

On the road to Damascus, a conversion awaits

On the road to the holy grail of simplicity (and isn't that what preoccupies all technologists these days, unless you think the quest for SOA is somebody's road to Damascus?) the unseen irony is that first, everything gets more complicated. Well, it does for someone, anyway. Because while checking yourself out at the supermarket, unwittingly taking advantage of supply management systems that have been reworked to take advantage of RFID or being the beneficiary of working for a company with a Human Resources department that has adapted to your preferred personal habits such as co-working, the big constant in today's world is...change. And while change may result, ultimately, in simplicity for you, it means the opposite for someone else. That unfortunate person is the chief information officer (CIO). What's good for you always crosses his (or her) desk first.

There was a time when the CIO was strictly a technologist; buried exclusively in the systems about which he or she made decisions. Now, increasingly, the "New CIO" is an integral member of the business team; someone who understands the need to embrace the bottom line and lead the conversion of business threats into opportunities. Technology minus a firm grasp of business strategy isn't enough! Heads now take in the vista above the parapet. As new business models are developed, in turn driving ever increased technology change, consumer expectations multiply in a virtuous loop and the wider economy is forced to adapt. The scale of innovation and its impact is as such striking. At the heart of what sometimes appears to be a permanent revolution, the CIO must lead in making sure the new business models are cleanly and efficiently automated.

Why? Because in so doing, he's protecting his own position: leaving manual workarounds on the desk of the COO will eventually leave him out of key business decisions. Presenting eight figure estimates to the CFO for seven figure business cases is an invitation to lose all his budget offshore. Saying "no" to the CMO will alienate him from being involved in the critical path of defining a successful business strategy and the future of his company. Worst of all (for those of us in Billing and CRM), telling the CEO that things aren't working because software vendors are technologically lacking and make poor partners may be his only choice when problems do arise. And though not ideal, the CIO may have no choice but to make that claim. If he could only suggest an alternative!

The reality is that if Billing and CRM are Public Enemies #1 (and 2) on the CIO's hit list, we shouldn't be surprised. When business models change they primarily impact how we interact with consumers and suppliers and how we automate those interactions....in billing, CRM and ERP. If the enterprise applications involved can't adapt to changes we make in the way that we interact – pay, acquire, treat, compensate, support – with the consumer then no new business models can be effectively introduced. Without new business models there is no effective execution of business strategy – ultimately leading to loss of competitive edge.

Make no mistake, it is Billing and CRM that get the blood of the CMO and therefore the CEO boiling. And here at the GBA we have a unique forum for vendors and operators to interact and address this. How should we use it?

- We can try to understand why CRM and Billing become frozen in place once installed.

- We can understand why Service Oriented Architectures can provide new degrees of freedom – unfreezing, at least partially, the current static architectures.
- We can jointly study what new Business Models will emerge – allowing vendors to prioritize what changes they will need to undertake.
- And personally, we can jointly step back and re-assess the role of enterprise software in helping CIO's succeed or fail. We must address head-on themes that make some vendors smile and others grimace.
 - o What exactly is “best practice” in a changing world?
 - o What can standards – especially higher level standards as Jim Crow at O2 cajoles vendors into providing – provide?
 - o What does “Best of Suite” provide?
 - o Above all, what is truly the best way for vendors to address the unfulfilled need for flexibility at reasonable cost and risk?

We all know that billing and CRM systems are notoriously difficult to evaluate and select. The “Laundry List” RFP remains the most common tool – but it is clear that function and feature compliancy is great only for today's business models. Without a deep intuition about what billing really means and how it impacts the flexibility to adopt future business models, the process almost appears random. The CMO and CFO have no confidence in the ability of the CIO to take his vendors into new business models and end up insisting that “if they can't take us where we may want to go, at least leave us where we are now” meaning system replacements are no more than a matter of upgrading hardware and software to do the same old thing as before.

Billing and CRM vendors have a responsibility to empower the New CIO to become the central force not only in embracing new business models but in ensuring that they both happen and they deliver. If we don't – a new CIO (potentially from another industry -- oh no Tesco/MVNO again!) will bring in his systems and vendors and do it in our place.

This article was contributed Doug Zone, chief technology officer, MetraTech Corp. and a member of the GBA's executive council