

GEMKO Information Group, Inc.

Information Systems Specialists

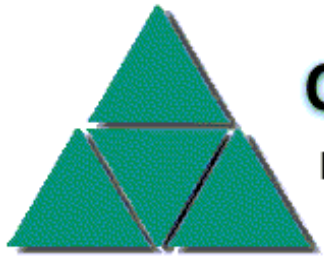


Burns' Law

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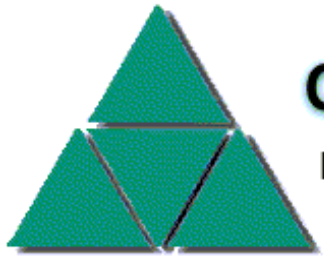
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On tap.....

- The two biggest challenges..
 - The Great Divide
 - The Clash of the Titans
- Burns' Law
- GEMKO's solution



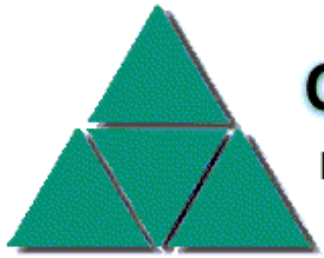
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The Great Divide



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The Global marketplace.....



Primary agenda

- Be educated consumers
- Demand highest quality, but...
- Enjoy champagne taste on a beer budget
- Build & maintain alliances
- Transact business securely

Potential hidden agenda

- Steal intellectual property



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C.E.O.....

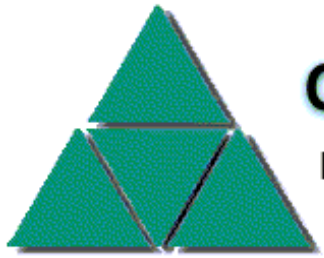


Primary agenda

- Be profitable enough to keep shareholders happy
- Delegate day to day operations
- Keep a pulse on the organization at cruising altitude
- Nurture company's public image
- Damage control where needed
- Explore growth opportunities
- Build & maintain alliances

Potential hidden agenda

- Keep everything on the up and up



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C.I.O.....

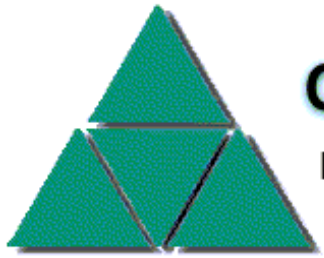


Primary agenda

- Keep ship sailing smoothly
- Hire/Fire IT professionals
- Keep CEO apprised
- Oversee enterprise projects
- Major purchasing decisions
- Communicate with other department heads
- Build & maintain alliances

Potential hidden agenda

- Leave a lasting legacy
- Return some old favors
- Cruise control to retirement



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M.I.S. Manager.....

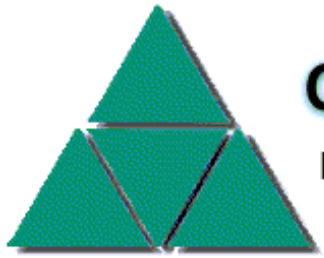


Primary agenda

- Gather, prioritize requests
- Assign & schedule resources
- Evaluate staff
- Keep CIO apprised
- Small to mid sized purchasing decisions
- Communicate with end users
- Build & maintain alliances

Potential Hidden agenda

- Avoid mid-management downsizing
- Protect turf



Programmer/Analyst.....

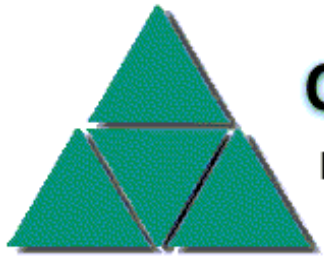


Primary agenda

- Execute user requests
- Build skills
- Keep MIS manager apprised

Potential Hidden agenda

- Stay employed
- Build resume
- Establish job security



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Visionary / Influencer.....

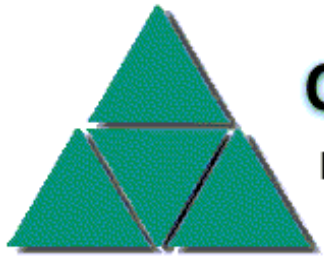


Primary agenda

- Innovate
- Identify weaknesses and/or opportunities
- Stay informed
- Provide business case and/or value proposition

Potential hidden agenda

- Work way up corporate ladder
- Deflect negative accountability



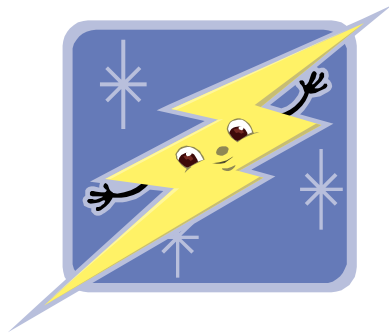
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“Who the heck are Smith Industries and what do they do ? Never heard of them, and a Google search didn’t turn up anything”.

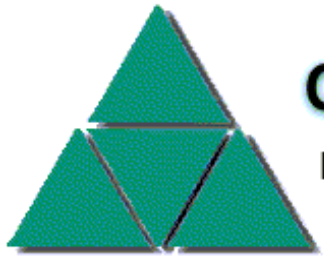
Disconnect: Global market is unaware of Smith Industries. Thus they purchase their widgets elsewhere.



Disconnect: CEO doesn’t recognize the World Wide Web as a viable marketplace.

“The Internet. Please. We’re not selling rap music CD’s to some snott nosed teenagers. We’re selling industrial strength widgets”.





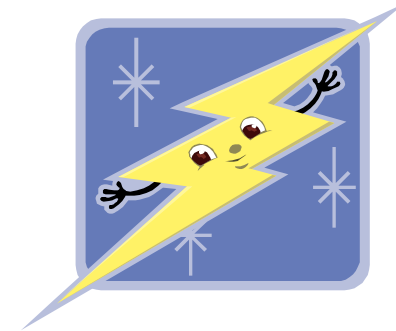
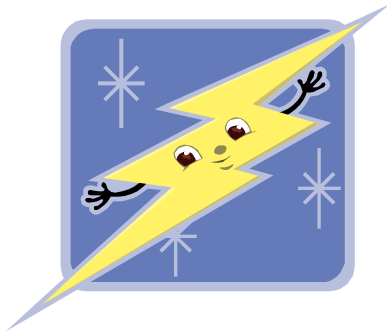
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“I’m too busy to be bothered with computer issues. I’ve got to raise revenue, and that’s an accounting expense. Besides, I hired a guy to worry about that stuff. Whatever he thinks”.

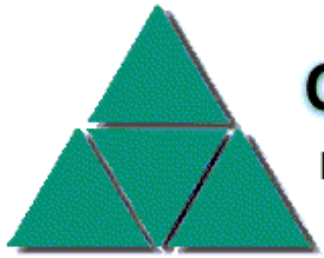
Disconnect: CEO fails to realize that IT is one of his most strategic corporate assets



Disconnect: CIO doesn’t consider the most profitable solution, just the most convenient.

“I’ll bring in my own people. We worked well together at Widgets, Inc. We’re all familiar with Unix and the vendor is an old friend of mine, so that’s the direction we’ll go”.





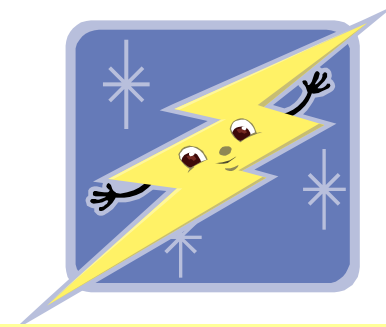
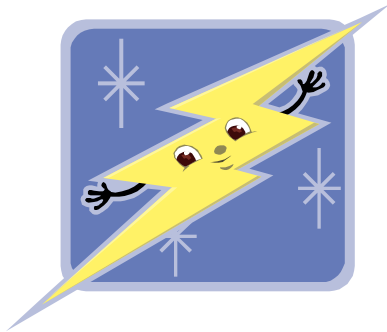
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“I’ll look like a hero at the next board meeting if we can bring this next web project in ahead of schedule AND under budget”.

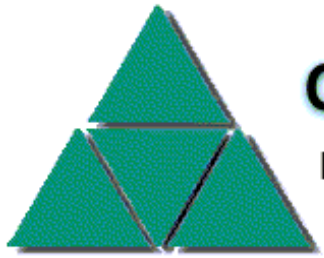
Disconnect: CIO makes bold promises without consulting support staff, fails to offer incentives for timely completion.



Disconnect: MIS manager speaks for all direct reports, doesn’t consider the big picture.

“If he thinks my team is putting in 12 hour days for the next 3 months just so he can look good, he can forget it”.





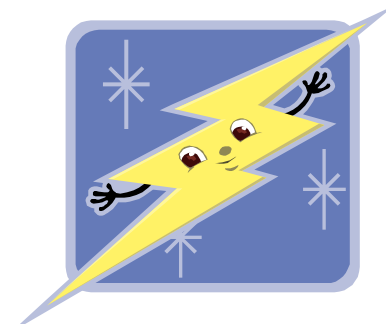
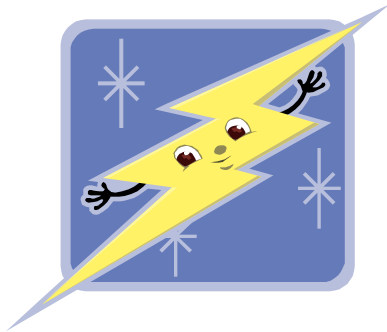
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“If it means getting the CIO off my back, I’ll put Fred and Tony on this web project. They’re old school, but they’ll get it done faster than Sally. She whines to much”.

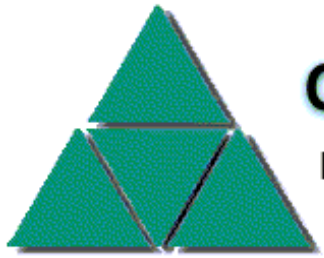
Disconnect: MIS manager willing to deliver an obsolete product to avoid potential conflict with a subordinate.



Disconnect: Programmer/Analyst makes negative assumptions instead of positive business cases (to justify training).

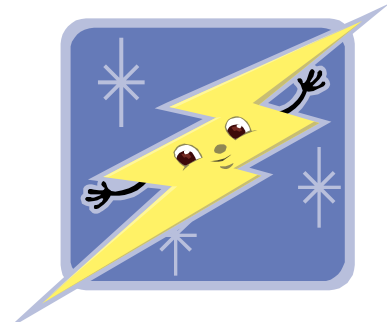
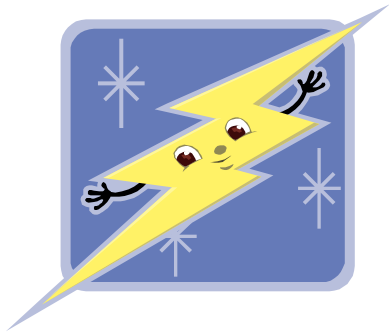
“I sure wish we could learn some new programming technology – it would really help on some of these projects if we had more options. But, as usual, they’ll never spend a nickel on getting us trained”.





“Good heavens, what does he want now ? If he only had a clue how much I’m working on right now, maybe he’d leave me alone”.

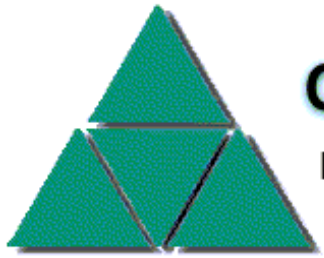
Disconnect: P/A having little enthusiasm for anything outside her immediate bubble



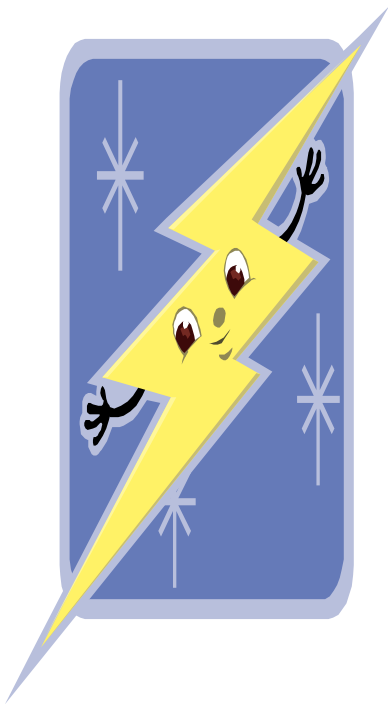
Disconnect: Visionary has little appreciation for what it takes to enable such improvement.

“If we could make this report data available to our sales guys over the web, they could really make a favorable impression on the customer. Couldn’t you just bang this out before next month’s campaign” ?

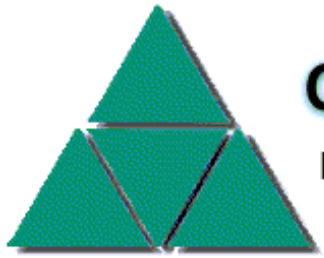




“We need to modernize our systems” ...

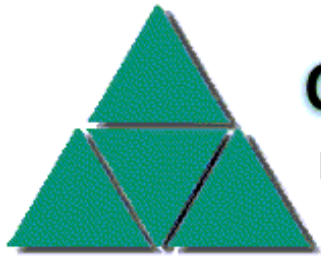


<p>“I don’t care what you do. Just don’t cost me much money”</p>	<p>“We can dress this system up. I’ll call John Doe & Assoc. They always give us the best price.”</p>	<p>“How are we going to fit this in around the inventory consolidation and the new warehouse opening in New Hampshire ?”</p>	<p>“I better not have to work too many weekends on this”.</p>	<p>“Are we there yet ?”</p>



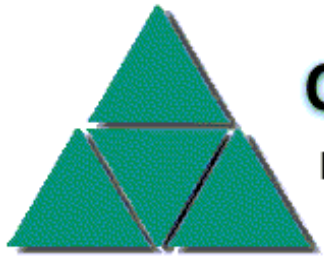
The reality of the disconnects.....

- Nobody seems to be on the same page
- CEO's agenda should be everyone's agenda
 - Company's success is their success (or at least it should be)
 - Best job security is to contribute to that success
- Subordinates tend to assume they don't have a voice
 - Chances are they do, they just don't exercise it
 - Need to make educated recommendations, not knee jerk ones
- Many entry level employees just don't care
 - Feel too far removed from the process
 - Want a career, not just a job
- We could use a magic bullet to address these



So what's the magic bullet ?.....

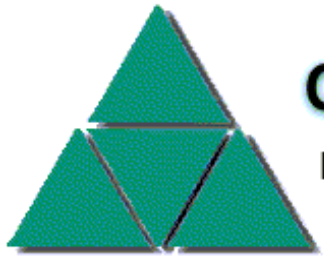
- There is none
- Solution will be different in every organization
 - Driven and enforced by C level
 - Carried out by mid level
 - Nurtured and supported by entry level
- Hidden agendas are counterproductive to big picture
- All levels need to be heard, but also listen
- Getting everyone on the same page means...
 - Everyone shares in the wealth when things go well
 - Everyone shares in the headache when things don't
 - Open forums, incentives, team activities
- Remember, Modernization is an enterprise journey, not an IT project



Now, remove the disconnects



<p>“We have mountains of data on our customers. I want to use it on the Web in ways that our competitors can’t.”</p>	<p>“Let’s do this thing right – foundations first and then cosmetics. Are we taking full advantage of what we already have ?”</p>	<p>“I need to get my staff educated on what we have, so they are not force fitting solutions into technologies they know.”</p>	<p>“There has to be a better way, and I want to learn how. Might mean some late nights, but it will help us in the long run”.</p>	<p>“What can I do to contribute ? Testing, maybe training ? Let me know.”</p>



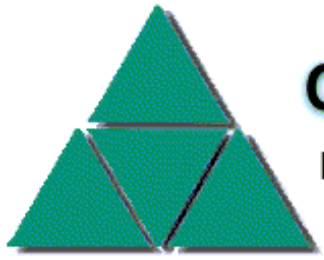
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The Clash of the Titans



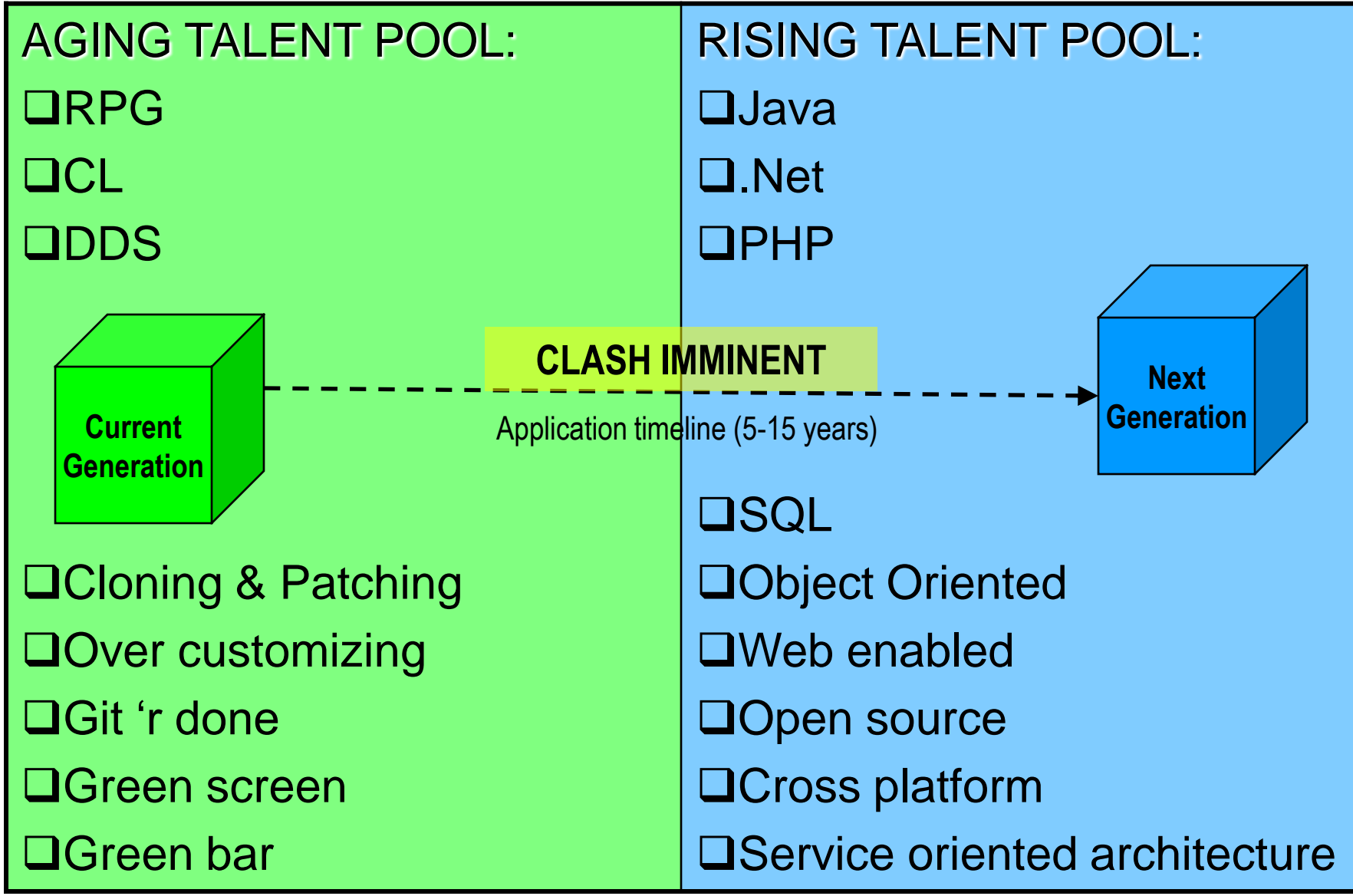
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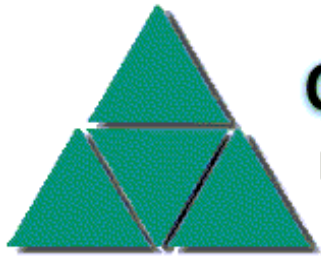
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The challenge.....

- Many companies using midrange technology are constrained by aging applications, aging tooling, aging skill sets and a dwindling talent pool of IT staffers.
- The midrange platform is generally viewed as an obsolete, proprietary and inflexible environment, mainly because those who represent it exhibit those same qualities as IT professionals.
- Open source, cross platform and graphically rich solutions are winning over customers on sex appeal as opposed to substance, security or sustainability
- There is a growing, affordable talent pool for skills required to develop and support such solutions
- Inevitably, the two shall meet in virtually every organization





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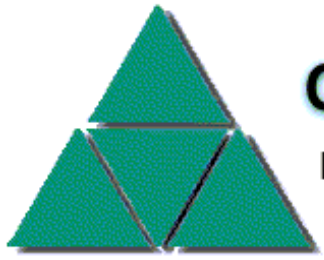


The catalyst.....



New CIO or IT management regime

- Foreign skill set
- Preconceived solutions
- Crony alliances
- Preferred vendors
- Desire to make early splash
- No vested interest in existing systems



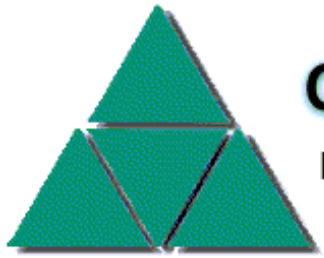
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What's at stake.....

- Investment in countless hundreds of hours of programming and analysis as well as the quality testing and fine tuning of existing applications on the midrange platform
- Potential customer satisfaction
- User and IT staff productivity
- Acquired experience and education of IT staff
- Investment of time spent training users and acquired proficiency of said users
- Acquired intellectual property and historical data
- Investment in physical technology
- Investment in OS, tooling and utilities
- Survival of midrange platform in the customer's enterprise

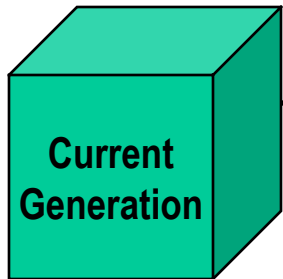


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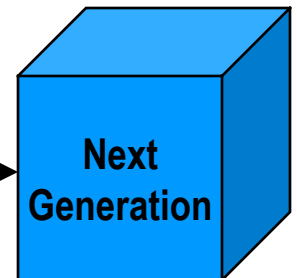
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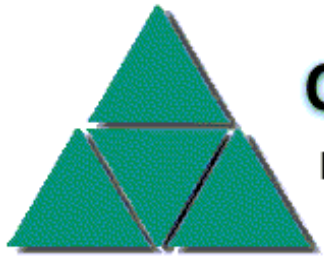
“Are you crazy ? We can’t learn that. Do it after I retire”



CLASH OCCURS

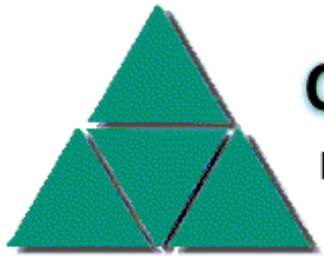


“Forget it. Scrap this system and go with something Windows based”



The consequences of clash.....

- Value of the application plummets by up to 50% without the next generation component
- Severe risk and disruption associated with rip and replace
- Redundant investments made to meet business needs already being met by existing systems
- Loss of acquired experience, skills, proficiency and other intellectual capital
- Negative impact on productivity and customer service, even if temporary
- Others ?



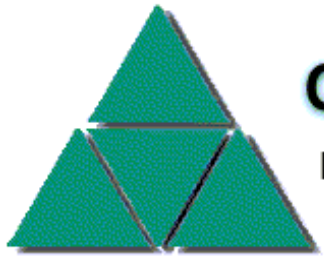
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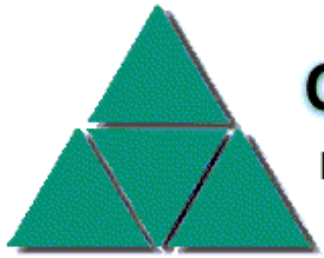
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It's the Law



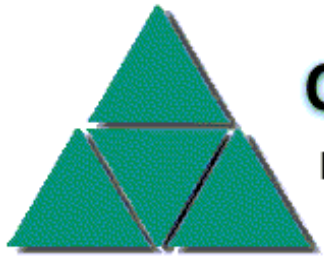
Burns' Law..

- *“The value of an application is the sum of the efforts of those who leverage and support it in the current generation and of those who leverage and support it in the next generation”.*
- *“Continuity of the application is achieved only through smooth handoff from the former to the latter, at a point at which the latter will deem it more advantageous to salvage the application than to replace it”.*



Burns' Law

- *“To ensure smooth handoff, both the application and those who support it in the current generation, must look forward and evolve simultaneously in small increments, from their current state of technology and proficiency to the handoff point”.*
- *“Both the application and those who support it in the next generation, must look backward and evolve simultaneously in small increments, from the handoff point to their current state of technology and proficiency”.*
- *“The cycle must then repeat if continuity is to be achieved”.*
- Consider what happens when smooth handoff occurs:



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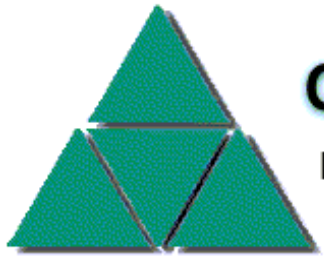


The catalyst.....

CEO who views IT as strategic

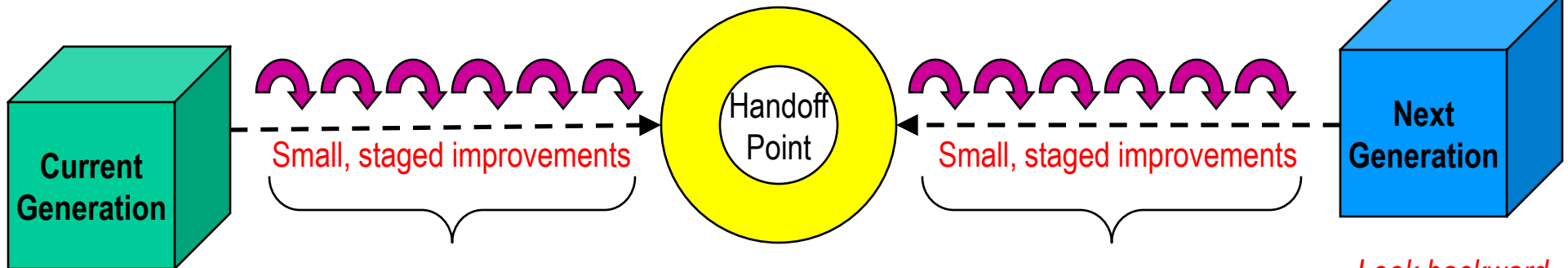
- Protects acquired intellectual property and experience
- Takes better advantage of investments already made
- Minimizes risk and disruption
- Looks for steady, measurable benefits





“Let’s take better advantage of what we have and learn to do things a little smarter”

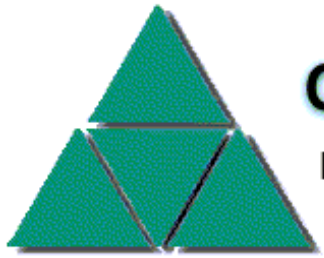
Look forward



Cycle repeats

Look backward

***“You know, we can work with this.
Let’s take it forward and improve upon it.”***



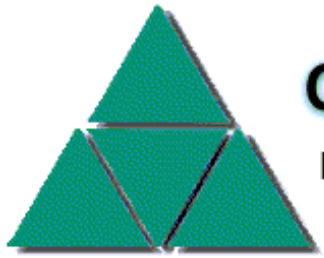
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The consequences of smooth handoff....

- Application continues to deliver value and gains strength
- Next generation acquires and retains a portion of accumulated intellectual capital
- Little or no disruption to productivity or customer service
- Others ?



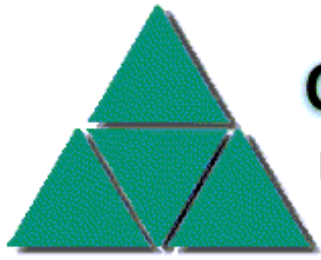
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How GEMKO can promote smooth handoff in your organization....

- Our proven, repeatable process gently and predictably weans applications off their constraints.
- Our subject matter experts excel in technologies available on every System I
- Our educational offerings promote customer autonomy instead of dependence.
- Our internal relationships with financial and business process improvement experts complement our own customer experience.



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Thank you

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