TECH CHOICES

IBM Is A Leader In Governance, Risk, And Compliance Platforms
The Forrester Wave™ Vendor Summary, Q1 2006

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EXECUTIVE SUMMARY

With its Workplace for Business Controls and Reporting (WBCR) solution, IBM established itself as a Leader in the governance, risk, and compliance (GRC) platform space by demonstrating the product's ability to openly integrate into the broader technology architecture of an organization. Customers can augment WBCR with IBM's systems-integration capabilities and an array of additional IBM solutions to meet GRC requirements. The WBCR platform has been used to manage a range of risk and compliance requirements but has been predominantly deployed in response to Sarbanes-Oxley (SOX).

IBM IS BEST SUITED FOR CONTROL DEFINITION AND ASSESSMENT

The IBM WBCR is a strong solution backed by the technical depth and business acumen of IBM. The IBM solution has been on the market since late 2003. Clients in several industries use the platform to manage a variety of governance, risk, and compliance mandates, but the solution has been adopted primarily for SOX compliance. IBM has more than 70 customers on the WBCR platform.

Forrester evaluated IBM's current offering and strategy for GRC platforms against 99 criteria (see Figure 1). Overall, the product has advanced integration features that allow it to fit into a variety of technical architectures but lacks specific risk analysis and investigations management features. The product is an especially good fit for buyers that:

- **Require a platform capable of integrating with other systems.** Built on industry-standard interfaces, the IBM platform provides a solution with the broadest set of capabilities to extend into other enterprise systems and technologies such as dashboards, ERP, and BPM. Customers can augment the WBCR platform with other IBM solutions, including archiving, storage management, disaster recovery, operational risk management, process and real-time monitoring, identity management, CMMI, Basel II data warehouse, and security compliance products.

- **Are specifically focused on business control definition and assessment.** The WBCR platform was built to manage business controls. The functional strength of the platform is its ability to define and model controls to the business organization structure as well as business processes. The platform clearly leads in areas of control definition and assessment but is not as strong in risk analytics and investigations management.

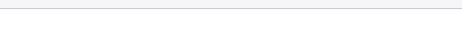To see how IBM stacks up against nine other competitors, see the Forrester Wave™ evaluation of the GRC platforms market.[1]

Figure 1 IBM Evaluation Overview

CURRENT OFFERING

Documentation — policies, procedures, and control	IBM WBCR facilitates the development of policies and procedures through a risk-based evaluation process.
Assessment — risk, control, and compliance	IBM WBCR provides workflow and task management to conduct risk assessment, control evaluation, and impact analysis.
Risk analytics	IBM WBCR supports collaborative risk identification through electronic teamrooms and surveys.
Loss event/incident management	As a GRC platform, IBM WBCR provides the ability to establish multiple loss event sources/categories.
Business functionality	IBM WBCR's process and control hierarchy is based on an open risk model and supports all risk-based control frameworks.
Workflow, content, and document management	IBM WBCR provides storage through embedded enterprise and Web-based content management and relational database storage.
Dashboard, reporting, and monitoring	IBM WBCR is supported by a multidimensional "executive view" dashboard.
Technology	IBM WBCR is a portal-based application that can span a range of back-end systems.
Client interviews	Client references gave an average score of 3.25 out of 5.

STRATEGY

Product strategy and vision	The vision is to be a comprehensive compliance and ERM platform based on open control management standards and technology.
Technology strategy and vision	IBM is fully committed to open standards, open platforms, and open source.
R&D	While IBM does not disclose this information, IBM has one of the largest global R&D organizations for technology.
Strategic alliances	IBM has more than 300 partners that are committed to integrating to the underlying technology of IBM WBCR.

MARKET PRESENCE

Financial viability	IBM is a strong organization with a sustainable and predictable business that is profitable and has strong revenue growth and cash reserves.
Installed base	IBM currently has around 70 clients using the WBCR product for GRC purposes (primarily SOX).
Delivery footprint	IBM Software Group has the world's largest direct software sales force of 10,000 people, serving customers in 160 countries.

Source: Forrester Research, Inc.

The Forrester Wave™
Smart data for smart decisions

Go online to download additional in-depth data and scores for this vendor and other vendors included in this Forrester Wave evaluation.

SUPPLEMENTAL MATERIAL

Online Resource

The underlying spreadsheet for Figure 1 is available online. The spreadsheet includes more detailed data and scores for this vendor.

This detailed data and scores for this vendor are also available online through an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don't fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and readers are encouraged to adapt the weightings to fit their individual needs through the Excel-based tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve.

ENDNOTES

[1] Faced with mandates for tighter corporate governance and enterprise risk management and barraged by compliance regulations, organizations are adopting platforms that are focused on enterprise governance, risk, and compliance (GRC) management. To assess the state of the GRC platform market and see how the vendors stack up against each other, Forrester evaluated the strengths and weaknesses of top vendors across 99 criteria. The result: Axentis and QUMAS hit the top of the charts because of their thoroughness

in covering the GRC space, while BWise and IBM also fall into the leader category with platforms that have been used for a variety of GRC purposes. This report includes an interactive vendor comparison tool that provides detailed product evaluations and customizable rankings. See the March 16, 2006, Tech Choices "The Forrester Wave™: Governance, Risk, And Compliance Platforms, Q1 2006."