



IBM SOA

Business Process Management Enabled by SOA



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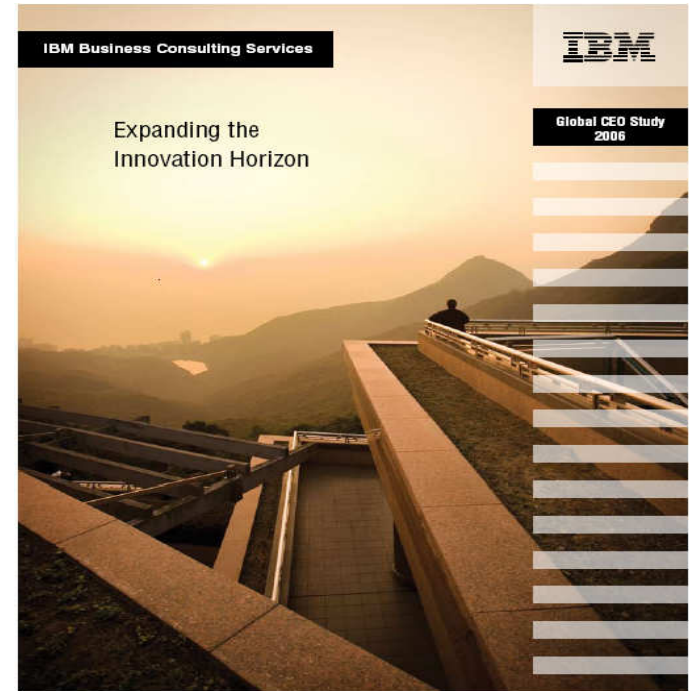
CEO's Cite Innovation as Top Priority for Business

Business Model Innovation delivers the greatest returns

Results of 765 CEO interviews worldwide:

Out Performers place 2X emphasis on **Business Model innovation** than under performers

- CEOs are under intense pressure to innovate
- Corporate culture is critical to sustained innovation
- Business model innovation is the new strategic differentiator



Which key business priorities will your IT organization implement or support in 2007?



Note: Multiple responses allowed.
 Data: InformationWeek Research Outlook 2007 study of 300 business technology professionals

Inflexible and Outdated Processes

Are the Root Cause of Many Corporate Disasters

Major Airline strands passengers on runway for 10 hours
– no food, overflowing toilets



Market-leading cell-phone provider exits market after small fire

Why? Inability to modify processes on the fly.

BPM Projects are *Disguised* in Various Ways

Financial Management
(SOX Compliance)

100,000	139,000
100,000	137,000
100,000	140,000
10,778	89,678
76,551	112,451
21,737	74,637
25,500	70,400
43,115	84,015
63,901	104,891



Marketing, sales, and services
(Contact Center Optimization)



Supply Chain
(Inventory Management)

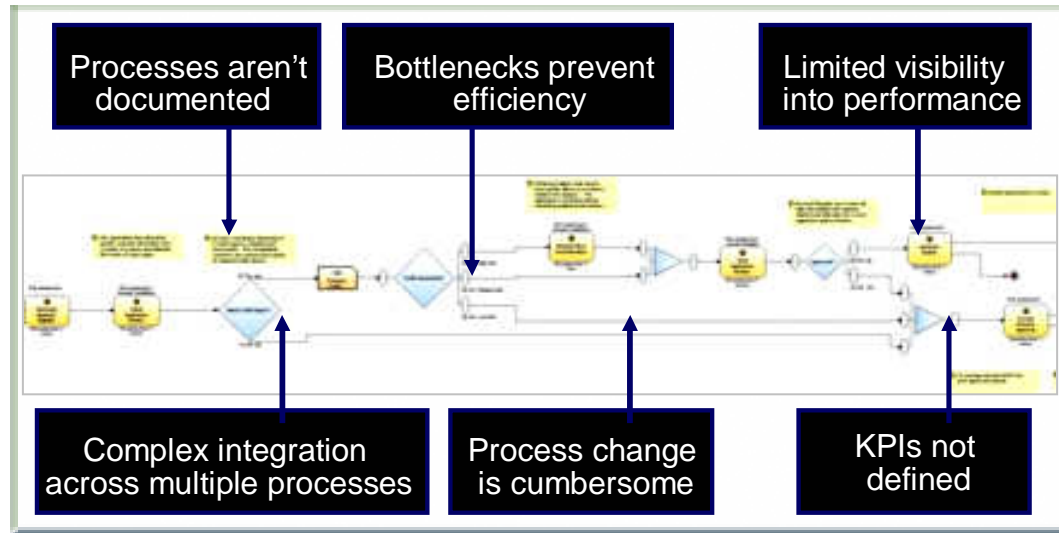
Product Lifecycle Management
(Category Line Extension)



Human Capital Management
(Employee Self-Service)

Business Process Management is a Discipline...

BPM Solves:



Integration Modeling Monitoring

Software that Enables BPM

Forms Rules Engine Workflow

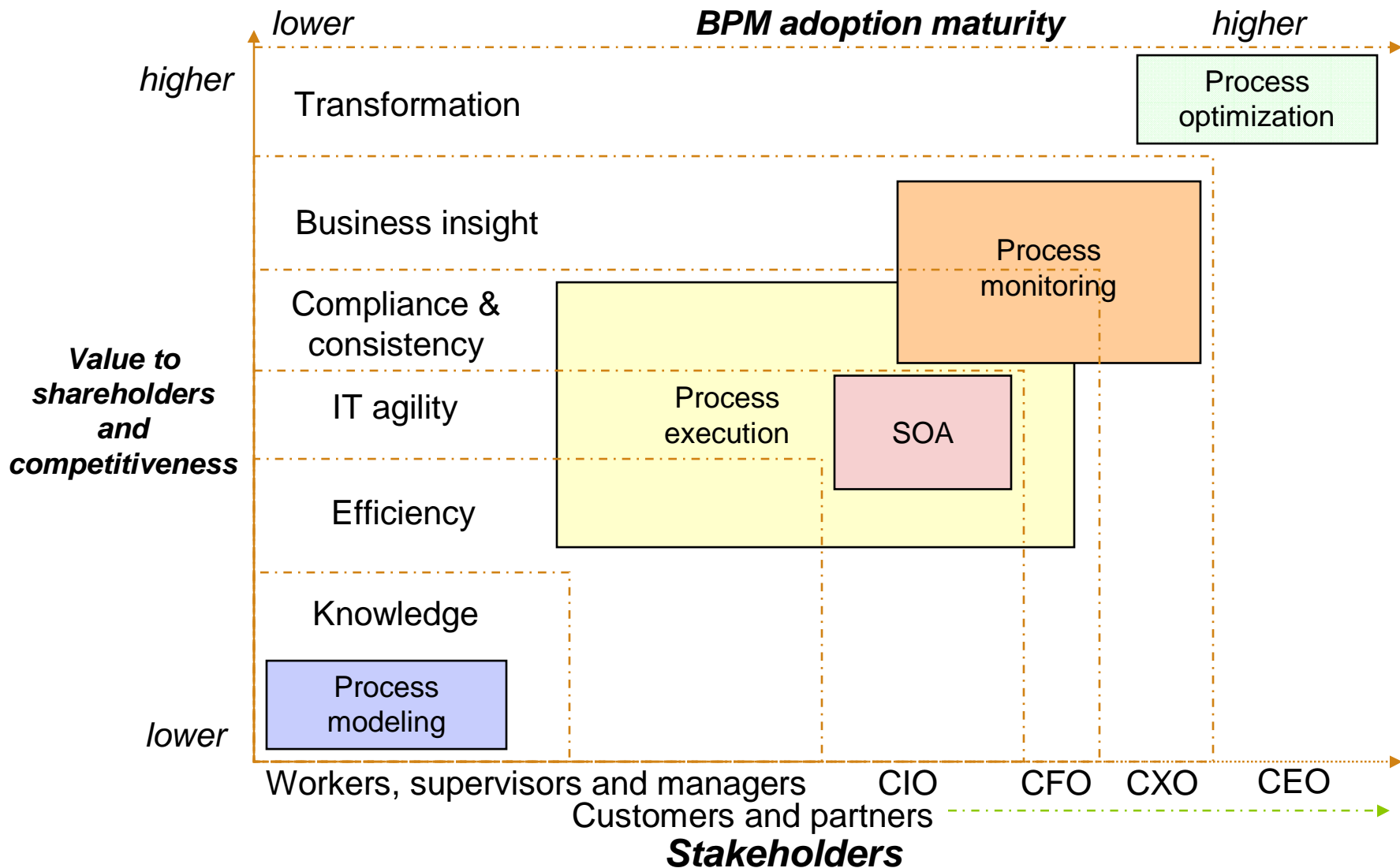
Models Process Knowledge Metrics

Expertise that Delivers BPM

Policies Business Logic Methodology

BPM governs organizational and operational activities

Optimizing the business is the ultimate goal



BPM and SOA – Better Together

Gartner

Publication Date: 9 February 2007

Research

ID Number: G00145586

SOA and BPM Are Better Together

“...SOA and BPM initiatives...are more successful and the benefits are compounded when they are united”

“Organizations that align their BPM and SOA initiatives in 2007 will double their likelihood of becoming an industry leader by 2011”

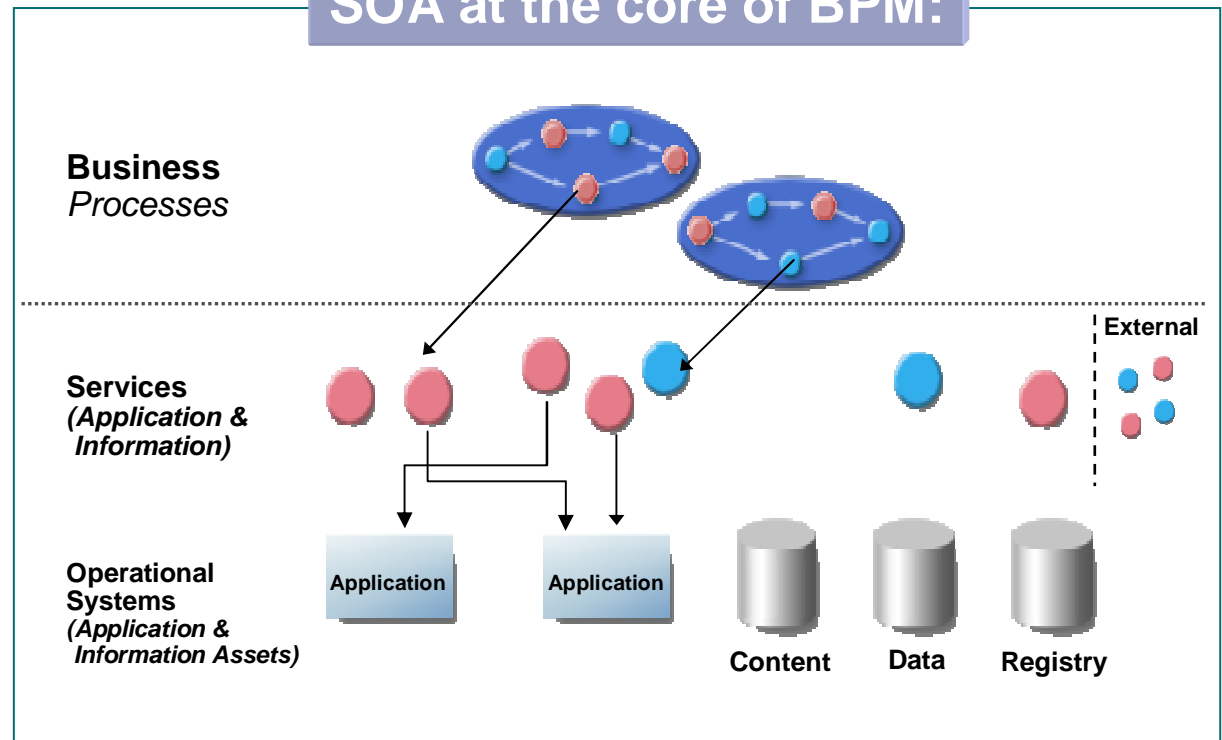
Source: BPM and SOA, Better Together, Paolo Malinverno, Janelle B. Hill, Gartner, Feb 2007.

....and here's why

SOA improves how you design, manage, and optimize your business processes by enabling:

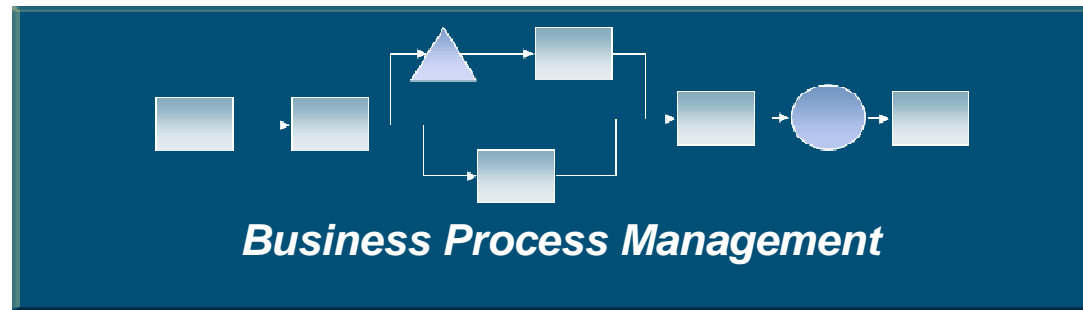
- Solution Building Efficiency
- Reuse of existing assets
- Flexibility in change

SOA at the core of BPM:



Five Flexible Starting Points for BPM

Customers can start BPM in different ways



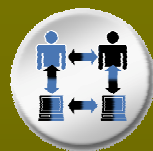
Modeling & Simulation

Design and simulate business processes



Business Activity Monitoring

Track performance, gain insight, and take action



Process Automation

Choreograph processes across applications and systems



Rules and Pre-built Frameworks

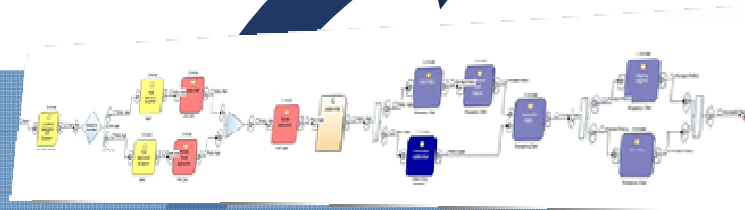
Manage process rules and accelerate design and implementation time



Content Centric Processing

Manage processes where content is used as input for a decision or produced as the output

Business Level Modeling and Simulation



- Use **ROI** reports to compare and analyze Results

- Model “what if” scenarios
- Use simulation capabilities to:
 - Assess risk mitigation
 - Make investment decisions
 - Calculate value of improvements

- Import Visio Models

WebSphere Business Modeler

Iterative and continuous improvement

Unigroup Inc.

UniGroup, Inc.



Business Challenge:

Leverage emerging wireless communications technology to maximize the effectiveness of their Transportation Processes, leading to continuous cost and time optimization of their shipping resources.

- ▶ **Solution:** Use business process modeling to document and analyze their critical business processes, yielding more effective communications, cost savings, and improved tracking of both their equipment and customer assets.
- ▶ **Results:** 70% reduction in communications cost for van operators. Realtime visibility into shipping resources and location information, and increased customer satisfaction given the ability of letting them know the exact status of their shipments in route.
- ▶ **Implementation Details:** WebSphere Business Modeler

Business Activity Monitoring



Business Activity Monitoring

Scorecards

Key Performance Indicators for business units

Collaboration

Work with teams to resolve situations

Business Alerts

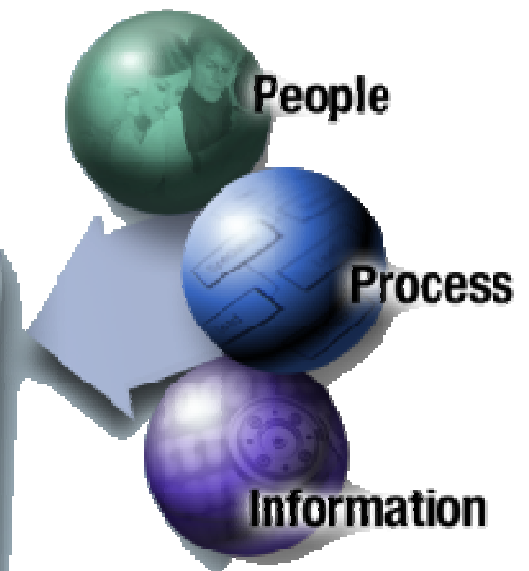
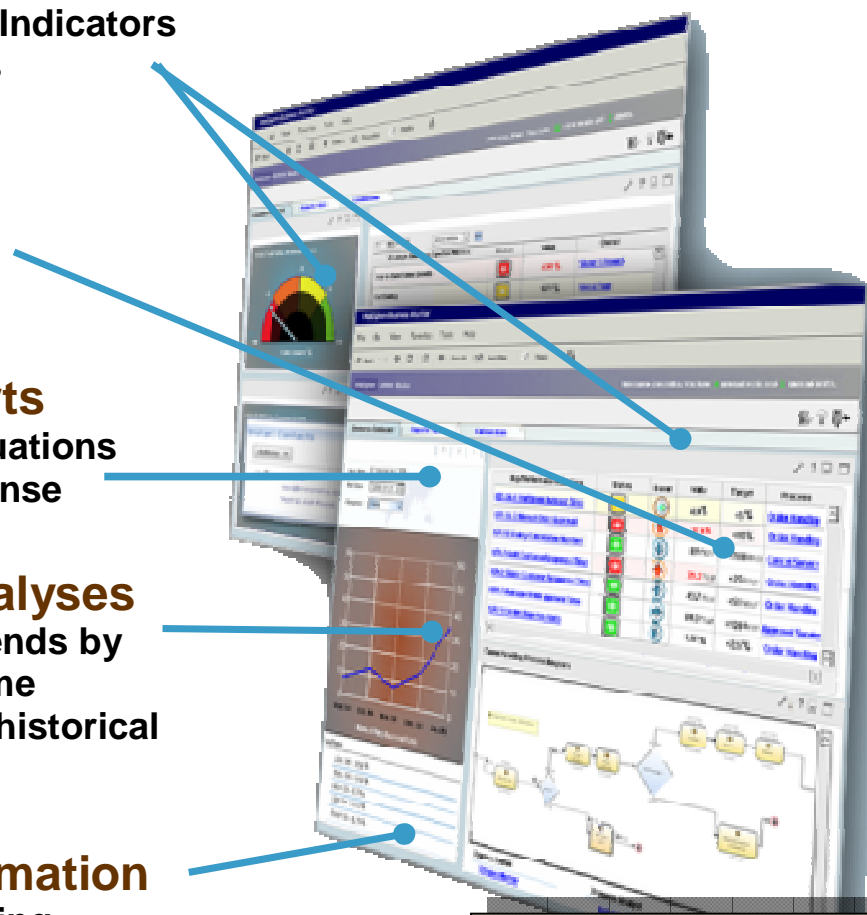
Notification of situations that require response

Reports & Analyses

Understanding trends by combining real-time performance and historical information

External Information

Information affecting performance



WebSphere Business Monitor

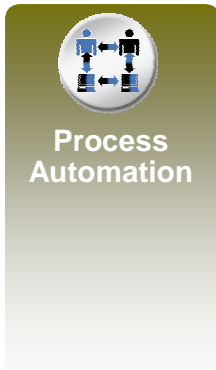
NYS Dept of Taxation and Finance



Business Challenge: NY State Dept of Taxation and Finance (NYS DTF) processes 11 million personal and 2 million corporate returns annually using aging technology that can't keep up with the demands of citizens and users. NYS DTF needs systems and tools that are flexible, permit faster change and reduce overall costs.

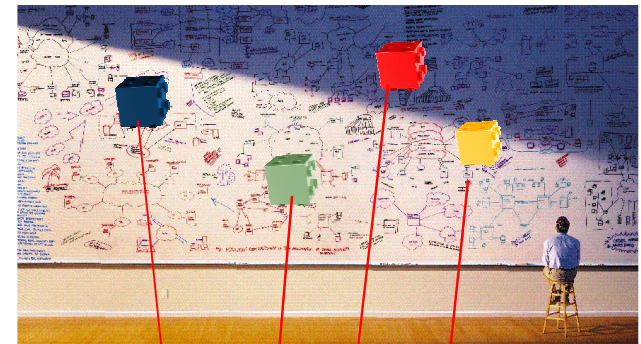
- ▶ **Solution:** Leveraging SOA and BPM, NYS DTF is rapidly transforming their systems, data, people, and business processes to be more functional, flexible and responsive to citizens, users and legislation. Traditional mainframe batch processing is shifting to transactional. Manual processes are transforming to automated business processes. Real-time business activity monitoring is replacing daily printed run reports.
- ▶ **Results:** Rapid modernization of legacy batch systems to transactional. More channels to enhance voluntary compliance. Web services and XML linkage to IRS for corporate taxes. High component reuse, lowered costs. Reduced errors and business exceptions. Higher value business metrics.
- ▶ **Implementation Details:** WebSphere Business Modeler, Business Monitor, Process Server, Integration Developer, Application Server, Flat File Adapter, Commerce, DB2 V9 pureXML, DataStage, Workplace Forms, CICS Transaction Gateway, Rational Suite, Tivoli Composite Application Monitor.

Process Choreography and Automation

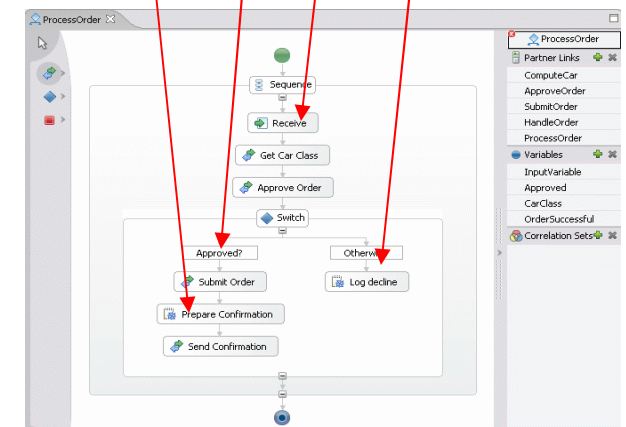


- Runtime for end-to-end **SOA-based** process automation
 - *Flexible, reliable, scalable, secure*
- Integrated **ESB** for Range and Reach
 - *Seamless access to all available services*
- Robust **Human and System-centric** BPM Capabilities:
 - *Human to Human; Human to System; System to System*

Transform your business from this...



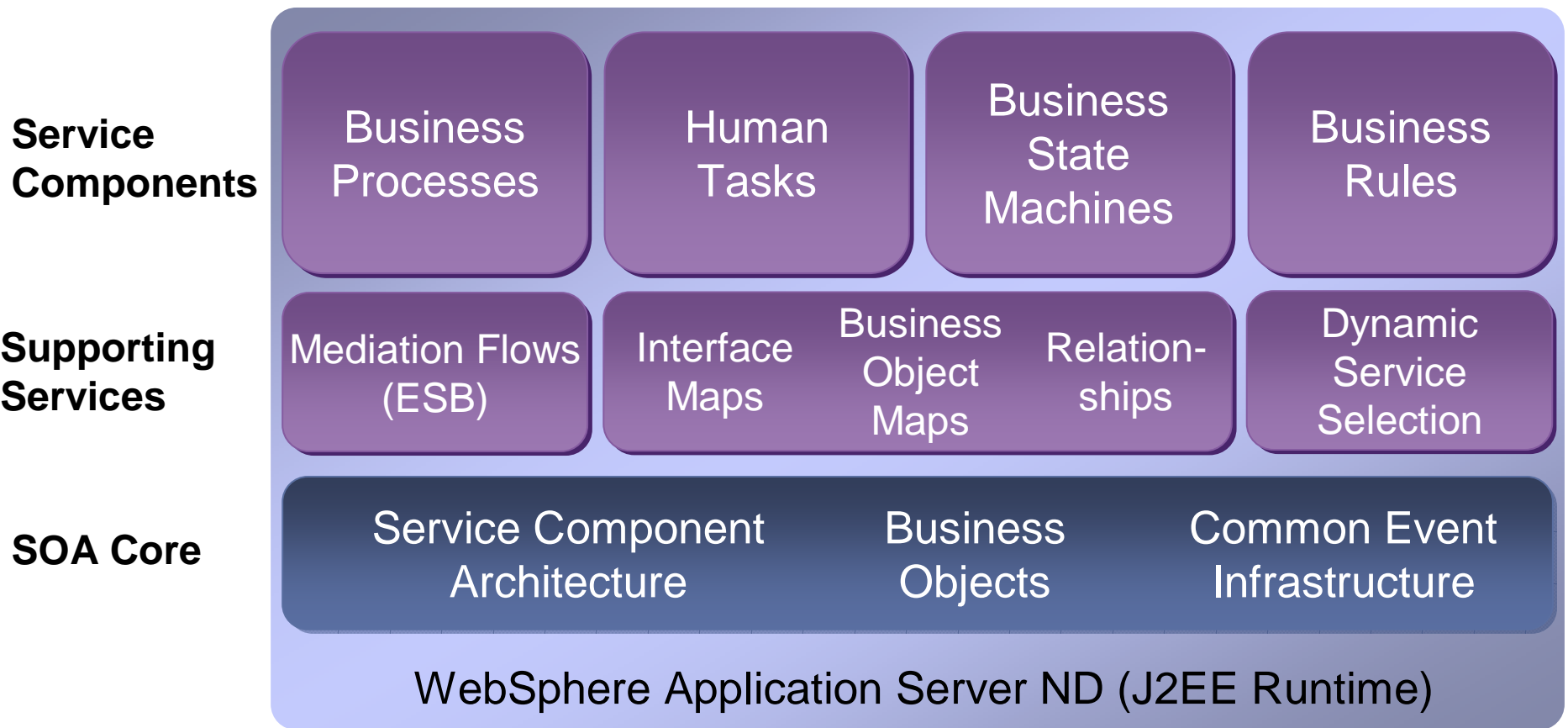
...to this




BPM for the Mainframe

WebSphere Process Server 6.0.2

Component Architecture

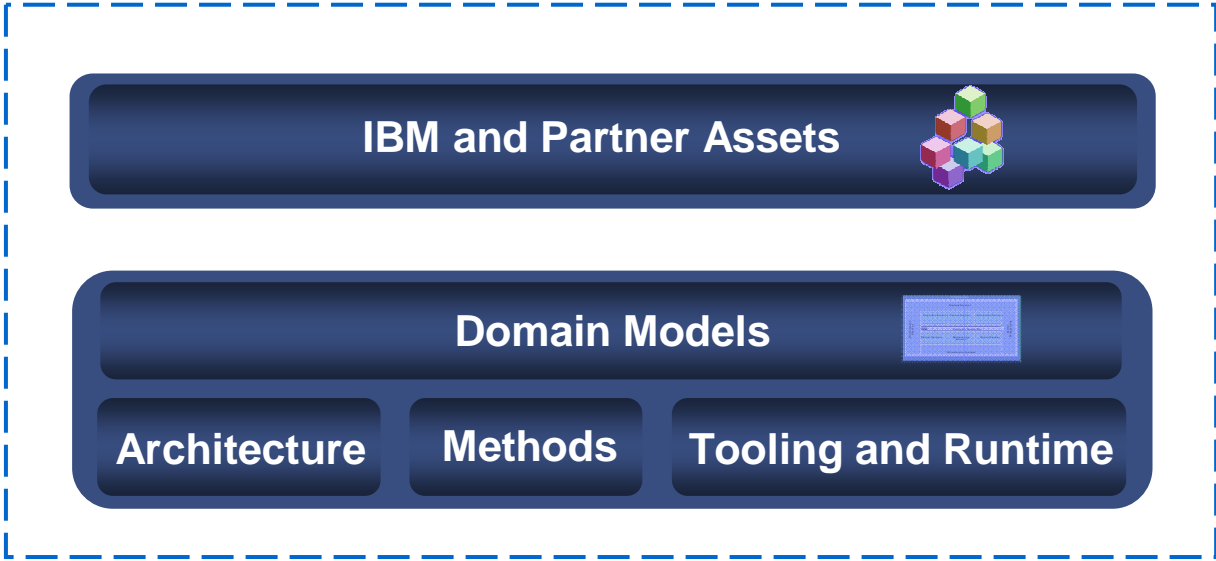


IBM Industry Frameworks accelerate your ability to leverage SOA



Rules and Pre-built Frameworks

The Blueprint
IBM Industry Studies



SOA Industry Roadmap



▶ Business Challenges:

- Make it easy for Independent Agents to do business with FFIC in a highly competitive landscape
- Improve Agent experience with ease of use and effective business processes to enhance brand loyalty

▶ **Solution:** Service-oriented Business Solution enabled Straight-through-processing of personal property quotes and billing inquiries via web and Agency Management systems with self-service tools for Agents to deliver real-time quote functionality.

▶ **Results:** Personal Property Quote (PPQ) achieved a multi-fold increase in quote volumes. PPQ rolled out to 32 states in 7 months with a 52% reuse of business services between inquiry and quote.

▶ **Implementation Details:** WebSphere Business Services Fabric was implemented as the SOA solution platform during the initial Billing Inquiry project.

Content Centric Processing

Content Centric Processing

**Content Imaging/Capture
Doc Mgmt
Web Content Mgt.**



**Process
Dev Framework
Doc Routing
Workflow**

**Compliance
Records Mgt.
Email Mgt.
Discovery**

Case Management - Microsoft Internet Explorer

Attach Document | Add Document | Queue Depth | Save

FILENET eForm Audit

Account Number: [input]
Company Name: [input]
Received Date: [input]
Case ID: [input]

Inbaskets:
Index (2)
My Work (2)
Review (1)
Matching (0)

Non-Conformance Report
Report No: 1-10077

Component Number	Description	Order No.	Contract No.	Normination No.	Normination Description				
1002	Component	1000-02	02	00	000				
Rev	Inspector Name	Telephone	Defected Date	Work Center	Last Op.	Qty	Total Qty	Man/Conf	Code
12	Inspector 1	555-1232	20/04/01	Insurat	12	2	20		C-008

Discrepancy

Discrepancy: [input] Purchased Component Vendor Code: [input]
Vendor Name: [input]
Vendor: [input]
Phone: [input]
Fax: [input]
E-Mail: [input]

Date: 01/01/01 Accepted By: [input]

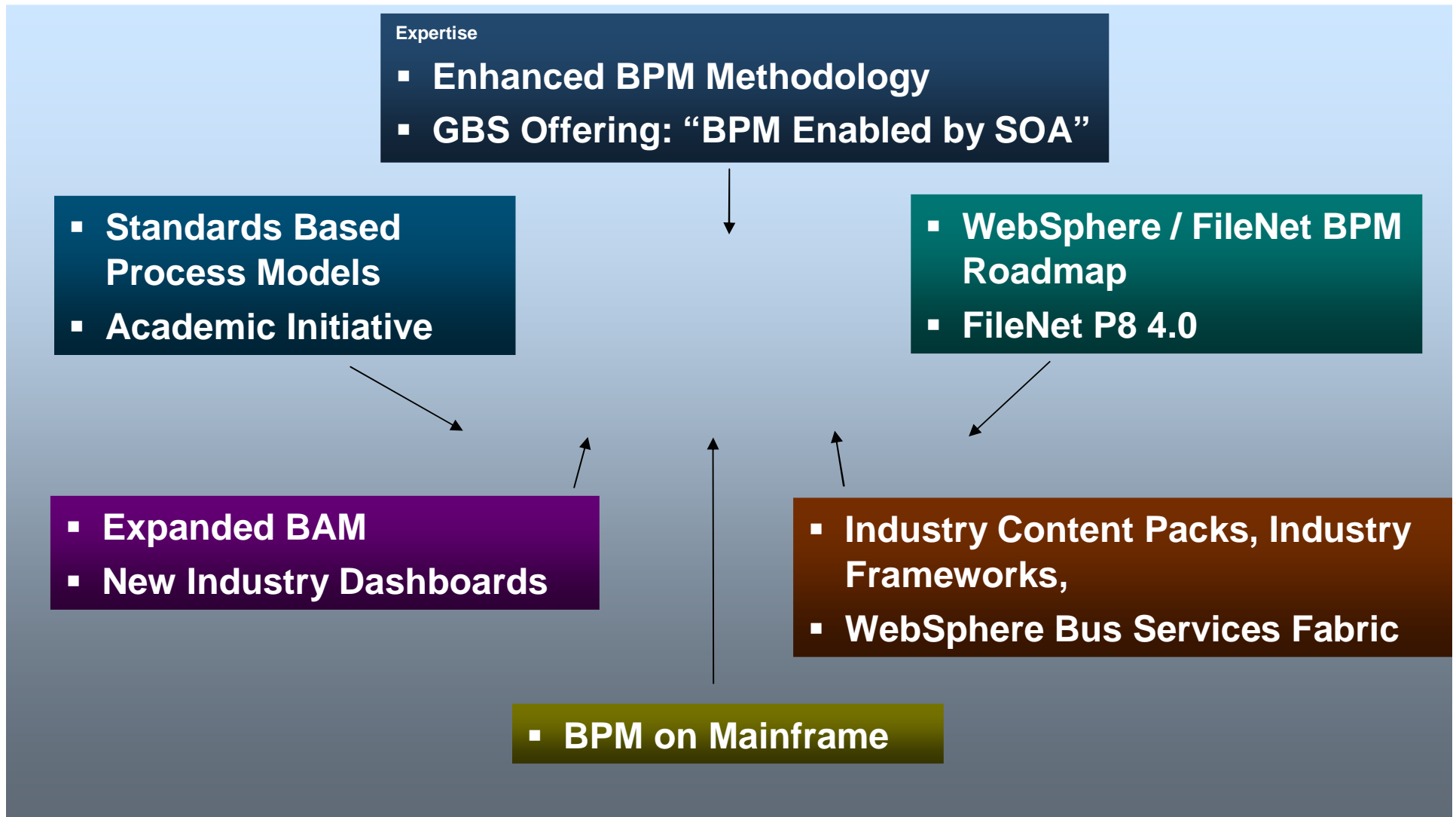
Investigation

Investigation Summary: [input]
1 Cause: Packaging
2 Corrective Action: Review packaging with vendor.
3 Implementation Plan: All parts must have new packaging in place by 30 Jan 2001.
4 Verification: Reviewed on January 21, implemented on Jan 25.

Completed By: [input] Date: 01/01/01
Accepted By: [input] Date: 01/01/01

Administrator Role: Supervisor

Summary of BPM Announcements



IBM has a complete BPMS

*“IBM is the first and so far the only infrastructure software supplier to offer a **complete BPMS** supporting the end-to-end lifecycle from analytical modeling to performance management and optimization – **based entirely on service oriented architecture.**”*

Bruce Silver, Bruce Silver Associates – The 2006 BPMS Report

IBM Leads in BPM Enabled by SOA

■ Business Expertise:

- *BPM Enabled by SOA Readiness Assessment*
- *1000+ consultants trained in BPM Methodology and BPM Enabled by SOA Engagement*
- *20 BPM Training and Education classes available*



■ Technical Leadership

- *Breadth of Offerings from Tooling to Runtime; From Dashboards to BAM; Modeling, Simulation, Choreography, Frameworks, and ECM*
- *All supported by SOA*

■ Market Recognition:

- *Leader in Gartner BPA MQ*
- *Leader in Forrester Integration, Human, and Content centric BPM WAVES*

■ Vibrant Ecosystem

- *300+ BPM Business Partners*
- *4000+ pre-builts assets in the SOA Business Catalog*

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