

Building IT

Amidst the dot-com boom around the turn of the millennium, enterprise information technology (IT) was reshaping the business world. Large, bespoke IT developments were commissioned and rolled out to give companies an edge over their competitors. This strategy aimed to build a business around the capabilities that the IT system offered.

Lean enterprises

Fifteen years on and the market dynamic has undergone a tectonic shift – a complete 180 about-turn. Today's business landscape is characterised by lean enterprises that find a gap in a market and look to rapidly exploit it, while others look to rival the pioneers of new ideas by rapidly deploying copycat offerings.

Established businesses also need to react to rapid shifts in consumer behaviour and business trends and, increasingly, market volatility. To survive, businesses need to adapt quickly to keep up with this rate of change and the impact that real-time happenings have on the business landscape, perhaps even requiring a complete change in business model.

Keeping pace

This means that the scale, complexity and roll-out time of these complex bespoke systems are no longer able to keep pace with the dynamic nature and needs of contemporary businesses. This requires rapid scalability and a level of dynamism that fit-for-purpose enterprise IT systems are no longer able to deliver.

That's why IT trends such as cloud

computing, with its inherent on-demand system availability that offers businesses of all sizes access to the best technology in the world on a pay-per-use model, gives entrepreneurial-minded companies the ability to disrupt the large incumbents across multiple market verticals as they have forgone the IT-first business model. Instead they now build IT around their business.

Unicorns

In this model the system becomes the enabler as it improves business processes rather than shapes them, and gives any business the opportunity to scale quickly and efficiently. Prime examples include the wildly successful tech "unicorns", Uber and Airbnb. The business models are simple and, despite being classified as tech companies, they merely leverage the systems they have developed to put customers in car seats or in beds, respectively. The system is the enabler that helps to achieve the business goal.

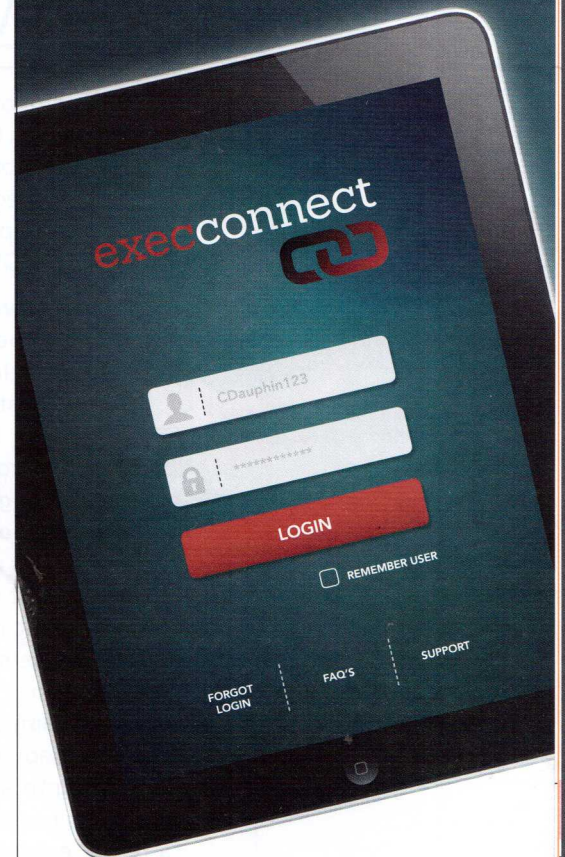
However, for a system to scale in this manner, it can no longer incorporate layers of complex business logic. When a company chooses to build customised software in an attempt to gain a competitive edge, the system needs to deliver what modern businesses need to succeed in the world today – the abilities to scale and adapt rapidly.

Unnecessarily complex products or services mitigate the inherent benefits of software and myriad systems end up being built and bolted on to keep pace. This merely adds to the size and complexity of the business.

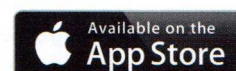
The successful companies of today understand that the system sits at the heart of the business as a platform that, when developed and leveraged properly, has the potential to drive exponential business growth. ■

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