Reinventing the Business: Approaches and Issues

Hugh Ryan
Partner & Director
New Age Systems
Andersen Consulting

Reinventing the Business: Approaches and Issues

Hugh W. Ryan
Andersen Consulting

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Reinventing the Business

- Defining and Implementing Fundamentally New Business Processes Around New Business Centers
  - Process Level
  - Business Unit Level
  - Strategic Business Unit
  - Enterprise

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Reinventing the Business

- At Any Level
  - Fundamentally Difficult to Implement
  - Organization Under Threat
  - Unanticipated Consequence
- Desperation is Often the Mother of Reinventing

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Reinventing the Business

- ❑ Commitment
- ❑ Reinventing the Business Process
- ❑ Reinventing the Business User
- ❑ Reinventing the Technology

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Commitment

- ❑ Good Intentions
- ❑ Vision
- ❑ Desperation

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Commitment

- Difficulty of Implementation Thwarts Many Efforts
- Why One Must Succeed
- Else, Continuous Improvement

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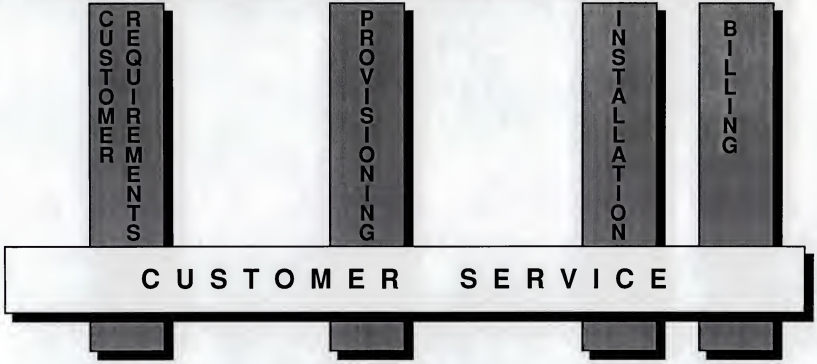
Reinventing the Business:
Function to Process Orientation



- Built on Legacy Systems
- New Approaches
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  - Use of Agents

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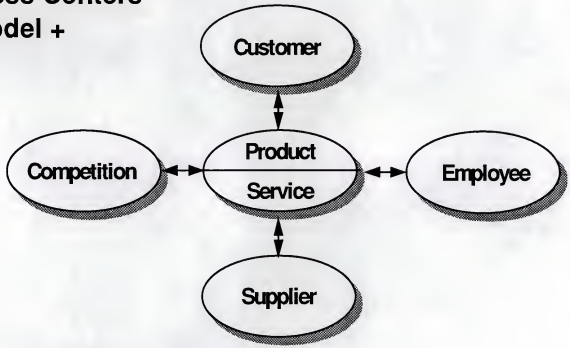
Reinventing the Business Process

- Shifting Business Centers
- Five Forces Model +



- Define the Current, Select a New One
- Invent the Process
- Reengineer the Reinvented Business Process
- Business User Champions

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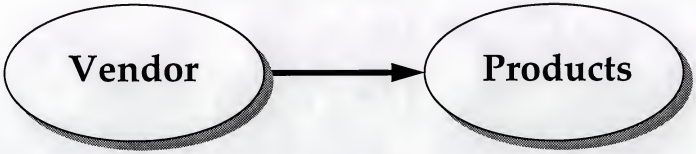
Reinventing the Business Process

- Mazda, Accounts Payable



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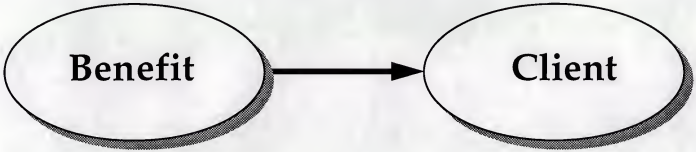
Reinventing the Business Process

- Government Agency, Enterprise Level



- Operational Strategy
- >1,000 Developers
- >300 Change Management Personnel
- Largest Development in Europe in the 80's
- Moving from 50,000 Clerks to 25,000
- Speed of Response to Change

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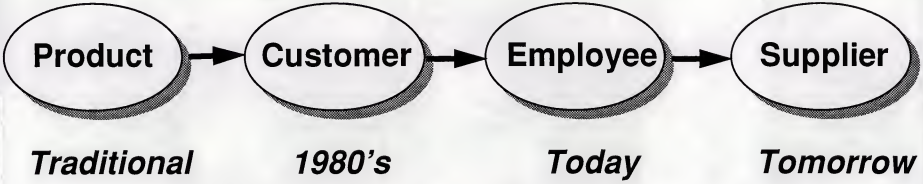
Reinventing the Business Process

- Insurance, Enterprise Level



- Customer Center Systems
- Integrated Performance Support
- Team Computing
- Domino Effect

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Reinventing the Business User

- ❑ New Processes is the Easy Part
- ❑ Changing the User is the Hard Part
- ❑ Integrated Change Management Effort

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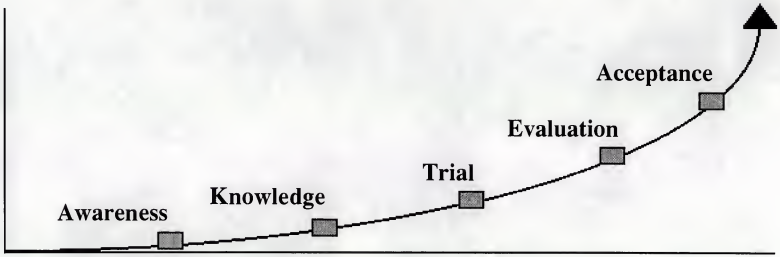
Change Management Process



Communication → Education → Training → Feedback →

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Change Management

- Full Extensive Communications
  - What the Change Is
  - Why it Must Happen
  - What it Means to Employee
- Early/Ongoing Testing/Evaluation of the Reinvented Process
  - Model Office
  - Key Users
  - Listening
  - Communicating
- Decision Makers
  - Five Forces Model + Impact
  - Go Live Dates
  - Rollout Assessment
- Impact of Unions
- Change Management vs. Systems

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Change Management: Government Agency

- Over 300 personnel in CMS
- Over 30,000 Personnel thru CMS process
- All Stages of CMS
  - Awareness
    - » Extensive Traveling Show
    - » Monthly News Letters
    - » Projects
    - » Government Events
  - Trail/Evaluation
    - » Model Office
    - » Champions
    - » Large Field Rotations
    - » Clear Changes
  - Acceptance
    - » Participation in Employee Decisions
    - » Go Live
    - » Rollout

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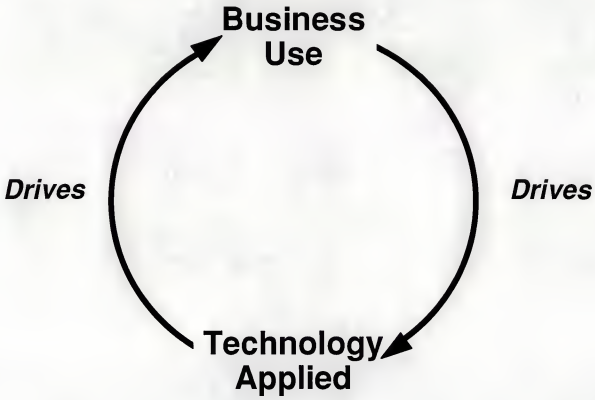
Reinventing the Technology



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Reinventing the Technology

- Client/Server
- Human Metaphor
- Team Metaphor
- Universal Network
- Smart Systems

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Client/Server Computing

- Distributed Computing Where It's Needed
- Pervasive Business Computing Solution
- Uniquely Suited to Today's Major Business Concerns
  - Rightsizing the Corporation
  - Reengineering the Business Process
  - Legacy Systems

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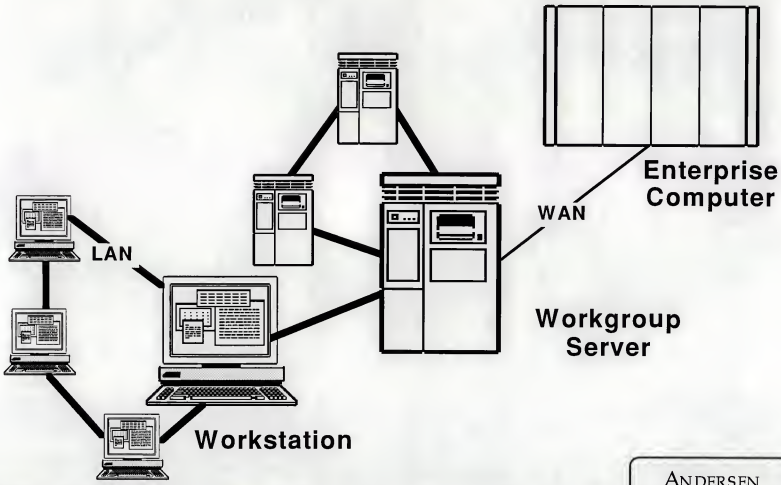
Technical Perspective



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Human Metaphor

- Describes Evolving Behavior of Computer Applications
- The Metaphor for Design is the Human Being
- The Machine Will Behave as We Do when We Interact with It

"Our vision of the future of computing is ourselves."

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Human Metaphor

- We Learn as a Child How to Behave with a Human
- We are Evolved to Make it Effective
- It is Comfortable

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Human Metaphor

- Fundamental Technologies
  - Graphical User Interface
  - Voice
  - Gesture
  - Multi Media

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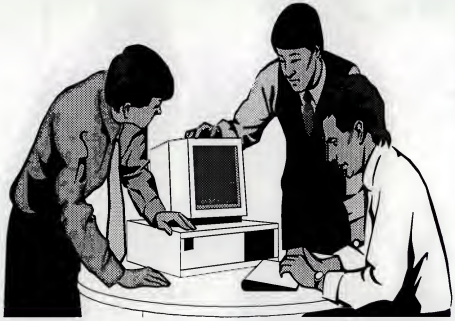
Team Metaphor

Describes the Interaction of a Business Team Using a Defined Process to Achieve an Objective within Time and Budget Constraints

- ❑ **Groupware**
- ❑ **Social Computing**
- ❑ **New Synthesis**



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Team Metaphor

- Changes Computing Solutions to Communications Solutions
- Next Revolution in Computing
- The "How to do it" Supported through Teamware
  - Lotus Notes
  - Action Technology
  - Oracle for Office

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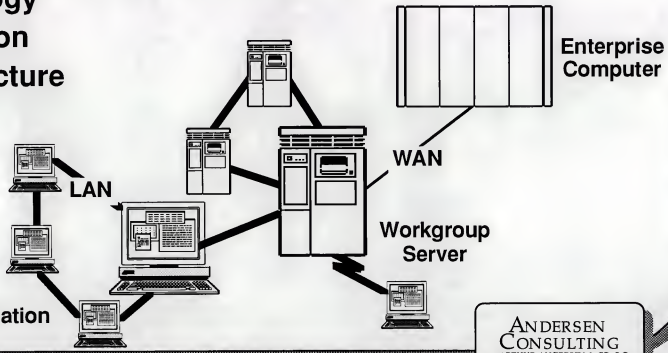
Universal Network

- The Network That's Everywhere
- Key to Distributing Results Where They are Needed
- Critical but Often Unnoticed
- Major Consideration for the Future Systems
  - Technology
  - Legislation
  - Infrastructure



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Smart Systems

- The Computing that Becomes Thinking
- Successes are Widespread
- Many Evolving Forms
  - Neural Nets
  - Embedded Languages

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Technology to Reengineer the Process

Reengineer Guidelines \ Technology	C/S	H/M	T/M	U/N	S/S
Capture Info & Source	✓	✓		✓	
Decision Where Work Performed, Control Process	✓		✓		✓
IP Part of the Work	✓	✓			✓
Geograph. Dispersed as Centralized			✓	✓	
User of Output, Performs Process	✓		✓		
Link Results			✓	✓	
Organize Around Outcomes		✓	✓		

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Reinventing the Business

- ❑ Commitment
- ❑ Process
- ❑ People
- ❑ Technology

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Hugh W. Ryan
Partner, Director, New Age Systems
Andersen Consulting, S.C.

PROFILE

Mr. Ryan joined Andersen Consulting in 1971 after receiving a Masters in Mechanical Engineering. He was admitted to the partnership in 1982. He has worked on a variety of engagements with emphasis on on-line and distributed applications. In the last five years he has worked extensively in the developing fields of professional workstations, cooperative processing, and client/server systems.

Because of the new class of users, technology, and development approaches needed for these systems, Mr. Ryan has referred to them as New Age Systems. He is Director of New Age Systems for Andersen Consulting.

Mr. Ryan also writes a column for systems development in the *Journal of Information Systems Management*. He has spoken at numerous conferences and seminars across the United States and in Europe.

Back up
only

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Andersen Consulting

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Reinventing the Business

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Reinventing the Business

- Commitment
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Commitment

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Commitment

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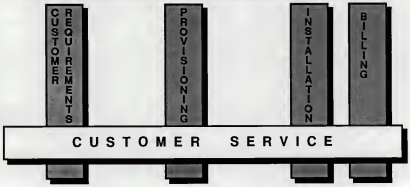
Reinventing the Business: *Function to Process Orientation*



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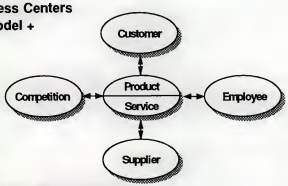
Reinventing the Business Process

- Shifting Business Centers
- Five Forces Model +



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Reinventing the Business Process

- Mazda, Accounts Payable

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Reinventing the Business Process

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- Operational Strategy
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Reinventing the Business Process

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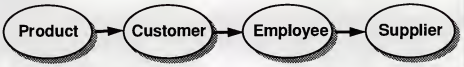

Traditional *1980's* *Today* *Tomorrow*

- Customer Center Systems
- Integrated Performance Support
- Team Computing
- Domino Effect

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Reinventing the Business User

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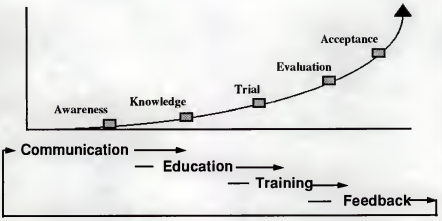
Change Management Process



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Change Management

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Change Management: Government Agency

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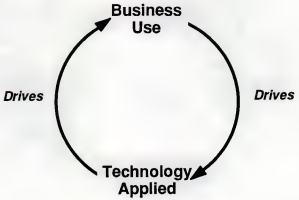
Reinventing the Technology



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Reinventing the Technology

- Client/Server
- Human Metaphor
- Team Metaphor
- Universal Network
- Smart Systems

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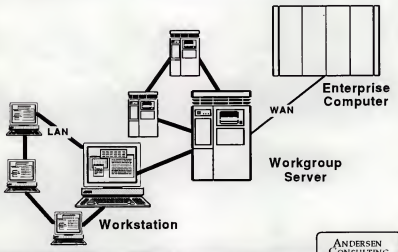
Technical Perspective



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Human Metaphor

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Human Metaphor

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Team Metaphor

Describes the Interaction of a Business Team Using a Defined Process to Achieve an Objective within Time and Budget Constraints

- Groupware
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Universal Network

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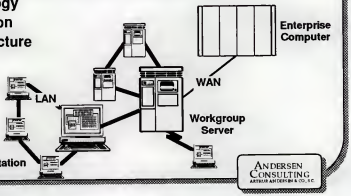

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Smart Systems

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Technology to Reengineer the Process

Reengineer Guidelines \ Technology	C/S	H/M	T/M	U/N	S/S
Capture Info & Source	✓	✓		✓	
Decision Where Work Performed, Control Process	✓		✓		✓
IP Part of the Work	✓	✓			✓
Geograph. Dispersed as Centralized			✓	✓	
User of Output, Performs Process	✓		✓		
Link Results			✓	✓	
Organize Around Outcomes		✓	✓		

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Reinventing the Business

- ❑ Commitment
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