



IBM Rational Software Conference 2009
As Real as It Gets!



Value-Driven Development

Michael Lester
Market Manager, IBM Rational
michael.lester@us.ibm.com

Rational. software

iPPM10

Not Good News

“A quarter of projects fail to meet their budgets, and 31% are delivered late”

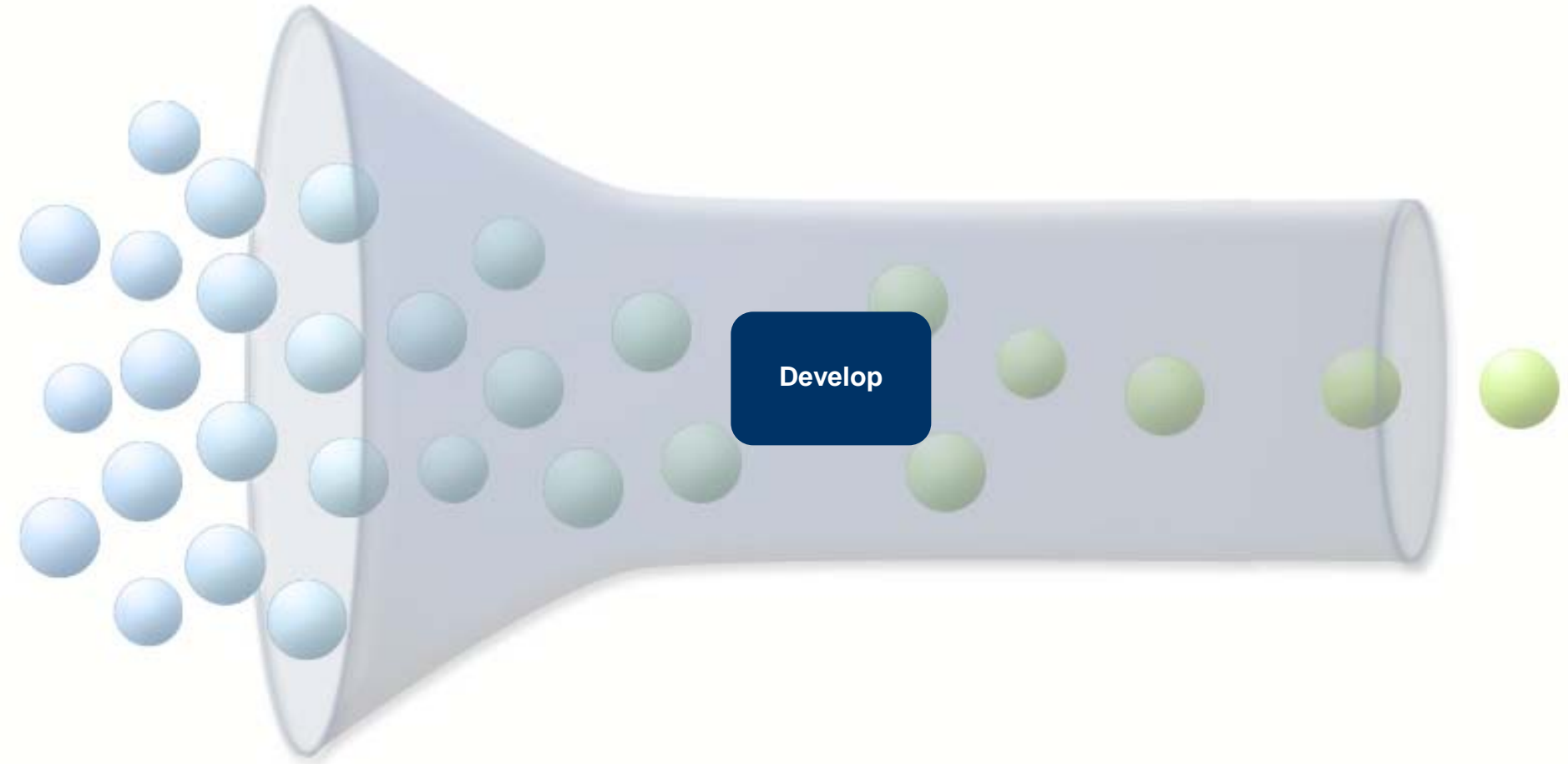
Computerworld UK – May 2008

“Less than 5% of project deliver the trifecta of on-time, on-budget and delivery of planned scope”

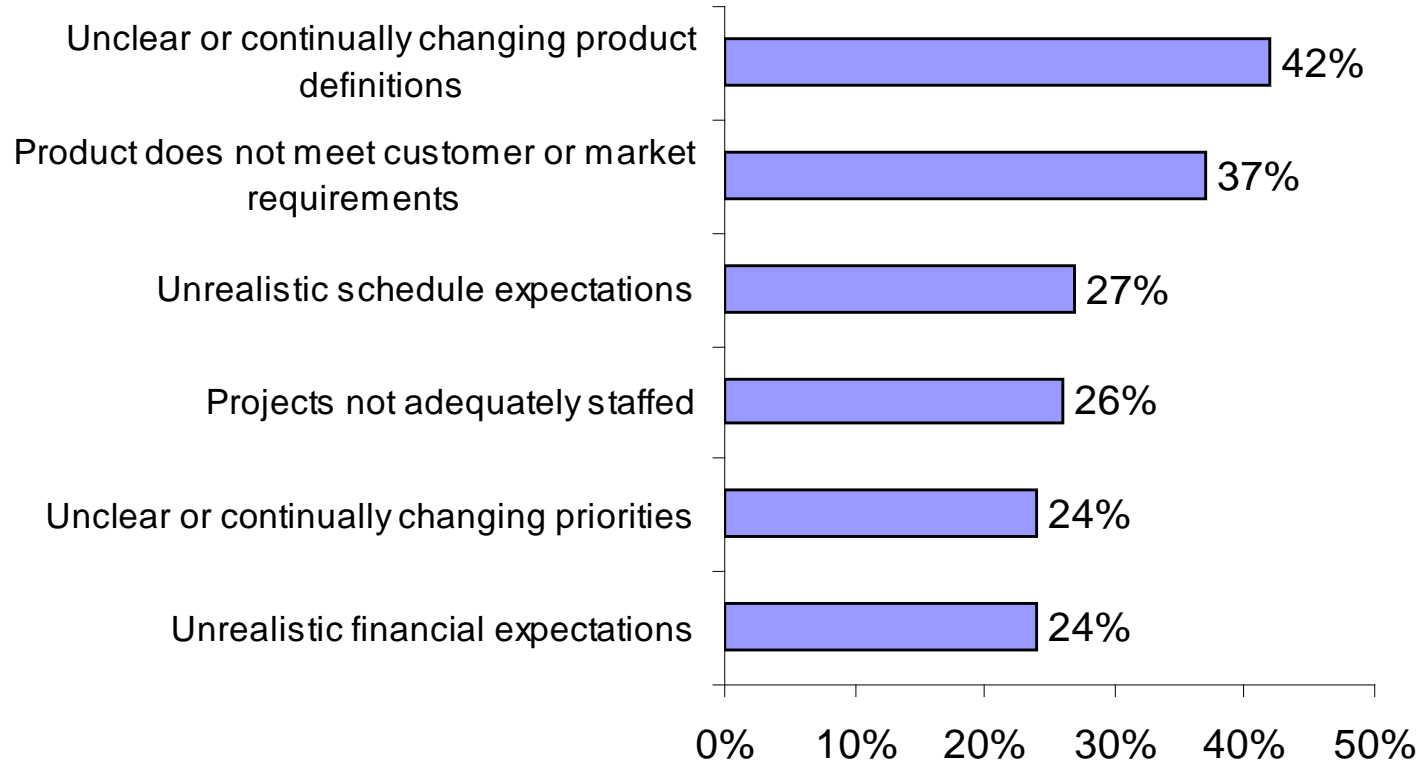
CIO Magazine
– Jan 2008



Product Development - The Simple Theory



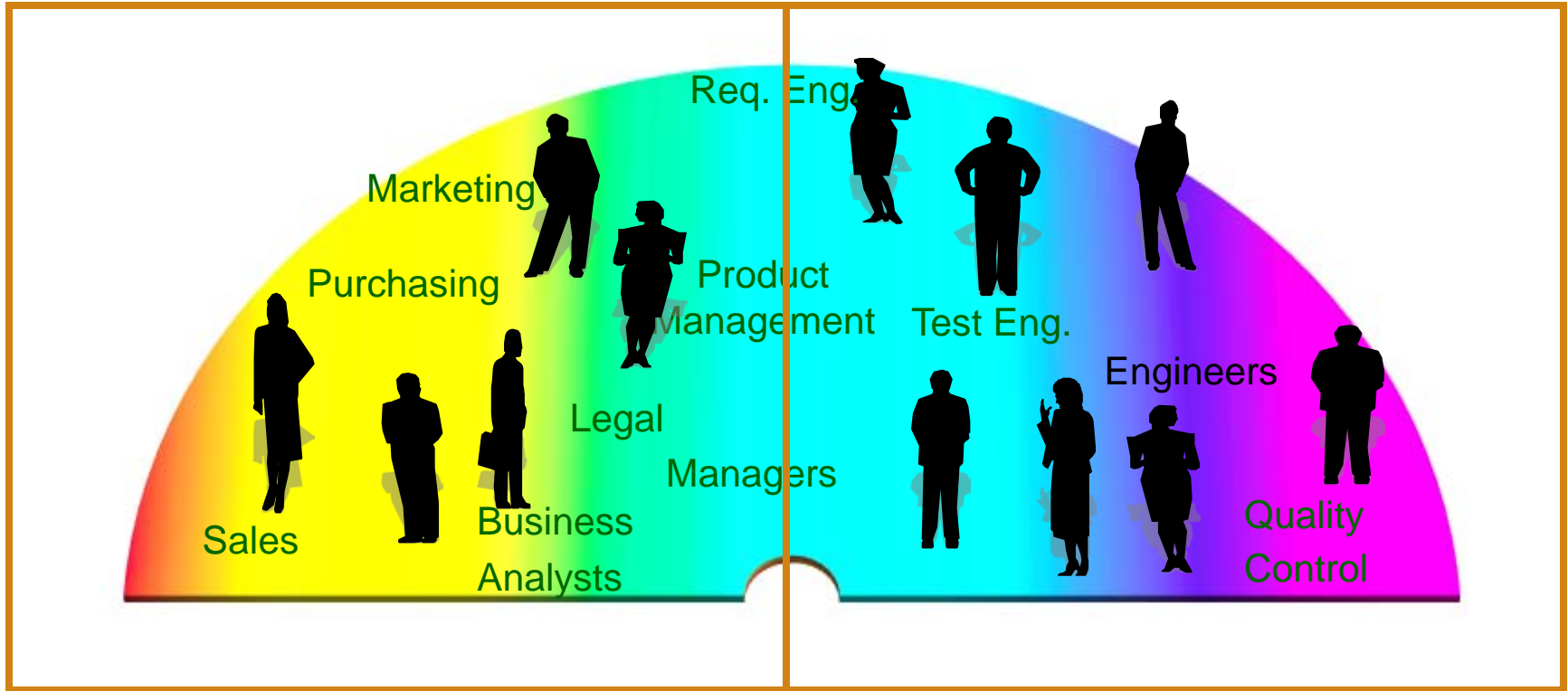
Why do products fail?



Source: [AberdeenGroup](#), August 2006

Most products fail due to self-inflicted problems

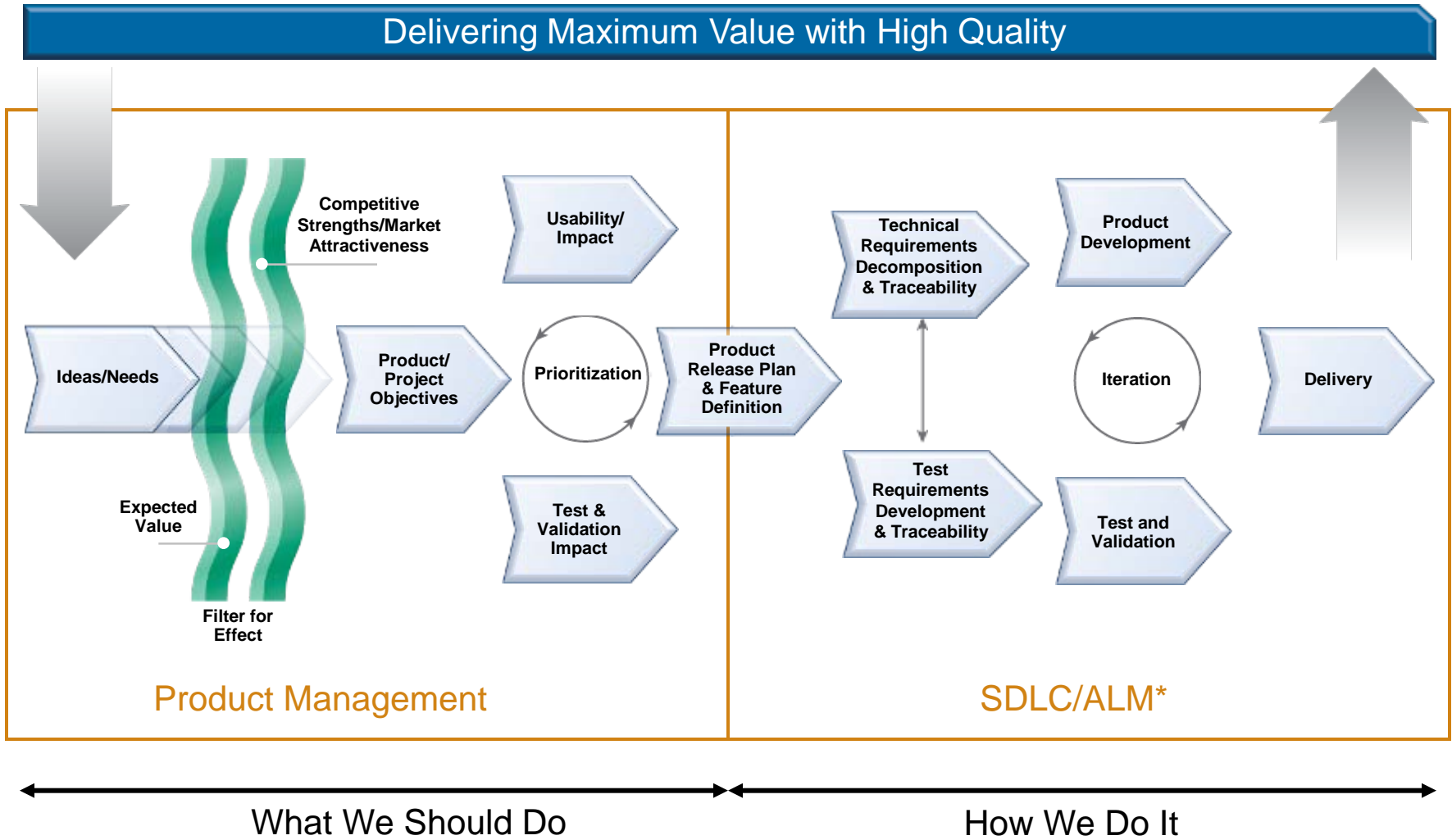
Who We Are Determines Our Needs



What we should do

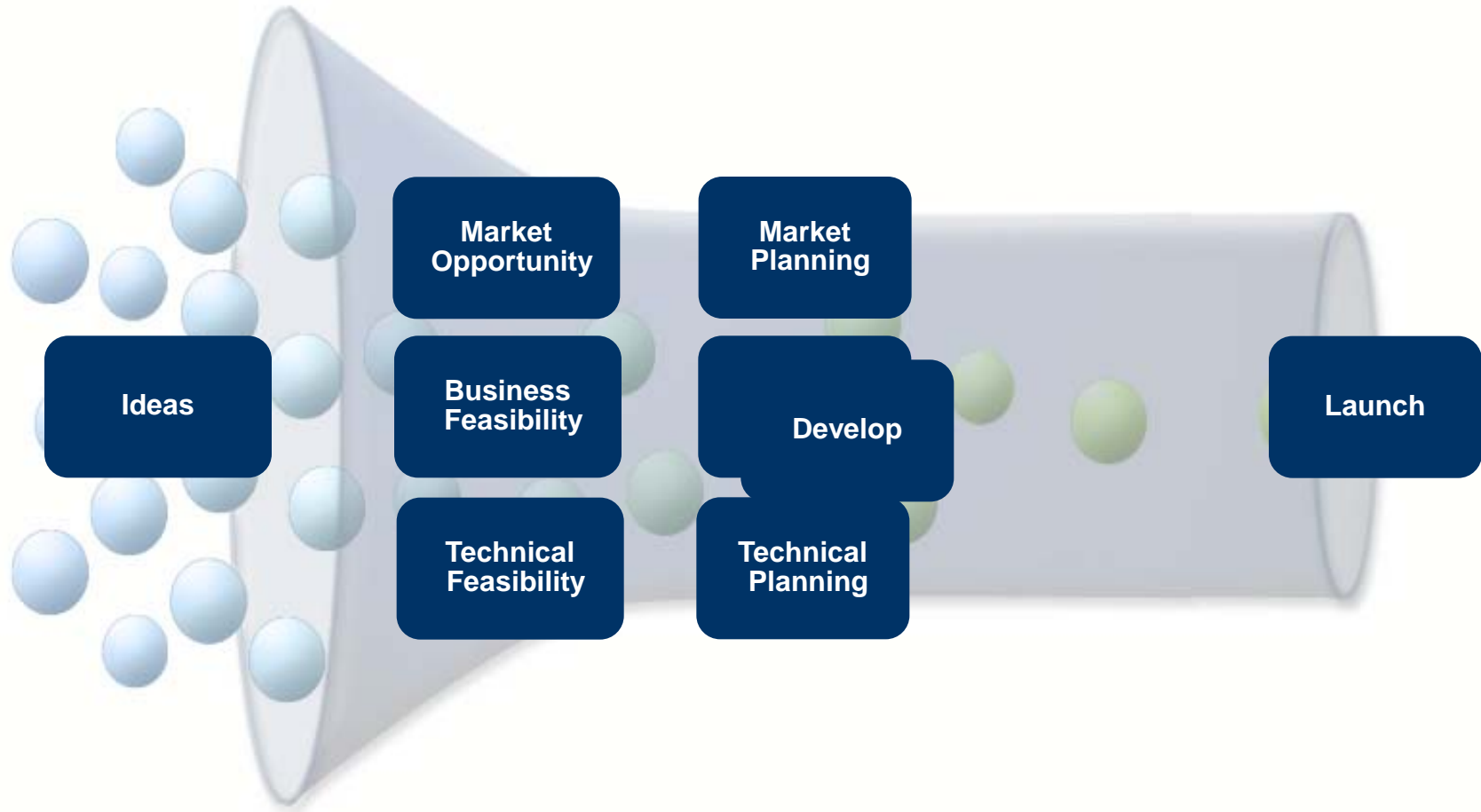
How we should do it

Business/Development Alignment

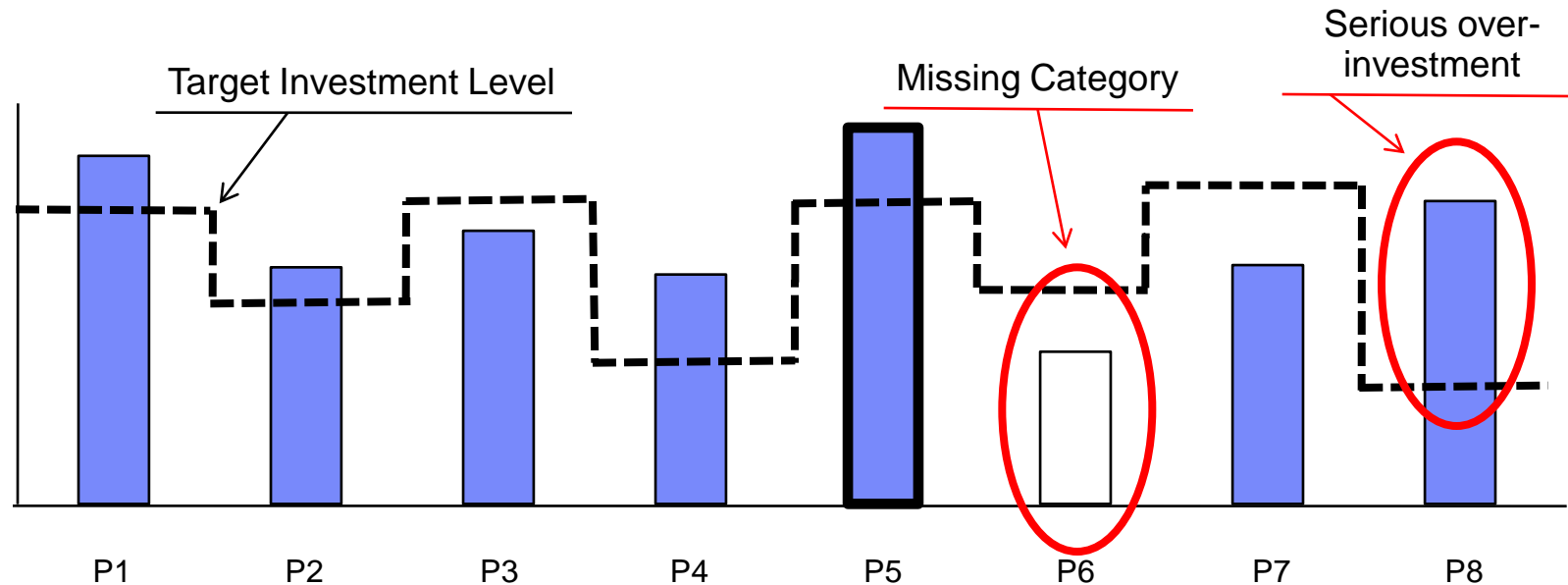


*SDLC/ALM: System/Software Development Life Cycle/Application Lifecycle Management

Value-Driven Development

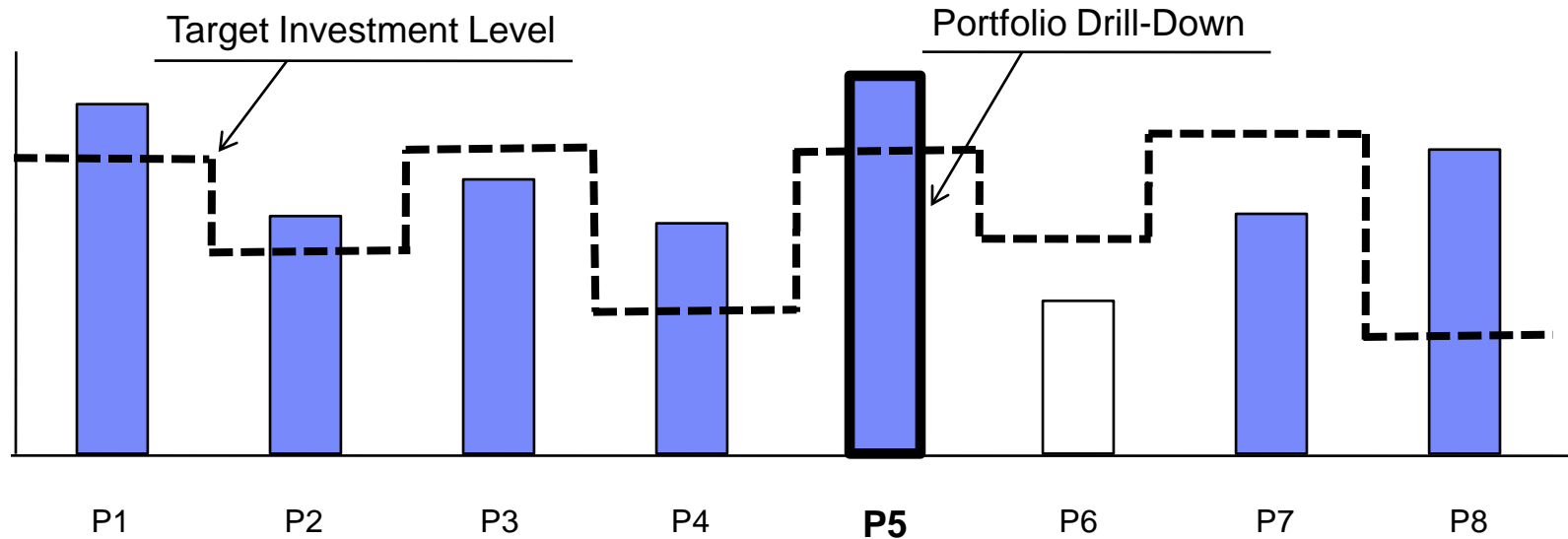


Managing Across the Portfolio

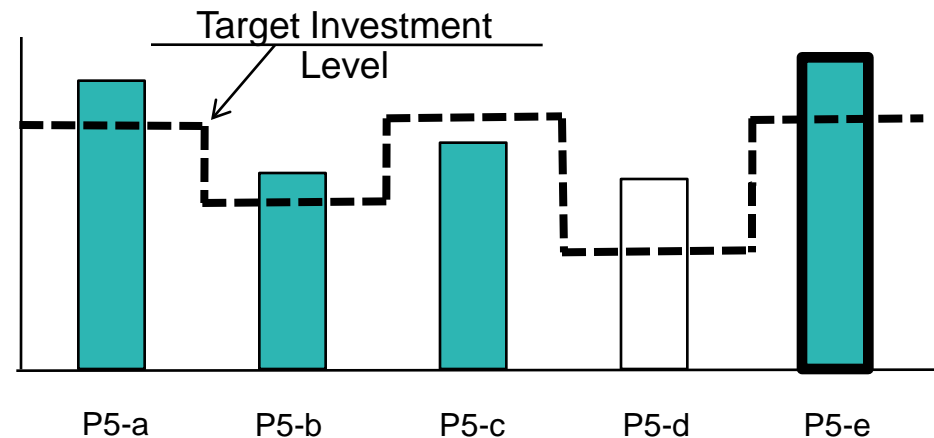


- Achieve balanced investment across the portfolio
- Assure that the portfolio covers the marketscape → note missing category
- Target investment level for each portfolio element is a function of:
 - ▶ Strategic alignment
 - ▶ Customer and market demand, competitive positioning
 - ▶ Investment, returns, ROI, etc.

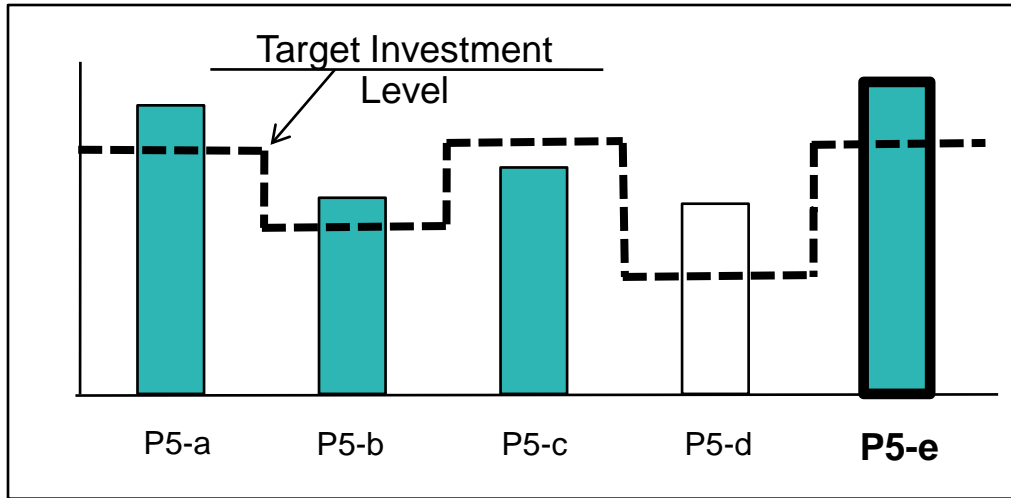
Drill Down into Product Line Sub-Portfolio



Drill down into product line P5, and consider investment into the individual products/offerings that comprise the product line and again balance investment against similar drivers.



Drill Down into Specific Product Features/Requirements

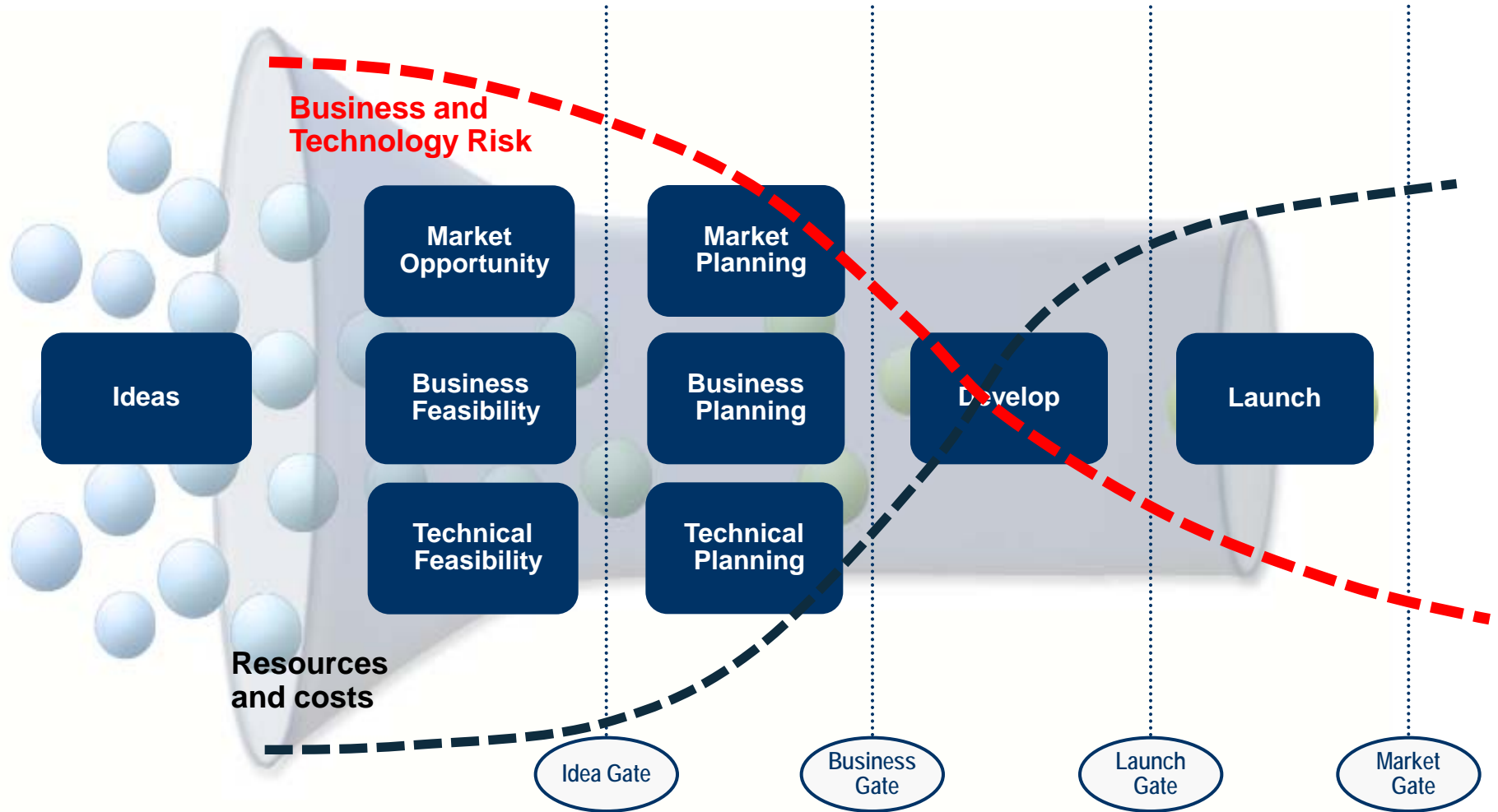


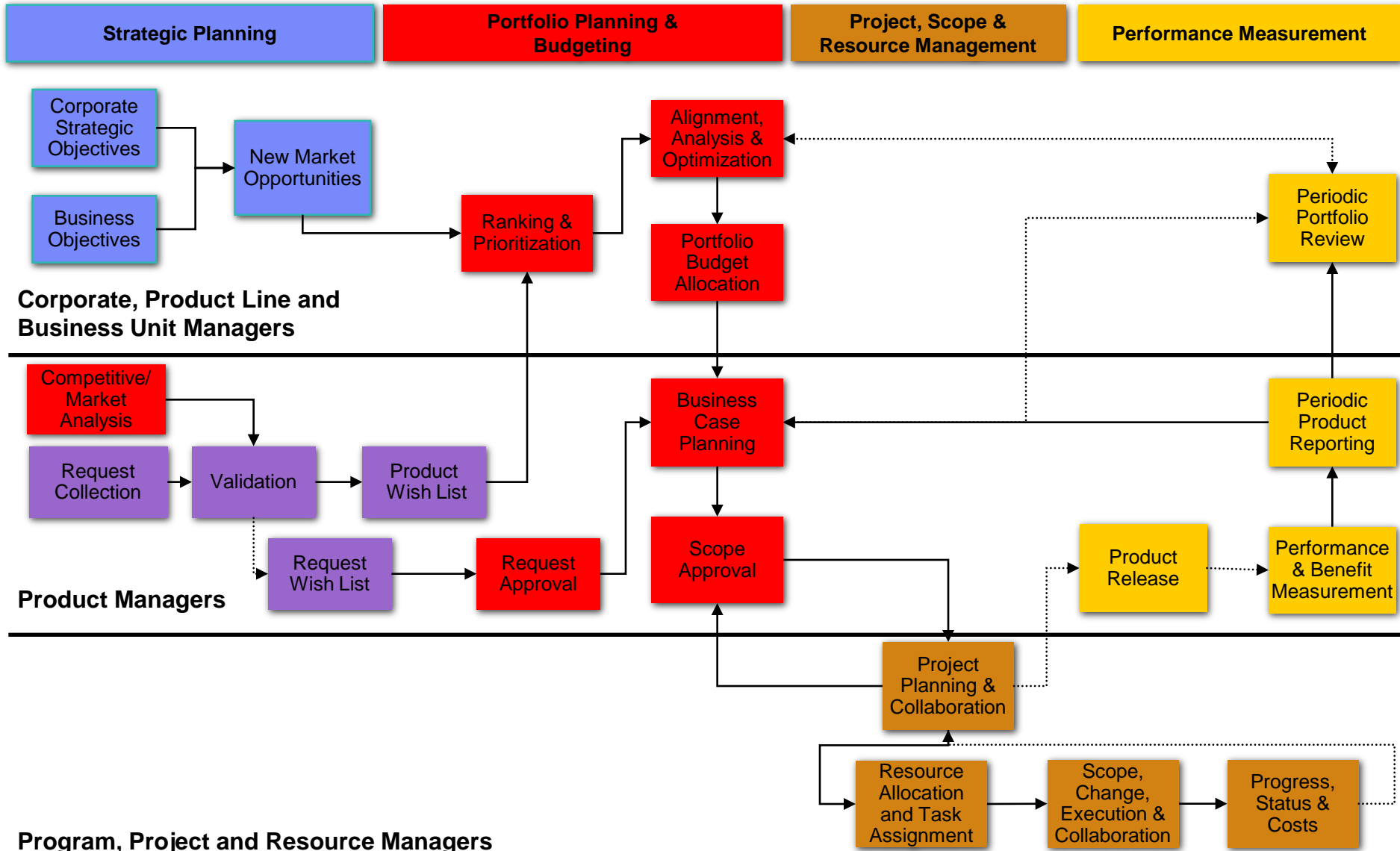
Drill down into Product P5-e and prioritize features and requirements within products, again applying business drivers.

RESULT:
 Consistent process that scales from portfolio, to product line, to product, to product features

The screenshot shows a software tool interface for managing requirements. On the left is a sidebar with navigation options: User Reqs Customer, Customer Value-Exec, Customer Value-MiR, Customer Value-Econ, Gizmo Customer Valu, Non-Gizmo Customer, User Req Cost/Benefit, User Req Cost/Categ, Plan, Reports, Configure, Members, Information, and Advanced. The main area displays a hierarchical tree of requirements for Product P5-e, categorized into 'Executive Class - Benefit' and 'Economy Class - Benefit'. Requirements include items like 'Text messaging support', 'Voice mails as e-mails', 'Increase Battery Life, Talk Time to 10 Hours', 'Close up feature', 'Wireless download of pictures', 'Smoother corners', 'BeClip', 'Ergonomic design', 'Wireless keyboard access', 'Increase Battery Life, Standby Time to >= 100 hours', '3-way conferencing', 'Configure to display high priority emails on top', 'Add USB port', 'Internet access support', 'Add up to 6 preset radio stations', 'Voice activated volume control', 'Weight Less Than 2 oz', 'AM Radio', 'Polarizing filter option to lense', 'Increase Internal RAM to 512 KB', 'Undo', and 'Reduce menu selections by 50%'. A legend on the right explains the color coding: green for 100% (286600), orange for 100% (2015511), yellow for 100% (5673465), and light green for 100% (1664314). It also notes that triangles indicate the total score (Positive - Negative).

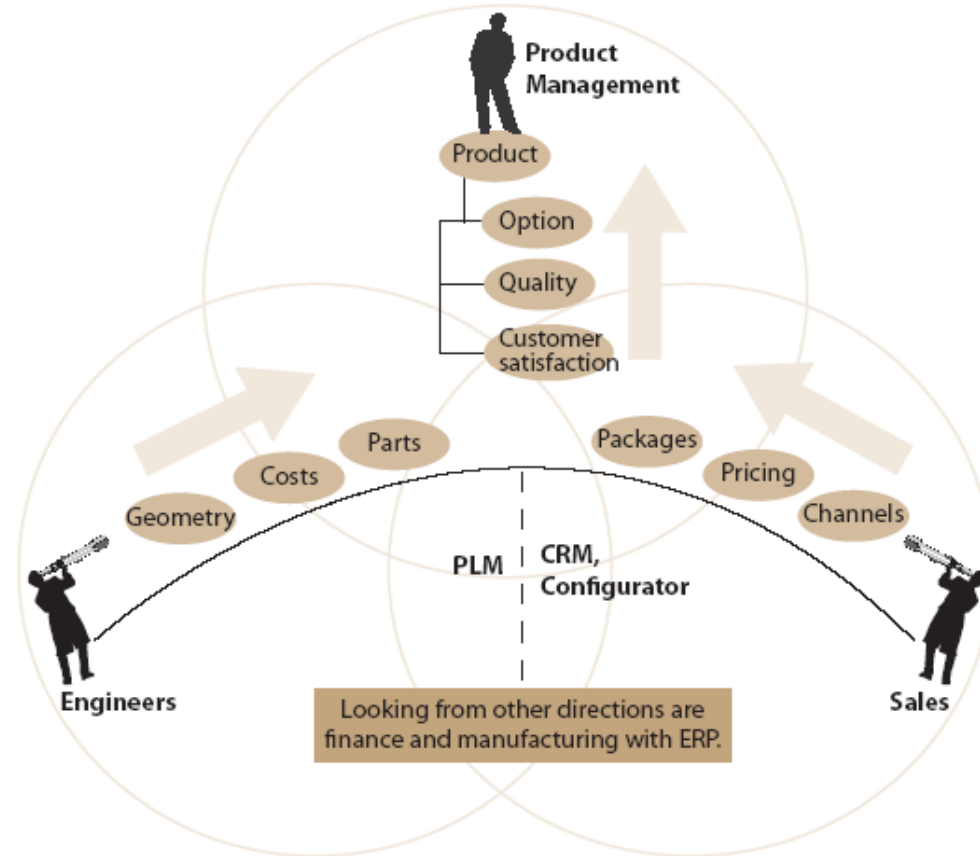
Value-Driven Development





Program, Project and Resource Managers

Why Are Product Managers Critical?



Source: AMR Research, 2007

“Yet we’ve found from our research that this person (product manager) is largely disconnected from the product development process.”

Summary

- Product Failures are self-inflicted
- Connecting Decisions from Product Line → Product → Project improve the quality of projects and products
- Collect all ideas and evaluate the same
- Review and analyze for business, technical and market feasibility
- Connect product management
- Focus decision-making on creating/preserving value



QUESTIONS

Thank You

© Copyright IBM Corporation 2009. All rights reserved. The information contained in these materials is provided for informational purposes only, and is provided AS IS without warranty of any kind, express or implied. IBM shall not be responsible for any damages arising out of the use of, or otherwise related to, these materials. Nothing contained in these materials is intended to, nor shall have the effect of, creating any warranties or representations from IBM or its suppliers or licensors, or altering the terms and conditions of the applicable license agreement governing the use of IBM software. References in these materials to IBM products, programs, or services do not imply that they will be available in all countries in which IBM operates. Product release dates and/or capabilities referenced in these materials may change at any time at IBM's sole discretion based on market opportunities or other factors, and are not intended to be a commitment to future product or feature availability in any way. IBM, the IBM logo, Rational, the Rational logo, Telelogic, the Telelogic logo, and other IBM products and services are trademarks of the International Business Machines Corporation, in the United States, other countries or both. Other company, product, or service names may be trademarks or service marks of others.