IBM Software

Impact2010

Comes to You

Fast Path in Banking and Financial Markets

Faster ROI with WebSphere BPM and Banking Content Pack

Which was your first mobile device?

You got to get one of these…

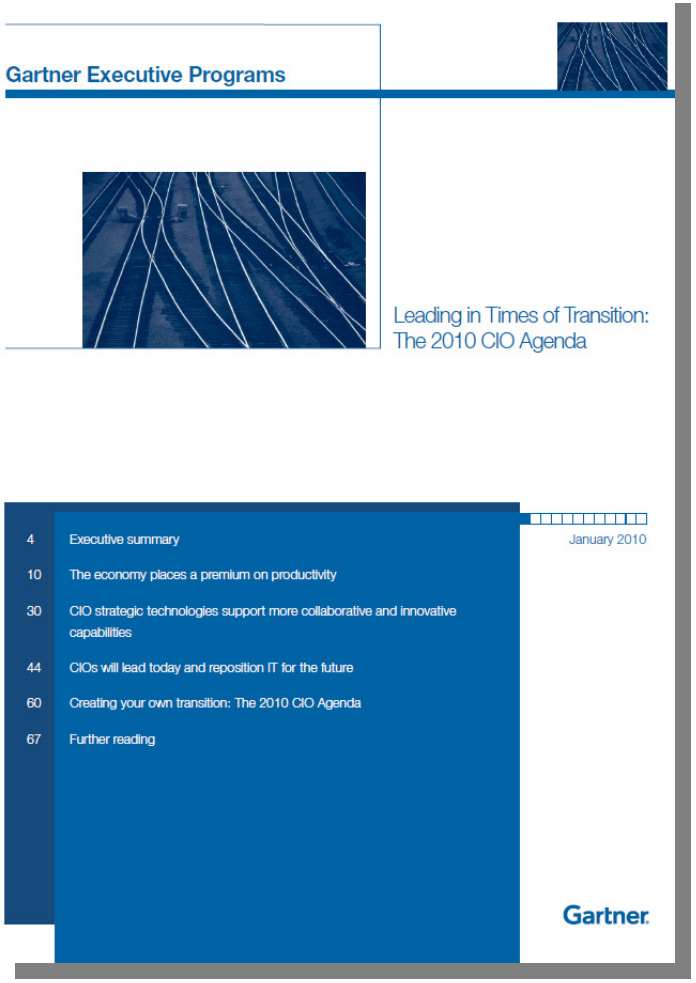
WebSphere BPM and Banking Content Pack

- BPM – What and Why?
- Smarter BPM solution delivery for faster ROI – How?
- Summary

Meeting the Challenge: The 2010 CIO Agenda

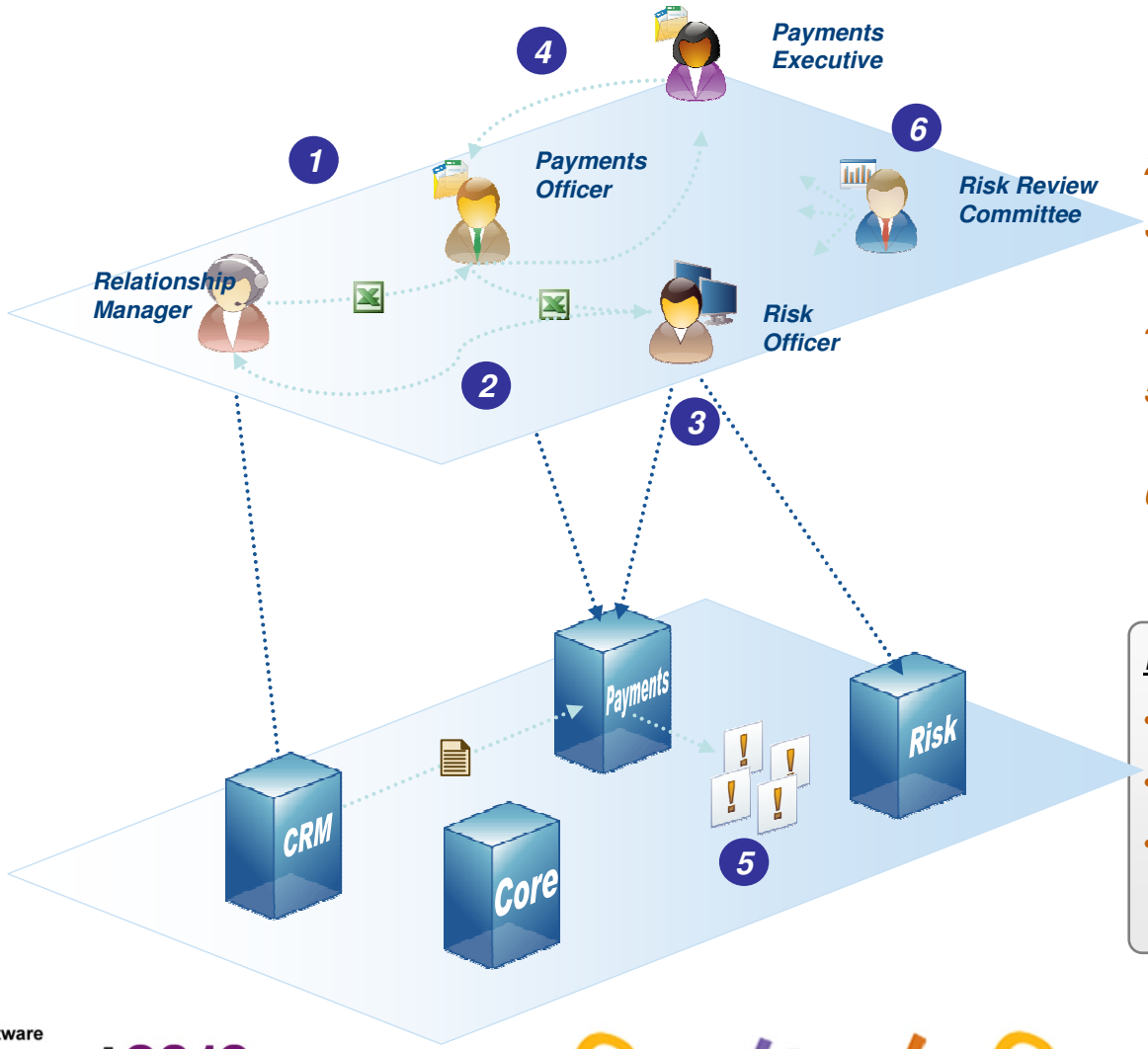
Top 10 Business Expectations for IT

1. Improving business processes
2. Reducing enterprise costs
3. Increasing the use of information/analytics
4. Improving enterprise workforce effectiveness
5. Attracting and retaining new customers
6. Managing change initiatives
7. Creating new products or services (innovation)
8. Targeting customers and markets more effectively
9. Consolidating business operations
10. Expanding current customer relationships



Gartner January 2010

Typical Process Challenges

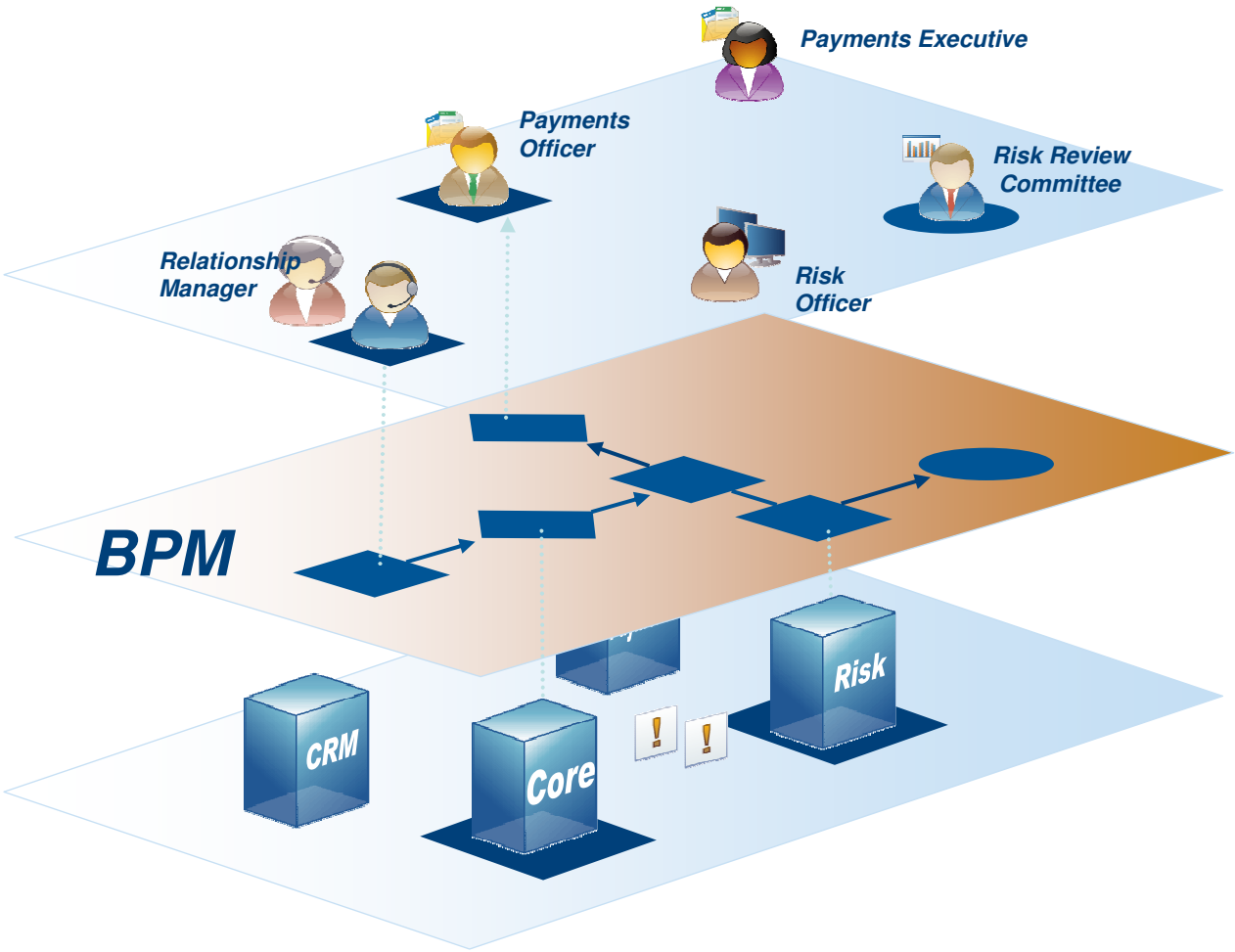


1. ***Manual, Highly Variable***
2. *End User Complexity is significant*
3. *Inefficient Working Environment Spans Systems*
4. *Inconsistent Prioritization*
5. ***Lack of Control** Over System and Business Events (Exceptions)*
6. ***Poor Visibility** Into Process Performance*

Resulting Problems:

- *Limited visibility / audit*
- *High admin overhead / costs*
- *Time crunch*

BPM Delivers A Layer for Control, Visibility, Auditability

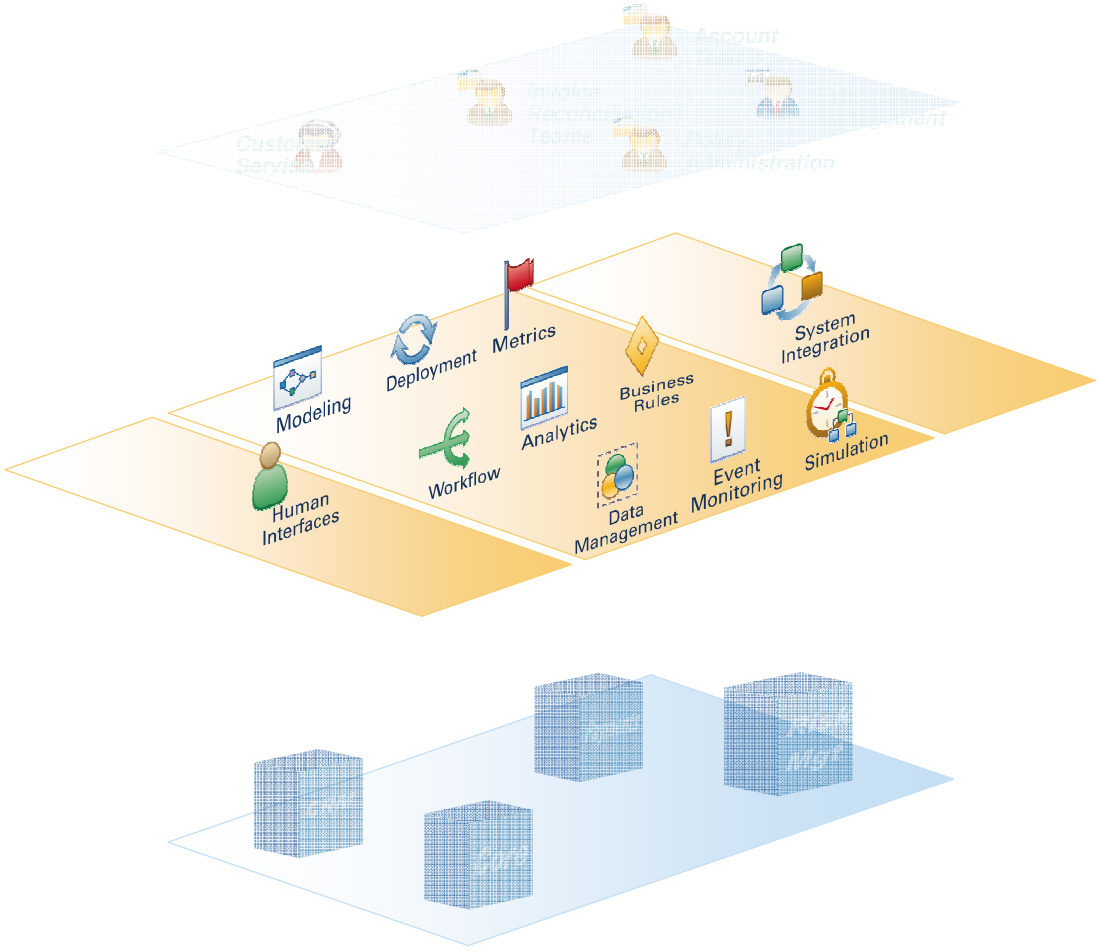


1. *Automatically prioritizes and routes work*
2. *Guides users through decisions*
3. *Standardizes resolution across geographies*
4. *Leverages existing systems and data*
5. *Monitors for business events and initiates action*
6. *Real-time visibility and process control*
7. *Quick and easy to use development tools*

Benefits:

- *Time Savings*
- *Cost Savings*
- *Process Transparency, Control and Flexibility*
- *Full Audit trail*

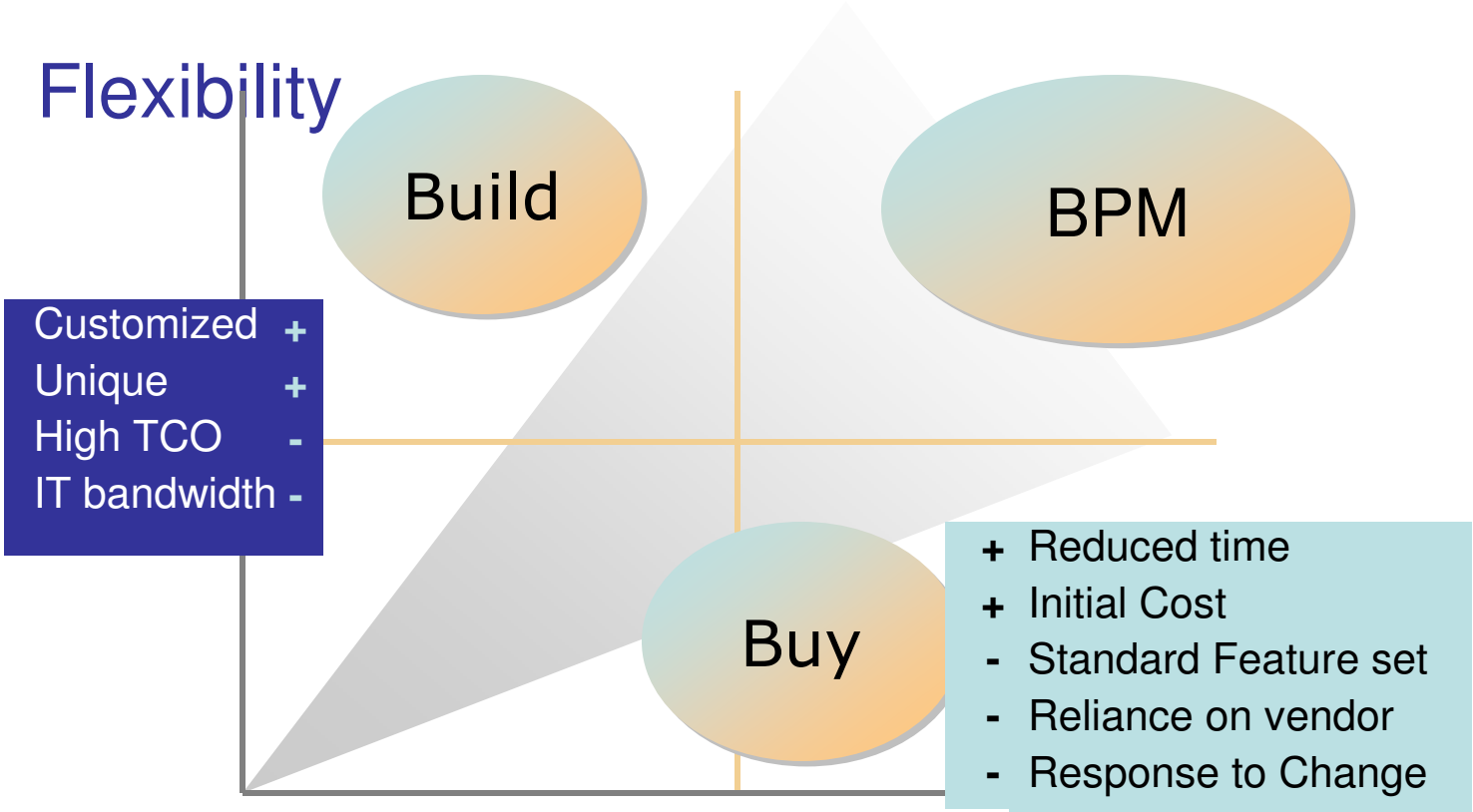
The Essential BPM Capabilities



- Modeling
- Simulation+ Optimization
- Workflow
- Rules
- Business Data Mgmt
- Human Interfaces
- Event Monitoring
- System Integration
- Metrics
- Analytics

Process Improvement Requires A "Third Way"

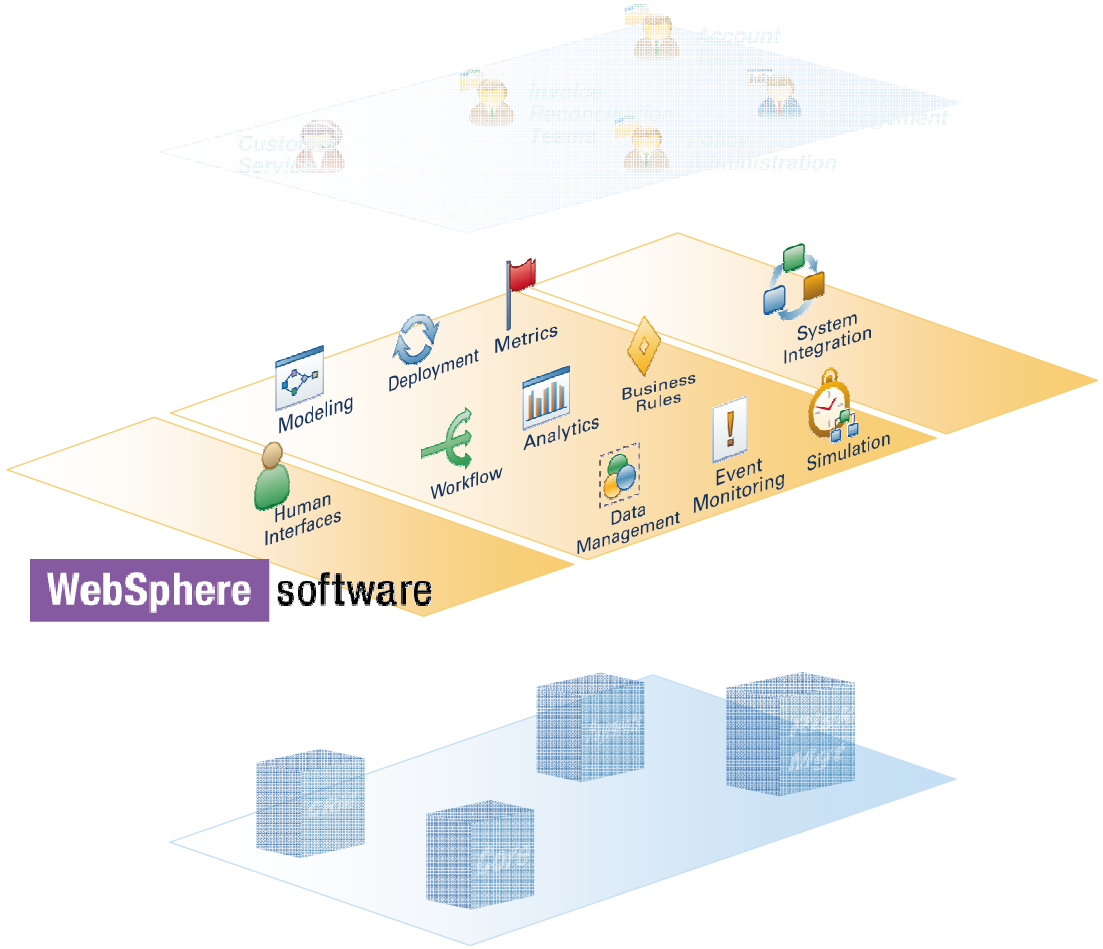
Process-improvement requirements are likely to be unique, which favors build rather than buy. And the timeframes and costs of both are often not compatible with process improvement, so a 'third way' is required.



WebSphere BPM and Banking Content Pack

- BPM – What and Why?
- Smarter BPM solution delivery for faster ROI – How?
- Summary

Fast Path to BPM Capabilities with WebSphere BPM

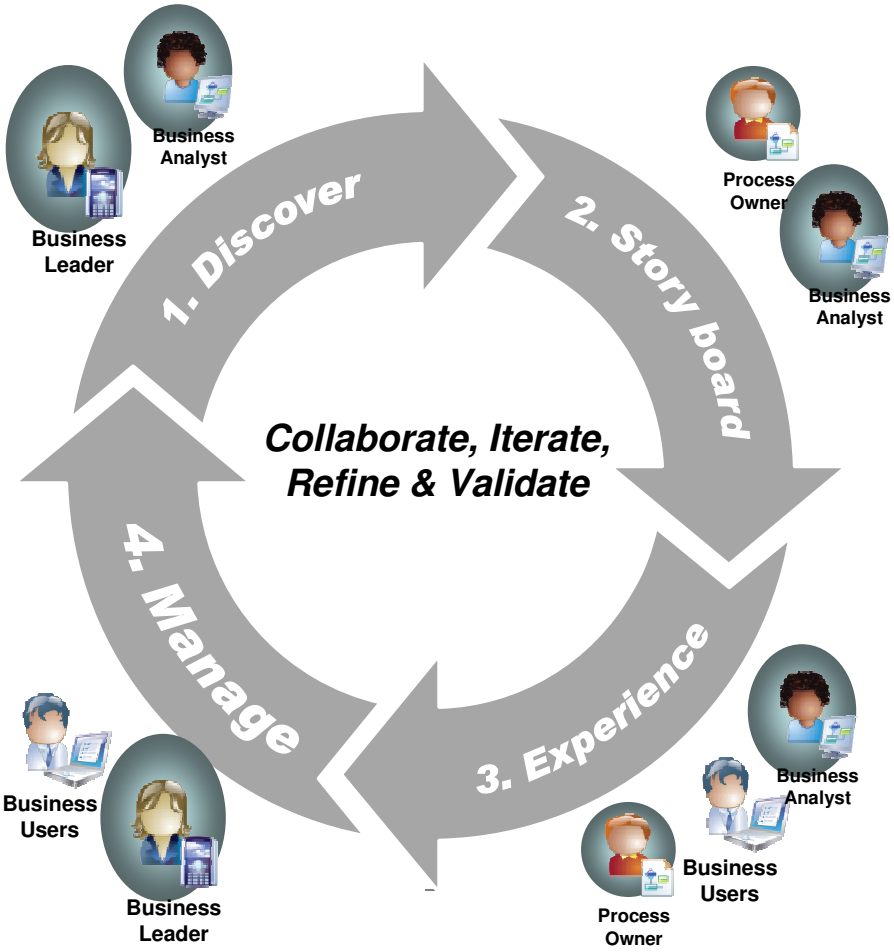


- Modeling
- Simulation+ Optimization
- Workflow
- Rules
- Business Data Mgmt
- Human Interfaces
- Event Monitoring
- System Integration
- Metrics
- Analytics

Realizing Continuous Process Improvements…

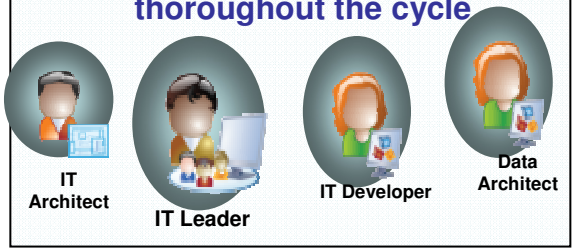
Through Business Driven Activities with WebSphere software

Discover your business intent; Map intent to business capabilities and processes; Identify and prioritize options



Story board the user interaction by capturing and defining as-is process and to-be processes; Specify business measures & KPI's; Mock up forms/UI to validate and visualize human interactions

Business and IT collaboration thoroughout the cycle



Manage real-time performance by empowering business users to customize their experience, managing KPI's and alerts based on changing business conditions

Experience/visualize the solution via elaboration and assessment of business measures and KPI's; Add operational characteristics to future state processes; Interactively validate elaborated processes in IT sandbox

IBM Software
Impact2010
Comes to You

WebSphere Banking Content Pack v7

- **Lines of Businesses:** **Retail, Wholesale, Wealth Management, Treasury**
- **Business Areas:** **Core Banking, Payments, Front Office, Customer Care, Integrated Risk Management**
- **Industry Standards:** **ISO 20022, IFW, SEPA, NACHA, IBM best practices**

Banking Capability Models

Capability maps and process maps; based on IBM best practices; helps in solution definition an business goal alignment

- 11 capability areas with underlying capability and process hierarchies– Account Servicing, Payments, Product Management, Customer Servicing, Risk, etc.

Banking Process Models

Banking-specific process models; based on IFW & IBM best practices; automate processes & KPIs

- 33 process models – Initiate Account Opening, Underwrite Loan, Activate Card, Process Payments, Evaluate Customer Request, Apply Fees, etc.

Banking Service Models

Service interface definitions and associated schemas; based on IFW; Seamless connection to legacy and back-end applications

- 127 service interfaces– Record Check Status, Open Business Account, Offer Product Arrangement, etc.

Banking Common Components

Common functions including service Interfaces & Implementation: based on ISO 20022, SEPA; ensures interoperability across IT ecosystem

- 8 common components – Credit Transfer Initiation, Bulk /Debulk, Reject Repair, etc.

Banking Business Vocabulary

Glossary of business terms and relationships to define policies & variations; facilitates consistency & reuse

- Vocabulary derived from ISO 20022, SEPA, NACHA, IFW & IBM best practices

Banking Business Object Models

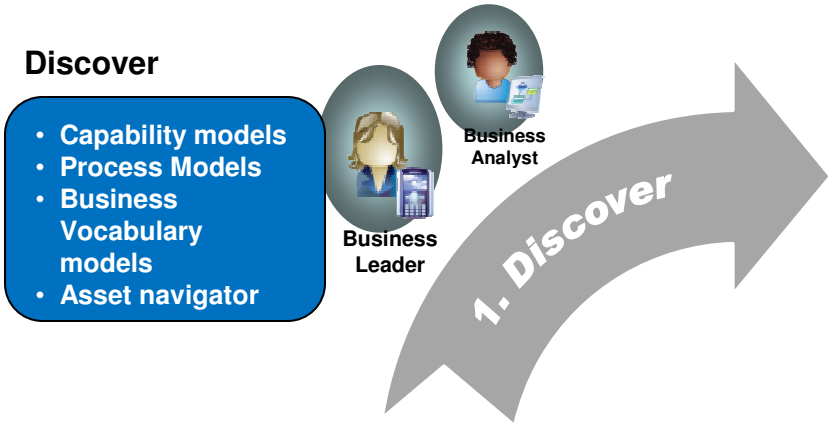
Conceptual data model; provides foundation for data persistence

- ISO 20022 based (Payments focused)

Banking Solution Scenarios

- Banking-specific end-to-end examples on WebSphere BPM; Starting points for POCs and customer implementations
- **Mortgage Refinancing** (efficient processing of mortgage refinancing request from individual customer and performance monitoring), **Corporate Payments** (straight-through processing of corporate payment request from commercial customers and payment insights) and **New Account Opening** (end-to-end customer acquisition process across multiple channels); Includes UI forms, dashboards, human tasks, BPEL implementation and business space skins.

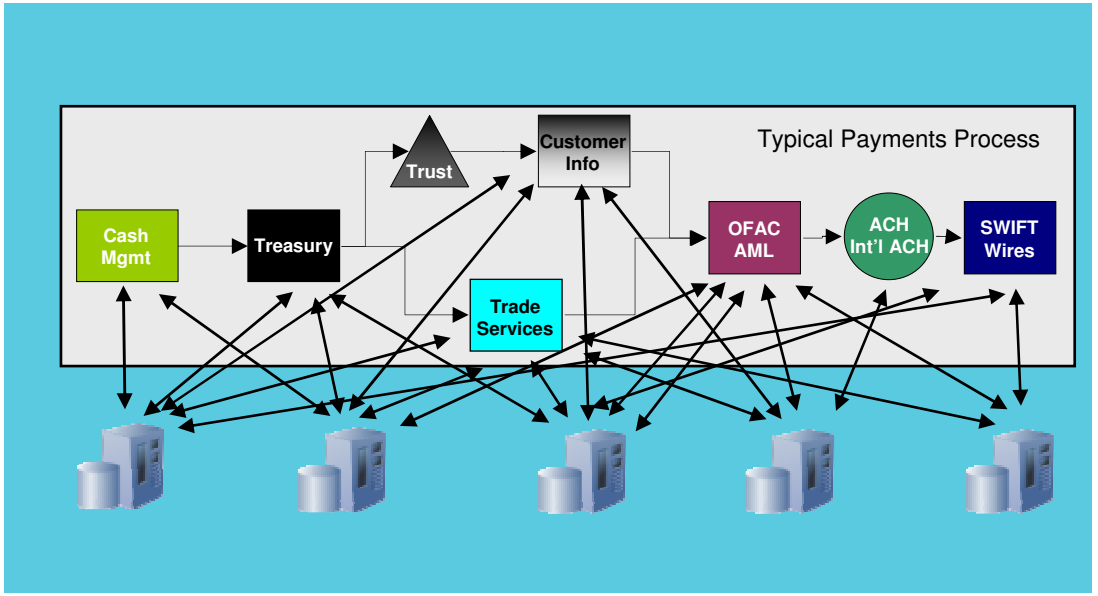
BPM Solution Delivery using Banking Content Pack



Payments and Securities

Banks need flexible and efficient operations

- Commoditization of payments services resulting in shrinking returns
- Need to specialize and innovate to drive revenue growth
- Market harmonization across the global payments infrastructure drives need for integration with third parties
- Increased merger, acquisition and disposal activity has resulted in redundant operations
- Sophisticated fraud and anti-money laundering activity drives need for transparency and security



Why are there errors in processing payments to my global vendors?

Example of a banking process that needs to be optimized

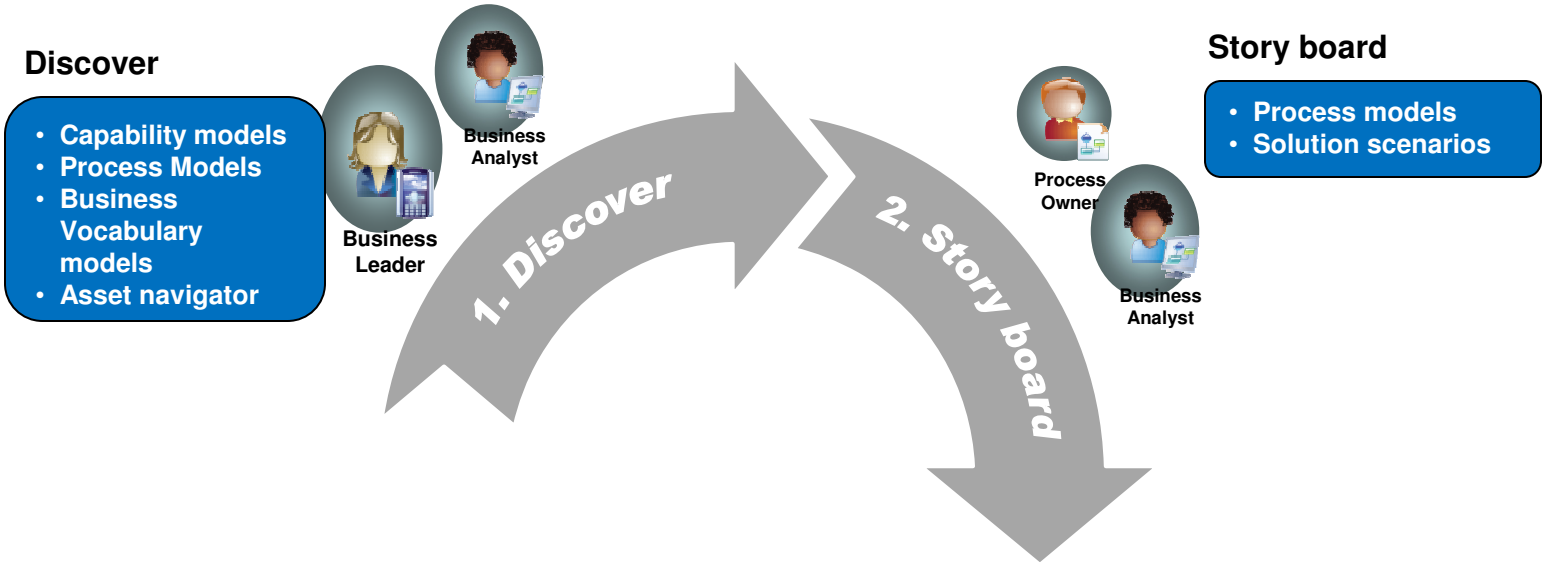
Business Problems

- Corporate customers want transparency in payment transactions
- Manual payment processing is prone to human errors and delays
- Vendors want to know the status of their payments
- Corporations seek a single view of their cash flow

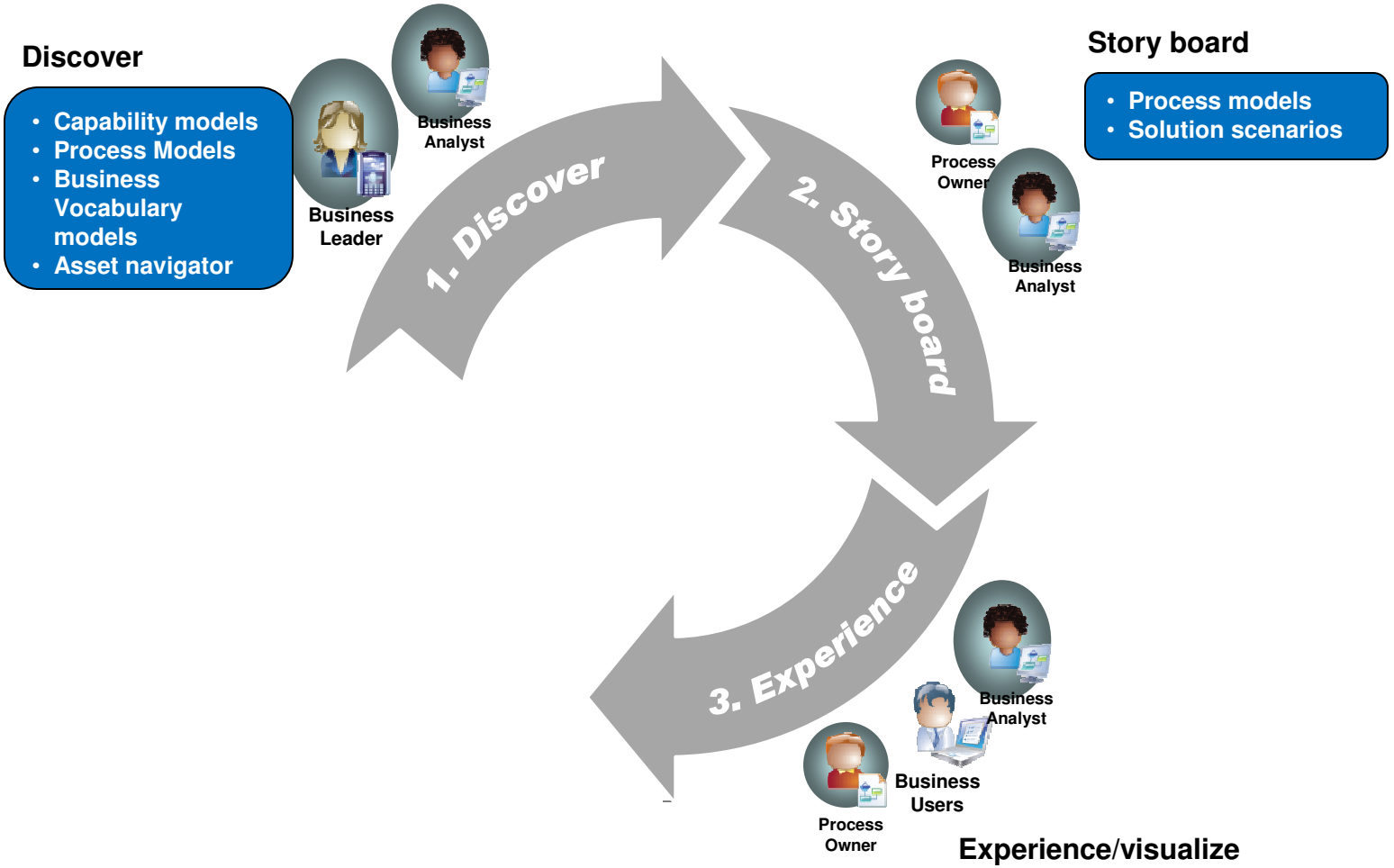
Solution Needed

- ✓Real time information of payment transaction to different parties through multiple channels
- ✓Seamlessly make payments via various payment networks and multiple channels
- ✓Complete insight into corporate cash flows through reporting

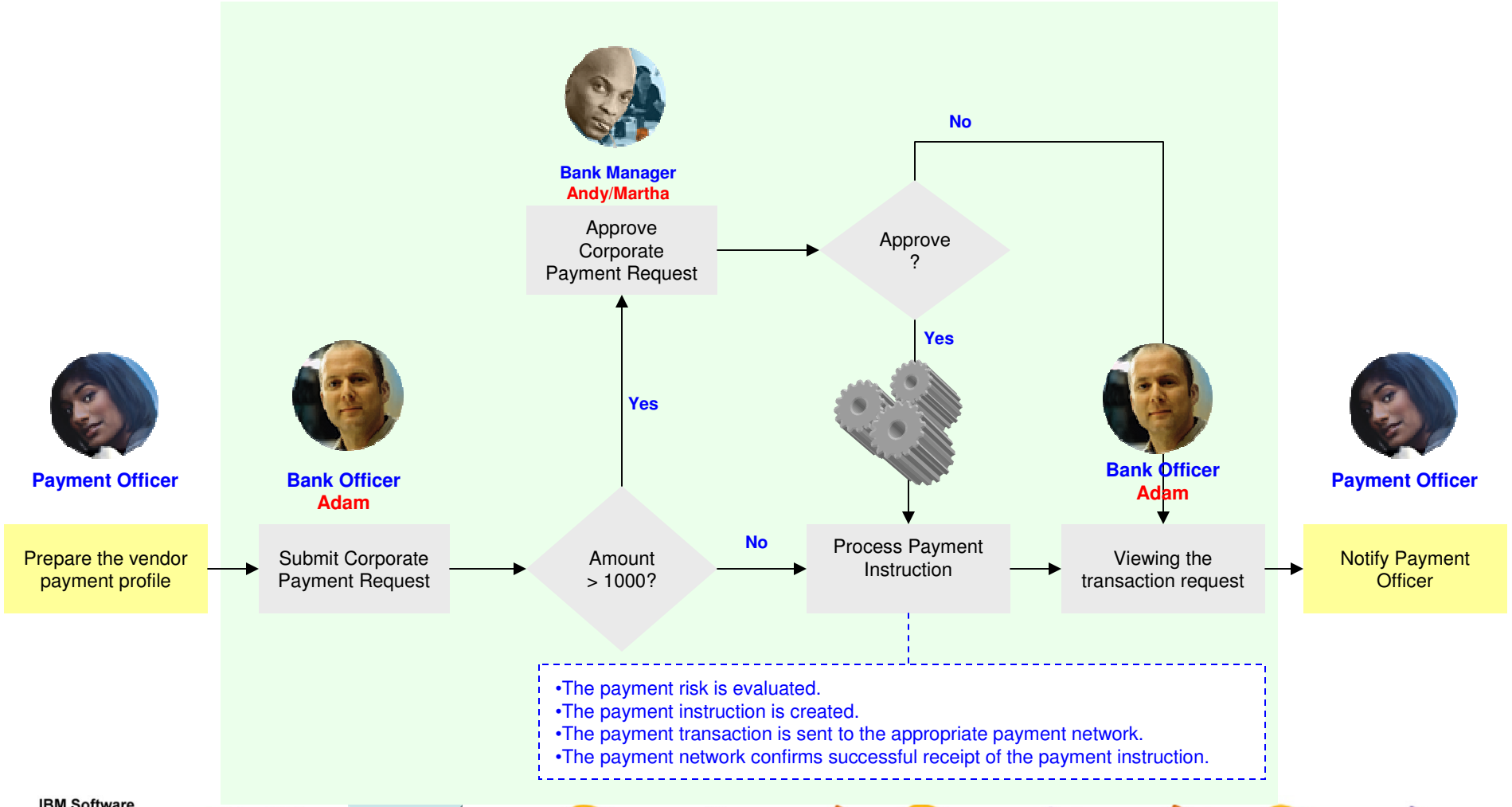
BPM Solution Delivery using Banking Content Pack



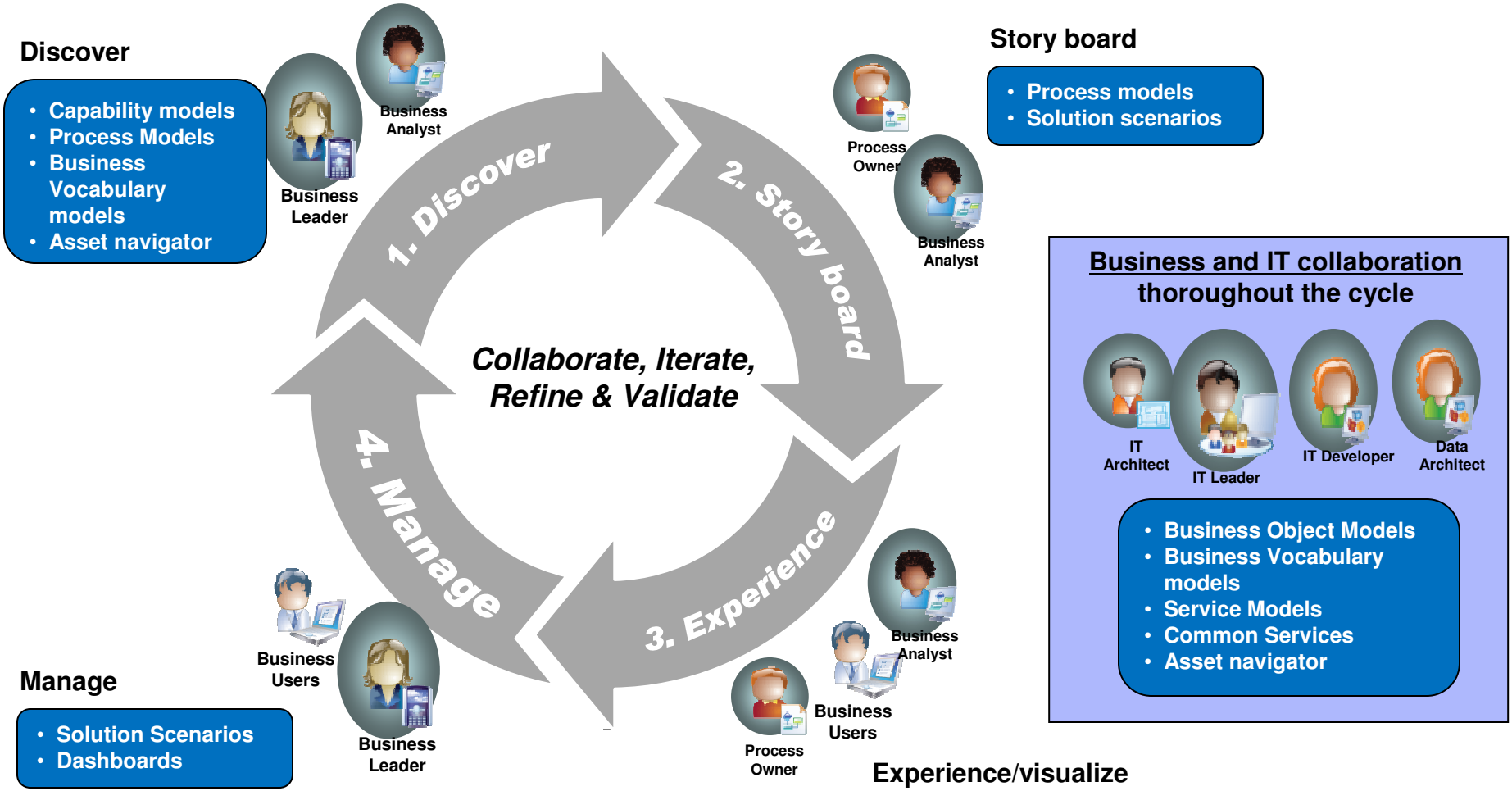
BPM Solution Delivery using Banking Content Pack



Banking Corporate Payments Solution Scenario

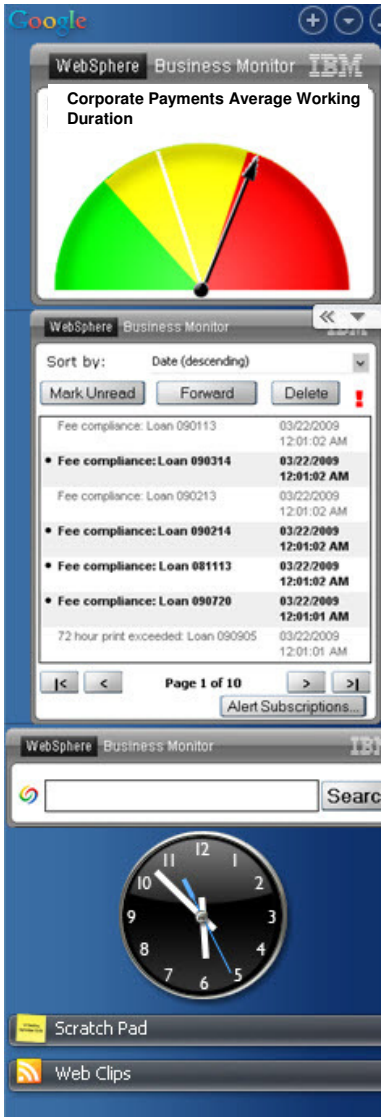


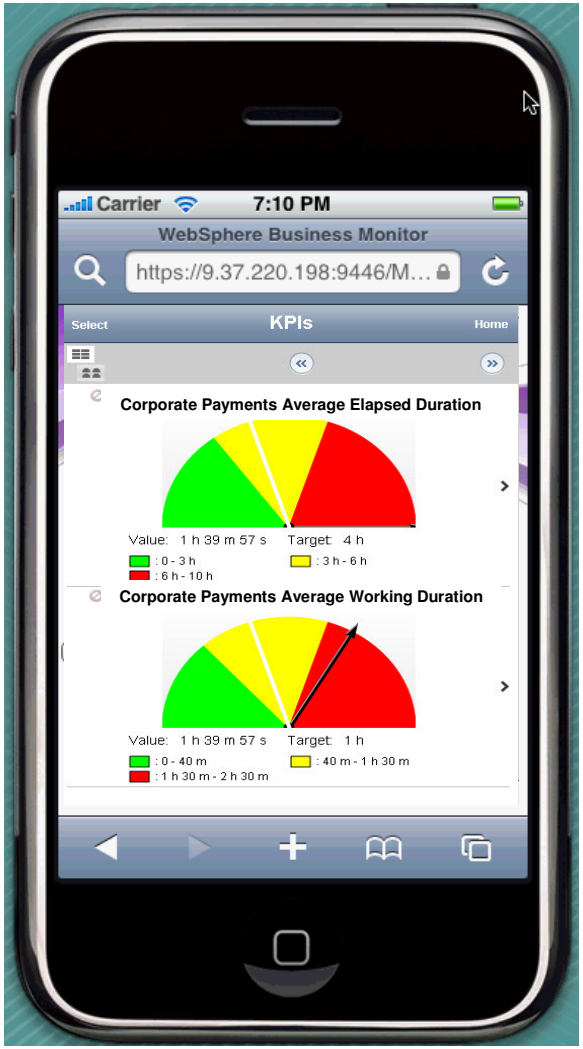
BPM Solution Delivery using Banking Content Pack



IBM Software
Impact2010
Comes to You

Monitor and Manage through Google Gadget or iPhone

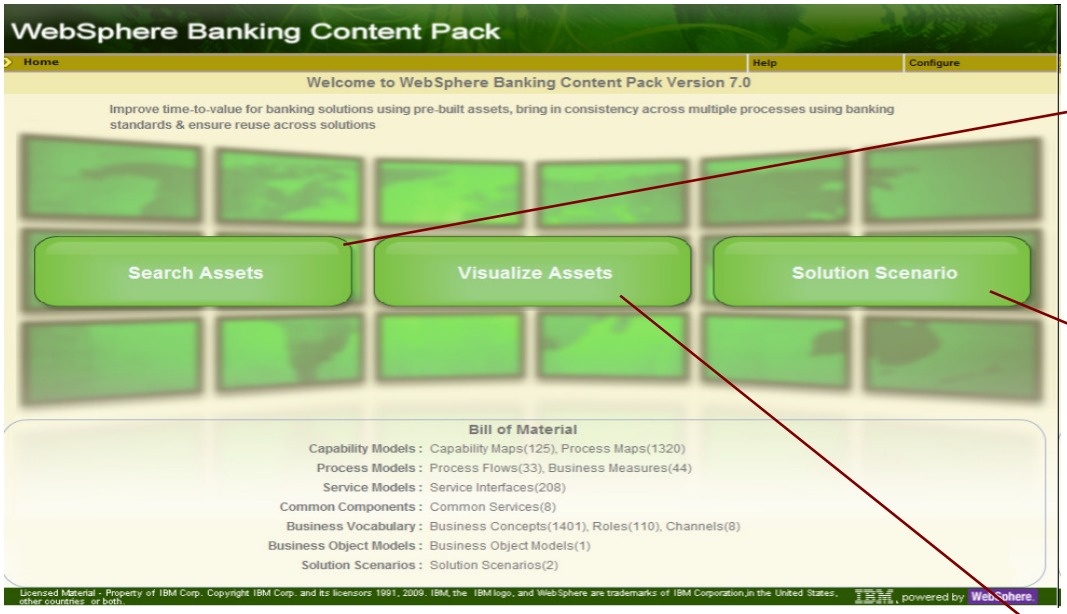


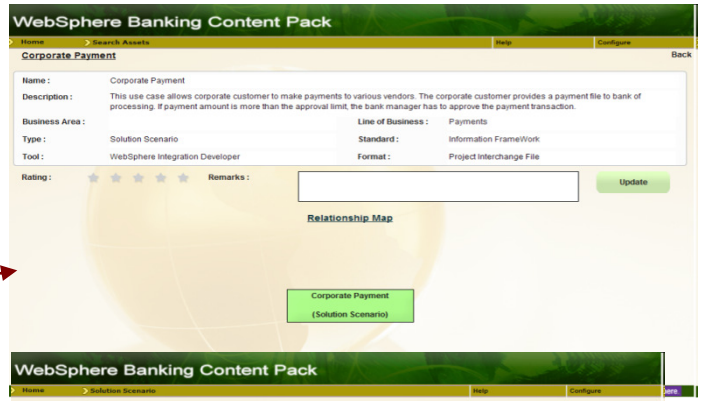


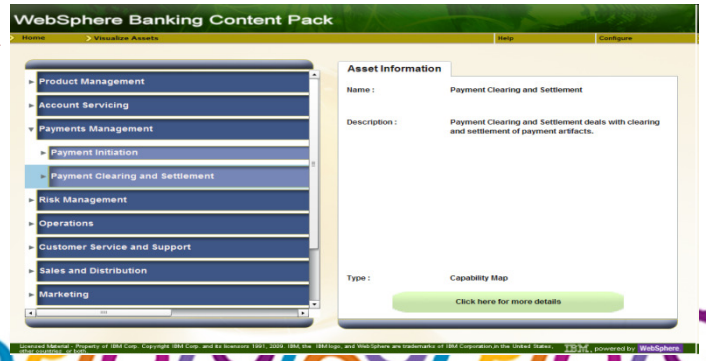
IBM Software
Impact2010
Comes to You

Banking Pack Asset Navigator

Search & Visualize BPM Solution Assets







Business-user friendly search and browse tool to identify relevant solution assets in WebSphere Banking Content Pack!

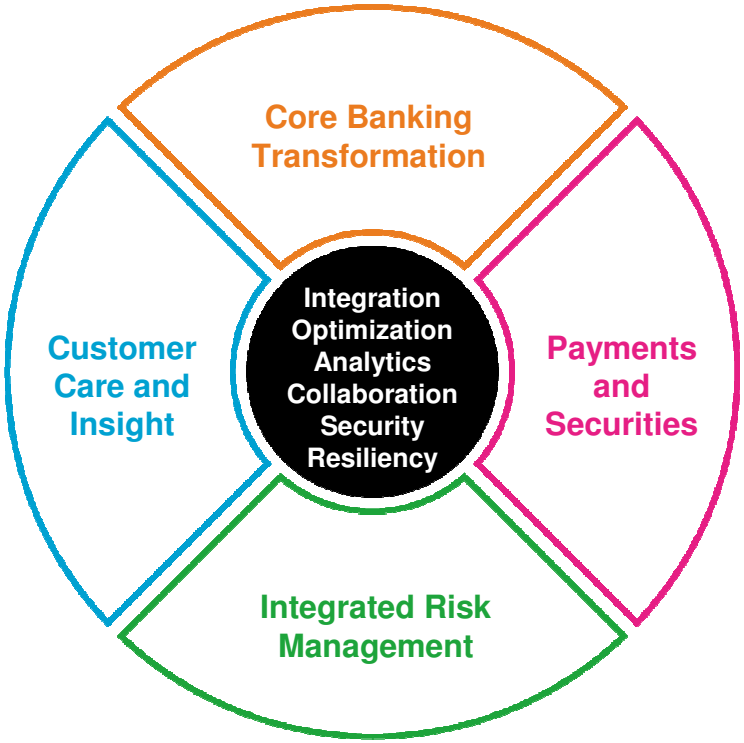
IBM Software
Impact2010
Comes to You

WebSphere BPM and Banking Content Pack

- BPM – What and Why?
- Smarter BPM solution delivery for faster ROI – How?
- Summary

WebSphere BPM for your projects in the four domains of the IBM Banking Industry Framework providing the capabilities to address banking challenges

IBM Banking Industry Framework



The **core banking transformation** domain allows you to modernize and renovate the legacy applications that support core banking functions while aligning with the changing needs of the business

The **payments and securities** domain helps you progressively transform your payments operations to become more flexible and efficient

The **integrated risk management** domain supports taking a holistic approach to managing financial risk, financial crimes, operational and IT risk, and compliance

The **customer care and insight** domain helps you build a foundation for creating a single view of the customer and enabling more effective and efficient sales and service

Benefits of WebSphere BPM and Banking Content Pack

Time-to-Value

Solution assets that can ***accelerate delivery*** of BPM Banking solutions

Reduced Risk

Ensure consistency and success by using ***Banking standards and best practices***

Reuse

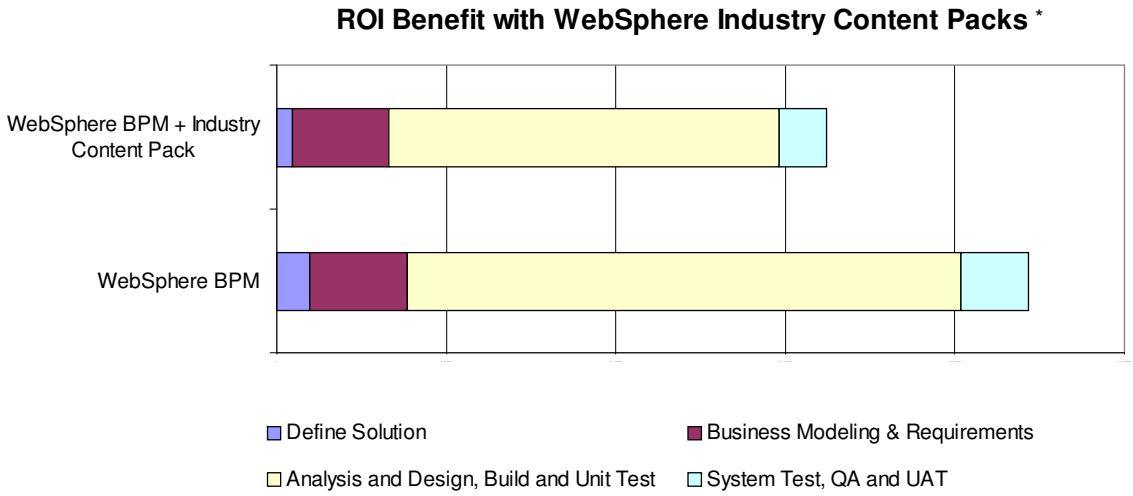
Enable ***reuse of assets*** across LOBs, geographies and projects

Extensible

Capabilities to ***extend the assets*** as per Bank's unique business needs

Gain early ROI with Banking Solution Assets

WebSphere Banking Content Pack for WebSphere BPM



Accelerates Time to Build by ~ 30%

As per IBM Business Value Assessment exercise; Varies as per client's BPM solution needs, existing IT applications, etc.

- Never Start from Scratch!
  - Banking solution assets baked WebSphere BPM offering
- Reusable assets across core banking, payments, risk & customer care
  - Based on ISO 20022, IFW, SEPA and NACHA standards
  - A key industry extension of IBM Banking Framework
- Ready for use and quick customization
  - Capability/Process Maps from Banking Pack available at BPM blueworks

Terima Kasih
Thank You

Question

6

Impact2010
ComesToYou

This new release of ILOG BRMS makes it even easier for business users to author business rules and make better decisions.

A. YES **B. NO** **C.POSSIBLE**

Impact2010
ComesToYou