



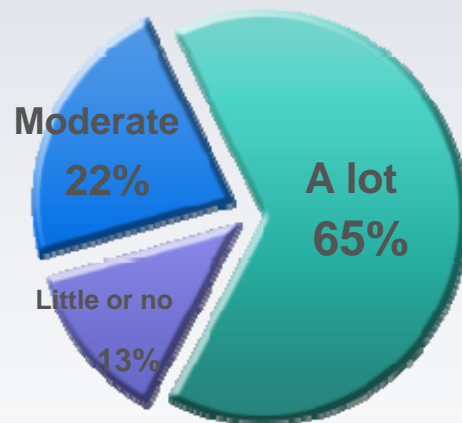
IBM SOA Executive Summit – July 2007

The Only Constant is Change – How Flexible is your IT Strategy?



Be prepared for **change** and the need to innovate

87% of CEOs believe change is needed to drive innovation



Extent of fundamental change needed over next two years

Source: 2006 IBM Global CEO Survey



Achieving Business Flexibility

Achieving business flexibility, using approaches like SOA, gives informed leaders the ability to act decisively and organizations the agility to change rapidly for business impact.

“SOA [service orientation] is the **heart of the next wave of innovation**. The leaders that do this well are able to **rapidly change...**”

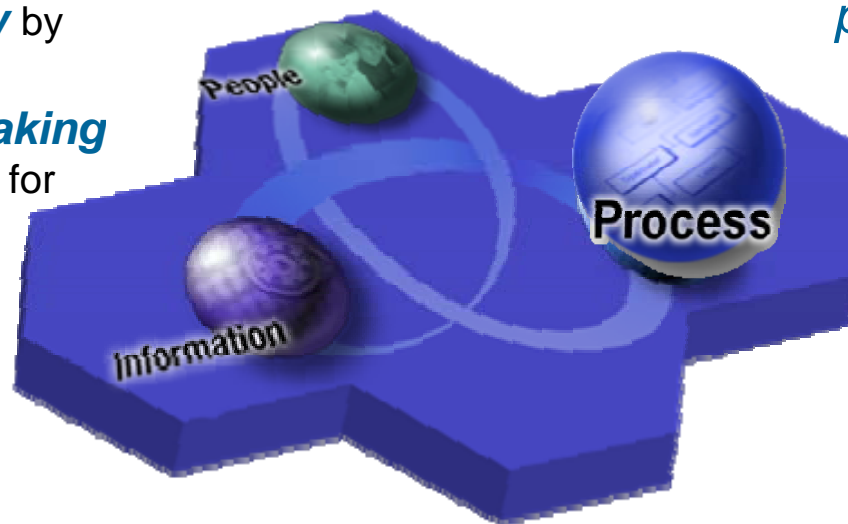
– *AMR Research*

Business flexibility and responsiveness

Delivered by choreographing resources and information

*Extend ability to collaborate
inside & outside the organization*

- ✓ **Improve productivity** by aggregating views
- ✓ **Improve decision making** by integrating information for people



*Business model &
process innovation*

- ✓ **Achieve strategic business objectives** by aligning information flow, operational management, and manual and automated systems

Leverage information on demand for business insight

- ✓ Manage business information and **leverage its business value**
- ✓ Deliver **trusted information** in context to people, processes and solutions

Why SOA now?

- ✓ **Necessary software to get started is available today**
- ✓ **Widespread adoption of open standards permit improved business flexibility**
- ✓ **Availability of best practices for effective governance**
- ✓ **Increasing demands to keep pace with customers demands and the need for a customer centric organization**



“We are taking apart each task and sending it...to whomever can do it best...and then we are reassembling all the pieces.”

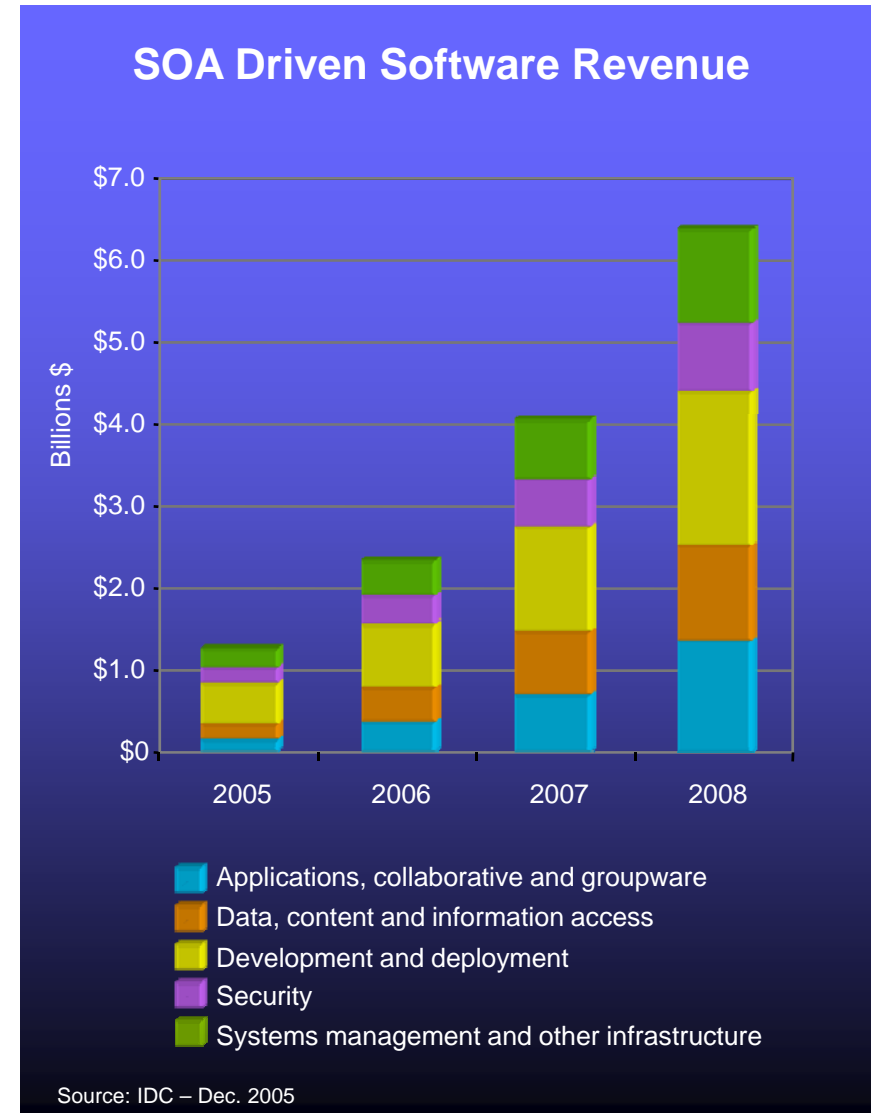
– from *Thomas Friedman’s*
‘The World is Flat’

Why SOA is important to the market

The Analysts....

“Gartner predicts that by 2008, more than 60% of enterprises will use SOA as a "guiding principle" when creating mission-critical applications and processes.”

“With research firm Aberdeen Group predicting that Global 2000 companies implementing service oriented architectures will collectively accrue savings of \$53 billion by 2010, it is hardly surprising that the potential for SOA has been gaining a lot of interest”



SOA drives real results!

Improved cost, risk and revenue

Results reported from IBM SOA projects

- ✓ 100% of companies improved flexibility
- ✓ 97% of companies decreased costs
- ✓ Two-thirds reduced risk
- ✓ 50% identified increased revenue
- ✓ Simple ROI on first project up to 67%
 - ✓ ROI on second project greater than 100%
 - ✓ Third project ROI over 350%

Source: ServiceNow

The end game – flexibility and responsiveness to innovate

SOA can help you achieve efficiency, effectiveness and change

Innovation is all about the ability to change... SOA can make it easier

- Focus on your **end-to-end** capabilities, can help you develop a **customized** road map, focused on the needs of **your business** in the context of **your industry**

Start at the point that is right for you

- Look for both **intermediate return** and **long-term value** to help you become an **on demand business**

Enjoy the day – learn from others around you