

Getting Tactical Value From Strategic IT investment

Patrick Slesinger

Athens, 3rd June 2008



WALLEM
Innovative Solutions

Agenda

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

Wallem Group

**iversified global maritime
company**

Founded in 1903

Headquartered in Hong Kong

54 offices in 24 countries

Over 8,500 staff

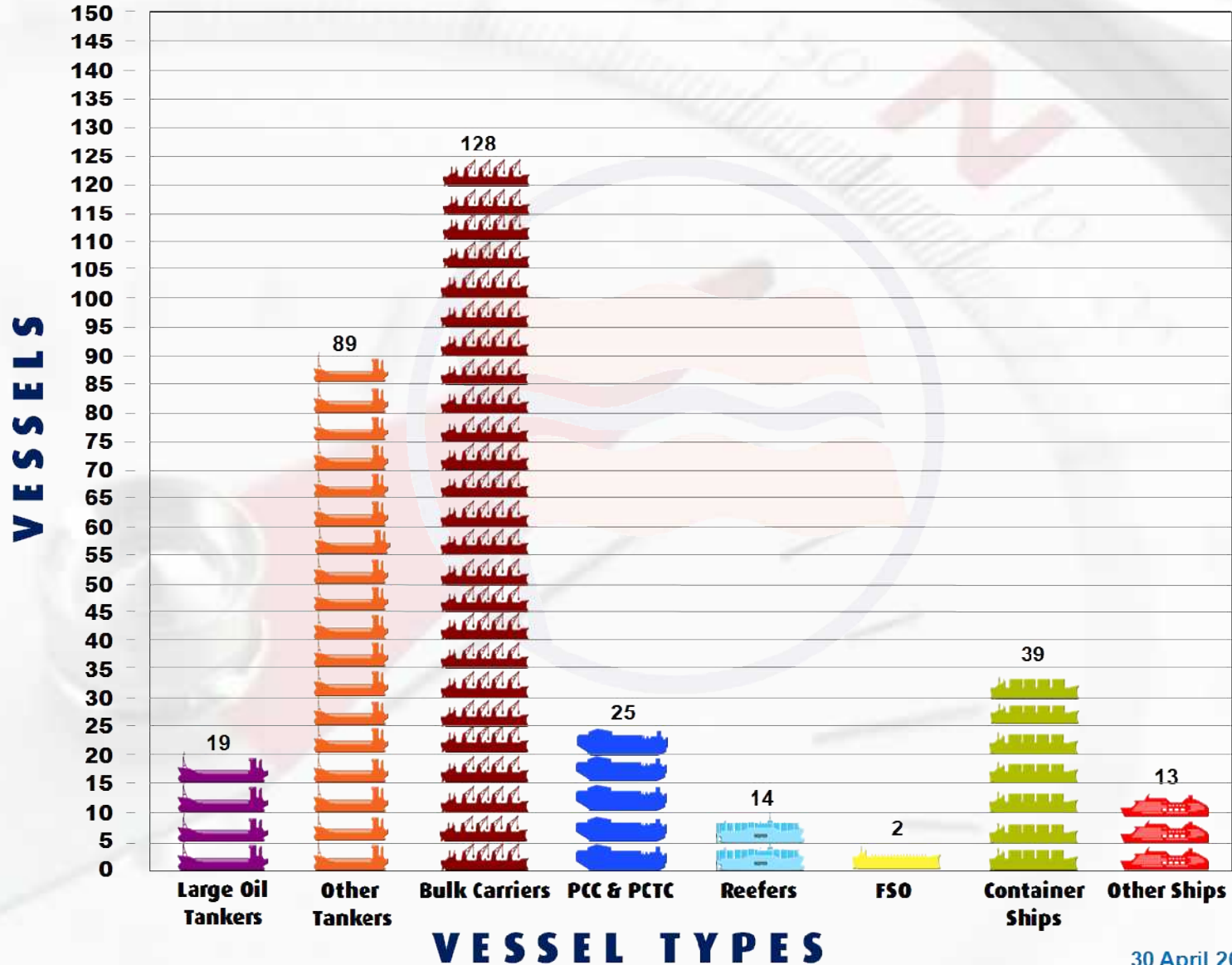


Wallem's World



- ⚓ Wallem Shipmanagement
 ⚓ Crew Management
 ⚓ Wallem Shipagencies
 ⚓ Wallem Shipbroking
- ⚓ Wallem Shipowning and Investments
 ⚓ Wallem Innovative Solutions
 ⚓ Wallem Services

Vessels Under Wallem Management



30 April 2008



WALLEM
Innovative Solutions

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**

Prerequisites

● Corporate Strategy

- ➔ Solutions are not implemented overnight
- ➔ IT Infrastructure is core to delivery

● HR Strategy

- ➔ Process Management
- ➔ Performance Management
- ➔ Culture Development

● IT Strategy

- ➔ Not a the last task !

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 Weighted & 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

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 (shore and / or vessel), 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 and prone 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

**Patrick Slesinger
Director & CIO**

Wallem Innovative Solutions Limited

Email : pes@wallem.com

