

A large, artistic splash of red liquid, possibly ink or paint, is shown in motion, creating a sense of fluidity and energy. The splash originates from the top left and flows downwards and to the right, with various droplets and trails of liquid. The color is a vibrant, slightly translucent red.

Value Added Support...A Tale of Two Choices

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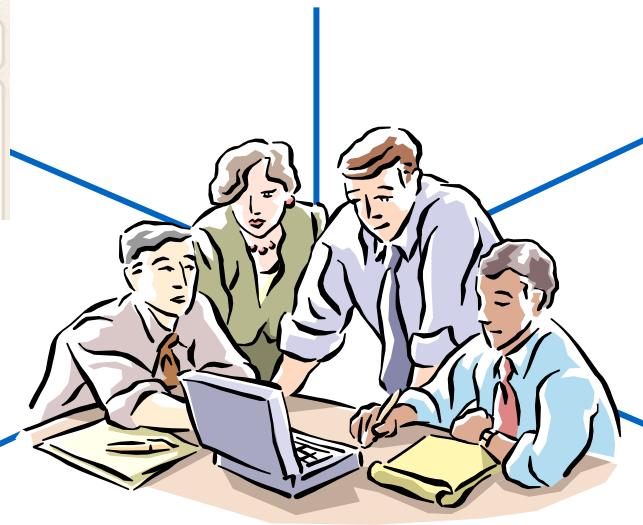
Who Is BEA Systems?

- BEA is the world leader in enterprise infrastructure
- BEA partners with 1,600 of the world's leading system integration, software vendor, and applications service provider companies
- BEA products, such as WebLogic®, Tuxedo® and AquaLogic®, help customers reduce IT complexity, successfully deploy SOA and improve business agility and efficiency
- BEA is headquartered in Silicon Valley, and is a \$1.4B company with more than 16,000 customers in 36 countries, including the majority of the Fortune 500
- BEA has 4,000+ employees around the world, and has grown more than 18-fold since its founding in 1994

“Others” Control Brand in Web 2.0 The Rise of Digital Influence

The image shows the Blogger homepage. At the top, there is a sign-in section with fields for 'Username' and 'Password', and a 'SIGN IN' button. Below this is a search bar for blogs. The main content area features a 'What's a blog?' section with icons for 'Publish thoughts', 'Get feedback', 'Post photos', and 'Go mobile'. To the right, there is a 'Create a blog in 3 easy steps' guide: 1. Create an account, 2. Name your blog, 3. Choose a template.

The image shows the CIO Blogs homepage. It features a navigation menu with categories like 'Leadership', 'Enterprise', 'KM/Storage', 'Security', 'Industries', 'Sourcing', 'Technology', and 'Career'. The main content area includes a 'Welcome to CIO's Blogs' message and a list of recent blog posts, such as 'Tech LinkLetter' by Chris Lindquist and 'Movers and Shakers' by Meredith Levinson. There is also a search bar on the left side.



The image shows the podcast.net website. It features a search bar with the text 'THE PODCAST DIRECTORY'. Below the search bar, there is a list of categories and their corresponding number of podcasts, such as 'Entertainment (6707)', 'Business & Money (941)', 'Arts (1916)', 'Computers & Internet (1836)', 'Science & Nature (826)', 'Home & Lifestyle (1103)', and 'Hobbies & Recreation (1058)'. There is also a 'Browse Tags' section with a list of letters and numbers.

The image shows the ITConversations website. It features a navigation menu with categories like 'Home', 'Recommendations', 'Your Own', 'Recently Viewed', 'Discussions', 'Help/FAQ', 'Podcasts RSS', and 'Login'. The main content area includes a search bar, a 'NOW PART OF ... THE CONVERSATIONS NETWORK' banner, and a list of news items, such as 'Membership in The Conversations Network is free, join now!' and 'Support IT Conversations by visiting our affiliate sites'. There is also a section for 'David Isenberg - Freedom To Connect'.

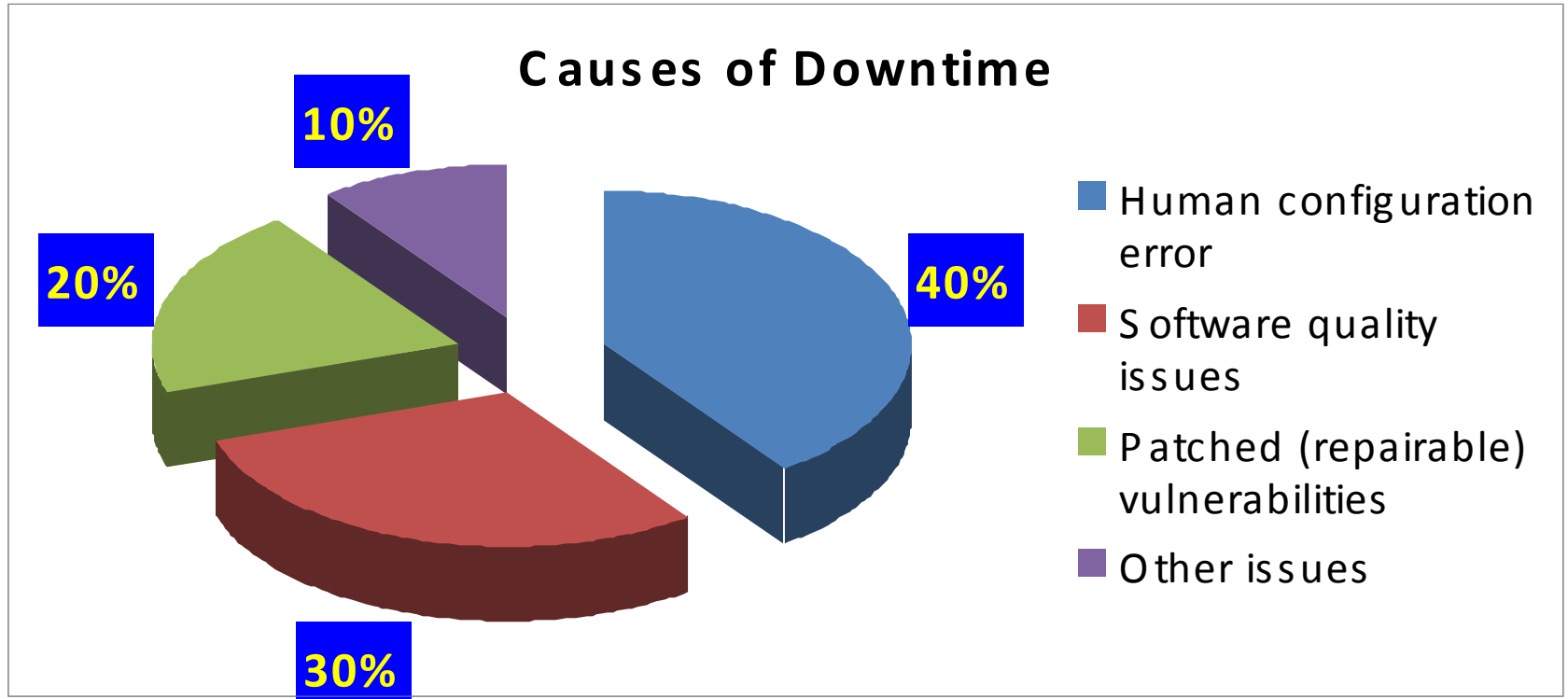
The Industry's Price/Value Inequality

- Vendors have not changed their offerings significantly
- Customers do not feel they are getting what they pay for
- Increasing pressure on customer's IT budget



Forrester Research on RAS

The four major causes of downtime



Source: Forrester Research

Type of Problems Deflected



Conceptual Model for Pre-emptive Support

Consider the model used by virus protection software
Framework installed on your computer
When a virus is discovered, your vendor defines a new signature which tells the framework what to look for and how to look for it
You define when and how often you want the framework to retrieve new signatures
You define when and how often you want the framework to detect viruses using the latest set of signatures
Framework advises you on how to respond to each virus it detects

An abstract, artistic splash of red liquid, possibly ink or paint, captured in mid-air. The splash is dynamic and fluid, with various shades of red and pink, creating a sense of movement and energy. It occupies the left side of the slide.

Impacts and Changes to Process & Personnel

Innovation in People

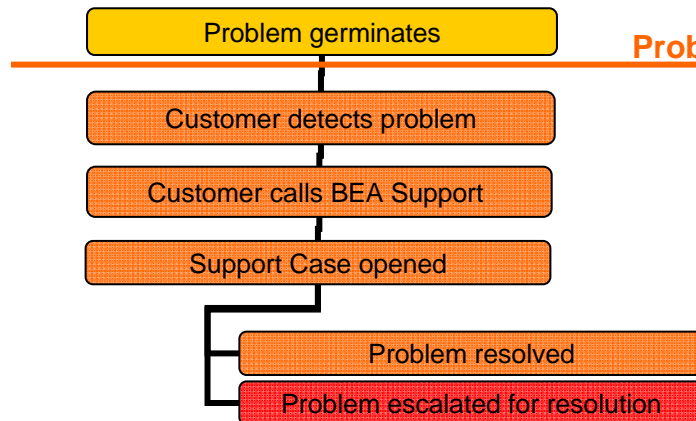
Increased efficiency for BEA and customers

- Problem prevention allows the repurposing of BEA and customer resources to other activities.
- The job function of Support has been **partially** change to writing signatures.
 - 25% of our workforce has either gone through or is in an intensive training / working rotation
 - The Support workforce spends about 10% of their time authoring signatures overall.
- BEA has hired a change management expert to develop processes and management practices designed to improve both Guardian workflows and workforce retention.
- BEA has created a signature authoring tool for developers that reduces testing and rework.
- We have also established signature development best practices and guidelines that have improved signature quality.

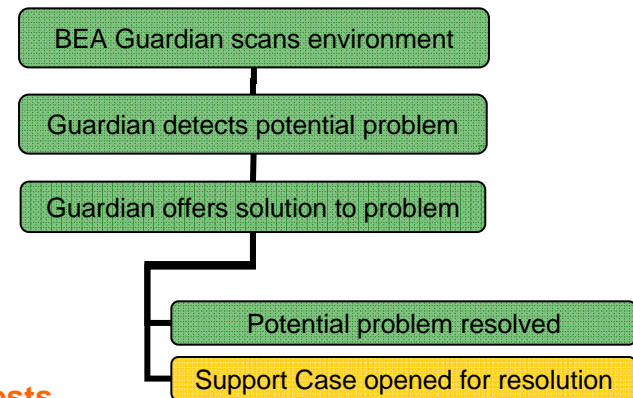
Innovation in Process

Pre-BEA Guardian Basic Support Process

- DRE solves known issues many times for many customers.
- Case is opened because there is an outage – immediate sense of urgency.

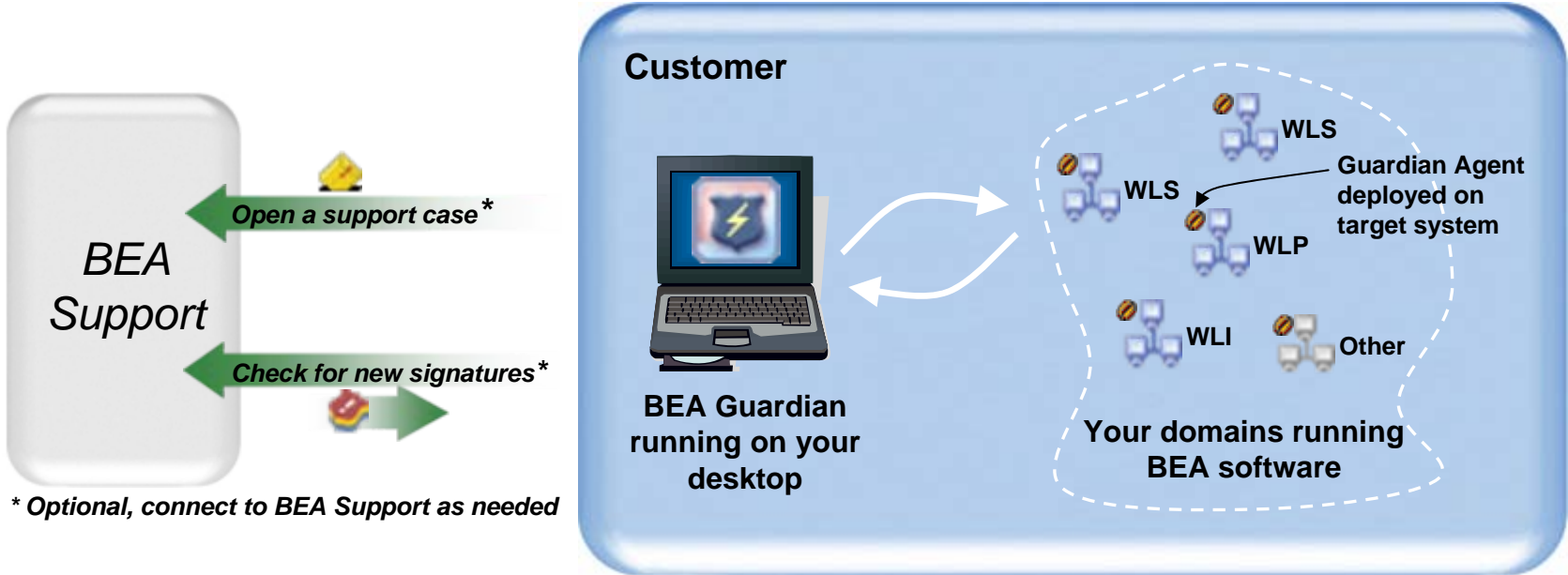


BEA Guardian Support Process



- Customers informed of all applicable known issues – and the remedy!
- Cases can be created with all log and environment information.
- Time To Close is reduced by up to 80% from traditional cases.

Innovation in Technology



Knowledge Bases
(eSupport, Signature
Repository)

Metrics to Track Effectiveness

- 1) **Customer Adoption**
 - 2) **Sustained Adoption**
- 3) **Case closure time and implied deflection**
- 4) **Signature usage**
- 5) **Increased Customer Satisfaction**
- 6) **Increased Customer Loyalty Index**

Bonus Round Metric

- * Guardian becomes a check box in future RFPs!

BEA Guardian

Just the facts...since 2/14/07

- **5** OEM opportunities
- **1,511** evaluation downloads
- **296** Signature Patterns in QA test
- **1,561** published Signature Patterns
- **576** Signature Patterns under development
- **69** Mission Critical Support customers are using it
- **121** active customers sites matched signatures **3,786** times

Preliminary data shows Guardian reduces case closure time by 80%!

1/3 of Backline cases could be avoided

An abstract graphic of a red liquid splash, possibly representing a drop or a splash of paint, with a central dark red core and lighter red, translucent outer edges. The splash is positioned on the left side of the slide, extending from the top left towards the bottom center.

Guardian Case Deflection Example

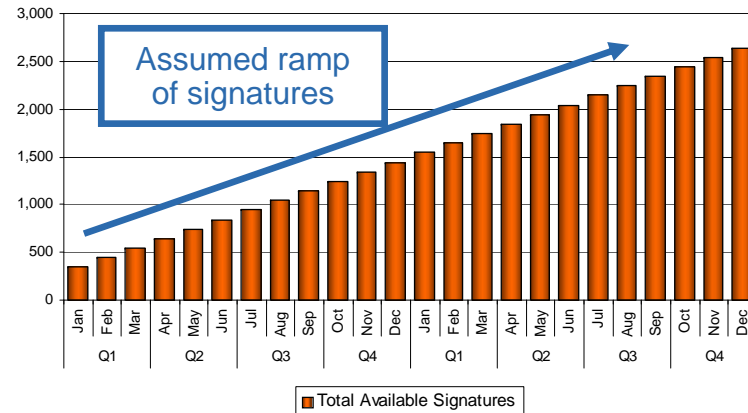
Fictitious Example Company

- 100,000 customer issues per year
- \$1,000 to solve each issue (\$100M annual spend)
- Each engineer can solve 1 issue per day (384 person organization)

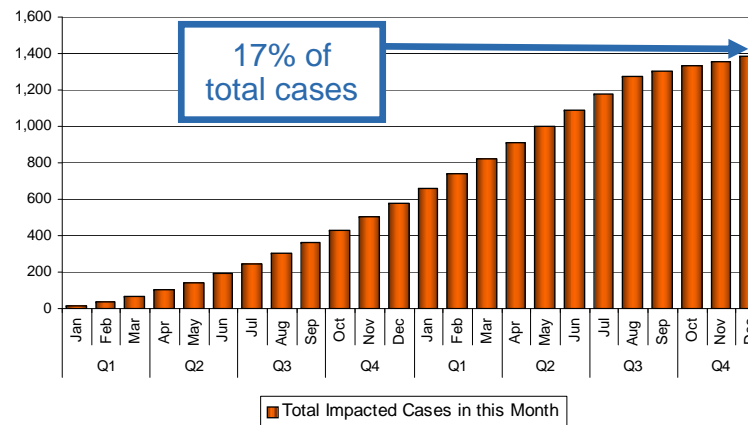
Guardian Will Impact Cases Multiple Times

- Each Signature could impact many cases
 - This ratio decreases slightly over time because the “best” signatures will already have been created
- As more signatures are released, more cases are impacted
- As more customers adopt Guardian, more cases are impacted

Total Available Signatures



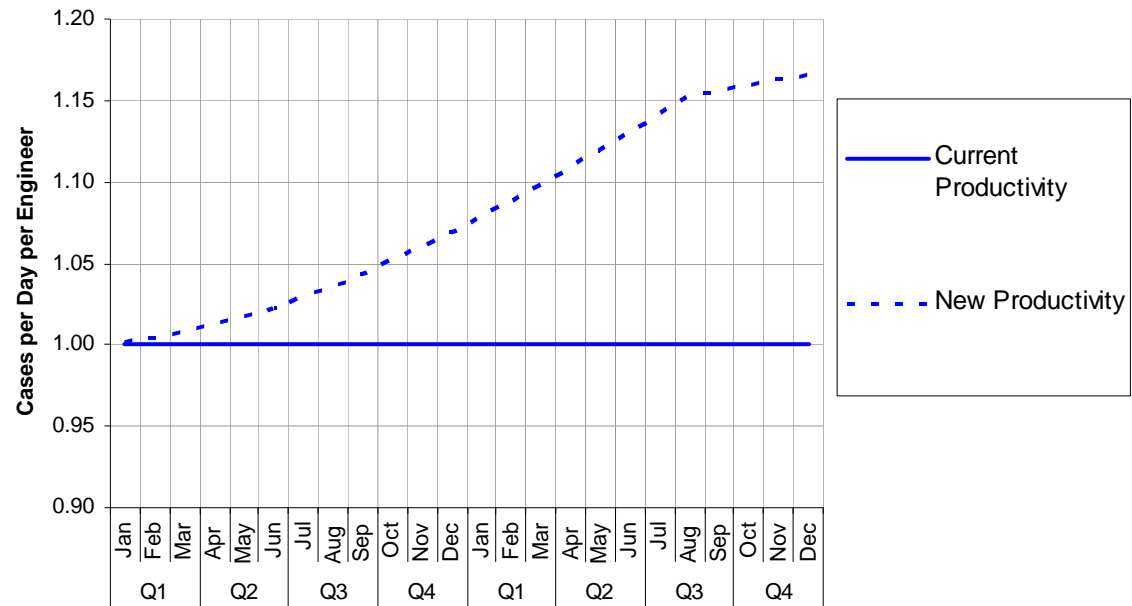
Total Impacted Cases in this Month



Productivity Impacts

- Guardian will increase engineer productivity by allowing cases to be deflected or solved much quicker

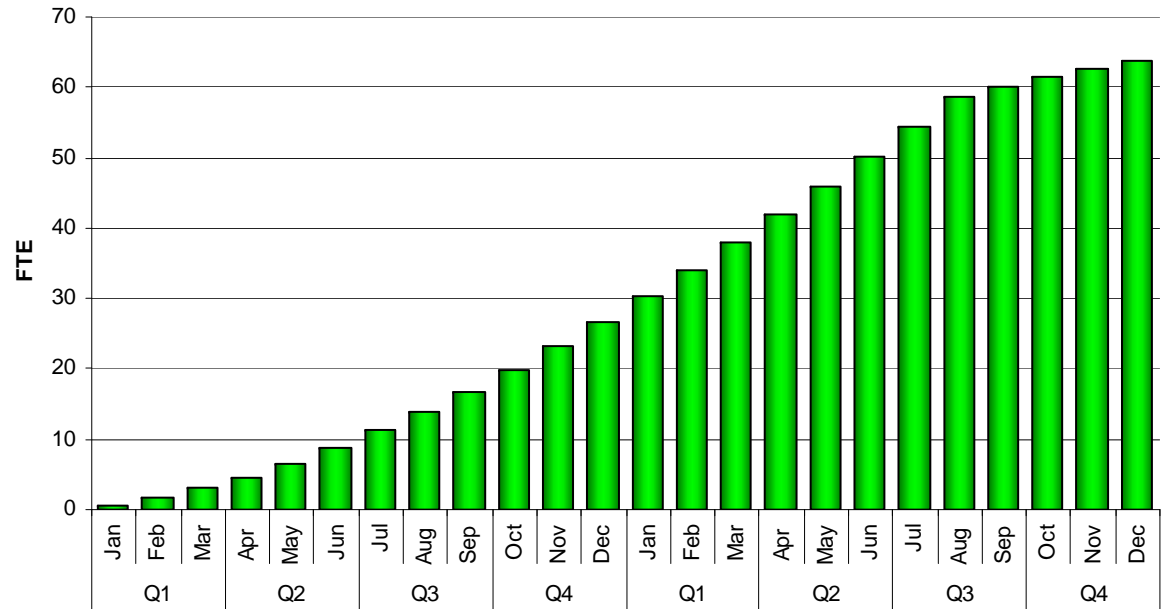
Expected Productivity Shifts



Headcount Implications

- Based on increased productivity, the FTE resource level required to solve cases is effectively reduced

Estimated FTE Impact (Savings)



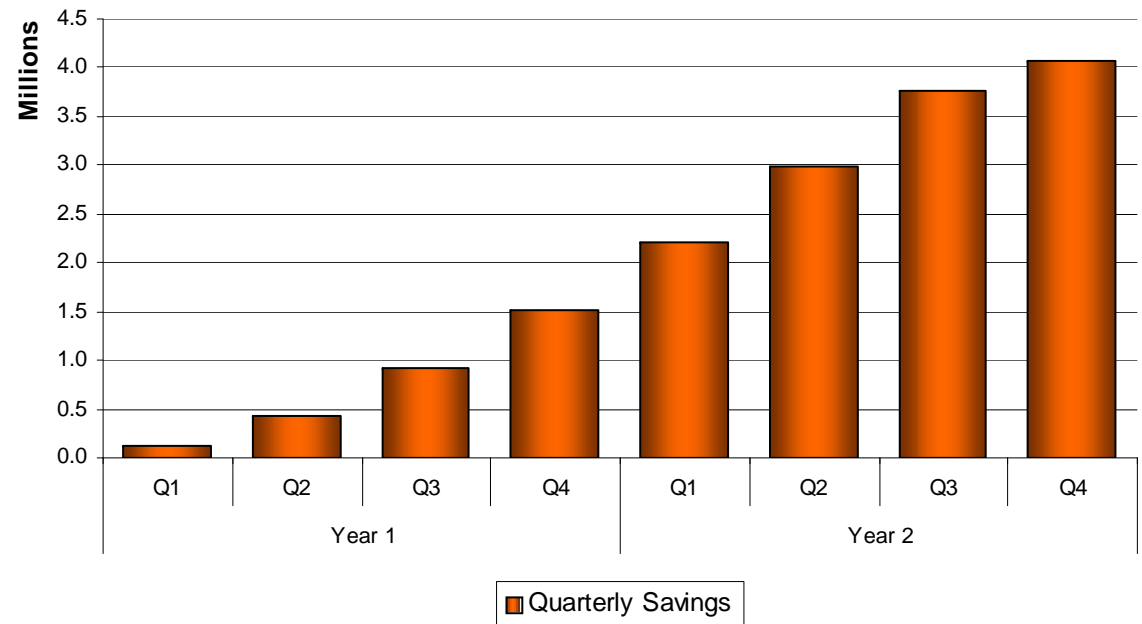
Spending Implications

- Based on FTE savings, there could also be expense savings

Total Year 1 Savings: \$3M

Total Year 2 Savings: \$13M

Possible Quarterly Savings



Lessons Learned Deploying Guardian

- Needed to make compelling arguments for change, internally and externally
- Changing people's beliefs
- Modifying people's behaviors
- Performing career leveling
- Convincing “naysayers” first—they often became our strongest advocates
- Allowing people to naturally go through the “denial”, “resistance”, “exploration”, and “acceptance” steps

Looking Forward

- Customer Service will become more strategic
 - Brand image is not by marketing brand control, but by customer stories (good and bad)
- Organizations that deliver great customer experiences and value-added services will have a lead in the Web 2.0 world
- Re-deploying resources toward driving customer value will be key:
 - Incremental resources not readily available in most companies due to margin demands
 - Look for technology solutions to free up people from lower value services
- Guardian is a great example of Value Added Support
 - Deflects cases
 - Automates case creation
 - Prevents system outages
 - Optimizes applications and finds security holes
 - Improves top line revenue
 - Improves customer experience
 - Improves bottom line for BEA and our customers
 - Allows companies to focus on value-add services without adding more people

Questions?

Thank You