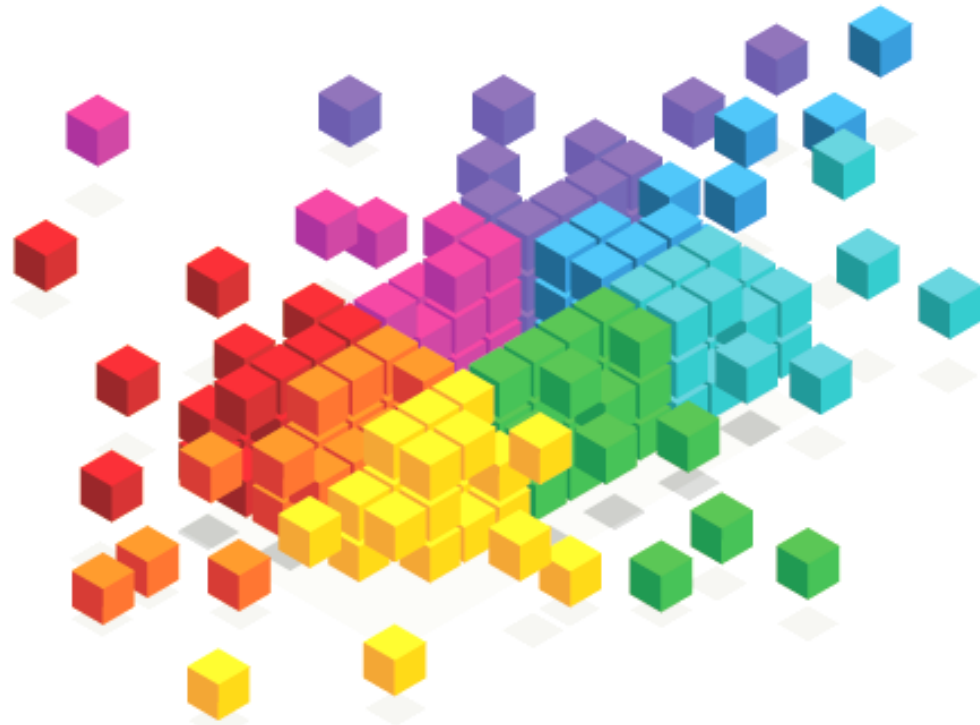


Putting Content to Work

ECM UserNet

2011



Does ECM still matter?

Craig Rhinehart and Phillip Jones, IBM Enterprise Content Management Team



Change, change and still more change

- Organizations were undergoing fundamental changes well before the financial crisis started
- Pressures in the global economy continue to drive new business models
- The pace of change is increasing – the challenges are becoming more... challenging
- How are business leaders dealing with all of this?



CFO study 2010
1,900 interviews



CEO study 2010
1,500 interviews



CIO study 2009
2,600 interviews

What are your executives focused on?

**Become more
creative and
innovative**

- Creativity is the top leadership quality
- Drive change to stay ahead of market
- Expand our communication channels
- Break with status quo (industry, business and revenue models)

**Increase our
responsiveness
and flexibility**

- Simplify operations and products
- Shift to iterative approaches (make quicker decisions - execute with speed)
- Increase agility by integrating globally and exploit partnering

**Reinvent our
Customer
relationships**

- Get closer to customers (*top theme*)
- Better understand our what customers need
- Deliver unprecedented customer service



CIOs of high-growth organizations focus on innovation

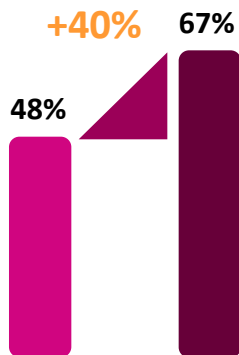
Using IT as a competitive weapon

- **Integrate business and IT** to innovate new approaches
- Proactively reaches out to the business to co-create and champion innovation
- Has a clear view of the top technological priorities that will enhance competitiveness

“Innovation should be based on practical technology that can deliver business objectives within reasonable time and cost, which can be absorbed by the business.”

Life insurance CIO, India

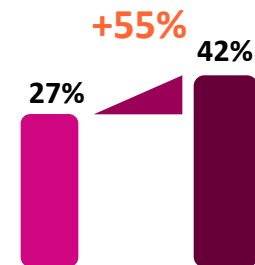
“I actively reach out to the business to co-create and champion innovation”



“One of the things we try to do is define innovation. It is the ability to generate a lot of diverse ideas to address a particular need. Then we distill it into an actionable plan that results in business improvement”

Energy and Utilities CIO, U.S.

“I spend time collecting innovative ideas”



Low and high growth CIOs give reference to the context in which they operate: an environment characterized by low versus High profit before tax growth. For more information – see the CIO study 2009

Low growth CIOs High growth CIOs

World-class companies focus on simplifying their operations and standardizing processes

Changes to operating strategy: Simplify



30%
More

“Simplification and standardization are key strategies that we have been using for several years to reduce existing and future complexity.”

Brenda Barnes,
CEO, Sara Lee, United States

“When things look very simple, you need to look for a competitive edge. When things are complex, you simplify to get the competitive advantage”

Graeme Liebelt,
Managing Director and CEO, Orica Limited, Australia

Organizations are using ECM to **standardize and simplify** in these ways



SMART IS ... ELIMINATING PAPER

A large U.S. federal agency saves more than \$1.3 billion annually by eliminating paper.



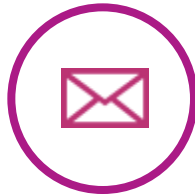
SMART IS ... GOVERNING AND DEFENSIBLY DISPOSING OF INFORMATION

JM Family Enterprises saves \$2.1 million annually by reducing costs.



SMART IS ... IMPROVING CONTENT-CENTRIC WORKFLOWS

J.B. Hunt added \$870K annually by more accurately charging customers.



SMART IS ... RAPIDLY DERIVING CONTENT INSIGHTS

A large U.S. bank achieved ROI on content analytics in 7 months.



SMART IS ... LOWERING LEGAL RISK AND COST

BASF implemented more cost-effective governance.

ECM has changed

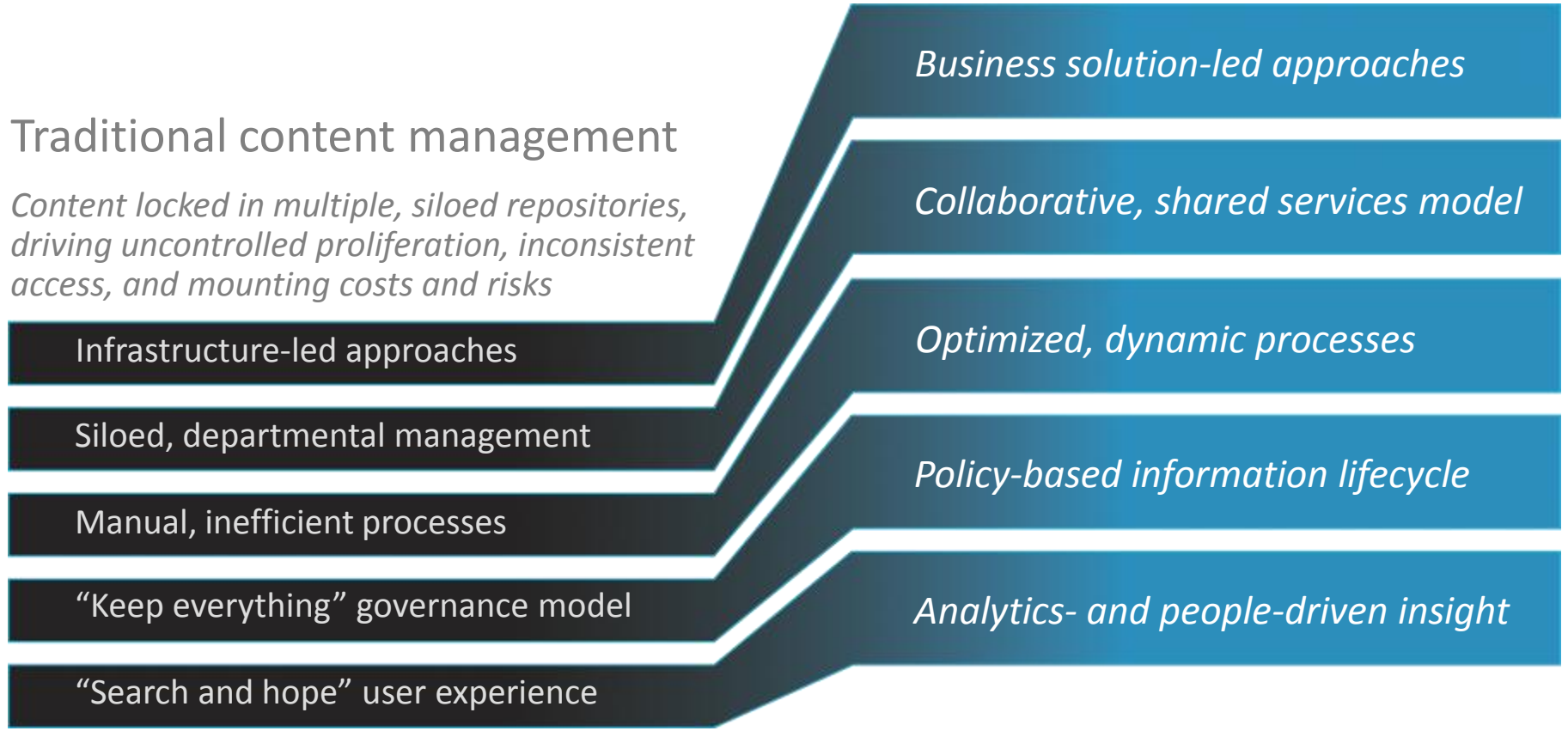


Smarter content management

Content in a shared services model, delivered in context to specific business users and processes, driving faster insight and action

Traditional content management

Content locked in multiple, siloed repositories, driving uncontrolled proliferation, inconsistent access, and mounting costs and risks



Infrastructure-led approaches

Siloed, departmental management

Manual, inefficient processes

“Keep everything” governance model

“Search and hope” user experience

Business solution-led approaches

Collaborative, shared services model

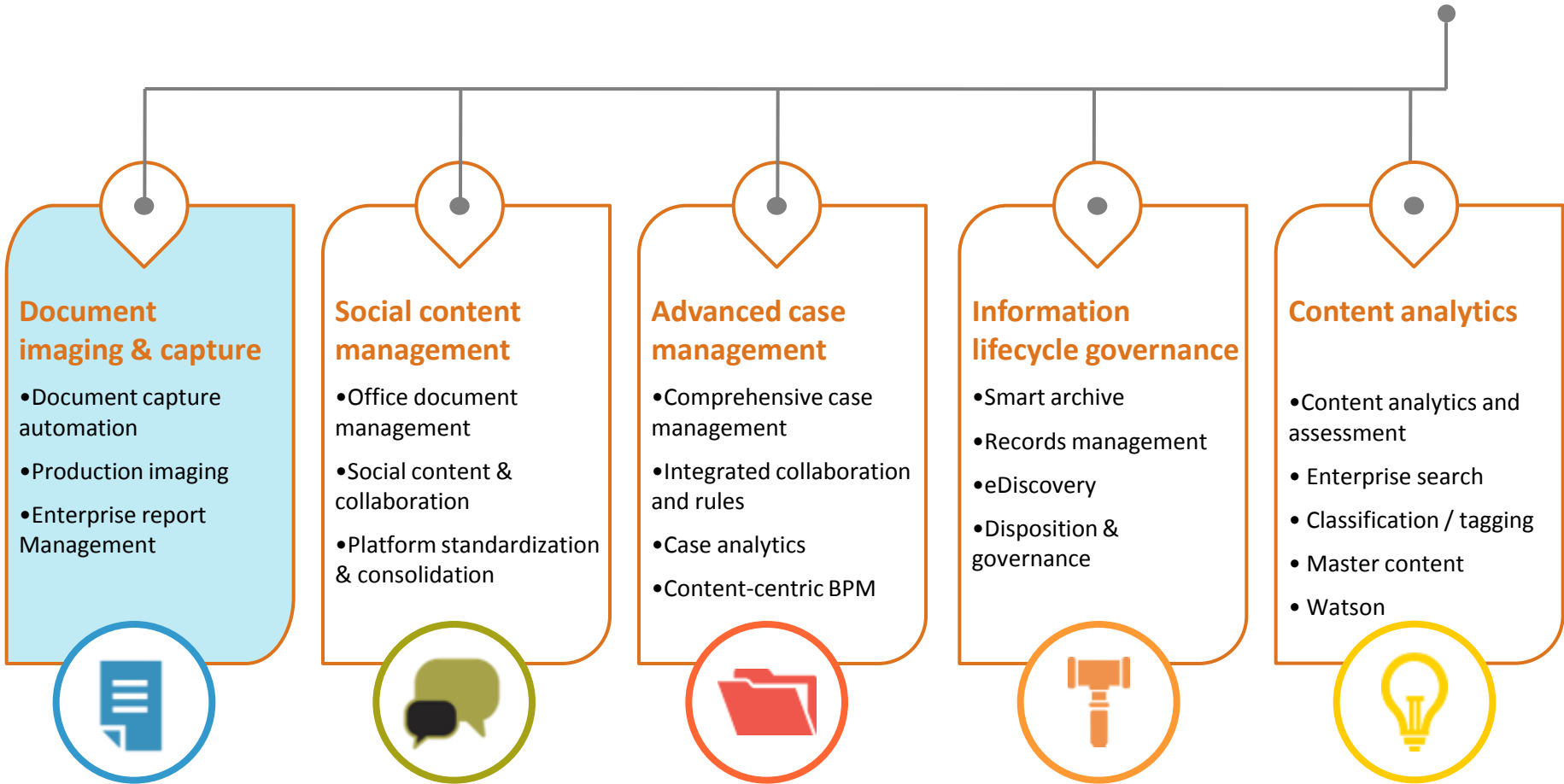
Optimized, dynamic processes

Policy-based information lifecycle

Analytics- and people-driven insight

IBM Enterprise Content Management

Imaging and capture *have never mattered more*




Solutions for document automation

Delivers real business results

- Reduce cost of transporting paper
- Reduce data entry labor costs
- Extract data from documents without manual keying
- Reduce paper sorting and document preparation
- Replace obsolete or costly legacy systems
- Reduce license fees, support and maintenance costs
- Enable case management, governance and eDiscovery

Paper

- Labor intensive
- Inactive



Email

- Regulatory control
- Policy enforcement
- Attachments



Office documents

- Access and visibility
- Manageability



Datacap
an IBM® Company

- Best-of-breed technology for capture automation and recognition
- Expertise in a wide variety of industries and solutions: accounts payable; explanation of benefits, tax and more

IBM Production Imaging Edition



New!

Combine the power of advanced capture and scale of ECM

Delivers real business results

- Manage entire lifecycle of document images
 - From Capture through ECM
 - Imaging-centric workflow management to Image viewing, annotation and redaction
 - Scale from distributed locations, at a departmental level, to enterprise wide deployments
- Perform for billions of document images, and tens of thousands of users
- Cut costs and improve productivity

“Imaging solutions represent a low-risk, high-value investment that can be extended through an enterprise.”

— Forrester, 2010

IBM Enterprise Report Management

Content Manager onDemand for high volume print output: e-capture and e-presentment

Delivers real business results

- Improved customer responsiveness
- Web access: to print/paper documents, 24x7
- Improved customer self-service
- Reduced printing costs and paper use: go green
- Avoid storing print/paper documents
- Replacement of legacy systems

“Reduced costs for printed customer bills saving \$25 million annually. Increased small business customer satisfaction and gained \$750,000 in promise-to-pay revenue during initial six months of operation”
— Large telco company

Global Logistics Company

Smart is: improving productivity and service

Represents the state of the art for capture today: capturing paper, fax and emails, distributed scanning from many different sites, with many rules-driven variations.

Industry context: transportation

Value driver: improve productivity, service

Solution onramp: document imaging / capture

Business Challenge

150,000 documents arriving every day from every source – mail, fax, email - and piling up rapidly as company prepared customs paperwork for shipments. Customs has many requirements for complete declaration at border crossing

What's Smart?

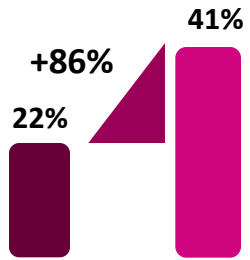
Deployed seven imaging applications enabling faster order processing with fewer errors
Process ~600,000 pages per day in U.S. (~3,000 users) and expect to process ~4 million pages per day (~10,000 users) globally.

Smarter Business Outcomes

Company is able to move more shipments across borders with 30% less resources with reduced lost documents and data errors while also improving cycle times and accuracy.

CIOs of high-growth organizations are finding new ways to communicate and collaborate

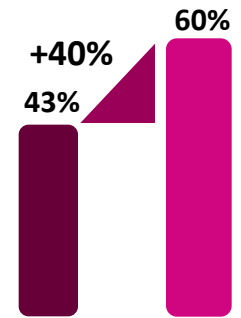
More actively using collaboration to drive innovation



“Collaboration causes innovation.”

Electronics CIO, USA

Realize change through deployment of collaborative and communication tools



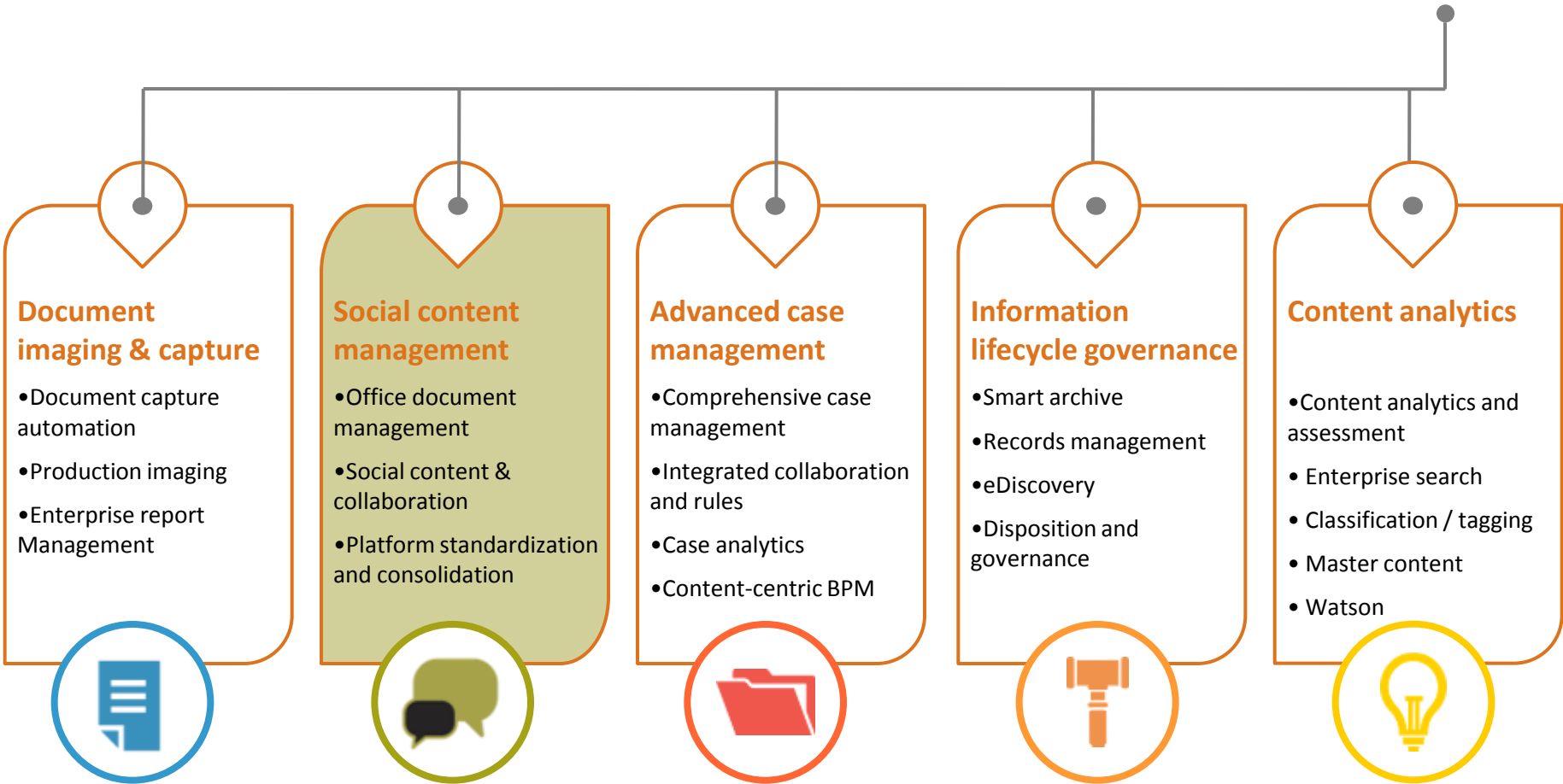
“Using higher order collaborative tools can be quite smart and lower costs – for example, collaborative planning and forecasting for retail.”

Retail Industry CIO, UK

■ Low growth CIOs ■ High growth CIOs

IBM Enterprise Content Management

Managing social and collaborative content is *becoming a hot topic*



Organizations are looking to get value from new communities

500 billion impressions
annually made about
products and services ¹

770 million people
worldwide visited
a social networking site ²

**44x information
growth** by 2020 ³

Public Social Media



Conversations about quality, experience, price, value, service ...

- *Forums and Newsgroups*
- *Wikis, Blogs and Microblogs*
- *Social Networks*
- *Social Media News Aggregators*



Corporate Social Business

Conversations about strategy, projects, issues, risks, outcomes ...



In addition to conversations about quality, experience, price, value, service ...

- *Wikis, RSS and Forums*
- *Email and Collaborative Content*
- *Call Center Notes and Recordings*
- *Customer and Employee Surveys*
- *Reports, Minutes and Research*

Challenges of social business and content

Changes in how we communicate impact how we manage content



What is social content management?

Patterns

- Information is immediate
- Collaborative, ad-hoc processes
- Work is knowledge intensive
- Content is essential for decision making
- Outcomes are sustained
- Relies on smart people

KEY: Content awareness and action **measured in hours to minutes**

Challenges

- Content access anywhere
- Access and security
- Workflows & business process
- Content reuse / repurposing
- Archival & records management
- Federated searching
- Content lifecycles & single sourcing

KEY: Dynamic, cross-enterprise **access, management and control**

Solution

- ECM access from business productivity tools
- Open social and content-centric apps (CMIS, ACM)
- Putting social content under management
- Comprehensive document management options
- Social business tools with integrated ECM services

KEY: **Integrated solutions** to enable swift, collaborative outcomes

IBM approach to social content management



People
connect
& interact



Office document management

- Comprehensive options, access and control from business productivity tools
 - IBM Lotus, Microsoft Office and others

Content collaboration

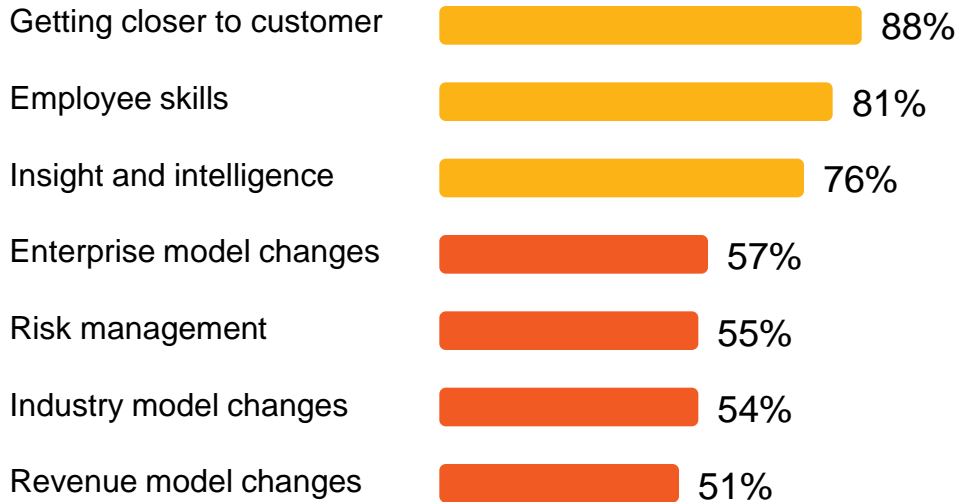
- Integrated social and content-centric applications enable enterprise collaboration
 - IBM and Microsoft collaboration, CMIS support, advanced case management, content collection

Social business tools with shared ECM services

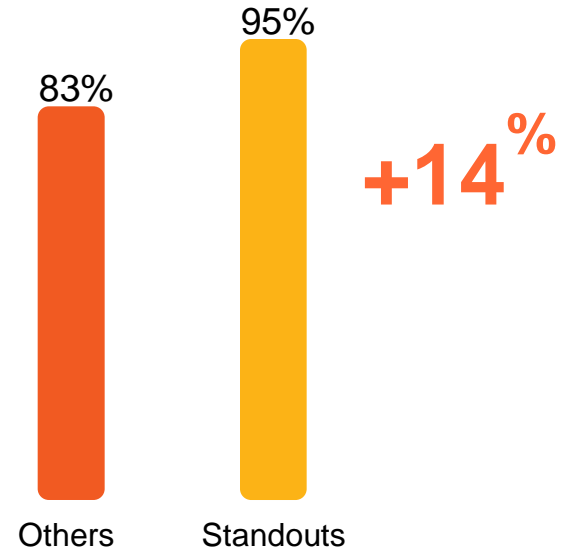
- Unified, secure, scalable platform (with repository of record) extends social content to enterprise
 - New in IBM Connections 3.0.1

‘Getting closer to the customer’ is THE top priority for standout organizations

“Where I will focus over the next 5 years”



Getting closer to customer



“To surprise customers requires unexpected ideas through interactions of people with diverse perspectives.”

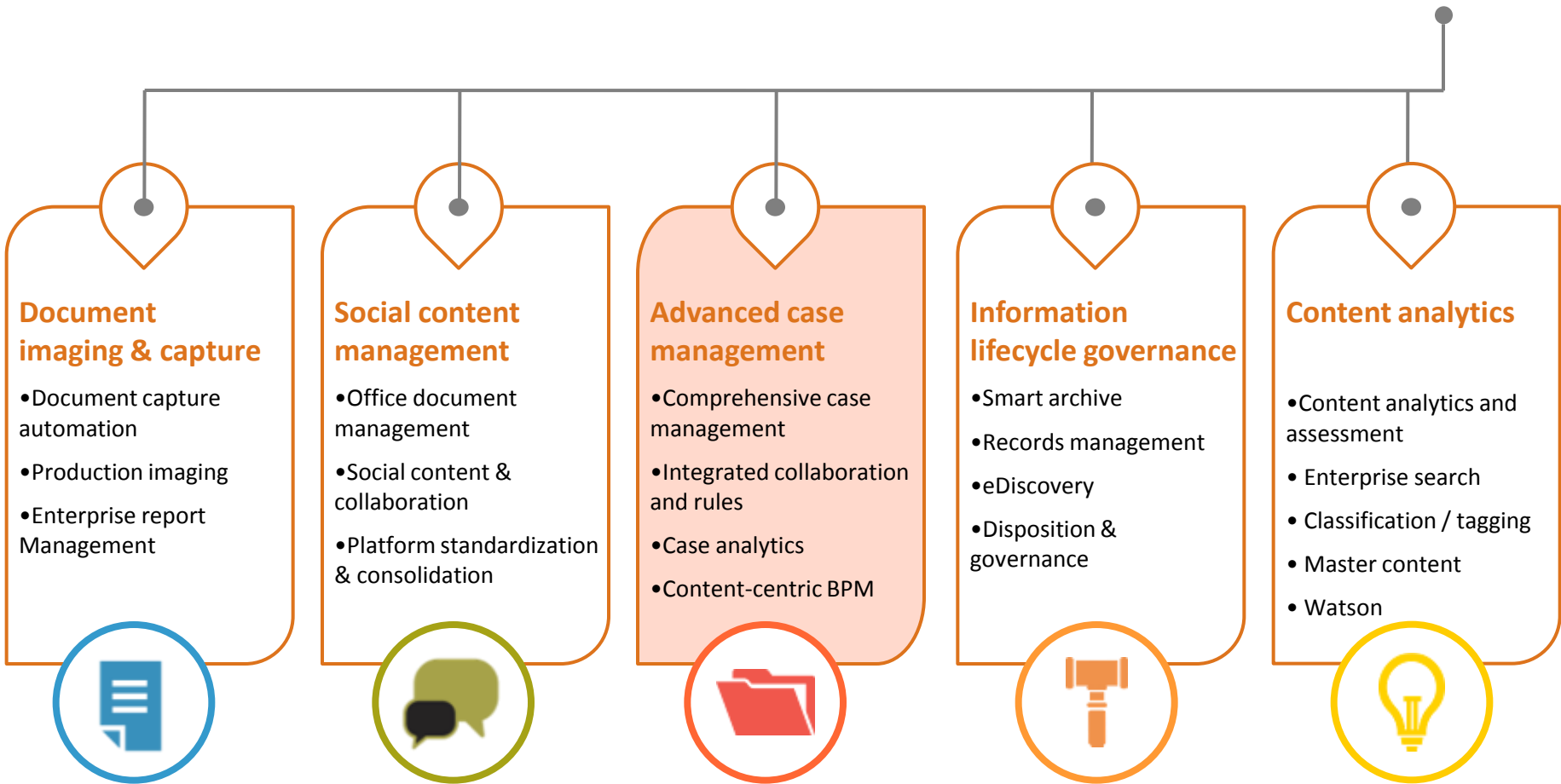
Shukuo Ishikawa
President and CEO, NAMCO BANDAI, Japan

“Our customers want personalization of services and products. It is all about the market of one.”

Tony Tyler
CEO, Cathay Pacific Airways, Hong Kong

IBM Enterprise Content Management

Case management helps get you *closer to your customer*



Case management in every industry

Although a “case” may be expressed differently depending on your business ...



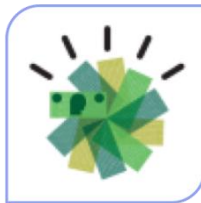
Invoice, Contract, Employee, Vendor, Customer, Project, Change Request, Complaint, Exception, Incident, Audit, Electronic Discovery, etc...

Insurance



- Policy
- Underwriting
- Claim
- Annuity
- ...

Banking



- Loan
- Mortgage
- Account
- Credit Card
- ...

Healthcare



- Patient case
- Claim
- Member
- Provider
- ...

Government



- Grant
- Court case
- Citizen
- Tax payer
- ...

Energy & Utilities



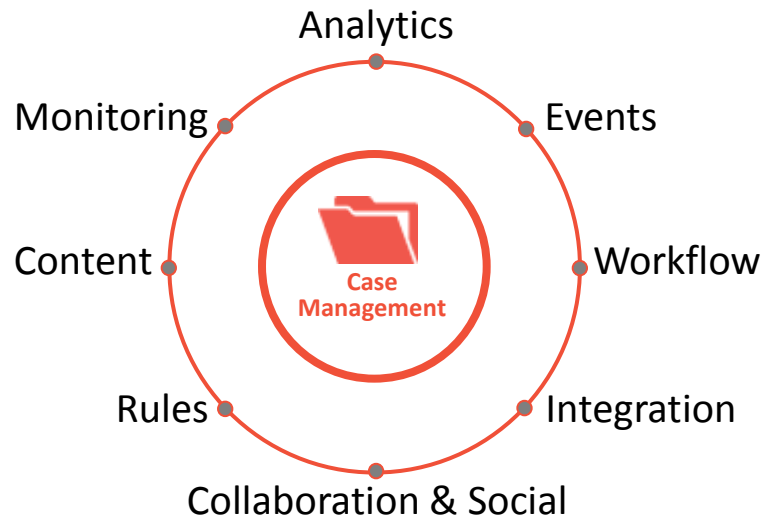
- Rate Case
- Permit
- Land
- Property
- ...



... a common pattern of challenges exists across all industries

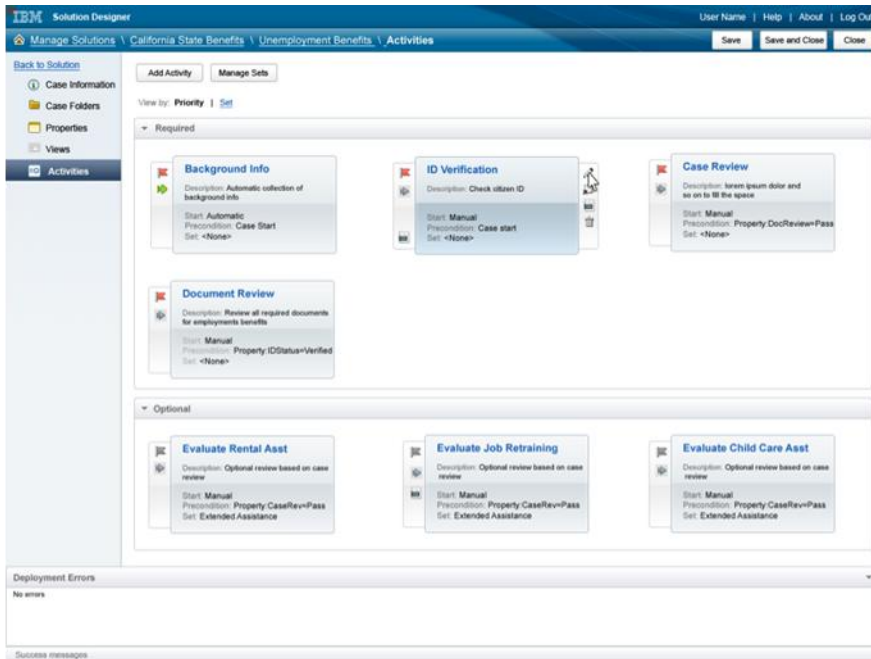
IBM Case Manager

Simplifying the delivery of case-based solutions



- Optimizes **case handling**
- Supports **dynamic**, runtime work management
- Delivers **trusted information** to the case – structured or unstructured
- Manages and governs **entire case lifecycle**
- Provides the line-of-business with tools to **rapidly deliver** case-based solutions

Rapid application **case design** for the business

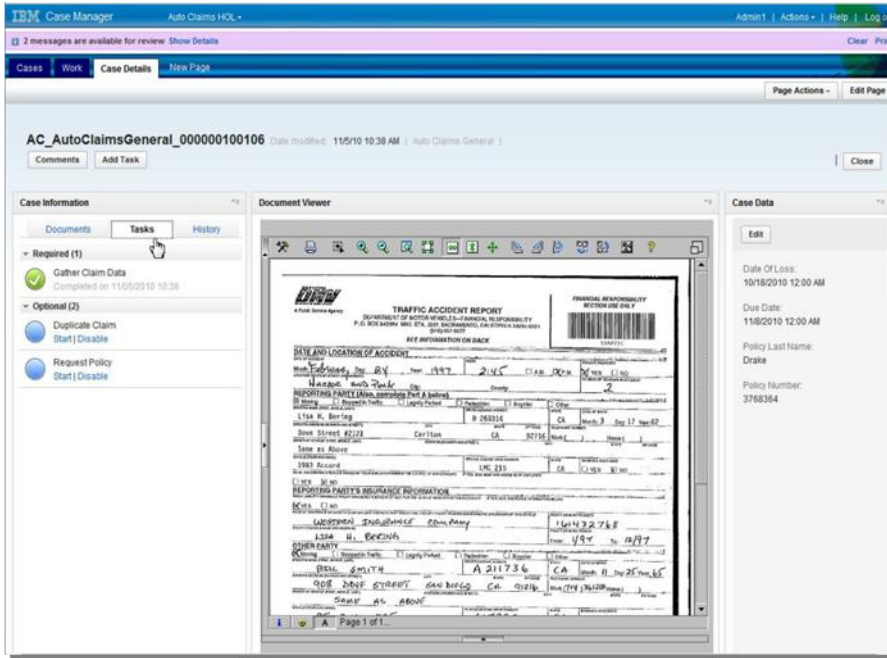


- Easy to use, “Interview Mode” (wizard-driven)
Case designer allows a business user to very quickly build a solution
- Comprehensive across case assets
Case designer can provide 360° view of case
- Leverage templates for a fast start
Represent industry best practices
- Significantly shortens time-to-value for case-style applications

Bottom line:

Deliver end users the solution in a fraction of time of other approaches

Case worker user experience



- Role-based and personalized
End user gets exactly the information they need to progress the case
- Flexible and extensible
Can be configured to meet unique business requirements
- Provides deep context for case work
No more disjointed jumping between application

Brings people, process and information together to drive case progression and better outcomes

Bottom line:

A case worker has all the information they need to improve case outcomes

Powerful analytics for better case outcomes



- Comprehensive reporting and analysis
Gives case managers visibility across all information types to assess and act quickly
- Real-time dashboards
Understand issues before they become a problem
- Unique content analytics for discovering deeper case insight

Bottom line:

Case managers need insight in order to impact results.

Smart is: improving customer service

Industry context: automotive

Value driver: improve customer service

Solution onramp: advanced case management

JM Family

“The major business objectives in our organization are excellence in customer service and increased productivity of our associates. IBM ECM is a key enabler of these objectives.”

*— Keith Tempinski, Director, Enterprise Content Group,
JM Family Enterprises, Inc.*

Business Challenge

Lack of visibility into customer service interactions around automobile loans and leases
Bottlenecks due to many audits in approval steps

What's Smart?

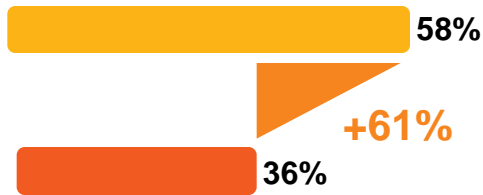
Customer service associates focused on exception-based processes, with greater knowledge sharing across departments

Smarter Business Outcomes

\$2.1 million annual call center labor savings. Processes cut from days to just minutes. Handle more loans with current resources. Eliminated annual printing of 168k pages for cost savings and environmental benefits.

CIOs of high-growth businesses are looking to implement a **strong information governance model**

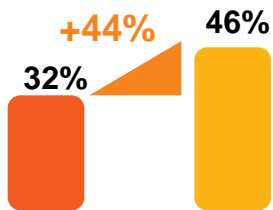
High growth CIOs proactively craft data into actionable information



"We do recognize the strategic advantage of using data to support improved decision making. We are not as strong as we would like to be, but this is a key plank of our strategy moving forward."

Consumer products CIO, Ireland

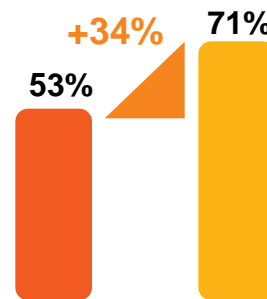
High growth CIOs add value by having a strong data governance model in place



"Having a strong data governance model is a strategic area on the roadmap; Having a single view of the truth through accurate data is a strategic imperative."

Financial Markets, CIO, U.S.

High growth CIOs add value by proactively suggesting better ways to use data

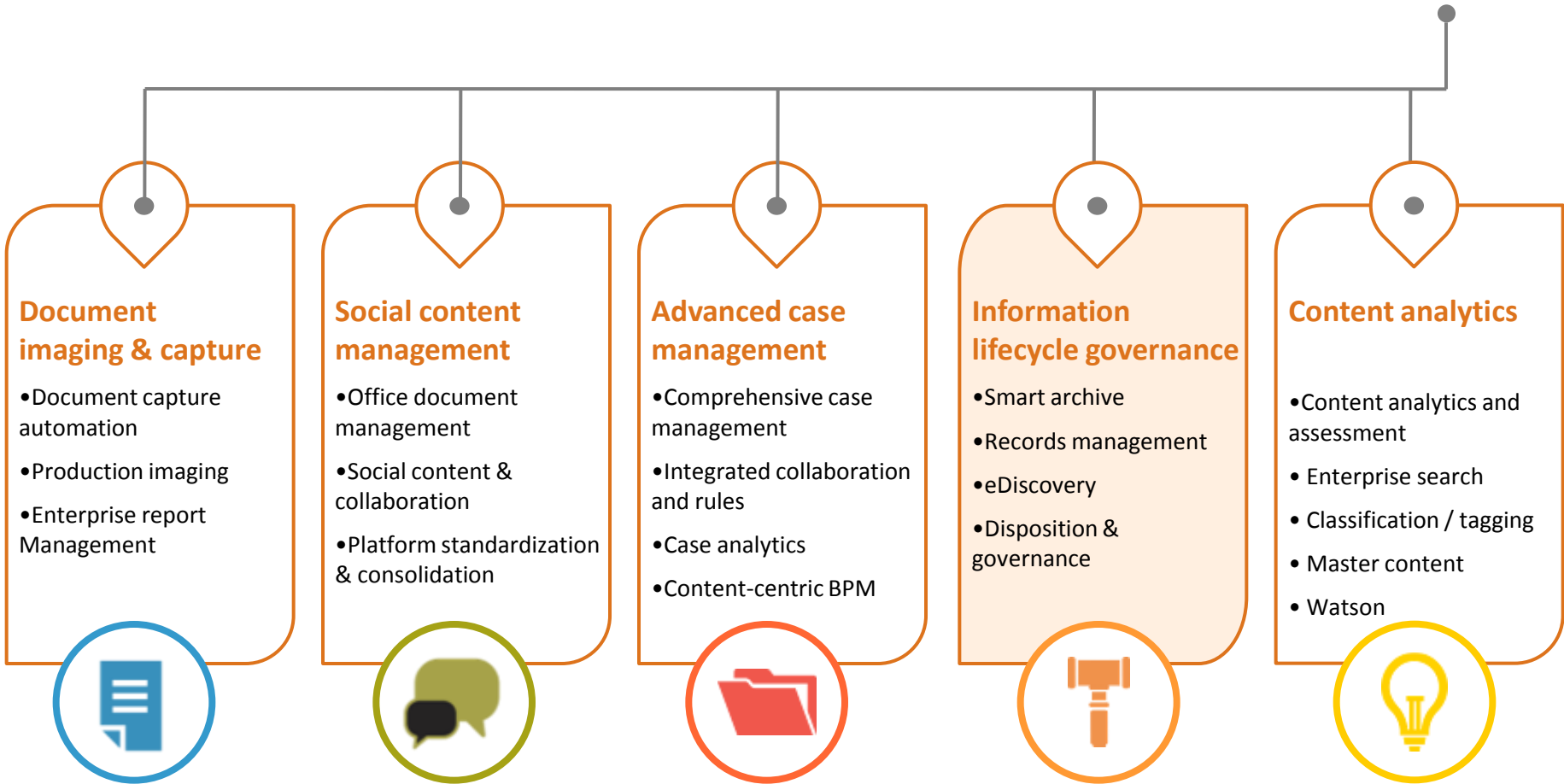


"The implementation of BIO's (Business Info. Officers) within the business units are improving the use of data as there is a natural interface within the business units towards central IT."

CIO, Sweden

IBM Enterprise Content Management

Effective information governance has never mattered more



Why is information governance a problem?

98%

Companies that cite defensible disposal as key driver behind their governance programs

22%

Companies that can defensibly dispose today

\$3M

Average cost to collect, cull and review information per legal case¹

70%

Portion of information unnecessarily retained²

17%

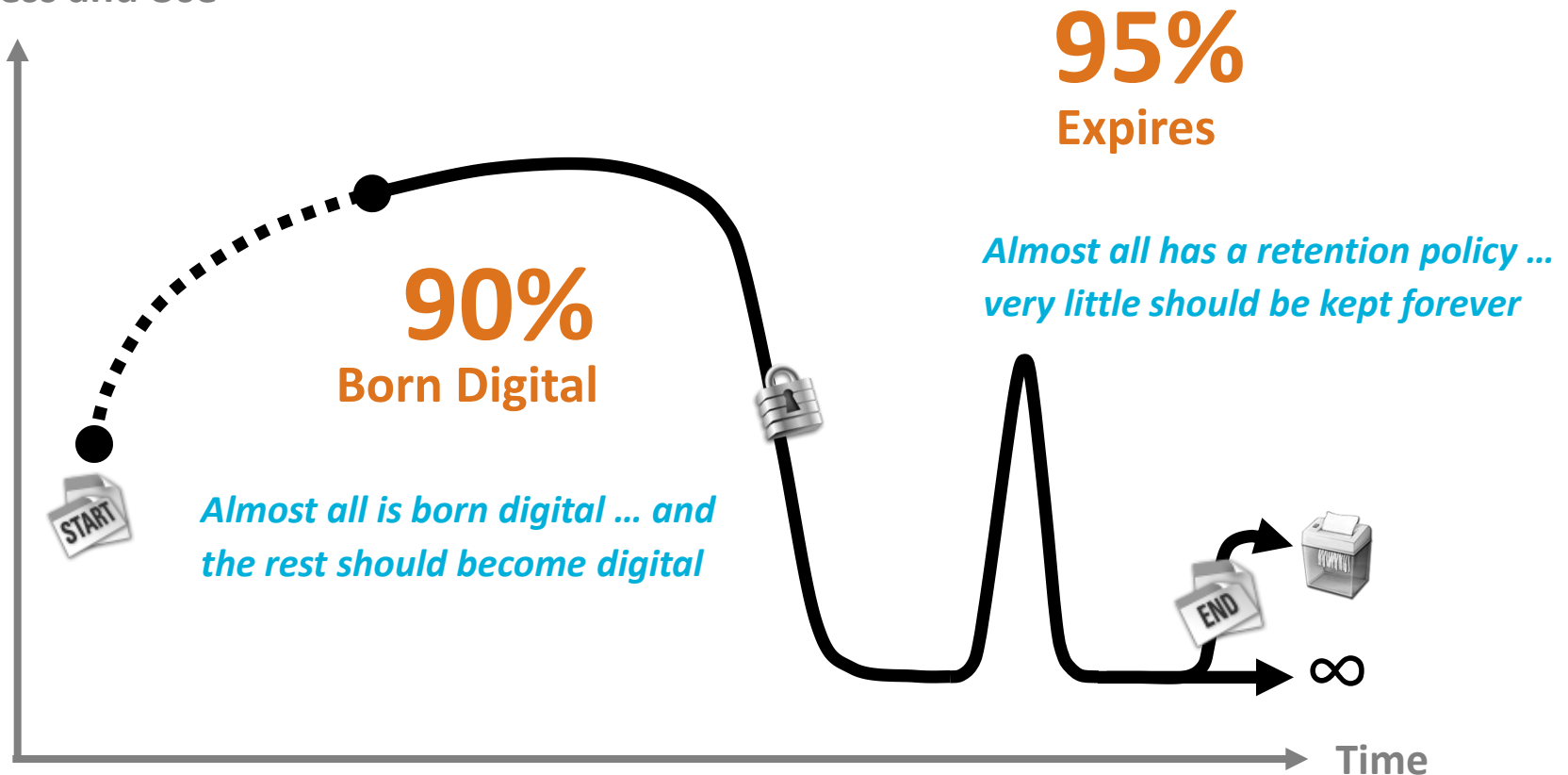
Amount of IT budget spent on storage³

44x

Projected information growth, 2009-2020⁴

Information has an important lifespan requiring governance

Frequency of Access and Use



IBM Information Lifecycle Governance

- IBM ILG includes solution sets for legal, IT and RIM stakeholders:
 - Smart Archive solution for IT
 - eDiscovery Management solution for Legal
 - Records and Retention Management solution for Records and Information Managers
 - Disposal and Governance Management solution for the CIO



- A recognized leader in legal information governance and legal holds pioneer
- IBM now delivers the industry's most comprehensive solution to information lifecycle governance

Thomas Miller Group

Smart is: reducing storage space by 60%

“IBM’s e-mail management offerings provided us with the stability and functionality that we needed to address and meet our e-mail archiving, retention and compliance regulatory requirements.”

*— Rashid Mahmood, Lotus Notes Systems Manager,
Thomas Miller Group*

Industry context: insurance

Value driver: improve process efficiency

Solution onramp: info. lifecycle governance

Business Challenge

Industry and government regulations and legal discovery drove the need for a more effective method of managing, retaining and producing electronic information in a timely manner.

What’s Smart?

IBM Smart Archive solutions provide e-mail archiving and retrieval, and manages growth for any Notes database or server platform. IBM Content Manager manages all e-mail content across multiple platforms, databases and applications

Smarter Business Outcomes

- About 30,000 daily emails and attachments are indexed and archived for rapid retrieval, including 23 million emails retroactively archived and eDiscovery ready.
- Deep compression and single instance storage functionality reduced storage space by 60%.
- Users benefit from unlimited mailbox management.

PPL Corporation

Smart is: knowing what to keep

“Before, it could take up to five days to get a file from our records department. Now staff can access documents at the click of a button.”

*— Jim Mazurowski, Supervisor
Information Solutions, PPL*

Industry context: energy and utilities

Value driver: reduce costs, improve compliance

Solution onramp: info. lifecycle governance

Business Challenge

PPL wanted to minimize the risk and costs associated with records, plus improve document retention for regulatory compliance and information governance.

What's Smart?

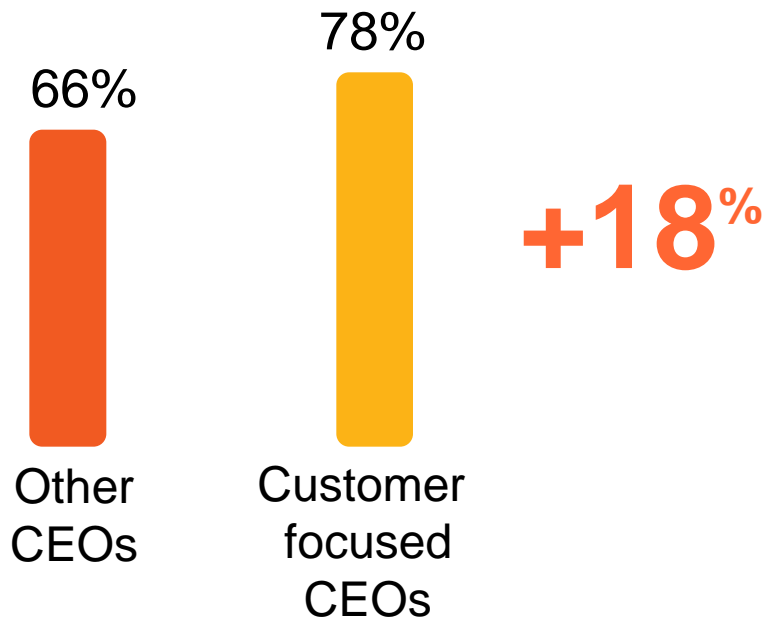
PPL addressed their e-mail and records retention requirements by properly capturing, consolidating, storing and managing content across its lifecycle, enabling compliance staff to find trusted, contextually relevant information in a single retention record.

Smarter Business Outcomes

The IBM solution reduced time to access records from up to five days to just seconds, enabled a 75% decrease in time to compile information for new projects, and helped staff retain critical documents to meet regulatory requirements.

CEOs want to exploit the information explosion to better understand and serve customers

Focus on deriving new insights and intelligence from information to help realize strategy

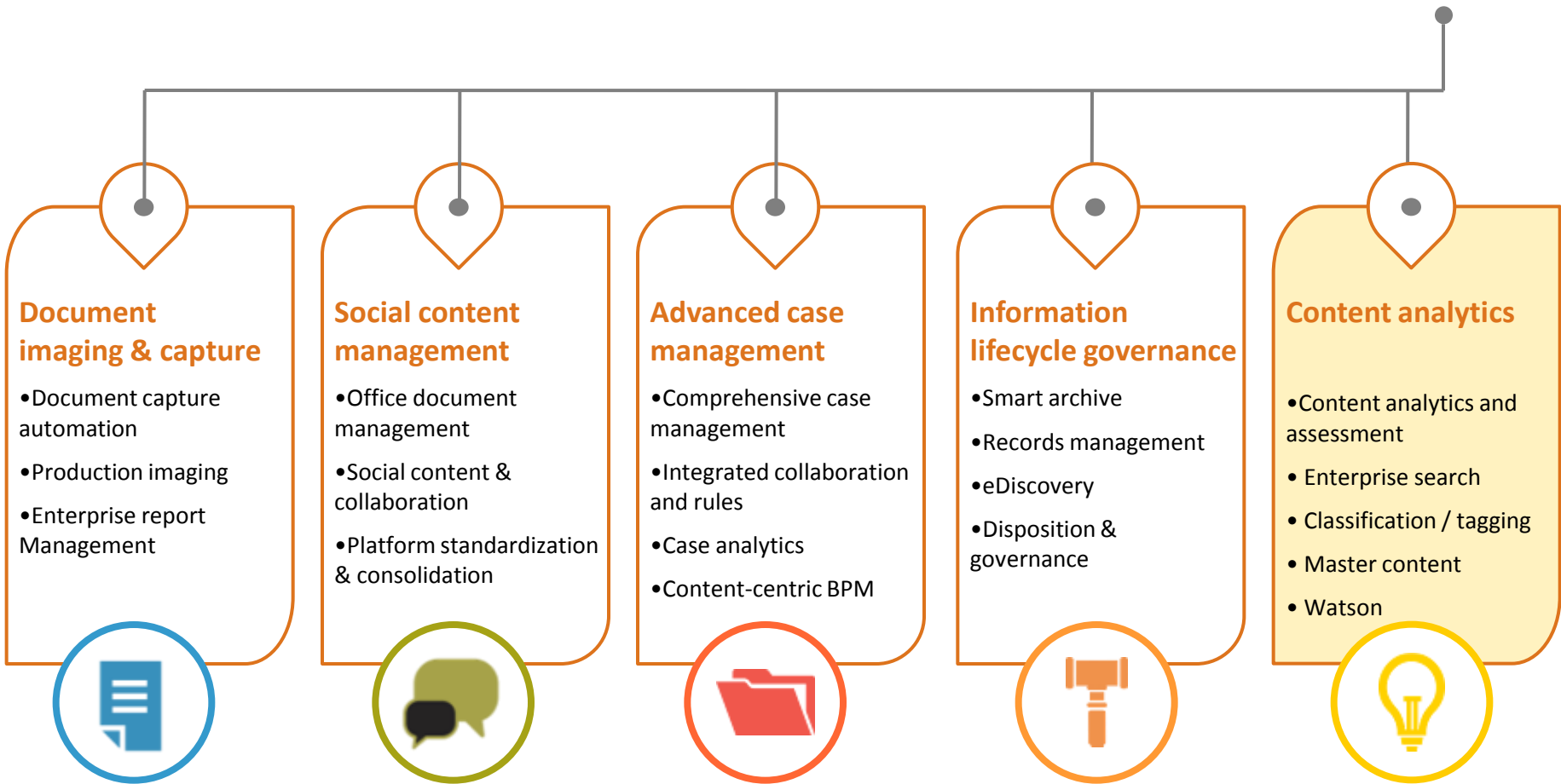


“Insight and foresight are linked with leadership. It's insight that helps to capture opportunity.”

Zhou Ming, Executive VP and Secretary General, China Council for Int'l Investment Protection China

IBM Enterprise Content Management

Content analytics is helping *make sense of business information*



The Next Grand Challenge



Content analytics and Watson

- **Natural Language Processing (NLP)** is the cornerstone to translate interactions between computers and human (natural) languages
 - Watson uses **IBM Content Analytics** to perform critical NLP functions
- **Unstructured Information Management Architecture (UIMA)** is an open framework for processing text and building analytic solutions
 - Several IBM ECM products leverage UIMA text analytics processing:
 - IBM Content Analytics
 - OmniFind Enterprise Edition
 - IBM Classification Module
 - IBM eDiscovery Analyzer



Unlock **valuable insight** from content

What our clients are doing with Content Analytics

Understand what customers want **before they ask.**



Detect fraudulent claims before they are paid.



Dynamically deploy resources to the areas of greatest threat.



Save lives by quickly identifying critical safety defects.



Are you unlocking the value of your unstructured content?

Going from raw information to **rapid insight**

Uncover business insight through unique visual-based approach

Aggregate and extract from multiple sources

... to form large **text**-based collections from multiple internal and external sources (and types), including ECM repositories, structured data, social media and more.

Organize, analyze and visualize

... enterprise **content** (and data) by identifying trends, patterns, correlations, anomalies and business context from collections.

Search and explore to derive insight

... from collections to confirm what is suspected or uncover something new without being forced to build models or deploy complex systems.



IBM Content Analytics is a platform to derive new insights

- Transform raw information into **business insights** without building models or deploying complex systems.
- Derive insight in **hours** or **days** ... not weeks or months.
- **Easy to use** for all knowledge workers to **search** and **explore** content.
- **Flexible** and **extensible** for deeper insights.



External and Internal Content (and Data) Sources
including Social Media and More

NTT Docomo

Smart is: reducing customer churn

“Insight into customer interaction logs is an information gold mine for us.”

— General Manager
Japan Business

Industry context: telecommunications
Value driver: improve customer service
Solution onramp: content analytics

Business Challenge

Adopt a customer-oriented business strategy to offer highly satisfying products and services based on real voice of customers (VoC).

What's Smart?

They process call center notes and customer emails to detect likely candidates for customer churn. A rules-based text analysis engine in IBM Content Analyzer detects the customer churn candidates. An alerting engine then automatically sends reports to a department that deals specifically with customer churn situations.

Smarter Business Outcomes

Improved rates for model and service upgrades to loyal customers. Started new Premium Club points program based on VoC. Set initial parameters of mobile phones based on VoC.



IBM at 100: ECM Innovation for Over 50 Years

Beginning in
1957 ...

Searching and
Classifying

Content Syndication

Records Management

Workflow / BPM

Imaging

Tarian
Software

Apatrix

Video Content

ECM Standards

Gen
Pas

Production
Imaging

2011

PSS
Systems

Datacap

eNet

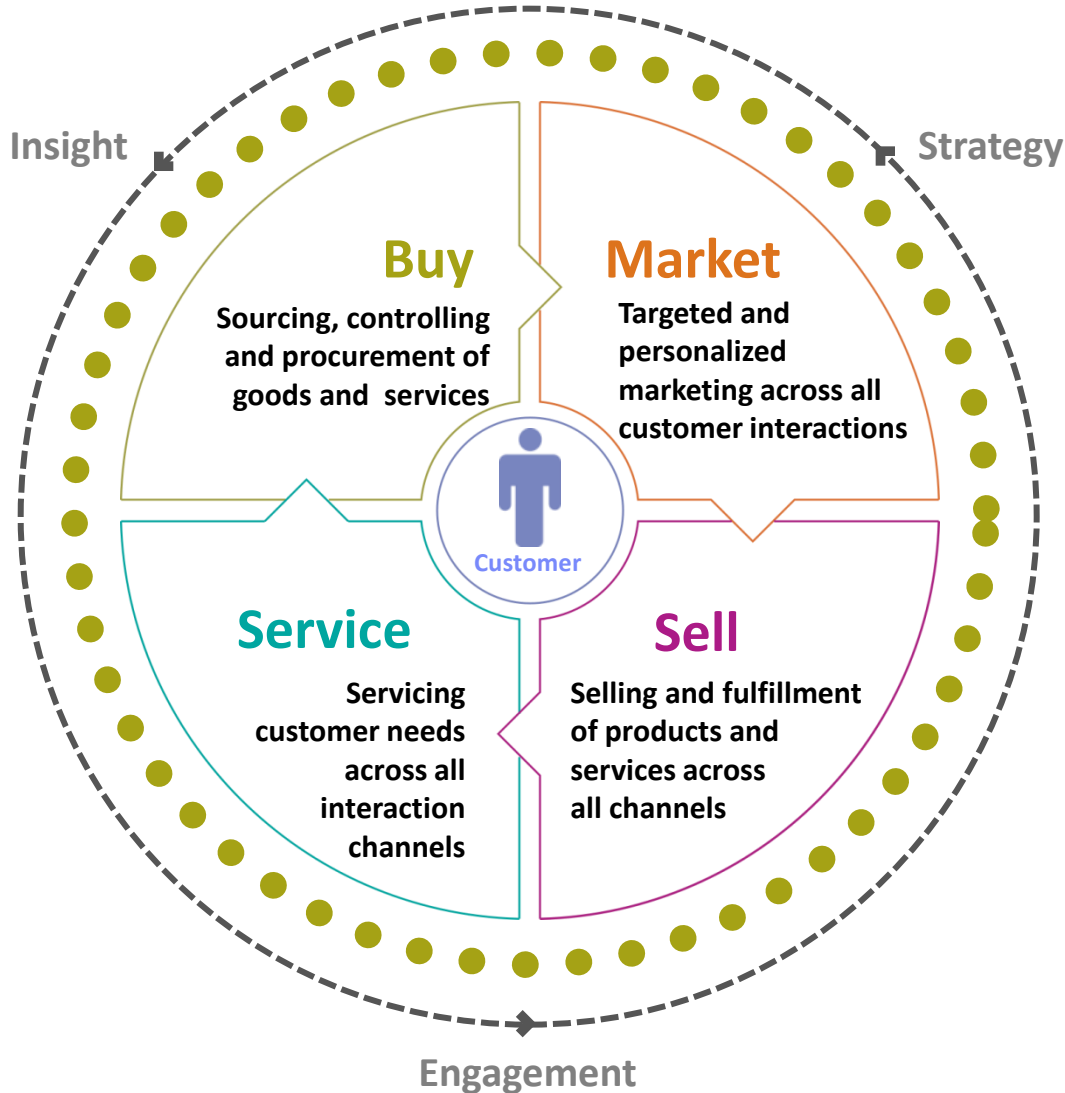
over \$14B
Invested
since 2006



IBM is reinventing customer relationships

IBM Smarter Commerce

Chief Sourcing & Procurement Officer
“Right Product, Right Place, Right Time, Right Price”



Chief Marketing Officer (CMO)
“Brand consistency and enhanced brand experience across all customer interaction channels”

VP of Customer Loyalty
“Happy, Loyal, Recurring Shoppers”

VP of Commerce, Stores & Operations
“Efficient, low-cost order to cash processes and improved store sales”

ECM helps enable Smarter Commerce



Document imaging & capture



Social content management



Advanced case management



Information lifecycle governance



Content analytics



Why IBM?



IBM has the experience, solutions and roadmap to help governments become smarter. We deliver:

- **A commitment** to progress and a century's worth of proven solutions
- **Solutions** that deliver value and address today's challenges and goals while creating a foundation for tomorrow
- **Leadership** that helps build smarter governments and a smarter planet
- **A strong ECM portfolio** with complementary partners that address public sector needs

*56 of the top 58 government organizations use ECM solutions from IBM.**

ECM has never been more relevant

**Become more
creative and
innovative**

- Creativity is the top leadership quality
- Drive change to stay ahead of market
- Expand our communication channels
- Break with status quo (industry, business and revenue models)

**Increase our
responsiveness
and flexibility**

- Simplify operations and products
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**Reinvent our
Customer
relationships**

- Get closer to customers (*top theme*)
- Better understand our what customers need
- Deliver unprecedented customer service



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