



Doing More Smart Stuff

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What Defines Long-Term Success?

- 🔥 Do more smart stuff (things that generate real business value).
- 🔥 Do less stupid stuff (things that get in the way of business value).
- 🔥 The challenge is to have a consistent way of knowing and implementing the difference.

An Example - ERP

- 🔥 Sequence of legacy data entry:
 - Name, Telephone, Address
- 🔥 Sequence of vanilla data entry:
 - Name, Address, Telephone
- 🔥 “Requirement” was to customize ERP to match legacy sequence (for a mere \$100K).

Two Quiz Questions

- 🔥 How much value did this customization generate?
- 🔥 Was this customization smart or stupid?

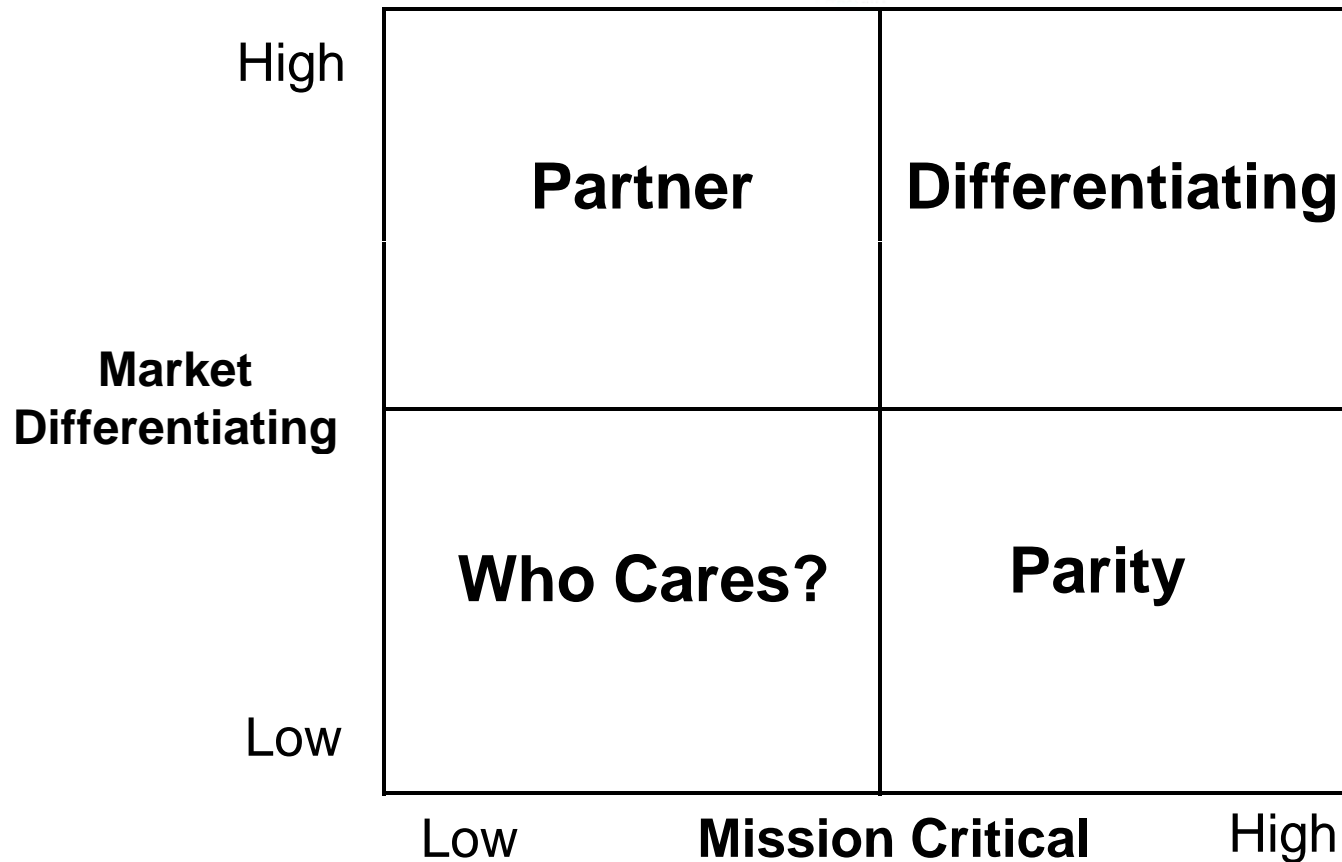
To Generate Value

- 🔥 Do more smart stuff and less stupid stuff.
- 🔥 Thank you for your time. Any questions?

But Wait, How?

- ♠ Way too late in my career, I developed a model that:
 - Helps us (both IT and the business) do more smart stuff and less stupid stuff.
 - Is obvious, even to the casual observer.
 - Takes about 5 minutes to learn.
- ♠ This model is known as the Nickolaisen Model, the Purpose Alignment Model, or the Simple Little Model (SLM).

Presenting the SLM



In Practice

High	Do We Take This On?	Differentiate, Create
Market Differentiating	Who Cares?	Achieve and Maintain Parity, Mimic, Simplify
Low	Low	High
	Mission Critical	

To Be Completely Redundant

High	Shouldn't Be Anything New For Us	Unique Might Be Good
Market Differentiating	Who Cares?	Unique Is Probably Bad
Low	Low	High
	Mission Critical	

An Example

- 🔥 Software for financial document management:
 - Initial project plan included development of over 3000 function / story points.
 - Filtering functionality through the model yielded about 350 “Differentiating” function / story points.
 - Company revised the plan to make these 350 even better and to simplify the rest.
- 🔥 **Result: Better product in half the time and 60% of the original cost.**

Graphically - Before

Market Differentiating	High	Project Tracking Document Mgmt Document Edit Document Library Search EDGAR Integration
	Low	
		Low Mission Critical High

Graphically - After

Market Differentiating	High	Portal	Document Edit	
	Low		Project Tracking Document Mgmt Document Library Search EDGAR Integration	
		Low	Mission Critical	High

The Decision Criteria

- 🔥 The key to the SLM is agreeing on the criteria we use to define “Differentiating” .
- 🔥 These are directly linked to strategy.
- 🔥 Strategy = Sustainable Competitive Advantage.
- 🔥 Thus, the SLM also provides a shortcut to strategic and tactical planning.

A Final Example

- 🔥 Consumer Packaged Goods company.
- 🔥 \$300M in revenue in multiple channels (call center, internet, wholesale specialty, wholesale big box)
- 🔥 Replacing legacy system (poor transparency, multiple time data entry, low automation).

Before

High		WMS Legal Structure Product Development CRM
Market Differentiating	Analytics	Channel Mgmt
Low		
	Low	High

Mission Critical

After

High		Analytics Channel Mgmt Product Mgmt
Market Differentiating		ERP CRM Legal Structure
Low	Low	High
	Mission Critical	

Impact on Business Value

- 🔥 Reduced project timeline by 50%.
- 🔥 Reduced cost by 40%.
- 🔥 Provided additional benefits (streamlined, simplified business processes).
- 🔥 Delivered high impact results immediately.
- 🔥 “Why do it any other way?”
- 🔥 And, on-going decision filter for all business decisions!

More Stuff?



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Shameless Plug

Stand Back And Deliver

New book by Pixton,
Nickolaisen, Little, and
McDonald

Published by Addison
Wesley in early 2009

