



WHERE TEAMS ARE **R-HEROES**

**DANNY  
SABBAH**

**GENERAL MANAGER  
IBM RATIONAL SOFTWARE**



# 27 Years Old and 5 Years Young

RATIONAL



R1000

- Systems

1980

Rational<sup>®</sup>  
the software development company


Software Development Platform

- IT
- Systems






1990

Rational. software



- Enterprise Modernization
- IT
- Systems Take Two



2000

Individuals

Local Teams

Global Teams

2008

- 28,000 Customers
- 2,000 Rational Software Developers
- 40% Growth Since 2003



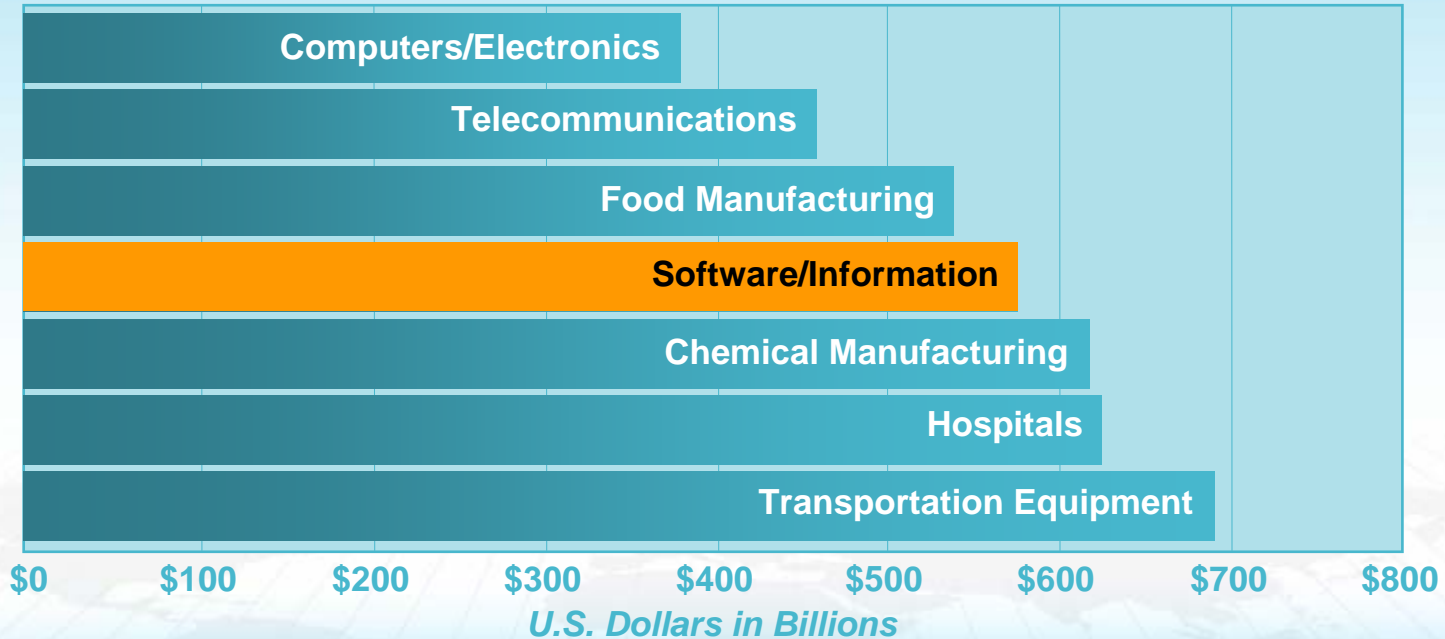
# Today's Discussion

- **Realities of Software Delivery**
  - Business and Organizational Trends
  - Impact for Software and Systems
- **Leading by Example**
  - A Rational State-of-the-State



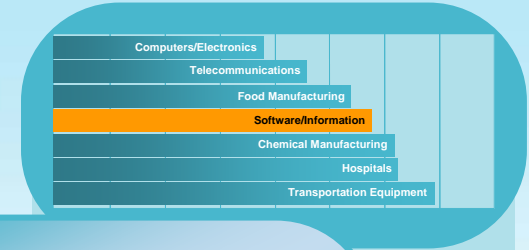
# Software Underlies Value Across Industries

U.S. Industry Revenue  
(U.S. Census Bureau)



# Increasing Accountability of Software

- **Ultimately, on time and under budget means nothing without the right business outcomes**
- **Outcomes are measured in dollars, in customer retention, in market share**
- **The ideal organization ensures software delivery is directly tied to business need**



**Only 34%  
of software projects  
are deemed successful**

**Software related  
downtimes cost  
the industry nearly  
\$300 Billion annually**

***You're all working hard,  
but are you working on the right stuff?***



# 2008 and Beyond

## *Latest shifts in software delivery*

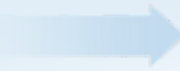
- **Increasingly diverse, cross organizational global project teams**
- **Interest in replicating the proven models of community governed software delivery models**
- **Popularity of agile development and social networking models**
- **Embrace of automation to enable rapid tuning of business models**



# From Shifts to Opportunity

*Embracing these shifts enables one to move from the*

**Rigors of the  
'cathedral'**



**Openness of the  
'bazaar'**



*A market-driven, agile development approach  
characterized by the notions of:*

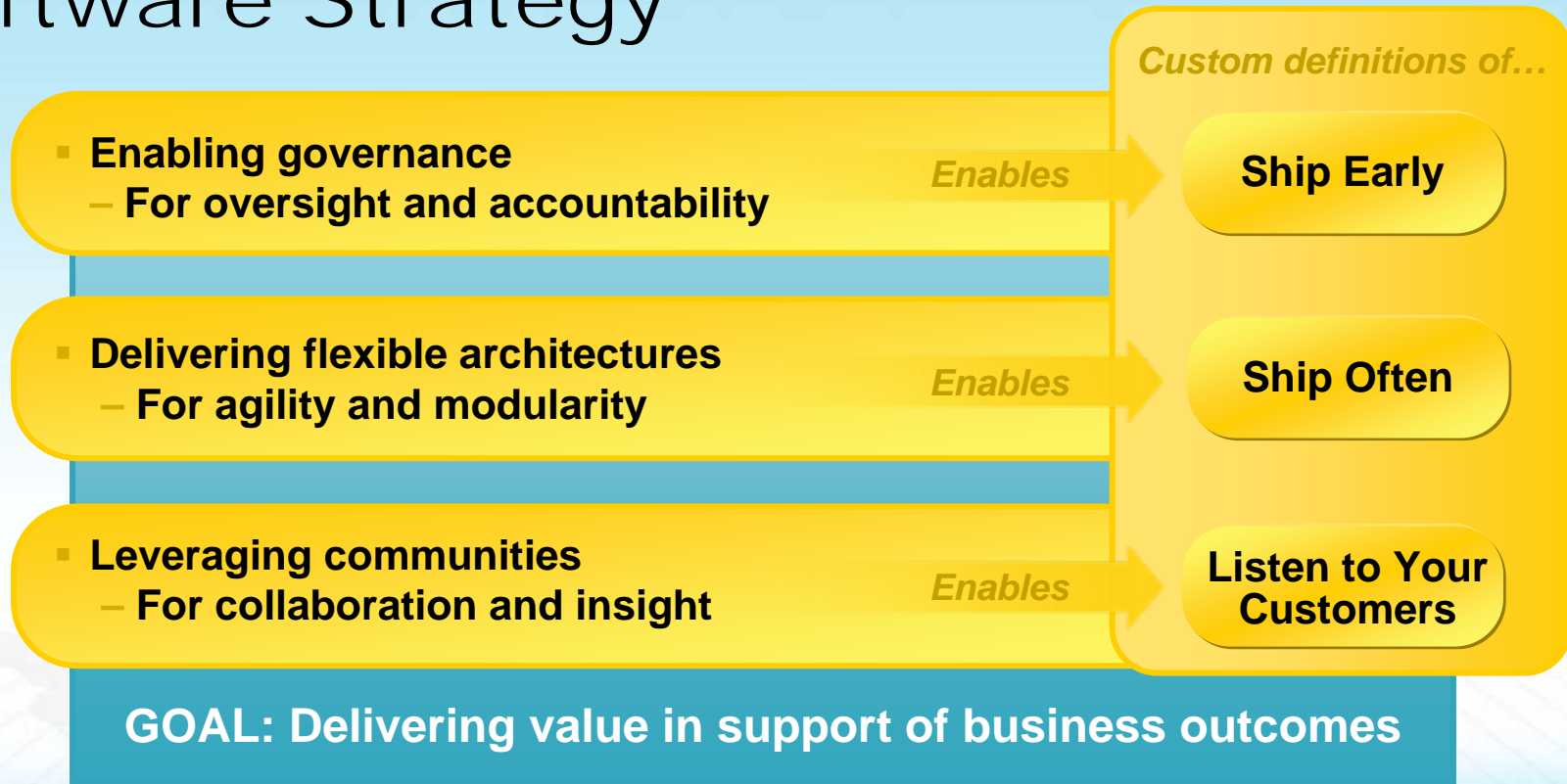
**Ship Early**

**Ship Often**

**Listen to Your  
Customers**



# Fundamentals of the Rational Software Strategy





# Why Governance?

*Business Challenges*

*Business*

**Ship Early**



**ENABLE  
GOVERNANCE**

Continuous fact-based analysis  
to achieve a dynamic balance  
between competing interests

▪ Increase

▪ Recessionary markets

on

▪ Efficiency



# Why Flexible Architectures?



# Why Leverage Communities?

**Listen**

**LEVERAGE  
COMMUNITIES**

Continuous customer conversation with measurements to capture the inevitable evolution of need and desired business outcomes



# The Business Value Connection

**ENABLE  
GOVERNANCE**

*Respecting compliance/security concerns without undermining utility*



**DELIVER  
FLEXIBLE  
ARCHITECTURES**

*Modernizing assets & people's skills to leverage existing systems & business knowledge*



*Anticipating innovation through openness & service orientation*



**LEVERAGE  
COMMUNITIES**

*Getting the most out of collaboration in distributed environments*



*Ensuring every individual's work matters, every day, across the hall or across the globe*



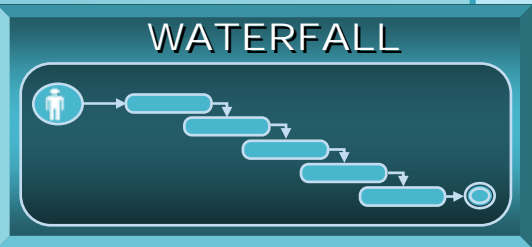
# Today's Discussion

- Realities of Software Delivery
  - Business and Organizational Trends
  - Impact for Software and Systems
- **Leading by Example**
  - **A Rational State-of-the-State**

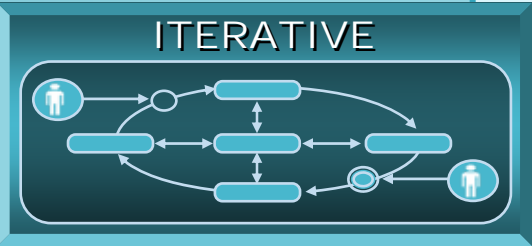


# Selecting the Right Approach

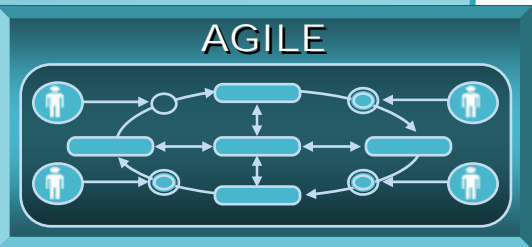
- **Waterfall development**  
When *stability* is the primary driver
  - Example: Rational ClearCase kernel



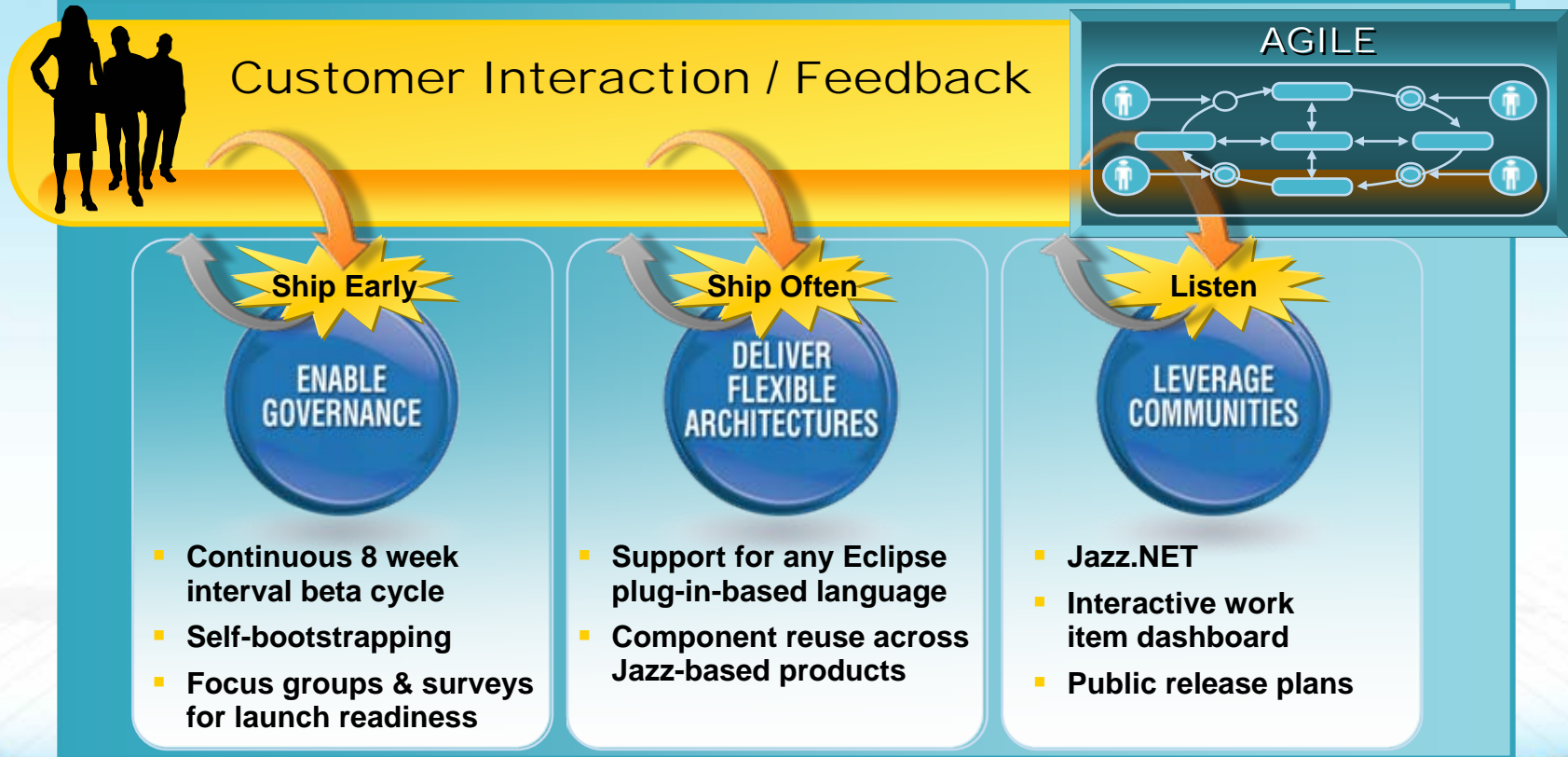
- **Iterative development**  
When *stability and change* are equal players
  - Example: Rational Software Architect, Rational Business Developer



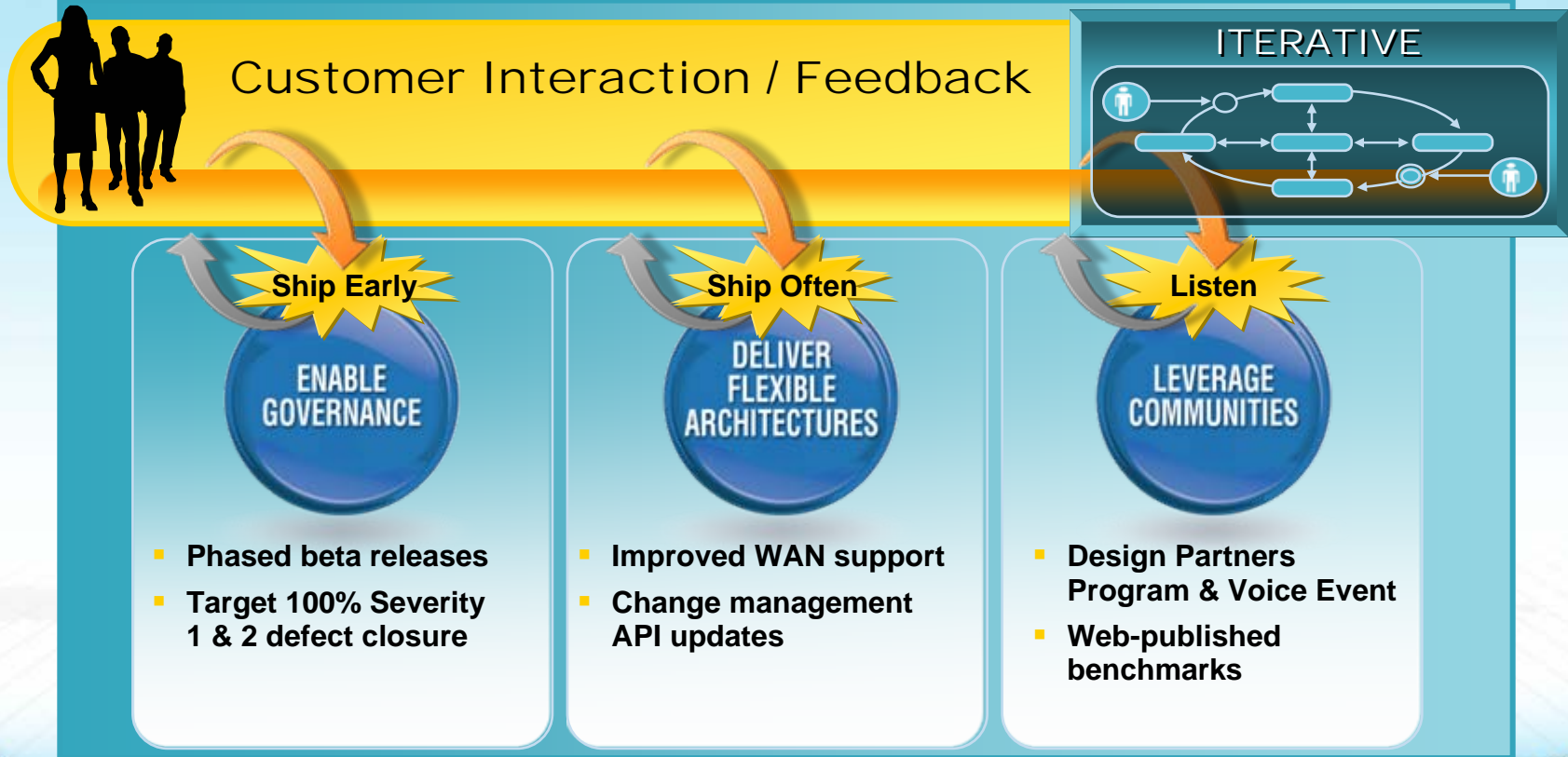
- **Agile development**  
When *change* is the primary driver
  - Example: Rational Team Concert, Rational Quality Manager, Rational Requirements Composer



# Example: Rational Team Concert



# Example: Rational ClearCase enhancements





# It All Starts With a Conversation

	Premium Support	Online Communities	Beta Programs	Quality Initiatives	Design Partner	Board of Advisors	Advocate Program	VoiCE Events	Social Networks	
<i>Year Established</i>	1997		→			2005		→		2008
<i>Production Issues</i>	●	●		●			●	●	●	
<i>Futures</i>	●	●	●	●	●	●	●	●	●	
<i>Cross-Rational Product Groups</i>	●	●		●		●	●	●	●	
<i>Business Goals &amp; Objectives</i>	●				●	●	●	●		
<i>Industry Issues &amp; Trends</i>						●		●		
<i>Competitive Issues</i>						●		●		
<i>Governance &amp; Compliance</i>						●		●		



# Enabling Support and Education On Demand

## *To Embrace our Community*

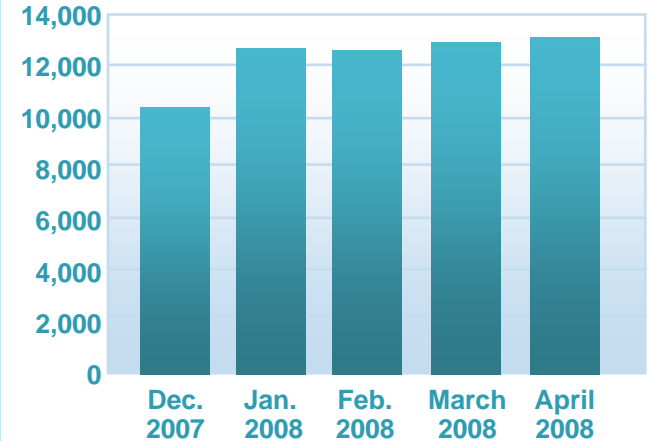
### ***IBM Education Assistant (IEA)***

- Free web-based multimedia product training
- 168 modules - 33% more than last year
- 184k unique downloads since January 2007

### ***IBM Support Assistant (ISA)***

- Search, learn, diagnose, and report
- 56 Rational products supported – 16 more than last year
- More than 17,000 plug-ins downloaded

Rational IEA Hits per Month  
All Modules



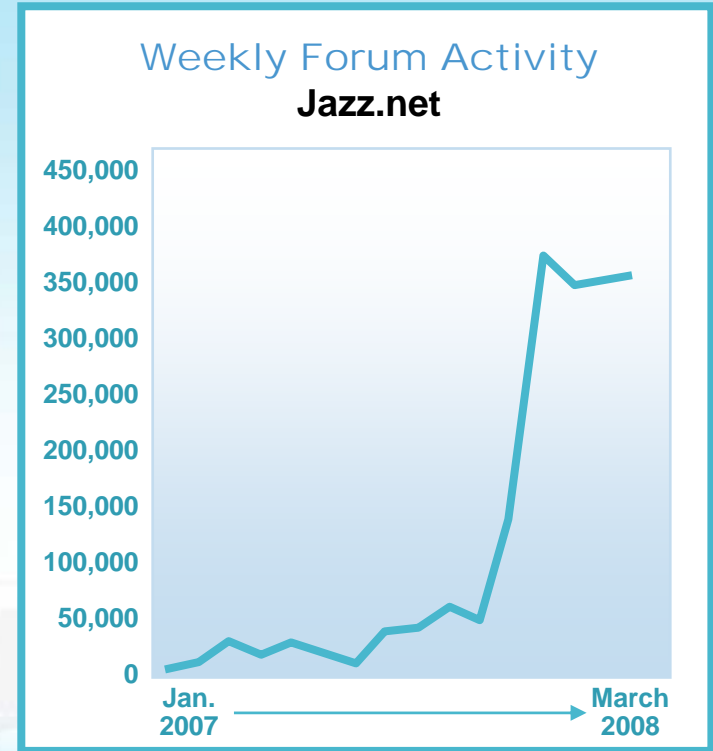
**28% Growth in 5 Months**



# Founding Jazz.NET

## *To Embrace our Community*

- **17 customer pilots across industries**
  - e.g. Finance, Consumer Electronics, Automotive, Telecommunications
- **15 business partner integrations**
  - e.g. Black Duck, CM Logic, Source IQ, CAST, Mainsoft, WebLayers
- **10 Jazz research projects**
  - e.g. Bluegrass, Emergent Teams
- **Widespread internal RTC adoption**
  - 28 Rational projects with 800 users
  - Over 100 IBM teams



# Building Interactive Portals *To Embrace Our Community*

**IBM SWG Consumability  
Excellence Award Winner!**



## *EGL Cafe*

- Capture community wisdom in global knowledge base
- Encourage sharing and re-use to reduce effort
- Open participation for System z, IBM i and distributed developers



## *Rational RFE Community*

- Search, watch, comment on, submit for evaluation
- Open sharing of future product plans across user base
- All strategic products participating



# Continuous Refinement of Client Support

## *To Embrace Governance*

- **Rational Client Support**  
**Grand Winner of 2007 Kepner-Tregoe (KT)**  
**International Rational Process Achievement**  
**Award for Client Service Excellence**
  - Overall worldwide customer satisfaction increased by 4%
  - Backlog reduced by 44%
  - Average time to close improved by 29%
- **500 employees provide**  
**“follow the sun” support**



*Runners-up include:*



# Use of Metrics for Self-improvement

## *To Embrace Governance*

*In comparison to 2007*

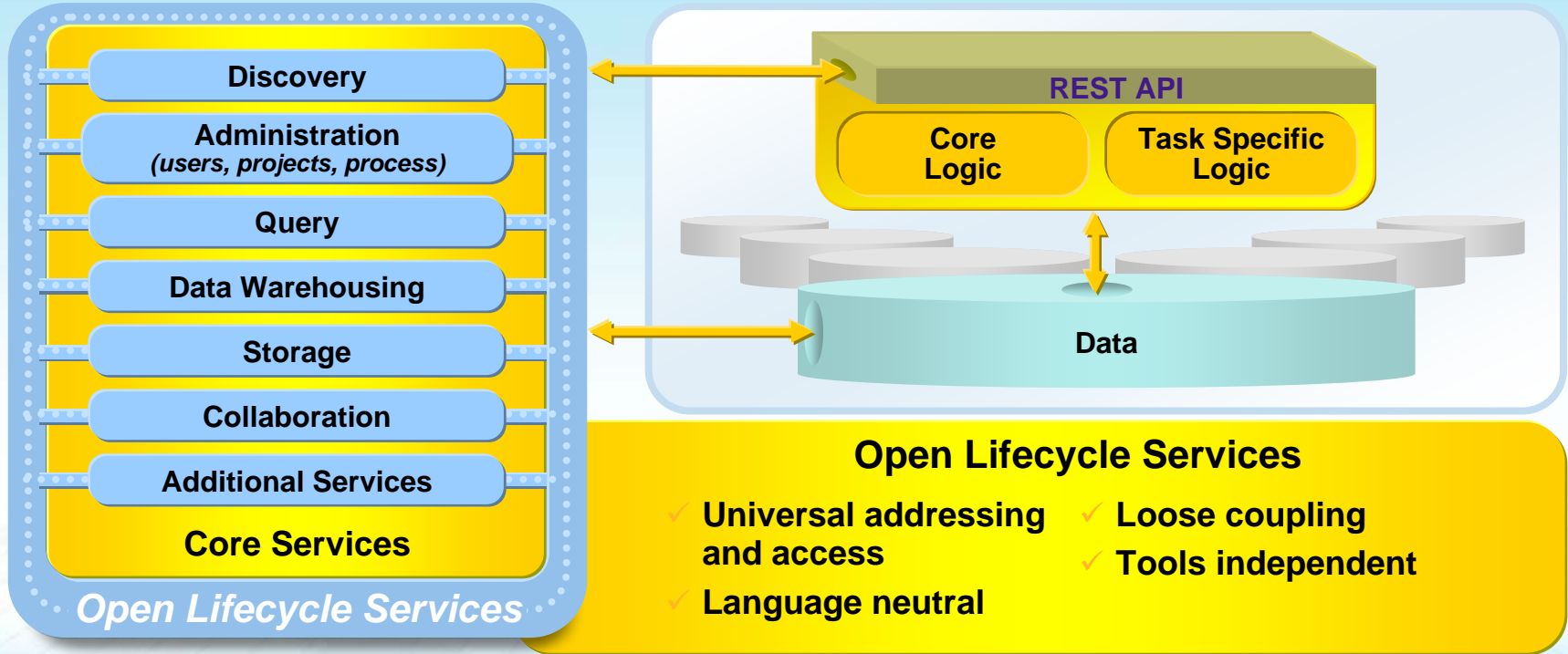
- **9% reduction in Problem Mgmt Record (PMR) arrivals**
- **21% decrease in reported defect arrivals across all products**
- **9 more Beta Programs**
- **56% increase in number Lab Advocacy Program clients**
- **75% increase in number of Design Partner clients**
- **3% increase in Customer Satisfaction Index for Tech Support**



# Using The Internet As Inspiration *To Embrace Flexible Architectures*



Open Services for  
Lifecycle Collaboration  
Initiative



# Software Delivery Lifecycle

## *Via Web-based Architecture*

TEAM SERVER – *logical view*

*Software Delivery Lifecycle Services*  
**Data Specific Information Flow**



REST API

Discovery

Data Warehousing

Administration  
*(users, projects, process)*

Query

Collaboration

Additional Services

Storage

Core Services

*Open Lifecycle Services*





# Rational's Vision

*Open Web-centric Services-based*

**Existing Offerings**

**New Offerings**

**Business Partner Offerings**

*Best Practice Processes*

*In-Context Collaboration*

**TEAM SERVER**

*Open Lifecycle Services*

## **Client Integrations**

- Eclipse
- Web 2.0
- Visual Studio (4Q)

## **Server Integrations**

- Existing Rational/Telelogic offerings
- Business partner offerings
- Open source offerings (Subversion, etc.)



# From Vision to Reality

2007

*Announced our new  
Rational strategy*

- Enabling Governance
- Adopting Flexible Architectures
- Leveraging Communities

2008

*Strategy in action: Helping guide you  
from the 'cathedral' to the 'bazaar'*

- Ship Early
- Ship Often
- Listen to your customers

*See it here at RSDC 2008*



IBM®

# RU READY TO SAVE THE DAY



IBM Rational Software  
Development Conference  
2008

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