JAMES A ROBERTSON AND ASSOCIATES

EFFECTIVE STRATEGIC BUSINESS SOLUTIONS

3. The Critical Requirements for a Successful Information Technology Solution

Why your ERP is NOT delivering and how to FIX it

The Critical Factors for Information Technology Investment Success

Two Day Course

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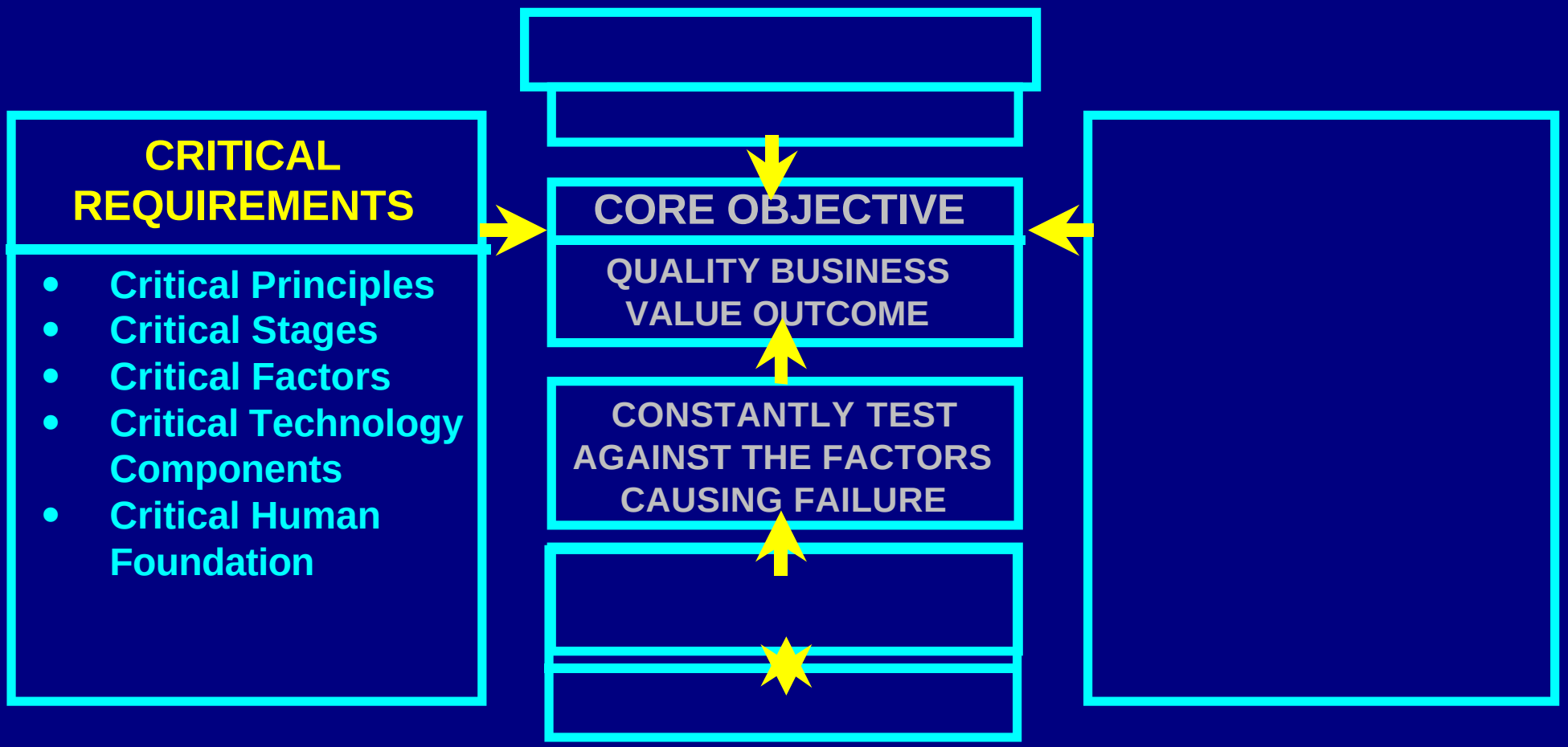
SOLUTION & COURSE MAP



THE CRITICAL REQUIREMENTS FOR A SUCCESSFUL SOLUTION

1. Critical Principles
2. Critical Stages
3. Critical Factors
4. Critical Technology Components
5. Critical Human Foundation

THE CRITICAL PRINCIPLES FOR SUCCESS

1. Create Competitive Advantage (19%)
2. Engineer Against Failure (18%)
3. Improve Decision Making (17%)
4. Measurement Determines Behaviour (16%)
5. People Are Part of the System (12%)
6. Computers Are Dumb and Abstract (10%)
7. Payback Takes Time (8%)

THE CRITICAL PRINCIPLES FOR SUCCESS

People Are Part of the System (12%)

1. People determine the quality of analysis
2. ..... design
3. ..... implementation
4. ..... operation
5. ..... input data quality
6. ..... interpretation of output
7. ..... action

THE CRITICAL PRINCIPLES FOR SUCCESS

Computers Are Dumb and Abstract (10%)

1. Computers only add 0's and 1's (binary arithmetic)
2. Only do what they are told
3. Good at automating repetitive tasks which people can do
4. Difficult to understand
5. NOT human and never will be
6. Cannot take one off decisions about things that were not specified during design

THE CRITICAL PRINCIPLES FOR SUCCESS

Payback Takes Time (8%)

1. Simple business information system 18 months to do well
2. Large E.R.P. 3 to 5 years
3. Both will cost much more than expected
4. Capitalize the investment and manage accordingly

MANAGING FOR SUCCESS
CRITICAL STAGES FOR DEVELOPMENT & PROCURMENT

1. Concept (19%) *
2. Architectural (Business) Analysis and Design (28%) *
3. Technical Analysis and Design (9%)
4. Construction - Front End, Database, Application (4%)
5. Data Engineering (23%) *
6. Pilot Test and Commission; Implement (11%)
7. Utilize / Operate (6%)

1. Concept (19%)
2. Architectural (Business) Analysis and Design (28%)
3. Evaluate & Make Buying Decision (9%)

Build versus buy

4. Customization (4%)
5. Data Engineering (23%)
6. Pilot Test & Commission; Implement (11%
7. Utilize / Operate (6%)

* These 3 = 70%

THE CRITICAL FACTORS FOR SUCCESS

1. Executive Custody (25%)
2. Strategic Solution Architect (18%)
3. Clear Strategic Perspective and Alignment (16%)
4. Business Integration and Optimization (14%)
5. Programme Schedule, Budget and Resource Management (12%)
6. Data Engineering (10%)
7. Technology Components (5%)

THE CRITICAL TECHNOLOGY COMPONENTS FOR SUCCESS

1. Operational and Transaction Processing Systems
2. Automation Systems Including End User Support Systems, Call Centre Systems, Office Automation, etc
3. Soft Information Acquisition Systems
4. Decision Support Systems Including Information Warehouses, Data Mining, Simulations, EIS, OLAP, etc
5. Hardware, Networks, Operating Systems and Database Systems
6. Systems Integration Components and Allied Services
7. Operators. Users, Customers and Decision Makers

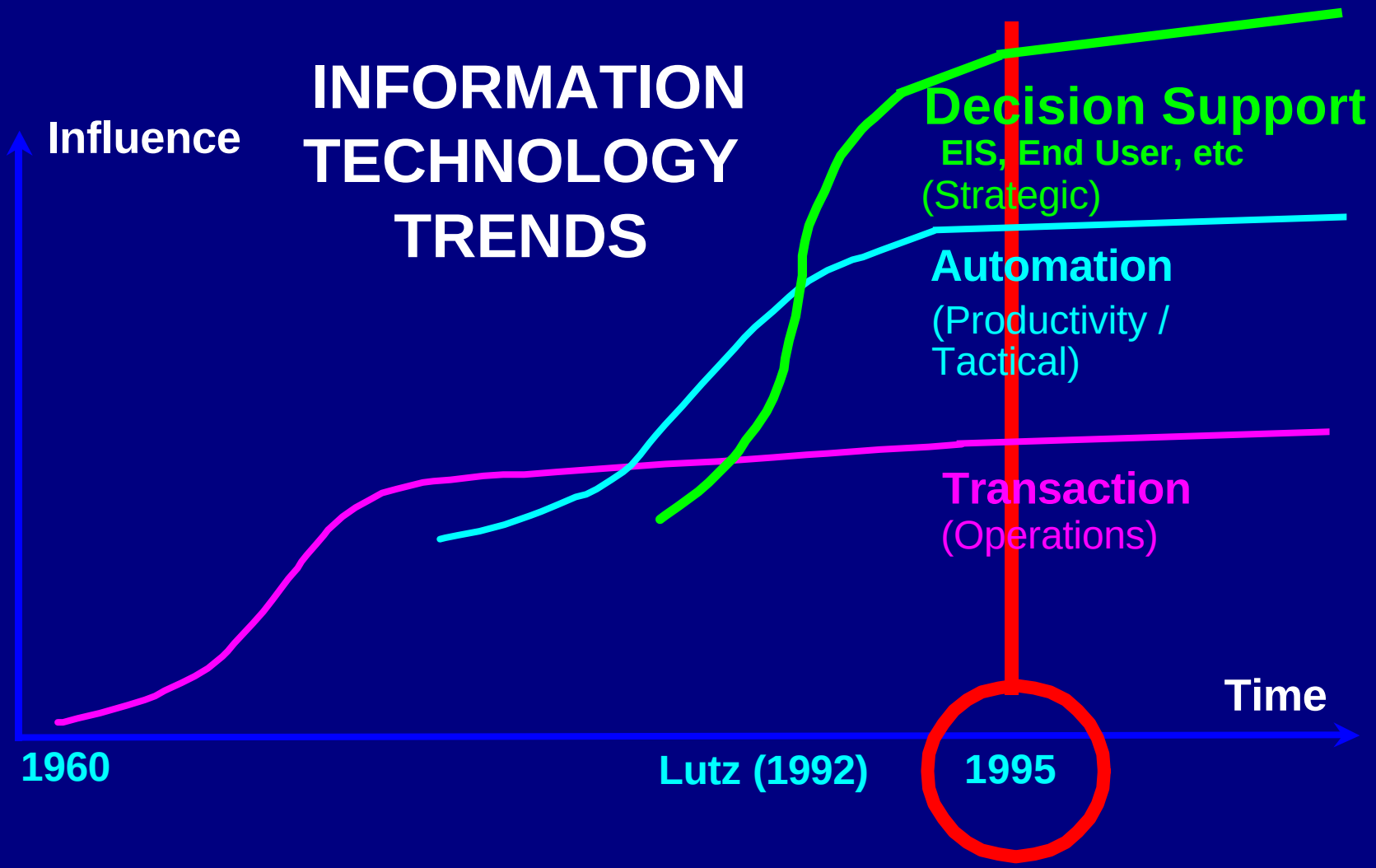
CRITICAL TECHNOLOGY COMPONENTS

Soft Information Acquisition Systems

1. Market critical success factors
2. On post cards
3. Reference number linked to record
4. Unlocks strategic business intelligence

CRITICAL TECHNOLOGY COMPONENTS

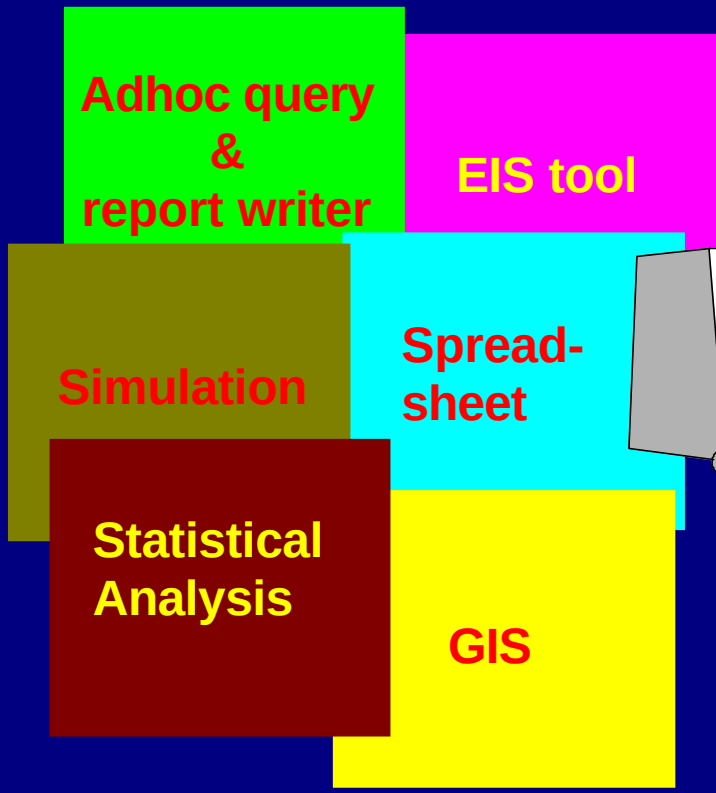
Some Important Considerations



CRITICAL TECHNOLOGY COMPONENTS

Some Important Considerations

Choose the right tool for the job e.g. analysis and reporting

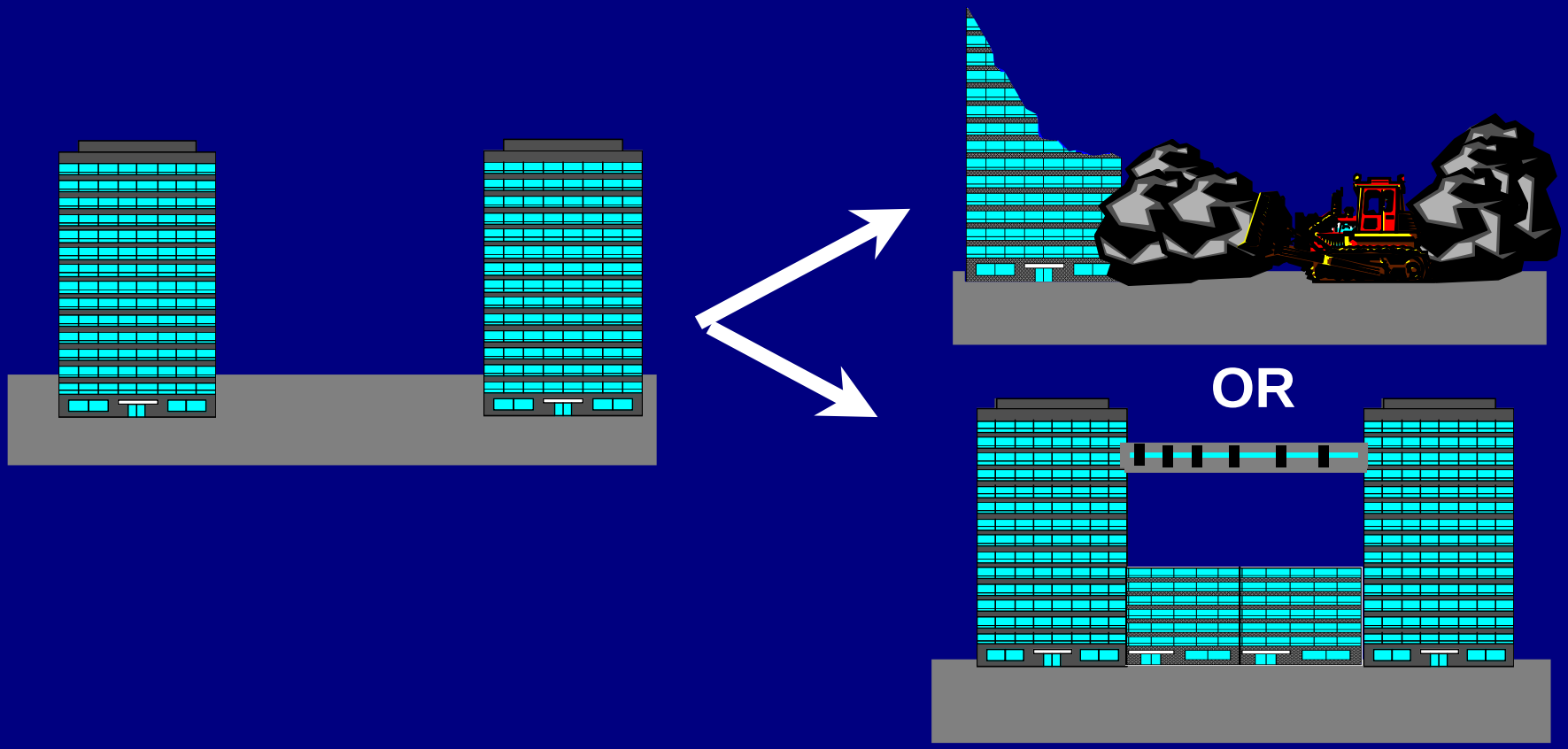


THERE IS NO SINGLE "SILVER BULLET"

CRITICAL TECHNOLOGY COMPONENTS

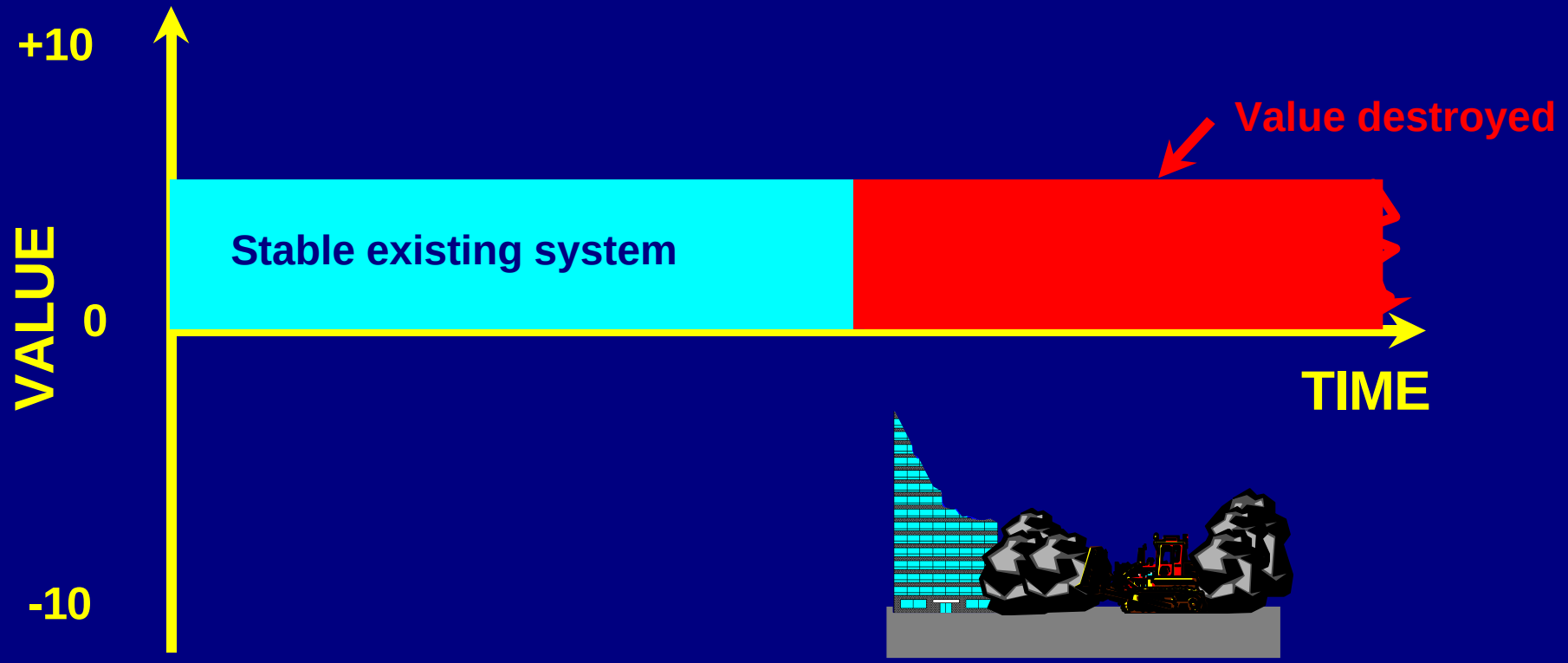
Some Important Considerations

ALTERNATIVE TO THE I.T. DEMOLITION SYNDROME



ESSENTIAL TECHNOLOGY KNOWLEDGE
SYSTEM TRANSITION -- EVOLUTION VERSUS DEMOLITION

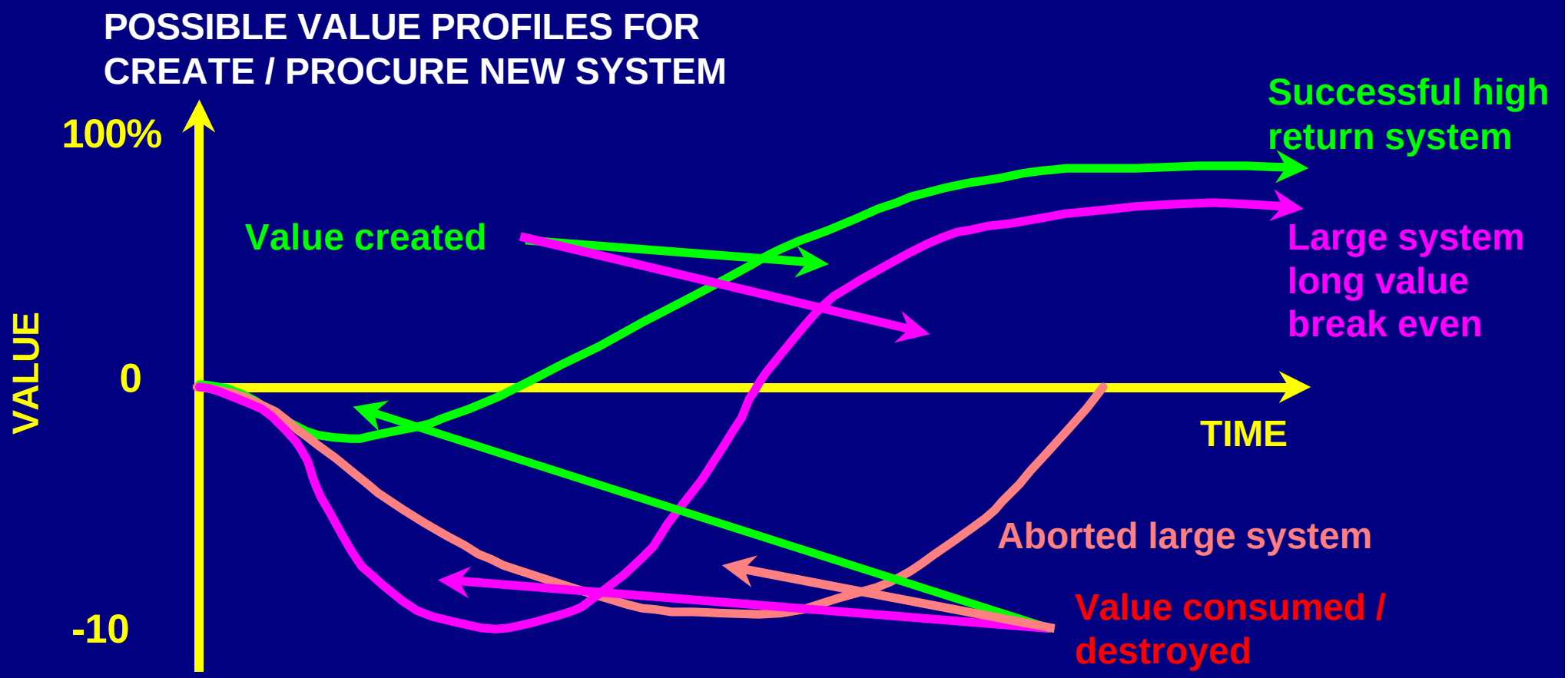
VALUE PROFILE:
TERMINATION OF EXISTING SYSTEM



Maximum possible value destruction = -100%

ESSENTIAL TECHNOLOGY KNOWLEDGE

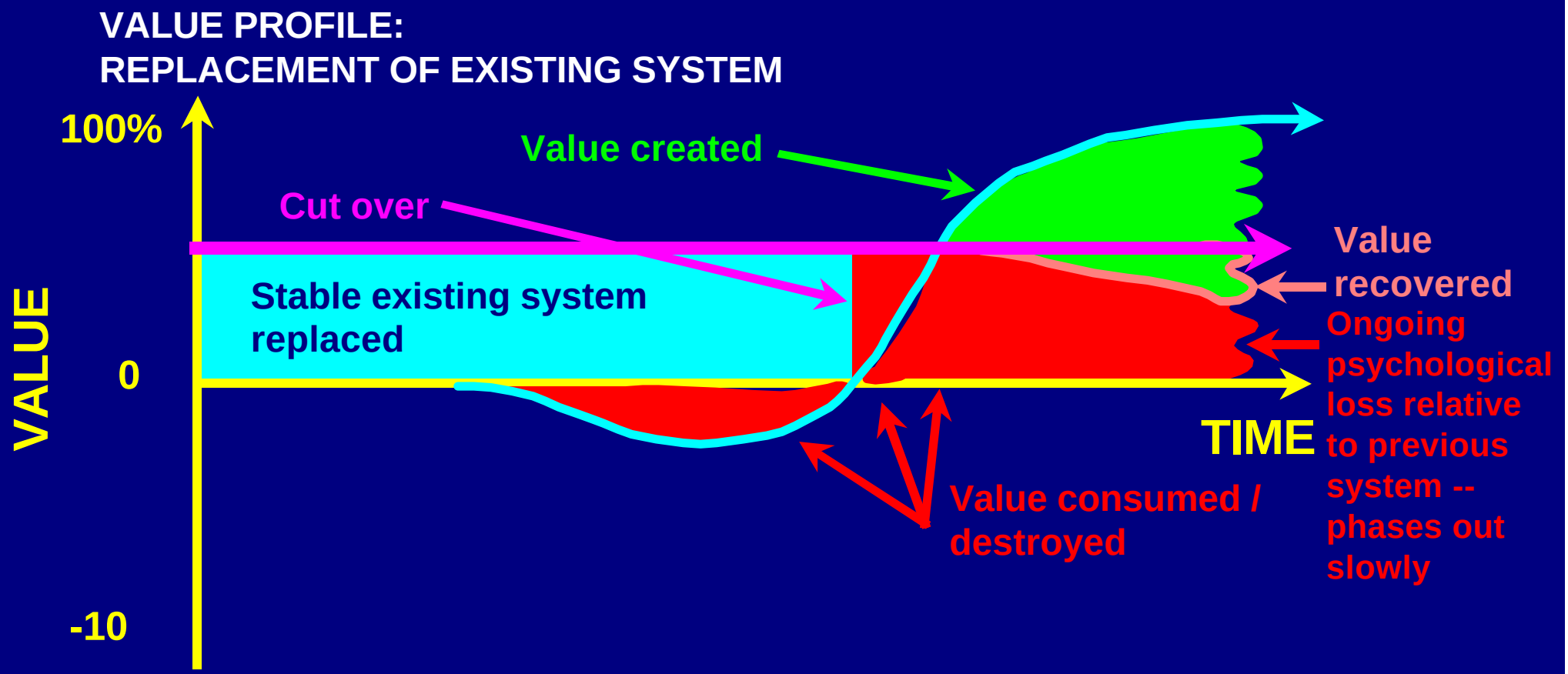
SYSTEM TRANSITION -- EVOLUTION VERSUS DEMOLITION



REMEMBER: 70% fail outright, further 20% fail to meet original requirement

ESSENTIAL TECHNOLOGY KNOWLEDGE

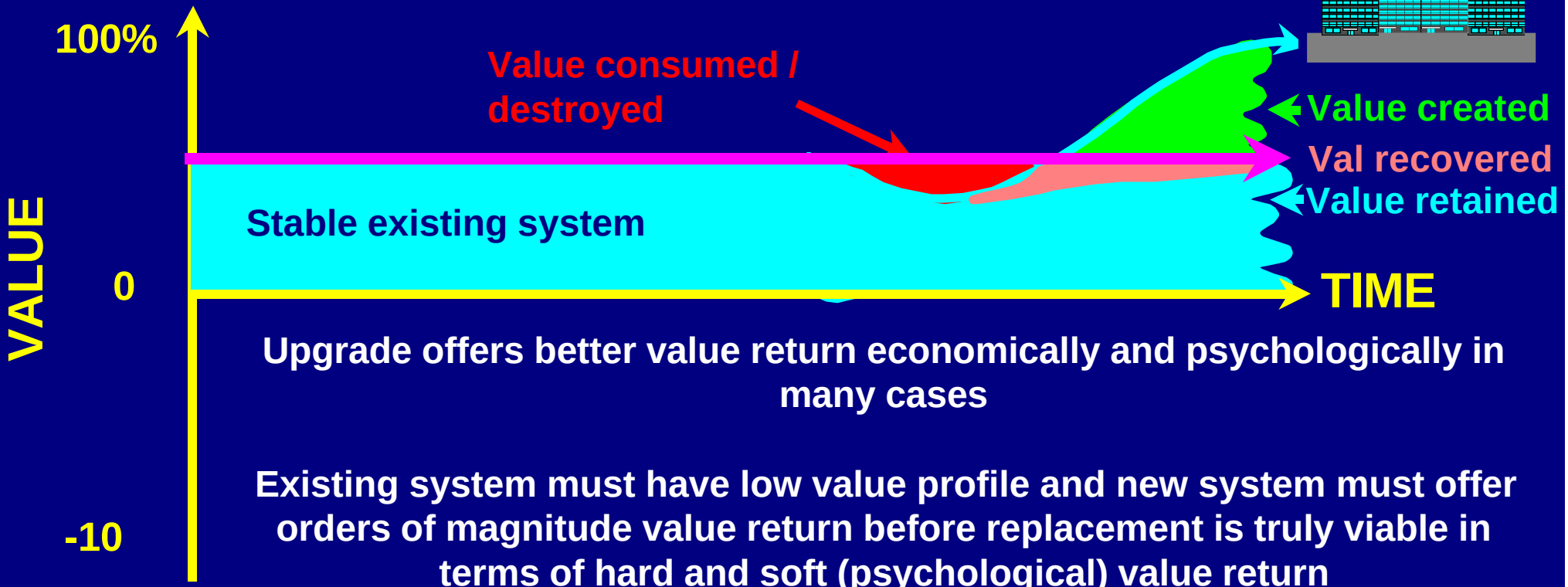
SYSTEM TRANSITION -- EVOLUTION VERSUS DEMOLITION



ESSENTIAL TECHNOLOGY KNOWLEDGE

SYSTEM TRANSITION -- EVOLUTION VERSUS DEMOLITION

VALUE PROFILE:
UPGRADE OF EXISTING SYSTEM



Upgrade offers better value return economically and psychologically in many cases

Existing system must have low value profile and new system must offer orders of magnitude value return before replacement is truly viable in terms of hard and soft (psychological) value return

ESSENTIAL TECHNOLOGY KNOWLEDGE

SYSTEM REPLACEMENT DRIVERS

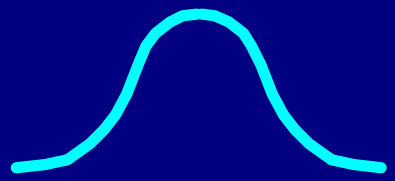
1. Badly designed
2. Badly built
3. Badly implemented
4. Badly maintained
5. Obsolete technology
6. Dramatic real business change where others have gone before
7. Other - fashion / don't understand / mythology / don't want to look stupid / confusion / etc

Determine relative weight

Score historic, current, forecast and objective on hi - lo score basis

0 = could not be worse anywhere in the world

10 = could not be better

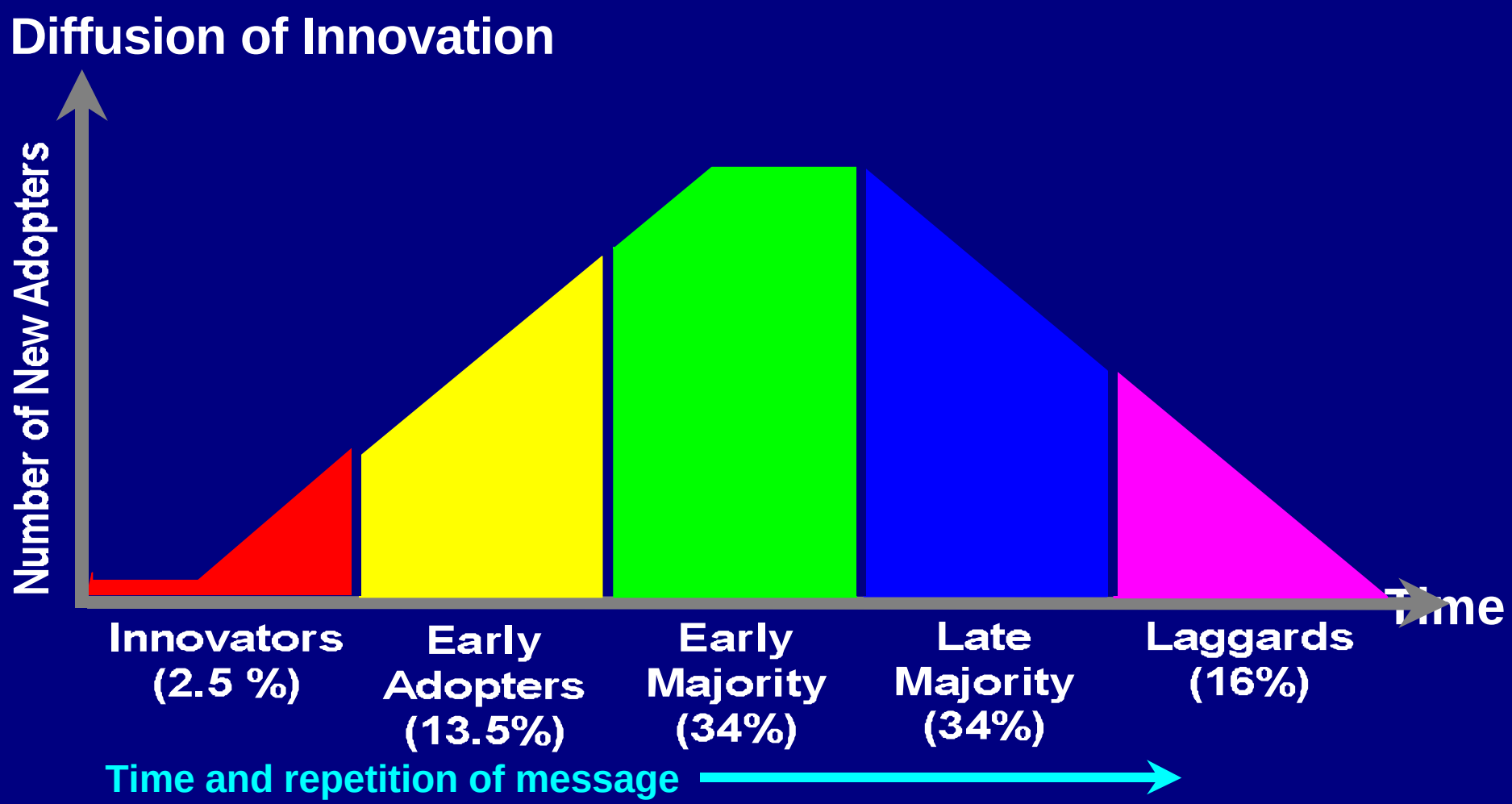


THE CRITICAL HUMAN FOUNDATION FOR SUCCESS

1. Business Competence (Knowledge and Experience)
2. Technology Competence (Knowledge and Experience)
3. Personality Profiles and Related Human Traits
4. Solution Knowledge
5. Solution Experience
6. Communication
7. Other Human Factors

THE CRITICAL HUMAN FOUNDATION

Communication



THE CRITICAL REQUIREMENTS FOR A SUCCESSFUL SOLUTION

1. All interact to impact the outcome of any information technology project or programme
2. It is vital that they are ALL taken into account
3. In a systematic structured way as part of a formal solution development approach

- Refer the next presentation

THE CRITICAL REQUIREMENTS FOR A SUCCESSFUL SOLUTION

QUESTIONS?

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Finding the missing pieces of your I.T. and strategy puzzles

Please remember the evaluation forms