

How to manage an IT Company

03SM22MI0016

Part I – 1st day

The Face Behind



Prof. Dr. Erik Wende
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Education

2013, doctor of computer science
University Zurich, Switzerland

2003, diploma of business information
University Leipzig, Germany

Scientific knowledge

Since 2022, Honorary Professor for Digital Leadership

Since 2013, free scientific collaboration, since 2016 lectureship, module support and conception, field business information
University Leipzig, Germany

2006 – 2013, free scientific collaboration field informatics University Zurich, Switzerland

CHECK IN

Participant List



Please fill out the form (<https://bit.ly/49wCNgj>)

Enter your

01 Name

02 Matr. Number

03 Participated

FLOW AGENDA

PART 1



2024 – 03 – 01
14:00 - 17:30

Software company in a nutshell

- Market situation (retrospective,...)
- Tendencies in software development (Customer/Process)...
- Trends

Introduction
Department Structure



2024 – 03 – 02
09:30 - 13:00

Customer Journey (ITIL 4)

- Roles and Responsibilities
- Group Exercise:
 - processes in a software company
- Waterfall,...

Homework: ACME

Software development procedures

PART 2



2024 – 04 – 19
14:00 - 17:30

- Homework Review & Presentation
- Excursus communication
- Failing and Learning
- Roles and Responsibilities leads to Governance
- New Operating Model & Governance Model



2024 – 04 – 20
09:30 - 13:00

- The Role of Leadership
- Business Agile Mindset
- New ways of work

Homework: GTD

PART 3



2024 – 05 – 03
14:00 - 17:30

- Homework Review & Presentation
- Bimodal approach
- Changing Organizations by Analytics
- Generation Z
- New Work and Corona Pandemic



2024 – 05 – 04
09:00 - 13:00

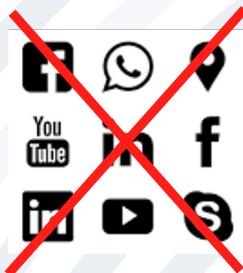
- Culture
- OKR – Objective Key Result
- Holacracy
- Crews, Guilds, Chapter...
- Scrum of Scrums
- How to build a DevOPS Organization
- New technology - Radar

Behavioral rules

- No smartphones
- No social media
- No browsing



Multitasking is a myth!



Don't let social media steal your attention -
it's always just a short gratification!

...and think about subconscious
(bad) influences

My expectations



Collaboration

Discussion

Openness

Criticism

Be (pro) active!

Be critical,
discuss, ask!

Make us aware of
any problems early!

Make your
assumptions
transparent!

Share your
concerns!

Evaluation- How to pass the lecture



Obligatory attendance at all lectures



Assignments



Group exercises

- Self-management: if you cannot attend to all classes, you shouldn't participate at all
- If there are overlapping lectures, decide which you want to attend
- Obligatory attendance at all lectures except for sickness and exams, if you have questions, please contact me
- For the 2 assignments the deliverable is a video with a presentation of your results (10-15 min)

Overview Assignments

- 1st Assignment until 2024-04-14 24:00
 - 2nd Assignment until 2024-04-29 24:00
- Assignments will be presented by 3 groups



What is the lecture about?

You will...

- understand the software and IT industry and how software and IT company operates (functions, processes, roles...) be critical, discuss, ask!
- identify new challenges facing the software industry. Key changes in the industry so we are aware of possible problems early!
- apply as-is analysis to software and IT companies to evaluate IT processes and principles
- get insight into the duties and importance of several roles. In particular, project management in guiding change processes. This will be achieved, in part, through role plays of realistic project scenarios

You will not...

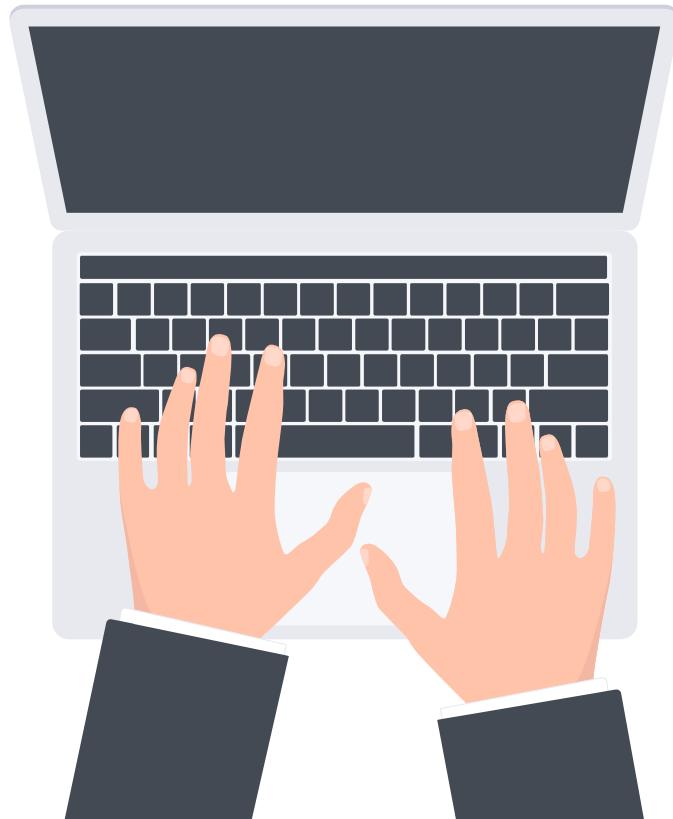
- learn practices, but principles
- build scrum teams, but understand their roles



Here you can find the
documents for downloading

<https://bit.ly/49s3Ycr>





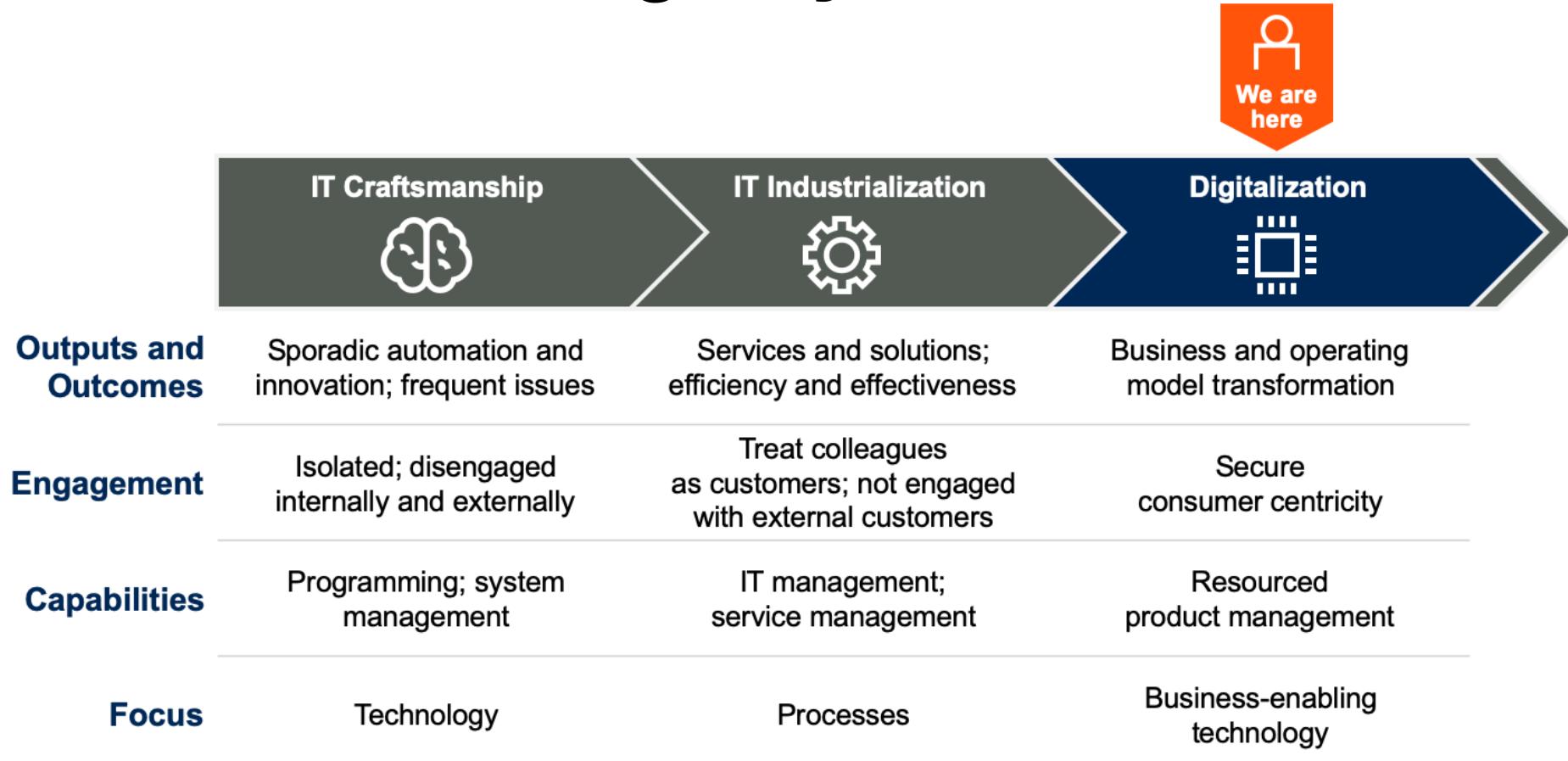
What topics are important
to **you** in this lecture?
Starting your own company, Scale a
Company, Strategy, Funding, Recruiting,
Architecture, M&A, Consulting,...

Use the link: www.menti.com
And code: 1818 0586

1.

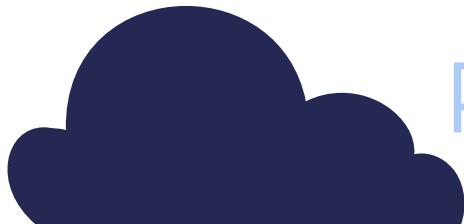
Software Company in a nutshell

We've come a long way



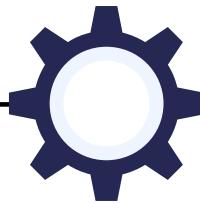




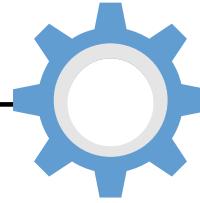


Project vs. Product vs. Service

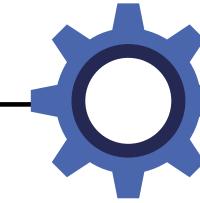
Project



Product



Service

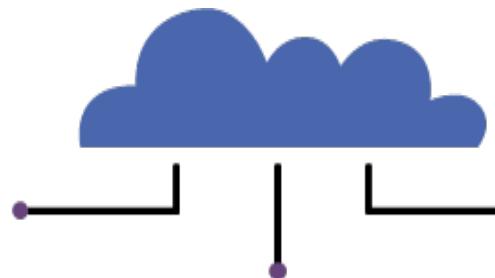


- Temporary in nature and results in a new, modified, or retired good or service
- Results in the modification of something existing or the creation of something new
- Artifact that is produced, are quantifiable, and can be either an end item in itself or a component item
 - E.g: Software, Building Project
- Includes items such as customer service, claims service, utility service, audits, and employee assistance programs
- Has an operational aspect and will often include a collection of requests related to aspects that service

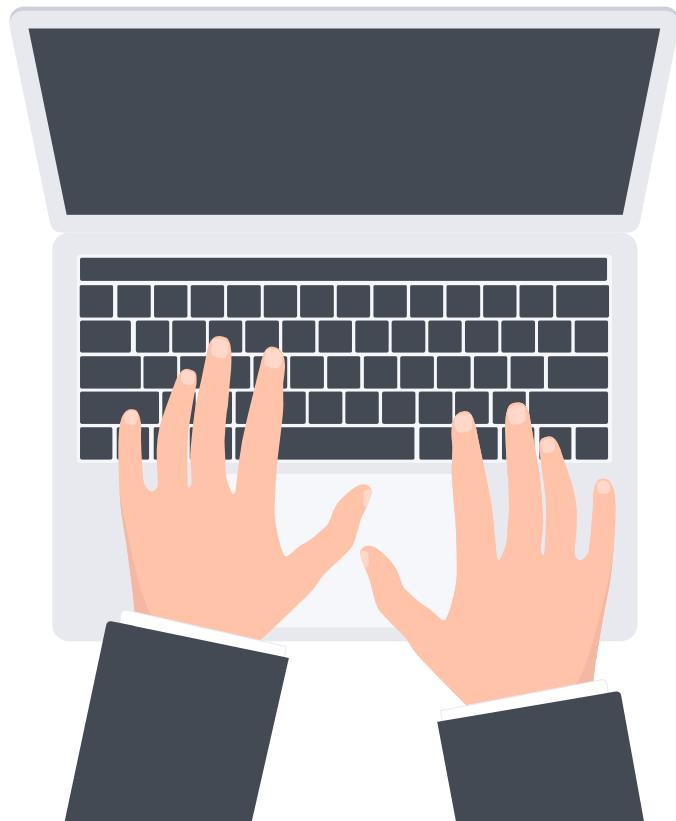
Game-Changer Technology

In the Present

How about now?



What do you think?



Next Game-Changer Technologies?

Use the link: www.menti.com
And code: 7132 9189

Top Strategic Technology Trends

for 2024

Accelerating Growth

- Generative AI
- Autonomic Systems
- Total Experience
- Distributed Enterprise

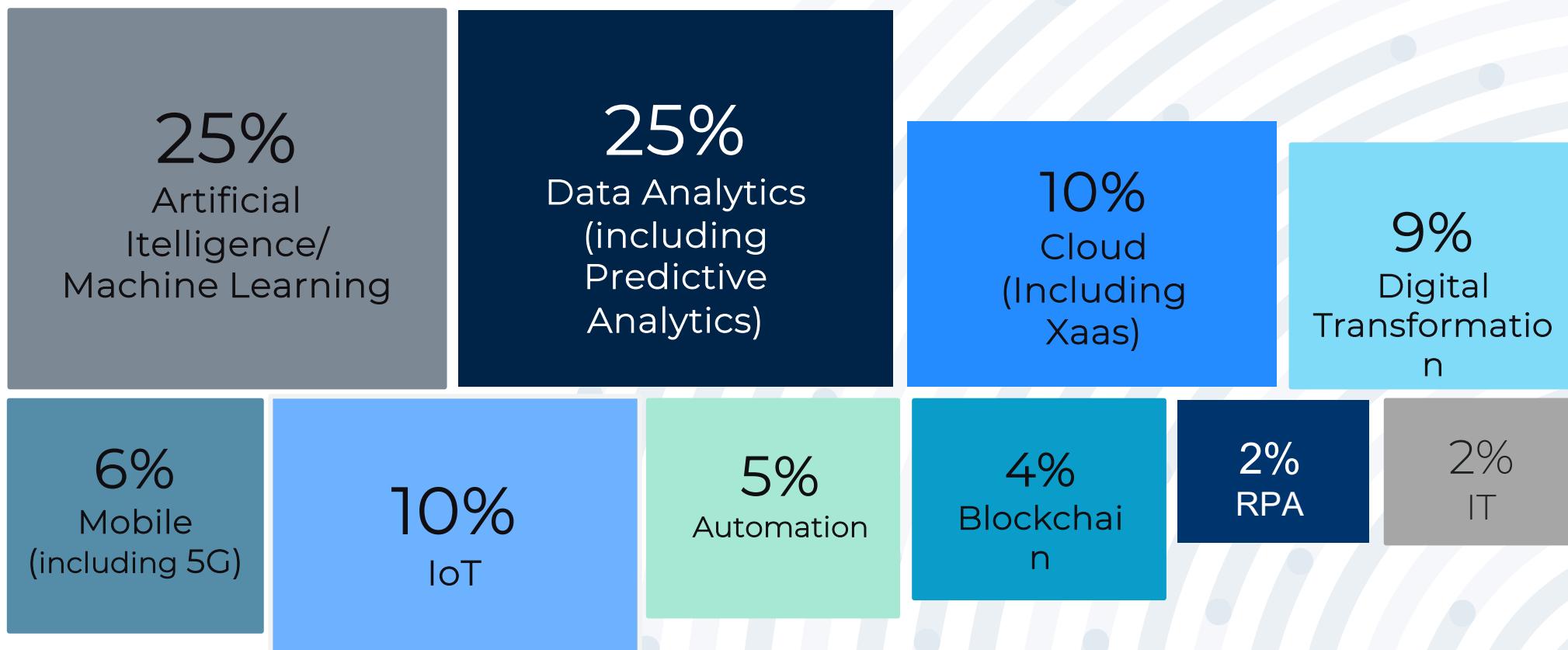
Sculpting Change

- AI Engineering
- Hyperautomation
- Decision Intelligence
- Composable Applications

Engineering Trust

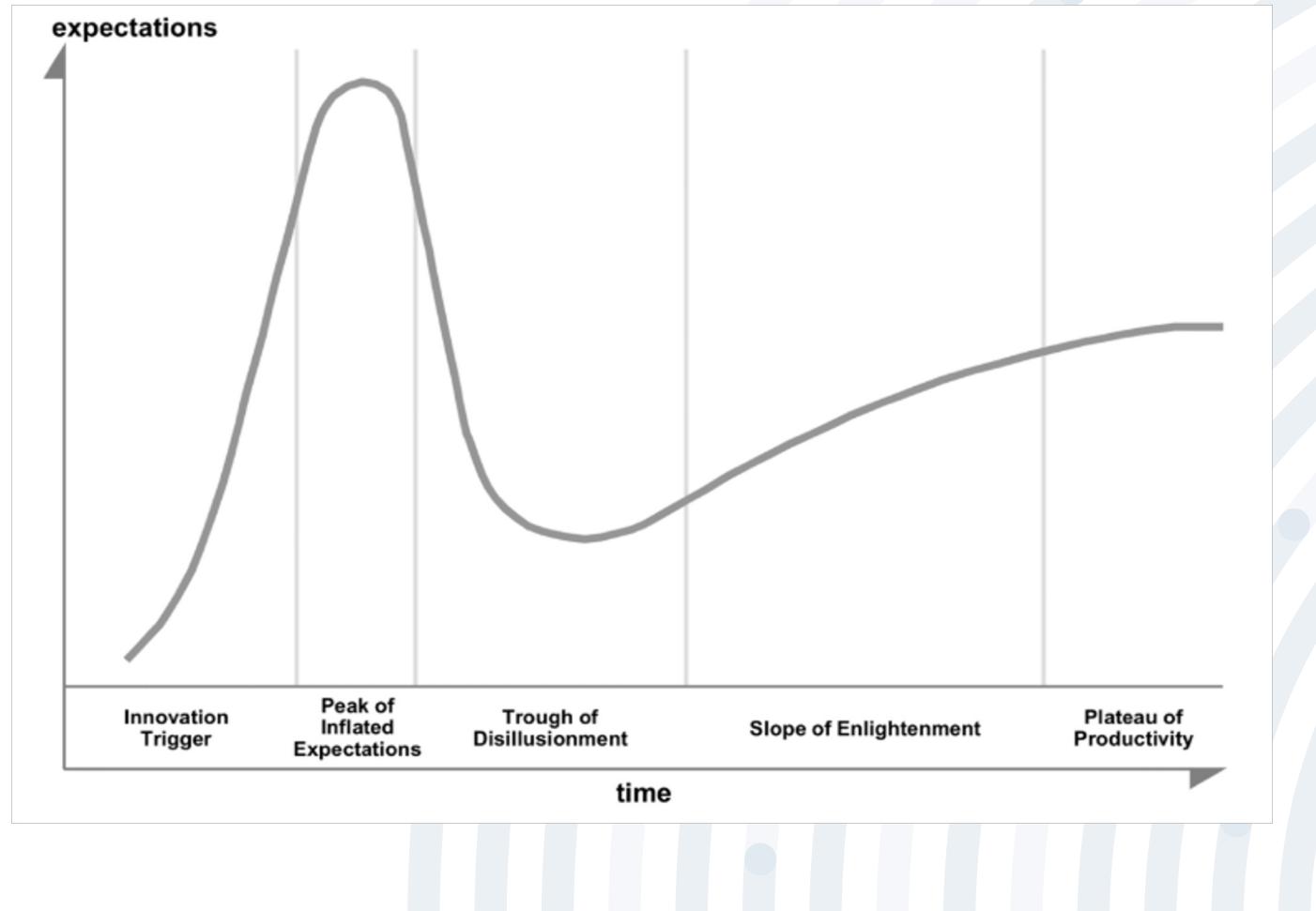
- Cloud-Native Platforms
- Privacy-Enhancing Computation
- Cybersecurity Mesh
- Data Fabric

Game-Changer Technology

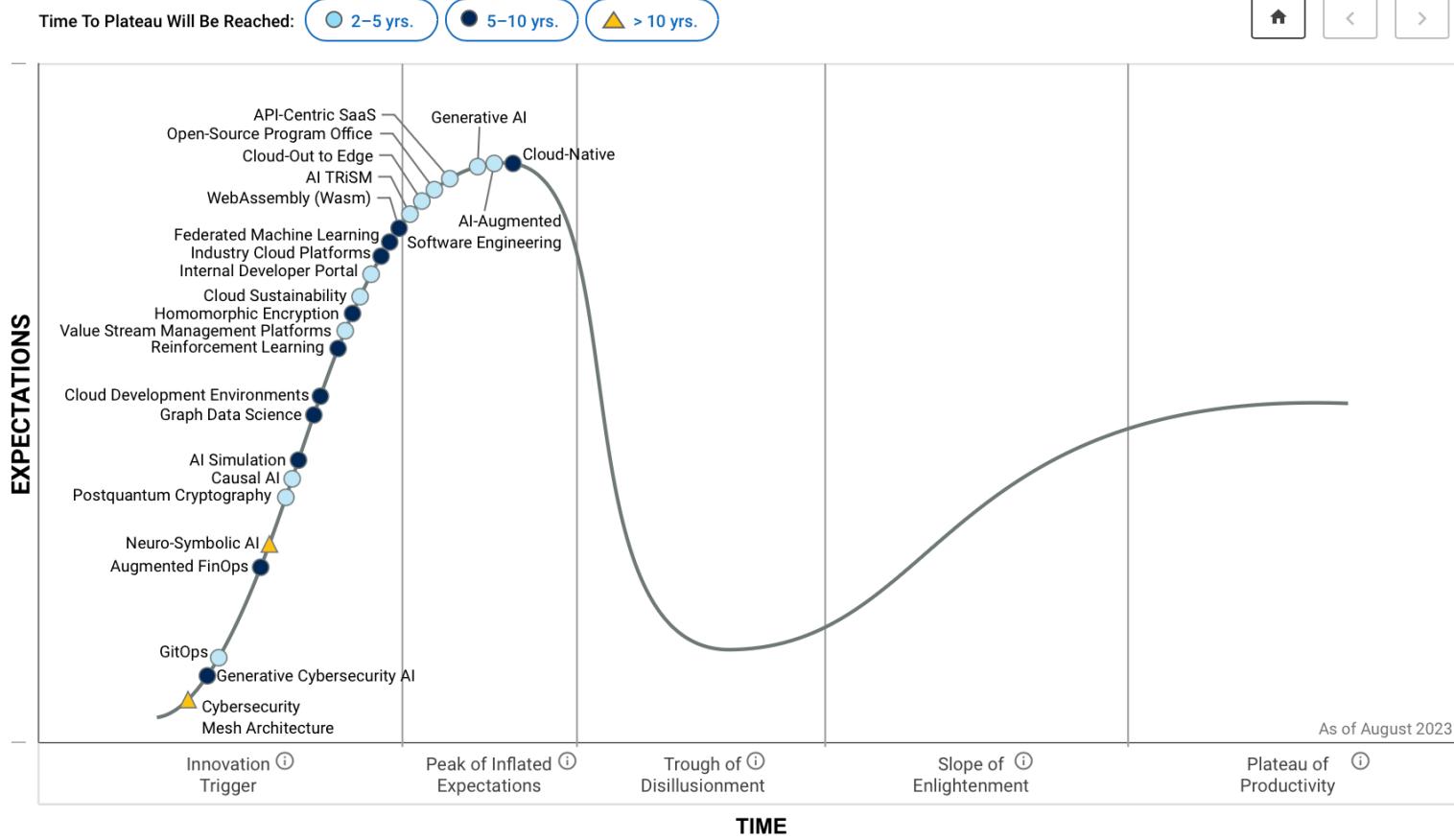


Hype Cycles

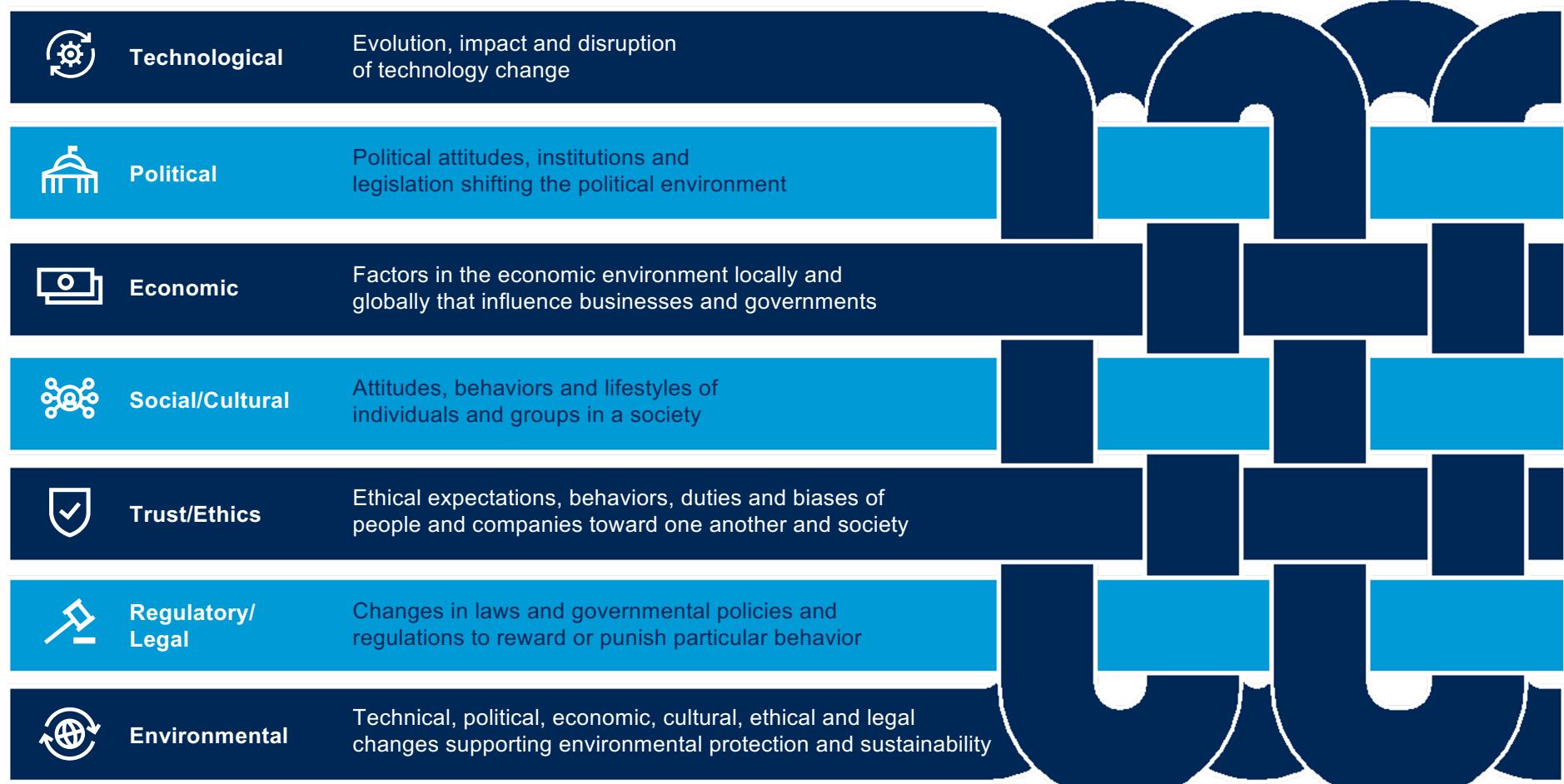
Show the inevitable progress through a pattern of overenthusiasm and disillusionment, followed by eventual productivity



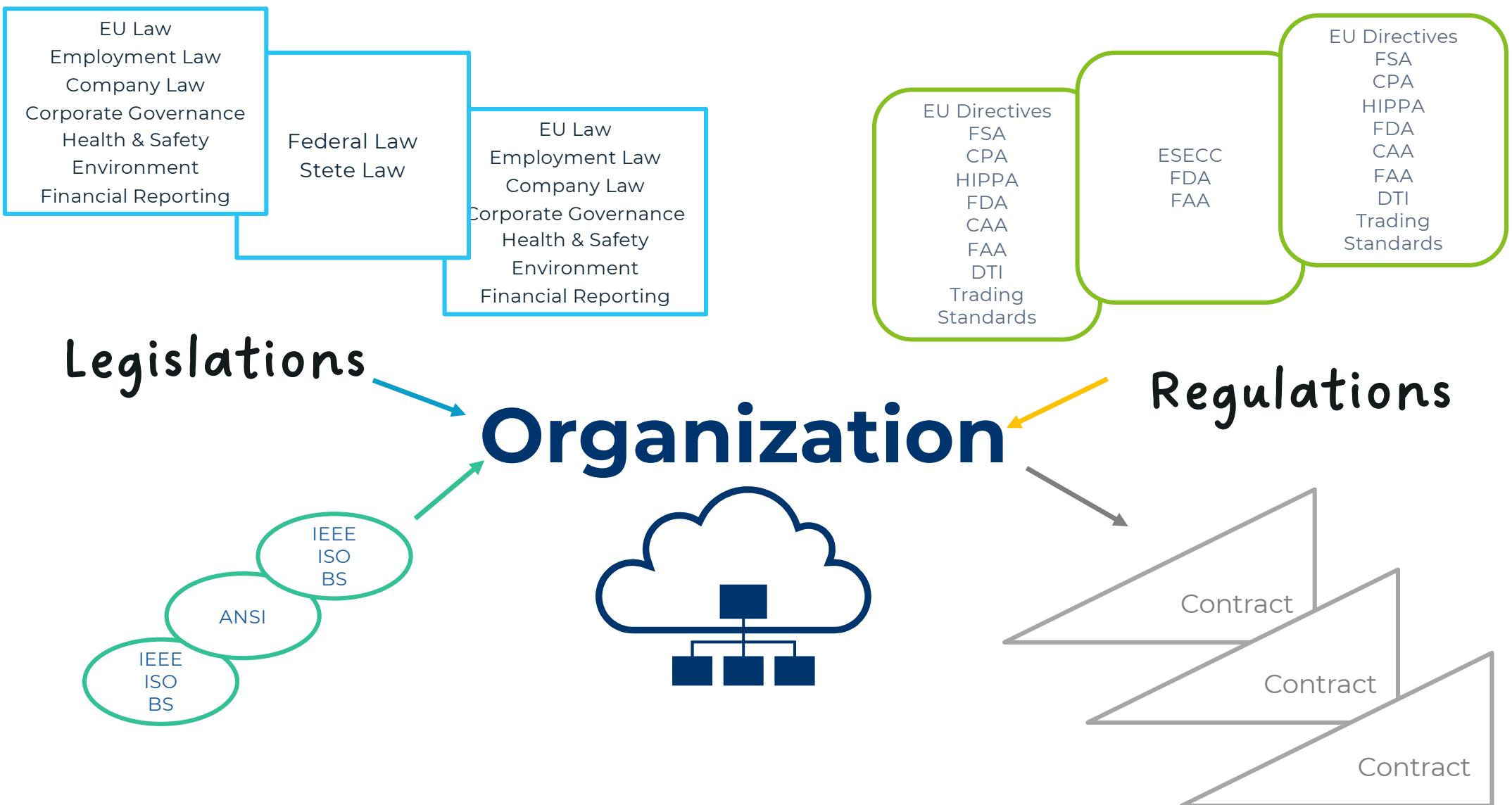
Hype Cycle for Emerging Technologies, 2023



A Tapestry (TPESTRE) of Trends



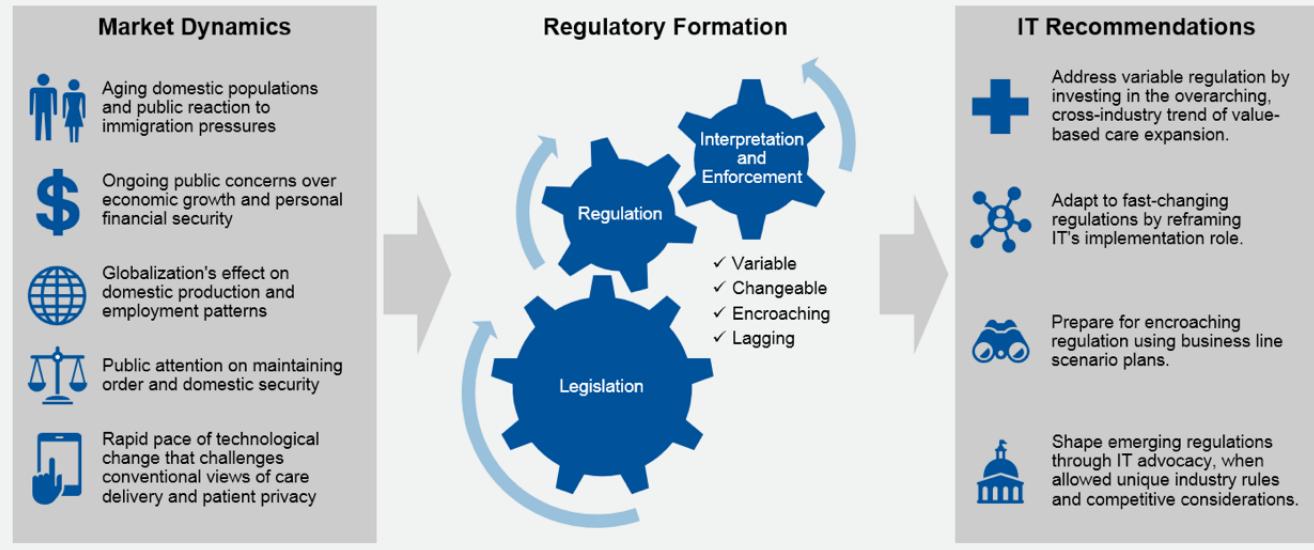
Source: Gartner



Regulations and industry norms
software development
companies have to
comply with diverse
regulations
market dynamics
create the need for
regulations



Market Dynamics, Regulatory Formation and IT Recommendations



“

Key Takeaways.

- IT and software market is growing
- Compliance and industry standards can change the game
- It's a global market
- It's a human business
- Find the right mixture

BREAK

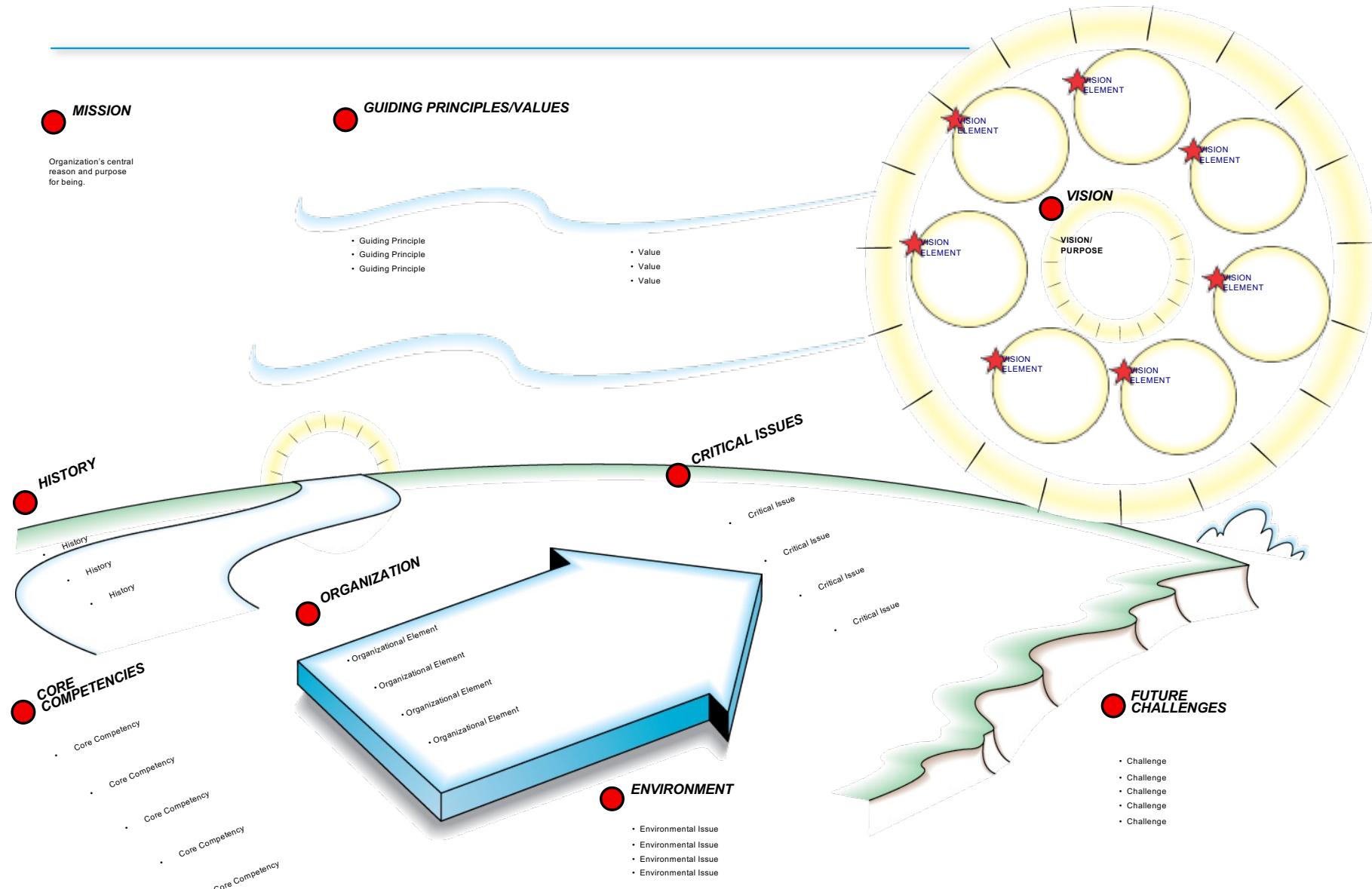
IT Company in a nutshell

Part II

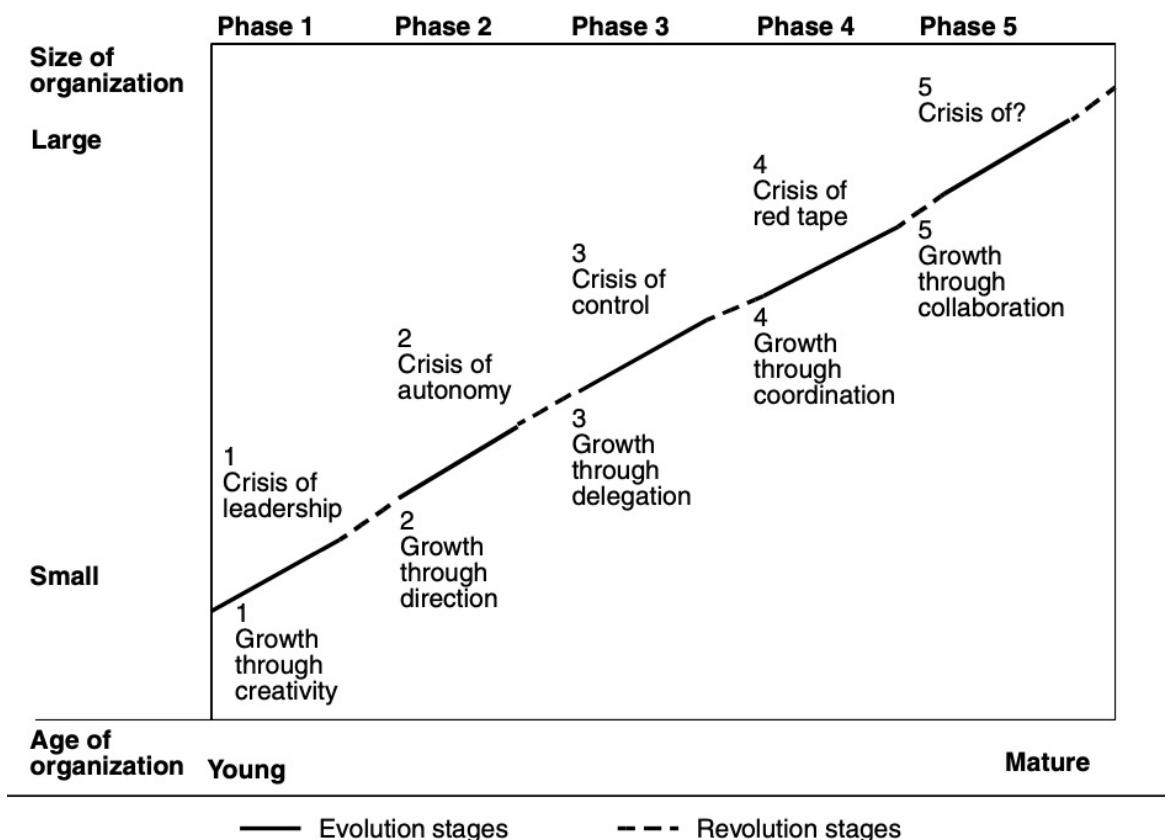
Whether you are head of an organization, how would you manage to start a company, and what is the structure needed for this establishment?



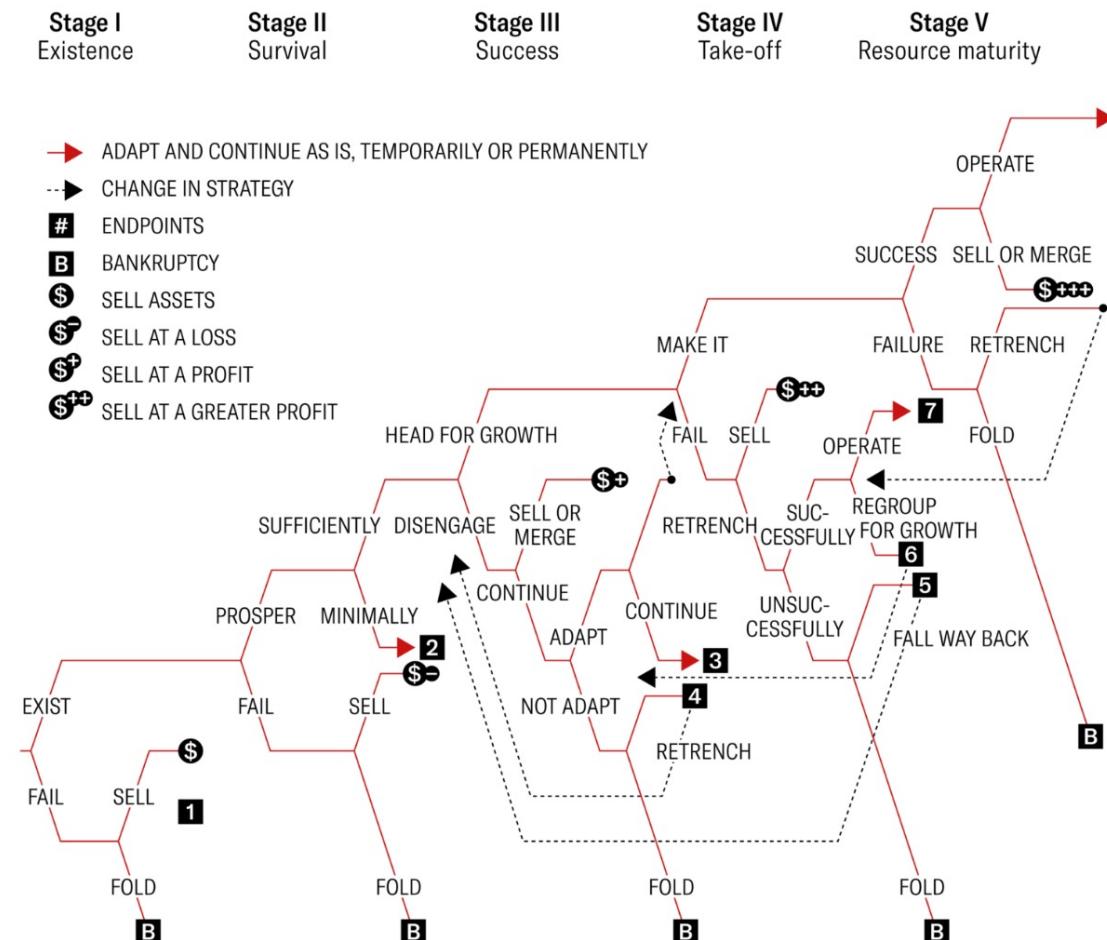
JOURNEY VISION



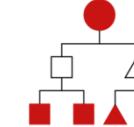
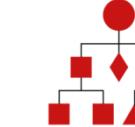
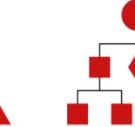
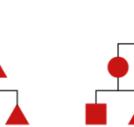
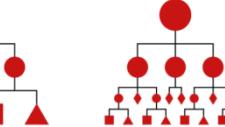
5 Growth Phases of an organisation



Evolution of Small Companies



Characteristics of Small Business at Each Stage of Development

	Stage I Existence	Stage II Survival	Stage III-D Success- Disengagement	Stage III-G Success- Growth	Stage IV Take-off	Stage V Resource maturity
MANAGEMENT STYLE	Direct supervision	Supervised supervision	Functional	Functional	Divisional	Line and staff
ORGANIZATION						
EXTENT OF FORMAL SYSTEMS	Minimal to nonexistent	Minimal	Basic	Developing	Maturing	Extensive
MAJOR STRATEGY	Existence	Survival	Maintaining profitable status quo	Get resources for growth	Growth	Return on investment
BUSINESS AND OWNER*						

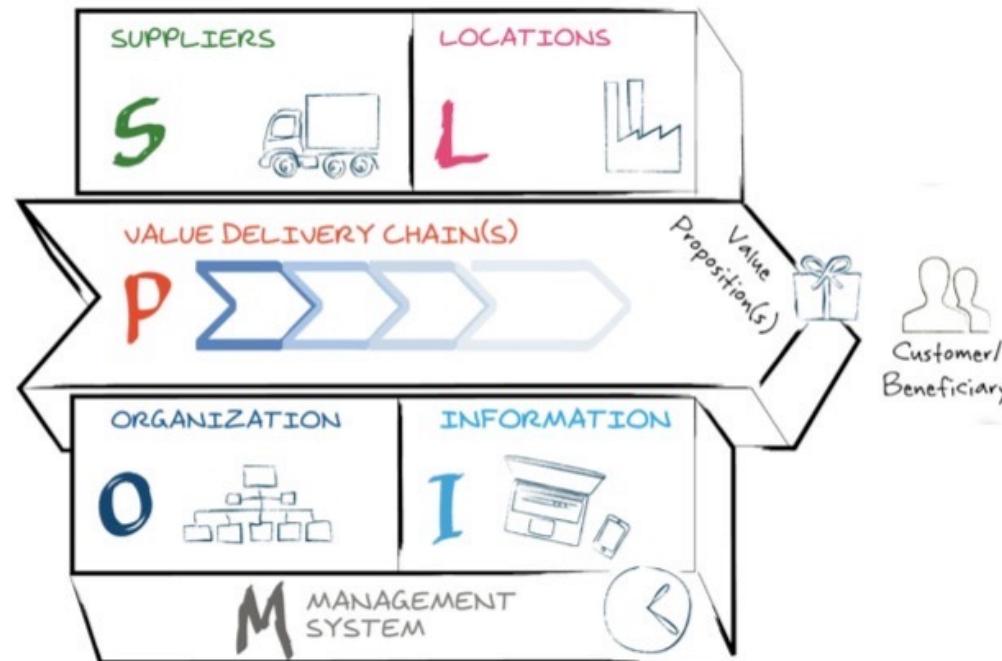
*Smaller circle represents owner. Larger circle represents business.

“

Organizations which design systems ...
are constrained to produce designs
which are copies of the communication
structures of these organizations.

M. Conway, April 1968

Operating Model Components



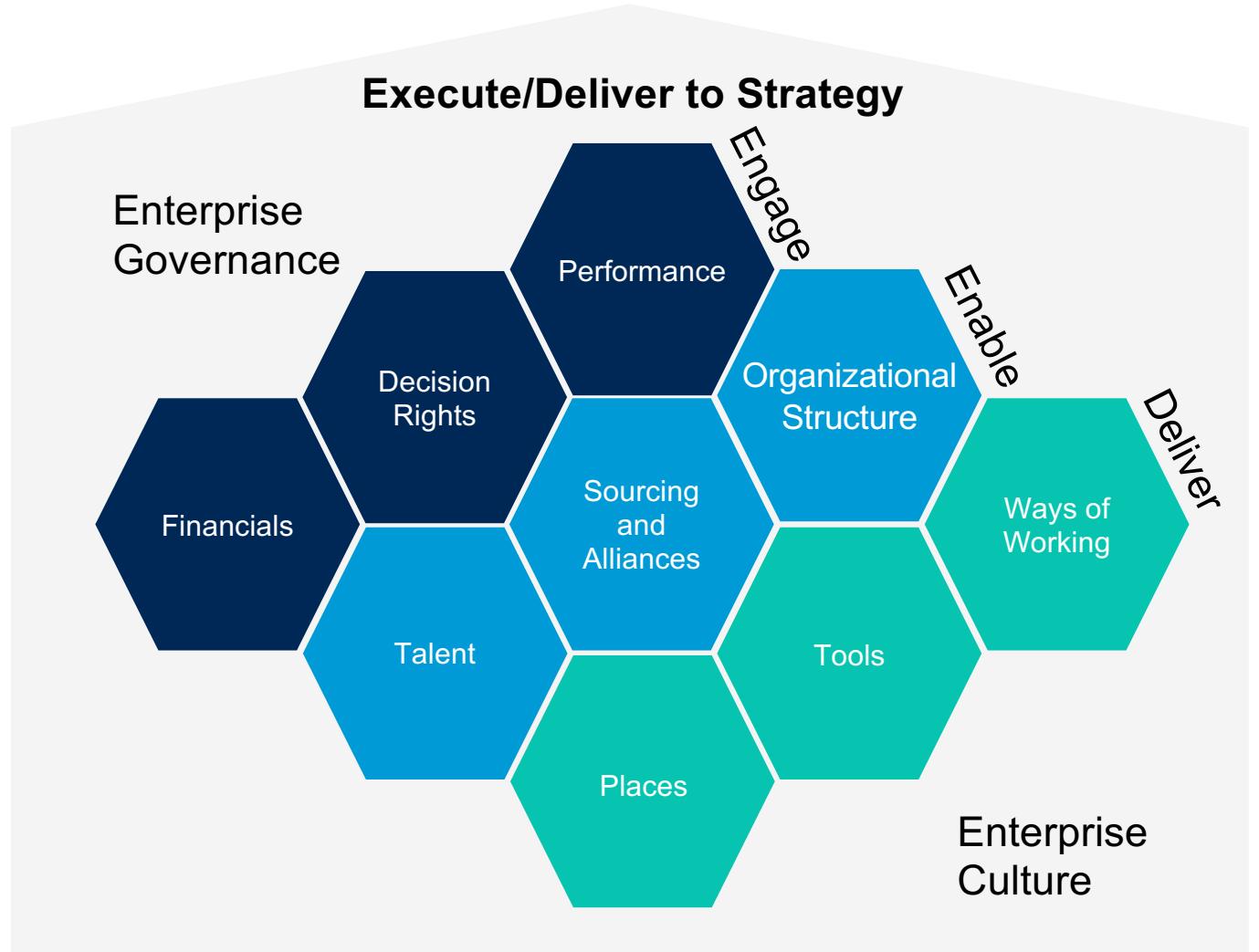


What are the key components of an
IT company's operating model?

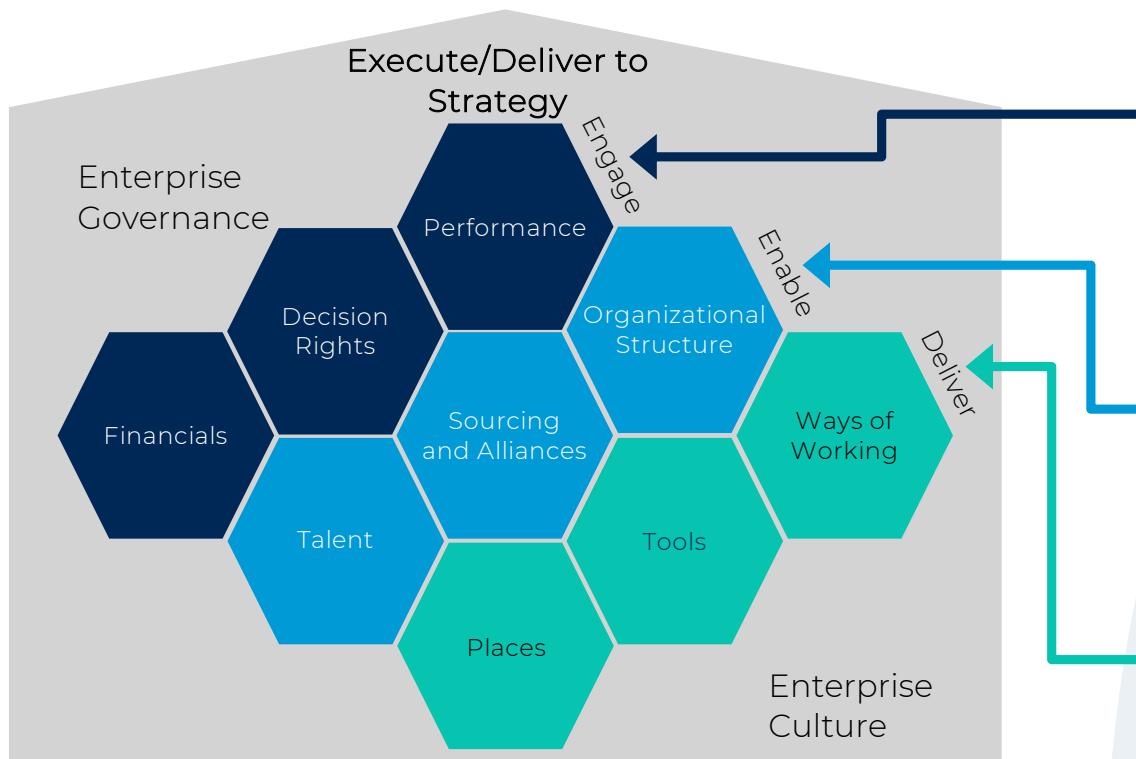
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The I&T Operating Model Specifies

"How" Work Gets Done in
the Enterprise



I&T Operating Model



- ✓ Teams measured on outcomes and SLAs
 - ✓ I&T service and product managers emerge as key decision makers
 - ✓ Investments prioritized by expected outcomes from portfolios
 - ✓ Financial transparency
-
- ✓ I&T process/service matrixed teams
 - ✓ Strategic multisourcing
 - ✓ Solution, relationship and business expertise
 - ✓ Product/service manager and EA roles
-
- ✓ Agile teams with business product owner
 - ✓ Roadmapping of products and portfolios
 - ✓ Increased automation and speed
 - ✓ Collaboration drives collocation

I&T Operating Model



Exercise

Objective: Develop a detailed organizational structure for a medium-sized company of your choice. Consider various departments, hierarchical levels, and employee roles.

Tasks:

- 1) Choose a Business Sector: Define the industry in which the company operates and the products or services it offers.
- 2) Determine the Company Size: Decide on the size of the company, such as the number of employees, and its geographical reach.
- 3) Develop the Departmental Structure: Identify the core departments required for the company's operations. Consider what specialized teams or units are needed.
- 4) Define the Hierarchy: Create an organizational chart that shows the hierarchy levels from the CEO to the clerical staff. Include communication pathways and reporting structures.
- 5) Roles and Responsibilities: Describe the main tasks and responsibilities for each role within the organization.
- 6) Analyze the Organizational Structure: Discuss the advantages and disadvantages of your chosen structure. How does it affect the company's efficiency, flexibility, and growth?

Presentation: Prepare a presentation to showcase and justify your organizational structure. Use visual aids such as diagrams or tables.

The organizational structure of an IT company

An example - The EWERK structure



“

Key Takeaways.

- There are always challenges/trade-offs when designing the organizational structure
- Processes are for scaling and repetition
- Standards are important but not a blueprint - you need to adapt
- Companies need a clear understanding of organizational structure.

“

- EWERK Group consisting of 4 companies
- Founded in **1995, owner-managed**
- **PE investment, buy & build strategy**
- Headquarters in Leipzig
- Several locations in Germany and Vietnam

EWERK Group

facts and figures



> 600
Customers
Europe wide



> 280
Employees



87 %
University
graduates



5 international
certifications
for 10 years



30 Years
experience



> 400
complex IT
projects in
the year



> 40.000
PT Project
volume



3 data
centers +
various cloud
solutions



+ 20 %
Increase
per year



> 25 Mio.
Euro
Revenue

EWERK Group

Consulting
• IT Management & IT Strategy Consulting
• Project & Transition Management
• IT process consulting
• Evaluation of software, architecture and systems
• IT security & compliance consulting
• Consulting & certification of management systems
• Data Science & Business Intelligence

Development
• Software Innovation
• Business applications
• Standard Software
• Business Critical Big Data Systems
• n-Tier & Microservices
• APIs
• Agile Teams
• DevOps

Operations, Infrastructure
• Enterprise IT Outsourcing
• Transformation Management
• Hybride Cloud Services
• Application Lifecycle Management
• Service Management
• Managed Security
• Digital Workplace

How EWERK handles these evolutions

You need experts
to understand
client needs

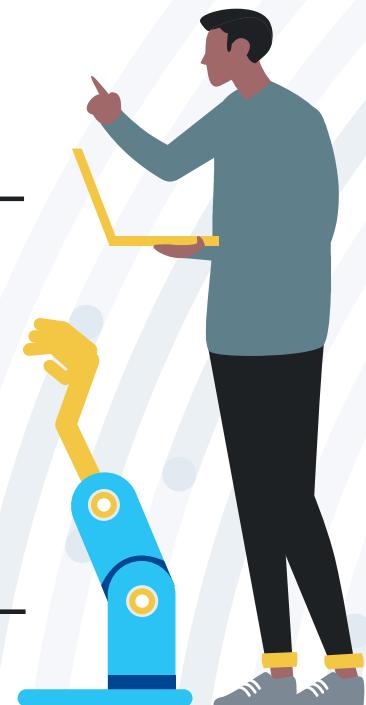
Technology
can make a
big difference

Experts don't
wait for you

Estimations is
always the key

Balance between
technology
innovation and
margin

You need to
understand the
business of the
client



Wrap Up Questions?

... or FEEDBACK

CHECK-OUT