



IBM SOA Executive Summit

# Information as a Service ***Delivering the Business Value of Information***

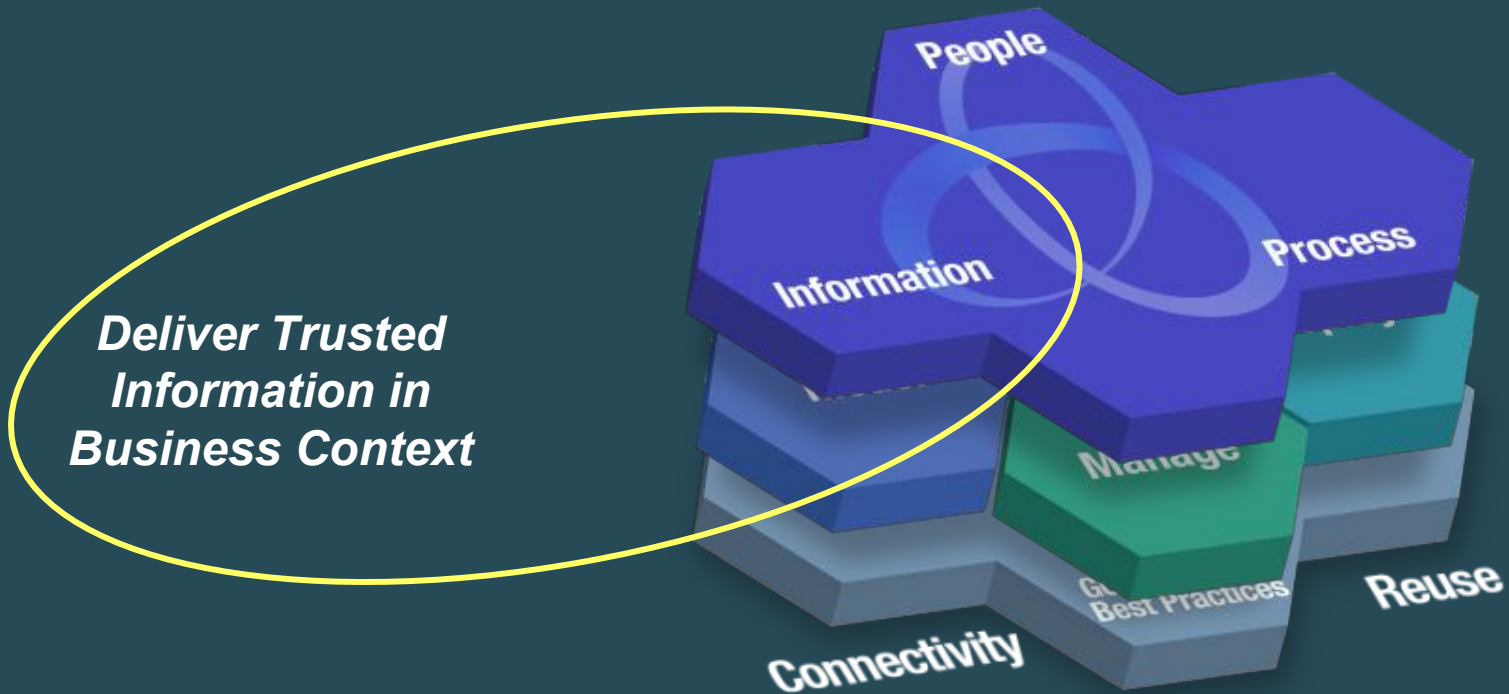
*Bob Picciano  
Vice President  
IBM Information Management Software*

*SOA on your terms and our expertise*



# SOA Entry Points Help Customers Get Started

*Both Business Centric and IT Focused*



# Volkswagen



***“Today, 70% of the time of our people is spent in searching for information and only 30% in making intelligent decisions.***

***We want to flip the ratio, providing 70% of time for intelligent, analytical decision making and only 30% administrative work.”***

**Dr. Martin Hofmann**  
**Exec. Director, Group Supply Strategy**  
**Volkswagen AG**

**Result: 20% increase in procurement productivity**

# Information Becomes a Strategic Asset

*Separating Information & Process Enables Enterprise-wide Re-use*



- ▶ *Business required an integrated view of customer information across multiple business units within the bank after merger*
- ▶ *Customer information stored across disparate environments - IBM ImagePlus, FileNet Image Services, Mobius....*

## **Key to Success**

- Separation of Information & Process, Federation of Unstructured Information

## **Result**

- 50X increase in requests for content shows customers are being served better
- \$2.3 million savings in 2 years; 64% ROI
- \$1M savings for each new business unit needing a common view of the client

# Change And Improvement Have Been Daunting



*How do I deliver  
business flexibility  
?*

***Can Information Become a Service?***

# The Information Challenge

*Information is in Silos... Trusted Information is Not Available*

**Today's business challenges mandate a fresh approach to managing information.**

**Managing information in silos has become obsolete.**

Globalization, M&As

Risk & Compliance,

Eroding Customer Loyalty,

Supply Chain Complexity,

Industry Transformations,

Cost Cutting...

Multiple Versions of the Truth

Inaccurate, Untimely

Inconsistent

Incomplete,

Inaccessible

Out of Context...

**Information Must Become a Strategic Asset**

**60%+ of CEOs:** Need to do a better job leveraging information

**5X More Value** creation by organizations effective at using Information as an Asset

**70% of people's time** can be spent searching for relevant information

Sources: IBM Attributes & Capabilities Study, 2005; Client Interviews 2004; IBM CFO Study, 2006

# Information as a Service

*Moving From a Project-Based to a Flexible Architecture*

- **Deliver Information in Business Context**

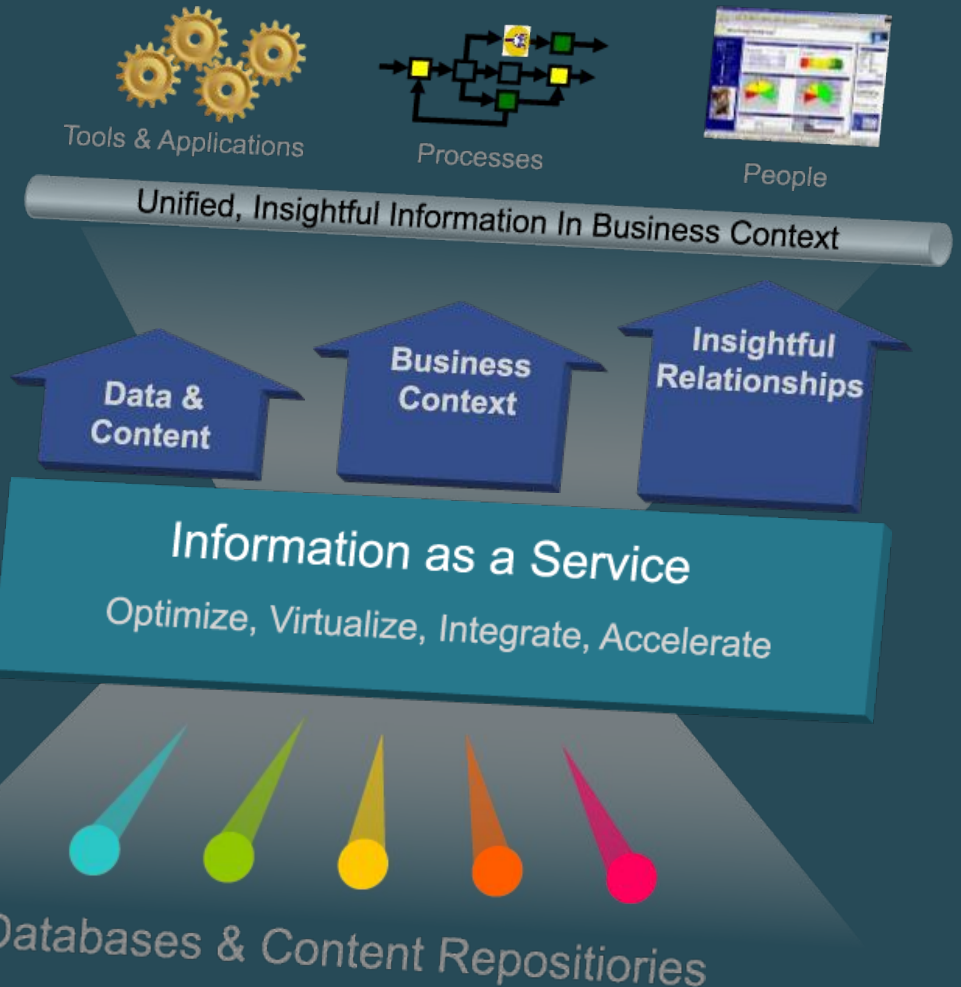
In-context, In Line  
Effectively Governed

- **Integrate Information**

Structured / Unstructured  
Timely & Accurate  
Manage Complexity

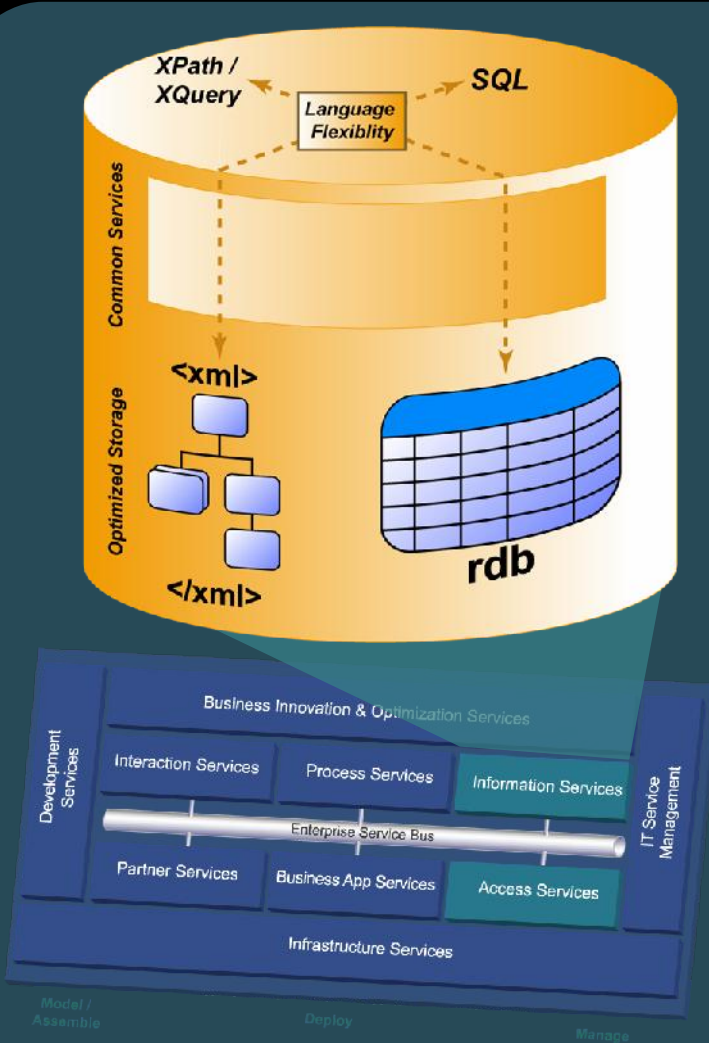
*Open Standards*

*Flexible Infrastructure*



# Integrating XML

## Key to SOA



	Shred	CLOB	Stand-alone	Hybrid
<b>Information Fidelity</b>	✗	✓	✓	✓
<b>Integration</b>	✓	✗	✗	✓
<b>Schema Flexibility</b>	✗	=	✓	✓
<b>Performance/Scale</b>	=	✗	✗	✓
<b>Programming Models</b>	✗	✗	=	✓
<b>Manageability</b>	✓	✗	✗	✓



# Information as a Service

## Integrate Management of XML & Relational Data



- ▶ *Needed integration across different products, IT infrastructures and business processes to respond flexibly to customer requests*
- ▶ *Needed to link products & processes to simplify and expedite orders, increase product customization and speed time-to-market*

### Key to Success

- Separation of Process and Information
- Integrated Management of XML Information
- XML Interchange

### Results

	Relational	DB2 Viper
<i>Development Time</i>	CLOB: 8 hrs Shred: 2 hrs	30 min.
<i>Add field to schema</i>	1 week	5 min.
<i>Relative lines of I/O code</i>	100	35
<i>Query Performance</i>	24 - 36 hrs	20 sec - 10 min
<i>Query non-shredded XML</i>	1 week	½ day

# Critical Business Initiatives Depend on Information

## *Information Intense Business Problems*

- **Master Data Management**

- Single view of the customer and product
- Gain control of disparate silos

- **Risk & Compliance**

- Loss and Fraud prevention
- Government regulations and taxes

- **Worker Productivity**

- Information accessible to every user when and where they need it... both structured and unstructured



# Panasonic

Providing Trusted, Timely, Consistent & Complete Information



**Saving over 1 million per year anticipated**  
**Managers Coordinate Different Products**

30% increase in product introduction productivity

20% increase in accuracy through improved information and support quality to customer and retailer

**Multiple Plants Delivering Information**

Planned expansion to Customer, Supplier Information

## Duplicate Activity

- Time taken from sales and customer focused activities
- No clear maintenance

## Inconsistency

- Product Information stored all customer touch-points

## Master Data Services

- Integration, Synchronization
- Process Templates
- Limited integration
- Few standards

**Different Requirements for Different Markets**

Information customer

**Products Launching in Different European Markets**



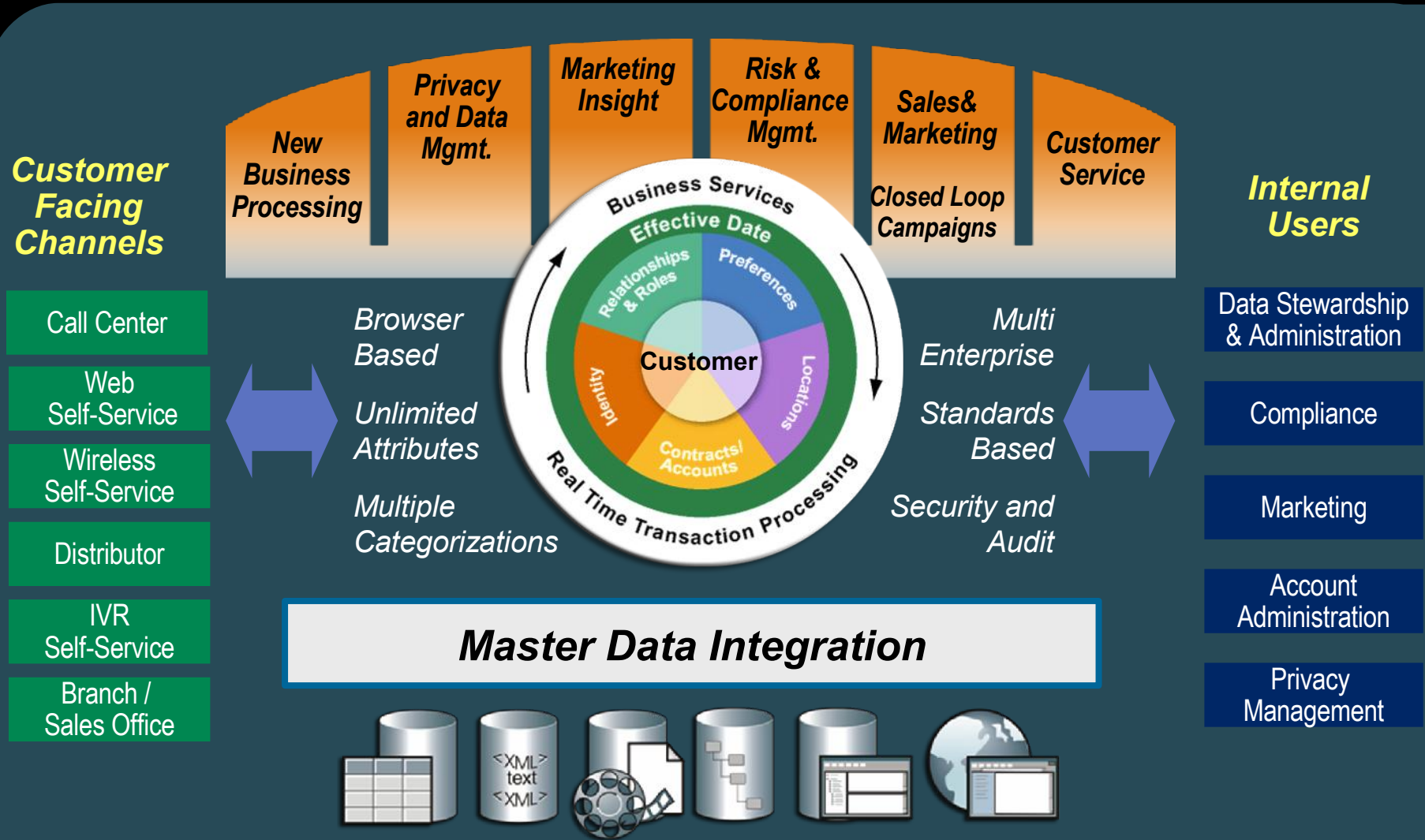
Internal Systems



External Systems

# Information Led Business Innovation

## Master Data Management is at the Core of SOA



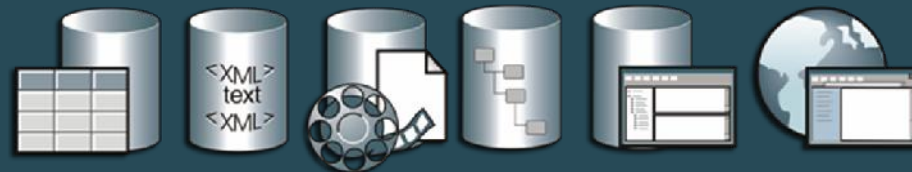
# Information Led Business Innovation

## *Master Data Management is at the Core of SOA*



*Product...Customer...Supplier...Location...Employee...Consumer...Asset...Applicant...*

### **Master Data Solutions**



# Information Led Business Innovation

## *Unified View of Customer Information Builds Customer Service*



- ▶ *Rapid growth into new markets emphasizes need for seamless customer service across business and households*
- ▶ *27 million business and residential connections for local telephone, long distance, wireless, Internet, data, satellite TV & other services*

### **Key to Success**

- Integrated customer information provides single service point across 4 separate billing systems and multiple customer systems

### **Result**

- Unified view of customers improves call center service and productivity
- Streamlined marketing campaigns based on offering bundles
- Phased implementation strategy enables rapid focus business community
- Services Orientation allows reuse of composite information updates

# Information Led Business Innovation

## *Providing Value to Many Industries*

### Financial Services & Banking



### Insurance



### Industrial / Electronics



### Consumer Goods



### Retail



# Information Led Business Innovation

*Early Adopters are Establishing a Competitive Advantage*

*Point Projects*

*Information as a Strategic Asset*

Crime Statistics  
& Reporting



*Information at the Scene*  
**Transforms Crime Fighting**

Customer Treated  
as Multiple Accounts



*A 360° View of the Client*  
**Transforms Customer Care**

Financial Information in  
Spreadsheets and e-Mails



*A Single Version of the Truth*  
**Transforms Compliance**

Claim Complexity, Volumes,  
Fraudulent Practices



*Information Analysis Speeds and*  
**Transforms Health Care**

Excess Inventory, Lost Sales  
Out of Stock Warehouses, Added Cost



*Free Flowing Supply Chain Information*  
**Transforms Retail & Manufacturing**

*The capability now exists.*  
**Integrated Software Platform**  
**Business Know How**

**Experience  
with over 500  
Clients**



# IBM Information On Demand Software

## *Unparalleled Breadth and Depth*

### Business Information Services

- Master Data Management
- Enterprise Analytics
- Information Warehousing
- Industry Models

1,000+ Clients

### Information Integration

- Quality Services
- Information Services
- Federation Services
- Metadata Services

5,000+ Clients

### Content Discovery

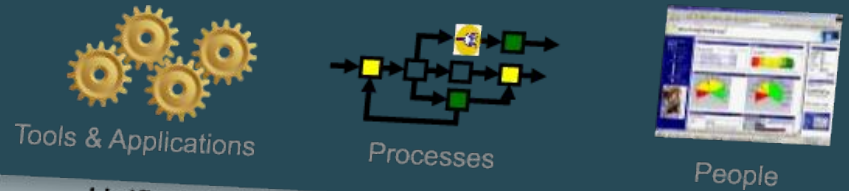
- Content Mgmt. & Integration
- Discovery Services...

13,000+ Clients

### Data

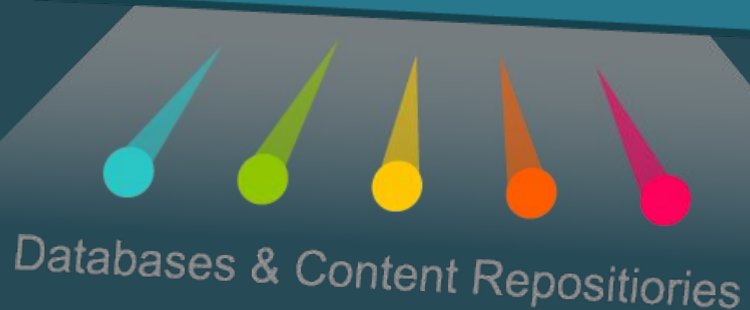
- Database Warehouses,
- Tools...

450,000+ Clients



**No Other Vendor Delivers The Breadth and The Depth of Capabilities**

Optimize, Virtualize, Integrate, Accelerate



# Recent News

## *IBM Intensifies Information Management Investments*

*Information is the competitive differentiator in the global economy*

- **IBM announces new investments to help clients deliver more business value from innovative uses of information**
  - \$1B in new software investments over the next 3 years
  - 65% more practitioners with relevant skills over the next 3 years, adding to a base of 15,000 practitioners
- **IBM announces a framework for success**
  - IBM Information On Demand Center of Excellence
  - New and expanded products & offerings



# Information Centric Approach – Greater Value through SOA

## *Delivering Information as a Service to People and Processes*

### Value

Improve business operations and reduce risk with trusted information services delivered in-line and in-context

### Why SOA?

Trusted information packaged as services are embedded inline within processes or delivered to people



### Start with

Discover and understand information sources, relationships & business context– Choose reusable high value data for first services



### Next steps

Expand number and scope of services across internal and external processes

Thank  
YOU

# Extras

# Delivering Value... Industry by Industry

*Leveraging the Strength of IBM & Business Partners for Products and Expertise*

## **Finance / Banking / Insurance**

- Banking & Insurance Data Warehouses
- Basel II Risk & Compliance
- New Business Processing
- Customer Privacy Mgmt.
- Marketing Insights
- Consolidated Risk Mgmt.

## **Insurance**

- Insurance Information Warehouse
- New Business Processing
- Customer Privacy Mgmt.
- Marketing Insight
- Consolidated Risk Mgmt.

## **Healthcare**

- New Business Processing
- Customer Privacy Mgmt.
- Marketing Insight
- Information Based Medicine

## **Government / Public Sector**

- Compliance for Government
- Social Services/Case Mgmt.
- Crime Information Warehouse

## **Automotive**

- Product Information Mgmt. (After Mkt.)
- Automotive Dealer Collaboration
- Advanced Early Warning

## **Telecommunications**

- Telco Data Warehouse
- New Business Processing
- Customer Privacy Management
- Marketing Insight

## **Retail, CPG**

- New Product Introduction
- New Customer Introduction
- Global Data Synchronization
- Retail Business Intelligence
- New Business Processing
- Customer Privacy Mgmt.
- Marketing Insight
- Consolidated Risk Mgmt.

## **Cross Industry**

- RFID / EPC Information Services
- Archiving & eDiscovery
- eStatements & Report Management
- eForms Automation
- Federated Records Management
- Regulated Document Management

**and many more...**

# Information On Demand 2006

Register Now: [www.ibm.com/events/informationondemand](http://www.ibm.com/events/informationondemand)

## Why attend:



### IBM Information On Demand 2006 October 15-20, 2006 Anaheim, California

- The premier information management event
  - Business and IT executives, managers, professionals, DBA's and developers.
- Select from over 800 sessions
- Latest strategy and product announcements
- Large Expo Center, Hands on labs
- One on ones with executives and specialists
- Birds of a Feather roundtables

- Participate in the PREMIER discussion on ***the future of Information Management***
- Learn how the transformation to ***Information as a Service*** will help you unlock business value and drive competitive advantage
- Hear how your peers are realizing ***ROI***
- Understand the roadmap to ***long term strategic advantage***
- Learn ***best practices*** in your industry
- Receive the best in ***technical education*** and free certification
- Extensive opportunities for ***networking*** with both your ***peers and industry experts***

**TAKE BACK CONTROL**

# Information as a Service

## *Delivering the Business Value of Information*



**Information On Demand**

**Always available. Always complete. Always right.**

Learn how to create business value through Information On Demand.

**Overview** | **Downloads** | **Events** | **Viewpoints** | **Industry**

Product Offerings | Solutions Portfolio | Center of Excellence

- **Visit our Web page**  
[www.ibm.com/informationondemand](http://www.ibm.com/informationondemand)
- **Take our online self-assessment**
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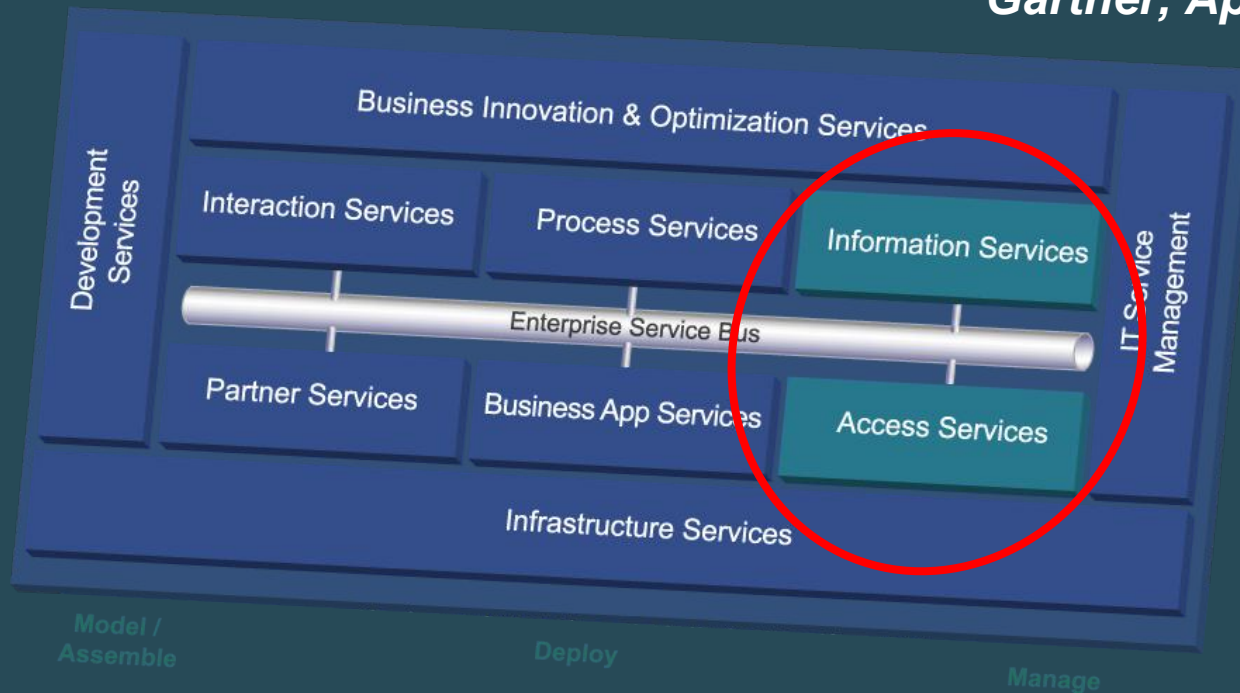


# Service Oriented Architecture

## *Information as a Service is Key*

*Your business process platform needs an enterprise information management strategy.*

**Gartner, April 2006**



*You will waste your investment in SOA unless you have enterprise information that SOA can exploit.*

**Gartner, March 2005**

# Information Led Business Innovation

## *Information Integration and Reconciliation Key to Success*



- ▶ *Needed to stock inventory and customize leasing program based on unified view of customer profiles*
- ▶ *Optimize supply chain through dynamic sourcing*
- ▶ *Increase effectiveness & efficiency of core functional areas: service, warranties, monitoring, promotions...*

### **Key to Success**

- Information Flows Directly into Dealer Inventory Systems

### **Result**

- Automated Inventory and Data Quality Procedures Saves IT \$400K Annually
- 5,000 Staff days of Reuse in Integration Services Assets
- Optimized Leasing Programs, Tailored to Customer

# Information Led Innovation

## *Timely & Accurate Information Fights Crime*



- ▶ *Need for on-scene insight from billions of records across multiple police databases*
- ▶ *Correlate arrests, complaints, summonses, homicides, shootings, locations, 911 calls...*

### **Key to Success**

- Timely Delivery of Structured and Unstructured Information

### **Result**

- Timeliness means the difference between life & death
  - Information reaches detectives within minutes, instead of days or weeks
- Rapid trend analysis improves resource deployment
- Rapid repeat offender identification

# Information Becomes a Strategic Asset

*“...Accurate Information Wherever and Whenever It’s Needed...”*



- ▶ *Needed accurate and accessible information across channel for category & item planning, and to streamline new product introductions*
- ▶ *Multiple information sources from 50 disparate applications on multiple platforms supporting over 1,100 retail outlets*

## **Key to Success**

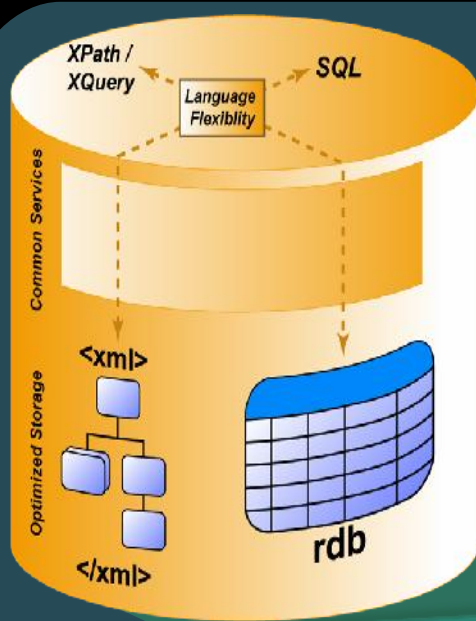
- Unified Product Information, Separation of Information & Process using SOA

## **Result**

- Accelerated time-to-market for new services
- Real-time visibility to information enables more informed decisions
- Integration related development time reduced by up to 85%
- Streamlines compliance and reporting processes

# IBM Takes the Lead with Viper

*Innovative Technology: Key to SOA, Strong Client & Partner Feedback*



## ■ **Best of Both Worlds**

- Performance, integrity, protection, and scale from the proven DB2 infrastructure
- Flexibility of XML/XQuery and relational/SQL
- Overcomes complexity & limitations of prior models
  - Shred, CLOB, or XML only

## ■ **Strong Early Adopter Experiences**

- Up to 16x reduction in development time
- 65% reduction in lines of code
- 100x performance improvement

## ■ **Momentum Building**

- 150 in Closed Beta
- 2,500+ Downloads Since “Test Drive” Program 4/06
- Storebrand, Research Libraries Group, IDB Consulting
- Nextance, Justsystems, Skytide, Exegenix, Kbrix, Jeeves Information Systems, Strada Software +++

