



IOD City Zürich New Intelligence / Business Analytics and Optimization

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29.September.2009

Agenda

Our Smarter Planet and the Information Challenge

Leveraging Information For Smarter Business Outcomes

Business Analytics and Optimization

How to Get Started...the IBM Information Agenda approach

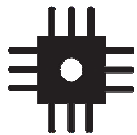


The World Is Becoming Smarter

FLATTER



SMALLER



INSTRUMENTED



INTERCONNECTED



INTELLIGENT

Data Explosion In A Smarter World!

Volume of Digital Data

- 57% CAGR for enterprise data through 2010
- Machine generated data : Sensors, RFID, GPS..

Variety of Information

- 80% of new data growth is unstructured content
- Emails, images, audio, video..

Velocity of Decision Making

- Rapidly changing business climate
- Need to get ahead of the curve : predict issues and fix them

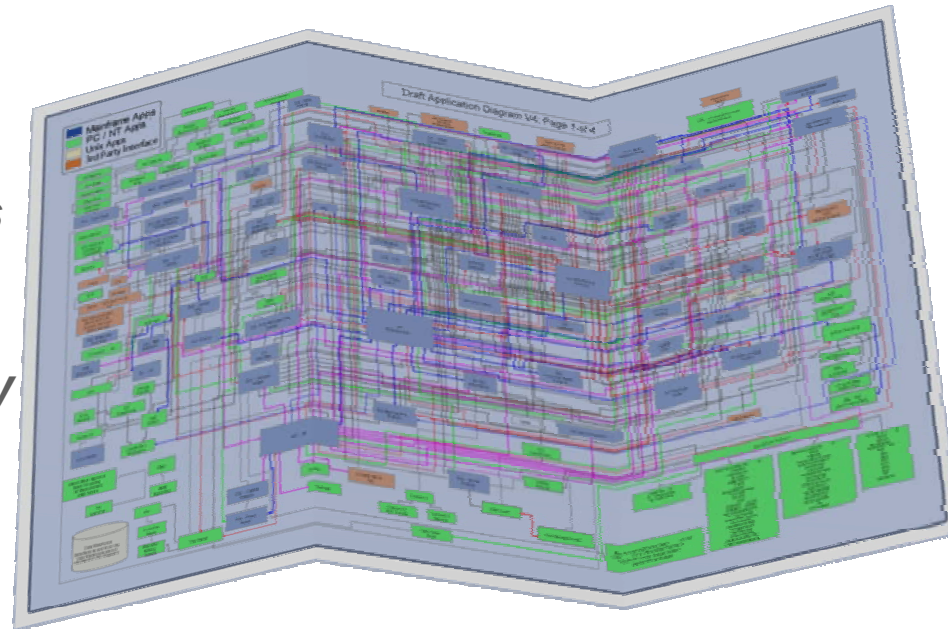


New Data → New Information!

But, How Do We Leverage Information For Smarter Business Outcomes?

42% of managers use wrong information at least once a week

59% of managers miss information valuable to their jobs because they can't find it



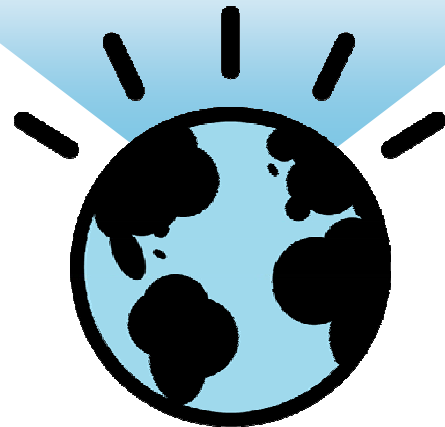
47% of users don't have confidence in their information

Sources: [Accenture Survey, January 2007](#), [AIIM Survey, July/August 2007](#)

Think Differently To Drive Smarter Business Outcomes



Smarter Businesses Are Able To Leverage Information To Drive Smarter Business Outcomes



Increase Revenue



Increase Productivity

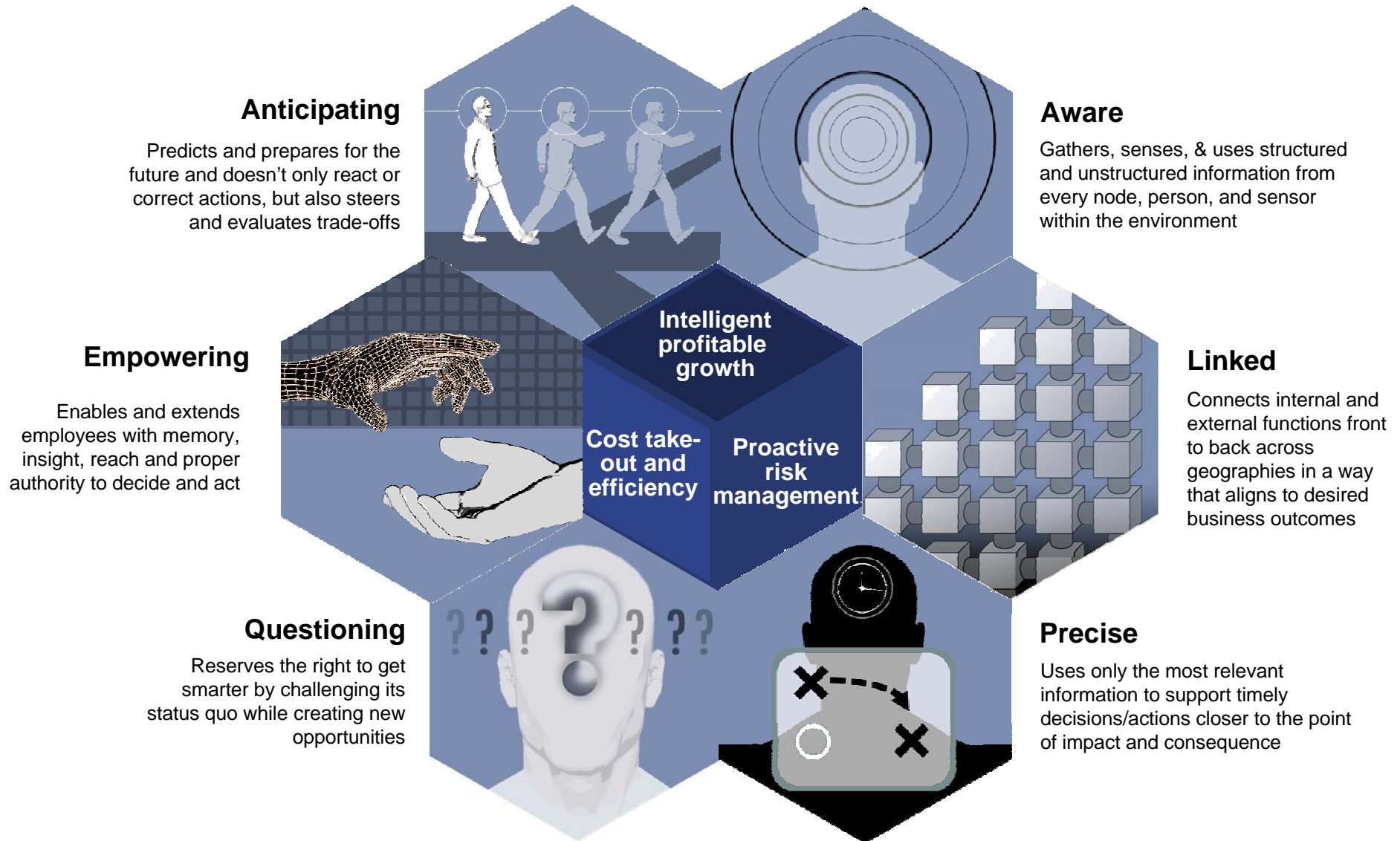


Reduce Costs

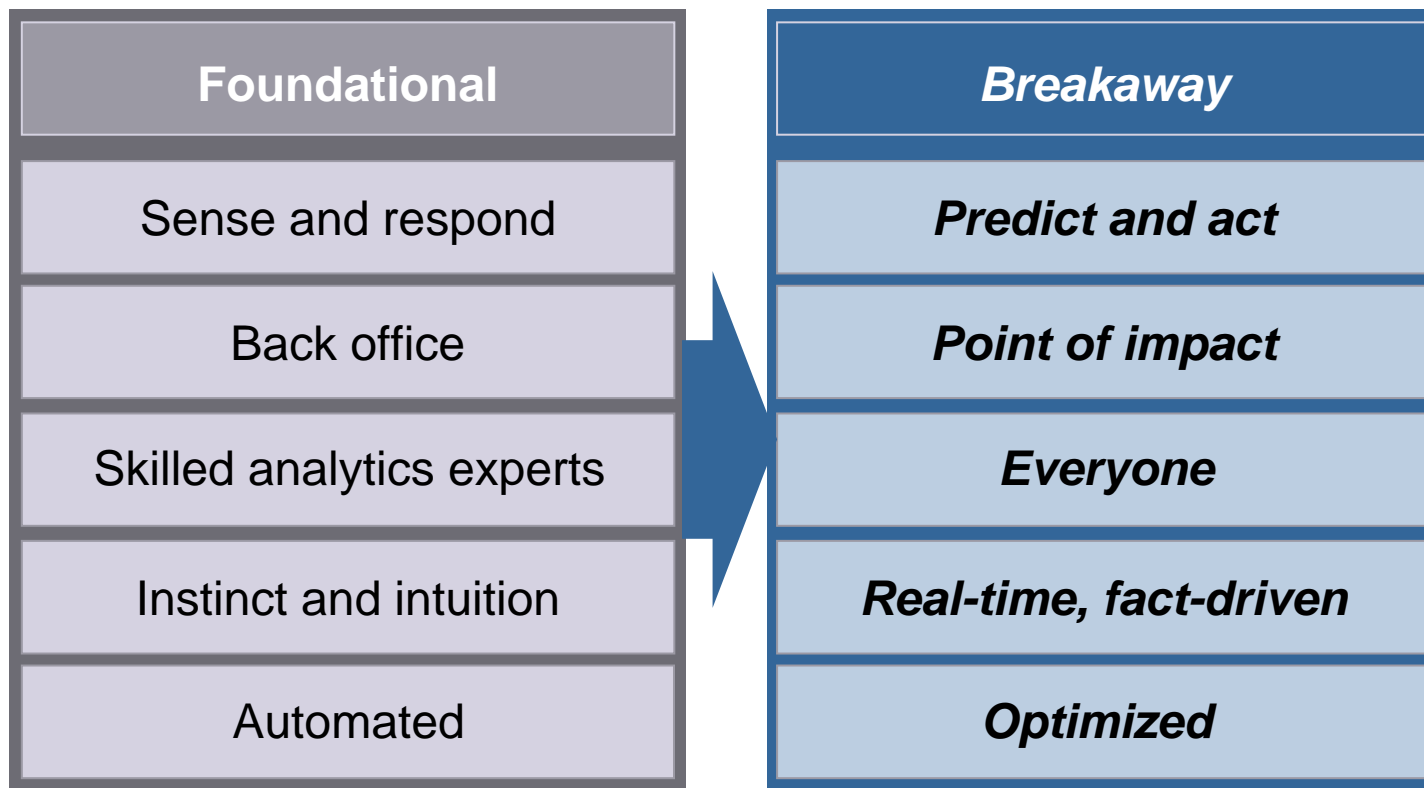


Reduce Risk

The Intelligent Enterprise Is...



Next Generation of efficiencies come from optimizing every decision, transaction or process at the point of impact...



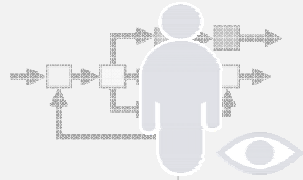
Imagine If You Could...

...predict and treat infection in premature newborns 24 hours earlier?

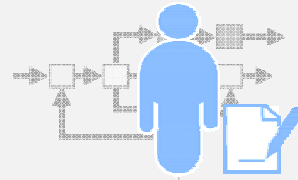
...adjust credit lines as transactions are occurring to account for risk fluctuations?

...determine who to offer discounts at time of sale instead of offering to all?

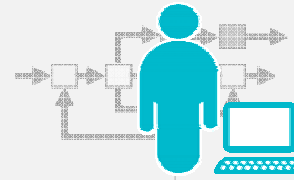
...apply inferred social relationships of customers to prevent churn?



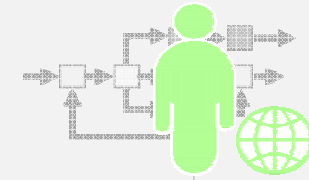
Physician



Loan Officer



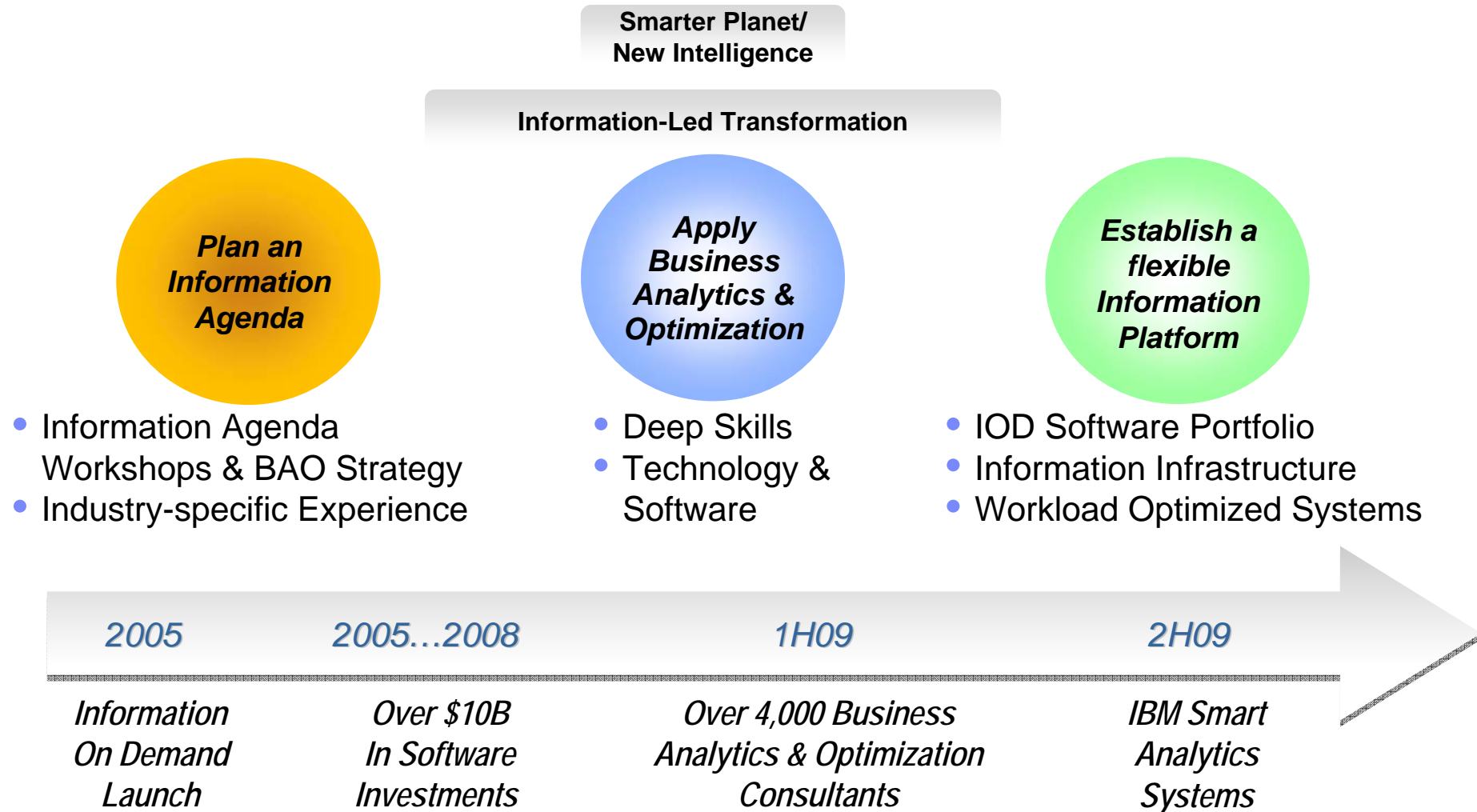
Retail Sales Associate



Telco Call Center Rep

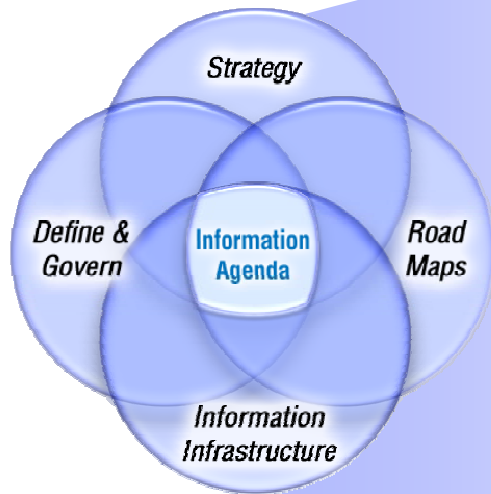
...optimize every transaction, process and decision at the point of impact, based on the current situation, without requiring that everyone be an analytical expert

IBM's Approach to Accelerate Information-Led Transformation



Approach and Smart Analytic System

Proven Approach



Smart Analytic System



- ✓ Includes advanced analytics software
- ✓ Pre installed and tested for fast deployment
- ✓ Optimized for highest Data Warehouse performance
- ✓ Scalable for all sizes
- ✓ Based on mature Foundational Technologies

Information Infrastructure

Integrated Smart Analytics System



IBM Smart Analytics System Modules

Analytics Options

- Business Intelligence (Cognos 8)
- Cubing Services
- Text Analytics & Data Mining

IBM Smart Analytics System Foundation

Data Warehouse

- InfoSphere Balanced Warehouse
- Workload Management
- Tivoli System Automation

Hardware/OS

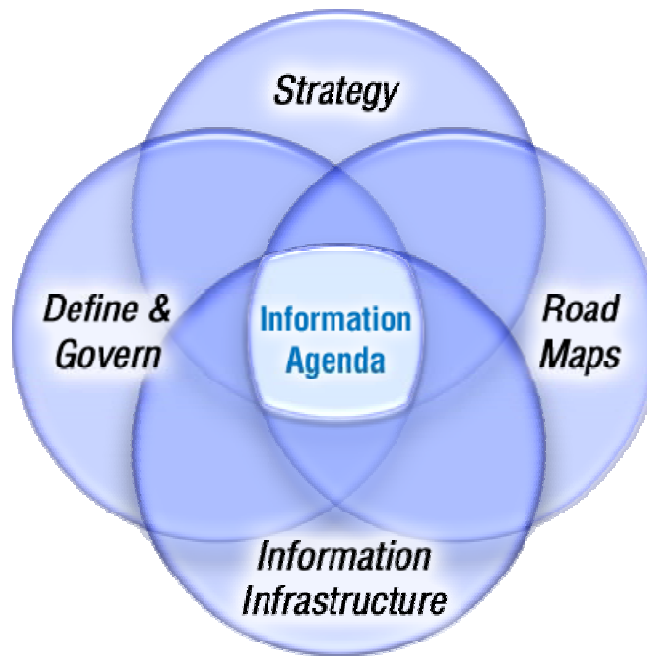
- AIX 6.1
- IBM Power 550
- IBM System Storage DS5300

Smarter Business Outcomes With Information Agenda

Proven Approach

Establish end-to-end vision & business-driven value

Align people, process, & information



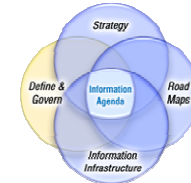
Accelerate projects for short & long-term ROI

Architect an extensible information infrastructure

Smarter Business Outcomes With Information Agenda

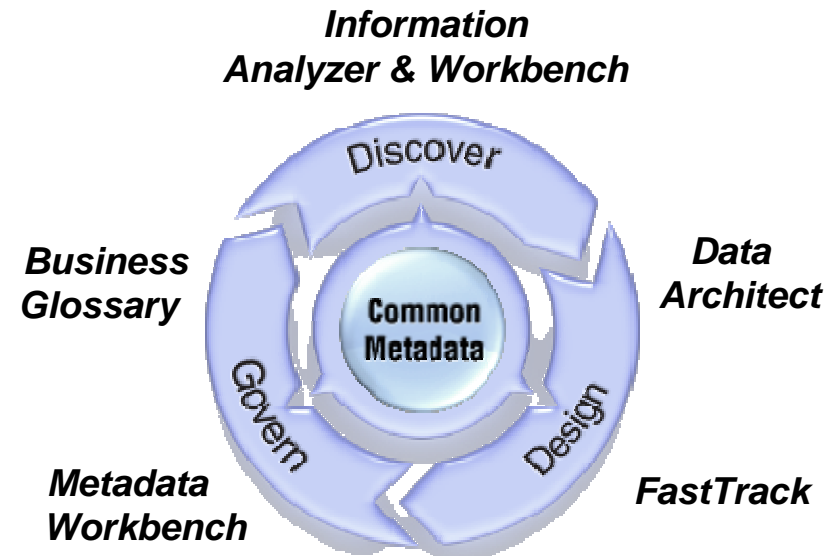
Define and Govern

Proven Approach



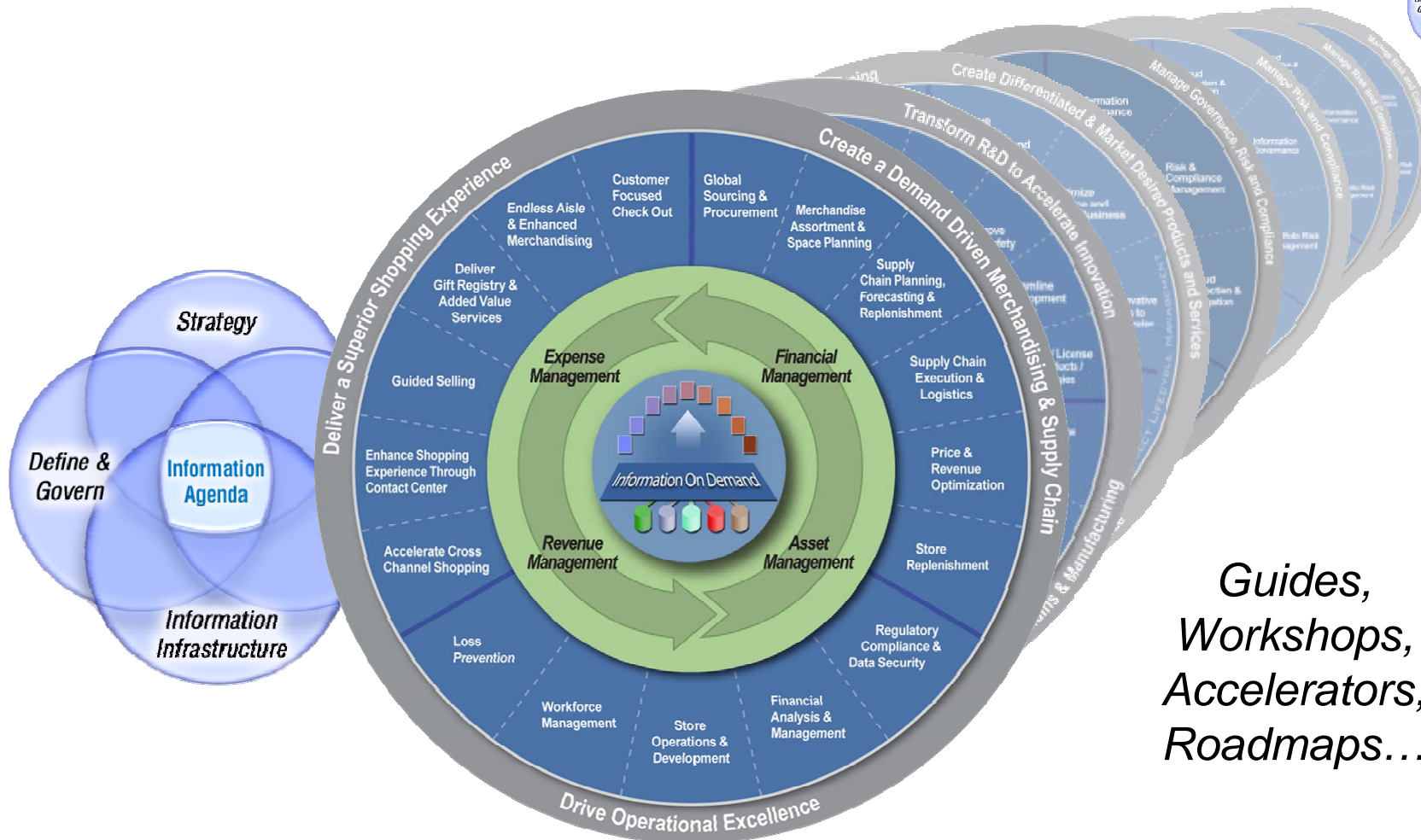
Information Governance & Foundation Tools

- Requires a mission-specific, cross-enterprise corporate organization for collaborative policymaking
- Defines policies and practices for managing critical information assets
- Develops architecture practices and standards
- Monitors data quality
- Ensures training and enabling of all affected staff
- Establishes Competency Centers



Smarter Business Outcomes With Information Agenda Strategy, Roadmaps: Information Agenda Guides

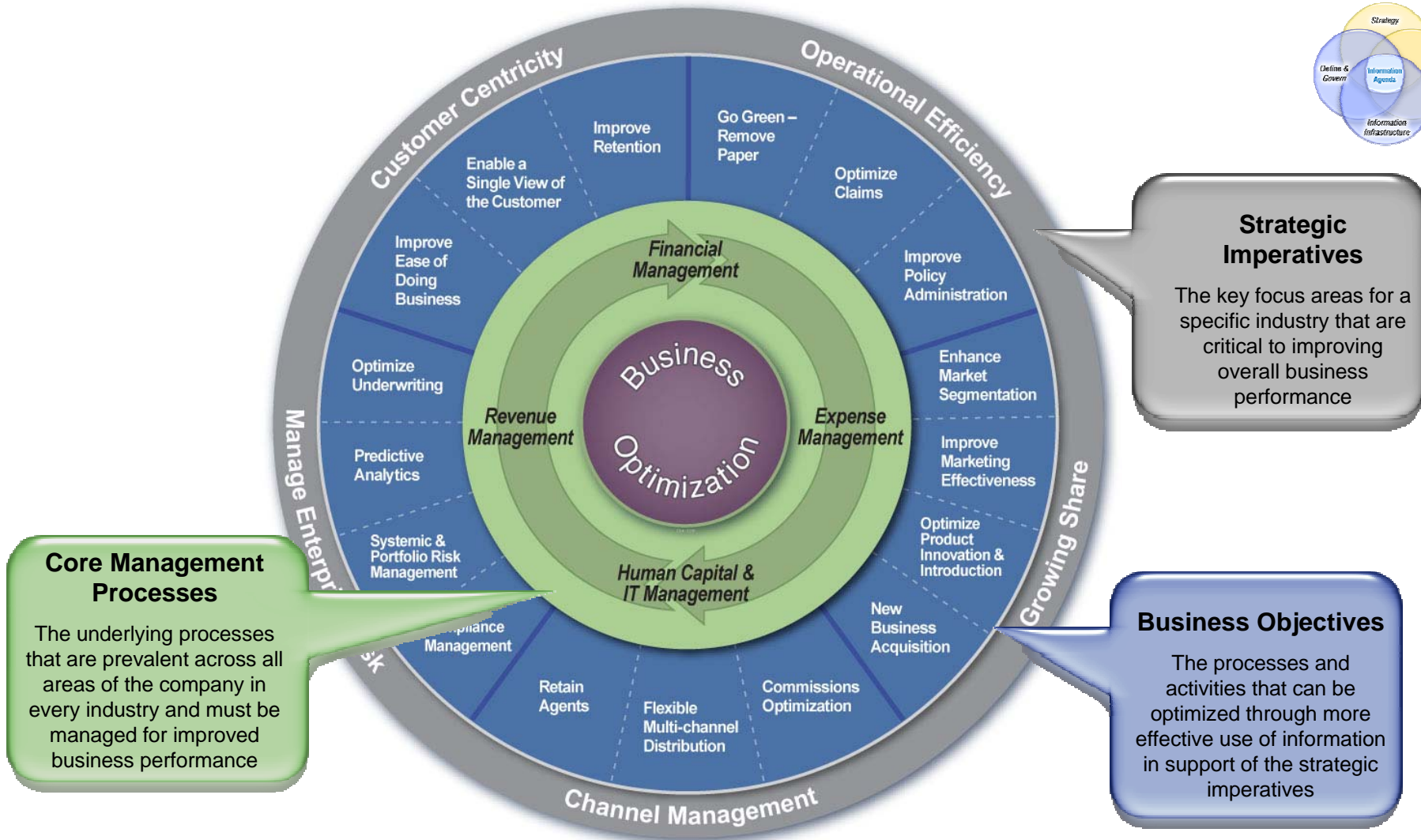
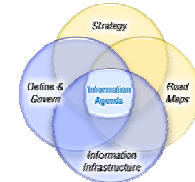
Proven Approach



*Guides,
Workshops,
Accelerators,
Roadmaps...*

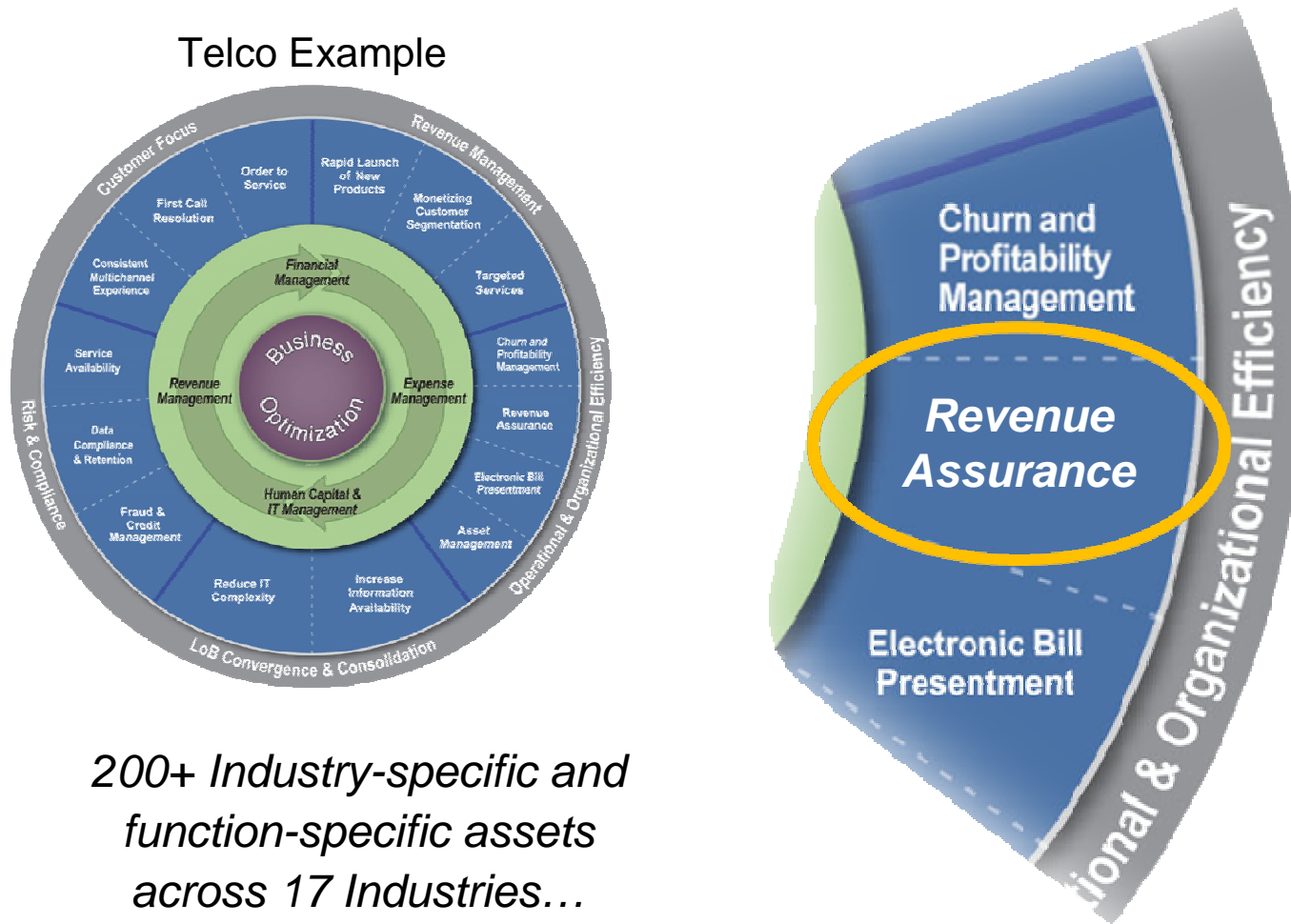
Smarter Business Outcomes With Information Agenda Strategy, Roadmaps – Across seventeen Industries

Proven Approach



An Industry-specific Approach Driven by Strategic Imperatives

Telco Example



*200+ Industry-specific and
function-specific assets
across 17 Industries...*

Business Analytics & Optimization: Service/Solution Areas

BAO Strategy



- BAO Strategy and Roadmap
- Detail Business and Financial Case for Change
- BAO
- Governance
- Change Management and Adoption for Large BAO Programs

Business Intelligence & BPM



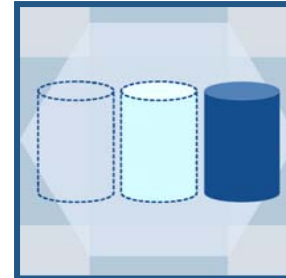
- Dashboards & Scorecards
- Planning, Budgeting, & Forecasting
- Business Analytics & Reporting

Advanced Analytics and Optimization



- Advanced Analytics
- Analytic Applications
- Predictive Modeling
- Business Optimization
- Visualization

Enterprise Information Management



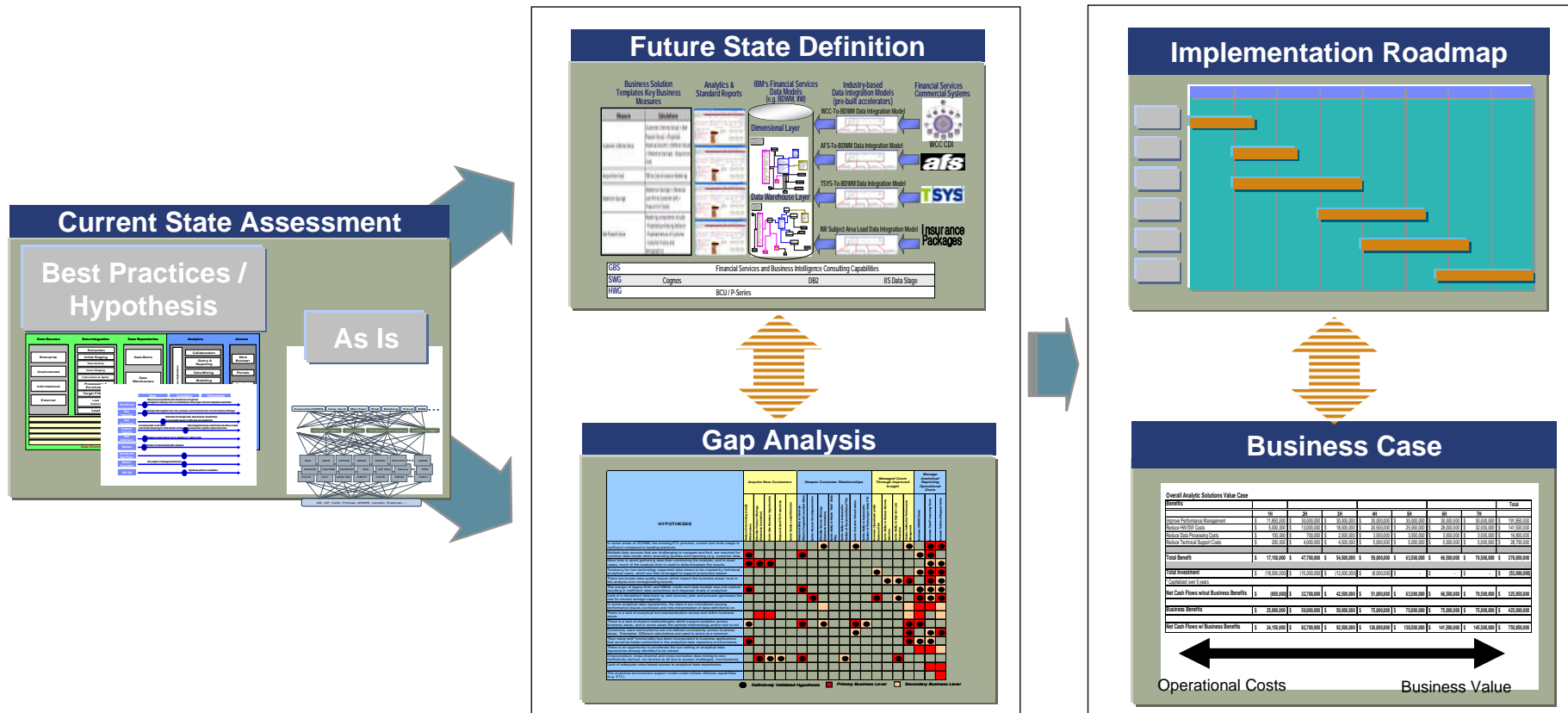
- Data Integration
- Data Governance, Data Quality
- Data Architecture
- Master Data Management

Content Management



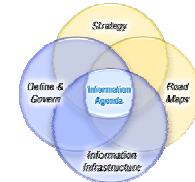
- Document & Records Management
- Web 2.0 / Web Content Management
- Digital Asset & Rights Management
- Archiving & Record Management

Providing a Business Justification for Transformation



The Next Step: Information Agenda Workshops

Proven Approach



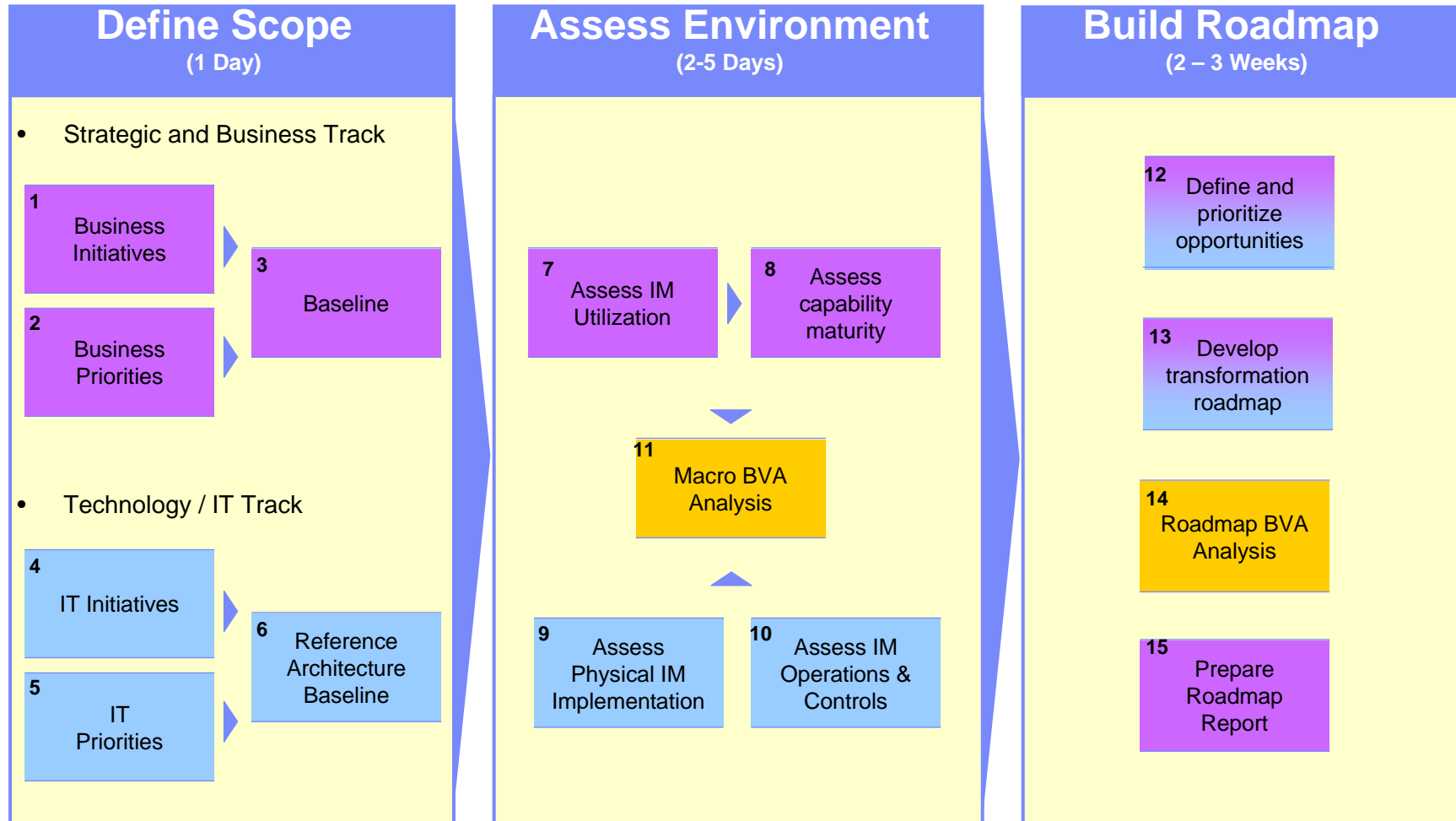
- Review Information Agenda
- Understand key business initiatives, strategic priorities, challenges, etc
- 3-hour to 1 day workshop

- Build vision and high level roadmap for IA journey
- Interviews with key stakeholders from business and IT
- 1-5 day workshop; 2-4 weeks offsite

- Defines and scopes an IA project
- Interviews with key project stakeholders from business and IT
- 1-4 week workshop



IA Roadmap Workshop Agenda



IA Sales Consultant

IA Architect

BVA Specialist

Questions and Answers



IBM contacts for Business Analytics and Optimization

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Irish Life generates new growth with unified customer information

Business Challenge

- Multiple lines of business – life insurance, personal banking, mortgage banking
- Numerous acquisitions
- Strong market share position drives need for new growth strategies

What's Smart?

- Establishment of Customer Data Council
- Deployed trusted data assets as re-usable shared services

Smarter Business Outcome

- Unified cross-sell/up-sell analysis drives new growth opportunities
- Reduced call centers and website channels to 1
- Reduced duplicate, conflicting views of client base by 30%
- Enhanced services increase loyalty



Irish Life

"... We now manage our customer information as an asset; the opportunities for innovation and optimization are endless. We can respond to the dynamics of our business twice as fast..."

Noel Garry, Executive Manager, Irish Life & Permanent

LVMH increases productivity of sales force

LVMH
MOËT HENNESSY • LOUIS VUITTON

Business Challenge

- Difficult to measure productivity and assess business performance across 50 prestigious brands worldwide
- Limited access to information across regions (esp. Asian growth countries)

What's Smart?

- Created a robust information analysis and reporting system for sales and marketing to understand customer buying patterns and adjust product mix

Smarter Business Outcome

- Better product mix increased daily deliveries by 100%
- Improved sales force productivity and customer loyalty



“Our business is driven by customers and our ability to understand what drives them adds value to our business”

LVMH Executive

NYPD tackles crime with real-time information analysis

Business Challenge

- Gain insight from billions of records and reach detectives within minutes, not days or weeks.
- Relate offenders, arrests, calls for service (911), human resources and geographic information to facilitate quicker and more appropriate responses

What's Smart?

- Can now analyze and integrate all information assets across structured and unstructured data sources in real-time

Smarter Business Outcome

- Better response times and resource management



Benefits

- On-scene insight for detectives
- Rapid trend analysis for resource deployment
- Rapid repeat offender identification
- Integration of structured and unstructured information provides more comprehensive insight

“The NYPD’s innovative policing strategies depend on our ability to gather, share and act on information. IBM—its people, partners and technology—have helped us redefine how information can be used to fight crime.”

– James Onalfo, Chief Architect and NYPD, CIO

Corning Reduces Cost by Millions Of Dollars

CORNING

Business Challenge

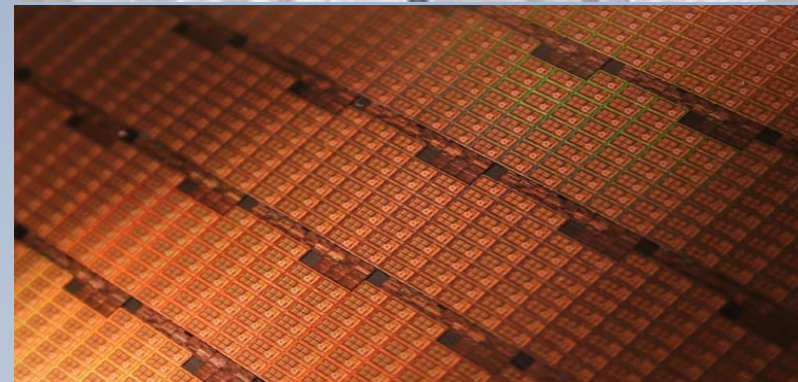
- Consistent data growth of 25% to 30% annually had caused significant performance issues throughout the PeopleSoft ERP

What's Smart?

- Archive data from PeopleSoft production environment to improve performance & save on storage costs using IBM Optim Data Growth Solution

Smarter Business Outcome

- Achieved full ROI of \$10 million over a 3 year period and a payback in 9 months
- Improve payroll, HR and finance processing times by 60%



JB Hunt Increases Revenue



Business Challenge

- Manual billing
- Deliveries made before customers could accept resulting delays

What's Smart?

- Complete billing process visibility
- Automated carrier assignment & billing – drivers know when customers can take deliveries and charge automatically if the customer delays delivery
- Multiple forms of information including email and paper are now automatically managed

Smarter Business Outcome

- Accurately track and bill charges to the customer adding \$870K in revenues annually
- 6 times improvement in billing staff productivity
- Improve record-keeping to ensure compliance



"The success of the HAWK Power Detention System has demonstrated the value and potential of IBM FileNet P8 for J.B. Hunt. As a result, other divisions within the company are exploring business process management as a way to remove non value-added work and add dollars to the bottom line. "

Tarek Taha Engineering Manager JB Hunt

The Co-operators **Increases Revenue**



Business Challenge

- Create a source for complete and accurate customer information to drive sales across lines of business

What's Smart?

- Core customer information hub built on service oriented architecture for maximum flexibility, with cross-references to policy, claims and billing systems

Smarter Business Outcome

- Insurance agents and customer service representatives can up-sell and cross-sell more effectively, growing revenues and enhancing customer loyalty



“ MDM Server provides services that are both reactive and proactive. The product proactively identifies customer events and responds in real time, alerting other applications of the detected events.”

Jay Woo, Vice President, Information Technology