



Service Oriented Architecture

Rules of Thumb

How will companies survive over the long term?

The answer is in continuous business transformation.

How can companies effectively execute a business plan incorporating continuous business transformation?

The answer is by the company becoming as agile as possible, both in business process and IT implementation.

How can companies achieve the greatest business agility?

The answer is Service Oriented Architecture (SOA).

Rules of Thumb

Rules of thumb are snippets of information that are easy to remember and helpful in making some basic SOA decisions. They are not hard-and-fast rules but guidelines in the search for SOA solutions.

- ◆ If a peer relationship between IT and the business units cannot be forged, SOA cannot be successful.
- ◆ Architecture is a wager and “bets” are difficult to justify, however, SOA can provide IT justification and business value measures.
- ◆ In an agile business, incremental business services – mirroring business process steps – become IT’s core deliverable.
- ◆ Business-smart IT architects are the bridge between IT and the company’s business units.
- ◆ Within a business process, each interaction with an IT asset is a potential place for a service.
- ◆ A service that mirrors (and executes) a business process, can be used to allocate IT costs and provide IT justification by correlating the IT costs with business process results.
- ◆ Companies committed to SOA will find business processes and services at the center of both business design and IT delivery.
- ◆ A company’s SOA gives IT a definitive way to prove business value through business results measurements.
- ◆ When a change in business process no longer requires a change to application programming logic (successful SOA), your company has attained competitive business agility.
- ◆ Without SOA, on demand is not possible.
- ◆ For the foreseeable future, do not implement SOA or Web Services without the other.
- ◆ Business agility for competitive advantage is THE fundamental business requirement – SOA makes it real.
- ◆ A reasonable and justifiable estimate of reduced integration project development and maintenance costs due to SOA is 30%.

SOA Cools Stifling Business Factors

A company’s idiomatic traits can produce revenue-robbing issues (Alarm Phrases). SOA can provide real answers (Solution SOA) to these vexing problems.

Revenue-Robbers

One-way customer relationships yield market-irrelevant inventions.

Alarm Phrases → Solution SOA

- Unheeded insights from channel partners (Extensibility)
- Rivals exploit customer intimacy to get buy-in (Loosely Coupled)
- Obliterating existing business models (Agility)

Ivory-towered R&D labs dampen the rate of invention.

Alarm Phrases → Solution SOA

- Reinvention of the wheel (Reuse)
- Process-based business model innovation outstrips many product and service inventions for business impact (Extensibility)

Organizational silos prevent collaborative idea generation.

Alarm Phrases → Solution SOA

- Clumsy knowledge transfer (Loosely Coupled)
- Product-centric business units fail to exploit cross-unit synergies (Loosely Coupled)

Risk-averse senior management eschews innovation.

Alarm Phrases → Solution SOA

- “Not invented here” (Reuse)
- Reject breakthrough service innovations (Extensibility)

Unskilled partners fail to keep pace with innovation.

Alarm Phrases → Solution SOA

- Competitors out-innovate by plugging talented new suppliers and distributors into their value chain (Loosely Coupled)

More Information

SOA Business Value White paper
<http://www.ibm.com/webservices/eis>

EIS Internal Web Site:
<http://w3.ibm.com/software/eis>

Randy Langel
SOA Business Value Manager
714-438-5955 USA, rlangel@us.ibm.com

SOA = Business Agility = Competitive Advantage