



# Getting tactical value from IT investment

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# Agenda

- **Wallem's IT Strategy**
- **TCO & ROI ?**
- **Supplier Management**
- **Implementation**
- **Ship Shore Communications Example**
- **Conclusion**

# Wallem's IT Strategy

- **Enable the business through value driven and creative use of IT**
- **Buy before build**
- **Marinize terrestrial applications where maritime applications are not available**
- **Build only if nothing is available**
- **Add value through customization and integration**

# Wallem's IT Strategy (Cont.)

- Plan next generation before implementation of current generation
- Three solutions every time
- Remain flexible, dynamic and scaleable
- Plan, check, execute, check, deliver, check and then reality check
- Measure and report ROI and TCO
- Kill projects that do not deliver what is needed

# TCO & ROI ?

- **What do TCO & ROI mean in the real world?**
- **How to achieve practical TCO & ROI?**
- **How and why TCO's and ROI's are not totally under the control of the CIO / IT Manager**
- **Ensuring that the end user takes shared responsibility for the ROI**

# Supplier Management

- Know their strategy and direction
- Product roadmaps, what do you get for your support Dollar ?
- Use escrow, even if you are unable to self support
- Who gets to use the customization you pay for ?
- Ensure forward pricing at time of prime contract and index link support costs

# Supplier Management (Cont.)

- Ensure ability to integrate (ERD / Data Dictionary / APIs)
- Align payment to value delivery
- Do not buy “brochureware”
- Buy the features you need, use Balanced Score cards etc.
- Suppliers only develop what we ask for, useless features are our issue
- They are a long term partner

# Implementation

- **Implementation is not about installing systems**
- **Cost and value of getting data right**
- **ROI & TCO Measurement**
- **Culture Change Management**
- **Process documentation & training**
- **Regular post implementation reviews**

# Implementation (Cont.)

- **What was needed Vs. wanted ?**
- **Business needs change, be realistic**
- **Align IT to the business and the business to enabling IT**
- **Do not just automate, that will increase costs**
- **Keep delivery cycles short, 3 months is good 6 months is a maximum**

# Ship Shore Communications Example



**WALLEM**  
ESTD 1903

# Data Urgency

- **Not all data is created equal**
- **Data urgency classes**
  - **Static**
  - **Semi Dynamic**
  - **Dynamic**
  - **Ad-Hoc**
- **Ships Mail to Email to Online**

# Data Urgency

It is no longer a question of can we have the data available and inherited across multiple applications and processes, now the questions is ...

What data should be where, when and why ?

Patrick Slesinger, 1994

# MEA Vs. Online

- **Current generation of maritime packaged software is optimized for Store & Forward**
- **What processes really require an online connection ?**
- **Store & Forward creates resilient processes, online processes are vulnerable to disruption**

# Potential issues with VSAT

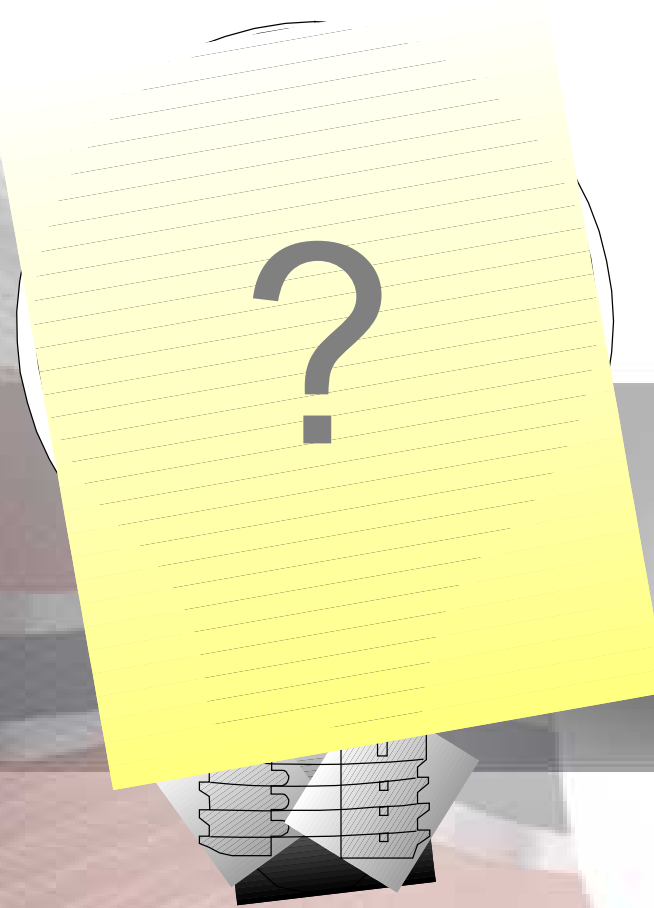
- Use the bandwidth because it is “free”
- Locked in for multiple years at today’s value analysis – communications tariffs do not go up
- Usage of shore based applications on ship – why ?
- Citrix and more Citrix – watch your ISM compliance !
- Real cost of a communications minute !

# Conclusion

- **One stop shops may not be your best value proposition**
- **Do not just tick the box, think business process and value**
- **Develop and maintain a medium and long term strategic plan against which to carry out short term tactical implementation**
- **Do not loose flexibility**

# Conclusion (Cont.)

- **Analyze which data needs to be where, when, how and why ?**
- **“Cheap” minutes and megabytes do not add value or reduce costs, it is the careful and considered use of the available enabling technologies that does !**
- **Ensure that your IT choices add value to your business today and for the future**



# Questions & Answers

# Thank you

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