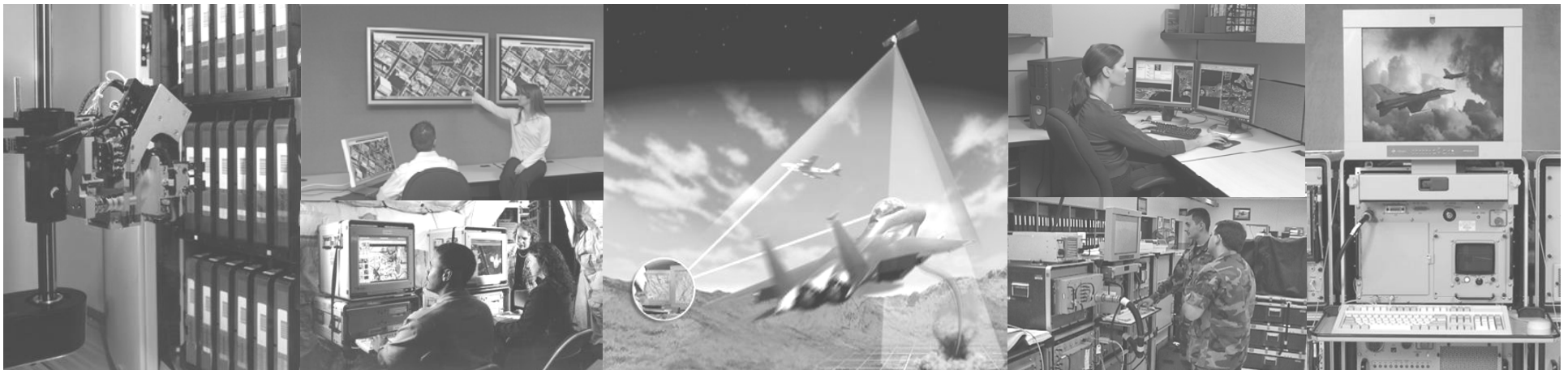


Dot.com Lessons Learned

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Agenda

- Dot.com lessons learned and the Greeks
- Forestry industry
- Airline industry
- Rate of organizational change
- Survival through core competency

What can the classic literature approach to analysis teach us about technology?

- Many argue that the study of the Greeks Latin teaches the ability to evaluate with strategic context.
 - The study of classics allows us to view the world through the lens of a society that had a rise and a fall.
- For technology professionals we have our own Greek lens to view our technology world.
 - The study of the Dot Com era provides a view into approaches that worked well and those that did not.
 - Technology worked well in many instances; it was other issues that caused the demise of the Dot.Com era.

Studying the dot.com era provides many useful lessons to the development of software and architectures that support the GIG ...

The forest industry used business-to-business exchanges prior to 1999

- **Profile** - The US share of the forest products industry at the turn of the century was \$250 billion of the \$750 world market.
- **Business Challenge**
 - High inventories coupled with variable lead times often described this industry as a result of supply chain inefficiencies
 - Manual processing of transaction and the inefficient implementation of information resources further created problems
 - Prior to the Internet, companies were using EDI to exchange information through value-added networks but this was limited to organizations that could afford to implement the technology
 - B2B were developed during the dot.com era to buffer inefficiencies in the supply chain and allow for greater industry participation
- **Dot.Com Analysis**
 - Inappropriate business models, lack of technology insertion readiness, high value of tradition, and the human dimension replacement were cited in a survey as the reasons for failure

Lack of a central business-to-business exchange leader causes inefficiencies for the entire supply chain today. This has broad application to the development of the GIG.

The airline industry has been imploding for several years, yet two organizations are succeeding

- **Profile** – JetBlue and SouthWest are two airlines that have applied in-depth analysis to set the direction of their organizations
 - Skillful situation analysis in the highly competitive airline industry allowed both of these organizations to thrive while others are failing by creating new business models
 - Southwest understood the consumers desire to save time when flying and save money when driving
 - Use of a Contingency Process analysis enables organizations to evolve toward new organizational behaviors
- **Analysis**
 - Breaking with traditional models, such as the GE approach, through the strategic frameworks enables an organization to adapt to the changing environment

Assumptions and premises that are the foundation of strategies must be checked constantly and strategies must be reevaluated.

Core strengths and the ability to match demand with supply enable organizations to survive

- **Profile** – Interactive agencies provide services to business customers such as Home Depot, Microsoft, PCS Sprint. They are integration services to major industries.
- **Analysis**
 - Organizations that survived are concentrating on their core strengths rather than full service
 - Many of the dot.com failures in this sector was an impedance mismatch between customer demands and the ability of the organization to meet the demands
 - An organization can only train staff a certain rate; some of the organization will be behind in the new processes of doing business

An organization can only absorb demand at a certain rate and the organization can only evolve at a certain rate which may challenge the organization's survival

For the GIG to reach the full potential, several lessons from the dot.com era should be applied

- The forest industry demonstrates that a central protagonist must emerge that solves end-to-end technology issues
 - This must include approaches to allow partners that are economically challenged to participate in the supply chain (NATO partners)
- Developing new strategic frameworks provides the organization the situational awareness to evolve with a changing environment
 - Strategic structuring is critical to innovation and improving the operational efficiency
- The GIG is a new team sport that will require an organization to change how they interact
- Organizations need to focus on their core strengths and recognize that staff can only be trained at a certain rate
 - Organizations need to find their core capability, excel at performance better than anyone, and constantly challenge their assumptions on GIG performance

From the tip of the spear to the military planner's brain, the GIG must have the efficiency of the best

Wrap up

- A central technology provider for a service must emerge to bridge organizations and the flow of information
- Contingency process analysis should be used to guide the organization through innovative roles and an ongoing evolution
- Focus on core strengths and strive to change quicker than the external environment

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