

Critical Factors for I.T. Success in a Declining Economy



An industry characterized by failure



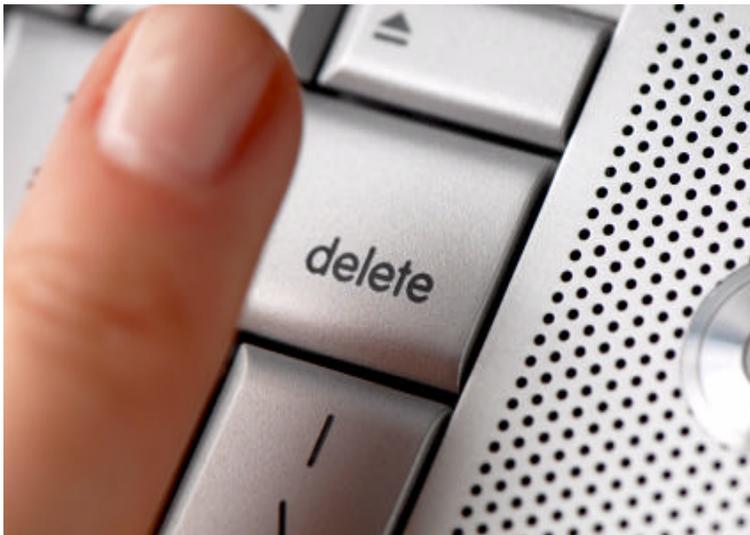
“19 out of 20 E.R.P. Implementations do NOT deliver what was promised”

Duncan McLeod

Extreme failures



1. Seven years and half a billion dollars -- international chemicals company
2. \$400 million -- multinational shoe corporation
3. Multinational entertainment giant -- \$878 million
4. Major supermarket chain -- \$195 million



Pending disaster



"I.T. is the next corporate disaster waiting to happen"



Pending epidemic



There is a need for a new approach







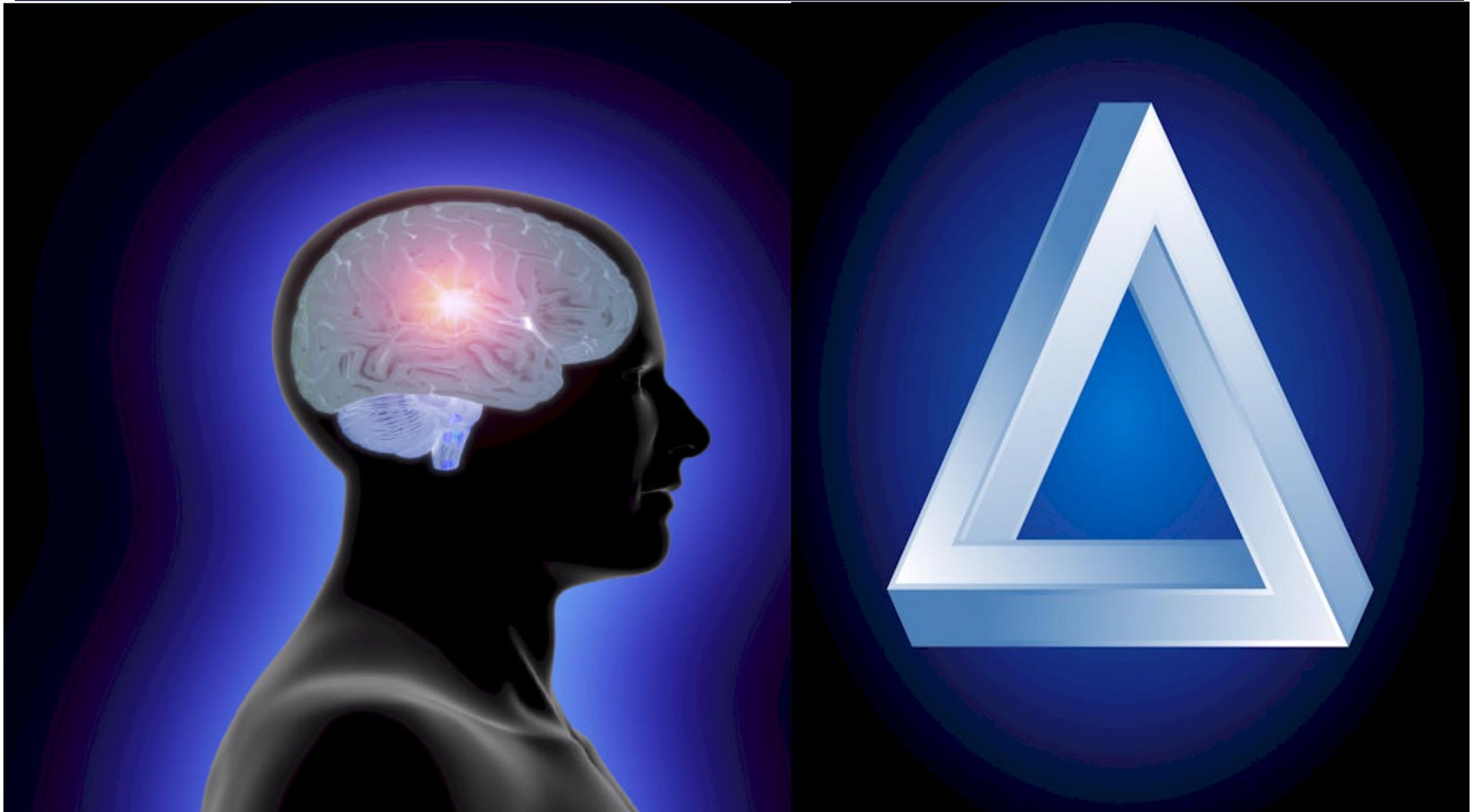
Engineer against failure



**Engineers do not design
bridges to stand up, they
design them**

not to fall down...

What is NOT an engineering approach?



Software as magic



The content is the same -- always -- binary code



Positioning this presentation

Information technology can and should add value



What is strategy?



Strategy



Doing the right things

Tactics



Doing things right

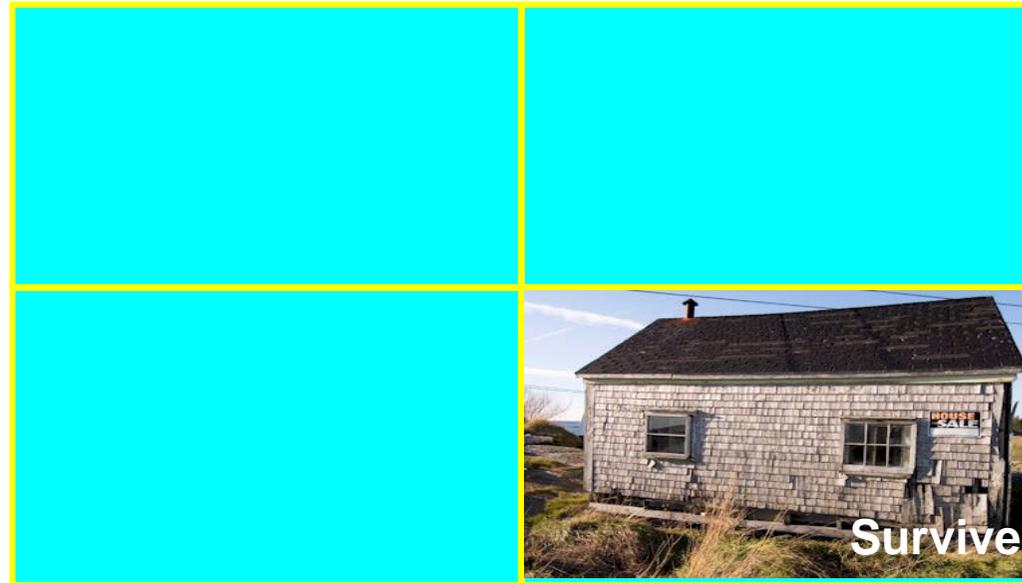
The relationship between strategy and tactics



The relationship between strategy and tactics

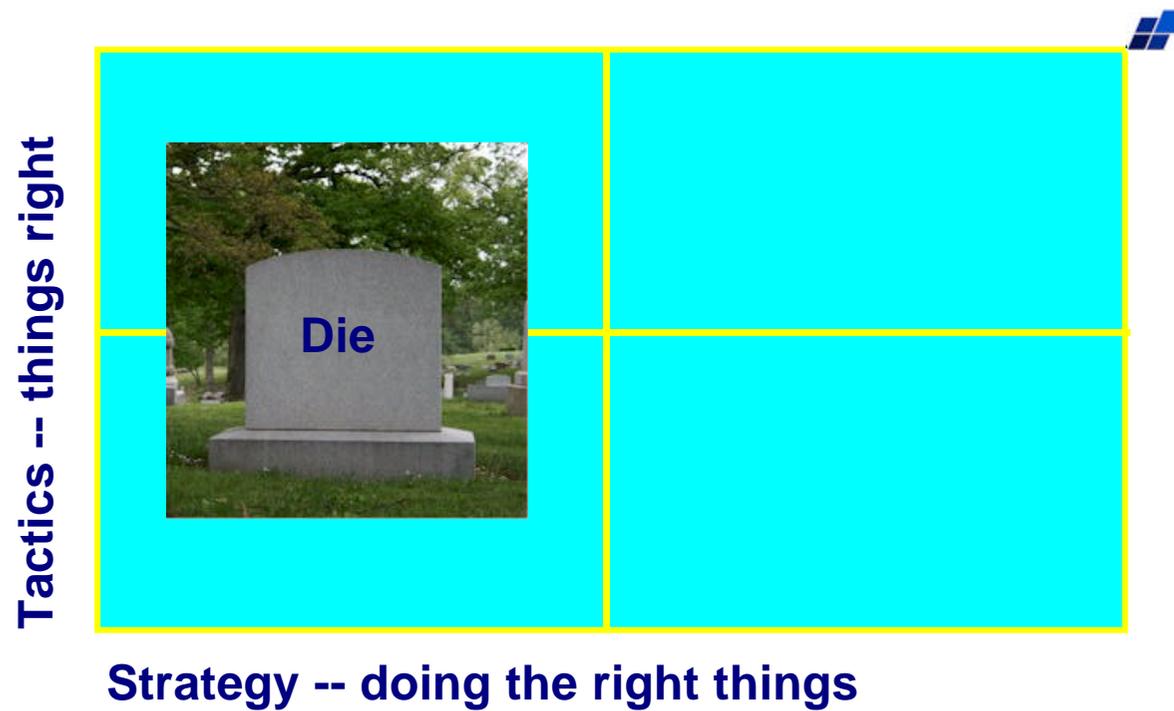


Tactics -- things right



Strategy -- doing the right things

The relationship between strategy and tactics



The relationship between strategy and tactics



Tactics -- things right



Strategy -- doing the right things

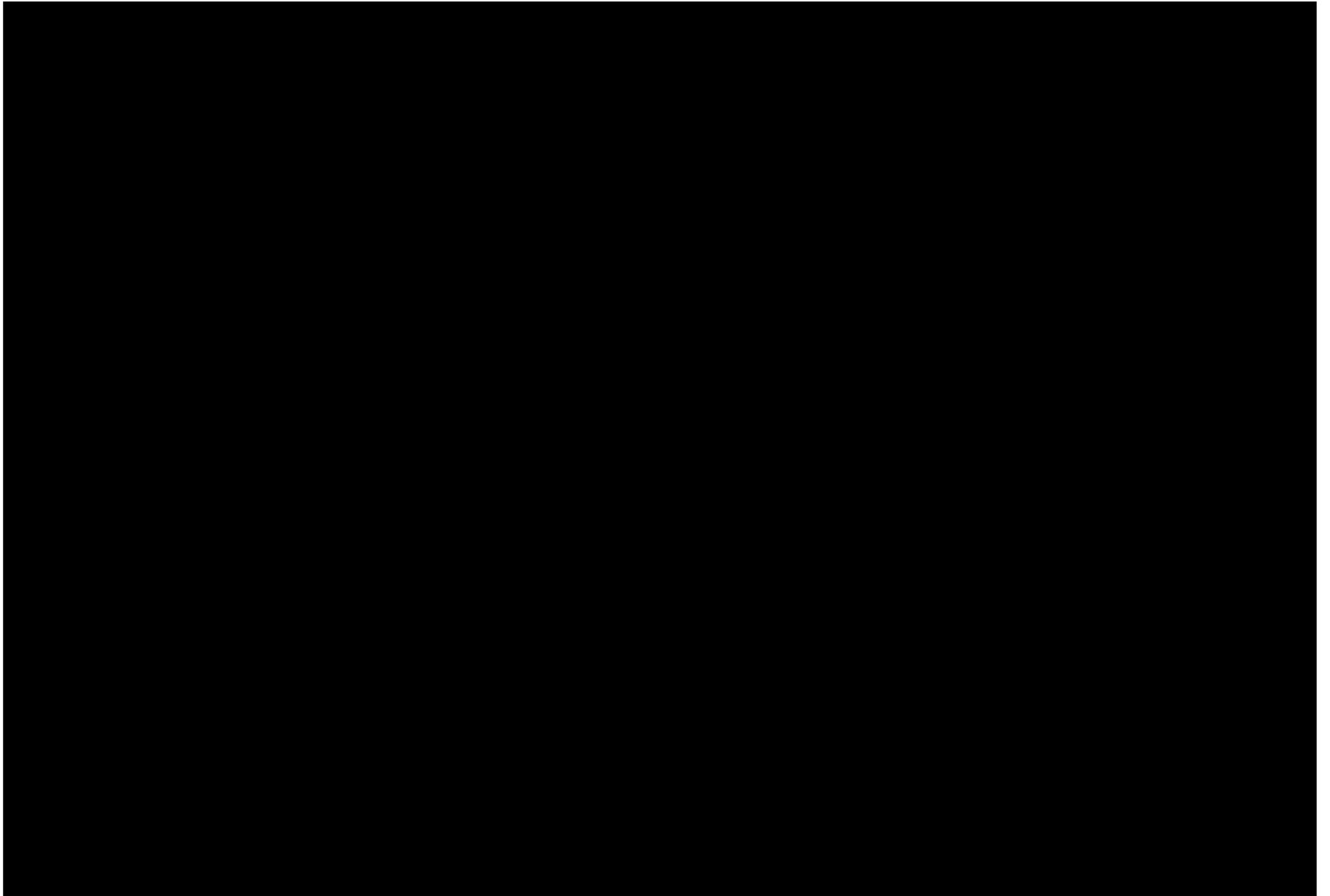
The relationship between strategy and tactics



Tactics -- things right



Strategy -- doing the right things





Critical factors to manage to prevent failure

- 65%
1. Information technology mythology (30%)
 2. Lack of executive custody and inappropriate policies (20%)
 3. Lack of strategic alignment (15%)
 4. Lack of an engineering approach (12%)
 5. Poor data engineering (10%)
 6. People / soft issues (8%)
 7. Technology issues (5%)



Remember that technology is value inert



Critical Factors for I.T. Success in a Declining Economy



Reduce the things that cause I.T. to consume business value



Retain your Office Suite and use the same machines for 6 years+



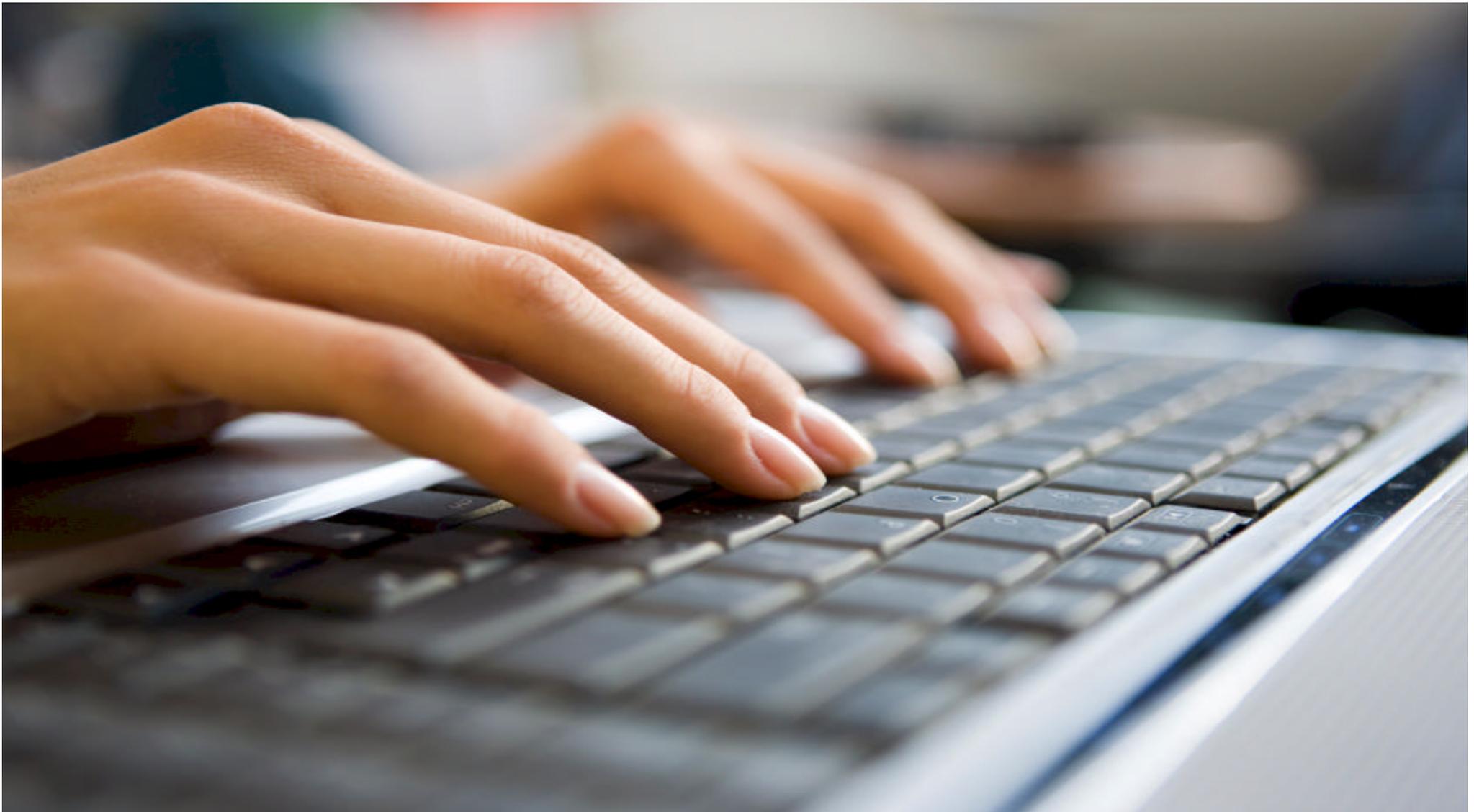
Invest for 20 years



Don't kill your I.T. person!



Give people the tools



Train I.T. staff to delight customers



“the customer is NOT an interruption of your day the customer is the reason for your day”



Make your I.T. staff an integral part of your business



“boots in the mud”



Clean up your data



Critical Factors for I.T. Success in a Declining Economy



Increase the things that cause I.T. to contribute to business value creation

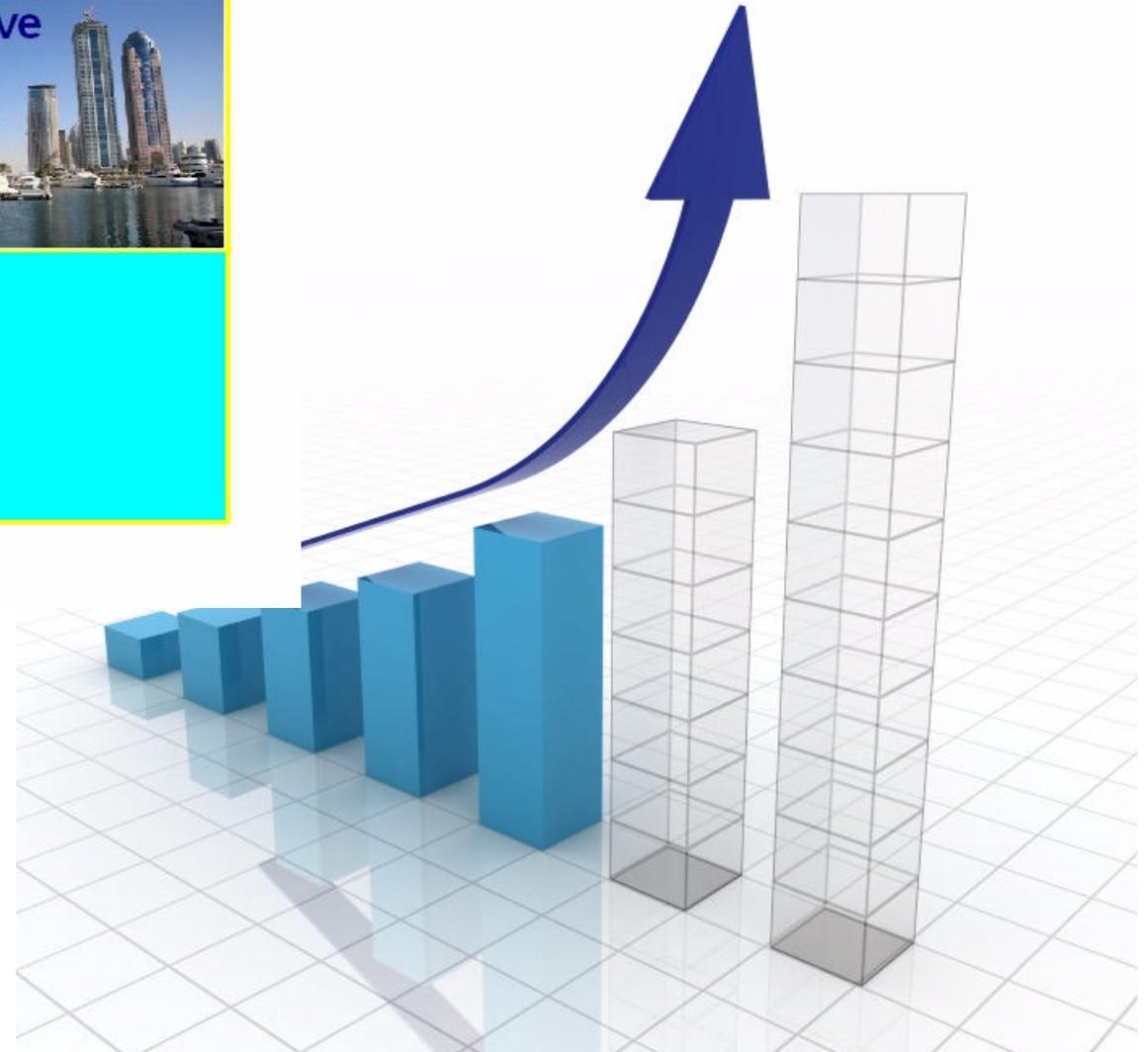
Identify your core strategic drivers and then strengthen them



Tactics -- things right



Strategy -- doing the right things



Organize your data

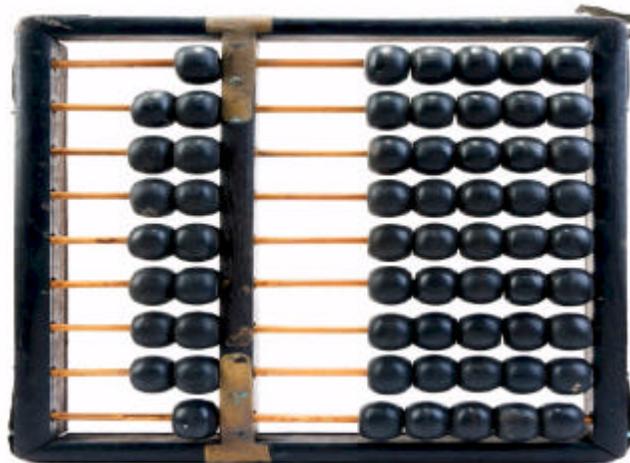




From chaos to order



Back to basics



Advanced technology is not necessarily the answer



**Over 30 years old and four
years older
Still flying and only in a
museum
Lo tech and hi tech**

Executive custody -- OUR system



**Leadership is 50% of
success**



Business systems instead of I.T.



Align I.T. to support the core business



Tactics -- things right



Strategy -- doing the right things



Call to action



1. What is your single most important insight from this presentation?
2. What is the single most practical action that you can take tomorrow to apply I.T. more effectively?



New insight that does not result in action within 48 hours is wasted

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