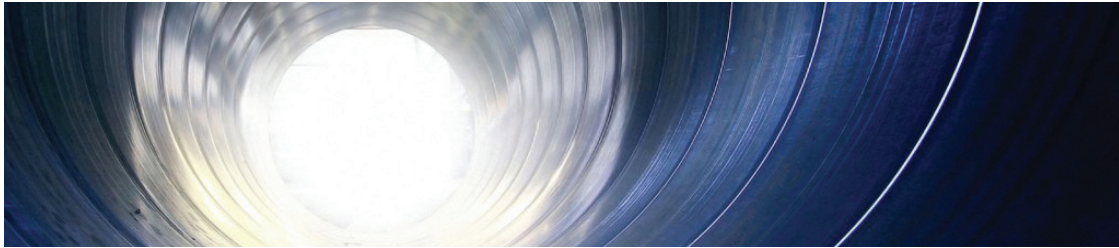


FROM THE CIMPHONI BLOG ON TECHNOLOGY TRENDS

Software-as-a-Service: The Changing Roles of IT

By Rick Davidson

Is IT a function, an organization or a vocation? Going forward, the answer is yes to all three.



As a **function**, the selection, deployment and use of information technology will become the responsibility of the lines of business (Customer Service, Operations, Engineering, Supply Chain) and support functions (Finance, HR, Legal, Sales, Marketing). Information technology will be treated like any other resource available to the enterprise (capital, labor, equipment, material) to achieve its business goals.

These lines of business and support functions will seek out and recruit individuals who know how to select and apply information technology—solution architects and business analysts to name a couple of roles. A critical dimension of competition will be how quickly they can assemble the necessary resources to bring new and innovative products and services to market. More than ever, business agility and speed will be the deciding factors between the winners and losers.

IT has historically been viewed as a distinct **organization** within an enterprise, one with highly specialized skills, knowledge and experience, complete with its own vocabulary and professional certifications.

For the foreseeable future, IT will continue to exist as an organization because the need for internal technology specialists will still be required. However, as the pace of “Anything-as-a-Service” quickens, the need for a separate and distinct IT organization will gradually diminish.

There will be much less need to directly manage the technical infrastructure (replaced by IaaS and PaaS solutions) and a wide range of business applications (replaced by SaaS). The central role of the IT organization will become one of managing compliance to technology standards, managing technology vendors and overseeing the integration of various technology platforms.

Information technology will continue to be a **vocation**, particularly as software embeds itself into more and more of the products and services we consume, and as it continues to drive productivity

and innovation in business.

Unfortunately, the domestic (U.S.) supply of science, technology, engineering and math (STEM) graduates from universities will continue to decline for the foreseeable future, putting pressure on a diminishing supply of information technology talent to feed an insatiable demand.

IT will continue to be a vocation, but the best talent will migrate to the largest enterprises or technology pure-play companies (e.g., the Salesforce.coms, Googles and Facebooks of tomorrow) that can afford the compensation levels necessary to attract and retain this talent.

To be clear, the need for IT specialists with a deep understanding in a particular domain (e.g., databases, software development, networks, computer engineering) will continue to

grow in both absolute and relative terms. It's just that this talent will not be available to small businesses, mid-market companies or even most large enterprises.

SaaS: Threat or Opportunity?

SaaS is a powerful catalyst for change—one that clearly threatens the traditional roles of IT and CIOs. It's here, and it's forcing us all to reexamine and reset both.

And there's the opportunity: to redefine the value that IT and CIOs deliver to the enterprise, elevating both.

If we are willing to embrace this change, to learn new skills and adopt new ways of thinking, we will continually increase our value within the enterprise based on the contributions we make.

Perhaps the old adage, "we cannot think ourselves into a new way of acting, but we must act ourselves into a new way of thinking," can give us a way of working through the changes. Let the acting begin!

About Cimphoni

Cimphoni is built on the premise that technology, when properly applied and led, can deliver innovative solutions that transform businesses, enrich the products we use daily and improve the quality of our lives. The Cimphoni team is comprised of technology and business leaders, physicians and medical researchers with a thirst for innovation and a passion for solving problems. Cimphoni Consulting is focused on business transformation using information technology to enable new product and service offerings and improve business performance.

Cimphoni Solutions develops Internet of Things strategy, devices and data analytics, as well as custom enterprise software. Cimphoni Life Sciences creates new medical devices and solutions that address acute and chronic illnesses and improve the health of individuals.

Founded in 2012, Cimphoni is headquartered in suburban Milwaukee and has an office in Phoenix to serve customers throughout the United States. More information can be found at www.cimphoni.com.

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