

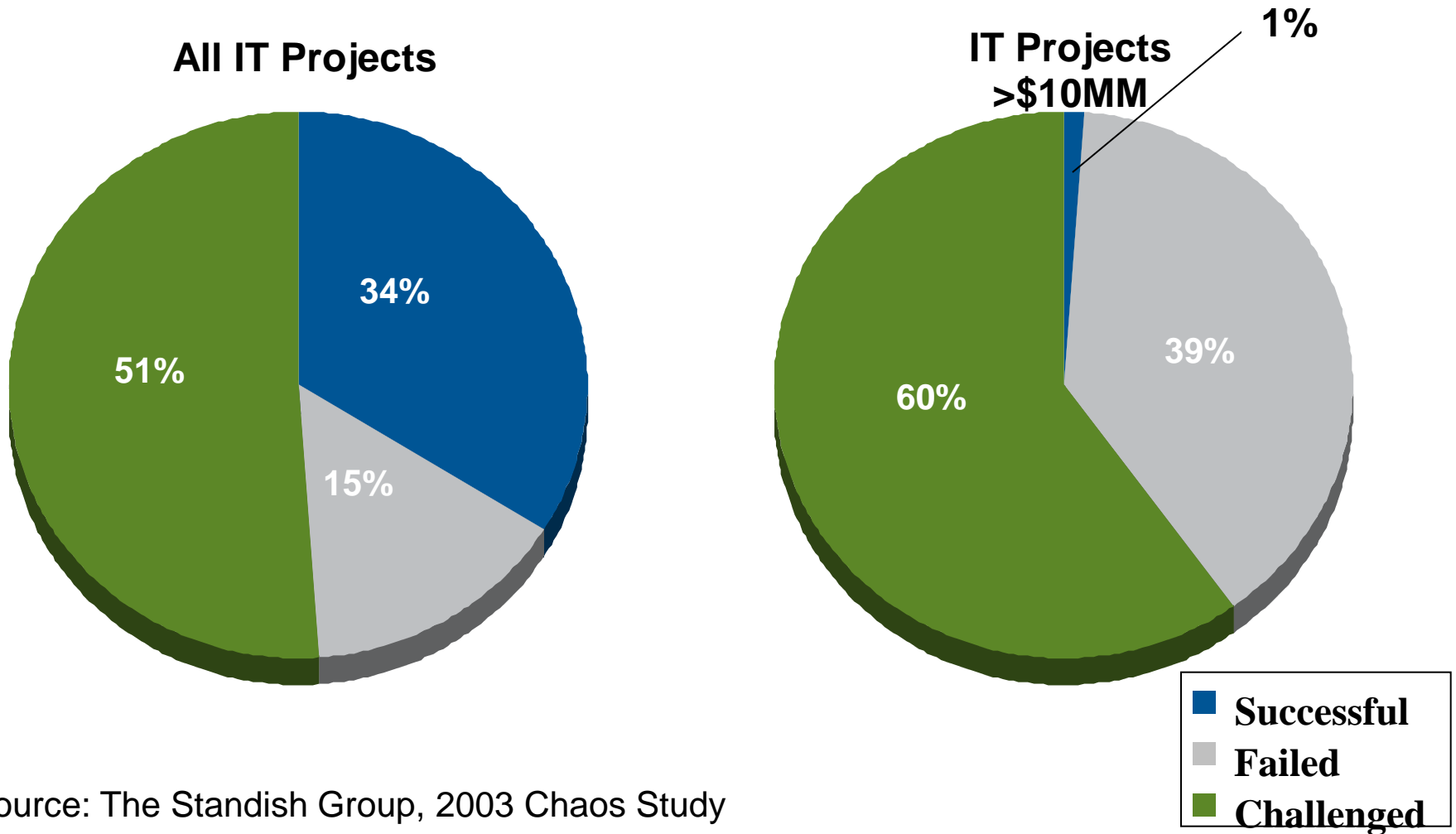
Making Change an Element of Strategy

John Schmidt
Chairman, Integration Consortium
VP, Global Integration Services, Informatica

Topics

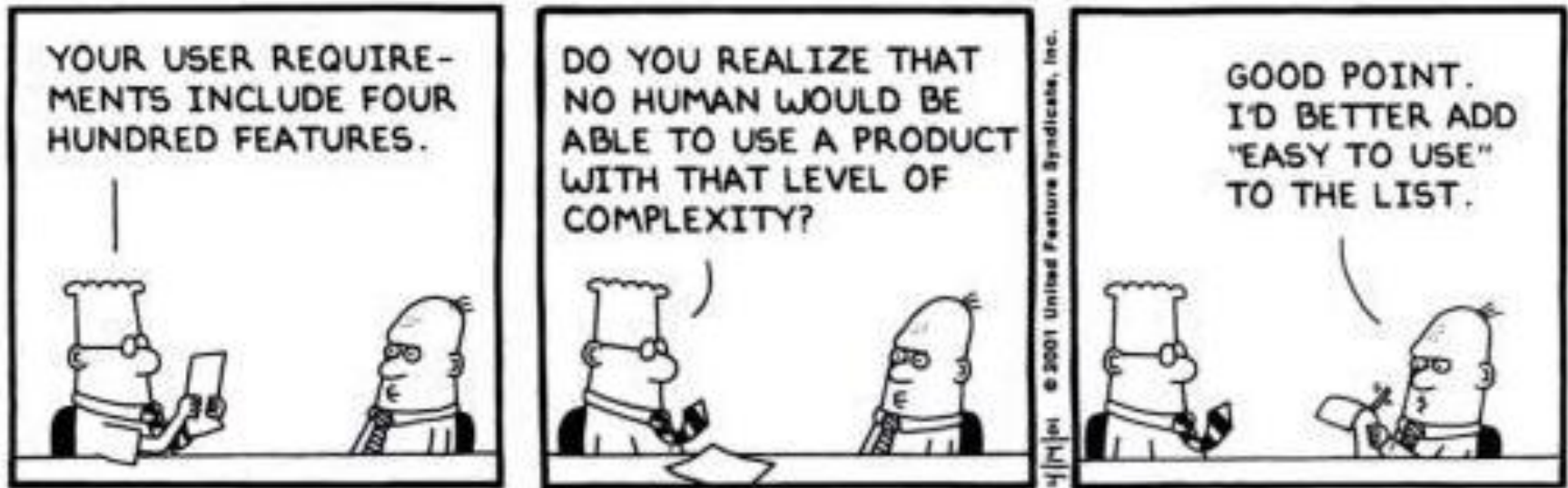
- **How much change is good?**
- **Key Challenges and Critical Success Factors**
- **Where to go for more information**

The problem with change: Low Success Rates



Source: The Standish Group, 2003 Chaos Study

One possible reason....



How much change is good?

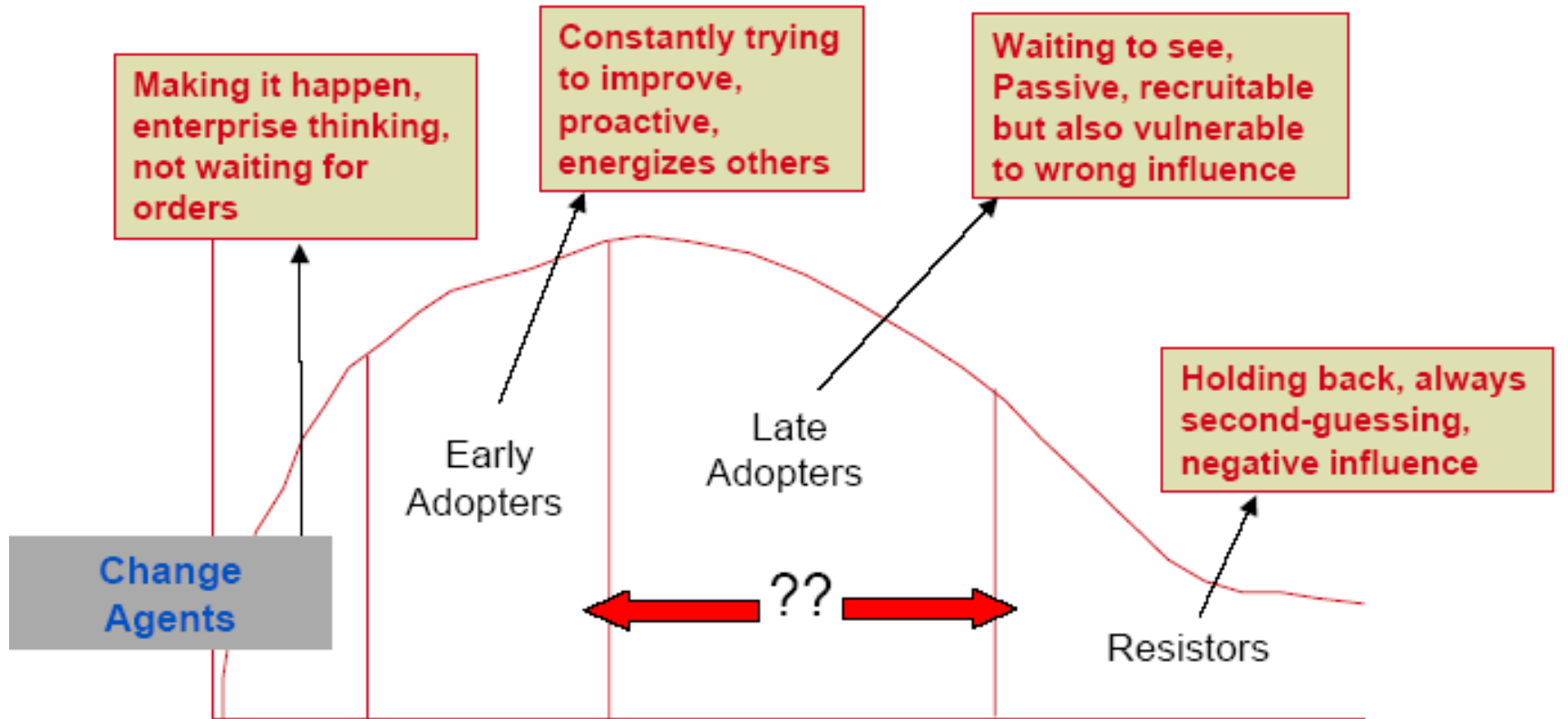


- **Both ends of the spectrum are not desirable and eventually lead to death**
- **Premise #1: The ideal long-term sustainable model is on the Edge of Chaos**
 - Constant change but still in control

Premise #2: Special effort is needed to overcome the status-quo and encourage change

- **Reasons for status-quo inertia – especially as organization get larger**
 - Fixed assets lock-in (legacy infrastructure)
 - Existing products/services cannibalization
 - Organization inflexibility
 - Risk of change failures
 - Intolerance of unconventional people
 - Excessive rationalism and bureaucracy (group thinking)
 - Inappropriate incentives

CSF #1: Maintain a mix of personality styles, with emphasis on change leaders, to balance between order and chaos



Change Agent Behaviors

- **A Change Agent:**
 - Is a voracious learner
 - Does not wait for orders to take action on new ideas
 - Expresses excitement freely concerning new ideas and change
 - Demonstrates a strong sense of urgency to capitalize on innovations and opportunities
 - Skillfully influences peers and colleagues to promote and sell ideas
 - Displays personal courage by taking a stand on controversial and challenging changes

CSF #2: Establish long-term flexible architectures

- **The U.S. Constitution is a good case study.**
- **If you take a long enough time horizon, technology issues are insignificant.**
- **The REAL issues are about the balance of power, governance, and change management.**

Constitution

We, the leaders of Bank of America, seek to achieve an optimal balance between efficiency and innovation in the interests of sustained competitive advantage and superior bottom-line results.

We shall establish a portfolio of application systems that support business operations. Each system shall perform a defined set of business functions on behalf of the entire enterprise and be the master of a defined set of information subjects. Each system shall be assigned an owner who shall be accountable for optimizing its performance. System owners shall strive to achieve innovative breakthrough performance and have autonomy in decisions that affect only their system.

The systems shall interconnect through an integration infrastructure which shall be managed by the architecture and integration group. The architecture group shall be accountable for defining the logical grouping of business functions and information subjects and for the standards that govern their interaction. The integration group shall be accountable for sustaining and evolving the middleware elements in its most efficient form.

Changes that affect the interaction between systems shall be approved by representatives from the application systems. A designated manager from the integration group shall facilitate the process.

Bank of America, Consumer and Small Business Banking Technology Group

CSF #3: Use sustainable integration methods to complement flexible architectures

- **Lean Integration: A management system that emphasizes creating value for end customers, continuous improvement, and eliminating waste in end-to-end data integration and application integration activities.**
- **Core principles include:**
 - Focus on the customer
 - Eliminate waste
 - Continuous Improvement
 - Plan for change
 - Deliver fast
 - Empower teams
 - Build quality in
 - Optimize the whole

Key takeaways

- **Constant, but in-control, change is the ideal state**
- **Effort is needed to overcome change resistance**
- **Critical Success Factors include**
 - A mix of personality styles
 - Long-term flexible architectures
 - Sustainable integration methods

Additional Resources

- ***Integration Competency Center***
by: John Schmidt and David Lyle
 - Integration methods for ongoing sustainable integration vs. project integration
- **Ongoing thought leadership**
 - ICC Whitepapers
www.informatica.com/solutions/icc
 - ICC Blog
blogs.informatica.com/enterprise_data_management/
- **Lean Integration paper download at**
www.globalintegrationsummit.com/



Available at www.amazon.com

Global Integration Summit

ECONOMIC PAYBACK THROUGH INTEGRATION

- **6th Annual Integration Consortium Event**
 - Opening keynote by **Dave Linthicum**
 - End-User Keynote by **Zahid Afzal**
CIO, Huntington Bank
 - Public-Sector Keynote by **Pres Winter**
CIO, Director of National Intelligence
 - Industry Analyst presentation
Jason Bloomberg, Zapthink
 - **The next “Big Thing”**
Lean Integration, by John Schmidt
- **Pre-Conference Tutorials**
- **24 break-out sessions in 3 tracks**



The logo features the word "INFORMATICA" in a bold, white, sans-serif font. Above the text is a horizontal line of small white dots, with two larger white dots at the far left and far right ends. A registered trademark symbol (®) is located at the top right of the word.

INFORMATICA®

The Data Integration Company™