Insights at it

In the wall street journal it is mentioned that the software companies have to cut the prices of their products because of the increasing competition and customer pressure. This price cut is also made on the software maintenance costs which were 25-25% in the past but are decreasing now. Moreover due to lack of interest of customers in the software products owing to their high prices, the software companies have started offering web-based services in which the software programs are not installed on the computer of the customers but services are offered to the customers on web. The customers have started to think that they are not getting the proper business value from the software programs because they think that they are spending more and the return is less. One of the reasons behind this thinking of the customers is the large maintenance costs that they have to pay when the subscription expires. The proof of this lack of interest on part of the customers is the discount offers by various software companies and the increase in the use of web-based software services. The article Six IT Decisions Your IT People Shouldn't Make, I have observed that the most disastrous practice which is very common in the IT organizations these days is letting IT people prioritize the projects according to their business magnitude. No doubt IT people are best at their work and can actually carry out projects successfully but deciding about the projects that which project is the most beneficial for the company is not the job of IT people. Since the business managers have the deep insight of the business development and monetary benefits of the organization they must prioritize the projects accordingly and the IT people should only carry out the project. This means that the lead role in business development should be assumed by the senior business management people. Similarly it is the job of the senior managers

to decide which feature (time of response, data capacity etc.) of a certain IT project should be given importance, and this they will decide on the basis of the nature of the customer's business. This decision cannot be taken by IT department. When IT people are developing the projects according to the client's requirement then why are they failing to generate the intended business benefits? Considering the fact that bandwidth is a problem in certain areas, can a web-based software service deliver the same features an installed program does? Why is global data definitions, which facilitates the business organizations to share data is difficult to implement? And what are the security barriers which can be created to save certain confidential data if some company refuses to share all of its data globally?