

# Mdcm organization case study example

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## **Abstract**

The MDCM (B), ITPM case tries to examine the overall and most significant steps that must be employed in order to develop an IT projects' portfolio in line with corporate strategies. The case examines a case whereby MDCM has laid down its change strategies but still to develop a suitable IT strategy. IT projects are evaluated by aid of a scorecard that will be considered in establishing a Portfolio Application Model Matrix. Comparison of projects will be done basing on the model (PAMM).

## **Introduction**

MDCM, a US-Based organization is a giant specialist in contracting manufacture and assembly of medical devices. Five years down the line, MDCM had made acquisition of more than 20 companies outside United States of America. The acquisition strategy employed by MDCM made it realizes a significant growth in terms of matching service to clients who have enlarged and become universal.

In MDCM (A), Atkins, the Chief Information Officer (CIO) was required to formulate the MDCM's IT strategies and goals. He is then supposed to make sure that the strategies were in line with corporate strategy. This led to emergence of Horizon 2000 initiative with sole aim of combining all its subsidiaries globally.

In MDCM, Inc (B), an audit regarding MDCM's IT was carried out by CIO and in the same exercise, twelve prospective candidate projects were identified to be implemented in a span of thirty six months. ITPM team is challenged by

the inadequate capability to identify order of priority and sequencing of IT investments.

Below is a brief description of IT projects suitable for MDCM, Inc. Information Technology infrastructure that need to be adopted include networking, data warehousing, website, messaging system, methodology and technical standards unification, and standardization of computer hardware and software. In order to assess every project, a scorecard is established and the scores represented in a (PAMM) Portfolio Application Model Matrix.

### 1. Networking project

Networking project is all about the employment of networking and internet infrastructure in place to make it possible for geographically distributed subsidiaries and inside company's subsidiaries to consistently share information. Networking is expected to boost product quality since it will make it possible for information to be shared among existing departmental units and subsidiaries possible, therefore adding value to the products.

### 2. Computer Software applications and Hardware

MDCM had numerous hardware platforms including UNIX, AIX, Windows 2000, and Windows NT. Implementation of standardized operating systems across the organization will help cut costs of support together with that of maintenance. This places MDCM in a better position of competitiveness.

Investment in software applications as well as hardware is also necessary whereby a variety of computer hardware would be utilized based on the user

program; though hardware that is capable of running a variety of OSs would be more suitable. Hardware already existing will still put into operation and extra purchased as advancement depending on the requirements of the user. Microsoft Windows for example can be made standard operating system in MDCM in facilitate effective networking and exchange of communication across the organization.

### 3. Data warehouse

Data storage is an imperative practice and so a universal database needs to be institutionalized. An internetworked database system ought to be instituted so as to ease storage and data retrieval. Information storage and ensuring integrity of the information will enhance making of decisions thus placing a company at a better position in terms of competitiveness against its marketplace rivals.

### 4. Messaging system

There is need to establish a standard the messaging system like POP3, this is the most suitable. MDCM was then using differentiated and out-dated version of messaging system. The importance of a standard and up to date version of messaging system is that is rich of messaging functionalities that will ensure effective exchange of information through messaging within the company together with its customers, its employees and its suppliers. This ensures improved delivery of customer services.

### 5. Website

Website is another suitable project to be adopted for success since the same enhance addition of value to the company products. Enquiries, complains and orders can be placed via online functionality of the website thus decreasing the costs of transaction. In the website also should be a catalog showing available stock along with their brief description. The website will attract customer attention and so they will be doing order placement via internet and paying for the same through the same means.

#### 6. Unify Methodology And Technical Standards

The MDCM's CIO, Atkins wanted to shun from numerous differing standards and IT methodologies throughout the organization. This would help cut down the time of projects and promote knowledge sharing in the entire development team. To realize this, IT personnel have to be trained so as to conform to the new standards though the existing IT assets and projects were not to be changed.

#### 7. E-Procurement System

This system would aid in purchasing or suppliers selection. It will make the entire business look like a single business; a manager could find that required raw materials could be found from different organization with a little lower cost, taking advantage of other managers' familiarity.

#### 8. Streamline Design System

Computer-Aided Design (CAD) systems are essential for MDCM's big business. The customized CAD systems that were used in the United Kingdom illustrated the significance of like systems.

9. Implement an ERP system: implementation of the Enterprise Resource Planning will help the company harness the fruits of the Horizon 2000 project initiative as well as the benefits from the acquired companies.

### **Score card for project evaluation**

A tool used for measuring performance called Score card by Kraft has been used to evaluate IT projects and this include project evaluation based on the probability of success and value addition towards the business. Value addition to the business is recognized by rise in the monetary returns, projects promoting customer concentration, value added via establishment of supply chain, heightened efficiency in technology, balance of work and knowledge benefit.

The following features determine the success of IT projects: technical standards in existence, capacity building and education in the business organization, project complexity, alignment of business, and ability of a project to overcome risks.

### **PAMM (Portfolio Application Model Matrix)**

At the top right of the PAMM is a group of projects that have high priority in MDCM and they have high likelihood of succeeding and likely to add value to business. The projects at the top left of PAMM are projects that have high value to business but difficult to execute. At the bottom left are projects that

have less value to business and high risks. At the bottom right are those add less value to business but high chances of success.

## **Project/tool**

Likelihood of success criteria and weights:

Technical standards: 12%

Skills, capability and training: 12%

Scope and complexity: 24%

Business alignment: 21%

Risk: 20%

Management capability: 11%

Value to the business criteria and weights:

Financial return: 35%

Customer and consumer focus: 20%

Supply chain business benefits: 13%

Technology efficiency: 14%

Knowledge advantage: 9%

Work/life balance: 9%

Total

Networking

76/100

61/100

137/100

The table above shows the probability of victory as well as value addition to business for nine IT projects. From the figures, website scored highest value,

score that adds value to business and the same will cause rise in fiscal income by drawing customers in large numbers. The same will also increase chain of supply and at the same time promotes consumer concentration/focus. Networking has recorded the least in value addition to business, since it doesn't raise returns in finances and at the same time not showing the way to balance work life.

Networking scores the highest probability of succeeding due to its less complexity, existence of technical standards, and alignment with standards of business as well as lowering possibility of risk related to it. Messaging system records the least probability of success since training has to be offered to the workers, less compatibility of management and increased exposure to threats.

The assessment above is based on the success likelihood for five IT projects and the value added to business by each of them. It is evident that the project that emerged the best is website since it puts in value and at the same time likely to succeed. The project having less value addition and least likely to succeed is the data warehousing.

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