Presentation Guidelines (internal use only)

- **<u>Presentation objectives</u>:**
  - Convey value of enterprise content management to listeners who are newer to this topic
  - Start conversations, open doors with broad range of CxO, LOB, and IT target clients
  - Provide library of slides that can be selected to "front end" more customized, deep-dive decks
  - Set overall themes, messages, tone, look-and-feel for all ECM client-facing messaging

- **<u>Target audiences</u>:**
  - CxO-level, line of business, business analyst, content administrator, IT
  - Audiences seeking broad overview of enterprise content management value proposition

- **<u>Related resources</u>:**
  - ECM messaging drill-down modules (see ECM messaging wiki)
  - ECM messaging template (see ECM messaging wiki)

Presentation Outline (internal use only)

- **Section 1: Why does enterprise content matter?**
  - Enterprise content is an organization's DNA, holding the key to improved business performance
  - Business insight, business agility, and social business are emerging trend that rely on content management
  - Poor management inhibits organizations' ability to unlock the full potential of enterprise content
  - Companies who understand the importance of putting content to work are seeing results (ROI proof points)

- **Section 2: Why do I need to act, and why now?**
  - Several common challenges and opportunities emerges around content
  - Content management is a strategic issue, it is on the leadership agenda
  - Enterprise content is staggeringly complex, with creators, consumers, formats, and sources all exploding
  - Traditional approaches won't work; smarter models are needed

- **Section 3: What is required to implement smarter content management?**
  - Examples of clients realizing benefits from their content management solutions
  - Identify and quantify the business value
  - Select your value entry point
  - Harnesss industry-leading technology

- **Section 4: Why IBM for enterprise content management?**
  - We deliver the industry's most comprehensive enterprise content management portfolio
  - We deliver tailored business solutions to meet specific client requirements
  - We are a strategic vendor and partner to our clients
  - Next steps / call to action

IBM Enterprise Content Management Solutions
Put your content to work

Enterprise content: your organization's DNA

How will you unlock its potential?

Like DNA strands that contain genetic code,
enterprise content holds the key to
enhanced business insight, agility,
and performance

Enterprise content management is the
set of strategies and practices that enables
your organization to maximize
value from content

4

To achieve competitive edge
Organizations need to be smarter, faster

- **77% of CEOs** say they do not have real-time information to make key business decisions

- **1 in 3 business leaders** frequently make business decisions based on information they don't have, or don't trust

- **1 in 2 business leaders** say they don't have access to the information they need to do their jobs
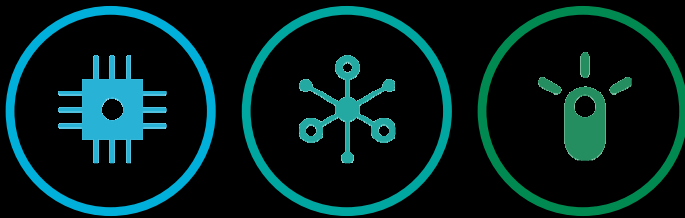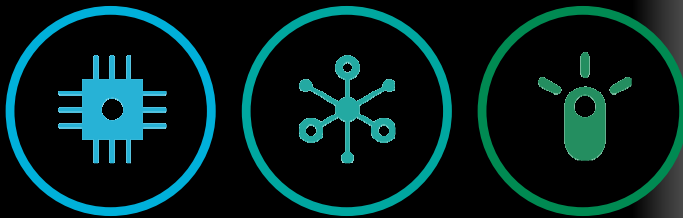
Companies that invest in business insight outperform their peers, showing 33% higher revenue growth, 12 times more profit growth, and 32% higher return on invested capital.

Sources: IBM 2010 CEO & CFO Studies, IBM 2010 Break Away With Business Analytics and Optimization Study

To accelerate service delivery

Knowledge workers demand agility and autonomy

- **11% of knowledge workers** claim to have well-defined and mapped case management processes

- **40%** cite difficulty adding or changing processes as their biggest case-handling problem

- **Nearly half** have access to fewer than 40% of customer records required for case processing

Companies that invest in business agility outperform their peers, showing 10% higher revenue growth, 40% higher profit growth, and 60% higher return on invested capital.

To enhance customer intimacy and employee collaboration

Business is becoming more social

- **69% of executives** report gaining measurable business benefits from social technologies

- **52% of organizations** plan to increase investment in social media and collaboration tools in 2010
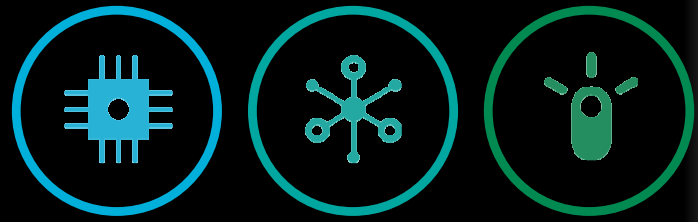
"Social media has shifted control of the corporate message away from the organization and towards consumers and other stakeholders, and running away and hiding is no longer the safe option."

**Burson-Marsteller
"The Global Social Media Check-up,"
February 2010**

Sources: Gartner, 2010; McKinsey, 2009.

Your organizational advantage is trapped in your content

90%
Unstructured content that is currently *not being managed* by organizations

80%
New data growth from unstructured content, e.g. email, documents, images, video and audio

60%
Managers who miss key information when making business decisions

50%
Organizational content that carries risk without delivering business value

Sources: Various IBM and public studies

To optimize business outcomes
Smarter organizations manage content for value

SMART IS … ELIMINATING PAPER
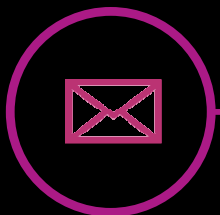A large U.S. federal agency saved more than $1.3 billion annually by eliminating paper.

SMART IS … GOVERNING AND DEFENSIBLY DISPOSING OF INFORMATION
JM Family Enterprises saved $2.1 million annually by reducing call center labor costs.

SMART IS … IMPROVING CONTENT-CENTRIC WORKFLOWS
J.B. Hunt added $870K annually by more accurately charging customers.

SMART IS … RAPIDLY DERIVING CONTENT INSIGHTS
A large U.S. bank achieved ROI on content analytics in 7 months.

SMART IS … LOWERING LEGAL RISK AND COST
BASF implemented more cost-effective governance.

Do any of these challenges sound familiar?

For 72% of workers, it's harder to find information they own than information they don't own

More than 60% of organizations rely on manual processes to capture 75% of customer communications

Litigation cost is the largest uncontrolled cost in U.S. corporations ($115M average cost in 2008)

60% of companies believe "our content chaos is getting out of hand and we need to control it"

Do any of these opportunities resonate?

Imagine if you could …

… leverage claims patterns to optimize medical treatment approaches

… analyze "voice of the customer" insights to decrease churn

… adjust loan procedures dynamically to account for risk fluctuations

… decommission business records while improving regulatory and risk posture

Content and the executive agenda

Emerging executive-level imperatives underscore the need for content management solutions across the wider organization
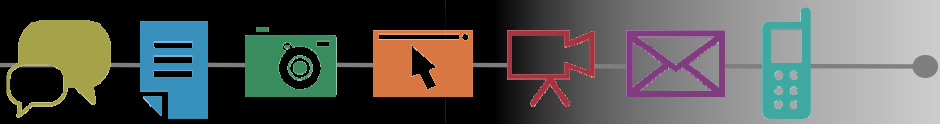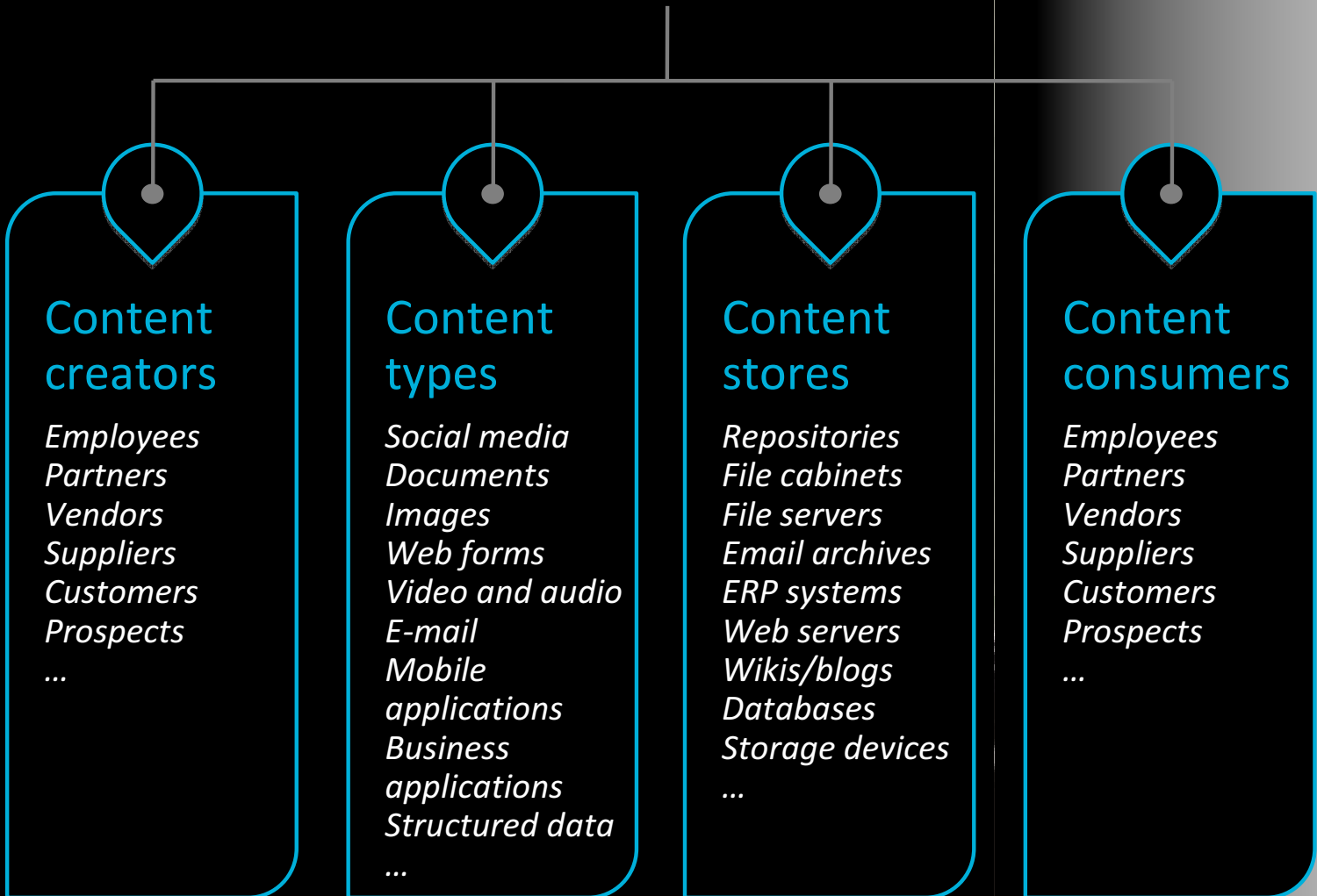
- **78%** of customer-focused CEOs will focus on insight and intelligence to realize strategy

- **74%** of CFOs believe that the need for faster decision-making will change their industry

- **78%** of CIOs want to improve the way they use and manage their content

Line of business

Legal

C-suite

IT

Administration
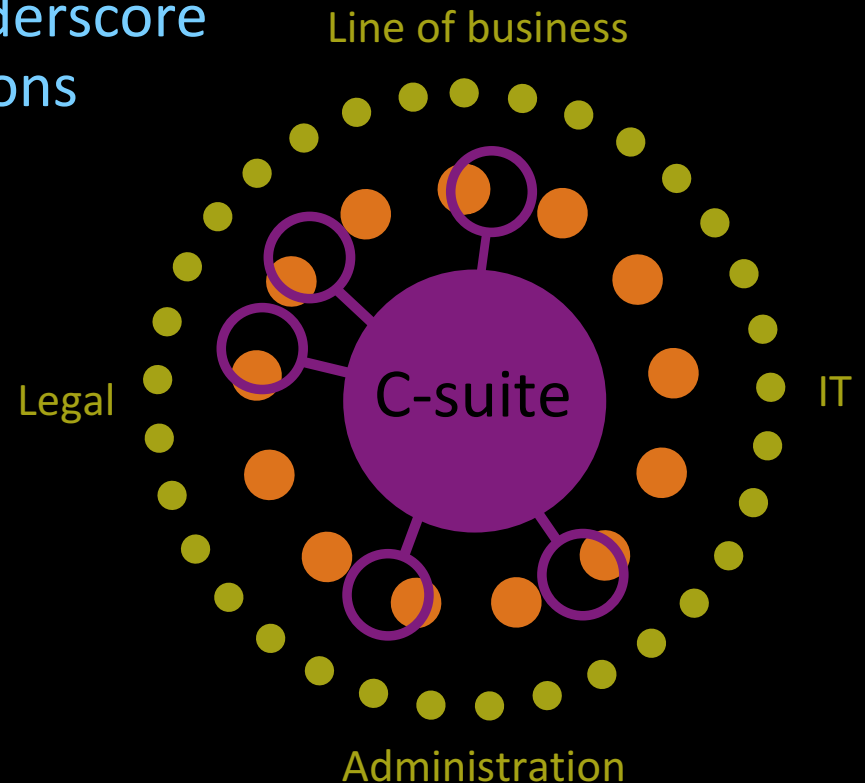
"Hertz gathers an amazing amount of customer insight daily…. We wanted to leverage this insight at both the strategic level and the local level to drive operational improvements. Working closely with the IBM-Mindshare team, we are able to better focus on improvements that our customers care about."

**Joe Eckroth, CIO
Hertz Corporation**

Sources: IBM 2010 CEO Study, IBM 2010 CFO Study

The staggering complexity of enterprise content

Content creators

Employees
Partners
Vendors
Suppliers
Customers
Prospects
…

Content types

Social media
Documents
Images
Web forms
Video and audio
E-mail
Mobile applications
Business applications
Structured data
…

Content stores

Repositories
File cabinets
File servers
Email archives
ERP systems
Web servers
Wikis/blogs
Databases
Storage devices
…

Content consumers

Employees
Partners
Vendors
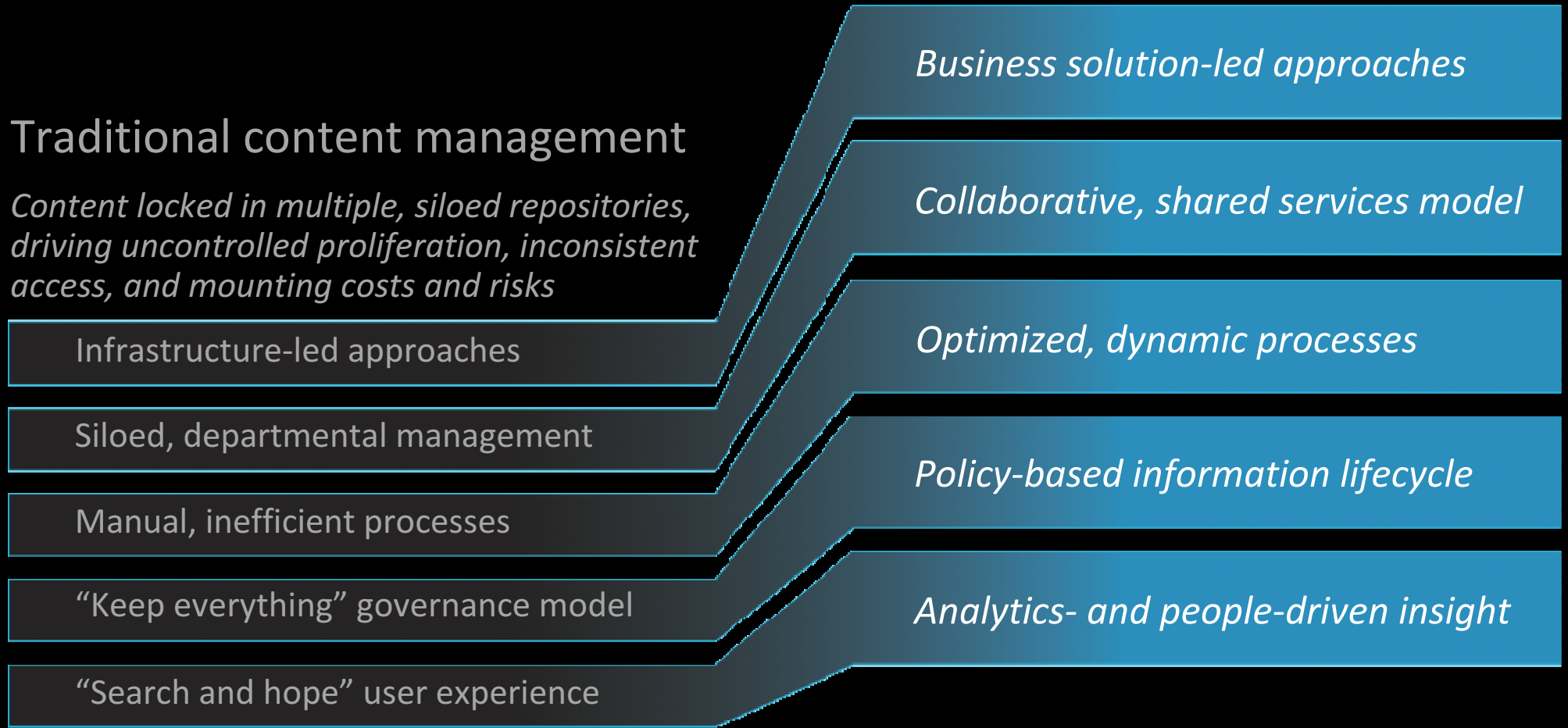*Suppliers*
Customers
Prospects
…

Smarter models are emerging

Smarter content management

Content in a shared services model, delivered in context to specific business users and processes, driving faster insight and action

Traditional content management

Content locked in multiple, siloed repositories, driving uncontrolled proliferation, inconsistent access, and mounting costs and risks

Traditional	Smarter
Infrastructure-led approaches	Business solution-led approaches
Siloed, departmental management	Collaborative, shared services model
Manual, inefficient processes	Optimized, dynamic processes
"Keep everything" governance model	Policy-based information lifecycle
"Search and hope" user experience	Analytics- and people-driven insight

Smart is delivering services more effectively

"Advanced case management will help keep our parole officers safer because they'll have information faster and more reliably."

— *Chuck Picard, Enterprise EDMS Coordinator*
State of North Dakota

Industry context: government services
Value driver: improve process efficiency
Solution onramp: advanced case management

Business Challenge
The state of North Dakota wanted to securely share citizen information across agencies statewide and gain greater visibility into its operations.

What's Smart?
The state enabled agencies to efficiently retain, access and share information by replacing paper-based processes with an automated, centralized advanced case management solution from IBM.

Smarter Business Outcomes
Reduces response time to citizen inquiries from days to seconds. Improves process efficiency, information sharing and cost savings.

Japan Business Services Provider

Smart is gleaning insight about customers

"Insight into customer interaction logs is an information gold mine for us."

— *General Manager*
Japan Business

Industry context: computer services
Value driver: improve customer service
Solution onramp: content analytics

Business Challenge

A Japanese business services provider operates multiple customer service centers and needed ways to analyze large volumes of information to improve agent training and deliver better customer support.

What's Smart?

They implemented content analytics from IBM to understand and process natural language. The solution analyzes customer interactions based on consolidated logs of phone calls, email and Web, identifying keywords.

Smarter Business Outcomes

Improved agent skills and training, resulting in a 92% reduction in call transfer and 88% improvement in volume. Provides new insights about product issues, resulting in an 88% decrease in product-related calls.

PPL Corporation
Smart is knowing what to keep

"Before, it could take up to five days to get a file from our records department. Now staff can access documents at the click of a button."

— *Jim Mazurowski, Supervisor Information Solutions, PPL*

Industry context: energy and utilities
Value driver: reduce costs, improve compliance
Solution onramp: information lifecycle governance

Business Challenge
PPL wanted to minimize the risk and costs associated with records, plus improve document retention for regulatory compliance and information governance.

What's Smart?
PPL addressed their e-mail and records retention requirements by properly capturing, consolidating, storing and managing content across its lifecycle, enabling compliance staff to find trusted, contextually relevant information in a single retention record.

Smarter Business Outcomes
The IBM solution reduced time to access records from up to five days to just seconds, enabled a 75% decrease in time to compile information for new projects, and helped staff retain critical documents to meet regulatory requirements.

Smarter content management requires…

Identifying and quantifying the value drivers

Selecting your value entry point

Harnessing industry-leading technology
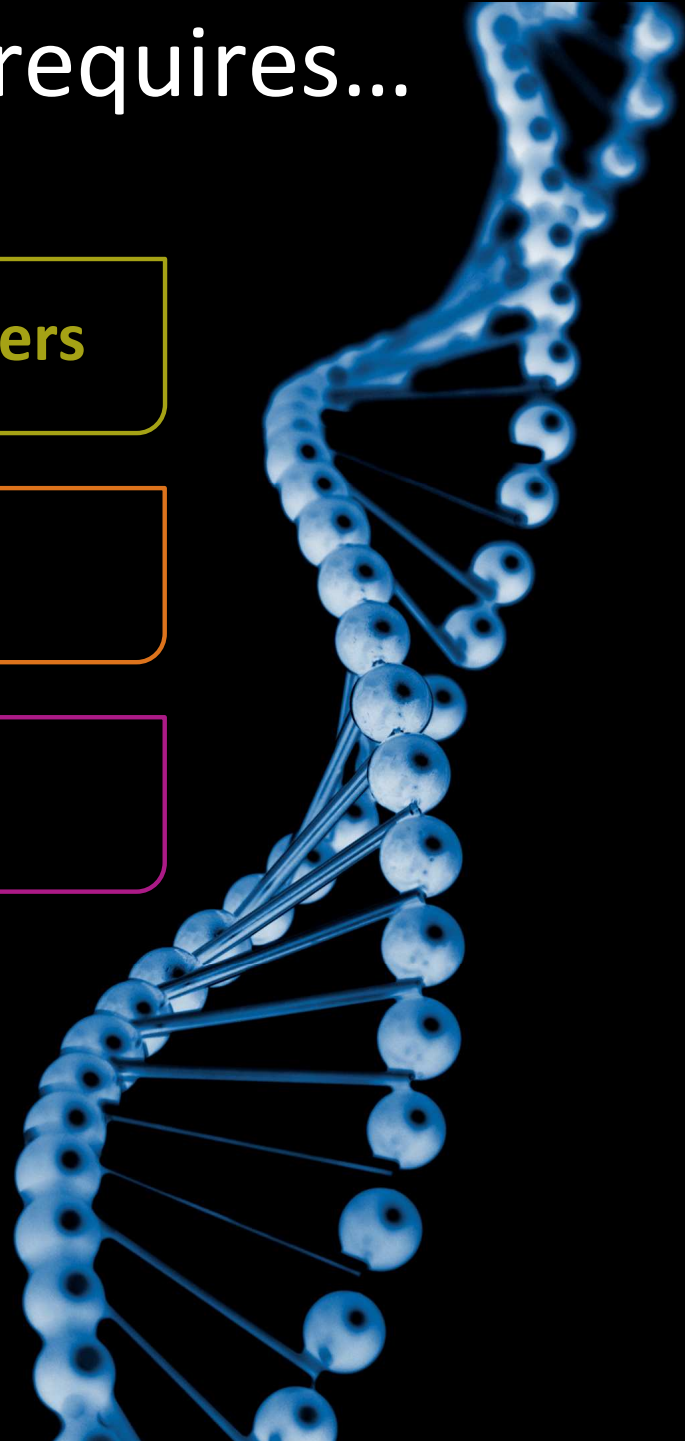
Identify and quantify the value drivers

What's your *business*?

Unlocking value starts within your specific industry context.

What's your *use case*?

The value you derive will be associated with one or more business application areas.

What's your *goal*?

Quantifiable value drivers justify investments in enterprise content management.

Industry context

- Banking
- Insurance
- Government
- Energy and utilities
- Telecommunications
- Health care
- Transportation
- Manufacturing
- etc …

Business application

- Records management
- Commercial lending
- Claims processing
- Fraud detection
- Benefits management
- Member enrollment
- Employee onboarding
- etc …

Value drivers

- Product and service innovation
- Competitive differentiation
- Workforce productivity
- Customer insight
- Risk management
- Cost savings
- etc …

Select your value entry point

Where to *start*?

The path to value lies along one or more specific *solution entry points.*

Document imaging and capture
Capture, manage and share content anywhere it exists

Social content management
Connect people with social content and office documents

Advanced case management
Optimize case and business outcomes

Content analytics
Gain unexpected business insights

Information lifecycle governance
Reduce cost and risk by managing information through its lifecycle

Harness industry-leading technology

An effective technology platform for ECM incorporates these elements

Platform capabilities

- Enterprise integration and federation
- Unparalleled extensibility and scalability
- Flexible deployment models (e.g. on-premise, hosted, cloud…)

Middleware extensions

- Business analytics
- Business process management
- Data management
- Social business
- Web content management

Value entry points

- Document imaging and capture
- Social content management
- Advanced case management
- Content analytics
- Information lifecycle governance

Why IBM? Recognized industry leader

- Leader – Gartner Magic Quadrant, Enterprise
- Leader – Forrester Wave, Dynamic Case Management
- Leader – Forrester Wave, ECM Suites

- IBM's enterprise content management solutions are deployed in:

  - ✓ 7 of the top 8 banks worldwide

  - ✓ 24 of the top 25 insurers worldwide

  - ✓ 15 of the top 16 telcos worldwide

  - ✓ All 8 top retailers worldwide

  - ✓ All 24 top U.S. government agencies

Sources: Gartner, Forrester, Dun and Bradstreet, 2010.
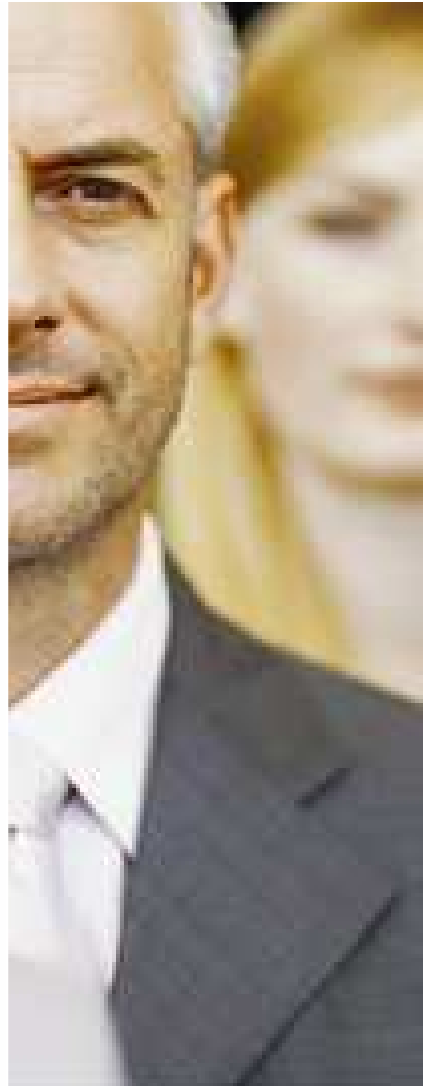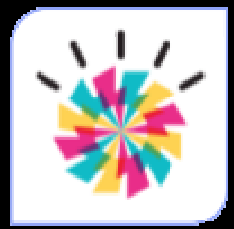
Why IBM? Solutions for your specific needs

Delivered through the industry's leading business partner ecosystem for ECM

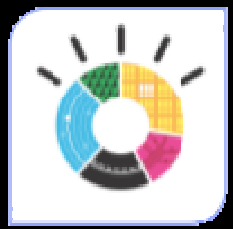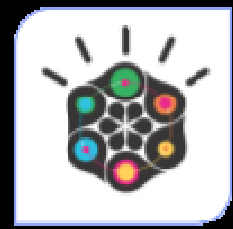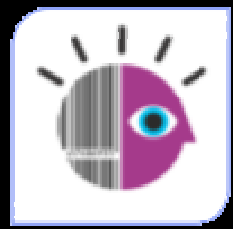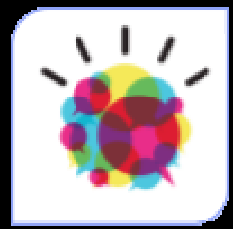| Banking	Energy & utilities	Government	Healthcare	Insurance	Chemicals & petroleum	Retail	Telecom- munications
• Commercial / consumer lending • New account origination • Online brokerage account administration • Investor servicing • Mortgage processing • Asset record certification and deficiency resolution	• Engineering project management • Rate case submission management • Pre-construction project mgmt • Emergency permit requests & processing • Critical safety compliance management	• Administrative and trial court management • Budgeting and planning • Licensing • Child support payment collections • Citation management • Fraud investigation • Grant management • Retirement administration	• Credentialing • Electronic health records • EHR integration • Patient financial services • Release of information • Health info management • Patient records billing • Medical records mgmt • Patient records mgmt	• Claims processing • Customer care • New product development • Policy management • Complaints and appeals • Healthcare enrollment • New business • Underwriting • Wholesale insurance management	• Asset management • Plant lifecycle management • Engineering project management • Document lifecycle control • Critical safety compliance management • CAD drawing management • Workplace safety management	• Automated invoice processing • Single view of customer • Issues management • Contracts management • Customer service	• Contracts management • Customer service • HR on-boarding • SLA monitoring • New product introduction

250+ business partner solutions spanning 18 unique industries at www.ibm.com/imaccelerator

Why IBM? Your strategic vendor for ECM

✓ Industry thought leader anticipating and shaping the future in enterprise content management

✓ Uniquely capable of solving clients' most complex challenges related to content management

✓ Delivering value-added solutions through our unparalleled business partner ecosystem

✓ The most complete portfolio to address clients' content management imperatives

✓ Scale-up, scale-down platform capable of managing the most content-intensive organizations

Next steps

Conduct an enterprise content management strategy planning workshop
Contact your IBM client representative

Explore enterprise content management solutions from IBM's business partners
www.ibm.com/imaccelerator

Explore a specific value entry point
http://www-01.ibm.com/software/data/content-management/

Learn how other IBM clients are benefiting from enterprise content management today
http://www-01.ibm.com/software/success/cssdb.nsf/topstoriesFM?OpenForm&Site=cmportfolio&cty=en_us

Back-up

JB Hunt
Smart is increasing revenue

"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

Business Challenge
- Manual billing
- Deliveries made before customers could accept them resulting in 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 Outcomes
- Accurately track and bill charges to the customer, adding $870K in revenues annually
- 6x improvement in billing staff productivity
- Improve record-keeping to ensure compliance
- Increased automatically processed bills from 60% to 90%
- One billing clerk now required instead of six

JM Family

Smart is improving customer service and employee productivity

"The major business objectives in our organization are excellence in customer service and increased productivity of our associates. IBM ECM is a key enabler of these objectives."
Keith Tempinski, Director, Enterprise Content Group,
JM Family Enterprises, Inc.

Business Challenge
- Lack of visibility into customer service interactions around automobile loans and leases
- Bottlenecks due to many audits in approval steps

Smarter Business Outcomes
- $2.1 million annual call center labor savings
- Processes cut from days to just minutes
- Handle more loans with current resources
- Eliminated annual printing of 168k pages for cost savings and environmental benefits
- Improved customer service and information quality
- Customer service associates focused on exception-based processes, with greater knowledge sharing across departments

A large US bank
Smart is processing loans in 24 hours or less

Why IBM? The bank selected IBM ECM software for its ability to manage each customer's interactions and associated content over its lifecycle and as part of critically important business processes

The need
To effectively manage and locate unstructured data stored electronicallly in disparate systems and physically in file rooms

The solution
- Advanced case management strategies from IBM have helped the bank provide staff with access to all relevant content for each case at every step regardless of content source
- Consumer and commercial loan documents are scanned into the system as they are completed and then managed electronically
- Dashboards allow managers to track the status of loans and determine if any service-level agreements are at risk.

The benefits
- Reduced loan processing times from **days to hours**
- Decreased time to apply best practices at acquired companies from **months to weeks**
- By moving from paper-based processes to electronic processes, the bank is reducing its environmental impact to meet its goal for a "greener" workplace.

Large US federal agency

Smart is leveraging a content management system to process paperless claims

"All appeals are handled electronically. At the hearing offices, we have a new case-processing system, as well as the online files. We've had many hearings where the whole hearing is handled electronically, with the judge and attorneys at terminals. We're even recording hearings in digital media and filing them in the electronic folder."

The need

- To manage more than 2 million paper-based claims each year
- To reduce delays in claims processing (up to 3 years)
- To replace the Paper based process that was very costly, inefficient, and ultimately provided poor service to the public

The solution

- 32 million documents imaged and stored each year (7 TB digital storage)
- audio and video transcripts from claims hearings (45 TB bytes digital storage)
- 65,000 users, including 10,400 concurrent users
- 1,477 offices and 135 hearing offices that hear appeals on claims

The benefits

- Saving more than $1.3 billion when compared with the cost of creating, mailing and storing paper folder
- Slashed 100 days out of the average time it takes to process a claim