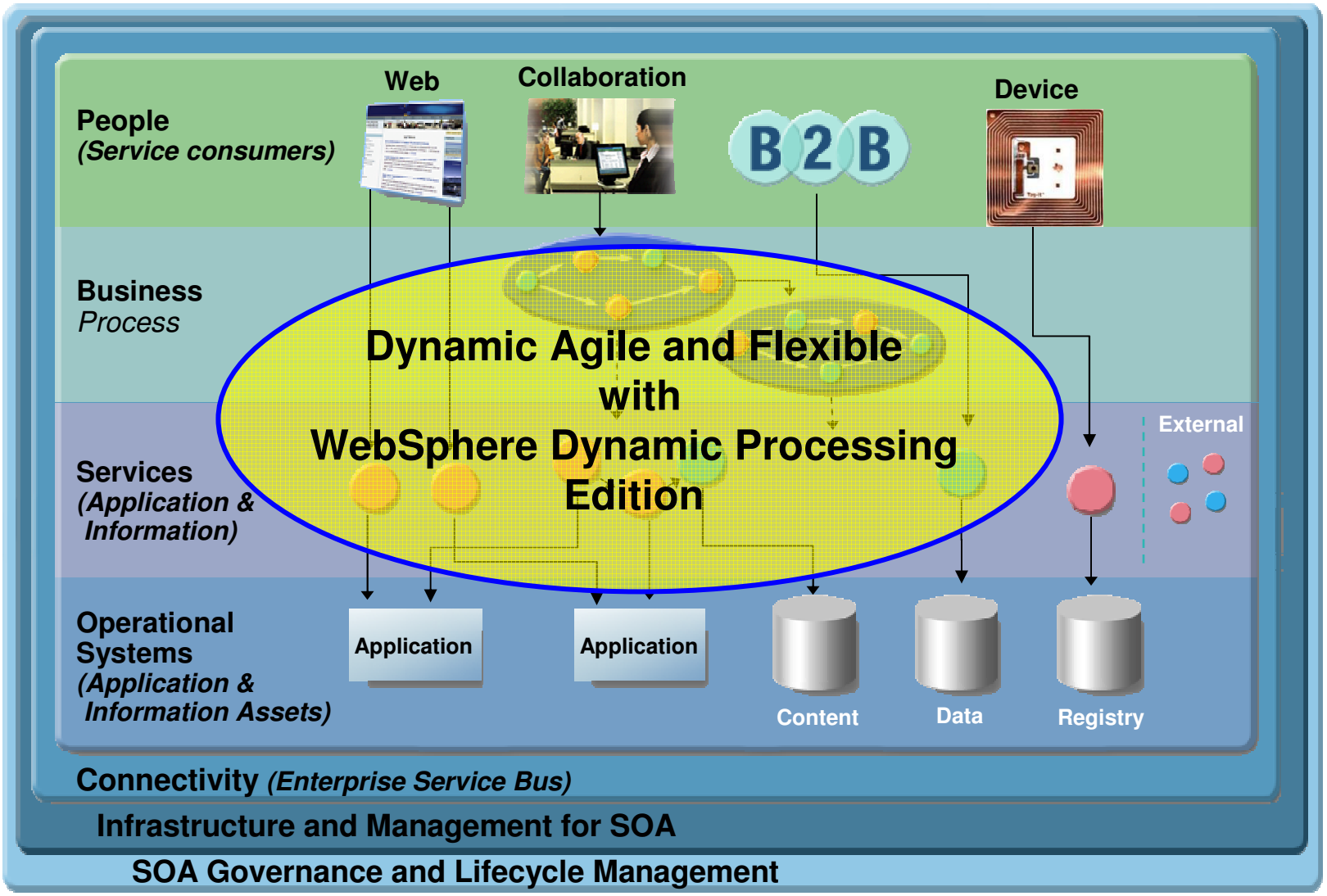
IBM SOA Architect Summit

GET PRACTICAL HELP TO MEET THE DEMANDS OF YOUR BUSINESS.

Dynamic Services for Dynamic Process
Getting the most from SOA with Process Agility

Andrew Howarth
SOA solutions Sales Leader
a@uk.ibm.com

SOA in Action



Transformative change demands process agility, flexibility and innovation

What does it mean for a process to be **agile** ? **flexible** ? **innovative**?

1. Easily **adapts to new requirements**

2. **Reuses existing IT assets and process components** to meet new requirements

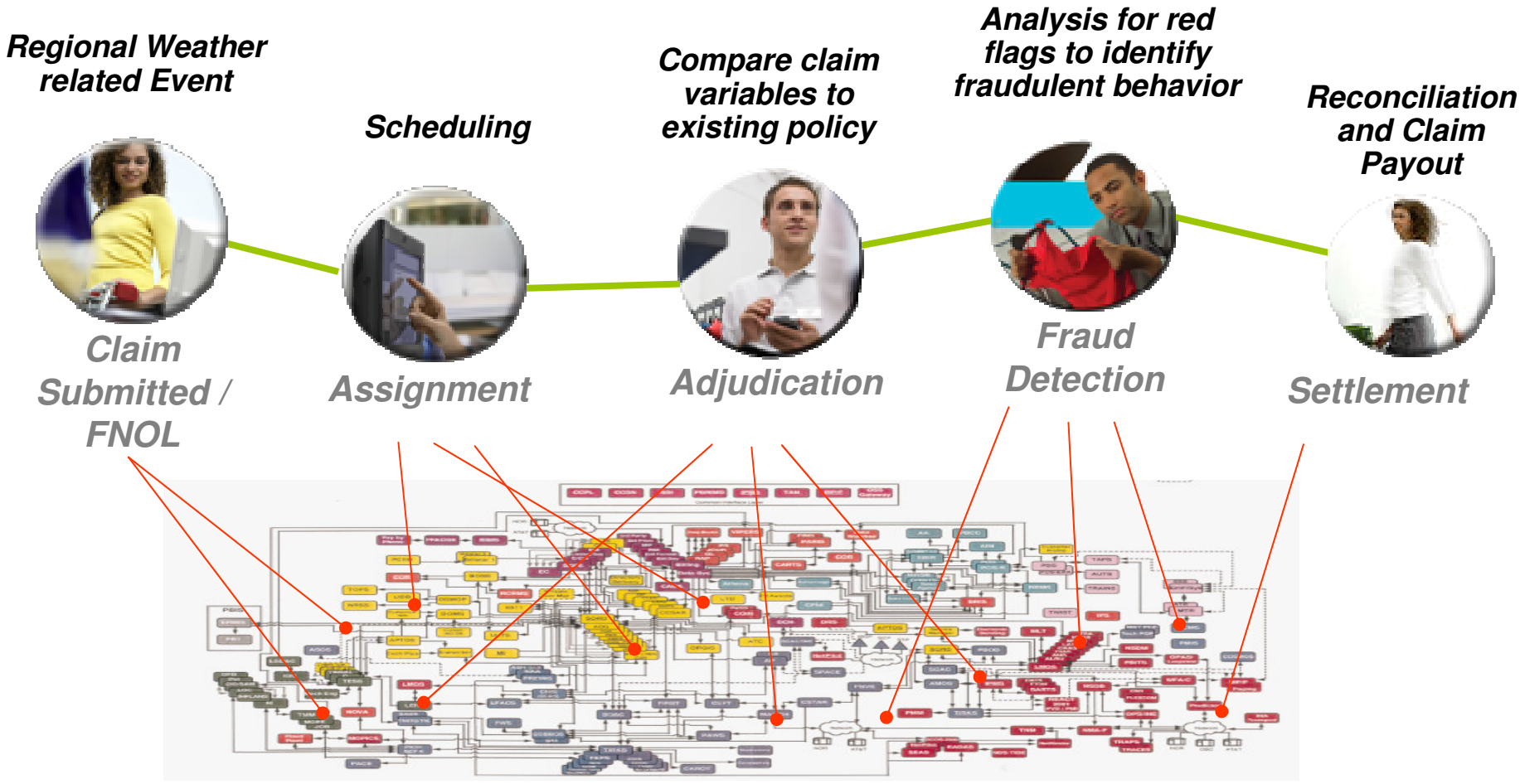
3. **Incrementally builds upon existing organizational capabilities** as a change vehicle

Respond to the needs of the business at the pace CXOs will be demanding

IBM – 4 steps to business agility and flexibility with SOA

1. **Implement intelligent Business Services (CBS)**
   - keeps the Business Process design simple – lean !!
2. **Use Business Policy**
   - minimises the need for IT intervention in process design
3. **Use Governance meta data and ontology**
   - centralised run time implementation for ease of change
4. **Dynamic run time assembly**
   - for ease and speed of change

Traditional Approach to Effecting Business Change



Inability to quickly change business process

Variation across the Business is the key Implementation challenge

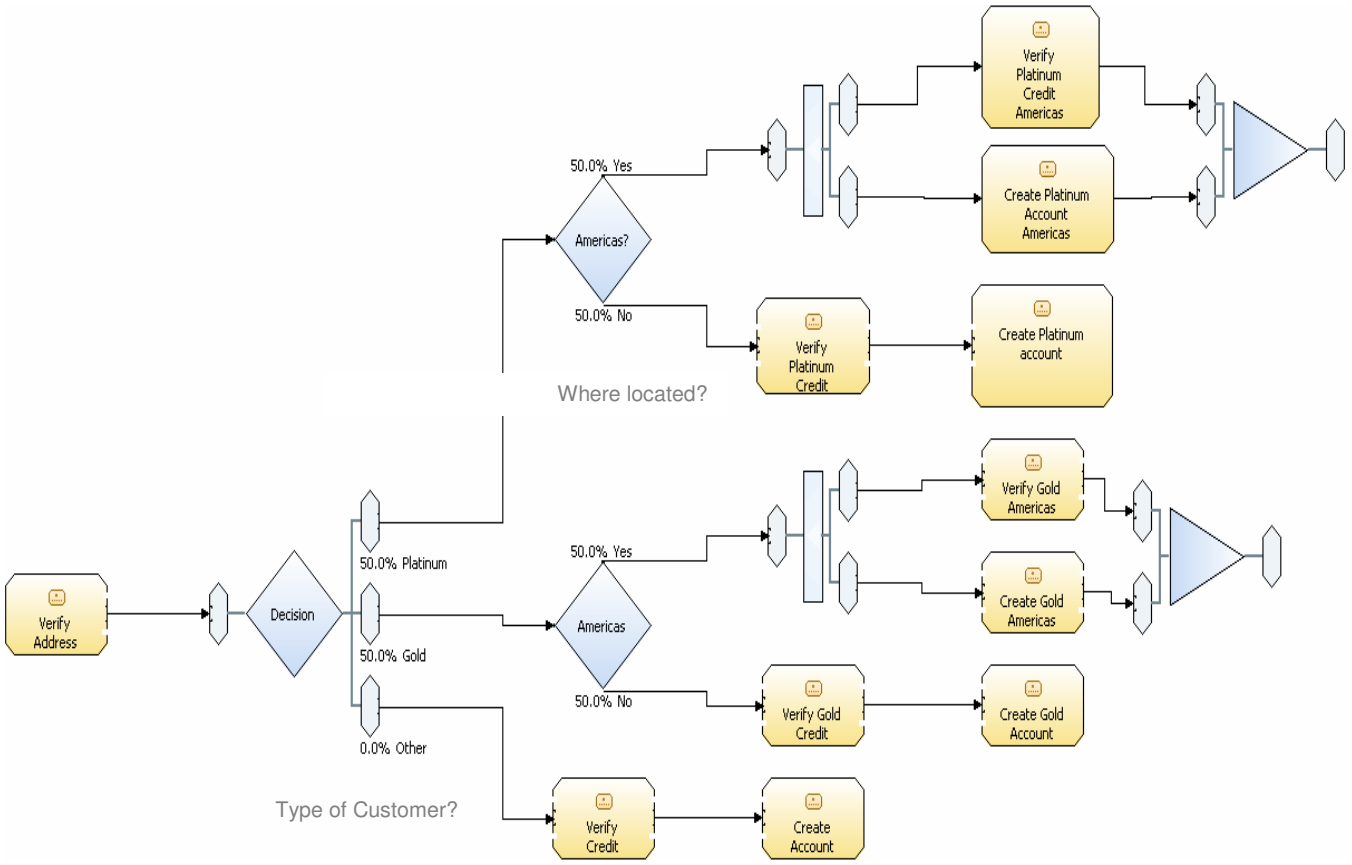
Variability Driver		Change Events
Product	Traditional, Car, Life, Biologic	3 New Products a year
Region	AsPAC, UK, Nordics, US, France	New market growth
Channel	Direct, Distributor, B2B, Net, WAP	New channel by acquisition
Supplier	Supplier 1, Supplier2, Etc	New Supplier
Regulation	FSA, FDA, NICE, Etc	Frequent regulation changes
Customer	Gold, Silver, Bronze	Platinum
End Points	SAP 1, Legacy ERP, CRM 1, HR, Finance	Roll Out new SAP instance

IBM

Result – Complex Nested Business Process

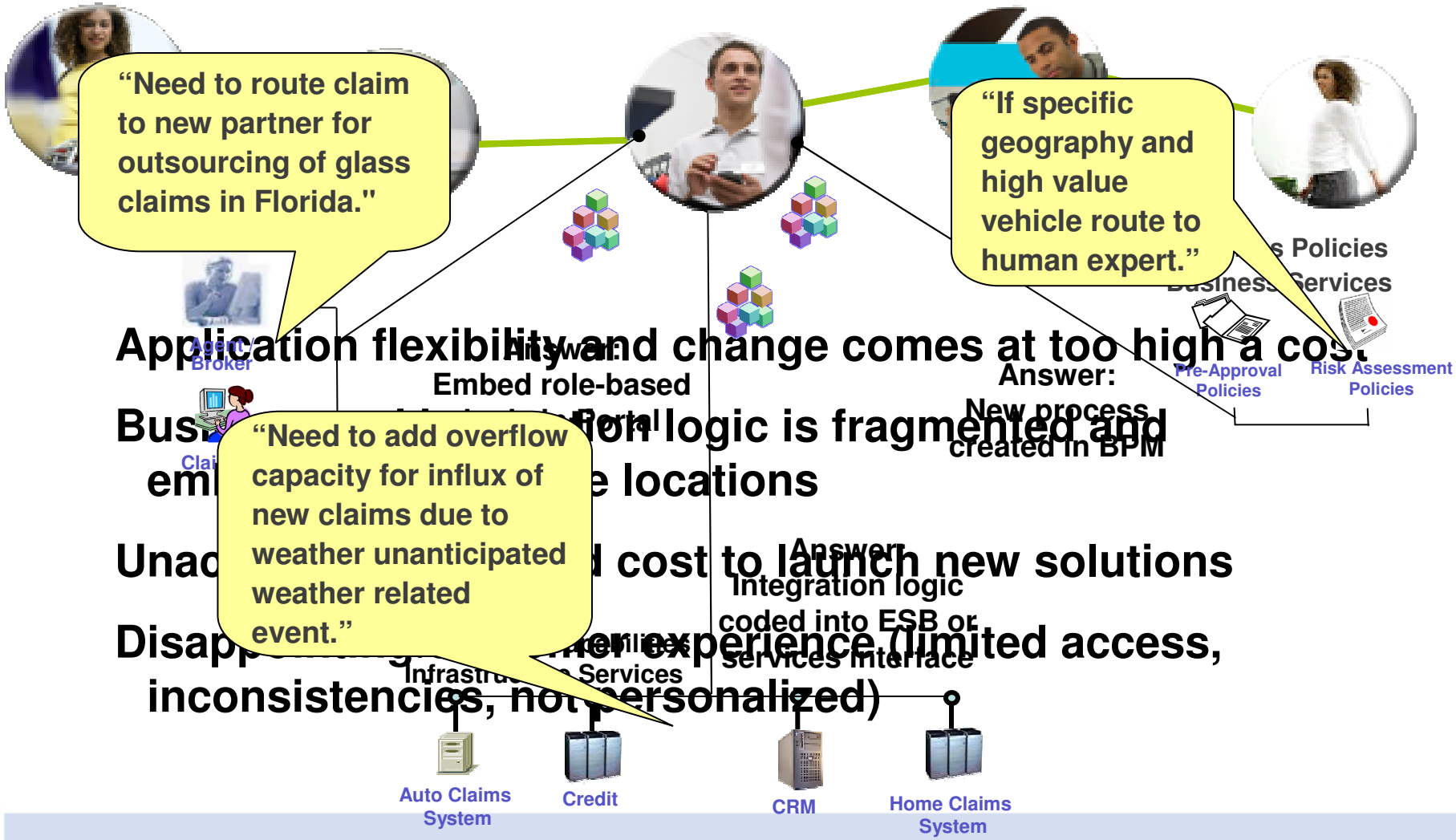
When attributes chan
number of possible p
increases – complexity

Attribute (Silos)	
Customer Type	
Region	
Channel	
Product Type	
Service Level	
Time of Day	
Transaction Type	
Transaction Amount	
Cost	



IBM

Decisions, decisions, decisions!!!!



Application flexibility and change comes at too high a cost

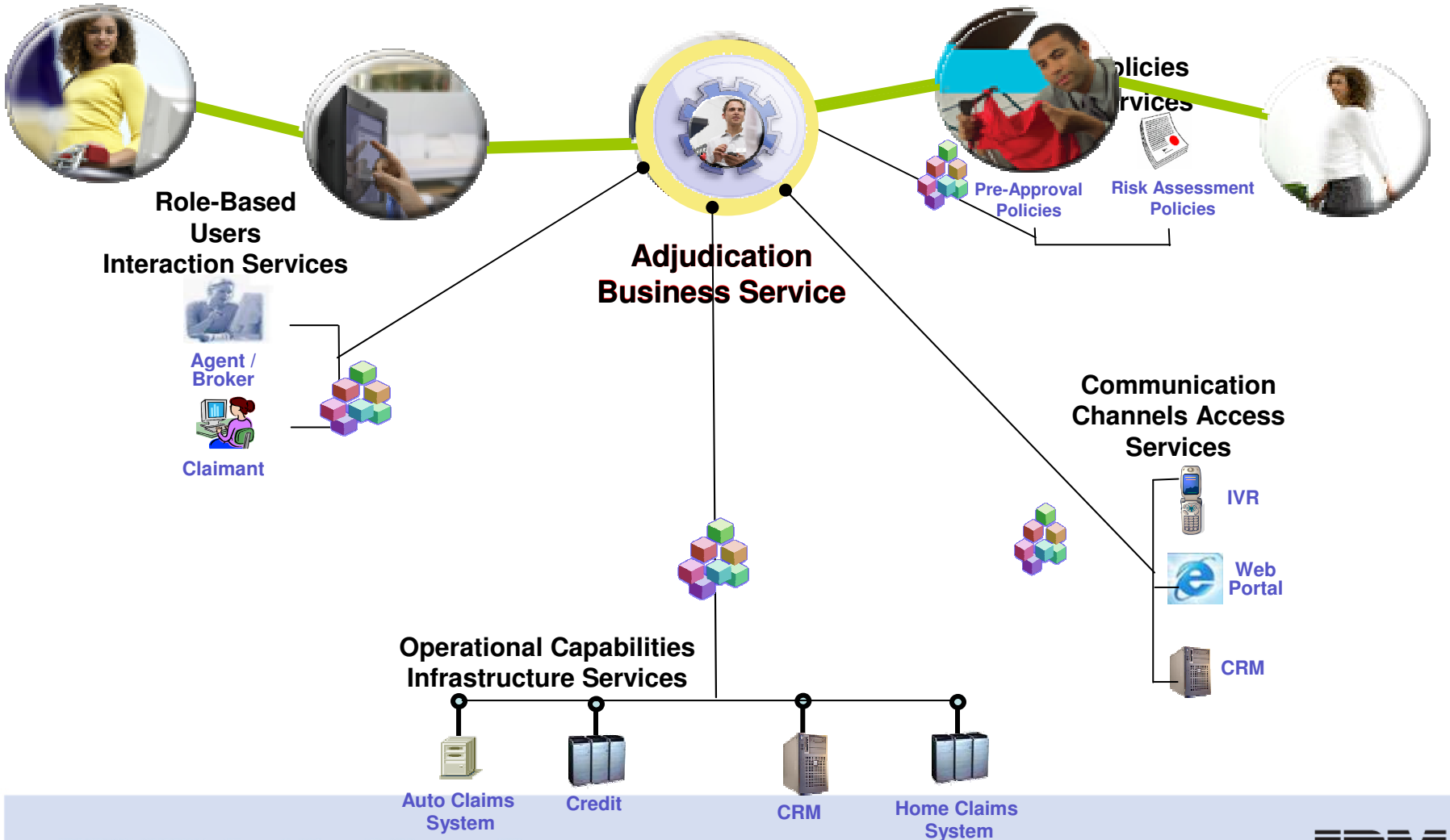
Business logic is fragmented and embedded in multiple locations

Unacceptable cost to launch new solutions

Disappointing customer experience (limited access, inconsistencies, not personalized)

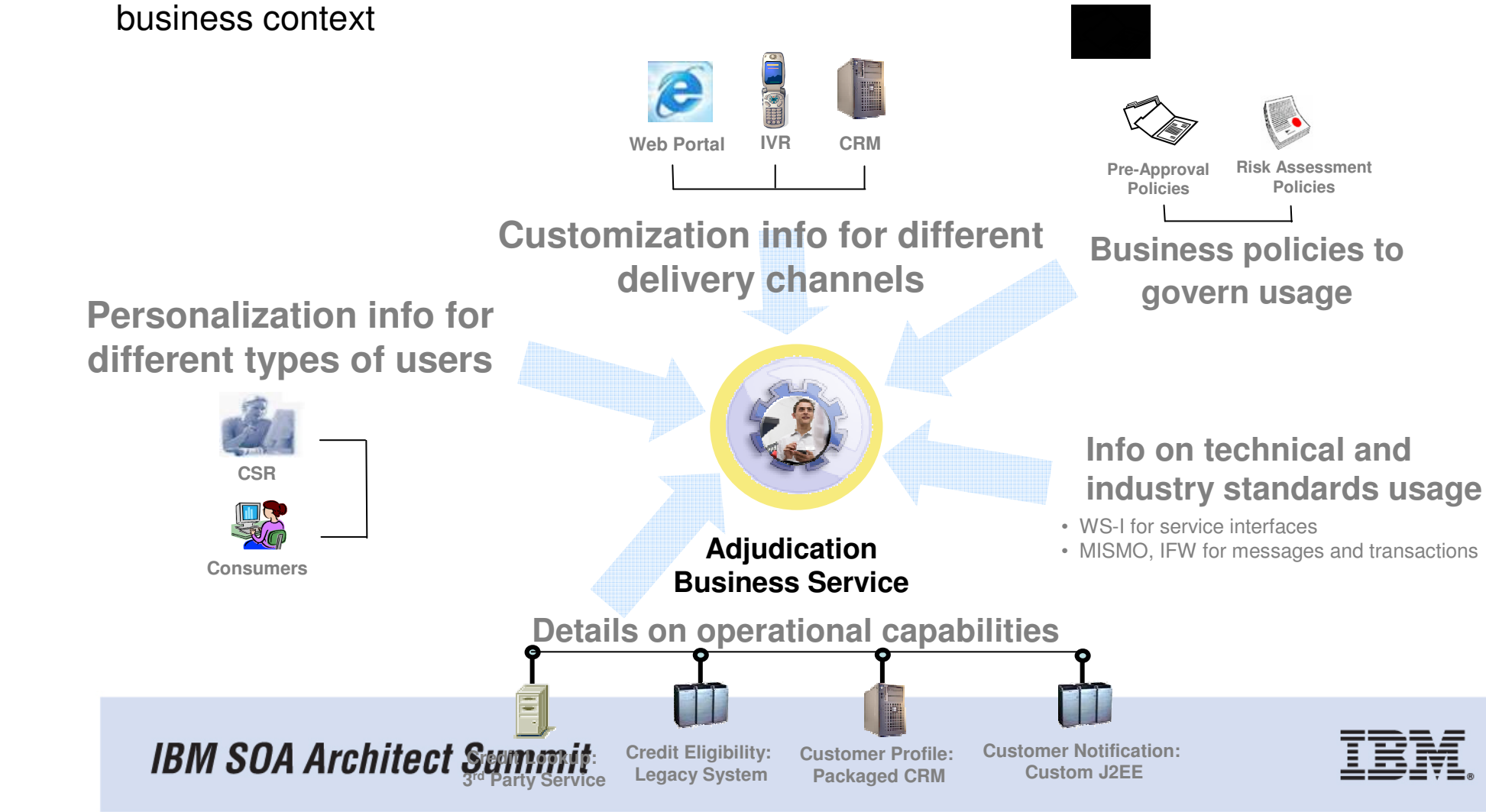
IBM

BPM with Dynamic Business Services enabling an adaptive business



What Composes a Business Service?

Consolidates business-level usage **information into one place** for easier discovery, change and re use, and their behavior **can be dynamically personalized** based on business context



Business Service Policies “Steer” Your Operational Business Processes – Without IT Intervention

Steer the business process the way YOU need it to go

Don’t overhaul the business process just to change the “route”

Business Policies and Business Rules

Complementary Technologies

	Policy Driven	Rules Engine
Policy / Rule Type	Dynamic Assembly	Decision Services
Purpose	Building composite applications	Making business decisions
Example	Which pricing service to use?	What discounts should be applied?
Level of Detail	Process logic – coarse grained	Decision logic – fine grained
Who Maintains?	SOA Administrator	Business User

Example Use Case: Auto/Home Quote CBS

	Policy Driven	Rules Engine
Purpose	Assemble underwriting process	Determine eligibility and pricing

Example	`context: channel is web`
	`content: risk is non preferred`
	`content: LOB is AUTO`
	`contract: non-Preferred UW service`
		`If Age < 25`
		`and driver is High Risk`
		`Then`
		`Add 40% surcharge to quote`

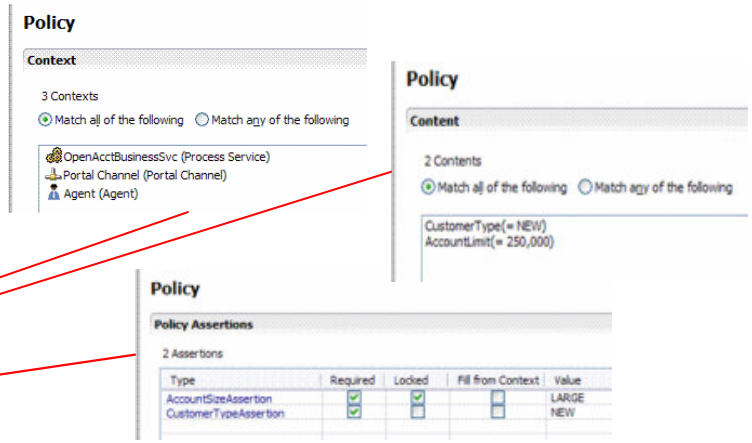
Who Maintains?	IT Analyst, Developer	Insurance Policy Analyst

Dynamic BPM Approach

Policy-driven dynamic processes managed by LOB

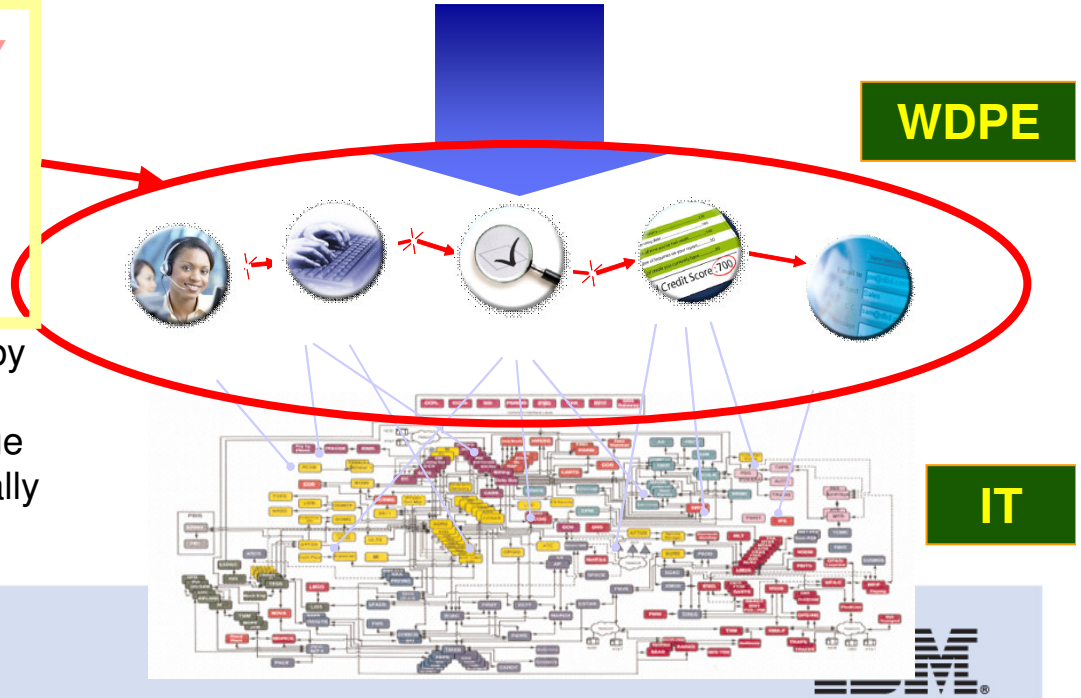
Business-Level Policies…

- **For "Open Account" transactions across all product lines, accessed via Portal by Agents…**
- **where customer is NEW, account is LARGE, and transaction is under $250,000…**
- **Offer Straight-Through- Processing.**



LOB

Processes are built on the fly by WebSphere according to the exact business conditions encountered and business policies set by LOB.

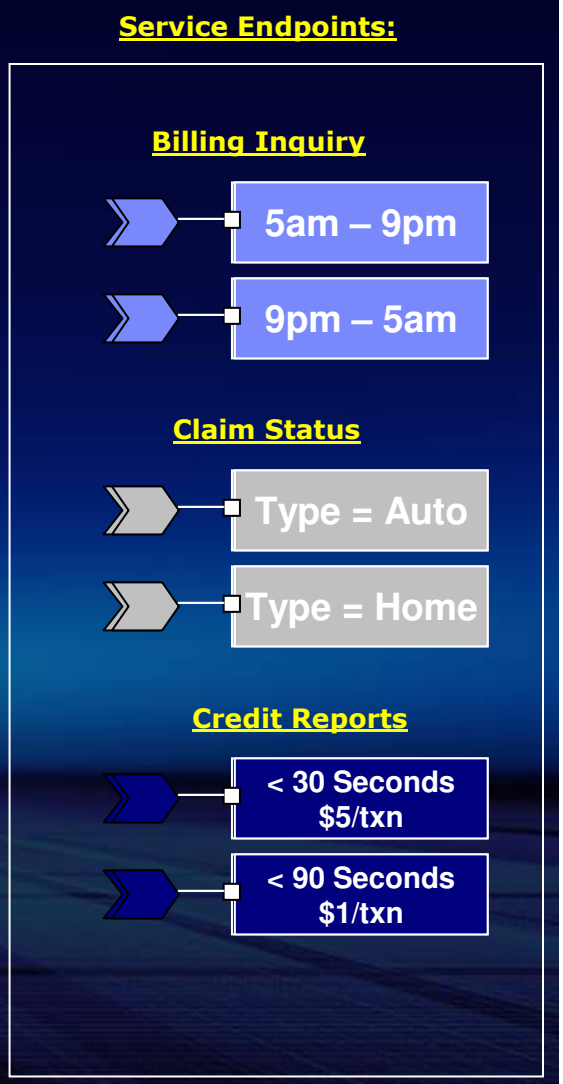


WDPE

IT

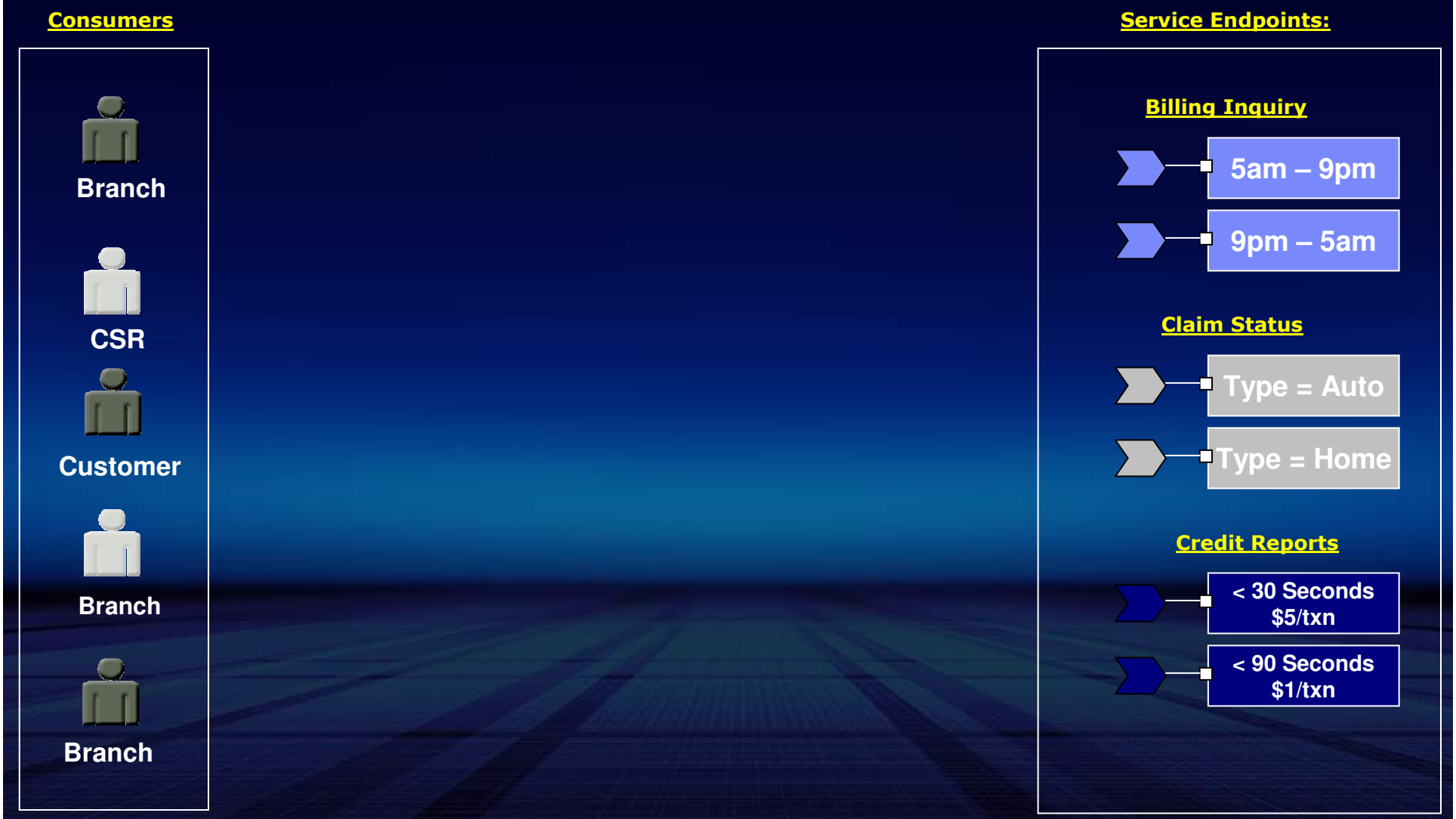
- Written in a business context consumable by LOB users
- Consolidated into one place for easy change
- Provides the rules and engine for dynamically assembling and managing processes

WebSphere Dynamic Processing Edition in Action



© 2008 IBM Corporation
14

WebSphere Dynamic Processing Edition in Action



© 2008 IBM Corporation
15

WebSphere Dynamic Processing Edition in Action

Consumers

Branch

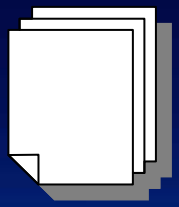
CSR

Customer

Branch

Branch

Channels



Service Endpoints:

Billing Inquiry

- 5am – 9pm
- 9pm – 5am

Claim Status

- Type = Auto
- Type = Home

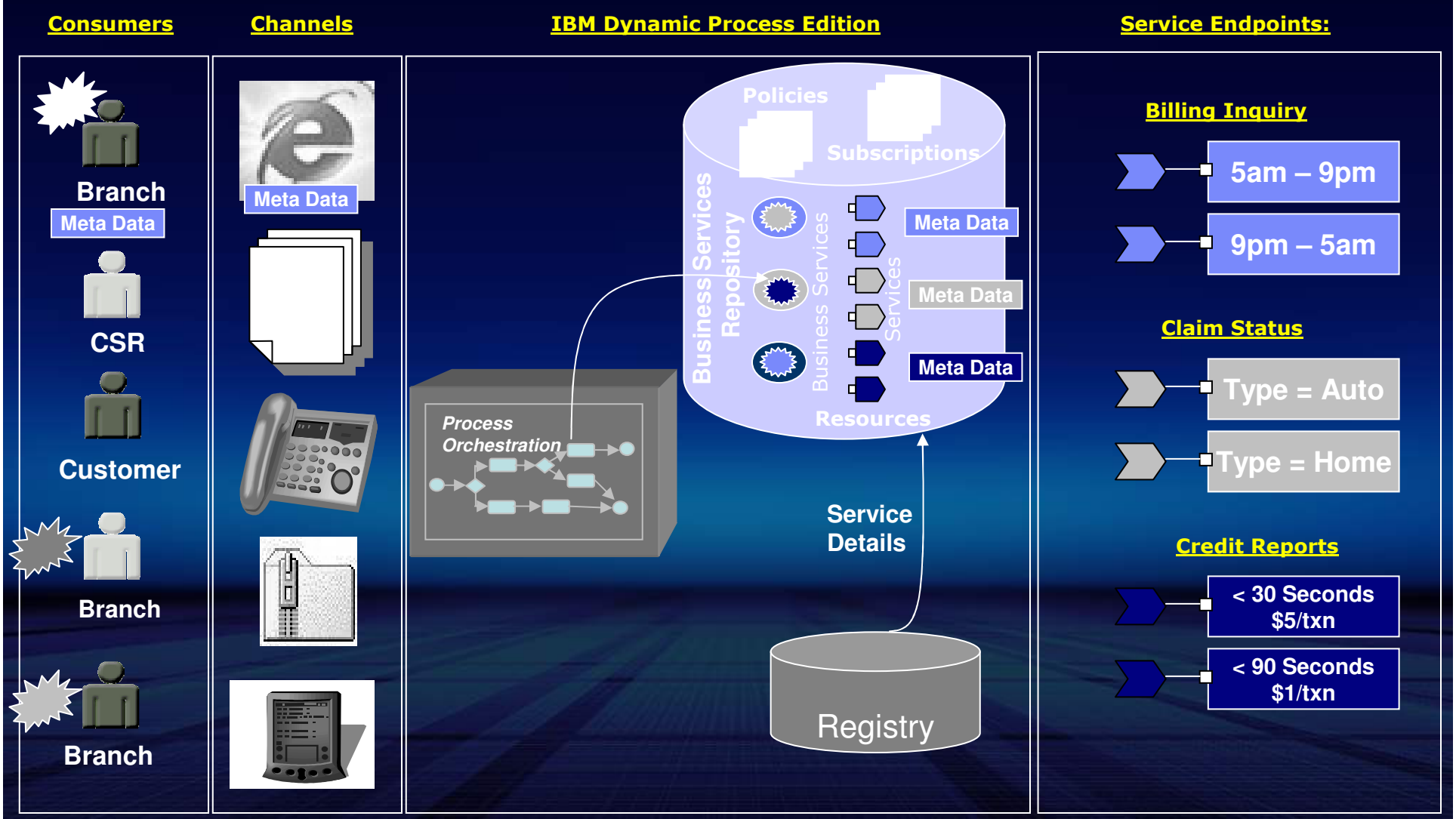
Credit Reports

- < 30 Seconds $5/txn
- < 90 Seconds $1/txn

© 2008 IBM Corporation

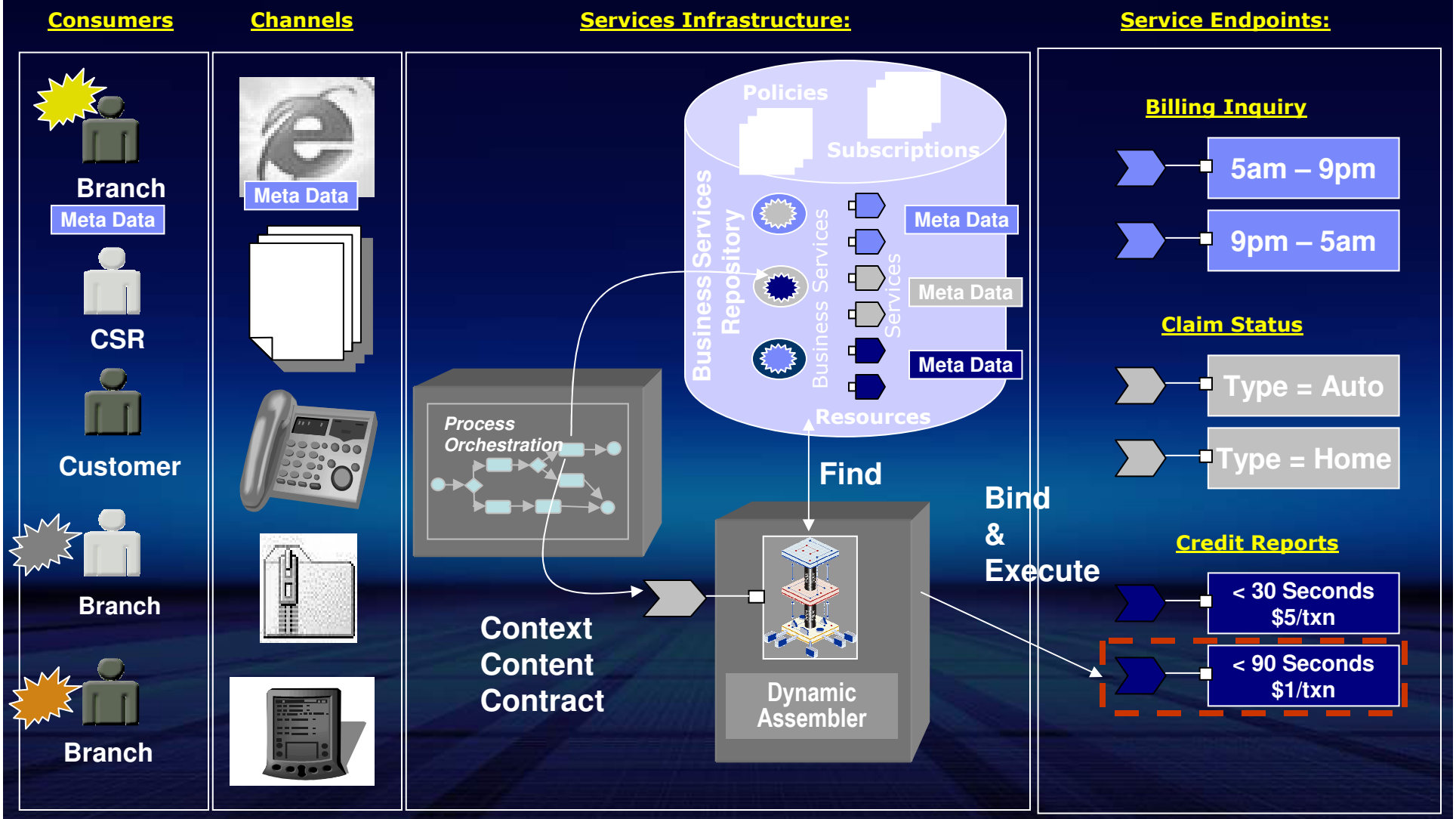
16

WebSphere Dynamic Processing Edition in Action



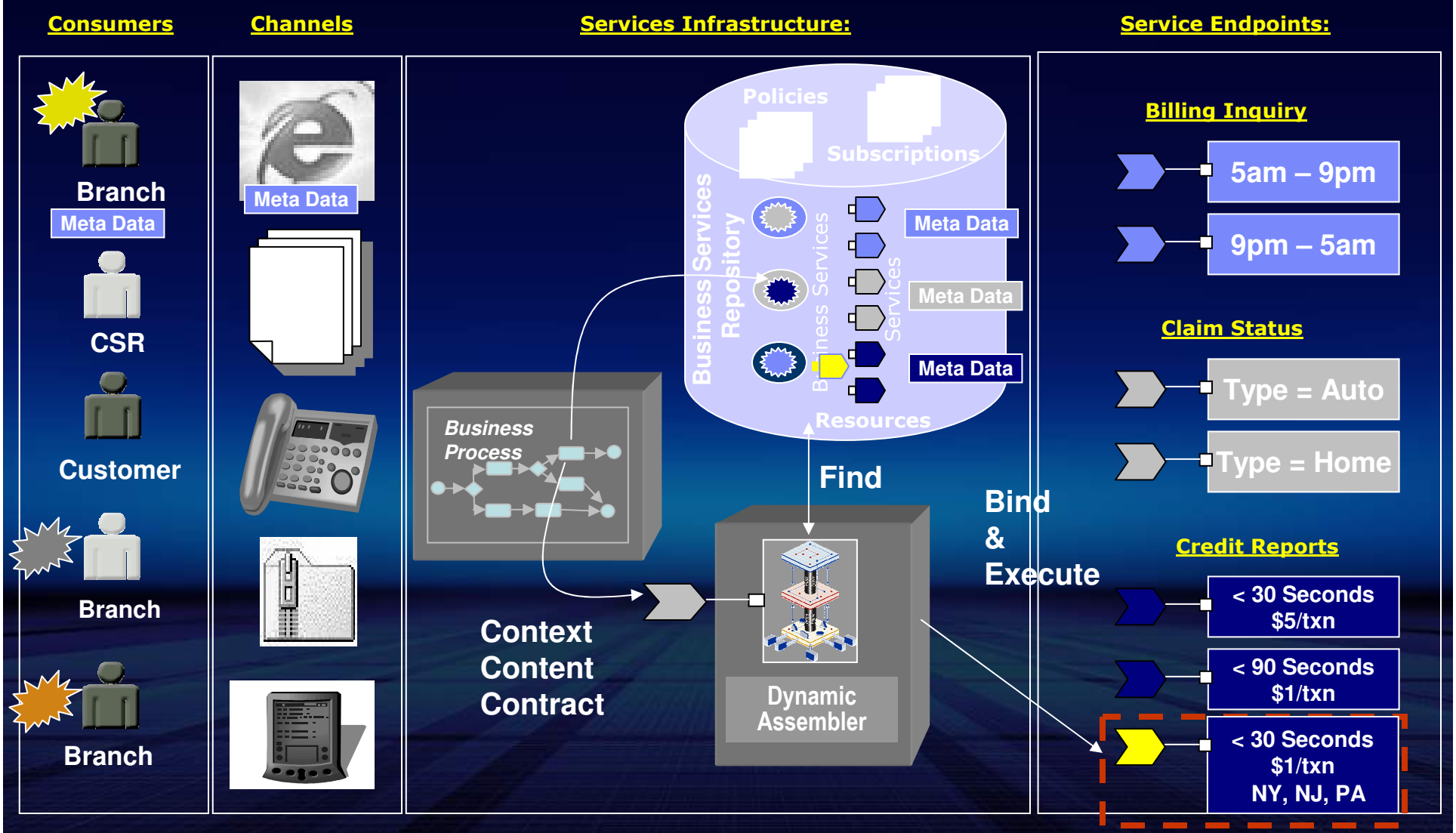
© 2008 IBM Corporation
17

WebSphere Dynamic Processing Edition in Action



© 2008 IBM Corporation
18

WebSphere Dynamic Processing Edition in Action



© 2008 IBM Corporation
19

Comparison: SOA Solution with Ongoing Change

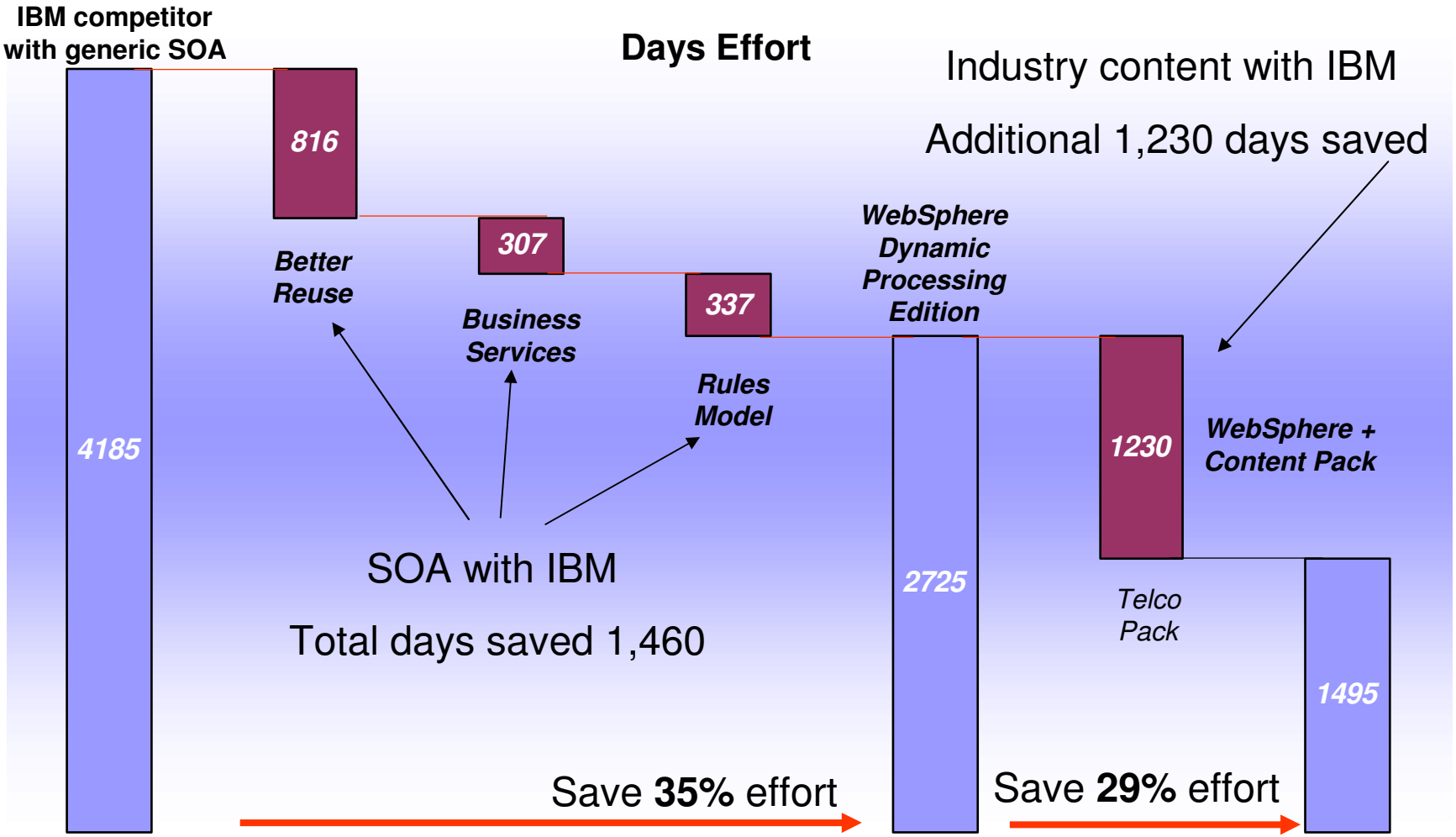
Typical Enhancements Supporting Business Model Innovations	SOA Without Fabric (% effort)	SOA With Fabric (% effort)
New endpoint for a business service[1]	100%	54%
Change business service for a new Policy based on customer status[2]	100%	40%
Addition of temporal constraint for use of Internal Customer DB Service[3]	100%	20%
Provision to a New Customer[10]	100%	25%
Personalisation based on location[4]	100%	12%
Addition of new consumption channel to support end customer role[6]	100%	45%
Add a service with temporal, location and status constraints	100%	8%
Turn off a customer[9]	100%	8%
Load sharing by customer type to accommodate peak loads[11]	100%	15%
Personalisation of content based on consumption channel[7]	100%	16%
Addition of new type of end-customer role[5]	100%	2%

Source: IBM SWG Services

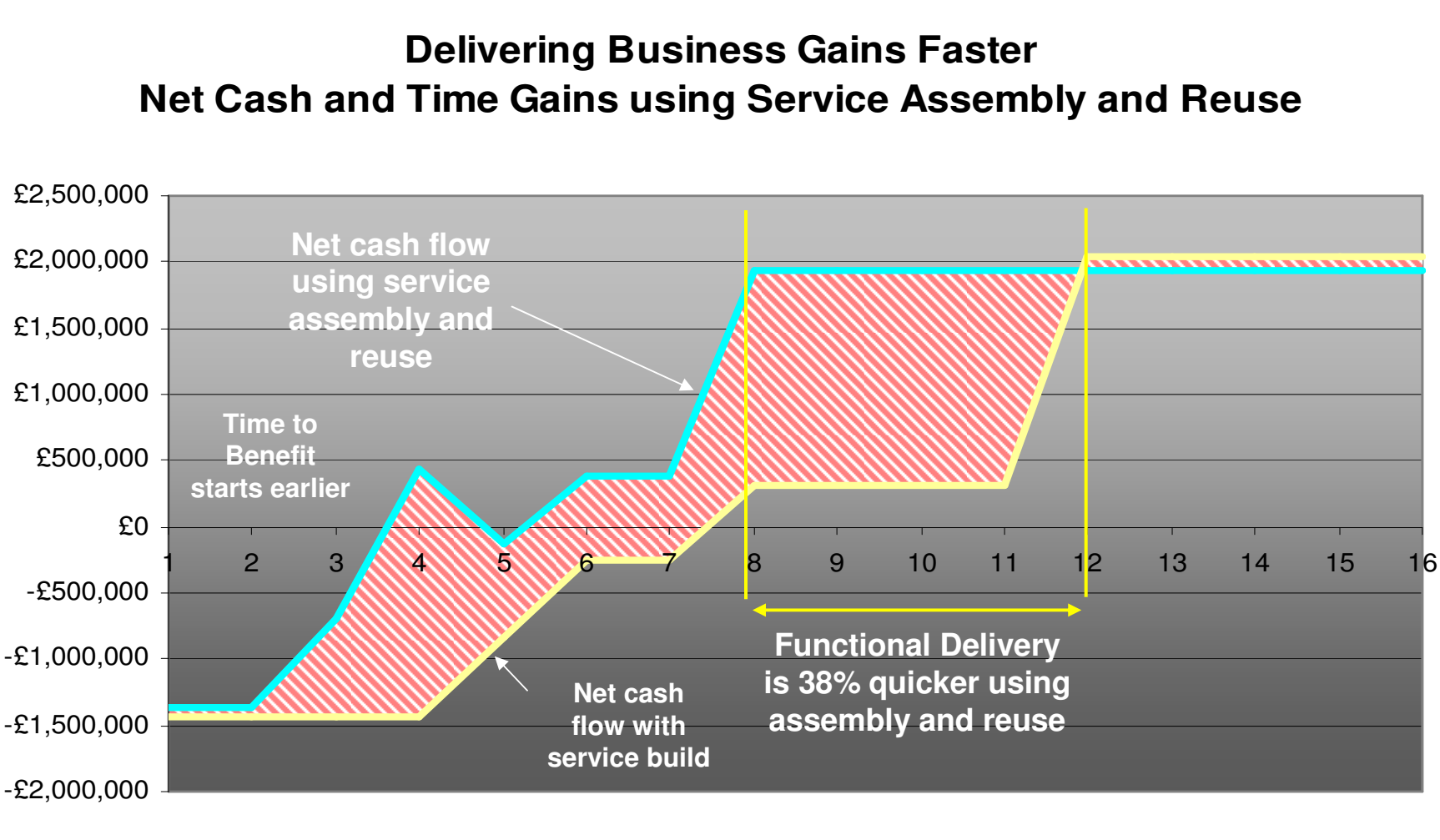
Key: Generic BPM difficulty — Easy | Medium | Complex

© 2008 IBM Corporation

EMEA Telco – 64% Time to Value (initial build)



The Value of Speed of Change

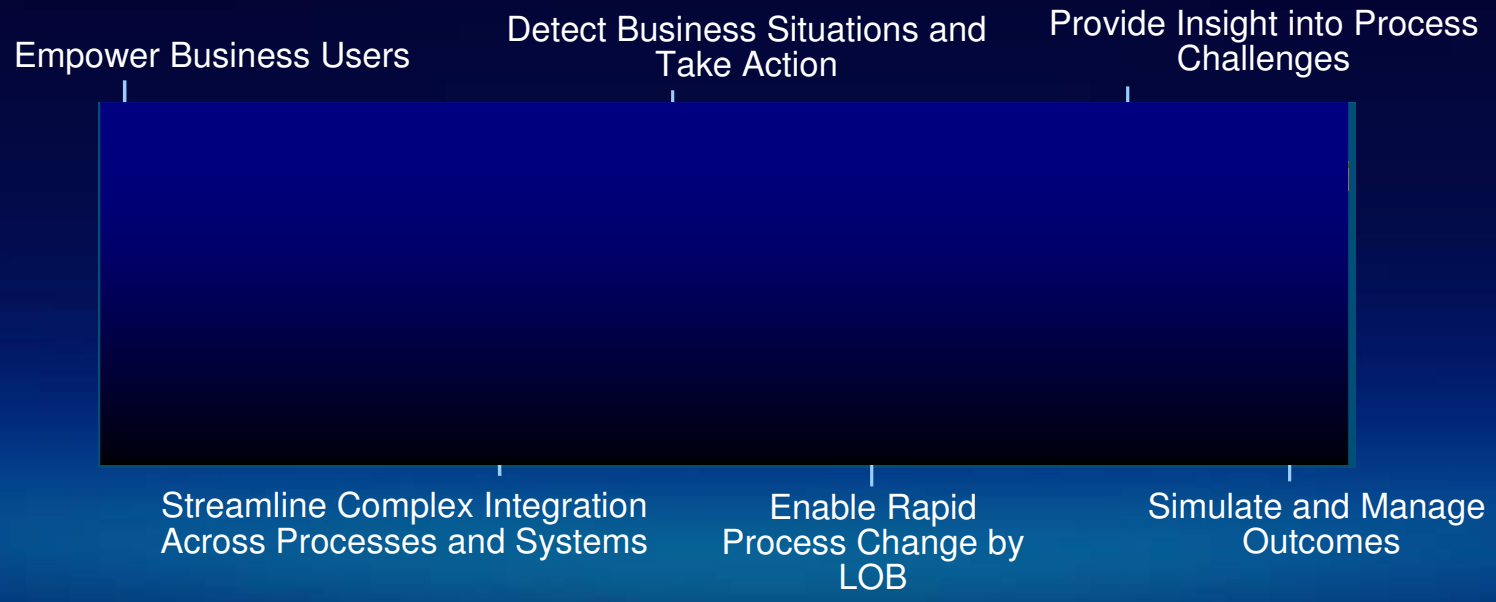


- Proposition - Determine the value of faster time to market using a service oriented approach
  - Proof point 1 – quantified cash flow gain of earlier delivery of business requirements
  - Proof point 2 – quantified ROI gain of delivering a new or adapted service to market faster

© 2008 IBM Corporation
22

WebSphere Dynamic Process Edition provides the capabilities required to enable LOB-led change

Core Capabilities



Technology Enablers

Modeling and Simulation

Business Services

Composite Business Applications

Process Execution

Business Activity Monitoring

© 2008 IBM Corporation
23