Work Smarter, not harder with Rational Enterprise Architecture and Portfolio Management Software

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21 September 2010

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The *Smarter Planet* Initiative…

Every human being, company, organization, city, nation, natural system, and man-made system is becoming

interconnected, instrumented and intelligent.

This is leading to new savings and efficiency - but more important, new possibilities for progress.

Drive for more effectiveness

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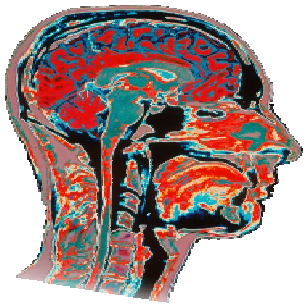
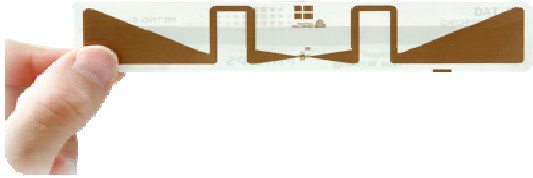
The World's Infrastructure is increasingly filled with smart assets

Everything is digitizing**...**

Boundaries between IT and operational assets are disappearing**...**

The world's infrastructure **needs managing…**

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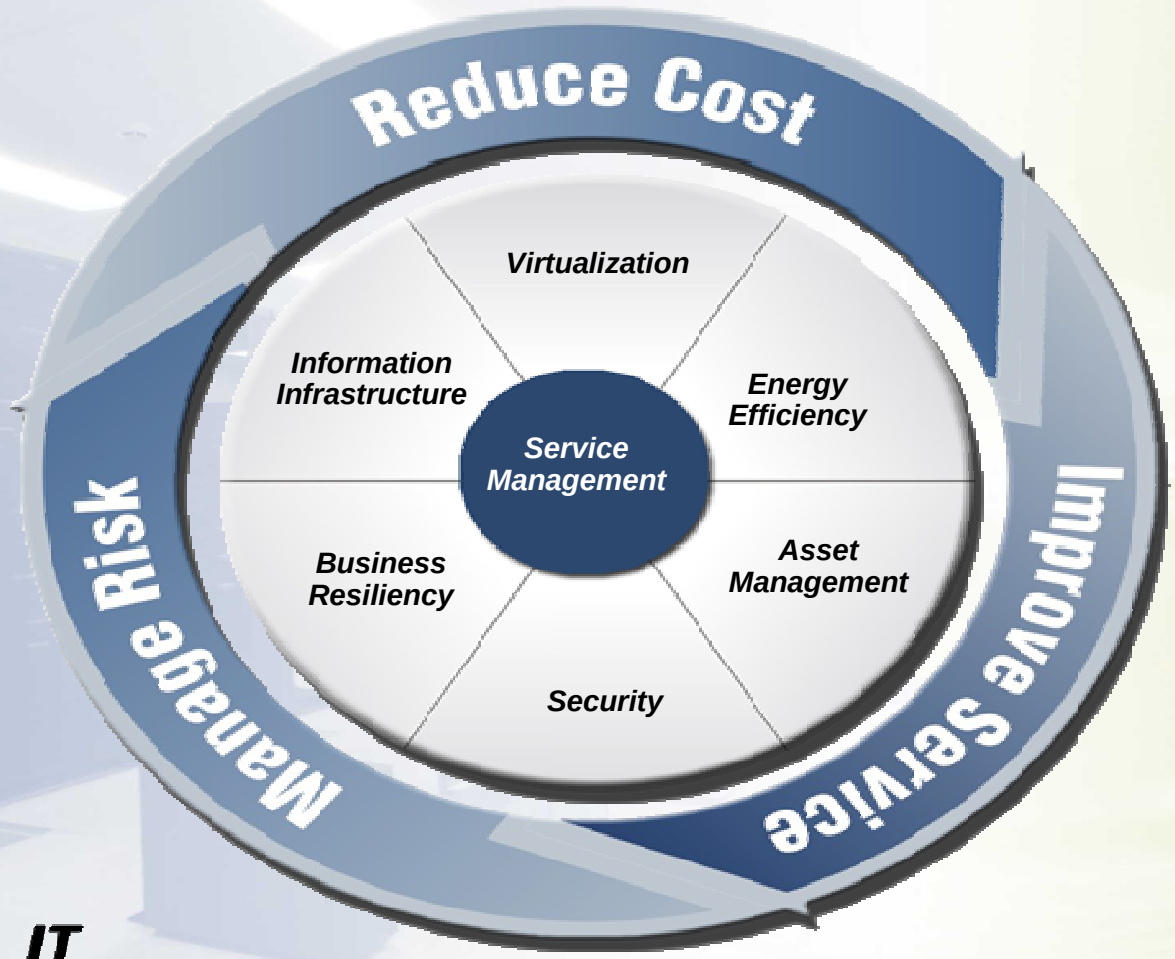
Companies forced to revisit how they manage their infrastructure



- **Three client imperatives:**
  - ✓ Improve Service
  - ✓ Manage Risk
  - ✓ Reduce Cost
- **Seven primary initiatives:**
  - ✓ Service Management
  - ✓ Virtualization
  - ✓ Energy efficiency
  - ✓ Asset Management
  - ✓ Security
  - ✓ Business Resiliency
  - ✓ Information Infrastructure

IT Infrastructure

Dynamic Infrastructure!

Business Infrastructure

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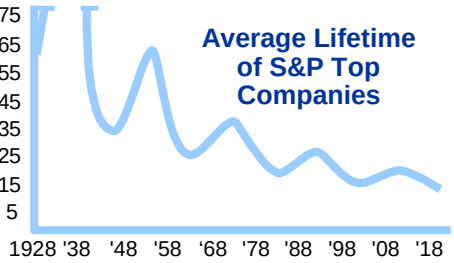
…and at the same time…

The landscape facing business leaders means “we need to innovate with less”

Enable Innovation & Change



Increased competitive & economic pressures to deliver differentiation and move quickly

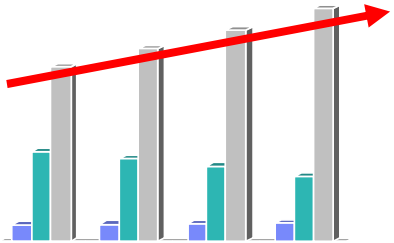
What the business wants to do!

Lower Cost & Risk

Globalization and regulatory oversight driving improved efficiencies, security & compliance management

What the business must do!

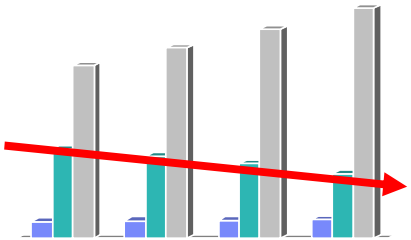
Rising Cost of Operations



Operational & maintenance costs continue to grow

The cost of failed projects & rework compounds the problem

Inability to Innovate



Budgets are shrinking at a time when investment is needed in strategic business assets

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What Enterprise Architecture does to help

- **Translating business vision and strategy into effective enterprise change.**
- **Identify the processes, people, data, locations, applications and technology dependencies**
- **Provide quick, easy access to good information (to the right person at the right time)**

Improving effectiveness and efficiency:

Doing the right thing!
Doing the thing right!

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Strengthen with Decision Support and Portfolio Management

Enterprise architecture is a dynamic map of the organization – Connecting business and IT in one view

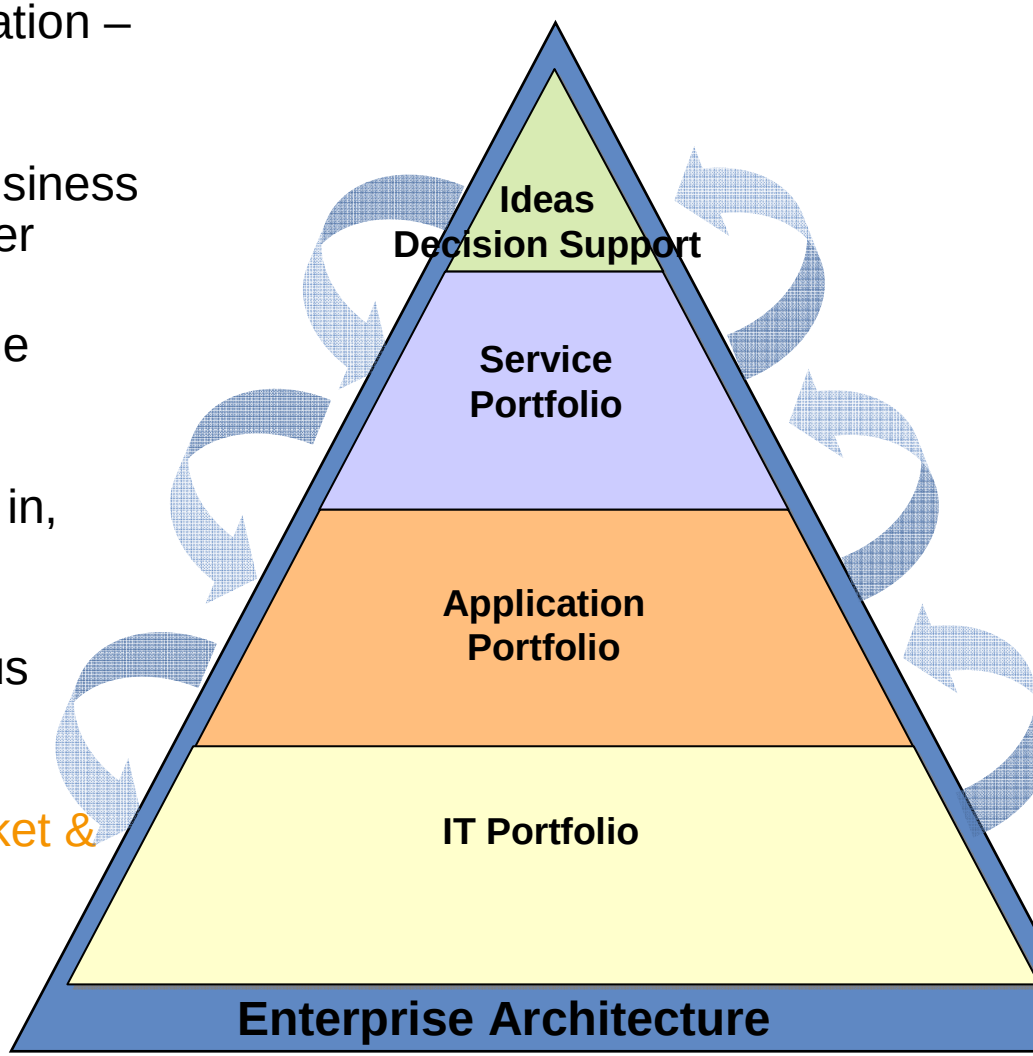
Proposed, and in-flight capabilities that will drive new business value must be weighed and measured against each-other

Service portfolios – balance business capabilities that the organization uses to operate

Application Portfolios - balanced decisions on investing in, replacing or retiring applications

IT Portfolio – e.g. balancing spend on applications versus services

dentify what projects to run and bring organizational, market & product decisions into focus for strategic alignment



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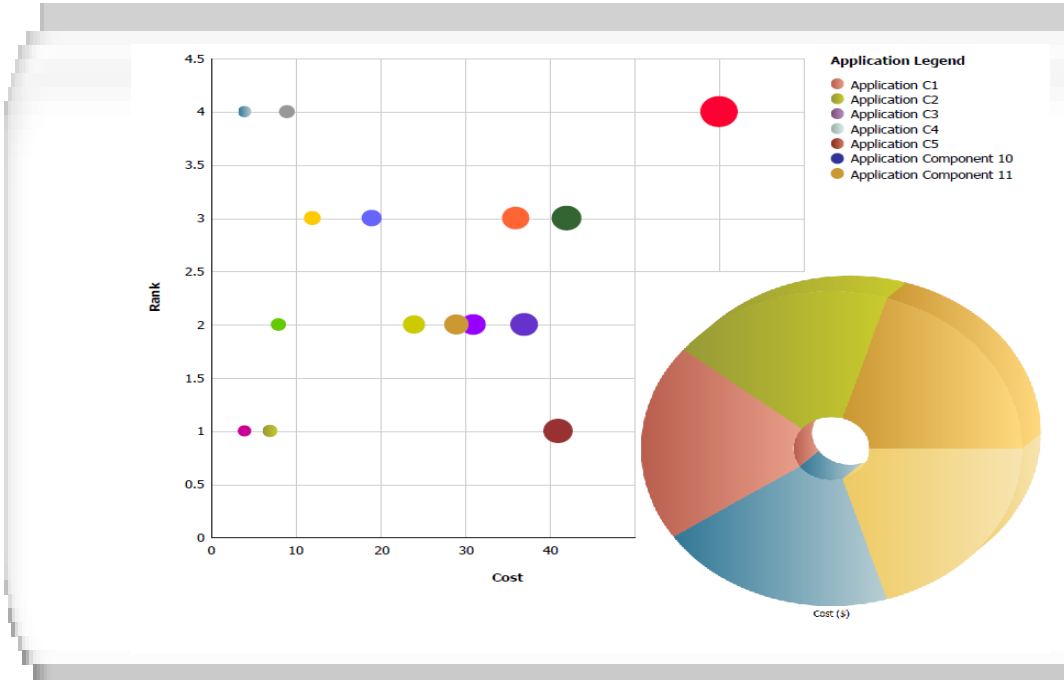
For Example: What do you know about your critical applications?

How do your key applications create business value?

Do your applications support your operational processes?

Which critical applications are currently at risk?

Are they REALLY critical?



"for every $1 of discretionary spending (i.e., new projects and major enhancements), up to $5 is spent on support, maintenance and infrastructure during the life of an application"
Gartner Group

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How does IBM Rational Software support this?

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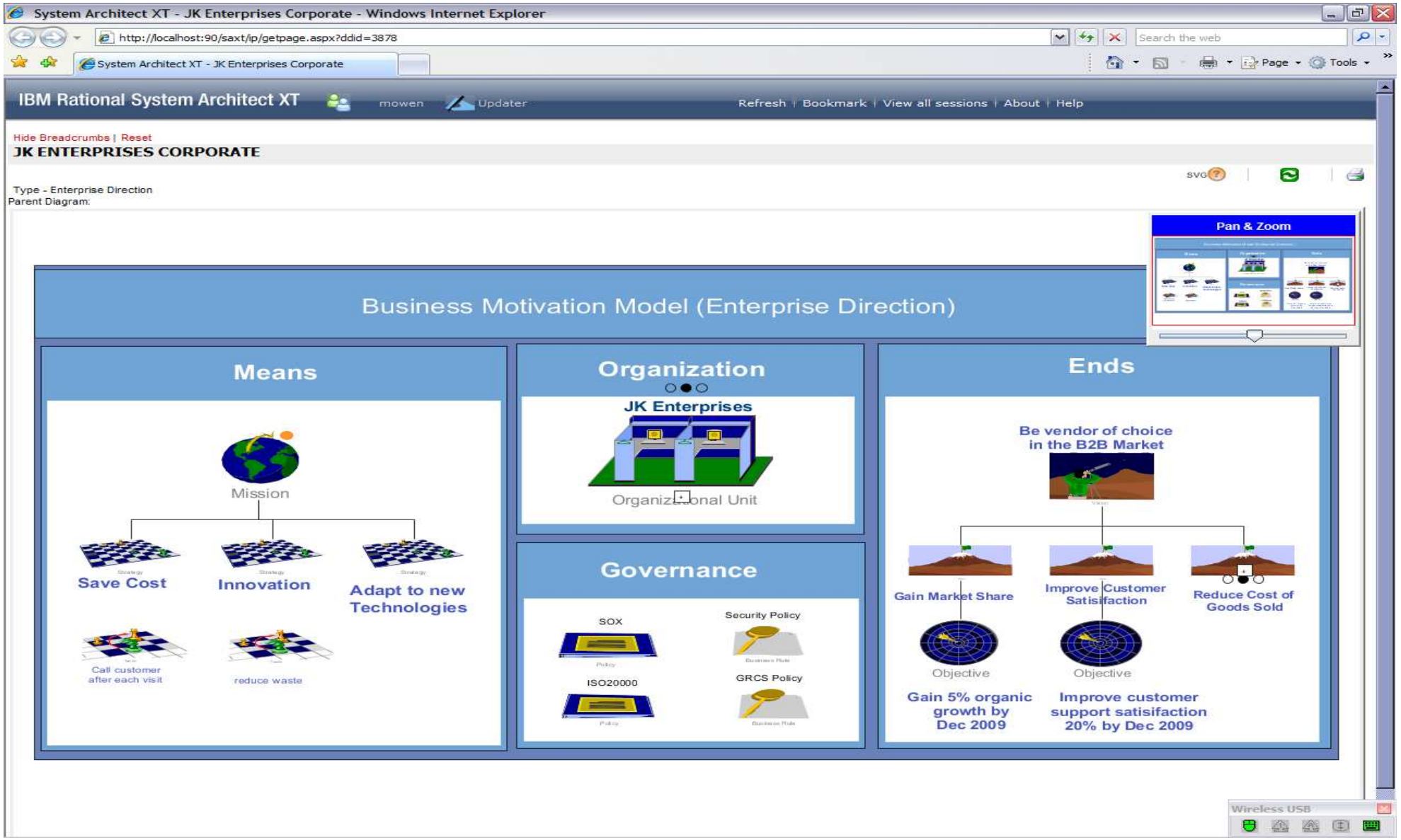
Define strategy & vision: Enterprise Direction



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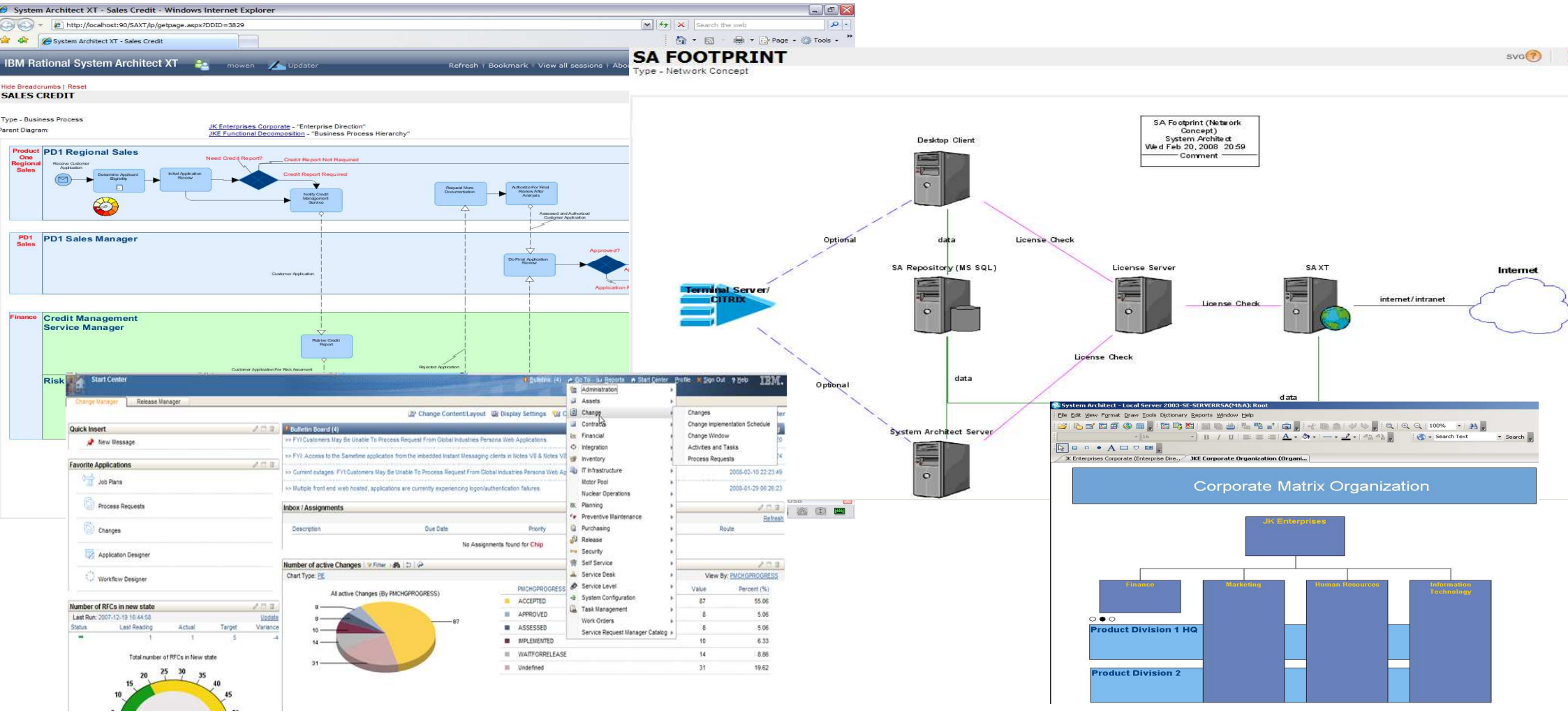
Capture Current State



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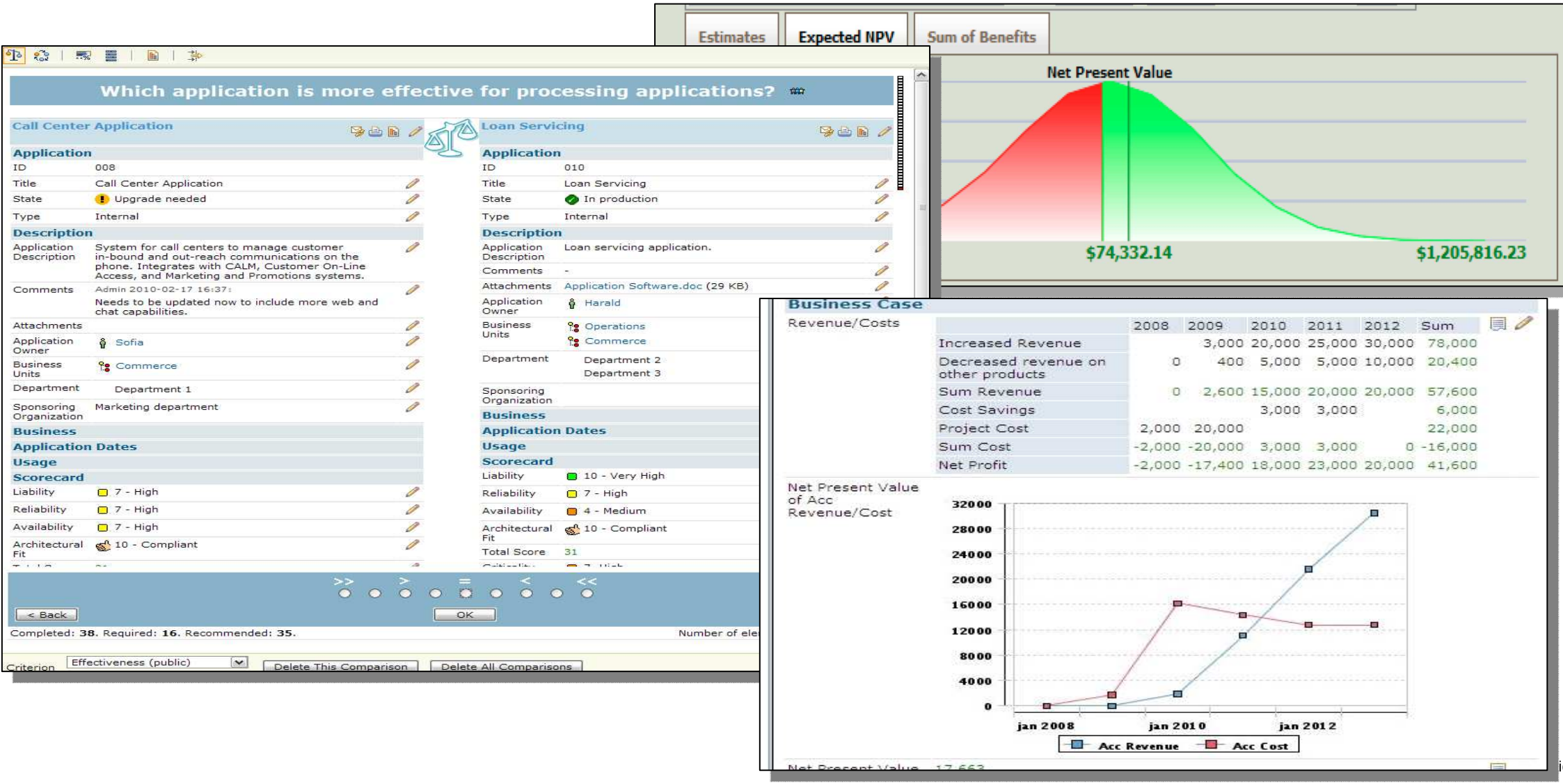
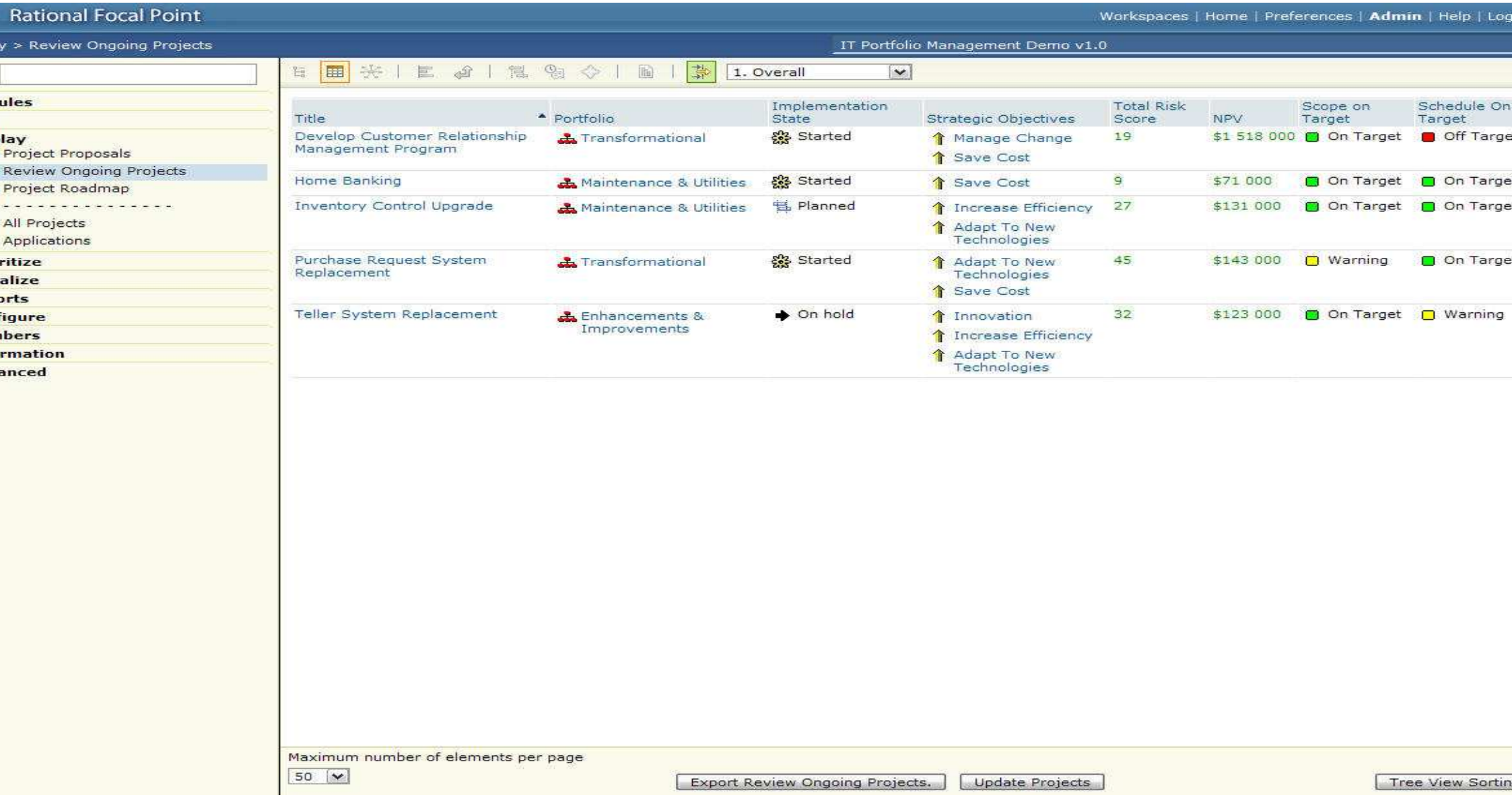
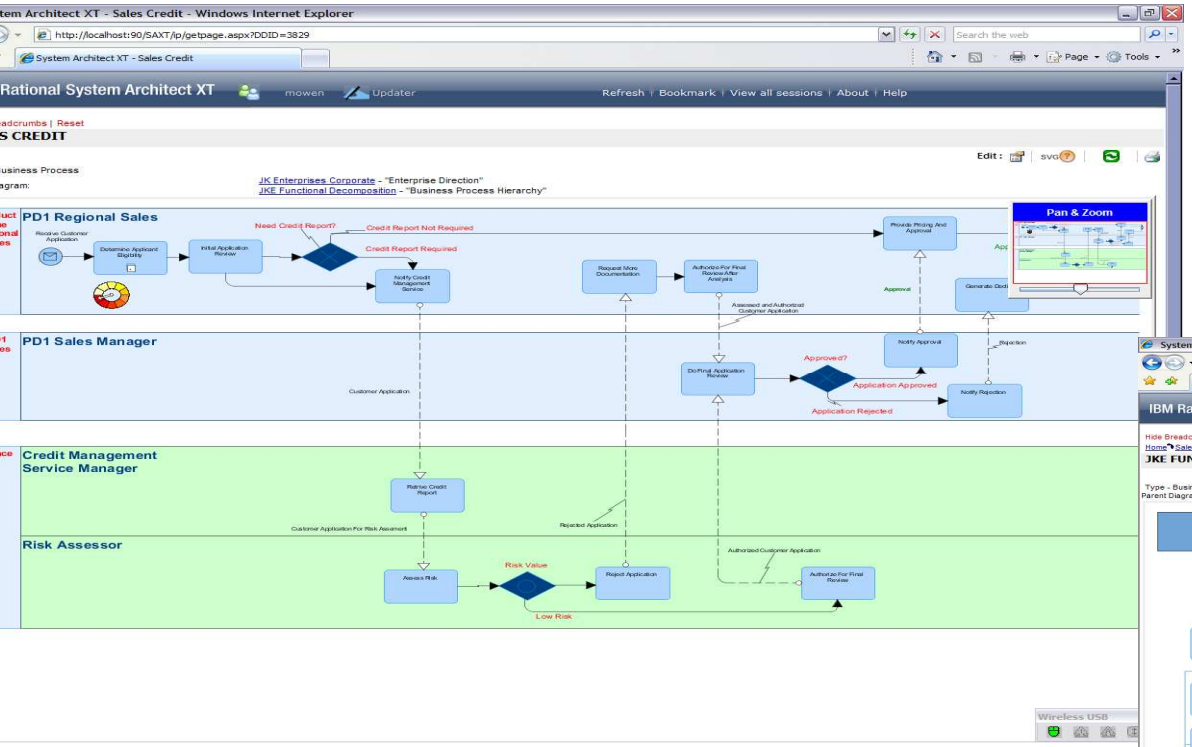
Collect and analyze stakeholder & financial priorities

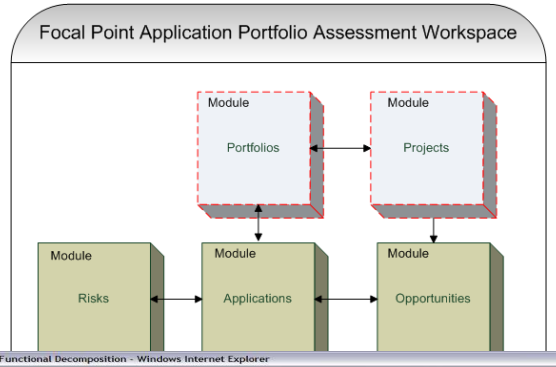


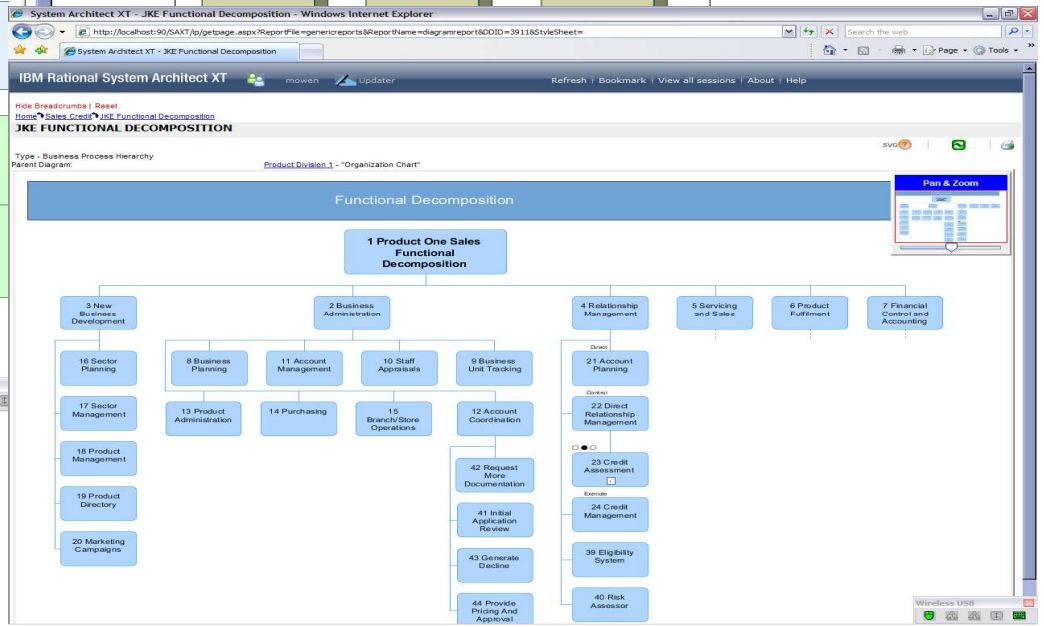
Report on idea, portfolio, project and process status



Define Future state







Optimize around an integrated view of people, process and technology

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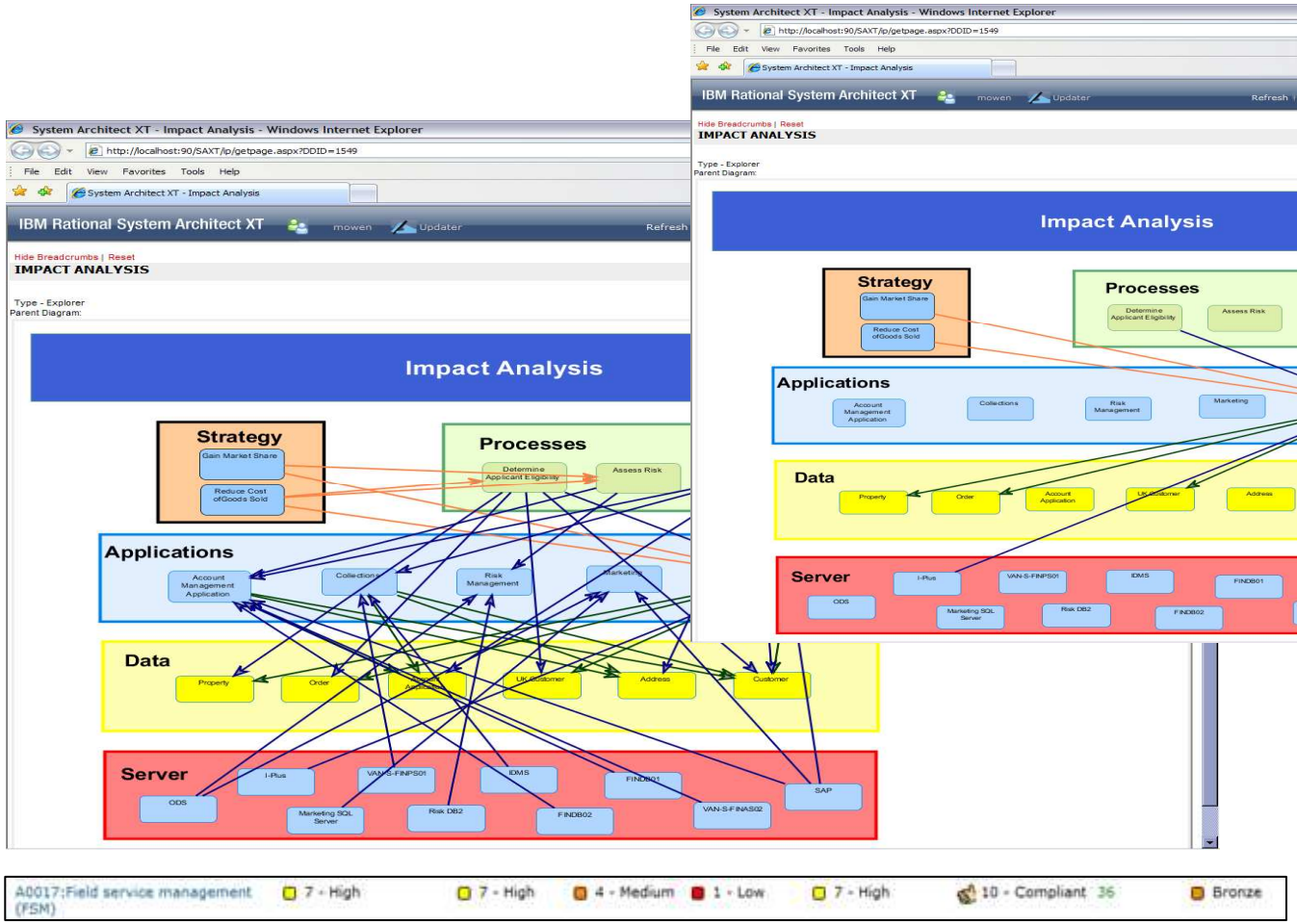
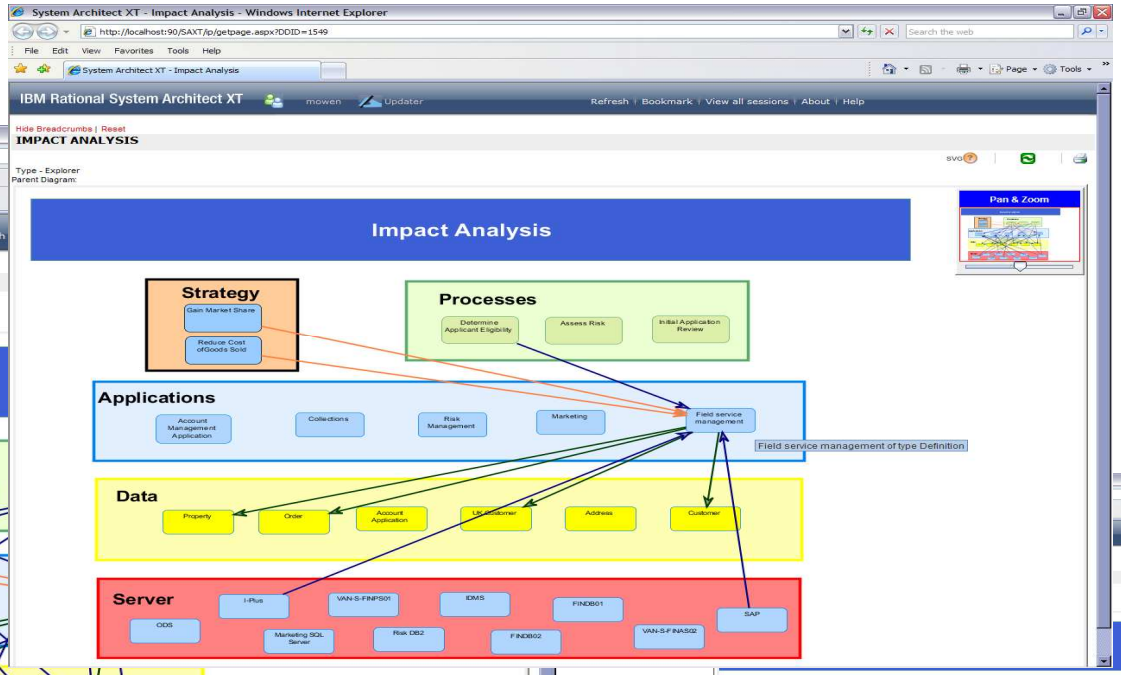
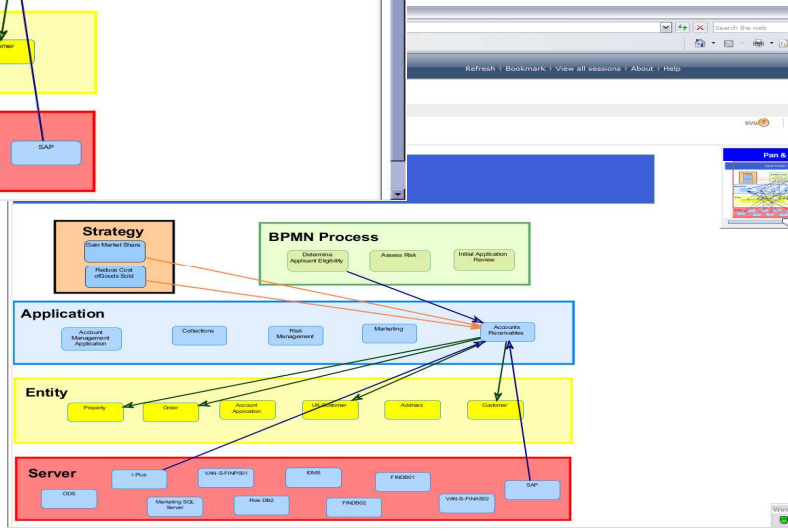
Compare to current state, perform impact and gap analysis







Analyze multiple scenarios to define best options for cost and risk

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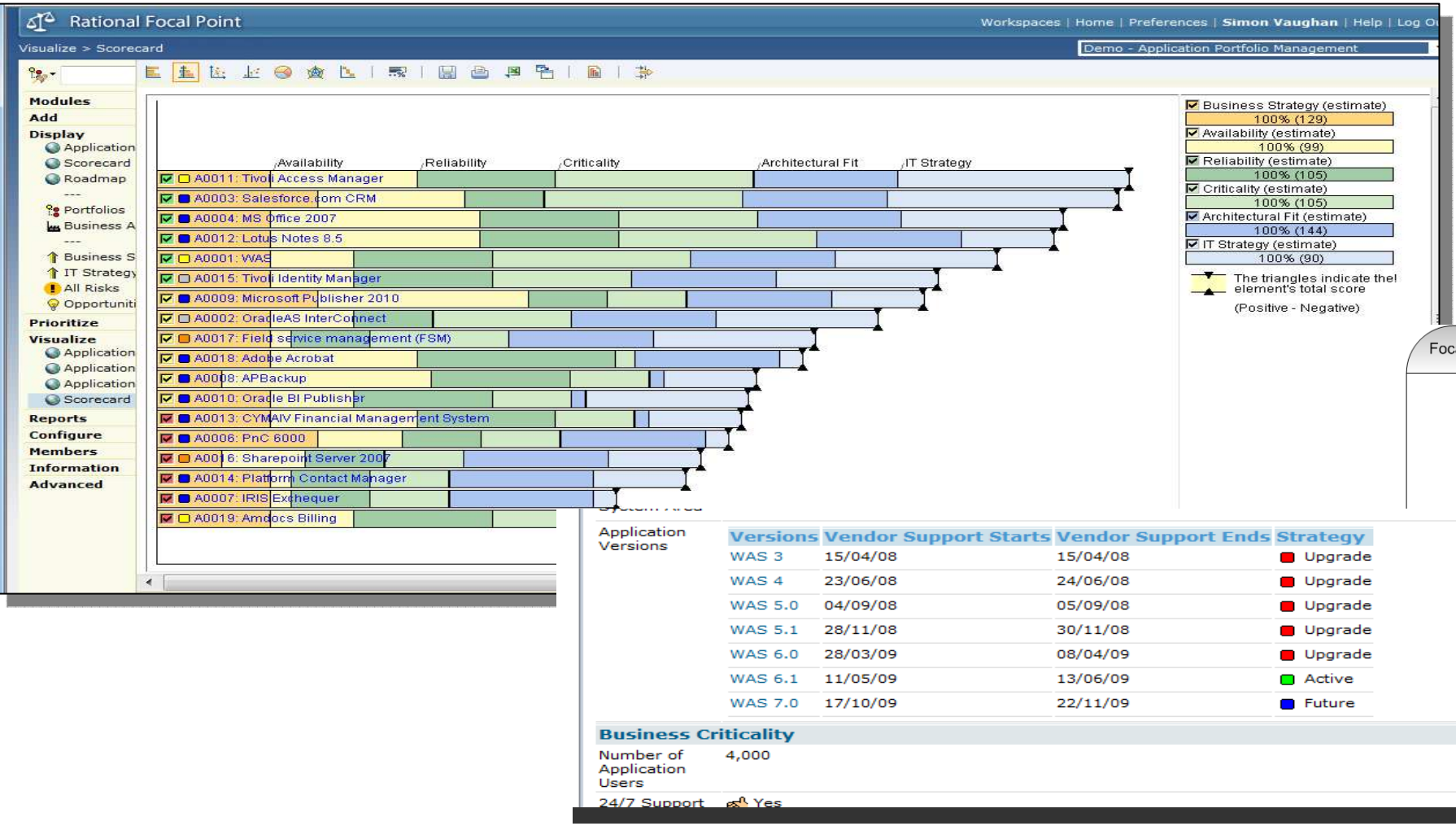
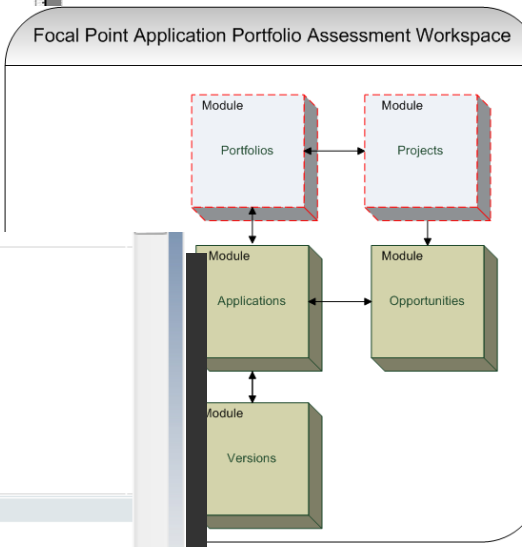
Analyze and prioritize initiatives





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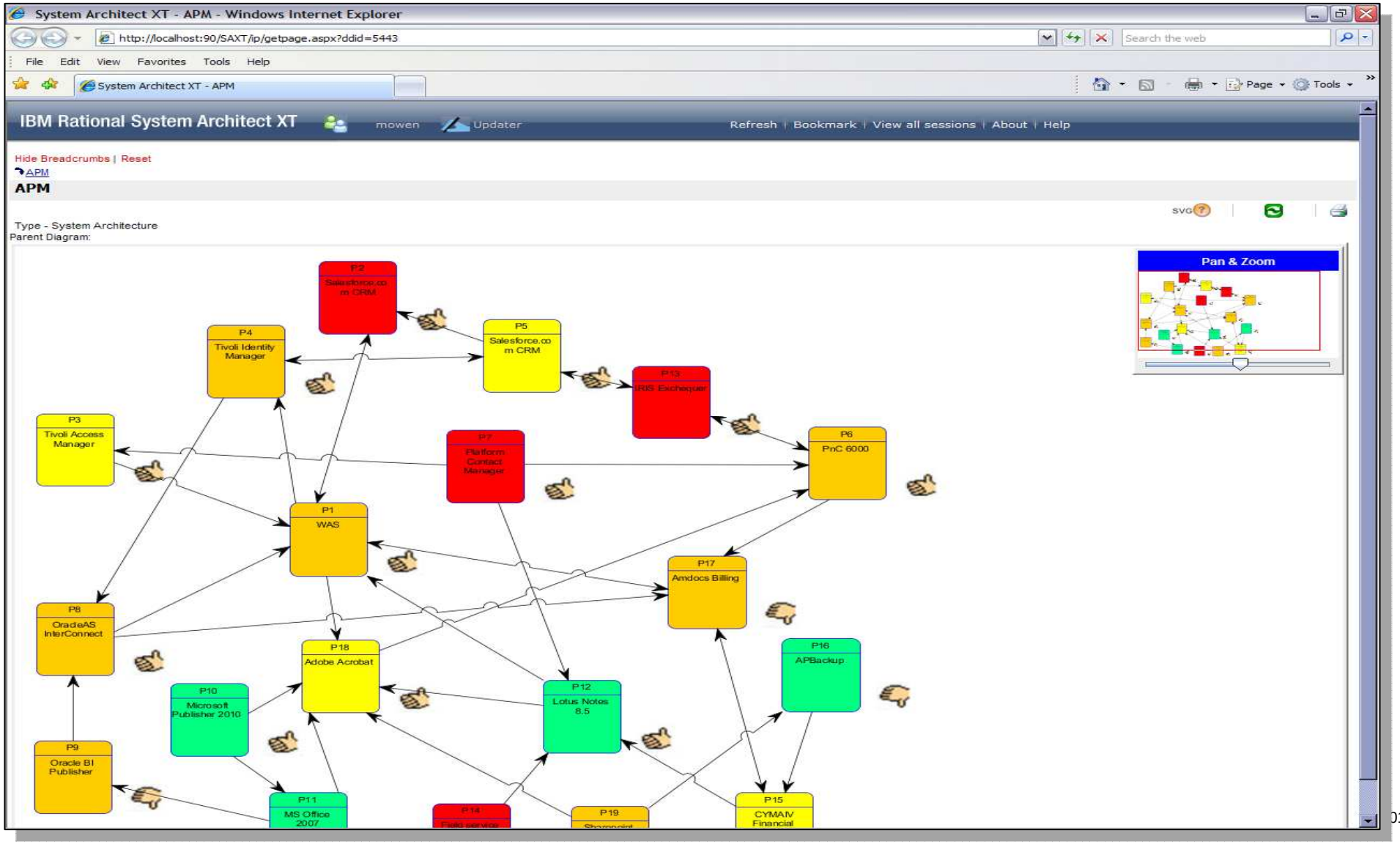
Architect & design prioritized solutions



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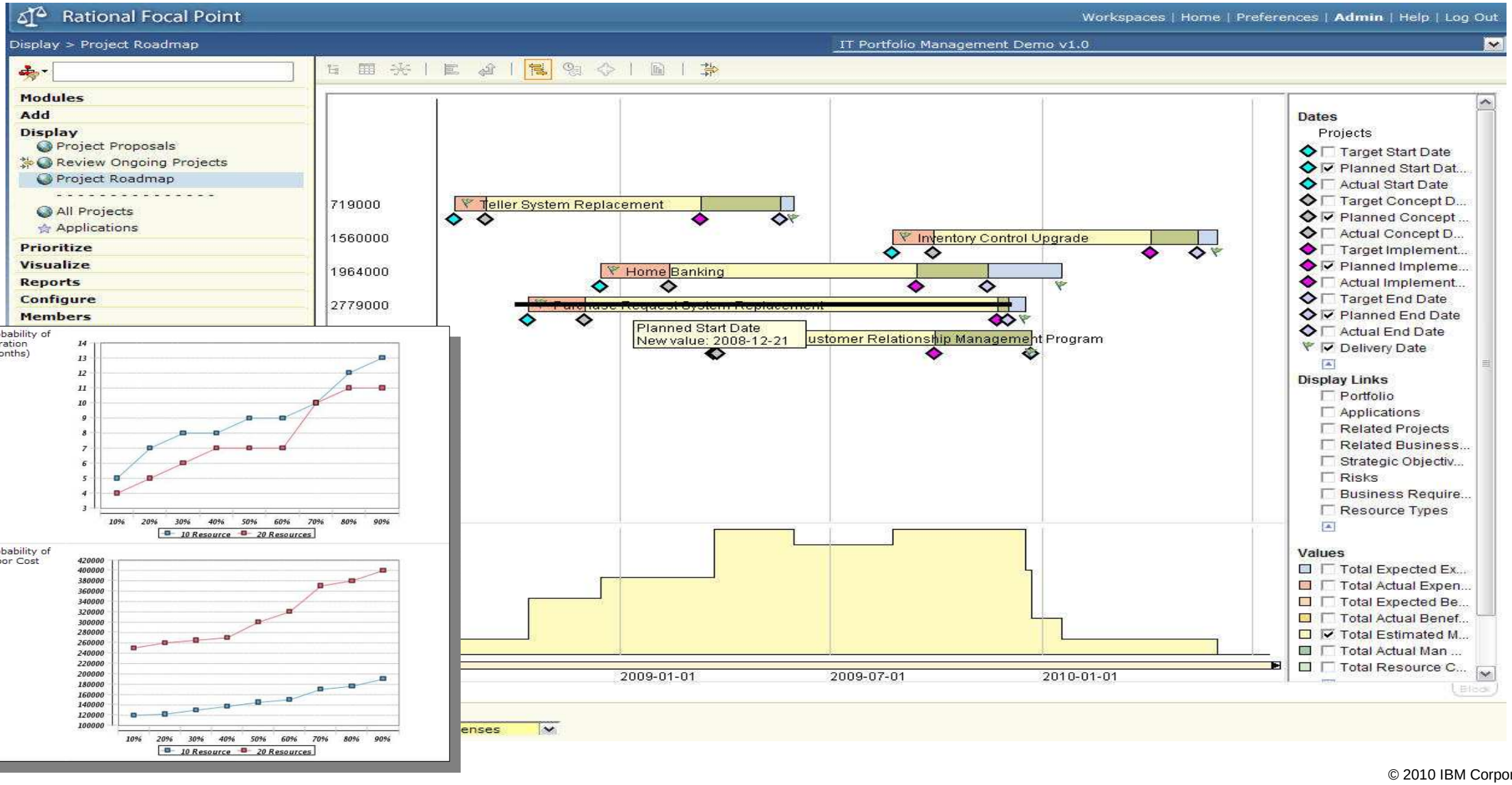
Define scope & roadmap initiatives



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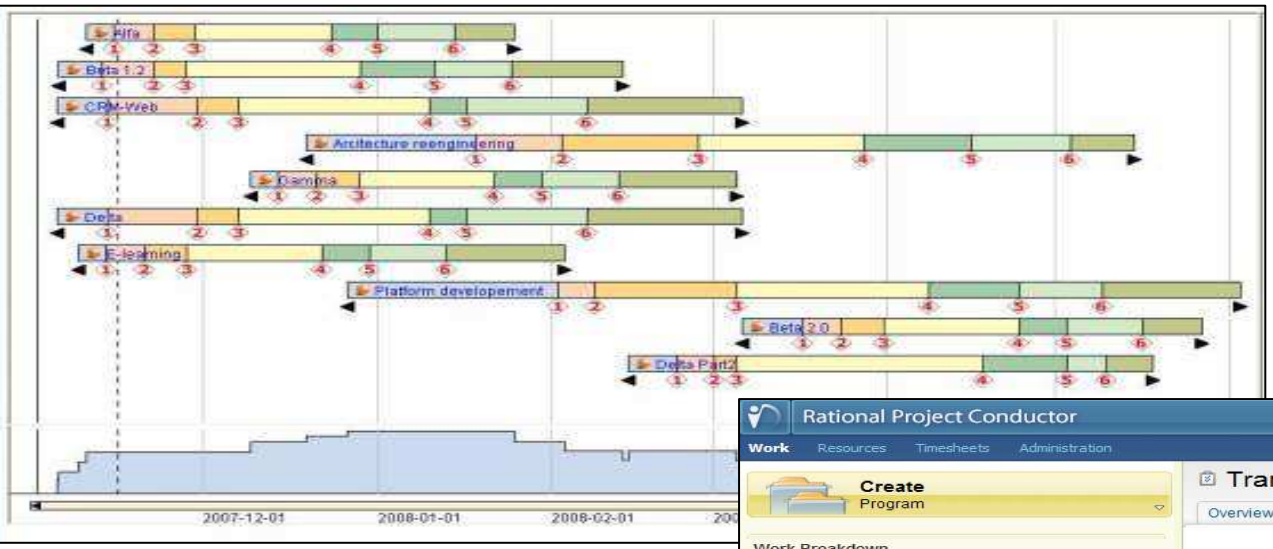
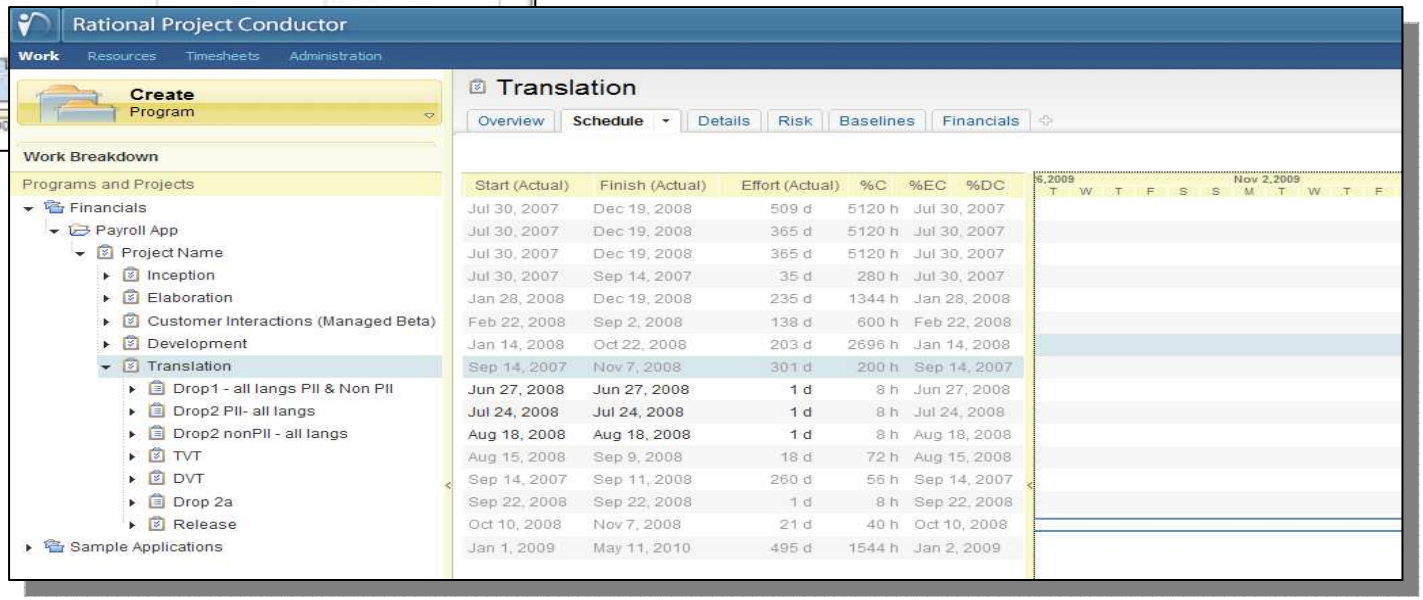
Plan projects for Integrated Execution and Feedback





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Review the portfolios - dashboards

Rational Focal Point

Workspaces | Home | Preferences | **Admin** | Help | Log C

Under Development: IT Portfolio Management v1.0

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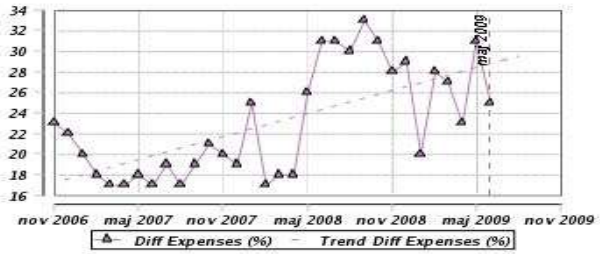
Portfolio Financials

Title	Portfolio Expected Benefits	Portfolio Actual Benefits	Portfolio Expected Expenses	Portfolio Actual Expenses	Total NPV	Portfolio Risk Score
Transformational	16 875 000	426 000	16 875 000	1 997 000	$1 759 000	21
Maintenance & Utilities	16 316 000	2 254 000	16 316 000	2 659 000	$1 417 000	21
Enhancements & Improvements	4 433 300	130 000	4 433 300	144 000	$634 000	26

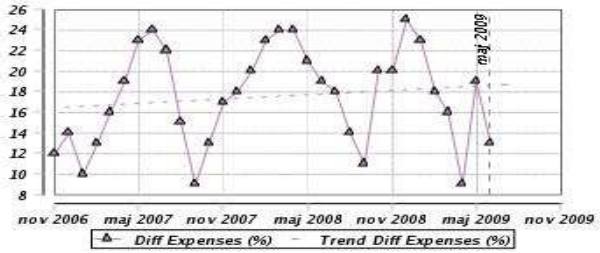
Deviation Expected vs Actual

Title | Deviation Expenses (%)

Transformational



Maintenance & Utilities

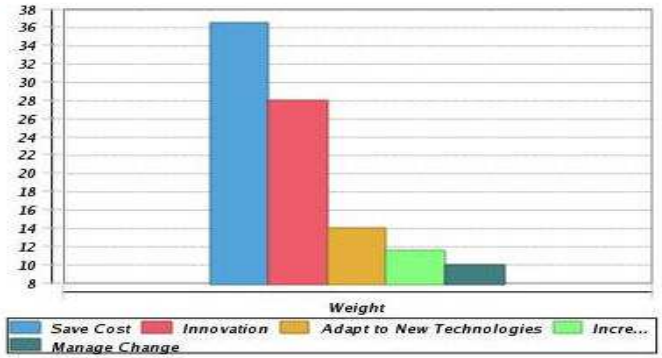


Enhancements & Improvements

Strategic Objectives Weight

Title | Importance

Strategic Objectives



Strategic Objectives - Project Distribution

Strategic Objectives	Quantity	Share
-	25	30,9%
Adapt To New Technologies	31	38,3%
Increase Efficiency	12	14,8%
Innovation	7	8,6%
Manage Change	15	18,5%
Save Cost	24	29,6%

Project Portfolio

Project State	Quantity	Share
Proposed	7	8,6%
Accepted	22	27,2%
Assessed	3	3,7%
Finalize business case	7	8,6%
Ready for prio	7	8,6%
Approved for development	5	6,2%
Delivered	3	3,7%
Business Requirement	7	8,6%
Backlog	6	7,4%
Duplicate	6	7,4%
To be clarified	2	2,5%
Rejected	6	7,4%
	Sum: 81	

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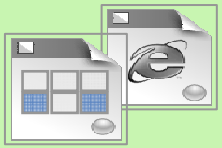
Work smarter, not harder…

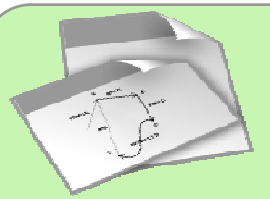
Increased Visibility

Analysis and Optimization

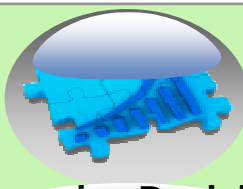


usiness and IT Alignment

- **Four steps to success…**
  1. Build a holistic view
  2. Balance current needs and long-term demand
  3. Understand the business risk of change
  4. Execute and govern your portfolio



IT Planning ar Transformatic



Enterprise Decisi Support

Business Drive Innovation

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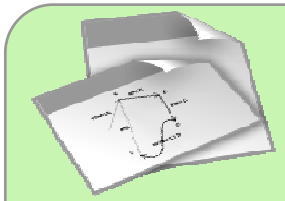
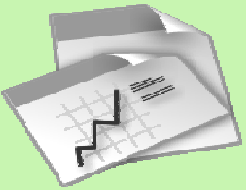
Work smarter, not harder with IBM software….

Increased Visibility

- **We help you to become…**
  - Interconnected
  - Instrumented
  - Intelligent

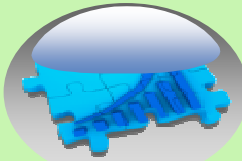


IT Planning an Transformatio

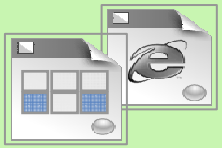


Analysis and Optimization

- **What we see:**
  - Efficiency gains through visibility in decision making
  - Investment budget savings with better management of projects
  - Operations budget improved by better alignment with business demand
  - Effectiveness gain due to reduction in rework, duplication,



Enterprise Decisi Support



Business and IT Alignment

Business Drive Innovation

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Let’s talk about it!

What question is on your mind?

Meet the speaker

Drive for more effectiveness

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Coffee

Zaal 31 level +2

Forum level -1

Next session starts at 11:30

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Next speaker in this room

Jan Van Der Sypt, Client Technical Professional WebSphere

It is all in the process: you cannot work harder, work smarter with IBM Websphere Software

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