White Paper

Information management and my demand-supply fetish

Information management is a corporate responsibility in which IT services play an important role but the weakest link in the chain is usually on the business side of the demand-supply chain.
User organizations are still struggling with their responsibilities but the good news is that they are becoming increasingly aware of how they can get more out of their investments in IT.

Mark Smalley, 8 January 2012

Information Management

For quite a while I've been looking for a decent definition of Information Management. One that both positions it on the demand side of the Great Business IT Divide and also addresses the relationship with the more technical, supply-based responsibilities, which I like to view as a separate and to a strong degree subservient domain. I've finally come across a number of definitions that can be combined to address my points.

"Information management is the means by which an organization efficiently plans, collects, organizes, uses, controls, disseminates and disposes of its information, and through which it ensures that the value of that information is identified and exploited to the fullest extent." is the definition that the Queensland Government (http://bit.ly/wmazxg) uses. This positions information management on the demand side because it refers to "an organization" and "its information". From "its information" you could infer ownership of information but I believe it also refers to use of another party's information.

Part of the AIIM definition (http://bit.ly/woHFj4) reinforces the demand-side responsibility: "Information management is a corporate responsibility that needs to be addressed and followed from the most senior levels of management to the front line worker. Organizations must be held and must hold their employees accountable to capture, manage, store, share, preserve and deliver information appropriately and responsibly."

Comparing these two, AIIM's "Capture, manage, store, share, preserve and deliver" differs from the Queensland Government's definition "plans, collects, organizes, uses, controls, disseminates and disposes" and I prefer the latter. "Disposes" is nice and green but it's the "uses" part that I think is crucial and will return to that later on in this article.

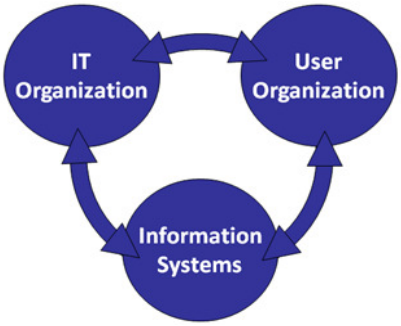
Seeing as I couldn't find a definition that explicitly addresses the relationship with the supply-based responsibilities, I've added my own two cents: "From an IT services demand-supply perspective – in which 'demand' represents the owner or primary user of the information and 'supply' represents the party that provides IT services that fulfill (part

of) the information requirements – information management is the major stakeholder's or stakeholders' demand responsibility, where the responsibility for supply of IT services has been delegated by the stakeholder to an IT department and/or externally contracted to a service provider."

Weakest link

I've included "IT services that fulfill (part of) the information requirements" so as to emphasize that IT services only fulfill part of information management. Alongside information that IT services provide, there's non-digitized information that people collect and use. In addition to this, there's a world of activities that is usually off the IT services supply radar. I'm thinking in particular about the ensuring that the digitized and manual information systems are used effectively and efficiently. So we're talking about activities like designing, implementing and improving procedures for use, and appointing roles such as key-users. These are people who not only help their colleagues when they run into difficulties ("how do I find out which code should I use to book my hours on this project?") but are constantly on the lookout for opportunities to help the organization get more out of the investments in information systems. Most organizations I've come across struggle with this part of information management and as a result it's the weakest link in the chain. The figure below positions it as one of three inextricably linked relationships.

The three relationships are:



- User organization – Information systems: user organizations use information systems in order to support their business processes.
- User organization – IT organization: the client-supplier relationship between the users and IT; often formalized with contracts and service level agreements.
- Relationship IT organization – Information systems: IT organizations (internal IT departments and external suppliers) plan, build, distribute, acquire, implement, run, maintain and decommission automated information systems.

Demand-supply

The reason why I'm keen on a demand-supply demarcation (some people accuse me of having a demand-supply fetish) lies in my conviction that organizations can get substantially more return out of their investment in information technology by developing business (demand-based) capabilities. Demarcating demand from supply helps to create awareness for this neglected domain.

What are typical problems? Grumpy clients and therefore damaged reputation due to poor client data quality. Inefficient operations due to functionality not supporting business processes effectively. Lower cash flow due to product launch being delayed by having to correct wrong initial specifications. High IT costs due to unnecessarily high service levels. Let alone missed opportunities to develop new business models that use IT innovatively.

The why question interests me the most. Why is this happening? Is the business reticent to take on the responsibility because they don't feel equipped to do manage information and manage IT services from a demand perspective? Do they prefer to blame the IT department? Are the IT guys happy to wallow in the victim role? "Stupid users. Never know what they want." Is information management and the demand side off the CIO's radar? Afraid so. More often than you'd think.

The CIO role

Let's zoom in on the CIO role. As I mentioned before, I'm convinced that organizations can get more out of their investments in IT by improving their IT service *consumption* capabilities as well as IT service *supply* (the traditional IT Department). So I'm an advocate for CIO's with bifocal spectacles: IT Supply and Information Consumption. And commensurate KPI's ;-)

But how to approach this? It's up to the business to invest in information management. It's their money. It's the CIO's responsibility to explain how this investment solves short term problems. Forget the longer term, the business manager's probably not going to be in the

same position for that long. But can the CIO address their business and personal agendas of the decision makers?

I like to recall a great little story I heard at a conference. About a racing division of a large car manufacturer where a new CIO has been appointed. After a couple of months he presents his ideas to the management team. Stuff like virtualization, SaaS and SOA. They listen patiently to him and then the director of the racing division says the immortal words "So how does this make the car go faster?" That says it all. It's all about business relevance.

Practical guidance

Assuming that the CIO doesn't suffer from chronic business irrelevance, I conclude my rant with some practical guidance to CIO's and others who are concerned with helping the business discover the key to unlocking more business value out of IT. Start off with generating awareness for the demand-side responsibilities. Depending on their role, people in business departments should be able to answer these questions affirmatively:

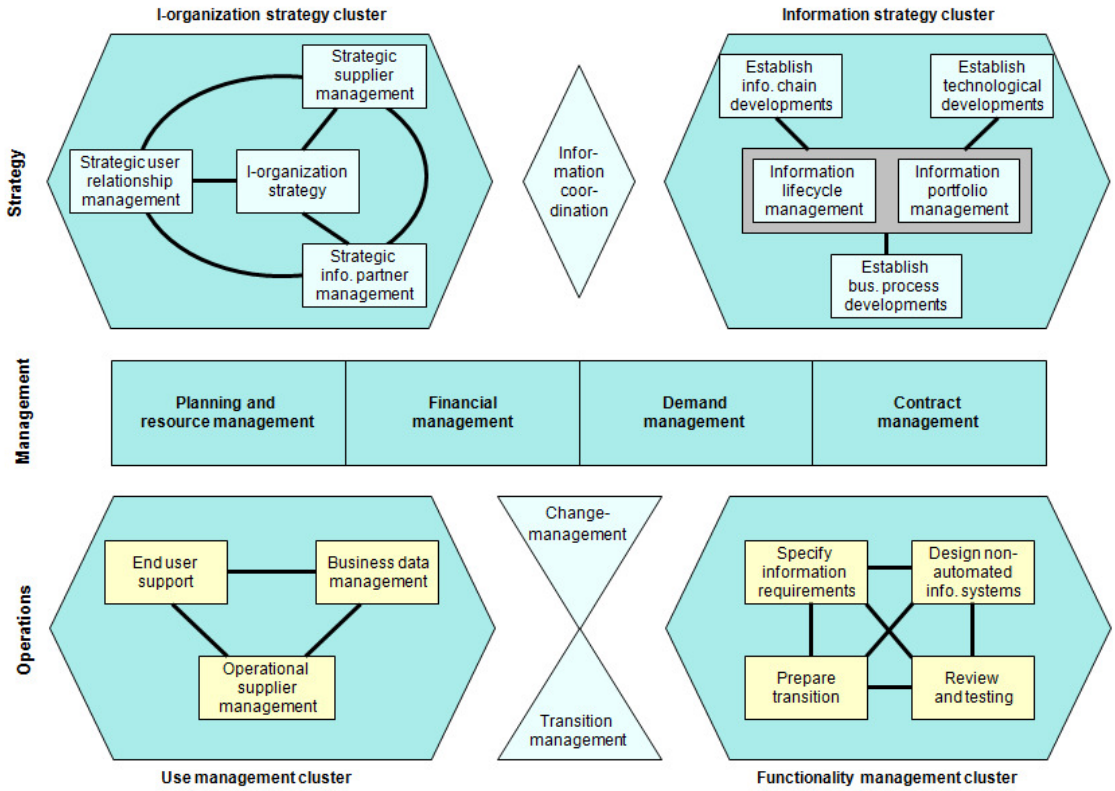
- How much do our information systems cost and is that normal?
- What do the users want?
- What do the users think about the information systems
- Can I answer most of the users questions?
- What does the business want, today, tomorrow and next year?
- How much budget is available?
- Am I paying a competitive price?
- Do I act as (or on behalf of) the system owner?
- Do we have clear agreements with the IT department and other parties?

These people could be formally appointed key users or business analysts but as often as not, they're just regular employees who have taken on an explicit or implicit responsibility to ensure that the production factor 'information' is planned, collected, organized, used, controlled, disseminated and disposed of efficiently and effectively. Like the colleague on the next table who know how your department uses an application. And the administrator who's made a nice little cheat sheet for that system that only gets used a couple of times a year. Or the nit-picker who's good at testing whether the new release

works as it's supposed to. A final example of business people who play a part in information management is the manager who negotiates a service level agreement with the IT department.

Framework for information management

If answering these questions brings on a cold sweat, they might like to take a look at a framework that addresses information management responsibilities and decide who's responsible for what.



The Business Information Service Library (BiSL) framework has been created specifically for user organizations to help them analyze and improve information management. The model comprises 3 levels: operational, tactical and strategic, within which 23 the processes are allocated to 7 clusters:

Strategic level:

- Develop information strategy: translates developments in the business processes, the environment and the technology into the future information provision;
- Develop I-organization strategy: establishes communication, management and operating procedure for all parties involved in the decision-making process of information provision;
- Connecting processes: realizes coordination between all parties and all plans in the sub areas of the information provision.

Tactical level:

- These processes control the management tasks of maintenance and renewal processes (and connecting processes) from the point of view of planning, costs, needs and contracts. They form the connection between tactical and operational processes.

Operational level:

- Use management: supports the users in daily use of the information provision, provides operational control of the IT supplier and monitors the operational data maintenance;
- Functionality management: designs and realizes changes in the information provision;
- Connecting processes: provides decision-making regarding changes in the information provision and carries these out in the user organization.

More information about BiSL and how to improve information management is freely available at the not-for-profit ASL BiSL Foundation (www.aslbislfoundation.org).

Summary

Information management is a corporate responsibility in which IT services play an important role but the weakest link in the chain is usually on the business side of the demand-supply chain. User organizations are still struggling with their responsibilities but the good news is that they are becoming increasingly aware of how they can get more out of their investments in IT.

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