



WHERE TEAMS ARE **R-HEROES**

**SCOTT  
HEBNER**

**VICE PRESIDENT  
MARKETING & STRATEGY  
IBM RATIONAL SOFTWARE**



Rational. software

# WHERE TEAMS ARE *R-HEROES*



IBM Rational Software Development Conference 2008

WHERE TEAMS ARE *R-HEROES*

# The Rational R-acles



# IBM Rational Software Development Conference 2008

WHERE TEAMS ARE **R-HEROES**

June 1-5, 2008 • Orlando, FL



A theme based on the importance of effective organizational visibility, collaboration & teamwork ... and the fact that what you all do is really important stuff !



- ❖ Over **300** sessions across **14** tracks
- ❖ **130** customers presenting sessions
- ❖ Executive and Business Partner Summits
- ❖ **New** application security & compliance track
- ❖ **New** technical & product systems track
- ❖ Networking & skill building opportunities



IBM Rational Software Development Conference 2008

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# This week's general session agenda

## Today

- *RU Ready to Save the Day?*

## Tuesday

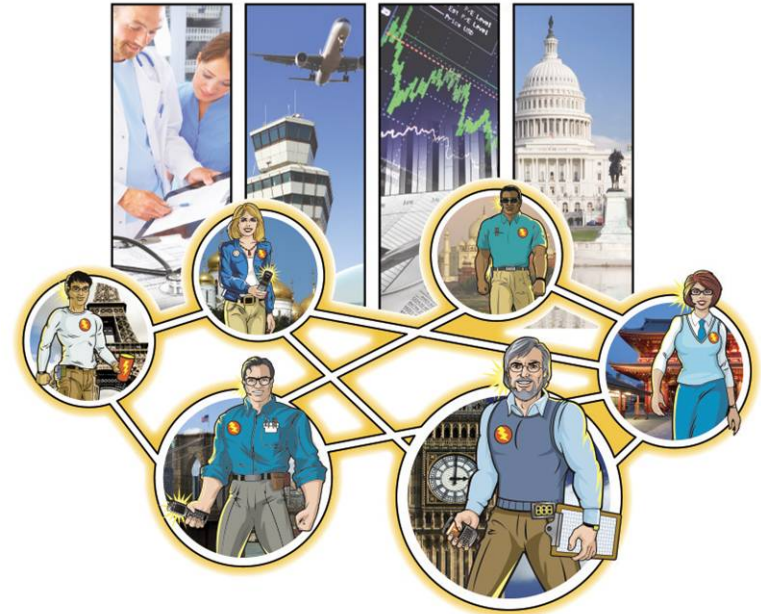
- *Real World Heroes  
Driving Real World Innovation*

## Wednesday

- *RU Ready to Boldly Go?*

## Thursday

- *Now... Go **SAVE** the Day!*



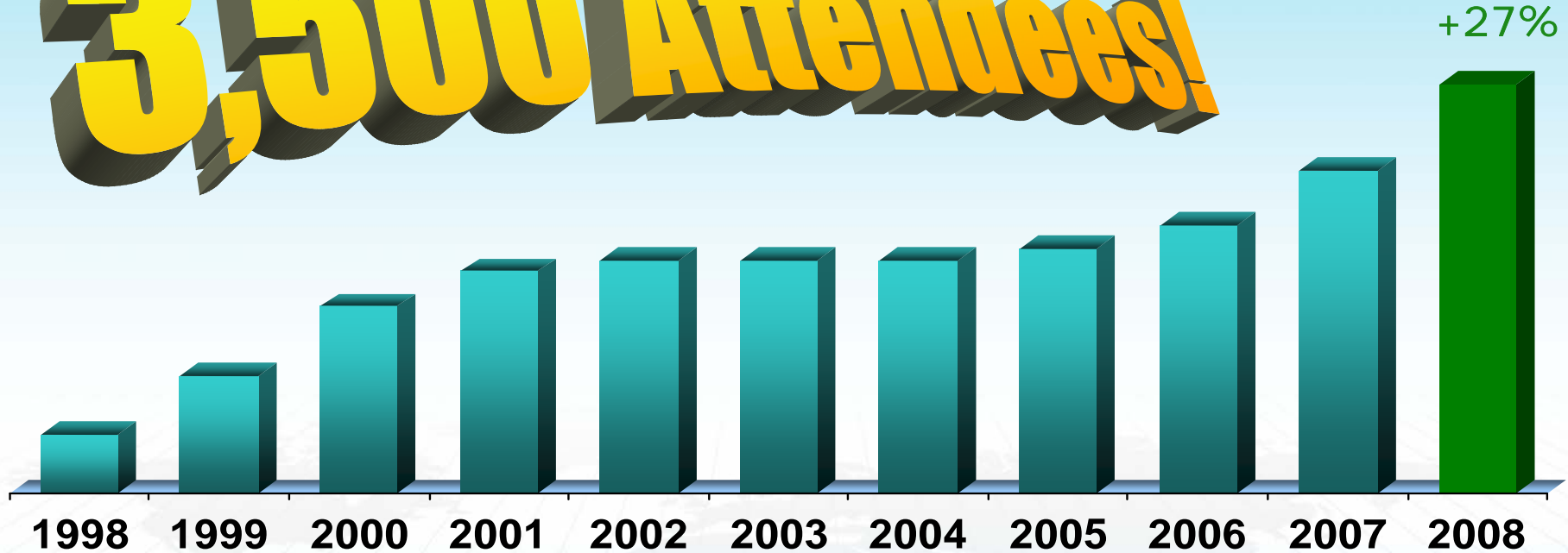
# Rational Software Development Conferences 2008

Orlando, Florida	June 1-5
Denmark, Sweden	June 10
Sharm El Sheikh, Egypt	June 18-19
Brazil, San Paulo	June 18-19
China	July 17 & 19
ASEAN	August 12,14,19, 21
Bangalore, India	August 27-29
Paris, France	September
Munich, Germany	September 4 & 5
Mexico	September 10
London, UK	September 22-23
Milan, Italy	October 7
Rome, Italy	October 9
Japan	October 9 & 10
Johannesburg, So. Africa	October 10
Cape Town, So. Africa	October 11
Taipei , Taiwan	October
Australia	November



Thank YOU for being here!

**3,500 Attendees!**



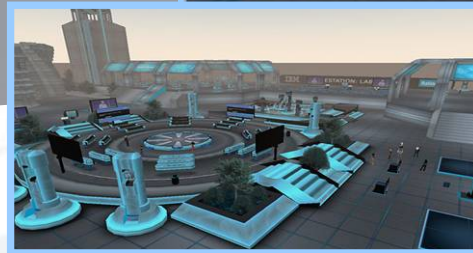
No way, even more?

Yup - virtually!

Rational. software

# IBM CodeStation

An Island for Software Professionals in



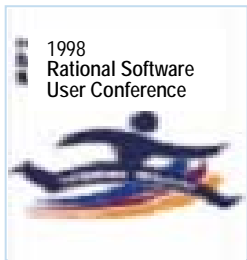
IBM Rational Software Development Conference 2008

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# Welcome Back Valued Conference Alumni!

1998



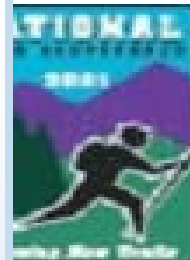
1999



2008



2001



2002



2003



2004



2006



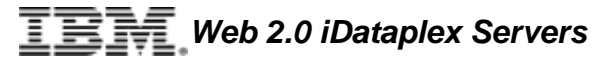
2007



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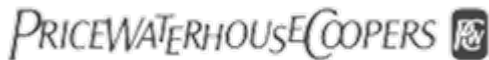
WHERE TEAMS ARE **R-HEROES**

# Special Thanks to Our Sponsors!



# A Special Welcome

- International 30%
- Representing 60 countries



# Welcome to the Family!



**MANAGE COMPLEXITY IN  
GLOBAL SYSTEMS AND  
SOFTWARE DEVELOPMENT**

**Telelogic**  
*An IBM Company*

**Rational.** software

Delivering enterprise lifecycle management solutions to customers who create **manufactured products** involving a combination of electronic, mechanical and **software systems**



IBM®

# RU READY TO SAVE THE DAY



IBM Rational Software  
Development Conference  
2008

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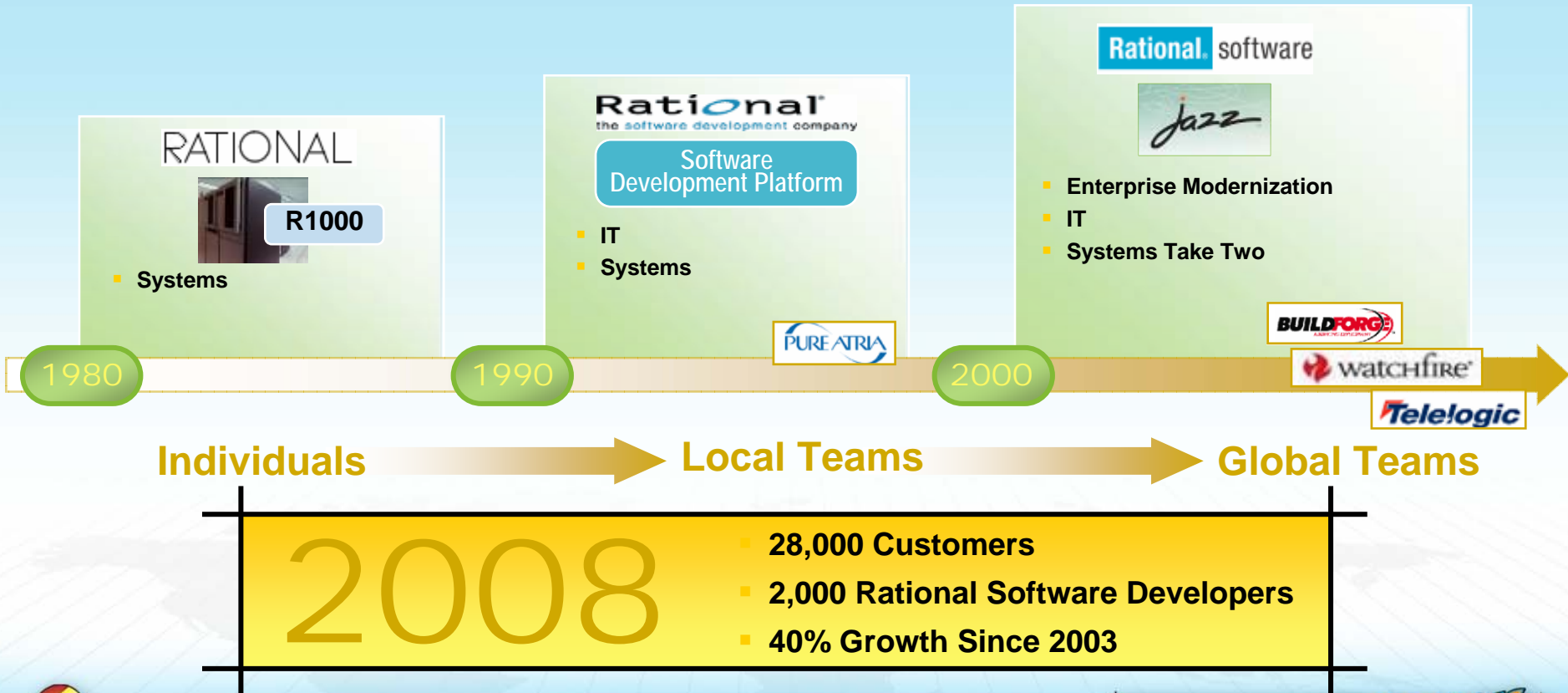
WHERE TEAMS ARE **R-HEROES**

**DANNY  
SABBAH**

**GENERAL MANAGER  
IBM RATIONAL SOFTWARE**



# 27 Years Old and 5 Years Young



# Today's Discussion

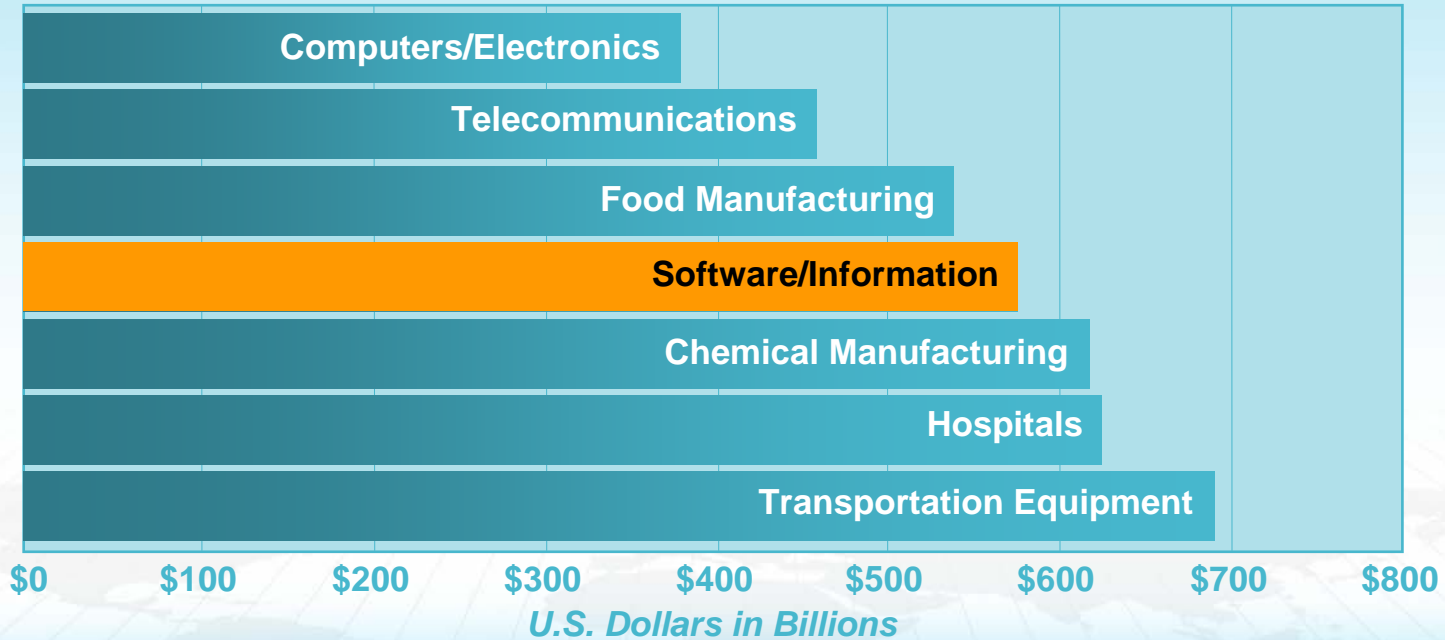
- **Realities of Software Delivery**
  - **Business and Organizational Trends**
  - **Impact for Software and Systems**
- **Leading by Example**
  - **A Rational State-of-the-State**





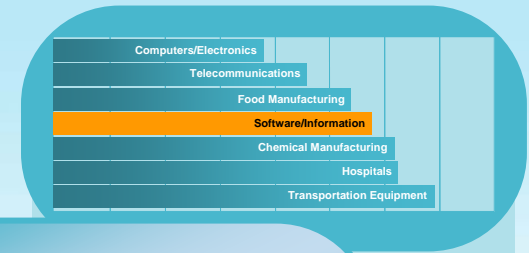
# Software Underlies Value Across Industries

U.S. Industry Revenue  
(U.S. Census Bureau)



# Increasing Accountability of Software

- Ultimately, on time and under budget means nothing without the right business outcomes
- Outcomes are measured in dollars, in customer retention, in market share
- The ideal organization ensures software delivery is directly tied to business need



Only 34%  
of software projects  
are deemed successful

Software related  
downtimes cost  
the industry nearly  
\$300 Billion annually

*You're all working hard,  
but are you working on the right stuff?*



# 2008 and Beyond

## *Latest shifts in software delivery*

- **Increasingly diverse, cross organizational global project teams**
- **Interest in replicating the proven models of community governed software delivery models**
- **Popularity of agile development and social networking models**
- **Embrace of automation to enable rapid tuning of business models**



# From Shifts to Opportunity

*Embracing these shifts enables one to move from the*

**Rigors of the  
'cathedral'**



**Openness of the  
'bazaar'**



*A market-driven, agile development approach  
characterized by the notions of:*

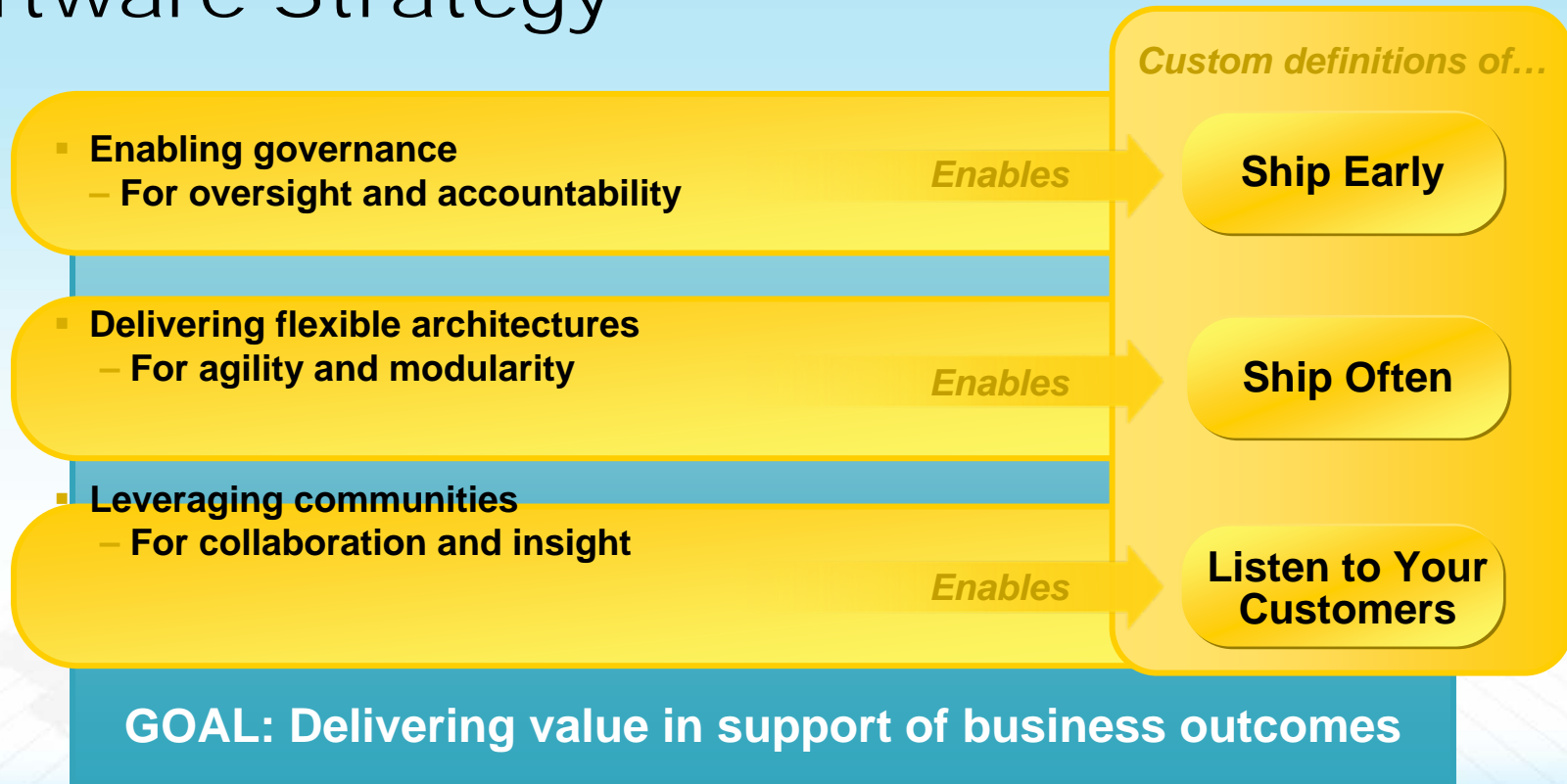
**Ship Early**

**Ship Often**

**Listen to Your  
Customers**



# Fundamentals of the Rational Software Strategy



# Why Governance?

*Business Challenges*

*Business*

**Ship Early**



**ENABLE  
GOVERNANCE**

Continuous fact-based analysis  
to achieve a dynamic balance  
between competing interests



# Why Flexible Architectures?

**DELIVER FLEXIBLE ARCHITECTURES**

Adopting principles of modularity and reuse to ensure rapid deployment of business-aligned technology

**Ship Often**

*New Solutions* *Software Archaeology*



# Why Leverage Communities?

**Listen**

**LEVERAGE  
COMMUNITIES**

Continuous customer conversation with measurements to capture the inevitable evolution of need and desired business outcomes





# The Business Value Connection

**ENABLE  
GOVERNANCE**

*Respecting compliance/security concerns without undermining utility*



**DELIVER  
FLEXIBLE  
ARCHITECTURES**

*Modernizing assets & people's skills to leverage existing systems & business knowledge*



*Anticipating innovation through openness & service orientation*



**LEVERAGE  
COMMUNITIES**

*Getting the most out of collaboration in distributed environments*



*Ensuring every individual's work matters, every day, across the hall or across the globe*



# Today's Discussion

- Realities of Software Delivery
  - Business and Organizational Trends
  - Impact for Software and Systems
- **Leading by Example**
  - **A Rational State-of-the-State**



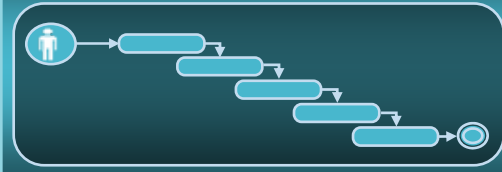
# Selecting the Right Approach

- **Waterfall development**

When *stability* is the primary driver

- Example: Rational ClearCase kernel

## WATERFALL

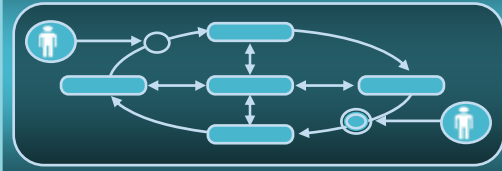


- **Iterative development**

When *stability and change* are equal players

- Example: Rational Software Architect, Rational Business Developer

## ITERATIVE

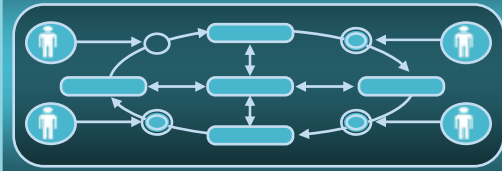


- **Agile development**

When *change* is the primary driver

- Example: Rational Team Concert, Rational Quality Manager, Rational Requirements Composer

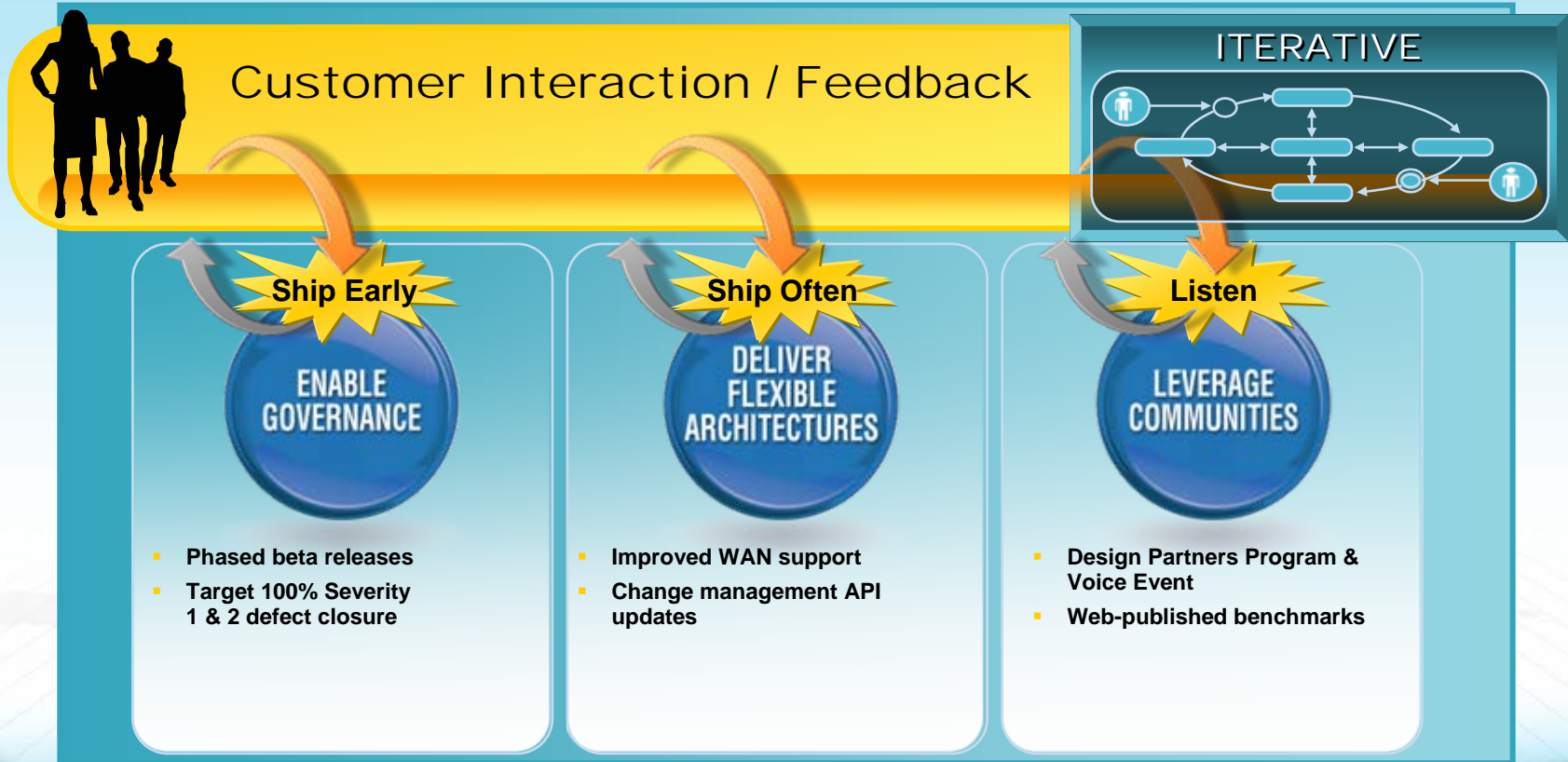
## AGILE





# Example: Rational Team Concert



# Example: Rational ClearCase enhancements



# It All Starts With a Conversation

	Premium Support	Online Communities	Beta Programs	Quality Initiatives	Design Partner	Board of Advisors	Advocate Program	VoiCE Events	Social Networks
<i>Year Established</i>	1997  2005  2008								
<i>Production Issues</i>	●	●		●			●	●	●
<i>Futures</i>	●	●	●	●	●	●	●	●	●
<i>Cross-Rational Product Groups</i>	●	●		●		●	●	●	●
<i>Business Goals &amp; Objectives</i>	●				●	●	●	●	
<i>Industry Issues &amp; Trends</i>						●		●	
<i>Competitive Issues</i>						●		●	
<i>Governance &amp; Compliance</i>						●		●	



# Enabling Support and Education On Demand

## *To Embrace our Community*

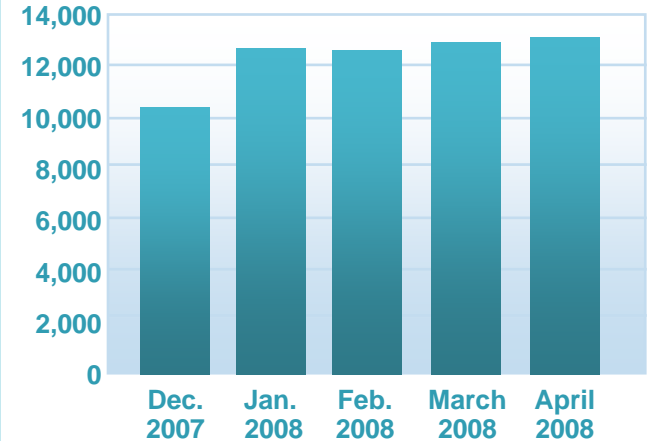
### **IBM Education Assistant (IEA)**

- Free web-based multimedia product training
- 168 modules - 33% more than last year
- 184k unique downloads since January 2007

### **IBM Support Assistant (ISA)**

- Search, learn, diagnose, and report
- 56 Rational products supported – 16 more than last year
- More than 17,000 plug-ins downloaded

Rational IEA Hits per Month  
All Modules



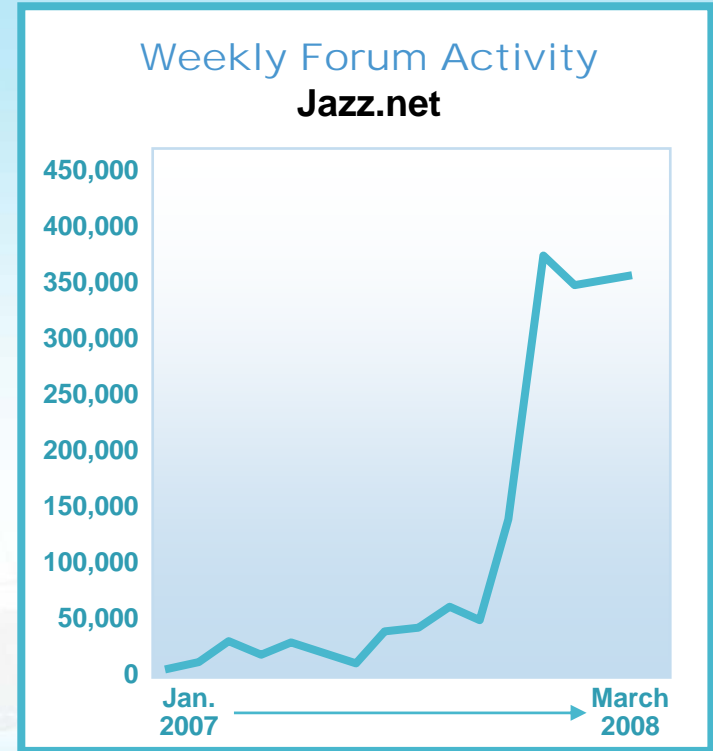
**28% Growth in 5 Months**



# Founding Jazz.NET

## *To Embrace our Community*

- **17 customer pilots across industries**
  - e.g. Finance, Consumer Electronics, Automotive, Telecommunications
- **15 business partner integrations**
  - e.g. Black Duck, CM Logic, Source IQ, CAST, Mainsoft, WebLayers
- **10 Jazz research projects**
  - e.g. Bluegrass, Emergent Teams
- **Widespread internal RTC adoption**
  - 28 Rational projects with 800 users
  - Over 100 IBM teams





# Building Interactive Portals *To Embrace Our Community*

**IBM SWG Consumability  
Excellence Award Winner!**



## *EGL Cafe*

- Capture community wisdom in global knowledge base
- Encourage sharing and re-use to reduce effort
- Open participation for System z, IBM i and distributed developers



## *Rational RFE Community*

- Search, watch, comment on, submit for evaluation
- Open sharing of future product plans across user base
- All strategic products participating



# Continuous Refinement of Client Support

## *To Embrace Governance*

- **Rational Client Support**  
**Grand Winner of 2007 Kepner-Tregoe (KT) International Rational Process Achievement Award for Client Service Excellence**
  - Overall worldwide customer satisfaction increased by 4%
  - Backlog reduced by 44%
  - Average time to close improved by 29%
- **500 employees provide “follow the sun” support**



*Runners-up include:*



# Use of Metrics for Self-improvement

## *To Embrace Governance*

### *In comparison to 2007*

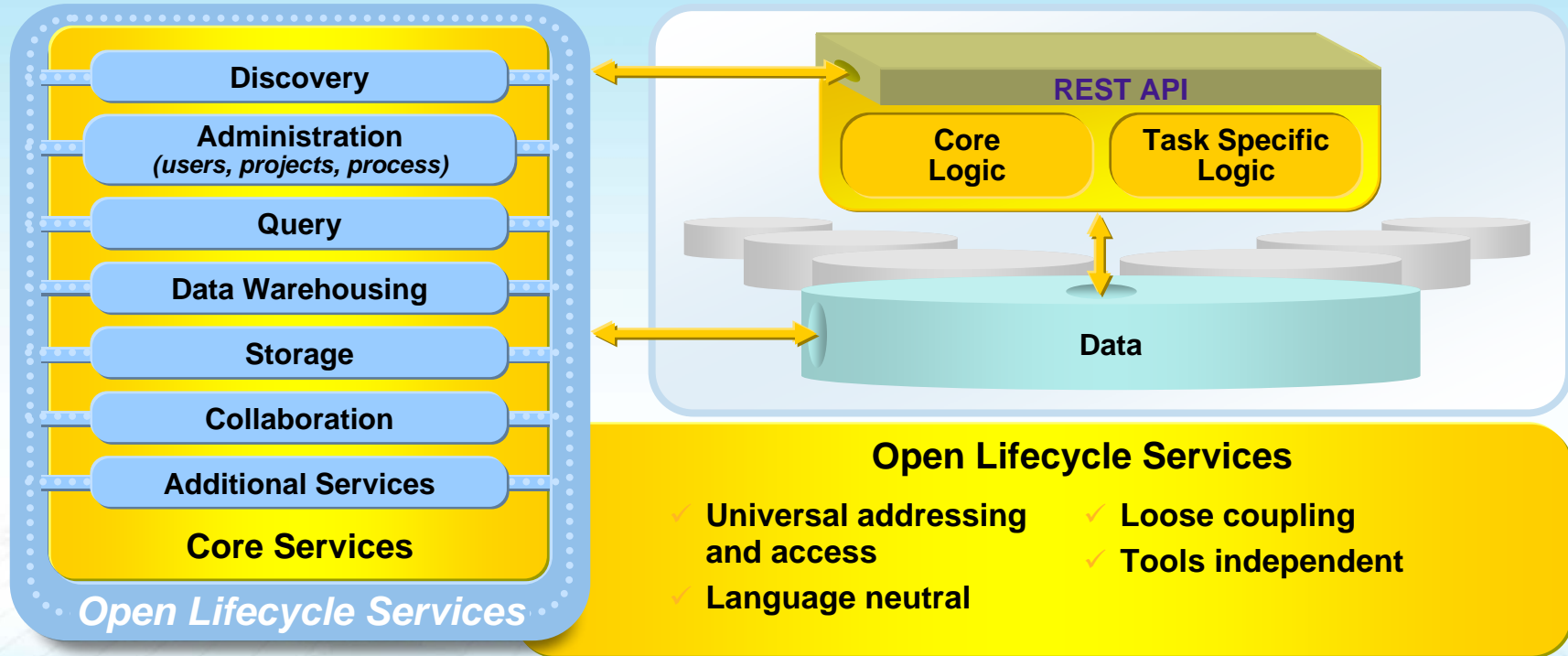
- **9% reduction in Problem Mgmt Record (PMR) arrivals**
- **21% decrease in reported defect arrivals across all products**
- **9 more Beta Programs**
- **56% increase in number Lab Advocacy Program clients**
- **75% increase in number of Design Partner clients**
- **3% increase in Customer Satisfaction Index for Tech Support**



# Using The Internet As Inspiration *To Embrace Flexible Architectures*



Open Services for  
Lifecycle Collaboration  
Initiative

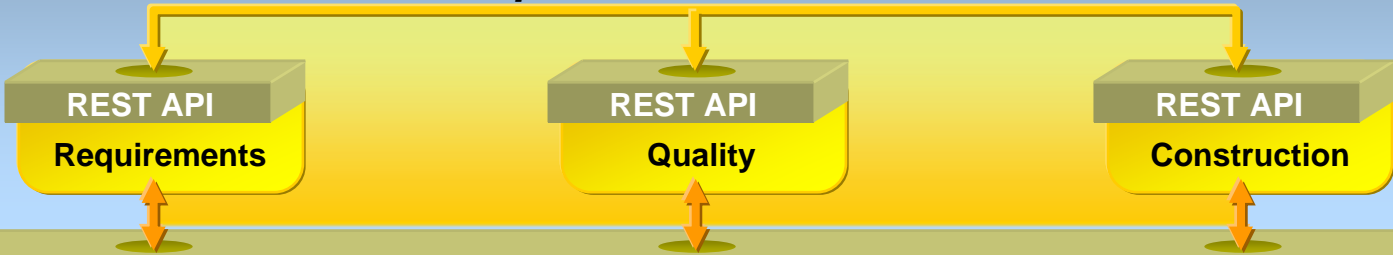


# Software Delivery Lifecycle

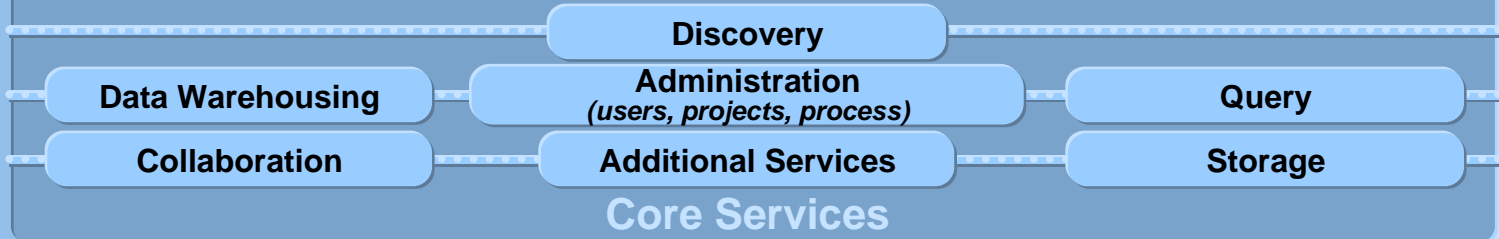
## *Via Web-based Architecture*

TEAM SERVER – *logical view*

*Software Delivery Lifecycle Services*  
**Data Specific Information Flow**



REST API



Core Services

*Open Lifecycle Services*



# Rational's Vision

*Open Web-centric Services-based*

**Existing Offerings**

**New Offerings**

**Business Partner Offerings**

*Best Practice Processes*

*In-Context Collaboration*

**TEAM SERVER**

*Open Lifecycle Services*

## **Client Integrations**

- Eclipse
- Web 2.0
- Visual Studio (4Q)

## **Server Integrations**

- Existing Rational/Telelogic offerings
- Business partner offerings
- Open source offerings (Subversion, etc.)



# From Vision to Reality

2007

***Announced our new  
Rational strategy***

- **Enabling Governance**
- **Adopting Flexible Architectures**
- **Leveraging Communities**

2008

***Strategy in action: Helping guide you  
from the 'cathedral' to the 'bazaar'***

- **Ship Early**
- **Ship Often**
- **Listen to your customers**

*See it here at RSDC 2008*



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Development Conference  
2008

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# 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 Benefits Decisioning	Service/Sales Administration		
<b>Execute</b>	Marketing	Target Lists (Prospecting)	Customer Profile App2	App2 App3 Sales and Cross-Sell	Authorizations Financial Capture	
	Market Research	App1 App3 Campaign Execution	App3 App4 Contact/Event History	App3 App4 Servicing (Dialogue Handler)	Product Processing Rewards Management	
	App2 Product Directory		App3 App4 Correspondence	App4 Smart Routing	Inventory Management	



# State of the application environment

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



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

*High maintenance costs*

*Compliance/Security*

*Too many versions,  
vendors*

*Applications get  
replaced...but not retired*

*Poor visibility into  
portfolio*

*Unchecked proliferation*

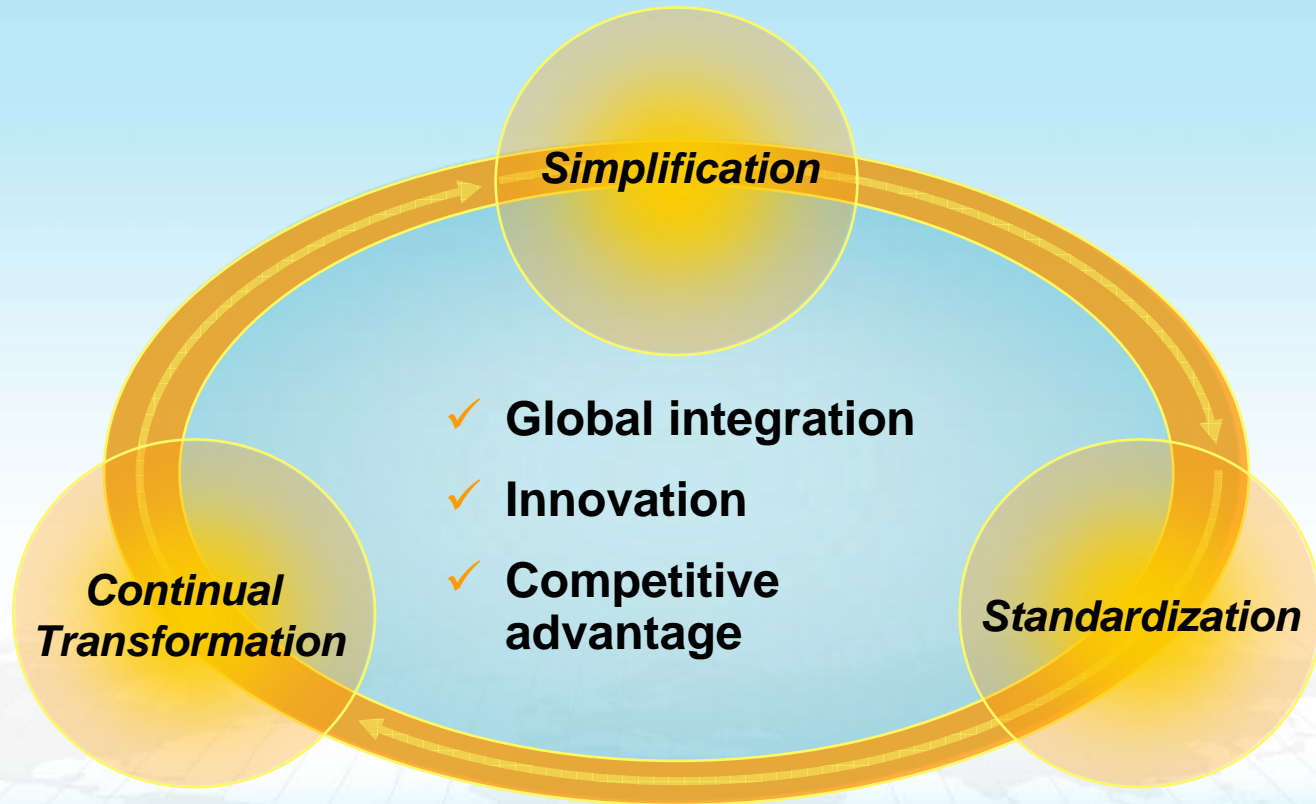
*Too much customization*

*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

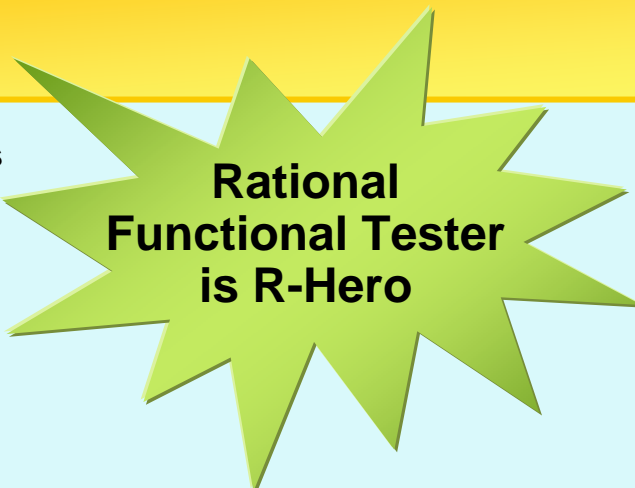
Environment



# 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**



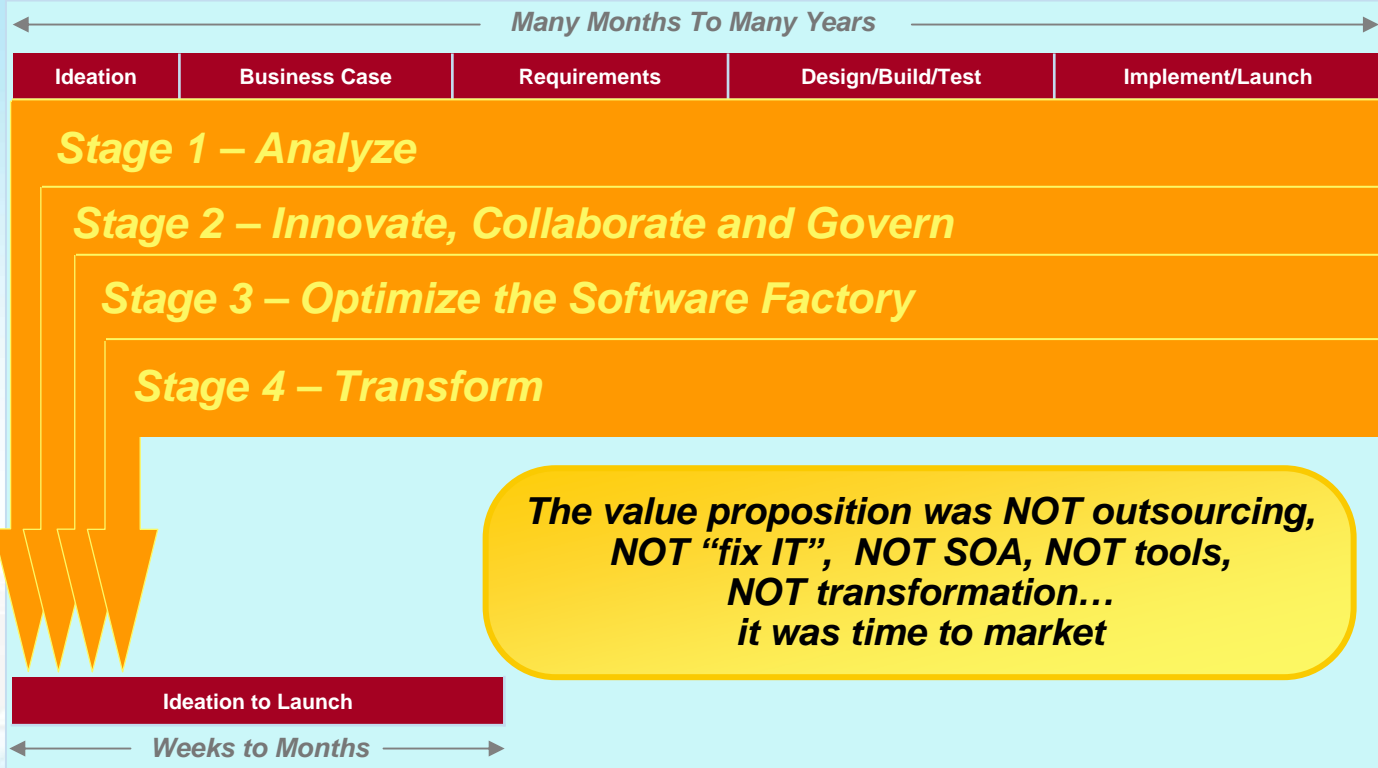
# A four stage roadmap addresses client's cycle time issues

**Beginning State**

Lag the Market

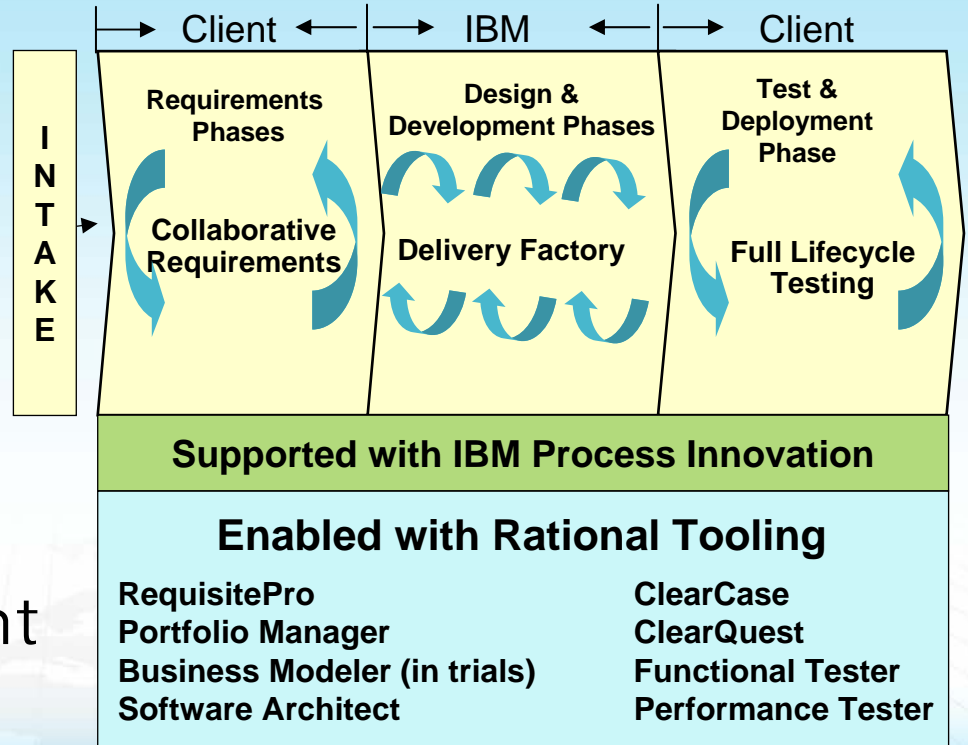
Market Leader

**Desired End State**



# 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**



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# Its been a busy start to 2008!

## ACCELERATING SOFTWARE INNOVATION ON SYSTEM Z

→ [Learn more](#)

## BUILDING NEXT GENERATION i5/OS APPLICATIONS

→ [Learn more](#)

## IBM RATIONAL SOFTWARE ANALYZER AND RATIONAL APPSCAN DEVELOPER EDITION

Identifying Code-Level Quality and Security Defects Earlier in the Software Delivery Lifecycle

→ [Learn more](#)

## MANAGE COMPLEXITY IN GLOBAL SYSTEMS AND SOFTWARE DEVELOPMENT

**Telelogic**

An IBM Company



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WHERE TEAMS ARE **R-HEROES**

# This week's **BIG** news!

**Transforming how people  
work together *to deliver  
greater value and  
performance from their  
software investments***



Collaborate  
in Context



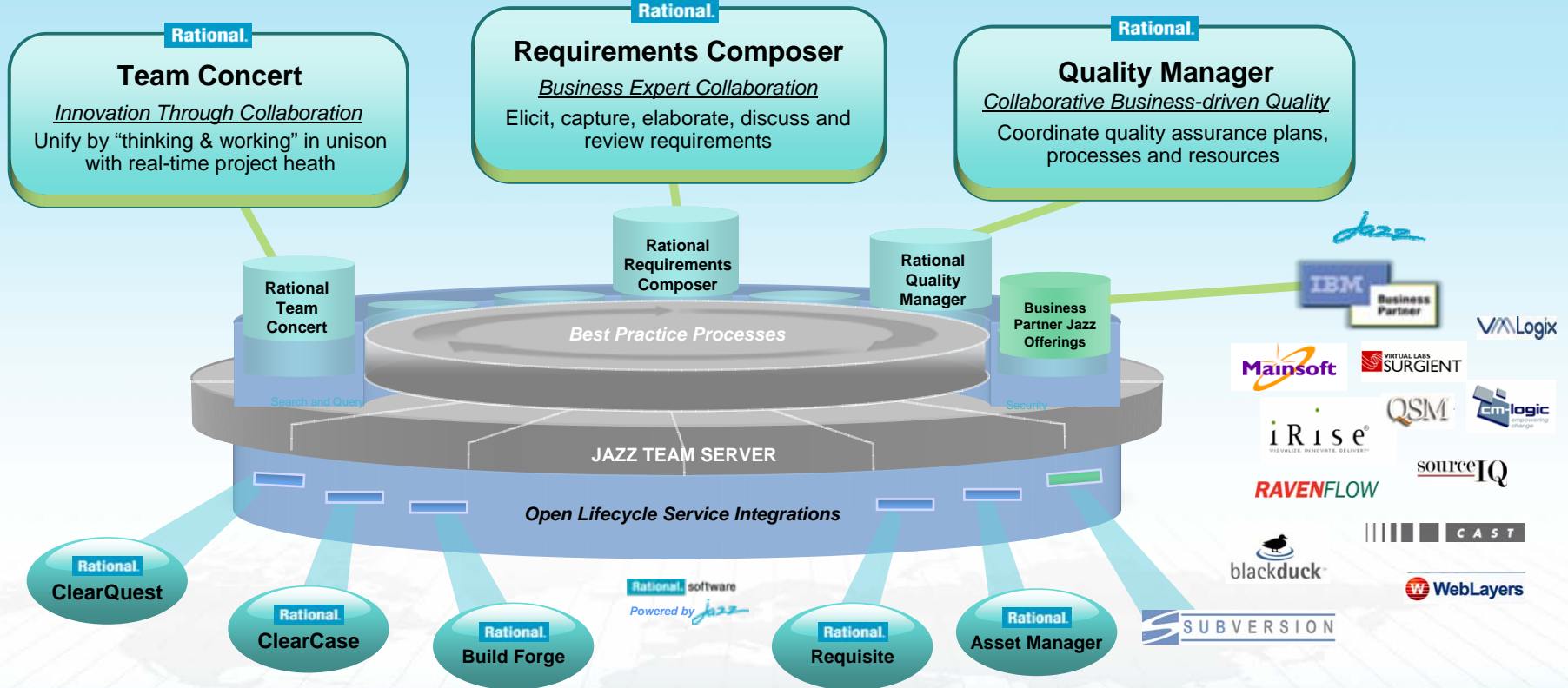
Right-size  
Governance



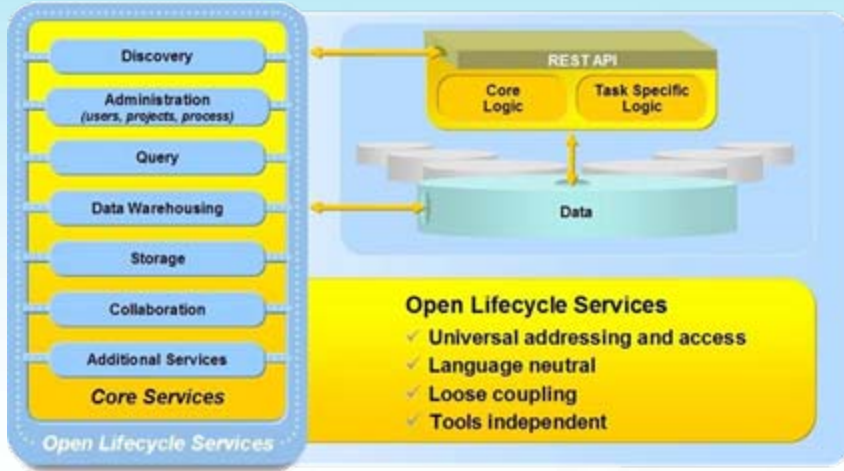
Day One  
Productivity



# The first wave of Jazz offerings!



# An *open invitation* to collaborate on a common integration architecture for software delivery at *jazz.net*



Education, marketing and sales resources for IBM business partners engaged in Jazz product sales, services and support of customers



Open Services for  
Lifecycle Collaboration  
Initiative



# On Today's Docket...

- **Lunch (Seating by Geography)**  
12:00 p.m. – 1:30 p.m.
- **Exhibit Hall & Solution Center Reception**  
5:00 p.m. – 8:00 p.m.
  - Spotlight Theater Presentations
  - Ready for Rational Pavilion
  - Rational Labs
  - Exhibit Hall Game
- **NEW! Night School**



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# Don't Miss Tomorrow's Keynote!

8:00 a.m. – 9:30 a.m.

## *Real World Heroes Driving Real World Innovation*



**Steve Mills**

*Senior Vice President & Group Executive  
IBM Software Group*

**Grady Booch**

*IBM Fellow & Chief Scientist  
IBM Research*





## Tell us about Your Hero Story Contest

***Deadline to submit your  
Real Life Hero story  
is Wednesday at 12 p.m.***



# Participate with R-Heroes in our Communities



## Meet the R-Heroes:



**R-Tek:** The Architect with the power to grok future applications just by drawing a picture on a napkin.



**Fee-Chur:** The Developer; who can turn anything into code. "It's not a bug, it's a "feature!"



**Hawkeye:** The Analyst; whose super A-ray Vision lets her see opportunities hidden in complex problems



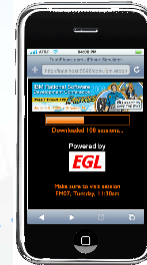
**The Gatekeeper:** The Release Manager; who can shift shapes to deal with everything internal and external; from bugs to leaks to patches to infinity and beyond!



**Gotcha:** The Tester; with the power to clone herself to meet impossible deadlines...



**The Time-Inator:** The Project Manager; who can bend the time-space continuum... sometimes



developerWorks.  
IBM's resource for developers

twitter



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**IBM** software  
for a greener world!

***Recycling is being adopted  
at this year's conference***



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Development Conference  
2008

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