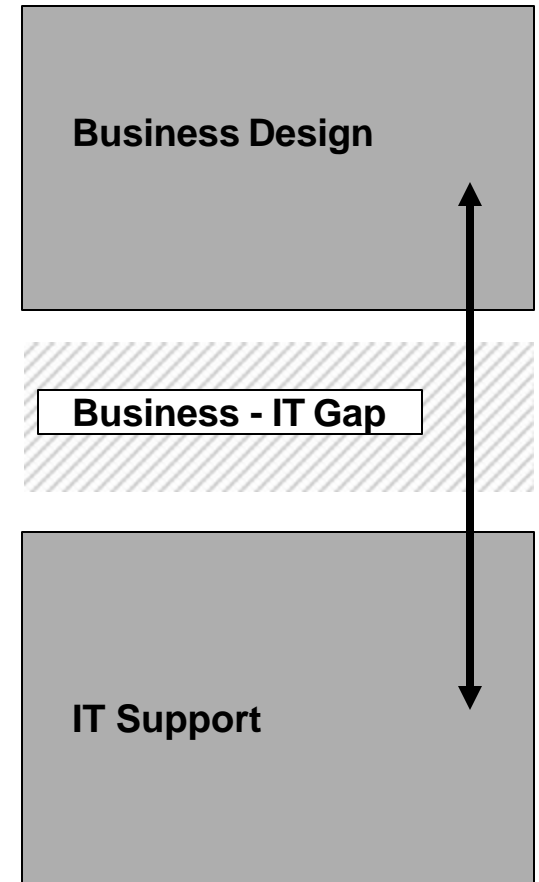


# Output from discussion group on: The business-IT gap: Implications for the workplace

# Topic Overview: Business & IT Gap

- Closing the “Business and IT” gap
  - Business intent to drive IT support.
  - Common unified view and specification between business design and IT implementation.
  - Responsive, effective creation and maintenance of IT solutions.
  - Bi-directional interaction.



Source: *Closing the Business/IT Gap Workshop*, David Flaxer, August, 2003

# Business & IT Gap: Work Issues

- How does technology and business co-evolve at work?
  - Culture and World View
    - Are social activities and scientific pursuits inherently incompatible? *We think not. Can these be modeled? To some degree, see what follows.*
  - Terminology and Methodology
    - Are differences exaggerated through use of language and behaviors? *Yes, address through meetings, dictionaries, personnel rotation.*
  - Human and Technology Interaction
    - Is the “science of business” and the “science of technology” different sides of the same purpose? *Is business and social interaction also not technology?*

# Business & IT Gap: Work Considerations

- Unified View of Business and Technology
  - Is it possible to devise a model of business and a model of IT that are compatible and connected?
  - Does technology have the facility to morph itself into the business construct, virtually eliminating differences in expression?
  - What actions by business creatives and IT technologists need to be taken to achieve this goal?

# Semantics & communication

- Ambiguity
  - IT constructs do not have the ambiguity because of need for link to implementation.
  - Granularity of models is key.
  - Modeling is useful for reduction
    - Reduce the amount of information in a system to make it manageable
    - There are linguistic and cultural differences between business and IT. some level of abstraction can be used between the two.
    - Use symbols that drive ambiguity out, rather than put it in.
    - Driving out ambiguity out of the system not to reduce creativity, but to enable the creativity of the people.
- Could a technologist and a business analyst sit down and write down the rules and agree on the design? Problems:
  - Natural language is ambiguous
  - Customers may not know what they want
  - Do you need IT people devoted to each business unit who have deep knowledge in each unit? Someone from IT on the top conceptual level who understands the overriding problem and the proposed solution.
- Good requirements needed
  - What problem are we trying to solve, rather than looking at what we think we want to do.
- It is about value, and the value proposition

# Componentized business

- Break down the problem into manageable pieces by breaking the business into appropriate components
  - Appropriate granularity is critical, in components and SLAs
  - SLAs between the components
    - Is the componentized business like the example of the audience flying the plane?
    - Transparency between components, so that the interface can be understood for adaptation.
      - Adaptation linking through the value chain to end customers.
      - Adaptation within constraints
  - Who maps links between components and end use? Business maps business components, IT maps IT components, joint venture for linkages between.

# Risks of “business design”

- Is process the correct question?
  - What problems are we solving? Does addressing the processes address these problems? Sometimes yes, sometimes no.
- Business rules, business process mapping subject to the granularity rules to ensure that we are not trying to manage too big a problem that may not address the needs of the business
  - Not just granularity, but nature of the business, "clock speed" of the business, how well is that component understood
  - Business rules are always changing
  - Business rules may conflict with each other
  - Should be able to extract requirements without asking for the business rules.
  - Alignment of incentives is difficult, but important. the person who maps out the business rules, business process, etc., may be doing their job, but are they addressing the needs of the business itself.
- Different issue for companies that cannot afford much IT, or the organizations that support it.
- Is IT starting the interview? Or does business need to understand how it does its own work, independently of how it will be enabled?
  - IT people are naive about what businesses really want. One of the reasons for ambiguity is not communication problem but motivation problem. Different interests at work, management, labor, departments.
  - IT viewed as a partner or as a raw tool

# Best Practices:

- Co-creation, collaboration including business, IT, teams.
- Common understanding of goals by both Business and IT teams. Align incentives.
- Embedded Business and IT members in respective teams.
- Metrics – quantify constraints (SLA, for example) around SOA.
- Iterative interaction between business and IT teams.
- Enable Business & IT Modeling and transformations.

# Why close the Business-IT Gap?

- Process must support creativity, rather than focus only on automation.
  - Is IT a horizontal or a vertical service? who do the applications serve? Are they supporting individual business units?
- Are we addressing the problems by analyzing what we do now and trying to pull out cost? Likely not.
- Is a services oriented business "the tail wagging the dog"?
- The value network may be the answer for the future, but how to implement now is a challenge.