

Real Time Enterprises - A Continuous Migration Approach

Executive Summary

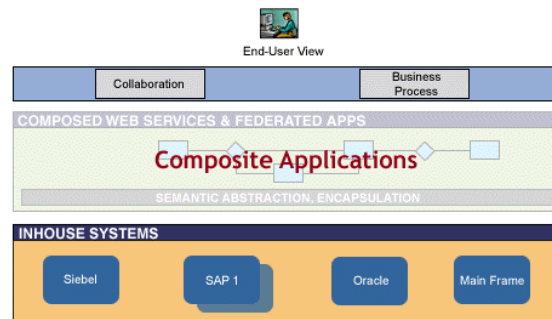
Current market trends, global competition, and technological innovations are driving enterprises to adopt the practices of Real Time Enterprises. **Real Time Enterprises are organizations that enable automation of processes spanning different systems, media, and enterprise boundaries. Real Time Enterprises provide real time information to employees, customers, suppliers, and partners and implement processes to ensure that all information is current and consistent across all systems, minimizing batch and manual processes related to information. To achieve this, systems for a Real Time Enterprise must be “adaptable” to change and accept “change as the process”.** Any astute CEO or CFO will choose to automate and eliminate provided that the risks can be managed and results can be demonstrated in small projects with 90-180 day implementation and payback cycles. IT can become a competitive weapon, with the CIO becoming critical in reducing costs.

The goal of this paper is to define the “ground rules” of an IT transformation from the stark reality of legacy applications forward to the promise of the future. In fact, the goal **should not be a radical transformation but rather continuous migration of systems transforming the organization into an adaptive enterprise.** It is easy to define the ideal “new” world, particularly with the promise of Web services, but harder to achieve a practical reorientation towards such a goal. No magic bullets or ideal solutions exist. However, biases in certain directions and small probing steps do help.

The inflexible structure of conventional systems has long been the subject of loud complaints by top management. Today’s customer expectations, evolving business models and technology trends demand the **need for adaptability**. It is important to accept **CHANGE AS A PROCESS**, rather than as an EVENT. IT spending must be evaluated against the total expenditures of an organization and the potential savings from the effective usage of IT. These evolving business needs demand:

- “Inter-enterprise integration” to shift from Enterprise Resource Planning (ERP) to Inter-enterprise Resource Planning (IRP) and to resolve issues arising from the rigidity and cost of linking systems.
- “Intra-business functional integration” to unify business process beyond what packaged applications capture.
- “Self sufficiency” from a systems perspective, allowing adaptive, low cost iterations, customizations and change isolations, rather than a requirement to get it right the first time.
- Understanding that optimization for adaptability is more important than optimizing for cost, performance or features.

The ability to encapsulate existing systems, automating them as business processes, and letting users collaborate via appropriate interfaces are the keys to Real Time Enterprises as illustrated.



The value of real time enterprises is in capturing the greatest value obtainable from the systems people have created so far, and operating with the same data set that previously existed. We recommend **federation**, not integration of applications, **configuration** not customization, **“microopen and multivendor”** architecture and a comprehensive **entitlement system**.