

INTERVIEW WITH TAMI CANNIZZARO

Lindsey Green: Hello and welcome to the Biztech Report's *Internet Radio*. Hi, I'm Lindsay Green and today we present the next installment in our IT Solutions Series, *Doing More With Less*, sponsored by IBM. In today's report, we once again discuss the challenges IT managers are facing and explore the latest trends and approaches being used by leading edge organizations around the world to accomplish organizational objectives. Here to bring us another discussion on how organizations in today's economy are doing more with less is Biztech Report's editorial director, Lane Cooper.

Lane Cooper: Thank you, Lindsay. We are very fortunate today to be in a position to explore the operational implications of enterprise wide service oriented architecture, or SOA initiatives. Joining us today is Tami Cannizzaro, Director of SOA and enabling business flexibility programs at IBM. Tami, thank you for joining us today.

Tami Cannizzaro: Thank you.

Lane Cooper: So Tami, one of the questions that I know comes to mind is understanding the pace at which things like SOA are in fact being adopted by enterprises today. Can you give us a sense after all of the sort of years of hyper around this concept – are we seeing actual practical implementations taking place and if so, what's driving that adoption in your mind?

Tami Cannizzaro: Yes, we are seeing adoptions. In fact, we have over 500 public references that have worked with IBM on SOA implementations. And we're seeing adoption moving from customers starting with a single project around a single area, departmental project, into more pervasive projects. And what we're seeing driving that adoption is really the need for agility, the need to drive more agility and performance, really due to – you know, what's happening in the economy, due to the changing landscape of – you know, there's a need now for companies to do things much quicker, to be able to adopt to changes in supply and demand.

You see what's going in with financial markets has had impact in many companies that they realize they need to be able to upscale or downscale or shift supply and demand or shift where they're supply product very quickly. And some companies that are kind of mired in you know, old systems that haven't been updated that aren't, you know, agile, that take a lot of manual coding really can't change as business strategies fluctuate or as market trends fluctuate are really struggling out there.

So we're working with a lot of companies to really help them to build more agile businesses that are able to have higher performance because of the technology that supports their business models in a, you know, a very robust way. And service orientation, you know, of a business, really enables companies to be more flexible, more agile, plug-and-play with services in their business – really, their business models are componentized, so they're able to quickly add a new supplier or more quickly introduce a new product or more quickly replenish their shelves if they're a store.

Really, we're seeing those – the trends of companies needing to move more quickly. And so IBM has, you know, works with customers on their agility and we have key agility indicators to help customers to benchmark themselves against how quickly they can move and how competitive they are against other competitors in their business areas.

Lane Cooper: I'd like to get back to you on those agility benchmarks that you were talking about. But before that, you mentioned the economy. And you know, there's that old saying that that which is urgent can sometimes trump that which is important. Has the economic downturn in your observation had an impact in either slowing or even maybe perhaps accelerating the adoption of SOA?

Tami Cannizzaro: We're working with a lot of companies who – their budgets have dried up, they don't have a lot of new dollars, but the business is demanding more from the technologists in the company. And then what we're seeing is that they really need to take those dollars and figure a way to operate more efficiently and spend less money on maintenance and be able to spend more money on new projects like SOA that will enable them, you know, really set them up for the long run and enable them going forward to operate in a more efficient, flexible way. Whether it's less manual coding, less redo, there's more automation which really sets up a company in the long run to be more efficient, more optimized to deal with change and have optimal performance.

Lane Cooper: So it sounds like really organizations that are taking more of a risk based approach to understanding the cost of the current process user adopting SOA, while folks that don't engage in that engage in perhaps legacy thinking, may be delaying their SOA implementations. Do you feel that that provides those organizations that do make that shift earlier with a competitive advantage?

Tami Cannizzaro: We do. We really do. And companies, you know – we really feel that companies that don't have an infrastructure that supports the current economy and the way that the world works, you know, are really going to find themselves in trouble if they don't invest now. It's a much different world today than it was 20 years ago and there are 30 billion RFID tags embedded into the world and a billion transistors, and people are connected on the web in new ways.

And there – it's a very different world and we're finding that those customers that really are tapping into that technology to really change their business model to – you know, to a more modernized business model that's taking advantage of the RFID and transistors and the real world visibility that you can get from these technologies. Technologies like Business Events and Rules and Cloud that area really using SOA as a foundation to tap into these new technologies and gain tremendous business benefits and really get a competitive edge.

Lane Cooper: Excellent. It sounds like among other things a large cultural shift that has to occur in the mindsets of the IT management community and I'm wondering, are there new skillsets or new capabilities, new requirements perhaps that the IT managers, sort of our prime audience with this podcast series, that they should take away from this? Are there new retooling that needs to take place so that they can understand the imperatives and optimize these investments?

Tami Cannizzaro: Well you know one of the things I hear most from customers is they want to – they want to convince the business side of the house, if you will, of the value of these projects. Right? One of the things that the average IT manager really struggles with is how do I get my projects funded? So we really work with a lot of companies to show the business value. IBM's coming out with a new business, it's actually a gaming environment, business module that actually shows business leaders the value of service orientation to a business.

And we show a few different scenarios like supply chain. So what does your supply chain look like with service orientation versus you know, the old school way without service orientation? And it really shows the dramatic business benefits that you can get, and this kind of thing really helps to sell – to sell the business person on why they need to fund projects like service orientation to really

change the way they do business in a real and pervasive way and gain that competitive advantage.

Lane Cooper: Would it be fair to say given what you've just been commenting on that the metrics to which IT managers are being held in terms of performance is shifting from sort of, the performance of the bits and bytes of a network or an enterprise system to the business outcomes that their activities result in. Are you seeing more business types of accountabilities opposed to technical performance types of accountability emerge in the wake of these SOA adoptions?

Tami Cannizzaro: Yes, we are. And that's why we work with a lot of customers to show before they start a project to, you know, benchmark different customers who have gone through the process already. You know, IBM has spent a lot of time investing in industry solutions and frameworks for companies that have successfully implemented SOA in an industry context and we've identified from application to SOA foundation the best roadmap to implement these projects. And you know, you can take the customers in your industry that have done these projects and look at them and look at the business benefits that they received, and that's one of the best ways to really see the types of benefits that you could exact from different projects.

Lane Cooper: Tami, this has been great. I really appreciate your taking the time to chat with us today.

Tami Cannizzaro: Great. Thanks very much. I appreciate the time.

Lane Cooper: We will be covering the issue of SOA, BPM, enterprise architecture integration and other technologies in future podcasts. We invite you to join and review the materials that are going to be presented on this very website, and Lindsay, let me hand it back to you.

Lindsey Green: Thanks Lane. Today's Biztech Report podcast is sponsored by IBM, where the big blue team is working with clients to develop new business designs and technical architectures that enable the flexibility required to compete in today's economy and global landscape. For Biztech Reports, this is Lindsay Green.