

Operational Management of an Information Services Company

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Presentation for

Information and Service Design Lecture Series

School of Information, UC Berkeley

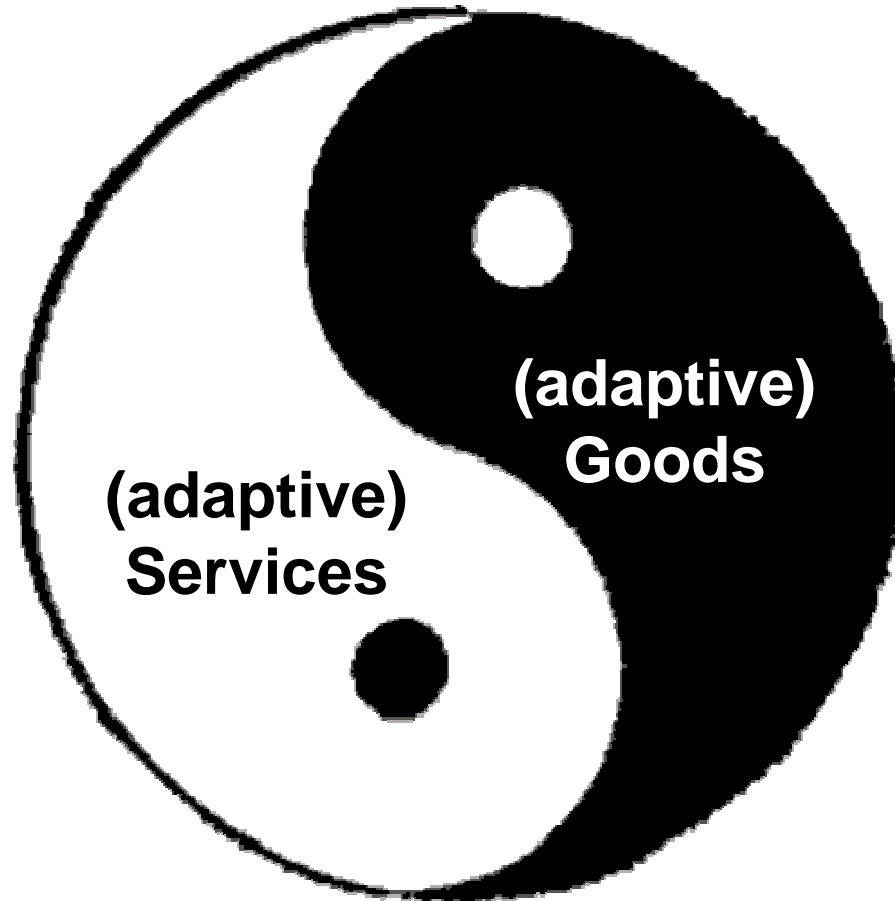
Fall 2007, Tuesday 10/2/07, 17.00–18.00, 202 South Hall



- ✓ *Certified*
- ✓ *Integrated*
- ✓ *Tested*
- ✓ *Effectuated*
- ✓ *Supported*

We help companies take 'first mover advantage' in emerging high growth mobile markets
by providing
scalable, high quality
development and testing services

Information Service Company



Adaptive Goods

- Traditional definition of goods:
 - Tangible (physical things delivered to customers)
 - Intangible (customers' contracts, databases)
 - Ownership & Innovation
- Adaptive definition
 - Free goods for a revenue generating purpose
 - Collaborative ownership and innovation

Adaptive Services

- Traditional definition of services:
 - Anything that is not “goods”
 - Add-on to ‘goods’
 - Work for hire
- Adaptive definition:
 - All services can be ‘goods’
 - Co-owners and Co-developers

An Operational View of the Business

How do we look to shareholders?

Financial Perspective	
Goals	Measures

How do customers see us?

Customer Perspective	
Goals	Measures

What must we excel at?

Internal Business Perspective	
Goals	Measures

Can we *continue* to improve and create value?

Innovation and Learning Perspective	
Goals	Measures

Source: Robert Kaplan, David Norton, (2004), *Strategy Maps & Balanced scorecards*

Financial Perspective

How Do We Look to Shareholders?

Traditional View

- Business model
 - Traditional guidelines for Revenue/margin may not apply
- Accounting model
 - Size no longer dictates when a firm goes global
- Legal model
 - Traditionally focus on IP patents and trademark
 - Single nation structure

Integrated World View

- Business model
 - Use Integrated Products and Service model
- Accounting model
 - Need to use both US GAAP and other local equivalent
- Legal model
 - Expanded IP assets, copyright, processes, methods
 - Global structure

Customers' Perspective

How do Customers See Us?

Traditional View

- Work for hire
- Manufacturer of goods
- Limited influence on the roadmap and operations

Collaborative View

- Strategic partner
- Co-creator of solutions
- Co-contributor to the roadmap and operations

Innovation and Learning

Can We Continue to Create Value and Learn?

Traditional View

- Organization Design: Emphasize diversity within a single workforce
- Environment: similar age group
- Telecommute is a privilege
- Training is often considered a cost or perk
- Outsource to reduce cost
- Own innovation and roadmap

A Holistic View

- Organization Design: global workforce with multiple cultures
- Multiple generations working together
- Telecommute is the norm
- Training is an investment for growth
- Outsource the work but not the responsibility!
- Co-owners of innovation and roadmap with customers

Internal Business

What Must We Excel at?

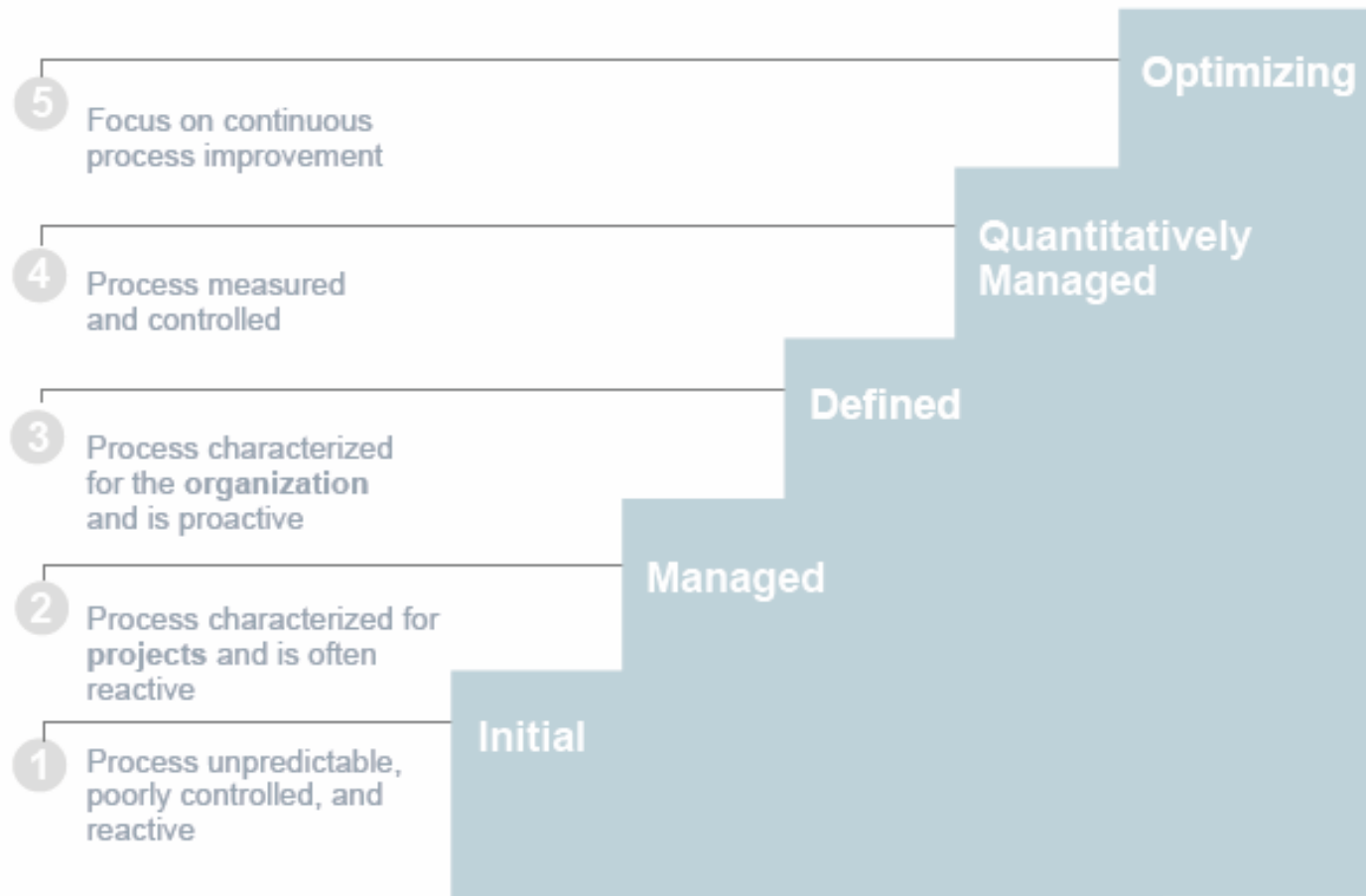
Traditional View

- One-way market to...
- Customer management
- Sell a product or an offering
- Keep engineers hidden
- Have an immature development model (i.e., a Level 1 CMM model)
 - Invisible development processes
 - Project Management is 'anti-innovation'
 - Quality control is often sacrificed
- Disseminate Information selectively
- Local-focus IT infrastructure
- Dominant headquarters

An Inside Out View

- Two-way market with...
- Relationship Management
- Sell experience
- Showcase engineering expertise
- Attain a mature and transparent development model (i.e., Level 5 CMM)
 - Transparent development processes
 - Process is a competitive advantage
 - Quality is a must
- Provide pervasive access to the same information by all
- Global-focus IT infrastructure (i.e., disaster planning, replicating plan)
- Dispersed, clusters of locations

Process - CMMI Maturity Levels



Source: <http://www.sei.cmu.edu/cmmi/>

Reflections

- Adapt traditional models
- Take an integrative and world view of a business, even for a startup
- Employ a collaborative working style with your customers and partners
- Take an inside-out view - Make traditional invisible things visible
- Adopt a multi-disciplinary approach to education



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Q&A

“Genius is nothing more than the ability to see the world from a different perspective.”

Henry James