IBM

IBM Smart SOA approach for smarter business outcomes

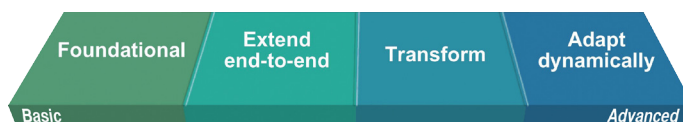## Opportunities for smarter business outcomes are everywhere

Regardless of industry, company size or location—there are opportunities for smarter business outcomes everywhere. Consider the Energy industry where 67 percent of all electrical energy is lost due to inefficiencies in the grid.[1] You can also look to the Retail industry where grocers and consumers throw away $48 billion worth of food every year.[2] Additional examples show up in other industries as well—whether they are supply chain inefficiencies, inefficient and error-prone manual processes, or difficulties in ensuring regulatory compliance.

IBM is focused on supporting you in the pursuit of smarter business outcomes for your business. Building on input from clients and business leaders, IBM is delivering products and services to help you drive agility into your organization, tame chaos through process management and address new customer needs.

To realize success, the right infrastructure is needed—an infrastructure that leverages a 'Smart' SOA Foundation. Recognizing this potential to fundamentally alter how businesses collaborate and compete, SOA adoption by organizations is well underway. Within the next two years, 90 percent of organizations will have started SOA initiatives.[3]

But what is an SOA initiative? Briefly, service orientation is the integration of business as linked, repeatable business tasks or services. And service oriented architecture (SOA) is the business-driven IT approach that makes service orientation possible.

However, success requires more than just SOA; it requires a smarter approach to SOA. It takes the IBM Smart SOA™ approach. The Smart SOA approach is about funneling the 'smarts' from over 7,000 customer engagements back into IBM's offerings to help you maximize business and IT value from your SOA initiatives. It demands that the principles of simplicity and robustness be applied, regardless of the basic or advanced nature of your project. It recognizes that your needs are evolving along a continuum of maturity. Although you want to make sure that you are meeting basic needs with basic projects, you also want to make sure you have room to grow when your needs become more advanced.

Foundational	Extend end-to-end	Transform	Adapt dynamically
Basic			Advanced

With the industry's broadest and deepest portfolio, IBM can help you seize the opportunities available and realize smarter business outcomes. Let's get started!

Drive agility into the organization

> "IBM showed that the flexibility of a services approach can make a business more agile and more responsive to its customers."
>
> **– Consumer Products Company,**
> **Group Business Systems Manager**

The number one concern of today's CEOs is being able to adapt to the explosive rate of change. Fully 98 percent of CEOs expect their business models to change, while a rapidly growing percentage recognizes that they lack the ability to handle that change effectively.[4] The winners in today's ultra competitive marketplace need to be able to quickly and effectively handle and react to change by becoming more **agile**.

Get started by consulting the SmartBusiness INsight series of industry-specific best practice guidance from the IBM Institute for Business Value. This series details compelling insights into the current and future state of key processes within and across industries and how SOA helps with actionable guidance you can use TODAY.

Learn from the experience of others for trusted guidance in charting your course

Building on these insights, look to implement your agility strategy with Business Design. IBM has a single end-to-end methodology to provide a consistent approach from analyzing your business model and business processes through to prioritizing the components, services, information and policies/rules for implementation. In addition, it enables you to ensure that there is a feedback loop between business and IT to promote greater alignment and constantly optimize components and processes to respond to the changing business environment, thus truly boosting business agility.

Direct linkage between strategy, process, and IT execution

Rather than reinventing the wheel, turn to pretested and preconfigured, standards-based industry frameworks and industry business solutions to help you get a head start in your implementation.

Industry frameworks are designed to provide a software platform to help accelerate deployment of business solutions. They extend IBM SOA middleware with industry-specific capabilities and process templates and the support of specialist members of IBM's industry-leading Business Partner ecosystem to help provide greater focus on your specific goals. IBM industry solutions build on the value of the industry frameworks with IBM and business partner professional services to help deliver a unique, end-to-end solution for each client.

IBM is announcing the availability of three new frameworks, bringing the total number of frameworks available to nine, as well as six enhanced business solutions. IBM offers frameworks and solutions for Banking, Insurance, Chemical and Petroleum, and many other industries.

Create a platform for addressing the most pressing industry and domain-specific challenges

As you look to improve your agility you will want to understand your baseline level of agility, the progress you are making toward target agility levels, as well as your standing in relation to your industry peers. Traditionally, measuring performance and growth has occurred through the use of key performance indicators (KPIs). But KPIs just measure how well you are doing what you already do; they don't measure how well you can adapt what you do as the needs of the marketplace change. Key agility indicators (KAIs), allow you to determine how quickly and effectively you can respond to the constant barrage of change in today's world. For example, you can look to measure agility in your supply chain using KAIs such as total logistics costs as a percentage of sales or average supplier lead time in days. The IBM Benchmark Wizard lets you choose from over 300 KAIs to benchmark versus your peers. IBM WebSphere® Business Modeler and WebSphere Business Monitor provide a dashboard for your business processes and your level of agility.

Benchmark how rapidly you can respond to change compared to your peers

Tame chaos with process

> "By moving to a service oriented architecture on IBM System z®, we have gained the ability to think more about business problems and work through business solutions. At Aurora Health Care, we no longer talk about the technical challenges; we talk about what is possible."
>
> **– Duane Wesenberg, Vice President Enterprise Applications, Aurora Health Care**

Today's marketplace is characterized by change—and sometimes it seems chaotic. For many companies and industries, these changes are becoming more significant— even transformative—in nature. Having the agility to tame this chaos with process through Business Process Management (BPM) and SOA is the springboard for success.

The IBM BPM Suite is a comprehensive set of collaborative, role-based capabilities to continuously optimize business processes and adapt them to rapidly changing needs. The IBM BPM Suite contains key functionality to control and manage business processes across their lifecycle. It emphasizes business user involvement and collaboration across multiple roles within your organization.

The IBM BPM Suite brings together capabilities from across IBM and includes a choice of two foundational offerings that make it easier for customers to get started with BPM. The IBM WebSphere Dynamic Process Edition and FileNet® Active Content Edition foundational offerings were designed to continuously optimize business processes and adapt them to rapidly changing needs. Foundational offerings can be deployed individually or together to address a wide range of customer scenarios involving systems, applications, content, people and decisions.

As inputs to managing their business processes, organizations need help sifting through the immense volume of business events that are constantly bombarding them. New and enhanced versions of IBM WebSphere Business Events eXtreme Scale Edition, WebSphere Front Office for Financial Markets and WebSphere MQ Low Latency Messaging provide advanced business event processing capabilities to analyze these events and support the business in acting upon them.

Turn a flood of seemingly unrelated events into actionable business context

The business space capabilities of the BPM suite provide an important and innovative new collaboration capability. This capability provides a unified, role-based user interface for line-of-business users to collaborate and manage their business processes through one integrated, flexible and customizable process environment.

Single-source to interact with a business process hiding needless complexity

IBM Professional Services can also help you in getting started or assessing your progress to date through a BPM Healthcheck. A healthcheck can assist in a broad assessment of your approach to BPM, or can be customized for a targeted assessment. Based on your situation, these services result in the delivery of a business process management roadmap.

Evaluate the health of your business processes and get actionable recommendations for improvement

Build a Smart SOA Foundation

> "We have a competitive advantage that comes from the rich functionality of IBM products and IBM's roadmap, which leads to full integration through service oriented architecture."
>
> **– Cristian Paravano, CIO, Pacorini S.p.A**

To support the goals of the business, organizations require an infrastructure that leverages a Smart SOA™ Foundation. Such an infrastructure is at the heart of the Smart SOA value proposition and provides sustainable differentiation.

Both the business and IT need to work together in choosing a path that outlines immediate and long-term goals. Aligned IT and business result in DOUBLE the productivity gains of isolated business and IT efforts.[5] However, such efforts can get derailed by discussions focused on specific version numbers and other technical jargon. The IBM Online Value Analyzer, available at ibm.com/soa/value, can help you avoid these pitfalls by taking the priorities specified by the business and IT teams and recommending the appropriate SOA entry point for the project. It can also be used at any time to help with business/IT alignment and communications.

Focus resources on initiatives that make the most difference for your business

Once you have defined and prioritized your goals, explore the SOA Entry Point projects and the benefits each offers. These basic, proven, high return-on-investment (ROI) projects focus on:

- **People**: Greater productivity and flexibility through targeted user interactions for improved operations and collaboration

- **Process**: Achieve business process innovation through treating tasks as modular services

- **Information**: Provide trusted information in business context by treating it as a service

- **Reuse**: Service-enable existing assets and fill portfolio gaps with new reusable services

- **Connectivity**: Connect systems, users and business channels based on open standards
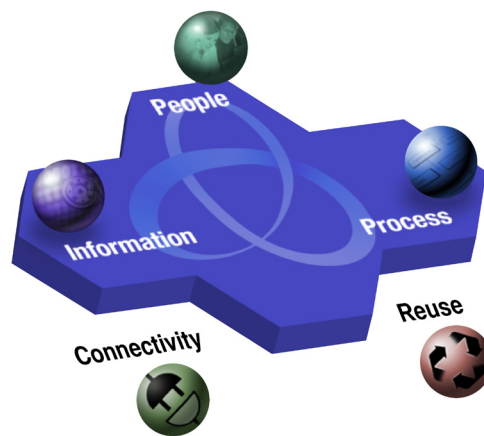
These projects can be deployed individually or in combination as your needs dictate. And through the Smart SOA approach, you can build on these investments when you are ready to pursue even higher value initiatives.

Rapid ROI and easy on-ramp to flexibility with proven, focused projects

An effective SOA environment starts with a connected deployment environment that meets the full set of SOA requirements from reusing and exposing existing applications to enabling composite applications and Web 2.0 mashups. Enhanced IBM WebSphere Application Server and WebSphere sMash deliver these core capabilities. Then SOA connectivity must ensure timely, accurate delivery of business information and provide a simple, compliant, managed connection for diverse applications and services. Enhancements to the IBM WebSphere MQ File Transfer and WebSphere Enterprise Service Bus demonstrate IBM's commitment to leadership in this area.

Reliable, auditable transactions bridging multiple systems

IBM is introducing a set of detailed business and IT best practices for each level of maturity in the Smart SOA continuum. They are presented as a series of whitepapers which codify SOA design, governance and development best practices. As you move from getting started to higher levels of maturity, the best practices will be available to help you along the SOA continuum.

Learn from others' experiences when evolving SOA maturity

SOA production environments must deliver the quality of service to meet the service levels required by the business. New and enhanced versions of the IBM Tivoli® Composite Application Manager for SOA Platform, Tivoli Usage and Accounting Manager and Tivoli Security Policy Manager ensure that quality of service through service management and security is delivered by the SOA production environment.

High security when you need it and more productive systems management

A successful SOA approach also requires a solid understanding of your current architecture and what your blueprint target SOA architecture will be—while ensuring that it is aligned with the goals of the business. Portfolio Strategy, Analysis and Planning uses a selection of products and services available from IBM, such as IBM Telelogic® System Architect, Rational® Requirements Composer and SOA business and infrastructure consulting services, to help you in building your roadmap and managing the ongoing change as you follow it.

Information Agenda provides new methodology, tools and best practices to leverage information—producing a plan for a single view of information and turning information into a trusted asset.

Improved alignment of IT investments and business goals

Proper governance provides clear ownership of services, decision rights on service funding and prioritizing the creation of reusable services. To achieve these results, you can create a center of excellence, document services in a registry or repository, and ensure that quality criteria and SOA policies are in place, which is what the SOA Governance and Management Method from IBM provides. IBM is introducing IBM Tivoli Security Policy Manager and Rational Quality Manager to support you in these efforts. Also, through service visibility and policy-driven governance, provided by the enhanced IBM WebSphere Service Registry and Repository Advanced Lifecycle Edition, business areas can find and leverage the most appropriate service at any time.

Oversight and control of access and decision-rights for better results

Meet new customer needs

The world is changing rapidly. Technology is pervasive. With daily text message volume reaching into the billions and populations of online communities larger than physical countries, today's customers are more connected than ever.

In order to keep up, companies must fundamentally alter their value creation infrastructures and transform interactions with customers into meaningful dialogues. To do this, they must be agile and offer their employees and customers deeper, customized insight into the business. They must embrace an environmentally conscious era, where businesses are expected to reduce waste, inefficiencies and achieve environmental targets. They must empower their customers to truly experience the product before they buy so that it may help them visualize how the solution can help them compete and win in the marketplace.

IBM MashupCenter, WebSphere Portal and WebSphere sMash help you establish a culture of collaborative innovation through unified, security-rich communication. This includes real-time content services such as blogs, wikis and profiles, and enterprise portals that enable scenarios such as banks letting their customers create their own mashups to work with budget data, or find nearby services, and enabling telecommunications companies to better serve their customers by embedding services such as SMS within a context of finding friends and reaching colleagues.

To assist in meeting the needs of environmentally conscious customers, you can monitor green initiatives using BPM and SOA through packaged dashboards. These dashboards can assist you with carbon management, water management and greener operations and processes. Additional insights are available via seven compelling thought leadership resources on Green with SOA.

Reduce waste, inefficiencies, and achieve environmental targets with BPM and SOA

To address new customer needs, new kinds of skills are needed. Numerous industry surveys cite a shortage of relevant skills as the top barrier to further SOA adoption and success. This requires "T-shaped individuals" with an interdisciplinary skill set blending together a broad (horizontal) understanding of business issues and deep (vertical) hands-on implementation skills.

The IBM Smart SOA Sandbox through cloud services provides an opportunity to gain hands-on SOA experience and education via hosted software trials, tutorials and best practices and implementation guidance. This Smart SOA Sandbox will help you in understanding how to leverage IBM products in meeting your connected customers' needs. In addition, the Sandbox now provides enterprises with information about how IBM SOA middleware can help enterprises become more eco-friendly and reduce their carbon footprint. This extended experience will be available to customers for up to 30 days.

Build skills and evaluate options with zero cost or commitment

You can also enhance your skills through IBM SOA training, certification, interactive educational games, and online communities. The IBM Smart SOA Social Network™ is designed to help members build skills, share best practices

and find solutions to problems by interacting with a global community. IBM uses interactive media as a form of skill-building from video games to interactive videos. Our Innov8 video-game is being piloted by over 100 universities worldwide teaching Business Process Management to MBA students.

Blend business savvy with IT implementation for greater productivity

You can also leverage the support of the industry's strongest SOA business partner community. This community contains 7,420 SOA-specialty Business Partners providing skills and geographic presence to help deliver on the unique requirements of every client's business needs. Combined with over 22,000 SOA experts in IBM's Global Business Services, we offer a comprehensive network that can be leveraged for any SOA need.

Meet unique needs with an ecosystem of specialized and localized resources

What can you do next?

How do you plan to pursue your business' opportunities for smarter business outcomes? The answer to this question can define the winners and losers in today's fast-changing world. IBM and the Smart SOA approach can help you:

- Business Design: Download SmartBusiness INsight paper for YOUR industry and do a Business Value Assessment

- Business Process Management: Sign up for a SOA Healthcheck or BPM Healthcheck

- Experience Smart SOA through cloud services

- Business & IT Skills: Participate in the Smart SOA Social Network

For more information:

To learn more about SOA from IBM, contact your IBM representative or IBM Business Partner, send an e-mail to **SOA@us.ibm.com** or visit: **ibm.com/soa**

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1   US Department of Energy

2   Food and Agriculture Organization of the United Nations

3   AMR Research, 2008

4   IBM Global CEO Study, 2008

5   London School of Economics—McKinsey survey and analysis of 100 companies in France, Germany, UK and US