New Initiatives Increasingly Focused on Optimization
Organizations Striving for Competitive Advantage

2008

$594B in 2008
5.1% CGR

$117B in 2008
11.1% CGR

Business Optimization

Business Automation
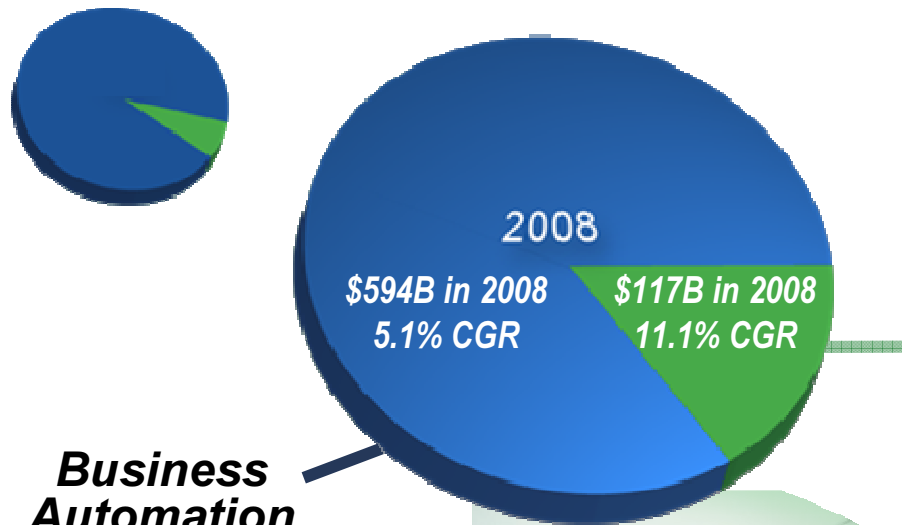
Business Optimization Growth
2X Faster
than Business Automation

Information Agenda

Application Agenda

Competitive Advantage

Financial Risk Insight	Dynamic Demand Planning	Customer Profitability
ERP & Financials	Supply Chain Management	Call Center Applications

Faster Processing, Reduced Costs

Focusing on Optimization at BCBS TN
Improving Customer Service and Sales

Nearly 3 Million Members
Insufficient understanding of customer issues

630,000 Healthcare Providers
across multiple healthcare programs
No single view of all provider claims and activity

Provider Satisfaction
Improved to Over
90%

Business Optimization
Information Agenda

Business Automation
Application Agenda

Competitive Advantage

Customer insight for better service	Understand providers for improved sales negotiations
Call Center Application	Employee Portal

Faster Processing, Reduced Costs

Key Challenge is Unlocking the Value of Information

Information Silos

Volume & Variety

Business Velocity

47% of users don't have confidence in their information

59% of managers miss information they should have used

42% of managers use wrong information at least once a week

AIIM & Accenture Surveys, 2007

4

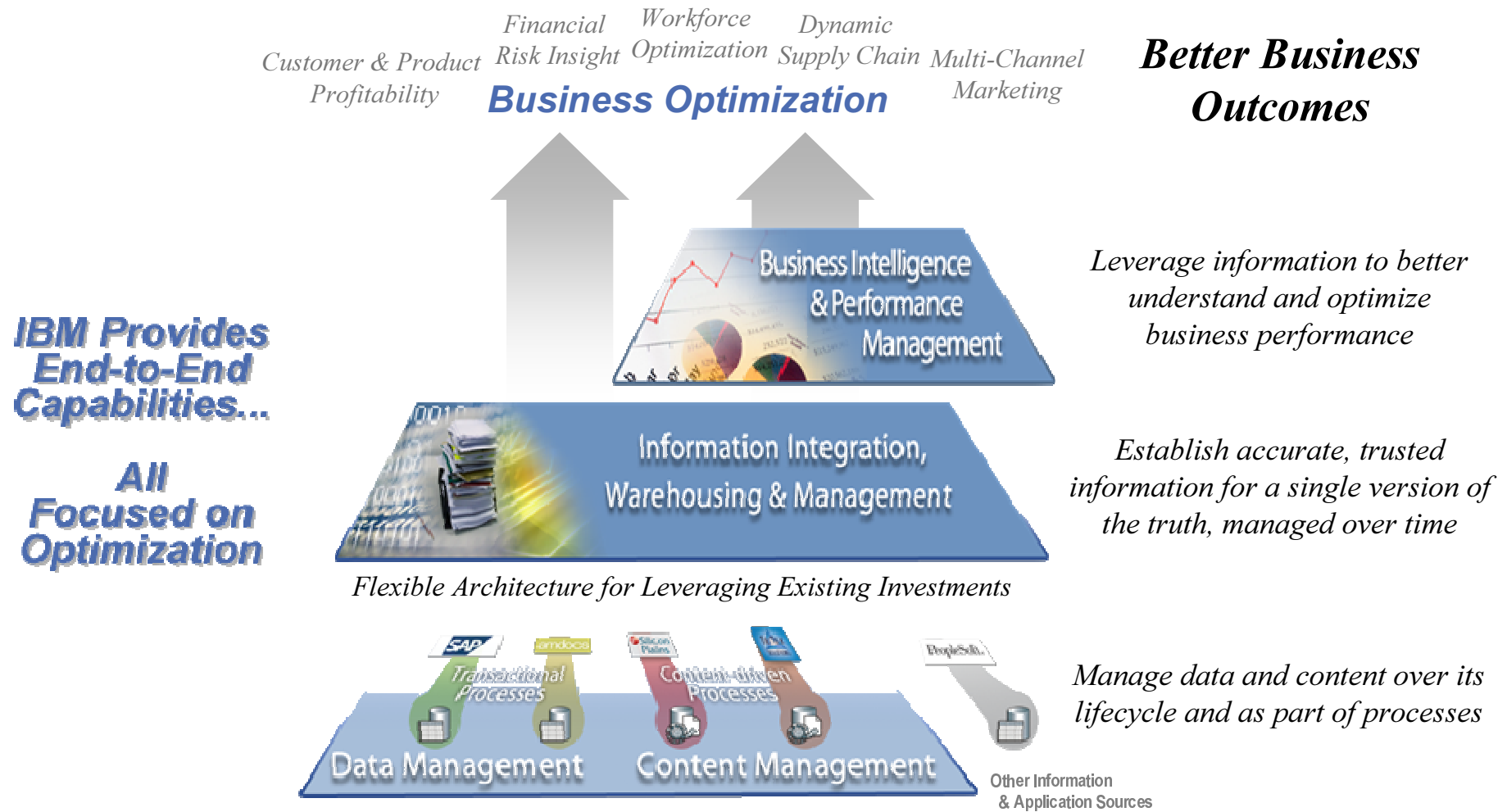# How Do You Unlock the Business Value of Information for Competitive Advantage?

Business Optimization

Automation

Information On Demand
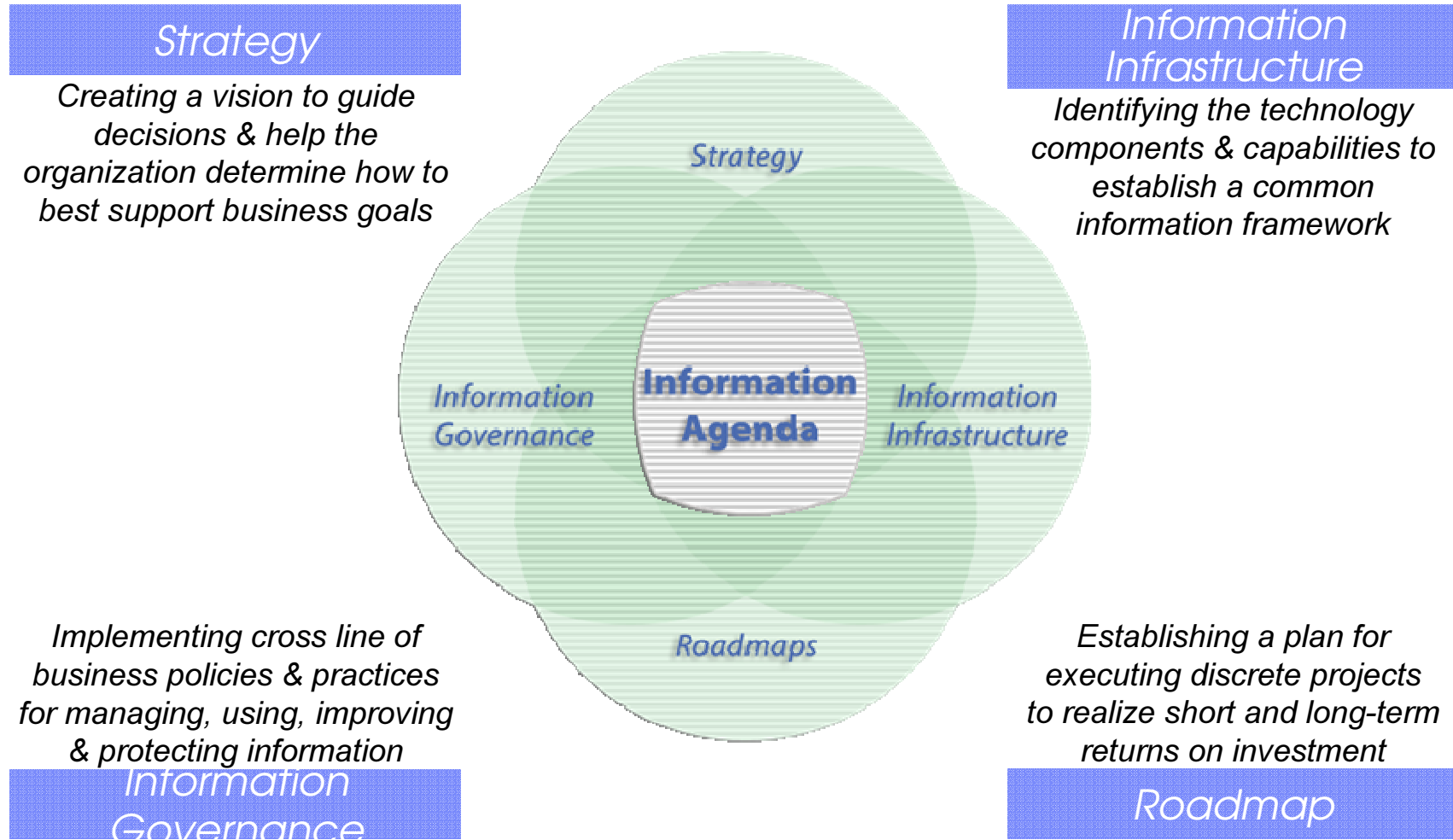## Unlocking the Business Value of Information for Competitive Advantage

Customer & Product Profitability *Financial Risk Insight* *Workforce Optimization* *Dynamic Supply Chain* *Multi-Channel Marketing*

Business Optimization

Better Business Outcomes

IBM Provides End-to-End Capabilities...

All Focused on Optimization

Business Intelligence & Performance Management

Leverage information to better understand and optimize business performance

Information Integration, Warehousing & Management

Establish accurate, trusted information for a single version of the truth, managed over time

Flexible Architecture for Leveraging Existing Investments

Data Management   Content Management   Other Information & Application Sources

Manage data and content over its lifecycle and as part of processes

Organizations need an Information Agenda
An approach for unlocking the business value of information

Strategy

Creating a vision to guide decisions & help the organization determine how to best support business goals

Information Infrastructure

Identifying the technology components & capabilities to establish a common information framework

Implementing cross line of business policies & practices for managing, using, improving & protecting information

Information Governance

Establishing a plan for executing discrete projects to realize short and long-term returns on investment

Roadmap

IBM helps Clients Approach an Information Agenda in Different Ways

Strategy

Information
Governance

**Information
Agenda**

Information
Infrastructure

Roadmaps

Pre sales IOD Briefing → Identifies / Prioritizes IT projects based upon business value

IOD Fast Track → Fast Track roadmap with distinct set of actionable projects that move you towards enterprise information infrastructure

Long Term Comprehensive → Enterprise Information Strategy roadmap that Includes Information Governance and BI strategies

Companies Buy Technology in Multiple Ways
IBM Addresses them All

Business Transformation

Unlocking the Business Value of Information

Open Standards
Flexible Architecture

Information On Demand

Software

Telecommunications

Retail

Government

Financial Services

● ● ● ● ● ***Software & Expertise***

BI & Performance Management Software

Information Integration & Warehousing Software

● ● ● ● ● ***Individual Products***

Content Management Software

Data Management Software

Systems

● ● ● ● ● ***Complete Systems***

Information On Demand
Unlocking the Business Value of Information for Competitive Advantage

- Leading, end-to-end capabilities for managing data and content as part of processes, establishing accurate, trusted information, and leveraging information to understand and optimize performance

- Flexible architecture supporting heterogeneous environments and open standards

- Deep industry expertise refined through thousands of customer projects

- Industry solutions, blueprints and frameworks that accelerate results

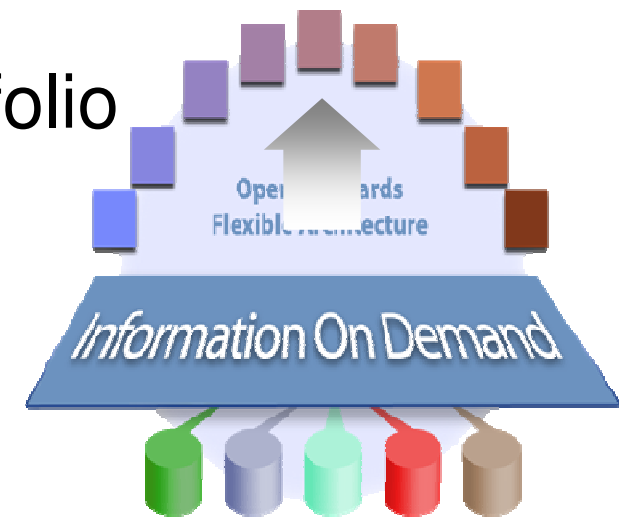- Industry's most extensive partner network

People, Processes, Applications

Open Standards
Flexible Architecture
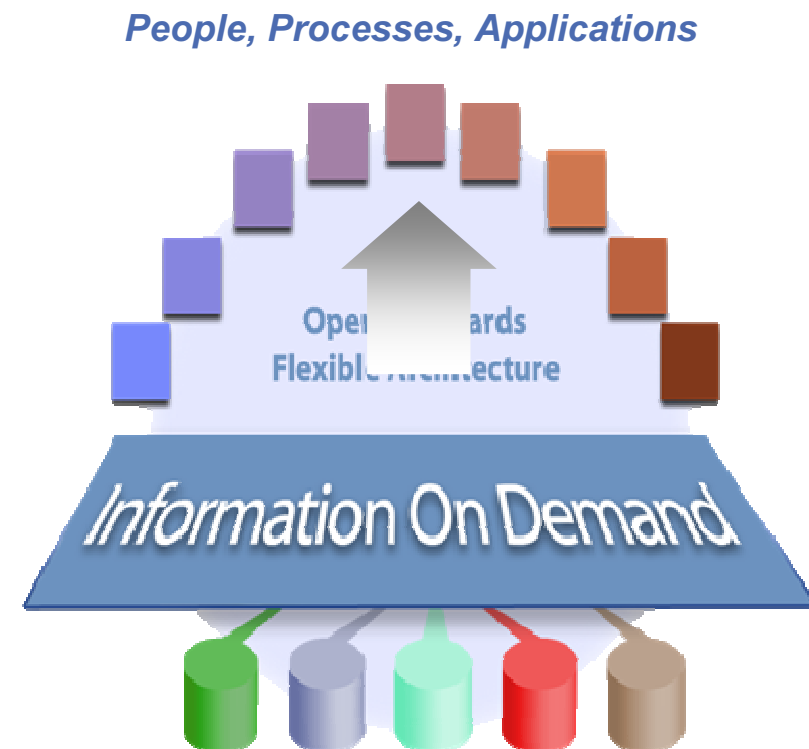
Information On Demand

IBM's Information On Demand Portfolio

Information Management Offerings

Enterprise Data Management
Lowering the cost and accelerating the use of enterprise data

People, Processes, Applications
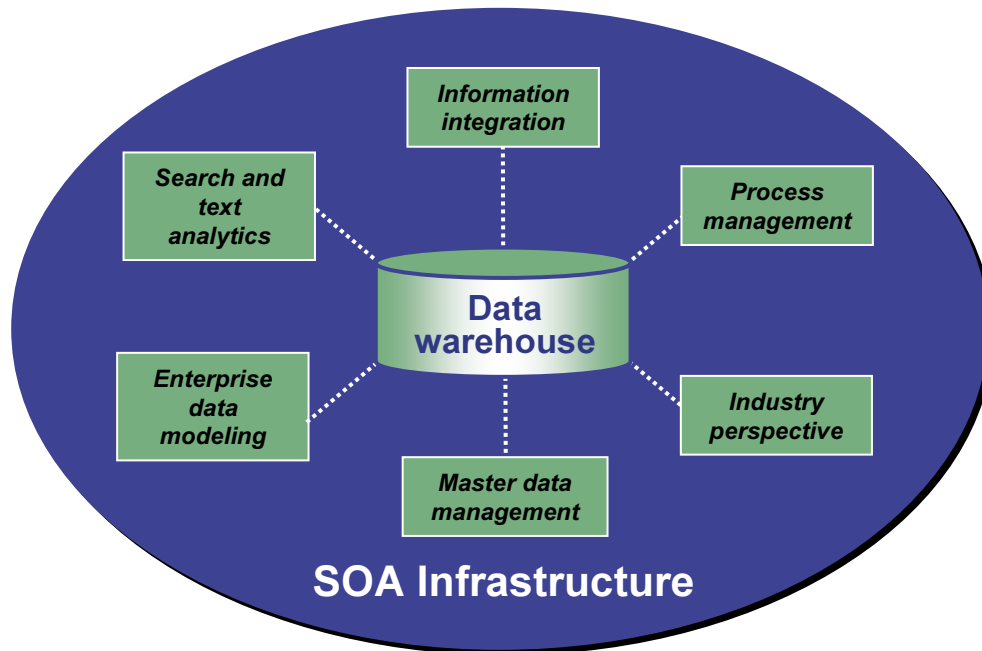
*Trusted Information
In Context*

Information On Demand

Data Servers and Tools

DB2
Highly scalable, multi-purpose relational and XML data server with data compression and self-optimization for mixed OLTP and warehousing applications

IDS
Powerful and reliable relational OLTP data server with leading self-management and intra-application administration

IMS
Hierarchical database management for highest performance online transactional applications

Data Studio
A single environment to manage the lifecycle of data from modeling and design through change management and sunsetting

Optim
Application-aware database archiving, test data management and data privacy protection solutions to maximize performance and improve efficiency

Dynamic Warehousing
Real-time insight for business agility

Information integration

Search and text analytics

Data warehouse

Process management

Enterprise data modeling

Industry perspective

Master data management

SOA Infrastructure

IBM InfoSphere Warehouse
Integrated software package delivering all of the capabilities needed to cost effectively consolidate, manage, deliver and analyze your business information

IBM Balanced Warehouse
A complete data warehousing solution comprising pre-configured, scalable and fully integrated hardware and software components
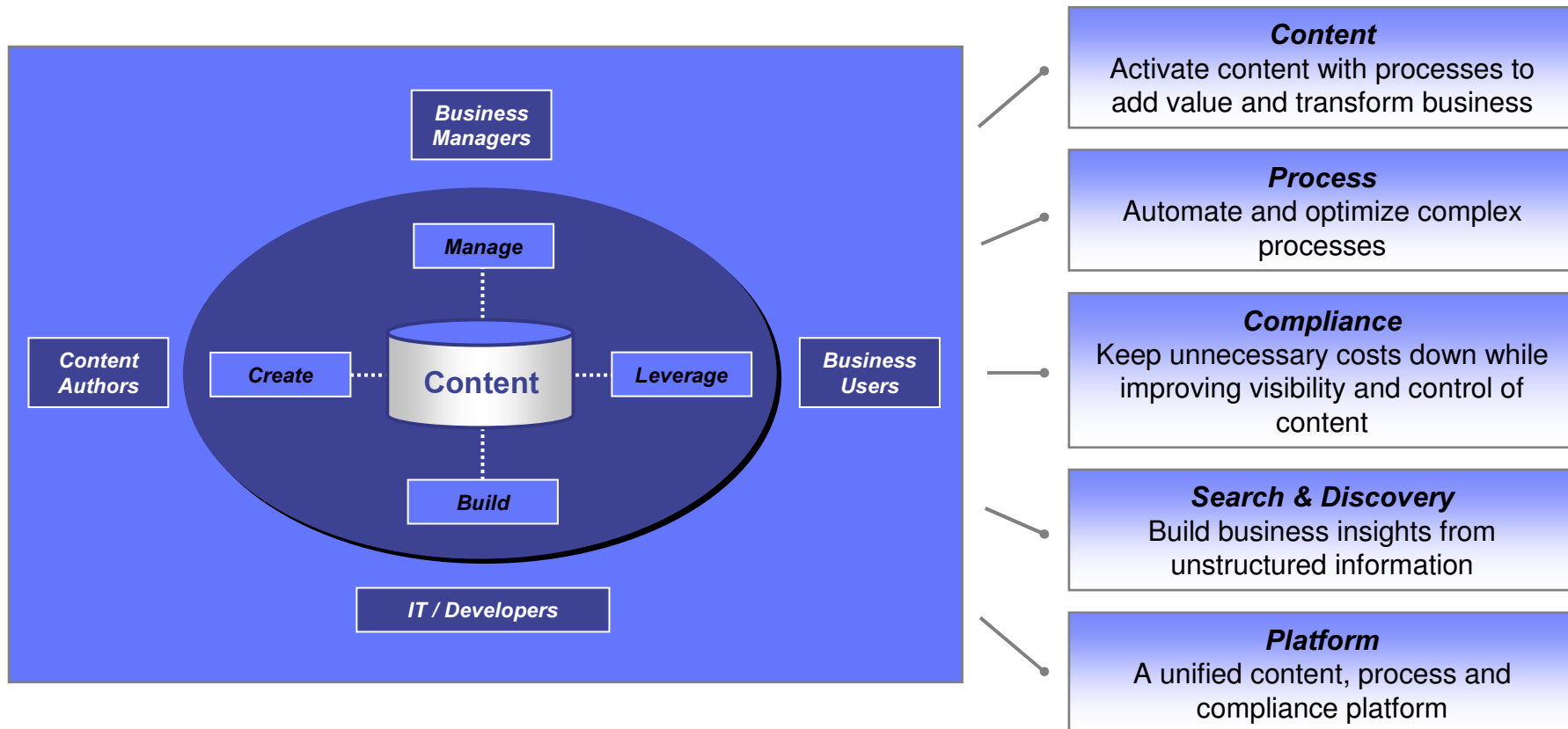
Data Servers and Tools

Dynamic Warehousing from IBM
A new approach to warehousing incorporating real-time access, analytics, structured and unstructured information, and integration with business processes
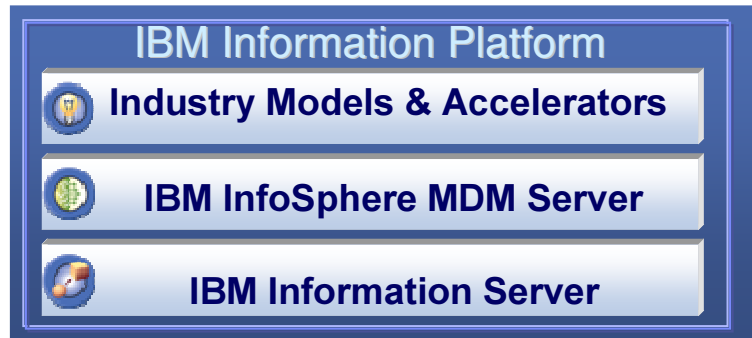
Enterprise Content Management
Helping companies make better decisions, faster

Content
Activate content with processes to add value and transform business

Process
Automate and optimize complex processes

Compliance
Keep unnecessary costs down while improving visibility and control of content

Search & Discovery
Build business insights from unstructured information

Platform
A unified content, process and compliance platform

Information Platform Solutions
Accelerating the delivery of trusted information

People, Processes, Applications

*Trusted Information
In Context*

IBM Information Platform

Industry Models & Accelerators

IBM InfoSphere MDM Server

IBM Information Server

Industry Models & Accelerators
Create new business value and
innovation from information

IBM InfoSphere MDM Server
Define and synchronize critical
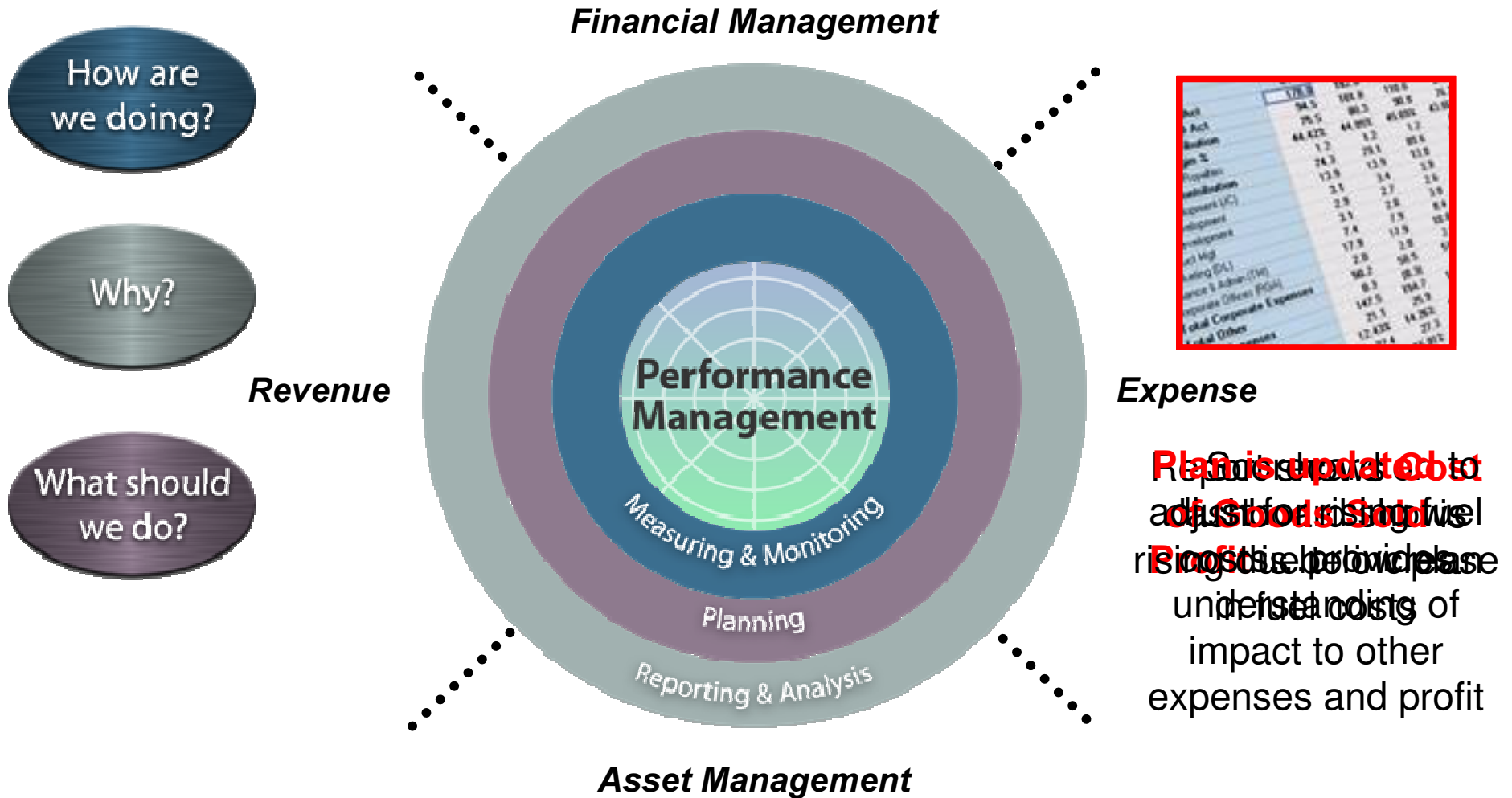information for operations and
business insight

IBM Information Server
Deliver trusted information
as a service

Business Intelligence & Performance Management
Resolve Issues and Plan for the Future

Financial Management

How are we doing?

Why?

What should we do?

Revenue

Performance Management

Measuring & Monitoring

Planning

Reporting & Analysis

Expense

Plan is updated to adjust for rising fuel costs, to provide understanding of impact to other expenses and profit

Asset Management

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Information On Demand