ELIMINATING THE BLIND SPOT

Charlie Feld
THE JOURNEY – TECHNOLOGY EXPLOSION

- Mainframe
- Personal
- Networked Computing - Internet
- IT Everywhere
THE JOURNEY - BUSINESS

Business has moved from.... to this
WHY COMPANIES FAIL

- They didn’t see it coming
- They see it coming but DON’T deal with it
- They see it coming but CAN’T deal with it
“Won’t cloud computing eliminate the need for an IT department.”

“Do I really need a CIO or can I just outsource everything?”

“Why CIOs Are Last Among Equals”
Wall Street Journal
May 24, 2010

“No one takes three years to do anything. The world is moving too fast.”

“Very few big transformational activities have ever worked.”
CIO has a critical leadership role

**ERA I**

IT as a Function

SILO’S

IT
CIO has a critical leadership role

**ERA II**

Multiple IT Organizations as a Function In Multi-Business Units
CIO has a critical leadership role

ERA III

IT as a Shared Service

Business Unit 1

SILO’S

Business Unit n

SILO’S

Leveraged IT
CIO has a critical leadership role

IT as a Global Integrator

ERA IV
IT LEADERSHIP – CHANGING THE DIALOGUE

CIO has a critical leadership role

Chief **Information** Officer is too limiting

Needs to be Chief **Integration** Officer

We need to step up our game
Management Framework

- WHY: Marketplace Model
- WHAT: Business Model
- HOW: Systems Model
- WHO: Organization Model
WHY – MARKETPLACE MODEL

- Customer /Supply Chain Power
- Competitiveness/Cost and Quality
- Speed

Everything’s Going The Wrong Way

Revenue
Cost
Margin Erosion
WHAT – BUSINESS MODEL

Old Industrial Business Model

- Centralized/Decentralized
- High Fixed Costs
- Functional Dominance
- Geographic Boundaries
WHAT – BUSINESS MODEL

Modern 21st Century Hybrid Models

• Customer Intimacy
• Operational Excellence
• Global Leverage
• Variable Cost Structures
• Speed and Innovation

This is the ERA of AND
WHAT – THE AND BUSINESS MODEL
AGGRESSIVE GROWTH

Enabler of Success – Sell More Stuff to More People Leveraging Your Brand and Cost Structure

Marketshare Growth
• From which competitors?
• Wallet Share, etc...
• How?

Product Innovations
• Types of products?
• Speed to market

Geographic Growth
• M&A vs. Organic?

Revenue Growth

AND

Operational Excellence - Cost and Quality

Leveraged Platform
(SCM, F&A, HR, MFG, Distribution, Etc.)
WHAT – BUSINESS MODEL

The Journey

Current State

Future State

Why Change

Multi-Year Journey

Leveraged Core

Small Core
**HOW Principles:**

I. Define your business and technology architecture before you begin construction

II. Enforce a “Common Way” for development and quality engineering

III. Be disciplined in your approach to program and project management
Over the last 30-40 Years, we have pursued a functional/business unit-centric approach to processes and systems ...

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Inside-Out” View
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Characteristics

- BU-centric model
- High functional expertise
- Risk averse
- Geographic separation
- Lack of a wide-aperture view (3-5 years out)
Current customer experience: Any transaction which is multi product/channel/business unit is complex and frustrating

**Challenging navigation**
across multiple screens
detracting from quality of customer conversation

**Complex Interfaces**
and multiple points to enter data

Line of business / product-centric approach to business processes and systems
BUILD TO A MODERN FUTURE STATE BUSINESS PROCESS AND TECHNOLOGY ARCHITECTURE

Decoupling from the old way...
WE MUST BUILD A MODERN BUSINESS PROCESS AND TECHNOLOGY ARCHITECTURE

...and building the speed and quality for the 21st Century

Create a well engineered data, messaging, process, business rules hub to enable the decoupling

StoreFront™
Role Based & Session Oriented Presentation

CrossFlow™
Configurable Orchestration

BackBoard™
Enterprise Integration Bus

Products
“Competitive Products & Services”

Traditional IT
Applications & Data Across Legacy, Packages and Native Services

Human to System
System to System
Work Portal
Work Lists Collaboration

Data Warehousing & Marting

ETL/Data Flows
Operational Data / Events (ODS & CEP)
Business Rules
BPM/BAM Flows
Workflows

Canonical Enterprise Model
Transformations
Messaging / Event / Data Integration Services

Application / Data / Utility Services

Address Location
Currency Rating

Legacy
Adapters
Package
Adapters
Native Services

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WHO – ORGANIZATION MODEL

WHO Principles:

I. ORGANIZATION Matters

II. LEADERSHIP Matters

III. CULTURE Matters

IV. PERFORMANCE Matters
Leaders as “Bridge Builders”
Creating ONE IT Organization That Is Collaborative AND Responsible to the Business

Silo Mentality

Cross Functional Collaboration

Common Application Services
Common Technical Services
Infrastructure

Business A Business B Business C Business D
THE IT LEADERSHIP PROFILE

Critical Leadership Competencies for Successful Transformation

Setting the Agenda

Building a Great Team

Consistently Delivering

Enabler of Success – Sell More Stuff to More People
Leveraging Your Brand and Cost Structure

Revenue Growth

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Playing **NOT** to Lose or Playing to **WIN**

**Playing NOT to Lose**

The survival and comfort game

- Maintain the past
- Staying comfortable
- Repeating old patterns
- Doing enough to get by
- Hiding mistakes
- Compete with co-workers
- Victim
- Peer pressure
- Being cautious
- Win-lose
- Avoid

**Playing to WIN**

The growth and learning game

- Creating the future
- Embracing discomfort for growth
- Exploring new possibilities
- Directing 100% energy at task
- Sharing & learning from mistakes
- Cooperate, strive together
- Accountable
- Support
- Being courageous
- Win-win
- Stretch
Leaders as “Performance Managers” and People Developers
Whether or Not You Outsource

THE WHO IS THE DIFFERENTIATOR FOR A SUSTAINABLE TRANSFORMATION JOURNEY

Blind Spot
Charlie Feld
To order the Blind Spot visit www.feldgroup.com