

Retailer Overhauls IT To Build Systems Better and Faster

Cisco IBSG-Led Strategy Improves Speed, Quality, Productivity

Executive Summary

CUSTOMER

Global Retailer

INDUSTRY

Retail

CHALLENGES

- Customer lacked speed, quality, and consistency in IT development processes
- Ill-defined roles resulted in duplication of effort, missed deadlines, high turnover
- Inefficient tools, methodologies left developers scrambling to complete projects

SOLUTIONS

- Rapid application development (RAD) techniques
- Basic skills training
- Standardized roles and career paths for business analysts and architects

RESULTS

- Specifications completed in 50 to 60 percent less time
- Hundreds of global business analysts attended training; satisfaction: 95 percent-plus
- Voluntary turnover rate among business analysts dropped by 50 percent

The customer, a large, global retailer with thousands of stores and hundreds of thousands of employees, found itself struggling to manage the increasing complexity of its growing and diverse operations. The company's IT organization was consistently challenged to keep pace in an environment where it was asked to deliver both technology innovation and changes to large-scale systems in increasingly short time frames.

The retailer approached the [Cisco® Internet Business Solutions Group \(IBSG\)](#) for assistance in formulating and implementing a comprehensive strategy to improve the speed, quality, and overall productivity of its global IT development process. The customer had worked with Cisco IBSG previously on several strategic IT initiatives, and sought to benefit from IBSG's expertise in the retail IT industry as well as Cisco's best-in-class global IT organization.

Challenges

After several large IT projects missed deadlines and exceeded their budgets, the customer wanted to improve the speed of its development cycle, as well as increase predictability in planning and execution. Additionally, the retail industry is experiencing rapid innovation, with new mobile, social, and collaboration technologies fundamentally changing traditional store and home-office applications and their underlying architectures. Core systems, including point-of-sale (POS), task management, supply-chain management, customer relationship management (CRM), and merchandise planning, were undergoing major upgrades or replacements. This put pressure on retail IT developers to quickly upgrade systems with the latest industry and technology innovations.

The customer and Cisco IBSG used an assessment process to identify areas that needed to be addressed as part of a comprehensive strategy to transform the IT development organization. More than 50 major initiatives were audited, covering development activity over the previous two years.



Cisco Internet Business Solutions Group (IBSG)

“We really appreciated Cisco IBSG’s assistance throughout this process. They were instrumental in helping us formulate our strategy and quickly move into implementation, where we saw improvements begin to happen immediately.”

Managing Director
Development Center of Excellence

Global Development. The customer develops and deploys applications across global markets. Capturing and translating requirements across languages, time zones, and cultural differences is challenging, and the customer lacked a consistent governance model and processes to manage its global development teams. This was further exacerbated when outsourced development teams were included in these efforts. The systems being developed had numerous quality and usability issues. For example, a major POS upgrade that worked well for U.S. stores failed in Latin America, requiring it to be rewritten.

Roles and Responsibilities. The assessment found a lack of consistency in the roles of the retailer’s developer teams. For example, the roles of business analysts (whose job is to understand and translate business requirements) and business architects (who make sure IT applications are integrated) were not clearly delineated. This resulted in inefficiencies and duplicated effort. For example, an application for a new task-management system had to be completely rearchitected long after the original delivery date was missed. Additionally, career paths and performance metrics were inconsistent with the roles, resulting in dissatisfaction and significant turnover in the developer community.

Methodologies and Tools. With significant pressure to deliver on business-critical applications, the retailer’s IT organization did not have the time or resources to modernize its methodologies and supporting tools. As a result, there were pockets of innovation and success, but no way to communicate and adopt these best practices across the broader organization.

Solutions

After reviewing the results of the assessment and conducting a number of workshops incorporating Cisco IBSG and Cisco IT experts into the customer’s strategy development team, Cisco IBSG made several recommendations. The customer subsequently adopted and implemented the overall strategy.

Basic Skills Training. Cisco IBSG recommended that the customer immediately develop a curriculum to train its business analysts and business architects on common terms, roles, methodologies, and metrics. The customer implemented “boot-camp” training early in the execution of its strategy. Cisco IBSG provided input for the creation of standardized functional specification documentation as well as global development governance models that were included in this training.

Innovation in Global Development Methodologies. The customer regards Cisco as a best-in-class company for global application development. Cisco IBSG and Cisco IT held a series of workshops on innovative ways to develop global applications. The customer adopted Cisco's recommendations to pilot and deploy rapid application development (RAD) techniques for select initiatives. This methodology allows software to be written more quickly by doing less planning in favor of more frequent iterations. Cisco IBSG advised the retailer on a strategy based on industry and internal experience regarding when, where, and how to use RAD.

In addition, Cisco advised the customer on using new collaboration tools, including Cisco WebEx™ conferencing and Cisco TelePresence™, to further improve communication among global development teams.

Roles and Metrics. Cisco IBSG recommended that the customer standardize roles and establish career paths and performance metrics. Many of these recommendations were incorporated into the customer's strategy and subsequently deployed. In particular, Cisco IBSG highlighted the need for role clarification for the business architects to fully optimize their impact on the development process across critical initiatives.

Results

Boot-Camp Training. The retailer trained several hundred global business analysts through the boot-camp process. Attendees reported an overall satisfaction level of more than 95 percent.

Soon after the customer deployed training that clarified roles and career paths for business analysts, the voluntary turnover rate among business analysts dropped by 50 percent. More important, skills assessments used in the training gave development managers a strong tool for defining career paths. They identified 10 percent of the business analyst population that needed to change roles in the corporation, and another 15 percent who were candidates for promotion.

Specifications and Development Time. The customer reported improvement in functional specification quality as measured by errors or clarifications requiring rewrites. RAD pilots have resulted in an estimated 20 percent reduction in time to deployment over historical approaches.

Clearer Roles. Clarification of the business-architect role has resulted in higher reported satisfaction among architects, and improved the perceived value of the architect role among other development team members. In the first six months that business architects identified reuse opportunities among development teams, the retailer avoided duplicated efforts that saved several person-years of work across several initiatives.

Conclusion

With the assistance of Cisco IBSG and Cisco IT, the global retailer's IT development group has made significant improvements in its ability to respond to its line-of-business customers. The IT group improved quality, speed, and predictability in the development lifecycle with the implementation of new governance, methodology, and tools laid out in its global development strategy.

More Information

Cisco Internet Business Solutions Group (IBSG), the company's global consultancy, helps CXOs from the world's largest public and private organizations solve critical business challenges. By connecting strategy, process, and technology, Cisco IBSG industry experts enable customers to turn visionary ideas into value.

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