BUILD AND MANAGE SYSTEMS

Prof. **Carlos J. Costa**, PhD
Reihaneh Hajishirzi, DBA

Learning Goals

Students will be able to:

- Describe and analyze IT in the context of society and organizations

- Propose, select, choose and build solutions of IT infrastructure and IT applications

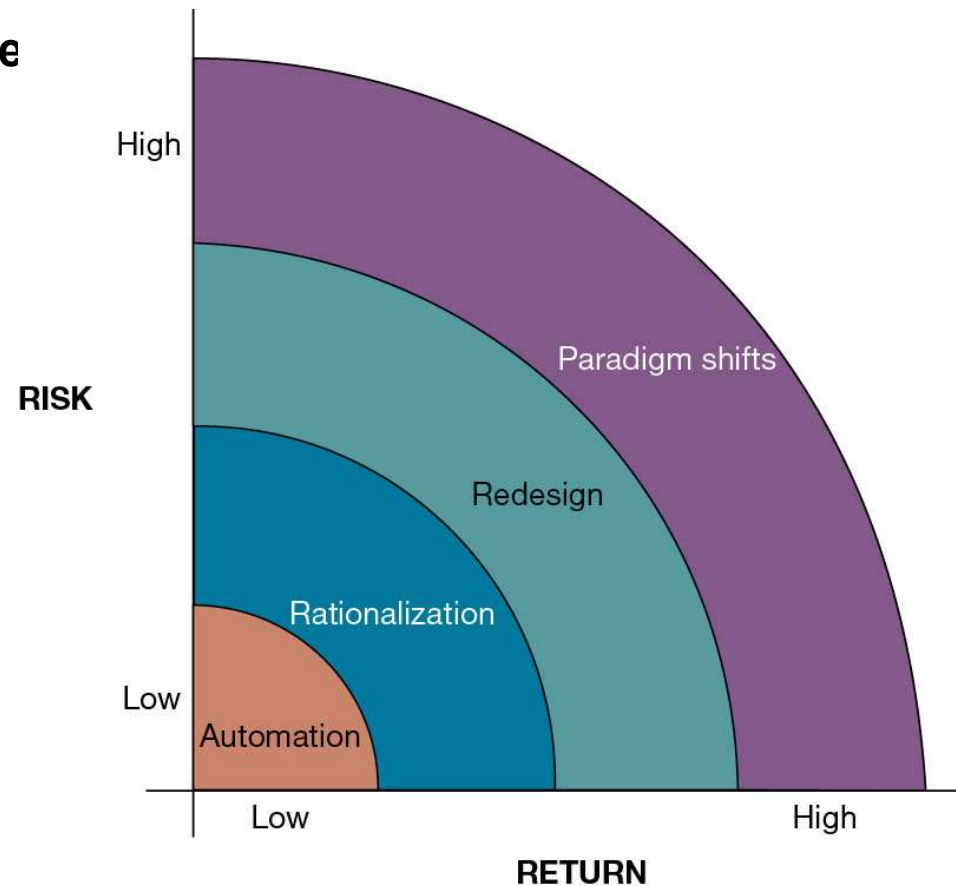- **Reflect and evaluate IT management and development**

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1. Building Information Systems
2. Managing IT Projects
3. Managing Global Systems

Building Information Systems

How does building new systems produce organizational change?

- **Automation**
- **Rationalization of procedure**
- **Business process redesign**
- **Paradigm shifts**

RISK — RETURN chart:
- Automation (Low risk, Low return)
- Rationalization
- Redesign
- Paradigm shifts (High risk, High return)

What are the core activities in the systems development process?

- **Activities that go into producing an information system solution to an organizational problem or opportunity**
- Systems analysis
- Systems design
- Programming
- Testing
- Conversion
- Production and maintenance

What are the principal methodologies for modelling and designing systems?

- Structured Methodologies

- Object-Oriented Development

What are alternative methods for building information systems?

- Computer-Aided Software Engineering
- Traditional Systems Life Cycle
- Prototyping
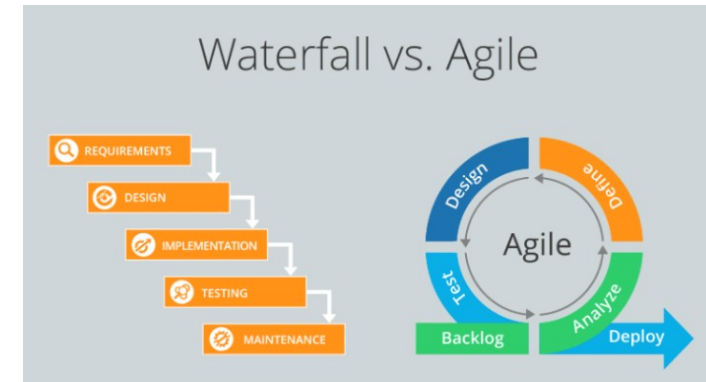- End-User Development
- No code
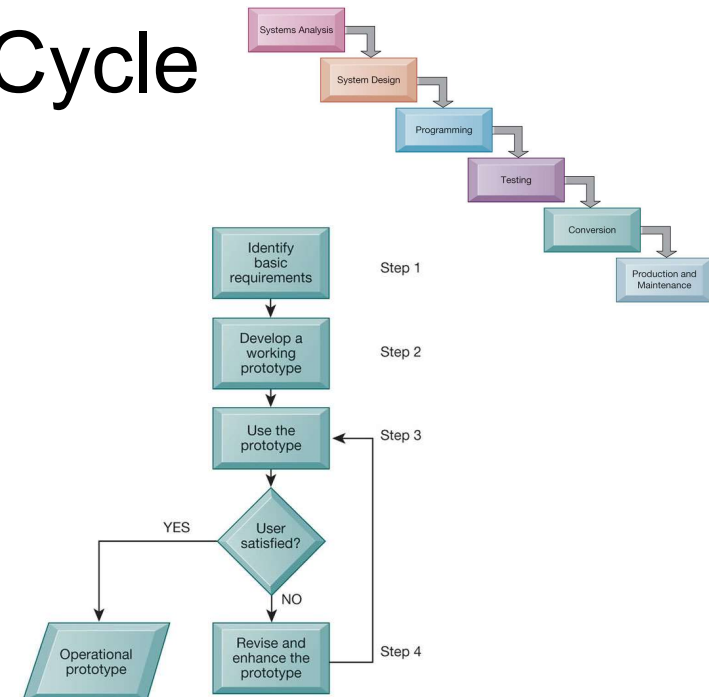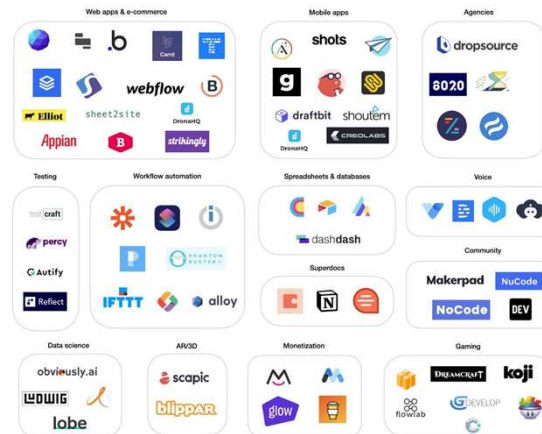
Project management methodologies

- **Waterfall**
  - Refers to sequential
  And linear ordering of phases

Waterfall vs. Agile

- **Agile**
  - take an iterative approach, which means the project processes are repeated often many times during the life cycle of the project.

Waterfall vs. Agile

	Waterfall	Agile
Approach	Freezes scope, estimates schedule	Freezes schedules, estimates scope
Client Involvement	At beginning and end	Frequent collaboration
Scope	Build everything in the specs	Build what client really needs, by priority
Design	Design all features up front	Emergent design of few features per. Iteration
Development	Linear path across phases	Iterative, incorporate learning
Delivery	Big Bang at the end	Frequent. Small increments
Testing	Separate phases, after development	Continuous functional & unit testing inside iterations
Cost of Changes	High	Low
Requirement	Defined up front, rigid	Allow changes up to last release
Documentation	Up front and exhaustive	Document only what is built, as needed
Team communication	At phase handoffs	Continuous, cross-functional

The Agile Manifesto

Individuals and interactions — over — Processes and Tools

Working Product — over — Comprehensive Documentation

Customer Collaboration — over — Contract Negotiation

Responding to change — over — Following a plan

That is, while there is value in the items on the right, we value the items on the left more.

www.agilemanifesto.org

VUCA – a tool for determining how best to approach projects

- **Volatility**
  - Volatility refers to the rate of change and churn in a business or situation.

- **Uncertainty**
  - refers to the lack of predictability or high potential for surprise.

- **Complexity**
  - refers to the high number of interrelated forces, issues, organizations, and factors that would influence the project.

- **Ambiguity**
  - refers to the possibility of misunderstanding the conditions and root causes of events or circumstances.

Scrum – Agile Framework

- **Product backlog**
  - Central artifact in Scrum, where all possible ideas, deliverables, features, tasks are captured for the team to work on.

- **Sprint**
  - A time-boxed iteration in Scrum where work is done. (1-4 weeks)

- **Daily Scrum**
  - A meeting of 15 or fewer minutes everyday of the Sprint

Scrum Master

- Responsible for ensuring the team lives agile values and principles

- Responsible for ensuring the team follows the processes and practices that team agreed to

- Responsible for sharing information to the larger project team

- Responsible for helping the team focus on doing their best work

Product Owner

- Responsible for maximizing the value of the product and the work of the team
- Responsible for the inventory of work and has final say on how to prioritize the work

Development Team

- Responsible for how a team will deliver the product

Kanban Methodology

- **Kanban** provides transparent visual feedback (Kanban Board)

- In Kanban task are limited

to what team can actually

handle (Work-in-progress)

XP Methodology

- Pair Programming
- Continuous Integration and Continuous Refactoring
- Avoid big design up front
- Write tests, not requirements

Lean Methodology

- Define value

- Map value stream

- Create flow

- Establish pull

- Pursue perfection

DevOps

- Combines software development and IT operations

- An organizational and cultural movement that aims to increase software delivery velocity, improve service reliability, and build shared ownership stakeholders

Product Manager

- Answer to these 4 questions is necessary:

1) Will the user buy this?

2) Can the user figure out how to use it?

3) Can your engineer build it?

4) Can the stakeholders support it?

Case study – Spotify Model

- You must always be able to adapt based on your team's preferences and goals.
- Always examine the needs of your project and organization.
- Don't be afraid of trial and error
- You should never consider yourself done improving.
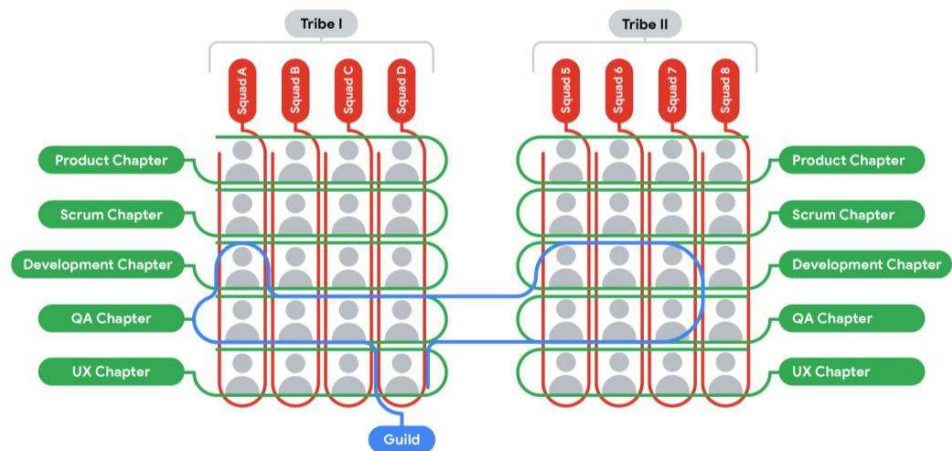
Managing IT Projects

What are the objectives of project management, and why is it so essential in developing information systems?

- Project management Activities include planning work, assessing risk, estimating resources required, organizing the work, assigning tasks, controlling project execution, reporting progress, analyzing results

- Five major variables
    - Scope
    - Time
    - Cost
    - Quality
    - Risk
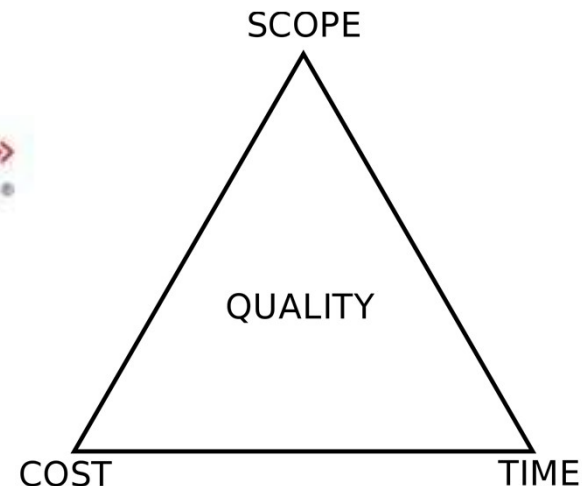
What methods can be used for selecting and evaluating information systems projects and aligning them with the firm's business goals?

- Portfolio Analysis
- Scoring Models
- Information System Costs and Benefits
- Capital Budgeting for Information Systems
- Dimensions of Project Risk

$$A_j = \sum \overline{S_i} \cdot \overline{E_{ij}}$$

A_j - Final score for service j

$\overline{E_{ij}}$ - Experts average evaluation to attribute i of service j

$\overline{S_i}$ - Stakeholders average evaluation to attribute i

Attribute	$\overline{S_i}$	1 » Zoho Docs	2 » Google Docs	3 » Microsoft Office 365
		$\overline{E_{i1}}$	$\overline{E_{i2}}$	$\overline{E_{i3}}$
1.1.	4	2,8	4,3	3,5
1.2	4	3,3	4,5	3,8

A_j	--	10614,5	13524	12132,5

$\overline{S_i}$ - Stakeholders average evaluation to attribute i ; $\overline{E_{ij}}$ - Experts average evaluation to attribute i of service j ; A_j - Final score for service j
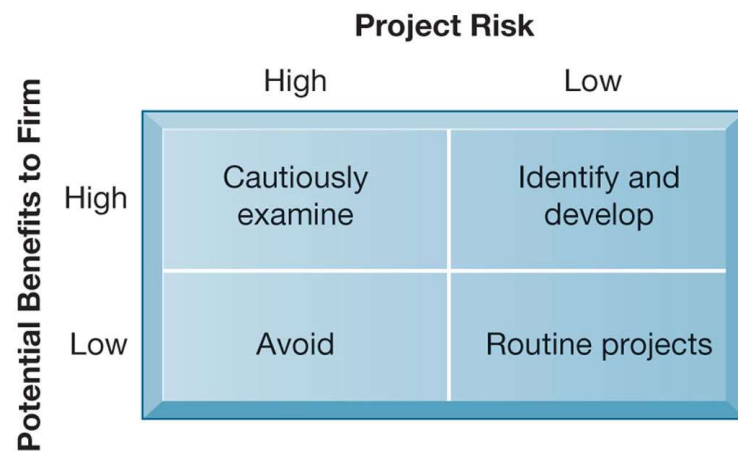
Reixa, M., Costa, C., & Aparicio, M. (2012, June). Cloud services evaluation framework. In *Proceedings of the Workshop on Open Source and Design of Communication* (pp. 61-69).

Project Risk

	High	Low
High	Cautiously examine	Identify and develop
Low	Avoid	Routine projects

Potential Benefits to Firm

# How can firms assess the business value of information systems?

- Cost and Benefits of Information systems
- Tangible benefits are quantifiable
- Intangible benefits that cannot be immediately quantified

- Adjusted ROI

What are the principal risk factors in information systems projects, and how can they be managed?

- risk in a systems development project is determined by
  - project size,
  - project structure
  - experience with technology
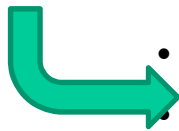
- Identification of nature and level of risk of project
- Each project can then be managed with tools and risk-management approaches geared to level of risk
- Managing **technical complexity**
  - Internal integration tools
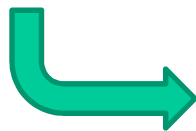
- **Project leaders** with **technical** and **administrative** experience
- Highly **experienced** team members
- Frequent team **meetings**
- **Securing** of technical experience outside firm if necessary

Managing Global Systems

What major factors are driving the internationalization of business?

- Global economic system and global world order driven by advanced networks and information systems

- The growth of international trade has radically altered domestic economies around the globe

- For example, production of many high-end electronic products parcelled out to multiple countries

    - For example: Apple iPhone's global supply chain

What are the alternative strategies for developing global businesses?

Business Function	Domestic Exporter	Multinational	Franchiser	Transnational
Production	Centralized	Dispersed	Coordinated	Coordinated
Finance/accounting	Centralized	Centralized	Centralized	Coordinated
Sales/marketing	Mixed	Dispersed	Coordinated	Coordinated
Human resources	Centralized	Centralized	Coordinated	Coordinated
Strategic management	Centralized	Centralized	Centralized	Coordinated

What are the challenges posed by global information systems and management solutions for these challenges?

- Agreeing on common user requirements
- Introducing changes in business processes
- Coordinating applications development
- Coordinating software releases
- Encouraging local users to support global systems

What are the issues and technical alternatives to be considered when developing international information systems?

- Computing platforms and systems integration
  - How new core systems will fit in with existing suite of applications developed around globe by different divisions
  - Standardization: Data standards, interfaces, software, and so on
- Connectivity
  - Internet does not guarantee any level of service
  - Many firms use private networks and VPNs
  - Low penetration of PCs, outdated infrastructures in developing countries

What are the issues and technical alternatives to be considered when developing international information systems?

- Software

  - Integrating new systems with old

  - Human interface design issues, languages

- Software localization

  - Converting software to operate in second language

- Most important software applications:

  - TPS and MIS

  - SCM, EDI, and enterprise systems

  - Collaboration tools, e-mail, videoconferencing

Discussion

- If you want to design a company culture roadmap for the software development company, in your opinion what are the important things?

- What are the challenges of managing IT projects?