

Moving IM up the Value Chain Theory and Practice



Presented to IM Day participants

September 11, 2003

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1. A bit of Theory

2. Three IM Premices

1. Value

2. Management

3. Cost

3. Interactive Session

Moving IM up the value-chain...

A bit of theory

IM? KM? Same approach!

TACIT

EXPLICIT

1: Socialization

- Person to Person
- Communities
- Associations

2: Externalization

- Books
- Information Systems
- Documents & Records

4: Internalization

- Intellectual Capital
- Learning
- Culture change

3: Combination

- Data Warehouses
- Portals & Search Engines
- Collaborative Repositories

- The flow from 1 to 4 identifies a learning organization
- The speed of the flow relates to innovation presence

Nonaka & Takeuchi (1995)

Moving IM up the value-chain...

A bit of theory

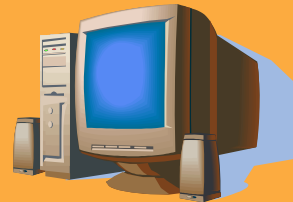
Business Domain

Corporate Domain

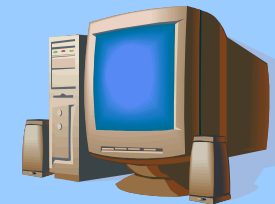
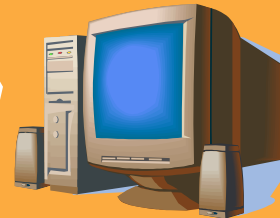
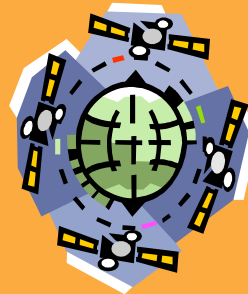
Knowledge



Information

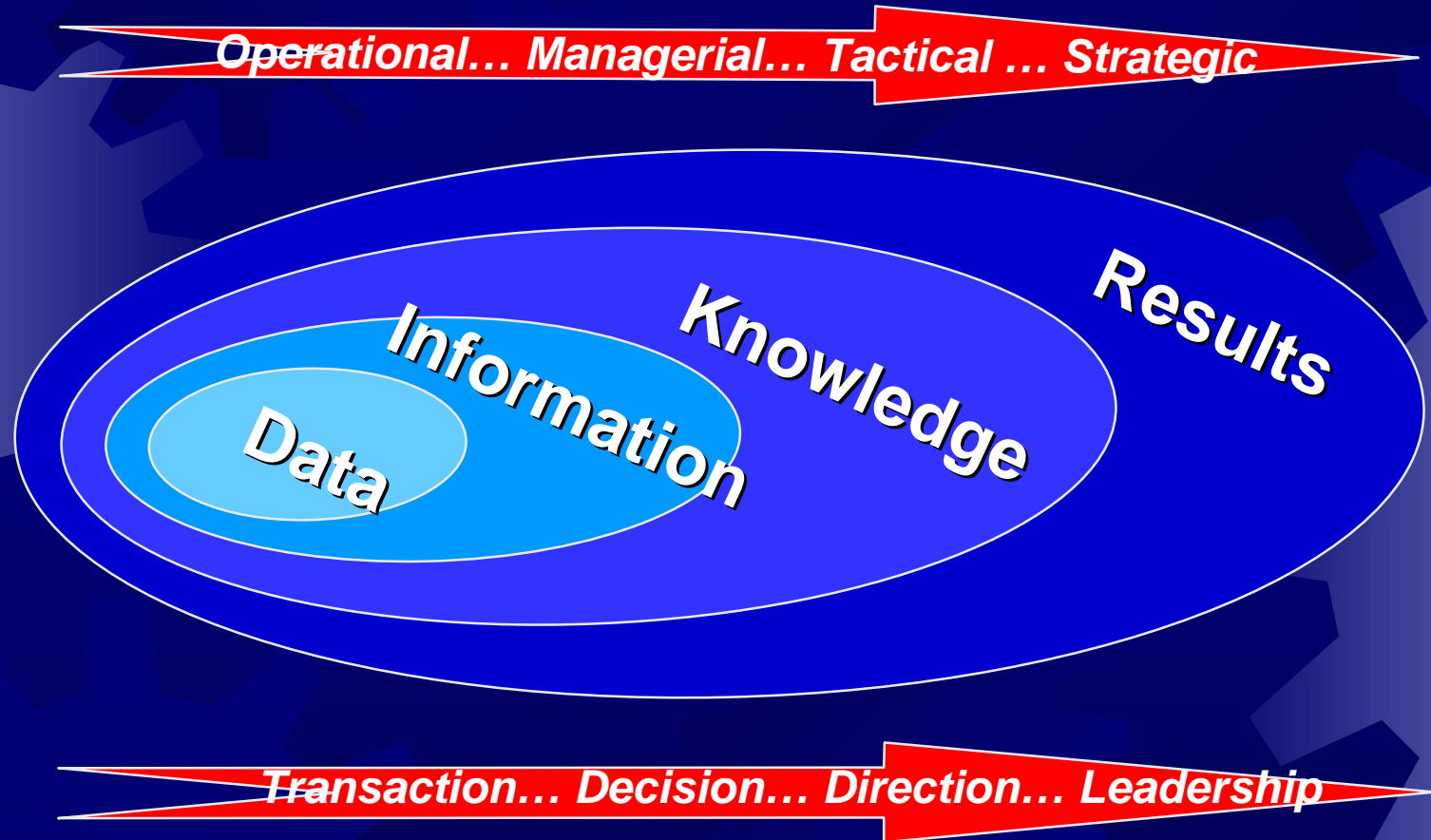


Data



Moving IM up the value-chain...

A bit of theory



Moving IM up the value-chain...

Premises

1. You will not go very far if you do not know the value of your information
2. You will not know where to speed up if you do not know how well you manage your information
3. You will not get there if you do not know how much it will cost to get there

Moving IM up the value-chain...

It's about IM...



Value

Management

Cost

Moving IM up the value-chain...

It's about IM Value

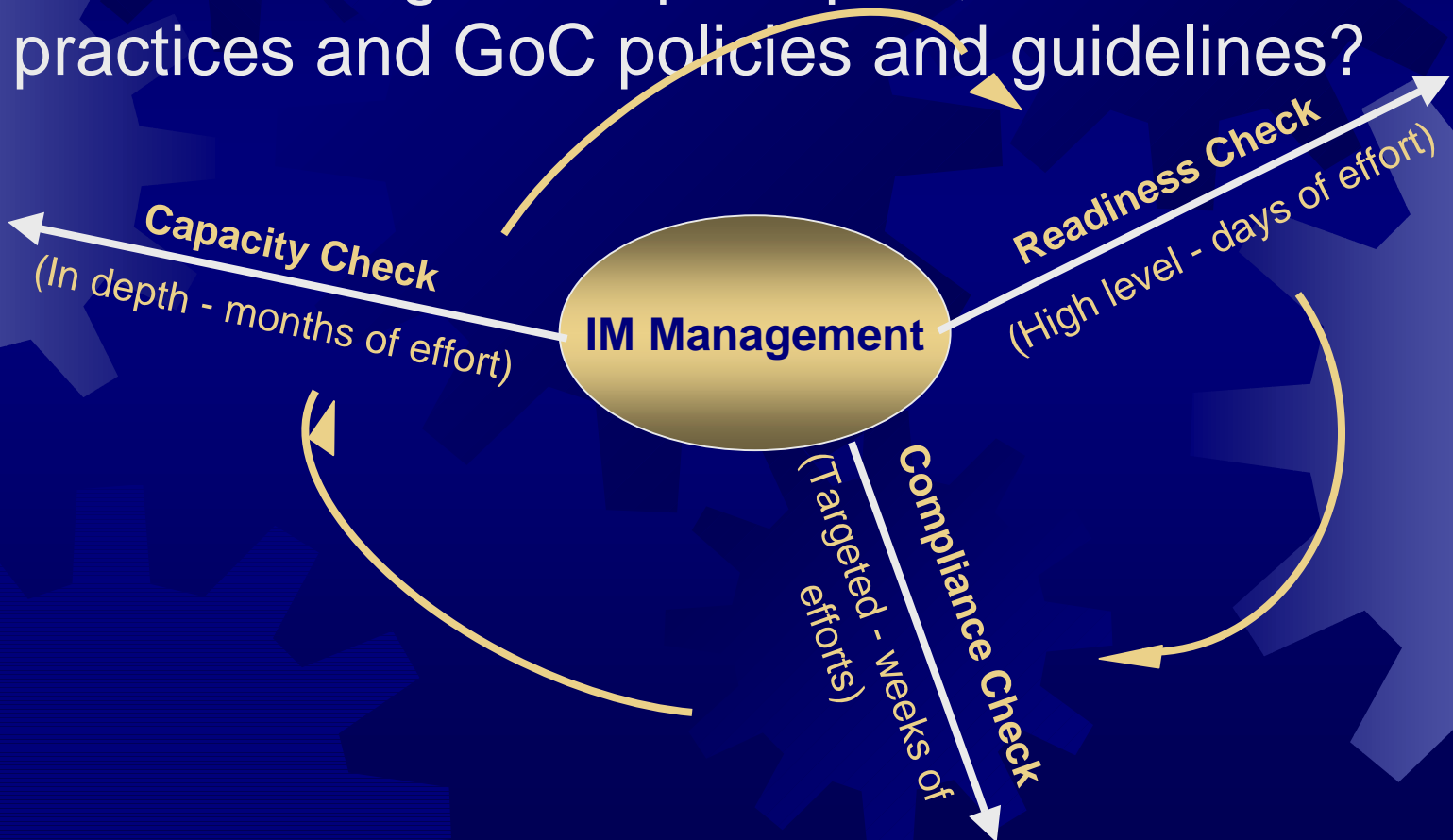
How do you define the value and build a business case for managing your data / information assets?

- \$1.00 GoC current approach?
- Cost of replacement?
- Market value?
- Accounting –depreciated value?
- Value Chain and Contribution to results?
- Efficiency gains (retrievable and non-retrievable savings)?

Moving IM up the value-chain...

It's about IM Management

Is data / information managed according to sound management principles, best IM practices and GoC policies and guidelines?

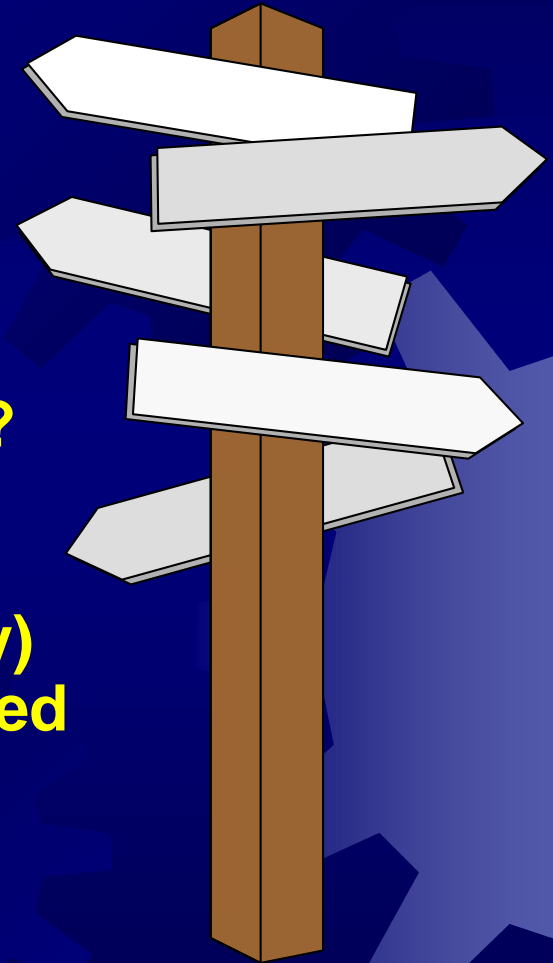


Moving IM up the value-chain...

It's about IM Costs

Having ascertained the value of IM for you organization and your IM management level, how do you get a fix on how much it will cost to do it right?

- **Project by project cost estimates?**
- **Guesstimates?**
- **Comprehensive (timely and costly) long term IM project plan developed for IM?**
- **Opportunistic funding?**
- **Parametric Cost Estimating Tool?**



Moving IM up the value-chain...

Parametric Estimating Tool

What is this? In essence it is a costing model based on a set of factors that drive cost. Different but not unlike many models

- Statistical modeling for demographic forecast**
- Gartner IT cost model for Help Desk Support**
- EC weather forecasting**
- Etc...**

Moving IM up the value-chain...

Parametric Estimating Tool

The model we are developing in EC is based on:

- **Department size, mandate, readiness of IT infrastructure, information type; number of regional offices; number of information trading partners; number of FTEs in organization and working in IM; and, finally, sophistication of end-users**
- **Key elements of an IM readiness / compliance / capacity models (competencies, culture and infrastructure)**
- **A series of workload assumptions (i.e. a trainer can train an average of 200 person per year)**
- **Personal evaluation of the organization's state of readiness vis-à-vis a number of workload factors**

Moving IM up the value-chain...

Parametric Estimating Tool

The model we are developing in EC is:

- **Not Science**
- **A high level estimate**
- **To be further refined**
- **Based on some GoC executive experiences (limited)**
- **A first as far as we know and therefore unproven and untested.... BUT IT'S BETTER THAN NOTHING!**

Moving IM up the value-chain...

Parametric Estimating Tool

The remainder of this session will be used to built 1-2 real IM cost estimates, using your input. While we go through the process, keep in mind...

- *What should we add?*
- *What should we change?*
- *What should we drop?*