



# IBM Builds Service-Oriented Partnerships to Deliver Service-Oriented Architecture

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## Management Summary

One reason Service Oriented Architectures have found resonance with businesses is because SOA has more congruence with how business is done today than any technology architecture to date. The service limitations of green screen terminals and client server architectures, reminiscent of the doldrums of 20<sup>th</sup> Century bureaucracies, have limited appeal to a business that must constantly innovate. The ability to evolve the technology that supports a business by swappable application services aggregated in an arbitrated architecture seems to fit the scramble-for-survival mode of business in the 21<sup>st</sup> Century. For most organizations, goods or services are delivered to customers as a set of evolvable offerings. Those elements that grow stale or obsolete are refreshed or retired. Customer needs drive constant, or at least periodic, incremental change. However, these days, threatened or real erosions in customer loyalty have forced litanies of change on many businesses, particularly small businesses whose cachet of uniqueness was supported by geographic myopia. The idea of a more easily swapped, more modular, offering of goods and services, long a strategy of savvy retailers, now strikes just about everybody as a good prototype on which to build a business.

Many enterprises want the way they get technology and implement it to be similarly flexible, feature rich, and cost-efficient. Those enterprises of a size to rate high-touch direct sales may have access to a wide range of options, but **smaller enterprises are often limited by what their distributor, systems integrator, or reseller has to offer. That reseller, meanwhile, is caught between eroding profitability and a growing customer demand for complex technology solutions that are easy to deploy and problem-free in operation. These demands require a more modular approach – a more service-oriented approach – to how technology is delivered.** IBM's PartnerWorld Industry Networks is a good example of how this approach can be accomplished. Understanding the way that IBM has restructured its channel strategies will clarify, for enterprises of all sizes, how an SOA-like approach will allow them to take better advantage of the alternatives that now adorn (or clutter, depending on your attitude) the procurement opportunity. For more details, read on.

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## The Nature of the IBM Channel

Smaller enterprises prefer to buy technology from someone familiar with their company (i.e., local) or with their industry – someone who can go the extra mile to find a solution that works well for them. This often involves integrating applications from business and production with the analytics needed to determining business strategy, and providing the infrastructure for the applications. IBM's value chain runs from the software vendors who qualify their applications on IBM middleware and hardware to the systems integrators, distributors, and resellers who deliver IBM solutions to all but the largest enterprises. IBM has been trying to make it less onerous and more beneficial to be an IBM partner, while growing an ecosystem that will allow all parties (including IBM, of course) to thrive. This is not a matter of good works, but of good business. In addition, over 5000 partners are now part of the IBM SOA Partner initiative via the PartnerWorld Industry Networks program.

### PartnerWorld as SOA

For some years now, IBM has been evolving its relationship with its business partners. This evolution is not just a matter of the architectures of partnering tiers or the choreography of the armadas of distribution, though that kind of optimization is always important. It is more about designing a multi-dimensional, service-oriented topography – something that sounds like it comes straight out of science fiction. **With the tools of a knowledge base, self-paced training, and collaboration (enabled by the Internet); the framework of partner registries and certifications; and the lubricants of adequate funding and incentives, IBM has built an ecosystem where a salesman or relatively-committed business partner can locate and aggregate the products and expertise needed to satisfy his or her customer and deliver the aggregate as a lead contractor.** This expertise may come from another partner, or it may come from some part of IBM – sales, marketing, technical, or even research.

With such a system, every participant benefits. The partners get to leverage the breadth and expertise of the community, and IBM gets to leverage the specific expertise and market reach of the partners. People on the front lines of the sales opportunity get the back up of whatever technological expertise is relevant – and the back-room experts get the experience of field implementations. With commitment, partners get access to a deeper share of the expertise of the whole. And, perhaps due to the self-defining, self-advertising nature of the partner role (something very much like the services in an SOA registry) and perhaps because it is situated in an expansive sea of revenue opportunities, IBM's business partner ecosystem can evolve fast and expand wide, and with less constraint, than a more rigid organization. The

partner count now stands at more than 5000.

### PartnerWorld for SOA

**Now, IBM is leveraging this ecosystem-style value chain to bring service-oriented architectures (SOAs) to the masses of small and mid-sized businesses that crave the business-side efficiencies that SOA architectures afford.** The congruence of what IBM is offering and how they are offering it is more than just a striking coincidence. Smaller enterprises are always looking for a better, more affordable way to get the technology assist on which they increasingly depend. To achieve this affordability, waste in the procurement and deployment process becomes just as intolerable as wasted duplicative applications, or wasted capacity in the rack sucking down electricity and radiating heat.

The looser coupling that IBM has introduced in organizing benefits and resources for SOA come in the form of three salient features; a new zero-commitment offering to appeal to a broader set of potential partners, an SOA-overlay on the traditional Industry Networks (which will let partners more richly characterize their expertise), and a software-as-a-service (SaaS) component to the Business Central partnering catalog, which will allow partners to quickly find pre-qualified components for the SOAs they want to build.

### *PartnerWorld Participation Starts with No Commitment*

In business partnerships, there has always been a trade-off between the intimacy of commitment and the limitations of lock-in, both real and perceived. What is increasingly important is that the spectrum of commitment should start low. **IBM has taken this imperative seriously, establishing no-registration-required offerings that give a potential partner the ability to kick the tires.** Like the free download of a software trial version, this no-commit teaser is becoming a common commercial tactic.

IBM freely offers tools, presentations and white papers, and free software downloads<sup>1</sup>, without registration. Stealthy is OK, if that is what you need to get comfortable. Moreover, IBM also offers assistance, over the web through DeveloperWorld, to let partners decide how they would like to start a relationship with IBM.

### *Commitment to PartnerWorld Brings Real Business Benefits*

IBM has established three tiers of SOA commitment. This tiering lets partners look for partners to work with on the appropriate layer.

<sup>1</sup> This open stack of basic software includes WebSphere Application Server Community Edition and the Eclipse IDE.

## SOA Business Partner Community

This is the first tier commitment, at which a member will get training, Web-based discussions, product certification, early enablement on new products, workshops, sales materials, and access to PartnerWorld's Industry Network Virtual Innovation Center. Industry Networks were developed to ensure that a user of the PartnerWorld ecosystem could easily find expertise that is relevant. By adding a SOA Community as another component of the Industry Network ecosystem, IBM recognizes that skills in SOA must be similarly easy to find and evaluate, and that many of those skills may be relevant across industries.

## SOA Specialty

To become a member of the SOA specialty, a partner needs to meet business, technology, and educational criteria that demonstrate *a significant dedication to SOA implementations*. At this level, the partner can take advantage of discounted advertising, SOA Sales Connections<sup>2</sup> and select access to Business Central.<sup>3</sup> This is the level of commitment where the business benefits of the community as a whole start to become evident. For the enterprise customer, this gives the Business Partner not only credibility but certifiable value.

## SOA Specialty by Invitation

As a partner's SOA expertise grows, the company may want to increase their commitment to IBM and SOA. This specialty is a category for partners who show thought leadership, significant achievement, and support for IBM products. They commit more, and they get more, in the way of programs, incentives, assistance, and full access to Business Central. With this level of participation in a larger ecosystem, even a very small Business Partner can extend its addressable market space and reposition itself more deftly as markets wax and wane. Participation on this level allows participants to bid on complex engagements with tight time frames. In addition, participation on this level can be a clear sign to the partner's customers that long-term commitment is a safe bet.

With the evolution of its partner program and the Industry Networks, IBM has created an SOA to sell SOA. Partners can keep the relationship with IBM in their comfort zone. They can build their business intentionally, not just in response to the

<sup>2</sup> *Sales Connections* is a registry of locally specific IBM resources. They let small Business Partners address markets and close deals that they could not, working alone.

<sup>3</sup> Business Central is PartnerWorld's B2B Marketplace. Partners can hook up with partners and with useful parts of IBM to support complex initiatives. The lead partner is in charge of selecting the partners and coordinating the engagement, or, in SOA terms, the point of arbitration. IBM is not always the lead partner.

business that happens to come along. As needs change, all parties can extend their specialties, while drawing on a community of experience to make the transition comfortable.

## Software as a Service

The PartnerWorld Business Central (see footnote 3 below) SOA Catalog has expanded to offer *software-as-a-service (SaaS)* elements as well. This is the icing on the cake - a huge benefit for partners looking to install service-oriented architectures. The ability to get IBM pre-qualified elements - both human service components and computing service components - gives business partners, and, through them, technology consumers, one-stop shopping. In addition, it lets a risk-averse business start its initial SOA implementation small and safe. An enterprise is not limited to these elements, of course, for they will want to include legacy and custom applications, and IBM has the open standards chops to make a variety of things possible in a variety of heterogeneous environments. Furthermore, IBM and its partners have the comprehensive experience to make various alternatives work, and the PartnerWorld structures to make finding the necessary expertise an easier task.

## Conclusion

**With the expansion of partnering options and the addition of software as a service, IBM has done things differently enough so that enterprise customers of all sizes should sit up and take notice.** This is a different set of relationships than monochromatic loyalty programs of traditional vendor partner programs, or the sometimes bewildering, hard-to-differentiate pool of open source.

The flexibility to build out the technology support for wherever the market leads the business partner will make partners more competitive. Finding good purveyors of technology that can offer support not just after the sale, but for the long haul, is growing increasingly important for enterprises of all sizes. How you get technology (not just what it costs and how you finance it) becomes a matter of concern, once there is a discernable difference between channel programs. Customers who are not of a size to command a direct relationship with vendors can get many ways to leverage opportunities when they choose to work with an IBM Business Partner. An enterprise customer of any size will gain bargaining clout because the PartnerWorld Industry Networks allow loosely-coupled teams to address the enterprise's problem. Because, in the end, the customer will look to be well served. IBM's Service-Oriented PartnerWorld program lets customers get the service that they need.



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