INNOVATE OR GO EXTINCT

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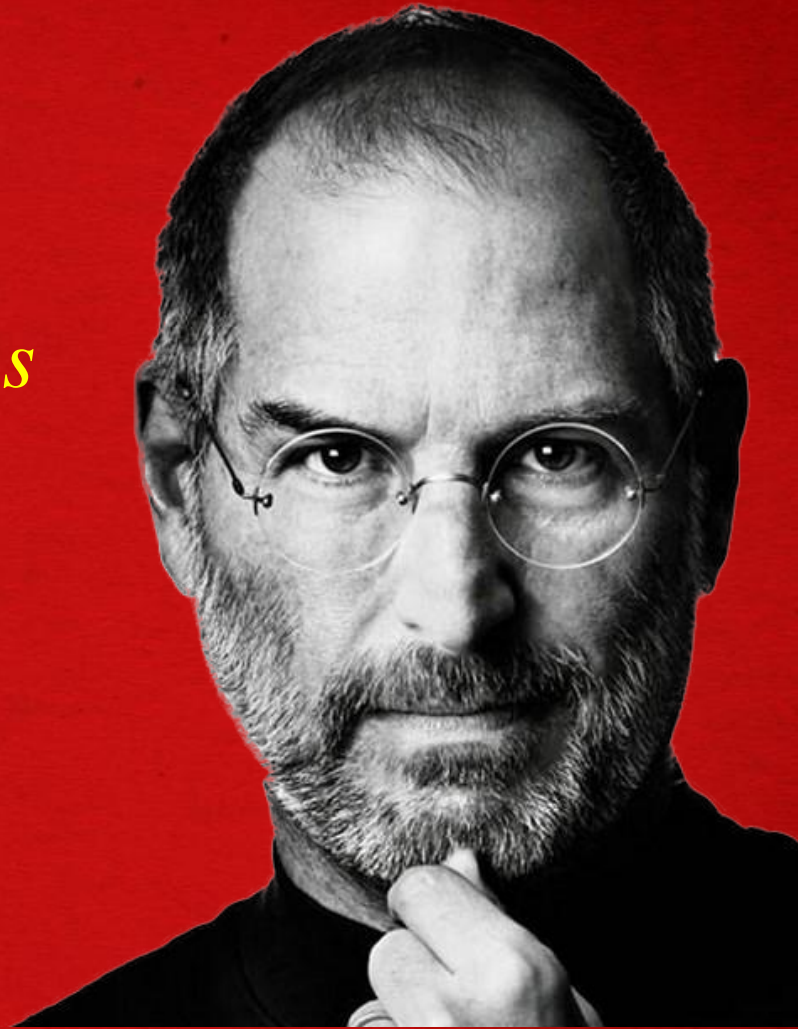# OVERVIEW

- Trends and Thoughts of the Future of IT

- 5 Critical Strategies for Innovation

- CAI's Journey

- Final Thoughts

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STEVE JOBS

❝ *Innovation distinguishes between a leader and a follower*

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MARC BENIOFF

"

Fast-growth companies must keep innovating. Companies are like sharks – if they stop moving, they die

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STEVE BALLMER

"*The lifeblood of IT is R&D. We have to continuously create new innovation that lets people do something they couldn't do the day before*

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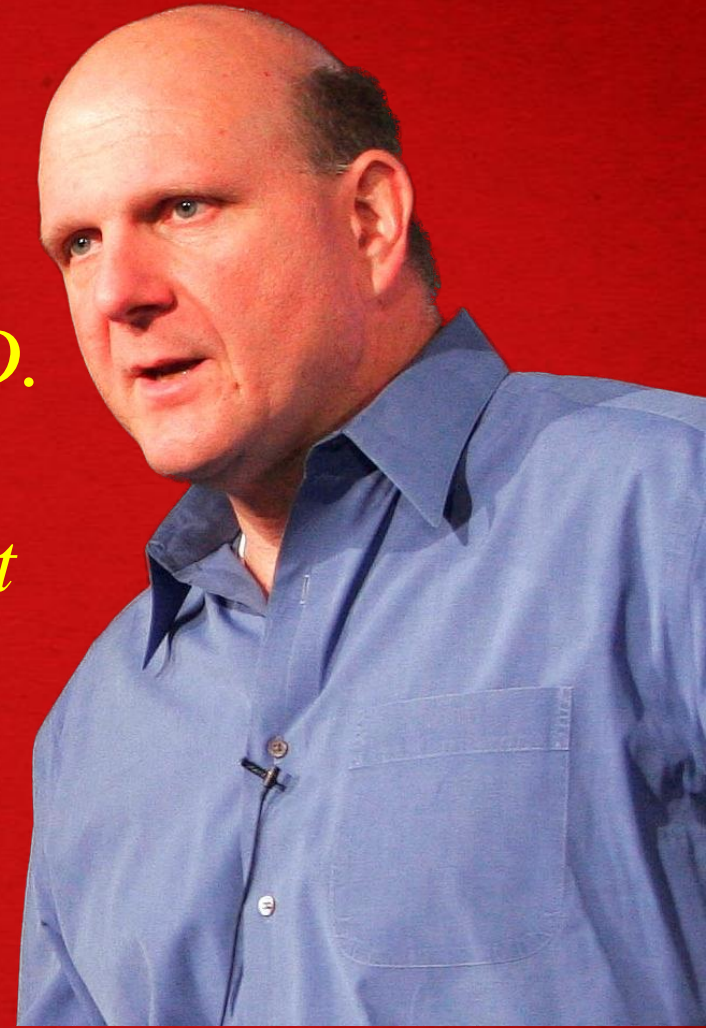
2010 HBR SURVEY

2010 Harvard Business Review article reported on a survey of 1,500 US CEOs.

The number 1 strategic objective of that group was innovation, and the

majority of CEOs who prioritized innovation also stated that they believed their

company **would no longer exist in 6 years** if their executive leadership could

not promote innovation in the company.

THE FUTURE IS NOW

IT group will transition into a shared services group (much like HR and Finance has done) and **most will shrink by 75%.**

Source: The Future of IT & the CIO
Redux of the Dodo?
May 6, 2010 By Eric D. Brown

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REMEMBER ME?

Bethlehem Steel	News of the World
Atari	Pan Am
Polaroid	Circuit City
Kodak	Lehman Brothers
Blockbuster Video	Sharper Image
Hollywood Video	Woolworths
Readers Digest	Christian Lacroix
Tower Records	Silicon Graphics
Borders	Global Crossing

http://en.wikipedia.org/wiki/List_of_business_failures

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DOES YOUR BUSINESS

CONSIDER YOU AN INNOVATOR

2012 INFOWEEK SURVEY

60% of IT Professionals believe IT will be **MORE** important to business, and

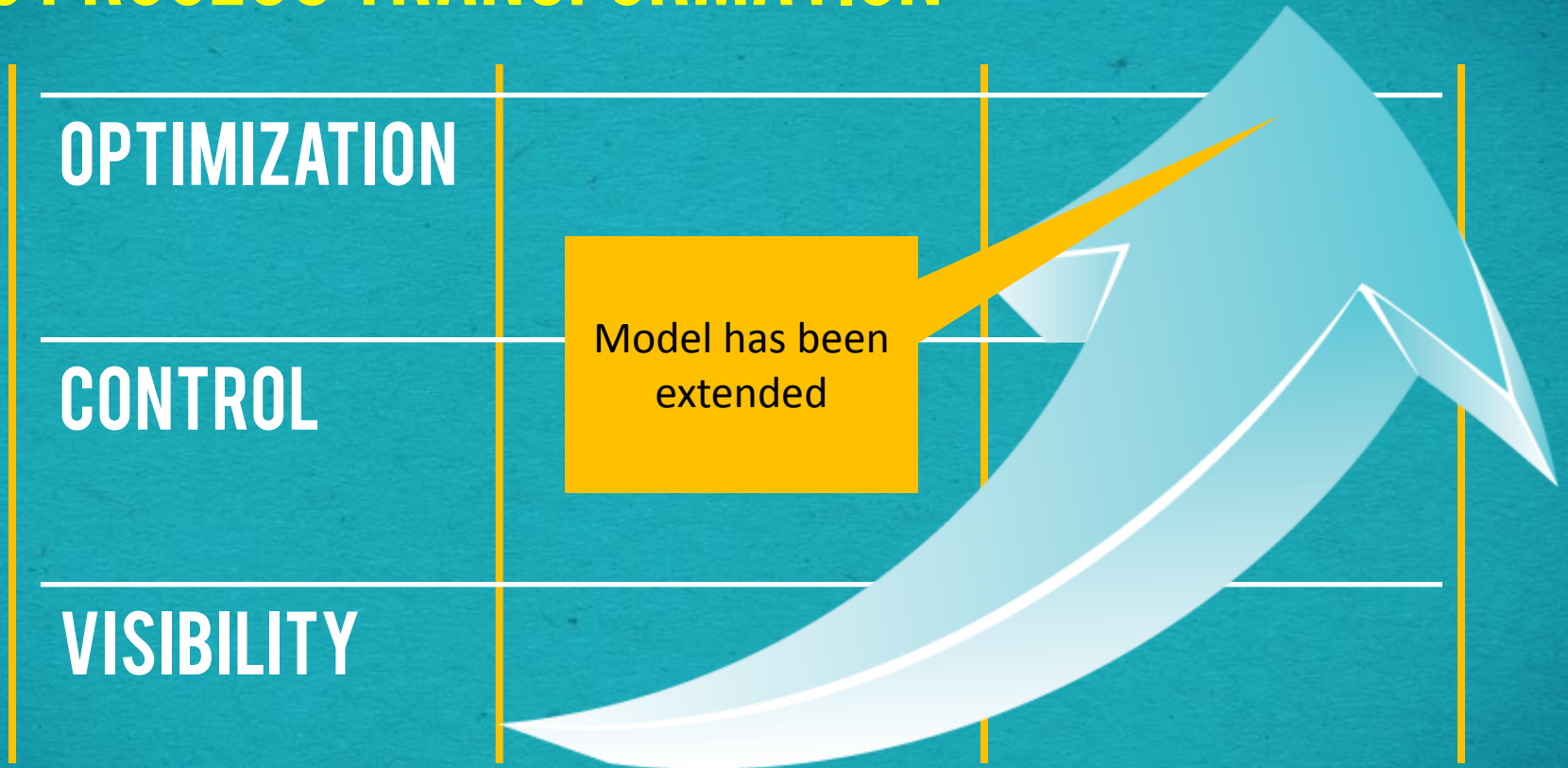**60%** of IT Professionals considered **THEMSLEVES** innovators, **BUT**…

43% of the Business side considered their IT department innovators

InformationWeek

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SO NOW WHAT

CIO PROCESS TRANSFORMATION

OPTIMIZATION

CONTROL

VISIBILITY

Model has been extended

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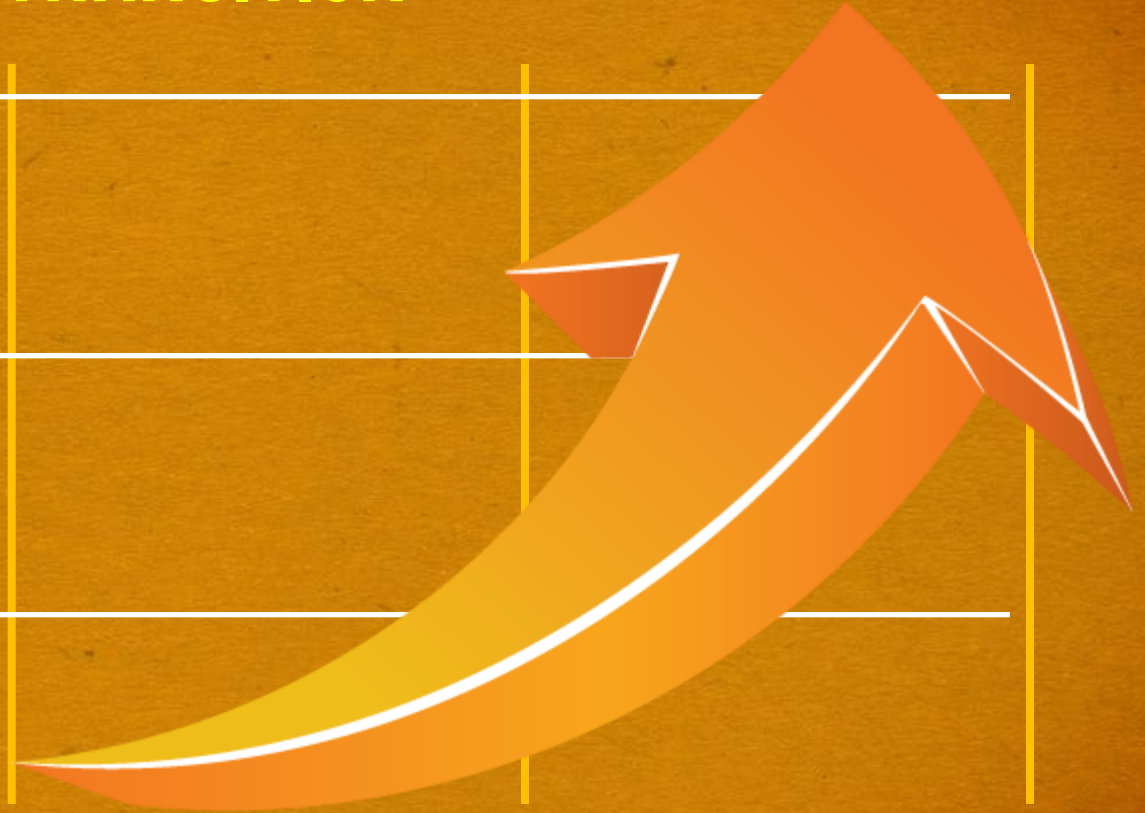
THE NEW GOLDEN TRANSITION

INNOVATE
- New markets, products, and services
- Business First

TRANSFORM
- Partnered goals with business
- Value Management

OPTIMIZE
- Well run shop
- Understand technology enablers

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5 CRITICAL STRATEGIES

1. Establish a culture that entices innovation
2. Build a talent base of driven learners
3. Embrace experimentation / Accept some failures
4. Fund small amounts at a time
5. Highlight early wins and success stories

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OUR QUEST

Be the **best of class** Information Technology organization providing **value-added** innovation and **thought leadership** for CAI!

CORPORATE NETWORK SERVICES (CNS)

CANT
NOPE
SORRY (CNS)

FUTURE FRIDAYS WEEKLY MEETING

- Established "Future Fridays" weekly meeting
  - Leadership team and other thought leaders throughout IT
  - Collection of "idea generators" and "builders"
  - 1 hr allocated to discuss any idea
  - All ideas gets logged
  - Formal vetting process – depending on value and interest may get POC'd

- Value
  - New ideas generated
  - Opportunity for learning and research

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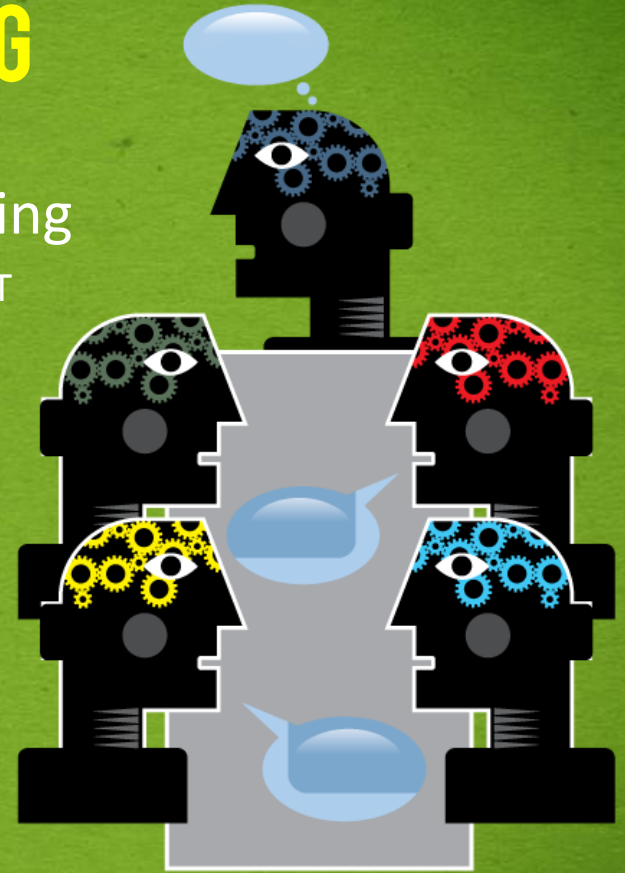
BUSINESS CHALLENGE EXAMPLE

- ✓ Minimum 6 week testing cycle for each product tested
- ✓ Every release added to the test cycle
- ✓ All manual testing
- ✓ Inconsistent testing techniques
- ✓ Out of phase defects continually discovered
- ✓ Relatively expensive

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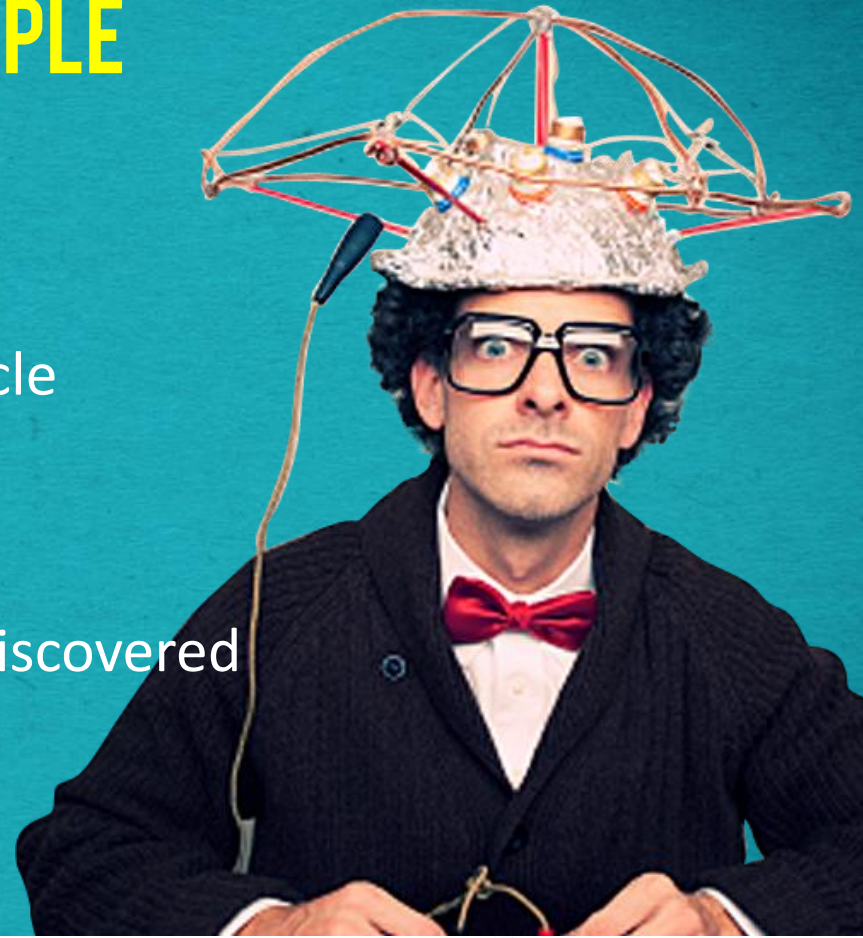
BUSINESS OPPORTUNITY

- ✓ Improve time to market
- ✓ Shorten overall development cycle
- ✓ Reduce dependence on human resources
- ✓ Improve final product
- ✓ Resolve defects much earlier in the development phase
- ✓ Reduce overall cost

THE SOLUTION

- ✓ Built customized UI around 3rd party shareware product- drastically simplifying the test automation process
- ✓ Re-engineered testing process
- ✓ Created/converted test scripts
- ✓ Integrated into development methodology

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RESULTS

- ✓ Significantly reduced testing cycle
- ✓ Drastically improved testing consistency
- ✓ Defects found much earlier in the development cycle
- ✓ Reduced testing costs and time by 75%

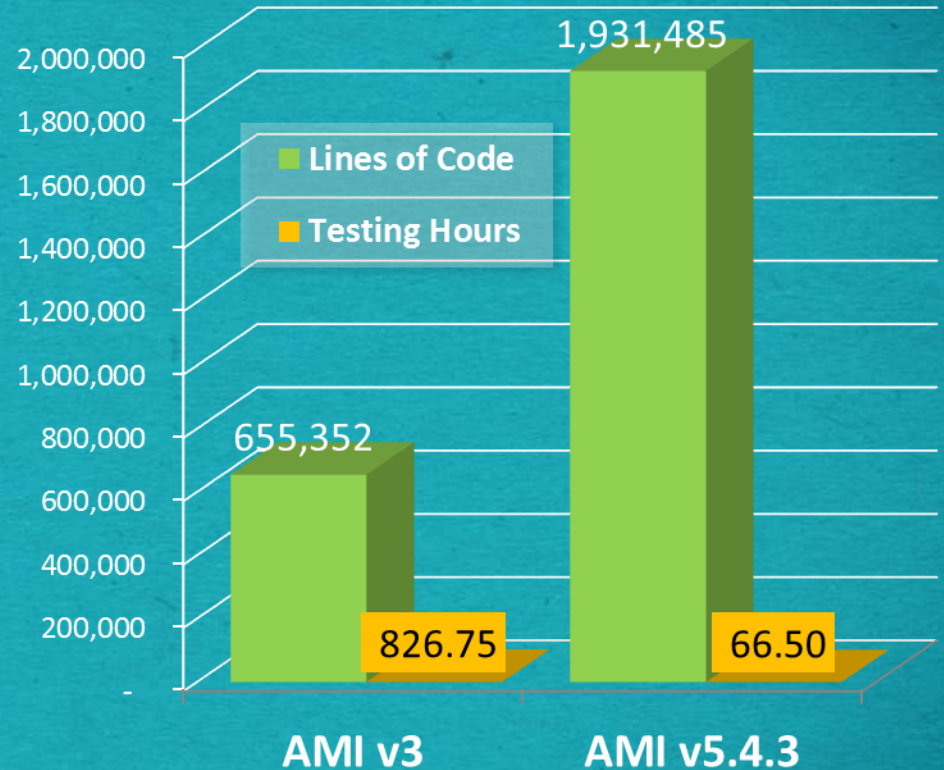Reduced Costs
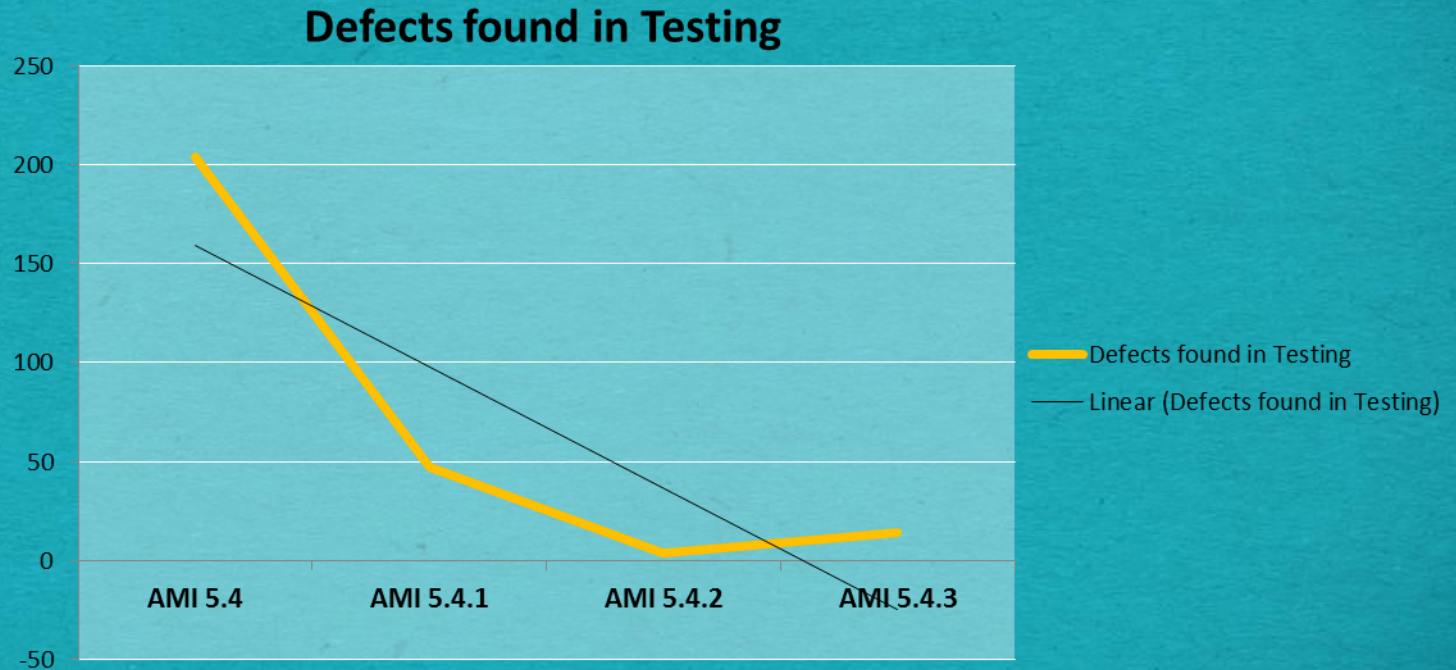
Reduced Time

Improved Quality

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RESULTS

✓ 827 hours of manual testing

✓ 6 weeks testing duration

AFTER

✓ 67 hours of automated testing

✓ 2 weeks testing duration

Legend:
- ■ Lines of Code
- ■ Testing Hours

	AMI v3	AMI v5.4.3
Lines of Code	655,352	1,931,485
Testing Hours	826.75	66.50

RESULTS

Defects found in Testing

Legend:
— Defects found in Testing
— Linear (Defects found in Testing)

X-axis: AMI 5.4, AMI 5.4.1, AMI 5.4.2, AMI 5.4.3
Y-axis: -50, 0, 50, 100, 150, 200, 250

OTHER EXAMPLES

Awarded 2 Software Product Patents

Applied for 4 more

OTHER EXAMPLES

Improved delivery from $110 per function point hour to $38 per function point hour

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OTHER EXAMPLES

Software deployment
timeline went from
entire weekend to less
than 2 hours

5 CRITICAL STRATEGIES

1. Establish a culture that **ENTICES INNOVATION**
2. Build a **TALENT BASE** of driven learners
3. Embrace **EXPERIMENTATION** / Accept some failures
4. Fund **SMALL AMOUNTS** at a time
5. Highlight early wins and **SUCCESS** stories

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3 STEPS TO INNOVATION

1. One thing you can **STOP** doing…

2. One thing you can do **DIFFERENT**…

3. One thing you can **START** doing…

WHO IS COMPUTER AID

?

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COMPUTER AID, INC.
PROFILE

- 30+ Successful Years in I.T. Services
- 23+ Years in Managed Maintenance
- 120+ Managed Maintenance Clients
- High Customer Retention – "Operational Excellence"
- $300M - Annual Revenue 2011
- 30 – Offices in the USA
- 6 International Offices (Philippines, China, Canada, Australia, UK, Argentina)

- 7 – Solution/Delivery Centers (3)-USA, (4)- International
- Key Industry Expertise – Manufacturing, Supply Chain, Health Care, Financial
- Key ERP Expertise – SAP, Oracle, PeopleSoft, JD Edwards, Lawson
- Service Level, Process and Metrics Driven
- Commercial and Public Sector Experience

PREVIOUS   NEXT

CAI CLIENTS: FORTUNE 1000

CAI CLIENTS: NGO / GOVERNMENT

QUESTIONS

?

Innovate or Go Extinct

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