



Tivoli software



Real Estate and Facilities



Plant and Production



Transportation and Fleet



Infrastructure



Information Technology

Generating Real Economic Value in Automotive BSM with IBM Asset Management

ATBS-MS, 8th December, 2010

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Agenda

- Maximo Asset Management Overview
- Market Dynamics / Imperatives
- Dynamic Infrastructure & Business Operation in a Smarter Planet
- Maximo Asset Management Industry Solutions (For Automotive Business)
 - Maximo For Service Providers
- Summary
- Interactive Case Study
- Snapshots Demonstration



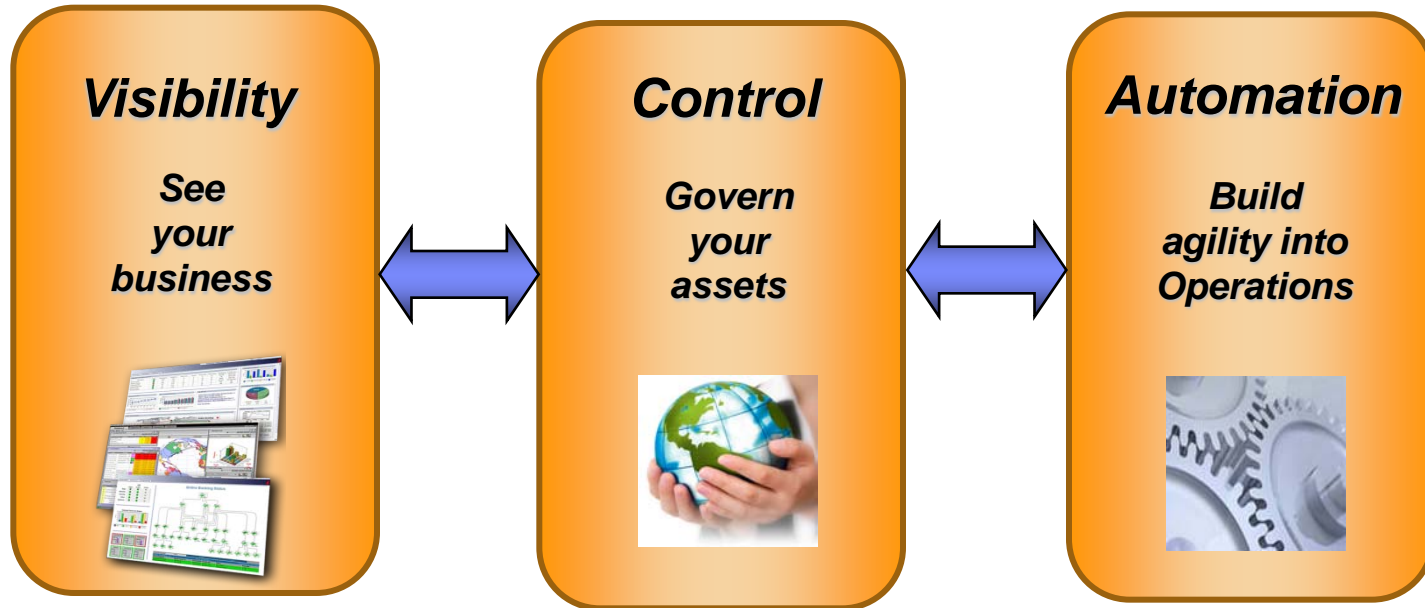
What is Asset Management?



- Key business issues for our clients:

- Cost inefficiencies and operational complexity associated with leveraging their asset infrastructure to generate revenue, deliver quality service, and manage profitability
- Need to measure and manage the asset availability and risk across *all* strategic assets
- The emergence of “smart” assets, and the associated management challenges that must be addressed in order to leverage technology and innovate

Asset Management: Helping Clients Realize Business Goals



Control Cost, Mitigate Compliance Risk, Improve Service Levels

- ✓ See what you have, where it is, who is using it and what it costs
- ✓ Role based views
- ✓ Optimize software licenses, reduce over/under buying

- ✓ Reduce TCO of all strategic assets throughout their lifecycle
- ✓ Mitigate, regulatory, environmental and safety compliance risk
- ✓ Increase production and labor efficiency and spare parts optimization

- ✓ Reduce outages and failures with proactive asset management practices
- ✓ Automate workflow to enhance operational efficiencies
- ✓ Help IT and Operations make strategic purchasing decisions with reliable inventory data

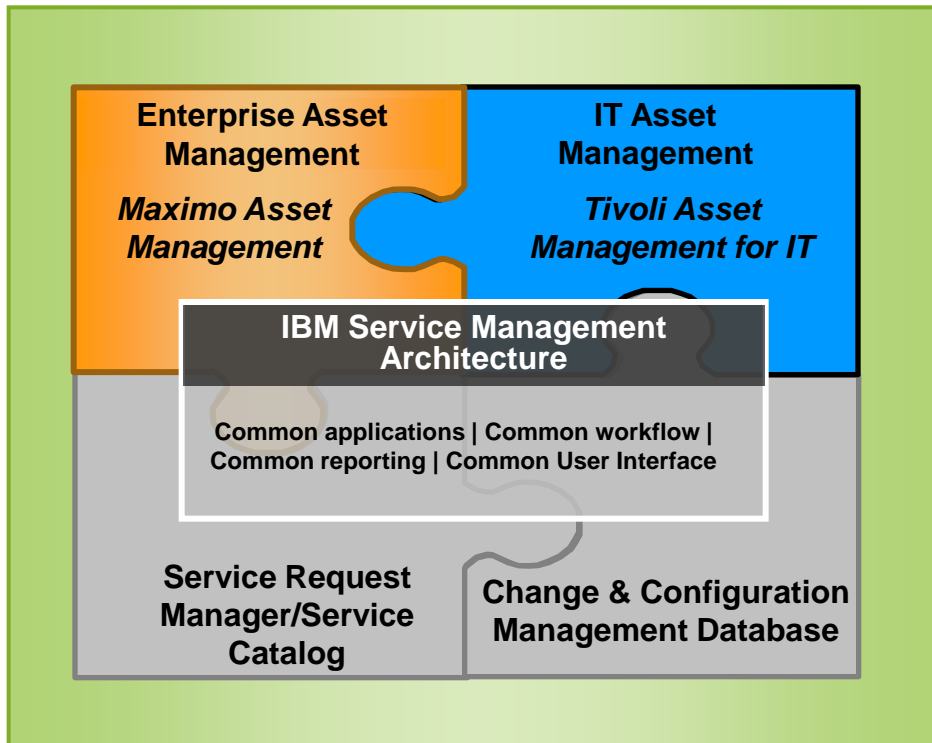
IBM Asset Management Solutions



- Software & Services
 - GBS / GTS Practices
 - Asset mgt “drags” Websphere, DB2
- Addresses asset management challenges for line of business operations and IT
- Consolidates point solutions for Asset and Service Management into a Suite
- Standardize and enforce business processes
- Specialized “industry solutions”
- Provides Service Management capabilities for
 - Asset Owners, Asset Managers
 - Service Providers
- J2EE Technology Platform
- Service Oriented Architecture (SOA)

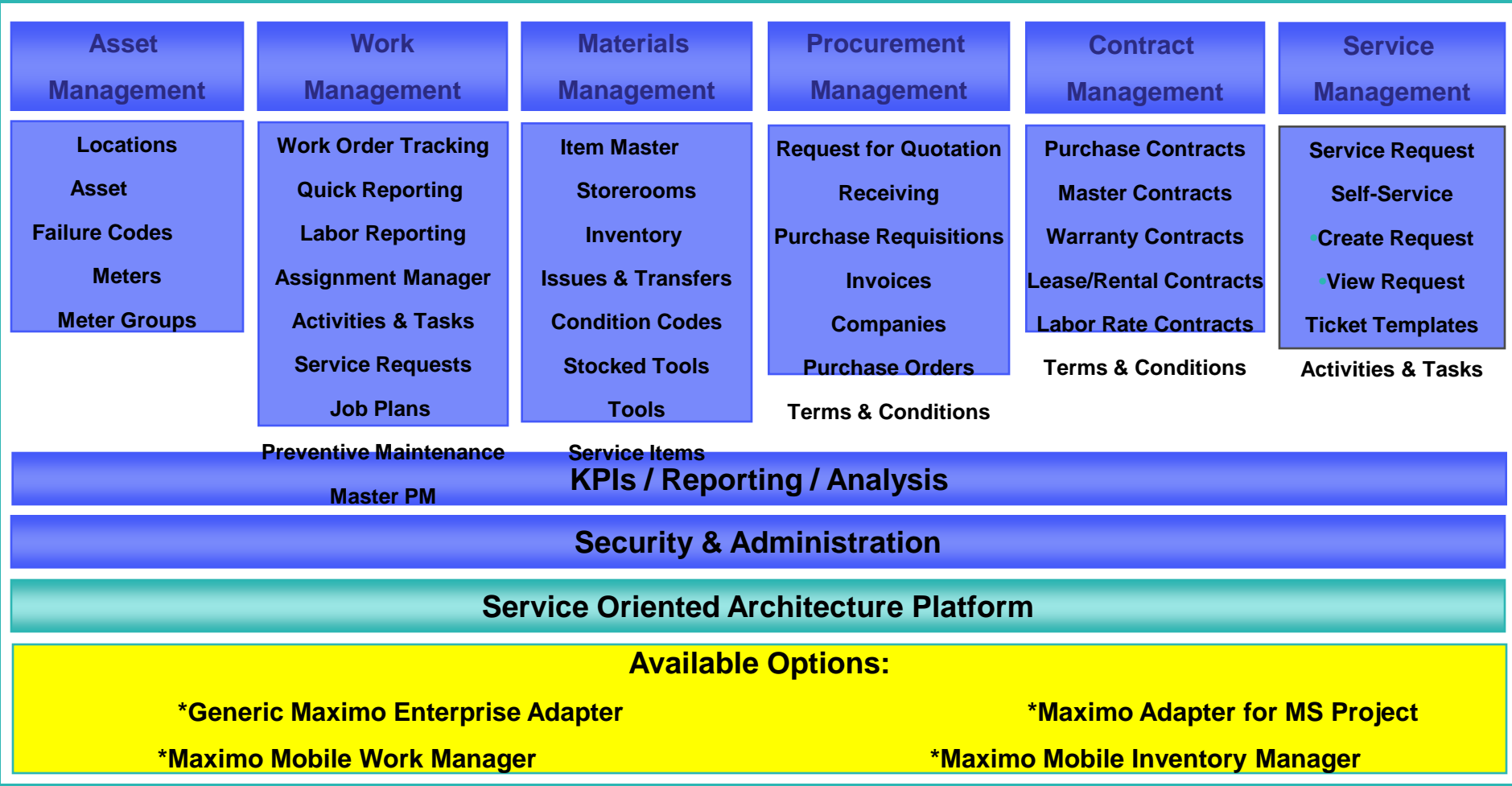
Part of a Larger Story... IBM Service Management

A “unified” solution that provides process automation for managing all assets, and the services they provide, across the span of their lifecycle; from planning and acquisition through deployment and maintenance to end of life.



- The v7.1 core suite of solutions deliver the full integration of Operational and IT Assets
- The solutions share common Applications, Reporting, UI and Database
- When installed together, functions are literally a tab or pull-down menu away providing industry-leading integration

Maximo Asset Management Applications



Configurable Maximo Start Center(s)

Welcome, Mike Wilson

Administration | Report Admin

Change Content/Layout | Display Settings | Create New Template | Modify Existing Template | Update Start Center

Quick Insert

- New Person
- New User

Security, Users and Groups

- Users
- Security Groups
- People
- Person Groups

Workflow Configuration

- Workflow Designer
- Roles
- Actions
- Communication Templates
- Workflow Administration
- Escalations

Reporting

- Report Administration
- KPI Manager

Bulletin Board

Subject	Message	Post Date	Expiration Date	Viewed?
>> Immediate Inspection of Deck Truss ...	Date: August 2, 2007 Email From: Edward ...	8/2/07 1:17 PM	8/2/08 12:00 AM	N

Inbox / Assignments

Description	Due Date	Priority	Start Date	Route
No Assignments found for Mike Wilson				

Work View

Chart Type: BAR | View By: Priority

Priority	Value	Percent (%)
1	2	40
2	2	40
5	1	20

Open Work Orders Waiting Approval

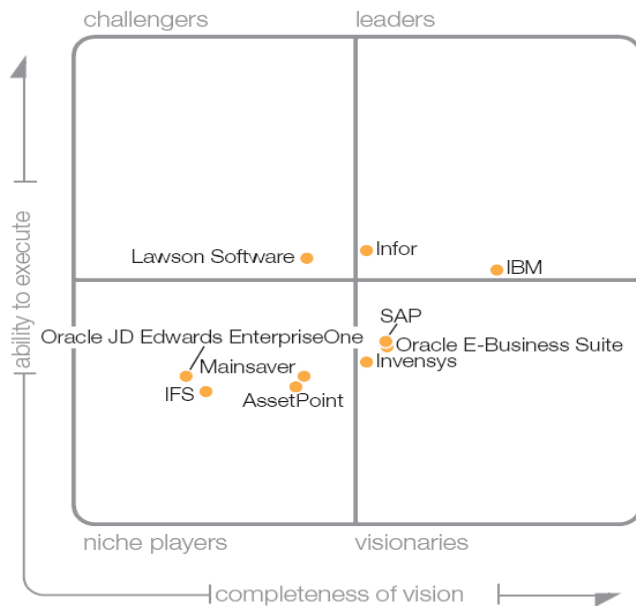
Last Run: 8/3/04 3:05 PM

Status	KPI	Actual	Target	Variance
↑	Open Work Orders Waiting Approval	131	25	106

Done | Internet

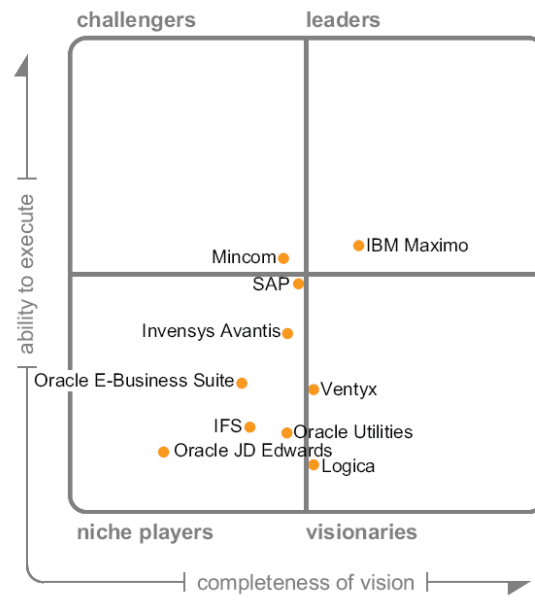
Asset Management Leadership: Analyst View

Recent Gartner Magic Quadrant's for Enterprise Asset Management; Manufacturing and Transmission & Distribution



As of 4 September 2008

Source: Gartner (September 2008)



As of 4 September 2008

Source: Gartner

5 September 2008
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 Kristian Steenstrup
 T&D
 D: G00160256

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“Under IBM ownership, MRO software has moved to extremely high viability. Global sales and implementation resources makes the solution widely available. Combined with Tivoli software, IBM Maximo Asset Management offers the opportunity of being able to manage IT-enabled assets with the same solution used to manage traditional EAM assets. High EAM investment and the leverage of IBM's research capabilities is bringing advanced maintenance functionality to market in the near future. It supports integration with a wide variety of ERP suites. It has native integration with ESRI's GIS. It has versatility across multiple platforms.”

Gartner, “Magic Quadrant for Enterprise Asset Management for Transmission & Distribution, 2007”

Automotive Market Dynamics

Automotive Industry Imperatives

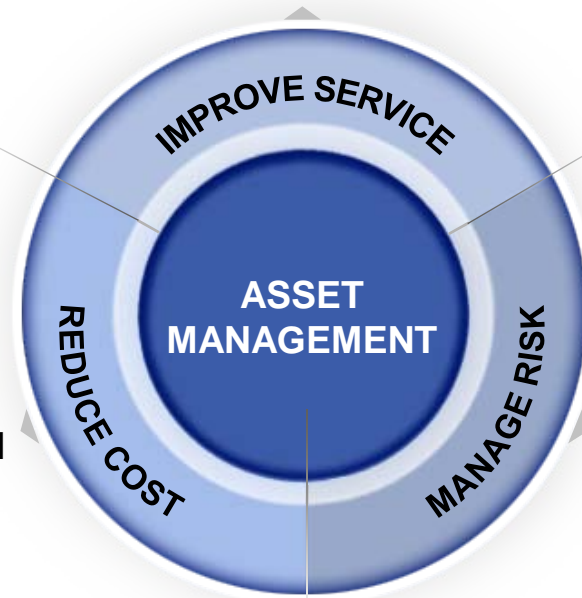
- On-time service delivery
- Enhance Customer Service
- Reduce operating expenses
- Reduce overall maintenance service costs
- Accurate & online customer billing
- Budgeting and accounting of all provided business services (maintenance or repair) per customer
- Enhance staff productivity and achieving operational excellence
- Managing 3rd party services along with internal repair centers and storerooms

Unprecedented economic conditions, low confidence in major markets and the financial market crisis in recent months have created the most challenging business environment witnessed in decades



What is the Role of Asset Management in a Dynamic Infrastructure & Business Service Operation?

- Manage business, customer, and IT assets together to ensure high availability and quality of existing services while meeting customer expectations for real-time, dynamic access to innovative **new** services.

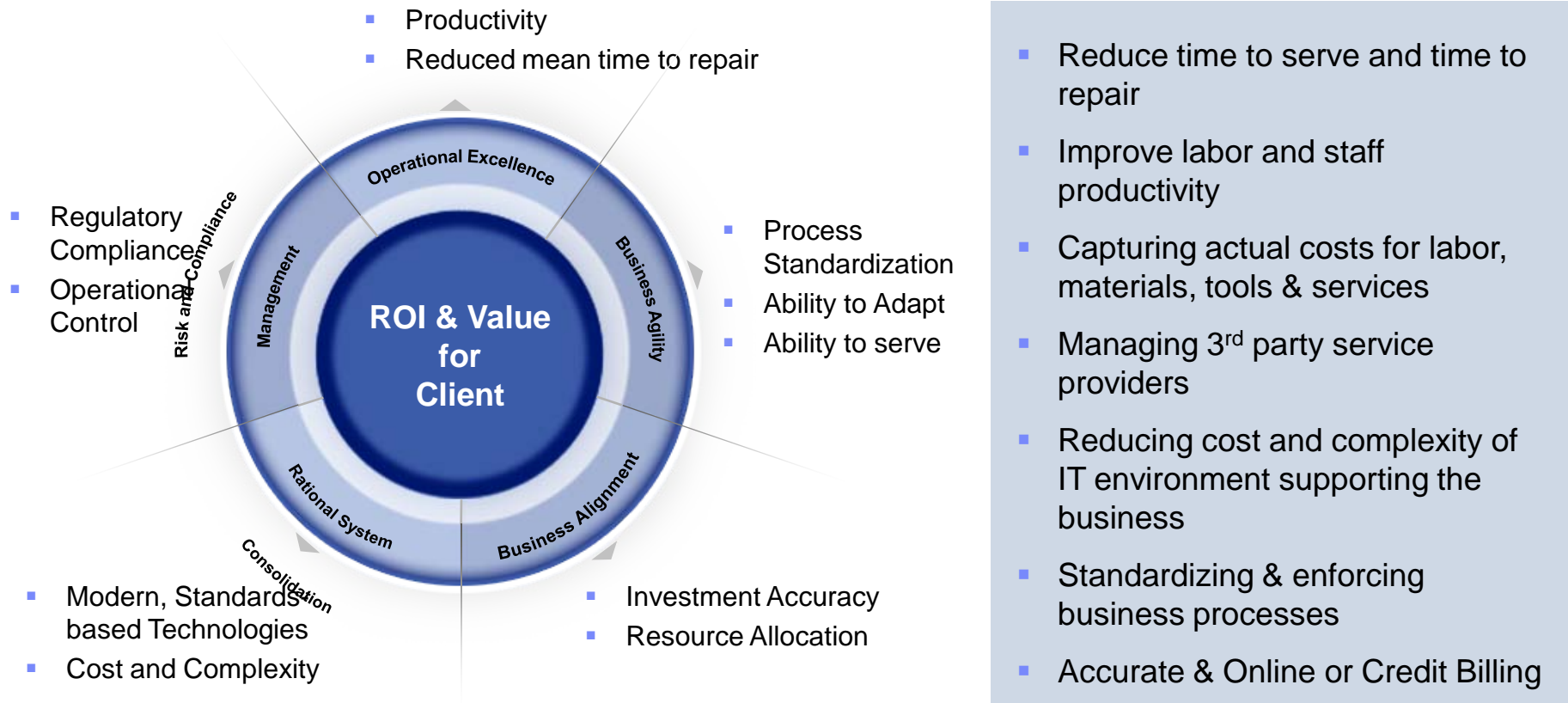


- Not only managing, maintaining, and repairing assets/vehicles according to the needs and priorities of the business to contain operational cost and complexity, but achieving **breakthrough** productivity gains.

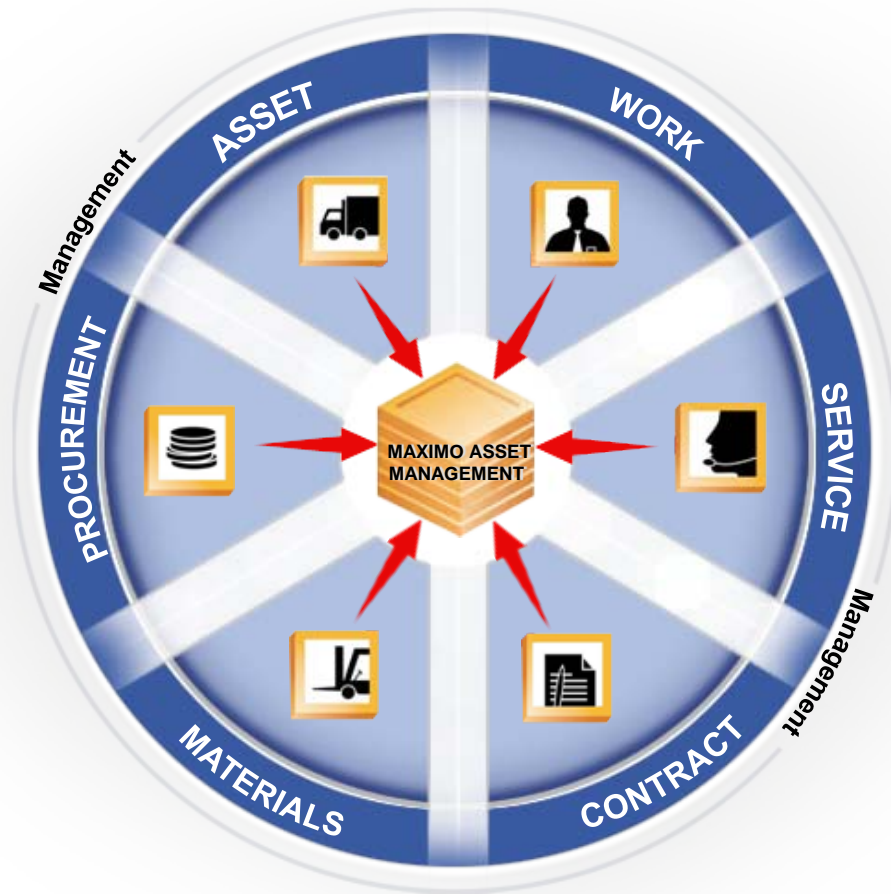
- Addressing today's asset-related health, safety and business risks while preparing for the new risks posed by an even more **connected** and **collaborative** world.

Enabling transformational change in a highly responsive way

IBM Asset Management...a Core Business Solution for Automotive Business Service Management



IBM's Asset Management Solution: **Maximo Asset Management**



- Provides a complete feature set for managing all types of transportation assets
- Consolidates point solutions for Asset and Service Management into a single platform
- Includes enhanced Workflow
- Event Driven
- Context-based
- Escalation Manager
- Provides configurable Start Center with user defined Key Performance Indicators (KPI)
- Next generation J2EE Technology Platform
- Service Oriented Architecture (SOA) enabled integration

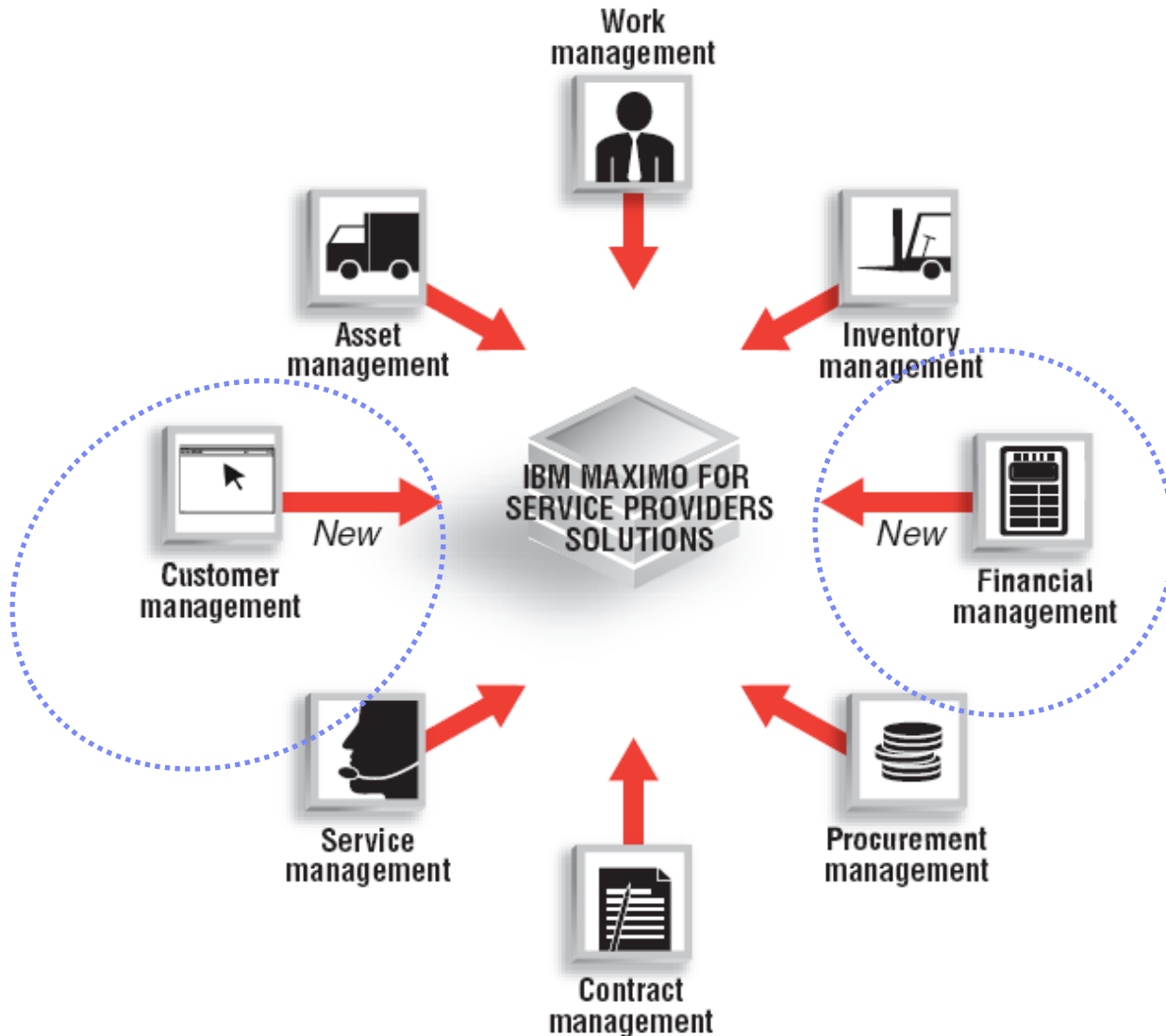
IBM is the Asset Management Leader

- Enterprise Asset Management
- IT Asset Management
- Industry Specific Solutions
 - Nuclear Power, Utilities, Life Sciences, Oil & Gas, Government, Service Providers, Transportation
- Functional Extensions
 - Spatial Asset Management, Linear Asset Manager, Mobile Work Manager, Navigator, Calibration
- Service Request Management
- License Compliance Manager

Segment Leadership

- 500+ Transportation & Automotive Customers
- 1# in EAM Market Share – ARC
- 1# in EAM Market Share – IDC
- Gartner Magic Quadrant for Power Generation
- Gartner Magic Quadrant for Transmission and Distribution
- Gartner Magic Quadrant of Manufacturing
- IDC Short List for Power Generation
- IDC Short List Work and Asset Management for Energy Delivery

IBM Maximo for Service Providers Solution



Tivoli Advantage:

Common platform,
UI, data model, and
workflow engine

Built-in
configuration tools,
configurable data
model, drag-and-
drop configurable
UI, graphical
workflow design,
escalations &
notifications,
reporting,

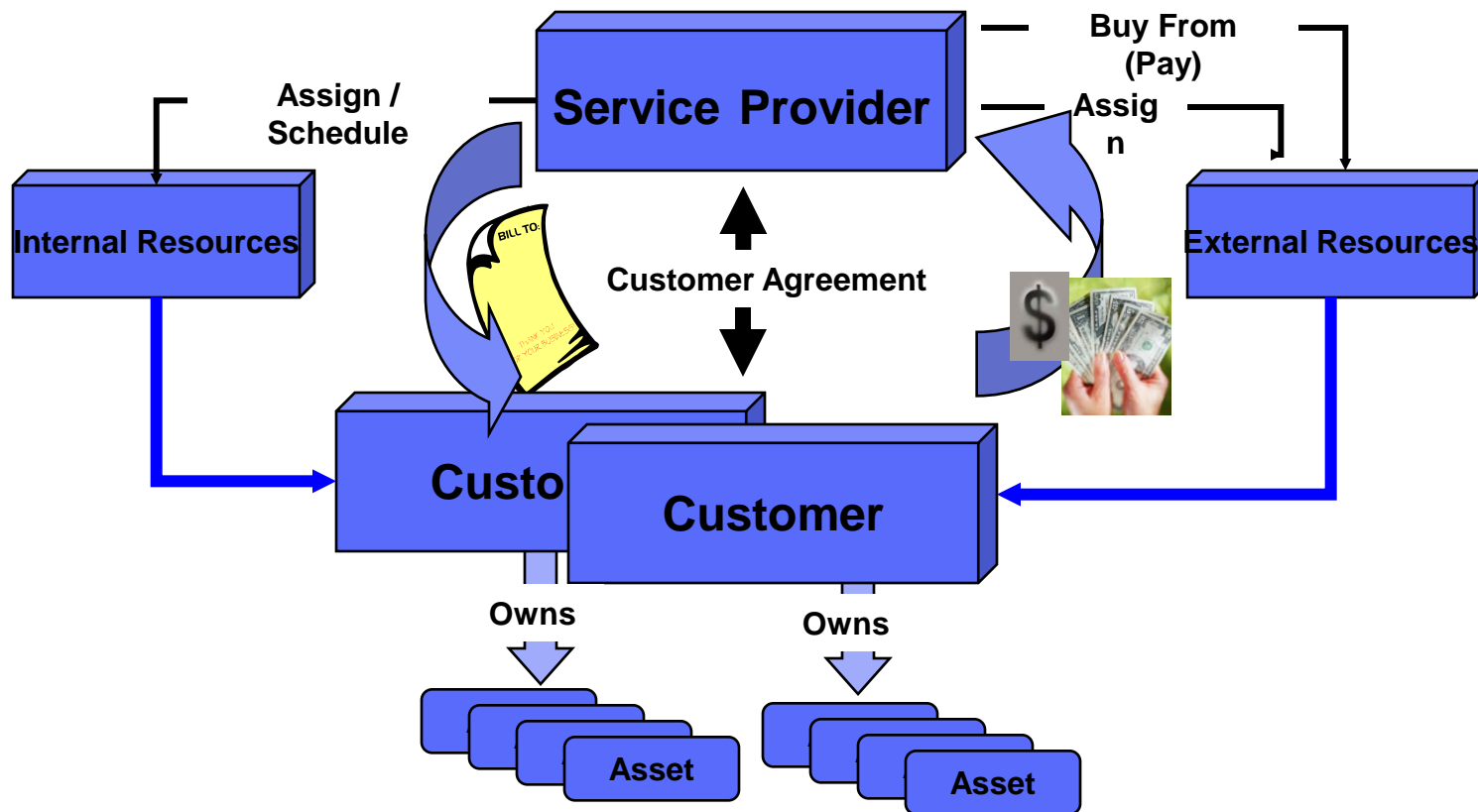
How We Got Here

- Service Manager 4.1.1
 - 35 Service Providers In the Maximo Customer Base –
 - External and Internal

 - Use Existing Maximo Functionality
 - Asset Management
 - Work Management
 - Inventory Management
 - Supplier Management

 - Added Customizations
 - Customer Management
 - Billing (External & Internal)
 - Service Enablement Validation & Pricing
 - Service Management / Service Delivery

Service Provider Business Model



Value to Service Providers

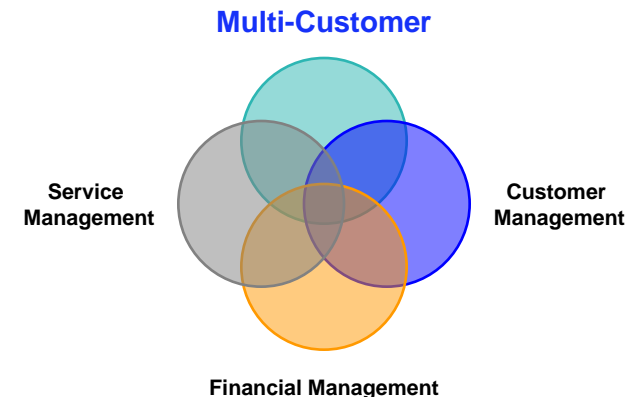
- Multi-Customer enablement
 - Manage Assets for multiple Customers in single instance deployment
 - Benefit is lower cost of ownership

- Enables Managing Service as a Business More Profitably
 - Manage Customer Agreements
 - Entitlement – What Services should be provided to each Customer and under what Conditions
 - Pricing – What Pricing Rules are Used for each Service and under what Conditions
 - SLAs – What is the Response Commitment for each Customer and under what Conditions
 - Provide for Efficient Service Delivery –
 - Automatic Assignment of Responsibility and Job Plan
 - Automatic Notification and Determination of Next Steps
 - Timely, Detailed and Accurate Billing
 - Reduction in DSOs – Due to Level of Detail and Customer pre-Approval of Bills

Key Capability #1 – Multi-Customer

Benefit to customer: *Reduce TCO by leveraging a single instance to manage multiple customers*

- **Manage Multiple Customers**
 - **Multiple customers and their assets on a single database**
 - **Customer references added to existing Maximo records**
 - **Segregation of customer data**
 - – complete security
 - **Customers view / access only their information**



Key Capability #2 – Customer Management

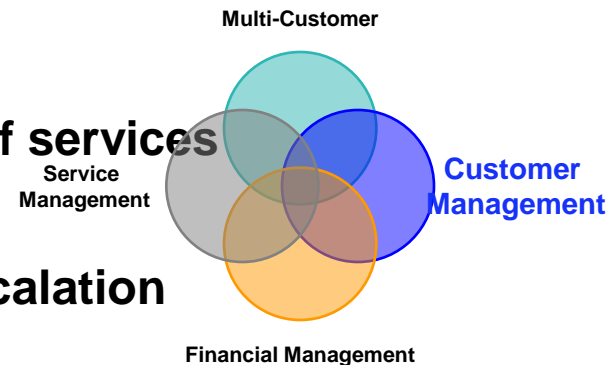
Benefit to customer: *Manage multiple customers with many physical locations, and provide unique customer agreements and rules to define entitlement of services*

Customer Information

- Associate customers with locations
- Service addresses are associated with locations
- Billing Address

Unique Customer Agreements

- Agreement Price Schedules
 - Price rules calculate prices
 - Rules establish and determine entitlement of services
- Service Level Agreements (SLAs)
 - Establish target times and link targets to escalation
 - SLAs may be global or customer specific



Key Capability #3 – Financial Management

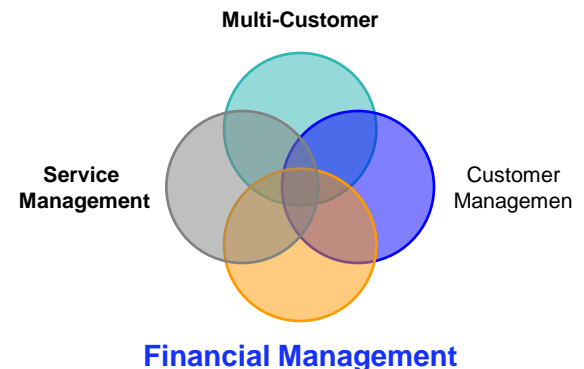
Benefit to customer: *Detailed and accurate billing with a review and approval cycle to reduce days sales outstanding (DSO) and receive timely payment of services*

■ Customer Billing

- Batch capability based on billing frequency requested by the service providers' customer
- Service Providers customer can review the bill and request / negotiate adjustments, as necessary
- Contains transactions from billing period, as well as transactions from previous billing period, that have not been billed

■ Sales Order

- Create unique pricing transactions
 - Monthly maintenance fees
 - Asset Management and Usage fees
 - Asset Performance fees or credits
 - Issue credits

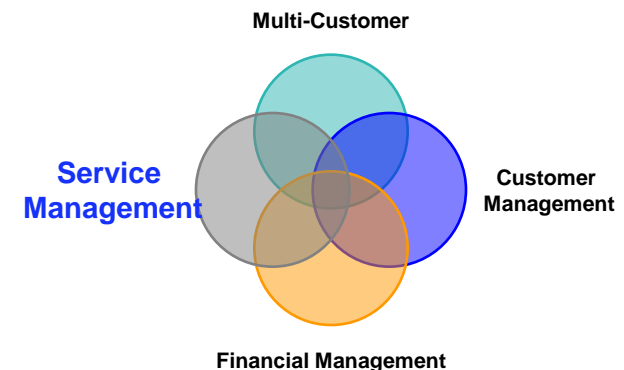


Key Capability #4 – Service Management

Benefit to customer: *Improve efficiency of service delivery with automatic notification and automatic assignments of responsibility and job plan*

■ Response Plans

- Automate response to a work order, incident, service request, etc
- Rules engine determines response in a given situation
 - Person/Group responsible for location or asset
 - Vendor to whom work should be assigned
 - Job Plan and/or processing steps to be used for work on an asset
 - Person/Group to be notification regarding an asset
- Work Order and Incidents Enhancements
- Includes customer and service address
- Calculate of prices
- Add miscellaneous fees and charges
- Work Order supports price quotes (Fixed, Not to Exceed)

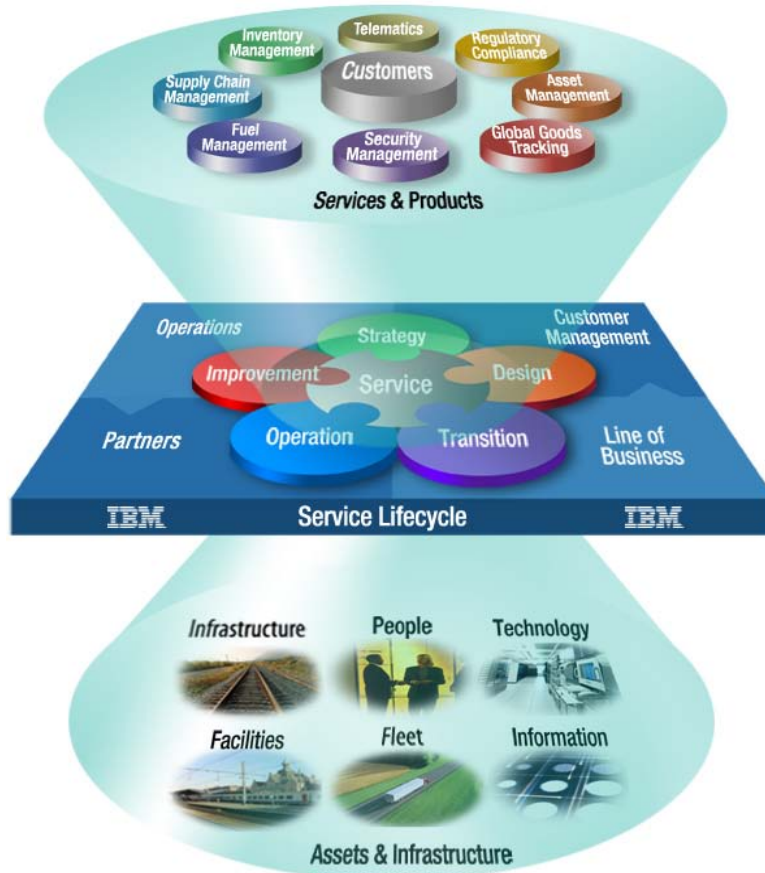


Summary – Key Differentiators in IBM Maximo Asset Management

Core Business Imperatives	Unified Solution	Industry Expertise	Leadership
<p>Only vendor with proven ability to drive client value and ROI – reducing operational expense and extending useful asset life to preserve capital</p>	<p>Only vendor that can manage all asset types on a single, unified architecture, combined with service desk, change and configuration management</p>	<p>Deep industry knowledge across a broad spectrum of asset types – fleets, facilities, IT assets, linear assets, etc.</p>	<p>Long standing leadership in Fleet asset management; evidenced by market share, analyst reviews and the benefits our clients capture</p>
Leading, Standards-based Technology		Built Ground Up on The ITIL Framework	Breadth of Service Management Offering
<p>Web-architected platform built on J2EE with advanced business process management; based on SOA, web services and XML</p>		<p>Supports 7 ITIL processes out of the box: Incident, Problem, Change, Release, SLA, Configuration, Availability</p>	<p>IBM offers full breadth of end-to-end asset and service management solutions that operate on a common web services infrastructure</p>

IBM Service Management for Automotive Industry

Managing the World's Infrastructure TM



Visibility. Control. Automation. TM

Only IBM Provides:

Strategic Foundation

- ✓ Broadest, deepest, most integrated service management capabilities
- ✓ Enterprise assets, Customer Assets, and IT assets on a single platform
- ✓ Innovative unified solution for customer management and operation management

Industry KPIs & Reports

- ✓ Open and standards-based

Pragmatic Solutions for Rapid ROI

- ✓ Comprehensive portfolio
- ✓ Integrated solutions
- ✓ Best-in-class software

IBM's Leadership in Asset Management

- 500+ Transportation & Automotive Customers
- Ranked by Gartner as the leader in the EAM Magic Quadrant
- Ranked #1 in Transportation by the ARC Advisory Group in 2 of the past 3 years in the EAM/CMMS Solutions Worldwide Outlook



Customers Using Maximo for Asset Management



IBM Asset Management – Client Results

BP



- Deploying asset management for world-class efficiency

“Our Angolan operation is going to be a key part of our global production in the next 20 to 30 years. By helping to develop our processes around work management, stock logistics and procurement, IBM has helped position BP for maximum efficiency and safety going forward.”

DTE Energy



- Projected US\$75 million in annual operating cost savings

“Our goal was to establish a platform for DTE Energy to thrive in a dynamic and challenging environment. We achieved our key objectives of integration and modernized our technology. We think IBM products and their integration were keys to our project's success”

Volvo



- Reduction of the risk of production line stoppage

“Volvo has adopted a strategy which is actively seeking out new ways to create value in the company's production stream by managing assets more effectively. A key tool in this strategy is Maximo, our work and materials management software solution from IBM”

Rolls-Royce



- Significantly reduced component turnarounds
 - Improved SLA compliance resulting in increased customer satisfaction
 - Improved warranty-claim management
 - Provided a single source visibility of Rolls-Royce components
- Rolls-Royce, the world-leading provider of power systems and services for use on land, at sea and in the air*

Interactive Case Study: Automotive Service Center Management System Implementation

Automotive Service Center Business Roles involved:

- Reception Engineer / Call Center agent
- Service Advisor / Controller
- Workshop Engineer
- Warranty Engineer
- Service Final Controller
- Inventory Manager / Team
- Procurement Manager / Team
- Financial Manager / Team
- Other Management Roles: Service Center Manager, Operation Manager, Workshop Manager, and Call Center Manager

Questions?



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