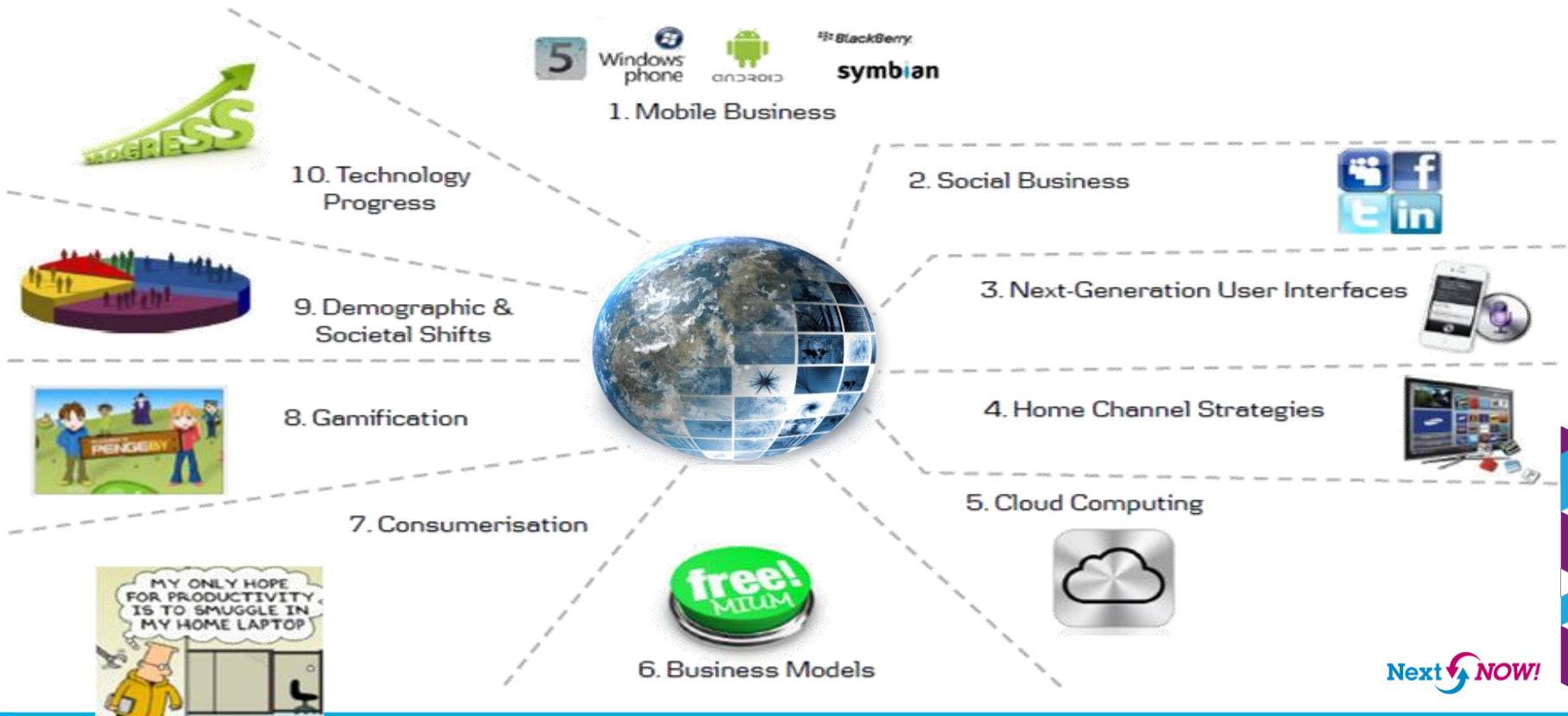
Management Discipline



A long-exposure photograph of a tunnel, likely a subway or transit tunnel, with light trails from overhead fixtures and the floor. The perspective is from the center of the tunnel, looking down its length. The lights are blurred into streaks, creating a sense of motion and speed. The overall color palette is dark blue and purple.

Speed and innovation

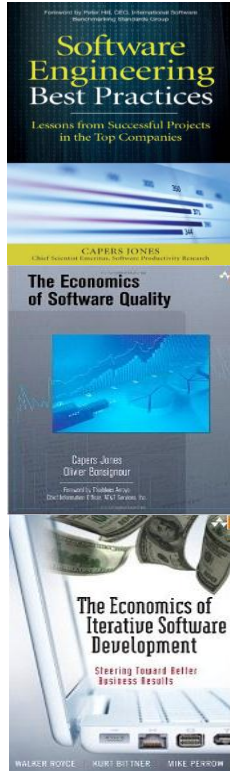
# The world we live in... is exciting!



# Why do software projects fail?

## Understanding the software engineering lifecycle

1. Unstable, changing requirements (95%)
2. Inadequate quality control and poor quality measures (90%)
3. Inadequate progress tracking (85%)
4. Inadequate cost and schedule estimating (80%)
5. False promises by marketing and sales personnel (80%)
6. Rejecting good schedule estimates for arbitrary dates (75%)
7. Informal, unstructured development (70%)
8. Inexperienced clients who can't articulate requirements (60%)
9. Inexperienced project managers (50%)
10. Inadequate tools for quality/analysis, lack of inspections (55%)
11. Reusing assets filled with bugs (30%)
12. Inexperienced, unqualified software engineering teams (20%)



From Capers Jones



## Implications for software and systems delivery

### More speed and agility

- Compelling user experience
- Rapid iterations
- Continuous delivery



### Better control

- Regulatory compliance
- End-to-end security
- Financial predictability

## Accelerated delivery demands a quid pro quo

### Engineering Practitioners

- Design, create, test
- Reuse knowledge, best practices
- Address uncertain things first
- Be adaptive to change

Embrace Measurement

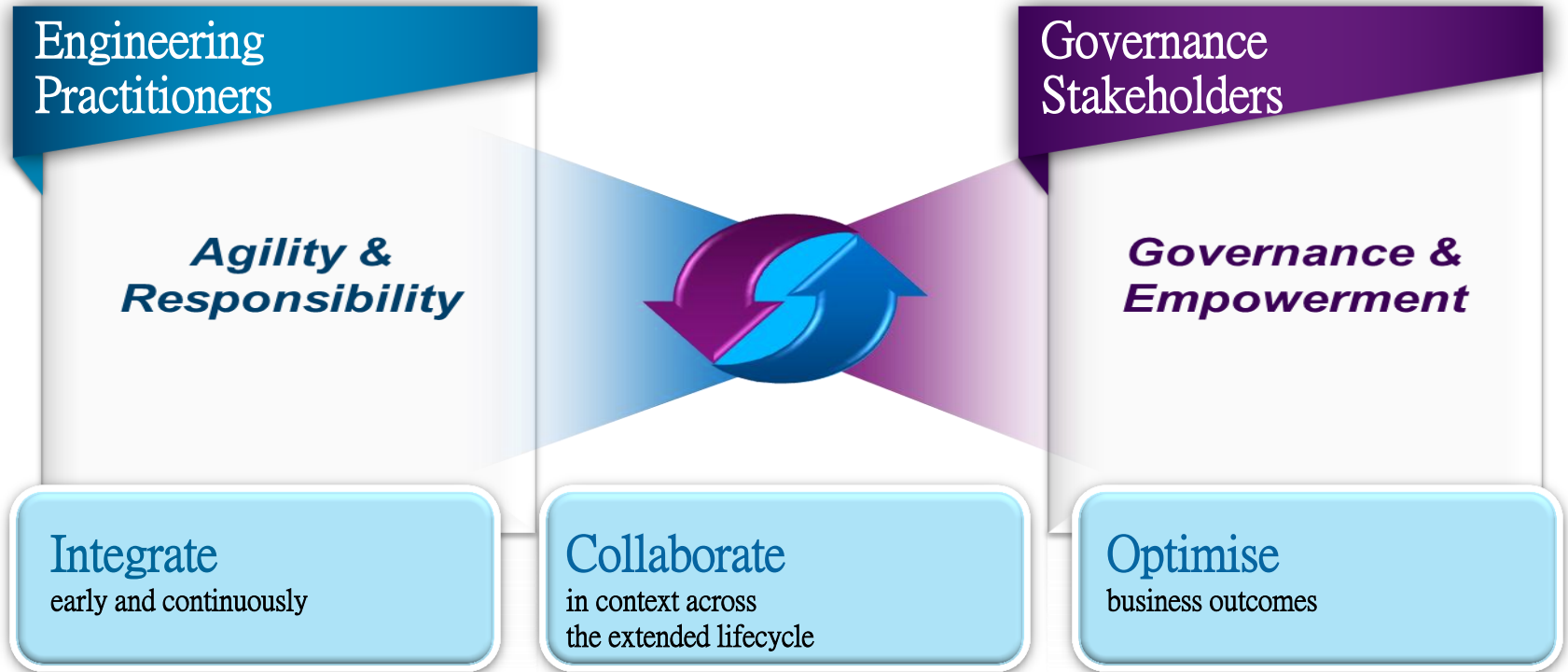
### The Speed Of Trust

### Governance Stakeholders

- Achieve predictable outcomes
- Manage risk
- Ensure compliance
- Improve software economics
- Visibility and transparency

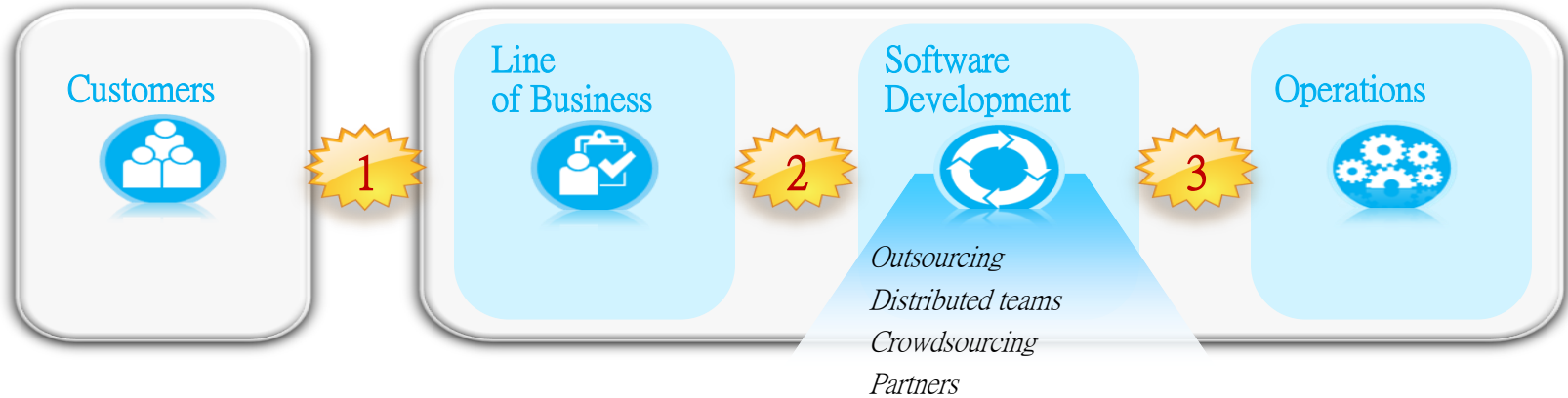
Enable Agility

## Succeeding in the new reality





## Inhibitors to accelerated delivery



### INHIBITORS

- 1 Slow feedback between Customers *and* Line of Business
- 2 Ineffective iteration between Line of Business *and* Development
- 3 Inefficient linkage between Development *and* Operations
- 4 Poor end-to-end customer requirements visibility
- 5 Complex network of stakeholders and actors

## High impact initiatives to accelerate delivery today



Scale Agile to enterprise with governance and metrics



Target: 50% more time on task by eliminating overhead activities  
*(progress reporting, etc.)*



Make integration, test and deployment continuous



Target: 50% reduction rates in lifecycle scrap and rework



Elaborate user experience earlier in the lifecycle...



Target: 25% less scope creep in development...*and a substantial increase in stakeholder trust*

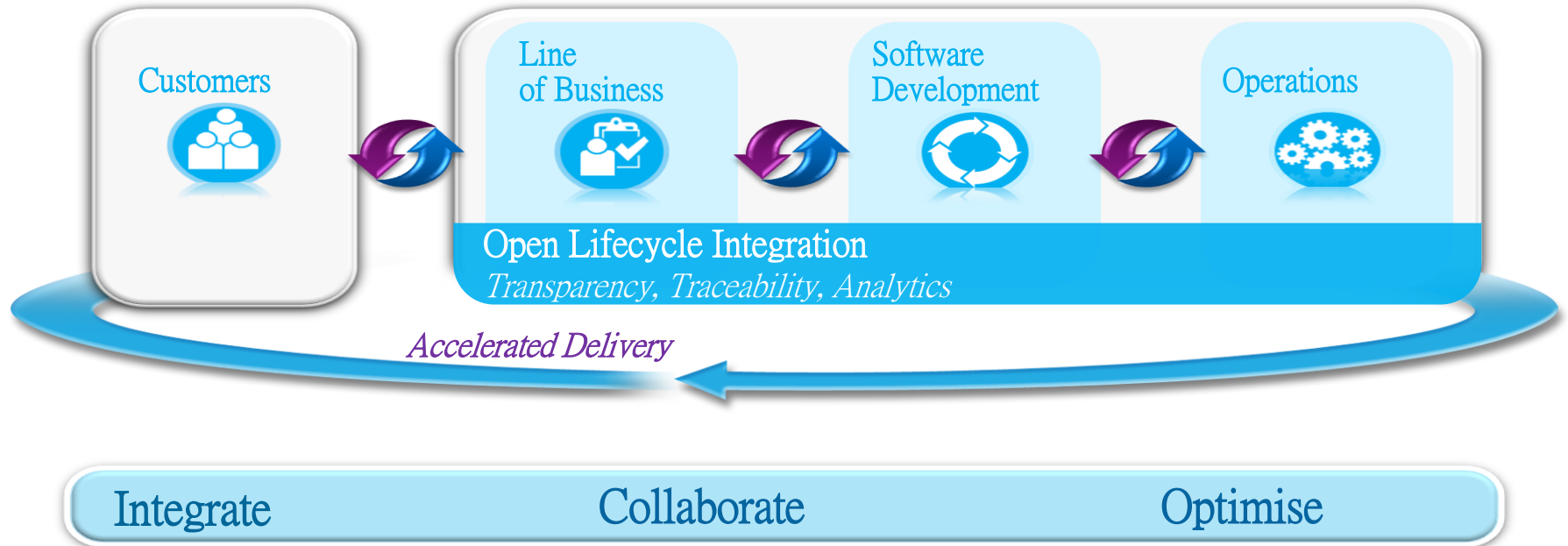


Link requirements management to test



Target: 25% lower variance in cost/schedule performance

# Accelerated delivery



*Companies addressing these areas today*

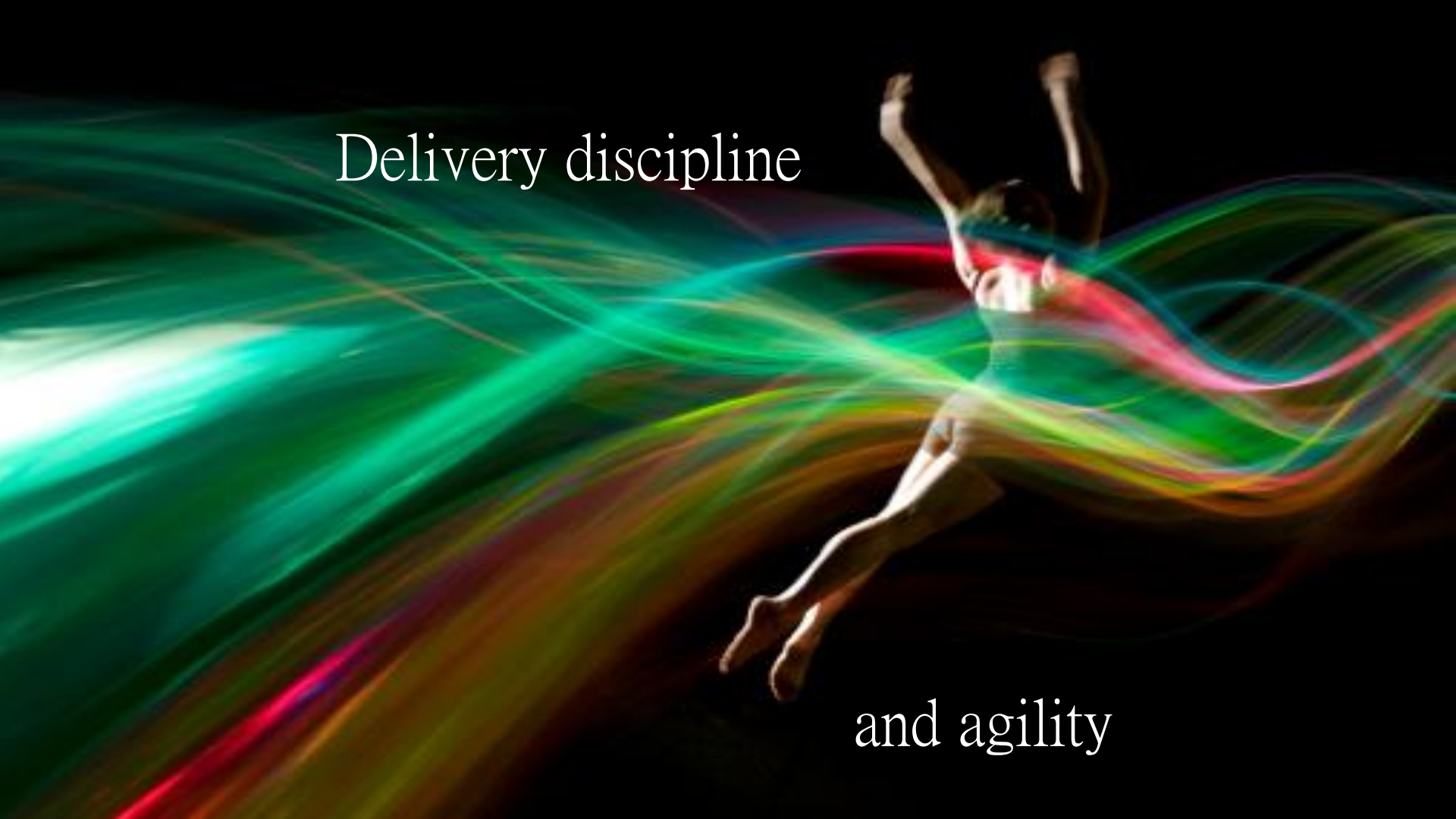


ERICSSON



Delivery discipline

and agility



# Delivery Discipline $\neq$ Development Discipline



Water



Scrum



Fall

# Agile@Scale in software delivery

*Doing Agile... Thinking Agile... Being Agile*

- Smaller scale agile development experiences need to be adapted to enterprise software delivery
- Agility@Scale
  - Economic governance
  - Measured improvement
  - Disciplined delivery



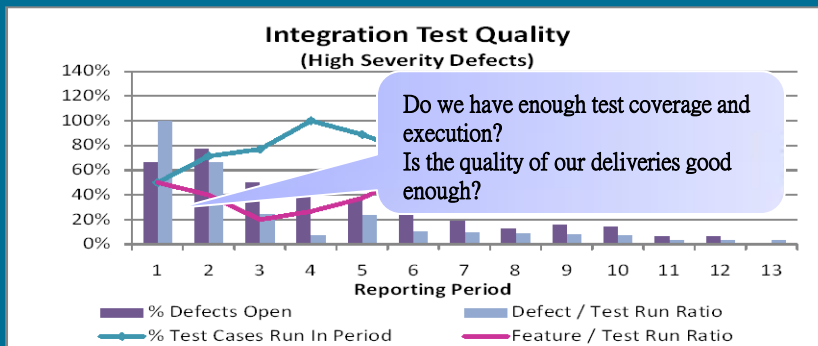
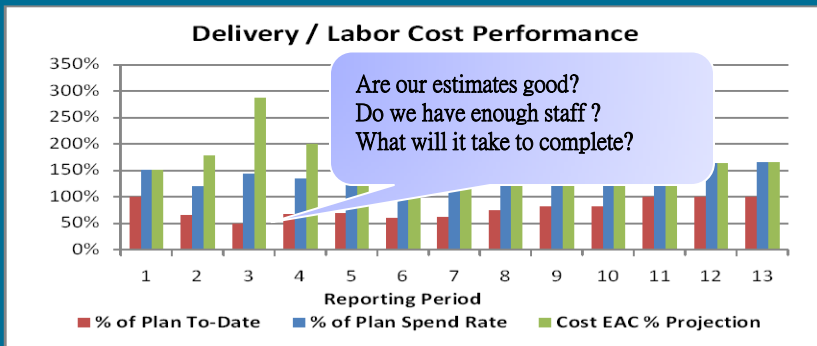
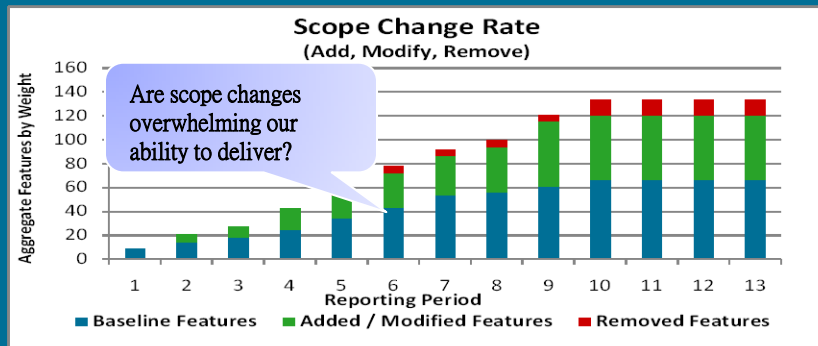
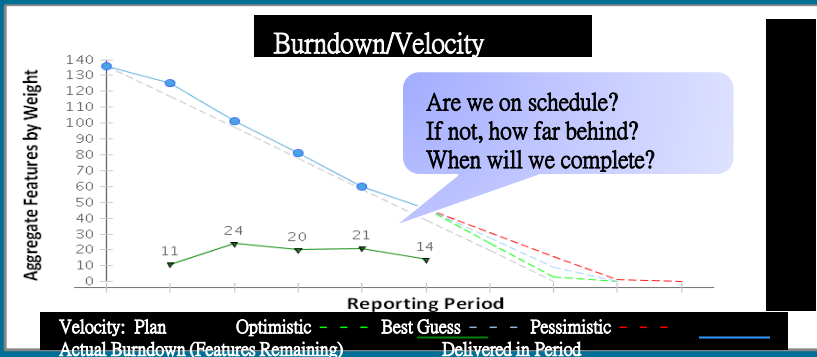
## Seven habits of successful agile adoption

1. Be explicit about your agile goals
2. Understand the dimensions of scale up/out
3. Use measures to govern behaviour
4. Focus early on quality as a team issue
5. Re-skill your project/program planners
6. Grow with a clear adoption plan
7. Think globally, act locally!



# Agile Performance Metrics: Core Answers

(all reported by common reporting period)



Here are the key management questions answered by each chart. An inability to answer any of these questions serves as a source of fundamental risk.



# The text book version of agile is not aligned with the realities seen in software supply chains...

**Contracts:** Lack of strong focus on contracts and formal agreements

**Sub-contracting:** No sub-contracting of deliverables (incl. off-shore)

**Acceptance Test:** User and acceptance test can be performed in each sprint

*Contracts / SOW*



*Transparency*



*Sub-contracting*



*Planning*



*Acceptance Test*



**Transparency:** Global transparency ignores need for multiple, customisable layers of visibility, privacy, security, etc.

**Planning:** No need for a project manager, resource manager. Product owner is one person.



Management discipline

## Globally Distributed Delivery

- Extensive globally distributed delivery models...taking many forms...

*Evolving From...*

*... Evolving To*

Offshore labor primarily in India and China

Labor in multiple geographies around the globe

Offshoring provides cheaper labor

Offshoring provides efficient access to a larger talent pool and leading edge technologies

Numerous tactical vendors

3-5 strategic outsourcing vendors

Global delivery is a specialty

Global delivery is the standard

Dominantly technical programming

Consulting, BPO, SOA, and infrastructure

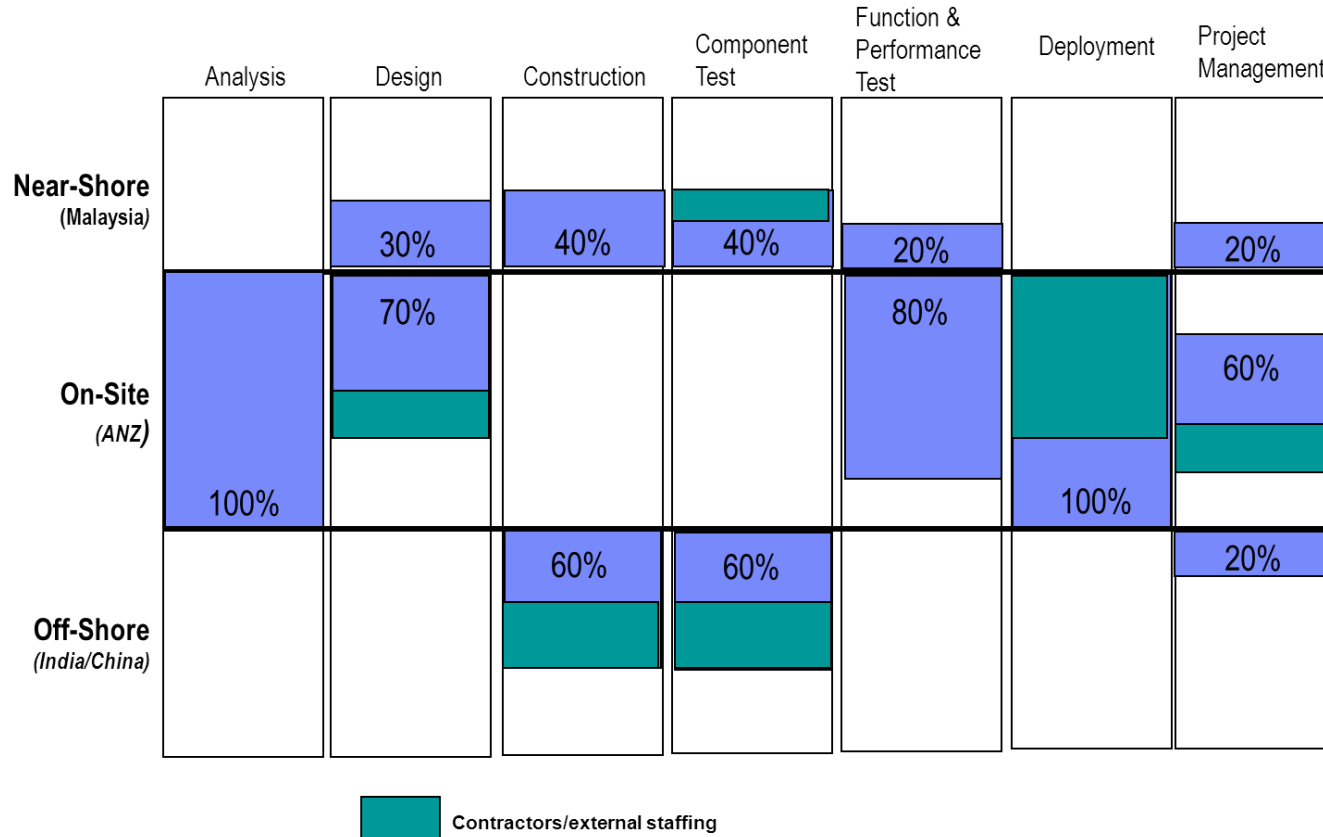
Focus on maintenance projects and large discrete units of work

Smaller global teams delivering based on components and features

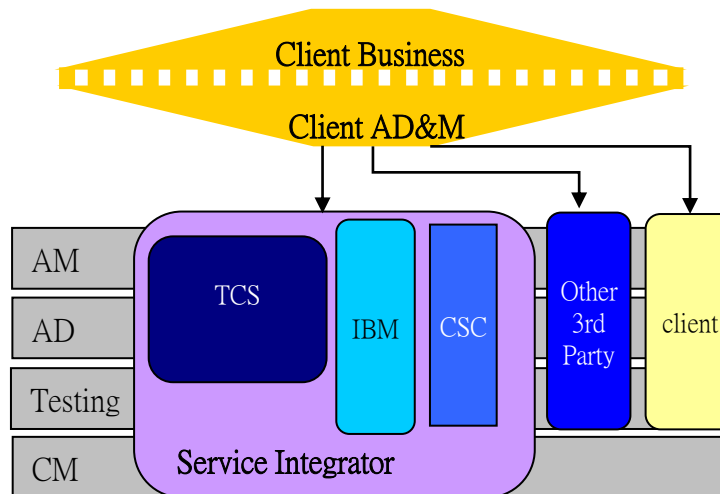
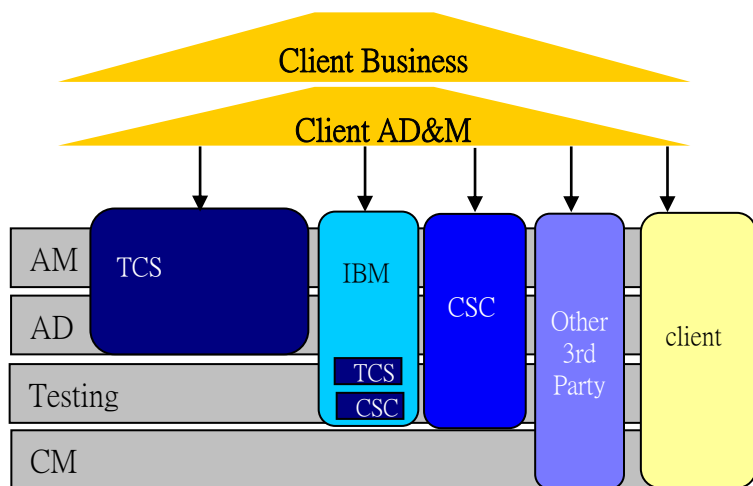
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# Global delivery of software: An example



## Example: Global IT delivery in large insurance company



Skills and time-based delivery

Hours x rate card

Utilisation measures

Location-based model

Global Delivery Centers

Staffing levels-led

Re-usable assets and automation-based delivery

Outcome-based cost

Performance-based value measures

Virtual workflow across centers and geos with emphasis on local interaction and communities

Globally integrated capability model with Centers of Competency

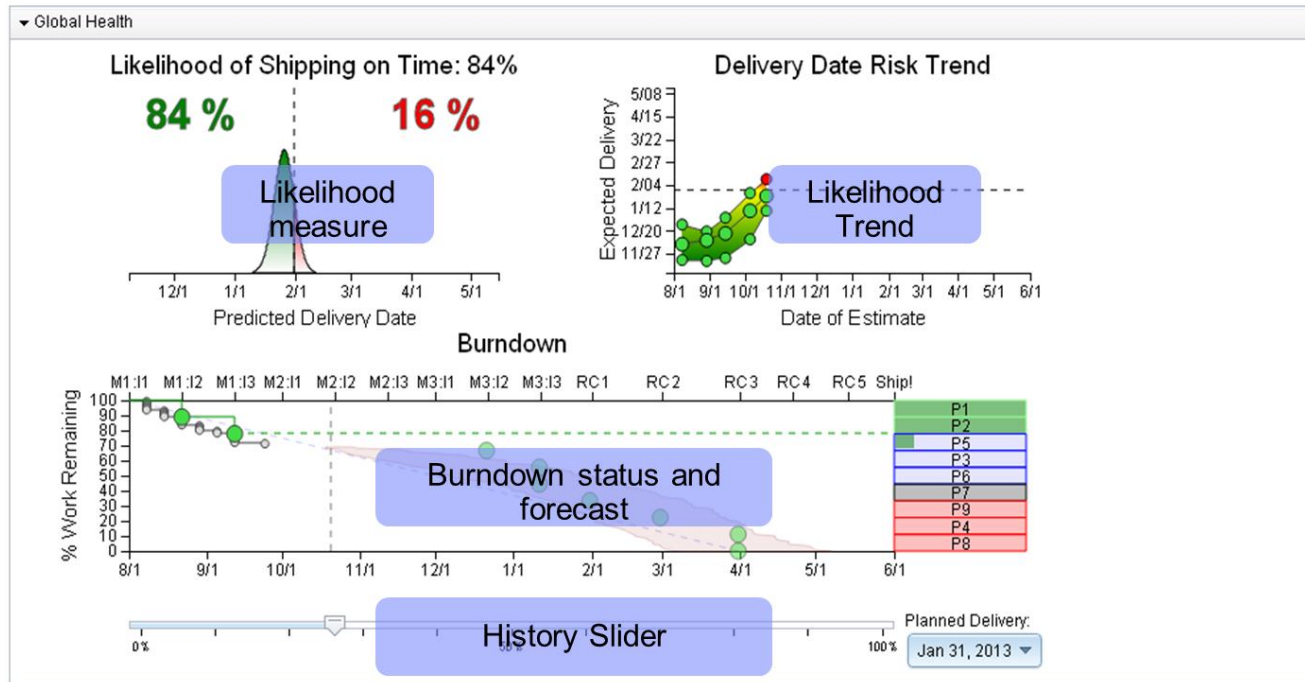
Innovation-led

# The global software supply Chain

In the beginning...	Typical Practice	Advanced Practice
<ul style="list-style-type: none"> <li>Country-based delivery</li> </ul>	<ul style="list-style-type: none"> <li>Onshore / Offshore</li> </ul>	<ul style="list-style-type: none"> <li>Networked Global Centers</li> </ul>
<ul style="list-style-type: none"> <li>Utilization based</li> </ul>	<ul style="list-style-type: none"> <li>Deliverables based</li> </ul>	<ul style="list-style-type: none"> <li>Outcome based</li> </ul>
<ul style="list-style-type: none"> <li>Limited collaboration</li> </ul>	<ul style="list-style-type: none"> <li>Core team collaboration by project</li> </ul>	<ul style="list-style-type: none"> <li>Community Collaboration across process and technology</li> </ul>
<ul style="list-style-type: none"> <li>No workflow management</li> </ul>	<ul style="list-style-type: none"> <li>Limited workflow management</li> </ul>	<ul style="list-style-type: none"> <li>Component-based workflow management</li> </ul>
<ul style="list-style-type: none"> <li>No reuse</li> </ul>	<ul style="list-style-type: none"> <li>Ad hoc reuse</li> </ul>	<ul style="list-style-type: none"> <li>Systematic reuse</li> </ul>
<ul style="list-style-type: none"> <li>Limited visibility</li> </ul>	<ul style="list-style-type: none"> <li>Visibility of standard project metrics</li> </ul>	<ul style="list-style-type: none"> <li>Pervasive transparency of all project artifacts</li> </ul>
<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>Ad hoc improvement processes</li> </ul>	<ul style="list-style-type: none"> <li>Continuous improvement with Lean</li> </ul>
<b>Technology Platform</b>		
<ul style="list-style-type: none"> <li>Standalone development and project management tools</li> </ul>	<ul style="list-style-type: none"> <li>Limited tool integration and collaboration capability</li> </ul>	<ul style="list-style-type: none"> <li>Integrated technology platform enabling real-time collaboration and AD/M automation</li> </ul>



# What management discipline is required?



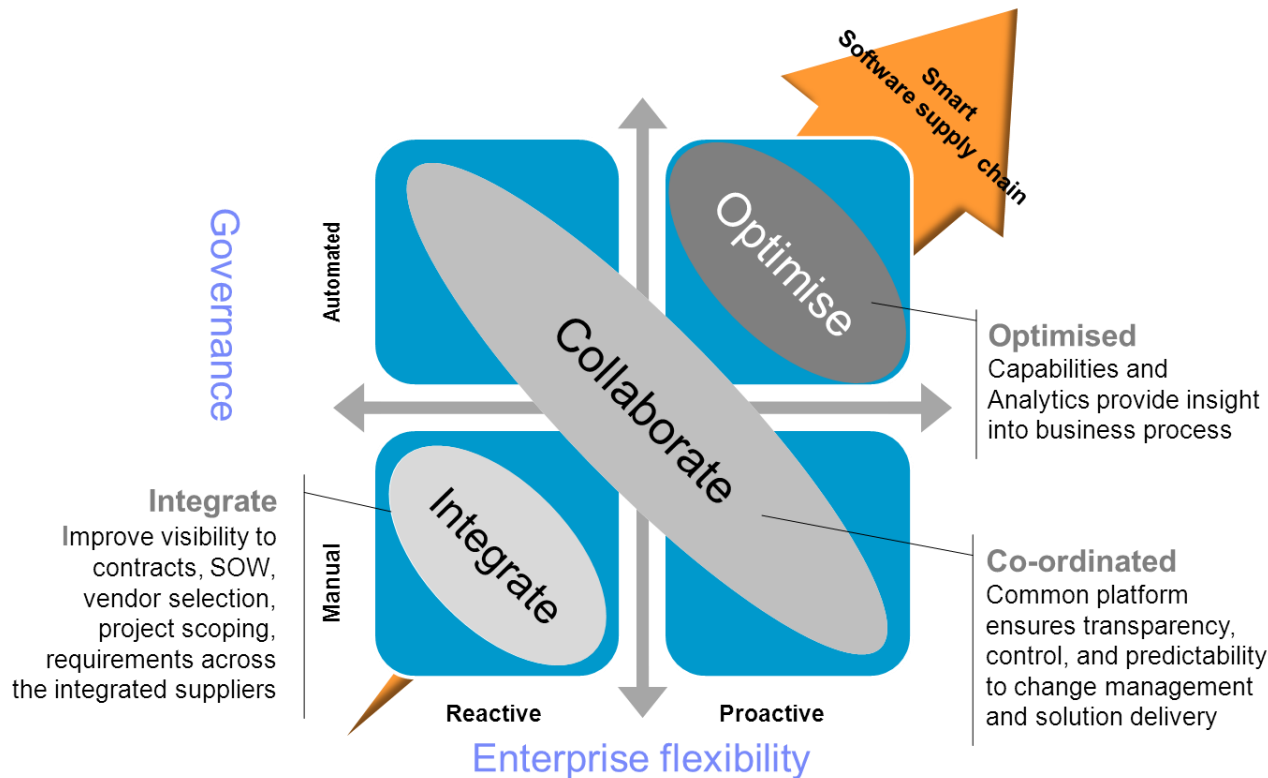
Pattern identification and diagnosis

Scope management





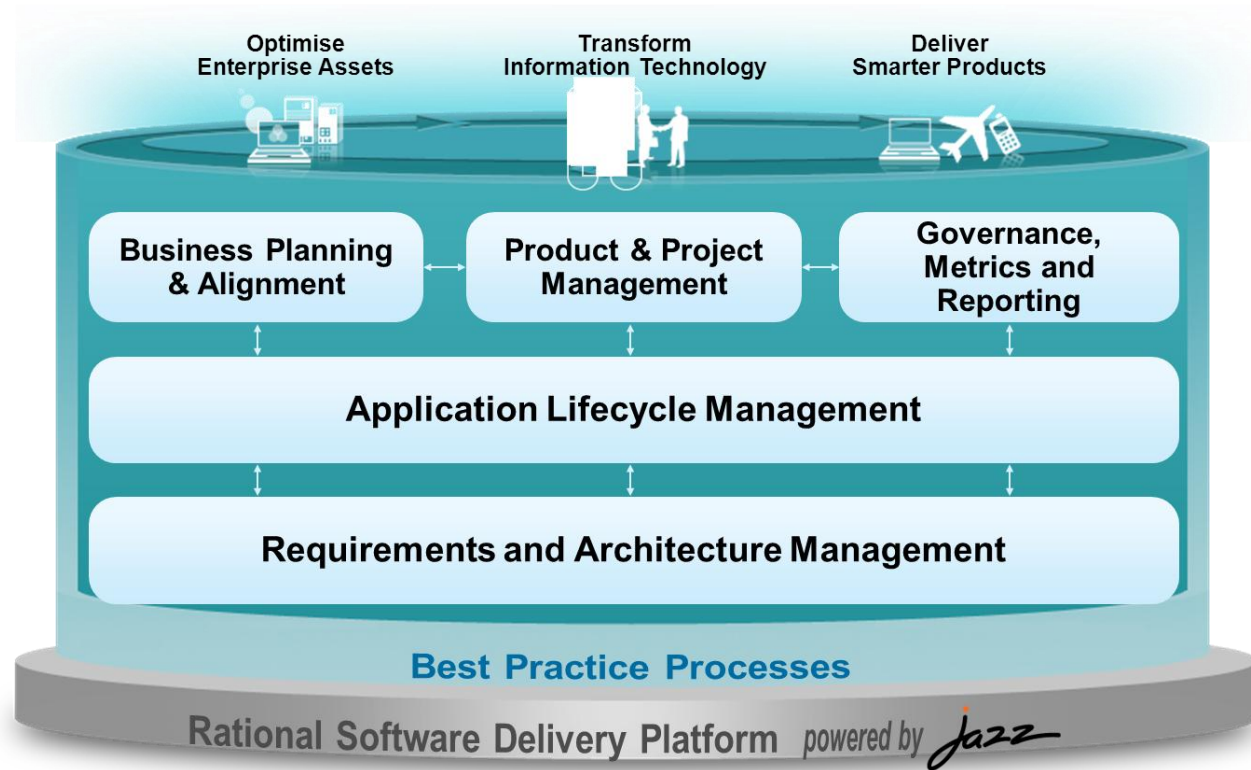
# Software supply chain opportunity: Art of the possible



Software supply chain is currently a fragmented business process just as SDLC was before ALM



# IBM Rational software and the global software supply chain



IBM and Business Partner Ecosystem

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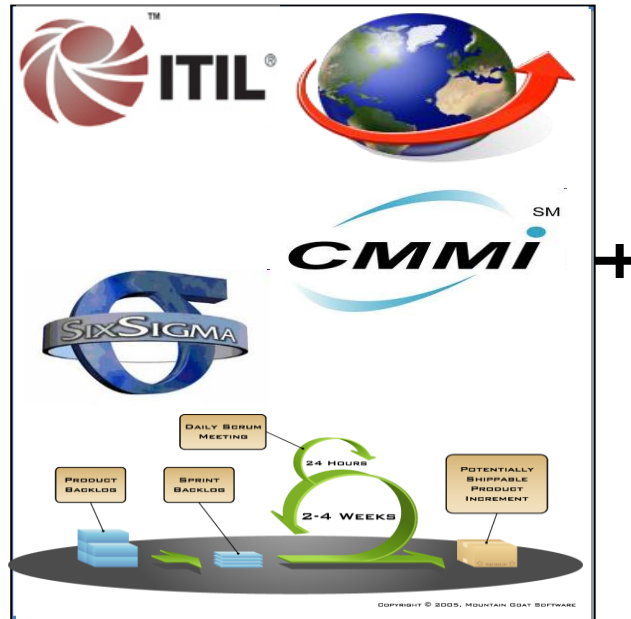
## Summary:

Focus on balancing best practice to enhance customer value, improve quality, and increase efficiency

### Speed and Innovation



### Delivery Discipline



### Management Discipline



## New capabilities from IBM to enable agility with governance



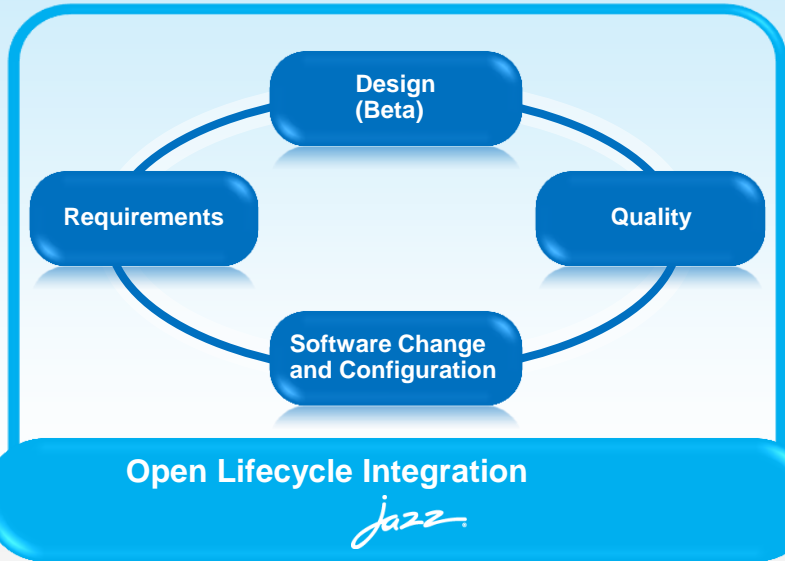
# Accelerate development with integrated Application Lifecycle Management

- Integrate software design
- Enjoy faster, easier deployments
- Upgrade your teams at their own pace
- Leverage optimised support for Mobile, SAP and IBM WebSphere Application Server

## ENHANCED

- IBM Solution for Application Lifecycle Management
  - Rational Software Architect integration through Rational Software Architect Design Manager (Beta)
  - Comprised of Rational Requirements Composer v4.0, Rational Team Concert v4.0, & Rational Quality Manager v4.0

### IBM Solution for Application Lifecycle Management



# Deliver quality at the speed your business demands with continuous integration and testing

- Simplify testing across mainframe and composite application layers
- Avoid late stage, big-bang integration issues
- Automate regression testing throughout lifecycle
- Validate system functionality, scalability and stability continuously

## NEW

- IBM Rational Test Workbench v8.0
- IBM Rational Performance Test Server v8.0
- IBM Rational Test Virtualization Server v8.0
- IBM Continuous Integration Solution for System z

## ENHANCED

- IBM Rational Development and Test Environment for System z v8.5



## Continuous Integration and Testing



*End-to-end testing capabilities across the entire lifecycle*

**Open Lifecycle Integration**

*Jazz*

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## How to Move Forward

- Act now to transform your software and systems delivery
- Start today and leverage Innovate to the maximum
- Post Innovate: Benefit from our experience!



# QUESTIONS

[www.ibm.com/software/rational](http://www.ibm.com/software/rational)





## Agenda

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# Thank You

