Chapter VI

The Customer-Focused Business Case

“You can see the computer age everywhere but in productivity statistics.”

Robert Solow, 1987 Nobel Laureate

This chapter first describes challenges that software companies face in making a strong business case to prospective customers. These include a history of solutions falling short of projected business case expectations, the customer’s unique perspective of costs and the difficult issue of technology adoption. Secondly, a process for building the software company’s business case in the new era is discussed. The process uses strategic frameworks to estimate and validate strategic objectives. Lastly, we look at a case study of e-docs that developed a unique way to manage unpredictable technology adoption.

Productivity Trends

In 1965, Intel Corporation co-founder Gordon Moore predicted that the number of transistors that could be placed onto a microchip would double at a regular interval. Since this claim, the number has doubled between 18 and 24...
months and has helped provide the tremendous performance improvements we have all benefited from.

Moore’s prediction, like many in the IT profession, came from painstaking research. Gordon enjoyed deep-sea fishing, and early in 1965, he was doing just that. He wondered about the fact that over the last year he was able to get a couple more transistors on each chip. And he thought, “Hmm, I wonder how often these things are actually going to double in terms of the number of transistors I can get on the chip?” And he thought, “I know – however many fish I catch today, that’s how many months it’s going to be.” He got 18 fish, and 18 months became the number (Intel Developers Conference, 1997).

**Typing Pools and the Imaginary X**

Let’s step back and look at what a business case really is. Largely it is about reducing people. One of the disturbing aspects of a new technology implementation is the day you do the “walk through” of the customer environment. It has the feeling of a victory lap as the winning supplier performs a detailed review of the customer’s operations.

As you walk past the sea of cubicles in the different departments you know which employees will be gone in six months time. Those 20 microfilm clerks will vanish, as data will be available from everyone’s computer. Eliminating paper will reduce one out of every three administrative staff and one in four call center operators will go since the new system will increase accuracy of data sent to customers and reduce call volumes. Walking through shop after shop you can quickly draw imaginary X’s on select foreheads.

Productivity improvements like these are not new. My grandmother worked for Thomas Edison in East Orange, New Jersey, where he had created the first organized corporate-research department for product development. This was in 1876. I’d like to say my grandmother was an MIT graduate signing over patents to Thomas Edison but she was a mere member of the central typing pool, where typists (almost always women working at low wages) operated with the latest typewriter technology. These centralized typing pools lasted for decades but were gradually replaced by word processing systems. In the same way our technology continues to eliminate repetitive tasks by:

- Capturing data in computer form at the beginning of a process to reduce data entry tasks from paper.
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