ZLE: Are You Ready For Launch

Presentation to CTUG Spring 2001

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Take Away

- Understand the key benefits of implementing a zero latency enterprise (ZLE)

- Grasp the potential of and the implications to your business model

- Start thinking about a plan to "get there"

- Be prepared with answers when your CEO asks questions about ZLE

Agenda

- What ZLE is
- What it isn't
- The ZLE Evolution
- Where ZLE is today
- Why you need it
- How to sustain it
- Needs
- Going forward

What ZLE Is

- A **business** approach:
  - Updates are made across the entire business in one logical transaction
  - The business is immediately aware of and able to react to information
- Information is the "Digital Nervous System[1]."

[1] Business @ The Speed of Thought Using a Digital Nervous System, William H. Gates III, Warner Books Inc., 1999

What ZLE Isn't
It Isn't Just Enterprise Resource Planning

ERP

- Information can pervade
- You decide "when"

ZLE

- Information is everywhere
- Customer drives "when"

Implementing ERP can prepare you for ZLE.

What ZLE Isn't

It Isn't Just On-line Transaction Processing

OLTP

- On-line transactions
- Technology dealing with data
- Allowed to remove bad data

ZLE

- On-line transactions
- Business model for knowledge
- Data is immediately "everywhere"

Knowing how to manage an OLTP positions you to be a ZLE at a technological level.

What ZLE Isn't
It Isn't Just a Data Warehouse

DW

- Deals with decision data
- Off-line summarization

ZLE

- Deals with current knowledge
- On-line and immediate

Having a data warehouse gives you experience in supporting large data analysis.

The ZLE Evolution

- Analogous to the development of the World Wide Web, but including OLTP, ERP, and data warehousing

- Became possible when technology could sustain the performance requirements

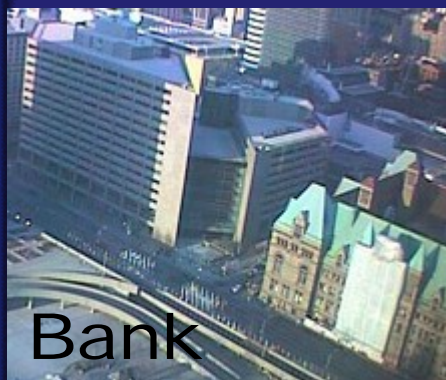- Enables companies to come together, to service customers in a "mesh"

ZLM: Zero Latent Mesh

- In it's pure form, a ZLE provides business knowledge to the whole company

- A ZLM is created by connecting more than one ZLE

- The **customer** is the common thread in any ZLM and is the motivating force

- It's already happening through strategic relationships
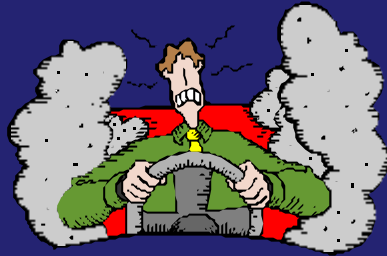
A Simple "Almost" ZLM

Me

Airline

Credit Card Company

Bank

A Simple "Almost" ZLM

Me

Bank

Credit Card Company

Where ZLE is today

- Globalization already demands zero transaction latency
- End customers are "anywhen"
  - 7x24x365 is expected
- Information is delivered faster
- Capabilities are delivered slower
- Sound SLAs are critical success factors

Why You Need It

- Customers expect everyone in your company to be on the same page
  - Customers are "Anywhen"!
- Partnerships are already forming between companies to deliver zero-latent services
- You need to be included in that world just as you need WWW presence
- Your ERP business requirements will drive the need for ZLE

How To Sustain It

- Change!
- Change!
- Change!

Change Management Business

- ZLE is not a technological solution, it is an approach to doing business
- Represents a fundamental change in your business model
- Changes how you think about information
  - Build a "Digital Nervous System"
  - Engineer your company to remove paper because paper is latency
  - Encourage agility in business processes

Change Management
Technology

- Construct your infrastructure in support of your business processes
- **Embrace change** and improvements in technology during and after your implementation
- **Learn** from and use lessons of previous ERP, OLTP, and data warehouse implementations
- Expect your business processes to evolve as you gain wisdom

Change Management Capabilities

- Develop infrastructure for zero latent deployment

- Changes should not stop the business

- Enable changes to software, technology, and configuration to be made without interruptions

- Software now behaves more like business information and knowledge

What You Need

- Business Processes
- Position Analysis
- Service Level Agreements
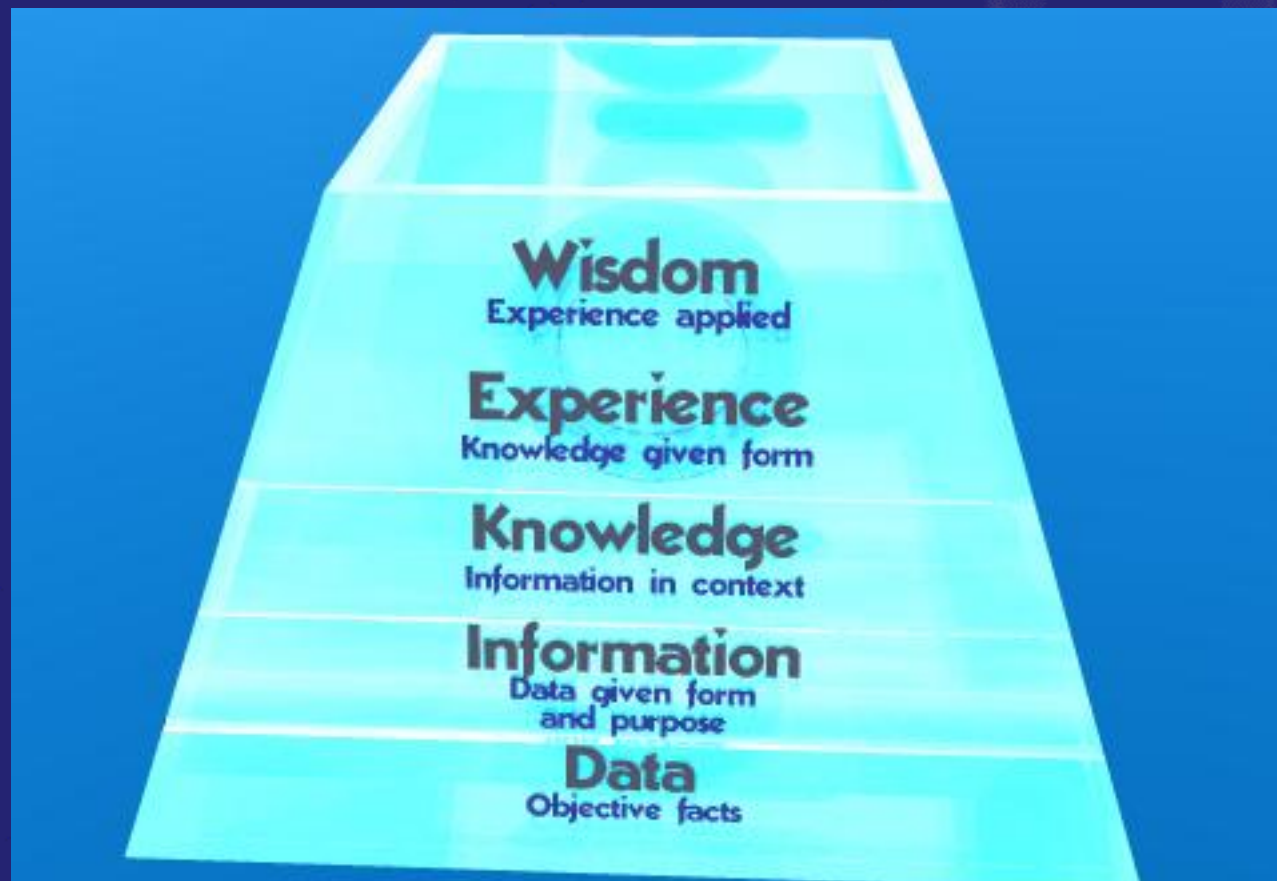- Risk Management
- Budget
- Technology

Needs Checklist
Business Processes

- ERP-like business model
- Change process flows through your company to operate directly off zero latent information
  - Remove paper processes
  - Remove off-line processes
  - Remove batch processes
  - Establish processes for change
- Continually reassess business scenarios

Generate Wisdom

A key benefit and requirement to an effective and persistent ZLE is the generation of wisdom

Needs Checklist
Position Analysis

- Decide what parts of your company:
  - **Must** be Zero Latent (survival)
  - **Nice** to be Zero Latent (competitive edge)
  - **Don't** need to be Zero Latent
- Understand your business climate:
  - What scenarios cause change
  - How scenarios will differ in terms of **must**, **nice**, and **don't**
- Often and regularly revisit this position

Needs Checklist
Risk Management

- Ensure that you can sustain your:
  - Technology
  - Human resources
  - Business climate
  - Management structure
  - Business processes
- How critical is it to your business if something changes?

Needs Checklist
Budgets

- The ZLE is your business philosophy not just your systems
- The ZLE budget is your corporate budget
- Budget to sustain infrastructure in:
  - Technology
  - Expertise
  - Training
  - Management

Needs Checklist
Service Level Agreements

- Agree on who owns data and when
- Agree on data validation responsibilities
- Establish transaction reversal protocols
- Determine how changes are notified and deployed
- Make sure predatory practices are covered
- Ensure you agree on contingency plans

Needs Checklist
Technology

- Requires:
  - High reliability
  - Transaction validity
  - Scalable performance
  - Both OLTP-like and DW-like technology
- Establish flexible logical and physical enterprise data models (EDM)

Needs Checklist
Technology

- Make data validation a priority
- Have tools in place to monitor the data validity
- Ensure easy access to information
- Establish upgrade and recovery procedures that preserve business continuity

Needs Checklist
Technology

- Create procedures for managing the deployment of capabilities:
  - Application configuration
  - Software configuration
  - System configuration
- Create protocols for reversing transactions and changes

UNDO

So Why Compaq?

So Why Compaq?

- Downtime is latency!

The Transition

- As a society, we're in a transition period
- We expected latency
- Today visible zero latency is "cool"
- Tomorrow it will be "survival"

Summary

- ZLE allows you to meet or exceed time commitments
- ZLE will help you keep customers
- ZLE will not help you get customers
- Companies will have to reduce latency to be "responsive"

Purchase

Summary

- ZLE companies will join forces
- Being "zero latent" in new areas gives you a relationship advantage
- ZLE cost/benefits should be determined based on strategic plans

New products and services will be expected to be "zero latent"

Expect The Unknown

- The final result probably will not be exactly what you originally specified
  - There may not be a final result
- A Zero Latency Enterprise continually evolves
- The only "end" is when you change business models

The only constant is Change

The Key Message

You are going to be a Zero Latency Enterprise because your users, partners, and customers will expect it.