



# WHERE TEAMS ARE **R-HEROES**

**COLLEEN  
ARNOLD**

**GENERAL MANAGER  
GBS STRATEGY, INDUSTRIES  
AND GLOBAL APPLICATION SERVICES**



# Using Rational to enable IBM and our clients



# External forces are changing the game...

**Changes  
in world markets**

*The rising tide  
of globalization*

**Changes  
in Information  
Technology**

*A new computing  
architecture*

**Changes  
in client needs**

*Expertise,  
integration  
and innovation*



# Today...

- **Innovation is at the top of the CEO agenda**
- **Business model innovation drives sustainable competitive advantage**
- **At the upper end of business model innovation...  
Globally Integrated Enterprise**
- **Out performing companies view change  
as “the new normal”**

*Source: IBM Global CEO Study – 2006 and 2008*



# Global integration depends upon...

- **The search for new models of...**
  - Commerce
  - Distribution
  - Management of global talent
- **Finding appropriate points of integration**
- **Management of new, global applications, processes and systems with consistency, quality, and security**

... All pending on *collaboration and teamwork* with clients, employees, business partners, etc.





# Software drives business transformation

	Product Management	Acquisitions	Customer Portfolio Management	Customer Service and Sales	Product Operations
<i>Direct</i>	Sector Marketing Plans	Acquisition Planning and Oversight	Customer Portfolio and Analysis	Customer Servicing and Sales Planning	Product Operations Management
	Managing Products		Credit and Risk Management		
<i>Control</i>	Product Development and Deployment	Acquisition Planning and Oversight	Application Processing	Case Handling	Operations Administration
			Customer Behavior Decisioning	Service/Sales Administration	
<i>Execute</i>	Marketing	Target Lists (Prospecting)	Customer Profile	Sales and Cross-Sell	Authorizations
	Market Research	Campaign Execution			Contact/Event History
	Product Directory		Campaign Execution	Correspondence	Product Processing
				Smart Routing	Rewards Management
				Inventory Management	



# Software drives business transformation

	Product Management	Acquisitions	Customer Portfolio Management	Customer Service and Sales	Product Operations	Hot Component
<b>Direct</b>	Sector Marketing Plans	App1	App1 Customer Portfolio and Analysis	Customer Servicing and Sales Planning	App4 Product Operations Management	Applications App1 App2 App3 App4
	Managing Products		Credit and Risk Management			
<b>Control</b>	App2 Product Development and Deployment	Acquisition Planning and Oversight	Application Processing	Case Handling	Operations Administration	
			App4 App1 App2 App3 Customer Benefit Decisioning	Service/Sales Administration		
<b>Execute</b>	Marketing	Target Lists (Prospecting)	App2 Customer Profile	App2 App3 Sales and Cross-Sell	Authorizations	
	Market Research	App1 App3 Campaign Execution	App2 Contact/Event History	App3 App4 Servicing (Dialogue Handler)	Financial Capture	
	App2 Product Directory		App3 App4 Correspondence	App4 Smart Routing	Product Processing Rewards Management Inventory Management	



# State of the application environment

*High maintenance costs*

*Compliance/Security*

*Too many versions,  
vendors*

*Applications get  
replaced...but not  
retired*

**Redundant, overly complex,  
undocumented application portfolio**



**Negative impact on time-to-market  
and competitive position**

*Poor visibility into  
portfolio*

*Unchecked proliferation*

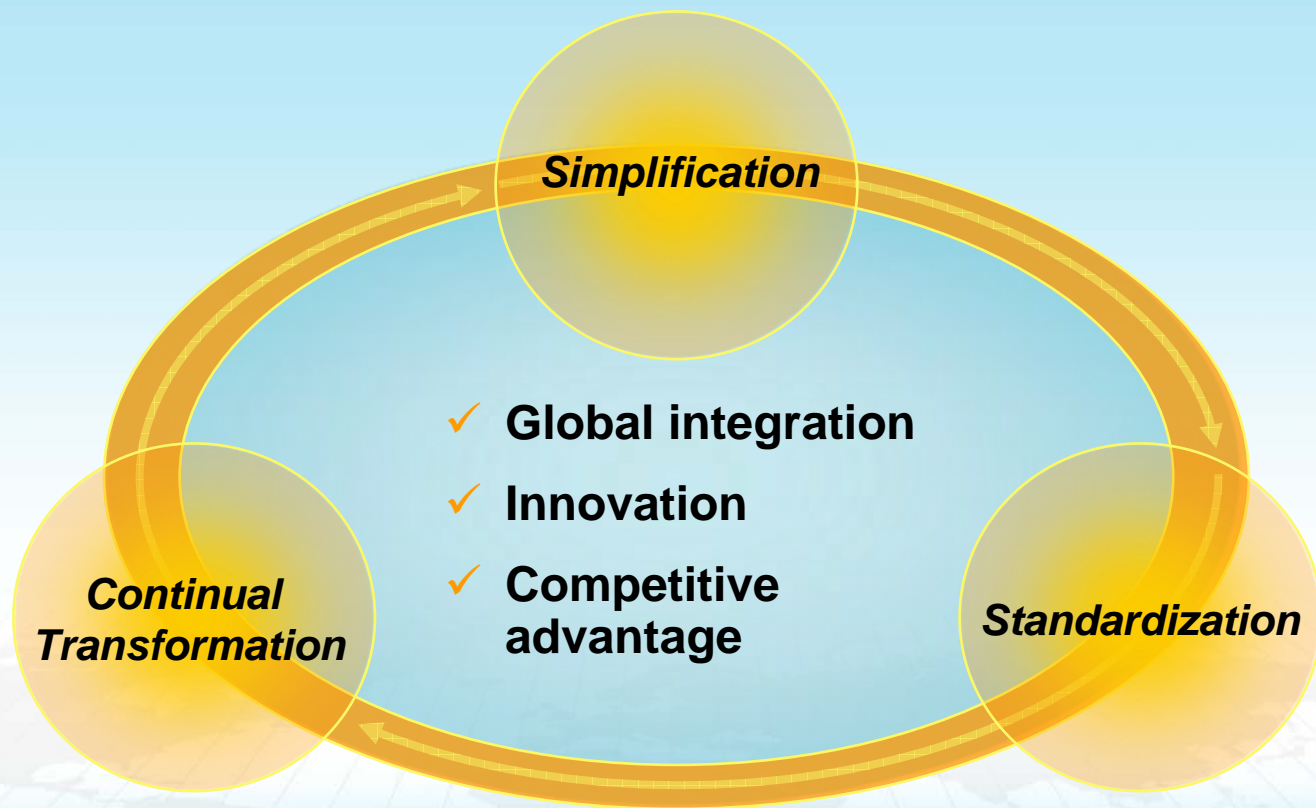
*Too much  
customization*

*Quality improvement*





# What are we doing inside IBM?



# Results for mission critical applications

***Software quality***

**10% reduction of support time efforts  
or defect tracking & resolution (ClearQuest)**

***Change & configuration  
management***

**5% reduction of time allocated to  
configuration management (ClearCase)**

***Requirements & analysis***

**About 6-10% reduction of processing time  
for development of requirements & use cases  
(RequisitePro)**

***Design & construction***

**10% reduction for design model creation & parallel  
development (Rational Application Developer)**



# Client Success



# Test automation is a challenge for clients

## Combining IBM expertise with Rational delivers...

- ✓ Speed to value
- ✓ Increased productivity
- ✓ Quality tools founded on best practices
- ✓ Years of industry experience built into the tools

*Delivery  
excellence*

GBS

Rational

Metrics

Methods

Practices

Domain  
knowledge

+

Tools

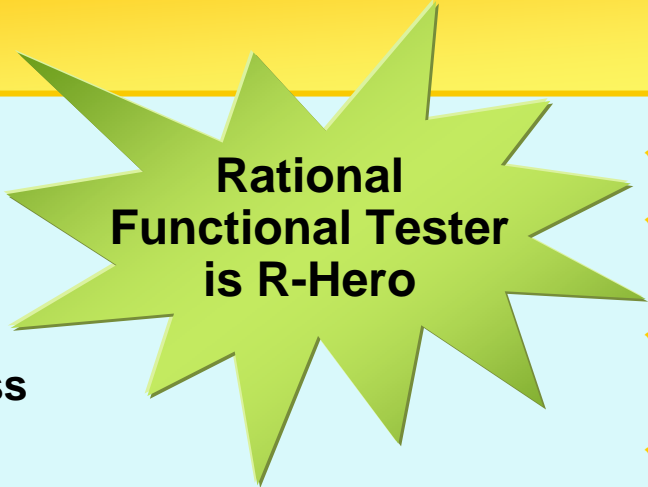
Environment



# Rational Functional Tester saves money and time

## *The Challenges*

- eCommerce site improvements
  - Faster time to market
  - Manual test process
  - Labor costs



**Rational  
Functional Tester  
is R-Hero**

## *Resolution*

- ✓ \$500K savings
- ✓ Testing time from 60 hours to 5 hours
- ✓ Faster more & more accurate results
- ✓ 40% reduction in bugs found after release
- ✓ Increased customer satisfaction



# Time-to-market challenges for outsourcing

## *Client Challenge*

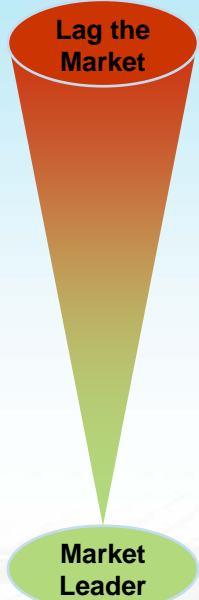
- **Cycle time to deliver complex new services was not meeting the client's business needs**
- **Client perception was that IT cycle time was the major bottleneck to market launch**



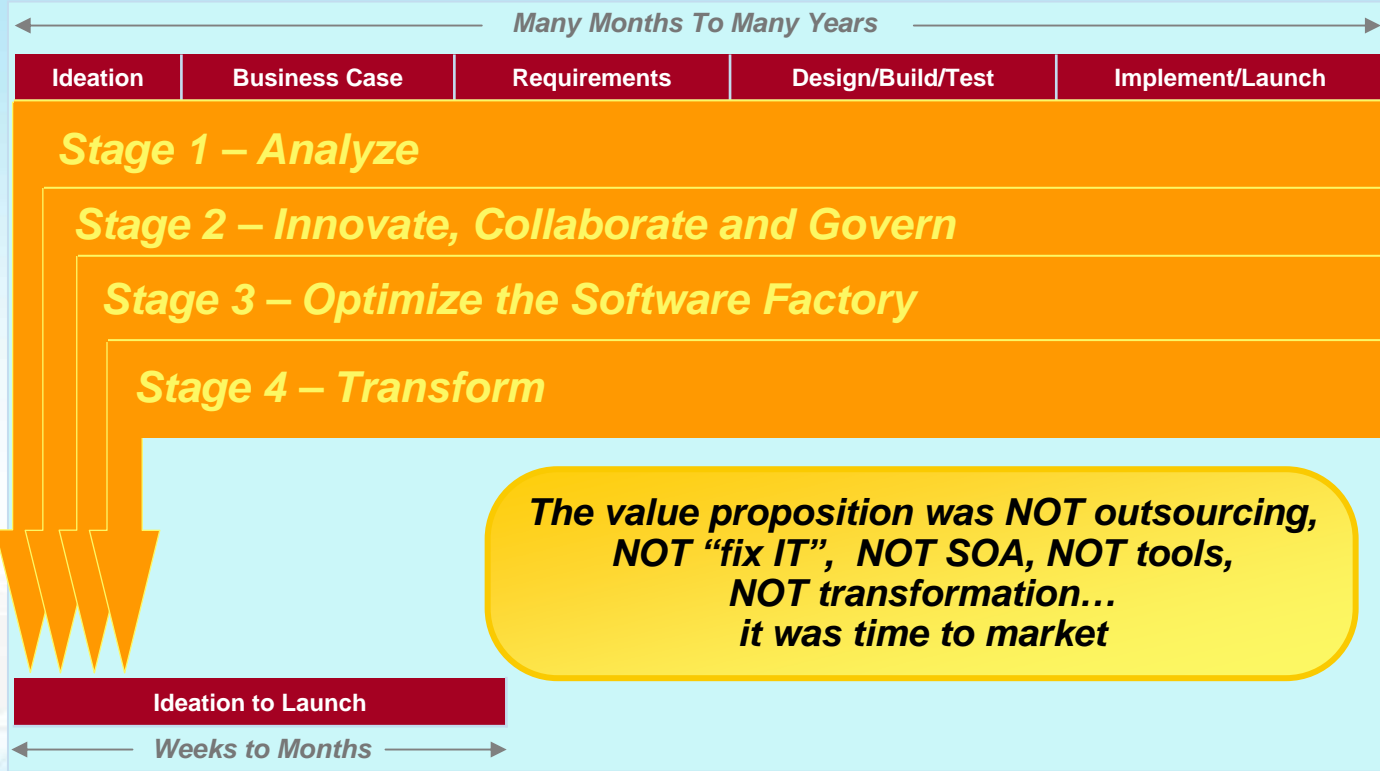


# A four stage roadmap addresses client's cycle time issues

Beginning State



Desired End State



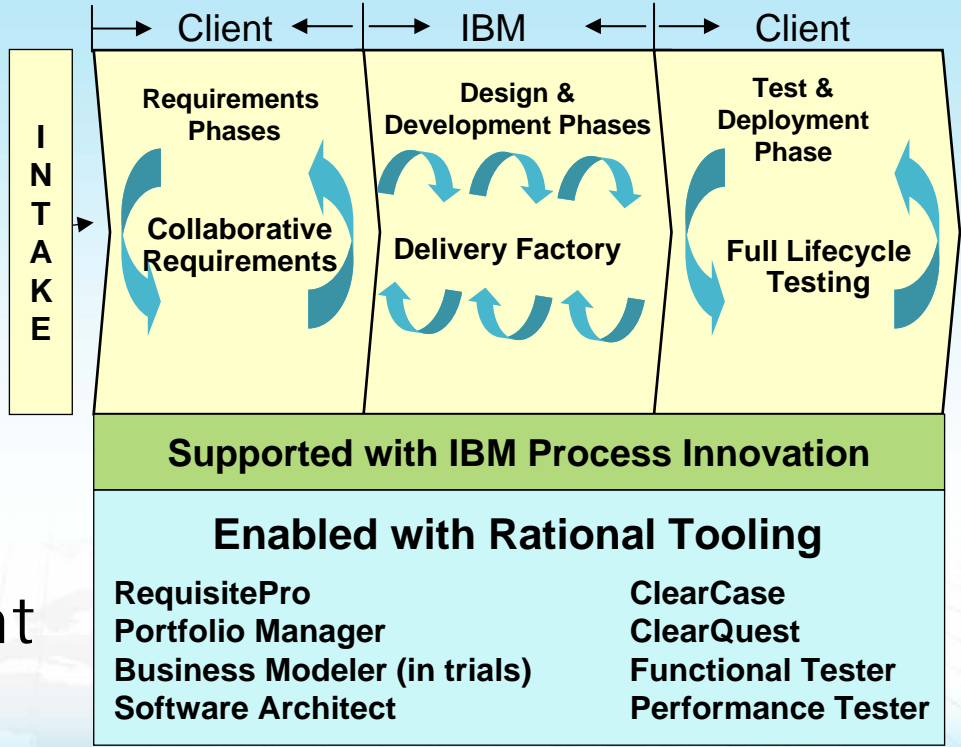
GBS & SWG Group  
Assets Deliver



# Rational has played a key role in delivering the new Software Factory model...

- Improved quality
- Cross-IBM collaboration
- IBM investment of \$s and people ensures success
- Continual refinement and investment results in additional improvements

...that is delivering cycle time improvement to the Client



# A heroic combination

- The Client is on a path to meet their cycle time goals – a 50% reduction for new services – and IBM is the partner helping to make it happen
- The outsource relationship continues to grow significantly with the Client as innovation from across IBM is leveraged to solve their business challenges
- The Rational footprint opens within the Client organization and expands within the IBM delivery teams

***Integration across  
GBS and Rational  
has delivered:***

***Real business value  
for the client***

***Increased  
opportunities  
for IBM***



# What does this mean for you?

- **Software development and delivery is and will become even more critical to the success of any business**
- **Collaboration and teamwork is essential**
- **Continual development of expertise in new fields is required**
- **High value expertise will be a point of differentiation from competitors**

