

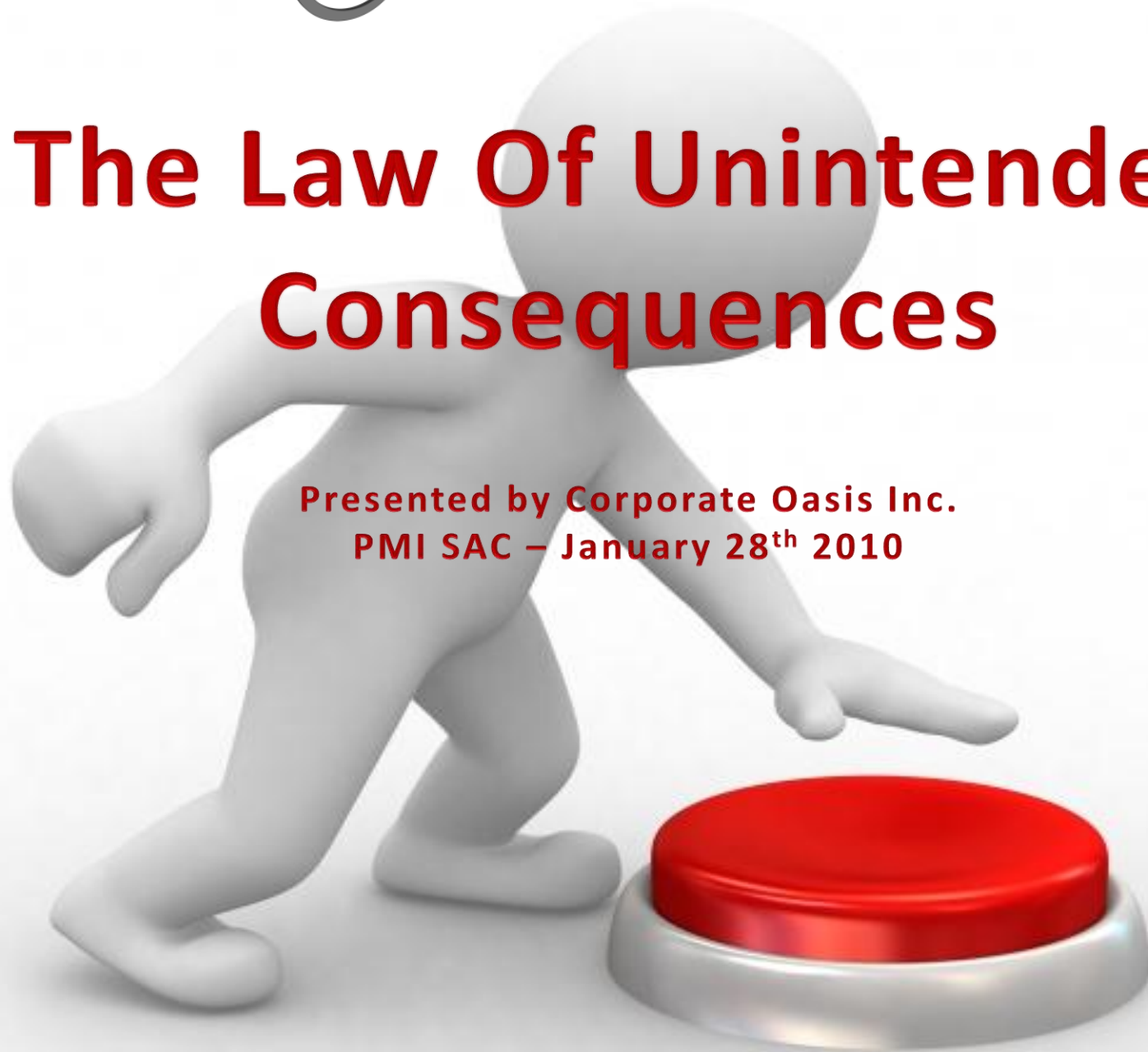


CORPORATE OASIS

Connecting Business and IT

The Law Of Unintended Consequences

Presented by Corporate Oasis Inc.
PMI SAC – January 28th 2010



This presentation is intended to demonstrate the evolution of the IT industry and how this has developed into the recent movement towards integrated processes.

We will highlight the importance of tracing Business Requirements from inception through the Project lifecycle, transitioning to Production in the form of project deliverables, and finally back to new business requirements in a cycle of continuous improvement.

Many of the solutions to the challenges facing today's IT Departments can be found in the evolving methodologies of Project Management, Business Analysis, and Service Management. There are also many lessons, both good and bad, to be derived from the history of IT.

Our industry has resulted from constant change, both external and self imposed. These changes have resulted from the need to solve problems and there are more problems out there today there than ever before!



Everything Old...



Is New Again!

“It's déjà vu all over again” – **Yogi Bera**

Pre 1980's: Business views IT as the strange speaking high priests at the data altar

- ▶ Mainframes roamed the earth
- ▶ IT (Data Processing) was generally an extension of the Accounting Department
- ▶ IT views the Business as simply the consumer of data
- ▶ Manual processes automated through technology with focus on data processing
- ▶ Methodologies existed out of necessity and home-grown within each organization
- ▶ Lack of integration of disciplines within the IT department
- ▶ Timesharing is the only option for those that couldn't afford computers
- ▶ Small / Medium sized businesses (SMBs) were left out all together

A brief history of IT Maturity

1980's: Business views IT as a major cost centre and slow to deliver with poor quality

- ▶ IT views Business as the consumer of information and related services
- ▶ In some many cases, technology gaps actually constrained the business
- ▶ Along came the PC (Yes, we did have personal computers in the 80's)
- ▶ Small businesses now have access to a wealth of new technology and applications
- ▶ **What we promised...A new wave of technology!**



"Those who cannot learn from the past are condemned to repeat it" - **George Santayana**

1980's (cont...) What We Actually Delivered...

- ▶ From a business perspective, our promise fell flat
- ▶ Created too much emphasis on specialization of knowledge
- ▶ Technology practitioners became viewed as 'hobbyists' by the business
- ▶ 'Per Unit' costs were still prohibitive and didn't integrate well with the mainframes
- ▶ Solutions were highly technical and single-use
- ▶ Systems were still not Enterprise enabled.....



A brief history of IT Maturity

1990 – 1995: Business now views IT as a necessary and expensive evil

- ▶ IT shifts to viewing the Business as the client
- ▶ The Mainframe is labelled as a vulnerable ‘glass house’ by the business
- ▶ We see the start of the movement towards Client Server and distributed systems
- ▶ Multiple Servers are deployed (creating multiple distributed points of failure)
- ▶ Many good methodologies were thrown away along with the new technology

The Result:

- ▶ The business starts creating departmental ‘IT-lets’ out of pure frustration
- ▶ IT departmental funding as a percent of Corporate spending is significantly cut

A brief history of IT Maturity

1995 – 00: (2000) - Business starts to view IT as a new revenue source

- ▶ Along comes the Internet
- ▶ Dot Com hype and the ‘new’ economy go into overdrive
- ▶ IT is not prepared for the cultural shift
- ▶ ‘Airline Magazine Syndrome’ influences major technology decisions
- ▶ Y2K FUD – Most of the faulty programs were actually written in the 90’s



“It was the best of times, it was the worst of times” – Charles Dickens

A problem has been detected and windows has been shut down to prevent damage to your computer.

IRQL_NOT_LESS_OR_EQUAL

If this is the first time you've seen this Stop error screen, restart your computer. If this screen appears again, follow these steps:

Check to make sure any new hardware or software is properly installed. If this is a new installation, ask your hardware or software manufacturer for any windows updates you might need.

If problems continue, disable or remove any newly installed hardware or software. Disable BIOS memory options such as caching or shadowing. If you need to use Safe Mode to remove or disable components, restart your computer, press F8 to select Advanced Startup Options, and then select Safe Mode.

Technical information:

*** STOP: 0x0000000A (0x00000F18,0x00000002,0x00000000,0x805B39D6)

Beginning dump of physical memory

Early 2000's

- ▶ The Dot com Meltdown and Y2K New Years hangover
- ▶ The IT industry gets a bad rap when Y2K doesn't actually occur
- ▶ In reality, the burgeoning IT Maturity is WHY Y2K didn't occur!

The Result:

- ▶ A re-vitalized focus on the business after several spectacular governance failures
- ▶ Resurgence of formal methodologies, good governance, and quality
- ▶ Greater alignment with business



2010's - Business views IT as one of many possible service providers

Now what?

- ▶ IT needs to view Business as a colleague however business loyalty must be earned
- ▶ Thinking will go beyond just IT alignment, but IT integration with the business
- ▶ Business will view technology as key to success
- ▶ Expect integration of methodologies
- ▶ Major focus will be on IT agility, adaptability, delivery, and anticipation of business needs
- ▶ Increased focus on Self Serve capabilities
- ▶ Emphasis on ubiquitous technologies



Now, let's overlay this history within the context of Project Management, Business Analysis, and IT Service Management...

The next few slides will outline how the industry has created the necessary methodologies and frameworks necessary to respond to the challenges that we've just seen.

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- ▲ **1. Project Management**
 - 2. Business Analysis
 - 3. Service Management

Pre 1980's

- Early roots can be seen starting in the industrial revolution.
- Early 20th century brings formalization to these methods.
- IT had the benefit of leveraging from previously matured industry methods.
- The PERT method developed for the development of the Polaris missile system.
- Henry Gantt (1861-1919) publishes the two dimensional project schedule approach.
- The Project Management Institute (PMI) is formed in 1969.
- Due to cost overruns, failed projects, property damage and deaths caused by software defects and no ready solution to address these issues, the term “Software Crises” was coined. (ref: Google or Wikipedia “Therac25” accidents)
- The availability of inexpensive and increased market and demand for accompanying software outside the constraints of the mainframes led to a corresponding demand for increasing numbers of managers and software developers, which was satisfied by less experienced and capable professionals than previously existed in the industry, which led to a worsening of the Software Crises.

1980's

- The PMBOK is created
- RUP makes it's presence on the scene (Rational then IBM).

1990's

- Many IT projects in this era continued to fail due to the multiple integration points and tended to be delivered without providing any significant business benefits.
- Rapid Application Development (RAD) was a response to address the issue of requirements changing before the software was complete, often resulting in delivered products that were no longer fit for purpose.
- New software development methods evolve and mature (Agile, etc).

2000's

- Major focus is on being Iterative, Adaptive, Collaborative and time to market.
- Certified PMP's reaches over 0.5 Million.

2010's...What's next:

- We will see more of a collaboration and blending of frameworks and ideologies.

- 
1. Project Management
 - ▲ **2. Business Analysis**
 3. Service Management

1980's

- The concept of an “Information Revolution” or an “Information Age” was being used to describe the use of computers and information. The BA role started to form from this void.
- Despite the excitement, projects became unfocussed, receiving (sometimes conflicting) demands from different business departments.
- Systems were developed with unrealistic business cases, without clear objectives, with unmanaged expectations of performance or merely to follow the 'emperors new clothes syndrome' of jumping on the latest technology bandwagon.

1990's

- **The biggest complaint about software development was the length of time required to develop a system that didn't always meet the business needs. Business people had become accustomed to sophisticated software and wanted it better and faster .**
- **Due to early software development approaches, the system requirements were gathered up front and validated only during UAT. However by this time the business requirements had generally changed and the project had no chance to succeed.**
- **Businesses became increasingly frustrated with the barriers that limited their ability to implement change promptly and effectively. This resulted in a major cultural shift in the relationship between IT and the business....This is where things get interesting!**
- **The business started driving the technology decisions as never before and many organizations began staffing the Business Analyst role from within the operational units instead of from IT.**

2000's

- The Sarbanes-Oxley (SOX) Act of 2002 is introduced to address a range of corporate and accounting scandals in the US. This Act acknowledges the role that IT plays in maintaining the security, authenticity and accountability of a company's accounts, and has had a big impact on the processes around developing software and managing production data.
- 2003 IIBA Formed.
- 2005 BABOK created.
- The Business Analyst role becomes more critical as project teams become more geographically dispersed.

2010's...What's next:

- The BA role will continue to shift from "IT Systems" to "Business Systems".
- The Business Analyst role will continue to evolve as the business (not IT) dictates.
- Increase in formal Certification and Training for the Business Analyst.
- We will likely see more Government imposed acts related to Corporate Governance as a result of the current economic situation.

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1. Project Management
 2. Business Analysis
 - ▲ **3. Service Management**

Pre 1980's

- **Other industries had been successfully evolving Service Management for decades:**
 - ▶ **Military and Aerospace Industry** *(IBM / HP / General Dynamics / NASA)*
 - ▶ **Telecom Industry** *(ETOM – Enhanced Telecom Operations Map)*
 - ▶ **Power Generation and Transmission** *(Integrated throughout industry)*

1980's

- **IT finally gets on board...The CCTA (Central Computer and Telecoms Agency) was a major government area in the UK who was placed under severe pressure to cut their budget and increase service quality and efficiency.**
- **Political pressure created the necessary environment for the development of ITIL.**
- **Mainframe technology was tainted with failures although the problem wasn't the result of the technology at all. Replacing the technology just added to the problems and in some cases made the old problems even more aggravated through a distributed model.**

1990's – 2000's

- PC and Server technology evolved and as a result, business users started to purchase and build their own localised systems and applications. This left many companies in a position where as well as their existing 'legacy' systems, they now had many different systems connected in an uncontrolled and undocumented manner.
- Large companies and government agencies in Europe adopted ITIL very quickly.
- Microsoft uses ITIL as a basis to develop the Microsoft Operations Framework (MOF).
- The worlds first ITIL aligned standard is published in 2003, filed as BS15000.
- In 2001, version 2 of ITIL was released. The Service Support and Service Delivery books were later redeveloped.
- The BS15000 service management standard is significantly revised in 2002.
- In 2005, consultation for ITIL version 3 is undertaken.
- ISO20000 succeeds BS15000 in 2005.
- ITIL V3 is released in 2007.

2010's...What's next:

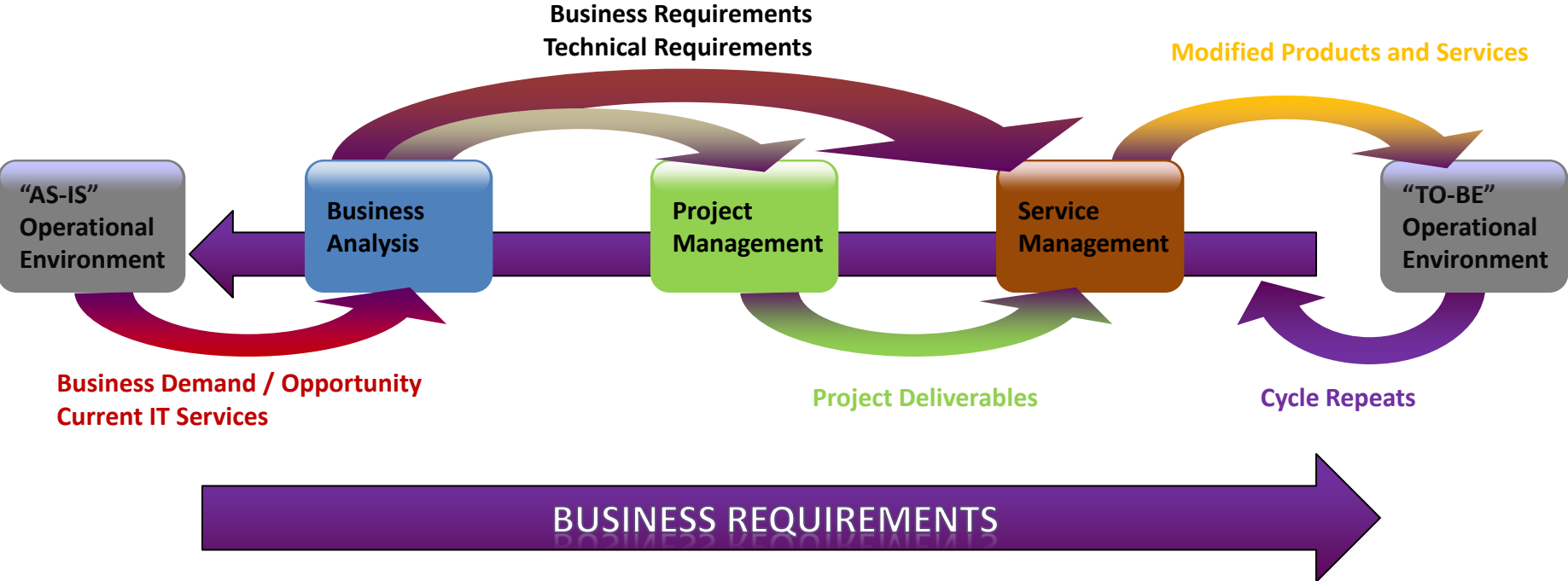
- **IT Service Management processes will be more integrated into other IT frameworks and methodologies.**
- **Expect Operational Readiness requirements to be considered as important to the Business Analyst and Project Manager as business requirements.**
- **Service Management will no longer be considered solely an 'Infrastructure' or 'Datacentre' consideration.**

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- **Learn from the past!**
 - **Continual improvement of each discipline is not good enough.**
 - **Focus on continual improvement of ALL disciplines together.**
 - **Understand how the business continually measures your value.**
 - **Don't expect technology to solve your process problems!**
 - **Ensure that the Business Analysts and Service Management Analysts are continually engaged and aligned.**

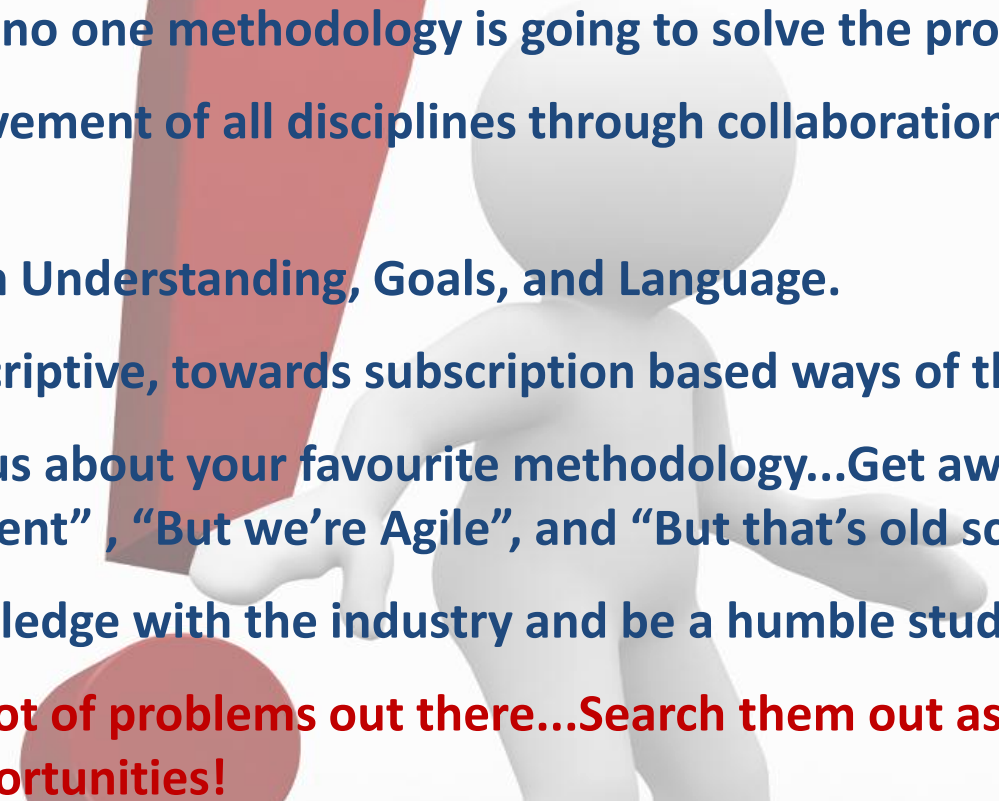
“If you don't know where you're going, you'll end up somewhere else” – Yogi Bera

Integration Of Methodologies

- Binding IT Activities, Deliverables and Services
- Business Requirements are the common touch-point
- BA, PM, and SM become aligned through the requirements lifecycle



What Have We Learned?

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- Understand that no one methodology is going to solve the problem.
 - Continual improvement of all disciplines through collaboration and education.
 - Achieve common Understanding, Goals, and Language.
 - Move from prescriptive, towards subscription based ways of thinking.
 - Don't get religious about your favourite methodology...Get away from "But we're different" , "But we're Agile", and "But that's old school".
 - Share your knowledge with the industry and be a humble student.
 - **There are still a lot of problems out there...Search them out as they are our greatest opportunities!**

"History is the only true judge, and a clear conscience is the only true reward" - JFK

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- **Information Technology is no longer a young industry and we should be considering breathing new life into fundamental and time proven ideas.**
 - **We are rewarded by solving business problems and each of these problems represents an opportunity for change leadership.**
 - **Today, right now, could represent the greatest time of opportunity that our industry will ever see, but it means learning from the past!**

“If a window of opportunity appears, don't pull down the shade” - Thomas J. Peters

Questions?





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Thank You!