SOA Demystified! Turn Your SOA Projects Into Lasting Business Success With Higher-Value Services (EVENT: 28015)

Transcription
Note: Uncertain areas indicated in **Bold.

T/C	Speaker	Content
0:00	Sandy Carter (SC)	Hi this is Sandy Carter, Vice President at IBM for SOA & WebSphere. Welcome and thank you for joining our IBM seminar today on how to get started with SOA or how to continue to progress your SOA deployment.
0:14	SC	Today's web seminar will last about 30 minutes for the presentation. I'm sorry, an hour for the presentation with 30 minutes for Q & A.
0:22	SC	If you have questions regarding any of the information that is covered today you can submit questions at any time just by entering your question in the question box in the lower left hand corner of the web cast interface. And then click submit. The questions will be answered during the Q&A session, which will occur during the last 30 minutes.
0:42	SC	If you want to enlarge the slides in today's presentation, just click on the "Enlarge Slides" button. And if you would like a copy of today's presentation you can download it by clicking on "Download Slides". It's a button on the lower right hand part of your browser window.
0:57	SC	Now following today's presentation I would love you to take a few moments to respond to the survey questions. And they will appear in a pop up browser. Please ensure that your pop up blockers are turned off. Your responses will help us with useful information as we continue our web seminars.
1:16	SC	Now today's web cast is a fabulous web cast featuring how to get started and how to progress in SOA. On today's web cast we have Robert Le Blanc, who is IBM's General Manager for WebSphere and the Senior Executive supporting SOA, service oriented architecture.
1:35	SC	Joining him today on this web cast will be Judith Hurwitz. Judith is the CEO of Hurwitz and Associates and also the author of "SOA for Dummies".
1:45	SC	Joining Robert and Judith for Q&A at the end of the session will be Paul Brunet, who is Director of SOA Product Marketing. Beth Smith, Vice President for Business Process Management and **Able by SOA** for IBM, and myself. So without further a do, let me turn the mic over to Mr. Robert Le Blanc. Robert?
2:06	Robert	Thank you, Sandy. Good morning, good afternoon, good

	Le Blanc (RL)	evening depending on where you are around the world and thanks for joining us.
2:11	RL	If we get going on to Chart #2, let me just give you the basics for those of you that may be a bit confused about SOA. SOA really is an architectural style that supports integrating your businesses as a set of link services.
2:27	RL	It really represents a business process and those services are very simple things like repeatable business paths. For example, check customer credit, open a new account…It really is a decomposition of the set of tasks that a business would go about on a day-to-day journey.
2:44	RL	An SOA is really about how you start to pull together these services in a **loosely coupled way** that allows me to represent the business process that I use to build products and services for my particular business.
2:57	RL	If we go on to the next chart. Now SOA delivers value today. There is a lot of discussion around, is SOA real, or are people using it, or are they getting business benefit today? And in fact, they are.
3:08	RL	And we're seeing a couple of things that customers are getting from in terms of benefit. One is they are lowering their costs. In fact, 97% of customers today justify their SOA project based on costs.
3:23	RL	But the real value also comes in the ability to drive new revenue and in the flexibility that's provided in building these next generation IT systems.
3:34	RL	In fact, 100% of the customers that we surveyed in a business value study said they saw increased business flexibility when they moved to a service-oriented architecture structure that allowed them to build new and enhanced business processes.
3:50	RL	And 51% of them saw the ability to drive new revenue growth because they were driving new products and services along with these changes in their processes.
4:00	RL	Now, in the SOA projects that we've done, and in the study of 137 companies, we saw 5 key results from embarking on SOA.
4:12	RL	One was improved customer satisfaction. The ability to build systems that are better integrated, where you can share information, where you can collaborate with your customers to increase satisfaction.
4:25	RL	We've seen business operational savings. So the ability to quickly change your process and take costs out of your business process and have it instantiated in your IT structure can save money in just running your day-to-day business.
4:40	RL	We've seen customers with increased competitiveness. They have an advantage in that they can get information or enhanced process that drives higher customer satisfaction, or enables them to bring a product or a

		service to the market much quicker than they could have under the old style of building applications.
4:58	RL	The **area they also see** is IT cost improvement. The ability to reuse what you already have. To reuse the processes, the applications, the data, the systems, that you've been building over a number of years, that ability to reuse to have shared services, will lead over time to a reduction in your IT costs.
5:20	RL	The fifth one is the reduction in business cycle time. As we know as everyone moves to a more and more global businesses, very competitive industries, your ability to quickly bring a new product or service to the market can be the difference between you being a leader in your particular industry or a laggard. So those results are being seen by customers today.
5:45	RL	Let's go on to Chart #4. And that's being realized across multiple industries. In fact, 10 of the world's 10 biggest auto manufacturers today are using SOA to gain competitive advantage. Half of the 30 biggest electronic companies.
6:00	RL	8 of the world's 10 biggest banks. 9 of the world's 10 biggest telcos. SMB, we've got over 80 SMB customers that are using it today. 8 of the world's 10 biggest insurers.
6:13	RL	80% of the biggest US health plan carriers. 4 of the world's 10 biggest retailers. There's more than 2,500 business partners today providing capability around SOA. So as you can see, SOA is being broadly adopted across multiple industries and around the world.
6:32	RL	Before we go into some of the details of what we provide in SOA, what I would like to do is turn it over to Judith, and Judith will share with you some of the trends and give us some of the industry insight into SOA and why it's such a valuable thing that we're all paying attention to it. Judith.
6:50	Judith Hurwitz (JH)	Thank you very much, Robert. Good morning, good afternoon to all of you. I'm very excited with what's happening with SOA and this progress.
7:00	JH	So I want to start off with some observations about SOA, about what's happening in the market, and some of my observations.
7:09	JH	We really see that the idea of a service-oriented architecture really does begin to offer a business focus on to IT technology. What does this really mean, is that for the first time rather than having the business folk on one side thinking about their business plans, the focus on new business opportunities, and the IT organization thinking about how to craft things, how to build different applications, with SOA we are beginning to create a common language that allows collaboration between

		business leaders and technology leaders.
7:53	JH	So I'll just give you a simple example that I have seen. For example, you get a group together and they start to talk about what are the business services that are critical to the way we do business today.
8:07	JH	So, in fact, what you start to see, is that, "Now I'm going to talk about a bill payment service." "I'm going to talk about a 30-year mortgage calculation service."
8:21	JH	Now that's something that the IT organization begins to understand how to create a service like that, and on the other hand, on the business side, the business person has a very clear idea, oh okay, I understand that a service that calculates that 30 year mortgage in a consistent way, year after year, and I only change it when I change my business.
8:45	JH	So it really does begin to open up a collaboration. We've heard from CIOs that for the first time they're now brought to the table as a peer. Because SOA provides that pragmatic business focused way to really begin to leverage their investment and technology from a very business centric view.
9:09	JH	And the other key point here is that in fact it really does focus on best practices. So I create a business service and I implement it through a business process orientation that really leads me to thinking about technology from a very different vantage point.
9:31	JH	So what are some of the other observations that I've seen? Well increasingly, we are seeing that there is a lot more attention being focused on what is this service? And how do I apply it across the organization?
9:47	JH	As you all probably know, in any organization you might have 10 ways within 80 different applications to process a claim if you're an insurance organization. You may have a hundred different ways to pay a bill.
10:04	JH	Well if you think about some of these issues, there really can be a consistent way to define that. You can of course define things differently if you have an exception, but in most organizations, paying a claim, processing a claim, will be consistent from department to department.
10:24	JH	So it really does increase the organization's awareness of, let me look at the commonalities, let me define what a service is, for the way I conduct my business. So organizations are really beginning to take a step back and not just coding.
10:41	JH	They're starting to look at the best practices that allows them to find just the right degree of granularity. Because what organizations have to avoid is to say, is to create, 10,000 small little granular services that are very nuance. That's really not the approach needed for SOA.
11:05	JH	The idea here is that you want to have services that are

		large grain enough and are business focused enough that they really can be optimized for business across departments.
11:19	JH	Now you can't just achieve this by crossing your fingers and hoping that the IT people get this right. It really is an approach that really is a life cycle. It combines what people are doing within their businesses, the technology that people are using to address this.
11:41	JH	It's looking at it from, what are the processes, what are the best practices. You put these all together and you start to see SOA come alive.
11:50	JH	Another important factor that we're seeing is that security is the utmost importance because these are highly virtualized environments. You aren't creating, you know, one application within one department that does everything.
12:05	JH	These are services that are used across your own organization, across partners, and across customers. So it's a very much dynamic eco-system and security is a high priority here.
12:19	JH	The other key point here is that manageability is of paramount importance in establishing SOA. You can create wonderful services, you can get everybody aligned, you can get all the right processes. But if it's not manageable, if they can't scale, then it's not going to work. So it's very very important.
12:46	JH	And manageability can't be thought of at the end of the process. You go build everything, you're ready to launch, and somebody says, oh my goodness, we didn't think about management. So manageability has to be thought of early on.
13:02	JH	So SOA is really then I think if you look at the **transit** and you look at the experience of customers it's really about how to put together good business and good technology practice.
13:16	JH	So at the beginning, at the outset, when people are beginning to think about service-oriented architectures, they really need to take a step back. Some of the early experience that people had was they began coding web services interfaces. And they made some progress, they did some good work, but to really do service-oriented architectures correctly you have to start with your business.
13:42	JH	Because SOA is not just about creating machos of technology, it really is about being able to establish reuse as a key criteria. So if you're going to think about reuse of services, you have to look at it from the business perspective.
14:00	JH	What business am I in? What does my company do? How does my company do what it does with its partners?

		What is a contract between myself, my company, my partners, my suppliers, my customers? What am I all about? And where am I going.
14:17	JH	Because SOA is really about being able to link the right pieces together at the right time to create that competitive differentiation. And that is what makes SOA very exciting.
14:30	JH	We sometimes hear people saying, my goodness, this service-oriented architecture approach seems very complicated. I'm not sure I'm going to do it because it's so complicated and maybe let me just stick with what I'm doing.
14:46	JH	From our research and our work with customers it's quite clear that yes, this is a journey, this is not something that you can put together, and get started, and wash your hands of in 6 months. This is something that people should look at as a journey.
15:02	JH	To get to a full-fledged SOA environment where you're really able to leverage these services, where you get very **high level use**, where you can have your partners and suppliers linking in a very easy basis, this is a journey, this will take years, but if you start now and understand your business, then you really incrementally get incredible value.
15:28	JH	So the message really is, is that, SOA, service-oriented architectures is about a life cycle of business services. And if it's done correctly with forethought, with understanding the business, it gives you a lot more than you put in.
15:45	JH	Because you do get that great understanding of, why am I here? What business am I in? How can I leverage all the good knowledge I have over many years with all the smart people in my organization? How can I leverage that to really make a difference, and allow my business to grow, and allow me to take advantage of incredibly opportunistic things that come out that I never anticipated before?
16:13	JH	So it really allows you to jump on opportunities that you never would have been able to do just left to your own devices and left to traditional technologies that were really designed with one instance in mind.
16:27	JH	The traditional way as many of you know, that we built an application or we built a project was, we had one problem to solve, we went ahead and we built an application to solve that problem.
16:40	JH	If we keep doing that, we will always find that the business people say, "I can sit in a room and I can plan my next business initiative, how come you can't move as fast as we can when we do our planning?" So this really allows technology and IT to become a full member of the

		team.
17:06	JH	So my conclusion here is that service-oriented architecture, the strength of it are really about flexibility. We're really seeing, as Robert mentioned in the beginning of this call, we are seeing a lot of customers getting real business value.
17:24	JH	And I'm just going to mention a couple of the things that we are seeing and many of these examples you will see in our forth coming book, "Service-Oriented Architecture for Dummies" because we do focus a lot on some customer examples.
17:40	JH	So in one example, a company that was not very large, wanted to move forward and be much more proactive with their customers. They were able to take existing services and encapsulate them and then link them together through an Enterprise Service Bus (ESB).
17:58	JH	And in 6 months they were able to do this with a staff of only 4 IT people, with 3 external consultants and they were able to increase customer satisfaction dramatically.
18:13	JH	In another example, an organization used a service-oriented architecture approach to create a SOA governance model. So that they were able to, one of the things that they did was to set up rules.
18:29	JH	What is a service? Who can change that service? Who owns that service? Who defines across various departments what we conformed to when it comes to business roles and business services.
18:44	JH	And having that SOA governance model really made the process very easy. There was no finger pointing because everybody was clear on what their roles are, what they were doing, and why they were doing it.
18:57	JH	In another organization, they were able to create some very innovative business processes that allowed them to basically turn their business upside down.
19:07	JH	They were able to encapsulate services, but what they made the major changes on were the way they conducted business processes that made them very different from their competitors. They were in a highly commoditized market, and they were able to transform the way they approach customers, the way they let customers interact with them, through some very innovative business practices.
19:32	JH	And then another example which may seem simple at the outset, an organization was able to add a very interactive portal interface so that all sales representatives could get at the right information at the right time about customers and it gave them much more insight into how customers were actually able to look at different products across product lines and it really was able to make them move forward at a lot faster pace and it allowed them to see

		what products and services could be sold across the organization. So now I will turn the call back over to Sandy. Oh, I guess I have, uh…
20:27	Sandy Carter (SC)	That's okay. Thanks Judith. We'll go back to Robert now.
20:30	Robert Le Blanc (RL)	Okay, thank you Judith. I think one important point that Judith made that is just worth reiterating is SOA, when you think about it as a technology; it's just an enabling technology. And if all you do is worry about the technology, you will build a next generation platform but never get the real value.
20:50	RL	So some people look at, will a web service enable all my function and wow, now I'm SOA. Well in fact what you want to do is you want to be able to optimize and change and share your business processes.
21:04	RL	So SOA enables that difference in the business processes. If all I do is change my business processes and try to lay it down on the current IT structures that we built, all you're going to do is pass requirements on to IT that takes months and months of specification and coding to be able to bring a new service to the business.
21:25	RL	So the value of SOA really is bringing together that business view and that technology view and enabling you know, optimized processes and /or shared services. Now, the reason that we feel strongly about this is we're really coming at this from
21:41	RL	very much a standardized approach. So the industry has finally gotten itself together as a standard way to represent information, things like XML, a standard way to have services communicate through things like web services. So we're really now providing that capability.
21:59	RL	So if we go on to Chart #10, what we're doing from an IBM perspective is building that out. We start on top by building what we call the entry point. And those entry points really talk to the business value or looking at the business problem from the business perspective.
22:18	RL	And there tends to be 3 entry points that we consistently see in our engagements. And it's all around integration. It's integrating people. How do I enable people to do things like collaborate on design of a product and/ or a service? How do I connect customers and suppliers together so they become part of the process.
22:40	RL	The second is how do I connect information? We've got an information overload. And a lot of information that we have is actually information looking backwards. So we're trying to drive the business sometimes by looking in the rearview mirror. And we look at data warehouses.
22:54	RL	That gives us information of what has happened. We need to be more proactive in doing real time information

		and making decisions around our businesses and our processes in real time. So how do I integrate that information so I know that I can react to what's going on around me.
23:13	RL	The third area is around process. How do I integrate my processes from my HR systems to my ERP systems to my supply chain systems? We talk about applications as being the integration point when in fact what they do is they'll integrate towards a set of processes like
23:33	RL	ERP, but don't enable the integration of HR, and some of my external facing processes. So, increasing the focus on business process management, as it's enabled by SOA, is an area that we're strongly focusing in on. Cause we understand that just the technology in and of itself will not provide the value. It's the insight into the business, how it runs, and its processes that provides value at the end.
24:01	RL	The second area is we will continue to extend our infrastructure and management in support of SOA. Because if you don't have the right
24:10	RL	infrastructure you will frustrate yourself and your lines of business by encouraging them to change and then not being able to instantiate the change in the IT systems that you are all building.
24:24	RL	And then the third area, which is becoming more and more important as people really start to expand their use of SOA is around SOA governance and service life cycle management. Because **once you start** building these services and reusing these services and sharing, I now have to worry about things like life cycle management, versioning control, who's using what, when,
24:47	RL	So if I make a change to one service what impact could it have on the business. So putting together the proper governance is also very, very critical.
24:55	RL	So what I will do now is I'll talk about each of these particular areas that we're focused in on and some of the things that we're providing from an IBM perspective in terms of the technology and the services.
25:09	RL	We'll go on to Chart 11. This just talks about focusing on both the IT and the business centric. The thing that we've learned as well is customers will come at it from a different perspective. Some customers come at it from very much business. And its integration of the people, information, and process
25:24	RL	that I talked about. There's also a set of customers that come at it from an IT perspective. And that typically is around connectivity. How do I connect application systems together, how do I connect my processes. Or reuse.
25:40	RL	You know what, they've been developing systems for a

		number of years, they've got a heavy investment, they cannot afford to just take the systems they have, throw them out and start over from a **???** so they want to extract all of that business value that they have in their current systems, and they want to reuse it in a more flexible and structured way. So the key here for successful **???** integration
26:02	RL	is bringing the technology and the business inside together.
26:06	RL	Let's go on to Chart 12, there's a whole set of customers that have already gotten the benefit of being able to take their systems, take their processes, and integrate. And people integrate on the people side to increase their productivity.
26:22	RL	To increase the ability for them to build a service or bring together customers. The ability to bring information and bring it quicker to the line of business so the line of business can make a decision in real time.
26:39	RL	The ability to automate and bring together the information and offer even a service to the industry that is information based.
26:45	RL	The ability to reuse, and the more you reuse, you know the more you're going to bring down the cost of IT and the quicker you'll be able to respond to change.
26:54	RL	And then being able to integrate. Being able to take your SAP system and integrate it with the rest of your business processes. Cause as we know, there is no single application in the sky that can cover my business process. So the ability to integrate becomes a key part of building a robust structure.
27:14	RL	So we'll go on to Chart 13. And that ability, let me talk a bit about what we're doing here. In reusing connectivity, connectivity is really connecting not only the services together, but how do I connect to systems that I already have, legacy systems? How do I connect to trading partners? How do I connect to suppliers?
27:34	RL	And how do I do that in a way that doesn't increase the complexity of the set of processes that I use and the people I need in IT to make those connections. So connecting in an open standard way is becoming critically important.
27:49	RL	And then how do I reuse? You know, consultant studies have found that it's five times less expensive to reuse an existing application or service than write a new application or service. How do you get that value?
28:04	RL	Because we have a tendency in IT to always want to rebuild, rebuild. And if we can get to the point where we truly have reusable sets of assets, we can respond quicker to the business but we can also take some of the costs out as we build these next generation applications.

28:24	RL	We go on to the next Chart. So, what this week is **???** product enhancements that we've made. So the first one is we've made enhancements to our WebSphere ESB. We've added capability like dynamic selection, administration and configuration. Development life cycle support.
28:41	RL	We've enhanced the performance and throughput. We've enhanced the integration with traditional systems like MQ. We've added new capability to enhance JMS. And we've also included support for our new WebSpere Service Registry and Repository that I will talk about in a few minutes.
29:01	RL	We've also added support in the **???** products so you're able to manage and understand your services. Because in the day and age of managing an application, when you move to a SOA world, you now have interconnected services all passing information. How do you manage, how do you monitor.
29:21	RL	And then we've also added to our WebSphere Adapter Portfolio. We have well over 1,300 adapters today. We've added new standards-based adapters for the Oracle application suites. We've got new standards-based adapters for common technologies. We've enhanced our adapters for SAP, Siebel, JDBC and Flat Files.
29:44	RL	Because the ability to connect to my current structure is very important. And that allows me to move my structure to a SOA over time at the pace that makes sense for my business.
29:56	RL	Let's go to the next chart. We're also announcing some new offerings. Because one of the things we recognize as we talk to clients is, not everyone has all of the skill, the knowledge, and understanding that they need to fully enhance their environment and to fully bring in SOA and they need help.
30:15	RL	So we've got a legacy transformation service. And this really is, we'll go in there with leading edge skills, assets, tools, and technologies, to really enable you to understand what function you've got buried in your legacy systems and how you can leverage that and bring that investment forward **so instead** you can play in a SOA environment.
30:37	RL	We've also got SOA integration services. And that really helps you implement your infrastructure, helps you by giving you advice and counsel and skill around how do you connect your applications and how do you reuse these applications. So we're really bringing the methodology, the tools, the best practices to bear on helping clients move from where they are today to SOA.
31:05	RL	Let's go on to the next chart. In the People Centric Approach, we are adding new capabilities, we're adding

		intuitive & adaptive user experience. Because we know that to improve people productivity we've really got to start to deliver the information and interaction by aggregating views. And we need to do it in the context of the business process that the individual is running.
31:27	RL	So how do I build these composite applications? And how do I build these SOA portlets such that I get that level of **conductivity** and integration and do it in a flexible manner?
31:37	RL	And we see a lot of technology starting to evolve on the consumer end, around Web20. Things technologies like AJAX, that really gives that level of flexibility and really has, think of it as a front end to SOA.
31:53	RL	So if we go onto Chart #17, we're enhancing our WebSpere portal product to help organizations to respond rapidly to change. We've integrated the WebSpere Portlet Factory that was based on our **bo street** acquisition earlier this year.
32:09	RL	We now deliver AJAX support to enable customers to deliver more compelling user experience. We've added Composite Application Templates and workflow builders to enable people to build workflows.
32:24	RL	And then we've added web content management workplace, workplace forms, based on e-forms, and the x-form standard. To really enable people to build the next generation of front ends.
32:37	RL	We've added capability to Lotus Sametime, the instant messenger. With plug-ins to customize and extend SOA applications, add real-time access, to voiceover IP, integrated audio, wireless, to really allow the front end to be kind of the window into this integration of back end systems.
33:01	RL	We've added a real-time interaction framework that enables me to add things like presence, instant messaging, web conferencing to any SOA-based application that I may be building. So really try to enhance the collaboration and interaction modes that customers go through every day.
33:20	RL	We go on to the next chart. In the area of Process Automation, it's all about how do I streamline or remove inefficiencies in a process? Like I said before, I can put a web service's interface to almost any service I have, but unless I start to understand and change and optimize the process and the workflows, I'm never really going to get the value of the underpinning infrastructure.
33:46	RL	So how do I create, reuse, and assemble? More importantly how do I orchestrate and connect in real-time deceptive services?
33:54	RL	And how do I automate and how do I optimize the process as I go along? And so, be it done right, these

		processes can be very dynamic and can change as the business changes.
34:08	RL	So if we go on to the next page. We're announcing enhancements to our WebSphere Process Server. So we have increased the integration to allow Process Automation and Choreography to external services and to bring together an even tighter integration between information and content.
34:29	RL	And also, you saw that IBM has acquired **File Net** to help in the whole area of Content Management. And then how do you look up governance of these services in real time so I can manage the flows?
34:42	RL	We've added human-centric and advanced workflow support. So, enabling the fast authoring of these business process management type solutions and applications. Support for adhoc tasks and collaborative work. Adding rich administrative tracking and observation of processes. The ability to manage not only information flows but event flows. All a part of the enhancement of the Process Server.
35:12	RL	Next chart. The next area of enhancement comes in information. Again, we can manage all these processes and all of these interactions and collaborations, but if we don't provide information in real time in a trusted fashion and the right information to the right people, we'll never truly get the value of the service-oriented architectural approach.
35:38	RL	So it's all about how do I discover my sources of information, how do I understand the relationships, the business contexts? And how do I do things like cleanse the information to make sure that the information I provide? Because again, if we're going to take information and use it to make real time decisions, the decisions we make won't be as good as quality of information that becomes the part of the process.
36:03	RL	So if we go into the next chart with that, we will be announcing a new product called the IBM Information Server. And that really will help create consistent and reusable information services that provides the business view that then can span across multiple services, so I can start to look at information itself as a service.
36:23	RL	Then that service can be provided to multiple business processes to collaborations. It really helps integrate that information and it provides auditable data quality. So we're taking technology that we acquired in companies like Essential and some of their EPL capability and we're exposing that as a set of information services.
36:47	RL	And then we're adding industry models that again, enable customers to start to understand their information models in context of the industry that they're at.

36:59	RL	We're also adding a new version of our WebSpere Customer Center product. That's really a platform for managing master data. That master data can be customer data or product data. And again, enable that to be exposed as a service. That enhances the quality of the data, the standardization, it can help match customer records so I can now start getting a single view of things like customers or products and again enhance my ability to integrate my business and my business processes.
37:32	RL	Go on to the next chart. One of the areas we're focused in on, is **our 4-layer** Business Process Management. We tried to put a very simple chart. On the bottom, you see the operational systems. That's current systems we have today.
37:46	RL	We've got services that enabled me to build together these services, but the real important thing is, how does this link back to the business, to the processes, and how do I build effective solutions, how do I enable that change in flexibility.
38:00	RL	Go on to the next chart. What we're doing is we're watching the life cycle because as we manage the life cycle of a product we have to manage the life cycle of the business processes that we have. Most clients that I talk to don't even understand the business processes that they have. And if they do, they render them in very static mechanisms like Power Point or **Visio** that don't enable them to simulate the model or change the model or keep track of changes in their processes.
38:29	RL	And so we're building a life cycle from business modeling and simulation through collaborative development because most processes span across multiple organizations, multiple departments, divisions, and even outside of my own organization.
38:44	RL	And then there is workflow on Choreography. How do I manage the flows, how do I manage content. And then an area that is becoming increasingly important, there is the whole area of Business Monitoring.
38:55	RL	It's, how do I provide Dashboard Analytics on the business metrics? Most of us when we think of monitoring today, we think of monitoring IT. We know when system is up, we know when network is up, but we don't know "how's my business doing?"
39:10	RL	How much revenue, or how many orders am I taking, coming up off the web, versus a kiosk, versus another store, or a call center. And it's being able to manage that business.
39:23	RL	And then how do I take that data and feed it back in real time so I can simulate a change in the process? Cause again, the optimization of processes is critical.
39:33	RL	Go on to the next page. There are customers today that

		are getting the value for managing that change. Even in IBM, we rebuilt our whole customer order and analysis process that has enabled us to reduce the time and cost of our new processes by 25%.
39:50	RL	Danske bank, 2 million dollars in saving and an increase in productivity because of a flexible infrastructure.
39:56	RL	A lot of customers are worrying about compliance. How do I, while at the same time ensuring compliance enable me to grow my business? How do I enhance the business efficiency?
40:07	RL	Principal Financial reduced their paper-intensive mortgage process by 53%, and at the same time increased their efficiency by 34% and saw savings. So customers get real value by again, going back and taking a look at the business processes that are enhanced and or changed.
40:27	RL	We go to the next chart. To that end we're now seeing new versions of our WebSphere Business Modeler and WebSpere Business Monitor. In the Business Modeler, we're enhancing the ability to lifecycle manage the artifacts, to be able to re-use process models and the task within it. To increase the productivity of the Business Analysts so a whole bunch of reusability and usability enhancements that enable the Business Analyst to be more of an active participant in the modeling of the business.
41:00	RL	There's new and updated analysis reporting. There is increased interoperability between the modeling and monitoring. So now on the monitor I can gather real time data, I can feed that back into the modeler, so now I've got a more interactive modeling tool that I can then simulate a change in the process with real data that came from my operation.
41:23	RL	The WebSphere Monitor, we've improved the Business Activity Monitoring capability. We've made it much more extendable. You can now monitor not only processes that you may have in a SOA environment but those on the outside that I have the capability to instrument.
41:42	RL	We've improved the administration and the ability to test key performance indicators before actually move them in production. And we've improved the performance and scalability of the product and we've also added new dashboards and we've added a dashboard framework so that you can build custom dashboards that map your business into what you're trying to measure in terms of your key performance indicators.
42:08	RL	Next chart. We've also added an Engagement Methodology. We are now going to publish our business process management best practices. And we want to help customers with the advanced level of assessment of

		adoption points of when to start, where to start, what are the next steps, and we're taking that from all of the engagements we've done, and we're providing some of that best practices capability to enable customers to more easily and quickly adopt business process management and the underpinning SOA structure.
42:42	RL	We're also continuing to add to our SOA business catalogue, something we announced earlier this year. We continue to promote, facilitate, and enable an ecosystem.
42:53	RL	We now have over 3,000 assets, 60% of which is provided by our partners. We've got 12,000 downloads of assets off the business catalogue that customers are using today. Anywhere from code, to process models, to information models. A broad range of capability and help to enable customers to move to SOA.
43:20	RL	We'll go on the next chart. We're also extending our infrastructure management capability over the core of SOA, the foundation.
43:29	RL	Go on to the next chart. Customers today are getting value from the infrastructure and management of SOA. They're saving money, they're reducing time, to do things like comply their regulatory changes in their particular industry. And it's everything from large enterprises to small and medium business or SMB.
43:54	RL	Go on to the next chart. We're announcing some enhancements and some new products to help. We've got a new version of the Tivoli Composite Applications Manager. We've added new Web services support for Web services containers. Support for SCA, the service connectivity architecture.
44:15	RL	We've added capability for the interconnectivity with the WebSphere registry and repository and the common management database that we provide in Tivoli. There's tighter integration with the WebSphere enterprise service broker. We've added Security Services, enhance the end-to-end the security solutions to protect against information.
44:37	RL	One of the things that's very important is as I start to build these SOA services, I need to manage a very granular security model. What service gets to call what service? What customer gets to invoke what service?
44:55	RL	So we've enhanced the whole security services offering and we now have a service offering to help customers plan for that.
45:04	RL	Go on to the next chart. An area that we've put a lot of focus on is our SOA Governance and the Lifecycle Management.
45:11	RL	The next chart. We really separate out Service Lifecycle Management from SOA Governance. In SOA

		Governance, we're really looking at how do you help establish the processes and policies by which you build, manage, and share services across your organization.
45:29	RL	Then how do I do Lifecycle Management? How do I enforce, execute, and automate the set of processes and policies that I may have in terms of the usage of the services that I'm building. And then how do I monitor and control the operational policies? How do I do version control? How do I manage the administration of updates to services, to maintenance, to things that really are core to making sure I continue to maintain control of an environment that's a little more granular than I may have been used to when I was managing large applications.
46:06	RL	So we go on to Page 32, we're enhancing our Rational Software Development Platform. We've enhanced the Rational BuildForge product to help govern the service build and delivery process. And we've added geographically distributed quality governance to our ClearQuest and Functional Testing in recognition that in a lot of cases a lot of our customers are dispersing their development and the testing of their systems around the world.
46:37	RL	We've also introduced a new product, which I think is pretty significant. The WebSphere Service Registry and Repository. It really helps to govern the artifacts and the services to help with things like discovery of services and I'll talk a little bit about that in a second.
46:54	RL	We've also added a SOA Governance Methodology. And it really is a Governance process. And that process works with products like our Rational Portfolio Manager and Method Composer. And that method is really how do you put together a governance process and a management process that enables you to be most effective in building services.
47:17	RL	We've also added a Center of Excellence Service Offering, in which we will work with clients to build an SOA Governance Methodology, but also help them build a Center of Excellence such that they can be self sufficient and they can start to build their own skills and share that skill around their own company. **And so that the ability to build that process out.**
47:41	RL	We'll go to the next chart. I'll talk a little bit about WebSphere Service Registry and Repository product. We're really trying to address several customer challenges. How do I optimize the service interactions to better align them with the business processes?
47:56	RL	How do I help services interact efficiently and how do I enable them to come together dynamically so I don't have to predefine all of the interaction between services? How do I govern those services as part of my SOA

		implementation?
48:13	RL	And then how do I eliminate things like rogue services then assure the control of the underpinning infrastructure that I'm building out for SOA?
48:20	RL	So the Service Registry and Repository is really a federated Registry and Repository. It enables you to connect to other services and run times or repositories that you may have. It enables you to publish services, find them, enrich them, manage them, govern them.
48:38	RL	It enables you to optimize. So I can optimize service performance by enforcing policy. I can do impact analysis. I understand the relationship between services. And then how do I govern the whole life cycle? How do I do version control? How do I do maintenance?
48:56	RL	How do I know that if I release a new service, how do I know the value it's going to have? How do I know whether there is one particular business process that hasn't used this new service? Then so all of that interaction, that information, is all now available through the WebSphere (Service) Registry and Repository.
49:17	RL	Let's go on to the next chart. One of the things that's very important is that you get the framework of your SOA environment right. So everything we do is around what we call the SOA reference architecture.
49:28	RL	And this is just a high-level reference architecture that enables you to start to understand the set of capabilities you need to build your environment. Doesn't mean you have to have it all, but it does mean you have to have the pieces.
49:41	RL	From interaction services like we talked about with some of our **web to your portal** products, the process server, the information services, it's all about providing a set of capability in the infrastructure to enable you to build the right SOA environment.
49:57	RL	To go on to the next chart. A very, very important piece to all of this. In fact, it's what really makes SOA real is open standards. And we continue to lead the advancement in SOA based open standards.
50:12	RL	Whether it be the web services and web service interoperability, with leaders in the industry, it's x-forms in the standards body. It's all the innovation that's coming out of Web20. Things like AJAX and **Rest** or PHP.
50:29	RL	It's how do you build out the next generation of architecture around service components or service data objects. And it really is, how do you bring new partners to bear on that? How do you improve the programming model to make it much easier for people to build these next generation services based systems?
50:51	RL	We have over 50 people that either chair or co-chair standards bodies around the world. So I get asked that

		question a lot: "Why should I believe it's real?" Well, it really is standards space. This is not new, we've been working on inoperability in this industry for years. But for the first time, we've got a set of standards and we've got the industry and all the major players in the industry now starting to collaborate around standards to make sure that we can deliver an environment that's a value to customers.
51:23	RL	And if you go into the next chart. We continue to show that we lead in SOA. We have a broad base of expertise across industries. I shared with you, you know, that clients were working with, in terms of, you know, each of the industries.
51:40	RL	The standards bodies. We've got over 3,000 SOA engagements and assessments that we've done. We've got a lot of learning, a lot of skilled people that understand that value. That enables us to bring that value to clients but it also enables us to bring that value back in to the products that we build.
51:58	RL	We've got over 2,500 SOA business partners, hundreds of patents, and then we've got our IBM Institute of Business Value in which we do a lot of primary SOA research to really make sure we understand what is the business value, the business problem customers are trying to solve, and how do we bring that back in to the set of capabilities that we enable through the products and services that we deliver in IBM.
52:26	RL	Let's go to the next chart. And there's not just us bragging about the leadership position we've got in the marketplace today. But it really is all of the IT analysts reinforcing that position.
52:40	RL	Wintergreen Research in their 2005 SOA Market Share study gave 46% market share to IBM, much greater than any of our competitors. Gartner placed us in the Leaders Quadrant for all of the major SOA based technology. AMR named us #1 in SOA. Forrester has us leading in their Wave assessment. Yankee Group ranked us #1 in Capabilities. So, we've continued to push ourselves away with the set of enhancements and the set of new products we've introduced. We continue to push forward and continue to look for and provide leading products and services to our customers.
53:24	RL	Now, there's a lot of customers out there that are still very early in the journey. And still trying to understand what do I do next? What's the next step? Well, we've provided a whole set of help and capability. We've got the SOA maturity model that helps you understand where are you in terms of the maturity of your organization to be able to adopt SOA.
53:45	RL	We've got assessment tools, we've got workshops, to

		help you understand where you are. The information you can get off of our website. We can lay out specific game plans in details by leading workshops to look at your overall readiness. We can do assessments, we can do modeling workshops, we can help you build road maps, architectures.
54:08	RL	We have enabled well over 90,000 of our fellow IBMers to be able to help clients every day in their journey toward SOA.
54:21	RL	So, what do we do to build on that value? Well, what we recommend is, you select a focused SOA starter project for rapid business value. You don't want to do it all at once, but go get experience, find a project in which you think you can get business value in where you've got an alignment between IT and business and you can drive business process.
54:43	RL	You can expand into industry specific business services and business process management and understand what that provides you. Take a structured approach to infrastructure management. Don't let it just happen, but really think through the decisions you make on the technology and how you're going to manage it both in the short term and in the longer term.
55:05	RL	You want to provide insight to projects with proven SOA governance methods. So when you have a successful SOA project, how do you provide the right level of governance and how do you share that expertise in the second, third, and nth project within your organization. And then you want to continue to innovate, innovate, innovate.
55:25	RL	You're not going to get it absolutely right the first time. You want to continue to iterate. It's no different than business. We always iterate around the business processes, around the products, around the services that we build, and you want to continue to do that.
55:39	RL	We have over a billion dollars of investment in SOA and we are very, very committed to continue to deliver value in terms of the products and services we bring to the market.
55:54	RL	With that, I'm going to now turn it back over to Sandy for questions.
55:58	Sandy Carter (SC)	Okay great. Thank you Judith and thank you Robert. Outstanding job. Thank you for all of you staying in there during our web cast. We have some phenomenal questions so I'm hoping you're going to stick around for the Questions & Answers session.
56:13	SC	So Robert, I'm going to start first with one question that is for you. And that question is from a customer who says that they want to lever some of the best practices that you talked about, but they also have some innovative

		trade secret processes as well. Can those two work together in the same BPM environment?
56:34	Robert Le Blanc (RL)	Absolutely. Remember, what you're doing is, you want to take the standard best practices where you have processes that really are not differentiable that are really common processes or shared processes. Those shared processes can be shared within your organization, they can be shared within your industry. They can be driven by standard industry processes, they can be driven by the need to comply. But you want to combine that with the processes that you have to differentiate yourself in the market. The key is that you build these processes whether they be standard industry processes or unique differentiatable processes. You want to make sure they're on a common infrastructure that's driven by open standards. So lay them down on a SOA open standard kind of structure like what we provide at IBM and you will be ensured that your processes all work together. Whether they're unique or common, the key is that they really are based on open standards.
57:36	Sandy Carter (SC)	So that really leads us right into the next question. There was a question on, do either exist today, open standards around business process management? And if so, what are the ones that they should be looking at?
57:47	RL	Well obviously the underpinning for all of **after way** are the standards around web services and the standards around XML. Those are kind of a core, those are the fundamentals that drive any infrastructure here around SOA. Then you start to add standards around things like BPEL. The ability to manage and understand your business processes. Then you've got industry standards. Because you all will work in the context of an industry. So how do I support a chord and hip a HL7 and all the other industry standards that are important? So really is a layering of a set of standards. And if you have a set of capabilities and a set of infrastructure that supports those industry standards, that's going to give you flexibility to mix and match different pieces. The thing you want to avoid, is you really want avoid tying yourself in to a proprietary standard that is driven by one industry vendor. You really want to be a part of an open structure that has an open ecosystem.
58:56	SC	Okay, great. And sorry, while we're on this business process management thing, I want to group all these questions together. And there was a question around the WebSphere Process Server that you walked them through? When is that generally available and what do you think are the one or two features of that particular new release that you would really highlight?
59:18	RL	The WebSphere Process Server, it has a current release

		out. There will be a new release here at the end of the year that would be delivered. And that really starts to add capability around workflow management, around capability to manage people flows, not only the workflows that you can instantiate in your code, but also all of the people flows that are connected with it. Because what you want to do is you want to start to manage the process from end to end. Whether it is a process you can instantiate in the code or process that may be outside. And then you want to be able to manage all of the exceptions to the workflow that you have to the process flows you have and you want to be able to deal with that. You want to be able to deal with things like events. If there is an external event that occurs, what impact does that have after your business process? So you really want to be able to also monitor what's happening in the process because there may be an event to causes an escalation in the process that the business needs to know about it. So it ties in all of the monitoring capability. So it really starts to manage the total process from end to end. And the next release will be available at the end of the year.
1:00:38	RL	Okay, great. So I was thinking in that same business services management /business services topic. There was a question on how does Webify fit in, right, we just acquired Webify, how does Webify fit in, and then you talk some about DataPower, the question is does DataPower fit in a BPM structure, is it a EMC, what really is DataPower?
1:01:06	RL	Let me start with DataPower. DataPower provides a set of capabilities and DataPower, for those who are not aware of it, is a company that we acquired that provides appliances. And the two major appliances, one that is around, managing of your services around XML performance enhancements because as we start to build out more and more of these loosely coupled systems, we're having to deal with all of these messages being passed to all of these services. And so the ability to manage the performance, enhance the performance, is really, really important.
1:01:43	RL	The second area is around security. How do I manage security of who gets access to what service, when, so that I really control what service can call what service, what individual, what application gets the ability to connect and call those services. And really what we've done is we've taken some of the capabilities that we have in our Enterprise Service Bus (ESB) and capability we have and security. Instead of providing you with a CD with a code, we're just pre-integrating it and delivering it in a different form factor. In this case we're delivering it

		as an appliance.
1:02:25	RL	In case of Webify, Webify starts to provide industry context and starts to provide industry assets. Those industry assets can be claims processing and insurance is an example. We've taken some of the common processes and we pre-built some of the services that one would use. And around that there was a set of tools that enabled you to lay it down. And those tools, some of those tools on Runtime capability get delivered in the WebSPhere Registry Repository product, some of those capabilities will be delivered in the WebSphere Process Server, but really what we're trying to do is lay down a SOA foundation in which I can start to build industry specific content around policy, around data models, around process models, so it gives a customer a head's start.
1:03:14	SC	Okay, great. Uh, Judith, if I could direct a question to you. The question is, it seems like there's a lot of value in SOA, but we've also heard about some performance concerns and complexity concerns. Do the benefits of SOA outweigh some of the costs associated with beginning a project for SOA?
1:03:37	Judith Hurwitz (JH)	Um, thanks Sandy. I think yes, the benefits of SOA do outweigh the complexity. I think if you look at SOA and assume that you're going to take your entire corporation and create a SOA environment within the first 6 months, you're barking at the wrong tree.
1:03:58	JH	So you really have to look at this as an incremental process. We recommend that people begin with a project. Take a project that perhaps goes across one or two business units, that really addresses a specific issue around flexibility because it is a journey as we keep saying, it is something that you've got to get some experience with, so you need to start small, learn from that first engagement about how it worked, how granular are you making a service, can you put in a messaging platform which is that Enterprise Service Bus (ESB), get some experience, and then apply the success.
1:04:42	JH	So don't pick a project too broad and too complex, pick something that is manageable that you can get some quick experience and then you can demonstrate to other business units within the organization how you created success.
1:04:57	JH	So it's something that you have to orchestrate in a very methodical way and you can't look at it as a big bang or a big science project because you won't be successful if you approach it that way.
1:05:09	SC	Okay, thanks Judith. That comment about taking small entry points is a great segway into the next question, which is, "I can't rip and replace everything in my

		environment and my current environment has SAP in it. But I do want to use SOA. How do I move forward in that particular environment? Leveraging what I have, SAP in my environment?"
1:05:35	RL	You know, a lot of customers have made a huge investment in SAP and its drives, substantial proportion of the application function or the business processes. But they need to extend it.
1:05:46	RL	So what we really focus on is how do you extend and how do you get more value of your SAP environment. So we've got a whole set of SAP adaptors that enabled me to connect from my services through my ESB, through my connectors and adaptors for SAP.
1:06:01	RL	So all of a sudden now I can expose some of the capability. I can expose the data that's in my SAP environment into an SOA environment and all of a sudden now, I can start to build a whole new set of services that enables me to utilize all the investments and the information, the processes, and data that I've got in my SAP environment.
1:06:23	RL	So it's not about an either /or, it's about how do I extend out what I've already got. And we've got a pretty comprehensive portfolio of adaptors that enable customers to extend SAP with lots of references of customers who have utilized some of our capability, some of our **web service** capability to extend the value of their SAP environment.
1:06:43	SC	And just so you know on the side, those references are available at www.ibm.com/SOA. I know that was some of the questions. So **let me track back** for a moment, we talked about what you have in your environment and reusing SAP, let's talk about some of the new stuff coming out like Web 2.0 and AJAX. Does Web 2.0 and these new technologies also have a role to play as you're looking at SOA?
1:07:08	RL	Absolutely. Think about some of the Web 2.0 technologies. It's really about how do I integrate information, how do I integrate a set of processes. But how do I do it in the **frontal glass**, how do I do it over the web. In fact, the nice thing about web technologies in SOA, they're all built on a common set of principles of loosely connected systems. They're based on a set of principles around industry standards, and industry technology. So whether it be AJAX, and RASP and any of the other technologies, how do I bring all of this together.
1:07:47	RL	That's why we're providing AJAX capability in our portal products today. In the future we'll deliver things like RASP and PHP capabilities in our current portfolio. Because really, SOA is about how do I get to the service,

		whether the service is on the web, or the service is provided in the back-end system, it's about how do I expose the information in this services that I want to some of these next generation more collaborative front ends of what people are building.
1:08:17	RL	So I think it compliments and really becomes almost the front end to SOA. It's all built on the similar premise, around open standards and around this notion of services that are loosely coupled.
1:08:30	SC	Okay, great. Thank you Robert. So Judith, lets go back to you. I've got some questions coming in around, how do you get started, where will you direct people to go interested in the entry point. How would you give them advise on how to start? How would you choose that first SOA project?
1:08:48	JH	Well, I think a good way to look for that first project is first of all, from a business perspective, let's say you have a business unit that does something such as lets say, processing claims.
1:09:04	JH	Now that can be a very complicated coding process if your organization is consistently adding new partners and if there is a lot of change involved. So that would be a great first step. So pick a project where you can quickly understand what the processes are and you can take a look at the code that you have to define certain common services from a business perspective.
1:09:34	JH	And if they are changing constantly, you may have a situation where right now you are coding each time you add a new participant into your value chain. And each time you do that it's a 10-month process because not only do you have to code it but you have to test it and see if it works. So if you have a situation like that, that's an excellent example of where you can start with a SOA pilot.
1:10:02	JH	Now you can start to codify those services and make it easy so that now when you add a new participant into your value chain you can do that without recoding, you can link a new service together, you can give them, you can put a web service's interface to that service so a partner can easily use it as though its their own service. So that would be the type of examples. Very pragmatic, it's a short window to success that can demonstrate the value of doing this.
1:10:38	SC	Great, thank you Judith. And just so you guys know, out on ibm.com/SOA there's also a paper on 5 SOA projects that yield return on investment in 6 months or less. Again, that's out on ibm.com/SOA. So lets build on that last question Judith just answered, given us some practical ways to start. I'm going to go now to Beth Smith, who I introduced earlier on the call, Vice President of

		Business Process Management and works a lot on the development side of SOA. And Beth this question is how does e-commerce play into SOA? Is e-commerce a potential starting point?
1:11:16	Beth Smith (BS)	Absolutely. And whether or not you are talking about B to B or B to C, either way I think it really is a key scenario that can be very applicable to SOA. I think the easiest way to look at that is to go back to the 5 entry points.
1:11:32	BS	So if you start with people, regardless whether or not you either sell to businesses or consumers it's really all about that user experience. A people centric approach to SOA enhances that user experience across all the channels while they're improving both your partner and your employee productivity.
1:11:52	BS	Then when we go into process, and you think about e-commerce. Model processes are really converted into services and or then reused, connected, and redeployed to be more flexible and what you're trying to do from either B to C or B to B implementation.
1:12:11	BS	And clearly as you have to deal with market changing conditions and drive innovation in your demand chain, you have a lot of opportunity for needing more flexible processes. So processes is definitely a part of it as well.
1:12:26	BS	As is information, think about the amount of information that is available within an e-commerce and commerce in general scenario and the value you can use by leveraging that information as you extend to customers, partners, and associates.
1:12:43	BS	And I've mentioned it before but I think it goes it's important to repeat the fact that connectivity is so key. The ability to effectively connect your infrastructure with your demand chain which you're multi-channel retailing and your commerce environments really allows you to have greater value from the existing resources that you have.
1:13:03	BS	And finally, creating and reusing services really enables you to extend commerce capabilities and enables you to have a new service based business for the applications that are driving your e-commerce business.
1:13:20	SC	Great. So that kind of yields how you might get started with e-commerce. Paul Brunet, again who I introduced earlier on the call who is responsible for our SOA Product Management and Marketing. A question came in and said, you know, I saw the example that Robert gave about people and the entry point being portal. How do those relate to each other and especially the customer example that was given, how does that really play in to the story?
1:13:48	Paul Brunet	Sure. As we know, most processes at some point in time have a direct interrelation with the people and those

	(PB)	processes. But if we take a step back where we think about all of the different applications, the content, and all the data that slipped inside of organizations, what SOA is about is making these much more consumable from a **serviceable** perspective.
1:14:06	PB	These services whether they be information services or application services, are utilized both from a processed or the end point is consumed by end users or the people. One of the ways that these people can consume these information or processed services is through web sub portal.
1:14:23	PB	As Robert mentioned web sub portal version 6, is built upon our process server capability. So some of the new enhancements you see in Portal 6 allow you to take **consumer** services and organize them in a more automated fashion from much more of a process perspective.
1:14:38	PB	That's one way that portal plays and the people aspect play in regards to an SOA. The other way is that **new users** will interact with your services in many different ways with many different clients. One of the new clients will be taking a look at is Lotus Sametime 7.5. What you want to have is more of that dynamic real time interactions where users can then come and consume these services but in a much more secured managed fashion.
1:15:02	PB	And Sametime 5 is offering much more adaptability of users in a real time **adhere** whether it be voiceover IP, or much more what we think of interactive nature can apply and utilize services during that real time collaboration.
1:15:16	PB	So once again, being able to pull in these services of all the back-end systems at a much more real time type of environment. And once again, these types of interaction can occur internally or externally with different partners and channel suppliers and the like.
1:15:31	SC	Great, thank you. Let me go back to Judith for a question. Judith, the question is, if I have web services, does that mean I am doing SOA? And how does SOA differ from making the case that your application is web services capable?
1:15:56	JH	Okay, I think that's a great question. Web services interfaces are key component of a service-oriented architecture. But they are a component of it. A very important part of a service-oriented architecture is actually creating the business service. And the business service is really, you take a component, a process, and a set of rules, and you actually encapsulate them, you black box them so that they perform a specific function.
1:16:30	JH	It may be a bill payment service. It could be a lot of different services that would be useful across many

		different aspects of your business. What you then do, is once you codify them, the way you link them together through a business process is through those web services interfaces which are based on the XML standard. So it's a very important component, but simply adding a web service interface onto something that is monolithic, and is not based on a series of services, it allows you to get access to an application, but it does not give you architecturally a set of business services that are loosely coupled so that you can change them, modify, add a new service, change that service based on a business rule. So it's much more about both a philosophy and a process of creating services that are loosely coupled.
1:17: 30	SC	So let's just follow on that question Judith. I'm going to turn to Beth. Beth, so Judith just talked about web services does not equal SOA but you do service and able any of your legacy applications including a mainframe. I got a host of questions here from a company saying, what about the mainframe. How does the mainframe or how does the Z series fit in to the SOA story?
1:17: 55	BS	Okay. Let's take that in 2 parts, actually. We'll start with the legacy part but the mainframe isn't all about legacy. So one of the things that Judith talked about was the fact that you could web service enable existing assets. And think about the many applications and data sources, information sources that you've had for many years in your businesses for a while now.
1:18: 21	BS	Those are considered legacy. You may not need to change them now but for you to get the value of what you're trying to do in your day-to-day business, you need to be able to access those. And that's a way that, you can do that through an SOA. We do it through our application services, as well as the information services.
1:18: 41	BS	You can also use some of the adaptors that Robert talked about earlier and use those as a way to connect with and leverage the many different legacy applications and information sources that you may have. Many of the legacy ones are on the mainframe but that's not the only place we have them. And the mainframe is not just about legacy. The mainframe and the V series is definitely a viable platform, for many customers, for many aspect of their SOA. Maybe they are going to have new applications, new information and content stored on the mainframe, maybe they're going to put their ESB on the mainframe. Maybe they're going to run their processes on the mainframe.
1:19: 27	BS	One of the things that we have done is made WebSPhere Process Server available for the Z series. That is because that is what customers have asked us to

		be able to do so they could have the scalability and robustness that the mainframe platform provides.
1:19:45	SC	Okay great thank you. So you talk a lot there about processes and the processes you may already have on Z series. I'm still getting a lot of questions and keep them coming guys. We'll go on for about 10 more minutes and if we don't get to your question live, we will definitely send out an answer as well. So lets continue on with business process management. So one of those areas that caused a lot of interest it looks like from the questions, was around creating an inventory of these reusable business services you then could use in Business Process Management. And the question is, it seems that inventory requires an upfront investment. Is that cost prohibited? How do you justify that cost based on return on investment? So I'm going to route this question to Kramer Reeves, one of our business process experts. Kramer?
1:20:37	Kramer Reeves (KR)	Sure that's a great question because no matter if your project is transformational in nature or just project or departmental in nature, the RY needs to be there before you get started. And what we recommend is what Robert eluded to earlier, in evaluating the projects, is to tie those very closely to the processes that they are supporting.
1:21:01	KR	You want to pick the projects that are going to drive the biggest return based on the allowable risk and the investment that you want to make. And one of the ways you want to do that is tightly linking the project across the IT department into the business department in the process it is supporting.
1:21:25	KR	So you know it's not about changing once, it's about changing again and again and again. Because we know we're in a dynamic environment and that's what SOA really helps us do. It's about abstracting the process on to the technology so that you can change the technology without grossly impacting the process and just the reverse. Change the process without having to rip up the technology.
1:21:49	KR	One of the ways that we offer to help justify the cost or identify the return is through modeling and simulation. By applying a business modeling tool, you can simulate the **???** and to be processed and determine what that investment is going to be. And what the return is going to be as well. From a time resource as well as cost perspective. And in fact we just published recently our BPM Red Book that gives extensive detail from our modeling and simulation, our process server, our monitoring tools. To go into a lot of detail about exactly how to do that and justify the costs.
1:22:	SC	Okay great. Thank you Kramer. I'm getting a lot of

30		questions about where to go in finding information. So where do I get case studies? Are there any courses or boot camps that I can take? Are there any practical, firm, "here's what someone else did"? that's available that I can walk through? So Paul, can you walk people through some of the things available to them in terms of education and learning more?
1:23:05	PB	Sure. One of the websites we've mentioned is ibm.com/SOA. But there are some other information available elsewhere on the IBM site. One of the key ones especially if you're looking for more courseware and more of the boot camps is to go to ibm.com/developerworks. And on there on the left hand side you'll see a link for all of SOA and web services zone. Here's where we publish a good deal of technical papers, as well as access to additional training opportunities, whether it be online or basic classroom training. And this training is delivered throughout various aspects of IBM whether it be from a software perspective or from a services team.
1:23:28	PB	Additionally what we have noticed a trend in the market is, a number of summits depending upon the role of the organization, whether you be a executive or a CIO, we offer a series of executive summits, which are 2 day events where we have different speakers, a lot of customers come in, and a lot of interactions across these different customers, talking about how they see SOA and how they're looking at rolling out SOA.
1:24:02	PB	Another opportunity which IBM offers is an area for the architect where we offer across the globe, the idea of an architect summit, which is a one day, free event, where we invite the architects to come and learn about the concept on how to structure and the thinking behind SOA. Once again, whether it be the executive summits or the architect summits, are available on the ibm.com/SOA website.
1:24:27	PB	The last thing is to how do you interact with business perspective. We invite you to a line of business to come in and learn what does SOA mean to them to a series of lines of **business symposiums /business work** that we're doing. Once again, that information is available on ibm.com/SOA.
1:24:46	SC	Great. So let's go on, we have a lot of other questions coming in here, so lets go on and pick another interesting one, and Beth, I'll take this one for you. There's a couple questions on, still real simply, tell me what an ESB is. That's kind of part A. Part B is, can you explain the difference between your WebSphere ESB product and your Message Broker. And Part C, if you can remember all three of those, so Part A is what is it, Part B is what's

		the difference between your WebSphere ESB and your advanced Message Broker, and then Part C is where does Process Server fit? I heard Robert say Process Server had ESB embedded in it. How does that all fit together?
1:25: 29	BS	Okay. So let's start with, what is an ESB? What is an Enterprise Service Bus (ESB)? It is a flexible connectivity infrastructure for integrating applications and services. So if you just think about it as the place that is going to do all of the interaction, of what your various services in an SOA are going to want to do.
1:25: 57	BS	So, what this boils down to is 4 things: routings, messages between services. That's kind of the simple part. Then being able to convert the requester and the service. Being able to transform the message formats between the requester and the service. And then finally being able to handle business events to spare from its sources.
1:26: 27	BS	So that if we go back to the basic definition, it is really the flexible connectivity infrastructure. And it is at the core of what an SOA is about. So then that was Part A, I believe.
1:26: 39	BS	So Part B, was, okay, you have two products. WebSphere ESB and WebSphere Message Broker. So, what are the differences between these products? And they are both ESB. WebSphere ESB implements web services. So if your connectivity is all around web services, then WebSphere ESB is our offering from an ESB standpoint for that.
1:27: 12	BS	But if you have a more complex environment, and you need to be able to have the benefits of an ESB from many different forms, to many other forms, then that's where our advanced ESB comes to play. And that is WebSphere Message Broker. And it will handle both web services and non-web services so that then you have many more interaction capabilities as a part of it.
1:27: 40	BS	Then if we move to the third part of this question it was about Process Server and where does Process Server play as a part of this. So, in simple terms, if you can think of WebSphere Process Server as what handles the choreography of your business processes.
1:28: 02	BS	In doing that, it leverages an ESB for the connectivity for the transport, the handling of the messages that we described as a part of an ESB. And doing that, we made the decision in that because of the WebSphere Process Server will benefit from an ESB we made the decision to embed the same technology as our ESB product and put that in our process server. And then have the process server in extension that deals with the execution of your actual processes and that choreography. The execution of run time associated for example with BPELL for

		instance. The business process execution language that Robert talked about earlier as a standard in this space.
1:28:54	SC	Thank you very much. So guys I know we still have lots of questions still coming in and I really appreciate your interest and we will personally answer to each and every one of those questions coming in. But I think we're now over time. So what I'd like to do, is to progress you on the screen to watch the launch movie. We have a launch movie on SOA. It is geared towards not to discuss products but to intrigue and to show you the business value in a dramatic setting of SOA or service-oriented architecture. You may want to invite your line of business to watch the movie. It's only about 30 minutes. And the movie will have themes or different pictures of technology that can be gone into if you wish. To show you how the technology achieved that first result. Think of it more as an extreme makeover type of movie where you would go through and see the benefits but the details of how those benefits would be achieved would be done over to the side. We'll do just like normal movie will do, meet the director, meet the producer, and then after the movie premiers it will start on the web on October 26th and roll out to IBM theaters around the world in November. We will release the DVD once Blockbuster movie has run its course and we should see DVD with cuts on it and white paper and red books. And everything that you need to get practically started around SOA. So I hope you found this web seminar to be helpful to you. I do appreciate all the great questions, all the great interest, and so many people sticking it out with us until 12:30. I definitely want to thank our guest speakers both. Robert LeBlanc, thank you Robert. As well as Judith Hurwitz, the CEO of Hurwitz and Associates and the author of an upcoming book, "SOA for Dummies". If you were the first 300 folks on the call you get a free copy of that book and we will be contacting you to let you know if you were one of those lucky people. So thank you for your time, thank you for your interest, and I look forward to working with you more on SOA. Thank you.