



# IT trends cemented by the Global Financial Crisis

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# About IBRS

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- **Locally-based; founded 2002**
- **Provides IT & business advice for senior executives in Australasia, through:**
  - A database of online research
  - Monthly volume of actionable research
  - Unlimited:
    - *Inquiry* – by telephone or face-to-face
    - *Document reviews* – White Papers, proposals, RFPs etc.
  - Audio Management Briefings
  - Executive briefings



# Some of the people behind IBRS

## Locally-based Analysts, Consultants & Associates:

- Some from research companies like Gartner & Meta
- Others - former CIOs or from consulting firms



Dr. Kevin McIsaac



Rob Mackinnon



Alan Hansell



Brian Bowman



Guy Cranswick



Irene Pimentel



Terry Dargan



Joseph Sweeney



James Turner



Jorn Bettin



Dr. Colin Boswell



Nick Bowman,  
Managing Director



# Outline

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- **The GFC catharsis**
- **Key trends cemented by the GFC**
- **Caution – creeping conservatism**
- **Fads, trends and pragmatism**

***"It is not the strongest of the species that survive, nor the most intelligent, but the ones most responsive to change." - Charles Darwin***



# The cathartic effect of the GFC and some implications

- **Katharos (adj.): *'pure or clean'***
- **Collectivism in adversity**
- **A different set of winners and losers**
- **A new management order – IBRS's 28 IT principles over 6 domains**
- **The margin for error has narrowed**
- **Short-term, hunker-down thinking versus preparing for the upswing**



# When the going gets tough....

## Lessons from U.S. recession 1990 - 1991

- **Accenture analysed 850 'leading' U.S. companies through recession of 1990-1**
- **ROIC analysis 1997:** winners, losers & others
- **What winners did:**
  - Relentlessly cut costs based on organisational impact
  - Established strategies for building sustainable future value

**Similar phenomena in the Great Depression**

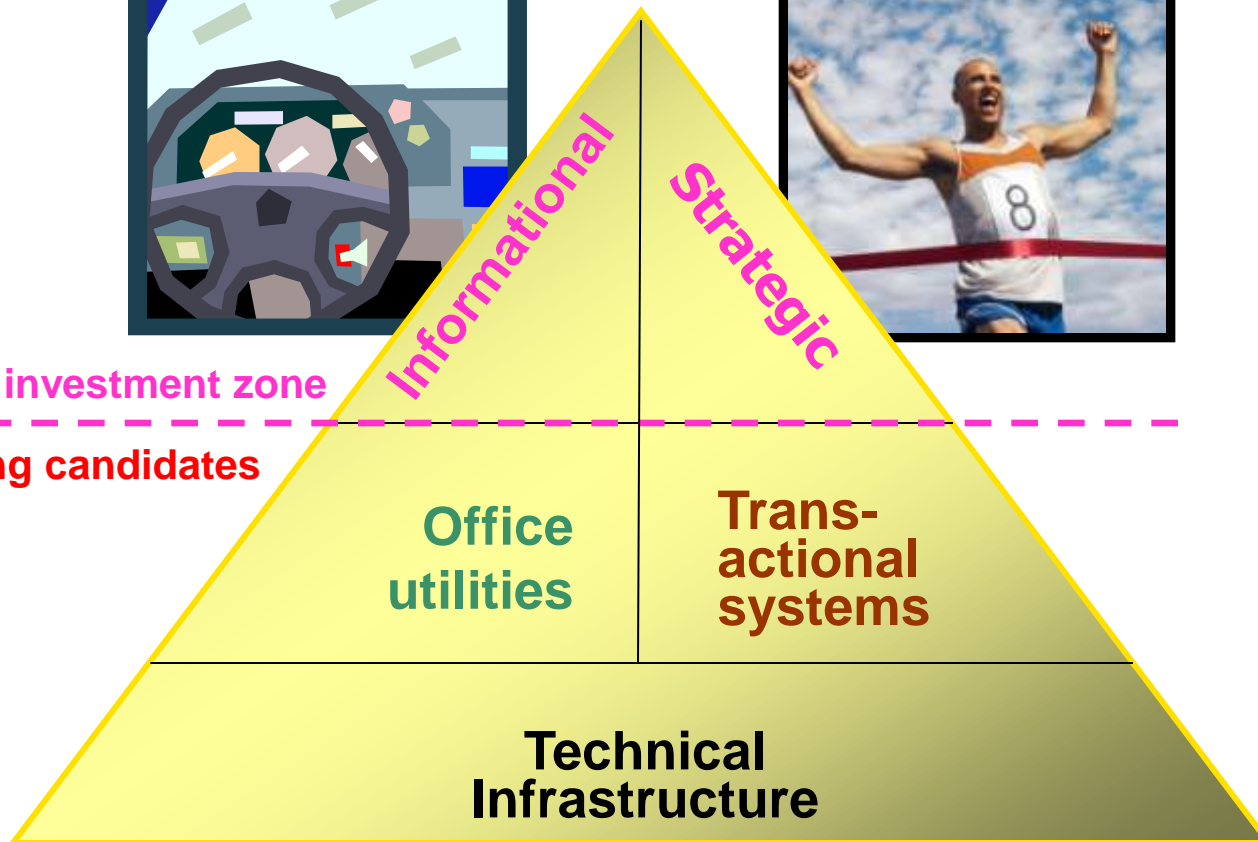


# Setting the scene – the key elements of the IT portfolio



Return on investment zone

Cost saving candidates



IT value hierarchy



# Six IT trends cemented by the Global Financial Crisis

1. Virtualisation

From mature to mandatory

2. Office utilities

War on the desktop

3. Cloud-based apps

No longer nebulous

4. OSS Enterprise

Becoming upwardly mobile

5. ERP erosion

Look back in anger – to 1999

6. DC consolidation

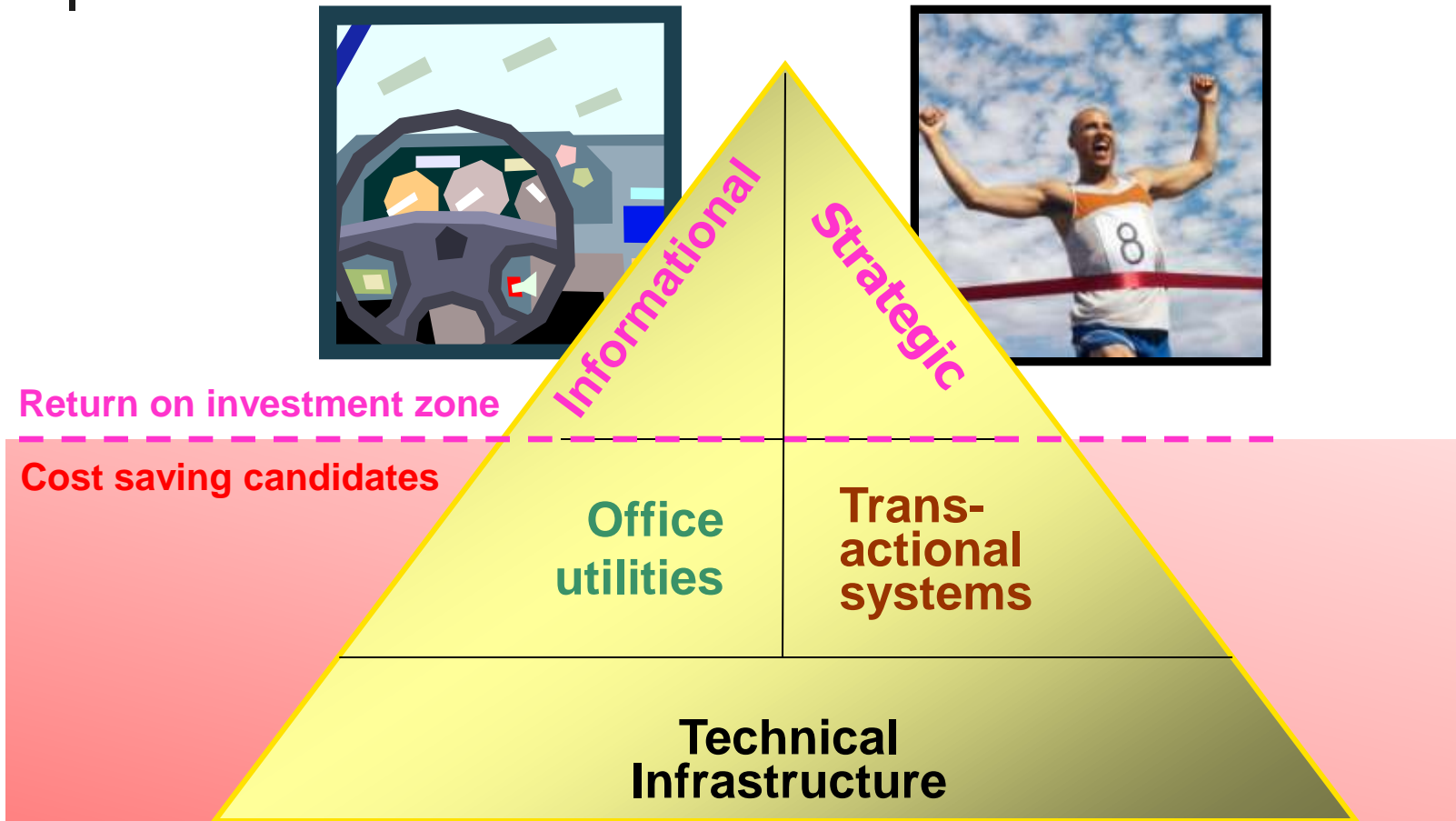
Green is *still* the new black



# IT portfolio management in recession – courage required



IT value hierarchy





# Other trends – benign, adverse and emerging

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- **HR branding:** Attraction & retention
- **Reverse Darwinism:** Stultification?
- **Project containment:** Agility & benefits
- **Sharpening the saw:** Optimisation
- **Time is \$:** Deployment & productivity
- **Off-shoring:** Promise & anxiety

# Ride trend waves selectively and with authenticity



*"Whenever you find yourself on the side of the majority, it is time to pause and reflect."*

**Mark Twain (1835 - 1910)**

American author

# Thank you



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