The Business Value of IT in Today's Digital World QCON NY 2014

Joe Weinman

joeweinman at gmail

@joeweinman

Competition Today





Nike FlyKnit Racer





Nike FlyKnit



Cloud 2020 JW

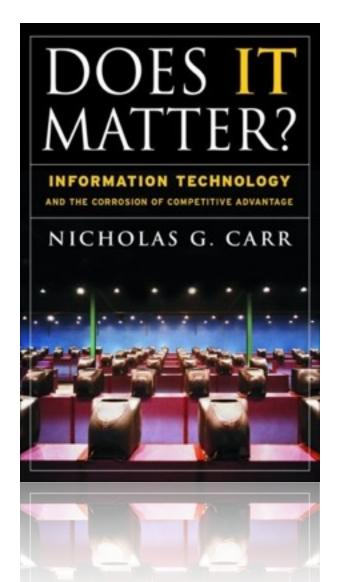




Nike Basketball Hyperdunk+



Does IT Matter?



Doesn't Matter

by Nicholas G. Carr

As information technology's power and ubiquity have grown, its strategic importance has diminished. The way you approach IT investment and management will need to change dramatically.

nesses to the outomers they serve. year on El. Handy adollar or a conschange hands. But the r

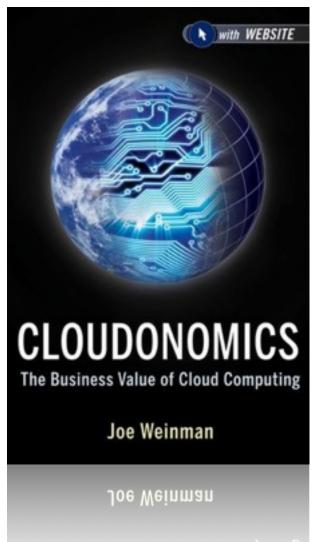
as a resource year more critical to their to take tools - giantified typescribers and

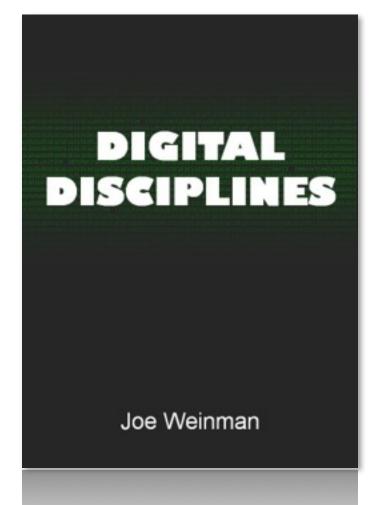
To differ found a way to get the cir spending habits to rots, according to a cults necessary for computer process— multi-fit the U.S. Department of Coming arms a timy piace of elicon. His in- meror's fluxuus of Economic Analysis, sention of the microprocesser spurrod a less than an of the capital expenditures series of technological treatcherogles - of American companies went to infordesistop-computers, local and wide area — market technology. After the introducnotworks, enterprise selbware, and the tion of the personal computer in the finance - that have transferred the early velocities percentage over to up. Producer world. Taking no one would dismore than Information surfractions have than you, and by the end of the decide boomic the buildone of commerce, it. It had bit nearly won, Even with the reunderpite the operations of individual - cent shappiness in technology spend companies, rise agenter borhong exp- ing, businesses around the world conply chains, and, increasingly, links has - time to spend seed over an critism a

But the servention of IT goes much anymore without the sid of computer - deeper than dollars. It is widen; sewell in the shifting attitudes of top manage As IT's power and prosoner have on - on. Twenty years ago, met descratives

Consists C 2011 to Manual Busines School Publishing Corporation All rights reserved

Of course IT matters





Joe Weinman

Quantitative Analysis of Clouds

Common

- Penalty Cost Reduction to $\frac{1}{\sqrt{m}}$ for m independent demands

Location-independent

- Latency \propto to $\frac{1}{\sqrt{n}}$ for n nodes, adjusted by $\frac{1-\cos(2\beta)}{1-\cos(\beta)}$

Online

- Hub vs. P2P Benefit of $\frac{1}{n}$ Connections; Latency Penalty of $\frac{4}{3} \times \frac{45\pi}{128}$
- Smart networks improvement on n paths $\cong \frac{1}{2} + \frac{1}{(n+1)} \sqrt{\frac{\pi}{2n}}$

Utility

- Pure Cloud Better when $\frac{P}{A} > U$; Hybrid Best with Breakeven at t = T/U

on-Demand

- Linear Benefit for D(t)=kt; Exponential for $D(t)=e^t$; $\frac{1}{\sqrt{n}}$ for Random Walk

Source: Joe Weinman, Cloudonomics

Range of IT Value



Value Disciplines* + Digital Technologies = Digital Disciplines



Operational Excellence += Information Excellence

Product Leadership += Solution Leadership





Customer Intimacy += Collective Intimacy

Traditional Innovation += Accelerated Innovation



*Michael Treacy and Fred Wiersema, The Discipline of Market Leaders

Operational Excellence += Information Excellence

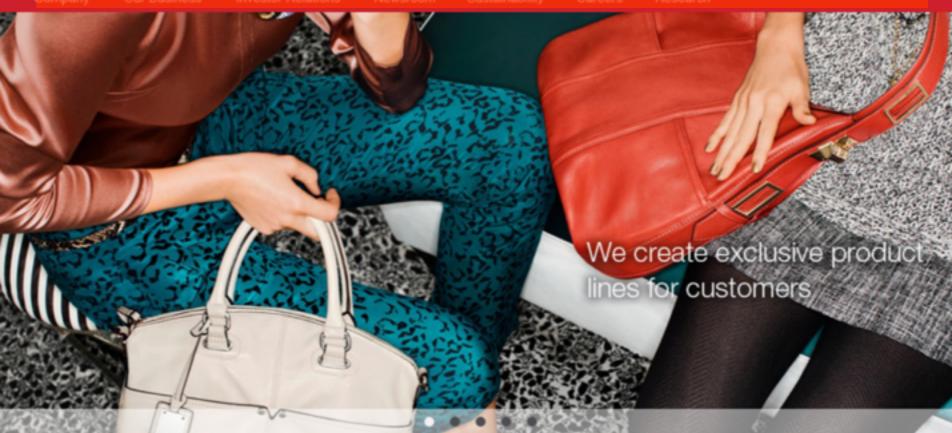






The Hollywood Organization





WHAT'S NEW

Clarification Announcement

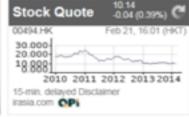
Read More

Li & Fung Reorganises Factory Support Services into New Business Unit

Read More







© Copyright 2014 Li & Fung Limited. All rights reserved. Disclaimer and Privacy Statement

Da Assaslantian to Francis Vander Constant

📇 Printer Friendly Version 🗘 Add to Favourite 🖂 Email This Page 🐁 Website Survey



Product Leadership += Solution Leadership

Range of Product Value

Differentiation ncreasing

Potential

Extensibility via API/Ecosystem

Adaptability via ML/AI

User Modifiability

Upgradability

Digital Intelligence

Expected

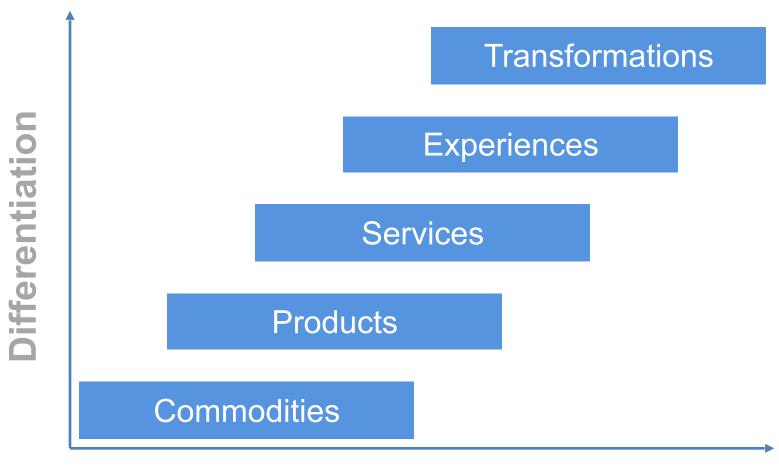
Augmented

Undifferentiated Features

Generic

Core Benefit

The Experience Economy



Profitability

Source: Joseph Pine & James Gilmore



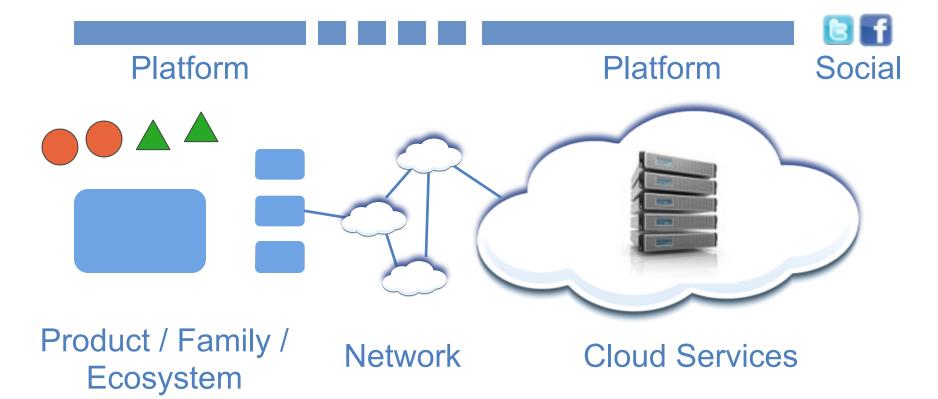
Solution Leadership



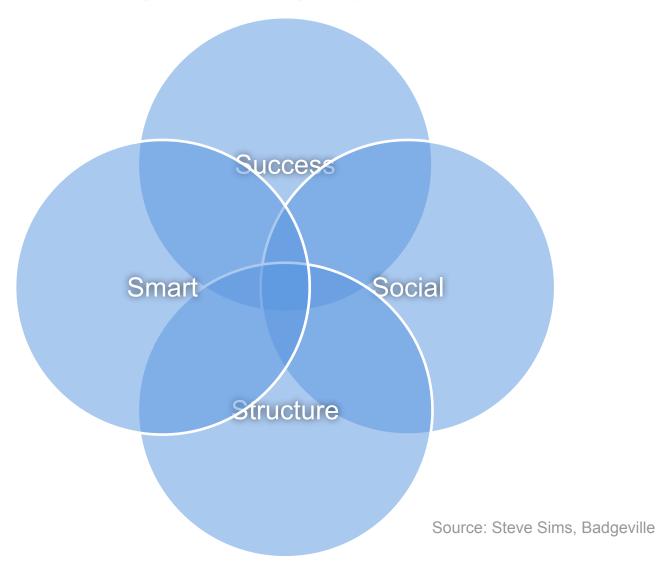
Solution Leadership



Community / Partner Ecosystem



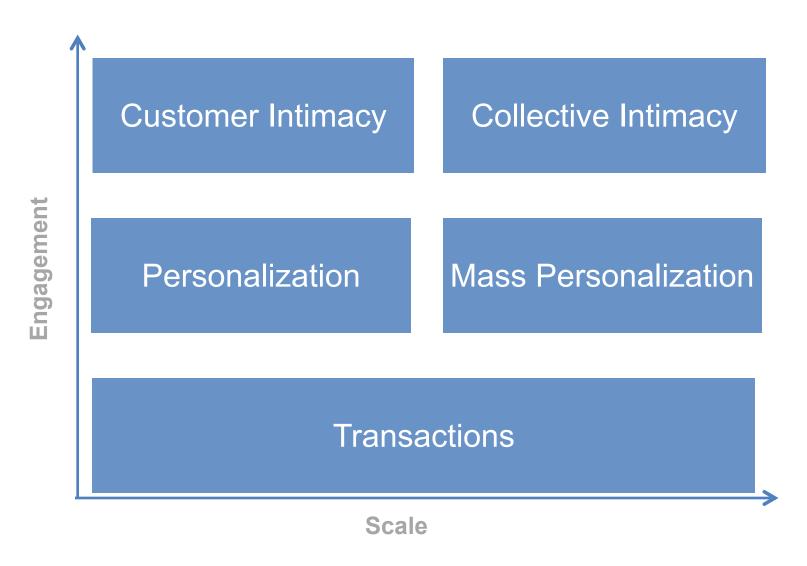
Gamification



Customer Intimacy += Collective Intimacy



From Transactions to Intimacy



Collective Intimacy

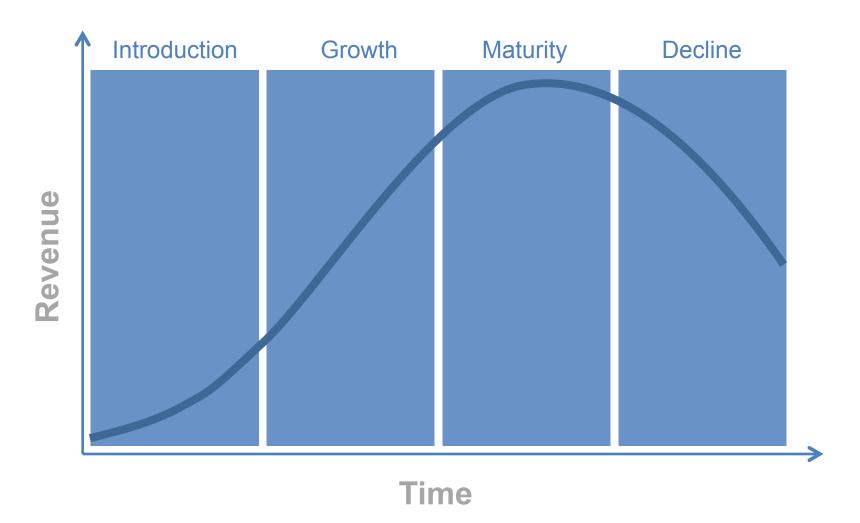


Collective Intimacy

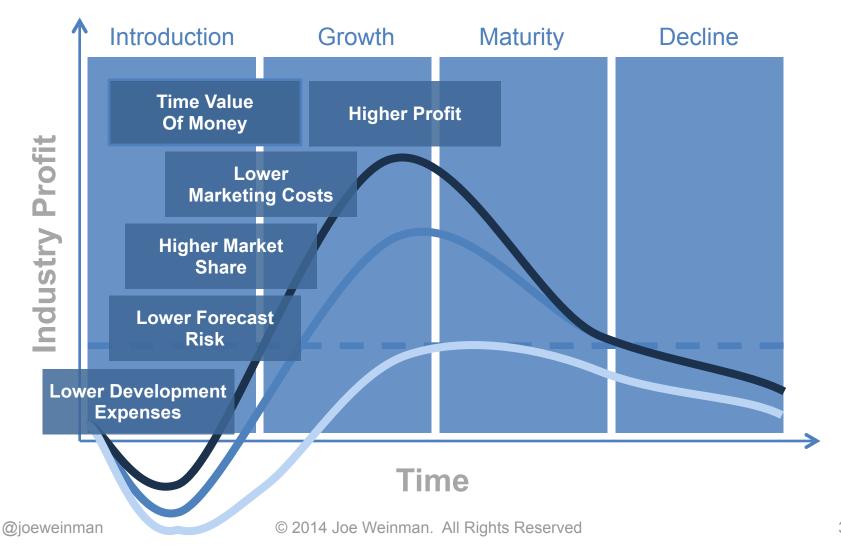


Traditional Innovation += Accelerated Innovation

Product Life Cycle



Industry Profit



Accelerated Innovation



Open Innovation







Goldcorp

Netflix

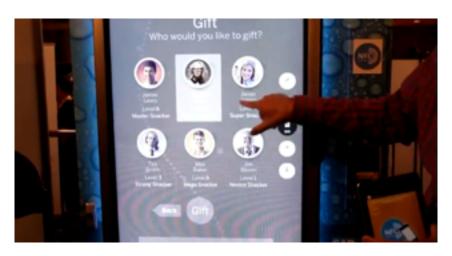
Innocentive

Accelerated Innovation

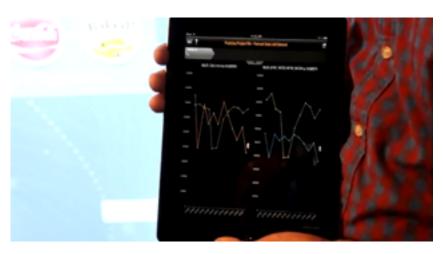
- Internal += External
- Closed += Open
- Static += Dynamic
- Salaries += Prizes
- Cash += Reputation
- Waterfall → Agile
- Plan → Pivot
- Coding → Platform

Putting It All Together

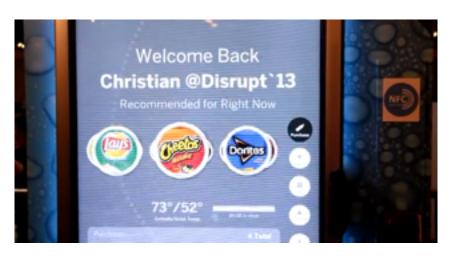
Putting It All Together



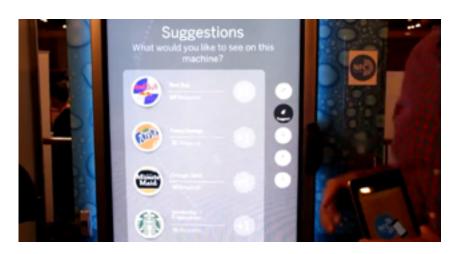
Solution Leadership



Information Excellence



Collective Intimacy



Accelerated Innovation

Early in the Journey



Source: estfacts.com

Thank You

joeweinman at gmail

@joeweinman