

Drive more effectiveness



Work Smarter, not harder with Rational Enterprise Architecture and Portfolio Management Software

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MEET IBM 2010
see  differently

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Every human being, company, organization, city, nation, natural system, and man-made system is becoming

***interconnected,
instrumented and
intelligent.***

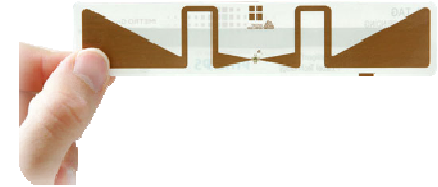
This is leading to new savings and efficiency—but more important, new possibilities for progress.



The World's Infrastructure is increasingly filled with smart assets



Everything is
digitizing...



Boundaries between IT and
operational assets are
disappearing...

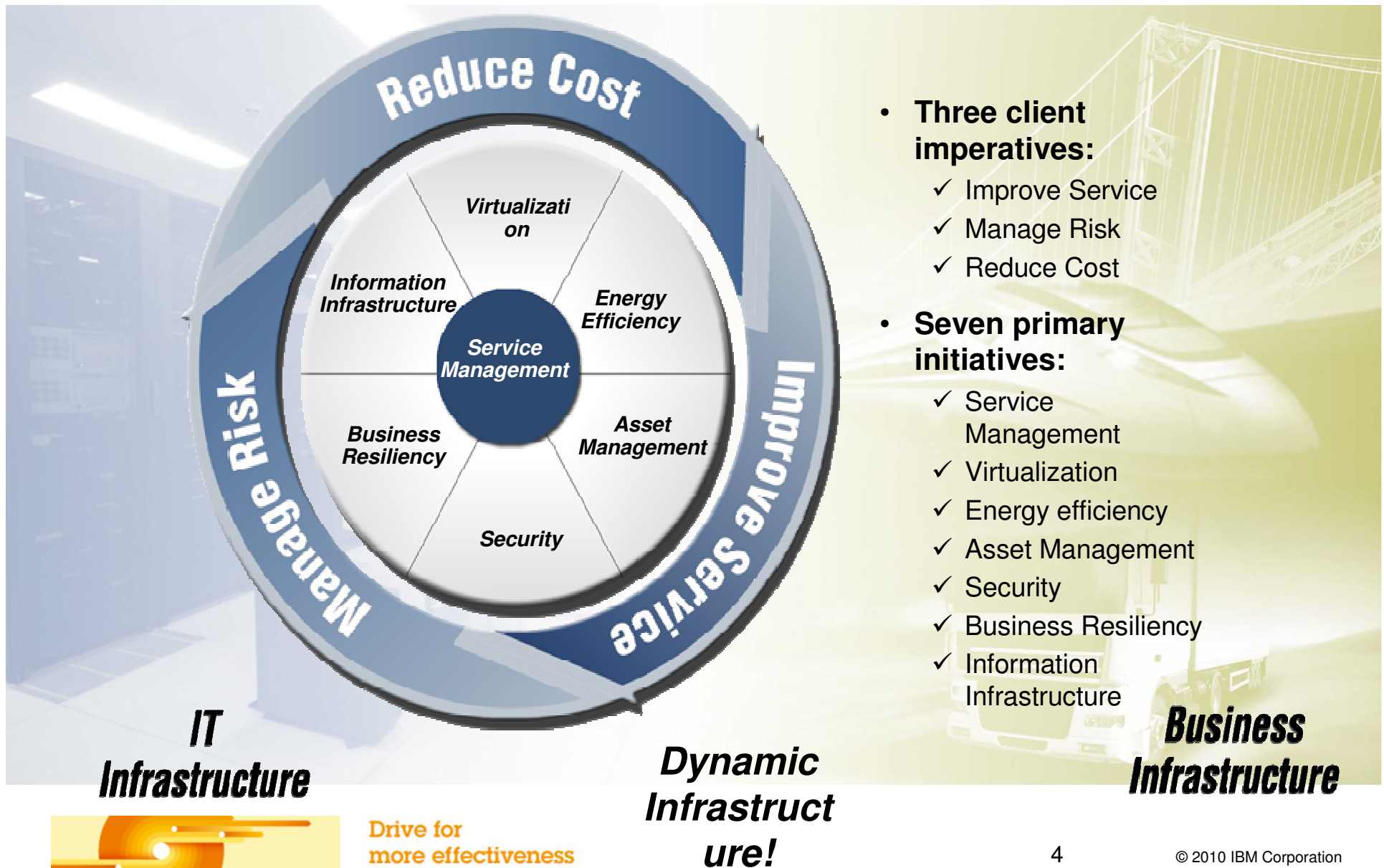


The ***world's***
infrastructure needs managing...



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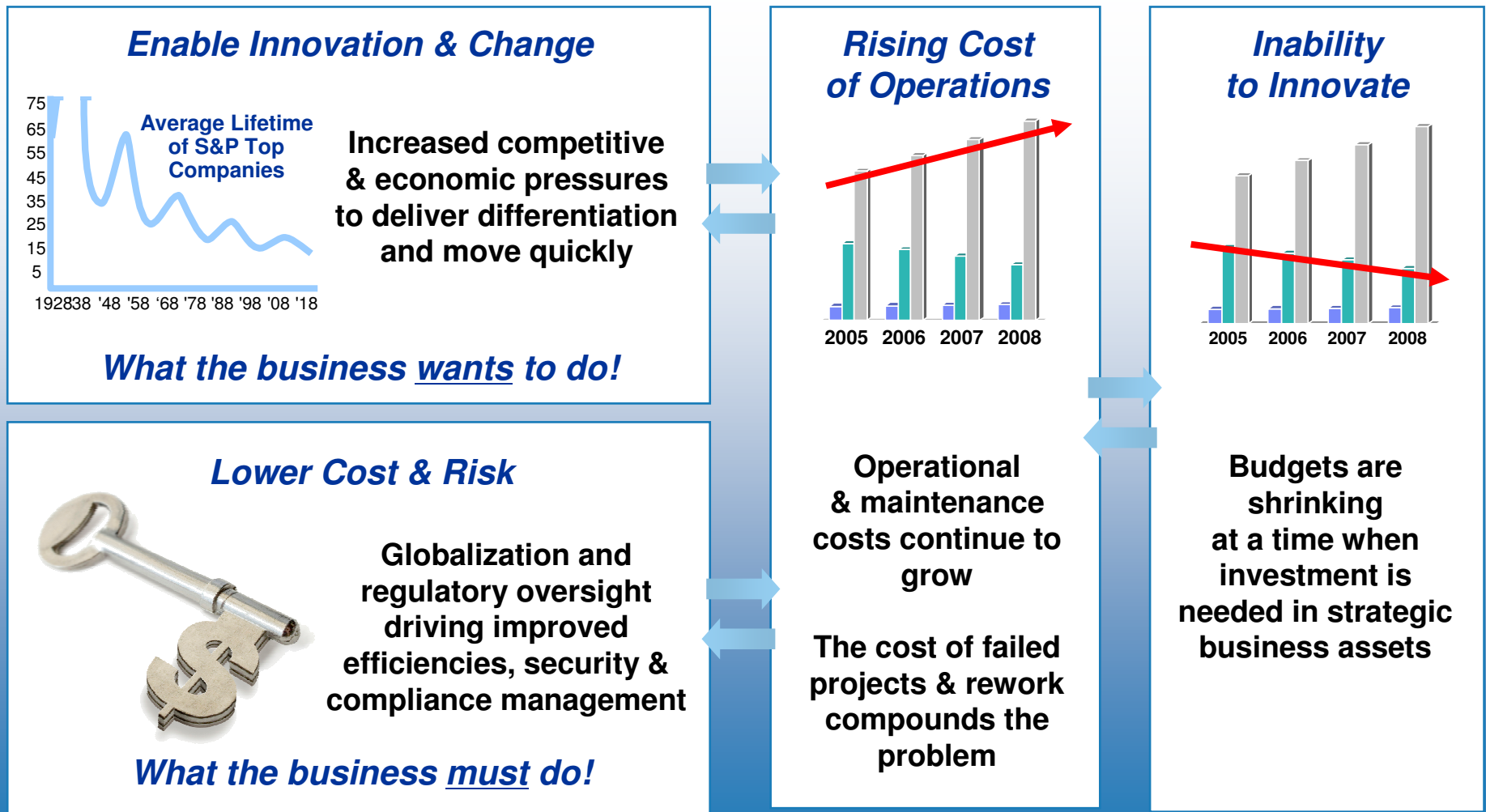
Companies forced to revisit how they manage their infrastructure



...and at the same time...



The landscape facing business leaders means “we need to innovate with less”



What Enterprise Architecture does to help:



- **Translating business vision and strategy into effective enterprise change.**
- **Identify the processes, people, data, locations, applications and technology dependencies**
- **Provide quick, easy access to good information (to the right person at the right time)**

Improving effectiveness and efficiency:

Doing the right thing!

Doing the thing right!



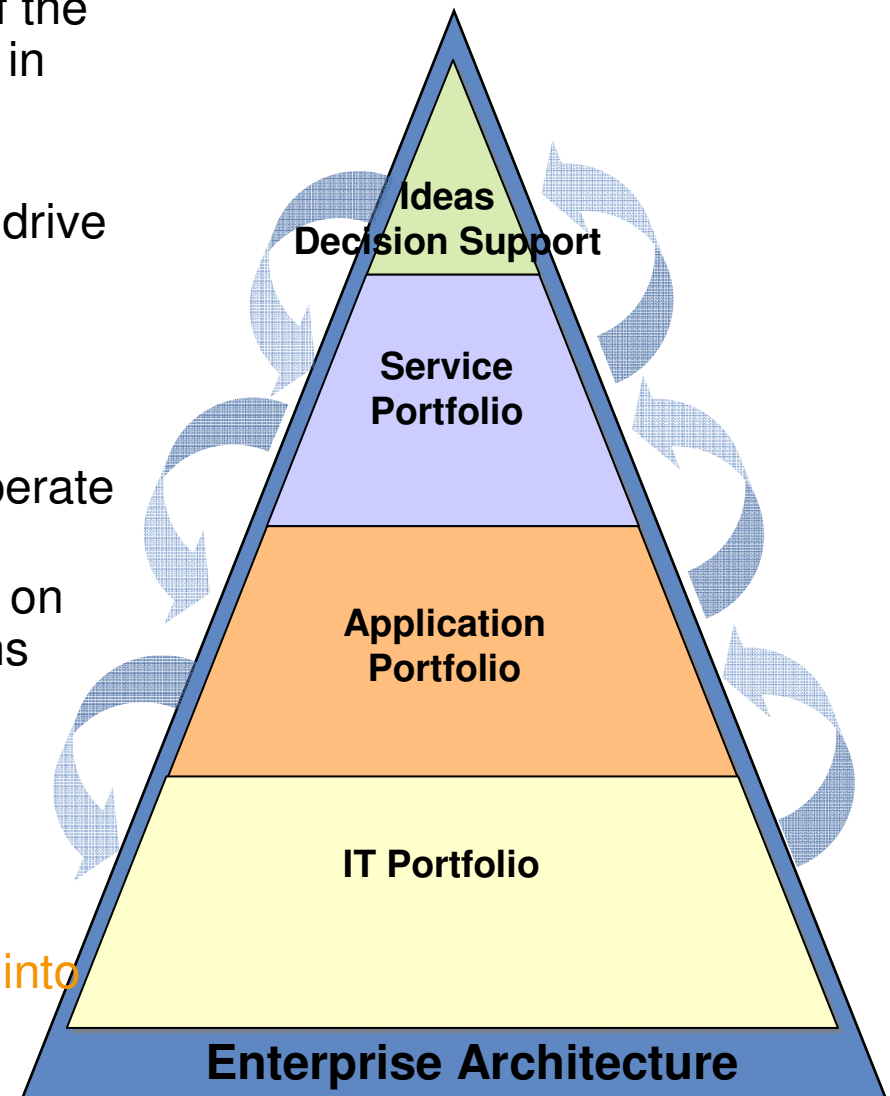
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Strengthen with Decision Support and Portfolio Management.



- Enterprise architecture is a dynamic map of the organization – Connecting business and IT in one view
- Proposed, and in-flight capabilities that will drive new business value must be weighed and measured against each-other
- Service portfolios – balance business capabilities that the organization uses to operate
- Application Portfolios - balanced decisions on investing in, replacing or retiring applications
- IT Portfolio – e.g. balancing spend on applications versus services

Identify what projects to run and bring organizational, market & product decisions into focus for strategic alignment

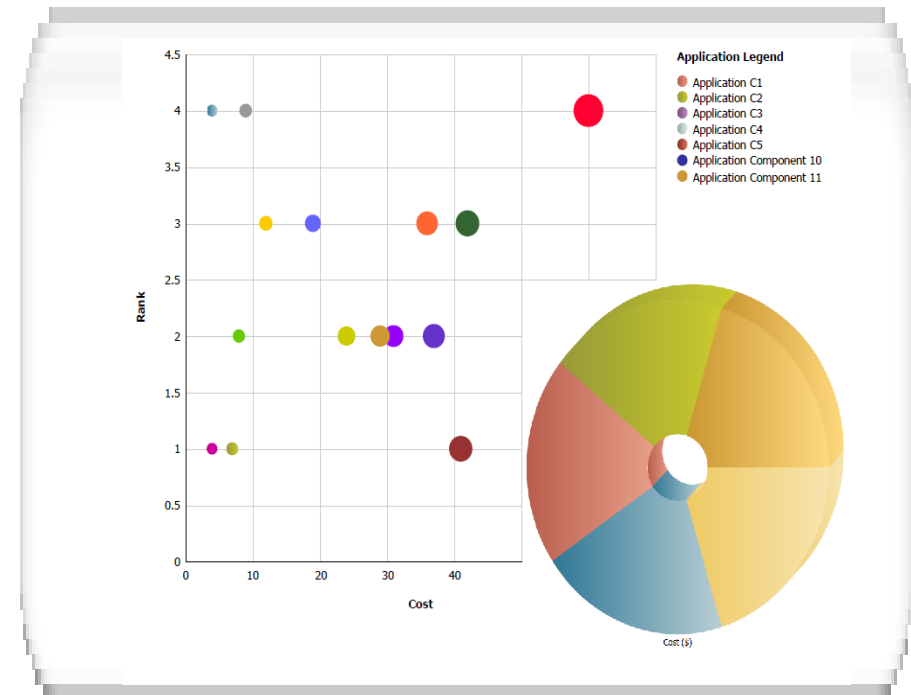


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For Example: What do you know about your critical applications?



- How do your key applications create business value?
- Do your applications support your operational processes?
- Which critical applications are currently at risk?
- Are they REALLY critical?



“for every \$1 of discretionary spending (i.e., new projects and major enhancements), up to \$5 is spent on support, maintenance and infrastructure during the life of an application”

Gartner Group



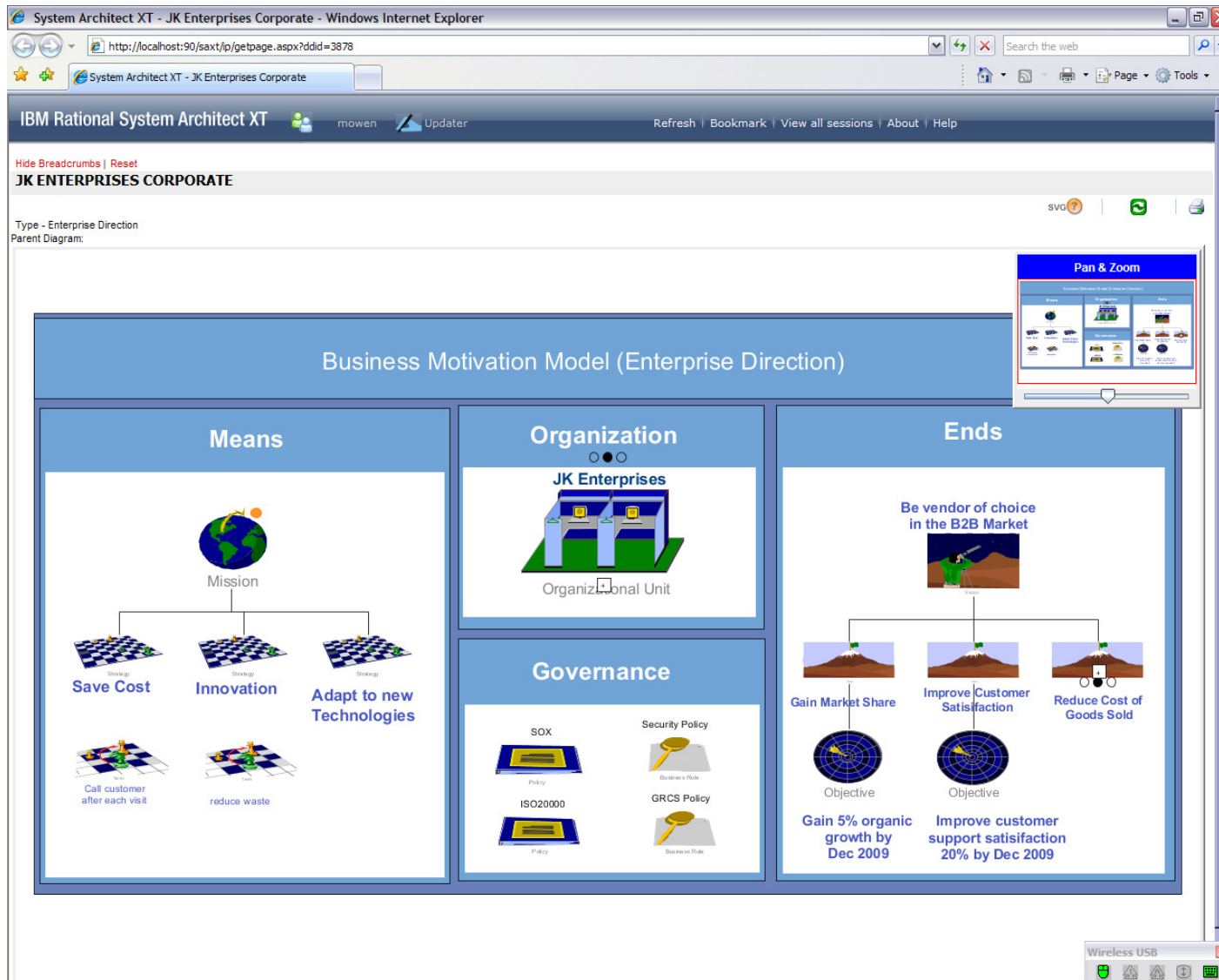
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How does IBM Rational Software support this?



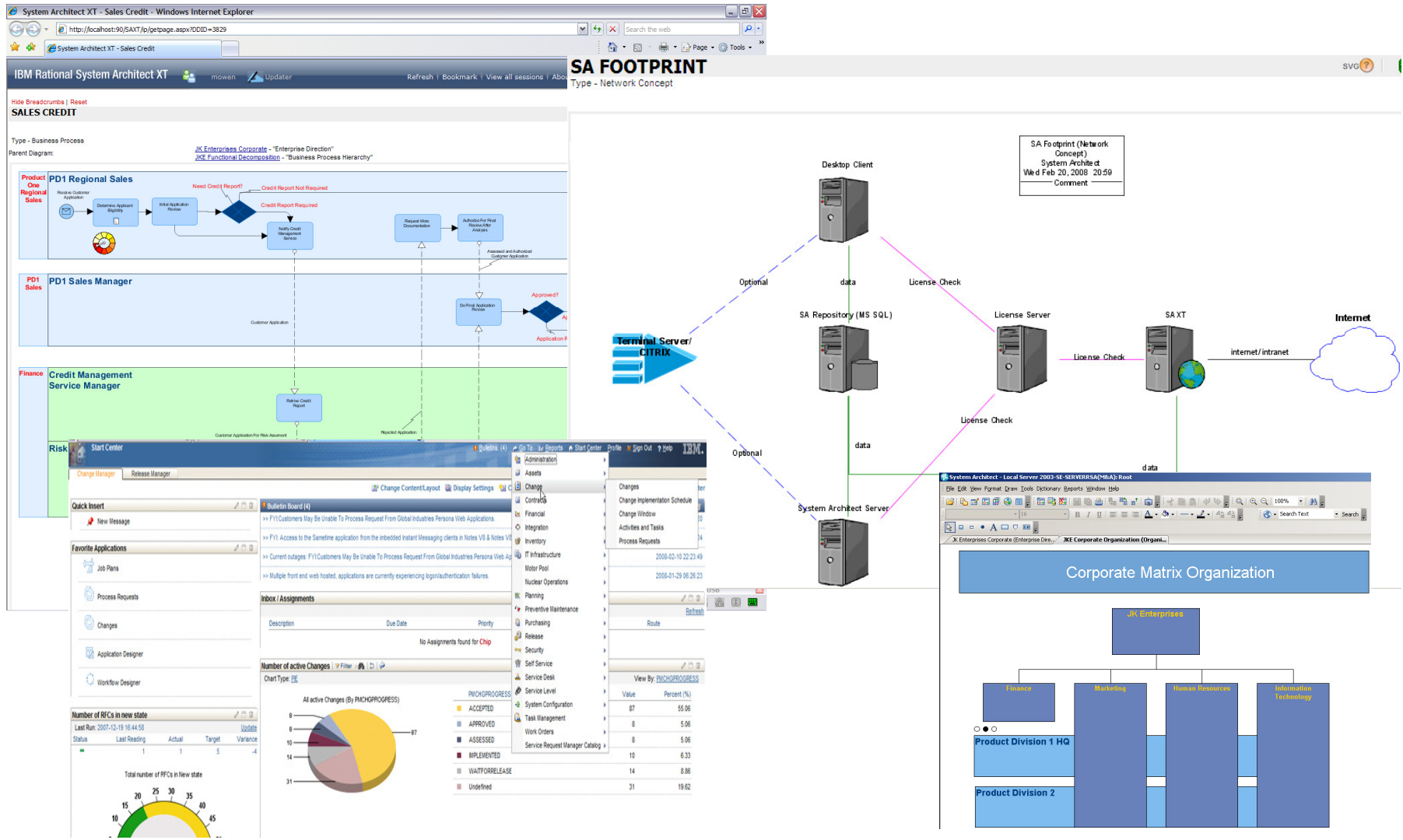
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Define strategy & vision: Enterprise Direction



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Capture Current State



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Collect and analyze stakeholder & financial priorities



Estimates
Expected NPV
Sum of Benefits

Which application is more effective for processing applications?

Call Center Application

Application

ID: 008
Title: Call Center Application
State: Upgrade needed
Type: Internal

Description

System for call centers to manage customer in-bound and out-reach communications on the phone. Integrates with CALM, Customer On-Line Access, and Marketing and Promotions systems.

Comments: Admin 2010-02-17 16:37: Needs to be updated now to include more web and chat capabilities.

Attachments: Application Software.doc (29 KB)

Application Owner: Sofia

Business Units: Commerce

Department: Department 1

Sponsoring Organization: Marketing department

Business

Application Dates

Usage

Scorecard

Liability: 7 - High
Reliability: 7 - High
Availability: 7 - High
Architectural Fit: 10 - Compliant

Loan Servicing

Application

ID: 010
Title: Loan Servicing
State: In production
Type: Internal

Description

Loan servicing application.

Comments: -

Attachments: Application Software.doc (29 KB)

Application Owner: Harald

Business Units: Operations, Commerce

Department: Department 2, Department 3

Sponsoring Organization: -

Business

Application Dates

Usage

Scorecard

Liability: 10 - Very High
Reliability: 7 - High
Availability: 4 - Medium
Architectural Fit: 10 - Compliant
Total Score: 31

Net Present Value

Business Case

Revenue/Costs	2008	2009	2010	2011	2012	Sum
Increased Revenue		3,000	20,000	25,000	30,000	78,000
Decreased revenue on other products	0	400	5,000	5,000	10,000	20,400
Sum Revenue	0	2,600	15,000	20,000	20,000	57,600
Cost Savings			3,000	3,000		6,000
Project Cost	2,000	20,000				22,000
Sum Cost	-2,000	-20,000	3,000	3,000	0	-16,000
Net Profit	-2,000	-17,400	18,000	23,000	20,000	41,600

Net Present Value of Acc Revenue/Cost

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Report on idea, portfolio, project and process status



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Display > Review Ongoing Projects IT Portfolio Management Demo v1.0

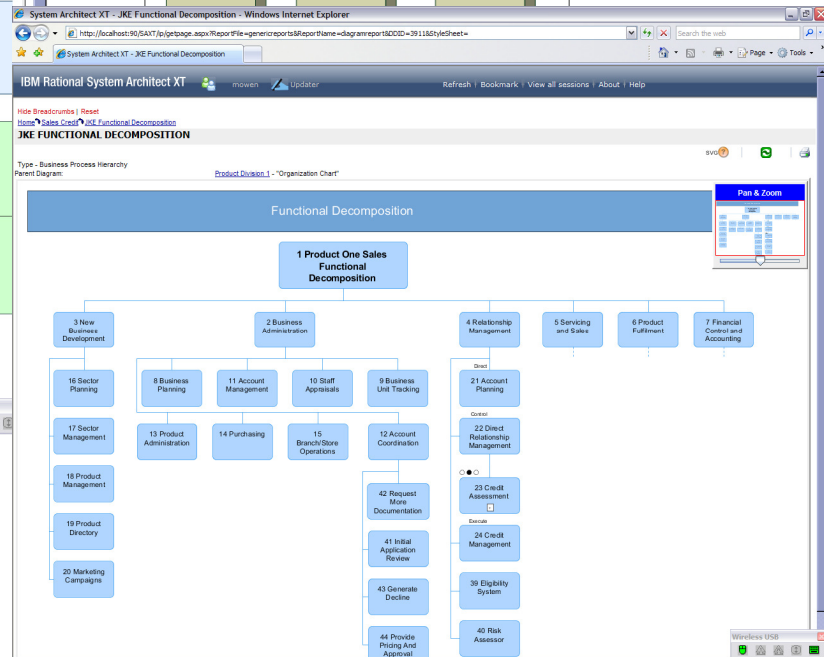
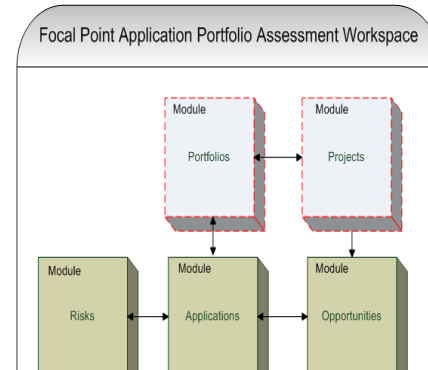
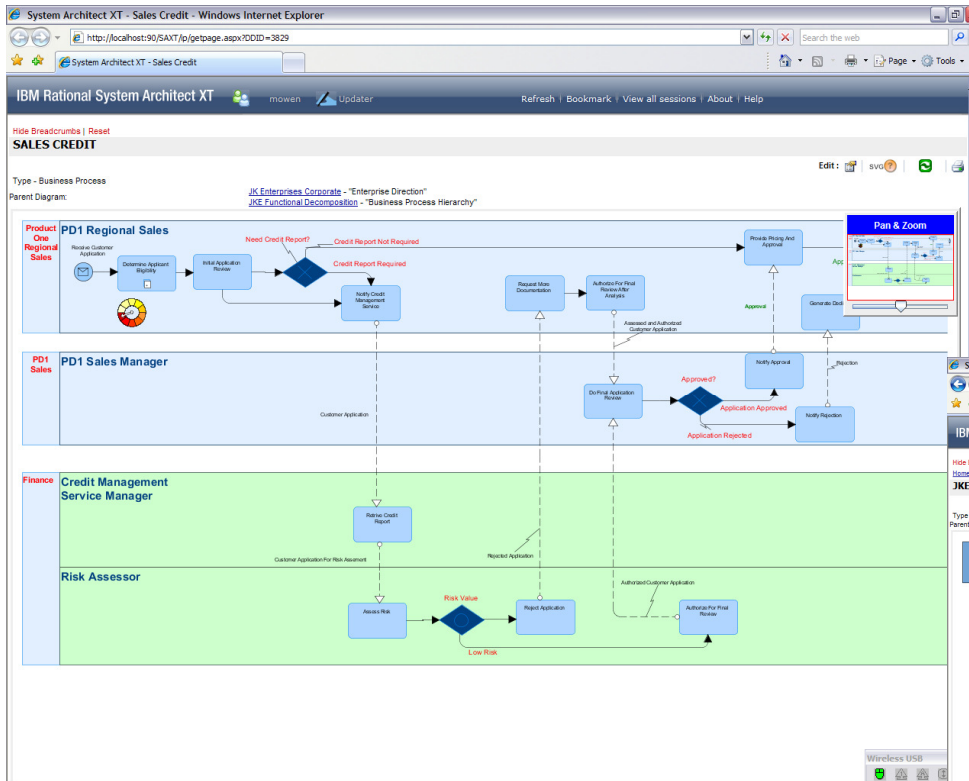
1. Overall

Title	Portfolio	Implementation State	Strategic Objectives	Total Risk Score	NPV	Scope on Target	Schedule On Target
Develop Customer Relationship Management Program	Transformational	Started	<ul style="list-style-type: none"> ↑ Manage Change ↑ Save Cost 	19	\$1 518 000	On Target	Off Target
Home Banking	Maintenance & Utilities	Started	<ul style="list-style-type: none"> ↑ Save Cost 	9	\$71 000	On Target	On Target
Inventory Control Upgrade	Maintenance & Utilities	Planned	<ul style="list-style-type: none"> ↑ Increase Efficiency ↑ Adapt To New Technologies 	27	\$131 000	On Target	On Target
Purchase Request System Replacement	Transformational	Started	<ul style="list-style-type: none"> ↑ Adapt To New Technologies ↑ Save Cost 	45	\$143 000	Warning	On Target
Teller System Replacement	Enhancements & Improvements	On hold	<ul style="list-style-type: none"> ↑ Innovation ↑ Increase Efficiency ↑ Adapt To New Technologies 	32	\$123 000	On Target	Warning

Maximum number of elements per page: 50

[Export Review Ongoing Projects.](#)
[Update Projects](#)
[Tree View Sorting](#)

Define Future state

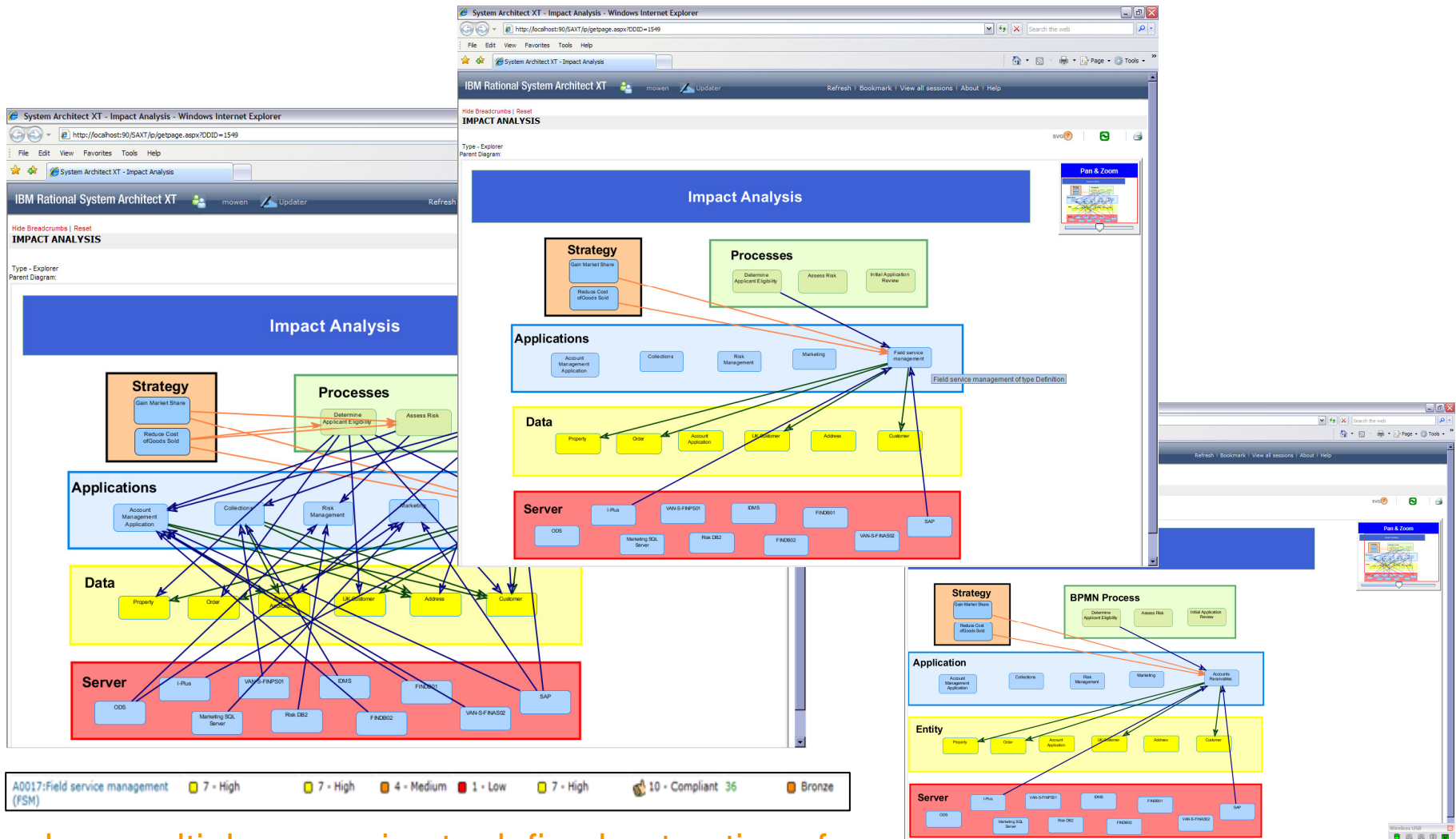


Optimize around an integrated view of people, process and technology



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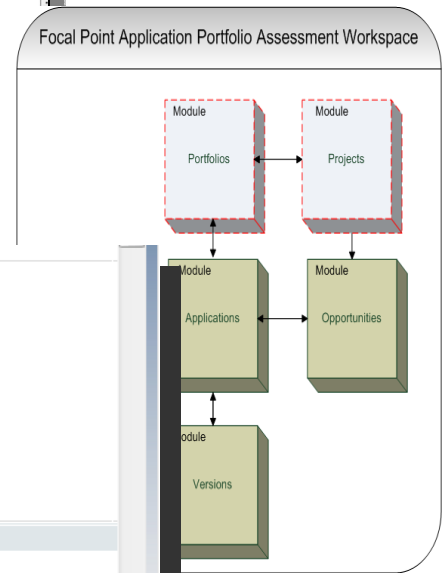
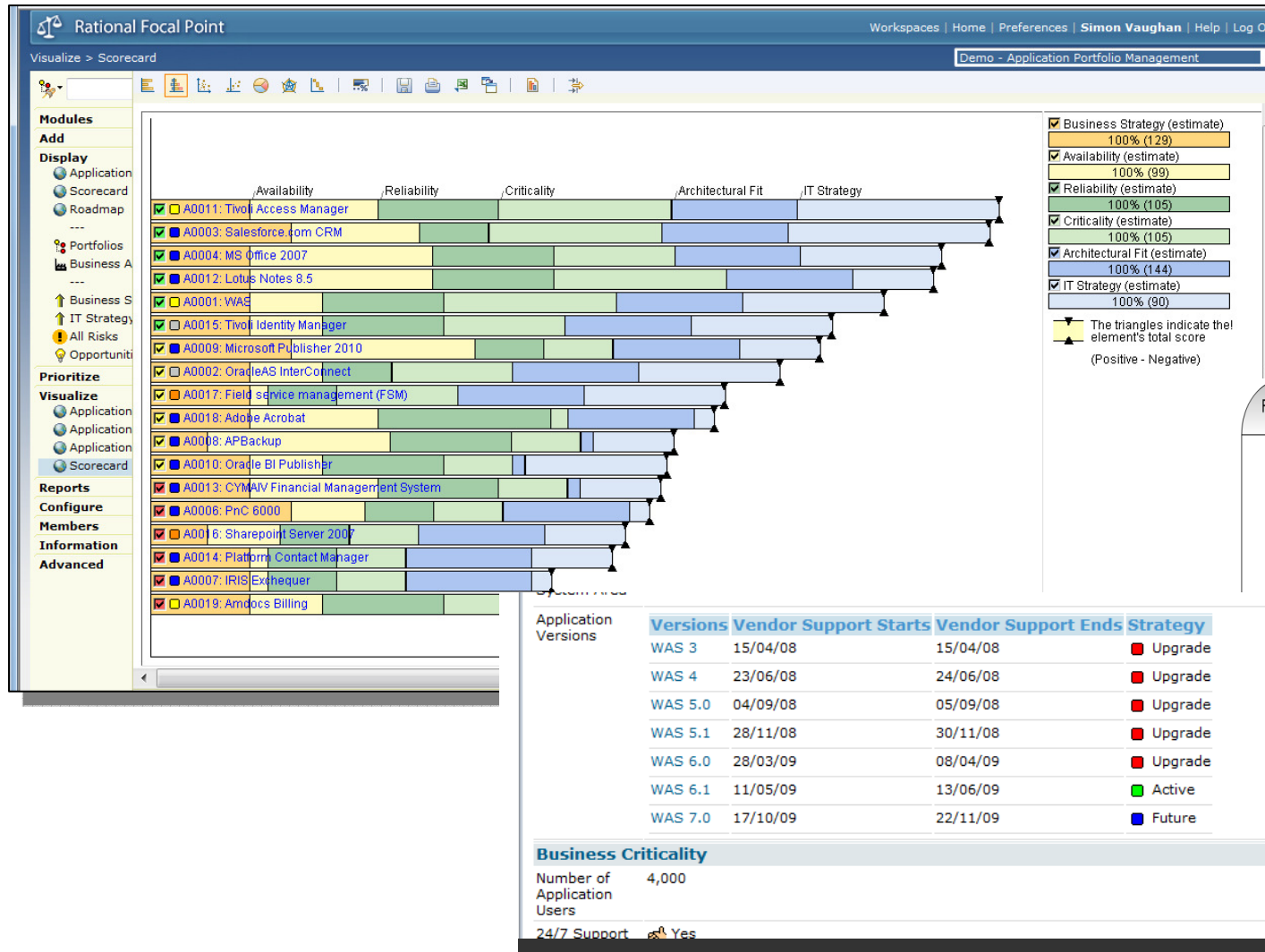
Compare to current state, perform impact and gap analysis



Analyze multiple scenarios to define best options for
 cost and risk
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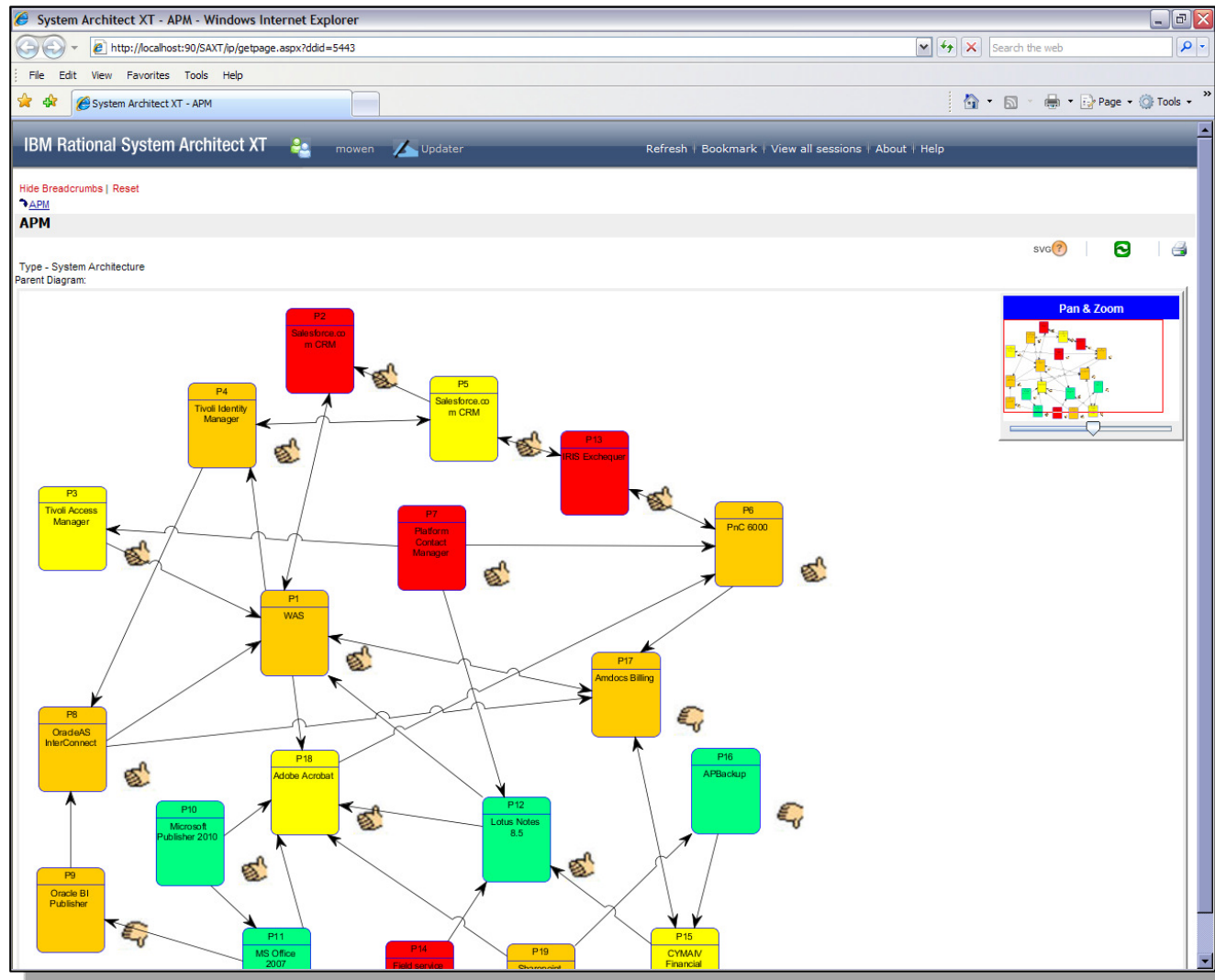


Analyze and prioritize initiatives



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Architect & design prioritized solutions



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Define scope & roadmap initiatives



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Display > Project Roadmap IT Portfolio Management Demo v1.0

Modules

Add

Display

- Project Proposals
- Review Ongoing Projects
- Project Roadmap**

- All Projects
- Applications

Prioritize

Visualize

Reports

Configure

Members

Planned Start Date
New value: 2008-12-21

Dates

Projects

- Target Start Date
- Planned Start Date
- Actual Start Date
- Target Concept D...
- Planned Concept ...
- Actual Concept D...
- Target Implement...
- Planned Impleme...
- Actual Implement...
- Target End Date
- Planned End Date
- Actual End Date
- Delivery Date

Display Links

- Portfolio
- Applications
- Related Projects
- Related Business...
- Strategic Objectiv...
- Risks
- Business Require...
- Resource Types

Values

- Total Expected Ex...
- Total Actual Expen...
- Total Expected Be...
- Total Actual Benef...
- Total Estimated M...
- Total Actual Man ...
- Total Resource C...

Probability of Duration (months)

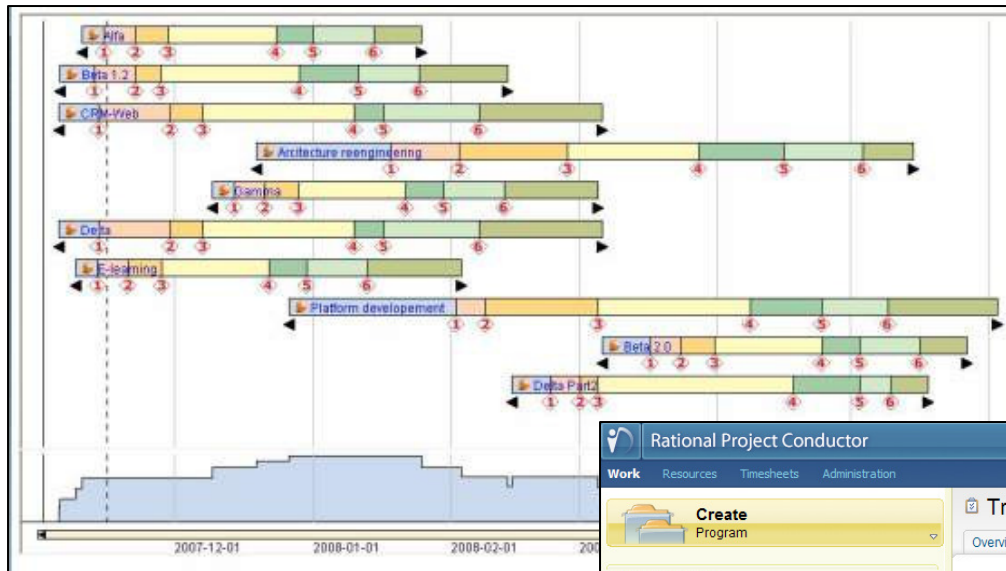
Resource Level	10%	20%	30%	40%	50%	60%	70%	80%	90%
10 Resource	4.5	7.0	8.0	8.5	9.0	9.0	10.0	12.0	13.0
20 Resources	4.0	5.0	6.0	7.0	7.0	7.0	10.0	11.0	11.0

Probability of Labor Cost

Resource Level	10%	20%	30%	40%	50%	60%	70%	80%	90%
10 Resource	120000	130000	140000	150000	160000	180000	190000	195000	200000
20 Resources	250000	260000	270000	280000	300000	320000	350000	370000	400000

more effectiveness

Plan projects for Integrated Execution and Feedback



Rational Project Conductor

Work Resources Timesheets Administration

Create Program

Translation

Overview Schedule Details Risk Baselines Financials

Work Breakdown

Programs and Projects

- Financials
 - Payroll App
 - Project Name
 - Inception
 - Elaboration
 - Customer Interactions (Managed Beta)
 - Development
 - Translation
 - Drop1 - all langs PII & Non PII
 - Drop2 PII - all langs
 - Drop2 nonPII - all langs
 - TVT
 - DVT
 - Drop 2a
 - Release
 - Sample Applications

Start (Actual)	Finish (Actual)	Effort (Actual)	%C	%EC	%DC	6, 2009									
						T	W	T	F	S	S	M	T	W	F
Jul 30, 2007	Dec 19, 2008	509 d	5120 h	Jul 30, 2007											
Jul 30, 2007	Dec 19, 2008	365 d	5120 h	Jul 30, 2007											
Jul 30, 2007	Dec 19, 2008	365 d	5120 h	Jul 30, 2007											
Jul 30, 2007	Sep 14, 2007	35 d	280 h	Jul 30, 2007											
Jan 28, 2008	Dec 19, 2008	235 d	1344 h	Jan 28, 2008											
Feb 22, 2008	Sep 2, 2008	138 d	600 h	Feb 22, 2008											
Jan 14, 2008	Oct 22, 2008	203 d	2696 h	Jan 14, 2008											
Sep 14, 2007	Nov 7, 2008	301 d	200 h	Sep 14, 2007											
Jun 27, 2008	Jun 27, 2008	1 d	8 h	Jun 27, 2008											
Jul 24, 2008	Jul 24, 2008	1 d	8 h	Jul 24, 2008											
Aug 18, 2008	Aug 18, 2008	1 d	8 h	Aug 18, 2008											
Aug 15, 2008	Sep 9, 2008	18 d	72 h	Aug 15, 2008											
Sep 14, 2007	Sep 11, 2008	260 d	56 h	Sep 14, 2007											
Sep 22, 2008	Sep 22, 2008	1 d	8 h	Sep 22, 2008											
Oct 10, 2008	Nov 7, 2008	21 d	40 h	Oct 10, 2008											
Jan 1, 2009	May 11, 2010	495 d	1544 h	Jan 2, 2009											



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Review the portfolios - dashboards

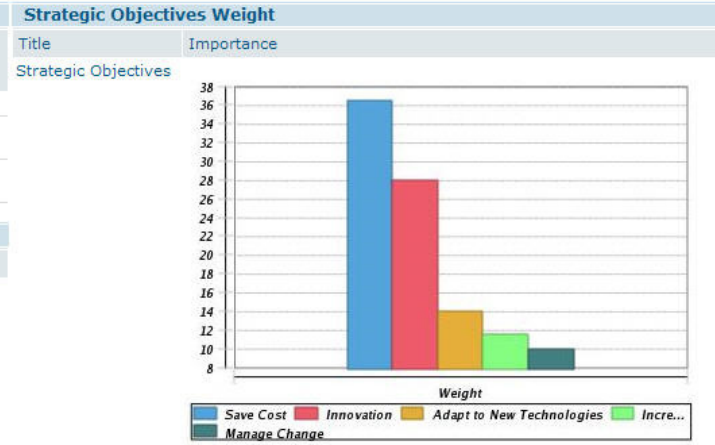
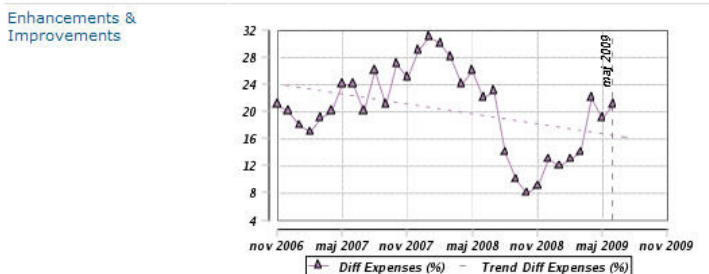
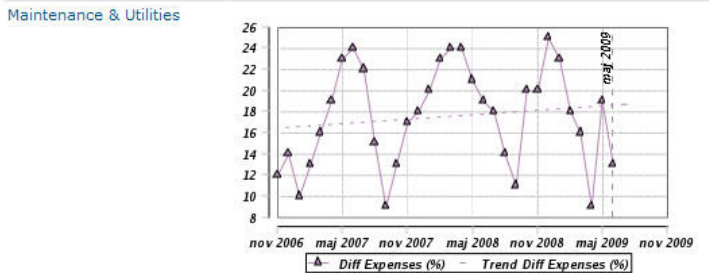


Under Development: IT Portfolio Management v1.0

- Modules
- Add
- Display
- Prioritize
- Visualize
- Reports
- Configure
- Members
- Information
- Advanced

Portfolio Financials

Title	Portfolio Expected Benefits	Portfolio Actual Benefits	Portfolio Expected Expenses	Portfolio Actual Expenses	Total NPV	Portfolio Risk Score
Transformational	16 875 000	426 000	16 875 000	1 997 000	\$1 759 000	21
Maintenance & Utilities	16 316 000	2 254 000	16 316 000	2 659 000	\$1 417 000	21
Enhancements & Improvements	4 433 300	130 000	4 433 300	144 000	\$634 000	26

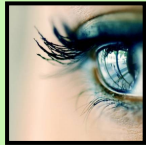


Strategic Objectives - Project Distribution

Strategic Objectives	Quantity	Share
-	25	30,9%
Adapt To New Technologies	31	38,3%
Increase Efficiency	12	14,8%
Innovation	7	8,6%
Manage Change	15	18,5%
Save Cost	24	29,6%

Project Portfolio

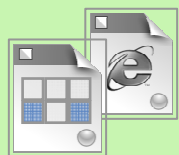
Project State	Quantity	Share
NEW Proposed	7	8,6%
Accepted	22	27,2%
Assessed	3	3,7%
Finalize business case	7	8,6%
Ready for prio	7	8,6%
Approved for development	5	6,2%
Delivered	3	3,7%
Business Requirement	7	8,6%
Backlog	6	7,4%
Duplicate	6	7,4%
To be clarified	2	2,5%
Rejected	6	7,4%
Sum:	81	



Increased
Visibility

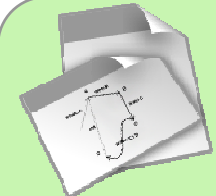


Analysis and
Optimization

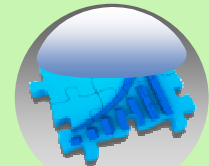


Business and IT
Alignment

- **Four steps to success...**
 - Build a holistic view
 - Balance current needs and long-term demand
 - Understand the business risk of change
 - Execute and govern your portfolio



IT Planning and
Transformation



Enterprise
Decision Support

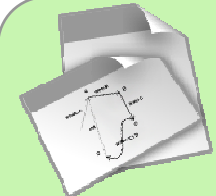


Business Driven
Innovation

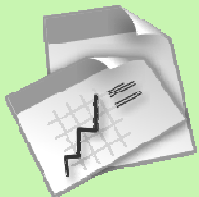


Increased
Visibility

- **We help you to become...**
 - Interconnected
 - Instrumented
 - Intelligent

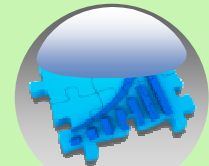


IT Planning and
Transformation



Analysis and
Optimization

- **What we see:**
 - Efficiency gains through visibility in decision making
 - Investment budget savings with better management of projects
 - Operations budget improved by better alignment with business demand
 - Effectiveness gain due to reduction in rework, duplication,



Enterprise
Decision Support



Business and IT
Alignment



Business Driven
Innovation



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