The SOA Agenda
Building on SOA Entry Point Successes

Sandy Carter
VP, SOA Strategy,
Channels and Marketing

The Basics: What is SOA?

… a service?

A **repeatable business task** – e.g., check customer credit; open new account

… service oriented architecture (SOA)?

An IT **architectural style** that supports integrating your business as linked services

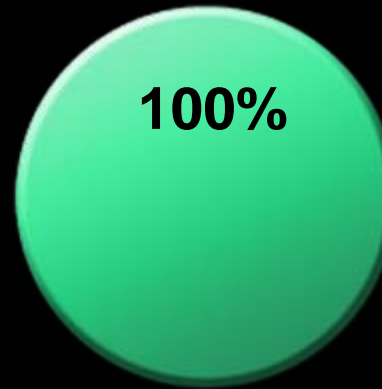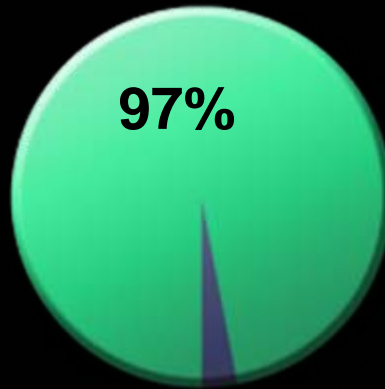"Anything that changes can do that much better if the system is architected in SOA."

Gartner

IBM

SOA Delivers Business Value … Today
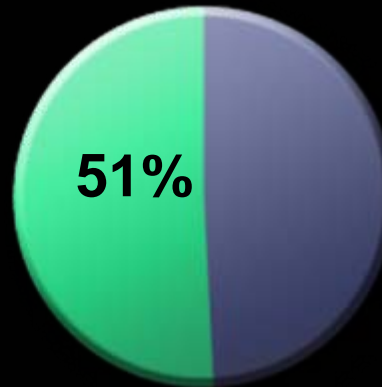*A Recent Study from IBM SOA Engagements*

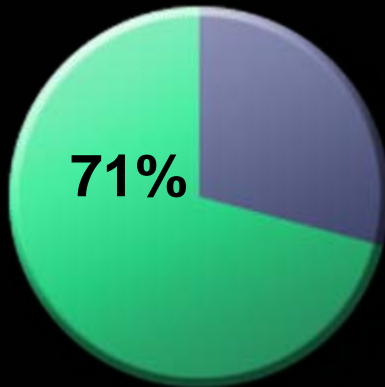**The IBV studied a subset of engagements and found:**

97% justified SOA projects based on cost savings & impact to profitability

97%

100%

100% realized improved flexibility

71% reduced risk

71%

51%

51% experienced increased revenue

Source: IBM Institute for Business Value "The Business Value of Service-Oriented Architecture" 2006

IBM

Customers Realize IBM SOA Value
Across Large Enterprises & SMB

Half of the world's 30 biggest electronics companies

10 of the world's 10 biggest auto manufacturers

52% of all federal Governments

10 of the world's 10 biggest banks

4 of the world's 10 biggest retailers

9 of the world's 10 biggest telcos

80% of the biggest US health plans

90 SMB references

8 of the world's 10 biggest insurers

IBM

How Do They Get Started? SOA Entry Points
Both IT Focused and Business Centric

People

Information

Process

Connectivity

Reuse

" IBM has a strong vision for SOA, with a broad set of enabling technologies and solution entry points. IBM has the most-comprehensive sets of SOA capabilities on the market. Its internal SOA center of excellence is anchored in BCS but stretches to encompass software and services."   *Gartner Evaluates IBM, David Cearley October 10,2006*

Gartner

IBM

SOA People:
Stays on top of global logistics market with IBM SOA solution

PACORINIGROUP

WORLDWIDE NETWORK FOR YOUR NON-FERROUS METAL BUSINESS

Value of People
- Improve people productivity & collaboration

Why SOA?
Composite applications created, deployed, and updated faster with SOA portlets

Business Challenge:
✓ Provide user-friendly tools for employees and better solutions for customers and partners
✓ Position company for future growth

Actions:
✓ Enhanced user interactions with portal providing simplified, SOA-enabled access to order and warehouse applications

Business Value:
✓ More consistent customer services
✓ More efficient order management
✓ Faster response to customer and employee needs

IBM

Enhanced!

IBM WebSphere Portal Version 6.0
Meeting the New Requirements for the Front-End of SOA

- **Rapidly Respond to Change**

- **Easy-To-Use Composite Application Templates**
  - Samples
  - Flexibility to easily customize interfaces
  - Leverage new workflow builder
  - Portlet Palette & Enhanced Portlets

- **Increase Productivity and Operational Efficiency**
  - Enhanced IBM Workplace Web Content Management

"Through 2007, an enterprise portal will be the first major application of SOA concepts for more than 50 percent of enterprises (0.6 probability)."
Gene Phifer, Gartner

IBM

SOA Information:
Improves agility *with IBM SOA*

Chao Yang District

Value of Information

- Improve operations with trusted information services delivered in-line and in-context

Why SOA?
Trusted information packaged as services are embedded inline within processes or delivered to people

Business Challenge:
✓Lack of trusted information
✓Technology could not meet business needs

Actions:
✓Deployed a Grid City Management Solution based on service orientation approach

Business Value:
✓Solve information silo
✓Flexible & scalable framework
✓Improve efficiency

IBM

IBM Information Server

A Complete Information Infrastructure

New!

- Rapid information service deployment
- Auditable data quality and traceability
  - Foundation for trusted information
- Metadata-driven integration
  - Breakthrough productivity and flexibility
- Consistent, reusable information services
- Accelerated time to value
  - Proven, industry-aligned solutions and expertise

People, Processes, Applications

Get Customer Info

Get Customer Info

Get Consolidated Risk

Get Consolidated Risk

Get Claim Details

Get Claim Details

IBM Information Server
Understand, Cleanse, Transform, Deliver
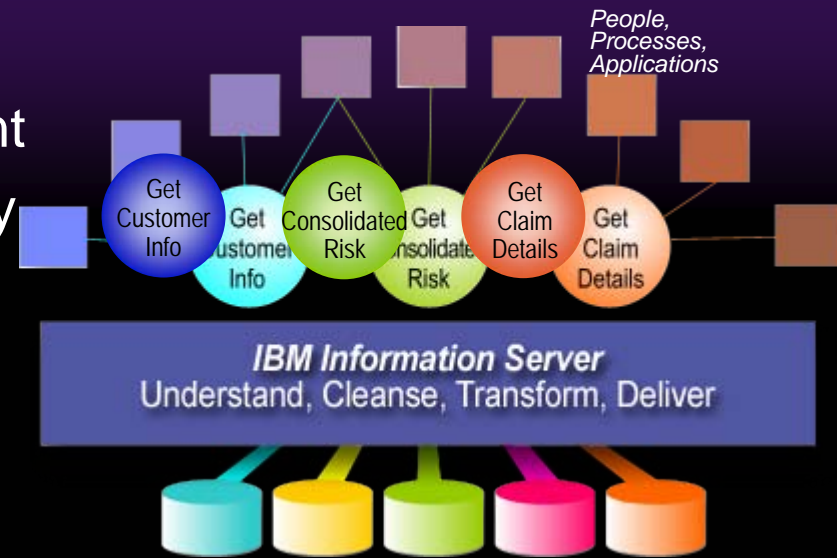
"Effective SOAs include robust data services within an enterprise information management enabling infrastructure." Gartner Inc, 2006

IBM

SOA Process:
Creating Financial Programs with IBM SOA

Value of Process

- Optimize business process quickly with flexibility
- Create, reuse, assemble and orchestrate services, connected and re-deployed more flexibly and quickly

Harley Davidson Financial Services

Business Challenge:

- ✓ Improve loan processing
- ✓ Support frequent changes in financing promotions

Actions:

- ✓ Service-enabled existing systems allowing for rapid re-assembly
- ✓ Created loosely-coupled process as services for flexibility

Business Value:

- ✓ Alignment of IT systems with business initiatives
- ✓ Faster and cheaper process changes

IBM

WebSphere Process Server
The Engine Room of Business Process Management

Enhanced!

- Robust execution of business processes

- Supports all aspects of process integration

- Rapid process change ensuring business agility
  - Reuse existing services
  - Business rules can change dynamically

- What's New
  - Enhanced human-centric BPM capabilities
  - New dynamicity features
  - Cross-product integration
  - Enhancements to relationships, state machines, business rules and mappings

IBM

SOA Reuse:
Delivering a faster, flexible and easier to use solution

Value of Reuse

- Protect existing business logic
- 5X less expensive than to write new
- Significantly lower risks and faster time to market

Business Challenge:

✓ Integrate heterogeneous systems from mergers to enhance productivity

Actions:

✓ Service oriented middleware layer to exchange data with existing legacy systems including mySAP

Business Value:

✓ Improved to 100% consistency of order data across applications

✓ Improved month-end closing times from 13 days to 2

✓ Shortened shipping time: from 7 weeks to 4

✓ Reduced component development time from 26 to 17 days

IBM

SOA Connectivity:
Improve Customer Service with IBM SOA

THE DOCUMENT COMPANY
XEROX.®

XEROX.®

НЯМА МАЛКИ В РАБОТАТА

Бъди бърз и работлив като **Pfaser™ 3117** и ще го спечелиш!

Value of Connectivity

- Deliver services through new business channels
- Flexible connections with trading partners
- Minimize complexity

Business Challenge:
✓ Custom coding for integrating new and existing applications reducing productivity and increasing costs

Actions:
✓ Standardized application integration using Web services and ESB

Business Value:
✓ 100% payback of investment in 24 months
✓ Savings of $720,000 annually in deployment costs
✓ 25% less development time

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WebSphere ESB & WebSphere Message Broker
Enable Every Kind of Application and Data to Participate in SOA

Enhanced!

- Routing messages between services

- Converting transport protocols

- Transforming message formats

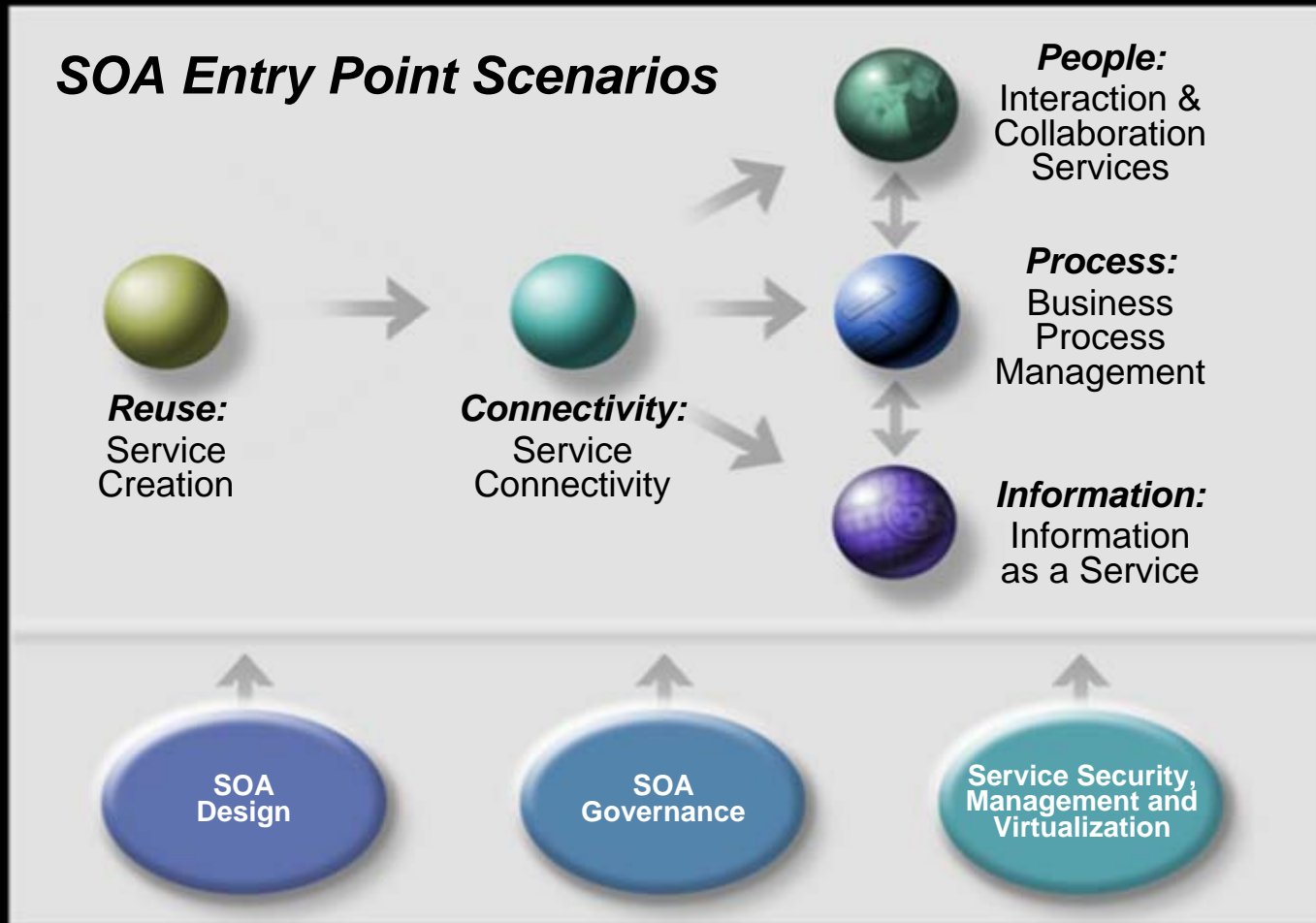- Handling business events from disparate sources
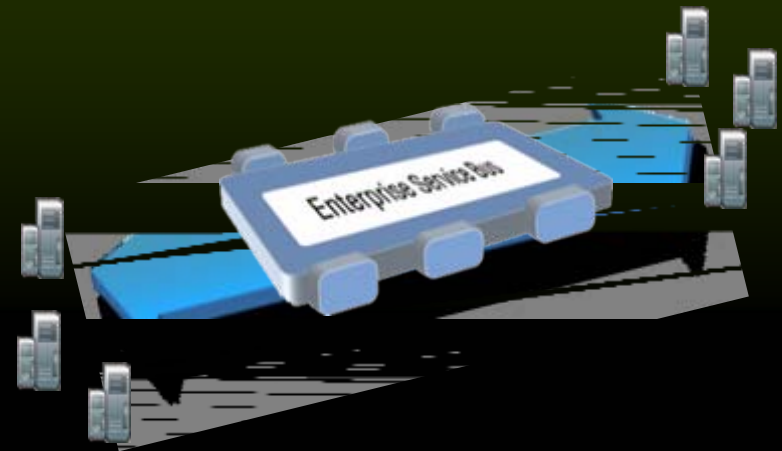
WebSphere ESB: The ESB for standards and web services integration

WebSphere Message Broker: The advanced ESB for web services and non web services assets

IBM

SOA Entry Point Scenarios Help You Get Started

Based on over 3000 SOA engagements

SOA Entry Point Scenarios

People: Interaction & Collaboration Services

Process: Business Process Management

Reuse: Service Creation

Connectivity: Service Connectivity

Information: Information as a Service

SOA Design

SOA Governance

Service Security, Management and Virtualization

Factory in a Box: Innovation enabled by SOA

Factory in a Box Video

IBM SOA Business Catalog
The place to find your SOA assets

**3665+ IBM & Partner Assets
(Over 67% Partner Assets)**
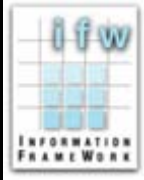
Banking & Financial Markets

- 500+ Reusable Assets

Insurance

- 400+ Reusable Assets

Government

- 200+ Reusable Assets

Cross Industry

- 200+ Adapters
- 250+ Portlets
- Rational Patterns and Plug-ins
- SWG, GTS and GBS SOA Services

Services & solutions | Support & downloads | My account

IBM SOA Business Catalog
Recipe for reuse

Unlocking the power of SOA

The IBM SOA Business Catalog is a single, comprehensive online directory of hundreds of reusable SOA assets from IBM and select business partners. Speed time to value by reusing existing services, tools, components, and best practices for building your SOA environment.

Learn more about how IBM's SOA Products and Services can help you build for innovation, flexibility, and growth.

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- Healthcare
- Insurance
- Life Sciences
- Media & Entertainment
- Other Industrial Industries
- Professional Services
- Retail
- Retail Banking
- Telecommunications
- Travel & Transportation
- Wholesale Distribution & Services

New
IBM Workplace Dashboard for Executives
IBM® Workplace™ Dashboard for Sales
IBM QuickStart for WebSphere Enterprise Service Bus
IBM QuickStart for WebSphere Process Server
IBM QuickStart for WebSphere Business Monitor
More...

Popular
IBM GetStarted with Service Oriented Architecture
Enterprise Patterns Asset
Contains all classifications
WebSphere Adapter Toolkit
RUP Plug-In for SOA v1.0
More...

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What is IT governance?

Establishing decision making rights associated with IT

Establishing mechanisms and policies used to measure and control the way IT decisions are made and carried out

What is SOA governance?

Extension of IT governance focused on the **lifecycle of services** to ensure the business value of SOA

SOA Governance is a catalyst for improving overall IT governance

IBM

WebSphere Service Registry and Repository
Enabled SOA Governance

New!

WebSphere Service Registry and Repository

Publish **Find** **Enrich** **Manage** **Govern**

**Service Development
and Delivery
Management**

*Enforce Process
and Policies*

- Discover services and metadata from other registries
- Publish newly developed services and artifacts

- Notify clients of changes
- Organize service metadata with classification and lifecycle support

**Infrastructure and
Management
In Support of SOA**

*Monitor Operational
Policies*

"We are witnessing the 'industrialization of software' with the introduction of products, new as well as enhanced versions, and new services under IBM's new Service Oriented Architecture package…This is very much a best practices-driven approach to technology … The fact they are bringing the registry and repository together is a good move, is a good approach. That is new."
**Judith Hurwitz, for eChannelLine, October 3, 2006**

IBM

SOA Skills Available
Leverage your existing assets to maximize value

Governance

- Governance & Center of Excellence (COE)
- **New!** Business/IT Dashboards

	Strategy	Design	Implementation	Management
Business Services	▪ Component Business Modeling™ (CBM)	▪ Composite Business Services Design	▪ Composite Business Services Assembly	▪ Business Performance Management
	▪ Assessment & Planning for SOA	▪ SOA-enabled Design	▪ Services Implementation	**New!** Management of Services
Application Services	▪ Application & IT Portfolio Assessment	▪ Performance Design for SOA	▪ Legacy Transformation	▪ Services Outsourcing
			▪ Performance & Testing COE for SOA	**New!** Quality of Service - Security
Middleware Services	▪ Component Business Modeling™ (CBM) for the Business of IT	▪ Infrastructure Architecture & Design for SOA	▪ Infrastructure Implementation for SOA	▪ Managed Infrastructure
Infrastructure Services	▪ IT and Middleware Readiness for SOA	▪ Service Management Design for SOA	▪ Service Management Implementation	▪ Product Maintenance & Support

WinterGreen Shows IBM is the Market Leader
Up 12% in Market Share Over 18 Months!

2005 SOA Market Share

webMethods 3%
Other 5%
Sun 4%
Oracle 5%
SAP 6%
Tibco 8%
Microsoft 10%
BEA 13%
IBM 46%
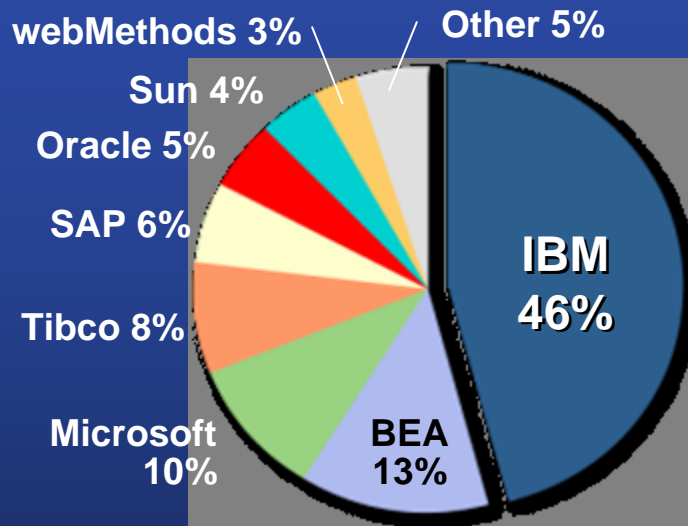
Source: WinterGreen Research, 2006

Gartner
IBM Placed in the Leaders Quadrant

AMR
 # 1 in SOA

FORRESTER
Lead in Wave

YANKEE GROUP
 # 1 in Capabilities

IBM

IBM Has the Intellectual Capital, Tools, Products & Expertise
To Guide Clients in the Definition of Business Value

Early adopters demonstrate some ideal guiding principles for other clients to follow in their first implementations

- Focus on a real business problem, not SOA

- If possible, start with revenue-generating applications

- Start small

- Start building capabilities

- Think long term

Source: IBM Institute for Business Value "The Business Value of Service-Oriented Architecture" 2006

Thank You

IBM

Business-led approach to SOA
Focus on enterprise-wide transformation through S...

Large U.S. Insurance Company

- Driving force behind SOA Adoption
  - Survival – Company needed drastic cost reduction to stay in business
  - Heavy redundancy within 500 applications (i.e. 13 policy admin systems, 9 billing systems, 1000's of undocumented databases)
- Approach taken by IBM
  - Top-down, enterprise-wide SOA with rigorous SOA Governance
  - Component Business Modeling (CBM) and Service Oriented Modeling and Architecture (SOMA) to establish "game plan"
  - Implementation of service model including extensive application outsourcing, training, and change management
- Why an SOA approach made sense vs. traditional approach
  - Crucial offshoring strategy for non-core functions was needed; SOA seen as best approach to abstract business function from underlying technology
  - Non-cyclical growth opportunities require flexible business model based on extensive componentization and service orientated business processes
- Value achieved through project
  - 10% to 40% cost savings; 25% to 50% time savings
  - Made fixed costs more variable
 - IT skills aligned with business's core rather than non-core functions

IBM

Process-led approach to SOA
Focused improvement in business process flexibili

- Driving force behind SOA Adoption
  - Business hampered by monolithic application solutions and the ability to provide creative business solutions
  - Overhaul loan processing to keep pace with frequent changes in financing promotions
- Approach taken by IBM
  - Focus on business processes through sequence of Process, Information, and People Entry Points
  - Service-enabled existing systems allowing for rapid re-assembly through loose-coupling among services
- Why an SOA approach made sense vs. traditional approach
  - Through past experience, SOA was the only way IT systems could be re-configured quickly enough to keep pace with process changes
- Value achieved through project
  - Revenue growth through faster response to production and market conditions
  - Lower Cost of Operations, Development, and Deployment

Large U.S. Manufacturing Company

IBM
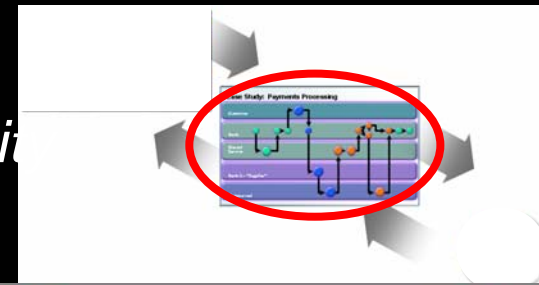
Technology-led approach to SOA
Bottoms-up IT optimization

- Driving force behind SOA Adoption
  - Timely compliance with changing port customs mandates
  - Inflexibility and maintenance costs of redundant, aging, disparate infrastructure

- Approach taken by IBM
  - Consolidate infrastructure, reduce complexity
  - Phased service enablement of existing systems and logic

- Why an SOA approach made sense vs. traditional approach
  - SOA was the only way to effectively reuse existing assets to provide necessary IT flexibility

- Value achieved through project
  - Improved system rollout of new port from 3 months to 3 weeks
  - Reduced change requests from 3 weeks to 3 days
  - COSCON IT became industry consultant and IBM reseller

中远集装箱运输有限公司
COSCO COSCO CONTAINER LINES

IBM