



IT is from Flatland, Business is from Spaceland

Successful outsourcing from a business perspective

CA Forum Bratislava 2010

Mark Smalley

10th October 2010



Introduction Mark Smalley

“I help people market, sell and deliver
Application Management”

IT Management Consultant
Director of International Affairs at ASL BiSL Foundation
Member Professional EXIN Group
Lecturer at Rotterdam, Brussels, Hangzhou
Author & Speaker
CYO
Blind Monk
IT Paradigmologist
IT Management Philosopher



SolvayBrusselsSchool
of Economics and Management





Capgemini Portfolio of Services

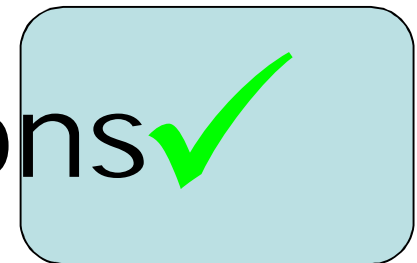
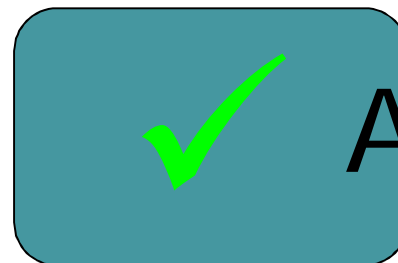
Design

Build

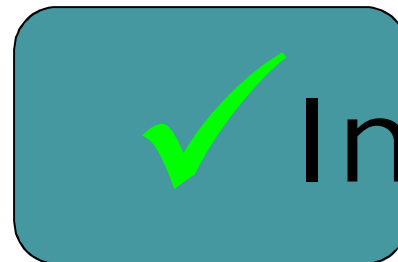
Run



Business processes



Applications



Infrastructure



Application Lifecycle Services

“Building a new city in the old city”





Capgemini Portfolio of Services

Run

Transform
Design Build

Run



Business processes



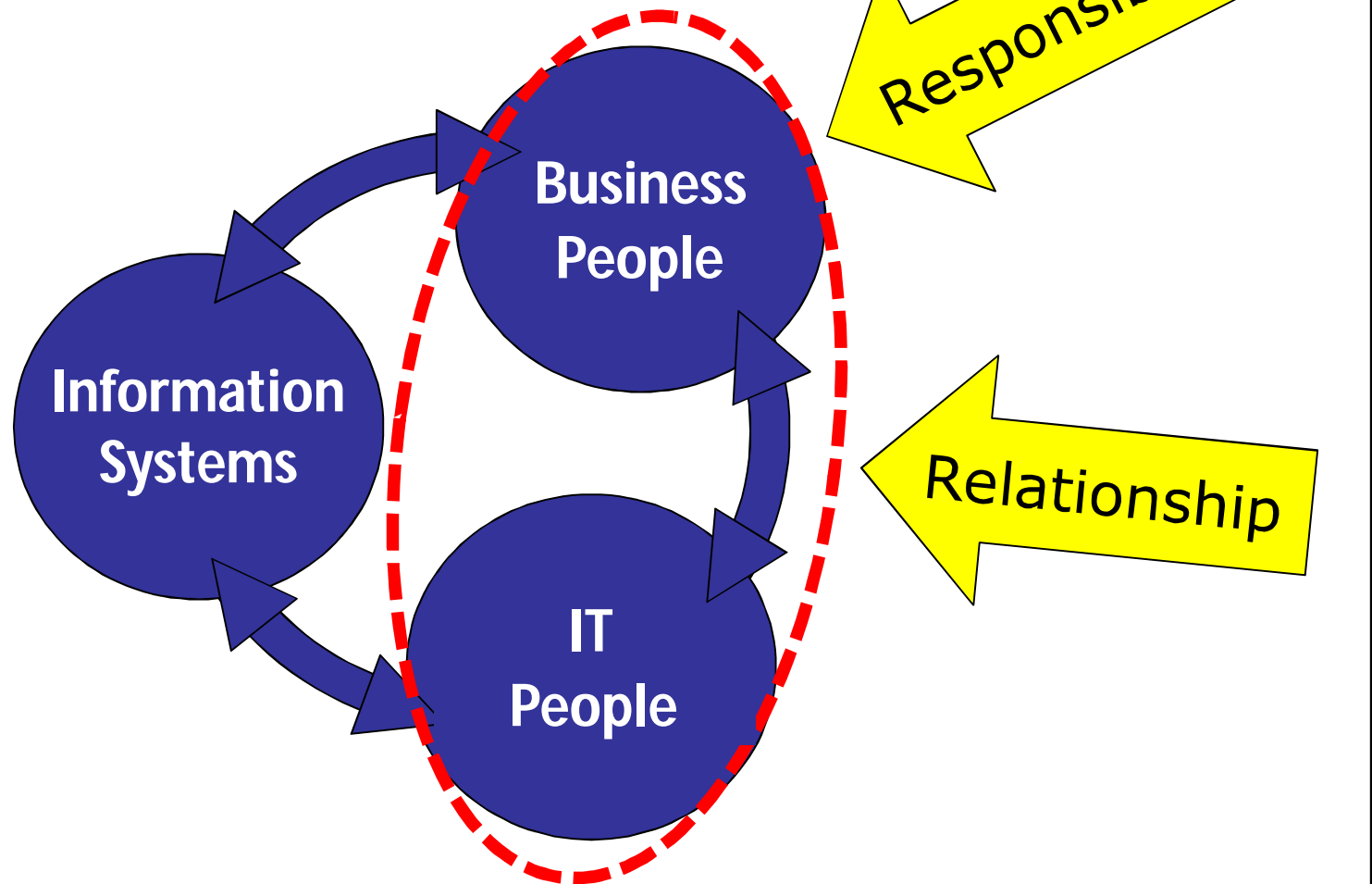
Applications



Infrastructure

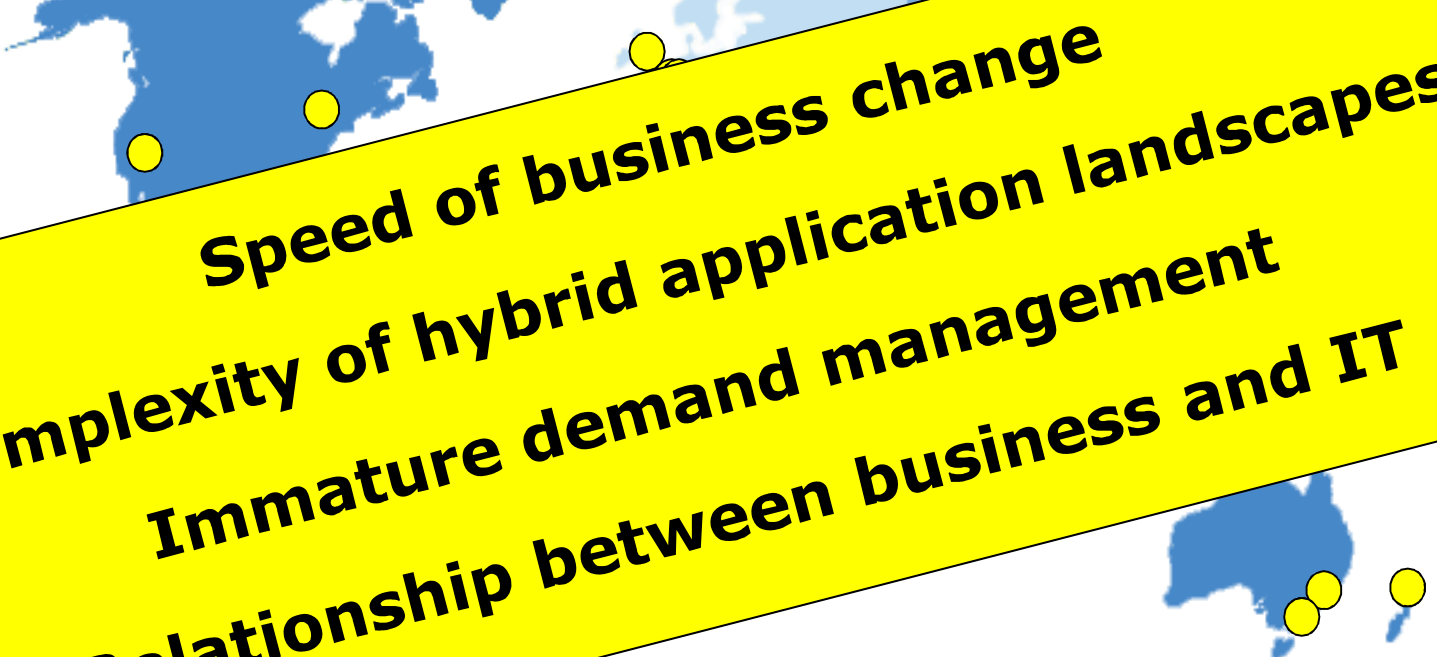


Paradigm & Agenda





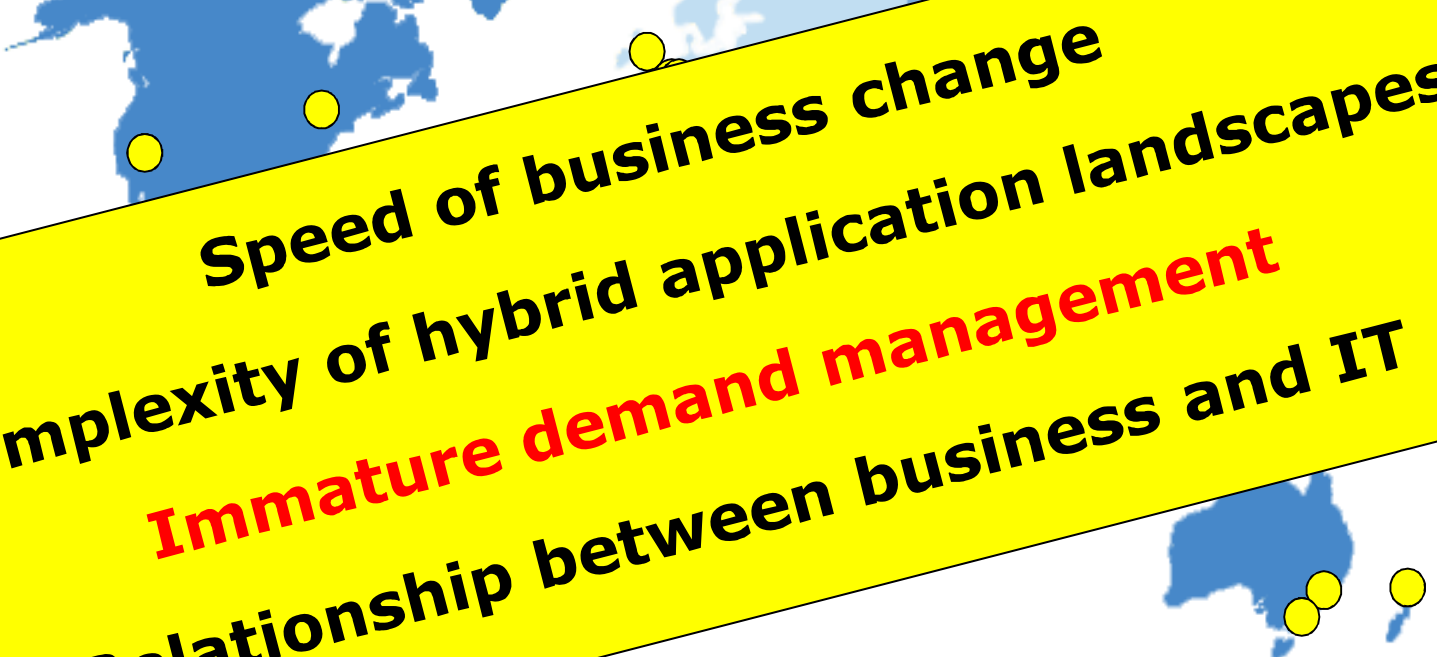
Speaking Engagements

A light blue world map is visible in the background, with several yellow circular markers placed on various continents, including North America, Europe, and Australia.

Speed of business change
Complexity of hybrid application landscapes
Immature demand management
Relationship between business and IT



Speaking Engagements

A light blue world map is visible in the background, with several yellow circular markers placed over various continents, including North America, Europe, and Australia.

Speed of business change
Complexity of hybrid application landscapes
Immature demand management
Relationship between business and IT



IT people about Business people

- Don't know what they want
- Are always changing their minds
- Make unreasonable demands
- Won't take responsibility for decisions
- Don't use the system properly
- Can't think strategically
- Blame us for everything
- Don't trust us
- Don't understand us



Business' IT responsibilities according to IT

- Usage of information (systems)
- Business data (quality)
- Contact with IT
- Functionality and quality requirements, including specification and acceptance testing
- Business cases and funding
- Procurement of IT services
- Information policy and strategy

Typical roles

Key user

...

Business analyst

...

Information manager

...

CIO



Business' IT responsibilities according to the Business

Huh?



Business people about IT people

- Don't understand our business
- Speak techno-babble
- Aren't pragmatic enough
- Too slow
- Say it's our fault – “you didn't tell us that”
- Don't understand what an entrepreneur needs
- Are reluctant to learn about the business
- Live in a world of their own



These guys are wierd!

Business

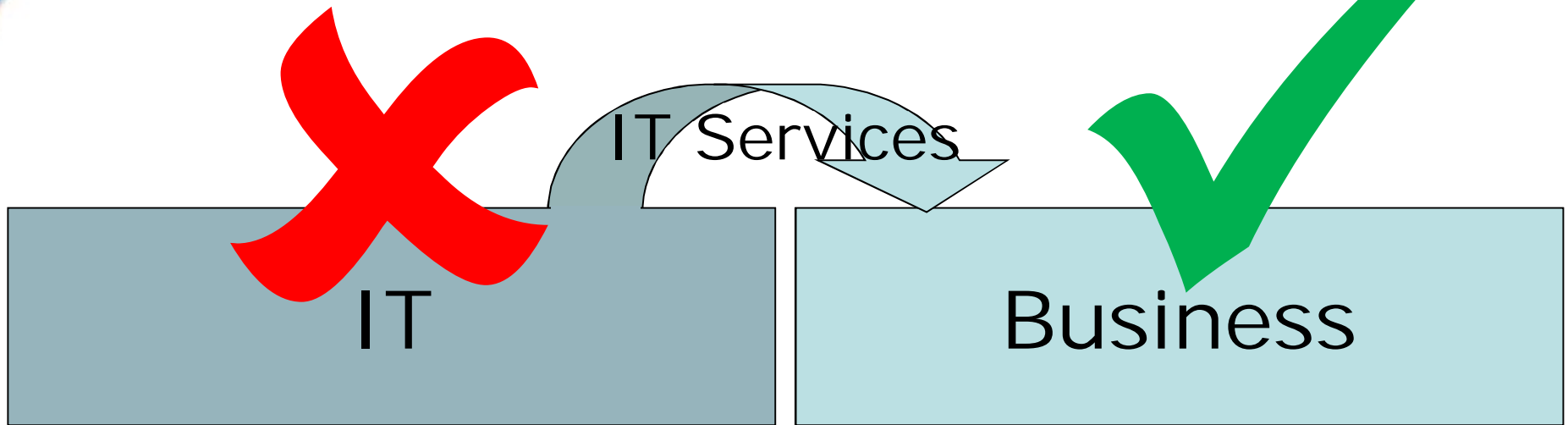


IT





Thinking out of the IT box



Supply

Demand & Use

IT Service
Providers &
Suppliers of IT
Components

Business
Departments



Business Issues, also for IT

- Capital, Profit, Risk
- Contribution of information (technology)
- Less capital/More income/Fewer costs/Less risk
- Fewer *business* costs, maybe more IT costs



Business IT Issues

- What IT activities to outsource and what not?
- How much should my IT cost?
- Which applications & infrastructure to acquire?
- How to make requirements for IT systems?
- How can I ensure that my information is correct?
- What should I test and how do I do that?
- What about security?
- What is my role and responsibility in IT projects?
- How to organize internal aspects of IT?



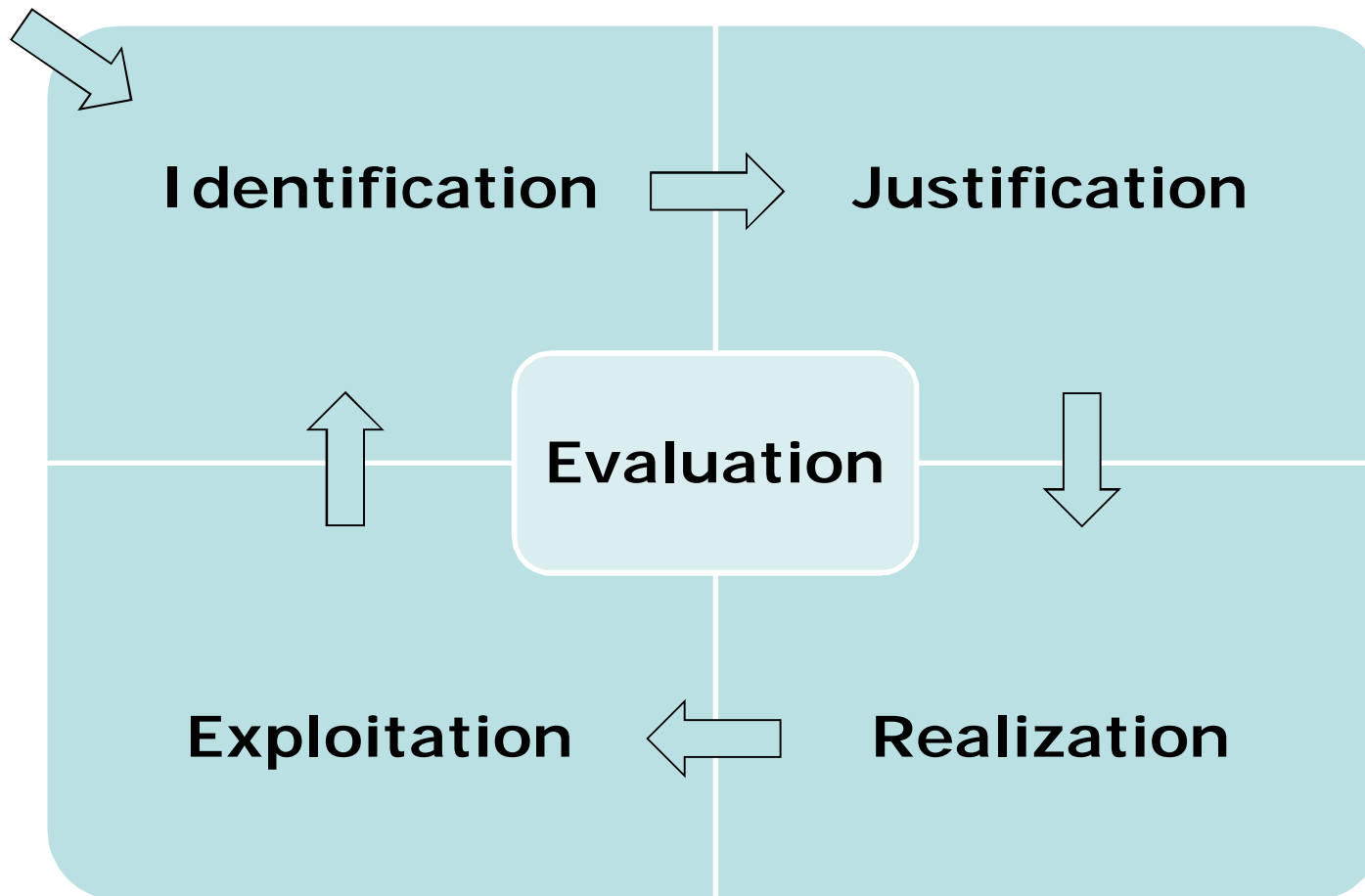
Real Business IT Issues

- IT: just another resource, not my highest priority
- Not in my individual target, thank you (NIMITTY)
- Keep under corporate radar
- Avoid the idiots at the IT Department
- Avoid other Business Prevention Departments



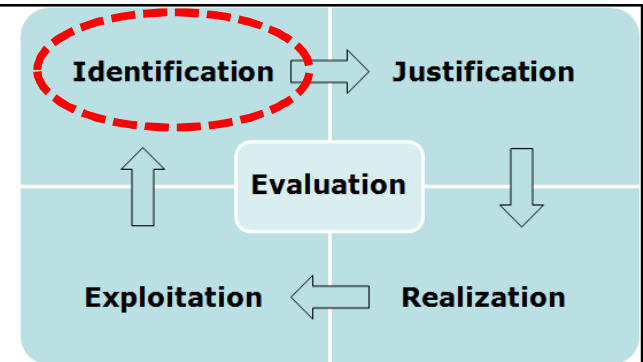
Economic Lifecycle

Application Lifecycle Management
from a Business Perspective

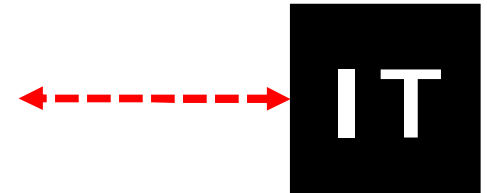




Identification

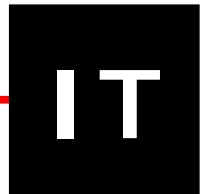
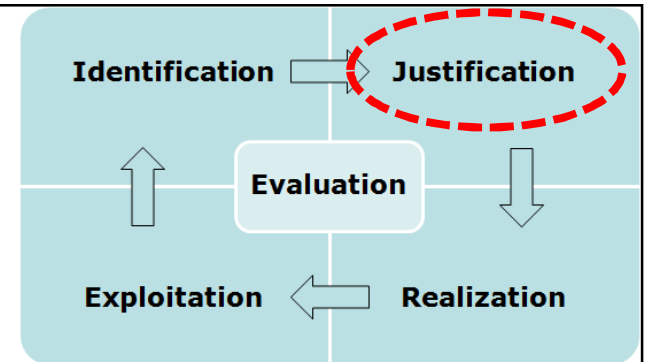


- Come up with a brilliant idea to achieve less capital/more income/fewer costs/less risk
- Use IT to improve existing business
- Use IT to create new business
- Balance IT change and organizational change
 - Don't disturb the operation
 - Use IT to introduce change (e.g. centralization)
- Specify requirements





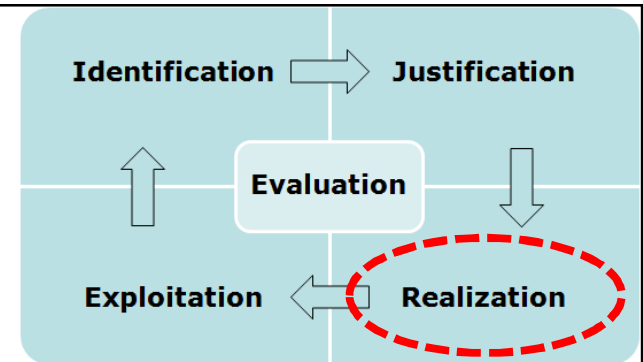
Justification



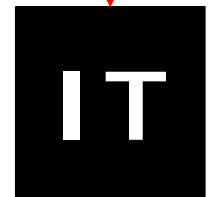
- Well informed decision making versus: ←
- (Un)Sound bite seduction
- Keeping up with the Joneses
- Cost benefit analysis
- Political feasibility
- Impact on non-IT aspects
- Priorities: budget and planning
- Long term investments vs market uncertainty
- Compromises are not the exception to the rule



Realization

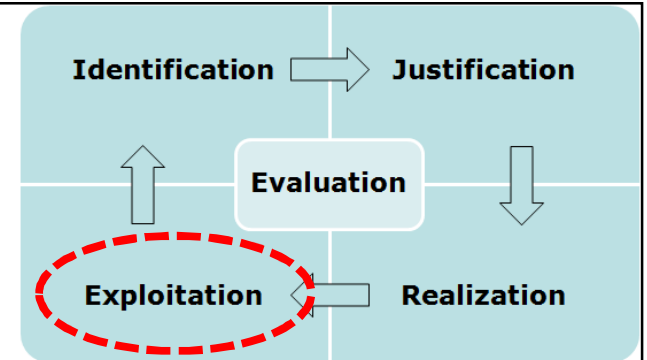


- Contract IT Services & participate in design
- Design non-automated aspects
 - Business processes and procedures
 - Manuals, forms
- Review & test
 - Organization
 - Application
- Transition
 - Planning & coordination
 - Communication, communication, communication
 - “Implementation between the ears”





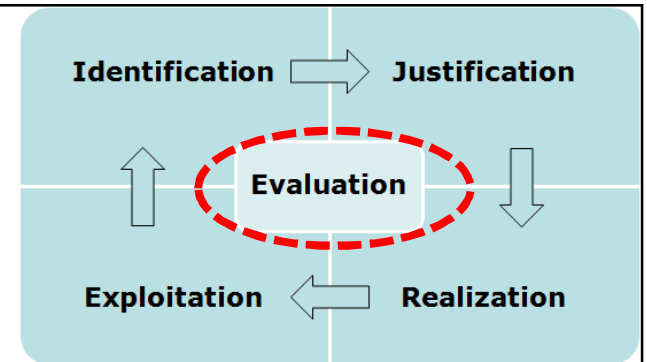
Exploitation



- End user support
 - Ensuring productive users
 - Optimal use of applications
- Business data management
 - Corporate data and parameters
 - Data quality
 - Ad hoc queries
- Operational supplier management  
 - Standard service requests
 - Availability, performance, continuity
 - Monitoring operational supplier performance



Evaluation



- Project planning and use of resources
- Financial performance, return on investment
- Supplier performance
- Information as an effective business resource



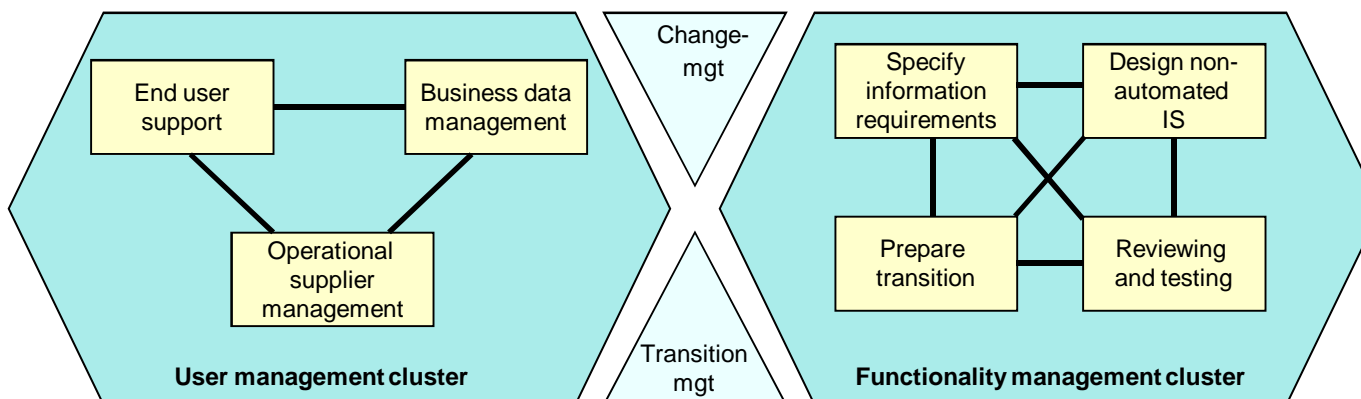
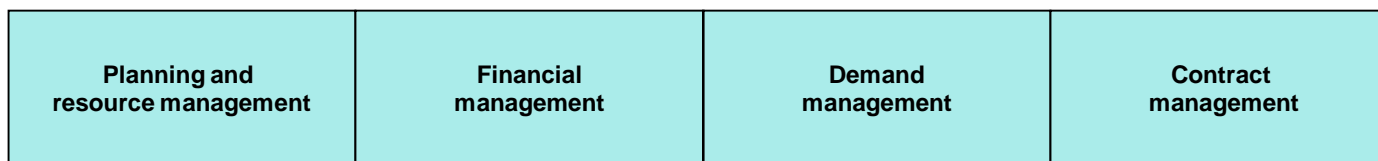
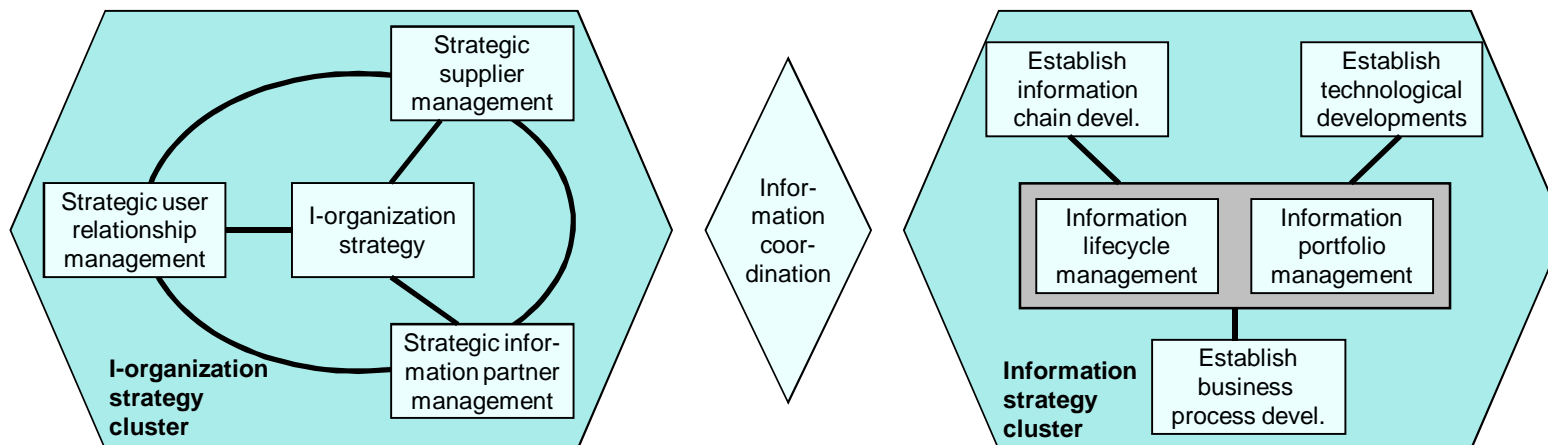
Business IT Roles

- key to successful outsourcing

- **Strategic supplier manager** who aligns partnership and services with strategic business direction
- **Enterprise architect** who aligns IT architecture with information strategy
- **Contract manager** who signs off on delivered services
- **Business project/transition manager** who liaises with IT projects
- **Change manager** who takes decisions on changes
- **Operational supplier manager** who channels service requests etc
- **Business data manager** who monitors data quality etc
- **Super users** who deal with 1st line calls regarding system use in a *business* context



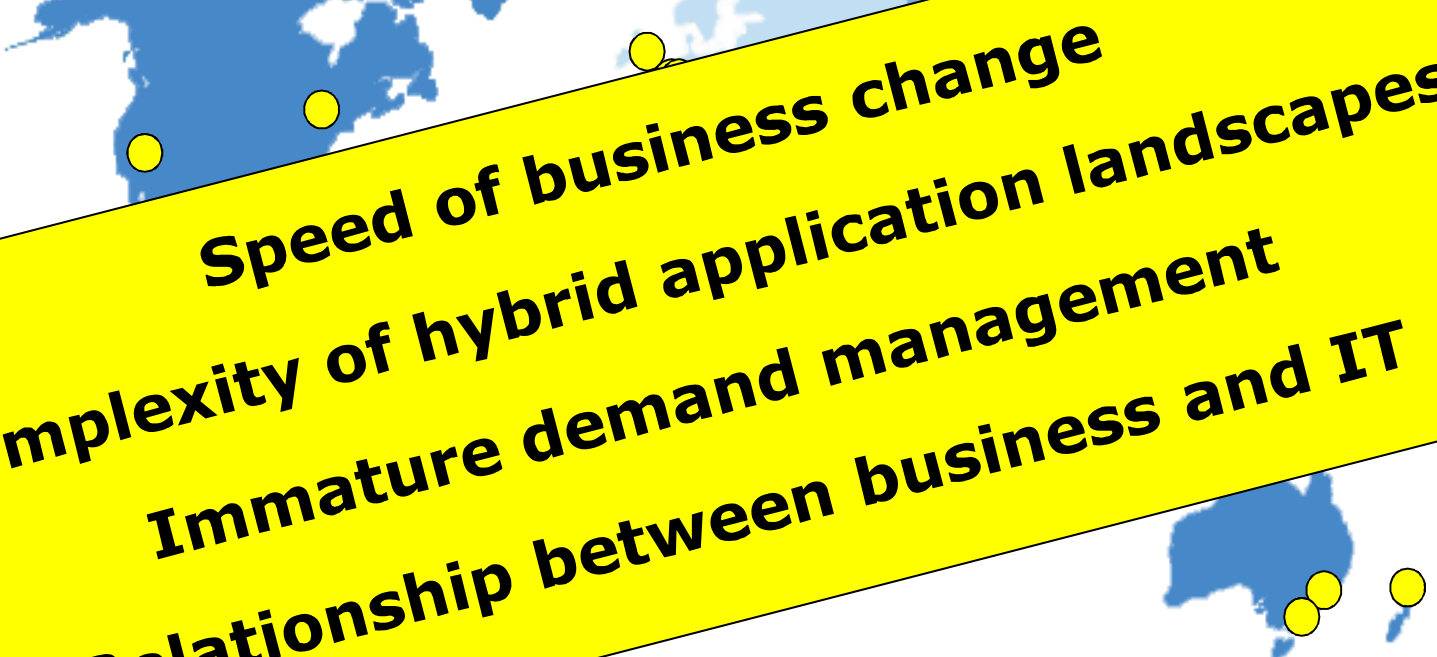
BiSL – Guidance for Business



www.asbisfoundation.org



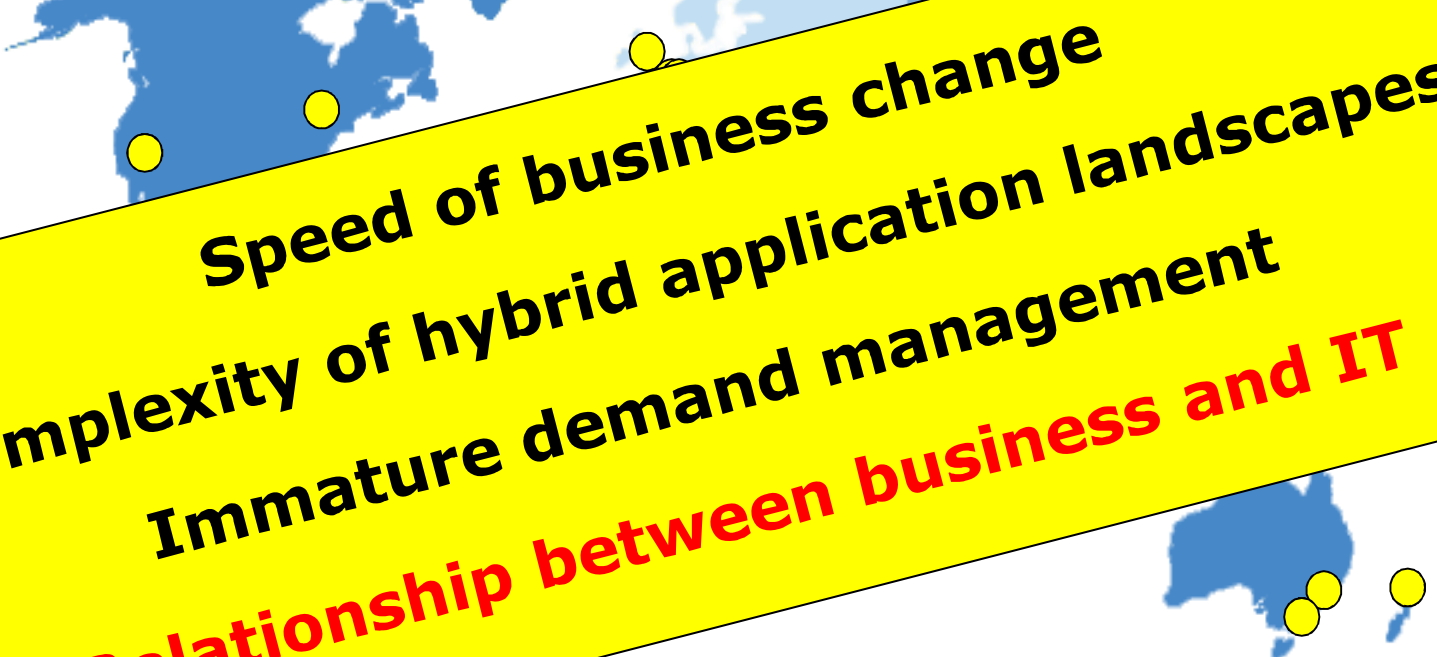
Speaking Engagements

A light blue world map is visible in the background, with several yellow circular markers placed over various geographical locations, including North America, Europe, and Australia.

Speed of business change
Complexity of hybrid application landscapes
Immature demand management
Relationship between business and IT



Speaking Engagements

A blue silhouette of a world map is centered in the background. Several yellow circular dots are placed on the map, indicating specific geographic locations for speaking engagements. The dots are located in North America, Europe, and South America.

Speed of business change
Complexity of hybrid application landscapes
Immature demand management
Relationship between business and IT



APPROVED

“Thought provoking”
Paul Wilkinson



White Paper

IT is from Flatland, Business is from Spaceland

The relationship between Business and IT has been a source of concern for as long as IT exists. The relationship used to be dominated by the God-like IT department who knew what was good for the Business. IT inevitably fell from its pedestal and adopted the sub-dominant position of “Just tell us what to do” (with the implication that it’s the business’ fault when it goes wrong). The challenge is to develop a mature relationship in which both parties play their part.

This paper addresses the relationship between Business and IT using concepts inspired by

On Dialogue by David Bohm

Flatland: A Romance of Many Dimensions by Edwin Abbott,

Stuart Wray’s work on Programming Aptitude,

Men are from Mars, Women are from Venus by John Gray,

Kirk and Spock of Star Trek fame,

Herbert Simon’s concept of Bounded Rationality,

Daniel Ofman’s Core Quadrants,

Paul Wilkinson’s ABC of ICT and

The Business IT Alignment Illusion, by Remko van der Pols & Mark Smalley.

The main premise of this paper is that IT people live in fewer dimensions than business people, have differing core values and therefore have difficulty understanding business’ extra dimensions, resulting in unsatisfactory “digital solutions for an analogue world”.

Mark Smalley, 23 March 2010



IT is from Flatland, Business is from Spaceland

- Relationship
- Communication
- Differences
- Understanding
- Benefitting

IT is from Flatland, Business is from Spaceland

- Relationship
- Communication
- Differences
- Understanding
- Benefitting

IT is from Flatland, Business is from Spaceland

- Relationship
- Communication
- Differences
- Understanding
- Benefitting

IT is from Flatland, Business is from Spaceland

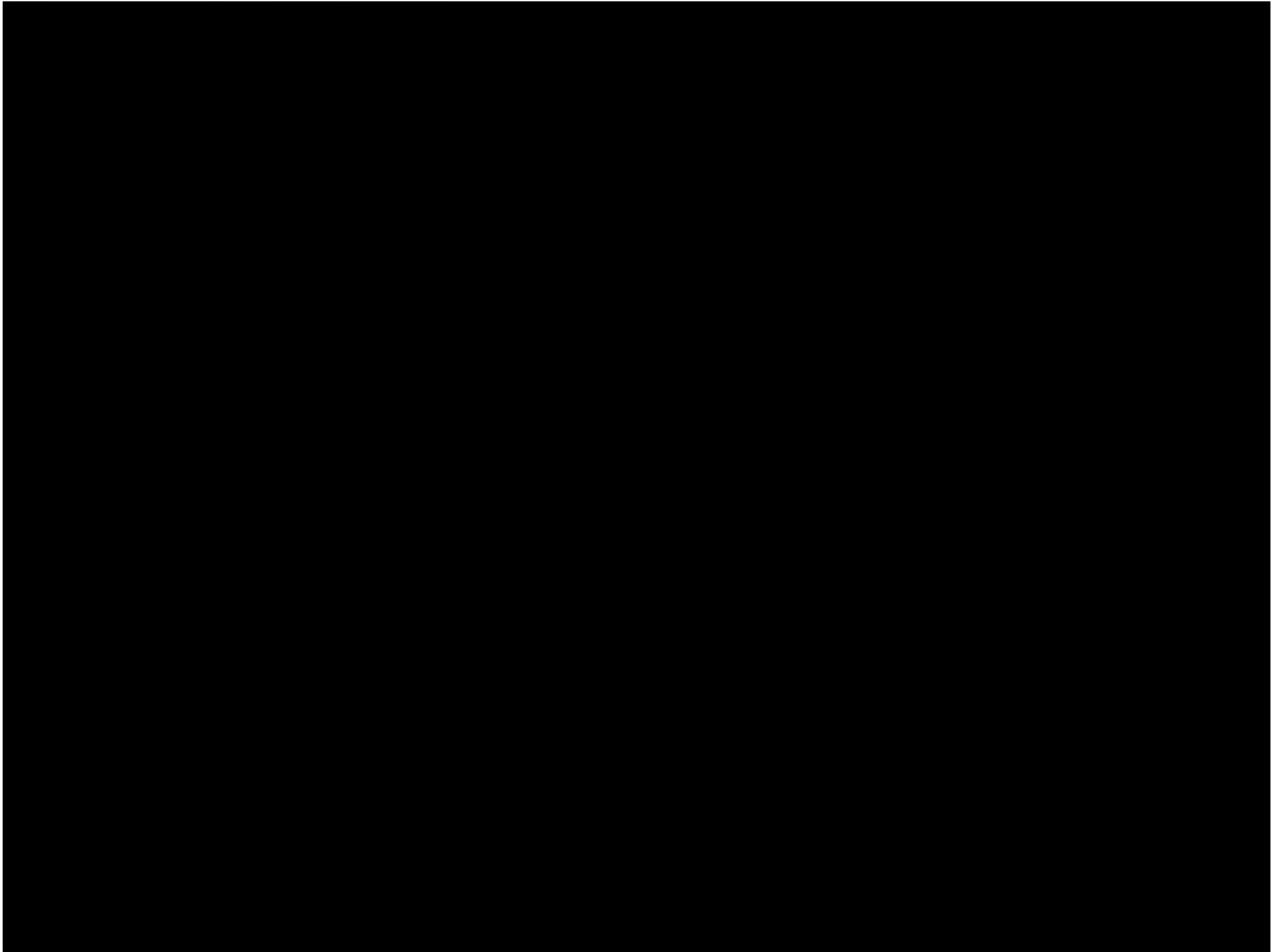
- Relationship
- Communication
- Differences
- Understanding
- Benefitting

IT is from Flatland, Business is from Spaceland

- Relationship
- Communication
- Differences
- Understanding
- Benefitting

IT Is from Flatland, Business Is from Spaceland

- Relationships
- Communication
- Differences
- Misconceptions
- Learning











SQ or EQ?

Stuart Wray

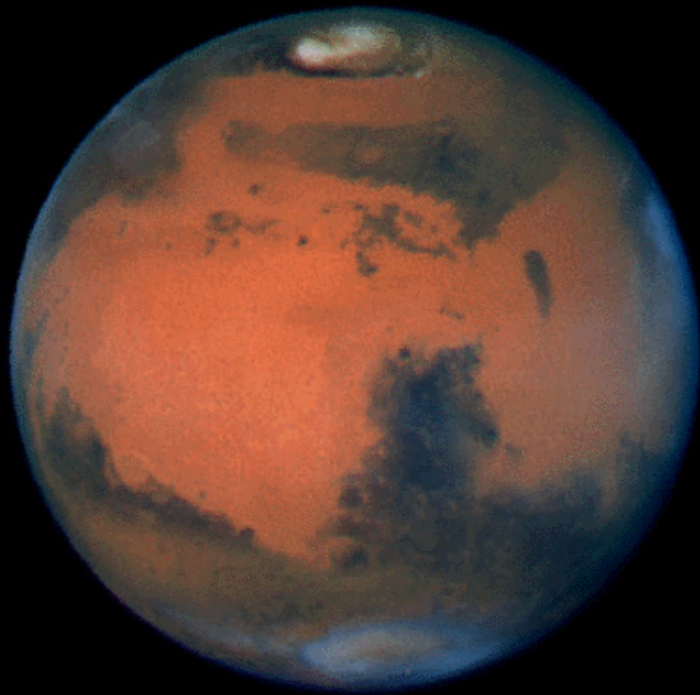
Ads by Smalley ☒

'SQ Minus EQ can Predict Programming Aptitude'

The N Word







John Gray

'Men are from Mars, Women are from Venus'

Ads by Smalley 

Fix it or
Talk about it?

Change Management

Men marry Women
with the hope they
will never change

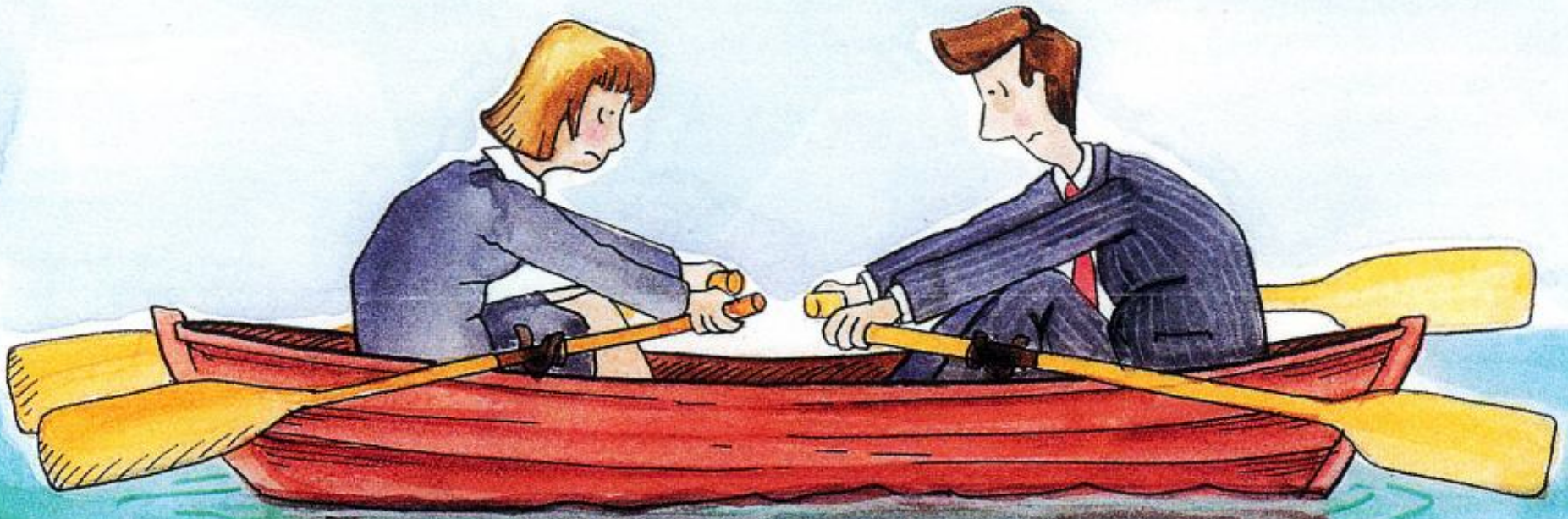
Inevitably, they are
both disappointed

Albert Einstein

'Zur Elektrodynamik bewegter Körper'

Ads by Smalley ☒

“We can't help men and women
to speak the same language,
but we can teach them
to understand both”

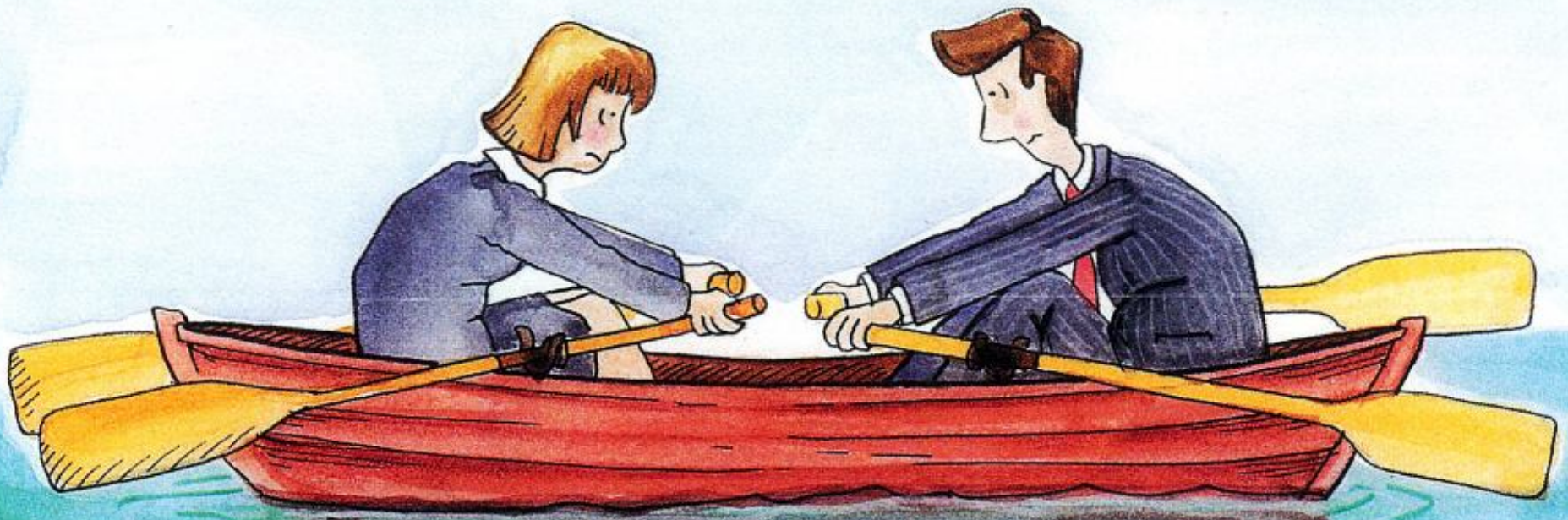


Pat Heim

'Row Boat Cartoon', www.heimgroup.com

Ads by Smalley ☒

“We can't help **Business and IT**
to speak the same language,
but we can teach them
to understand both”

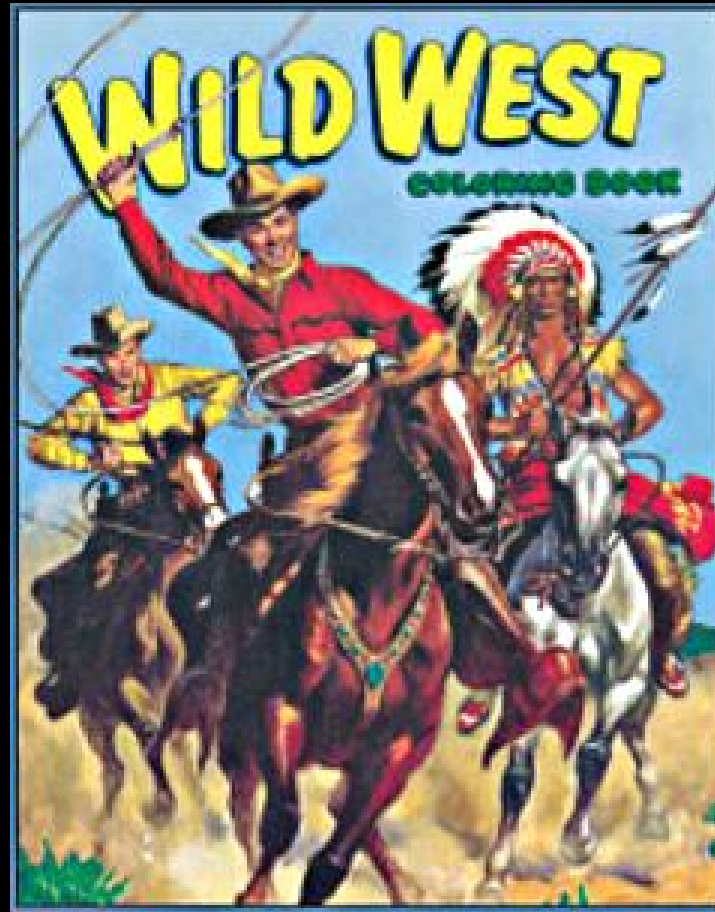


Pat Heim

'Row Boat Cartoon', www.heimgroup.com

Ads by Smalley ☒

IT from a Business Perspective



[Sunit Prakash \(www.sunit.co.nz\)](http://www.sunit.co.nz)

Ads by Smalley ☒

"Too many Cowboys and not enough Indians"

Business
from an
IT Perspective



Remko van der Pols

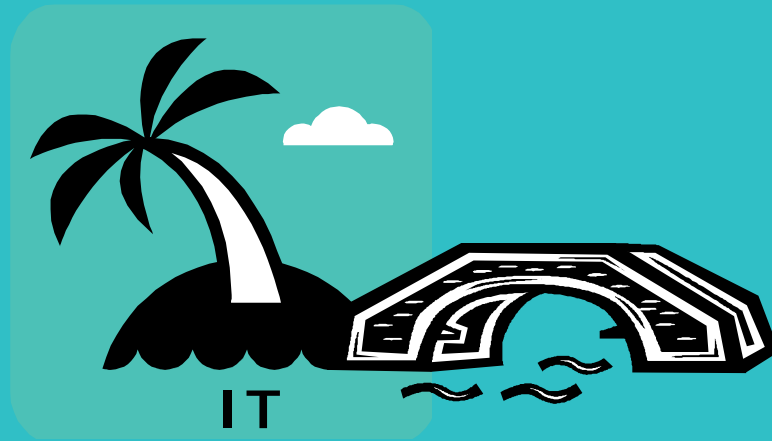
'The Business IT Alignment Illusion'

Ads by Smalley ☒

Digital systems for
an analog world



**Business
Island**



**IT
Island**

Remko van der Pols
'The Business IT Alignment Illusion'

Ads by Smalley ☒

Wrong Bridge

Flatland or Spaceland?

William Arntz, Betsy Chasse, Mark Vicente
'What the Bleep!?: Down the Rabbit Hole'
Dr Quantum visits Flatland

Ads by Smalley ☒



IT people ...

... have differing
core values ...

... live in fewer
dimensions than
business people ...

... can't grasp
business' extra
dimensions ...

... and make
“digital solutions for
an analog world”

Discuss



Life just ain't Fair

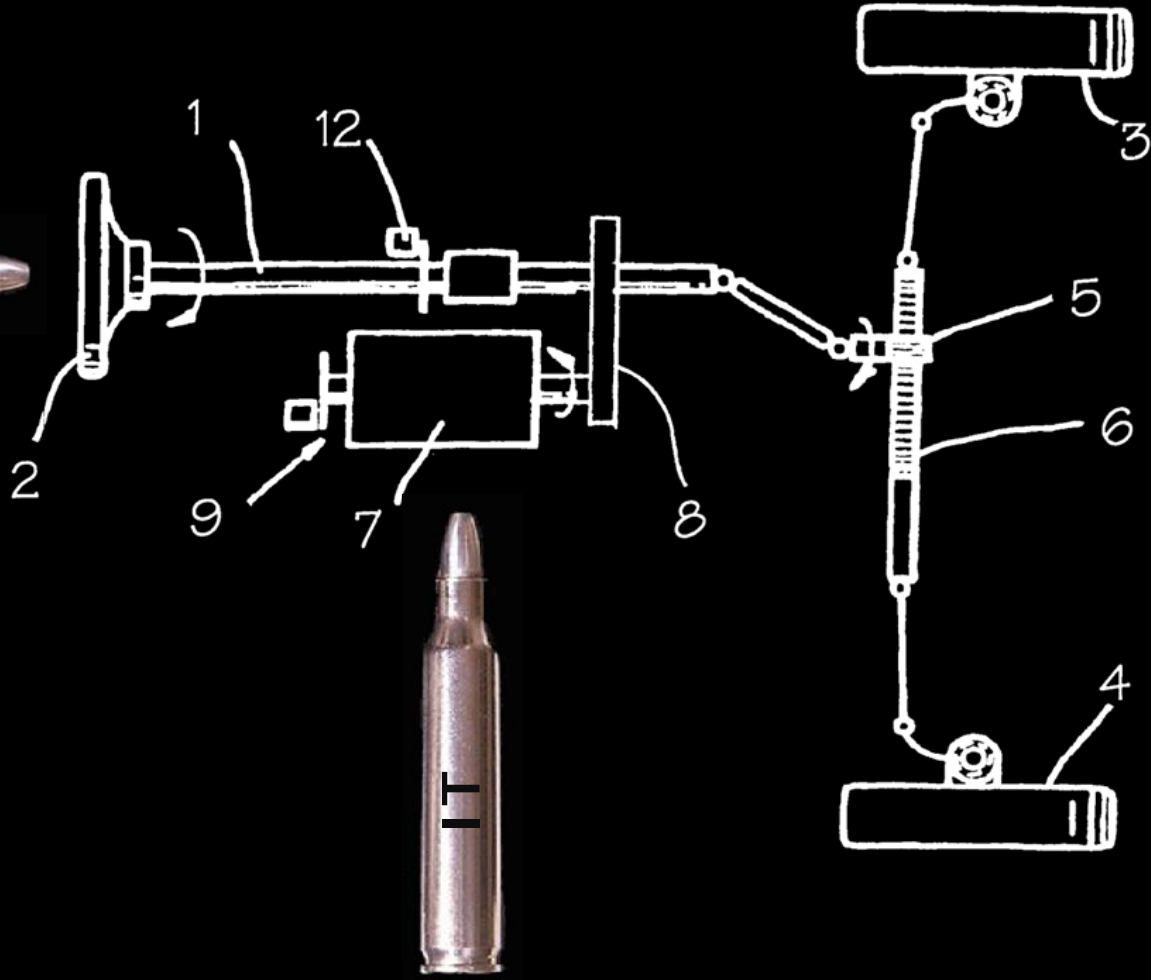
A tall, narrow wooden tower stands in a grassy field with trees in the background. The tower has a gabled roof and two doors, one near the top and one near the bottom. A wooden ladder is attached to the side of the tower, leading up to the upper door. The tower is made of light-colored wood. Two black rectangular boxes with white text are overlaid on the image: one on the upper door and one on the lower door.

Business

IT

Business
Rules
IT

Business



IT

5
♣

CEO & CIO taking
some marriage
guidance advice.



Neither partner makes



Take
The
Time
To

Paul Wilkinson
'The ABC of ICT'

Ads by Smalley ☒



Please keep in touch!

mark.smalley@capgemini.com
marksmalley @ LinkedIn
marksmalley @ Twitter
smalleysoneliners.blogspot.com

www.capgemini.com
www.aslbisfoundation.org
Free downloads
Newsletter



CONSULTING.TECHNOLOGY.OUTSOURCING

Together.