IBM

Chris Nottage
Lloyds TSB

Demand on Information

Lloyds TSB | for the journey...

Corporate
Commercial
CarSelect
Lloyds TSB
Cardnet
Lloyds TSB
autolease
Lloyds TSB
Financial Markets

International Private Banking
Lloyds TSB

C&G
Cheltenham & Gloucester

The origins of Group stretch back to 1765 when a private banking business was established in Birmingham, before. moving to London's Lombard Street, the head office until this century. Lloyds Bank expanded through a long series of mergers - by 1923, it had already made 50 take-overs but now comprises **1000+** companies and partnerships!
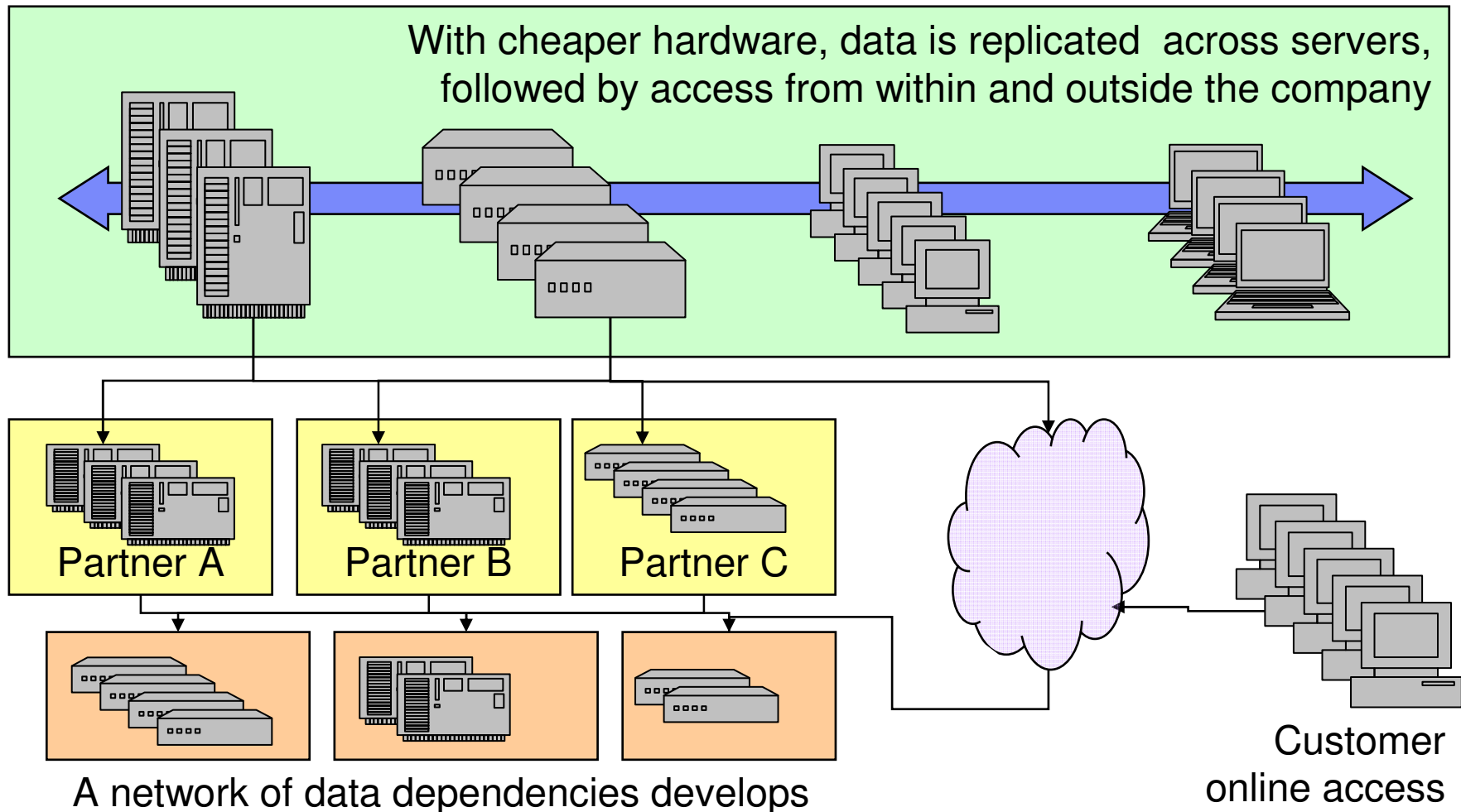
london 2012
official banking and insurance partner

london 2012
paralympic games

Private Banking
Lloyds TSB

The Data Challenge

With cheaper hardware, data is replicated across servers, followed by access from within and outside the company

Partner A

Partner B

Partner C

A network of data dependencies develops

Customer
online access

The Issues of Data - Volume

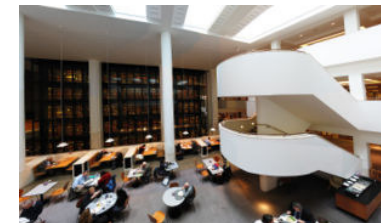| 1.44MB	700 MB	4 GB	16 GB	2000GB (£400)
Floppy	CD	Key	iphone	

Bodleian Library - 8 million items on 117 miles of shelving
British Library – 150 million items including 25 million books
iTunes – by July 31, 2007, over 3 billion downloads
       by January 9 2008, over 4 billion songs downloaded

In the corporate world, 75% of all the data maintained by businesses – Terabytes if not Petabytes – is replicated data. Corporations have a master copy and multiple copies of data sitting within departments. Individuals take parts of the data and put it on their PC to interact with that data to suit their particular job requirements. Some of this is done under tight control, some of it just happens ad hoc.

Steve Mills, IBM's software chief, opens up on the company's software agenda
Information Age Interview,
Tuesday, 18th March 2008
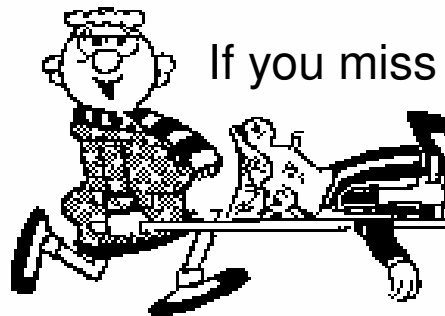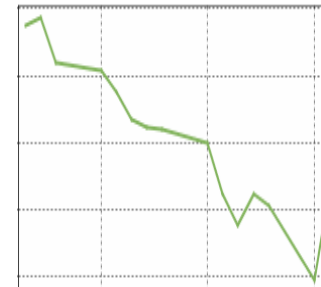
The Issues of Data – Importance

If you miss the dogs birthday…
    he's still your best friend

If the company miss the annual results deadline …
    you may not have a job.

If you miss the wedding anniversary …
    No chance!

4TB for profiling cash transactions for money laundering

4TB for video collection

Information is Key, not Data

The need to change the mindset is accentuated by the broader changes in Business Models

- Partnership with Multiple Companies

- Internal Rationalisation of Business Processes

- Pace of Business and Service Level Expectations

- Multiple Sales Channels drives Pricing and Product

- Automation and Pro-Active Monitoring

- Information Online when required

For Information, Focus on the Approach

Set a clear vision for the goal, to be followed by individual projects. This diagram gives a simplified view of some key components required to support this, and will be used to demonstrate the approach being taken.
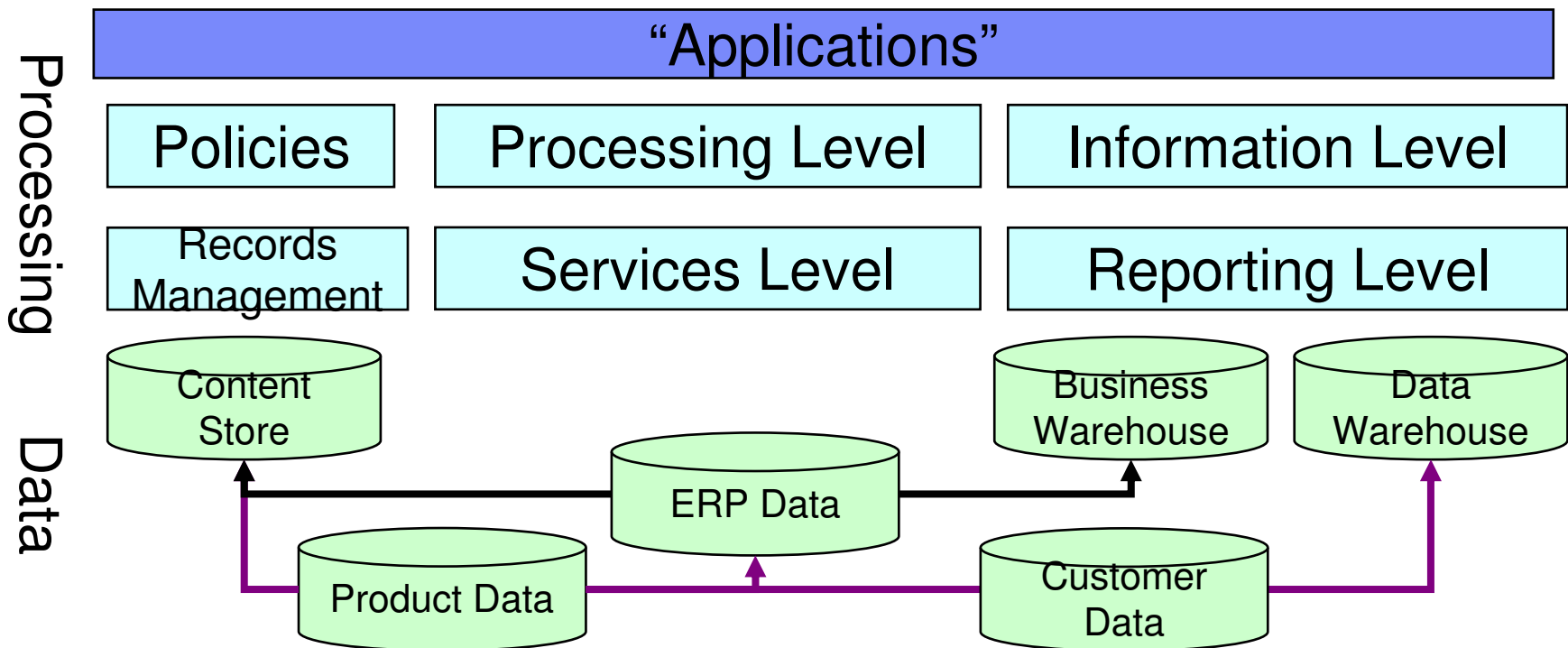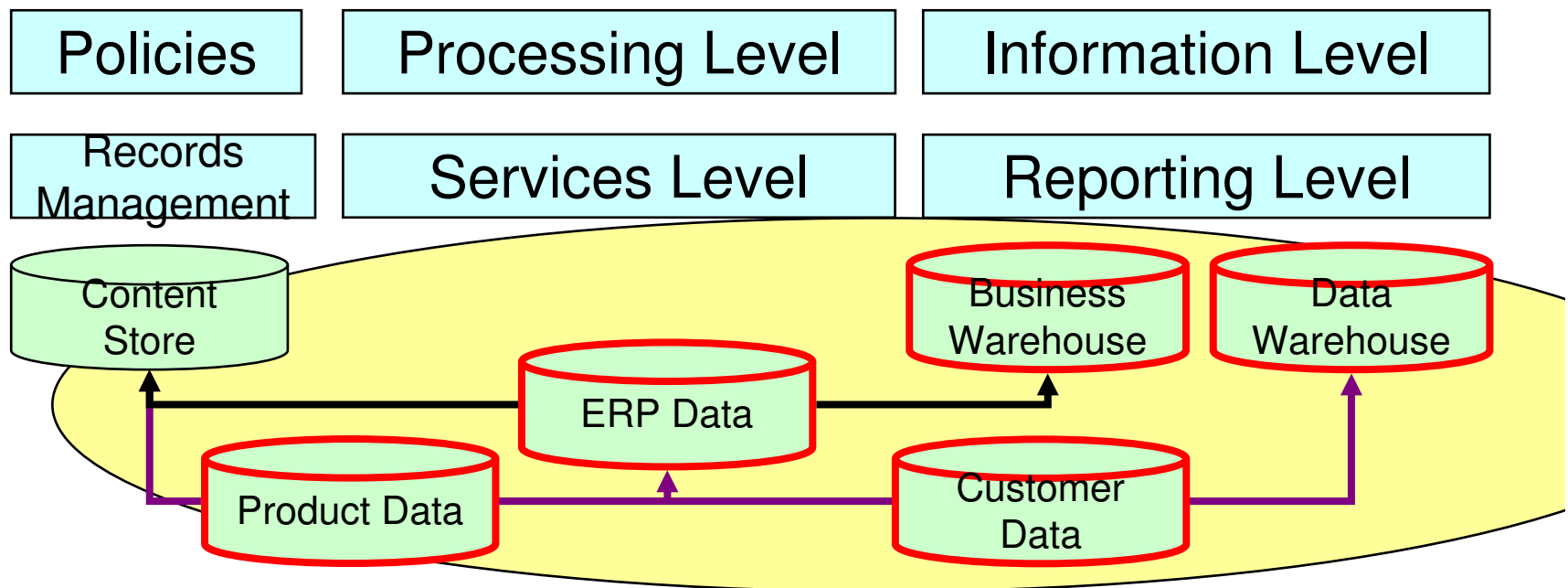
Initatives – Data Integration

- Define a standard tool capable of the volume of data being moved daily
- Re-use transformation and validation capabilities to improve quality.
- Capture accurate data flow details from the operational use.
- Build interrelationships map between data items across databases.
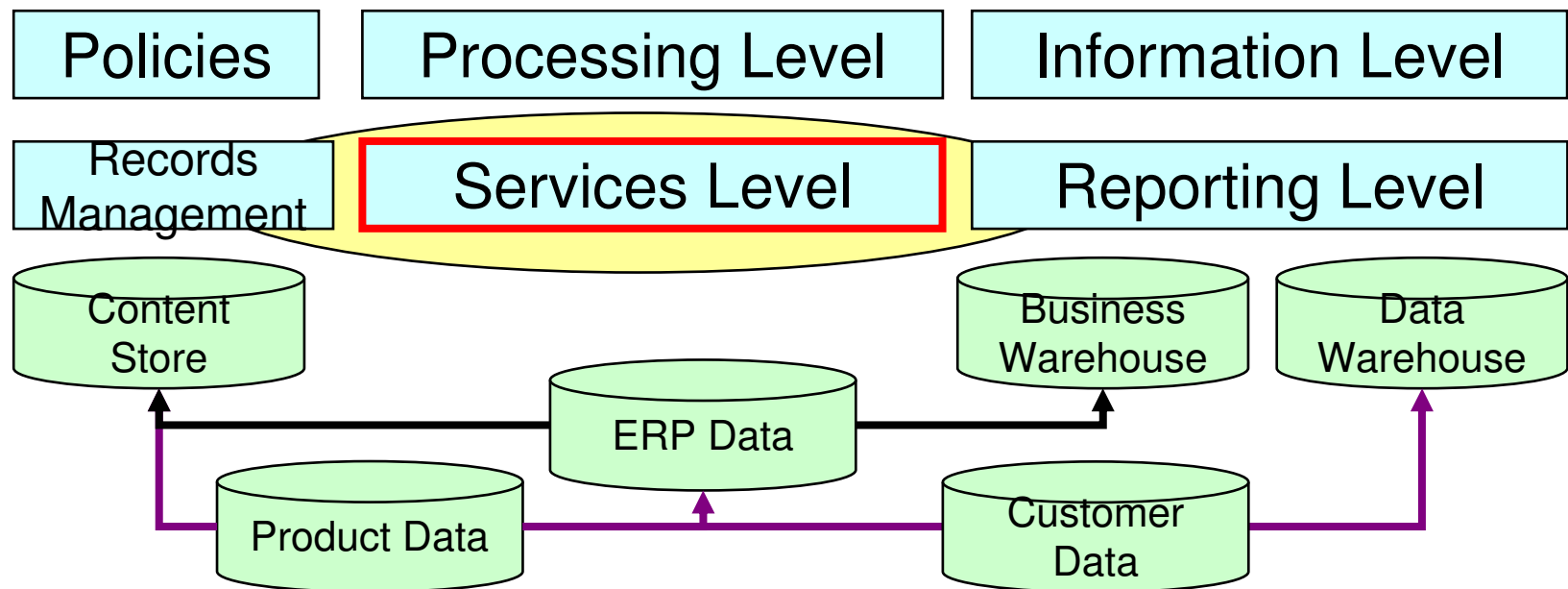- Capture and share information about the data

Policies	Processing Level	Information Level
Records Management	Services Level	Reporting Level
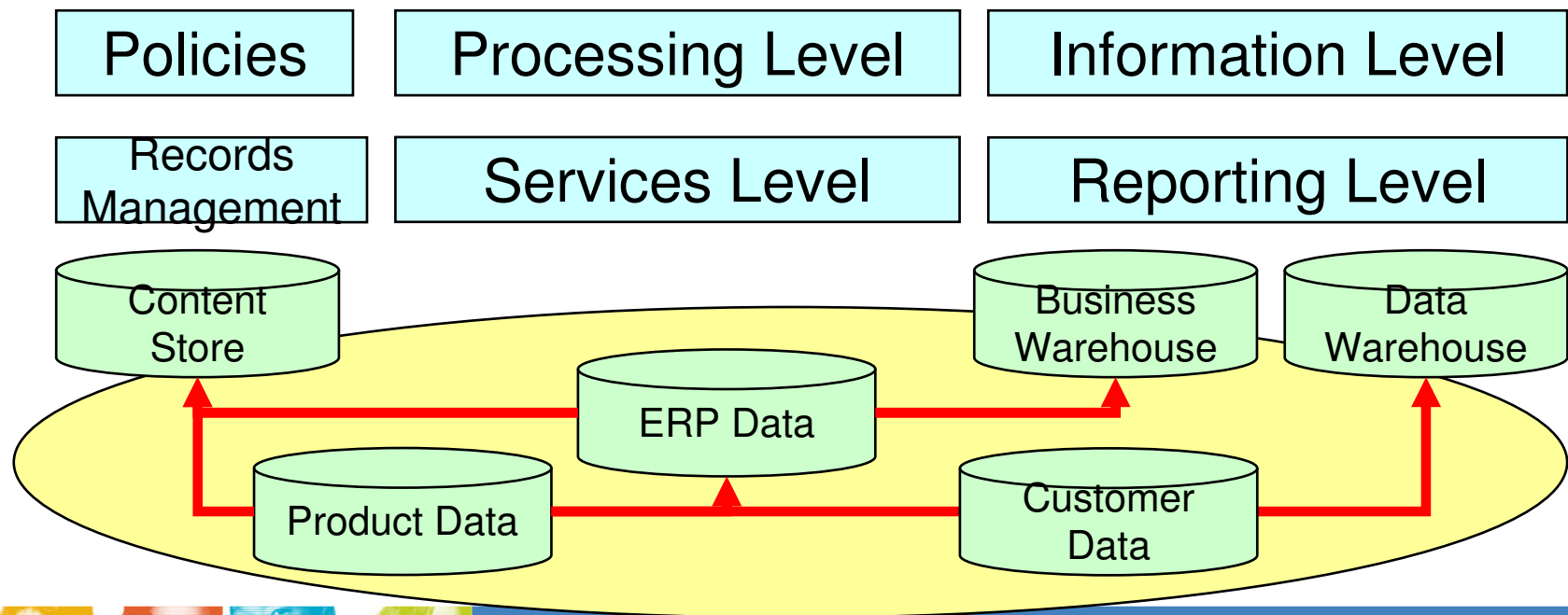
Initatives – Data Consolidation

- Consolidate data from the multiple systems introduced by mergers
- Identify prime sources of the data, and ensure they act as system of record
- Use the data flow data to ensure systems use prime sources of data
- Remove processing constraints by giving quicker access to data
- Improve data naming consistency and validation

Policies	Processing Level	Information Level
Records Management	Services Level	Reporting Level

Content Store

Business Warehouse

Data Warehouse

ERP Data

Product Data

Customer Data

Initatives – Service Oriented Architecture (SOA)

- Build basic task-focused units of computing to manage the data
- Build business tasks from these units
- Use extensively to minimise costs and ensure consistency
- Gain flexibility by the loose-coupling of these modules
- This helps drive further consolidation of data

Policies	Processing Level	Information Level
Records Management	Services Level	Reporting Level

Content Store

Business Warehouse

Data Warehouse

ERP Data

Product Data

Customer Data

Initatives – Business Intelligence (BI)

- Build reporting based on data with known integrity
- Move away from time-based printed reports which are largely discarded
- Consistently use prime sources without duplicating to avoid reconciliation issues
- Set direction for dashboard and online analysis, moving from time-based reports
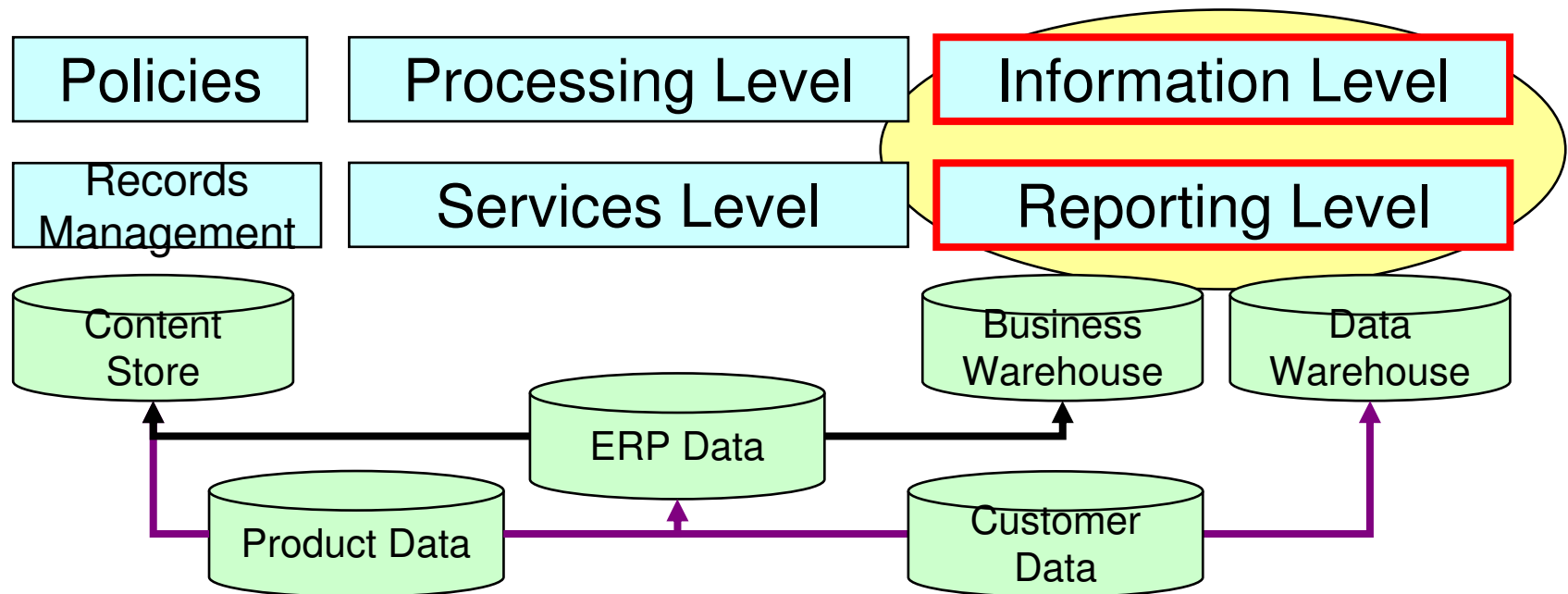
Initatives – Business Progess Management (BPM)

- Build units of functionality aligned to business steps

- Use units to support workflow processes.

- Use extensively to minimise costs and ensure consistency

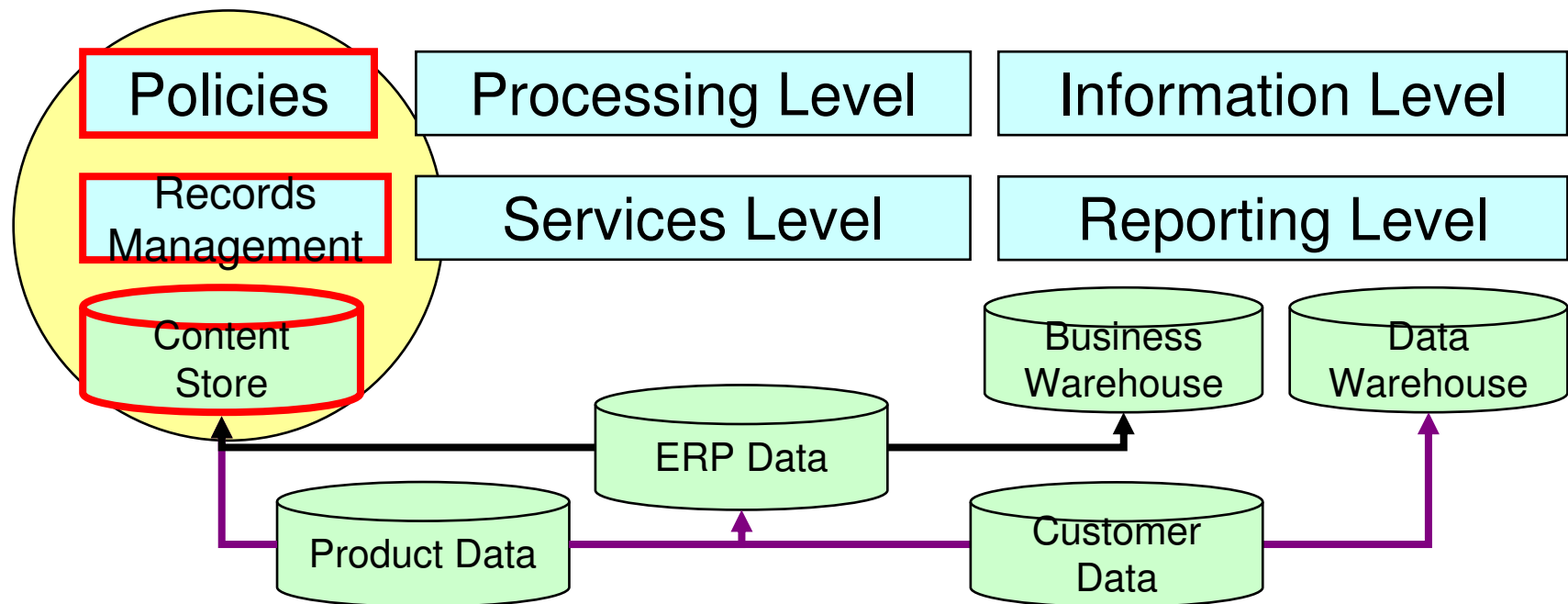- Use tools to get overall view of the process and actions
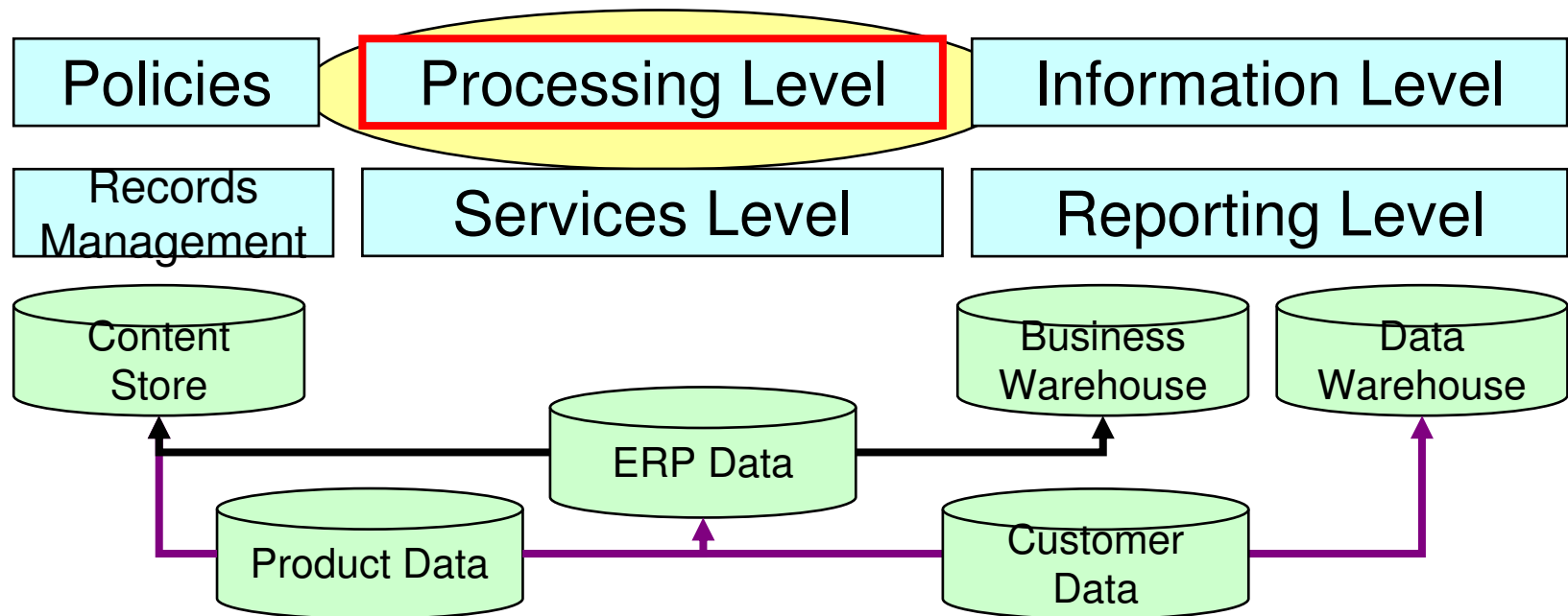
Initatives – Business Monitoring (BAM)

- Can use reporting data and BPM tracking to actively monitor work activity
- Set trigger events so actions is taken to correct situation
- Goal is to react to developing events and hence avoid crisis management
- Helps set optimal processing workforce when needed.
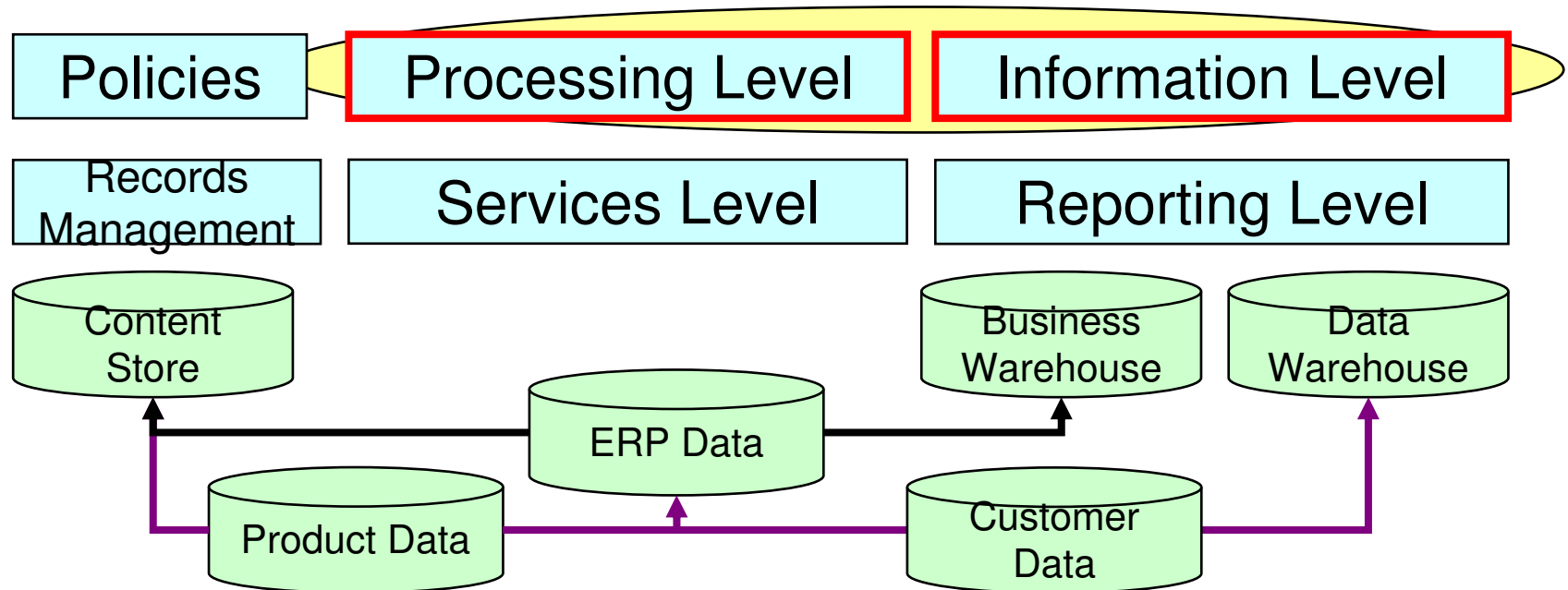
Initatives – Enterprise Content Manager (ECM)

- Scalable store for business documents, either to or from customers and 3rd parties
- Ensure proper controls on access based on classification of documents
- Ensure retention and discard are to policies stated.
- Improve efficiencies in business process by information available when needed.

Policies	Processing Level	Information Level
Records Management	Services Level	Reporting Level

Content Store

Business Warehouse

Data Warehouse

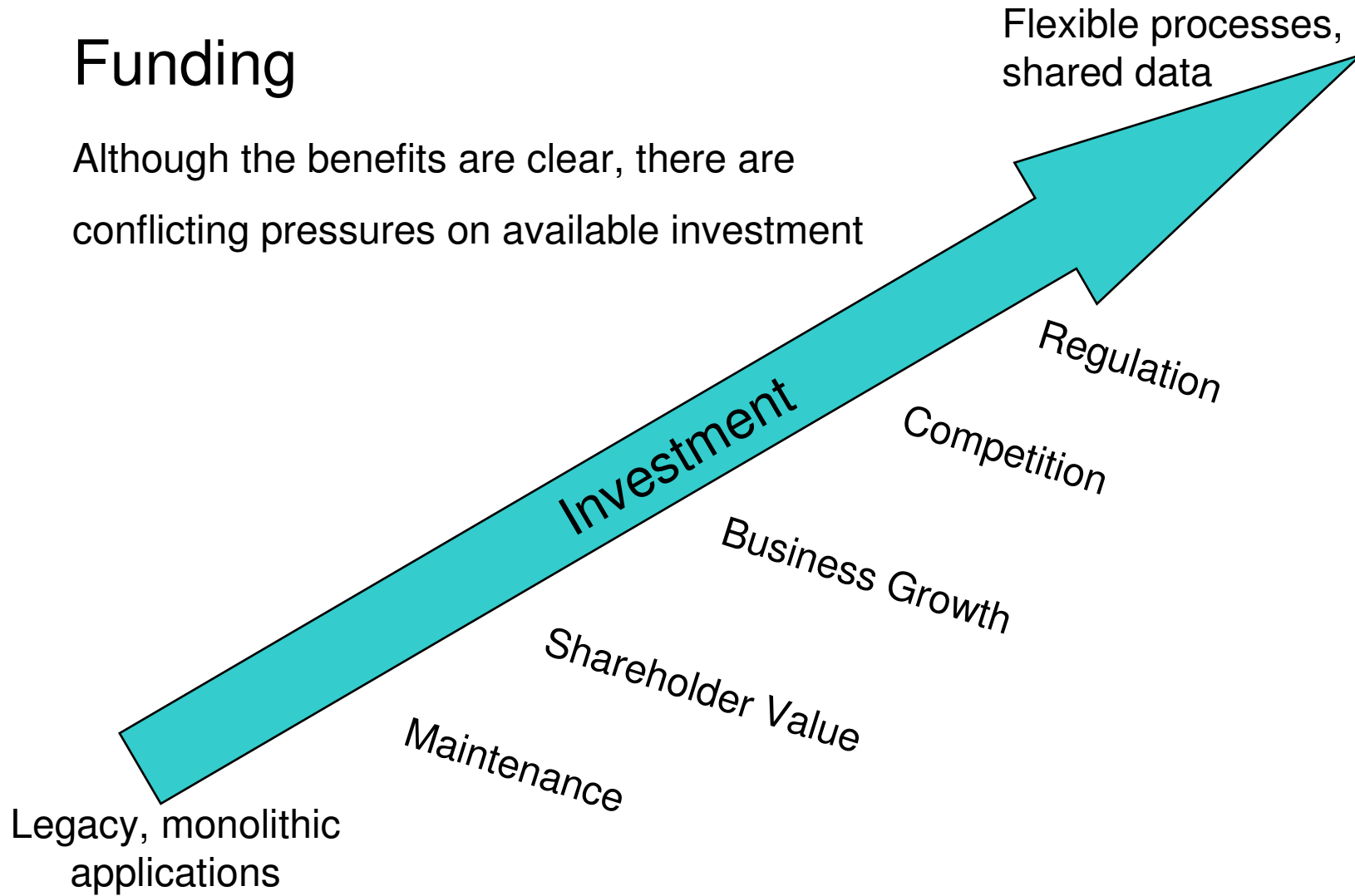ERP Data

Product Data

Customer Data

Face the Challenges

- There is a natural inertia – a desire to automate current processes

- It can lead to some difficult decisions on the shape of the business

- This may lead to business change, some of it radical

- Need to identify how to work with partners in this approach

- Can challenge past IT solutions

- May change business structure / right sourcing / reward schemes

Funding

Although the benefits are clear, there are conflicting pressures on available investment

Flexible processes, shared data

Investment

Regulation

Competition

Business Growth

Shareholder Value

Maintenance

Legacy, monolithic applications

Summary

There is increasing dependency on business information in a timely accurate manner, which is unavailable within most corporations

- **The demand for information is a universal problem**
  - "Do nothing" is not an sustainable option

- **Need vision to drive a successful strategy**
  - Requires Executive sponsorship

- **This is an investment**
  - Overall benefit is not reflected in individual steps.

- **Significant risk as business has to keep running**
  - Evolution not revolution!

Thank you