A partial view of the Earth from space, showing the Americas and the Atlantic Ocean, is on the left side of the slide.

Smart Work – Service Oriented Architecture

Manoj Saxena
Worldwide Vice President
IBM Global Business Services

For us to make sense of this new world, we must consider four critical questions

“My infrastructure is inflexible and costly”

More Agility

How do we create an intelligent infrastructure that drives down cost, is secure, and is just as dynamic as today's business climate ?

Dynamic Infrastructure

“Data is exploding and it's in silos”

Making Better Decisions

How can we analyze the wealth of information available to make rapid, informed and confident decisions throughout the organization?

New Intelligence

“New business & process demands ”

Responding to New Behaviors

How can we work smarter supported by flexible and dynamic processes modeled for the new way people buy, live & work.

Smart Work

“Our resources are limited”

Doing More With Less

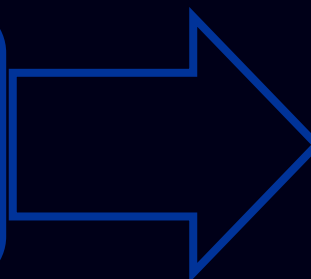
How do we drive greater efficiencies, compete more effectively, and respond more quickly by taking action now on energy, the environment, and sustainability.

Green & Beyond

**98 percent of CEOs plan
Business model changes.**

**Gap between CEOs who expect change and those who
have the ability to handle change has
Widened sharply - nearly 3X.**

*How do we make our
organization just as
dynamic as today's
business climate?*



**Smart
Work**



We are Living in a New Landscape

Smarter Planet

instrumented
interconnected
intelligent

people
companies, institutions, industries
man-made systems
nature's systems

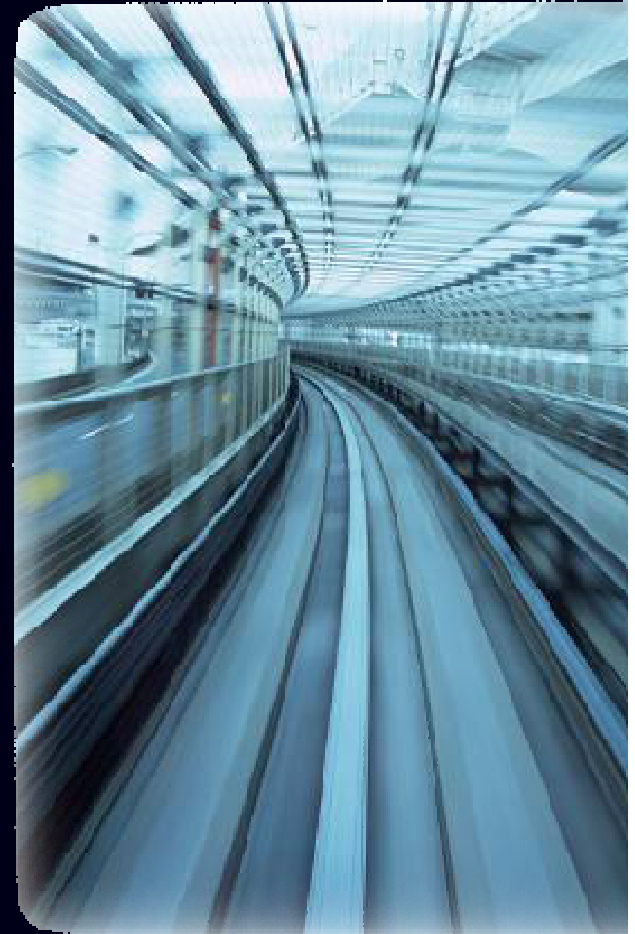




We Face The Challenge of Accelerating Market Shifts

- Rising consumer expectations compel improvements in speed and personalization
- Rapid swings in economic and commodity markets highlight lack of adaptability
- Lower barriers to entry in a digital, flat world, enable fast and easy access by new competitors

How do businesses evolve to adapt and respond dynamically?

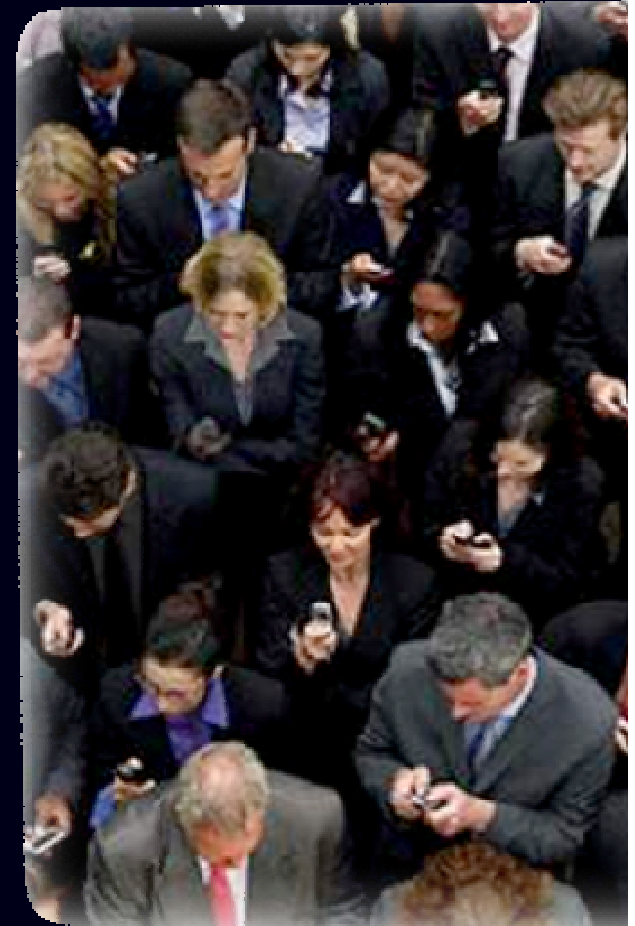




In a Time When People Live and Work in New Ways

- People want to work and communicate in real-time - anytime, anywhere
- Information and expertise abound, but finding and gaining insight from it is harder than ever
- Younger workers want to use new tools and personal technology to accomplish their goals

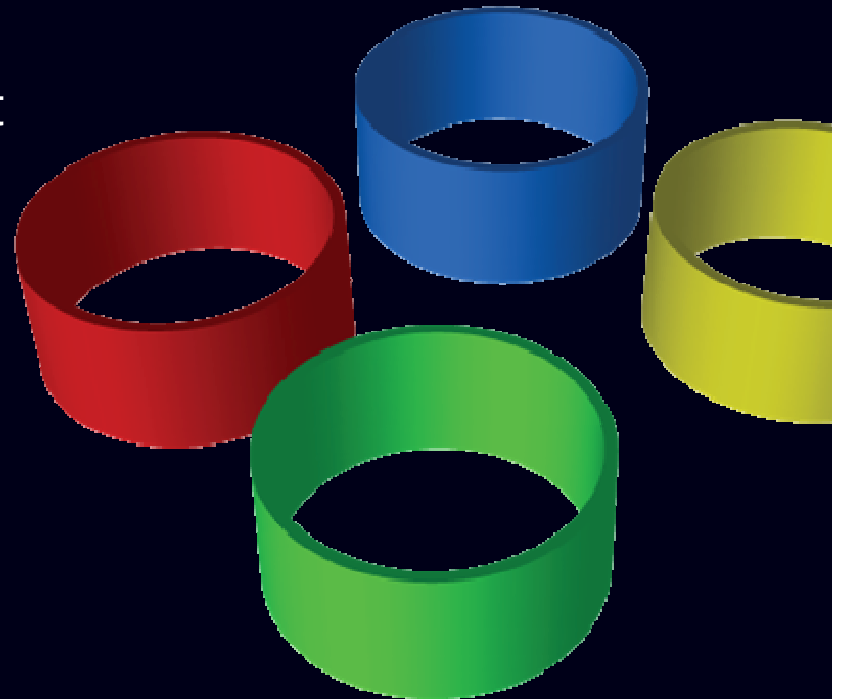
How do people collaborate to maximize effectiveness?





And Business is Bottlenecked by Organizational Silos and Rigid IT

- Easily connecting across organizational boundaries is now a business requirement
- Reusing investments in technology and information across silos is a necessity
- IT must meet the needs of new business opportunities better, faster and cheaper



How does technology enable flexibility to meet business needs quickly?



Rapid Change. New Competition. Unprecedented Opportunity

We Can't Just Work Harder

We Can't Just Dedicate More Resources

We Must Work Smarter





To Optimize Business Performance We Must Redefine:

How Businesses Evolve...



...To Adapt and Respond Dynamically

How People Collaborate...



...To Maximize Effectiveness

How Technology Enables Flexibility...



...To Meet Business Needs Quickly

We Must Work Smarter



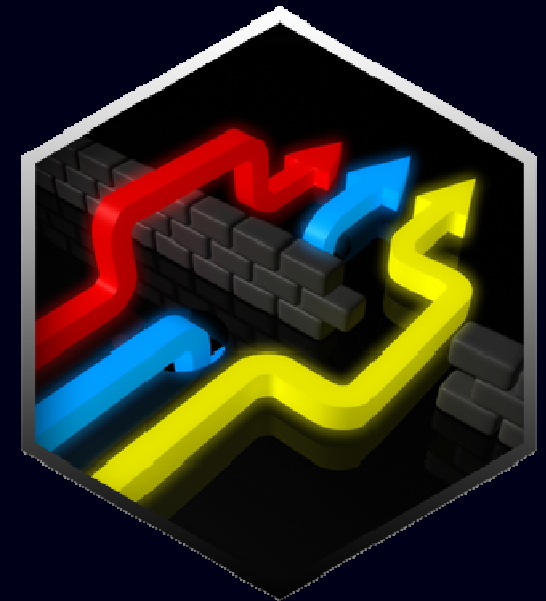
We Need to Help Business Evolve

98% of CEOs to restructure the way their organizations work

5.3

hours wasted per employee per week due to inefficient processes

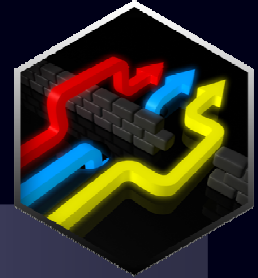
800 billion
business events daily



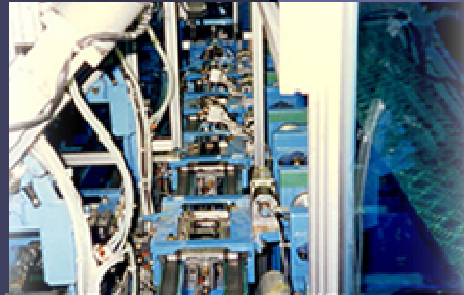
3x increase in gap between expected change and ability to handle change



To Adapt and Respond Dynamically



Easily find and use the best resources anywhere, anytime



Smart Supply Chain

Source a step from a service provider in real-time

Make real-time decisions by sensing and acting upon business events



Smart Analytics

Use seemingly unrelated purchase events to find emerging trends

Building dynamic, automated processes for an agile business model



Smart Asset Optimization

Use real-time intelligence on airplanes, crews and requests to dynamically optimize freight operations



Smart Transportation: Dynamically optimize aircraft, crew, partners and delivery requests



Dynamic Customer Requests



Locating Airplanes in Real Time



Locating Flight Crews in Real Time



Connecting to Partner Systems



Central Dynamic Routing Optimization

BENEFITS:

- Significantly lower operational costs
- 50% faster partner integration
- 30% lower application development costs



We Need to Help People Collaborate

2/3 of people can't find the help they know is out there

42%

make decisions with
the wrong input at
least once a week

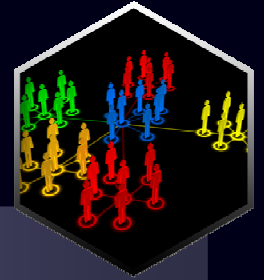
2

hours per day spent looking for the
right information and expertise





To Maximize Effectiveness



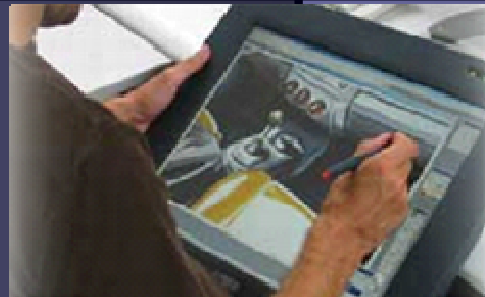
Discover and combine expertise and information in time and in context



Smart Collaboration

Tapping world class expertise from anywhere

Collaborate without distractions and delays or high costs



Smart Resource Allocation

Seamless round the clock collaboration with a world-wide car design team

Connect people to drive insight and deepen relationships

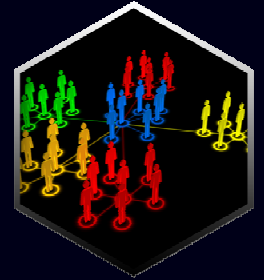


Smart Product Development

Mobile agents collaborate on new products and approaches



Smart Insurance: Improving Efficiency AND Customer Satisfaction by Implementing Cross-Boundary Collaboration



Electronic Forms Processing and Real-time Collaboration



Independent Agents



Underwriters



Customers

BENEFITS:

- Cut policy turnaround time from weeks to days
- 40% reduction in phone calls and staffing
- Improved customer service



We Need to Help Technology Enable Flexibility

1 Trillion

connected objects comprising “the internet of things”

Companies with isolated business and IT earn

12% less than their more agile counterparts



80%

of IT Budgets being Spent on Maintenance

66%

of CIOs see technology driven innovation as important priority



The Business Flexibility Challenge: Business and IT Alignment



Business Pressures

Launch new and innovative products

Shorter change cycles

Customized products for niche markets

Agents



Customers



Resellers



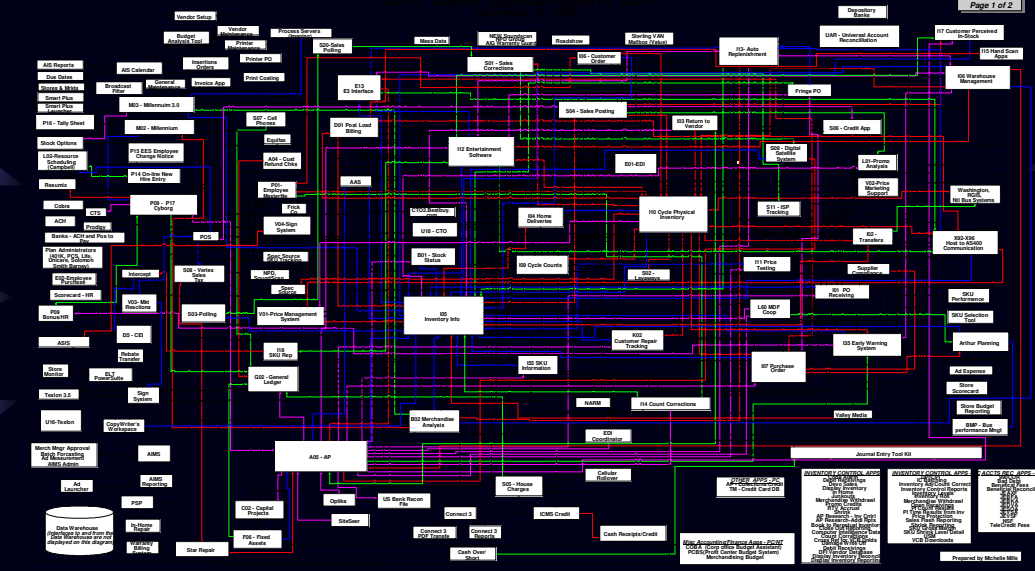
Employees



Suppliers



3rd Party Providers



IT Constraints

Complex processes and systems

Complex applications and interfaces

IT budget spent on maintenance, not new investments



To Meet Business Needs Quickly



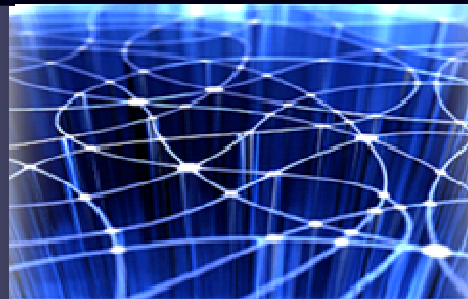
Enable IT to rapidly meet changing business needs



Smart Business Apps

Make a shipment tracking app using a truck location data feed, Google maps, and stock levels... over lunch

Flexibly connect across business boundaries



Smart Production Planning

Link customers to supply chain to finance to inventory to sales force to....

Deliver the right information to people and processes when and where they need it



Smart Networks

Intelligent network grid that senses faults for rapid mobile repair response



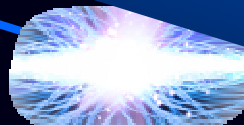
Smart Energy: Intelligent Utility Network Re-Defines Quality of Service



Generating Plant



Problem Detection



POWERSENSE



SOA-based Control Center

Response



Residence



BENEFITS:

- 25-50% reduction in outages
- Up to 90% savings of new capital expenditures
- Fault search time reduced 33%



How do we deliver
the capabilities
needed to work smarter?



Smart Work for a Smarter Planet



IBM Delivers Smart Work Capabilities For a Dynamic Business Model

Dynamic Business Processes & Models

Automated, dynamic, optimized

Smarter Collaboration

Connected, natural, real-time



Information & Analytics

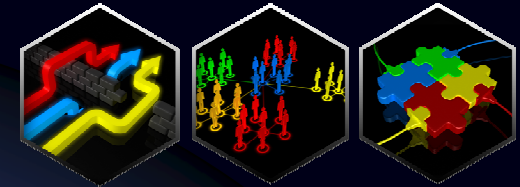
Predictive, pervasive, trusted

Flexible Infrastructure

Interconnected, aligned, service-based

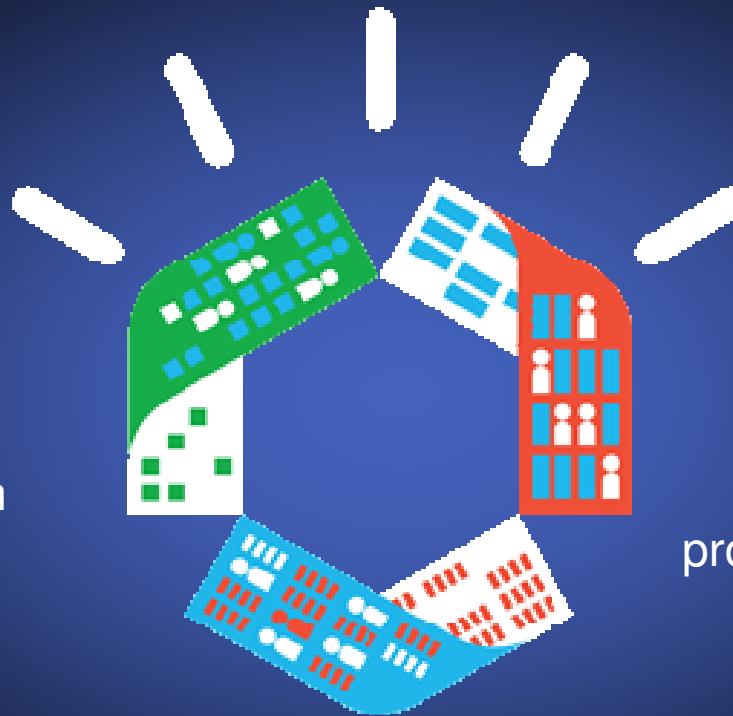


Bringing Together the Power of Smart Work at Reliance Insurance



Virtual Office lets origination and claims processes change easily

Higher revenue through better multi-channel access to information



Service and... among... and... ses... ity

Seamless extension of core processes to the Web increase sales with faster access to information

Smart Work: Greater than the sum of its parts

- Improved customer satisfaction
- More agile business model



In addition to business benefits of Reliance for working smarter, there are environmental benefits as well

Self-service & Collaboration

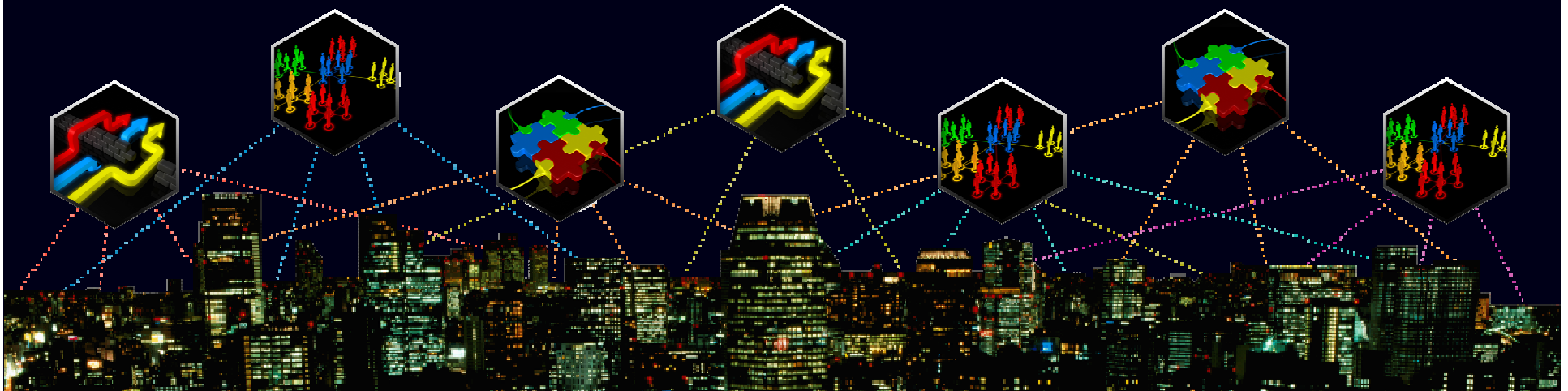
⇒ Decreases employee, agent & customer environmental impact with remote work and collaboration strategies.

Virtual Office

⇒ Automation of paper-based processes reduces consumption of natural resources.

Intelligent Web-based Systems

⇒ Increased reliance on the Web enabled processes for information access by anyone from any location reduces travel requirements and carbon emissions.





How Do You Get Started?

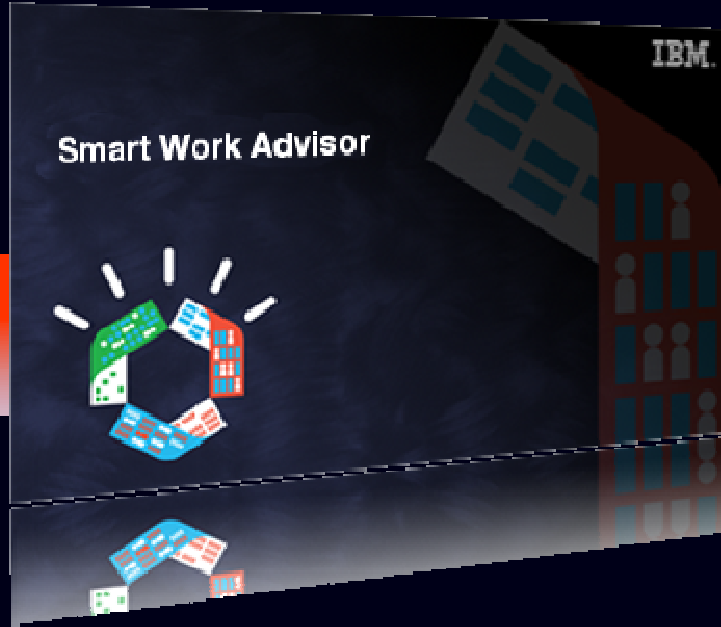
Start by asking yourself the tough questions:

- Does your organization change effectively when it needs to?
- Do you empower people to work wherever and whenever they need to?
- Can you quickly and easily find the right information and expertise?
- Are you making optimal use of people and resources inside and outside the organization?
- Do your systems take so long to change that they slow business response?
- Are your major business processes stuck in silos?



Next Steps

Learn More



Visit:
ibm.com/SmartWork

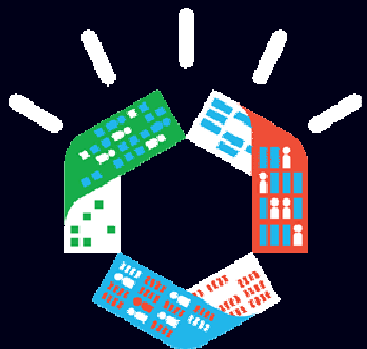
- Replay of Smart Work Webcast
- Smart Work Advisor
- Demos and Customer Stories

Let's Work Together



**Ask for a focused workshop
to lay out specific projects**

- Process Improvement Workshop
- Smarter Collaboration Briefing/Strategy Workshop
- Industry Value Workshop



Let's Work Smarter Together