

IBM Cloud: Rethink IT. Reinvent business.



CIOs and senior IT executives increasingly examine cloud computing as an option to address their significant and immediate challenges to reduce costs and innovate effectively. Some estimate that, by the end of 2014, more than 40 percent of new enterprise IT spending will be cloud based (Gartner, January 2011).

Today, the most forward looking companies are thinking beyond reducing cost and complexity and towards applying the transformative power of cloud computing to reinvent the way they do business. Cloud computing has become an imperative with the potential, if not the promise, of transforming how new business value is captured and delivered with unprecedented speed and dexterity.

The promise of cloud computing is realized because of its essential fundamentals—**standardization of infrastructure, virtualized resources and automated processes**—and the business results are measurable. Cloud computing represents a paradigm shift at many levels, but the ‘return on investment’ that cloud customers are realizing cannot be overstated.

IBM has engaged with thousands of clients around the world and across industry and institution types to help them realize the potential of cloud computing. Through these engagements, we’ve learned:

- Organizations that approach cloud in a singular fashion risk re-creating the complexities and inefficiencies of their traditional IT environments (not to mention security exposure) due to fragmentation, redundancy and operating silos.
- Organizations that embrace cloud strategically—from a business as well as an IT perspective—can capture new business value through innovation, flexibility and speed in an integrated and secure approach.

IBM offers products and services to help customers of all sizes achieve long term and sustained value from cloud computing. With our extensive experience, IBM can help smooth the way, offering deep insight, breakthrough technologies, and cloud services, all backed by the underlying security and reliability features for which IBM is known.

A starting point for complex businesses with significant infrastructure is leveraging private cloud technologies to optimize their data centers. IT infrastructures are often characterized by underutilized hardware, high labor costs, slow deployment of services and inconsistent hardware across geographically diverse data centers. IT is inherently interested in technologies that address these problems, while significantly:

- Reducing labor and capital costs
- Increasing asset utilization
- Reducing service provisioning time
- Reducing software error rate

These improvements combine to enable IT to develop and deliver services efficiently and quickly across the enterprise.

Nedbank

One of South Africa’s largest banks, Nedbank faced the common challenges of a large enterprise—persistent need for innovative services delivered quickly, unacceptable and increasing provisioning times and costs, poor utilization of human and computer resources. Their private cloud implementation allows their developers and testers to request resources through a self-service portal; the requested environments are provisioned in minutes instead of weeks and deployed consistently and accurately every time. Their improvements represent a 10x improvement in deployment times.

While we’ve seen some companies build their own on-premise cloud environments, others consider a private cloud solution that is securely hosted by an organization outside of their own walls.

Instead of building your own private cloud, IBM SmartCloud provides a secure, advanced cloud service delivery platform. With this advanced platform, IBM is enabling client-defined clouds where key attributes – such as management support, security, availability, technologies or payment model – are defined by the client. IBM SmartCloud can enable organizations to get what they need, as they need it—from advanced analytics and business applications to IT infrastructure like virtual servers and storage or access to tools for testing software code—all deployed securely across a global network of IBM cloud data centers.

Spencer Trask Collaborative Innovations LLC

Spencer Trask delivers specialized software collaboration systems through its network of member organizations. In building a grant management portal for the U.S. government, the company turned to an IBM cloud computing facility that leverages the IBM System x® iDataPlex™ platform, as well as virtualization tools, to create an adaptable environment able to keep pace with the site's processing demands. The realized benefits include:

- Sufficient operating capacity to support fluctuating use demands without large, up-front investments in hardware
- A highly available operating environment that meets the demands for a public agency
- A knowledgeable services vendor with extensive experience covering both cloud computing and the public sector

“The cloud computing solution that IBM provides us allows us to deliver a higher quality site to our customers, no matter how many are trying to use it at one time.”

— Spencer Trask Collaborative Innovations LLC

Organizations can gain immediate access to enterprise-class solutions through software as a service (SaaS) for internal applications, such as email, service desk, application management, and business process management. With SaaS offerings like IBM® Lotus Live™ for internal email and collaboration, companies can leverage secure, enterprise-ready email and social business applications while investing their own skills and infrastructure into more innovative business endeavors.

Signature Mortgage Corporation

Signature Mortgage Corporation replaced its manual, paper-based application process, using IBM LotusLive Engage, to create a simple, efficient and cost-effective solution for signing mortgage application documents online, achieving reduced processing costs and a 34% increase in loan volume with \$30K additional revenue per month.

“We believe this technology will enable closings to be completed from start to finish within 10-15 days compared to 30-45 days which consumers are experiencing at the local, regional and national banks.”

— Bob Catlin, President of Signature Mortgage Corporation

Often, simply consuming cloud services or building an on-premise private cloud environment is not enough. Integration of cloud environments provides an added layer of value. For instance, connecting the enterprise to externally hosted applications can maximize their business relevance. Cloud integration technologies secure the connection between the enterprise application and the application running in the cloud, offering real time access to data consolidated across applications and significantly increasing employee productivity.

AmerisourceBergen Specialty Group

Faced with a customized legacy CRM system, AmerisourceBergen Corporation wanted to replace and migrate to Salesforce.com CRM solution. To achieve its goals, the company needed to improve its data integration methodology and processes without investing in high-cost specialists. With IBM WebSphere Cast Iron Cloud Integration solution, the company has improved its data integration processes with a single full time employee, as opposed to a team of high-cost specialists. They were able to successfully migrate its CRM processes to the SFDC CRM solution, which resulted in a USD\$250,000 in annual savings and an 80 percent reallocation of resources.

The promise of cloud computing has been: do what you do today; only easier, faster, and cheaper. But it presents much more opportunity. Cloud computing is about helping you grow your business: creating first mover advantage to enter new markets, capturing value faster from new acquisitions, delivering higher value products and services faster to address formidable competition. Whatever your priorities, cloud computing can help you transform your business.

Learn more about IBM cloud solutions and services

IBM has deployed thousands of clouds around the world and has an unmatched partner network. IBM can help you transform your business regardless of your size or complexity. We uniquely provide cloud computing capabilities for our customers—across private cloud, managed services, public cloud, and hybrid cloud environments.

IBM's comprehensive offerings include cloud integration, security, automation and standardized ways to build and deploy services.

- Over 2,000 successful cloud engagements, including 100 production-level private clouds
- Eleven worldwide cloud support centers and nine security operations centers
- 338 technical cloud architects in 22 countries
- Currently managing one million virtual machines worldwide

IBM has worldwide scalability and reach—allowing your organization to cost effectively leverage our expertise worldwide. We continue to integrate cloud technologies into our own business, improving how they work in concert, from both technology and business perspectives. And we have extensive experience and an extraordinary track record when it comes to making technology work and working with organizations to achieve outstanding ROIs.

For more information on cloud computing, check out ibm.com/smartcloud



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