

Business and IT Agility

The IBM Rational IT Portfolio Management Solution

Event Opening

Introduction of the New Rational Brand Sales for Hungary



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Agenda

1. Introduction: Doing more with less
2. Making the Right Investments
3. Break
4. Optimizing Execution
5. Conclusion: Putting it all together
6. Q&A

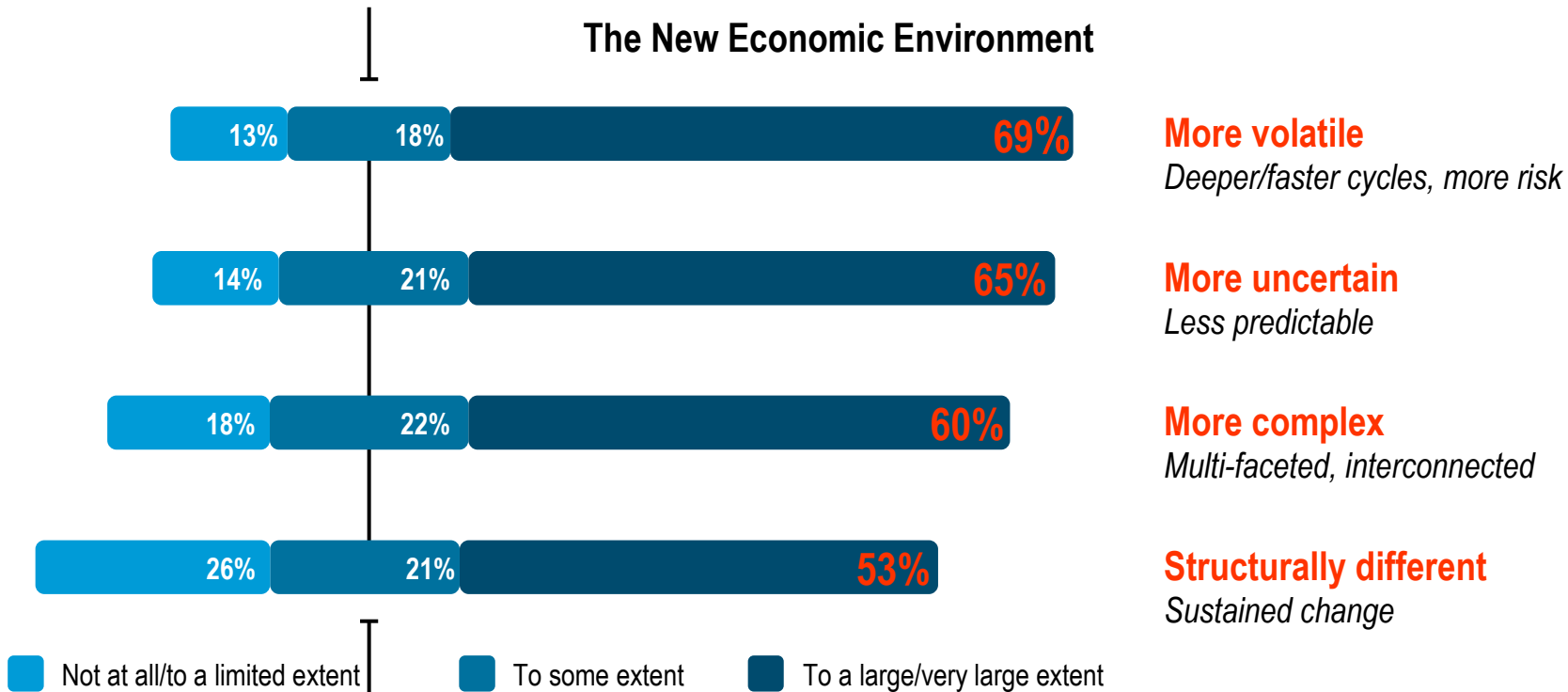
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CEO's See Volatility and Challenge



More volatile
Deeper/faster cycles, more risk

More uncertain
Less predictable

More complex
Multi-faceted, interconnected

Structurally different
Sustained change

Source: IBM CEO Study 2010

"Last year's experience was a wake-up call, like looking into the dark with no light at the end of the tunnel."

President and CEO,
Industrial Products, The Netherlands

Business Agility is Mandated



CIO's Prioritize Accordingly for 2010

- 1. Business productivity and cost reduction.**
- 2. IT and business alignment.**
- 3. Business agility and speed to market.**
- 4. Business process reengineering.**
- 5. IT cost reduction.**

Source: CIO Insight
<http://www.cioinsight.com/c/a/Research/CIO-Priorities-for-2010-196566/>



“As business starts to grow again, technology is also expected to help bridge the productivity gap caused by the reduction in headcount. Yet, spending freezes haven’t disappeared and now IT organizations lack the capacity to run multiple large initiatives concurrently.”

CIOUpdate.com August 3, 2010
<http://www.cioupdate.com/budgets/article.php/3896646/How-to-Get-the-Budget-You-Need-in-2011.htm>

IT Agility is Also Needed

2011: Strain on Limited Resources

Zero Growth Budgets Require Effective Operations

Do More

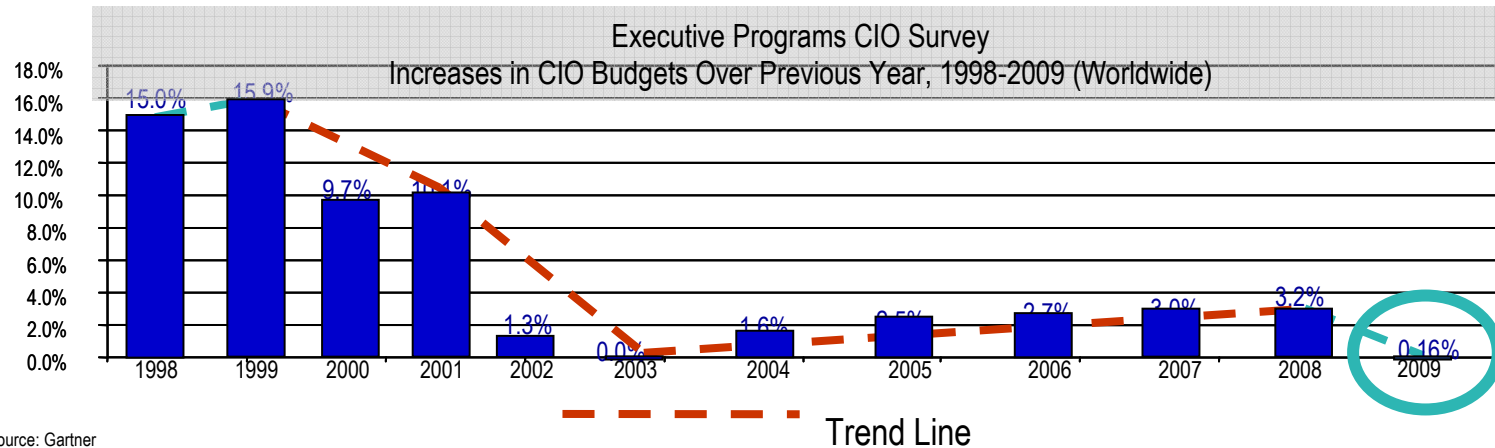
2011 Demand for IT Services

"The economic downturn forced deep cuts in IT budgets. Now, as CIO's plan for the recovery, they are facing unprecedented demand for IT services from the business. At the same time, organizations are still keeping spending tightly under control."

CIOUpdate.com August 3, 2010

<http://www.cioupdate.com/budgets/article.php/3896646/How-to-Get-the-Budget-You-Need-in-2011.htm>

With Less



What is Needed to Support Business and IT Agility

■ IT Must Deliver:

- ✓ More business solutions
- ✓ More flexibility
- ✓ More quality
- ✓ More business value

-yet-

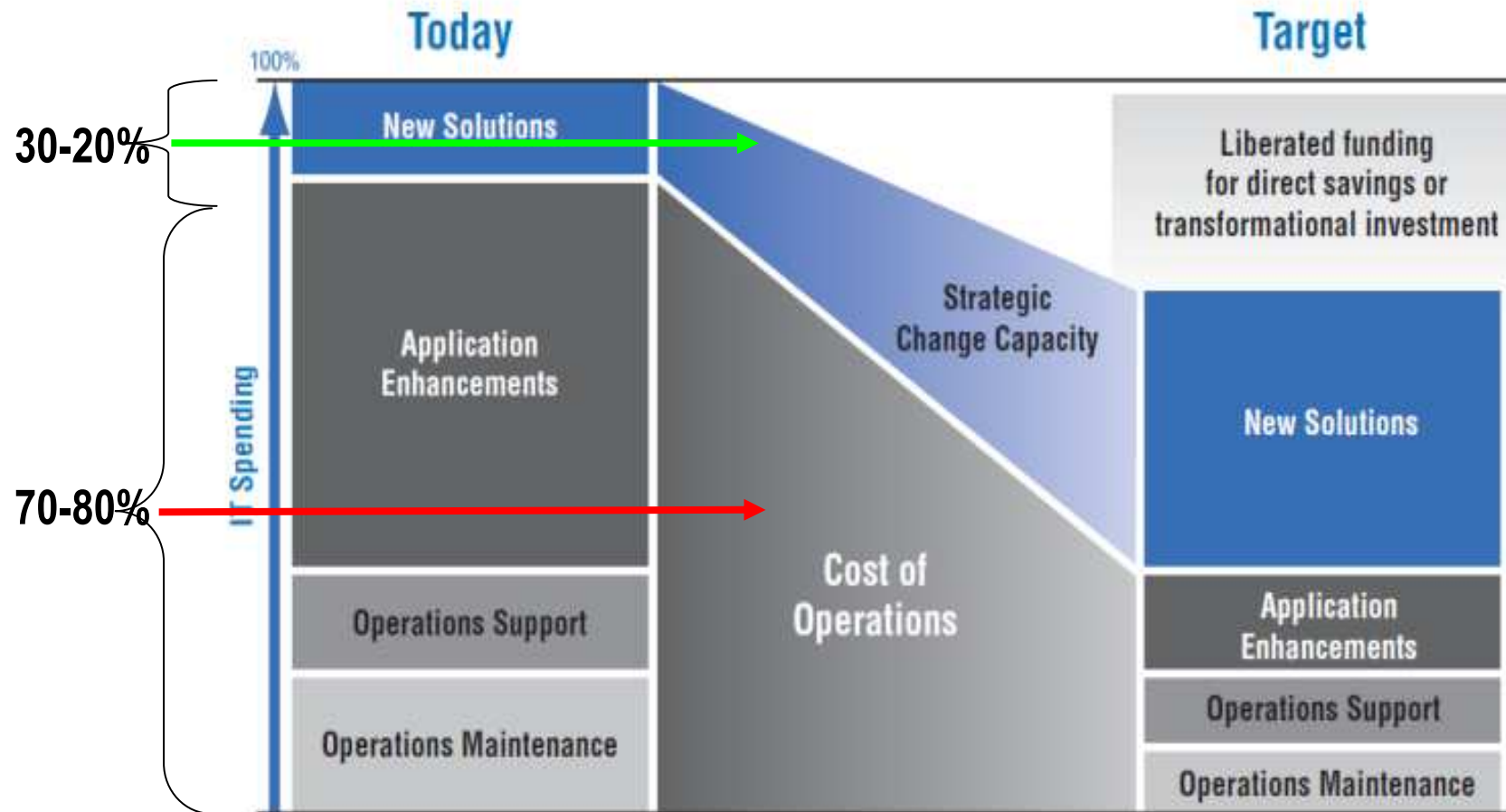
- ✓ Less risk
- ✓ Less costs
- ✓ Less or flat resources



Agility requires a delicate balance of resources, reducing costs while delivering more, higher-quality business solutions.

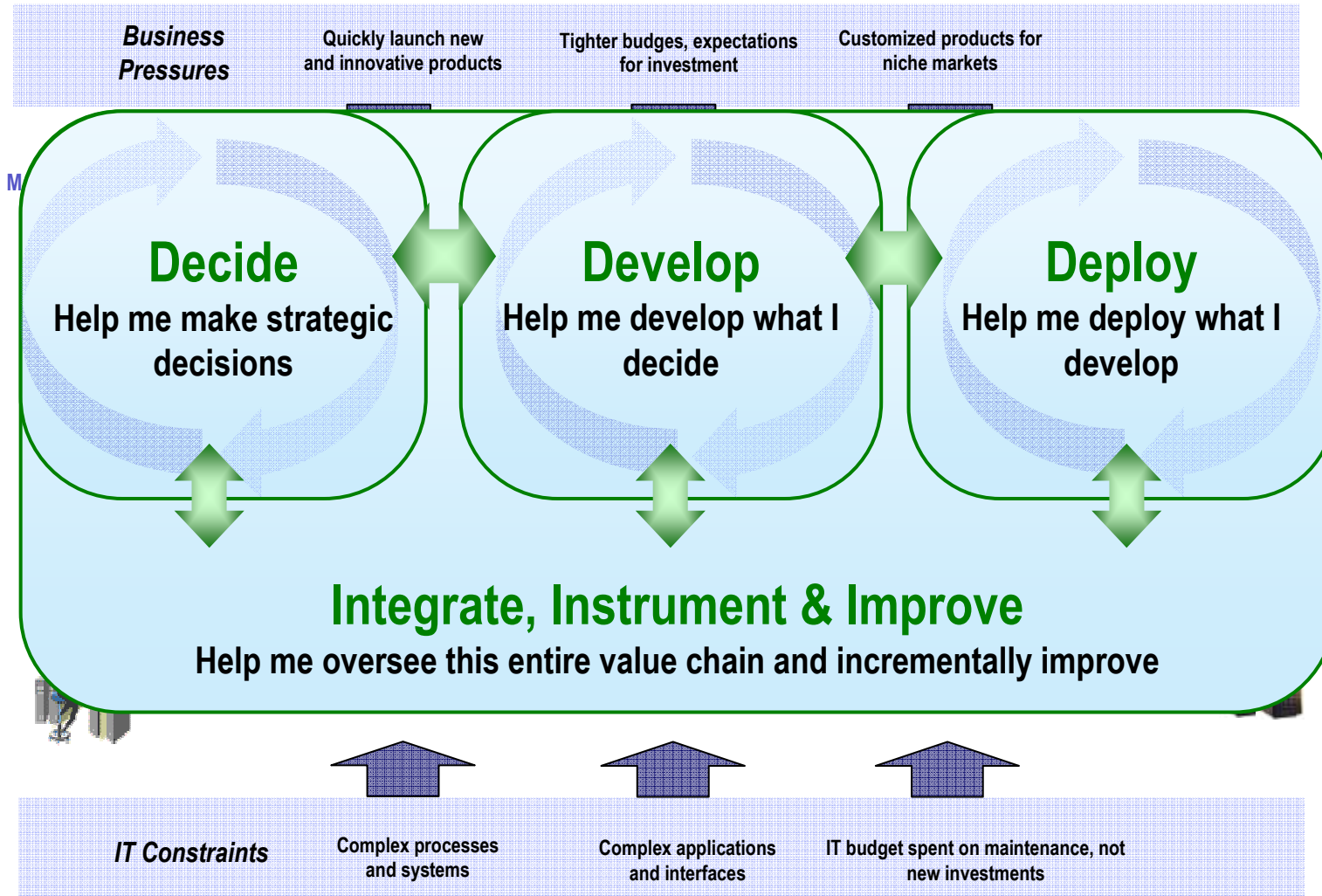
Balancing Resources to Support Business Innovation

Balance IT investments to focus on new solutions.



- Forrester estimates that ongoing operations and maintenance consume **66%** of IT budgets
- While new projects and software initiatives represent only **34%**

Business and IT Agility Accelerators: Driven by Customer Best Practices



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Making the right investments:

Business Planning, Alignment and Investment leveraging IBM

Rational Solutions

Decide

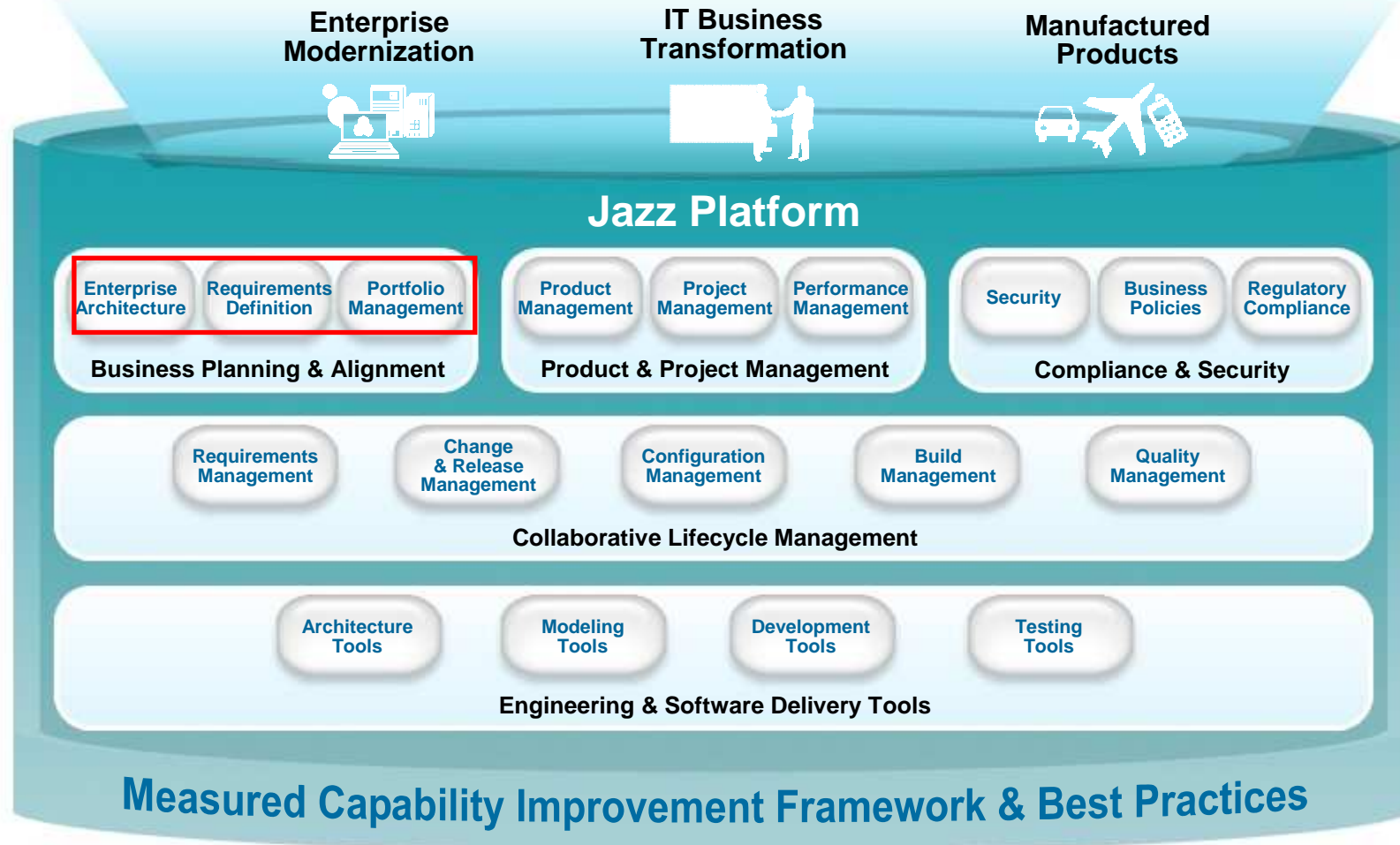
Help me make strategic
decisions

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Business Planning and Alignment

In the context of the Rational Software Delivery Platform



Questions #1: Volatility, Consolidation & Competitive Threat

Demand strategic planning to reshape the business and manage MAD

(Mergers, Acquisitions & Divestitures)

- CIOs who said they were **aligned** with the business, **enabled a new revenue stream more than twice as often** as those who were not
(24 % versus 11 %)*
- More importantly, aligned CIOs said they had used IT to create a competitive advantage
(38 % versus 23 %)*



Execution Mandates

- **Corporate Strategy:** What are the strategic goal and objectives of the business
- **Inventory:** What technology, Application and solutions do we have?
- **Innovation:** Do we need to change to achieve our enterprise goals? ...and How?
- **Impact:** What impact will these changes have on our customers, the business and our shareholders?
- **Integration:** How will we integrate these organizational and technological changes into the business without disrupting operations?

*CIO Magazine: "State of the CIO Survey" 2007

Questions #2: Limited resources & ever shrinking budgets

Dictates accurate resource management, forecasting and nimble execution

Execution Mandates

- **Deliver on-time & within budget**
 - ▶ Continually adjust delivery based up on shifting demands

Manage Risk

- ▶ Identify execution risk and recommend mitigations

Provide Transparency

- ▶ Identify “at risk” projects before they are a problem
- ▶ Leverage frameworks and reporting standards

Create Repeatability

- ▶ Examine and triage both success and failures



"High project failure means you're wasting money, and there's even less tolerance for that in a down economy,"

(Margo Visitacion, VP Forrester Research)

Questions #3: Continuous monitoring of projects

requires transformation and simplification of data into meaningful information

Execution Mandates

- **Measure process and project outcomes**
 - ▶ Real-time intelligence based on IT industry best-practice metrics, dashboards and models
- **Make informed decisions and drill into issues**
 - ▶ Alerts and automated analysis focuses owner to take action on root causes, before mitigation costs balloon 1000%
- **Take real-time action on relevant data**
 - ▶ Proven BI-backbone automates collection and analysis to improve lifecycle productivity 10-15%

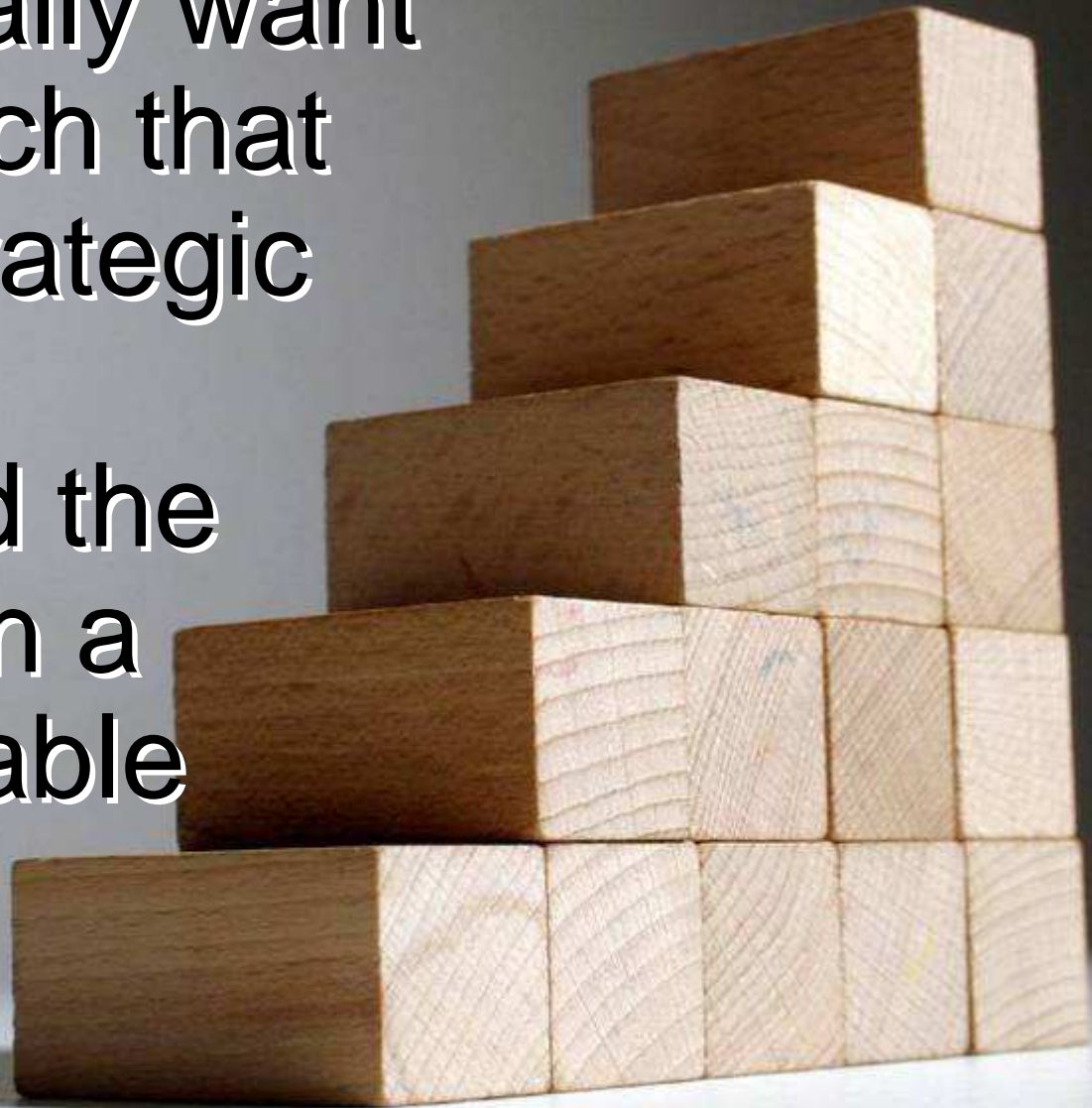
“34% of software projects are deemed successful costing \$300B annually”

49% of budgets suffer overruns

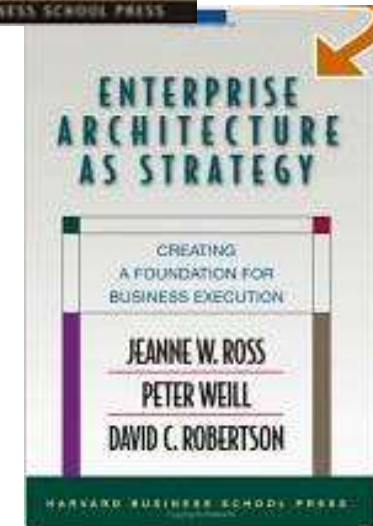
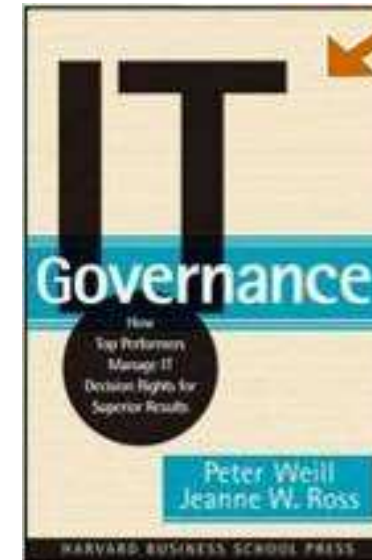
62% fail to meet their scheduled”



What you really want is an approach that aligns the strategic goals of the business and the IT strategy, in a financially viable manner.



What is missing is a structured and integrated approach.



What is the payoff from a structured approach? The findings of a number of research projects conducted by the Massachusetts Institute of Technology (MIT) Center for Information Systems Research (CISR) suggest that firms with focused strategies and above-average IT governance capabilities had more than 20 percent higher profits than other firms following the same strategies.

PETER WEILL AND JEANNE W. ROSS, IT GOVERNANCE, HOW TOP PERFORMERS MANAGE IT DECISIONS FOR SUPERIOR RESULTS, HARVARD BUSINESS SCHOOL PRESS, USA, 2004

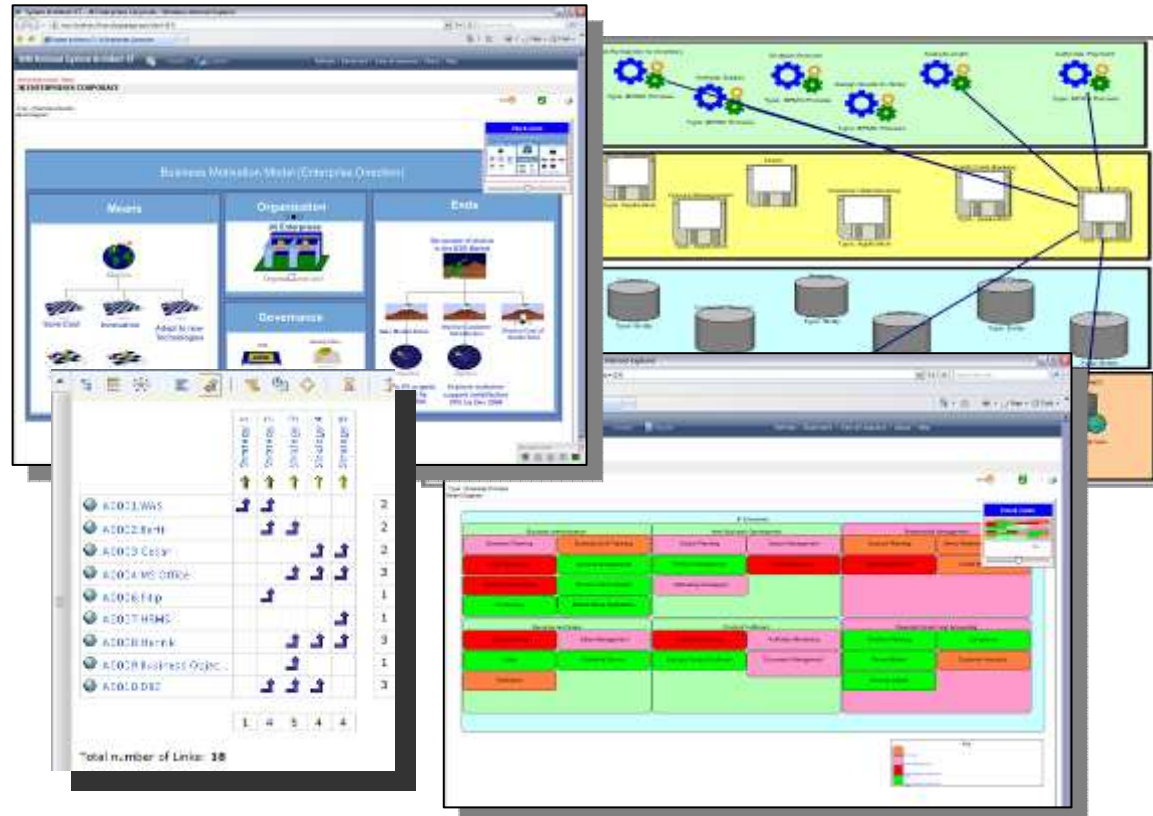


Align business objectives with IT Strategy

Understanding the complexities and inter-relationships of various stakeholders and technologies

The Innovation:

Enterprise architecture management solutions allow organizations to model the current and future state across multiple business and technology dimensions, interconnect them, and understand the impact of change



Map

Strategic Objectives to IT Resources and Solutions



Model

Develop and analyze scenarios of future states.



Monitor

Changes and effects during execution



The Benefits:

- Faster, better-informed, strategic and tactical decisions
- Improved risk management of transformation
- Increased efficiency and reduced cost through consolidation

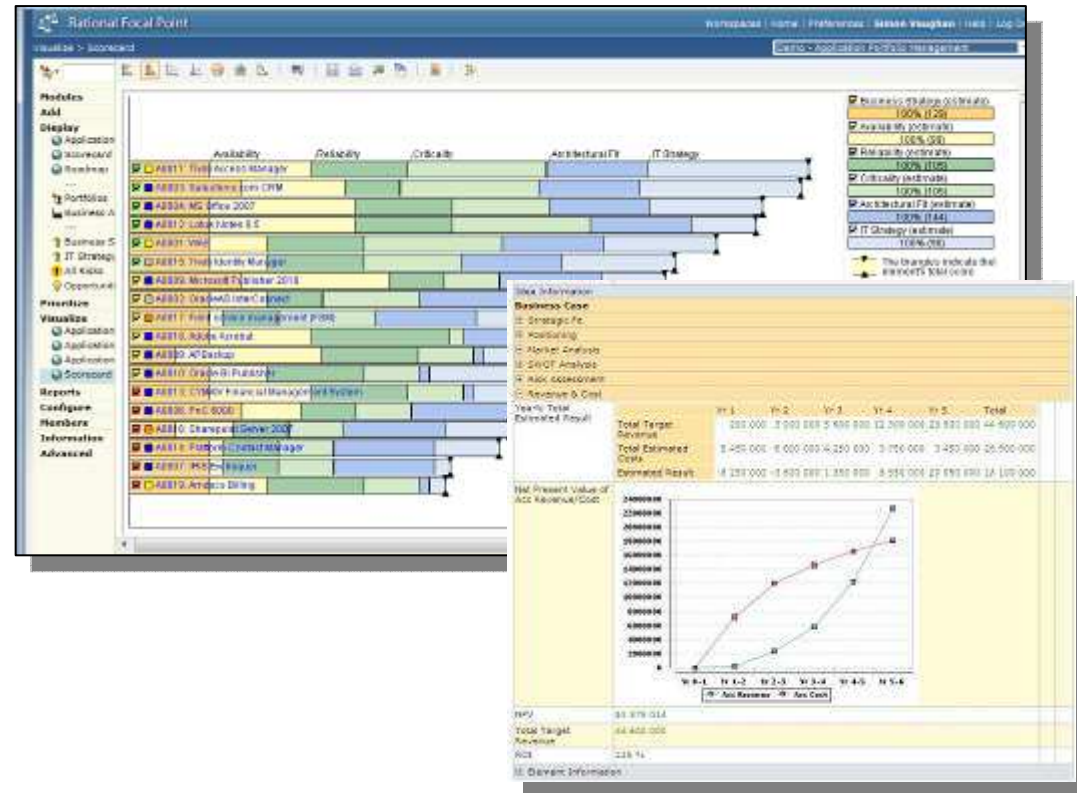


Manage the Portfolio & Products to deliver value

Making better, more informed decisions to align funding with initiatives that maximize return

The Innovation:

Portfolio management software automates data collection and analysis of potential funding initiatives against decision criteria. Scenario analysis models and visualizes the financial, time and citizen impacts and requirements



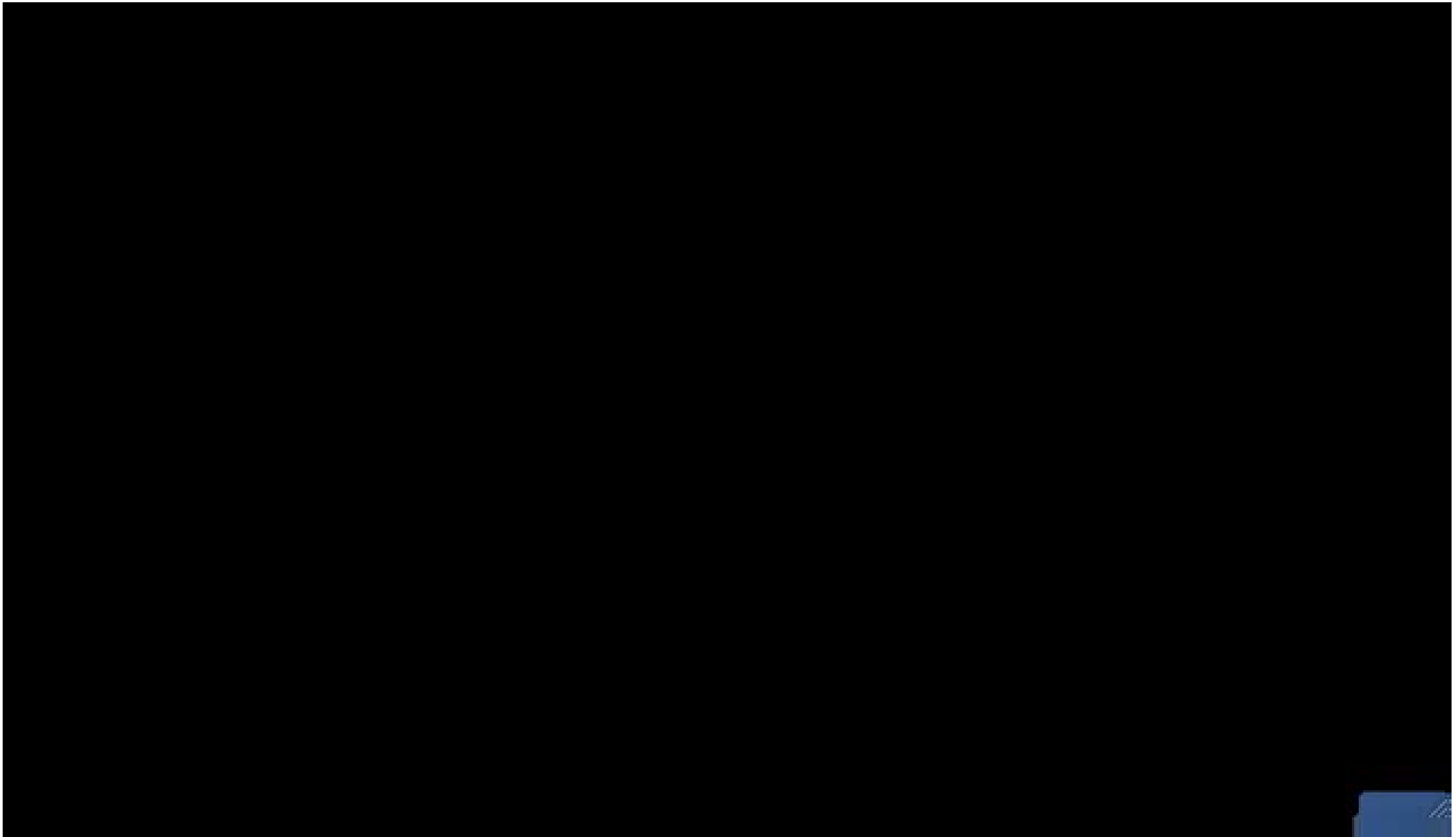
Capture
priorities and constraints
across all constituents

Analyze
Current opportunities
against future scenarios

Match
Funding with highest
priority/return, lowest risk

The Benefits:

- Transparent and inclusive decision processes
- Effective & efficient analysis & management of limited resources
- Fiscal responsibility and audit-ability

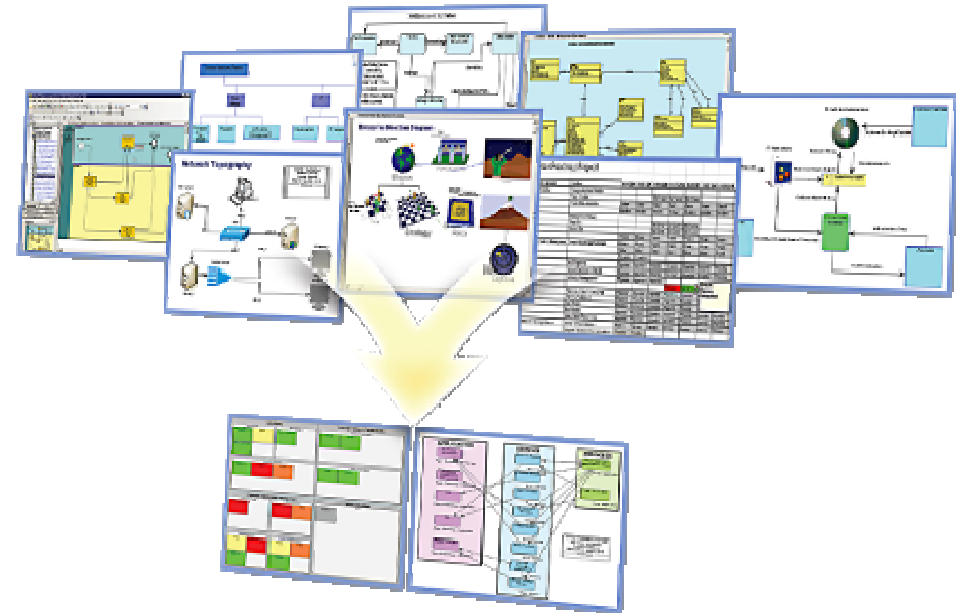


Start with the big picture

An enterprise view is required for enterprise planning

Enterprise blueprinting with interactive visualization and analysis

- **Link, consolidate and analyze IT architecture information in blueprints**
 - ▶ Strategies, goals and organization
 - ▶ Applications, services and data
 - ▶ Systems, networks and components
- **Simplified modeling with robust support for standards**
 - ▶ Create a common and consistent information resource to guide enterprise planning
 - ▶ Multiple modeling standards in one tool
 - ▶ Changes are propagated throughout the data blueprint, simplifying maintenance



v11.3

Rational System Architect

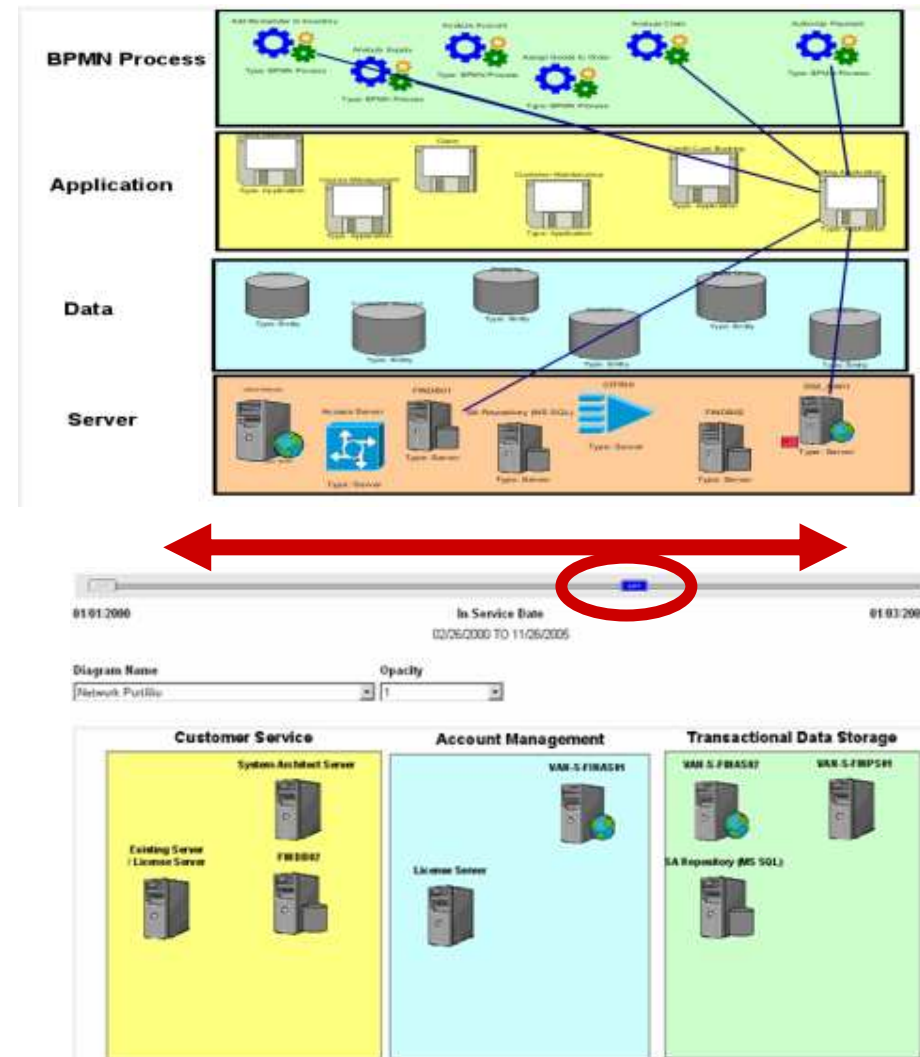
Enterprise Architecture identifies corporate systems, their key properties, and their interrelationships, and plans for and guides the evolution of the enterprise systems to support and enable the evolution of the enterprise in its pursuit of strategic advantage

Use feedback to drive IT change and transformation

Understand impact to the organization

- Enterprise planning supports impact analysis and transformation
 - ▶ Executive dashboard and visual reports for impact analysis based on related information across the organization
 - ▶ Visualization and time-based analysis for effective migration from current-state to desired future-state

- Application-level impact analysis to optimize future investments
 - ▶ Quickly identify how potential changes will affect applications or subsystems
 - ▶ Traceability matrix supports analysis of change to detailed requirements
 - ▶ Identify and reuse IT/engineering assets and applications that support design environment



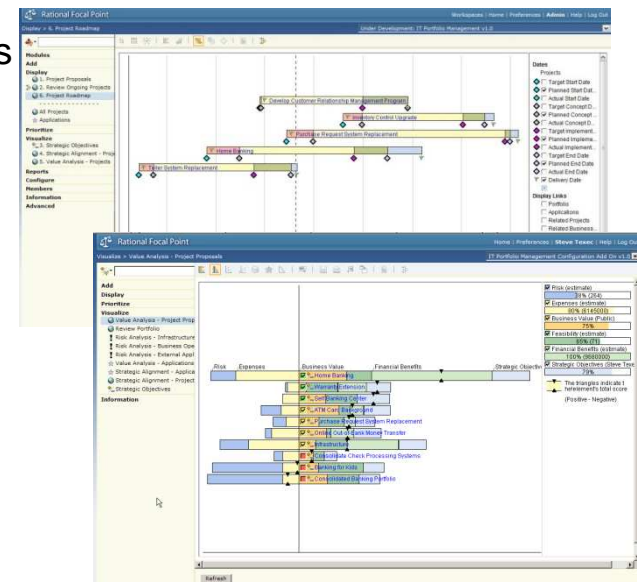
v11.3

Rational System Architect

Rational Focal Point 6.5

- Comprehensive solution for portfolio planning as well as product management
 - ▶ Supports investment decisions aligned with business strategy
 - ▶ Enables quick reaction to changes in business environment

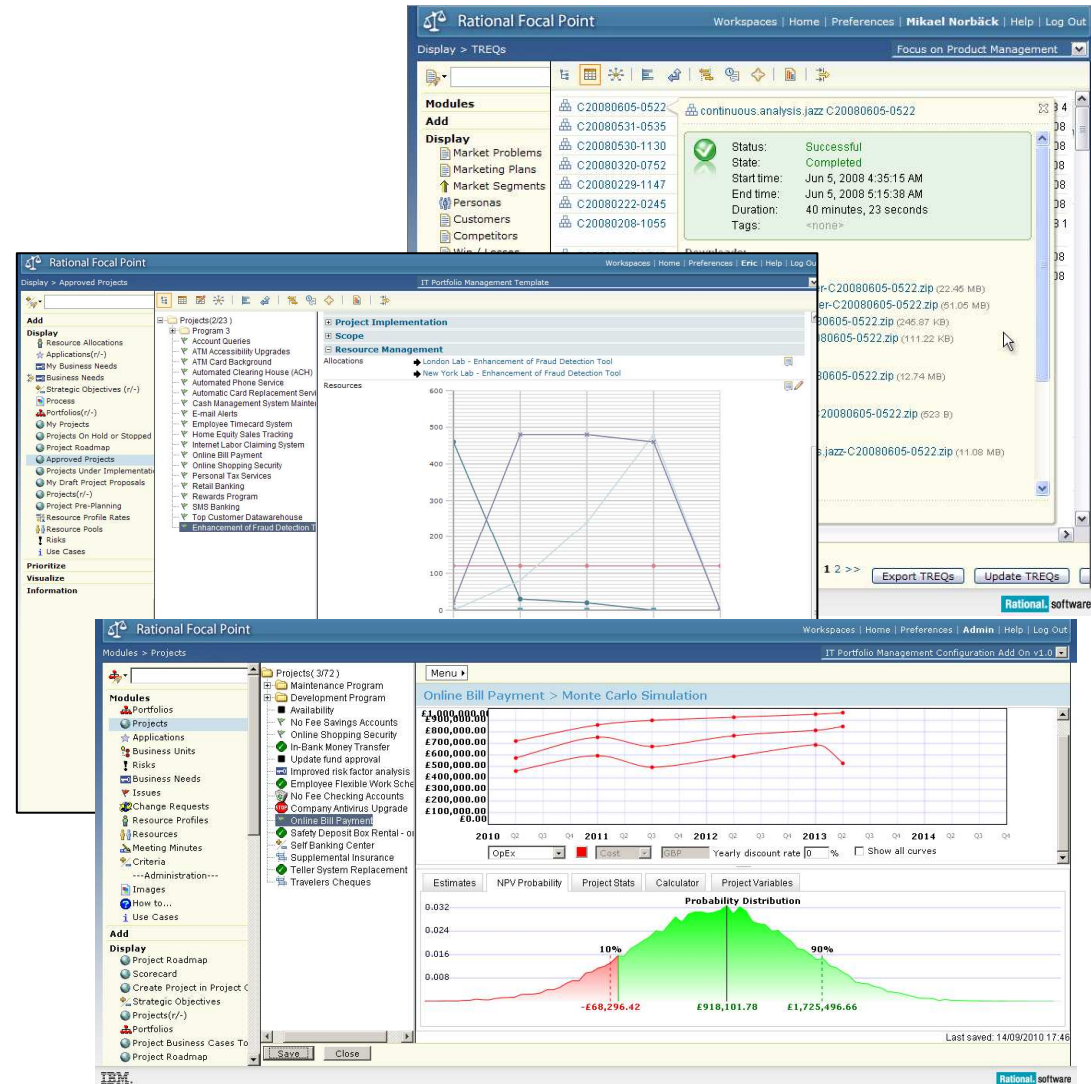
- Key capabilities:
 - ▶ Single consolidated repository with consistent artifact workflows
 - ▶ Visualization of trade-offs, including positive and negative attributes
 - ▶ Support for capacity planning and project sequencing
 - ▶ Integration with third-party estimation vendors to reduce early risk and increase confidence
 - ▶ Scorecards to monitor investment performance
 - ▶ Pre-configured templates and workflow that can be easily customized



Rational Focal Point 6.5

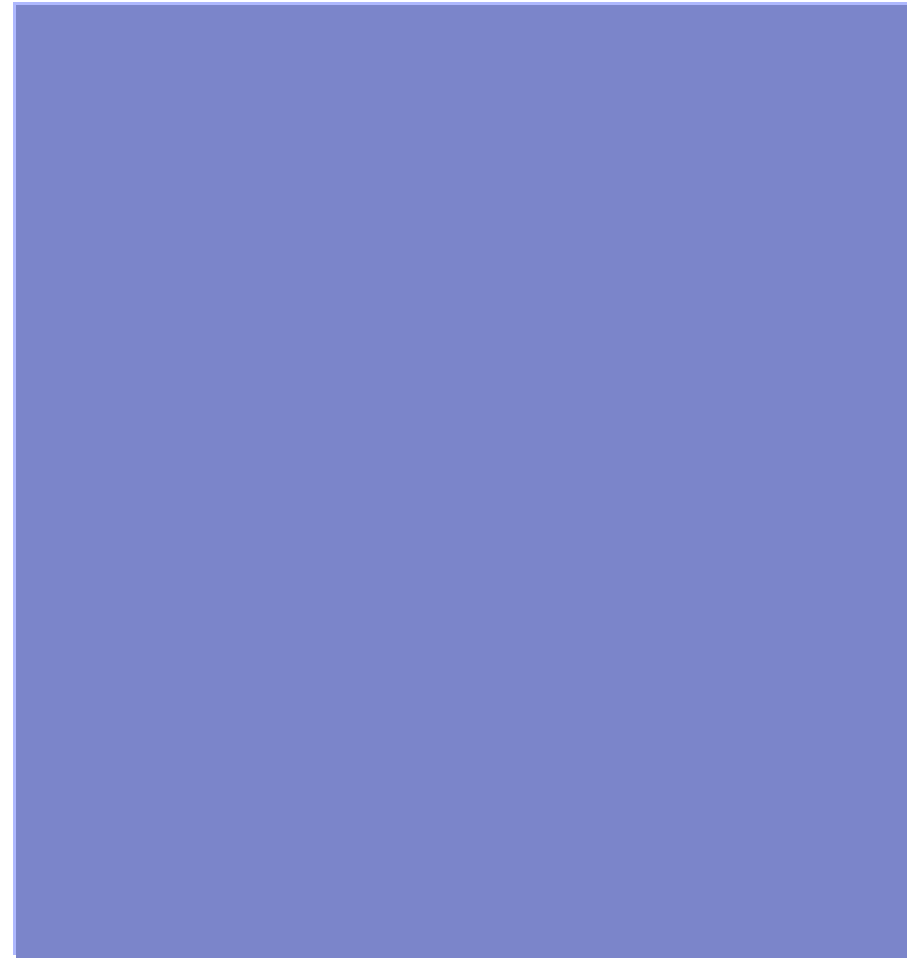
Hardwiring the linkage between strategy and execution

- RTC integration to prioritize and manage project scope and rollup project status
- Investment Analyzer to assist with financial modeling and business case assessment
- More advanced resource management allowing skill based demand and supply tracking and balancing
- Translations
 - ▶ Arabic, Chinese (Trad. and Simple), Czech, French, German, Hebrew, Hungarian, Italian, Japanese, Korean, Polish, Portuguese, Russian and Spanish
- Configuration templates included in product
- Embedded Rational Publishing Engine for report generation and improved visualizations



Get Visibility - Capture Project Proposals

- All users can propose new projects
- Standardized form gives consistent information about the proposal
- Support for creating multiple projects and creating projects from Rational System Architect
- Example of information to enter:
 - *Title*
 - *Description*
 - *Type*
 - *Portfolio*
 - *Business unit*
 - *Related applications*
 - *Related projects*
 - *Primary strategic objective*
 - *Project objectives*
 - *Business value*
 - *High level resource needs by role*



Get Visibility – Display Your Projects

- Display your projects
- Display relationships and dependencies to:
 - ▶ Applications
 - ▶ Business needs
 - ▶ Financials
 - ▶ Products
 - ▶ Risks
 - ▶ Other projects
 - ▶ Etc

The screenshot displays a project management application. On the left, a tree view shows a hierarchy of projects under 'Projects (3/59)'. The 'Maintenance Program' is expanded, showing various sub-projects like 'ATM Accessibility Upgrades', 'Automated Phone Service', and 'Banking for Kids'. The 'Development Program' is also visible, containing items like 'Currency calculator' and 'EDI Invoicing'.

The right pane shows the detailed view for the 'ATM Accessibility Upgrades' project. It includes sections for 'General Information', 'Links', 'Value Statements', 'Initial Estimations', and 'Risk Assessment'. The 'Risk Assessment' section shows a total risk score of 41 and a list of risks with their details.

Risks	State	Classification	Probability	Consequence	Score	Priority
3rd party dependencies	Closed	Technical - Business Needs	4 - Medium	10 - Very High	40	2 - Medium
Changed scope	Open	Technical - Business Needs	7 - High	10 - Very High	70	1 - High
Client not happy	Open	Business	10 - Very High	7 - High	70	1 - High
Hardware	Open	Project	7 - High	7 - High	49	2 - ..

Automation – Workflow for Governance

- Enforces the process
- Roles collaborate around the projects
- Access rights to control who can do what and when
- Approval gates
- Example: Approval of project business case



Portfolio Alignment - Project Business Case

- Risk assessment
 - ▶ Impact and probability
 - ▶ Priority
 - ▶ Classification
 - ▶ Mitigation strategy
- Financials
 - ▶ Budgeted benefits and costs
 - ▶ NPV, ROI, IRR
- Scope in form of high-level business needs
 - ▶ Cost estimate
 - ▶ Select among prioritized business needs raised against the application that the project targets.

Value Statements

Primary Strategic Objective ↑ Adapt to New Technologies

Project Objectives Update the fraud detection system to latest technologies available.

Business Value New technologies have occurred over the years. We need to stay up to date in order to prevent frauds. That will in turn save cost for us.

Problem We have on few occasions missed to detect some frauds that could easily have been detected if we had the new technology. This has caused us to lose approximately \$1500 000.

Solution With the upgraded fraud detection tool that the project will provide, we will close up the holes and ensure that we don't lose money on the new type of frauds we've seen previously.

Initial Estimations

Risk Assessment

Total Risk Score 34

Risks

- ⚠ Lacking skills
- ⚠ Missing Software
- 🔒 Security

Risk Details

Risks	State	Classification	Probability	Consequence	Score	Priority
Lacking skills	<input type="checkbox"/> Open	Technology	10 - Very High	7 - High	70	↑ 1 - High
Missing Software	<input type="checkbox"/> Open	Technology	4 - Medium	7 - High	28	↑ 1 - High
Security	<input type="checkbox"/> Open	-Select-	1 - Low	4 - Medium	4	↑ 1 - High

Financial Information

NPV \$317,132

IRR 14 %

ROI 109 %

Financials

Sheets	Time Span	Time Interval
Budget	2009 Q1 - 2014 Q4	Quarter
Planned	2009 Q1 - 2014 Q4	
Actual	2009 Q1 - 2014 Q4	

Scope

Business Needs




- NEW 001:Real-Time Checks
- 002:Automatic monitoring and alerts
- 003:Authentication of client data
- NEW 004:GUI Refresh
- 005:Access Rights

Total Estimated Man Hours 3,050 hours

Comparing (difference): Financials > Planned and Budget							
	A	2009 Q1	B	2009 Q1	C	2009 Q1	D
Enhancement of Fraud Detection Tool							
Expenditures	1	465000	450000	15000	355000	50000	
Capital Expenditures	2	295000	275000	20000	100000	10000	
Development	3	260000	250000	10000	40000	5000	
Investments	4	35000	25000	10000	60000	5000	
Operational Expenditures	5	170000	175000	-5000	255000	40000	
Resources	6	130000	150000	-20000.0	200000	25000	
Supplies	7	15000	20000	-5000.0	10000	12000	
R&D	8	25000	5000	20000	45000	3000	
Benefits	9	0	0	0	310000	36000	
Cost Savings	10			0	310000	36000	
Cost Avoidance	11			0			
New Income	12			0			
Net Cash Flow	13	-465000	-450000	-15000.0	-45000	-14000	

Portfolio Alignment - Project Balancing

- Analyze impact of projects on strategic objectives, portfolio, type etc.

Primary Strategic Objective	Quantity	Sum: NPV	Share	
Adapt to New Technologies	1	1 206 121	39,0%	
Innovation	1	1 106 225	35,7%	
Manage Change	1	783 040	25,3%	
	Sum: 3	Sum: 3 095 386		



Portfolio Alignment - Align Projects with Strategy

- Compare project proposals against weighted strategic objectives
- Result is a ranked list of projects
- Top of the list – projects that align most with the strategy

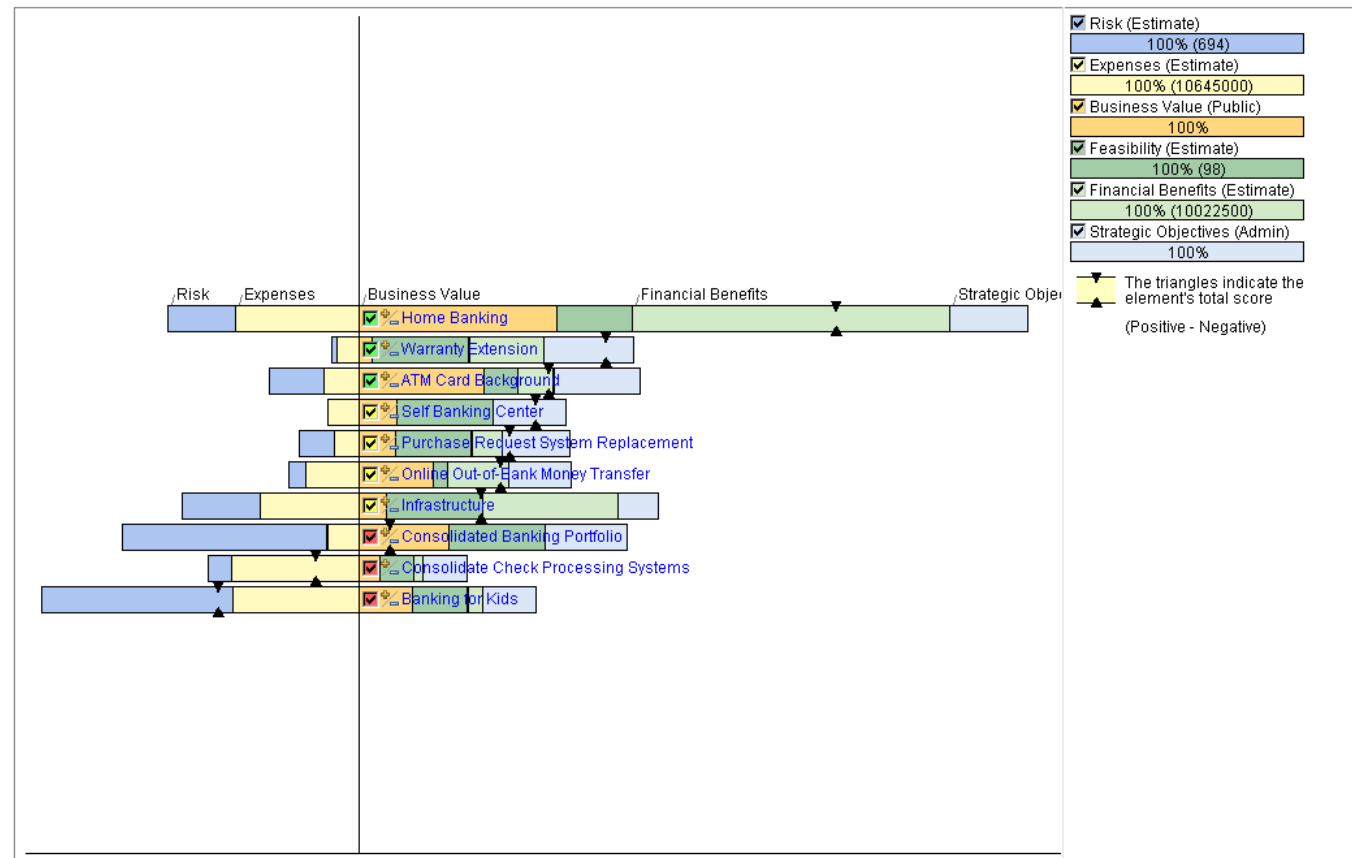


Increase Portfolio Value - Project Value Analysis

- Other factors than strategic alignment affect approval decision:

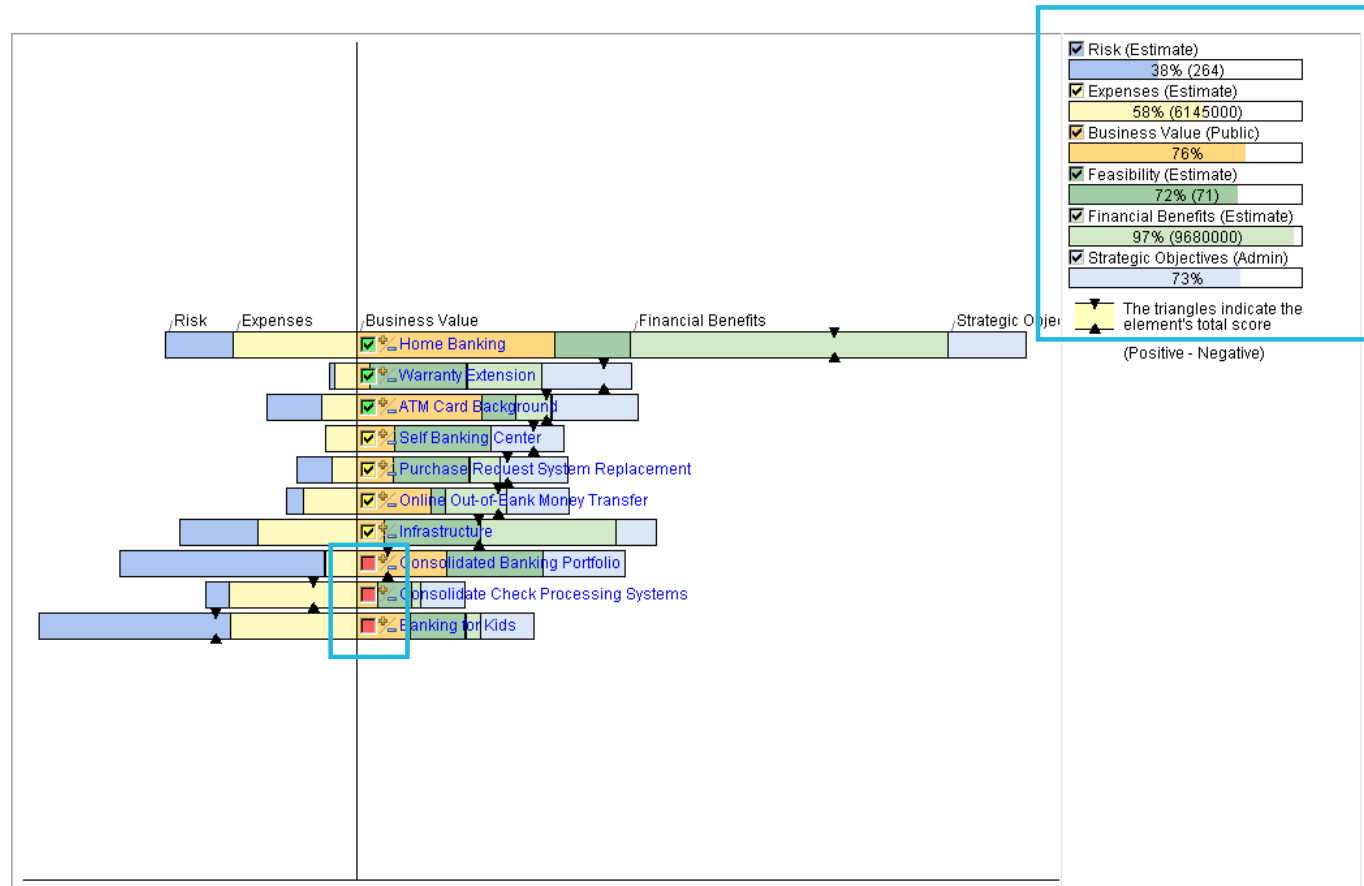
- ▶ Risk
- ▶ Expenses
- ▶ Business alignment
- ▶ Feasibility
- ▶ Financial benefits

- New ranking of the projects
- Weighting considered



Increase Portfolio Value - Pick the Winners

- Remove the low value (bottom projects)
- Reduce risk and expenses
- Maintained good value, feasibility, benefits and alignment



Increase Portfolio Value - Supply/Demand Analysis

- Use Resource profiles (e.g. Java Developer, etc.) to estimate Demand
- *Enter estimated* hours per month for each Resource profile by Month

16 Developers - Automatic Card Replacement Service						
General Information						
ID	019					
Title	16 Developers - Automatic Card Replacement Service					
Description						
Project	Automatic Card Replacement Service					
Resource Profile	Developers					
State	Booked					
Estimations						
Number of Resources	16					
Resource Start Date	2009-10-05					
Resource End Date	2010-05-10					
Days Per Week	5					
Hours Per Day	8					
Estimated Duration	149 work days					
Resource Rate	\$160					
Resource Cost	\$381 440					
Man Hours	13 623					
Resource Need Per Month						
Project Target Start Date	2009-09-21					
Project Delivery Date	2010-06-29					
Project Duration	9 Months					
Distributed Share	95 %					
Resource Distribution	2 009	2 010	2 011	2 012	2 013	2 014
January			2 000			
February			1 000			
March			1 000			
April			1 000			
May			1 000			
June						
July						
August						
September		1 000				
October		2 000				
November		2 000				
December		2 000				
Sum	0	7 000	6 000	0	0	0

Increase Portfolio Value - Project Roadmap

- Display relationships and dependencies
- Optimize revenue and costs by moving projects in time.
- Smooth out resource contention by viewing impact on total Supply/Demand capacity and moving projects in time



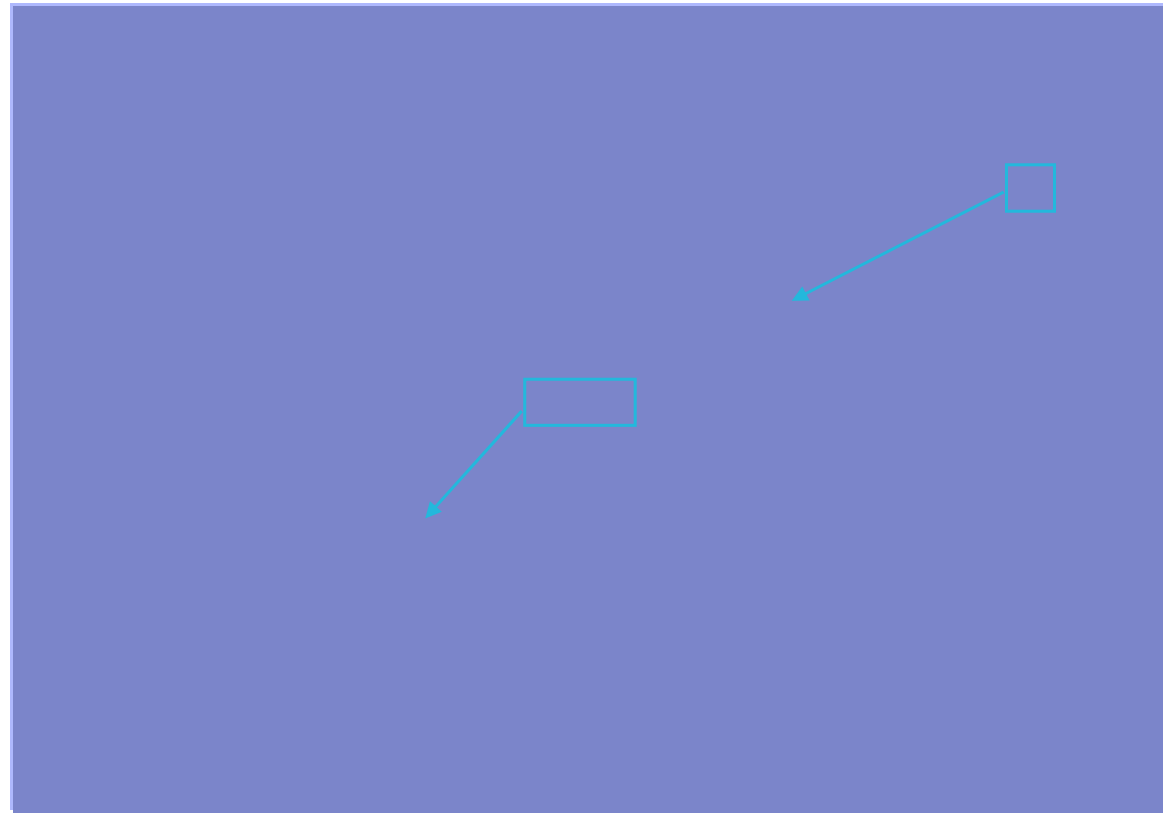
Supply / Demand by Role

- **After confirming overall Supply/Demand levels, verify the right resource are available by Resource Profile (e.g. Testers, Java Developers, etc.)**



Collaboration – Green light projects for Execution

- 1 Select approved project
- 2 Select program, owner and calendar
- 3 Create project in your target system
- 4 Automatically retrieve updates from Project Management System to update portfolio metrics



Get Visibility - Monitor Progress of Project Implementation and adjust

- Review ongoing projects
- Overview
 - ▶ Business
 - ▶ Financial
 - ▶ Schedule
- Traffic lights

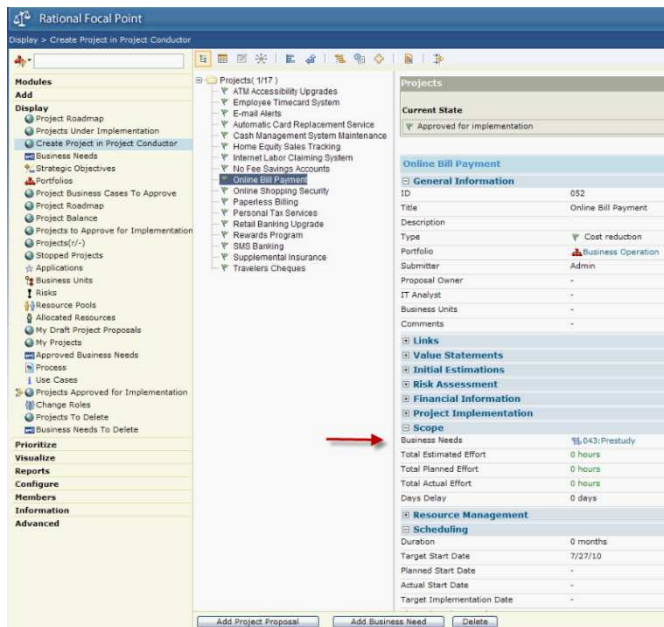
Title	Type	Portfolio	Primary Strategic Objective	Total Risk Score	NPV	Completeness (%)	Planned Expenses Overrun
Automatic Card Replacement Service	Strategic	Infrastructure	Manage Change	20	\$15 064	45 %	
Business Insurance	Revenue generation	Infrastructure	Save Cost	70	\$0	45 %	
Cash Management System Maintenance	Cost reduction	Infrastructure	Save Cost	22	\$8 733	100 %	
E-mail Alerts	Cost reduction	External Applications	Increase Efficiency	16	\$122 076	60 %	
Employee Timecard System	Cost reduction	Infrastructure	Innovation	44	\$3 637 919	3 %	
Home Equity Sales Tracking	Strategic	Business Operation	Save Cost	4	\$2 749 791	80 %	
Internet Labor Claiming System	Strategic	Business Operation	Adapt to New Technologies	40	\$3 575 412	2 %	
No Fee Savings Accounts	Strategic	Infrastructure	Manage Change	36	\$800 089	55 %	
Online Bill Payment	Cost reduction	Business Operation	Innovation	55	\$-44 261	0 %	
			Adapt to New Technologies	43	\$680 104	10 %	
			Innovation	0	\$2 572 630	75 %	
			Increase Efficiency	28	\$1 466 657	15 %	
			Innovation	22	\$7 021 895	75 %	
			Manage Change	37	\$204 064	24 %	
			Save Cost	22	\$584 440	55 %	

Planned Expenses Overrun	
Used Budget vs Completeness %	
Number of Open High Priority Issues	
Project On Schedule	
Project Progress on Target	
Project Scope Delay	

Business controls for software development Integrations

2) Integration with IBM Rational FocalPoint

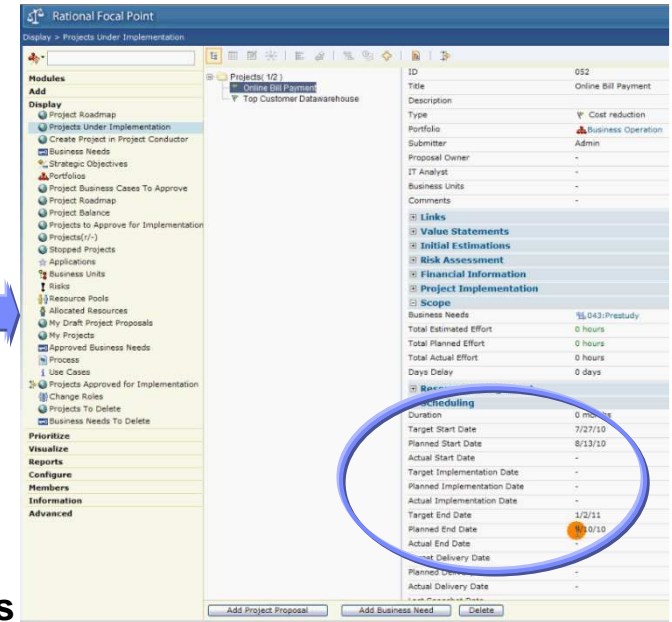
- ▶ Enables projects in RPC to be automatically created from information in FocalPoint
- ▶ Creates Project area, Iteration and Iteration plan in Common-Planning
- ▶ Creates work items for the above iteration based on custom mapping
- ▶ Updates FocalPoint with execution data, such as start and end date



Approve Project in FocalPoint



Instantiate and Execute Projects
in Project Conductor



Update Status in FocalPoint

Swedbank

Challenge:

- ▶ Headquartered in Stockholm, Sweden, is one of the largest banking groups in Scandinavia with well over six million private customers and 340,000 corporate customers

▶ Business Benefits:

- Enhance overall decision making
- Measure value
- Maximize ROI

▪ Solution:

- ▶ Swedbank selects Rational Focal Point. for its integrated approach for supporting and automating the collection, revision, analysis, and overview of project information, and to enhancing overall decision-making



*“We evaluated the most popular tools on the market today, and Focal Point **clearly stood out as the superior choice** not only for its traditional administration features, but also for its **focus on value and decision making.**”*

Bertil Lundberg, Senior VP, IT Control

Swedbank

Bank DnB NORD

DnBNOR

Challenge

- ▶ strategic replacement of its core banking systems
- ▶ project data stored in numerous documents, spreadsheets and systems,
- ▶ project teams working at sites across several countries
- ▶ managing all these projects effectively was a major challenge

Solution

- ▶ Implemented IBM Rational Focal Point to handle project management, portfolio management, vendor management and resource management,
- ▶ provide detailed management information for decision support across the whole core banking replacement programme.

Business Benefits

- Improves visibility of real-time project data, enhancing management control and assisting with accurate decision-making
- Enables greater accuracy in forecasting budgets and human resources, improving scheduling for future projects.
- Cuts the time taken to create a full status report on projects from 70 hours to just 1.5 hours
- Reduces administrative effort in the project management office, freeing up two full-time employees for more productive work
- Delivers value quickly, with no need for a long and complex 'big bang' implementation.

“IBM Rational Focal Point raises the level of management information and control within our organisation, and this has already made a significant contribution to the successful management of our core banking replacement programme.”

Jan Kühnel, CIO, Bank DnB NORD

ICICI Lombard General Insurance Co. Ltd.



Challenge

- ICICI Lombard General Insurance Co. Ltd. located in Mumbai, India, is the largest private sector general insurance company dealing on general insurance business since August 2001.
- in need of a strategy to establish centralized control over shared services.
 - Inconsistent business practices
 - Many redundant data and error prone functions
 - Unreliable interbusiness communications and messaging infrastructure

Solution


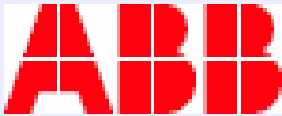




- selected System Architect to create a shared services repository and architecture
- Focal Point to manage costs and identify inconsistencies across ICICI Lombard, enabling it to standardize its various IT processes, eliminate redundancies and identify errors/gaps between process functions
- Leveraging Focal Point they have promoted better business planning and decision making.

Business Benefits

- Considerable time-savings and an easy communication vehicle
- Money-savings through streamlined business processes to improve the identification of redundancy early on in the lifecycle
- One repository for all stakeholders
- time- and money-savings by not having to maintain more than one repository and keeping the data together in one place



Some Focal Point References

Customer	Solution / Usage of Focal Point
	<p>to support and automate the collection, revision, analysis, and overview of project information, and to enhancing overall decision-making</p>
	<p>to help them manage and prioritize requirements to create products which best meet the needs of their customers</p>
	<p>supporting and automating the collection, revision, analysis, and overview of project information, and enhancing overall decision-making</p>
	<p>Improved collaboration in the product portfolio planning process and automated release planning, balancing cost, risk and reward.</p>
	<p>helps executives analyze market and customer trends to manage risk while providing access to key information across the enterprise</p>
	<p>solution is fully integrated into the company's day-to-day processes and easily links projects, finances, employees and plans to provide management a comprehensive view of current projects</p> <p>IBM Worldwide Sales Center Tools Delivery, CIO, STG, ISC, Lean Project Management, IBM Account Project Portfolio Prioritization</p>

Agenda

1. Introduction: Doing more with less
2. Making the Right Investments
3. Break
4. Optimizing Execution
5. Conclusion: Putting it all together
6. Q&A

ibm.com/software/rational

Agenda

1. Introduction: Doing more with less
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ibm.com/software/rational

Optimizing Execution:

Optimize project delivery and monitoring performance across the complete application lifecycle

Rational Solutions

Develop

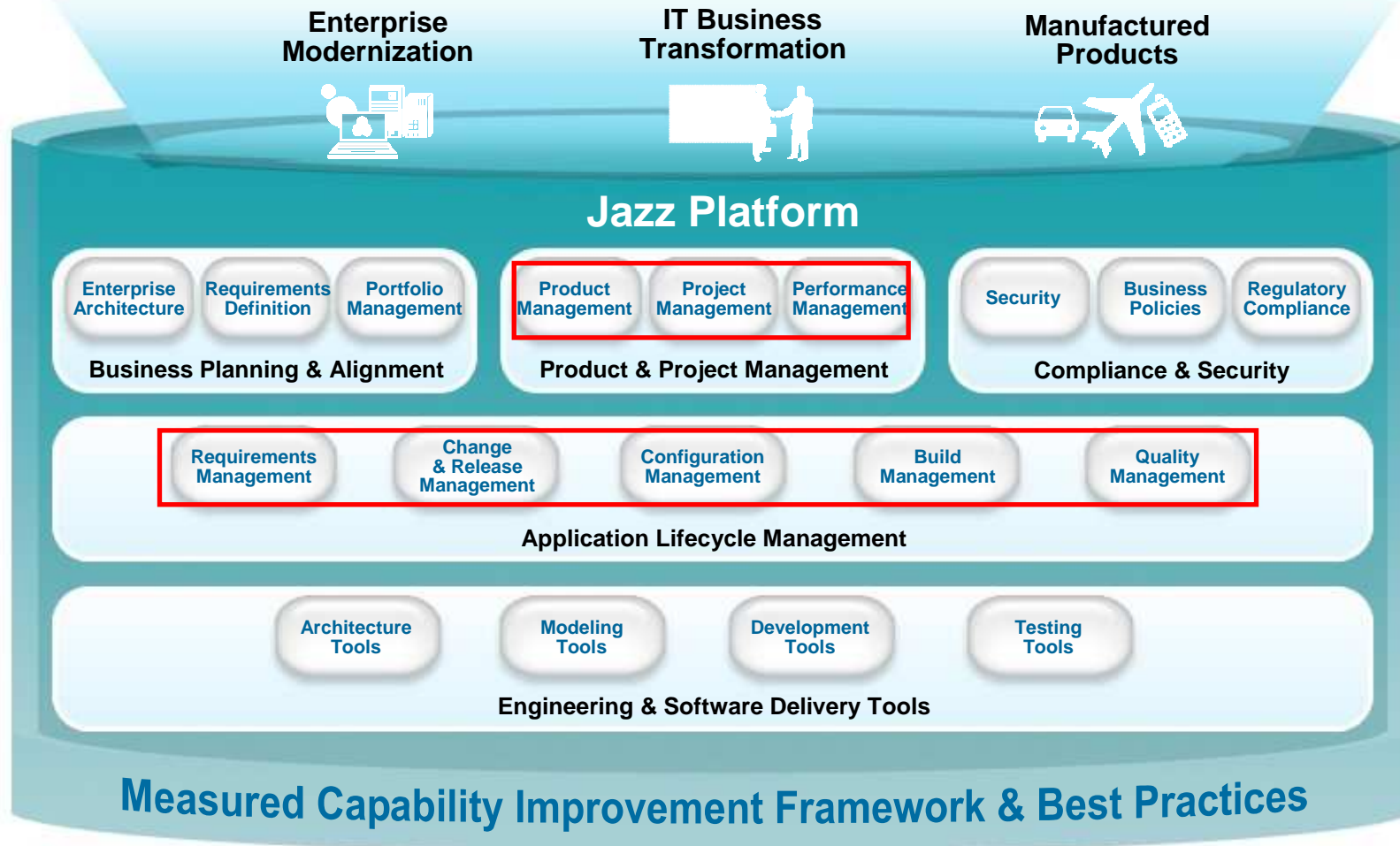
Help me develop what I
decide

Boris Kuschel
Rational Specialty Architect
boris.kuschel@hr.ibm.com

Rational. software

Project Management and Execution

In the context of the Rational Delivery Platform



PPM: Some Interesting trends



"Project and portfolio management" continues to be one of the most-searched-for terms on gartner.com, indicating that even in a sluggish economy, **PPM remains a priority.**

-Gartner Search Analytics 2010

By 2014, **more than 30% of the purchases of PPM software will go into organizations that already have a standard PPM software tool in place** as the project management system of record.

-Gartner Predicts 2011: PPM Goes From Managing Projects to Managing Value and Change

By 2016, organizations will **invest 30% less time and money in traditional IT project management than they did in 2010**

-Gartner Predicts 2011: PPM Goes From Managing Projects to Managing Value and Change

Development organizations have been **making a shift toward agile methods... and often is a mixture of waterfall practices utilizing an agile or iterative project cycle.**

-Gartner Predicts 2010: Agile and Cloud Impact Application Development Directions

Business realities...

A history of cost overruns, schedule slips and quality issues

On average, 32% of projects do NOT align with company goals

Only 34% of software projects are deemed successful costing over \$300B annually

49% of projects suffer budget overruns

33% of projects and services are late to market

28% of projects are redundant wasting valuable staff resources, time and money

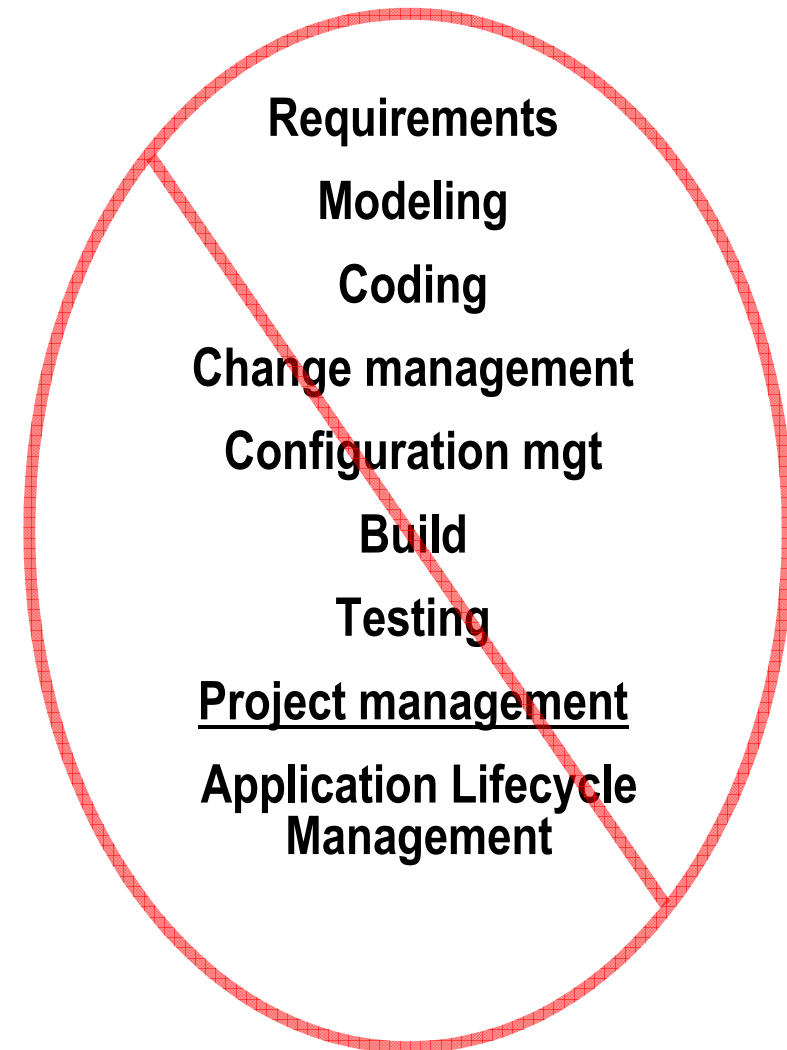


Project Realities

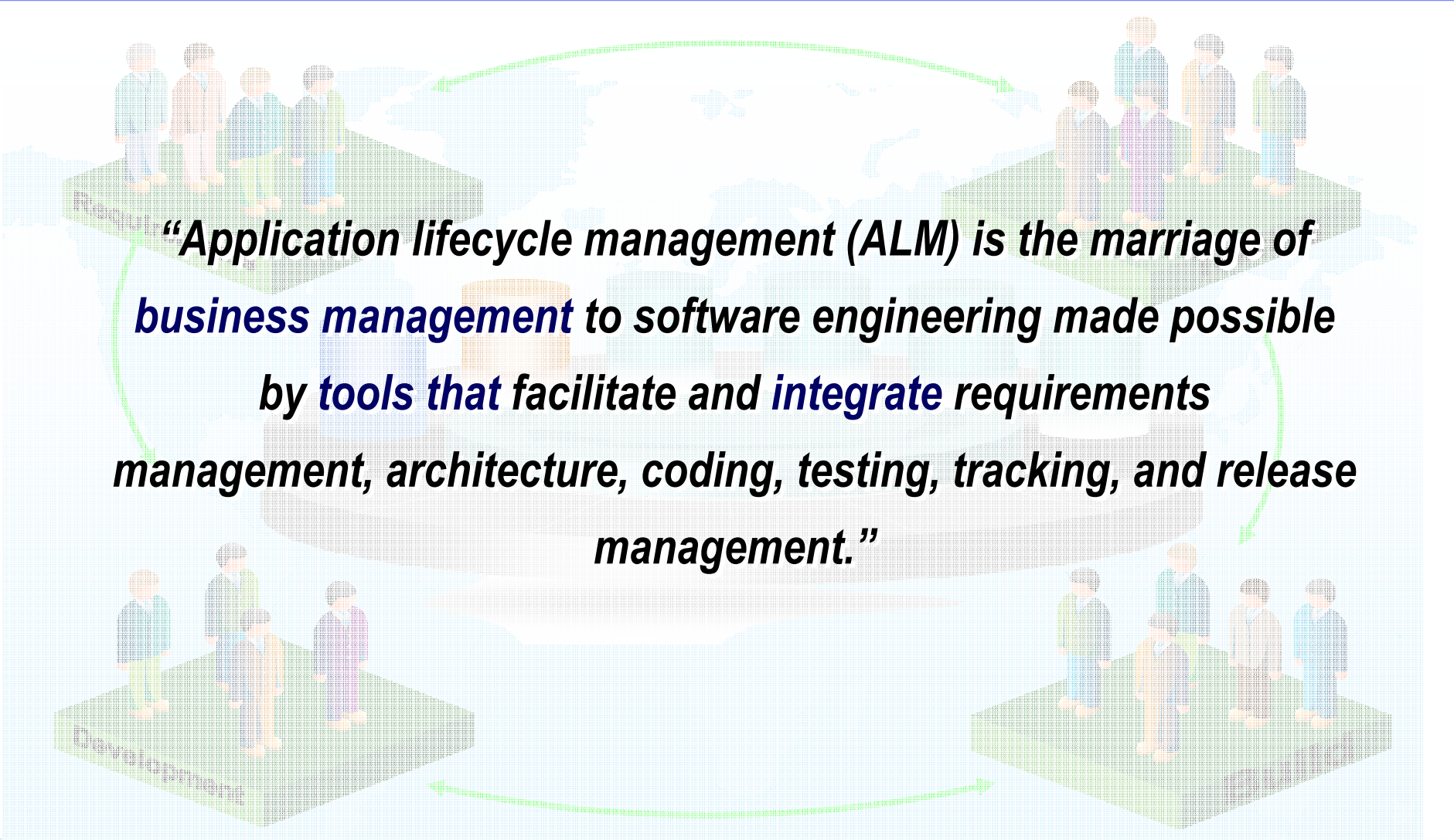
A project can still fail if:

- ▶ Project managers expertly manage schedules
- ▶ Analysts diligently capture business requirements
- ▶ Developers write quality code
- ▶ Testers run thousands of tests

**But these activities do not
correspond to each other, or to
the needs of the business**



IT Strategy integrated with Application Lifecycle Management transforms project delivery



“Application lifecycle management (ALM) is the marriage of business management to software engineering made possible by tools that facilitate and integrate requirements management, architecture, coding, testing, tracking, and release management.”

Optimization # 1: Real-Time Planning

Priority	Created Date	Days Open	Changed Date	Days Since Last Update
75	4/6/2009 9:34 AM	12	5/19/2009 9:20 AM	1
76	4/6/2009 9:34 AM	12	5/19/2009 9:20 AM	1
347	3/4/2009 6:35 AM	12	5/19/2009 9:20 AM	1
189	4/16/2009 6:59 AM	12	5/12/2009 8:31 AM	6
383	5/4/2009 6:35 AM	12	5/19/2009 9:39 AM	6
385	5/4/2009 6:35 AM	12	5/19/2009 9:39 AM	6
389	5/4/2009 6:35 AM	12	5/19/2009 9:39 AM	6
396	5/4/2009 6:35 AM	12	5/19/2009 9:39 AM	6
399	5/4/2009 6:35 AM	12	5/19/2009 9:39 AM	6
402	5/4/2009 6:35 AM	12	5/19/2009 9:39 AM	6
403	5/4/2009 6:35 AM	12	5/19/2009 9:39 AM	6
404	5/4/2009 6:35 AM	12	5/19/2009 9:39 AM	6
380	5/4/2009 6:35 AM	12	5/19/2009 9:39 AM	6
400	5/4/2009 6:35 AM	12	5/19/2009 9:39 AM	6
401	5/4/2009 6:35 AM	12	5/19/2009 9:39 AM	6
202	2/18/2009 1:01 AM	24	5/12/2009 9:00 AM	6
203	2/18/2009 1:01 AM	24	5/12/2009 9:00 AM	6
206	2/18/2009 1:01 AM	24	5/12/2009 9:00 AM	6
207	2/18/2009 1:01 AM	24	5/12/2009 9:00 AM	6
71	2/4/2009 9:34 AM	12	5/19/2009 9:39 AM	6
82	2/4/2009 9:34 AM	12	5/19/2009 9:39 AM	6
86	2/4/2009 9:34 AM	12	5/19/2009 9:39 AM	6
87	2/4/2009 9:34 AM	12	5/19/2009 9:39 AM	6
200	2/4/2009 9:34 AM	12	5/19/2009 9:39 AM	6
188	4/16/2009 6:59 AM	12	5/12/2009 8:31 AM	6
187	4/16/2009 6:59 AM	12	5/12/2009 8:31 AM	6
184	4/16/2009 6:59 AM	12	5/12/2009 8:31 AM	6
190	3/4/2009 6:35 AM	12	5/19/2009 9:39 AM	6
384	5/4/2009 6:35 AM	12	5/19/2009 9:39 AM	6
388	5/4/2009 6:35 AM	12	5/19/2009 9:39 AM	6



Team Member	Task	Status	Estimated Time
Andrew Hoo	Implement compact	Open	2 hours
	Expose rendering for registrations	In Progress	2 days
	Expose rendering for users	Resolved	1 day
	Pick nice colors	In Progress	4 hours
Heather Fraser-Dube	Implement compact	Open	1 hour
	Expose rendering for donations	In Progress	2 days
	Implement the figure colors	Resolved	1 hour
Jean-Michel Lemieux	Jar packaging is failing when	Open	2 hours
	Finish the javadoc in our server APIs	Resolved	4 hours

- Plans live outside of ALM environment
- Manual, error-prone updates
- Separate from team activities and assignments
- Disconnected from metrics on past team experiences

- Plans fully integrated with execution
- Continuous planning through project dashboards
- Instantly see the impact of changes to delivery dates
- Easily instantiate project plans into individual and team activities

Optimization # 2: End-to-end traceability

Which requirements are addressed in this iteration?

Are all of the requirements tested?

What's the quality of the high priority requirements?

What defects are reported against which requirements?

What requirements am I implementing?

How can I recreate the last version to do a patch?

What test uncovered this defect, on which environment and what build?

What changes occurred overnight?

Are we ready to release?

Can we pass an audit?

What defects were resolved in this release?

What tradeoffs can we make to release on time?

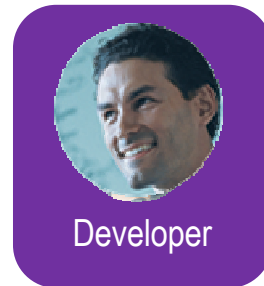
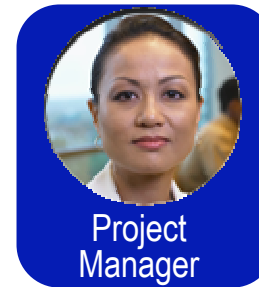
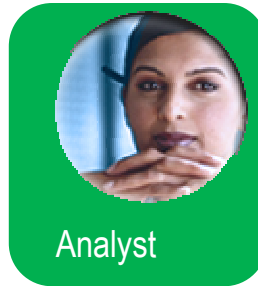
What is the quality of the build?

What has changed that I need to test?

What defects have been addressed since the last build?

Are build times getting longer or shorter?

How can I speed up my builds?



Optimization # 3: Continuous process improvement Choosing the right process

Waterfall development

When **stability** is the primary driver

Iterative development

When **stability and change** are equal players

Agile development

When **change** is the primary driver

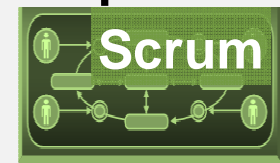
WATERFALL
Customize



Enact



Improve



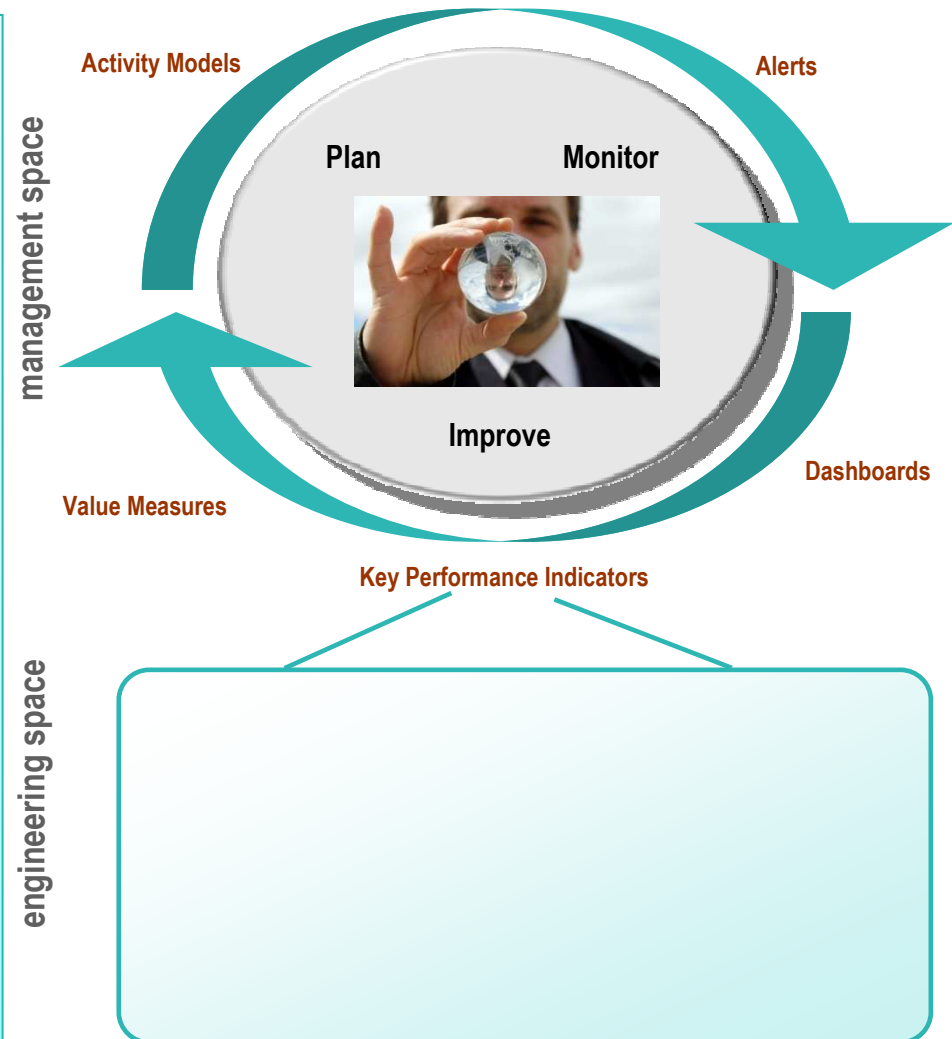
Do You Have Information Required to Make Informed Decisions?

- **Businesses need a mechanism to:**

- Align SSD activities with strategic and operational objectives
- Reduce cost by analyzing trends to identify issues early in the lifecycle
- Improve SSD capabilities and deliverable quality

- **But struggle with:**

- Converting volumes of data into actionable information
- Collecting data from distributed heterogeneous tools and repositories
- Using standard measures and key performance indicators to locate and analyze issues
- Measuring the efficiency of current processes and the effectiveness of process improvements



But how important is measurement?

Statistical outcomes for projects with strong and weak measurement practices:

	Strong	Weak
On-time projects	75%	45%
Late projects	20%	40%
Cancelled projects	5%	15%
Defect removal	95%	< 85%
<hr/>		
Resource estimates	Accurate	Optimistic
Client satisfaction	Higher	Lower
Staff morale	Higher	Lower
<hr/>		
Fortune 500 firms with productivity measures:		30%
Fortune 500 firms with quality measures:	45%	
Fortune 500 firms with complete measures:		15%
<hr/>		
Number of software projects measured:	160,000	
Number of software projects not measured:	50,000,000	

ROI for Software Measurement:

	Cost	Return
Year 1	5%	\$ 4.5
Year 2	4%	\$ 6.25
Year 3	4%	\$ 8.75
Year 4	4%	\$ 11.50
Year 5	3%	\$ 15.00

Top Reasons for Software Litigations:

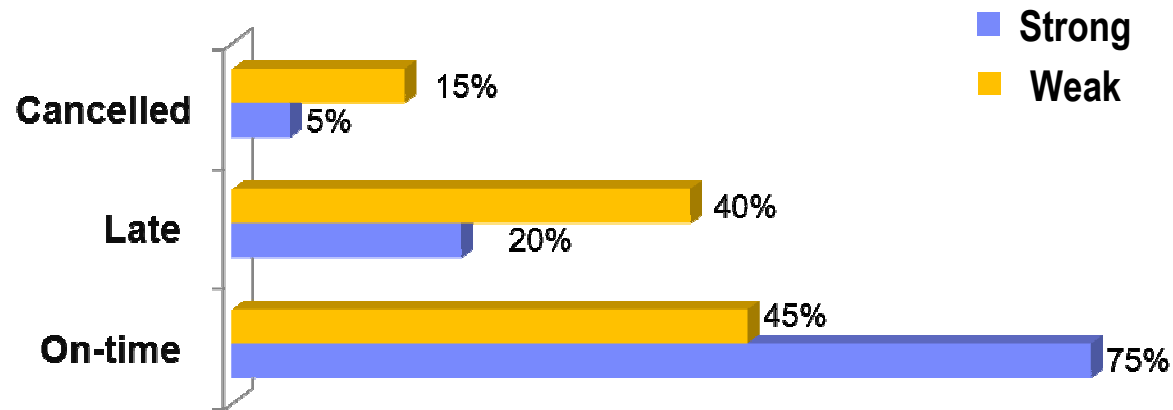
1. Unstable, changing requirements	95%
2. Inadequate quality control and poor quality measures	90%
3. Inadequate progress tracking	85%
4. Inadequate cost and schedule estimating	80%
5. False promises by marketing and sales personnel	80%
6. Optimistic schedule estimates or arbitrary dates	75%
7. Informal, unstructured development	70%
8. Inexperienced clients who can't articulate requirements	60%
9. Inexperienced project managers	50%
10. Inadequate tools for quality, static analysis, inspections	55%
11. Reusing materials filled with bugs	30%
12. Inexperienced, unqualified software engineering teams	20%

Source: Capers Jones, Measurement, Metrics and Industry Leadership, 2009 and [Software Engineering Best Practices](#), McGraw Hill, 2010

Optimization # 4: Development Intelligence

How important is measurement?

Statistical outcomes: Projects with strong versus weak measurement practices



Fortune 500 firms with:

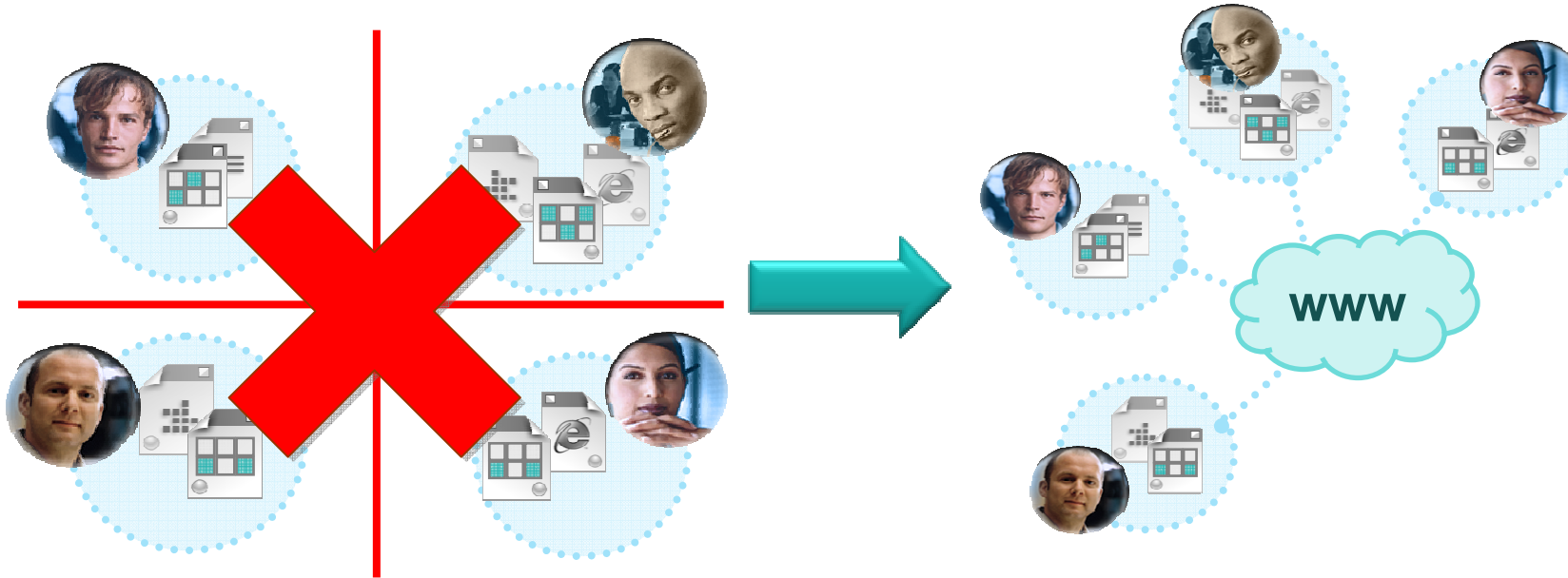
Quality measures: 45%

Productivity measures 30%

Complete measures: 15%

Source: Capers Jones, Measurement, Metrics and Industry Leadership, 2009 and Software Engineering Best Practices, McGraw Hill, 2010

Optimization # 5: Agile collaboration

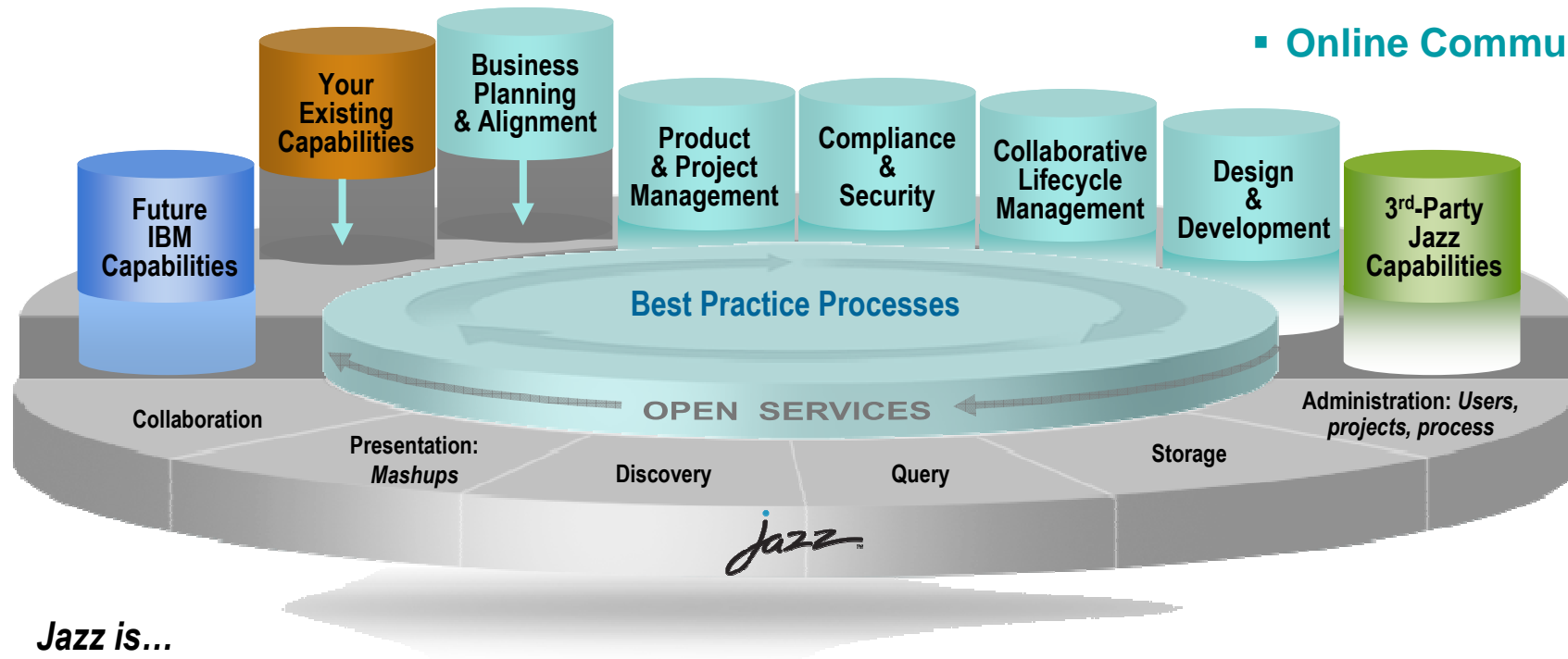


- Silo'd teams; disconnected data
- Chat and discussion threads disconnected from project activity
- Important discussions are lost to email and chat archives--project records are missing the "real reason" for decisions
- Lengthy "on-ramp" for new team members

- Unified team shares linked data
- Chat and discussion threads integrated with project history
- ALM environment becomes an essential "archeological tool" for understanding the past, speeding later enhancements
- New team members can easily understand the context of activities

The IBM Jazz Platform for IT & Systems Software Delivery

- Shared Services
- Integration
- Online Community

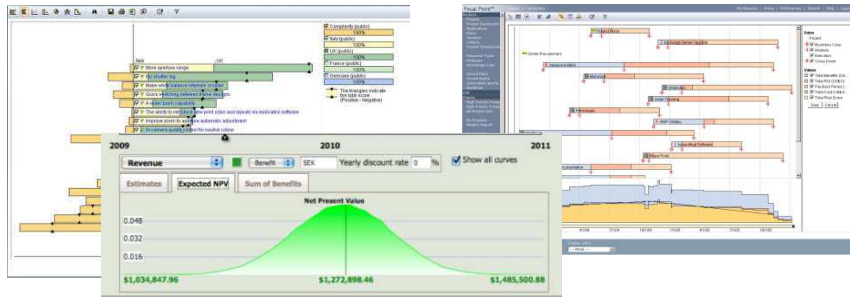


Jazz is...

- A set of capabilities supporting for Collaborative Application Lifecycle Management (C/ALM)
- A common, scalable & extensible team platform
- An integration architecture, enabling non-Jazz based products to participate
- A community at <http://jazz.net>, where you can see Jazz-based products being built and access support and trial downloads



Optimization # 6: Integrated Strategic planning and delivery capabilities



Deliver measurable improvement

- Create efficiency by automatically correlating data across all delivery disciplines
- Review delivery status and trends to enable early action
- Drive innovation and reduce costs by identifying and managing measured process improvement

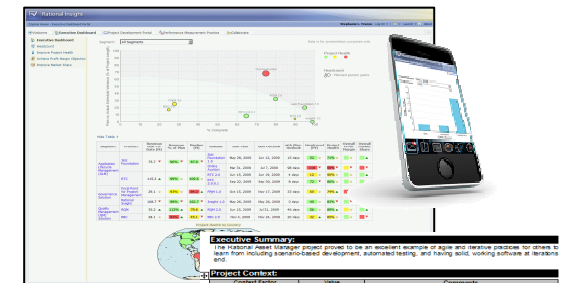
Make better decisions, faster

- Capture and assess ideas from multiple angles
- Make risk / value-based selections and trade-offs
- Translate strategy to an actionable delivery plan

Focal Point System Architect

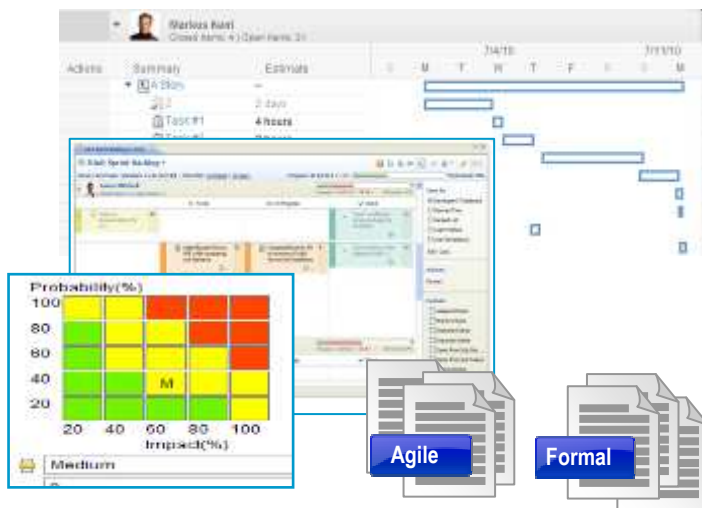
Insight

Jazz with Team Concert



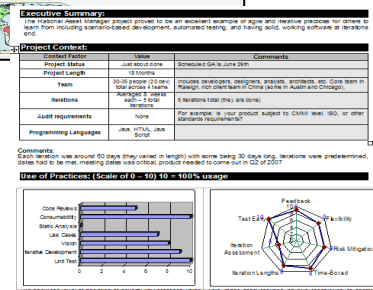
Hardwire strategy and execution

- Templates for both agile and formal projects
- Resourcing and scheduling tightly coupled with delivery execution
- Risks, issues and changes with traceable and mitigation or action plans



Agile

Formal



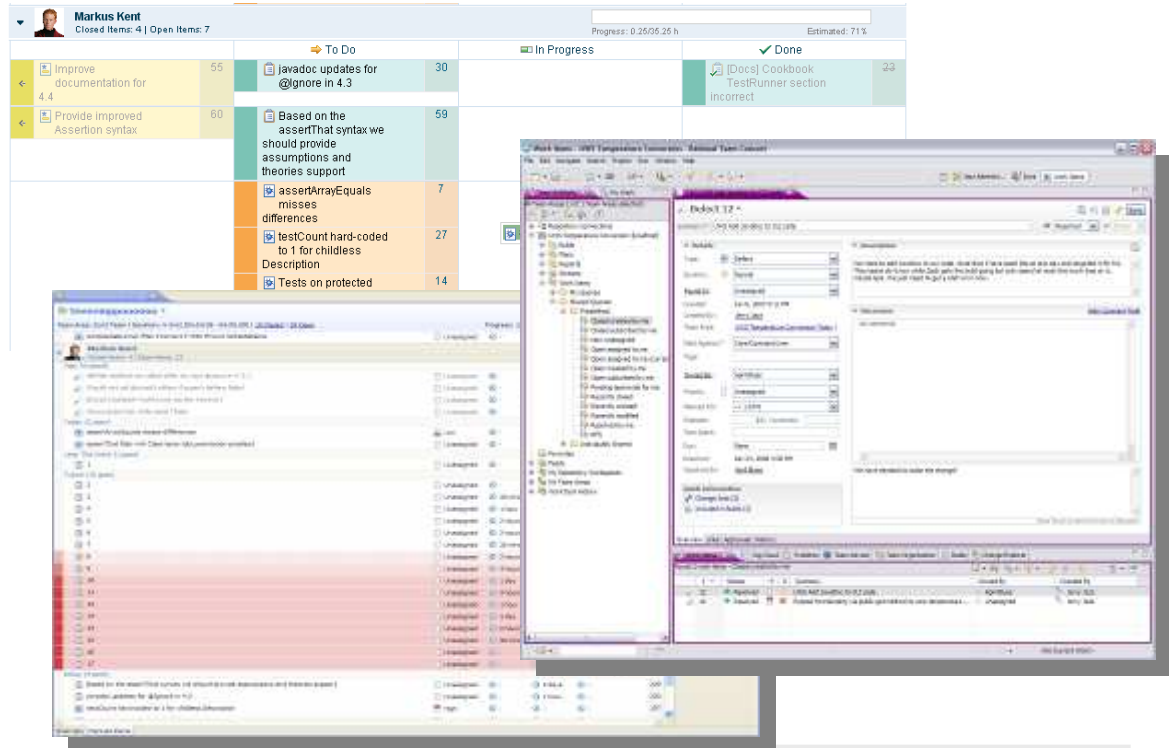


Optimize project delivery across the lifecycle

Accelerate the implementation of solutions matched to stakeholder needs

The Innovation:

Team Development Planning and Collaboration ensure real-time visibility during the execution of initiatives that accelerate delivery through automation



Plan

Tasks and work items using traditional and agile techniques



Control

Planning and work item management seamlessly



Deliver

Projects with total transparency worldwide



The Benefits:

- Common planning provides greater collaboration across development teams working on strategic initiatives
- Consistent change management through life of initiative with traceability back to original program blue print
- Project implementation efficiency through best practices

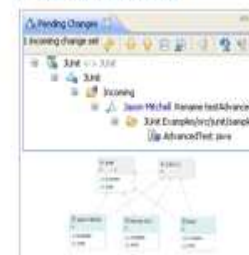
Rational Team Concert 3.0

- Highly collaborative team software development environment
 - ▶ Built on the Rational Jazz platform
 - ▶ Integrates multiple aspects of the software development lifecycle, including work items, source control, build, and process support
- Key capabilities:
 - ▶ Process awareness and customization
 - ▶ Team awareness, with news, chat, easy links
 - ▶ Work item tracking, relationships, and traceability
 - ▶ Build awareness, traceability, and support for other build engines
 - ▶ Integrations with other products to facilitate collaborative application lifecycle management

Agile Planning



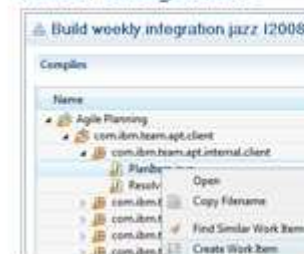
Source Control



Work Item Tracking



Build Management



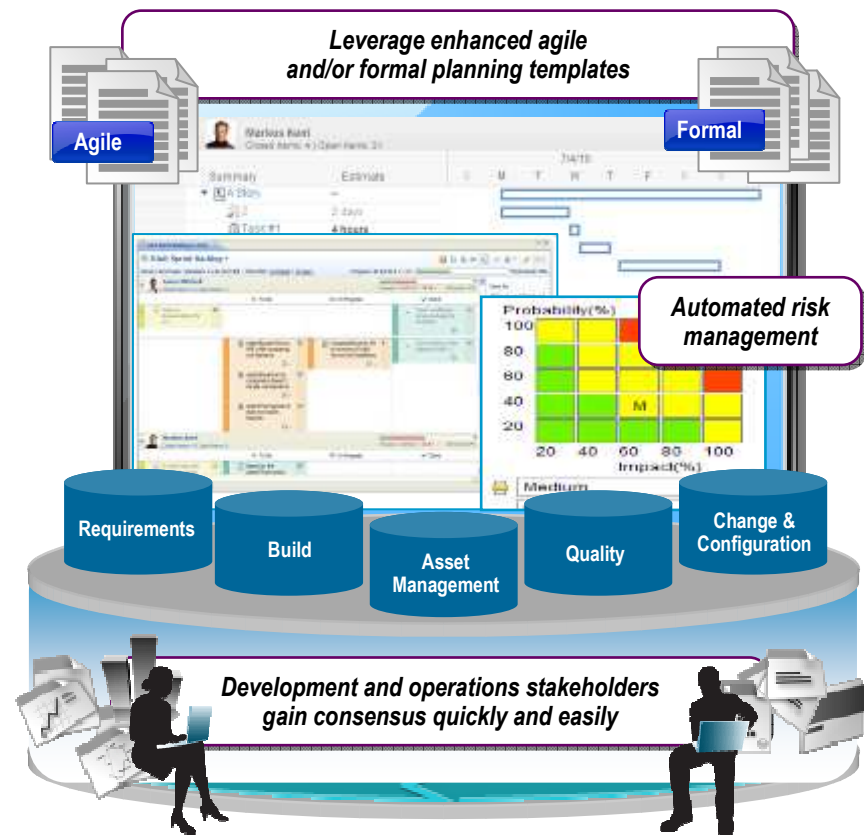
Project Health



Rational Team Concert 3.0

Enhanced project planning capabilities, templates and risk tracking

- Leverage agile and formal planning methodologies – or a hybrid of the two
 - New "out-of-the-box" templates for both agile and formal project management
 - Maximize resource allocation and scheduling with integrated planning and execution
 - Quickly view dependencies and critical paths to avoid progress delays
- Improve stakeholder visibility and insight into project risks
 - Weight and evaluate risk at each step of the development project plan



48% of companies surveyed are using a hybrid of multiple development methodologies, 20% agile, 12% iterative and 11% waterfall. All of them could benefit from the new combined project planning capabilities.

Manage performance with objective information

Improve executive decision making, driving lifecycle outcomes



The Innovation:

Business Intelligence has come to software development, providing transparency, reducing costs and risks regardless of organizational or geographic boundaries

Measure

Project and process outcomes



Visualize

Complex data in easy to consume graphical forms



Investigate

The root causes of execution anomalies



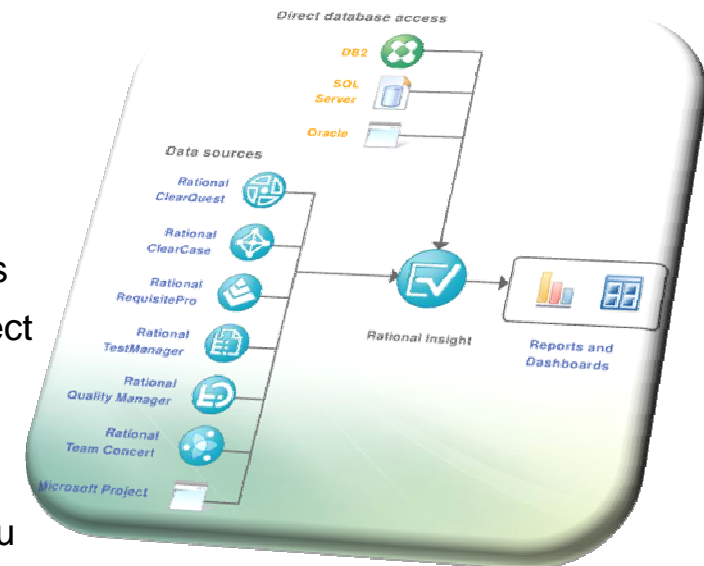
The Benefits:

- Summarization of operational activities and strategic objectives
- Identification of business innovation opportunities through continuous and measured improvement
- Total transparency into those initiatives impacting strategy

Introducing Rational Insight 1.0.1

IBM Rational Insight is a comprehensive performance measurement solution tailored for SSD to automatically and objectively measure program and project progress

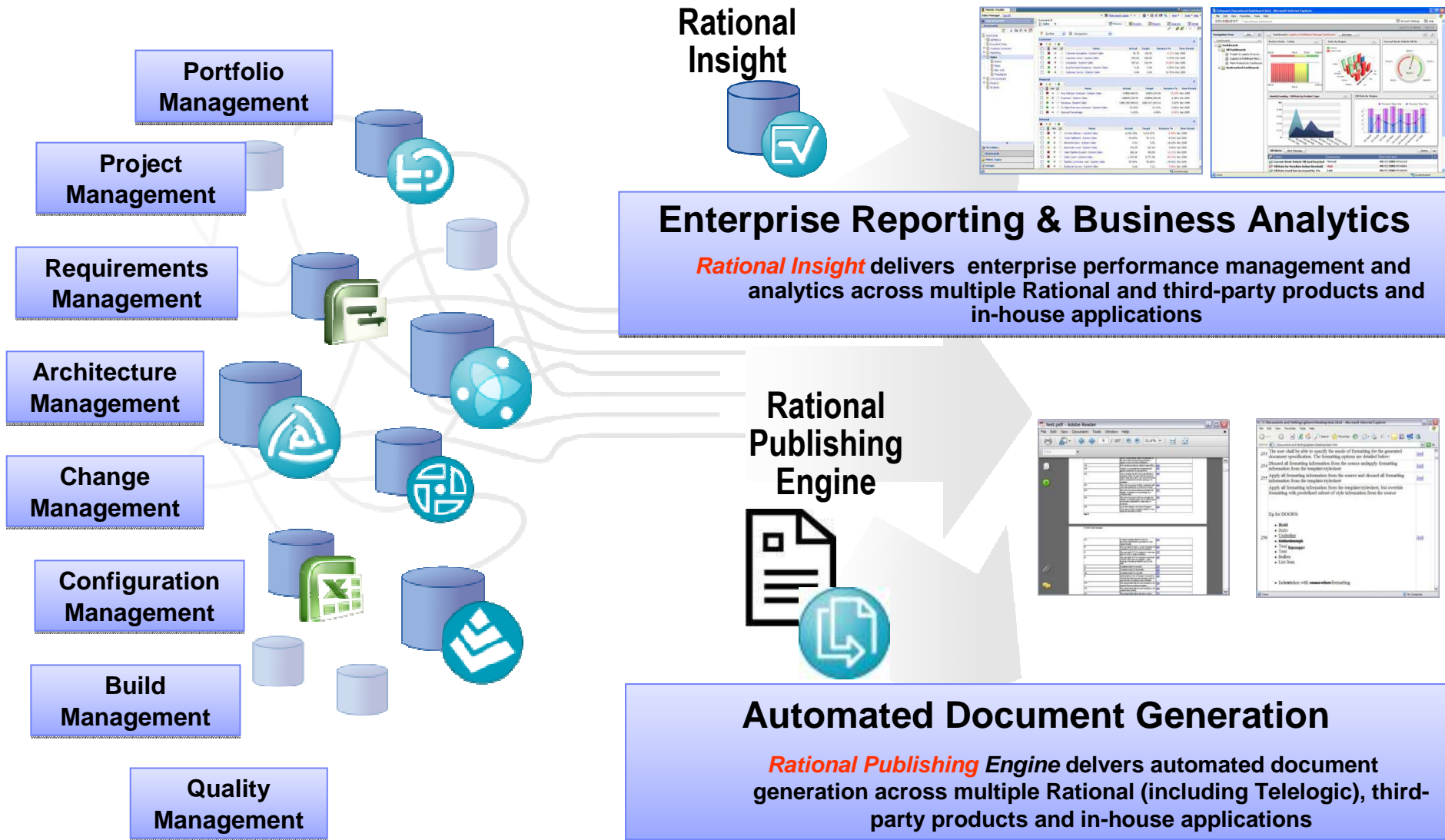
- ▶ Extract and transform data from multiple data sources
- ▶ OOTB customizable data models, reports, and dashboards
- ▶ Measured performance via MCIF aligned reports and project dashboards
- ▶ Provides visibility into heterogeneous data sources deployed on geographically distributed teams
- ▶ Progressive disclosure via Alerts, Drill-Down, and Drill-Thru optimized for multiple roles



Rational Insight utilizes IBM technologies including the Cognos 8 BI reporting engine to deliver this “solution”

- Extensive Data Warehouse schema modeled after the SSD product domains
- Cognos DM content developed to ETL data from supported Rational products into the DW
- Cognos FM models developed to provide visibility into the DW and live product schemas
- Tooling developed to map and load XML data coming from Rational reportable REST interfaces into the DW
- OOTB reports and dashboards aligned with Rational measured improvement (MCIF) and best practices / methods (RMC)

Providing the right information at the right time...



Rational Insight 1.0.1

- Enhanced Rational product integrations

- Support for Rational Focal Point
- Support for RTC 3.0

- Installation and Configuration Enhancements

- 64 bit Linux and Windows server support
- Full support for IE and Firefox browsers
- CLM Workbench compatible DW schema
- Translation to all Group-1 languages

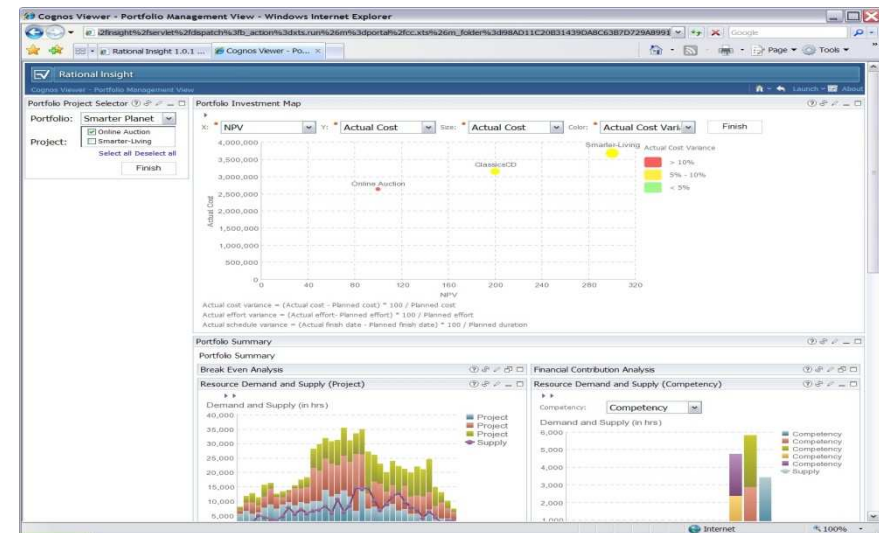
- Usability Enhancements

- Simplified Data warehouse setup and configuration
- Simplified Dynamic Schema configuration

- OOTB Report and Dashboard Enhancements

- Exec DB style Project health scorecards
- CMMI based dashboards / reports
- Performance Management / RMC dashboards / reports

- Event Studio for KPI and Event monitoring and notification




Risk and Risk Action Work Item Types

■ Risks and Risk Actions

- ▶ Every project has some known and unexpected risks. As a project manager, you can define risks, add strategies, and create work items to take action against risks. The risks work items are available in the Formal Project Management process template.

Overview Links Approvals History

Details


Type:  Risk

Creation Date: Jun 1, 2010 11:58 AM

Created By: ADMIN

Project Area: Formal Project Management Project

Team Area: Development

Filed Against: * 

Tags:

Owned By:


Priority: Unassigned

Risk Category:

Identification Date:

Occurrence Date:

Probability:


Impact: 

Exposure(%): 24

Probability(%)

100					
80					
60					
40					
20					
	20	40	60	80	100

Impact(%)

Precision: 

Consequence Cost:

Probability Cost: 0

Schedule View - Gantt Charts

- **You visualize a plan based on a timeline**
 - ▶ Gantt charts for traditional planning based on schedule constraints and dependencies
 - ▶ Shows work breakdown and schedule

Phase Plan Auto-Save Save

Plan Details Edit

Planned Items | Links | Snapshots | Resources | Notes

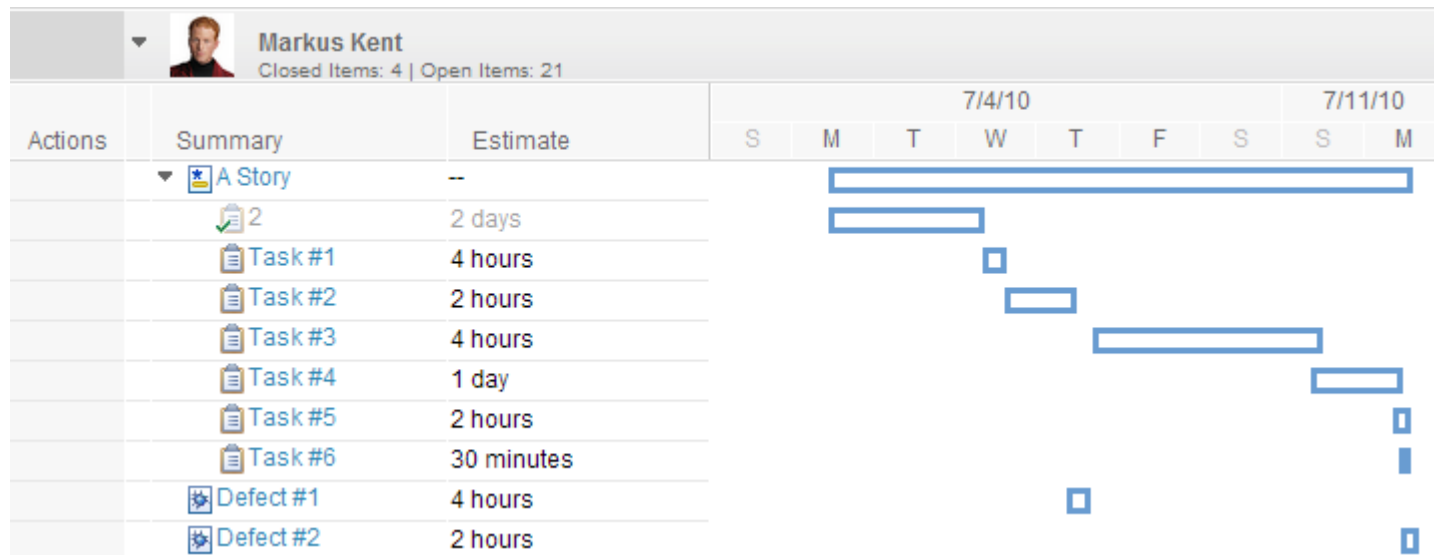
View As: Work Breakdown and Schedule

Actions	Summary	Owned By	Effective Estir	Predecessor	Id
	Write the rules down	Jean-Miche	1 day	-	28
	Add more items to our list	Heather Fr	1 day	-	22
	Create the schedule for the team	Jean-Miche	3 days	-	23
	Write the requirements	Heather Fr	2 days	Task <03:3!	21
⚠	Prepare the milestone plans	Heather Fr	2 days	-	24
⚠	Setup more work for the team	Heather Fr	1 week	24: Prepare	26
⚠	WAN access from WTP site is slow - need to invest	Jean-Miche	1 day	-	27

Schedule View - Roadmap Charts

- **Designed for agile teams**

- ▶ Shows a time projection of a roadmap based on iterations
- ▶ The scheduled time of work items can now be shown as a roadmap on a timeline.
- ▶ The roadmap can also show blocking or depends on relationships between work items



Resource Allocation and Scheduling

Resource Allocation

- Search and add a resource to your plan based on availability
- You can allocate ranges of availability to a project or team.

The screenshot shows the 'Phase Plan' interface with the 'Resources' tab selected. It displays a list of resources, including Heather Fraser-Dube and Jean-Michel Lemie. An 'Add Users' dialog box is open, allowing the user to search for resources based on criteria like start date, end date, and hours required. The dialog shows search criteria for Andrew Hoo, with a start date of 10/15/2010, an end date of 11/26/2010, and 80 hours required. The 'Availability results' section shows one result for Andrew Hoo with 100% allocation and 80.00 available hours.

Work Allocations














Associate resources to teams and timelines:

Team	Allocation	Allocation Dates	Actions
Agile Project		(No Date Restriction)	
-[-+] Main Development *	16 %	(No Date Restriction)	
Analysis		Oct 11, 2010 - Nov 26, 2010	
-[-+] Main Development	5 - 16 %	Oct 11, 2010 - Nov 26, 2010	
└─ Allocation	16 %	Oct 11, 2010 - Nov 15, 2010	
└─ Allocation *	5 %	Nov 15, 2010 - Nov 26, 2010	

Business controls for software development









Basic resource management

1. Top down & bottom up resource allocation
2. Search for available resources based on date and effort

Resources	Planned Items	Links	Snapshots	Notes
 Per Kroll Closed Items: 0	Jun 1, 2010 - Dec 31, 2010		Allocation: 40 - 50 %	
	Jun 1, 2010 - Aug 31, 2010		Allocation: 50 %	
	Sep 1, 2010 - Dec 31, 2010		Allocation: 40 %	
 Genesis Closed Items: 0 Oper	Jun 1, 2010 - Dec 31, 2010		Allocation: 40 - 50 %	
	Jun 1, 2010 - Aug 31, 2010		Allocation: 50 %	
 ADMIN Closed Items: 0	Jan 1, 2000 - Jan 1, 3000		Allocation: 50 %	
	Jan 1, 2000 - Jan 1, 3000		Allocation: 50 %	
 GUEST Closed Items: 0	Jan 1, 2000 - Jan 1, 3000		Allocation: 50 %	
	Jan 1, 2000 - Jan 1, 3000		Allocation: 50 %	

Plan Snapshots - Compare plans over time

- **How has my plan changed over time?**
 - ▶ What is the quality of our planning?
 - ▶ Did we make our date because we changed the plan and/or our estimates?

Planned Items Links Snapshots Resources Notes			
Back to Snapshots			
	Comparison - Oct 15, 2010 4:53:52 AM	End - Oct 15, 2010 4:53:45 AM	Start - Oct 15, 2010 4:44:47 AM
▼ Overview			
Start Date	0	Oct 15, 2010	Oct 15, 2010
End Date	8 weeks 3 days 1 hour	Oct 25, 2010	Dec 23, 2010
Work Items Total	2	5	7
New	2	4	6
In Progress	0	0	0
Closed	0	1	1
Work Done	6 hours	1 day	1 day 6 hours
Work Estimated	2 weeks 2 days 4 hours	2 days 4 hours	3 weeks
Progress	-	8/20 h 	100% 14/120 h  100%
▼ Work Items			
	Modified Items	Added Items	Removed Items
	 Write the requirements	-	 Create the schedule for the team
	 Add more items to our list	-	 WAN access from WTP site is slow - need to
	 Setup more work for the team	-	-
	 Prepare the milestone plans	-	-








Business controls for software development

Business controls of scope, quality and time commitments

Track who spend times on what type of work, for approved accounting and process improvement

Task 126

Summary: *

Saved: Aug 5, 2010 8:27 PM

- Overview
- Links
- Approvals
- History
- Time Tracking**

Time Tracking

New:  Time Code

Previous | | Next

Time Code	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Week Total	Work Item Total	Actions
Coding	0h	3h	4h	3h	5h	0h	0h	15h	15h	
Documentation	0h	0h	0h	0h	0h	8h	0h	8h	17h	
Review	0h	2h	1h	0h	4h	0h	0h	7h	17h	
Testing	0h	0h	0h	3h	0h	0h	0h	3h	8h	

Timesheet Entries

- Jul 18 - Jul 24 : 12 h
- Jul 25 - Jul 31 : 12 h
- Aug 01 - Aug 07 : 33 h

 **Work Item Total - 57h**

Business controls for software development

Advanced and customizable risk and issue management practices

Ability to capture and manage risk in a risk ledger. This includes e.g. capturing consequence cost, impact, and relevant reports to understand risk exposure.

Work Items >

All Risks

Show All ▾ Items Per Page

Id	Status ▾	Summary
32	➔ Open	Vacation falls into the end of the project
28	➔ Open	Retention
25	➔ Open	Time zone difference may create miscommunication in what needs to be done

Previous | 1 in 1-4 | Next ▾

Risk 135

Summary: * Retention

Overview | Links | Approvals | History

Details

Type:	<input type="text" value="Risk"/>	Probability:	<input type="text" value="80% - Highly Probable"/>
Creation Date:	Jun 30, 2010 12:11 AM	Impact:	<input type="text" value="Critical"/>
Created By:	Per Kroll	Exposure(%):	64
Project Area:	Genesis	Probability % 	
Team Area:	Genesis	Precision:	<input type="text" value="High"/>
Filed Against: *	<input type="text" value="Unassigned"/>	Consequence Cost (USD):	<input type="text" value="30000"/>
Tags:	<input type="text"/>	Probability Cost (USD):	<input type="text" value="24000"/>
Owned By:	<input type="text" value="Per Kroll"/>	Risk Category:	<input type="text" value="Strategic Risk"/>
Priority:	<input type="text" value="5 Medium"/>	Identification Date:	<input type="text"/>
		Occurrence Date:	<input type="text"/>

La Caixa

Modernizing IT development with IBM Rational software helps a major banking institution reduce development costs while increasing quality



Business challenge

- Significant business growth required the major banking institution to modernize its IT
- needed to improve its ability to communicate and track development for its thousands of unique software assets.

Solution

- IBM Rational Team Concert Standard to provide demand and project management for the bank's 1,000 development subcontractors.
- IBM Rational Asset Manager for asset reuse and services
- IBM Rational Functional Tester to automate testing processes in the company's office banking application

Benefits

- Rational software paired with robust training from IBM enabled the major banking institution to reduce subcontractor development costs
- Rational Functional Tester software decreased testing costs while increasing the quality of software development
- Rational Asset Manager software promoted a service-oriented approach to asset reuse possibilities

“IBM Rational software and services has helped us modernize our IT software delivery environment. We have decreased our development and testing costs while promoting a service-oriented approach to asset reuse and overall, have improved the quality of software delivery to the business.”

- Development Manager, La Caixa

CGI

Greater agility, flexibility and productivity with reduced risk and more value to the business



Business challenge

improve real-time collaboration, communication and visibility for a development team that spanned multiple distributed locations.

- increase developer productivity and improve the quality of its software
- increased responsiveness and customer satisfaction would also help the company improve competitiveness
- need to support existing IBM Rational ClearCase and Rational ClearQuest assets.

Solution

- CGI adopted IBM® Rational Team Concert™ software to streamline and govern software delivery
- With Rational Team Concert, everyone has an up-to-date view of the plan, and project directors can easily assign and categorize tasks, visualize planning and monitor progress via a dashboard.

Benefits

- Within two weeks, saw an immediate improvement in its capability of predicting its projects' outcome and maintaining an up-to-date view of its software development status.
- Globally, have a clear, up-to-date view of overall progress and individual work on all projects
- Rational Team Concert has enabled CGI to apply development techniques more effectively to reduce risk and meet business needs.
- CGI was able to instantly reuse their existing ClearQuest and ClearCase assets.

“With IBM Rational Team Concert, we’ve seen a 30 percent productivity gain on our global projects on configuration management activities.”

Alain Bergeron, VP of Consulting Services, CGI

APIS IT

Greater user experience and security with IBM Rational

APIS IT d.o.o.

Business challenge

needed to develop a Web 2.0–based application for its election information system that could be used to process voters living abroad.

- solution had to function within an existing IT architecture, and security and accuracy were essential to ensure the credibility of election results.

Solution

- implemented IBM Rational Business Developer software
- and an IBM Jazz platform with IBM Rational Team Concert Standard software for collaborative work. Rational Team Concert software is the central solution for change and configuration management and team collaboration.
- IBM Rational AppScan software for security testing to identify security vulnerabilities preventing future security issues that could impact the credibility of election results.

Benefits

- User interface developed was quick and responsive, helping users to work more efficiently.
- Provided an intelligent solution –identified security vulnerabilities prior to the solution going live
- Easy-to-learn EGL programming model supports diverse development staff with different backgrounds and skill levels, saving on training costs and enabling developers to shorten the development cycle, move easily between projects and meet tight project deadlines

“We managed to greatly improve the end-user experience and increase productivity, all without sacrificing application security and reliability”.

Robert Stanko, Division Manager, APIS IT

Customer feedback



*"By helping us to make project deliveries more repeatable and predictable, we anticipate that Rational Team Concert will **reduce project overrun costs by 20%.**"*

--Matt Pomroy - Executive, Software Engineering, Ascendant Technology



*"Its automated project management dashboards are transparent to everyone – not just managers. This immediate and **automated feedback helps keeps teams on track and motivated to achieve project goals.**"*

--Han Jie - Senior Consultant, Siemens



*"Where we previously used separate systems, with Rational Team Concert we now have well integrated functionality. **Our developers are more efficient because they are better able to focus on important issues.** Our project managers greatly value the ability to customize these dashboards and **instantly provide status on their milestones!**"*

--Mika Koivuluoma - Production Manager, TietoEnator



*"Having a **unified and extensible environment is very compelling for us.** Rational Team Concert provides **the team transparency and visibility needed to keep work progressing** so everyone knows what's going on without finger-pointing."*

--Carson Holmes - Unified ALM Services Manager, Noblestar

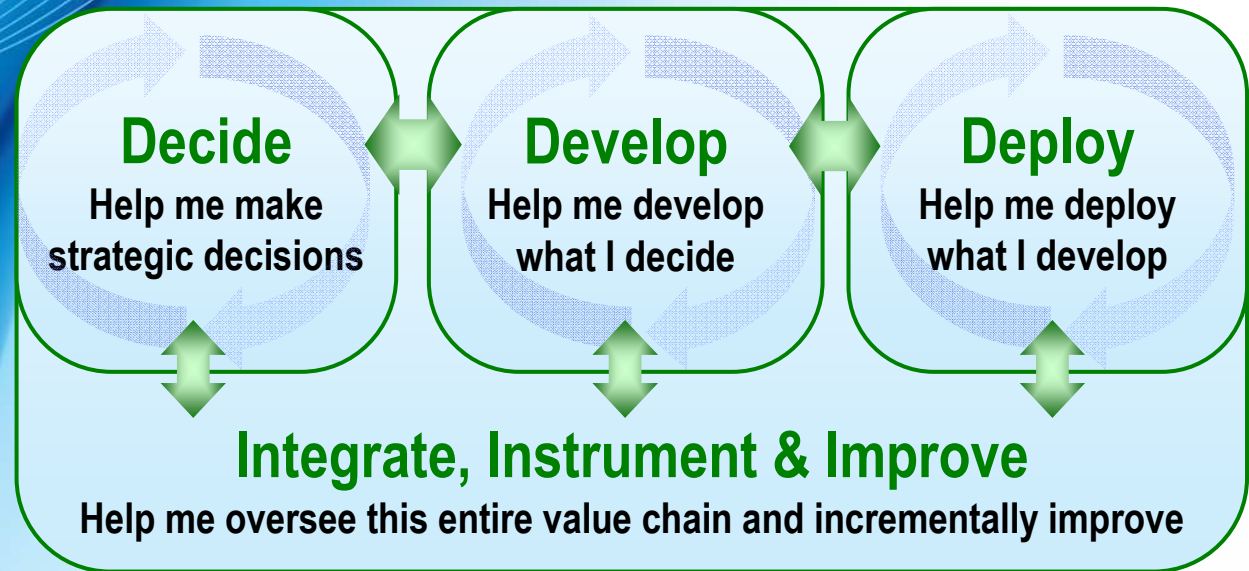


*"With IBM Rational Team Concert we've seen a **30% productivity gain** on our global projects. The ability to **easily suspend and resume work, along with advanced SCM features,** helps team members juggle multiple tasks and priorities without missing a beat."*

--Alain Bergeron - VP Consulting Services, CGI

Putting it all together

Rational Solutions



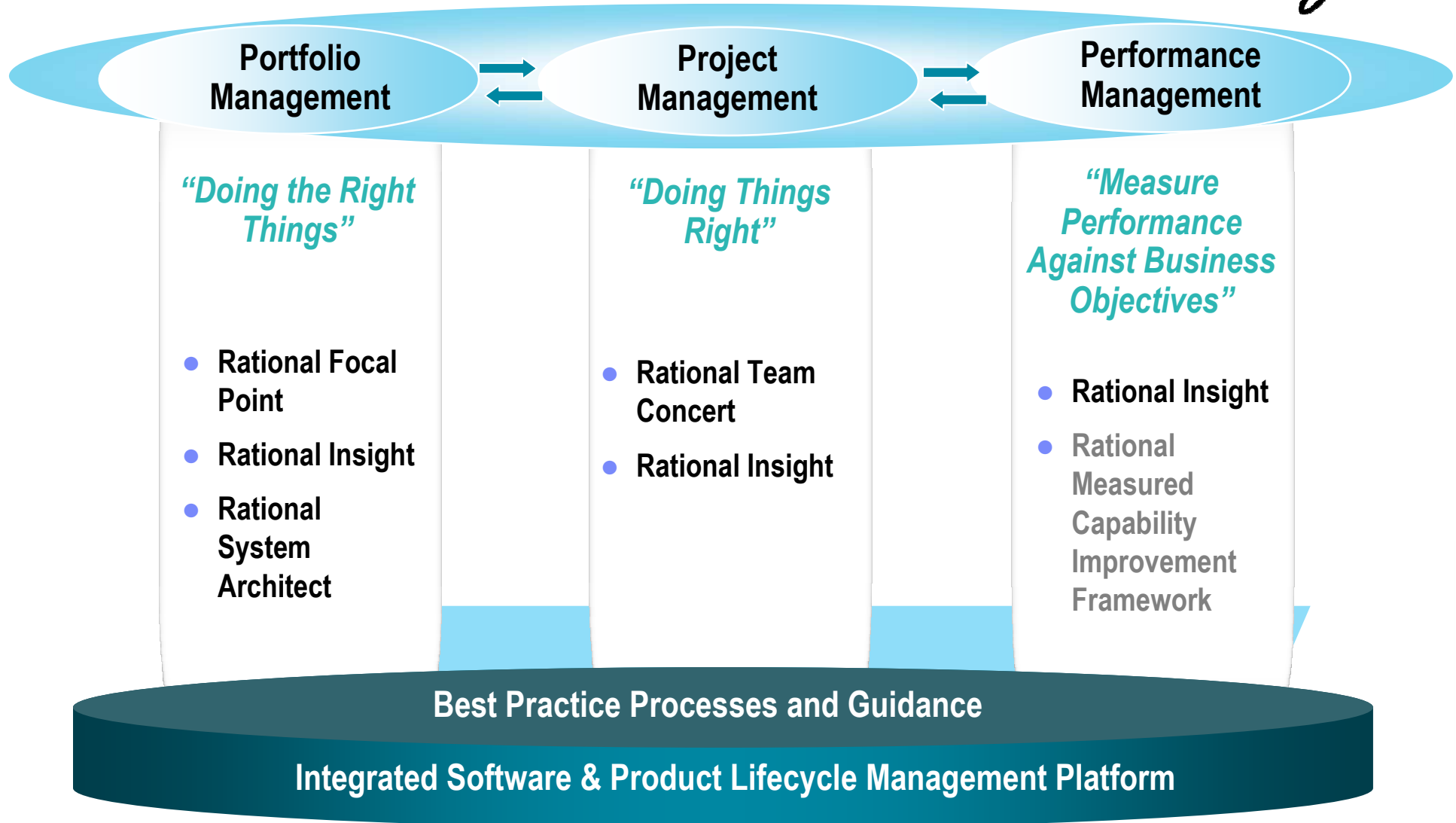
Boris Kuschel
Rational Specialty Architect
boris.kuschel@hr.ibm.com

Rational. software

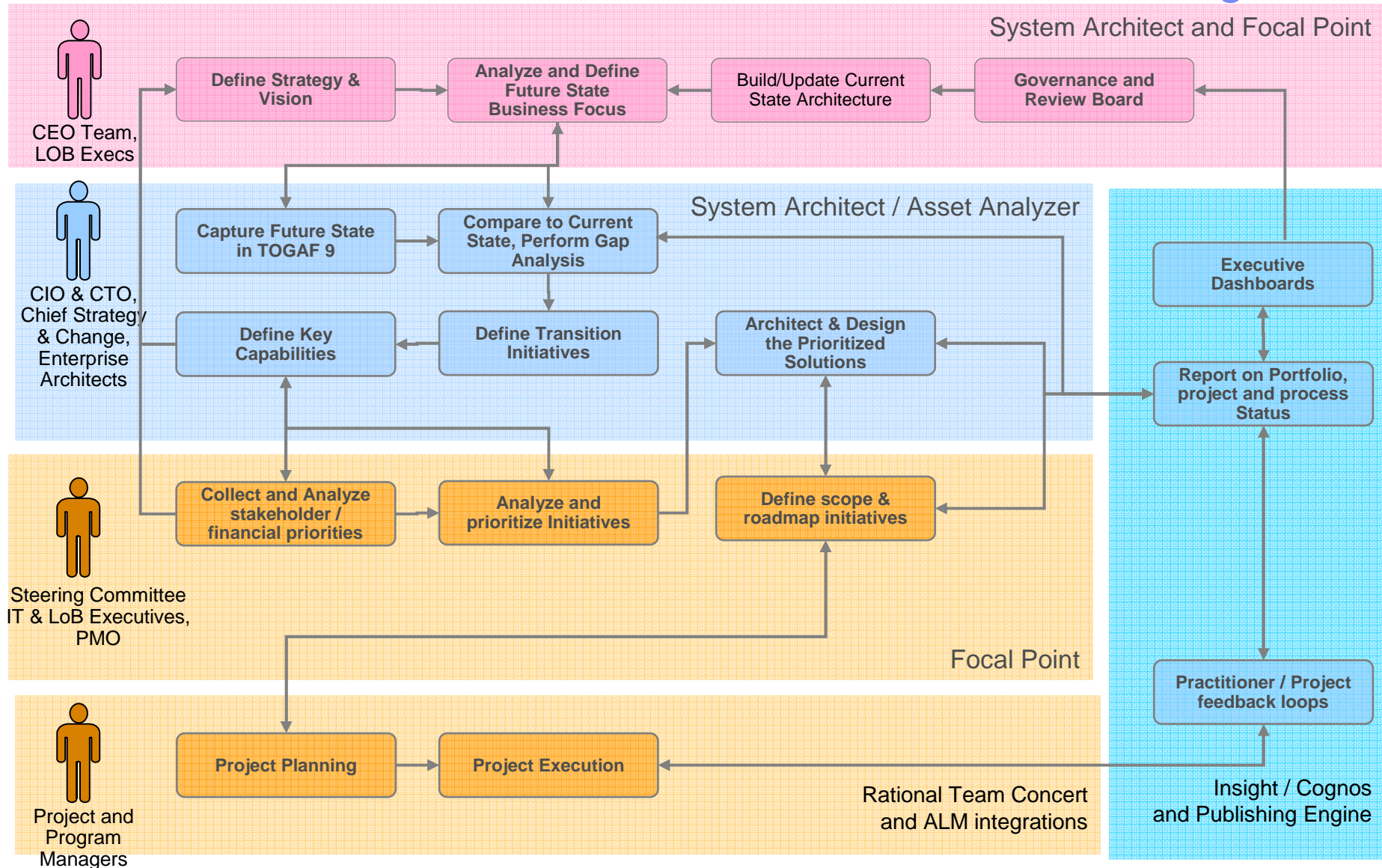
IBM Rational Portfolio and Project Management



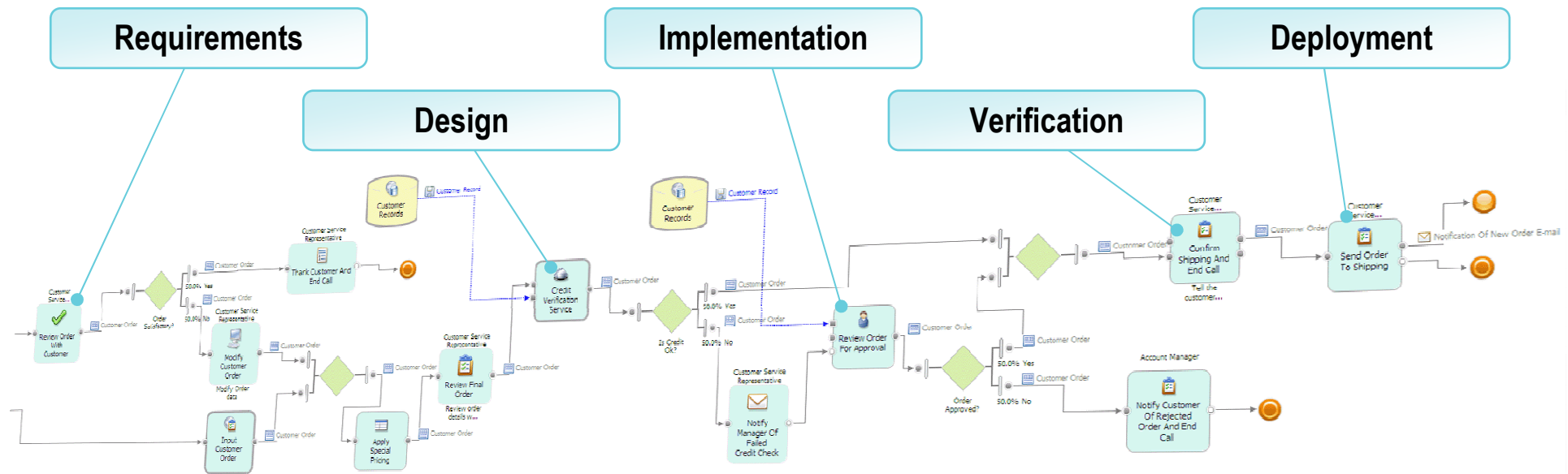
IBM's modular, flexible and integrated solutions



IBM Rational Automates EA & Portfolio Investment Management



Project delivery is a business process that can be continuously improved.....but where to start?

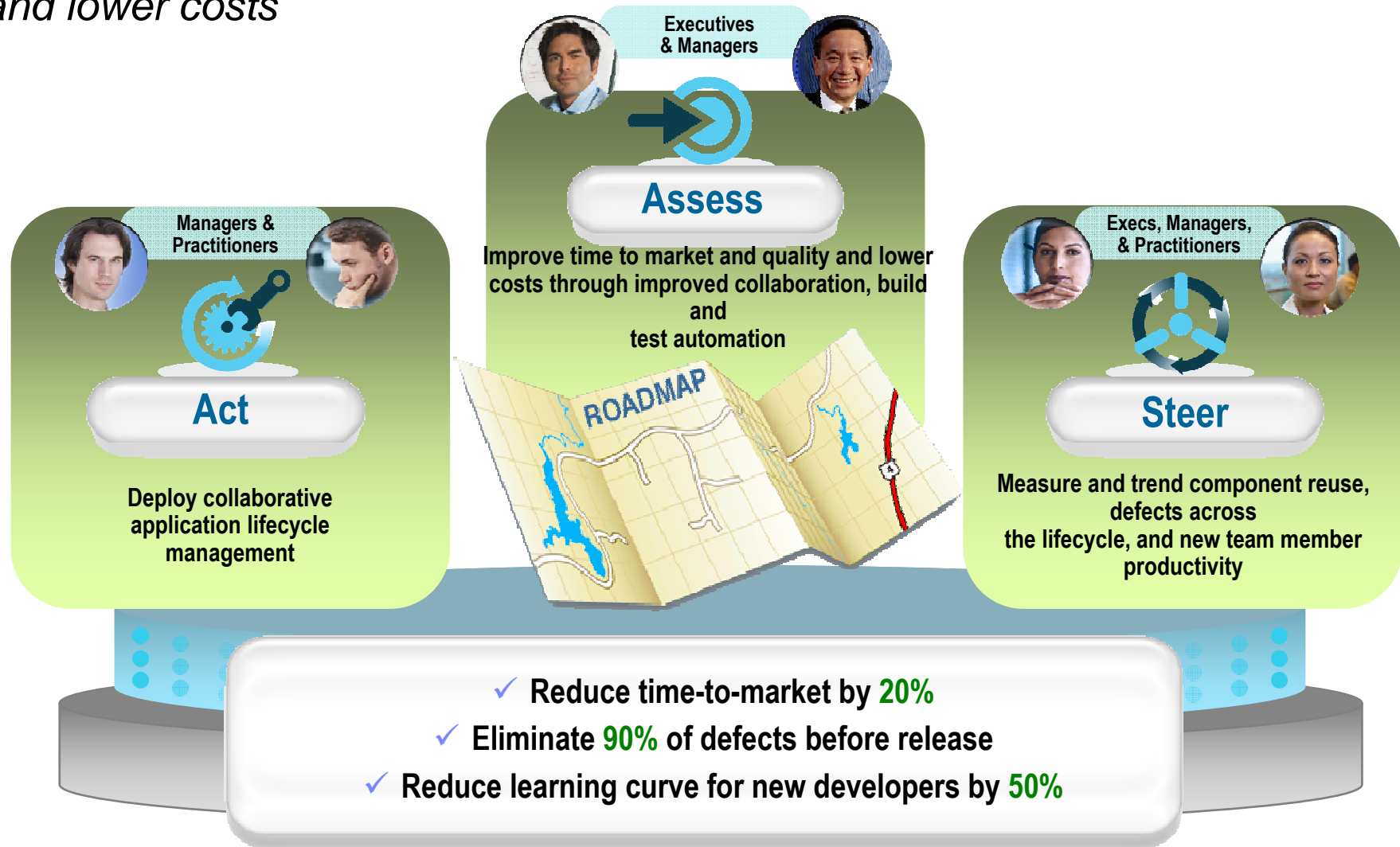


CIO's top priority over last three years: "Improving Business Processes"

Source: Gartner, "Making the Difference: The 2008 CIO Agenda," Jan. 2008

Measured Capability Improvement Framework (MCIF)

Improving software and systems delivery in order to increase revenue and lower costs



Identify business goals and set priorities using evaluation services and diagnostics

I2



Act

Steer

"We need to reduce our costs and improve customer satisfaction within the next six months."

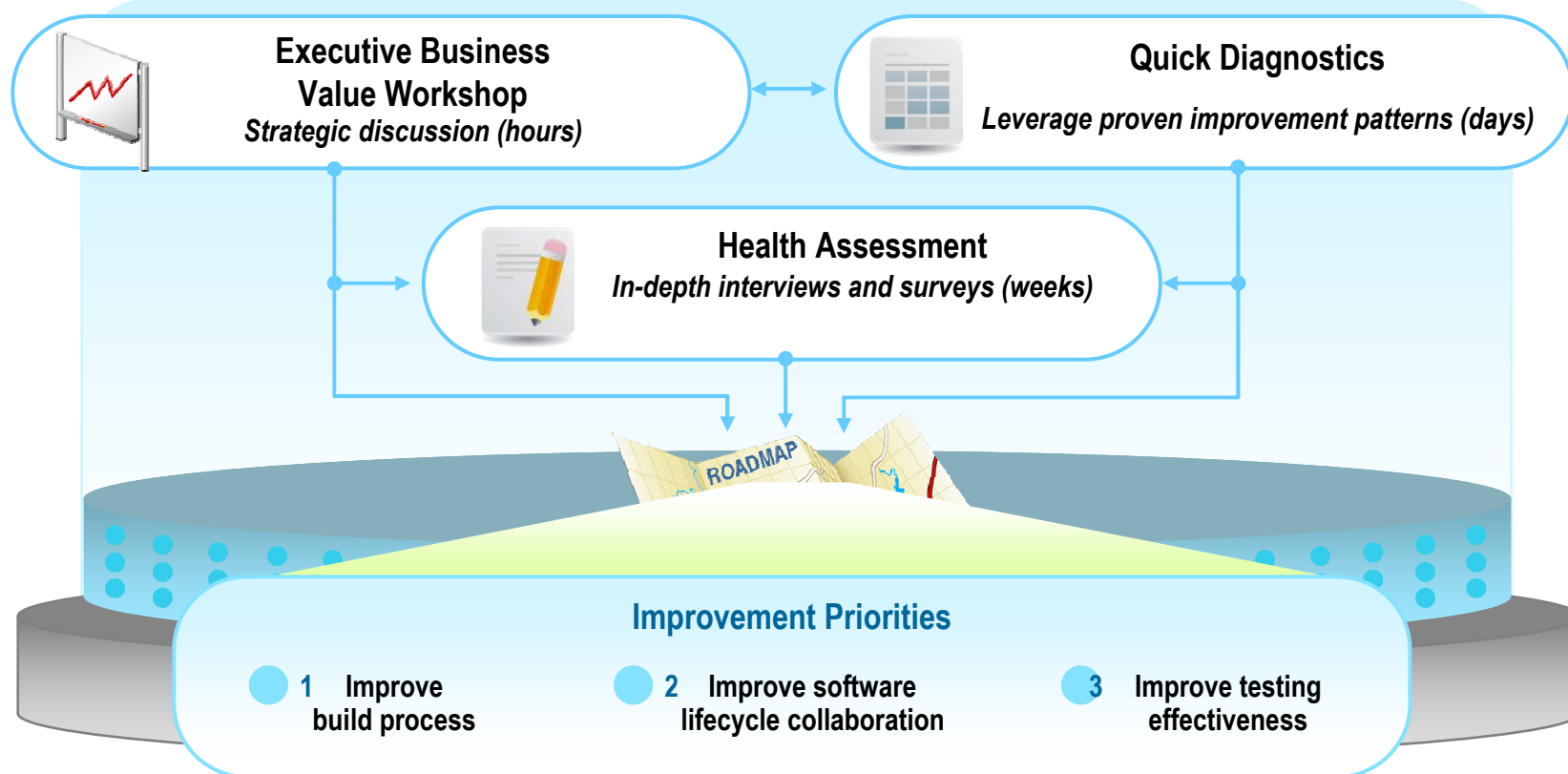


Executive



Manager

"We need to improve efficiency of our software delivery and improve quality."



Slide 88

I2

Msg to GTM:

- Refined slide notes slightly. See italics.

- Refined automation so mouse-click is required to display individual components (gives speaker a chance to speak about each at a speed he/she is comfortable with).

IBM_USER, 1/14/2010

IBM® Executive Business Value Workshop

Applying the Right Strategies



Assess

Act

Steer



**Executive Business
Value Workshop**
Strategic discussion (hours)

- **Goal:** Establish a shared understanding among the executive team on what strategies are to be applied to reach desired business outcomes
- **Involves:**
 - ▶ Discussion on software economics and what factors drive improved results
 - ▶ Whiteboard sessions to understand the organizational context, business drivers, and as-is state
- **Duration:** 2-4 hours
- **Result:** Recommended set of strategies to reach desired business outcomes

IBM® Quick Diagnostics

Rapidly Produce a Roadmap



- **Goal:** Establish an initial improvement roadmap in a minimal amount of time
- **Involves:**
 - ▶ Exploration of improvement objectives and symptoms at a department level or for a specific type of project to determine candidate practices and tools for improvement
 - ▶ (optional) ROI analysis and more detailed assessments of current as-is state of one or two projects to better qualify improvements and quantify the value
 - ▶ (optional) Workshop to recommend adoption metrics
- Leverages VTTs, progressive disclosure of questions, and established improvement patterns to rapidly filter out a set of solutions that are likely of the greatest value to the organization
- **Duration:** 1-5 days
- **Result:** Initial improvement roadmap (candidate practices and tools) in slide format

IBM® Health Assessment

A Careful and Deliberate Analysis



Health Assessment

In-depth interviews and surveys (weeks)

- **Goal:** in-depth analysis of as-is state, context, and improvement objectives to establish a roadmap for improvement
- Comes in two main forms:
 - ▶ Assessment of the Software Development Lifecycle (SDLC). Focuses on practices and associated tools
 - ▶ Assessment of Enterprise Software. Focuses on the application architecture of one or several applications.
- **Involves:**
 - ▶ Preparing for the assessment: Understanding objectives and scope, identifying participants, optional online survey
 - ▶ Conducting the assessment: Face-to-face interviews, optional reviews of procedures and artifacts, identification of strengths and weaknesses across a set of domains
 - ▶ Preparing findings and recommendations: Produced incrementally, continuously vetted with key personnel; additional interviews to dive into areas of special interest
 - ▶ Presenting findings and recommendations: Report focuses on incremental roadmap with suggestions on practices, adoption order, adoption metrics, inhibitors; optionally, detailed deployment plan
- **Duration:** 1-8 weeks
- **Result:** Presentation/report containing detailed findings and recommendations prioritized as an incremental improvement roadmap

REGISTER NOW & SAVE!

IBM Software

Innovate2011

The Premier Event for Software and Systems Innovation



The Rational Software Conference **June 5 – 9** Orlando, Florida

TOP 5 REASONS TO ATTEND

- 1 Learn better ways to innovate with over 400 technical sessions across 19 tracks focused on software, systems, security, services and much more
- 2 15 hands-on technical workshops showing how IBM Rational software helps you drive greater value from your software investments
- 3 Inspiring and educational keynotes from IBM Executives plus Customer Success stories
- 4 High-energy Exhibit Hall and IBM Solution Center featuring Innovation Labs and Business Partner Solutions
- 5 Networking and innovating with 4,000 peers!



Innovate 2011 is *the* event for software innovation. It is the conference totally focused on helping you transform software innovation *and* accelerate better business outcomes.

Profit from **Software. Everywhere.** Starting at Innovate 2011. Mark your calendar and register today!

REGISTRATION IS OPEN! Register by February 28th, 2011 & SAVE!

www.ibm.com/rational/innovate

Questions

Thank YOU

Learn more at:

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- [Rational launch announcements](#)
- [Rational Software Delivery Platform](#)
- [Accelerate change & delivery](#)
- [Deliver enduring quality](#)
- [Enable enterprise modernization](#)
- [Ensure Web security & compliance](#)
- [Improve project success](#)
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The Move to IT PPM...

■ With Focal Point and Insight/PE

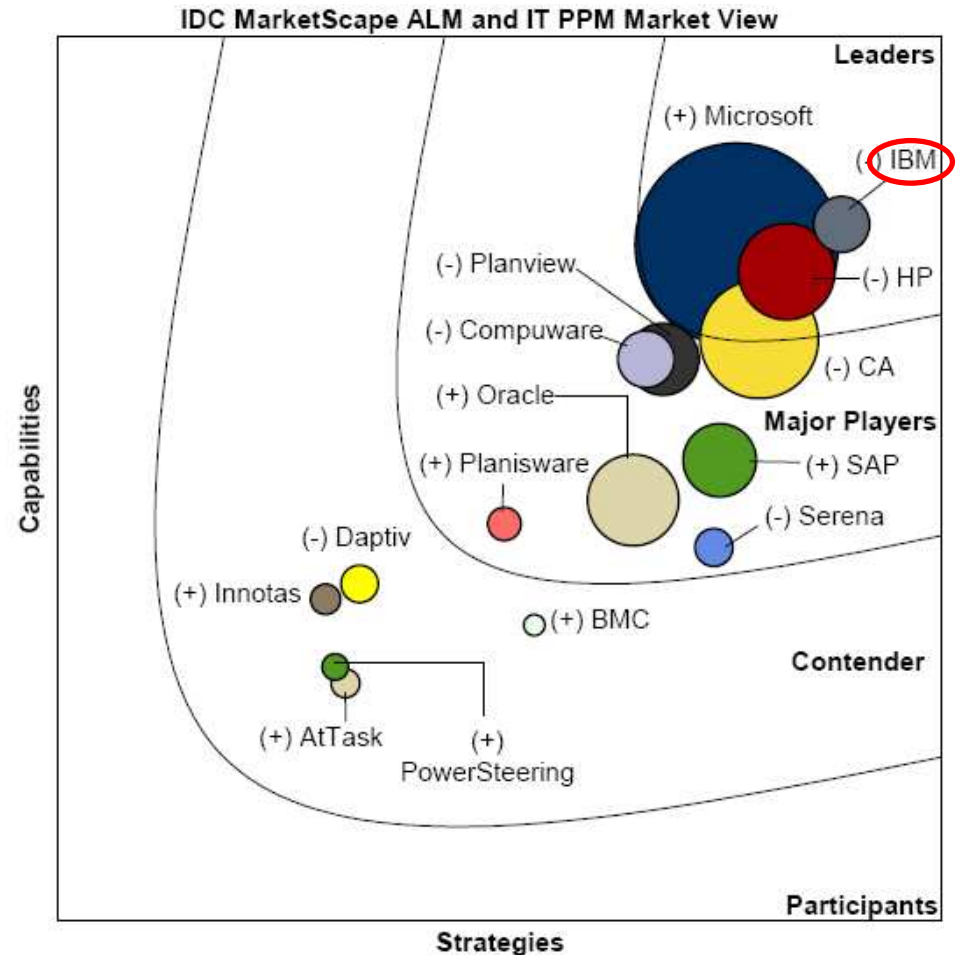
- PMO value does not happen one project at a time, but in the aggregate ability across projects and programs, consistent delivery of value, and overall benefits realization. PMO leaders should not confuse the means (standards, process), with the end (higher throughput, stakeholder satisfaction, shorter time to decision, etc.).

-Gartner Predicts 2011

■ With Rational Team Concert

- Development organizations have been making a shift toward agile methods... and often is a mixture of waterfall practices utilizing an agile or iterative project cycle.

-Gartner Predicts 2010



Source: IDC, 2010

IBM is well positioned!

Gartner MarketScope on Application Lifecycle Management

IBM Rational Positioned as the Leader in this Segment (Nov 2010)

Gartner Research

Publication Date: 11 November 2010 ID Number: G00208572

MarketScope for Application Life Cycle Management

Jim Duggan, Thomas E. Murphy

Organizations adopting agile practices, utilizing globally distributed teams, or exploiting complex processes and technologies are most likely to benefit from using ALM tools to plan, manage and report on their development activities. This MarketScope assesses the market offerings and their providers.

Rational. software

	RATING				
	Strong Negative	Caution	Promising	Positive	Strong Positive
Aldon			x		
Atlassian			x		
CollabNet				x	
Digite			x		
HP				x	
IBM					x
Kovair			x		
Micro Focus			x		
Microsoft				x	
MKS				x	
Parasoft			x		
Polarion Software			x		
Rally Software				x	
Seapine Software			x		
Current Software				x	
SmartBear Software			x		
TechExcel			x		
ThoughtWorks			x		
VersionOne				x	

“IBM is one of the few vendors with credible offerings in almost all the requirements of ALM”

“IBM Rational is one of the first vendors to integrating across the lifecycle”

“Jazz is a solid architectural foundation for

“We rate IBM as a Strong Positive because of its market strengths and breadth of portfolio”

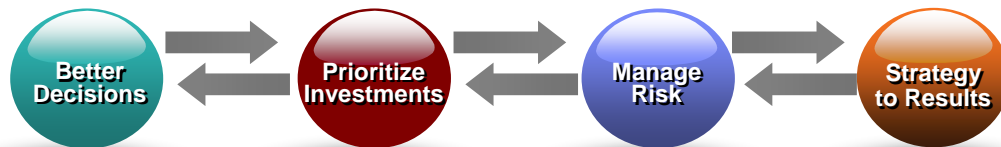
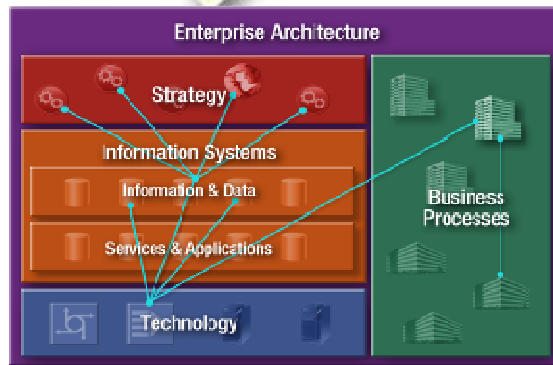
tell a story about

further innovation

As of 11 November 2010

Enterprise Architecture Management

IBM Rational System Architect



Gartner Group EA Magic Quadrant, 2008

As of June 2008

- [Define Vision](#): Assure products support business need
- [Govern and Manage Architecture Development](#): Plan, Govern, & Execute Solution Implementation
- [Identify IT/Engineering assets](#) and applications that support design environment
- [As-Is versus To-Be Analysis](#)
- [Impact Analysis across Organization](#): Control expenses, identify reuse
- [Frameworks](#): Defense Architecture (DoDAF, NAF, MoDAF), TOGAF