

Developing the Value Case for Client's

Managed File Transfer (MFT) Platform Modernization

Business Value Assessment (BVA) Scoping and Approach

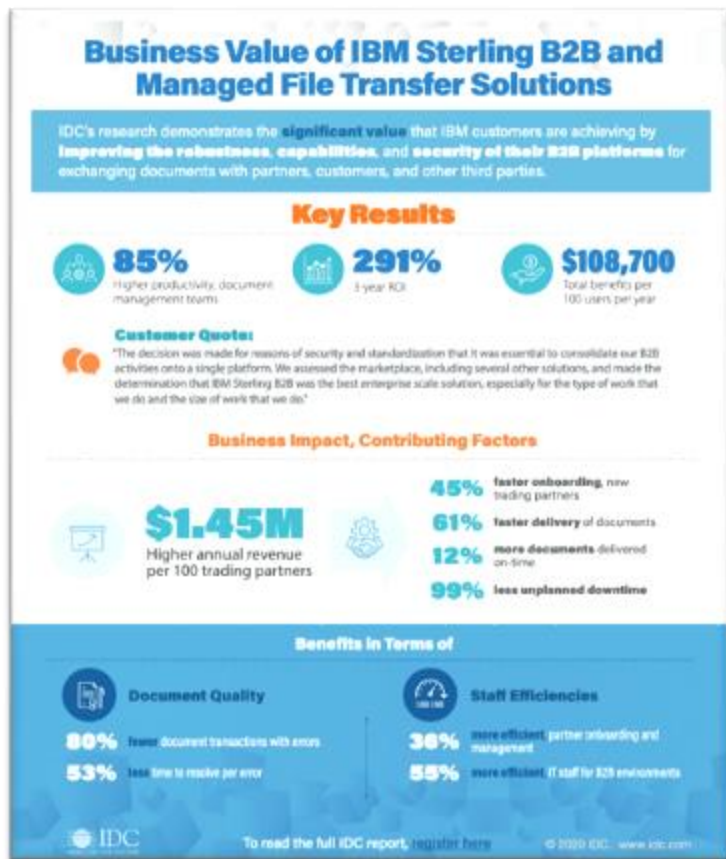
Draft - for discussion only - v1.0



Topics

1. [Our Understanding - Purpose and Scope of the BVA](#)
2. Business Value Assessment (BVA) Overview
3. Representative Client Examples
4. Next Steps

IBM Sterling Data Exchange solutions offer strong value propositions to IBM's Financial Services clients



Source: Business Value of IBM MFT Solutions; IDC Business Value Snapshot 2020

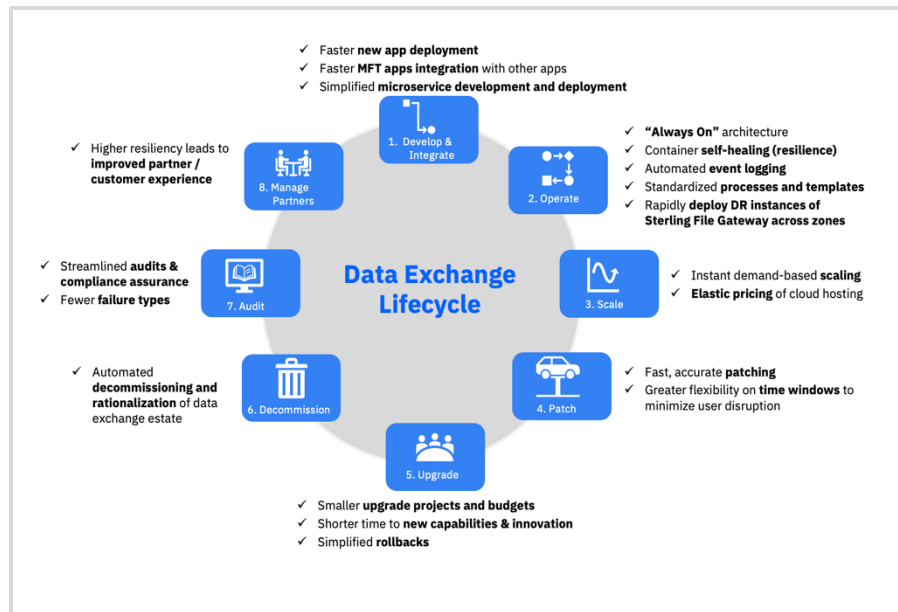
Sampling IBM Sterling Clients - Financial Services 48 of the top 50



Sterling Data Exchange Containerization

Containerizing the Data Exchange footprint delivers benefits across the entire data exchange lifecycle

Data Exchange Lifecycle Benefits

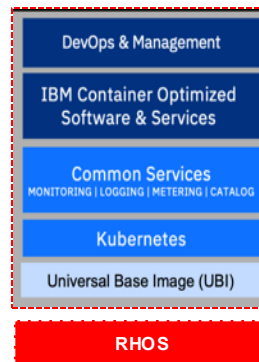


Sterling Certified Containers

Sterling Certified Containers

Enabled for highly optimized containerized deployments with Red Hat OpenShift

Runs On Red Hat OpenShift



SPEED & FLEXIBILITY

- Multi cloud / Platform validated
- Scalable and Resilient
- Simplified deployment management



LOWER COST

- Build new integrations using shared infrastructure
- Reduced operations and infrastructure costs
- Lifecycle managed / upgradable



LOWER RISK & OPEN STANDARDS

- Security, logging, monitoring
- Governed for best practices
- Amplify core capabilities at scale

IBM Sterling Data Exchange

Business Value Assessment (BVA) Overview

Goal

Help Client develop a compelling business case and planning roadmap to improve data exchange capabilities with IBM Sterling Data Exchange solutions

Key Objectives & Scope

- Primary objectives:
e.g., Platform Modernization, Trading Partner Automation, End-to-End Visibility,
- Primary organizational scope: <list>
- Primary data exchange processes: <list>

Deliverables



Reason Why

Alignment with strategic objectives and project funding rationale



Key Benefits

Key financial and operational benefits
(e.g., lower platform TCO, increase DevOps productivity, avoid line of business cost, reduce business risk)



Solution Alignment

Required solution enablers and key new capabilities (“day in the life”)



Implementation Planning Roadmap & Cost

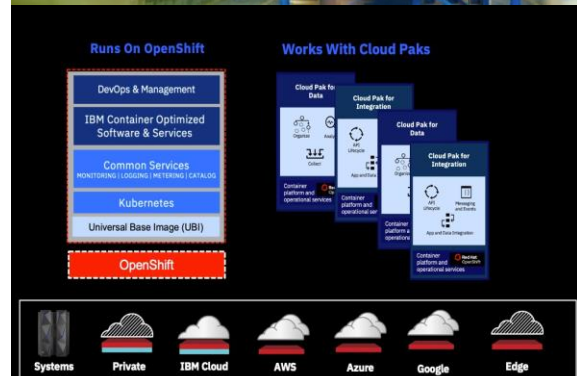
Phased solution roll-out plan (e.g., crawl - walk - run) and estimated cost




ROI Bottom Line


Multi-year ROI, payback, and cash-flow dynamics; capex/opex requirements


Initial Scope

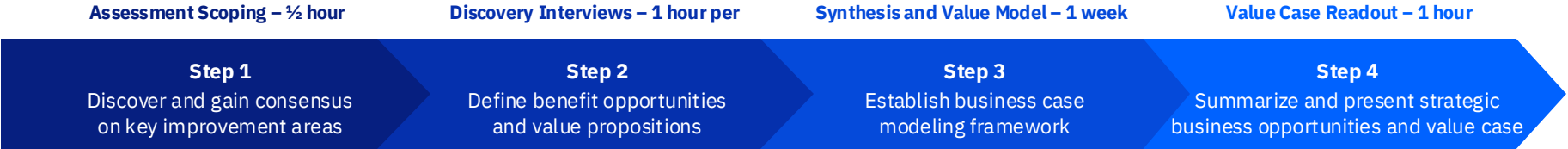


BVA for Sterling Data Exchange - Approach

 **Collaborative** process to strengthen the business case and **stakeholder buy-in** for the initiative

 Targeted and proven approach that **leverages insights from operations and financial subject matter experts** and stakeholders while minimizing their time commitment

 **Elapsed timeline is approximately two weeks**, with initial 2-3 interviews, interim checkpoints, and socialization of final deliverable



1) The approach is flexible and can be customized to the client-specific situation and scope

Representative Client Examples

Sterling Data Exchange Value Framework with Prioritized Benefit Opportunities for <Client X>

**TOTAL: \$3.535K**

- Benefit prioritization subject to review and validation with <Client X>
- Current state baseline assumptions subject to review and validation with <Client X>; benefit improvement potential based on IDC study and IBM experience with other clients
- Annual benefit potential at steady state run-rate with new MFT platform fully deployed

Data Exchange Platform Modernization & Trading Partner Automation - Business Case Summary

\$9M

Total Benefits

\$4.8M

Net Benefit

112%

Return on Investment

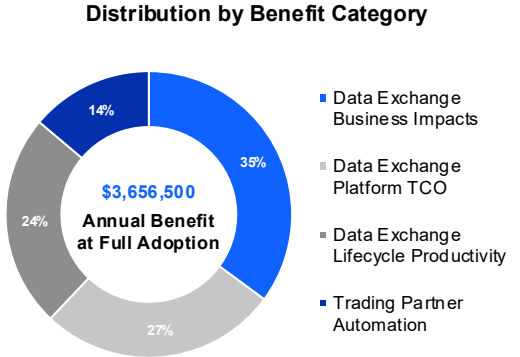
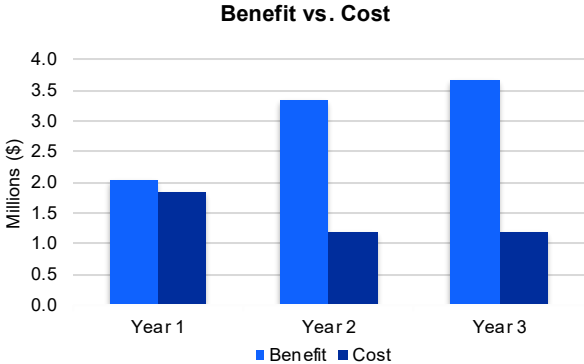
\$510K

3 Month Cost of Delay

11 Months

Payback Period

(including initial deployment)



	Year 1	Year 2	Year 3	Total (3Y)
Total Benefits	\$2,039,813	\$3,331,175	\$3,656,500	\$9,027,488
Costs	\$1,850,000	\$1,200,000	\$1,200,000	\$4,250,000
Net Benefits	\$189,813	\$2,131,175	\$2,456,500	\$4,777,488

Benefit Category	Benefit
Data Exchange Business Impacts	\$3.2M
Data Exchange Platform TCO	\$2.4M
Data Exchange Lifecycle Productivity	\$2.2M
Trading Partner Automation	\$1.3M
TOTAL BENEFITS	\$9M

Next Steps

1. Finalize the assessment scope
e.g., objective(s), organization(s), process(es)
2. Identify the key stakeholder(s) and subject matter expert(s) to schedule short interviews
3. Schedule Discovery Workshop/Interviews
(potentially including site visit)
4. Gather financial and operational data inputs
5. Agree on a timeframe for the interviews, workshops, and the business case socialization

