

#### What's In<sup>3</sup> All About? And Relevance to Customer Council!



# Background

- Interoperability is an issue for most organizations
  - However interoperability is a big issue
  - Interoperability has many meanings
- Therefore we need to understand what is really meant by this requirement
  - Use business scenarios
- The following is our understanding of the interoperability requirement



#### **Business Scenarios**

□ A Business Scenario describes:

- Business process, application or set of applications
- The business and technology environment
- The relevant people and computing components
- The desired outcome of proper execution
- A good Business Scenario
  - Is "S.M.A.R.T."
  - Enable the supply side to better understand the needs of the buy side
  - Support the business case for the vendors



# What Is Meant by Interoperability

A useful working definition of interoperability

 The ability of two or more entities or components to exchange information and to use the information that has been exchanged *"to meet a defined mission or objective"*



# **Customer Problem Statement**

- "I could run my business better if I could gain operational efficiencies improving
  - the many different business processes of the enterprise
    - both internal, and
    - spanning the key interactions with suppliers, customers, and partners using
  - Integrated information, and integrated access to that information."

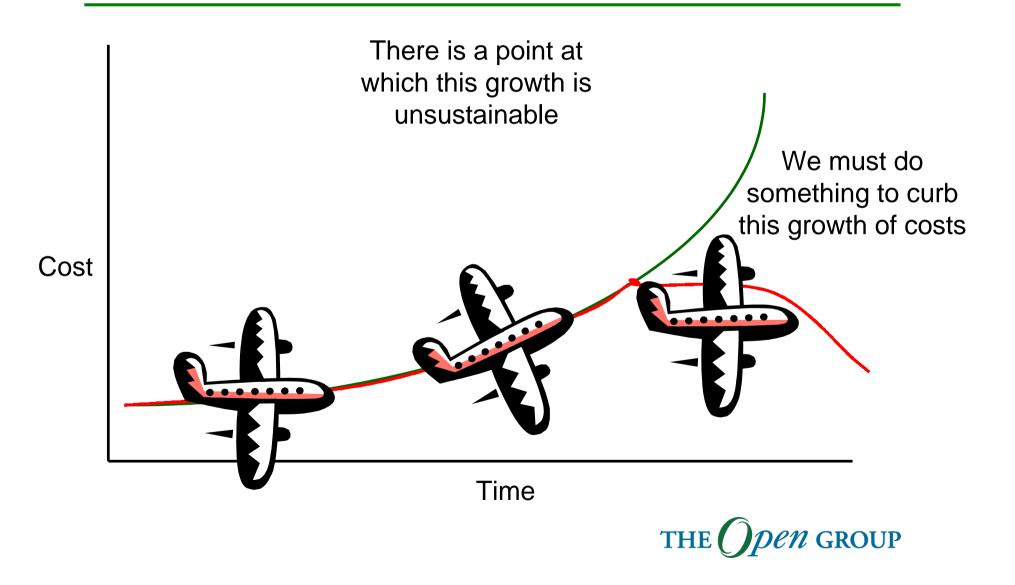


## Pain Points

- Lack of effectiveness of business operations
- Lost opportunity to add value to the business
- Increasing IT costs
- Lack of effectiveness of IT
- Reduced management control
- Increased operational risk



# The Criticality of IT Costs



#### How Important...

- Not having an "Integrated Information Infrastructure" where systems interoperate, i.e. easily exchange information and use that information to improve operations, is causing organizations real pain
  - 100s of millions in lost opportunities
  - Billions are said to be spent to make systems interoperate or to recover from mistakes
  - The risks are not only financial but deal with lost lives
    - Hospitals, 911/999 systems, Critical infrastructure, Air Traffic Control...
    - \* respondents to survey taken at conference



#### Forecasts

- Gartner Dataquest forecasts Worldwide End-User IT Spending will grow from \$2.7 US *trillion* in 2001 to greater than \$3.0 US *trillion* in 2002 and \$3.4 US *trillion* in 2003
- The worldwide integration services market, is expected to grow at a 25% compounded annual growth rate between 2001 and 2005 to \$116.5 US billion according to IDC
- Recent CIO magazine survey says companies spend over 35% on integrating systems and processes



#### **Shared Problems**

	Manufacturing Co 1	Manufacturing Co 2	Manufacturing Co 3
	Business Processes	Business Processes	Business Processes
	Manufacturing Process X	Manufacturing Process Y	Manufacturing Process Z
	Scheduling	Scheduling	Scheduling
	Procurement	Procurement	Procurement
	Human resources,	Human resources,	Human resources,
-	Business Logic	Business Logic	Business Logic
	Manufacturing Logic for X	Manufacturing Logic for Y	Manufacturing Logic for Z
	Scheduling	Scheduling	Scheduling
	Procurement	Procurement	Procurement
	Human resources,	Human resources,	Human resources,
	Business Metadata	Business Metadata	Business Metadata
	Manufacturing Metadata for X	Manufacturing Metadata for Y	Manufacturing Metadata for Z
	Scheduling	Scheduling	Scheduling
	Procurement	Procurement	Procurement
	Human resources,	Human resources,	Human resources,
	Middleware	Middleware	Middleware
	<b>Operating Systems</b>	Operating Systems	Operating Systems
	Computer Hardware	Computer Hardware	Computer Hardware
	Networks	Networks	Networks

**Common problems** 



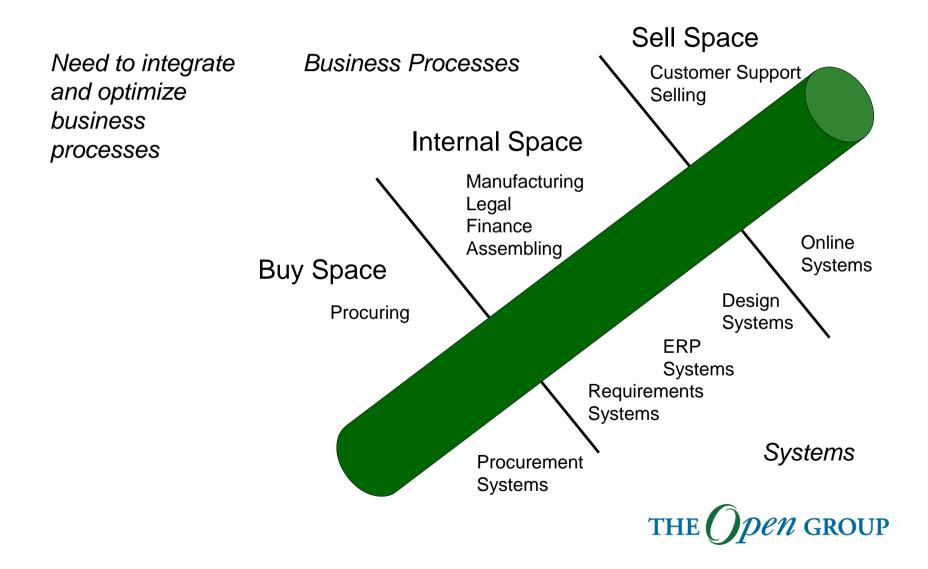
# Shared Problems across Industries

Manufacturing	Finance	Petrochemicals
Business Processes	Business Processes	Business Processes
Manufacturing	Banking	Exploration
Scheduling	Scheduling	Scheduling
Procurement	Procurement	Procurement
Human resources,	Human resources,	Human resources,
Business Logic	Business Logic	Business Logic
Manufacturing	Banking	Exploration
Scheduling	Scheduling	Scheduling
Procurement	Procurement	Procurement
Human resources,	Human resources,	Human resources,
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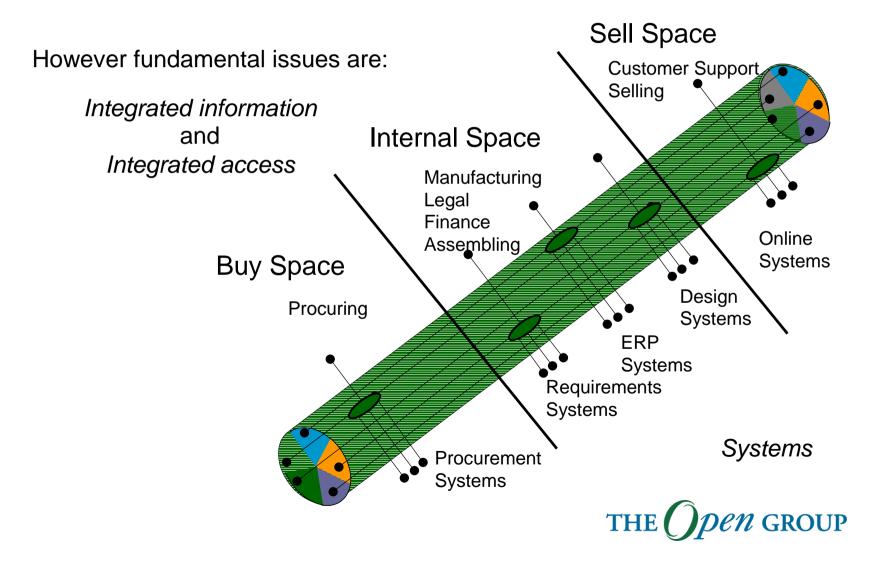
**Common problems** 



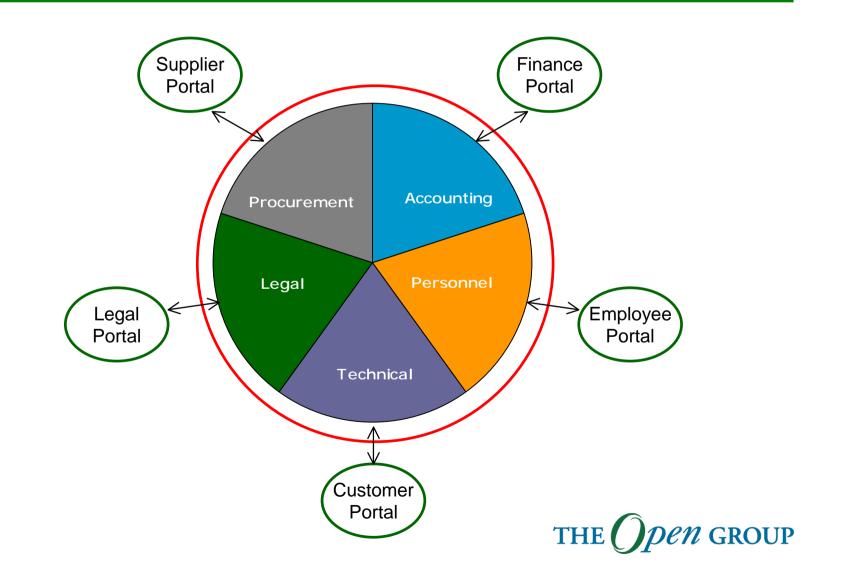
#### Problems from ...



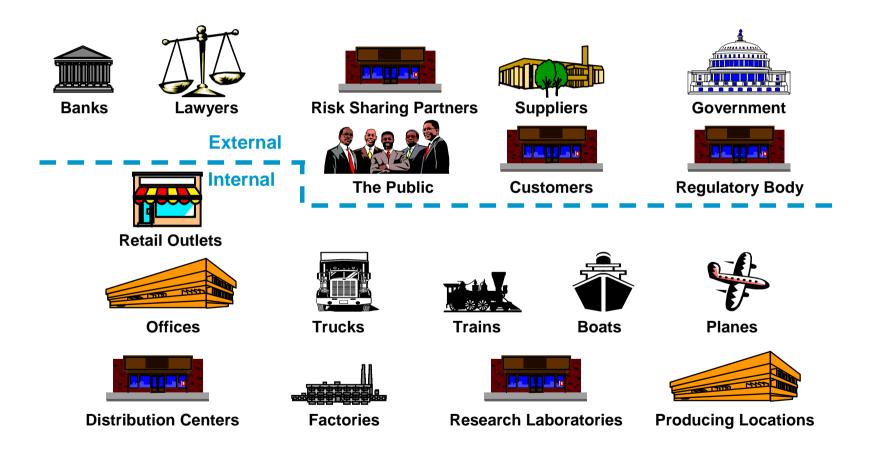
#### Problems from ...



#### **Need for Integrated Access**

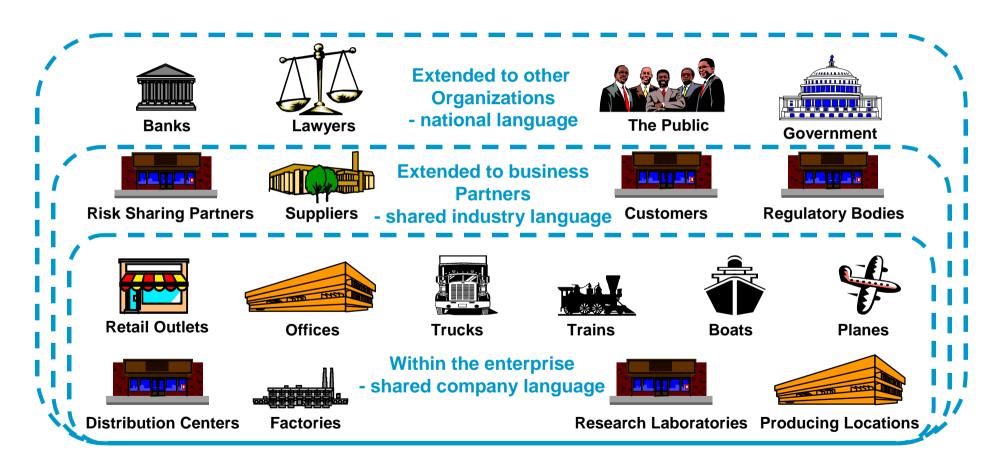


## **Business Environment**





#### Business Environment Extending the Reach





# **Business Environment**

(product lifecycle)

Internal processes include processes like:

- Product definition
- Manufacturing process design and definition
- Inbound logistics
- Workflow / shop floor logistics
- Outbound logistics (fulfillment/delivery)
- Maintenance, and
- Discontinuance

Success is measured in terms of process efficiency and accuracy!



## **Examples of Human Actors**

- Clerks
- Analysts
- Engineers
- Materials acquisition and procurement specialists

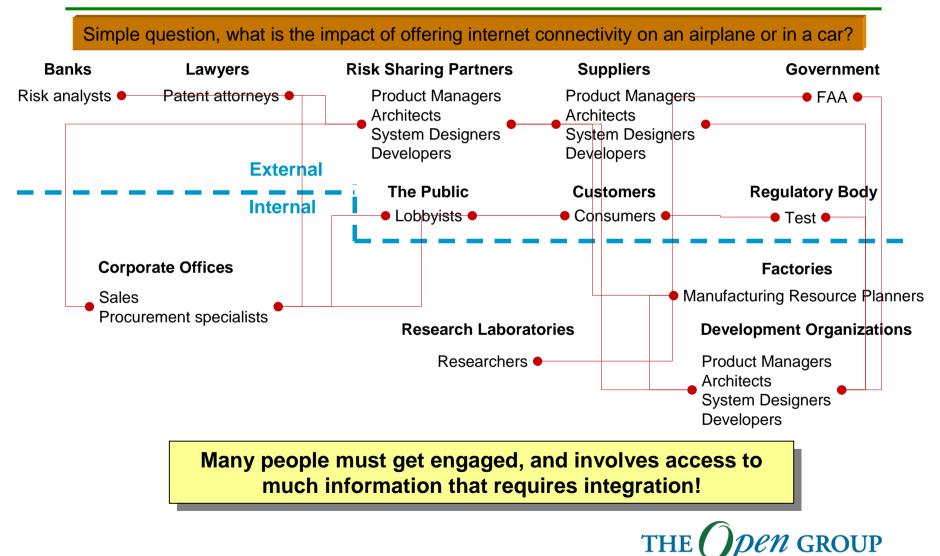
- Shipping and delivery personnel
- Researchers
- Security specialists
- Suppliers
- Shop floor workers and technicians

People executing processes are always in the value chain!



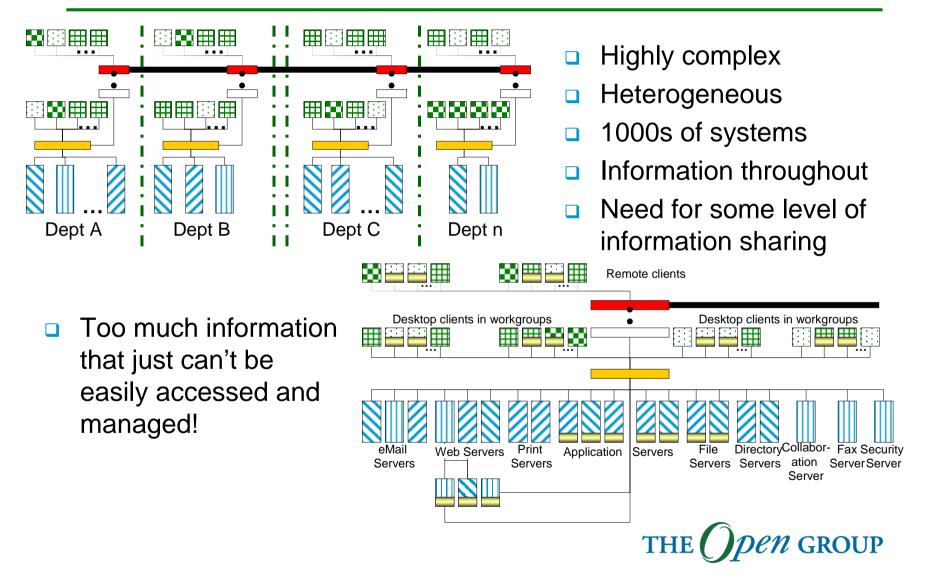
# **Business Environment**

#### Consider a "Product Lifecycle" Example



# **Technology Environment**

**Network View** 



# **Objectives and Measures**

- Improve business productivity and effectiveness of business operations
  - Improve select process performance metrics
  - Revenue growth
- Shorter cycles to return on IT investment
  - % of procurements against standards
  - Spend on customizations
- Improve effectiveness of information technology organization
  - Asset utilization
  - Cycle time for rolling out upgrades
- Improve service
- Improve management efficacy
- Reduce risk



## So What Is In<sup>3</sup>?

- An Integrated Information Infrastructure is a desired state for an enterprise's infrastructure specific to the needs of the organization
  - It has standard components that provide services in a customer's extended enterprise that
    - Combine multiple sources of information
    - Deliver information to the places where that information is needed and
    - In the right context for the people or computer components using that information



## So What Must One Do...

Information	Infrastructure
Understand business processes and information	Identify and prioritize business information flow
Prioritize and Assess	Identify sources of information
Create/adapt policies and best practices	Assess mechanisms for information flow
<ul> <li>General management guidelines</li> <li>Use, management, and security policy</li> </ul>	<ul> <li>Register sources and destinations of information</li> <li>Develop business architecture</li> </ul>
<ul> <li>Research</li> <li>Security services</li> <li>Information services</li> </ul>	<ul> <li>Plan, develop, test and deploy</li> <li>Security services</li> <li>Information services</li> </ul>
<ul> <li>Brokering services</li> <li>Integrated access services</li> <li></li> </ul>	<ul> <li>Brokering services</li> <li>Integrated access services</li> <li></li> </ul>



# Business

Technical

#### One Would Have a Lot to Do

- Takes Time
- Costs Money
- Judged on quality and results

#### Option 1 - Go it Alone

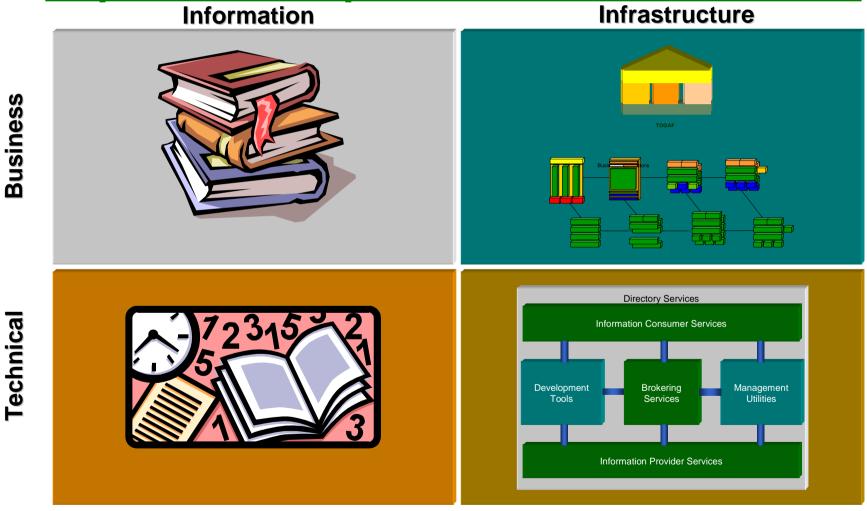
- Longer elapsed time
- High costs
- Unpredictable quality
- No lasting guarantee
- □ High risk

#### Option 2 - Leverage

- Shorter elapsed time
- Greater industry investment
- Lower organization costs
- Safety in numbers
- Safety in certified standard products
- Shared risk



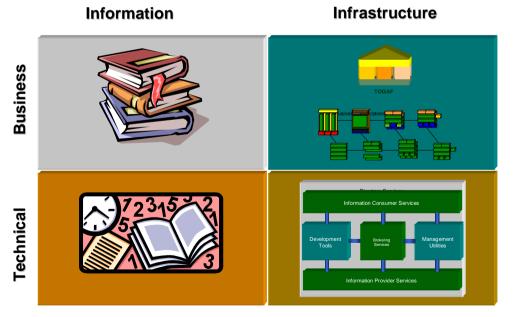
# So What Can You Do In The Open Group?



THE Open GROUP

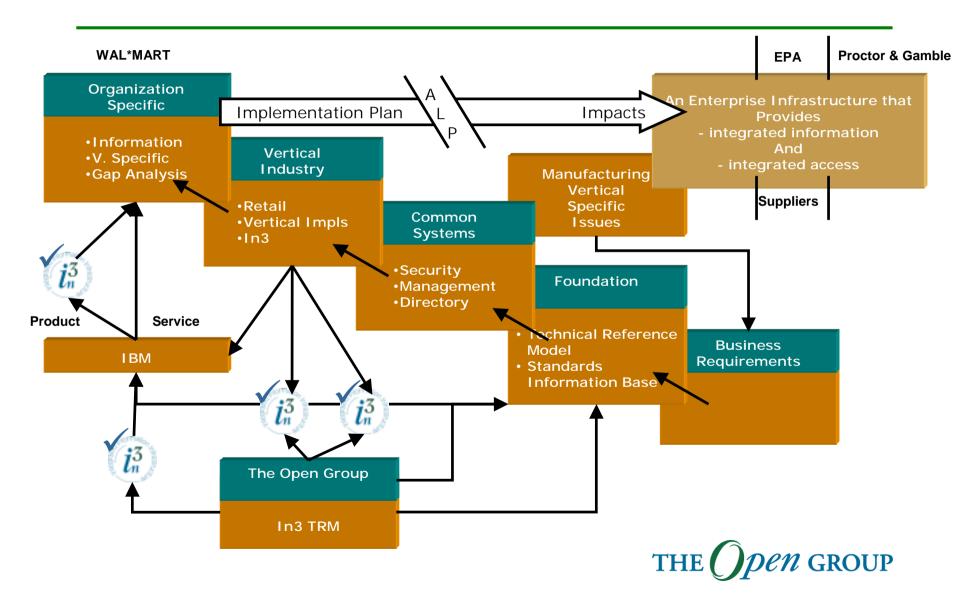
#### What Else Can We Do?

- Communicate to CxO levels on the importance of the issue
- Muster support from major customer and vendor organizations
- Bring the right organizations together; DMTF, OASIS, OMG, W3C, IETF, ...





#### How



# Notes on Architecture Models

#### It is not intended to

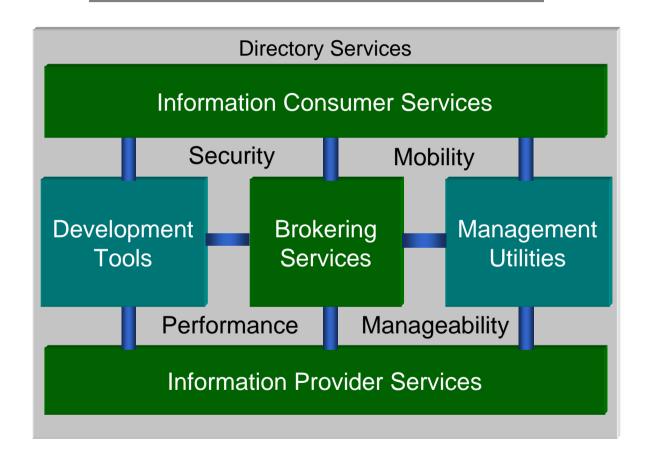
- Create an enterprise architecture that everyone must adopt
- But rather
  - Establish a technical reference model that could be used in conjunction with something like TOGAF to build one's architecture for one's Integrated Information Infrastructure



# A Level 1 Model

(front vi

None of this is cast in concrete!

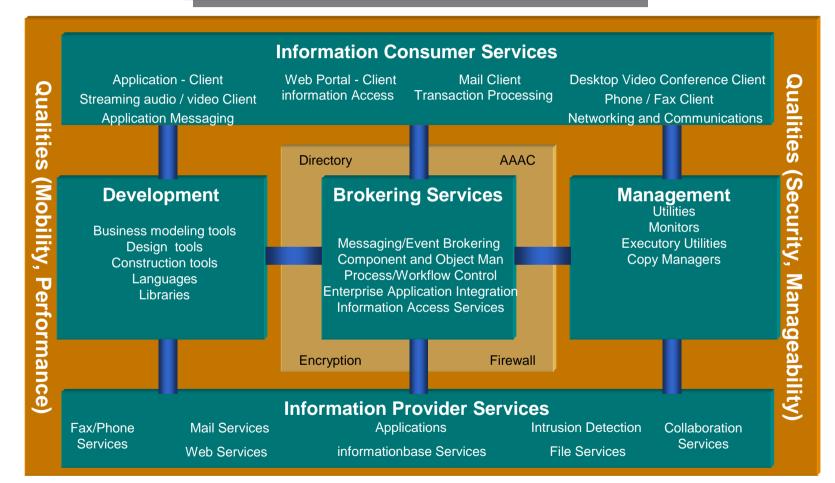


Classes of Interfaces - formats and protocols ...



# A Level 2 Model

None of this is cast in concrete!



Classes of Interfaces - formats and protocols ...

THE Open GROUP

#### What's the Difference?

- □ There are many efforts going on in this space,
  - Global Grid, Global Information Utility, Internet Operating System, etc...
- Most of these efforts either focus on a particular aspect, or a particular technology
- The Open Group
  - Is looking at whole problem, bringing together all the parts and pieces
  - Best practices and technology standards
  - Well equipped to be the certification authority: to ensure that the pieces and parts have lasting guaranteed value to the enterprise

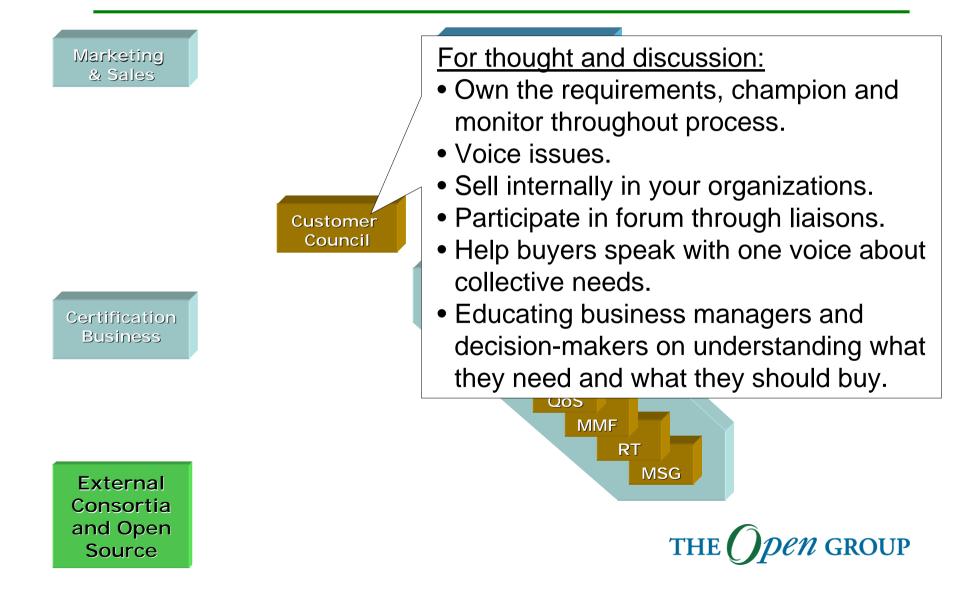


#### Won't it be nice when...

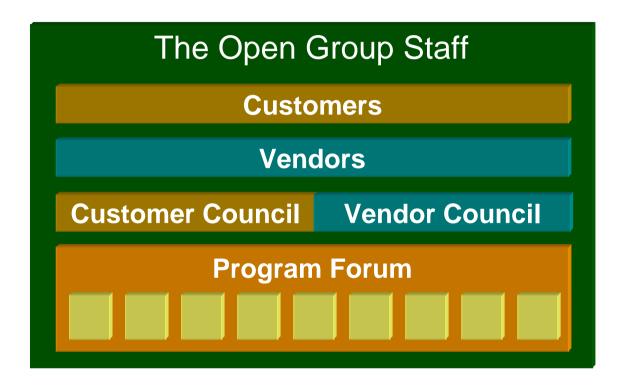
- The Open Group membership announces the availability of the following profiles that represent collections of standards that can be used to produce products that are certified to interoperate as specified.
- These profiles represent major building blocks necessary for companies to build their Integrated Information Infrastructures which is estimated to save companies *billions* per year and improve operational efficiencies.



# **Potential roles**



## We All Have Parts to Play



We can and will succeed! Together we're better.

