



## Emerging Trends in Software and Systems Delivery supply chain

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IBM Software

# Innovate2012

The Premier Event for Software and Systems Innovation

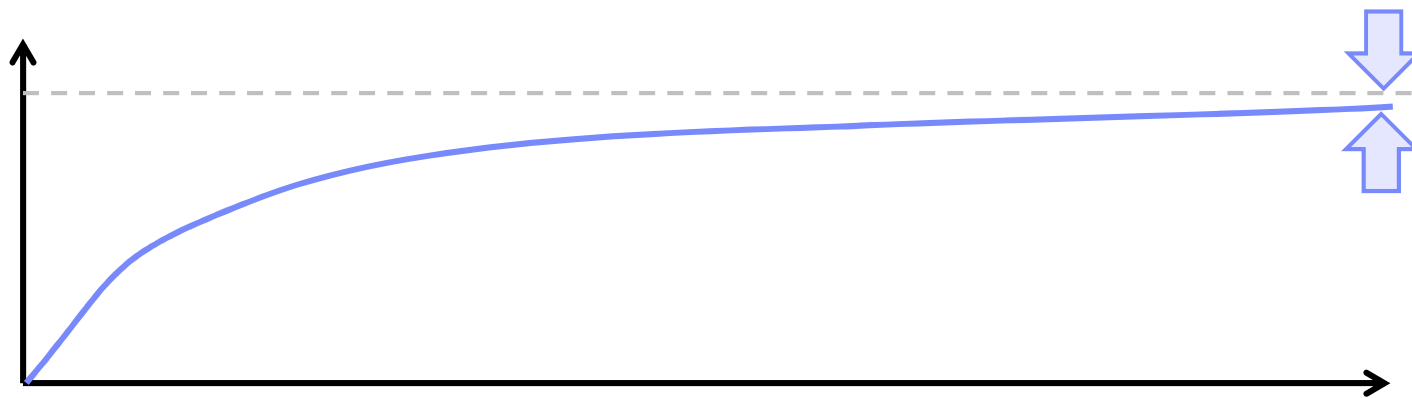
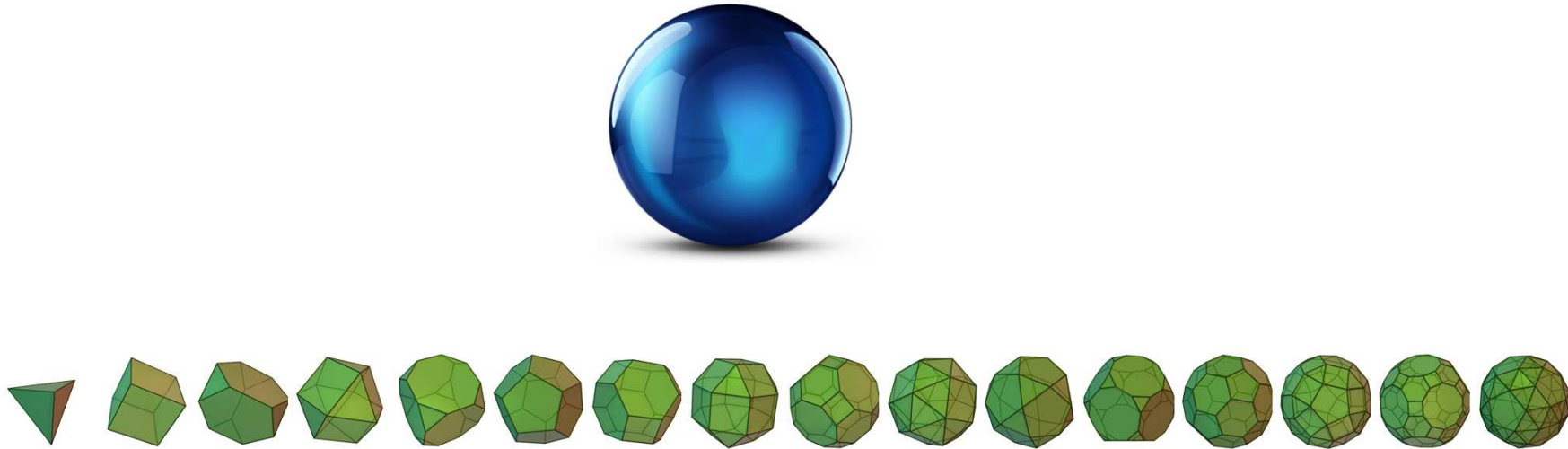


## Agenda

- Innovation Olympics
- (Application) Life Cycle Management
- Agility@Scale
- The Global Software Supply Chain View



...in search of the “perfection”...we are becoming more accurate...



# Ten Major Trends Driving How Next-Generation Services are Discovered, Delivered, and Consumed

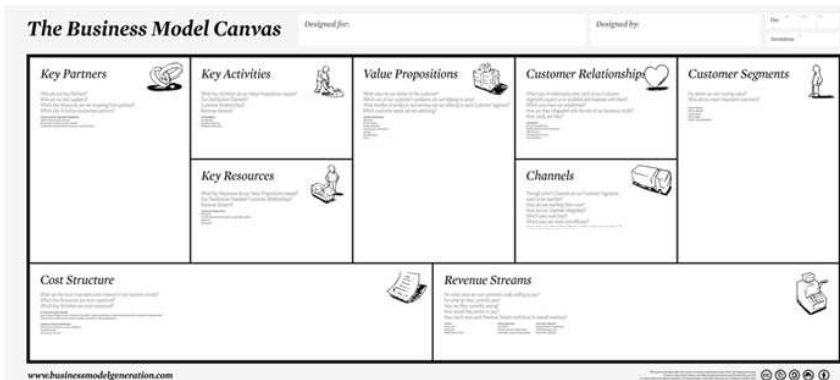


....and many more that may surprise us!!

# 10 New Business Models for this Decade BETA

TREND RESEARCH BY Trend Firm [trendwatching.com](http://trendwatching.com)  
 MARKET ANALYSIS BY Strategy Boutique [Thaesis](http://Thaesis.com)  
 BUSINESS MODEL DESIGN BY Strategy Consultant/Graphic Facilitator [Ouke Arts](http://Ouke Arts.com)

- ## 10 New Business Models for this Decade
1. Localized Low-Cost Business Model BETA
  2. One-Off Experience Business Model BETA
  3. Beyond Advertising Business Model BETA
  4. Markets Are Conversations Business Model BETA
  5. Low-Budget Innovation Business Model BETA
  6. Community-Funded Business Model BETA
  7. Sustainability-Focused Business Model BETA
  8. Twisted Freemium Business Model BETA
  9. Unlimited Niches Business Model BETA
  10. In-Crowd Customers Business Model BETA



*Every good idea starts with an empty sheet*

Leading Through Connections

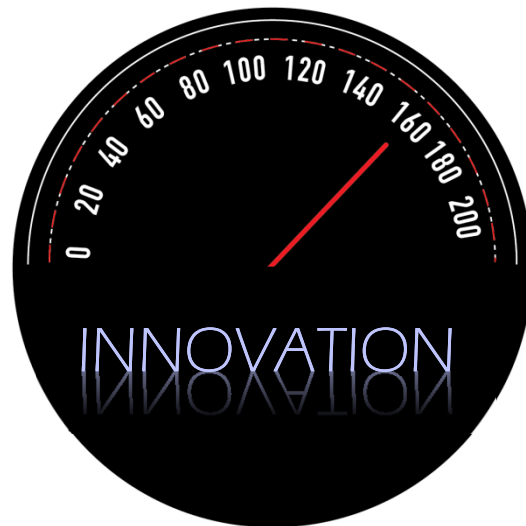
IBM logo

**JUGAAD**  
 INNOVATION

THINK FRUGAL,  
 BE FLEXIBLE,  
 GENERATE BREAKTHROUGH GROWTH

NAVI RADJOU JAIDEEP PRABHU SIMONE AHUJA

## Innovation Olympics



**Software Innovation**  
is becoming synonymous with  
**Business Innovation**



# Application Life-Cycle Management



- Wikipedia Definition:  
“Lifecycle Management (ALM) is a continuous process of managing the life of an application through governance, development and maintenance. 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.”

## Benefits

Proponents of application lifecycle management claim that it

- Increases **productivity**, as the team shares **best practices** for development and deployment, and developers need focus only on current business requirements
- Improves **quality**, so the final application meets the needs and expectations of users
- Breaks **boundaries** through **collaboration** and smooth **information flow**
- Accelerates development through **simplified integration**[2]
- Cuts maintenance time by **synchronizing** application and design
- Maximizes **investments** in skills, processes, and technologies
- Increases **flexibility** by **reducing the time** it takes to build and adapt applications that support new business initiatives

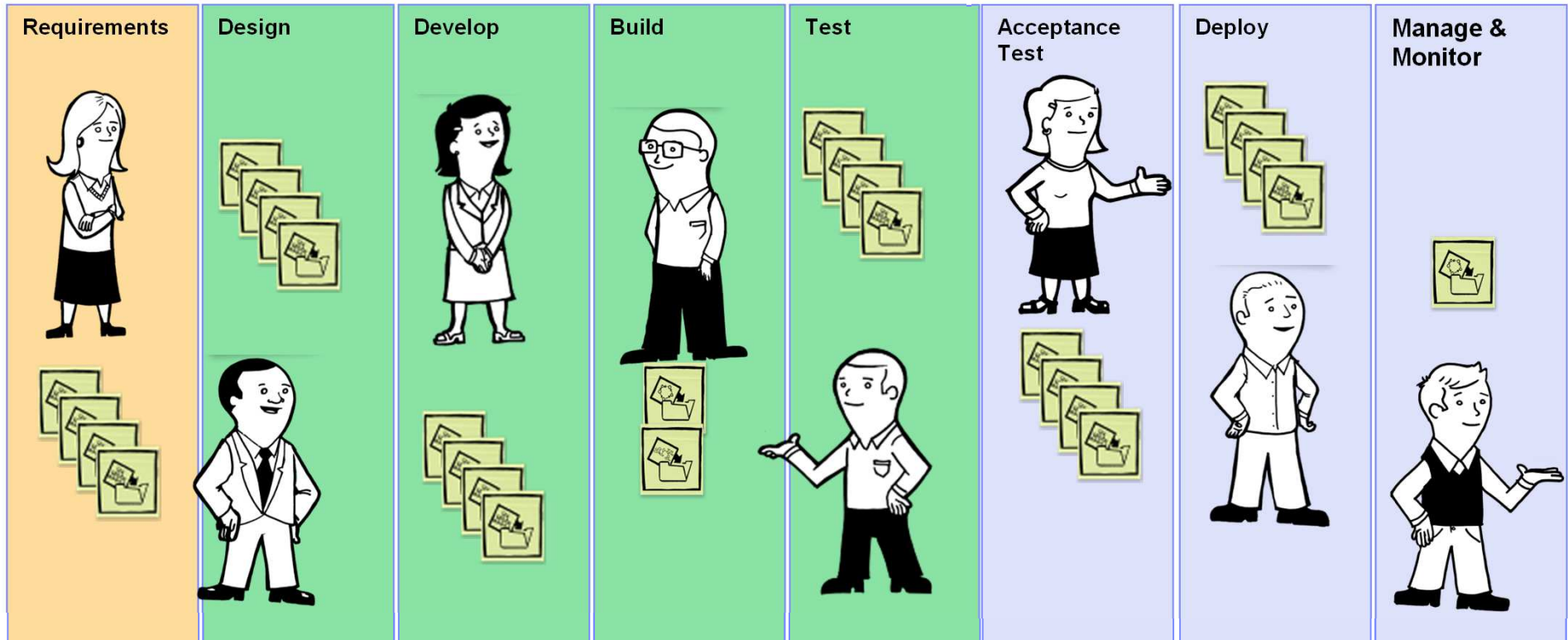
## Disadvantages

Opponents of application lifecycle management claim that it

- Increases an application's **whole-life cost**
- Increases **vendor lock-in**

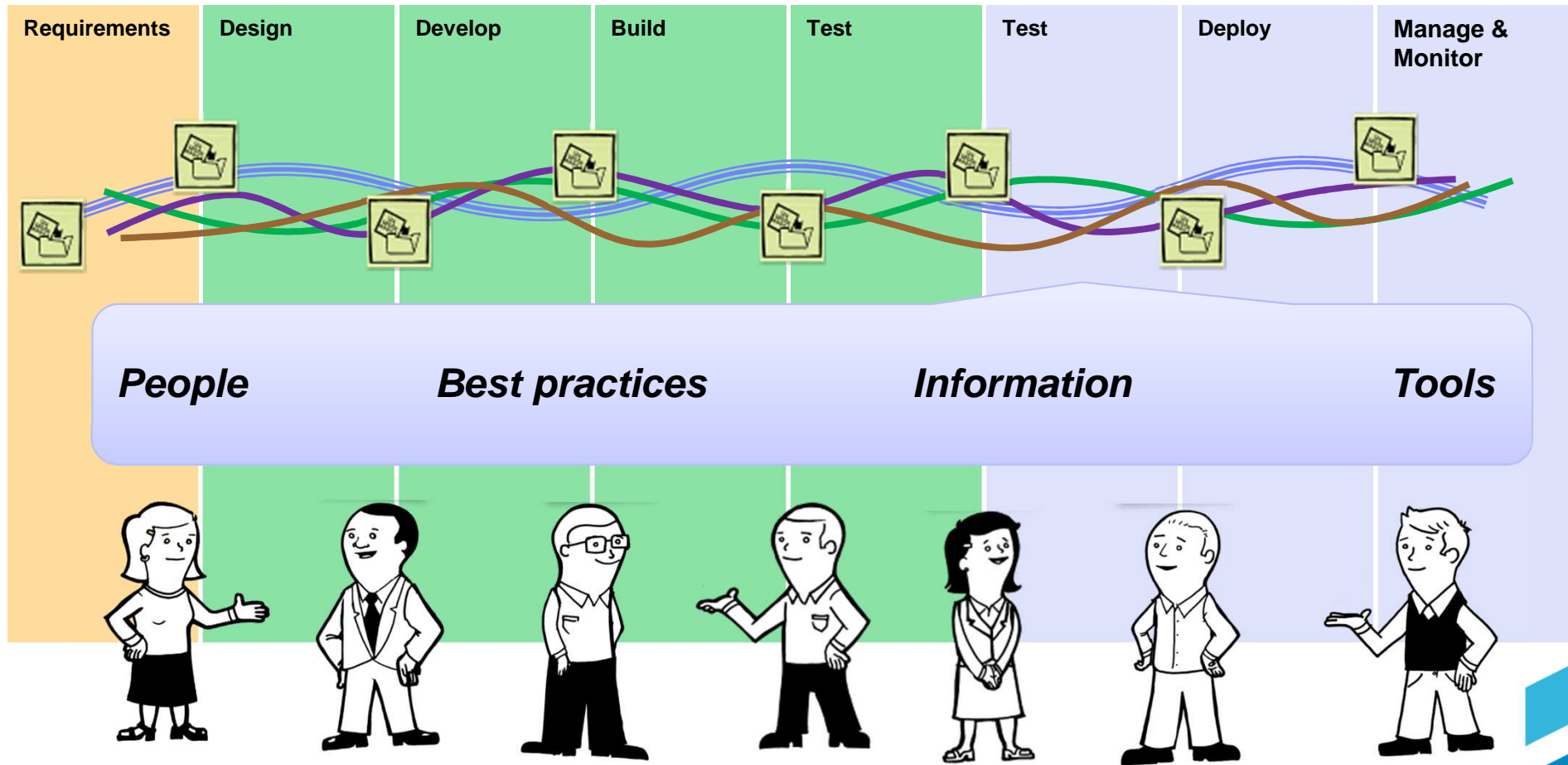


# We're good at going deep in each discipline





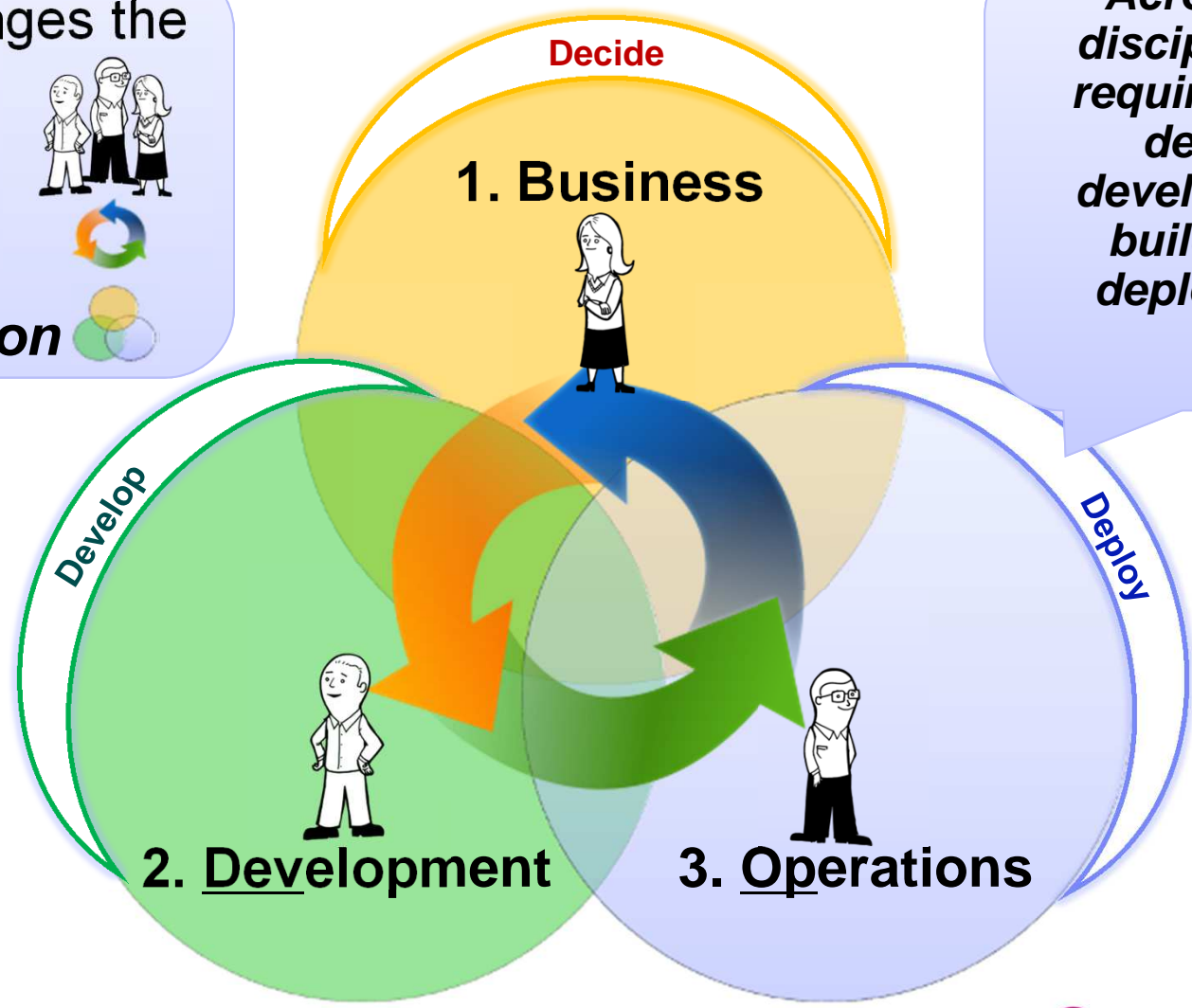
# The challenge is coordinating across the disciplines...



# Application Lifecycle Management can improve productivity

ALM manages the flow of:

- People**
- Process**
- Information**



**Across the disciplines of requirements, design, development, build, test, deployment**

## Five Imperatives for Application Lifecycle Management

Improve **time to delivery** with **integrated planning**

Improve **quality** with **lifecycle traceability**

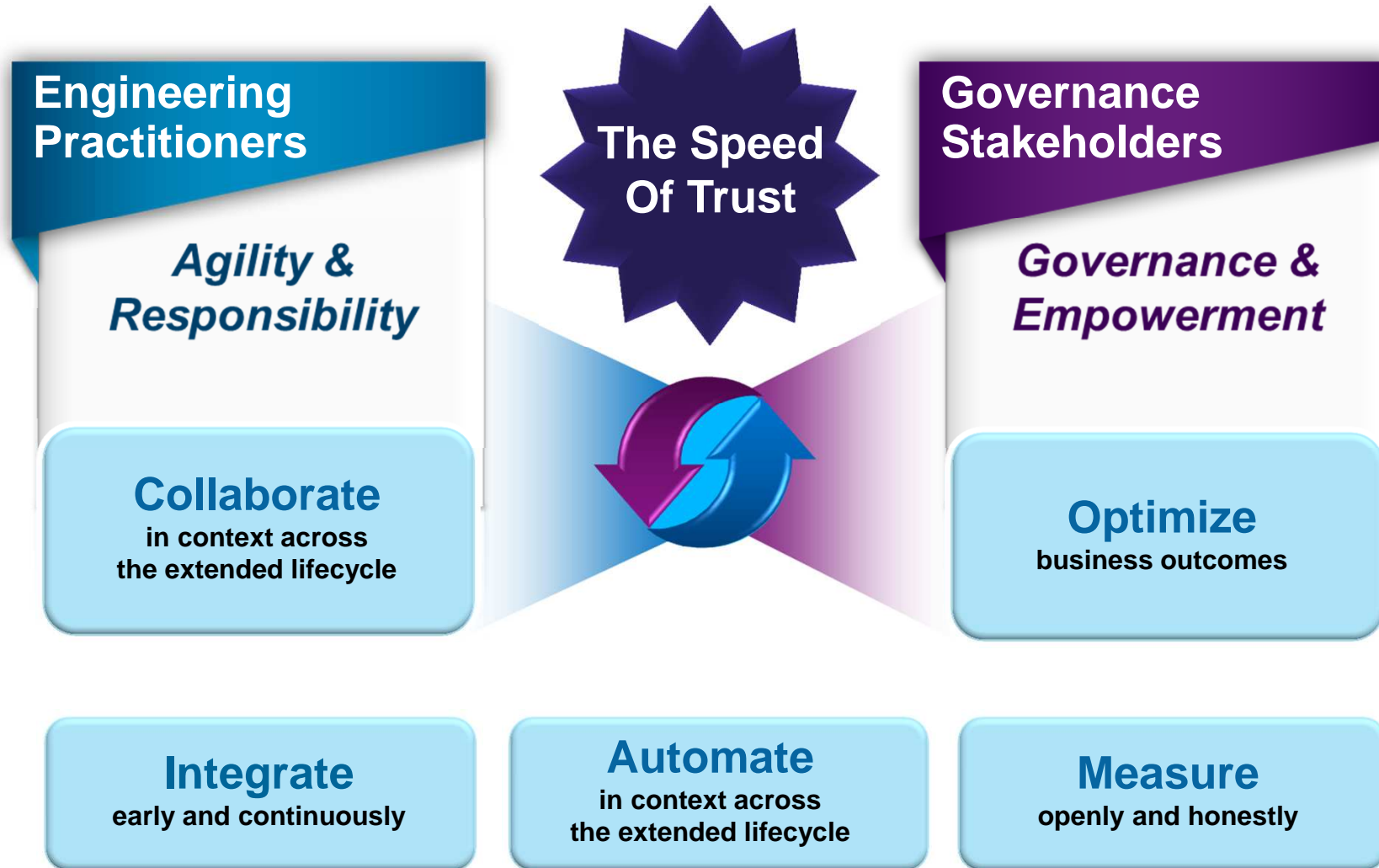
Improve **time to value** with **collaboration and automation**

Improve **predictability** with **development intelligence**

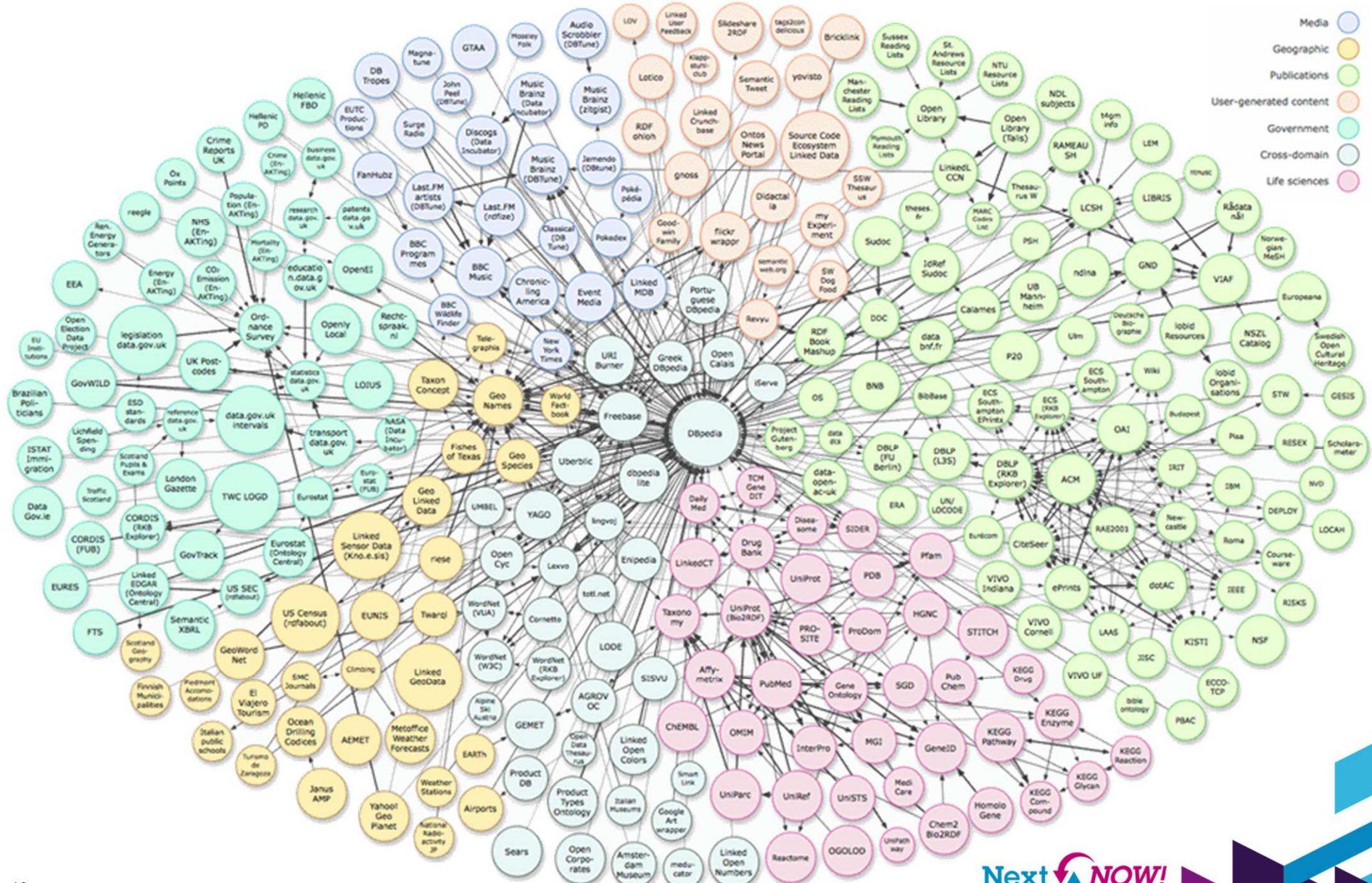
Reduce **costs** with **continuous process improvement**

...within and **beyond your organizational boundaries**

## Succeeding in the New Delivery Reality



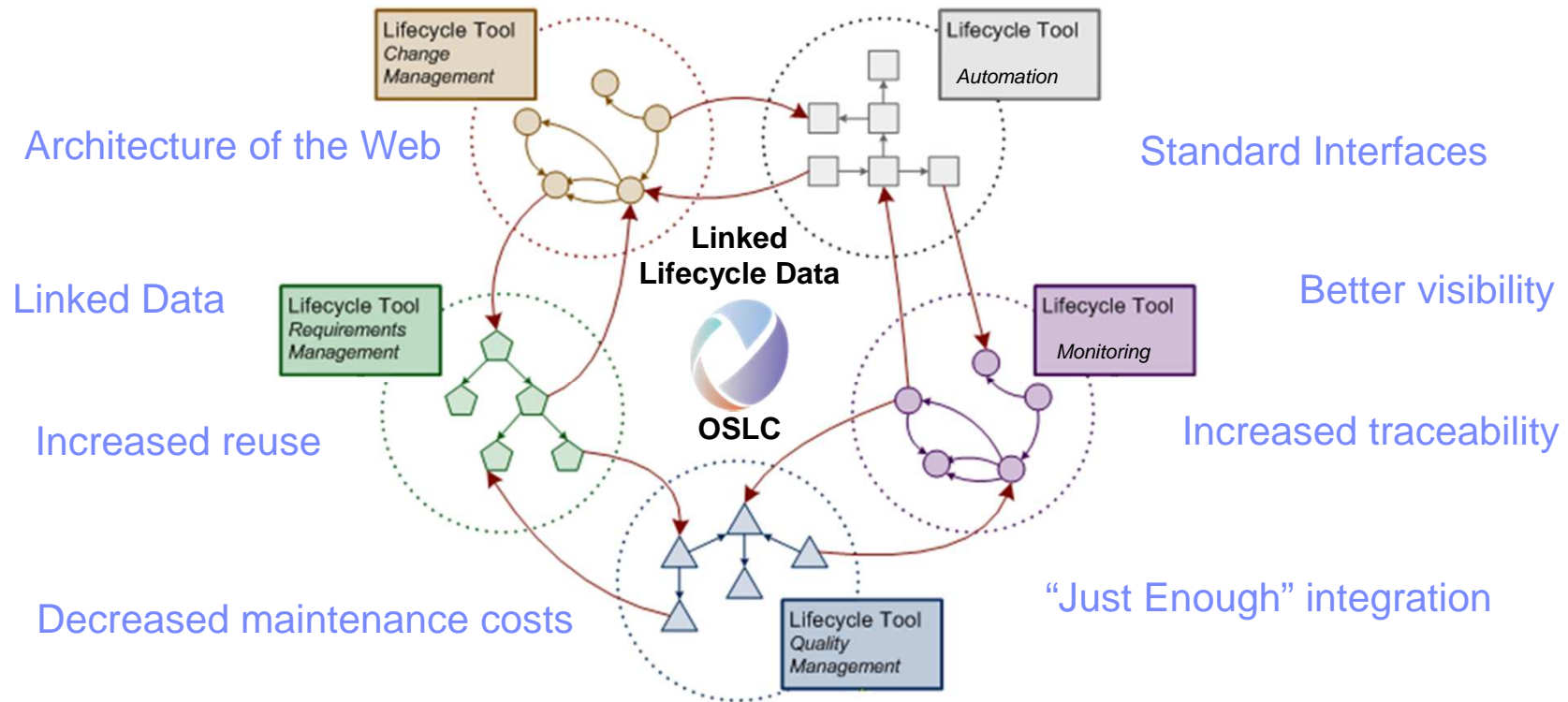




# IBM Rational Integration Strategy: Open Services Life Cycle

*An Innovative approach to the Tool Integration problem*

Users can work across the integration without leaving their favorite tool

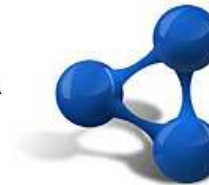


*Links to where the data lives  
as opposed to copying and synchronizing*



## Why should YOU be interested in OSLC

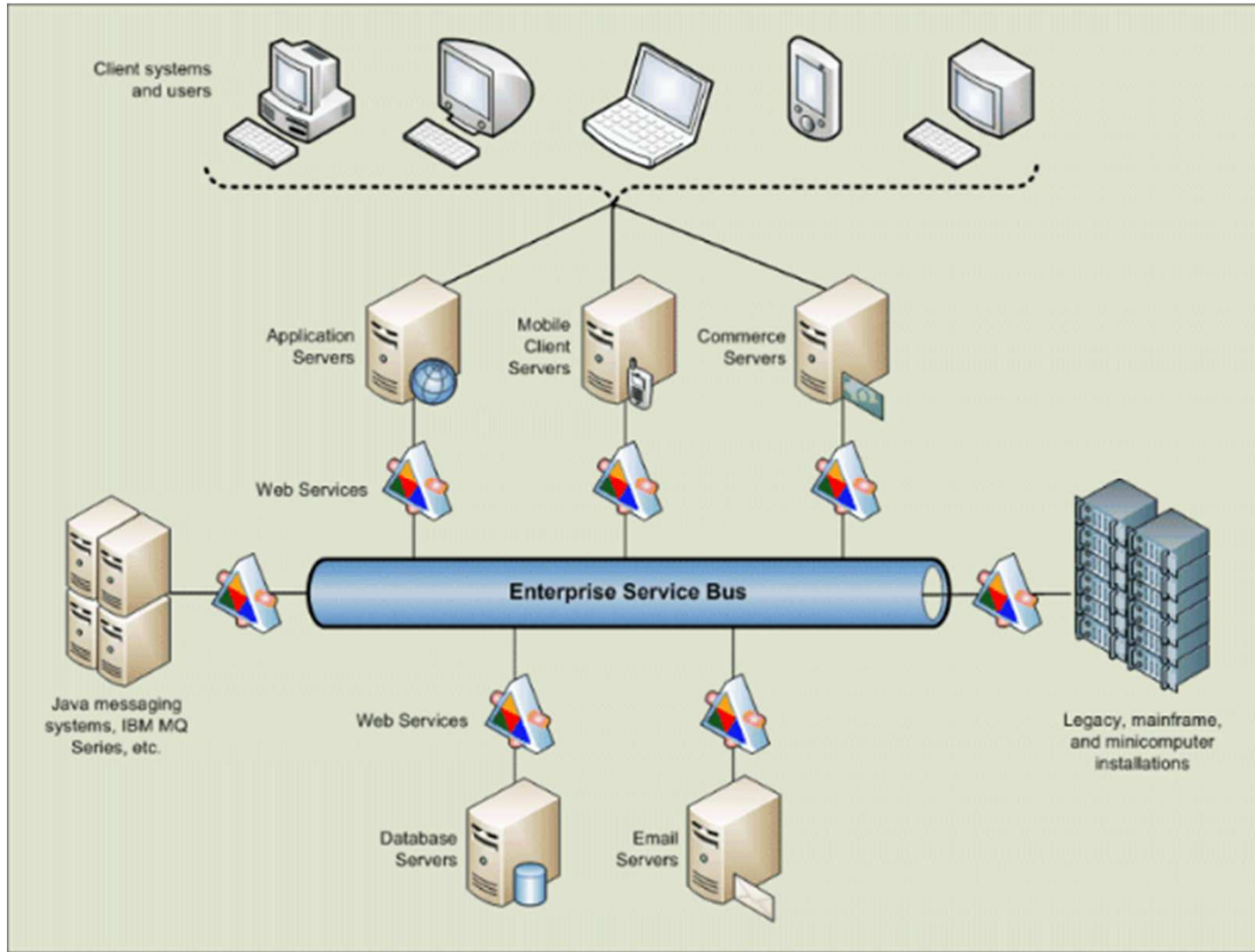
- A path towards standardization
- Open Source project Eclipse Lyo to lower barrier to OSLC adoption
- IBM Leading the evolution of W3C linked Data
  - Expanding to **Operations** and **Product Lifecycle Management**
- Increasing the Business Value
  - Enabling and Leveraging traceability based on latest modern architecture (linked data)



# Automation : Greenhat

## Putting "Integration" into Integration Testing

A representation of your (production) environment

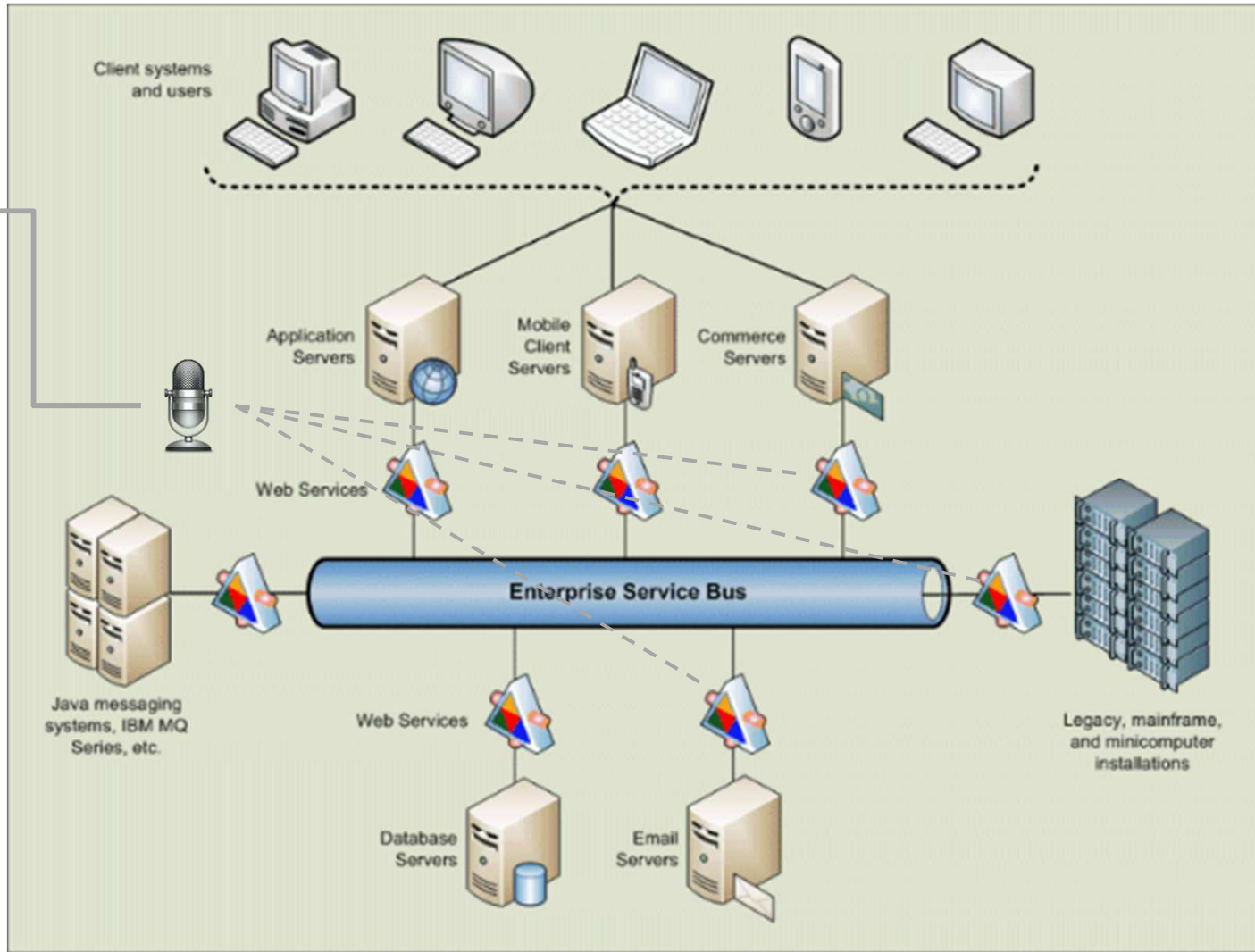


# Automation : Greenhat

## Putting "Integration" into Integration Testing



*Recording requests to servers & Services...  
recording also their responses*

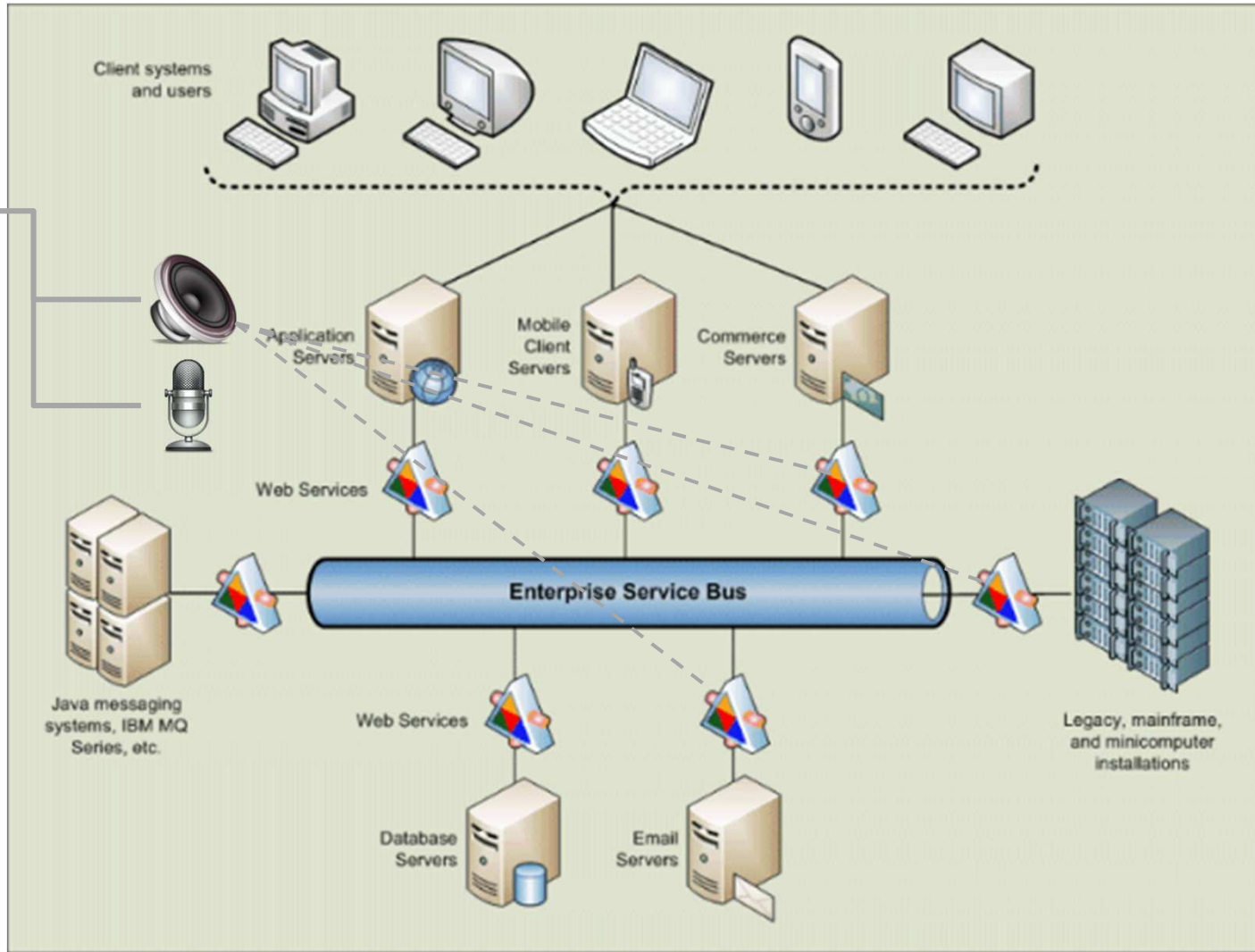


# Automation : Greenhat

## Putting "Integration" into Integration Testing

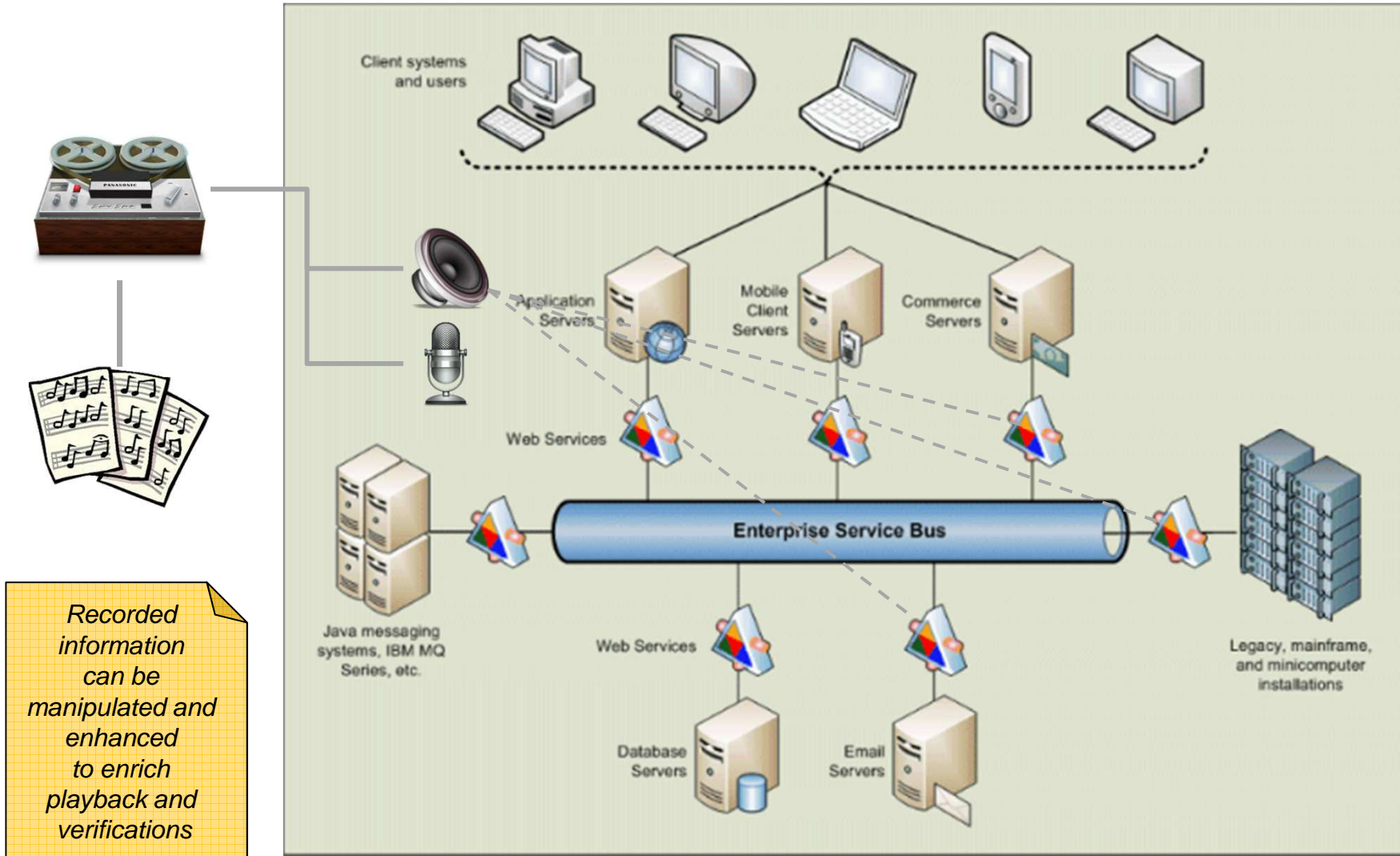


*Playing back the recorded requests to isolate the testing of a service*



# Automation : Greenhat

## Putting "Integration" into Integration Testing



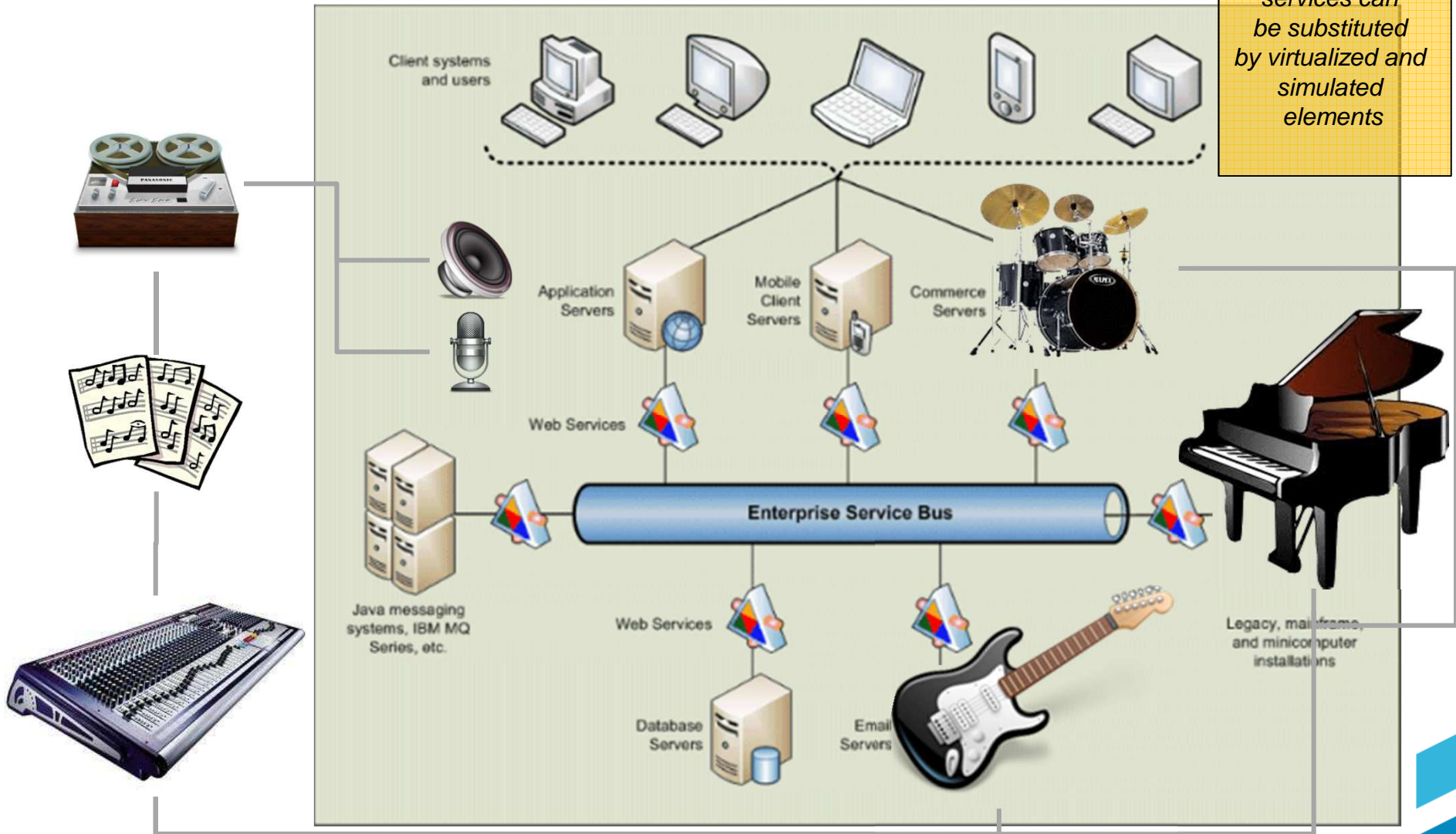
Recorded information can be manipulated and enhanced to enrich playback and verifications



# Automation : Greenhat

## Putting "Integration" into Integration Testing

And eventually services can be substituted by virtualized and simulated elements





## Trends in Enterprise Application Management & Development



### Portfolio Strategy and Management

- “Average amount spent on **ongoing operations and maintenance exceeds 65%** of the IT budget, but many firms report much higher percentages” <sup>1</sup>
- Understanding the application portfolio results in development spend where it can have **the most value.** <sup>2</sup>



### Continuous Integration <sup>2</sup>

- Early and frequent builds and testing provides immediate feedback to developers, resulting in bugs being found earlier when **less costly to fix.**
- This has **rarely been done** in mainframe development where the time to deploy and test changes is measured in weeks not hours, and cost for test automation can be prohibitive.



### Mobile Development <sup>3</sup>

- **75% respondents** currently working in mobile computing, **growing to 85%** within the next two years
- **31% are focused** on extending existing core applications with mobile capabilities



### Cloud Computing <sup>3</sup>

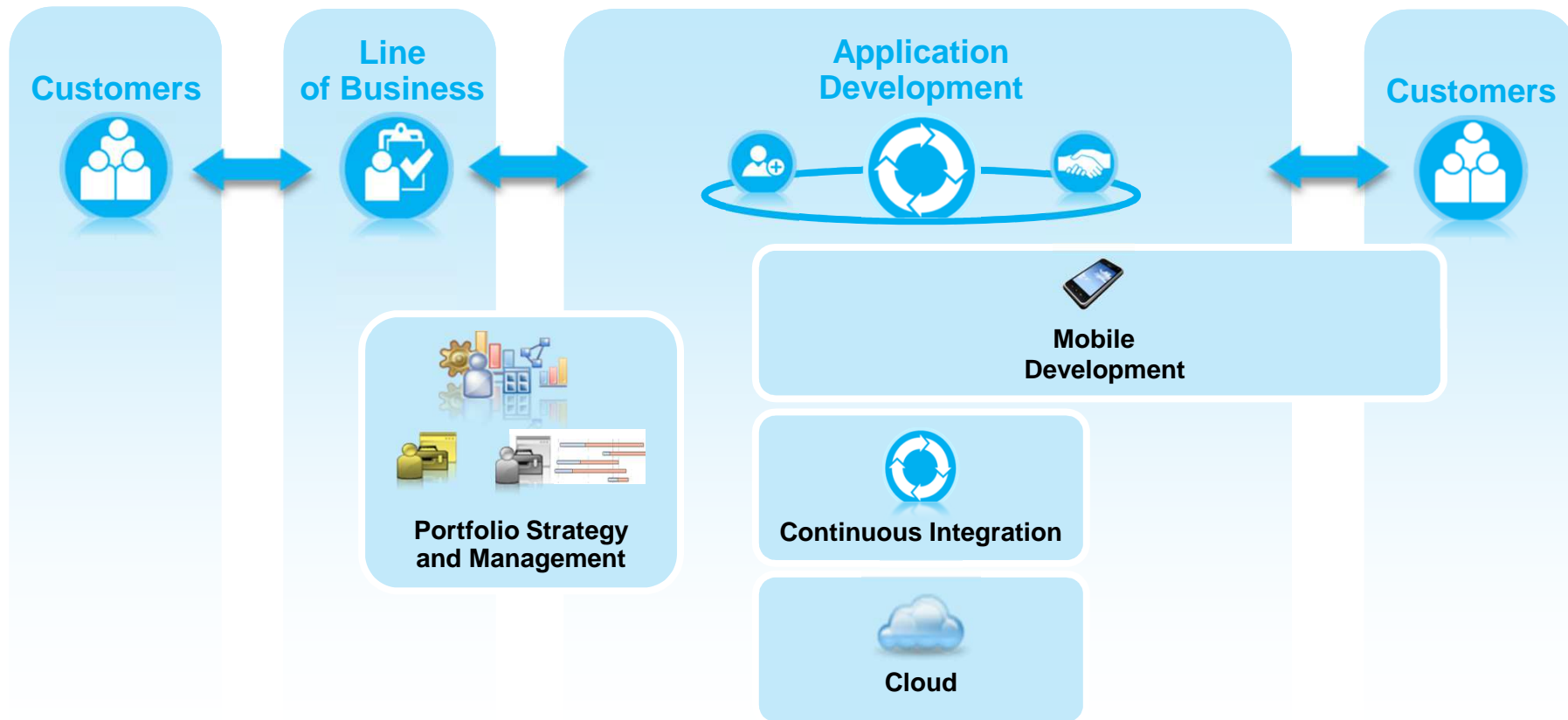
- **75% believe** that over the next two years their organizations will begin to build cloud infrastructure
- **25% of the respondents** indicated that they plan to develop new applications for the cloud

<sup>1</sup>The Application Portfolio Management Landscape —Combine Process And Tools To Tame The Beast, Forrester, Phil Murphy , 2<sup>nd</sup> May 2011

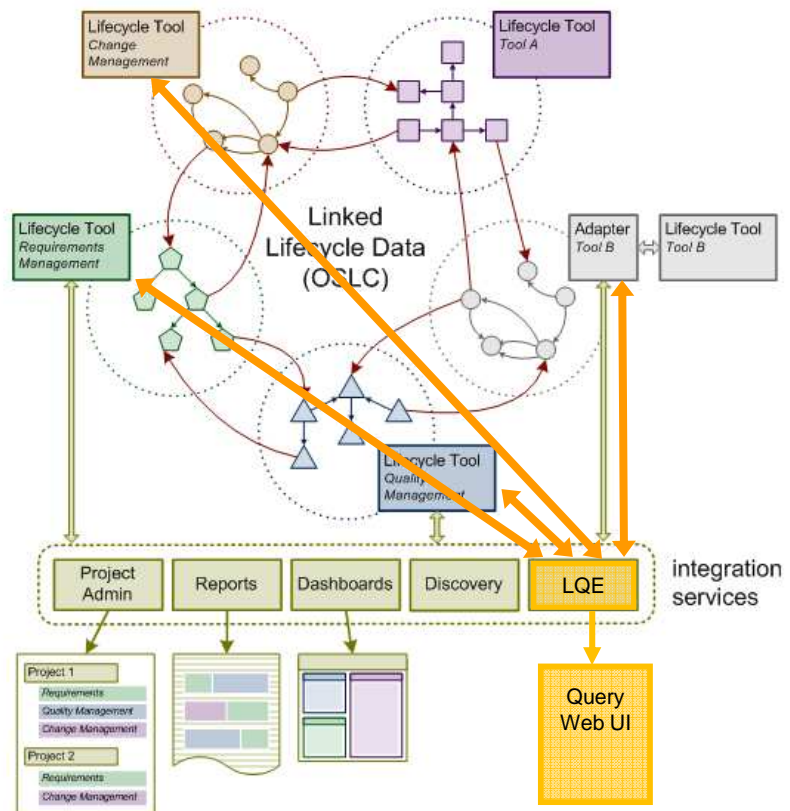
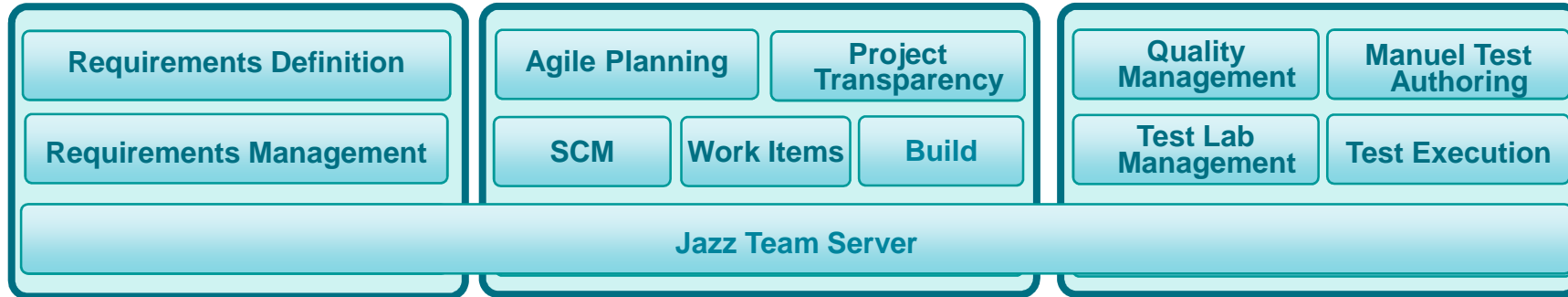
<sup>2</sup> Statement from IBM, May 2012

<sup>3</sup> The 2011 IBM Tech Trends Report: Tech Trends of today. Skills for tomorrow

# Positioning of these trends within application management and development



# IBM Collaborative Lifecycle Management

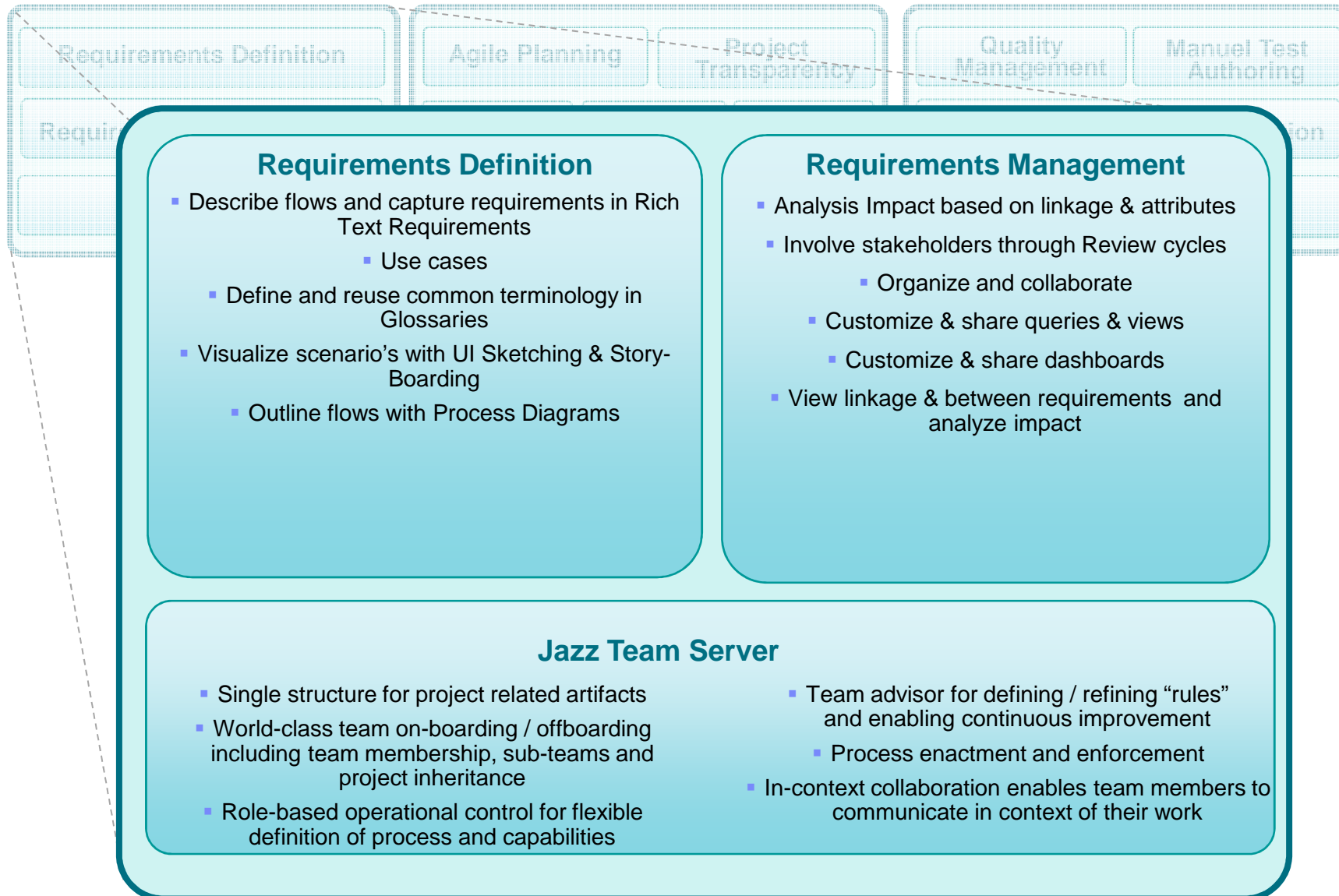


## Linked Lifecycle Data (OSLC)

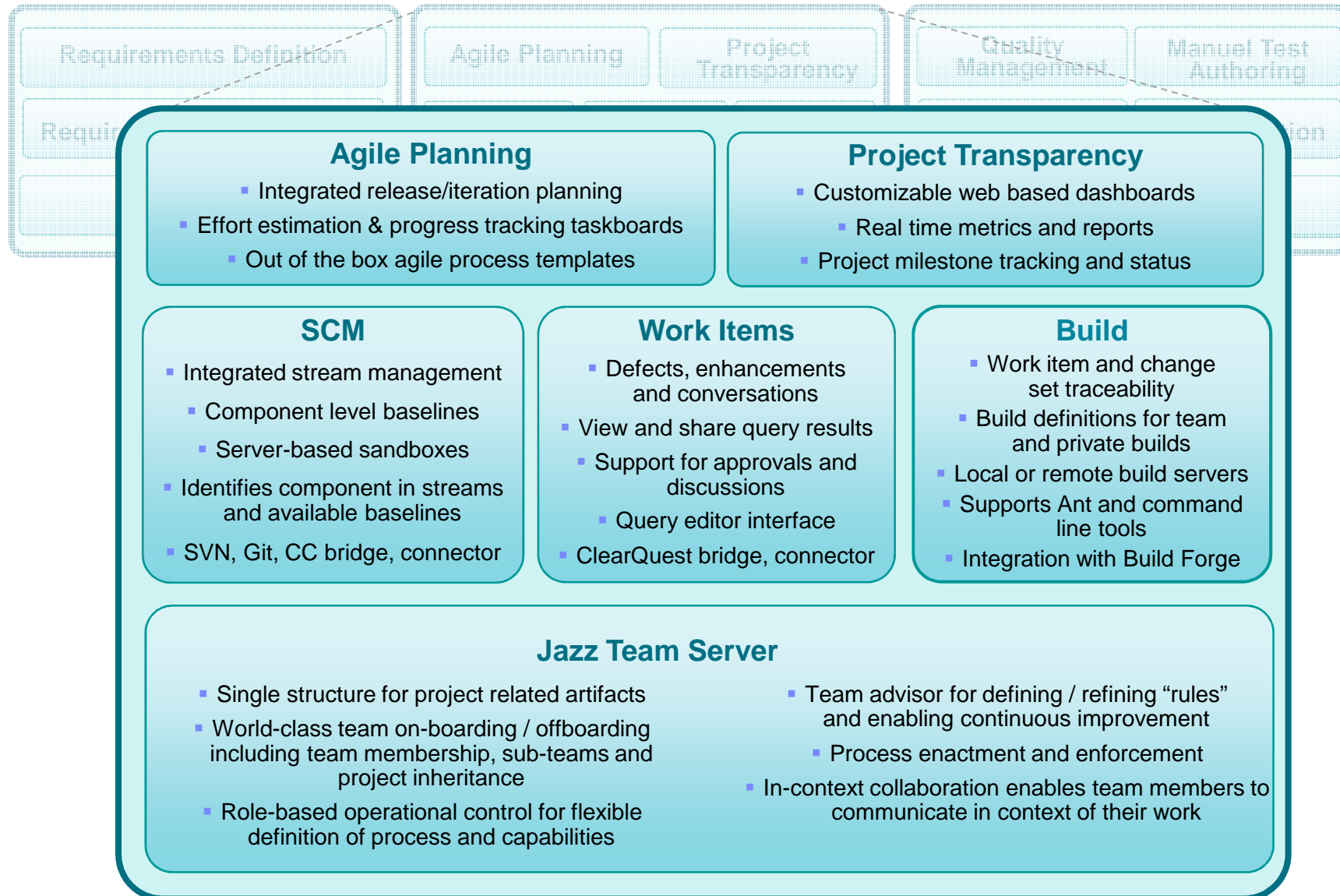
*Provides ability to run queries over linked lifecycle data aggregated from multiple lifecycle tools*

## Jazz Integration Services & Protocols (Jazz Platform)

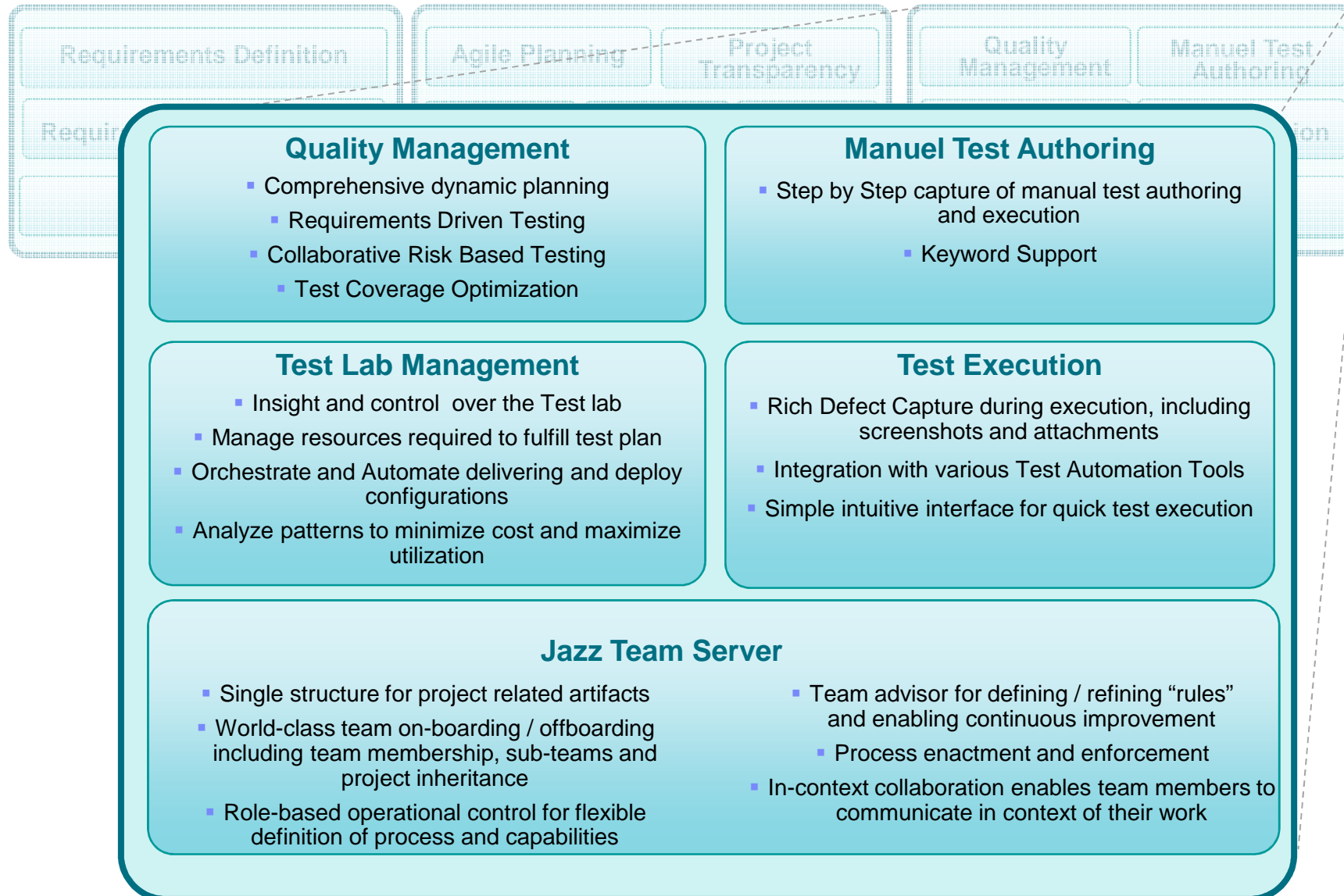
# IBM Collaborative Lifecycle Management – Requirements Composer



# IBM Collaborative Lifecycle Management – Team Concert



# IBM Collaborative Lifecycle Management – Quality Manager



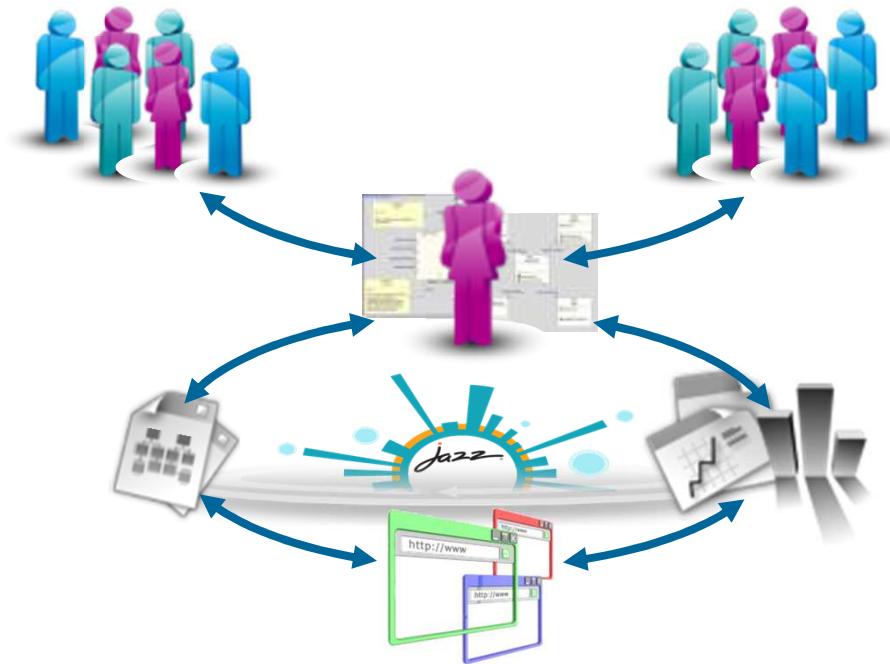




# RSA Design Manager 4.0

*Design model management and tighter integration into the lifecycle*

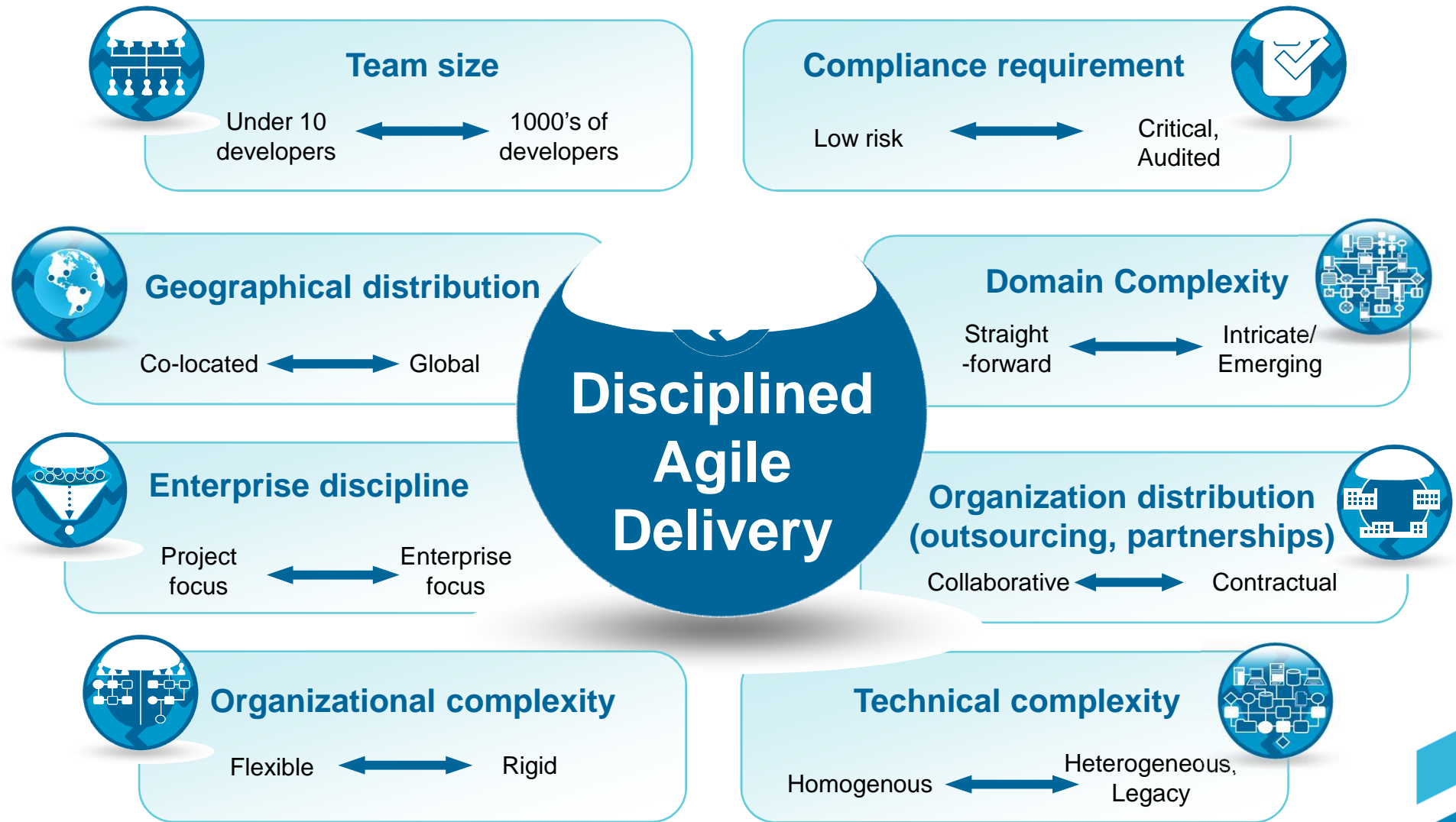
- **Design configuration management**
  - **Designs directly editable** on Jazz from RSA and Rhapsody
  - Versioning, history, **serial and parallel change control**, visual compare and merge, snapshots
- **CLM Integration**
  - Shared Jazz Team Server
  - Common **user administration**
  - **Lifecycle projects** including design
  - Design included with **Money That Matters** sample application
  - Common **deployment configurations**
- **Lifecycle Integrations**
  - Bi-directional **traceability between requirements (RRC & DOORS) and design**
  - Stakeholders can **easily find designs**
  - Understand the **impact of changes** to requirements or designs



*"We are excited about the capabilities in Collaborative Design Management .... We see it playing a significant role in our development process because it allows us to transition away from our home grown solutions in that area to standardized Rational products."*

Hans-Peter Berger, Department Head, Application Development Infrastructure, GAD

# Agility @ Scale

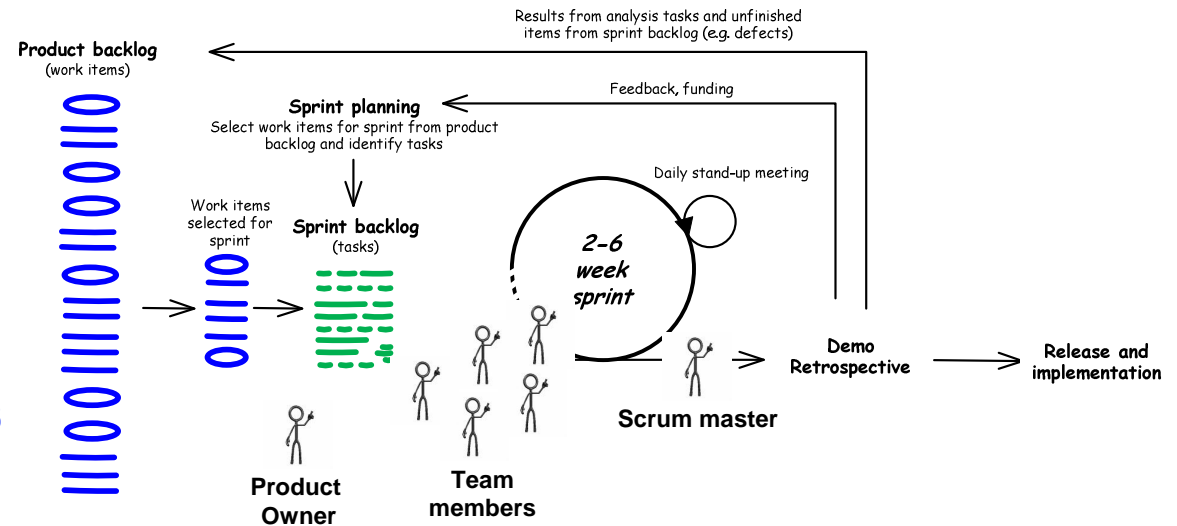


# Water-Scrum-Fall

*The Reality of Agile for Most Organizations Today*



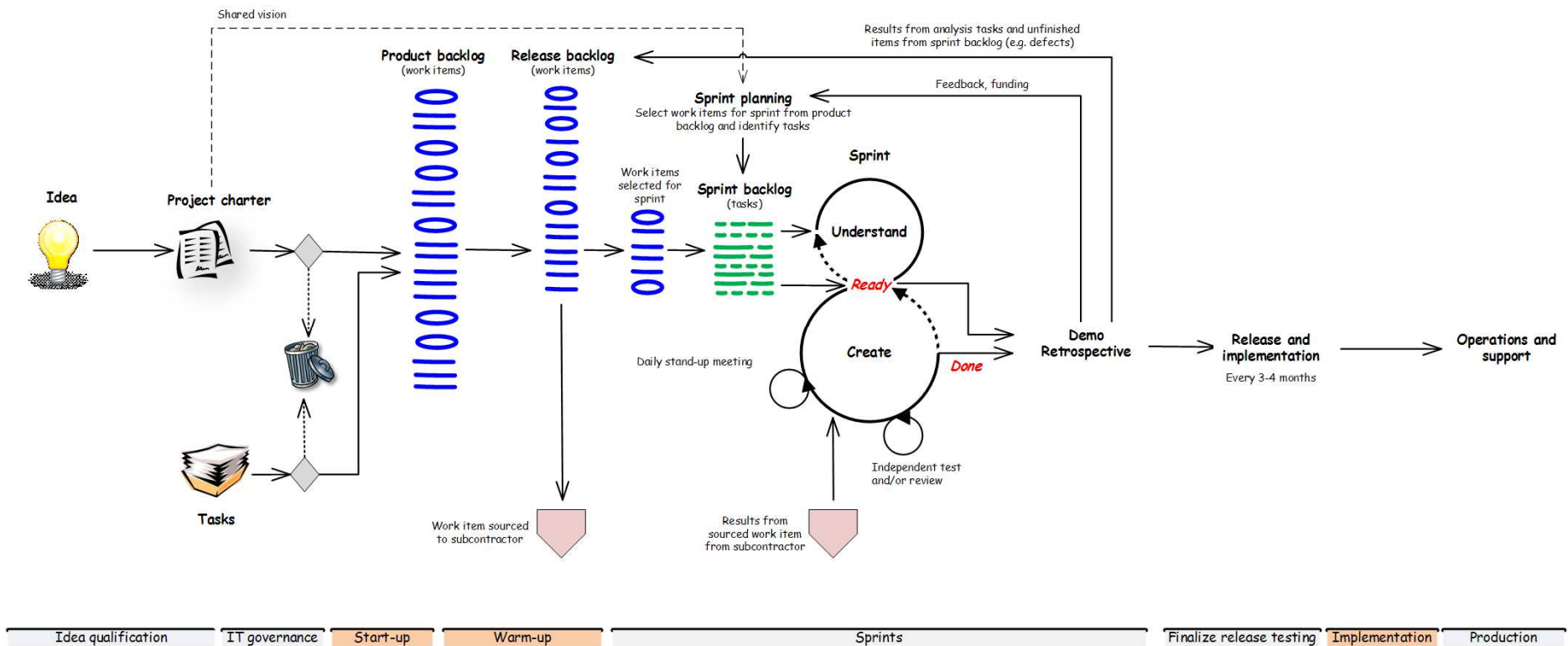
## Basic agile (Scrum)



The text book version of agile is not aligned with the realities seen in software supply chains...

- Product owner is one person
- No sub-contracting of deliverables (incl. off-shore)
- Global transparency ignores need for multiple, customizable layers of visibility, privacy, security, etc.
- Lack of strong focus on contracts and formal agreements
- Limited need for high-level and multi-level planning
- User and acceptance test can be performed in each sprint
- No need for a project manager, resource manager, etc.
- Limited focus on reusable platforms and services
- Etc. etc.

# Enterprise Agile Lifecycle



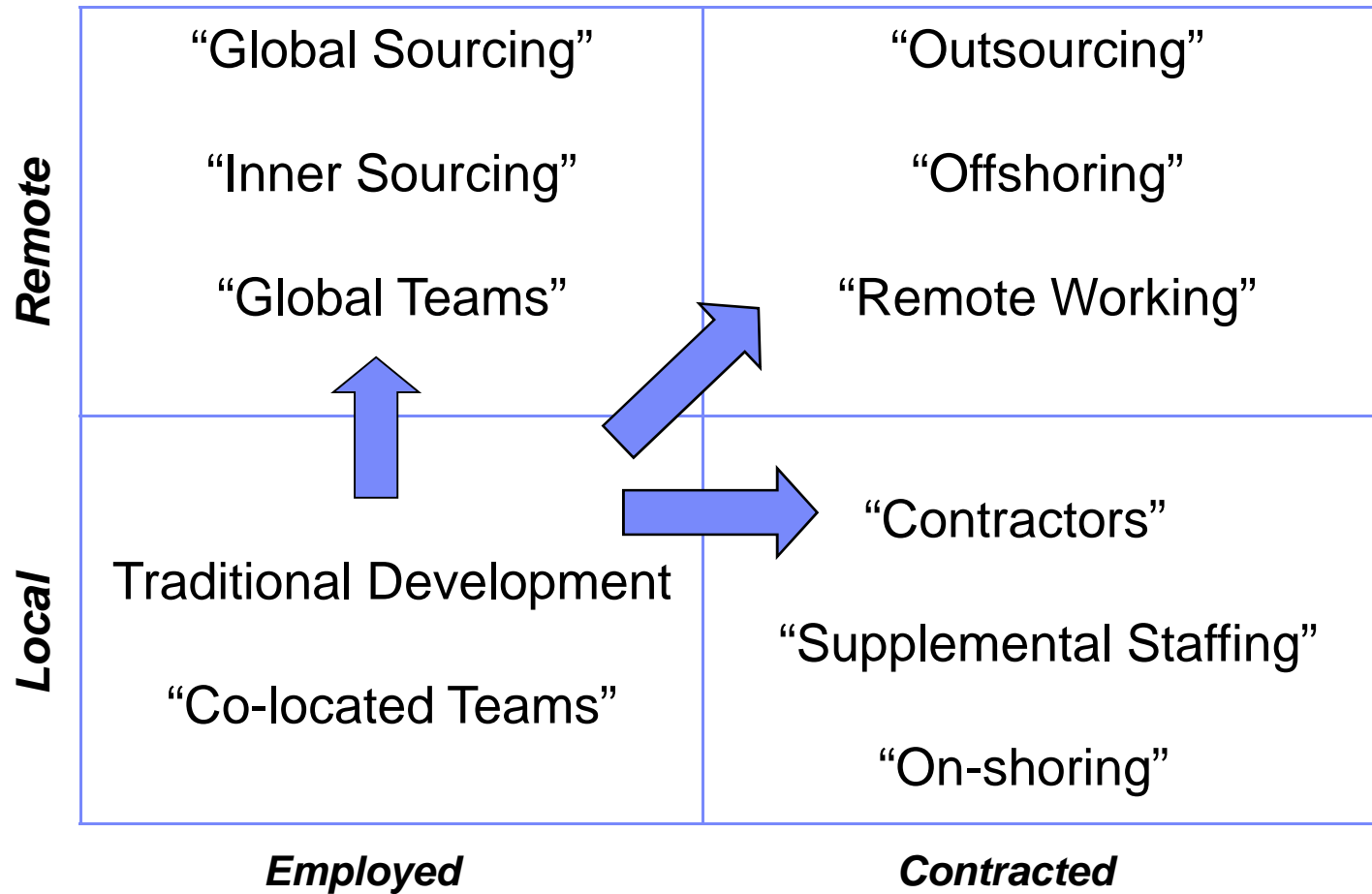


## Sourcing Eco-System



## Dimensions of Outsourcing

*Patterns and Vocabulary*

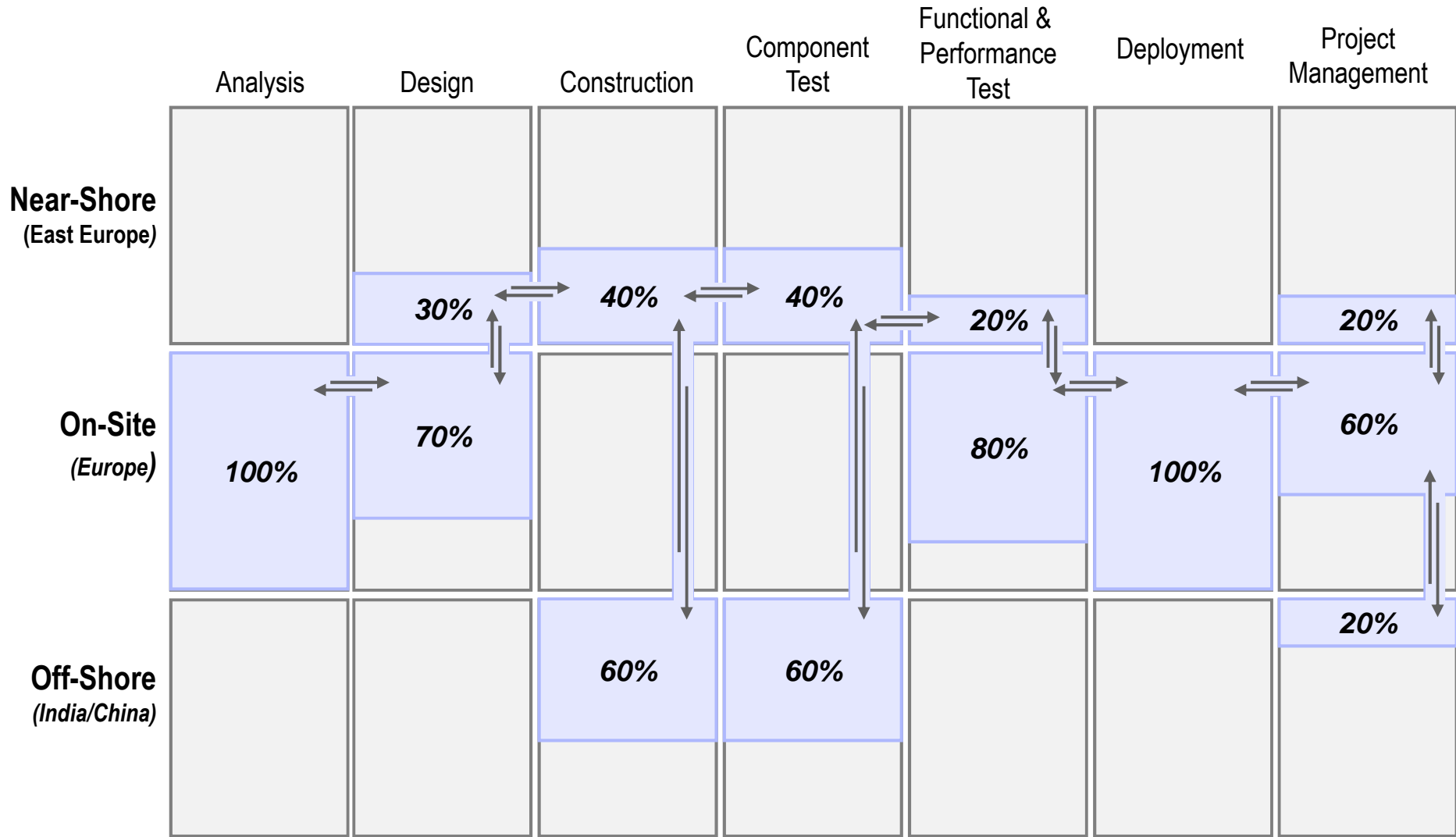


## The Evolving Global Software Supply Chain

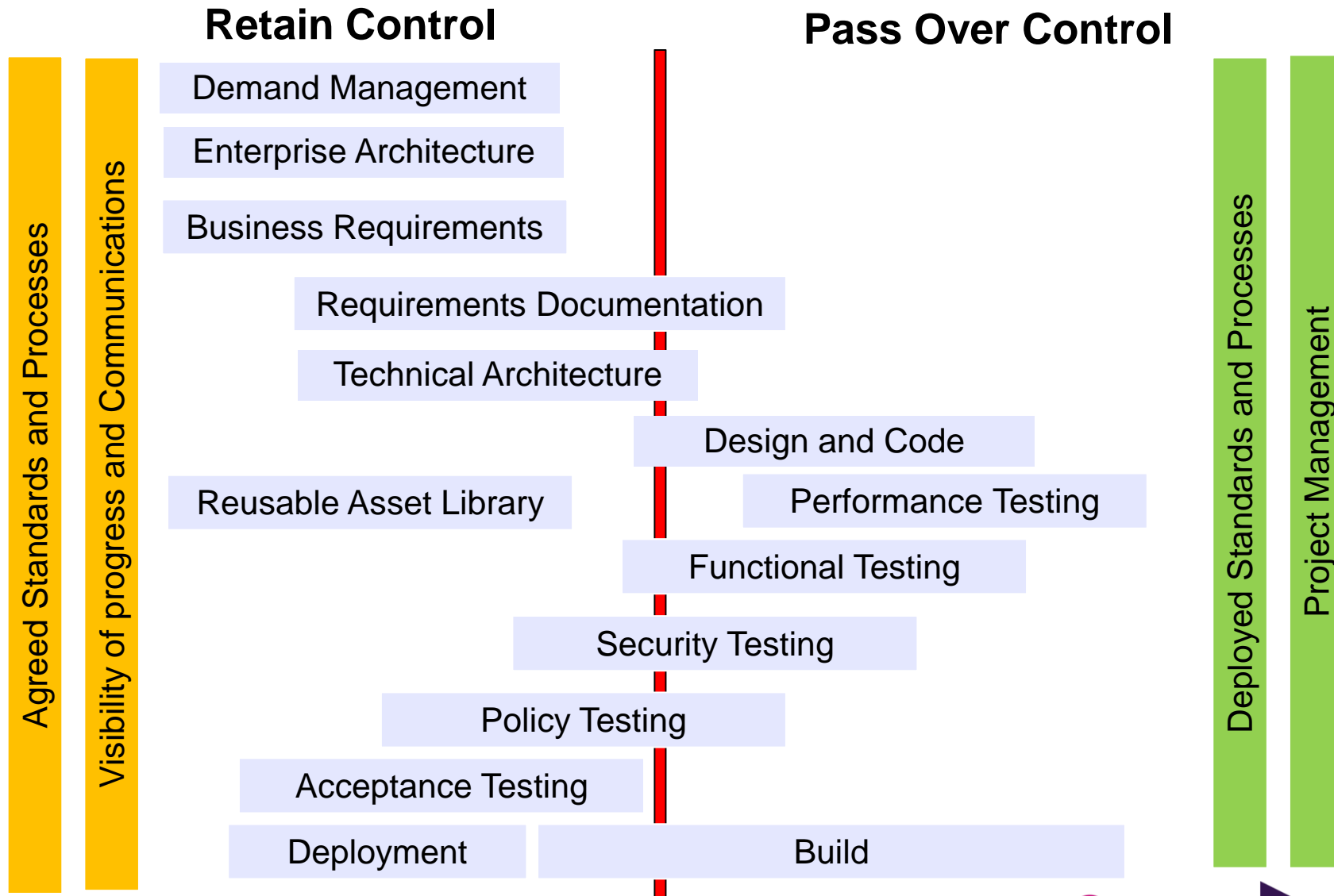
| Initial Practice  | Current Practice  | Emerging Practice   |
|---|---|---|
|   |   |   |
| <ul style="list-style-type: none"> <li>▪ Country-based delivery</li> </ul>                              | <ul style="list-style-type: none"> <li>▪ Onshore / Offshore</li> </ul>                                    | <ul style="list-style-type: none"> <li>▪ Networked Global Centers</li> </ul>  |
| <ul style="list-style-type: none"> <li>▪ Utilization based</li> </ul>                                   | <ul style="list-style-type: none"> <li>▪ Deliverables based</li> </ul>                                    | <ul style="list-style-type: none"> <li>▪ Outcome based</li> </ul>   |
| <ul style="list-style-type: none"> <li>▪ Limited collaboration</li> </ul>                               | <ul style="list-style-type: none"> <li>▪ Core team collaboration by project</li> </ul>                    | <ul style="list-style-type: none"> <li>▪ Community Collaboration across process and technology</li> </ul>                               |
| <ul style="list-style-type: none"> <li>▪ No workflow management</li> </ul>                              | <ul style="list-style-type: none"> <li>▪ Limited workflow management</li> </ul>                           | <ul style="list-style-type: none"> <li>▪ Component-based workflow management</li> </ul>   |
| <ul style="list-style-type: none"> <li>▪ No reuse</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Ad hoc reuse</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Systematic reuse</li> </ul>  |
| <ul style="list-style-type: none"> <li>▪ Limited visibility</li> </ul>                                  | <ul style="list-style-type: none"> <li>▪ Visibility of standard project metrics</li> </ul>                | <ul style="list-style-type: none"> <li>▪ Pervasive transparency of all project artifacts</li> </ul>                                     |
| <ul style="list-style-type: none"> <li>▪ None</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Ad hoc improvement processes</li> </ul>                          | <ul style="list-style-type: none"> <li>▪ Continuous improvement with Lean</li> </ul>  |
| <b>Technology Platform</b>  |   |   |
| <ul style="list-style-type: none"> <li>▪ Standalone development and project management tools</li> </ul> | <ul style="list-style-type: none"> <li>▪ Limited tool integration and collaboration capability</li> </ul> | <ul style="list-style-type: none"> <li>▪ Integrated technology platform enabling real-time collaboration and AD/M automation</li> </ul> |

# Organizational Complexity

## Handover points



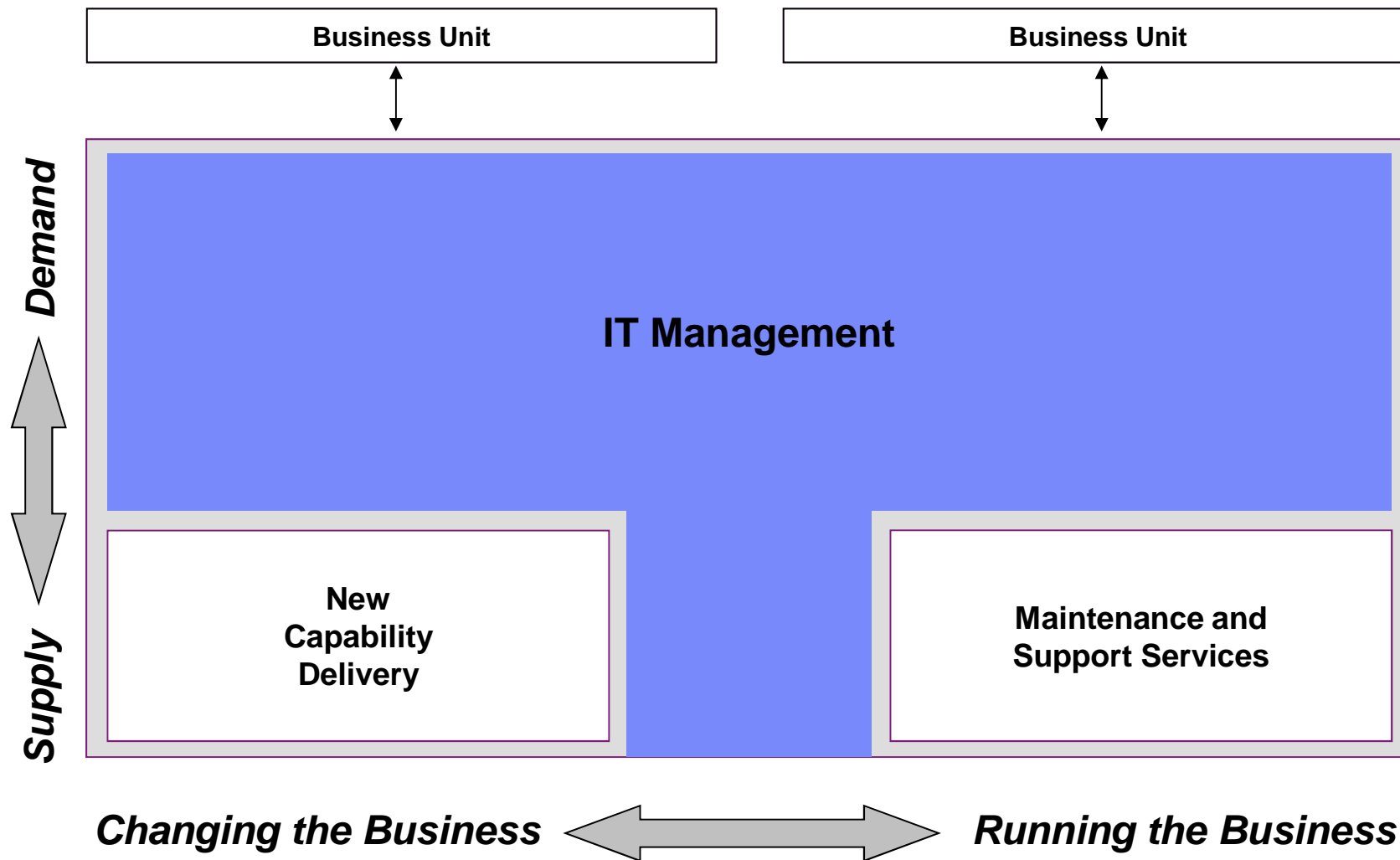
## Establish Right Level of Control





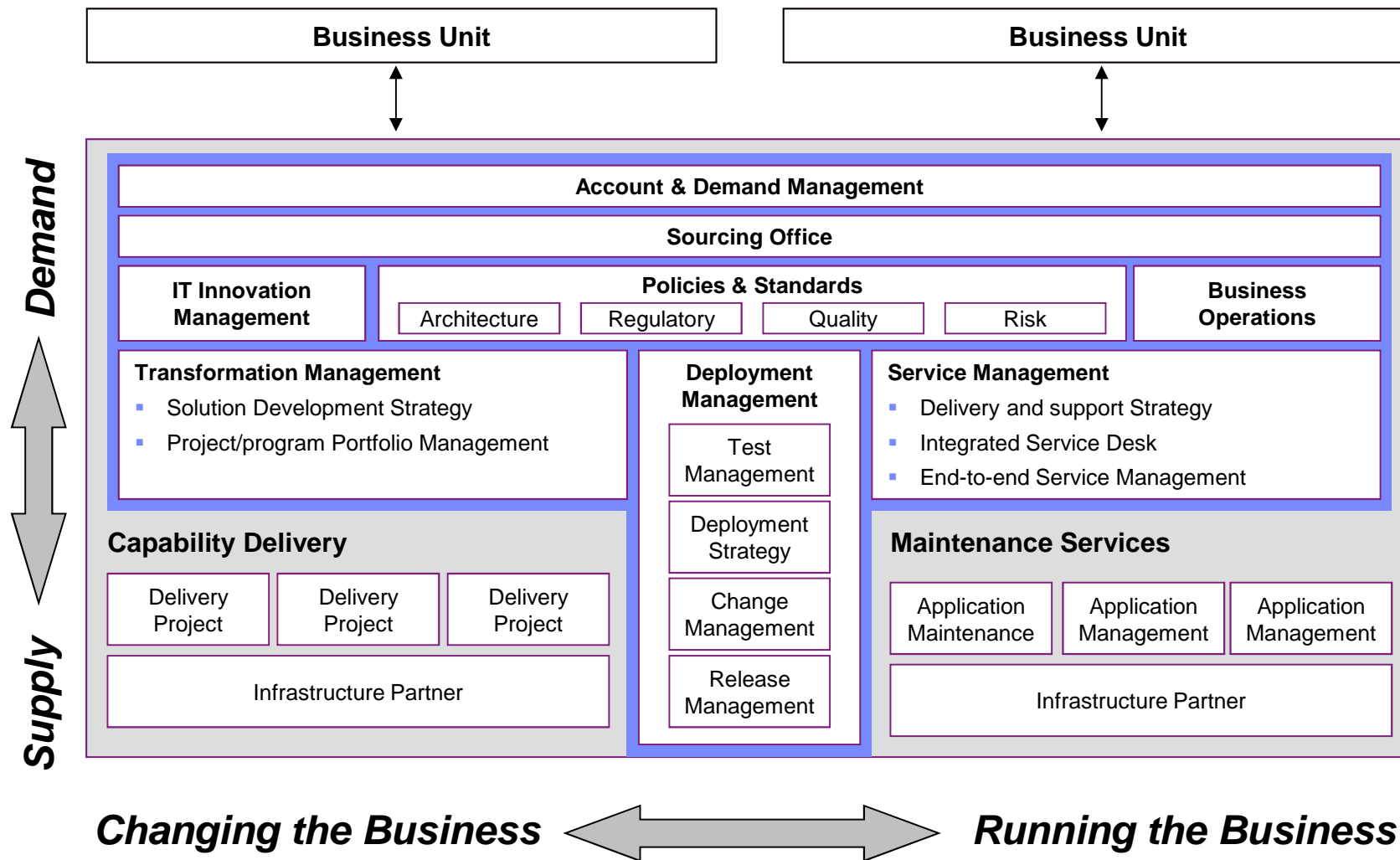
## Software Supply Chain – Modern Structure to Govern IT

*It is time to look at the role of IT in a different way*



# Software Supply Chain – Modern Structure to Govern IT

*Detailed view of activities*

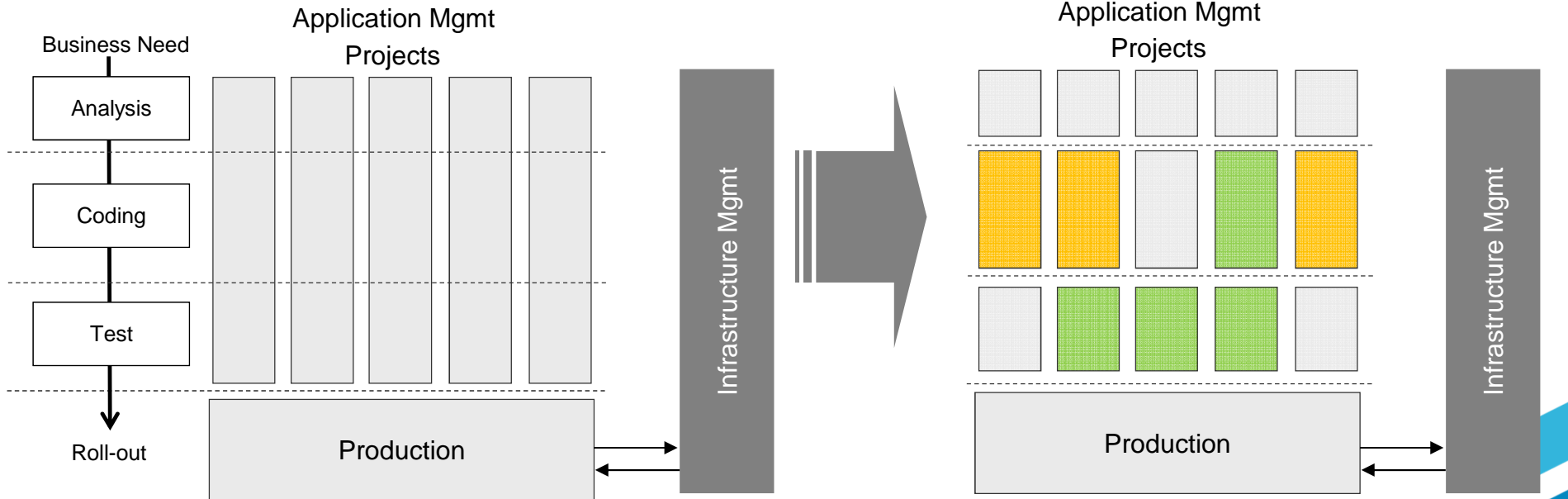
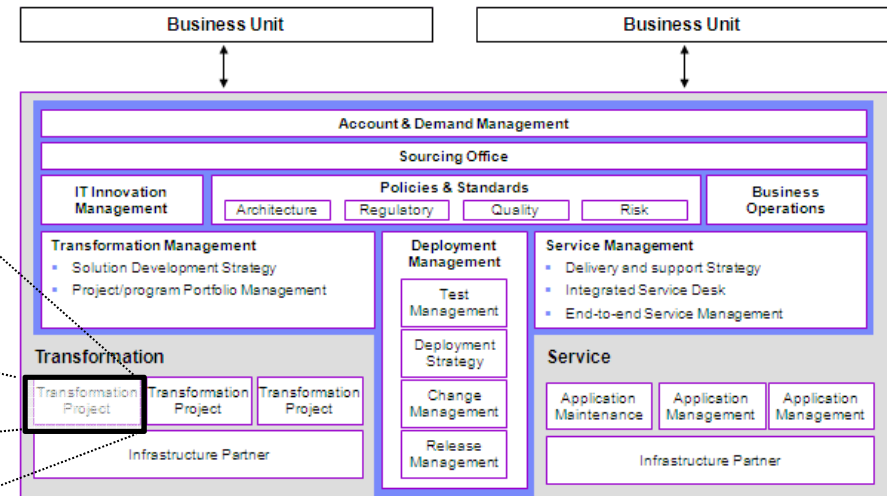


# Organization and Processes

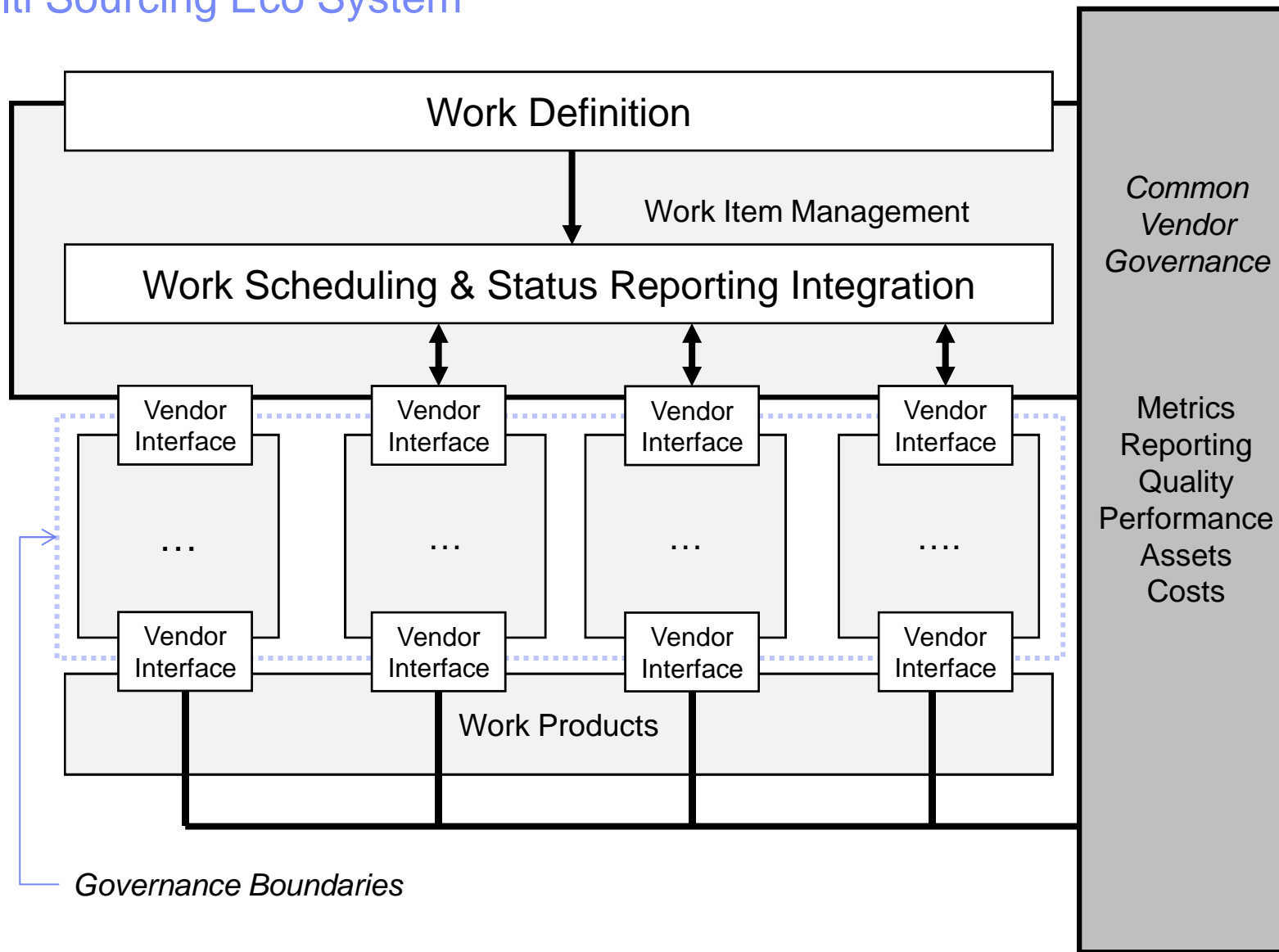
## Operating Model Description

### Delivery Project Challenges

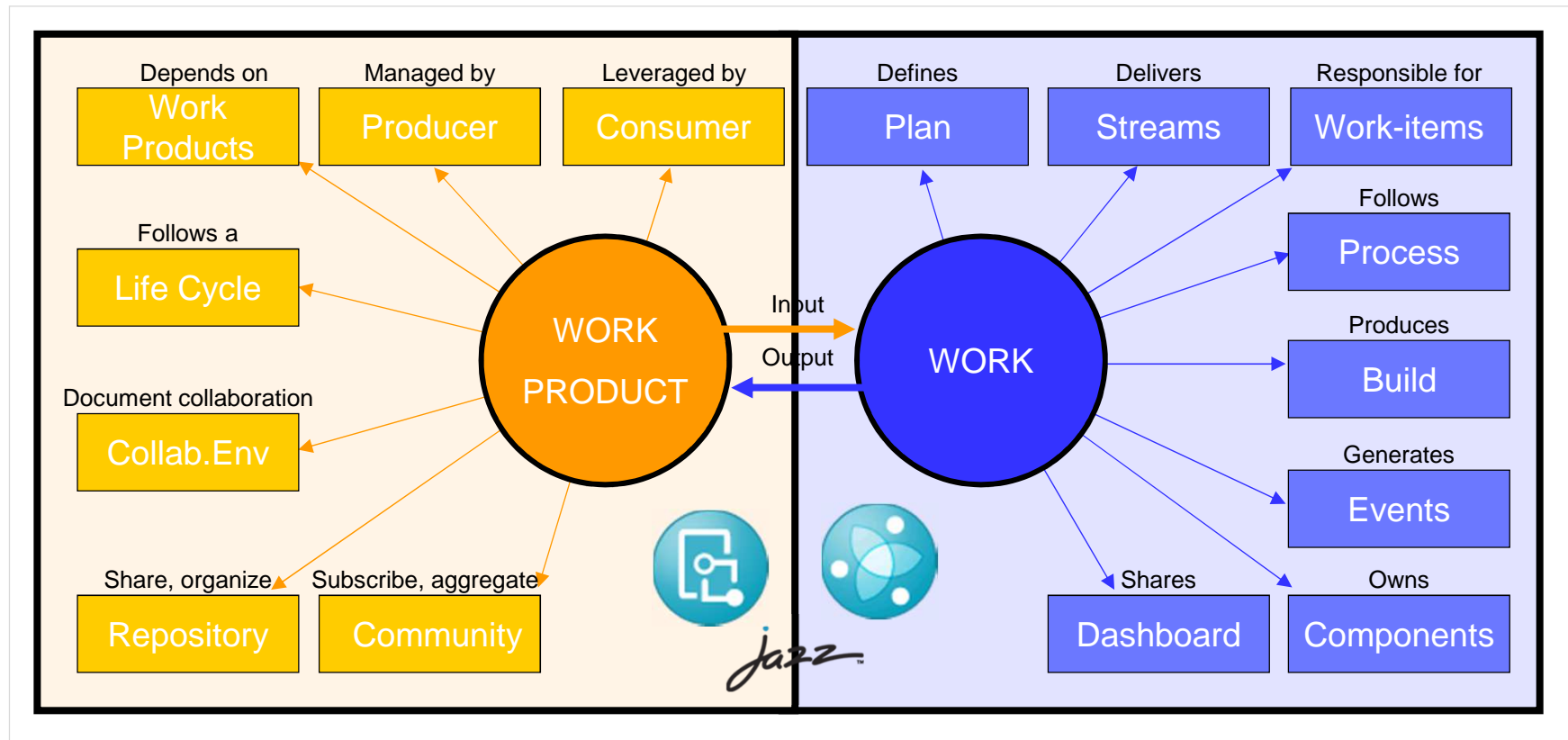
- Complexity increasing
- More boundaries (Up, Down, Side)
- Re-Use



## Multi Sourcing Eco System



## Balanced & Interrelated Perspectives

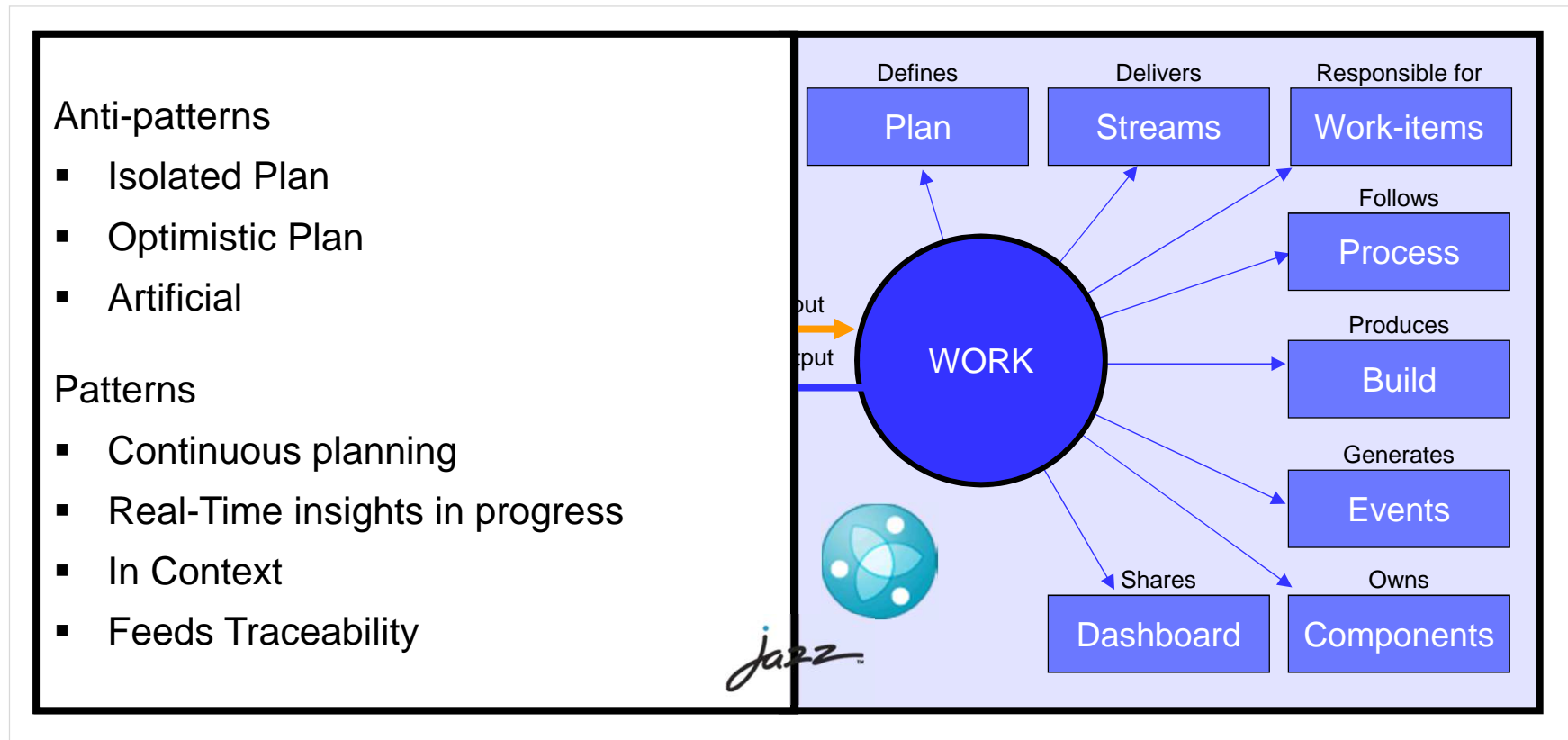


*Work Product Perspective*

*Work Perspective*



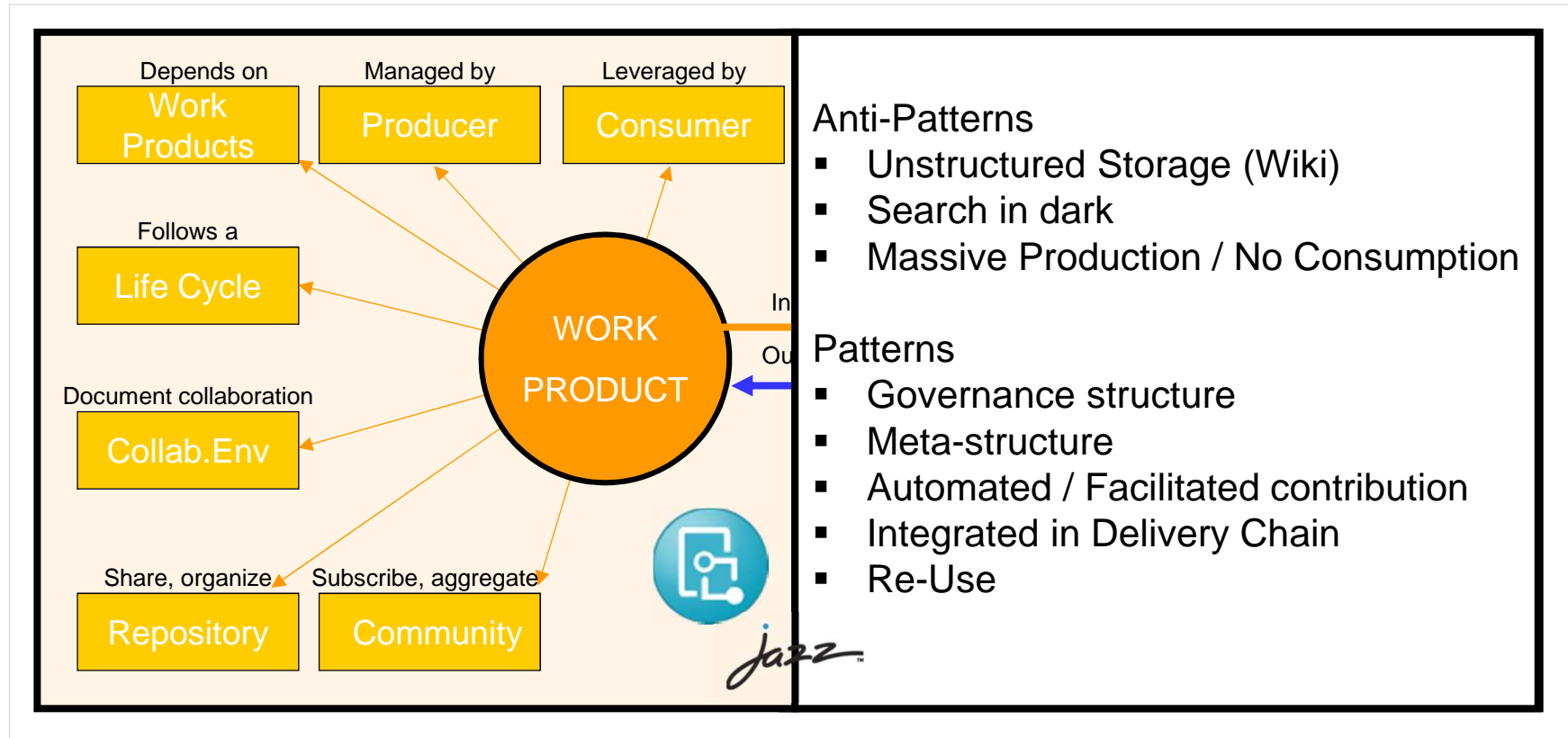
## Work Perspective



*Work Product Perspective*

*Work Perspective*

## Work Product Perspective



*Work Product Perspective*

*Work Perspective*

## Agenda

- Innovation Olympics
- (Application) Life Cycle Management
- Agility@Scale
- The Global Software Supply Chain View





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