

What is infotech company?

[Business](#), [Company](#)



Introduction

INFOTECH is a publicly owned company that provides data processing, information, and information technology services to customers in the public and private sectors in South America. It is one of the largest information technology services companies, one of the top non-financial companies in the region. Its 1999 revenues were about \$480 million. It operates as a private enterprise while providing critical services to national, state, and local government. This mandate means that Infotech must seek efficiency, effectiveness, and quality in the delivery of services to its mandated public customers. In addition to the data processing and infrastructure management services that it provides, Infotech was involved in the development for the national government, public key facilities for secure online commerce, and a secure online export sales portal. Infotech also has a latitude to develop revenue through delivery of products and services to a new customers.

The company has to be proven adaptability and entrepreneurial in an environment of scarce financial resources. It has undergone significant downsizing in the last fifteen years, passing from 22,000 to 8,600 employees. To achieve greater customers' responsiveness and increase added value, in 1995 Infotech recognized into units dedicated to business management, infrastructure management, and corporate delivery process. Knowledge management practices are considered key to successful delivery of the services, and Infotech's executives have given high visibility to Knowledge management. Infotech has sought to determine what it knows

and what it needs to know, who process the knowledge and who is need to use it. and how the knowledge can be shared within the organization and with customers and suppliers. It has undertaken to map organizational knowledge and competences, identify best practices and communities of practice, and diffuse knowledge internally through teaching and communication. The result of the practice has shown that Infotech has mastered several of the formal technology tools, discourse, and organizational features and processes of knowledge management, but it still faces challenges regarding the development of the supportive internal culture and internal business processes necessary to sustain the knowledge management capability or drive demonstrable benefits from it. Appraisal of Infotech's main KM needs underlines the importance, to this organization, of development initiatives to institute cultural change within the organization, to improve the strategic planning and investment processes and asset valuation metrics, and to strengthen internal knowledge transfer processes, including those relating to knowledge management practices.

INFOTECH'S MAIN KM STRENGTH AND WEAKNESSES

INFOTECH managers made a practice on the knowledge's management capability, as seen by it's managers.

INFOTECH main KM strength, according to its managers, lie in its ability to “learn with the environment” (learn from interaction with customers and suppliers), as seen by these managers.

Is also on the quality of the organization's information infrastructure.

Infotech's managers consider that the firm's KM shortcomings are areas having to do with culture, strategy, KM roles, HR management, and performance measurement. In the next part we have explained the INfotech main capabilities along each organization dimension of knowledge management.

Below we explain a table in which there are six or seven statements representing the greatest strength and weaknesses as determined by the panels of Infotech managers.

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STRENGTHS:

Table : average strength of infotech's main KM capability in seven dimensions

(3= strong, 2= medium, 1= weak

Learning with the environment 2.3

Information systems 2.3

Management of human resource 1.9

Organizational structure and roles 1.9

Senior management vision and strategy 1.9

Organization cultures and values 1.8

Measuring results 1.8

Learning with the environment, as shown in the table, same wise the Infotech managers consider that it has developed strong competencies in using its upstream, downstream, and lateral relationships with customers, suppliers, and allien partners to improve its value proposition. On the other hand there are clear limits to Infotech's strategic positioning within its value network, Infotech appears not to work well with the competitors, nor does it learn from its employees ; non work-related activities, Moreover it does not seek out demanding customers, thereby depriving itself of learning opportunities.

TABLE:

Learning with the environment: Infotech's main KM strengths and weaknesses

(3= strong, 2= medium, 1= weak)

We frequently partners with suppliers to improve the value we deliver to the customers3. 0

Our product development process explicitly includes our customers3. 0

We form alliance with organization that complement our skills sets as an alternative to doing everything3. 0

We view collaborating with competitors to grow the industry as a good thing. 1. 6

We encourage the people to think about how their non-work activities could benefit the organization1. 2

We may refuse to work for people if doing the work does not build knowledge that we can use in other ways. 1. 0

INFORMATION SYSTEM..... Infotech's managers regard the organization's IT infrastructure as a source of strength in knowledge management. Infotech information system's mission, Infotech personal are positive about IT tools, however, Infotech's informations system are largely unidirectional. They deliver information to the users, but it is awkward and inconvenient to make contributions to infotech's repositories of knowledge content. Processes for the contributing to the organizational stock of knowledge are not well defined and are not a part of the normal work routine. Established the routines involve unidirectional distribution from the central repository. Moreover, it is not clear who is responsible for maintain the distribution knowledge in Infotech or what the incentives for sharing knowledge might be.

TABLE: 3

Information system: Infotech's main KM strength and weaknesses

People in our organization can use the information they get to improve their work3. 0

We view the information technology as a tool to help us get our work done3. 0

We acknowledge the individual contribution to the organization's repositories are seamlessly integrated into work1. 4

Processes for contribution knowledge to the organization linking it to the original author1. 4

Management of human resources, Infotech's members, including it's IT professionals are the member of it's a collective bargaining unit. The firm

has developed a very strong orientation towards deskillling and redeploying its employees before hiring new employees or downsizing its work force. These features of Infotech are regarded as a strength. However, Infotech has serious shortcomings when its come to fostering learning among the employees. The training that they offers is also a strength of it. A better information service is also a major strength of Infotech.

TABLE: WEAKNESSES

When a new opportunities arises we first try to restore our existing skills before we hire a lot of new people3. 0

Before we terminate the people , we try to determine if their skills and expertise can be used elsewhere. 3. 0

we prefer to use the resources and likes we have in places when testing a new business situations. 3. 0

We used the work related games and simulation to think more clearly about our business situation1. 0

People who refused to share knowledge do not get certain organizational benefits1. 0

The performance appraisal system recognizes and rewards knowledge sharing behavior. 1. 0

The organization has legitimate sharing knowledge by giving people time to do it. 1. 0

Organization structure and roles: Infotech managers thinks that the firm is capable of targeting resources on groups of specialists as needed. It is also strong in moving people into face-to-face situations n order to transfer

tactics knowledge and in general infotech's employees finds its virtual offices capable of well developed. In other words they find it relatively easy to access the informations and documents that they need for their work, wherever they happen to be. On the other hand infotech need to expand service of delivery by its informations specialists, especially with respect to information that is outside the organization. The firm, s knowledge management roles need to be better artitecture. Meeting are regarded as too structured to permit creative problem solving.

CONCLUSION

The challenge faced by the infotech is to define a number of KM initiatives that addresses identified shortcomings and visibly accumulate KM capability within the firm. On the basis of rapid appraisal reported here, a short list of KM initiatives might include documentation and sharing's, via face-to-face meetings and through an intranet, of effective, in-place KM practices and processes in some areas of importance to the firm =, such as business development, human resource management, or information management.

Formal knowledge management roles might be established within the firm. This might involve appointment of the chief knowledge officer or the establishment of KM design and implementations team, each chartered with mandates and deliverable.

Finally, it seems advisable for Infotech to develop strategic learning initiatives on the pilot basis, with a view of making them models for later initiatives. These strategic learning initiatives, in addition to their

substantive goals, should aim to address the cultural and organizational features that are deemed to be hinder development of knowledge management capabilities in Infotech, such as incentives for knowledge sharing and consequences of failure. More generally, infotech needs to address the issues of internal cultural change, and and explore the ways to create and sustain cultural values that are supportive of new knowledge management practices and processes.

1-INNOVATION MANAGEMENT

A simple definition of innovation

“ Bringing New Ideas to Life”

In its simple definition, innovation is coming up with ideas and bringing them to life. Hatching ideas is the “ creative” part, and it’s essential. After all, no ideas, no chance for innovation, often, in common parlance, the words creativity and innovation are used interchangeably. They shouldn’t be, because while creativity implies coming up with ideas, it’s the “ bringing the ideas to life” piece of this simple definition that makes innovation the distinct undertaking it is.

PURPOSE OF INNOVATION

Create new customer-perceived value

To drive growth via innovation required that your ideas do something be benefit customers: create new values. Value encompasses the equality and uniqueness of the product and service , and the degree to which it satisfied

the customers need or problem. Value is also the customer service and add-service provided as part of the sale, together with the price of the offering or service.

The purpose of innovation is to create new customers-perceived value. If customers perceived value in your new offering, they'll pay you for it. This is the challenge companies face with the respect to innovation : how do we develop ideas that intended to create new value for our customers?

Before we address that question, we need to further differentiate the types and degrees of innovation.

THREE TYPES OF INNOVATION

There are three types of innovation that are: product, process, and strategy. In the highly competitive, rapidly evolving environment of the 21st century, achieving rates of growth that are uncommon in your industry means that you must be able to manage innovation in these three distinct arenas. Each arena is critical, and being adopt in only one of them is likely not sufficient to achieve the growth payoff from innovation. Lets take a careful look at these arenas.

TYPE 1:

PRODUCT INNOVATION

Products has been traditionally been defined as tangibles, physical or raw material ranging from tooth past to steel beams, to computers to industrial adhesives, from jet aircraft to automobile to soybeans. All the objects around

you at this moments that were manufactured by a company constitute products.

But to confuse a matter bit, in recent years, service sector firms (healthcare, insurance, services, financial services, professional services, to name of few) have been begun to refer to their offerings as “ product” as well. When Merrill Lynch introduced its highly successful cash management account in the early 1980’s this “ product” vaulted this service company to the top of its industry.

Adding to the breakdown in traditional boundaries, product manufacturers increasingly surround their products with services, for instance, when car manufacturing agent offer emergency roadside assistance. General motors sells cars, but customer buy certain of its automobiles with services as part of the deal. Onstar, an onboard global positioning satellite-enabled communication channels, gives GM customers the ability to know exactly where on the Earth they are and to summon emergency help if they need it.

Despite the recent trend of services firms and manufacturing alike to use the term products to described their offerings, services and service businesses “ product” tend to be different. Foremost among them, they can often be intangible as opposed to tangible and physical (an insurance policy as opposed to a snowboard). They also be tend to produced and consumed at the same time and to involve a higher degree of human involvement in their delivery (thinkhealth-care and hospitality). And they tend to be difficult or impossible to stop imitation through the use of patents.

While there are differences , products, and services have been common traits, especially when it comes to the subject of innovation. We offer or used the term product to described the offering of both types of firms.

And now for this definition: product/service innovation is the result of bargaining to life a new way to solve the customers problem that benefit the both the customers and sponsoring company.

TYPE 2:

PROCESS INNOVATION

Process innovations increases bottom-line profitability, reduce costs, raise productivity, and increase the employee job satisfaction. The customers also benefits from this type of innovation by virtue of a stronger, more consistent product or service value delivery. The unique trait about process innovations is that they are most often out of view of the customers; they are “ back office” only when a firm’s processes fail to enable the firm to deliver the product or service expected does the customer become the aware of the lack of effective process.

For manufacturing companies, processes innovations include such things as integrating new productsds manufacturing methods and technologies that lead to advantage in cost , quickly, cycle time, development time, speed of delivery, or ability to mass-customized products, and services that are sold with those products. Such a innovation is simply important and will continue to be.

Process innovations enable service firms to introduce “ front office” customer service improvements and add new services, as well as new “ product” that are visible to the customer.

When fed-axe introduced its unique tracking system in 1986, customers was only a tiny wand, used by drivers to scane the packages. Yet while the rest of this sophisticated system was invisible, customers could “ see” immediately that they could track now their packaging at every point from sender to receiver, and this added the value to their services experience and gave Federal Express a temporary advantage.

Process innovation will continue to be vitally important to company growth for the simple reason that without the process excellence, product or strategy innovation is impossible to implement. Indeed, while thousands of books have been written about varying methods of process improvements (read, innovation), the innovation process, unlike say the product development process, is untrammeled territory. That’s why the innovation process itself is, in essence, the subject of this whole topic.

TYPE 3:

STRATEGY INNOVATION

Strategy innovation is all about changing the current industry methods of creating customer value in order to meet newly emerging customers need, add additional value, and create new markets and new customers groups for the sponsoring company.

In contrast to the processes innovations, which are behind the scenes and largely unseen by the customers, strategy innovation directly touches the customers.

Strategy innovation results in new approaches to marketing or advertising your offerings, in introducing new sales methods, and in new approaches or enhancements to customers service or market positioning. Strategy innovation results when your firm changes the customers groups it targets and how it does goes to the market, meaning how it distributes its offerings to the end consumers.

A key element of strategy innovation is occurs when a firm decides to markets its existing products, services, or expertise to its existing customers groups. That's what defend contractors Hughes Electronics did when it began its DirectTV division in the early 1990, s using its expertise with the satellite began its beaming cable channels and movies to home satellite dishes. More over commonly, when a firm such as a traditional retailer decides to additionally sell its wares via the web, that's strategy innovation.

Much of the highly visible innovation occurring in business today is strategy innovation, and much, but no means all of it involve the exploitation of new technology. Dell Computers very business model is a prime example of strategy innovation because it represents a dramatically different way of manufacturing and selling personal computers. Dell chose not to distributes its products through the then-standard channel –to whole sellers or resellers its products through the then-standard channel who sold to the retailers,

who then sold to the end consumers. Instead Dell sold directly to end-consumers.

Other innovation rouding out Dells contrary business model were strategic in nature as well: from the beginning, Dell did not manufacturer a single computer till it received a customers order, rather than creating an inventory of standardized products to be stored until sold in one warehouse or another.

Similarly, firms ranging from EBay to Amazon. com represent strategy innovation when compared to the way their respective industries traditionally did business. While these and many other strategy innovations relied on technology to change the game, not all strategy innovation is based on technology.

Southwest Airline was a strategy innovator in the airline business. Its business model is based on offering customers low fares in exchange for their giving up such amenities as reassigned seating, other value-added services—all aspects of Southwest’s business model that different from competitors.

Price club retailing, a strategy innovation . category pioneered ware-house club retailing, a strategy..... Category killers with names like office depot, home depot, staples, borders, pets mart, IKEA, and compUSA, all pioneered new business models in their time traditional merchants were caught flat—footed in the 1980s when Wal-Mart pioneered a new business model and customers began voting for what they perceived to be a superior value proposition, killing off traditional competitors. Wal-Mart and other offered

everyday low pricing to lure customers with a perception of greater value. As a result of their success, many traditional department stores and merchants were forced out of business.

NOT ALL INNOVATIONS JUMPED-START GROWTH

Not all innovations in these three arenas accelerated growth to the same extent. The degree to which an innovation adds value or creates new value for customers is the degree to which it adds to a company's bottom line. What innovation-adept companies strive for, in addition to ongoing processes that keep the pipeline full, are high-potential ideas in each of these arenas. The ideas that changes the rules of competition. Ideas that moves the growth needle!

Not all innovations, of course, have an equal impact on customers, and certainly not on a company's rate of growth or wealth-creating ability. All products, processes, and strategy innovations can be categorized further into three basics degree: incremental, substantial, and breakthrough.

INCREMENTAL INNOVATION

While small or even insignificant in degree of financial impact to the firms bottom line, incremental improvements can engender greater customer satisfaction increase the product or service efficiency and otherwise have positive impact. Similarly, process innovation of incremental degree increase productivity and lower cost for the firm.

Incremental innovations have this in common: they seldom require more than required changes in the customers or company behavior to implement. 3M's introduction of new color post-it. not qualifies as an incremental product innovation, while post-it notes represented a breakthrough product innovation. Implementing a suggestion program required employees to change behavior very little since submitting ideas is optional.

In the service sector, incremental innovation occurs when a hotel simplifies its guest check in procedure a supermarket chain makes check approval easier than summoning the manager' a bank redecorates its lobby; a retirement home upgrades its first class cabin to include fully reclining sleeper seats.

SUBSTANTIAL INNOVATION

Substantial innovation are mid-level in significance both to customers who benefit from them and to the sponsoring company that believe that they will significantly help the firm to grow and create new wealth. Substantial innovation of the product or service variety fall short of being breakthrough but enable and ensure that the organization meets or exceeds its goals to grow the business, increase market shares and lower its costsof doing the business (substantial level process innovation).

Substantial improvement in your existing products or services or introducing new-to-company products and services represents significant improvement for the both the service providing company and for the customers.

BREAKTHROUGH INNOVATION

New products services or alteration of your strategy that yield a significant increase in revenues and net profits are breakthrough innovations. It is impossible to define in dollars and cents how much revenues an idea must bring to the top line to classify as a breakthrough because it depends on the size of your company and what it takes to significantly growth. So breakthrough must defined but need to be if you are serious about going after them. When we are at chemicals division of royal dutch/shell the answer was \$100 million or more to the top line.

Process improvement that generates a significant breakthrough in costs or an equivalent increase in product out put are also breakthrough.

Breakthrough inventions can sometimes leads to breakthrough the level innovations for numerous companies. Breakthrough inventions are giant leaps forward for human kind that lack proprietary parents and may not provide “ first move advantage” to a single company, but instead spawn an entire new industry. The automobile innovation of electricity, the discovery of penicillin, the internet, and the world wide web are all breakthrough inventions. While the automobile was a breakthrough in how people transported themselves from place to place, no single company could claim to have benefited exclusive from having invented it or had the legally the protected right to the market. And it’s the same with the internet, television, and lots of other products.

On the other hand, some of the products, services, processes and business models do have propriety parents and simultaneously give temporary

monopoly to the sponsoring firm—it is this type of innovation that focus on in this whole discussion.

TWO BREAKTHROUGH EXAMPLE

When Gillette, facing intense competition from cheap disposable razors, decide to develop its sensors shaving in the early 1990s, the product became a breakthrough immediately. Radical innovationHardly. The market was familiar—men with whiskers. The product category was too familiar.

The innovation came into the strategic decision to go-up-market and not compete on price. And it came into the superior value it delivers to the users and difficult to copy and marketing campaign that was the result of a billion dollar investment. when Volkswagoen decided to lunch an updated, restyled the version of its beetle. That has been discontinued in North American markets due to an inability to meet strict emission standard in the 1970s, the results was an instant breakthrough for Volkswagen AG. Radical innovationHardly. Obvious moves for these two companiesNot at the

CONCLUSION

Only companies that can constantly brings imaginative, value added new products, services and value propositions to the market will survive and grow in a rapid changing economy. Yet, most companied today are frustrated by their ability to turn ideas into profitable realities. Their “ innovation” process is almost an oxymoron. In the reality it is ad hoc, piecemeal, seat of the pants and heavily reliance on happy accidents.

This is decidedly not the case at a small but a rapidly-growing of companies. In deriving the growth through innovation, acclaimed author and consultant Robert B. Truck takes you behind the scenes inside the 23 innovation vanguard companies to benchmark how they have revamped their innovation approaches for growth profit and competitive advantage. Driving Growth through innovation doesn't just described their leading edge methods. it show you step-by-step, how to map out and implement your own 21st century innovation .