



IBM SOA

# The SOA Agenda

*Building on SOA*  
*Entry Point Successes*

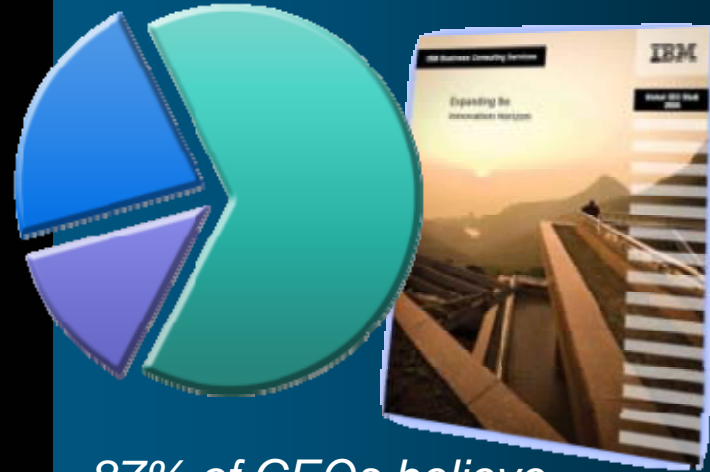
**Sandy Carter**  
VP, SOA Strategy,  
Channels and Marketing



## Innovation that Matters To CEOs

### *Top Innovation Priorities:*

- Extend the ability to collaborate inside & outside
- Innovate business models & processes
- Leverage information for business optimization



*87% of CEOs believe fundamental **change** is required in next two-years to drive innovation*

*Source: 2006 IBM Global CEO Survey*

*Innovation is all about change. SOA makes it easier to change.*

## The Basics: What is SOA?

### ... a service?

A **repeatable business task** – e.g.,  
check customer credit;  
open new account



### ... service oriented architecture (SOA)?

An IT **architectural style** that supports  
integrating your  
business as linked  
services

“Anything that changes can do that much better if the system is architected in SOA.”

**Gartner**

# SOA Delivers Business Value ... Today

## *A Recent Study from IBM SOA Engagements*

The IBV studied a subset of engagements and found:

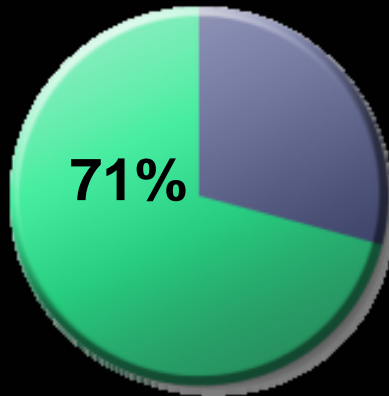
97% justified SOA projects based on cost savings & impact to profitability



100% realized improved flexibility



71% reduced risk



51% experienced increased revenue



Source: IBM Institute for Business Value "The Business Value of Service-Oriented Architecture" 2006

# Customers Realize IBM SOA Value *Across Large Enterprises & SMB*

Half of the world's 30  
biggest electronics  
companies

10 of the world's  
biggest auto  
manufacturers

52% of all federal  
Governments

10 of the world's 10  
biggest banks

4 of the world's 10  
biggest retailers

9 of the world's 10  
biggest telcos



90 SMB references

8 of the world's 10  
biggest insurers

80% of the biggest  
US health plans

# How Do They Get Started? SOA Entry Points

*Both IT Focused and Business Centric*



“ IBM has a strong vision for SOA, with a broad set of enabling technologies and solution entry points. IBM has the most-comprehensive sets of SOA capabilities on the market. Its internal SOA center of excellence is anchored in BCS but stretches to encompass software and services.” *Gartner Evaluates IBM, David Cearley October 10,2006*

**Gartner**

# SOA People: Improve quality of education *with IBM SOA*



## Business Challenge:

- ✓ Comply with NCLB legislation
- ✓ Risk funding loss for non-compliance
- ✓ Increase overall quality of education

## Actions:

- ✓ SOA-based portal enabling collaborative partnerships among parents, teachers, students, administrators

## Business Value:

- ✓ Allow integrated view of performance data from 300 disparate applications
- ✓ Generate integrated reports in minutes vs a week
- ✓ Facilitate results-based curriculum changes

## Value of People

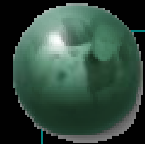
- Efficient data interaction and analysis

## Why SOA?

- Flexibility of SOA using portlets to integrate disparate data for simplified interaction

# IBM WebSphere Portal Version 6.0

*Meeting the New Requirements for the Front-End of SOA*



- Rapidly Respond to Change
- Easy-To-Use Composite Application Templates
  - Samples
  - Flexibility to easily customize interfaces
  - Leverage new workflow builder
  - Portlet Palette & Enhanced Portlets
- Increase Productivity and Operational Efficiency
  - Enhanced IBM Workplace Web Content Management



*“Through 2007, an enterprise portal will be the first major application of SOA concepts for more than 50 percent of enterprises (0.6 probability).”*

*Gene Phifer, Gartner*



# SOA Information: Improve agility *with IBM SOA*



Chao Yang District



## Business Challenge:

- ✓ Lack of trusted information
- ✓ Technology could not meet business needs

## Actions:

- ✓ Deployed a Grid City Management Solution based on service orientation approach

## Business Value:

- ✓ Solve information silo from 70 different sources
- ✓ Flexible & scalable framework
- ✓ Improve efficiency by modeling and implementing 47 new processes

## Value of Information

- Improve operations with trusted information services delivered in-line and in-context

## Why SOA?

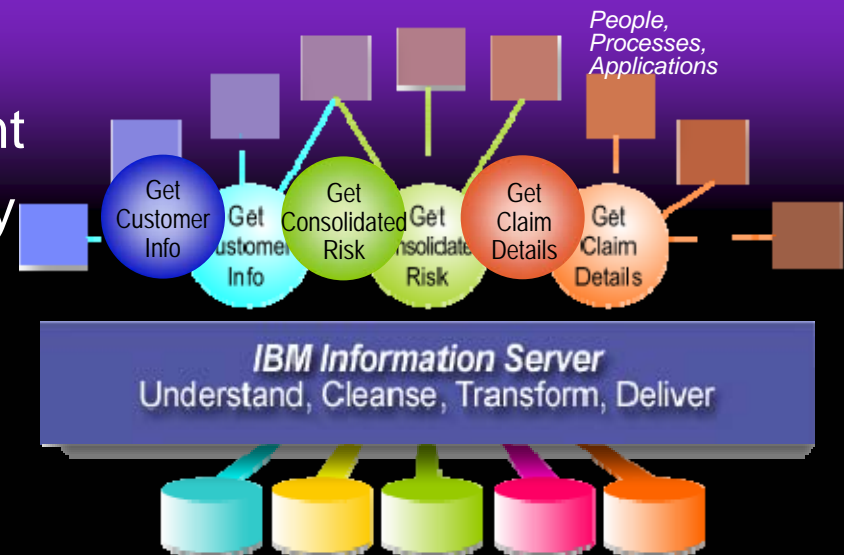
Trusted information packaged as services are embedded inline within processes or delivered to people

# IBM Information Server

## *A Complete Information Infrastructure*



- Rapid information service deployment
- Auditable data quality and traceability
  - Foundation for trusted information
- Metadata-driven integration
  - Breakthrough productivity and flexibility
- Consistent, reusable information services
- Accelerated time to value
  - Proven, industry-aligned solutions and expertise



*"Effective SOAs include robust data services within an enterprise information management enabling infrastructure." Gartner Inc, 2006*

# SOA Process:

## *Flexible Financial Programs with IBM SOA*



### Value of Process

- Improve business processes quickly with flexibility for future needs
- Create, reuse, assemble and orchestrate services
- Connect and re-deploy existing services for increased flexibility and speed to market

### *Harley Davidson Financial Services*

#### **Business Challenge:**

- ✓ Improve loan processing business process
- ✓ Support frequent changes in financing promotions

#### **Actions:**

- ✓ Service-enabled existing systems allowing for rapid re-assembly
- ✓ Created loosely-coupled process as services for flexibility

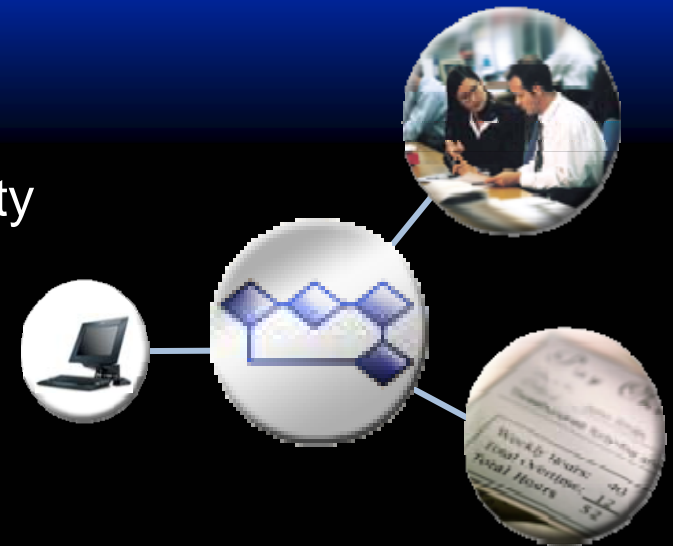
#### **Business Value:**

- ✓ Alignment of IT systems with business initiatives
- ✓ Quicker and less expensive process changes

# WebSphere Process Server

## *The Engine Room of Business Process Management*

- Robust execution of business processes
- Supports all aspects of process integration
- Rapid process change ensuring business agility
  - Reuse existing services
  - Business rules can change dynamically
- What's New
  - Enhanced human-centric BPM capabilities
  - New dynamicity features
  - Cross-product integration
  - Enhancements to relationships, state machines, business rules and mappings



# SOA in Action – Demo



## SOA Reuse:

*Save through re-use of key business functions with IBM SOA*



### Value of Reuse

- Reuse existing business logic
- Less expensive than to write new
- Significantly lower risks
- Faster time to market

### Business Challenge:

- ✓ Customer satisfaction rates fell to 55% from a high of 95%

### Actions:

- ✓ SOA with re-usable business services loosely coupled to back end systems

### Business Value:

- ✓ \$15 Million USD Savings - reuse of 47% of business services
- ✓ Created 203 re-usable services
- ✓ Created 51 re-usable components have been reused up to 25 times
- ✓ Rapid response to customer needs

# SOA Connectivity: *Improve Customer Service with IBM SOA*



# XEROX



## Value of Connectivity

- Deliver services through new business channels
- Flexible connections with trading partners
- Minimize complexity

## Business Challenge:

- ✓ Custom coding for integrating new and existing applications reducing productivity and increasing costs

## Actions:

- ✓ Standardized application integration using Web services and ESB

## Business Value:

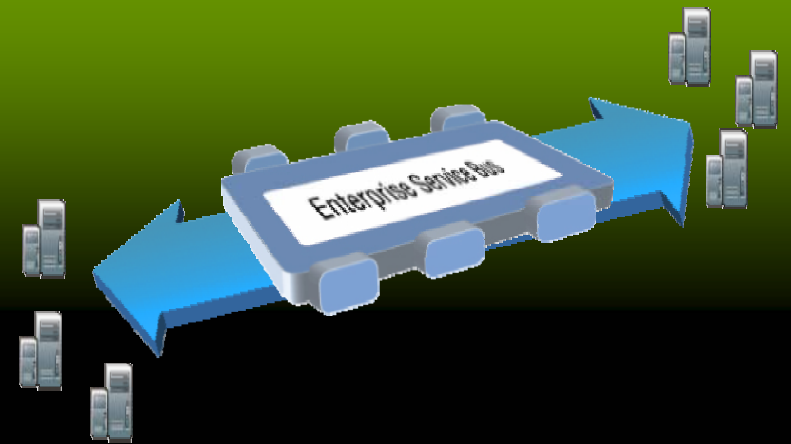
- ✓ 100% payback of investment in 24 months
- ✓ Savings of \$720,000 annually in deployment costs
- ✓ 25% less development time

# WebSphere ESB & WebSphere Message Broker

*Enable Every Kind of Application and Data to Participate in SOA*



- Routing messages between services
- Converting transport protocols
- Transforming message formats
- Handling business events from disparate sources



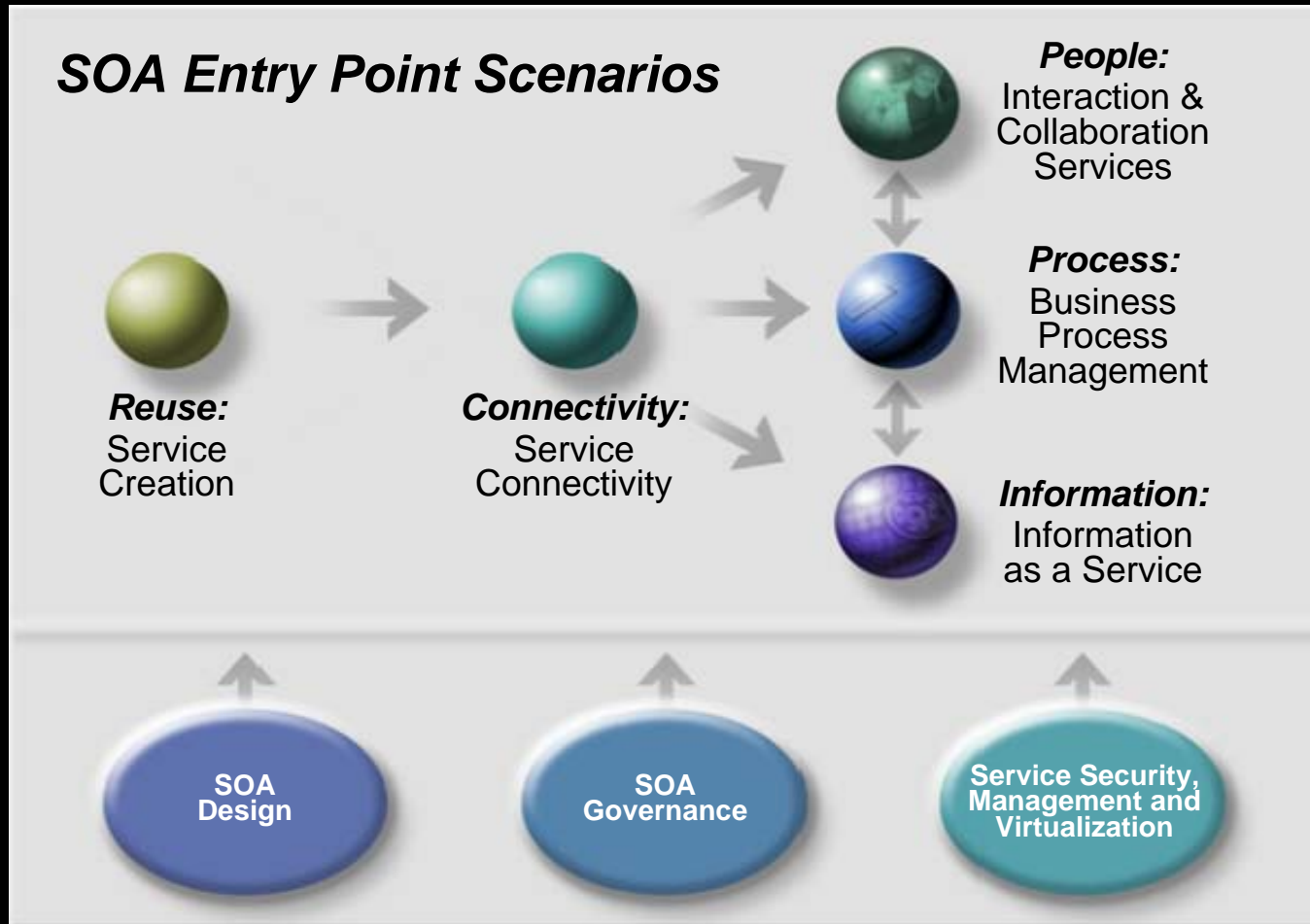
**WebSphere ESB:** The ESB for standards and web services integration

**WebSphere Message Broker:** The advanced ESB for web services and non web services assets



# SOA Entry Point Scenarios Help You Get Started

*Based on over 3000 SOA engagements*



# IBM SOA Business Catalog

*The place to find your SOA assets*

**3665+ IBM & Partner Assets**  
(Over 67% Partner Assets)



## Banking & Financial Markets

- 500+ Reusable Assets



## Insurance

- 400+ Reusable Assets

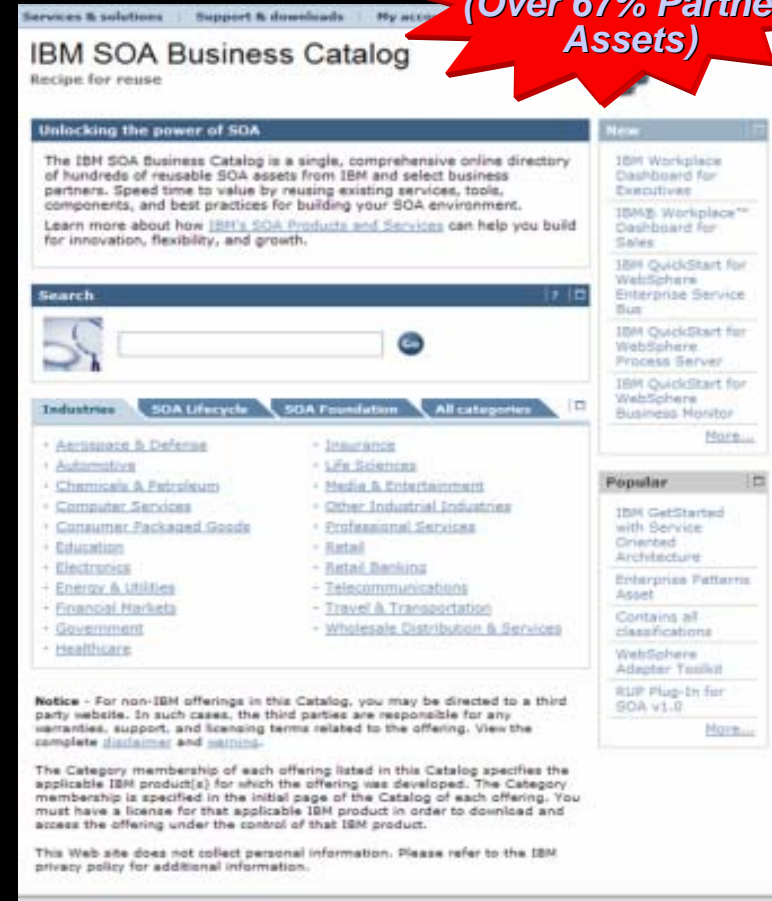


## Government

- 200+ Reusable Assets

## Cross Industry

- 200+ Adapters
- 250+ Portlets
- Rational Patterns and Plug-ins
- SWG, GTS and GBS SOA Services



[ibm.com/soa/soabusinesscatalog](http://ibm.com/soa/soabusinesscatalog)

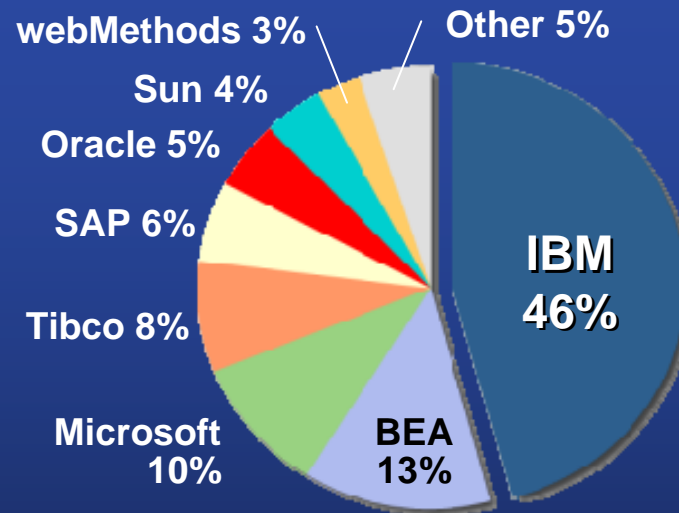
# SOA Skills Available

*Leverage your existing assets to maximize value*

Governance				
	<ul style="list-style-type: none"> <li>Governance &amp; Center of Excellence (COE)</li> </ul>		<ul style="list-style-type: none"> <li><b>New!</b> Business/IT Dashboards</li> </ul>	
	Strategy	Design	Implementation	Management
Business Services	<ul style="list-style-type: none"> <li>Component Business Modeling™ (CBM)</li> <li>Assessment &amp; Planning for SOA</li> </ul>	<ul style="list-style-type: none"> <li>Composite Business Services Design</li> <li>SOA-enabled Design</li> </ul>	<ul style="list-style-type: none"> <li>Composite Business Services Assembly</li> <li>Services Implementation</li> </ul>	<ul style="list-style-type: none"> <li>Business Performance Management</li> <li><b>New!</b> Management of Services</li> </ul>
Application Services	<ul style="list-style-type: none"> <li>Application &amp; IT Portfolio Assessment</li> </ul>	<ul style="list-style-type: none"> <li>Performance Design for SOA</li> </ul>	<ul style="list-style-type: none"> <li>Legacy Transformation</li> <li>Performance &amp; Testing COE for SOA</li> </ul>	<ul style="list-style-type: none"> <li>Services Outsourcing</li> </ul>
Middleware Services	<ul style="list-style-type: none"> <li>Component Business Modeling™ (CBM) for the Business of IT</li> </ul>	<ul style="list-style-type: none"> <li>Infrastructure Architecture &amp; Design for SOA</li> </ul>	<ul style="list-style-type: none"> <li>Infrastructure Implementation for SOA</li> </ul>	<ul style="list-style-type: none"> <li><b>New!</b> Quality of Service - Security</li> </ul>
Infrastructure Services	<ul style="list-style-type: none"> <li>IT and Middleware Readiness for SOA</li> </ul>	<ul style="list-style-type: none"> <li>Service Management Design for SOA</li> </ul>	<ul style="list-style-type: none"> <li>Service Management Implementation</li> </ul>	<ul style="list-style-type: none"> <li>Managed Infrastructure</li> <li>Product Maintenance &amp; Support</li> </ul>

# WinterGreen Shows IBM is the Market Leader *Up 12% in Market Share Over 18 Months!*

## 2005 SOA Market Share



Source: WinterGreen Research, 2006



IBM Placed in the Leaders Quadrant



# 1 in SOA



Lead in Wave



# 1 in Capabilities

## IBM Has the Intellectual Capital, Tools, Products & Expertise *To Guide Clients in the Definition of Business Value*



**Early adopters demonstrate some ideal guiding principles for other clients to follow in their first implementations**

- Focus on a real business problem, not SOA
- If possible, start with revenue-generating applications
- Start small
- Start building capabilities
- Think long term

Source: IBM Institute for Business Value "The Business Value of Service-Oriented Architecture" 2006

# Thank You



# **IBM SOA Executive Summit 2006 Dallas, Texas**