



*The future runs on System z*

# Leveraging Service Oriented Architecture to Thrive in a Dynamic Market Place

**Yvonne Perkins**  
**Vice President**  
**Enterprise Platform SW / SWG**



# We are living in a new landscape

## Smarter Planet

---

instrumented  
interconnected  
intelligent

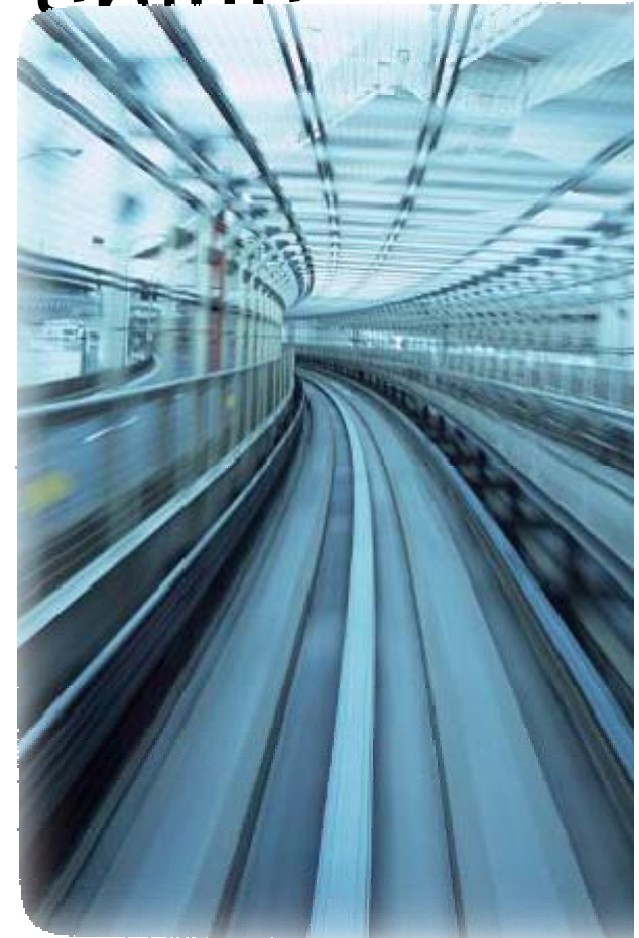
people  
companies, institutions, industries  
man-made systems  
nature's systems



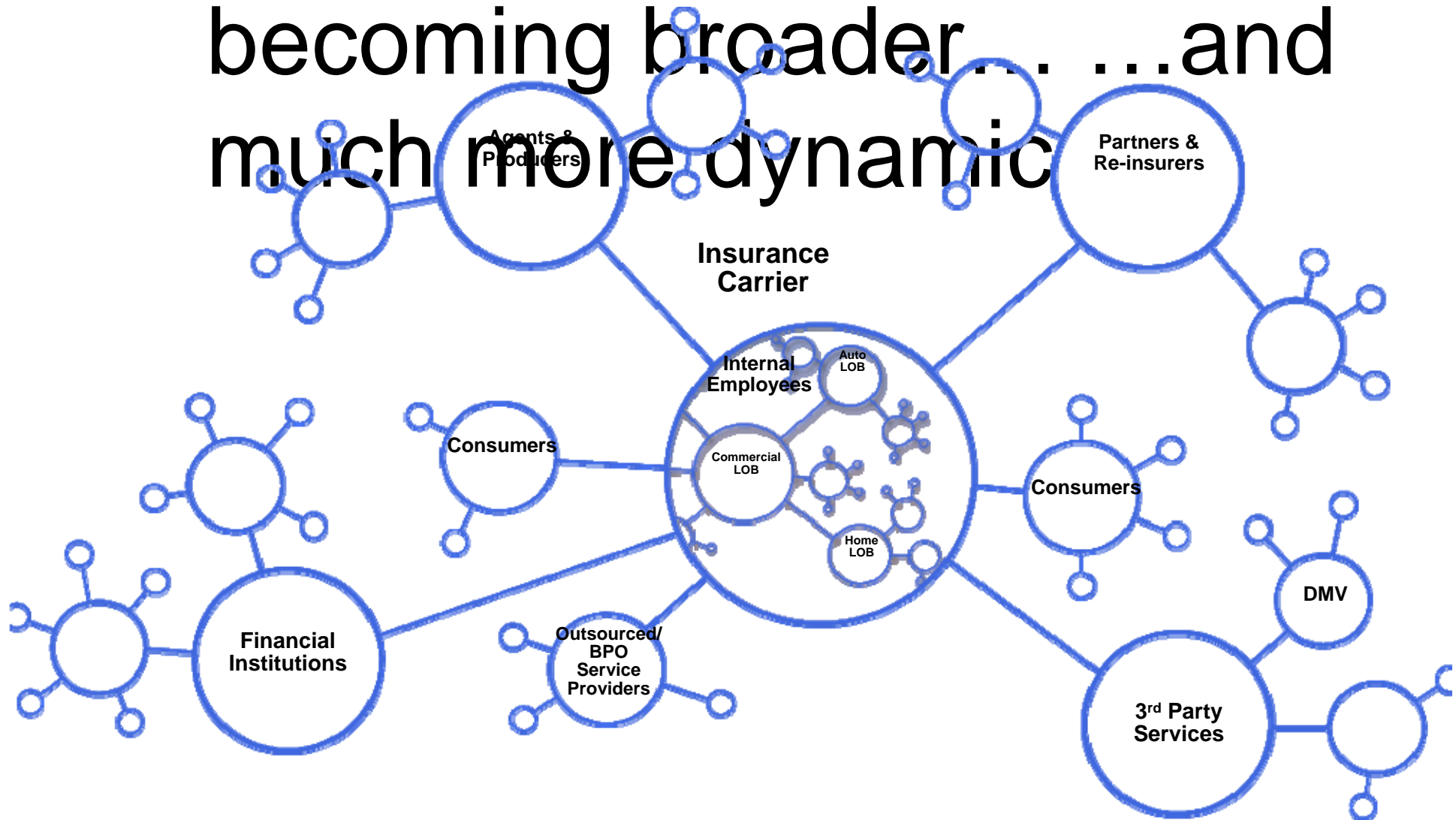
# We face the challenge of accelerating market shifts

- Rising consumer expectations compel improvements in speed and personalization
- Rapid swings in economic and commodity markets highlight lack of adaptability
- Lower barriers to entry in a digital, flat world, enable fast and easy access by new competitors

How do businesses evolve to adapt and respond dynamically?



# Our business networks...are becoming broader...and much more dynamic



# Achieving a dynamic

## business network requires

3% challenges

of companies report they have achieved "process excellence"

68%

of executives report that integration challenges impede collaborative relationships with partners

85%

of CEOs require more visibility into their businesses

*Businesses are restrained by organizational silos and rigid IT systems*

# and tremendous

A large bank  
reduced redundant  
process activities by

60%

An air freight company  
reduced partner  
integration time by

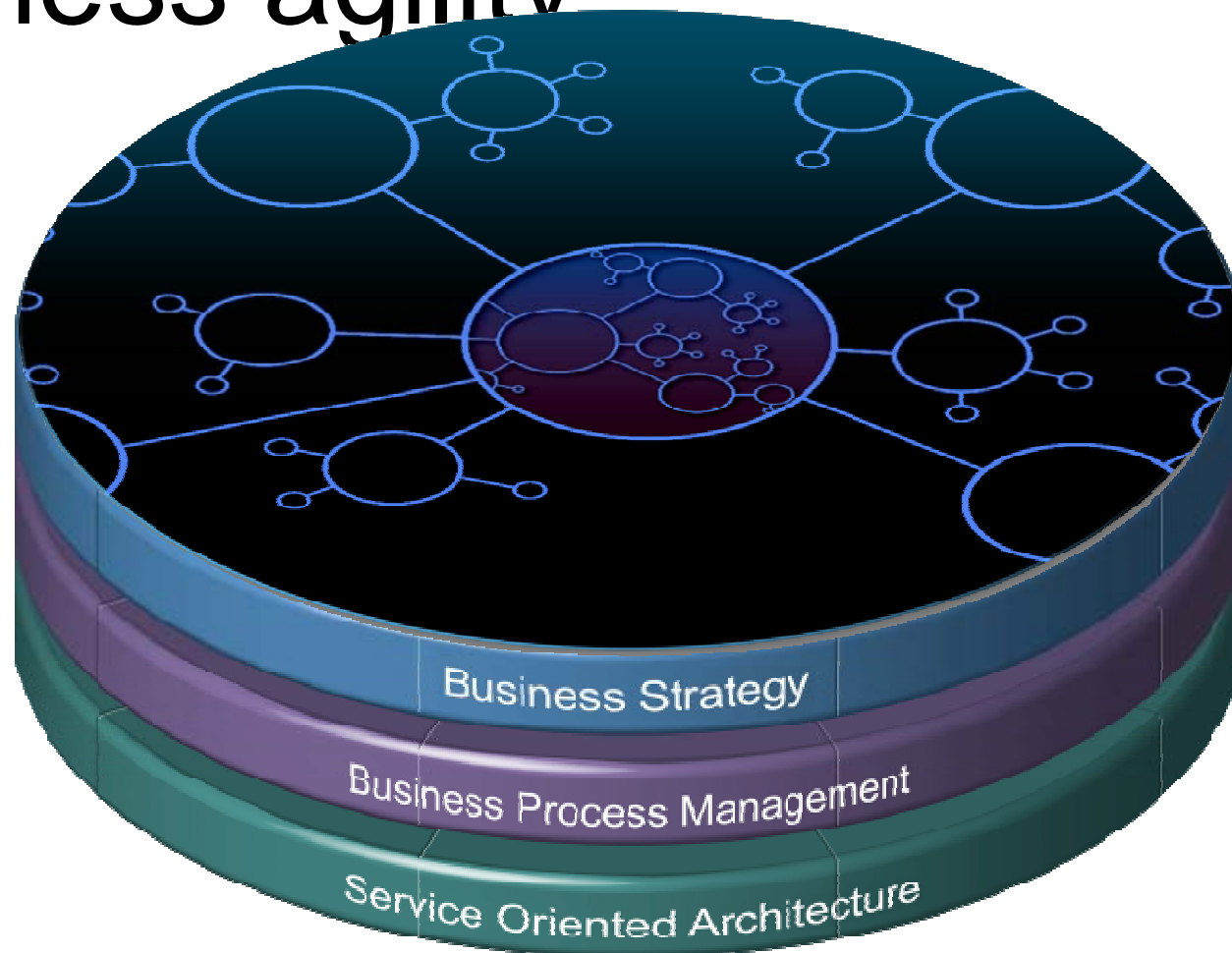
50%

A retailer gained real-time  
inventory visibility across  
500+ outlets and reduced  
data integration costs by

20%

***Break down silos to increase business agility by  
converging business and technology management***

# A dynamic network requires business agility



## now...

**Discover** Insights that enable innovation



Enhance awareness and understanding across processes and ecosystems

Maximize the value of business **interactions**



Access rich information and applications at the right time and in the right context

**Optimize** productivity and resources



Broadly flexibly and continuously automate and govern processes





# Agility in order fulfillment

*Discover insights that enable*



**Jennifer**  
Production Manager

Suppliers

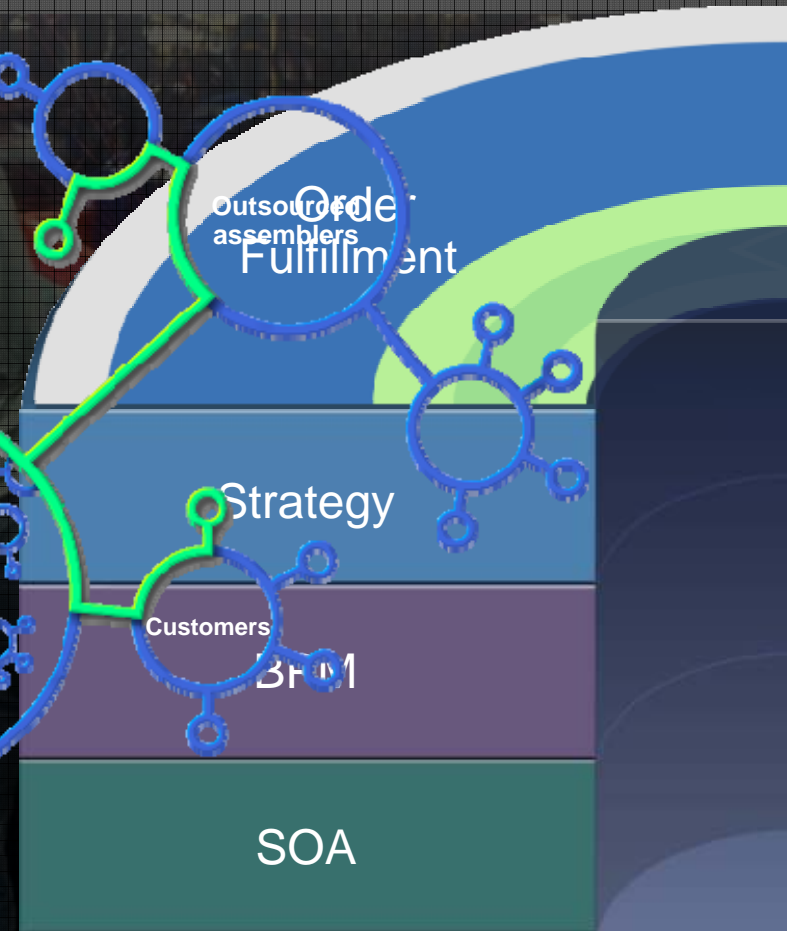
Outsourced  
assemblers  
Order Fulfillment

Delight customers: 3-day lead time, high service levels, 1-day change order cycle time

**Jennifer**

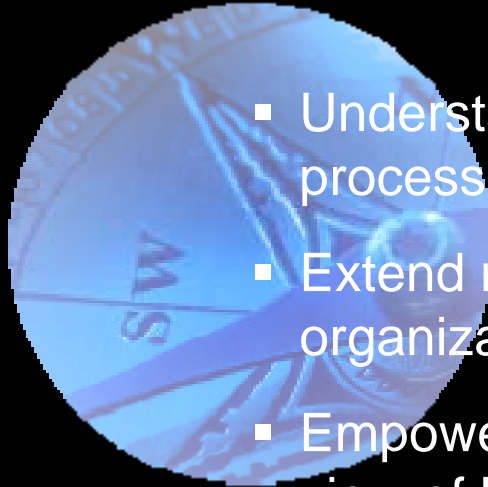
Deliver highly agile processes, reduce change order cycle times, and quickly shift production or change suppliers

Unlock information across internal & external systems for real-time visibility into operations





# Discover insights that

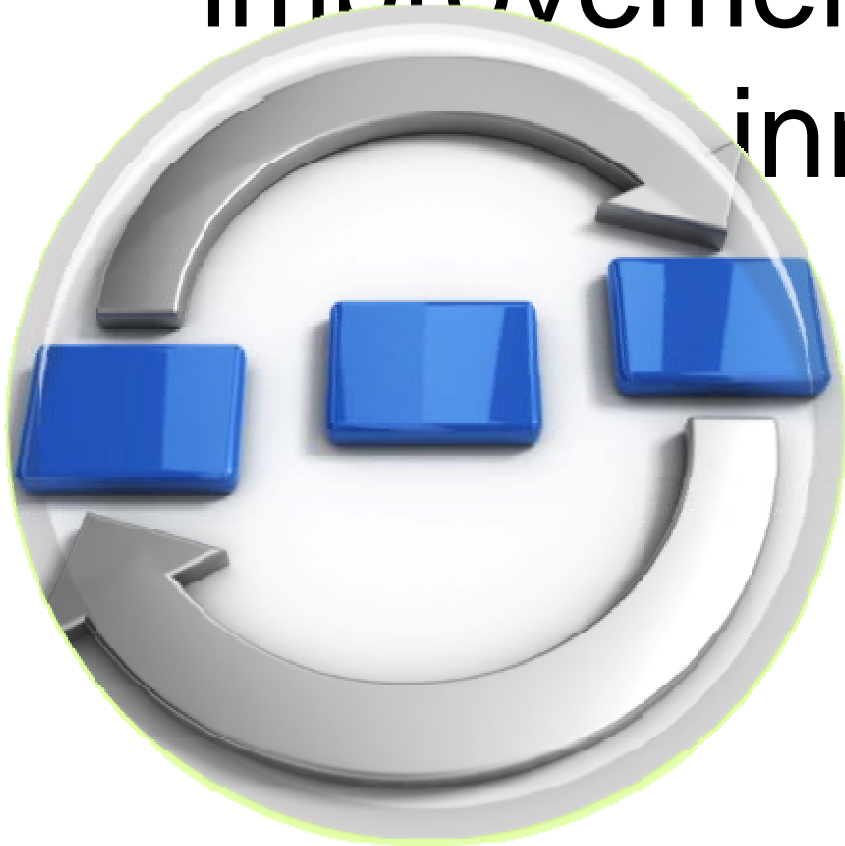


- Understand and continuously improve business processes to drive innovation
- Extend network visibility inside and outside the organization
- Empower people with a consolidated, actionable view of business activities

**64%** of high growth CIOs actively integrate business and technology to drive innovation



# Process understanding and improvement facilitate innovation



- Collaborate to discover process improvement opportunities
- Transform business processes into engines of innovation
- Align execution with business strategy to increase effectiveness

***Model & Simulate Key Business Processes***



Continuously improves processes to increase flexibility



# Business innovation requires

# extended visibility across the business network



Has real-time visibility across applications, employees, partners, & customers



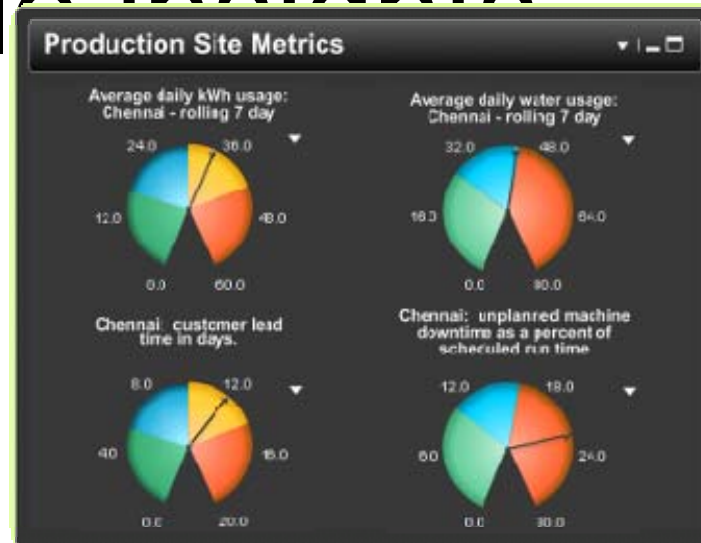
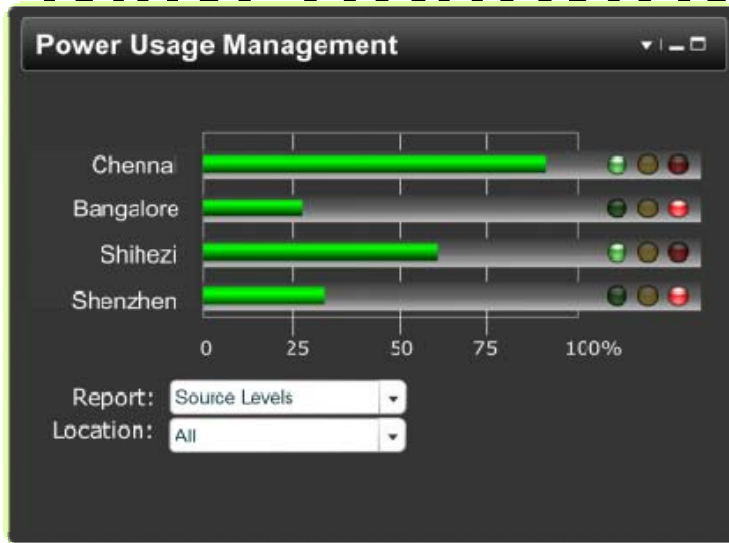
***Easily adhere and adapt to changing industry standards***



# A single view of the business

## network empowers users

visibility across processes and ecosystems  
consolidated into role-based dashboards  
with actionable insights



enables rapid response to emerging business situations



Can monitor key production metrics to respond before problems impact customers



# Discover insights that enable innovation



**Insurance:** End-to-end claims processing visibility to reduce fraud and payouts to ineligible claims



**Transportation:** Real-time visibility into resources and location information to improve forecasts and meet 95% on-time delivery goals



**Utilities:** Integrate billing applications with smart meters for flexible pricing, and improved billing accuracy



# Process understanding drives

# improved registration process

*Efficient processes resulting in successful registration experience at Ball State University*



BALL STATE  
UNIVERSITY



## Client Pains

Lost revenue from students attempting to register for classes, but faced with challenges

## Real Results

**Increase** success rate for online registration

**Improve** user satisfaction by reducing registration processing time

**Reduce** development time for new applications from one to two months down to a few days



## Offerings Highlighted

### IBM BPM BlueWorks

- Start Quickly with Cloud-based BPM Tools & Community



### WebSphere Industry Content Packs v7

- Deploy Faster and Accelerate Industry Data for BPM



### WebSphere Business Monitor v7

- Increasing Visibility with Advanced Monitoring



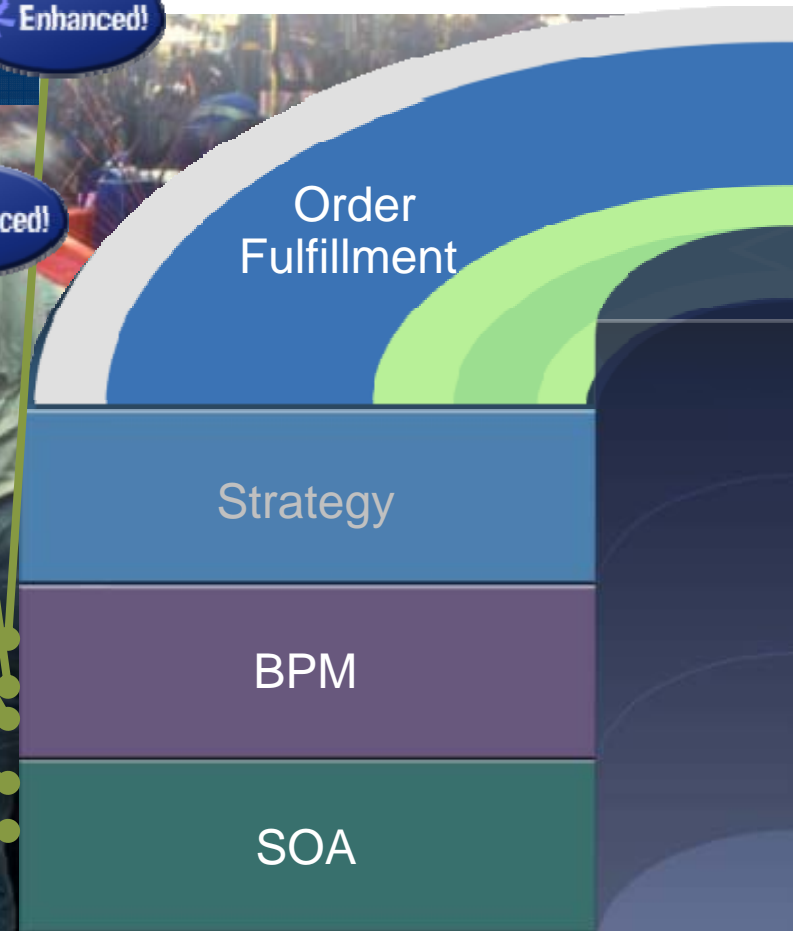
### WebSphere Transformation Extender (Industry Packs) v8.3

- Accelerate Industry Data Delivery



### WebSphere DataPower XB60

- Simplify & Accelerate B2B Integration



### Other Offerings Highlighted:

WebSphere Business Modeler v7, Business Compass v7, Adapters v7



# *Discover insights that enable innovation*

- Real-time, end-to-end view of business process performance
- Improves responsiveness
- Preempt problems with predictive Key Performance Indicators and to detect and manage business situations
- Increase productivity
- Accelerates continuous process improvement and business innovation





# Agility in customer loyalty

## Maximize the value of business



Donna Acquired Retailer  
Customer Loyalty Manager

Store

Catalog

Acquired Retailer

Customer Loyalty

Web

Growth through acquisition: Integrate operations and maintain customer satisfaction, and increase rate

Store

Marketing

Web

Strategy

Web Customers

Track customer and influencer activity across retail channels and social media to customize loyalty offers

Donna

BPM

Integrate applications and services for timely access to customer activities and data

SOA



# Maximize the value of business interactions

- Engage customers across all channels
- Service-enable applications to integrate information and deliver in the right context
- Leverage services and information from events for dynamic process change

**87%** of CIOs expect their organizations to seek active input from customers



# Business events in the right business context maximizes their value

“Shipment Delayed”

“Suspicious Transaction”



**RFID Signal**



**Large Credit Purchase**



Can capture, understand, and respond to significant customer activities

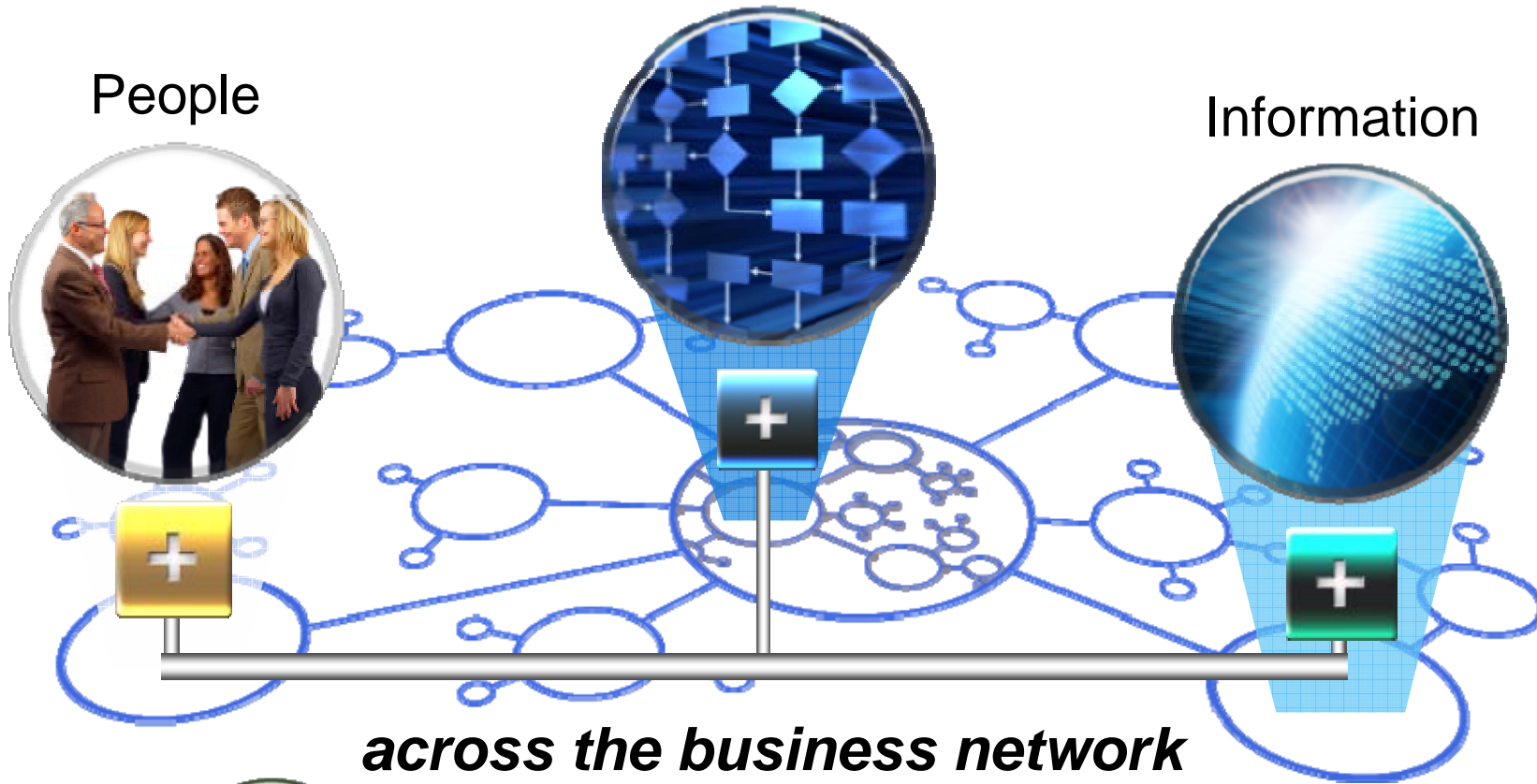


# seamlessly integrates

Processes

People

Information



Can quickly integrate applications from new acquisitions



# Maximize the value of business interactions



**Healthcare:** Track patients through from enrollment through discharge using event processing to optimize care and reduce waiting times



**Telecommunications:** Integrate voice, data, and content from multiple systems to speed the delivery of new high-value services



**Banking:** Rapidly deploy new online, mobile, and ATM banking features to increase customer satisfaction and reduce development costs



# Integrate systems to maximize the value of business interactions

*Large Bank builds and extends service-enabled applications to improve efficiency*



## Client Pains

Inability to quickly adapt to changing business requirements

## Real Results

**Improve** efficiency of IT Department

**Ensure** compliance of banking standards

**Leverage** reliable, stable, scalable, secure solution with enterprise-level features

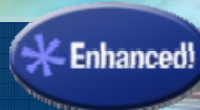


# business interactions

## *Offerings Highlighted*

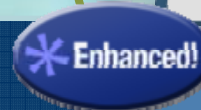
### WebSphere Business Events for z/OS v7

- Reducing Costs by Uncovering Actionable Situations



### WebSphere Message Broker for z/OS v7

- Fast and Flexible Access to Business Information Anywhere



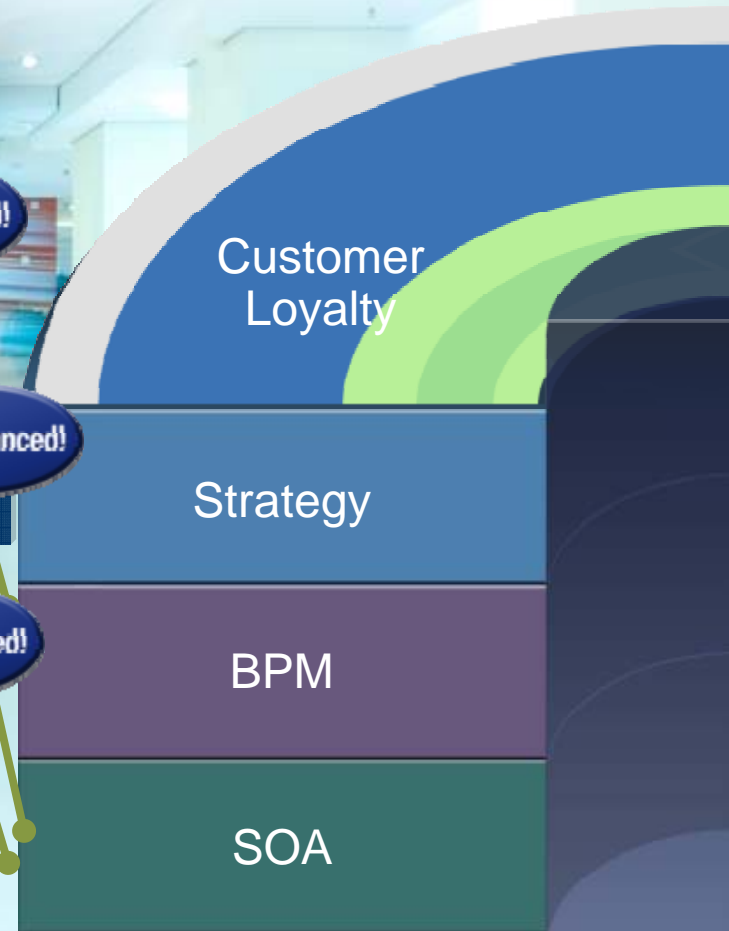
### WebSphere Enterprise Service Bus for z/OS

- Easily Connect Applications for Cost Optimization & Agility



#### Other Offerings Highlighted:

WebSphere MQ for z/OS V7.0.1, WebSphere MQ Low Latency Messaging V2.3, WebSphere Front Office for Financial Markets  
WebSphere Sensor Events V6.2, WebSphere Commerce\*



\*The information on the new product is intended to outline our general product direction and it should not be relied on in making a purchasing decision. The information on the new product is for informational purposes only and may not be incorporated into any contract. The information on the new product is not a commitment, promise, or legal obligation to deliver any material, code or functionality. The development, release, and timing of any features or functionality described for our products remains at IBM's sole discretion.





# *interactions with Connectivity and Integration*

## Virtualization

- High resource utilization
- Massive consolidation and simplification

## Performance

- Improvements when co-locating with z/OS data



## Efficient growth

- Pay for what you use

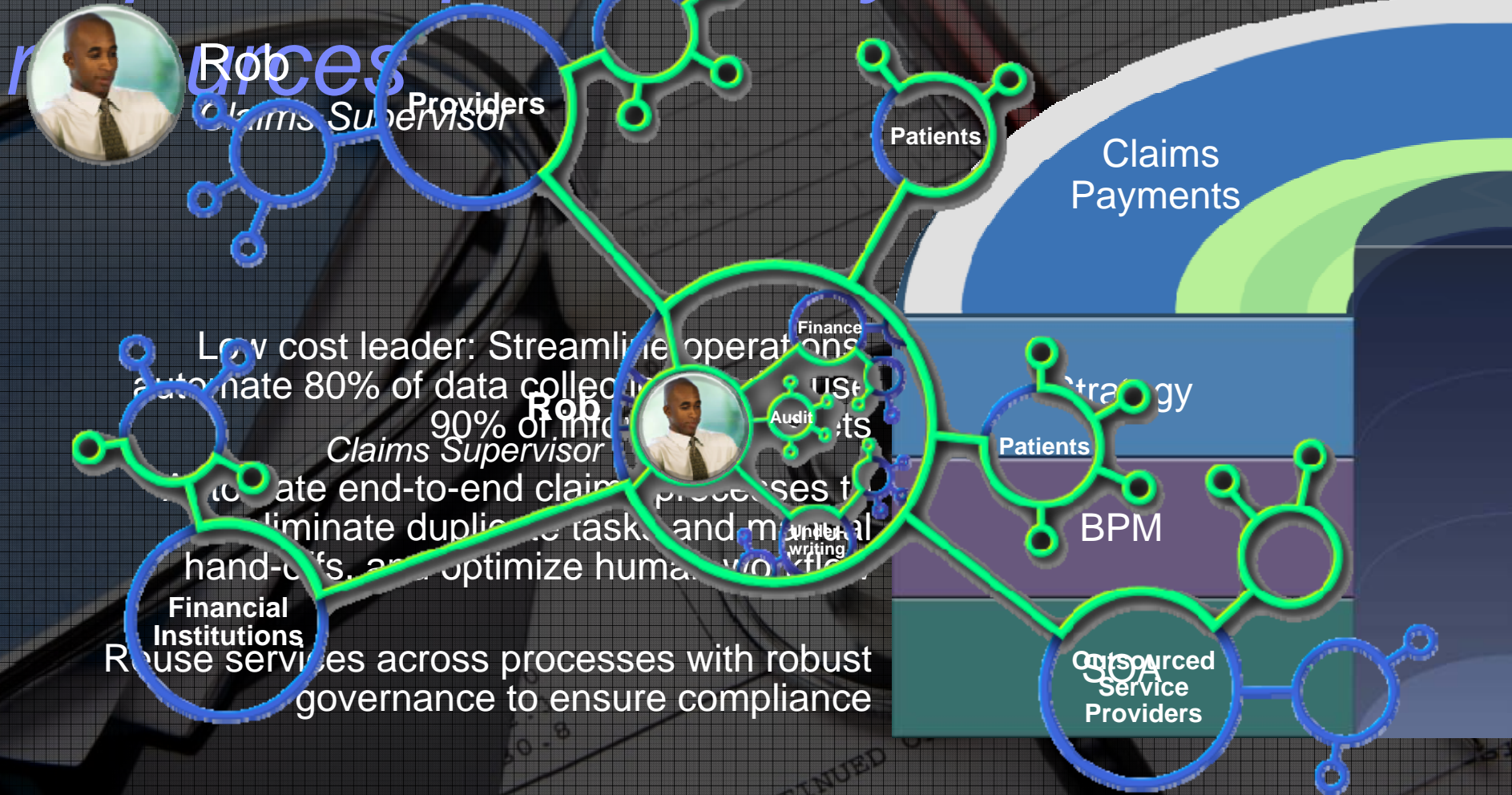
## Business critical workloads

- Automated recovery from failures
- Dynamic workload balancing



# Agility in claims payments

## Optimize productivity and



CONTINUED



# resources



- Flexibly automate and manage processes with business rules
- Effectively manage workflow to increase productivity
- Reuse and govern services to drive efficiency and compliance

**70%** of CIOs say that business process management is a top priority



# Flexible process automation increases agility and enables

## rapid change

- Rapidly deploy changes throughout the enterprise
- Manage and automate process decisions
- Extend rule authoring to business users



Can automate and easily manage low-level claims decisions

***Business rules drive flexible process automation***



# Automating workflow increases productivity and saves people



- Automatically route tasks to the right person
- Empower users with comprehensive task management tools
- Streamline workflow and automate escalations & exception handling



Can easily identify and route claims to processors with the right expertise



# Reuse optimizes IT assets and maximizes investments

- Automate processes leveraging shared services
- Organize and manage services in a central repository
- Easily find the right services and information



Manages costs by eliminating redundant services, applications, and systems



# Optimize productivity and resources



**Financial Services:** Rapidly process orders and reduce risk of non-compliance with corporate and regulatory policies



**Retail:** Automate order and supply chain processes to reduce lead time and increase order accuracy



**Government:** Increase effectiveness by automating and coordinating emergency services across departments



# Optimizing processes increases efficiency

*Mortgage company is able to process a mortgage application in just hours compared with 2-3 days*



## Client Pains

Need to expand beyond internal branches to new broker communities

## Real Results

- **Enhance** customer service
- **Improve** the reuse and efficiency of IT Service components
- **Reduce** user error and turnaround time





Optimize



# resources

## *Offerings highlighted*

### WebSphere Process Server for z/OS V7

- Improve User Experience and Accelerate Time to Value



### WebSphere ILOG Business Rule Management Systems\*

- Align Decision Automation Across the Enterprise

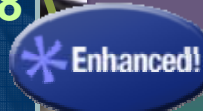
### WebSphere Service Registry & Repository V7 & Advanced Lifecycle Edition V7

- Improved Service Visibility and Governance



### WebSphere DataPower SOA Appliances V3.8

- Simplify, Secure & Accelerate Connectivity



#### Other Offerings Highlighted:

- WebSphere Integration Developer V7, ILOG Optimization, ILOG Supply Chain Management\*
- WebSphere MQ File Transfer Edition



\*The information on the new product is intended to outline our general product direction and it should not be relied on in making a purchasing decision. The information on the new product is for informational purposes only and may not be incorporated into any contract. The information on the new product is not a commitment, promise, or legal obligation to deliver any material, code or functionality. The development, release, and timing of any features or functionality described for our products remains at IBM's sole discretion.

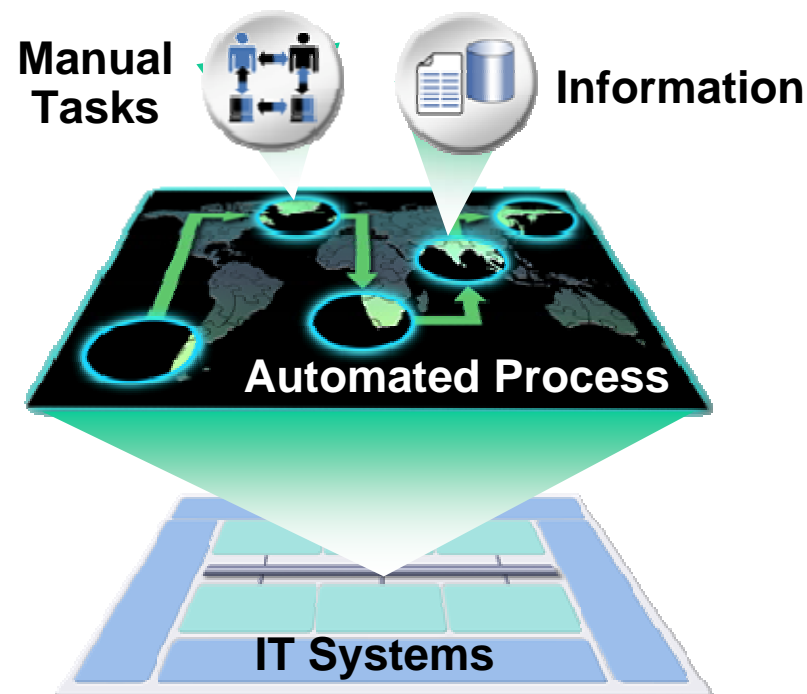
# When to Use System z?

Optimize



*Optimize productivity and resources*

- Process Efficiency
- Improve Integration
- Reduce Human Processes
- Workload Management

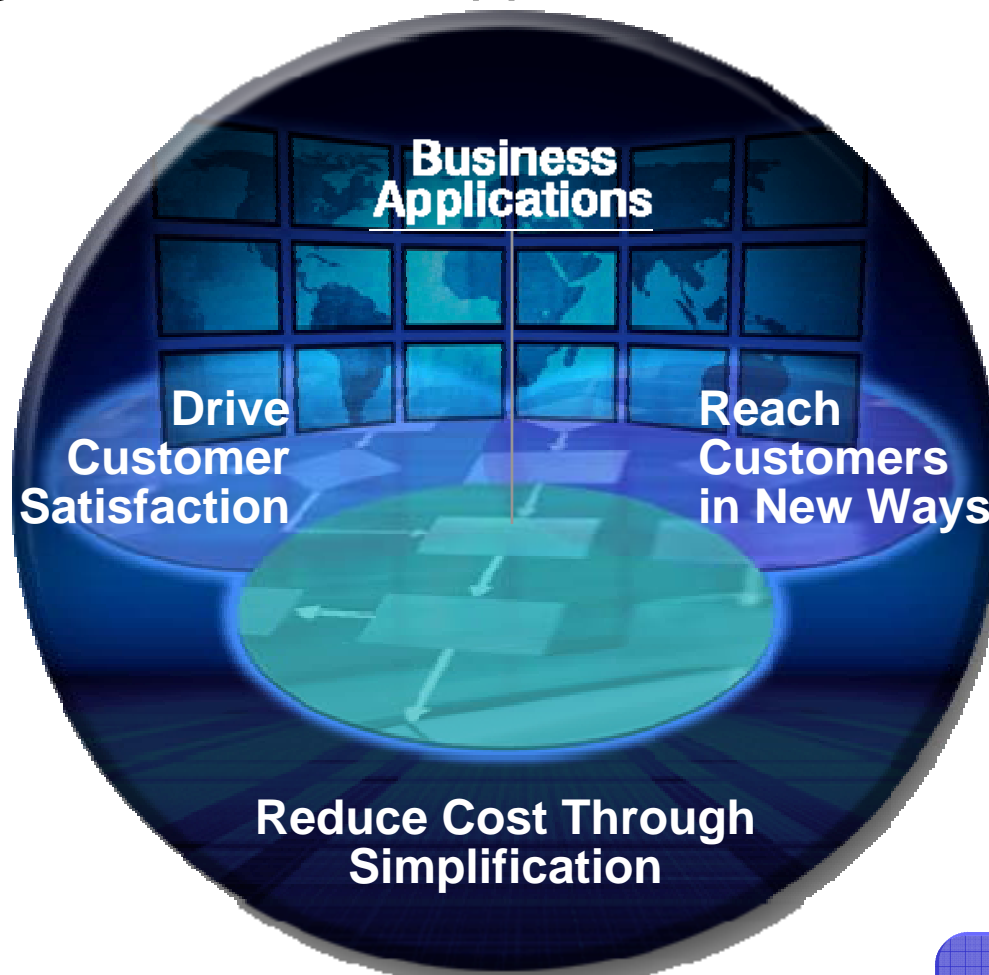


# Supporting Your Dynamic Business Network

## The Impact of Dynamic Applications



# Address Your Critical Business Needs Using a Smart SOA Application Foundation



IBM CICS Transaction Server

IBM CICS Explorer

IBM WebSphere Application Server for z/OS

# Deliver on business objectives while reducing operating costs

*HUK-COBURG achieves significant  
savings in CPU usage*



## Client Pains

- Need to reduce CPU usage to cut operating costs

## Real Results

- **Reduce** CPU usage for CICS technology by 400 million instructions per second (MIPS), for savings of \$320,000
- **Cut** CPU usage in the internal coupling facility by 40%
- **Achieve** CPU savings through threadsafe functionality

# Innovative Applications Application Foundation



## Problem

- Additional integration with IBM Rational Developer for System z, particularly with File Manager Base
- Currency support for IBM CICS Transaction Server V4.1 and IBM IMS™ V11
- Further support for service oriented architecture (SOA) and Web service applications



## New

## feature pack for WebSphere Application Server

- Easily add communication features to applications with new Communications Enabled Application (CEA) Feature Pack

## Application Server for z/OS



# Benefits of Running Applications on System z

- Integration with Existing Assets
- High performance
- Server consolidation
- Dynamic scalability
- 99.999% Availability
- Exploitation of Java/J2EE
- Uninterrupted support
- Low TCO of applications
- Performance Optimization through co-location



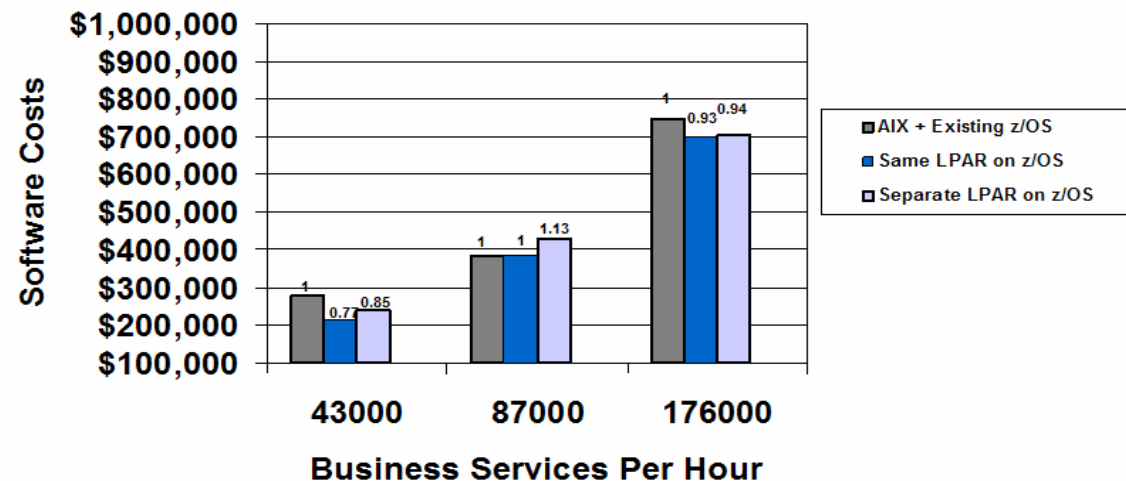
# Why Not z?



## Performance Optimization through collocation

- Up to 34% overall CPU savings with WebSphere Application Server and DB2 on the same LPAR
- 52% more throughput when WAS for z/OS is collocated with DB2 in the same LPAR
- 3-year TCO shows WAS and WPS are price neutral when compared to running equivalent workload on distributed servers

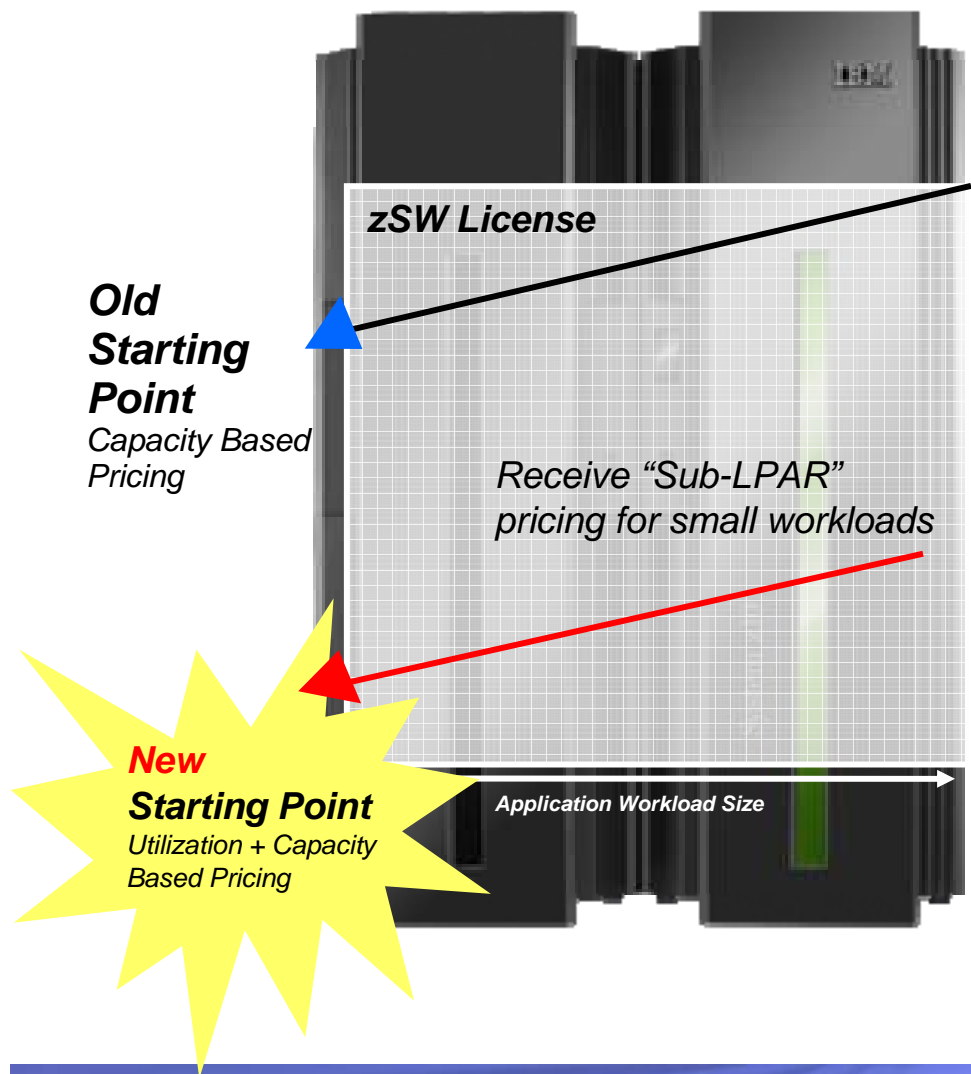
3-Year Total Software Cost Comparison Summary



*Deploying application servers, data Sub systems and application sub systems*



# Helping to Make It Easier To Deploy New Projects on z/OS Software



- ✓ Help customers start their projects
- ✓ Improve alignment between software use and software charges
- ✓ Enable greater flexibility with software licensing
- ✓ Change LPAR capacity without changing software charges
- ✓ Improve price / performance

# IBM is the Industry Leader in

## SOA and BPM

### Largest Customer Base with Smartest Outcomes

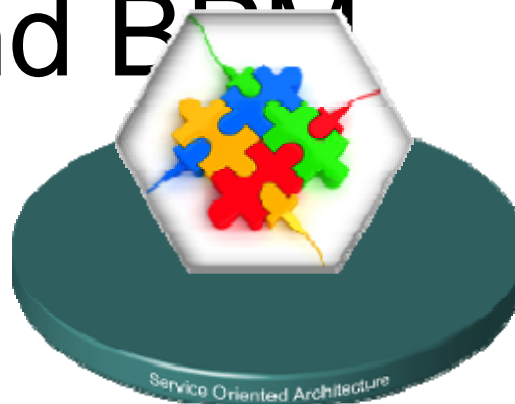
- 8002 Customers

### Strongest Ecosystem

- 7420 SOA Community
- Business partners up 48% Year to Year

### Unparalleled expertise and investment

- Trusted thought leadership and guidance
- Trained IBM SOA community over 100K
- Broadest, Deepest portfolio of offerings



### Most Customers

- Over 5000 BPM customers and growing
- Largest Marketshare (Gartner Dataquest)

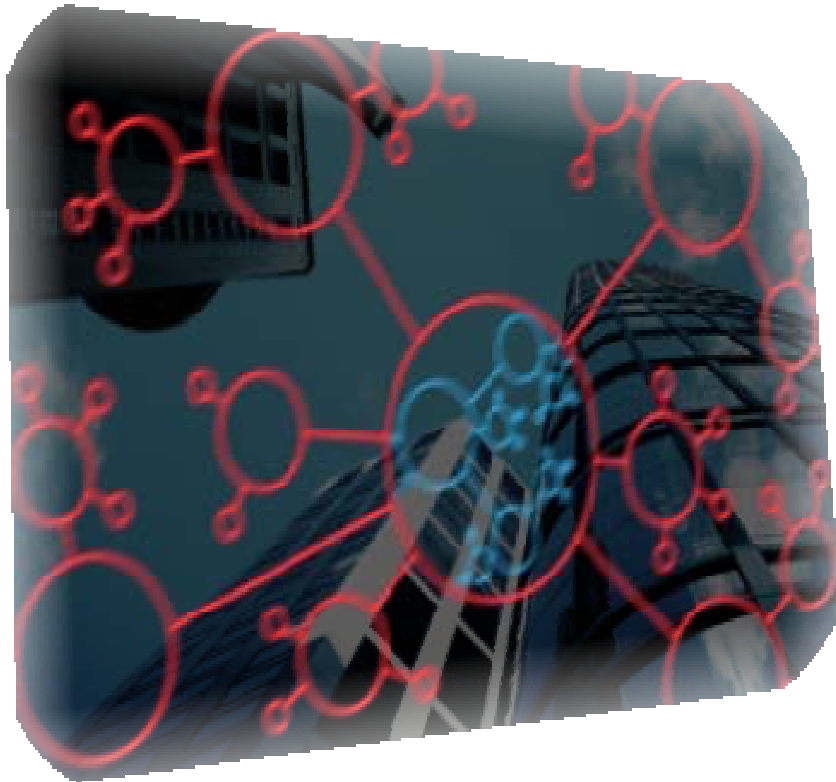
### Market Leading Products

- Deep Industry Knowledge and pre-built assets
- Leader in setting industry-wide standards

### Global Reach

- Largest Partner Ecosystem with over 2500 partners
- Customers in over 30 countries

# Get started and embrace your dynamic business network today



- Download additional information from the [IBM Website](#) including whitepapers and demos
- Learn more about the value of [System z Software](#)
- Learn more about [SOA and Enterprise Modernization on System z](#)



# 2010 **IMPACT** MAY 2-7 LAS VEGAS

## Get one years worth of education in one week!

Impact 2010, [May 2 - 7](#), at the Venetian Resort & Casino in Las Vegas

- 5,000 attendees
- 300+ client speakers
- 100 Business and IT Leadership sessions
- 400+ Technical Skill Building sessions

Save money and register **TODAY** at [ibm.com/impact](http://ibm.com/impact)

- Early Bird Registration \$1,950.00 (save \$200 & register before Feb 14<sup>th</sup>, 2010)
- Early Bird Hotel Rate \$185.00
- **NEW** Two-Day Pass \$950.00

For more information, visit and bookmark [www.ibm.com/impact](http://www.ibm.com/impact)

a

# Smarter Planet on System z

