

WebSphere BtoB Integrator

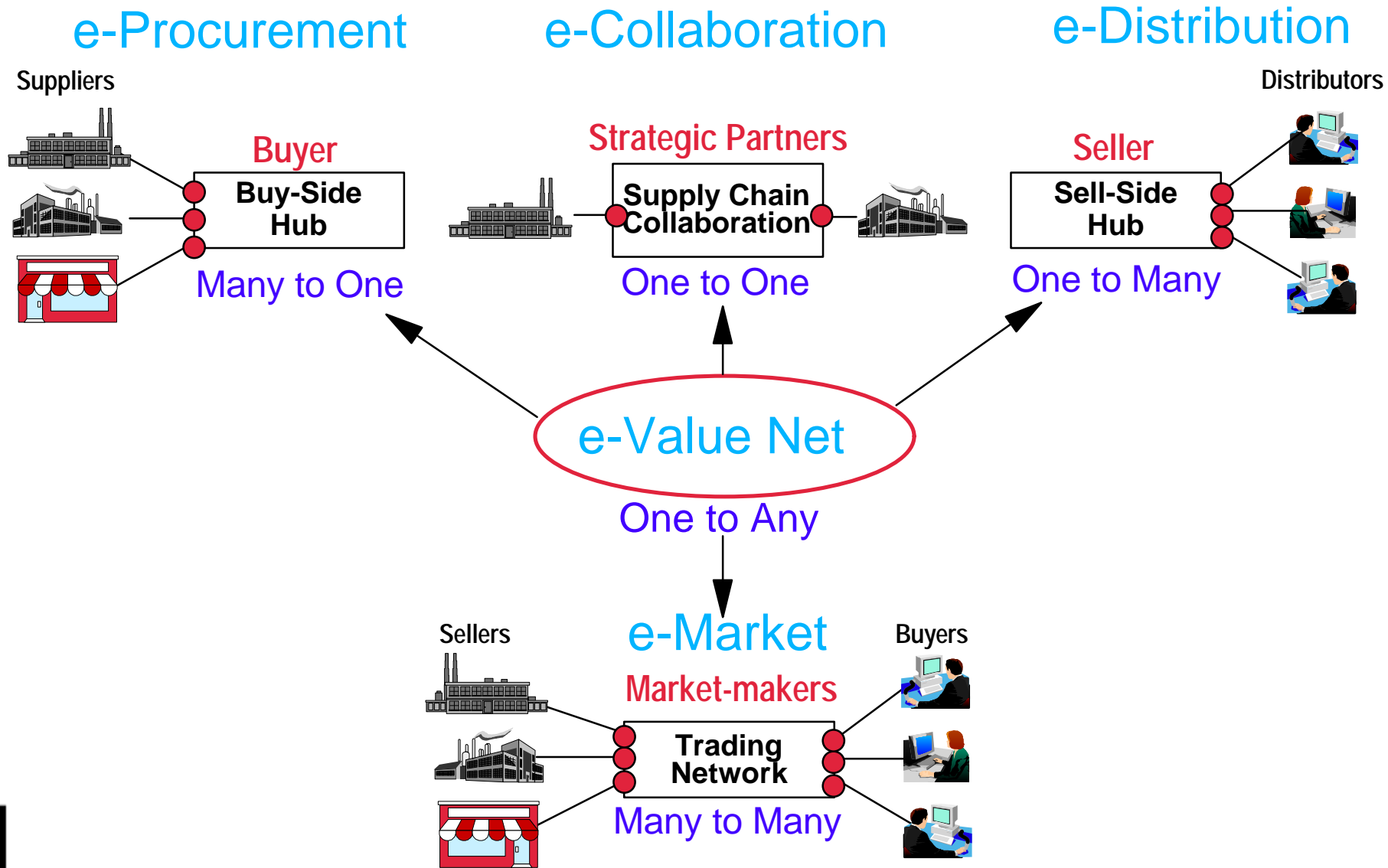
From EAI to Business Process Management

AIM Teleconference
April 5, 2001



Michel Bezy
Program Director
Web Services Marketing
AIM-SWG

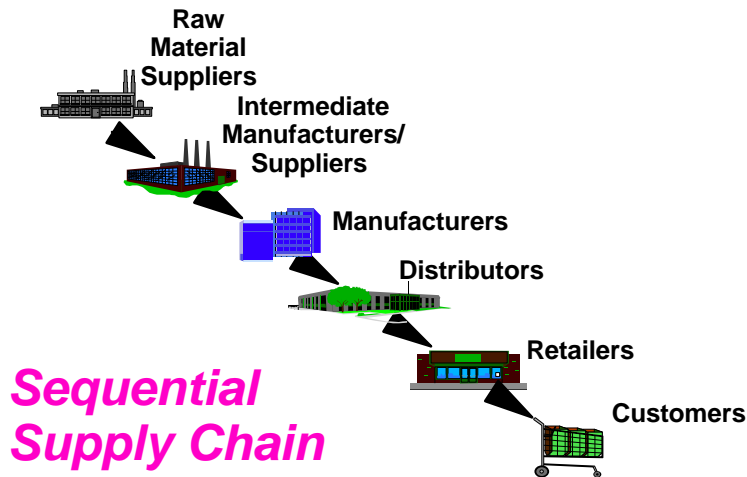
B2B Integration: e-Value Net



From Sequential Supply Chain to e-Value Net

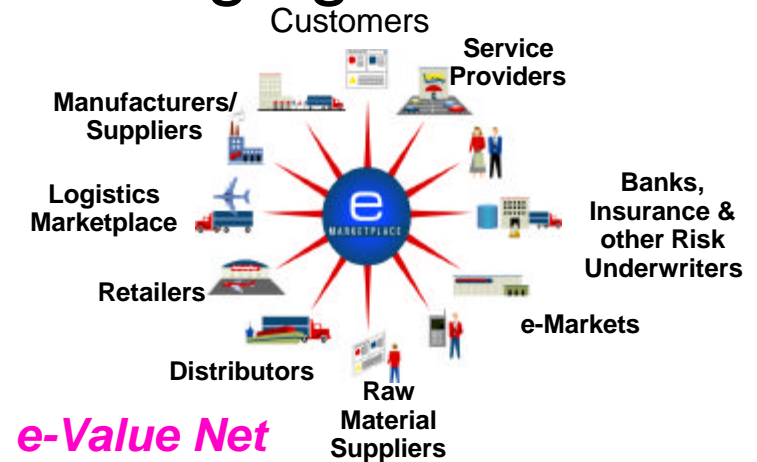
The new B2B Economy

Traditional Business



- Cause and effect approach to business
- Separate and distinct company entities
- Sequential supply chain
- Information flows serially and often only manually
- Processes between businesses are separate & independent
- Low level of business collaboration

Emerging Business

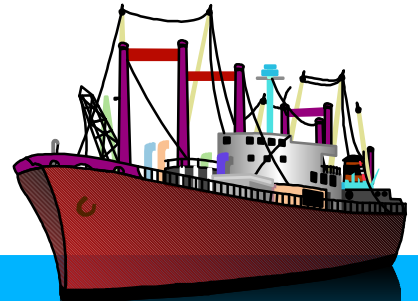
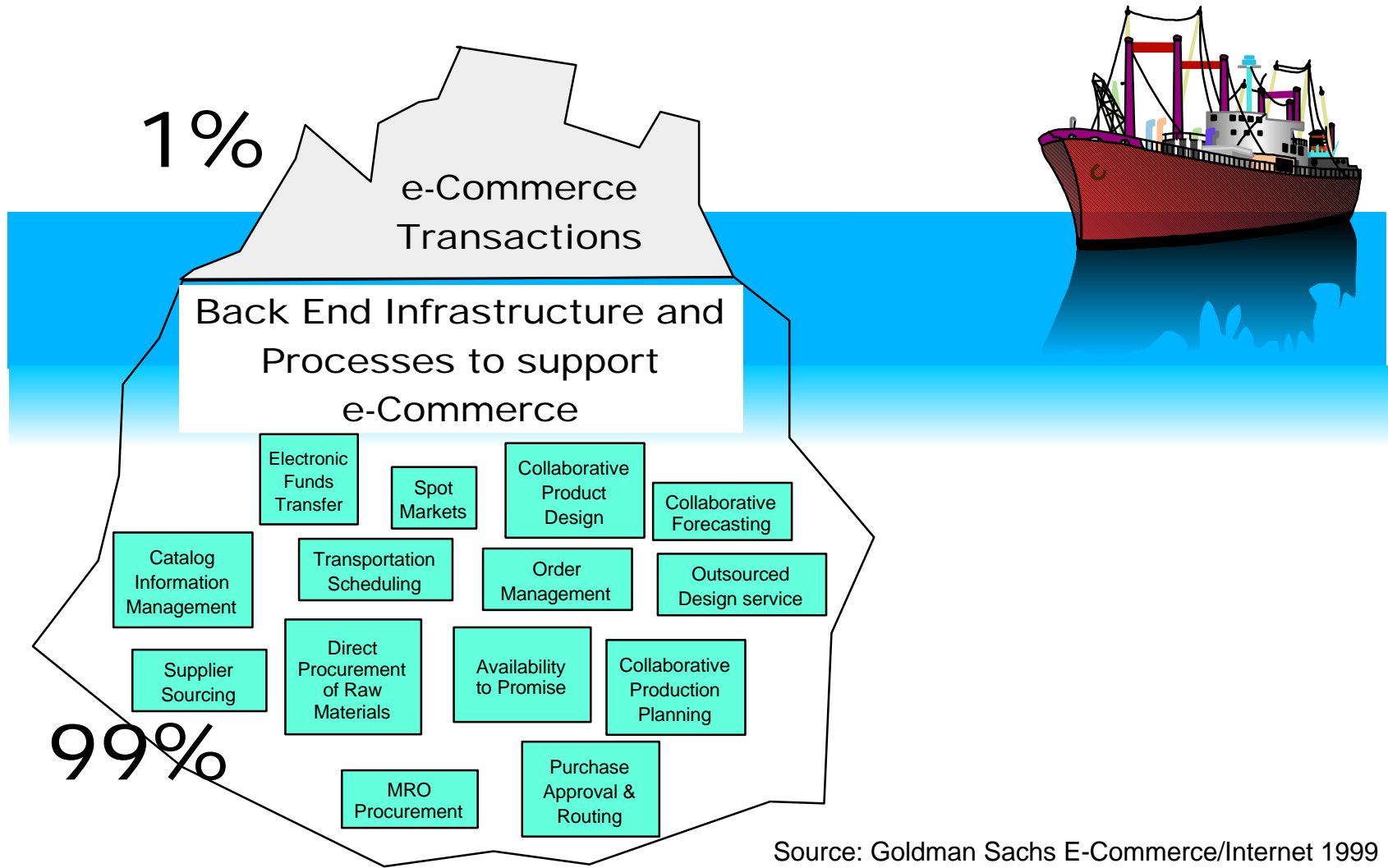


- Interconnected / interdependent approach to business
- Blurring of the lines as to what makes up 'the company'
- Supply chain replaced by a value chain
- Information is automated and at electronic speed
- Processes between businesses are shared and connected with more transparency
- A new era of interdependent collaborative relationships

"The battle for market supremacy will not be between enterprises but between supply chains"

Prof. Hau Lee, Stanford University

B2B e-Commerce: what's underneath the surface?

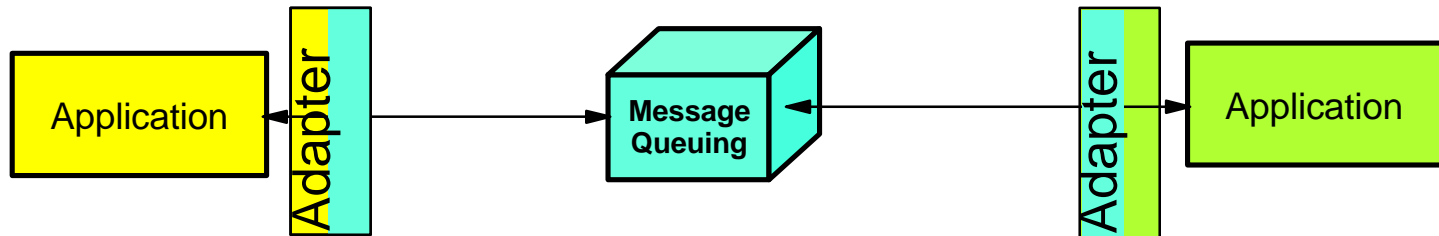


Source: Goldman Sachs E-Commerce/Internet 1999

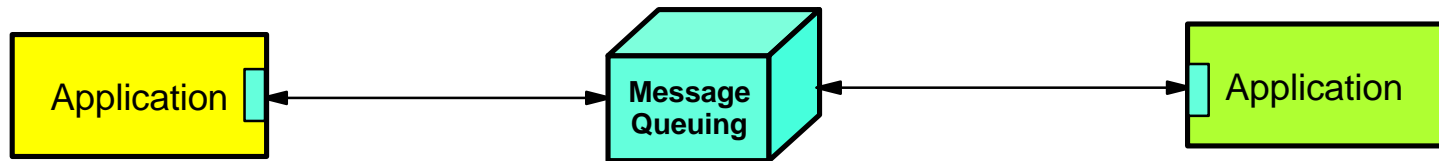
"Up to \$4.4 Billion was lost in e-commerce revenues in 1999 due to inadequate infrastructure that led to poor site and service performance" Source: Zona Research



Application to Application Integration

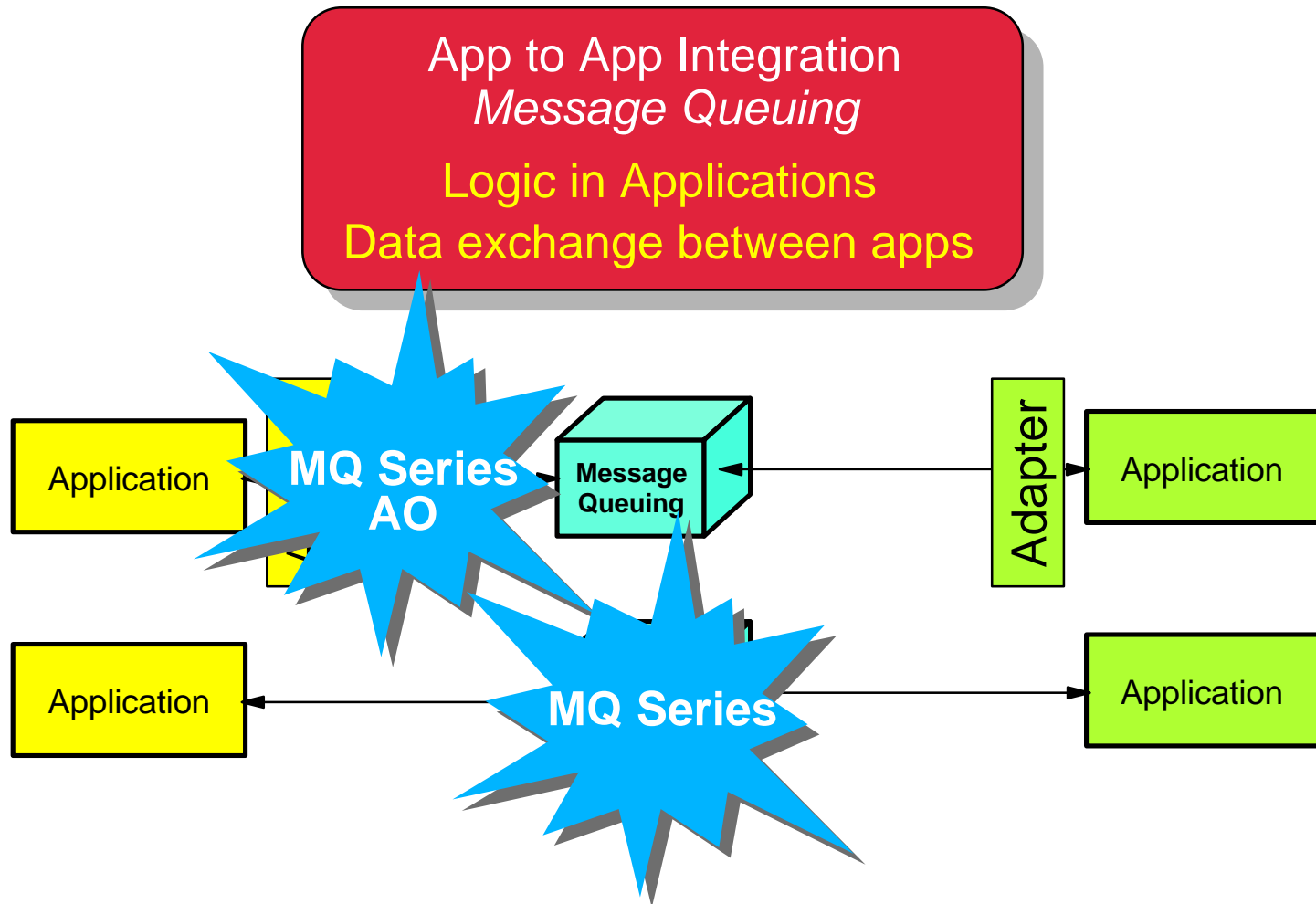


Adapters give applications the equivalent of their own business-standard language allowing them to integrate with other applications without the need to change the application

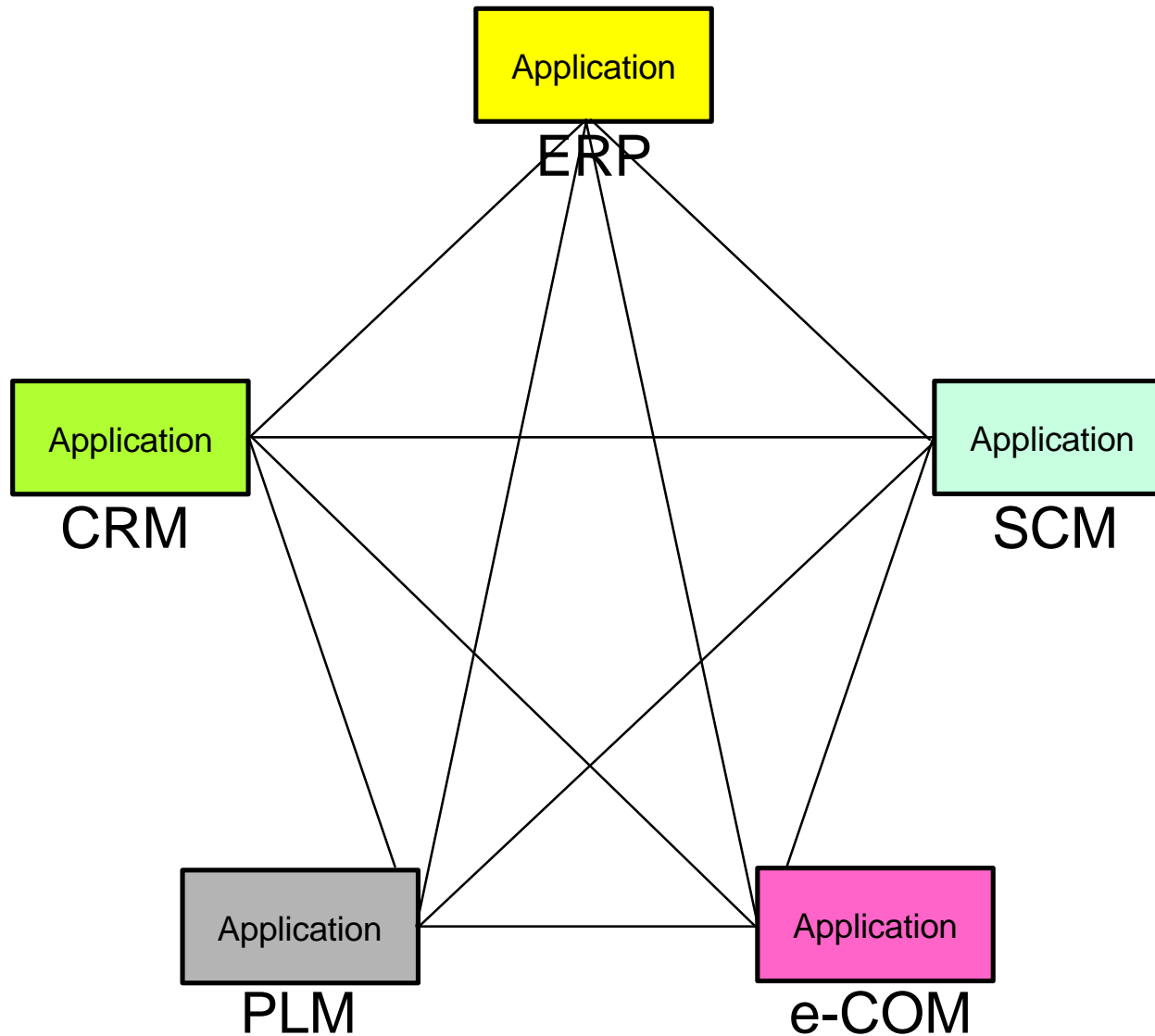


Message Queuing allows business to integrate disparate islands of automation with time independent communication and assured one-time delivery.

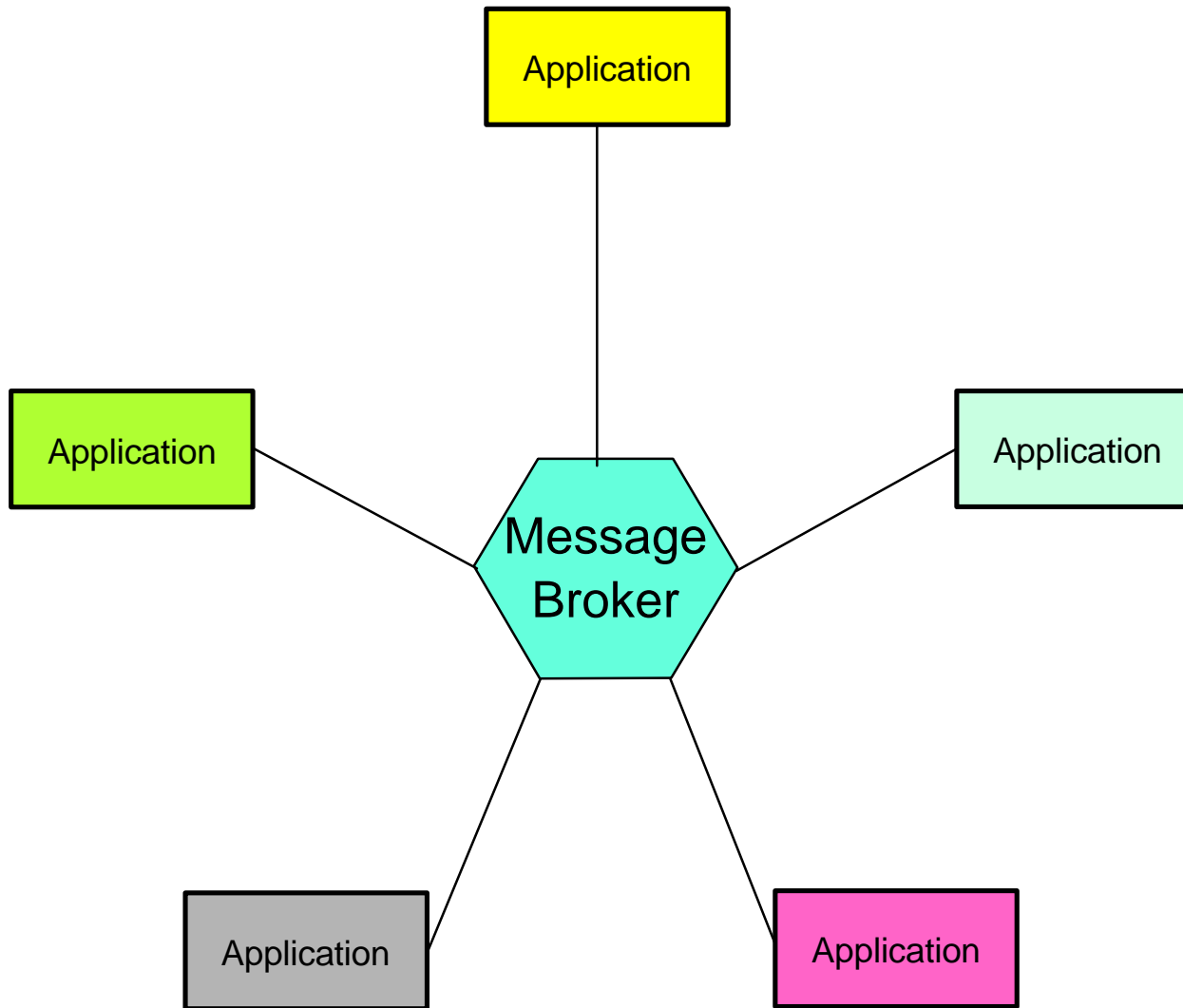
Application to Application Integration IBM Solution



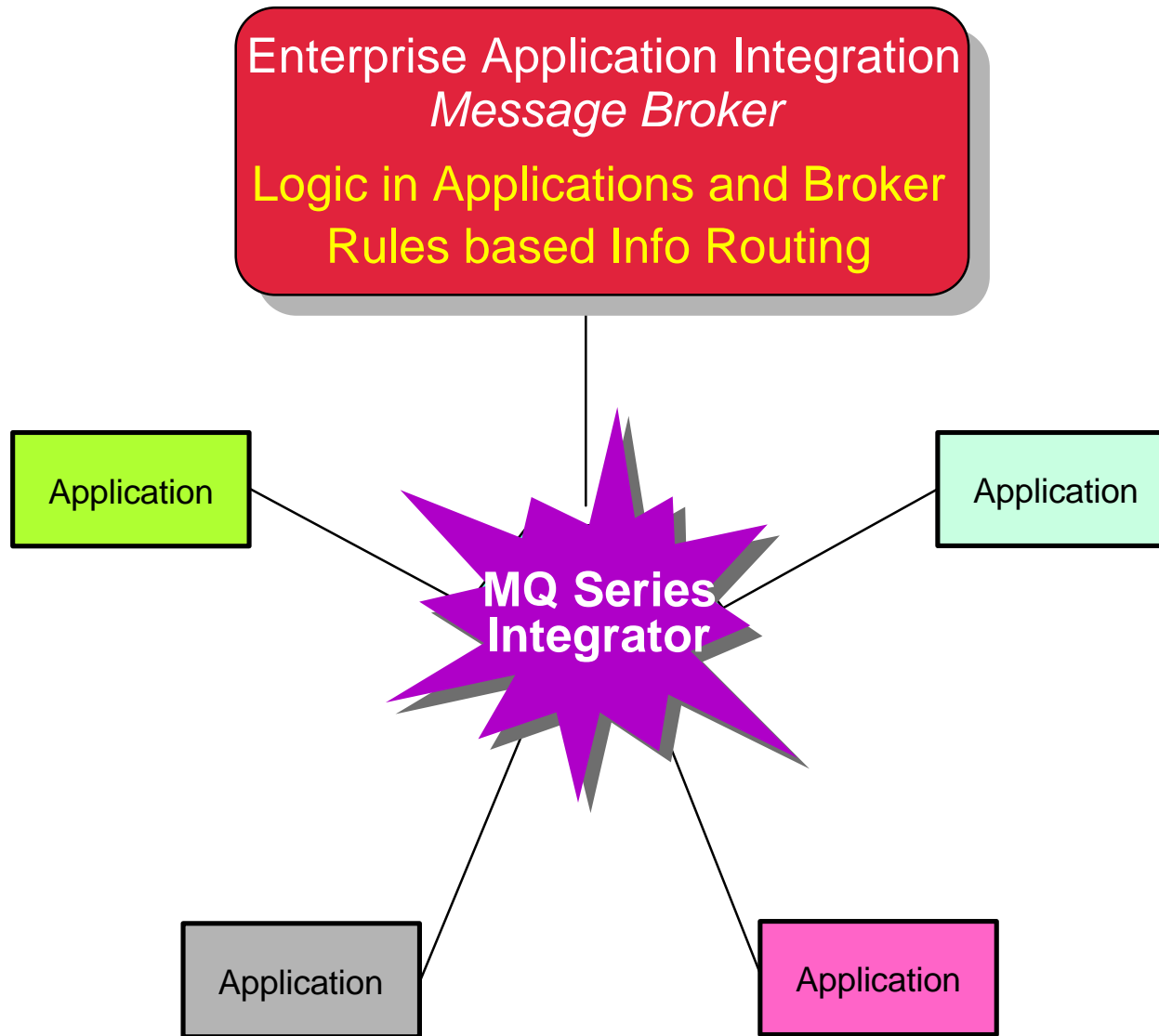
Application to Application Integration ...many applications



Enterprise Application Integration

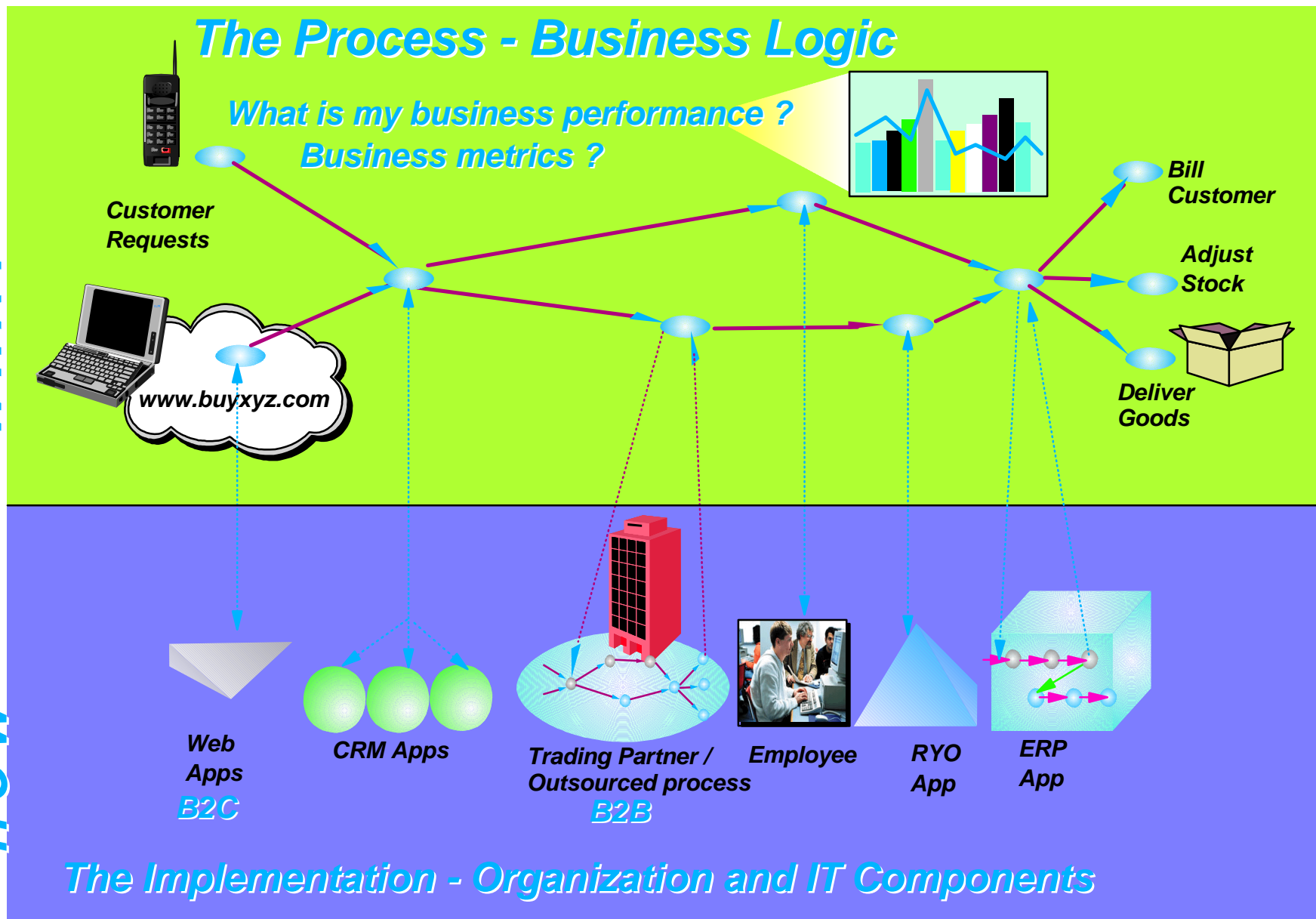


Enterprise Application Integration IBM Solution



WHAT
HOW

Separation of Tasks



Business Processes manage interaction between people, tasks and documents



Value of the process centric approach

■ **Increased flexibility**

- ▶ Separate business logic (process) from systems and applications
- ▶ Ability to easily amend tasks or integrate new applications
- ▶ Ability to outsource activities without affecting the process model
 - increased business agility to address market changes

■ **Reduced complexity**

- ▶ Business modeling tools allows BUSINESS people to define WHAT the process should do while the HOW is automated
- ▶ Reusable business services
- ▶ Predefined solution templates
 - reduced IT skills requirements in constrained skills market
 - reduce business integration time and cost

■ **Increased business value**

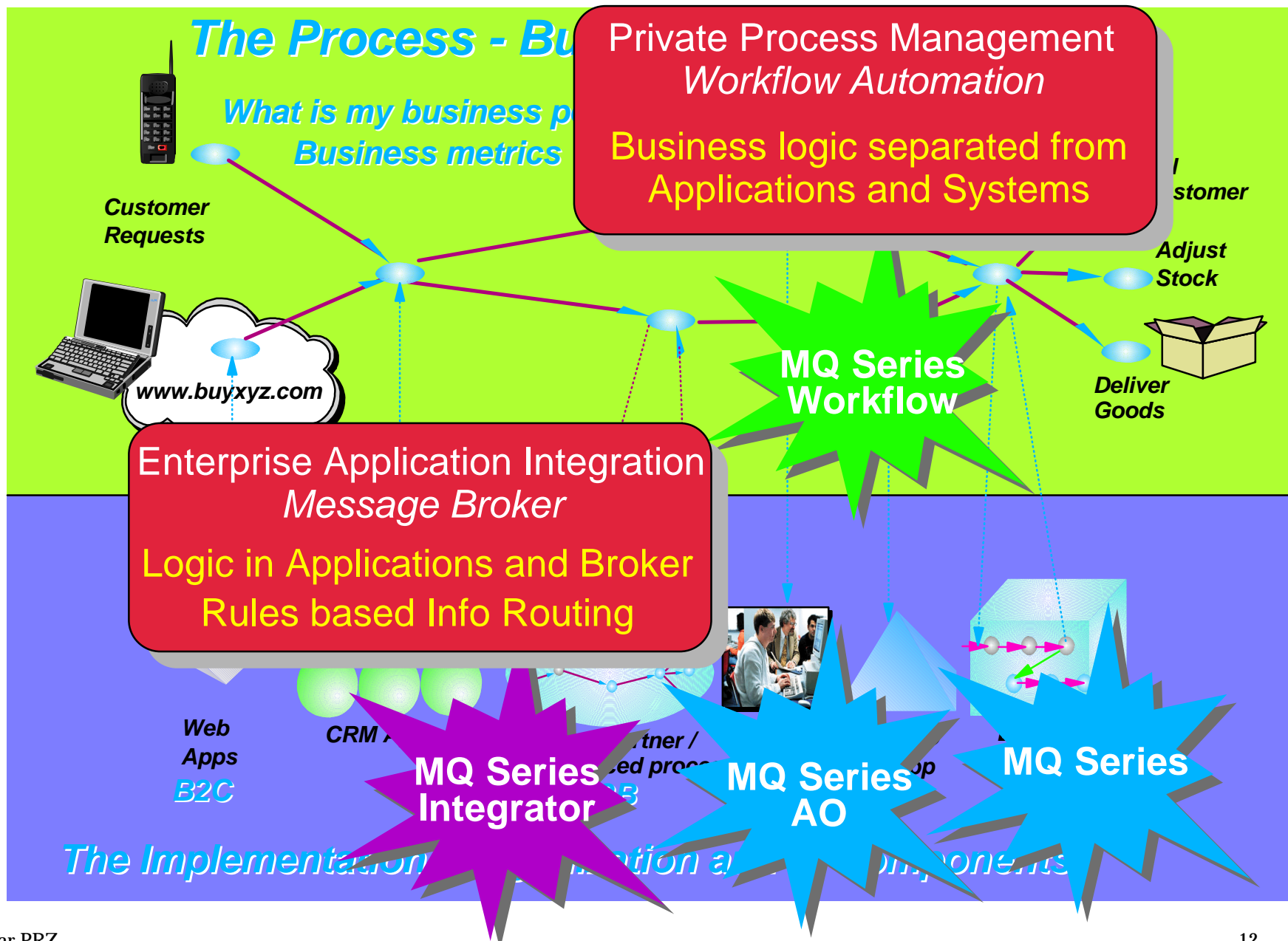
- ▶ Give business process control back to business vs applications (ERP, ...)
- ▶ Process centric allows monitoring key internal and external business performance indicators (e.g. on-time order fulfillment)
 - increased competitiveness with better control of business processes

The difference is WebSphere.

WHAT

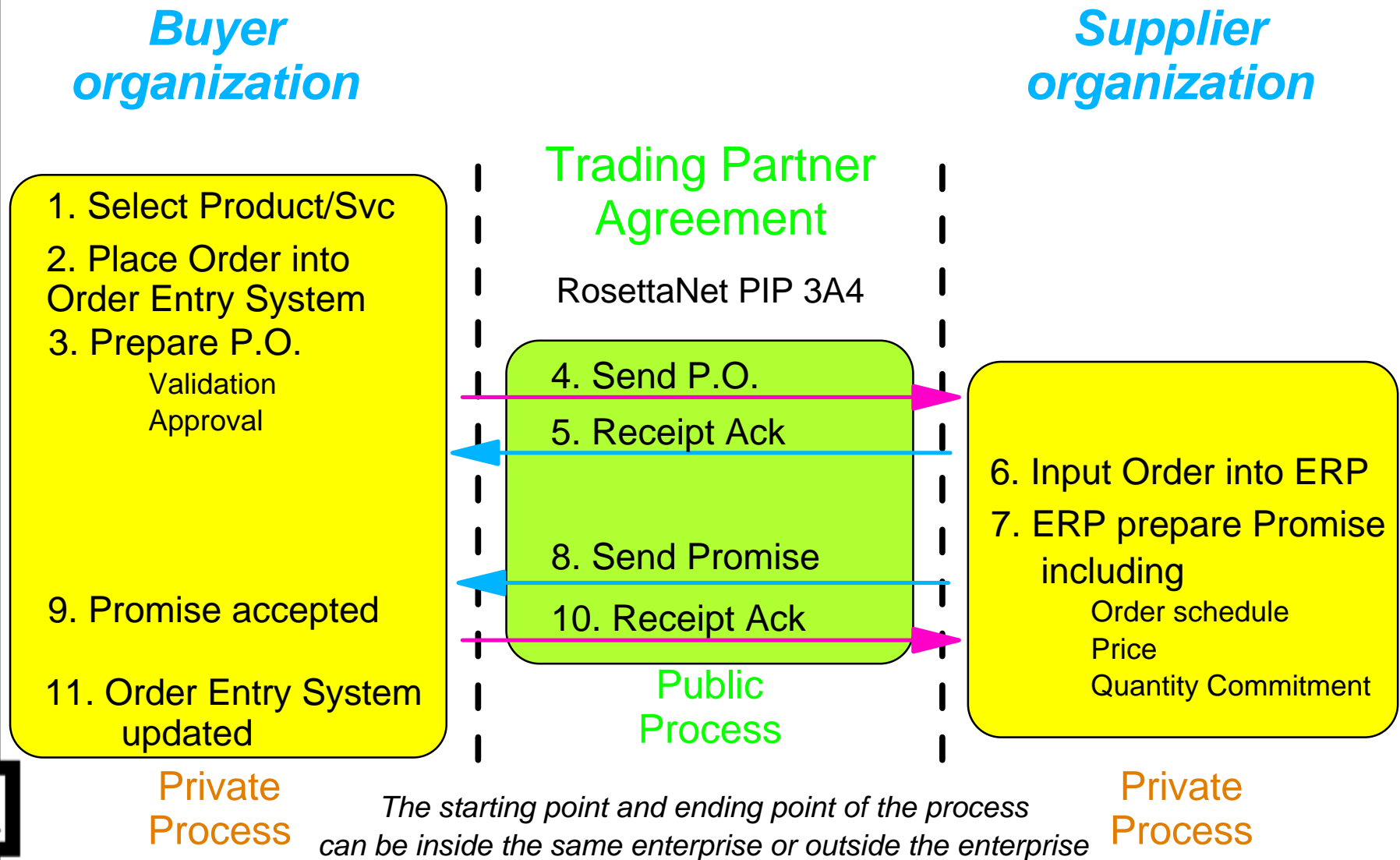
HOW

Private Process Management IBM Solution



Public Process Management

An example: Purchase Order Management Process



The starting point and ending point of the process can be inside the same enterprise or outside the enterprise





The difference is WebSphere.

Private Process vs Public Process

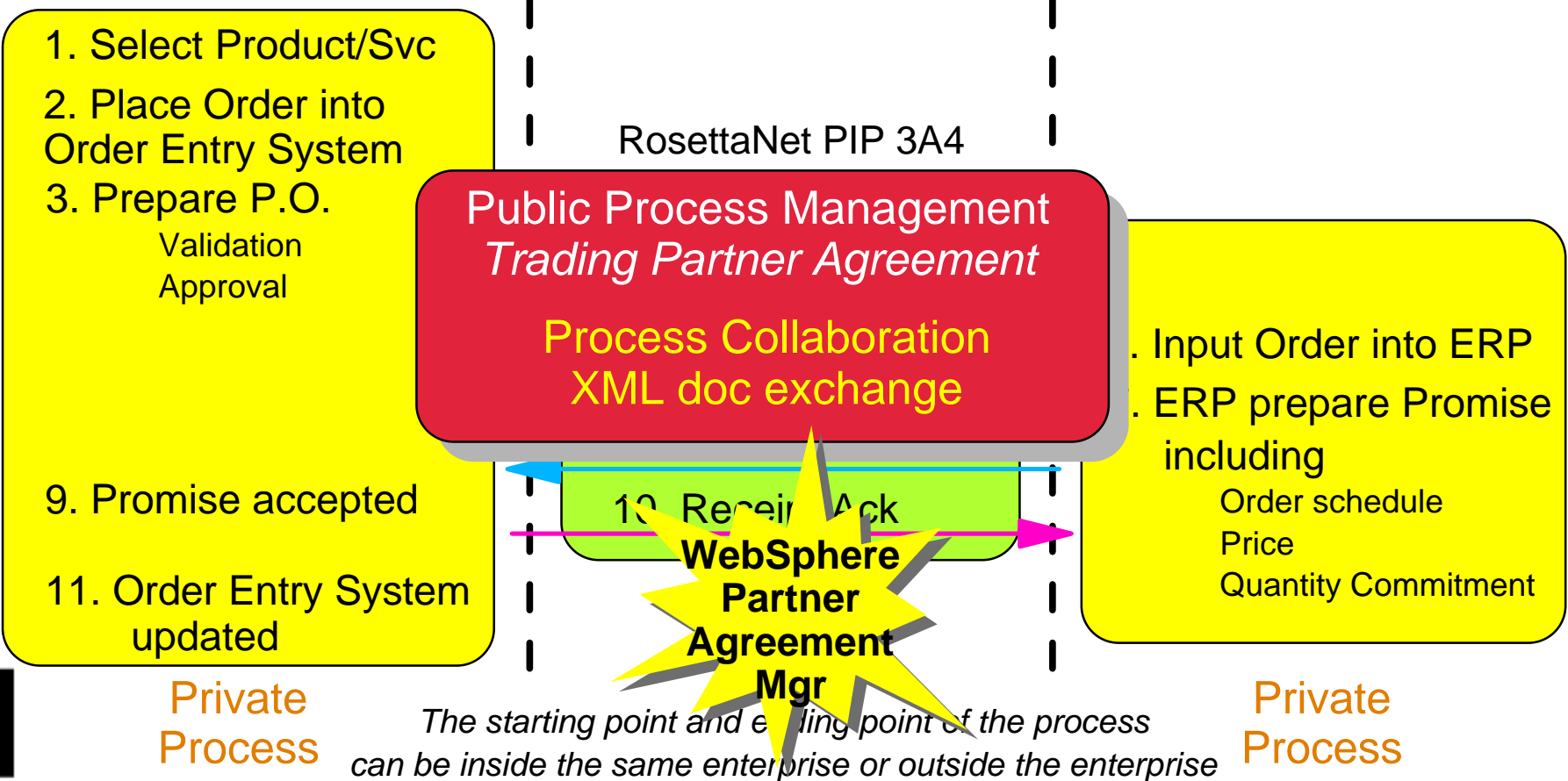
	Private Process	Public Process
connections	fixed	changing
end points	known	unknow
environment	trusted	outside firewall
platform	controlled shared middleware	no control over
process	stable	need to adapt to outside process



Public Process Management IBM Solution

Buyer organization

Supplier organization



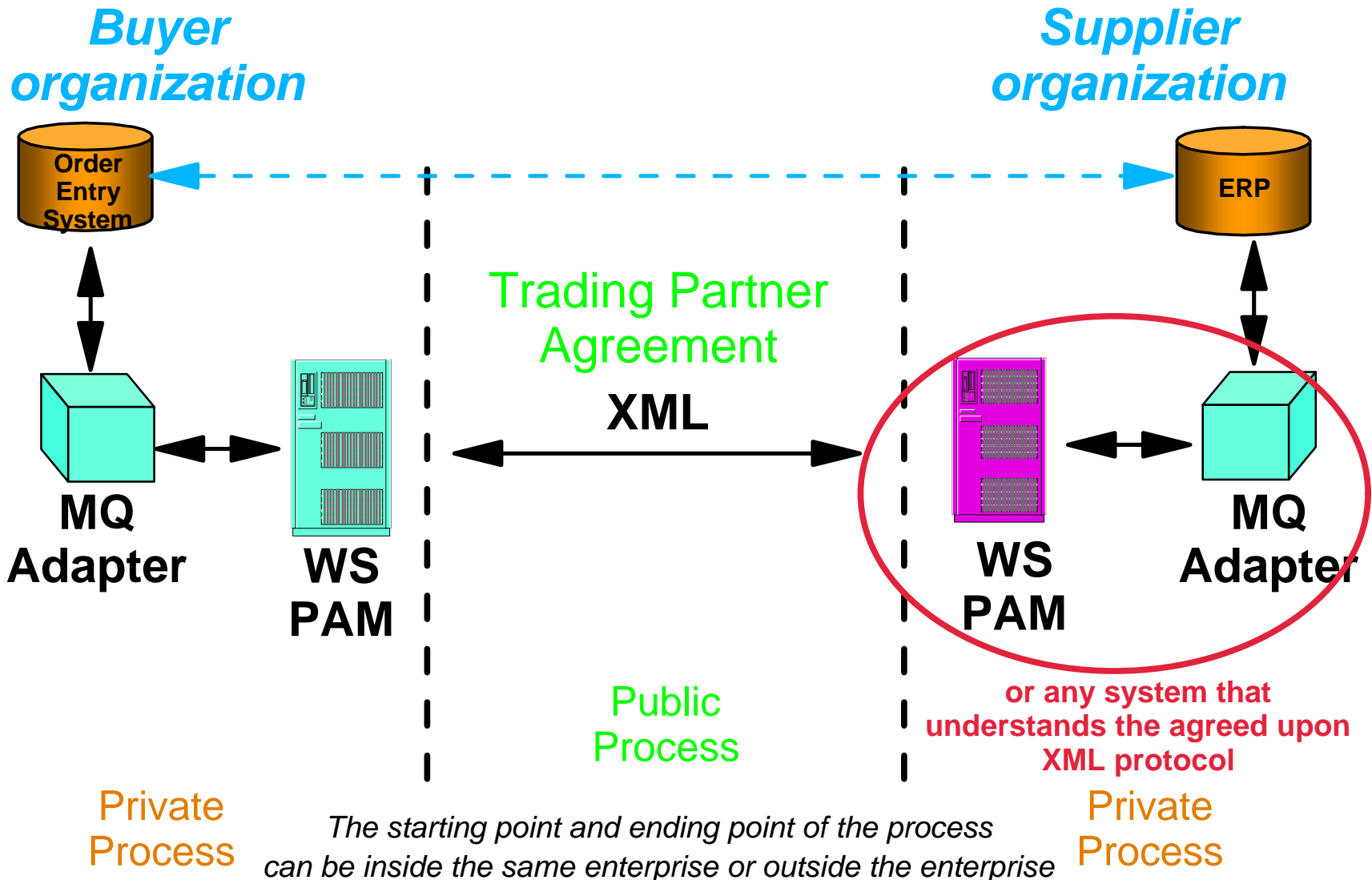
Private Process

Private Process



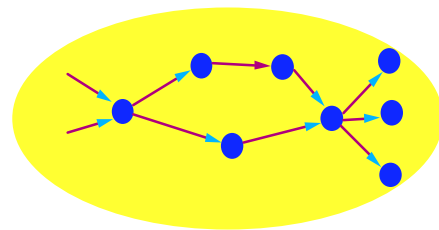
Public Process Management

An example: Purchase Order Management Process



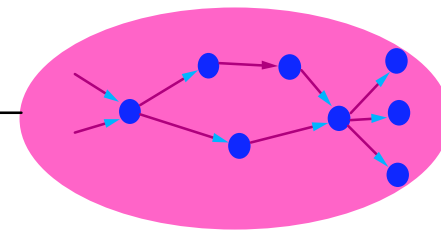
Business Process to Business Process

Buyer organization



Order Management

Supplier organization

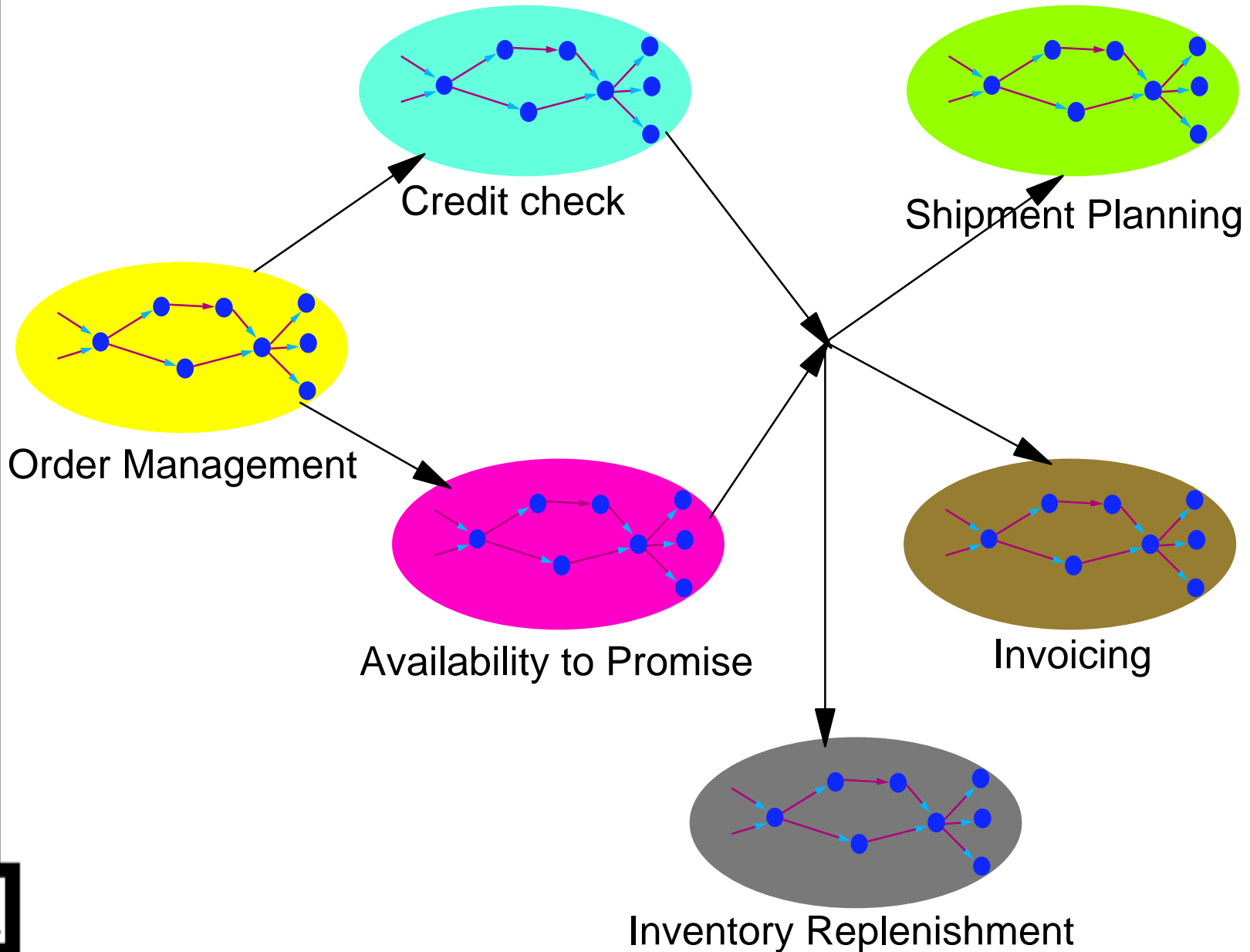


Availability to Promise

One side can manage and control both processes

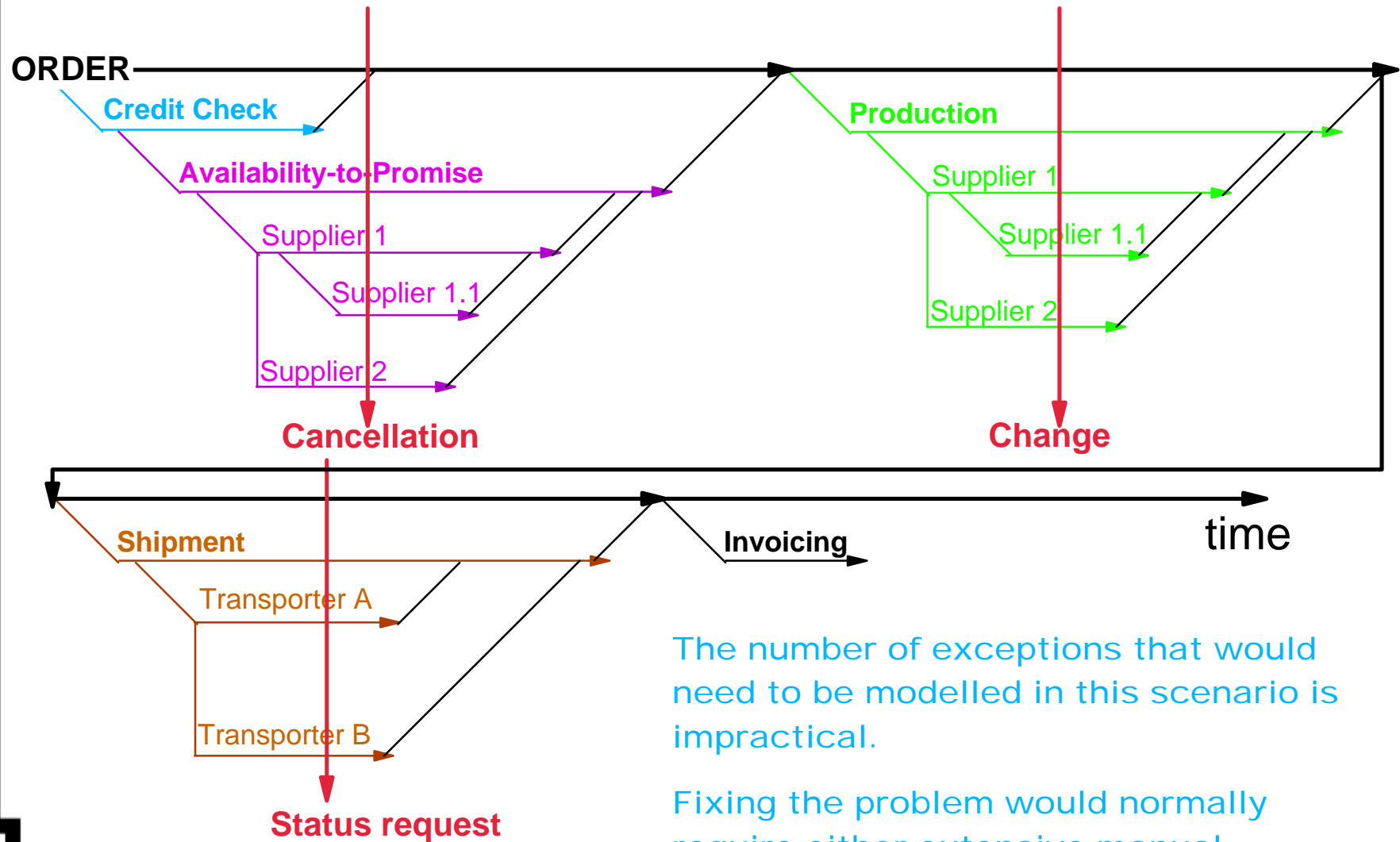


Many Business Processes...



End-to-end State Control

Using Adaptive Documents (ADOCs), an IBM patented approach to business process lifecycle management

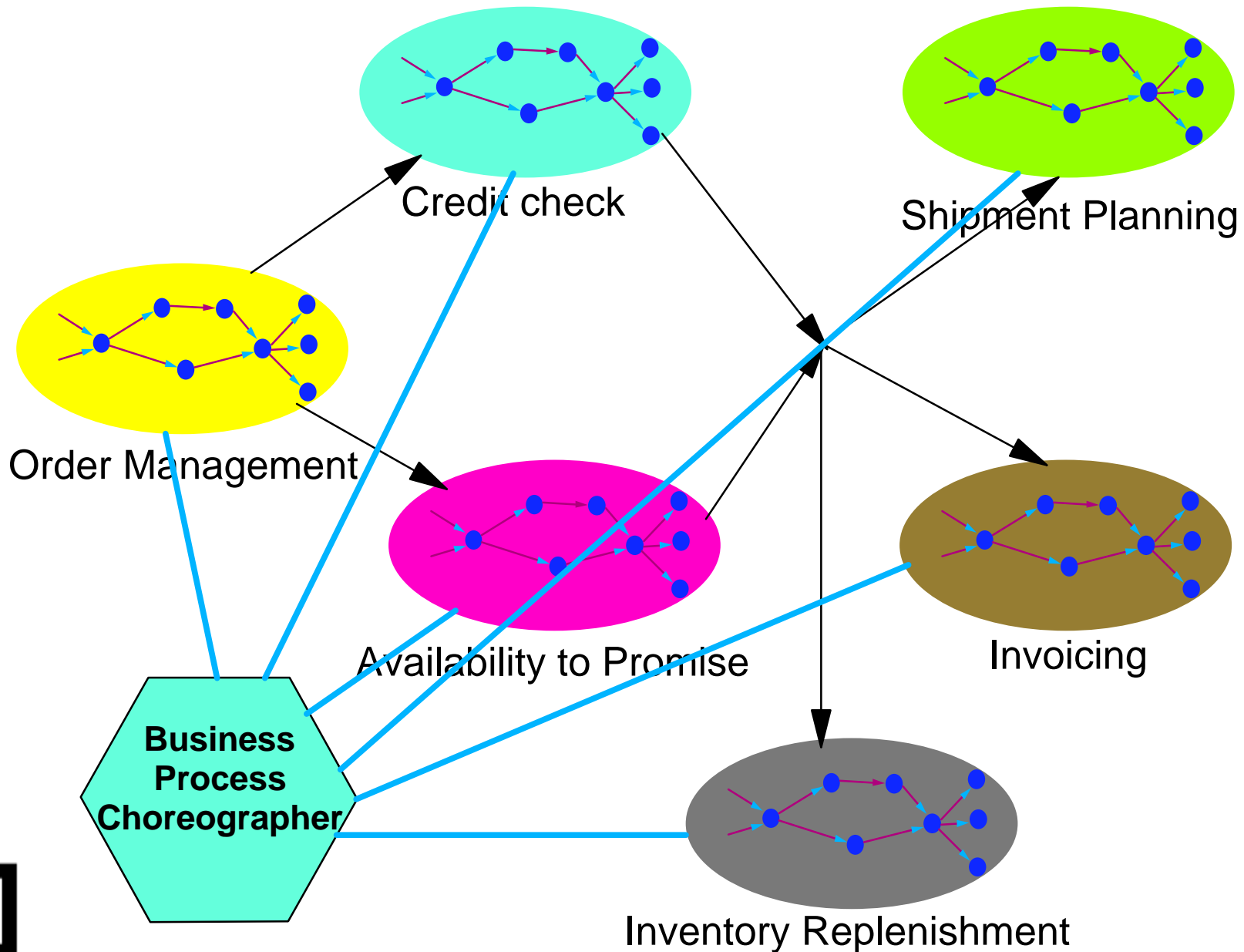


The number of exceptions that would need to be modelled in this scenario is impractical.

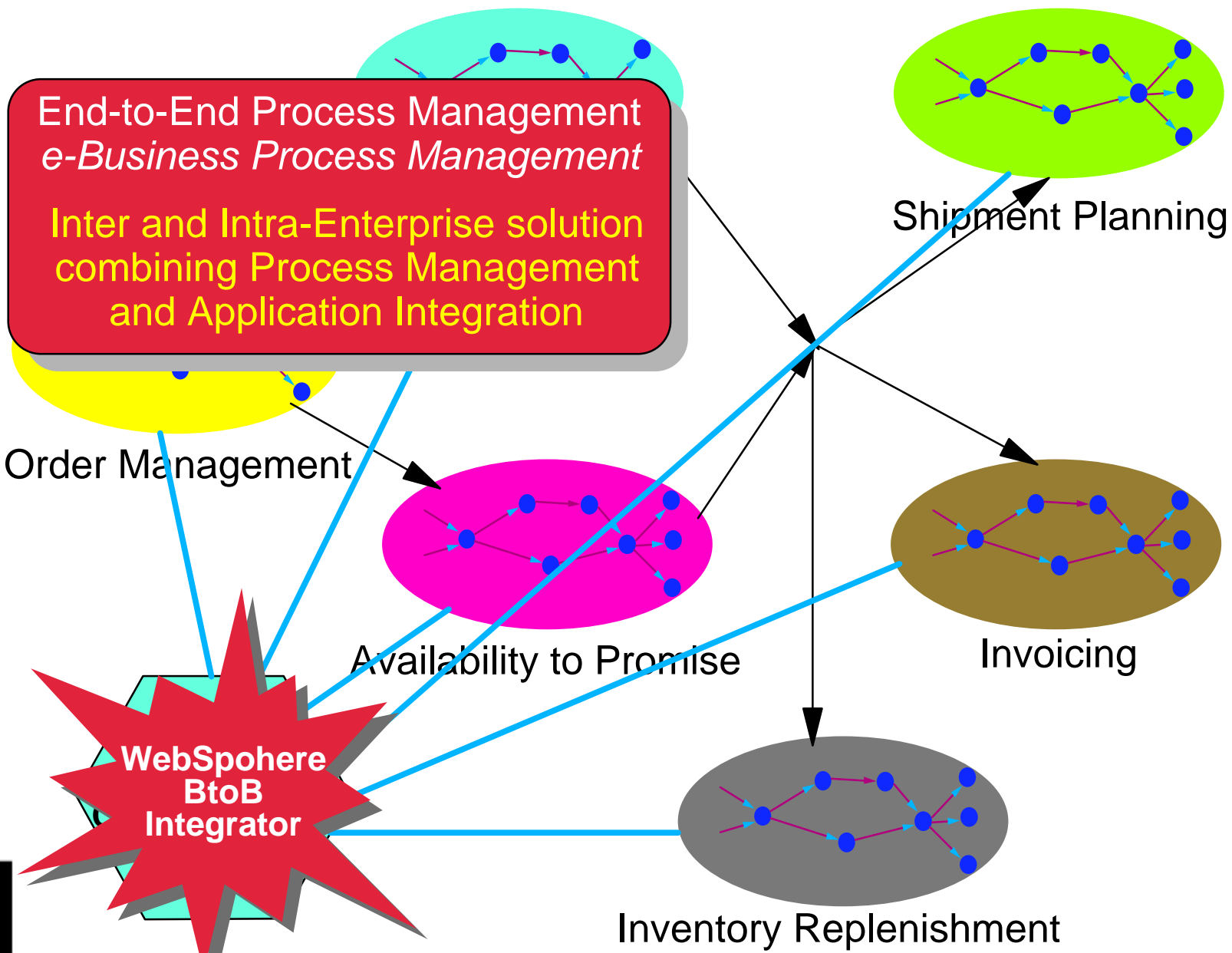
Fixing the problem would normally require either extensive manual intervention or a heck of a lot of coding.



End-to-end Business Process Management

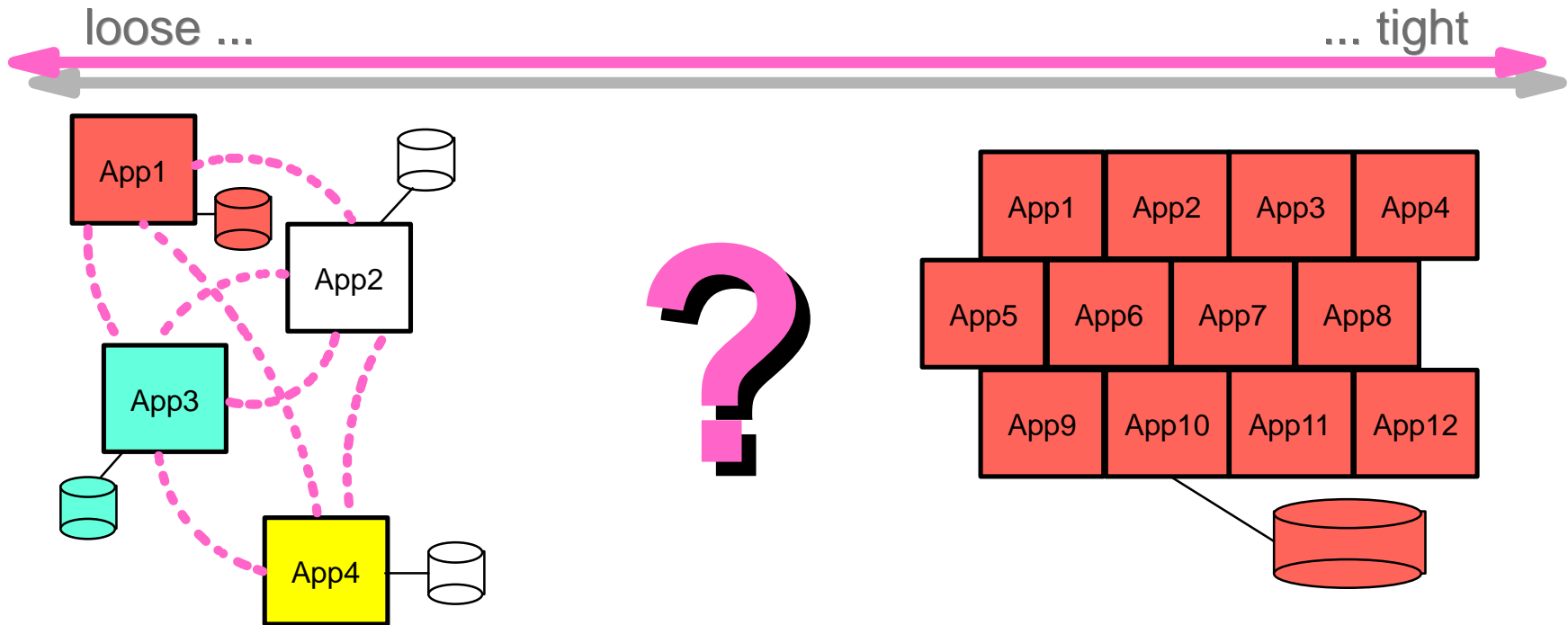


End-to-end Business Process Management IBM Solution



Becoming an e-business

The Business Process Management Integration Spectrum: "Loose Federation" to "Tight Monolith"



Multi-Vendor Environment

Freedom of choice
Incremental change but...

- High integration cost
- No unified user experience
- No single sign-on
- No integrated security
- No cross app transaction integrity

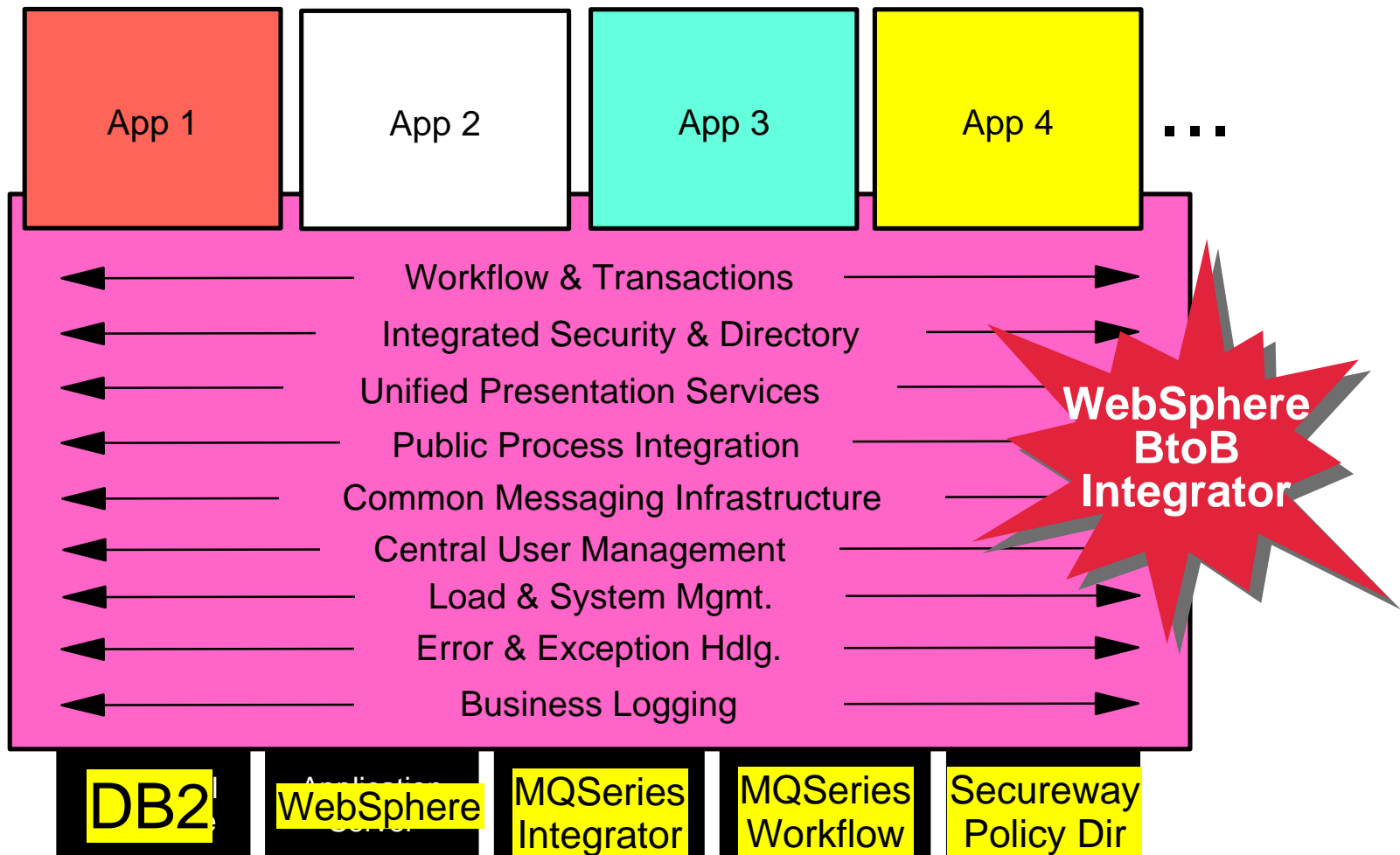
Single-Vendor Monolith

Tighter integration
Less integration cost but...

- Dependency on single vendor
- Inflexible, difficult to customize
- Not always "best of breed"
- No business process control
- "Big bang" change to business
- No competitive differentiation

Best of Both Worlds: WebSphere BtoB Integrator

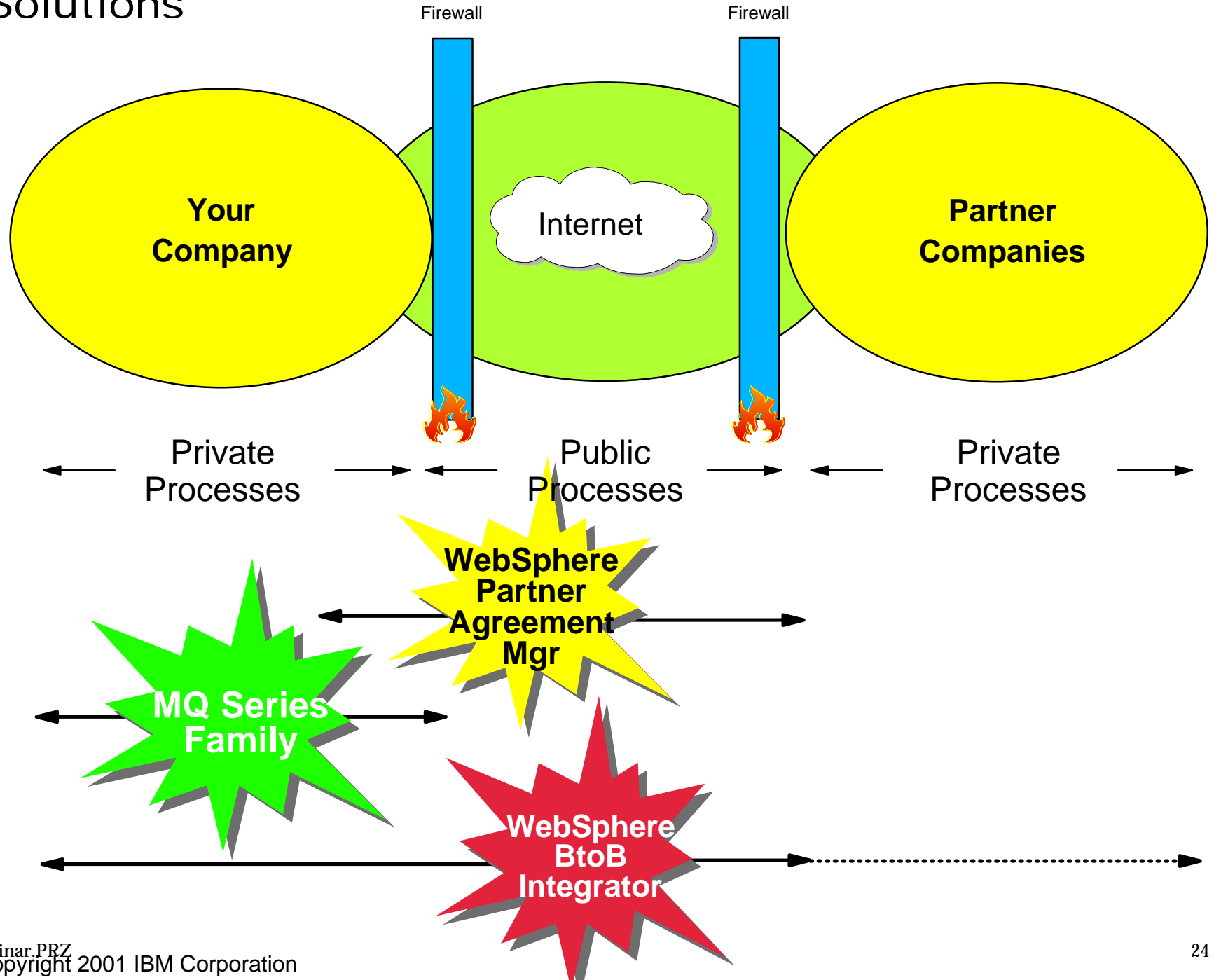
Goal: Enable organizations to create, automate, execute, and manage business processes that span across diverse applications, enterprises, and people and to manage them, as well as the underlying operational infrastructure, as a complete system.



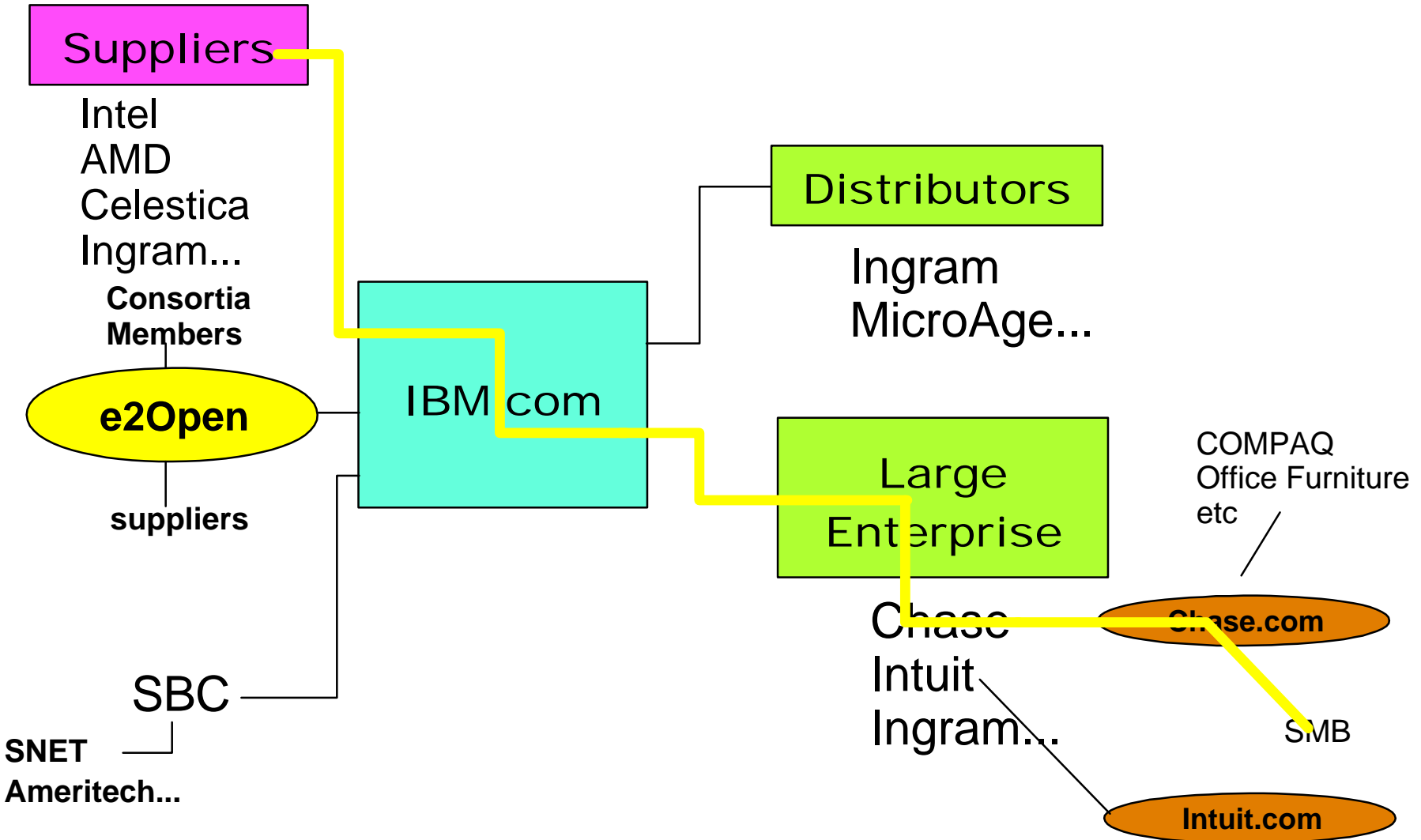
IBM Platform for e-business



Positioning the IBM BusinessProcess Management Solutions



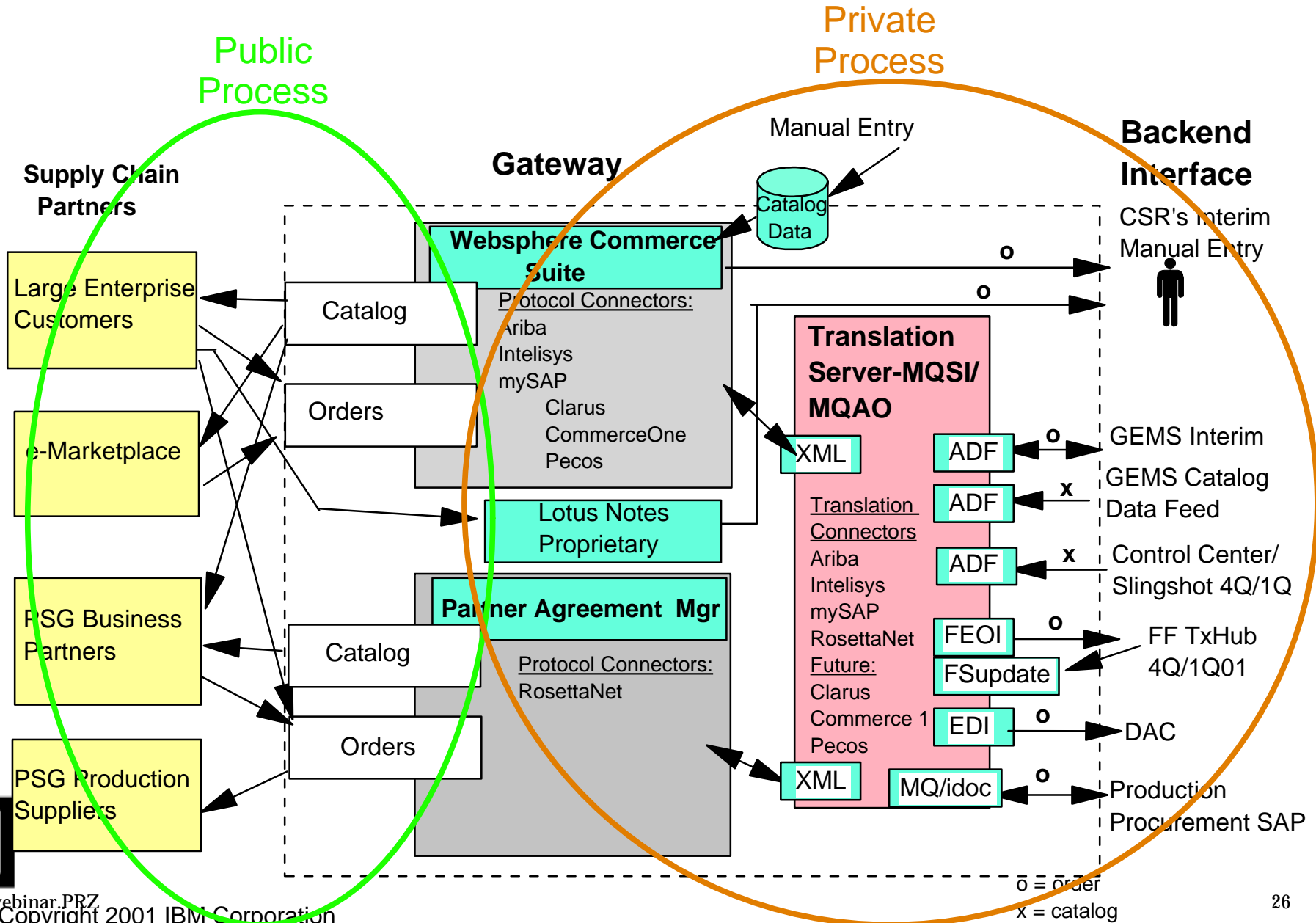
IBM's e-Value Net



IBM B2B Gateway Architecture

10/10/2000 Production (Catalog and Orders)

Sell Side and Buy Side



IBM e-business Story

e-Procurement

- ▶ Lower costs for assembled products
- ▶ **5M** paper invoices/year to **0** by YE99
- ▶ **\$13B** in goods and services to be procured, **saving \$270M** for 1999
- ▶ **\$28B** of supplies and parts bought online first 3Q00, more than double 1999, **saving \$247M**
- ▶ Web/EDI expected to **save \$2.3M** in 1999
- ▶ Cycle Time (Order Entry to Delivery) has been reduced from **27-44** days to **2-23** days

e-Collaboration

- ▶ Strengthened relationships with key alliance partners, improved efficiencies and sales online
- ▶ 1999 revenue: **\$11B**
- ▶ **45,000+** worldwide
- ▶ **10,000** utilize "Global Partnerinfo" web site

e-Distribution

- ▶ **\$14.8B** total e-commerce revenue from 1999 online sales
- ▶ **460% growth** from 1998
- ▶ **\$14.6B** online sales first 3Q00 **saving \$1.4B**
- ▶ **58%** of IBM's customer self-service transactions have been done via the Web.

Since 1993 IBM has:

- Saved \$3.6 billion in materials acquisition cost
- Cut overall logistics costs by 24%
- Reduced annual IT costs by 45%
- Improved on-time shipment to 90%-98%
- Shortened delivery cycle time by 55%
- Improved inventory turn by 44%
- Put 80% of parts on consumptive pull
- Shortened demand/supply planning cycle from 60 to 20 days

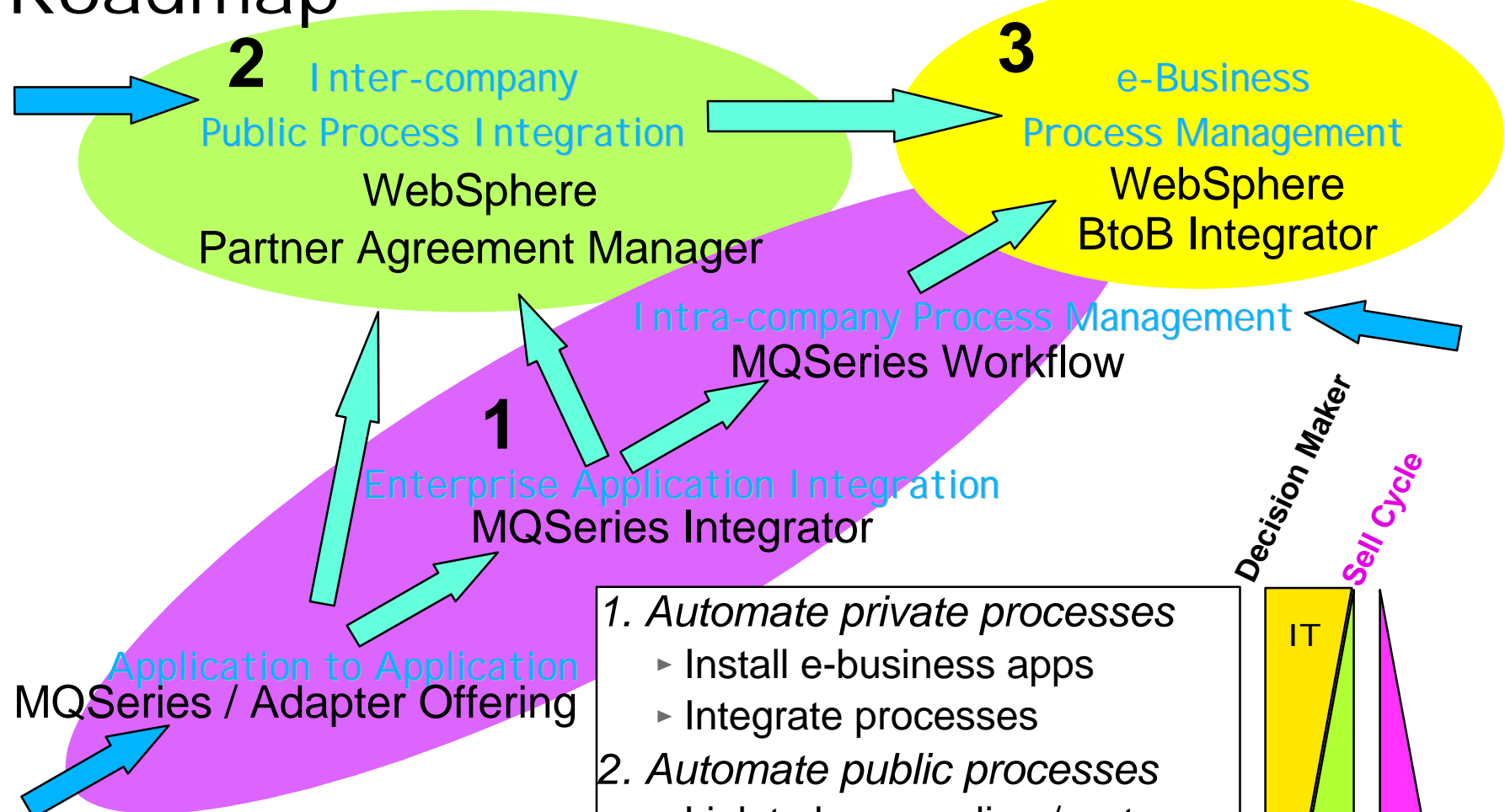
"The Biggest Dot Com of Them All..."

Business Week, 1999

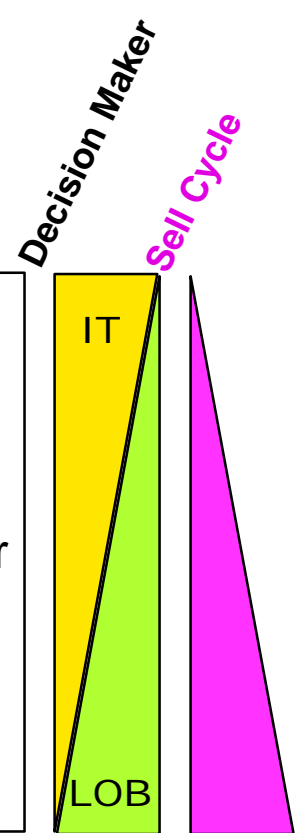


The difference is WebSphere.

e-Business Process Management Roadmap



1. Automate private processes
 - ▶ Install e-business apps
 - ▶ Integrate processes
2. Automate public processes
 - ▶ Link to key suppliers/customer
3. Create e-Value Net
 - ▶ Link to all business partners
 - ▶ Link to e-markets
 - ▶ Create private hub





More Product Information

Application Integration

MQ Series Family of Products

<http://w3.software.ibm.com/sales/aim/prod/mqseries/>

Business Process Management

MQ Workflow

<http://w3.software.ibm.com/sales/aim/prod/mqseries/workflow/>

WebSphere Partner Agreement Manager

<http://w3.software.ibm.com/sales/aim/prod/wspam/>

WebSphere BtoB Integrator

<http://www-4.ibm.com/software/webservers/btobintegrator/>

Scripted and recorded BtoB Integrator presentation

<http://lt.lahulpe.ibm.com/ebu2k1/online/ltu2890a/>



Customer and Partner
Applications

The difference
is WebSphere!

Thank you!

Development

Presentation

Deployment

Foundation Extensions

Web Application Serving and Integration

Foundation

www.ibm.com/websphere