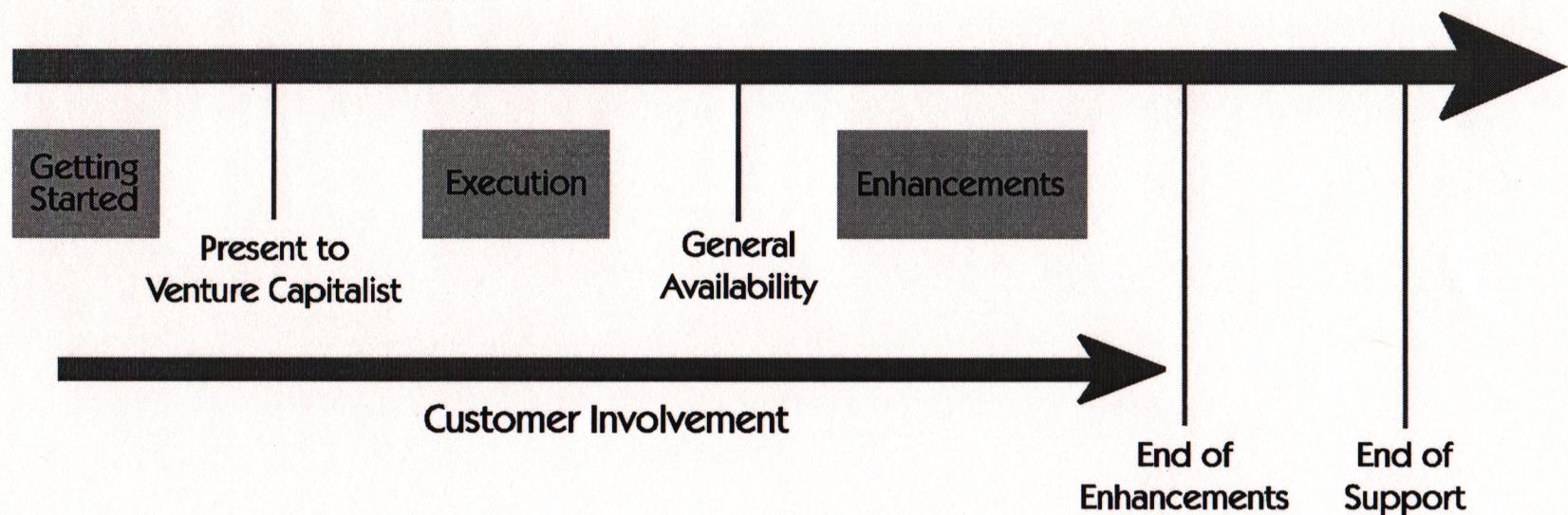


Value Creation Process



Contributors

Agility Team

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Value Creation Process

Background:

In response to John Roth's suggestions and desire for a "Right Angle Turn" the INM Leadership council was formed by Steve Nicolle. The ILC's first task was to discuss the three key areas John Roth had identified as critical to making the turn: Agility, Leadership, and Globalization. Teams were assembled at the June offsite meeting and got to work.

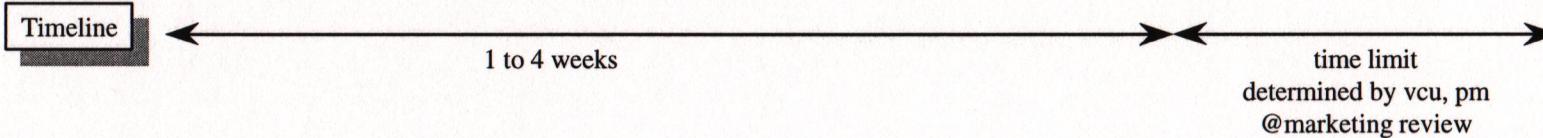
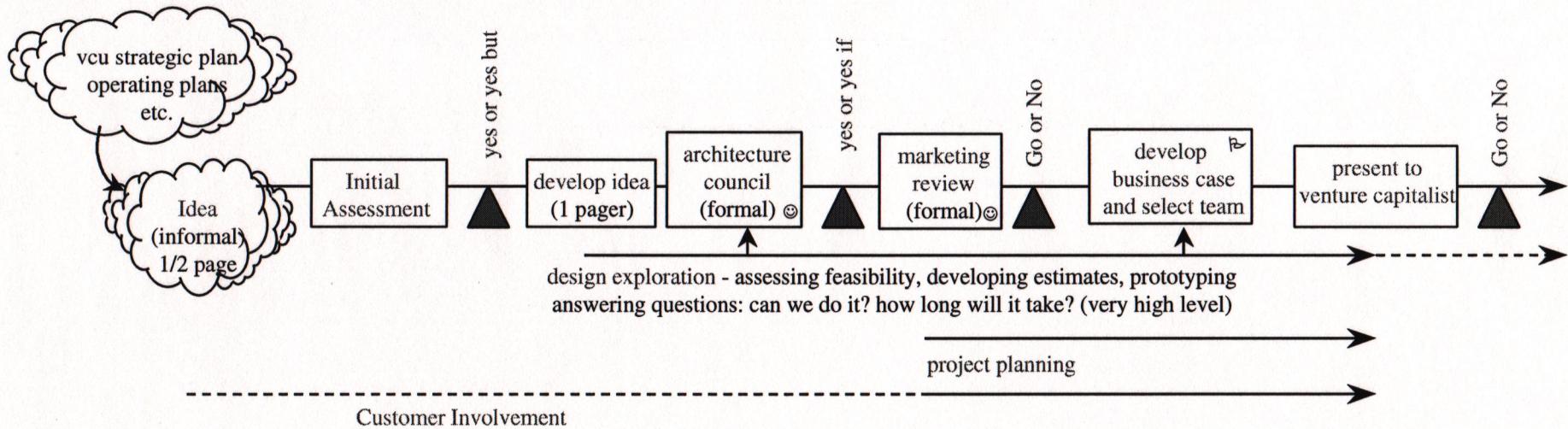
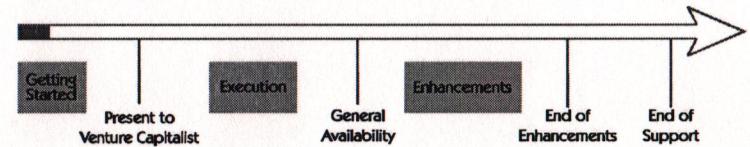
The Agility team quickly identified issues hindering INM's agility and how we do our business. The alpha, beta, ship concept was a top priority. The Agility team concluded a sub-team needed to be identified that would be responsible for evolving the process. Numerous discussions with members across INM have contributed to the current version of this process.

The objectives of the team were to work out a high level view of a process that:

- facilitated improved time to market
- allowed flexibility for many types of projects
- increased customer involvement
- facilitated rapid development techniques

Now, in the true spirit of the new Value Creation Process, the Alpha of this process is available to you, our customers, to provide feedback and suggestions.

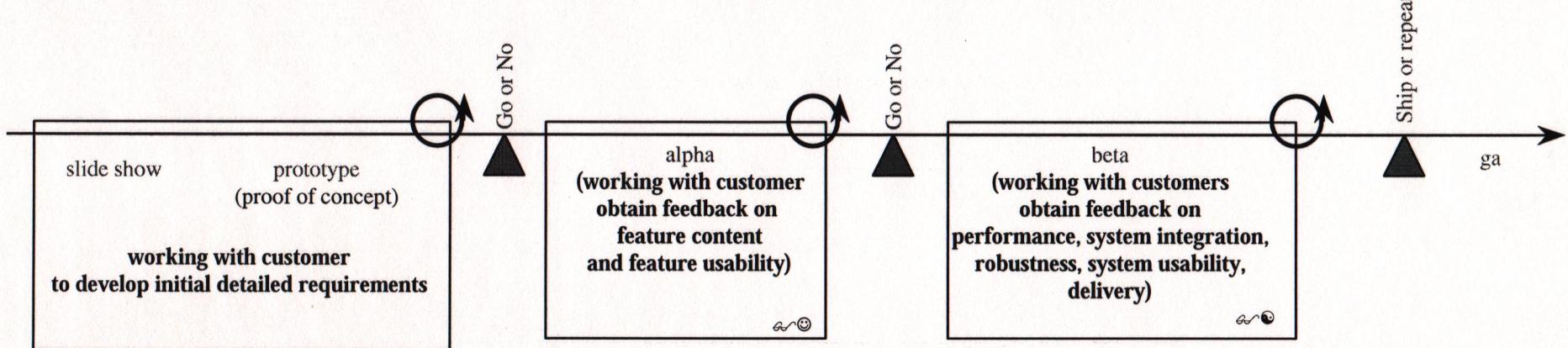
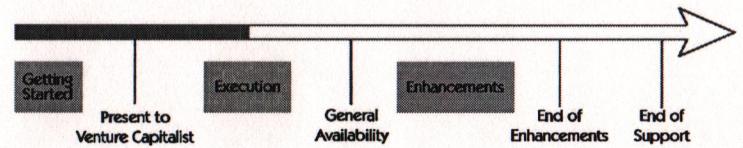
Getting Started



☺ See Appendix E for more information

☛ See Appendix A for more information

Execution



Timeline

Maximum of 18 months
Based on initial estimate and refined after each stage or iteration
Each iteration should be short

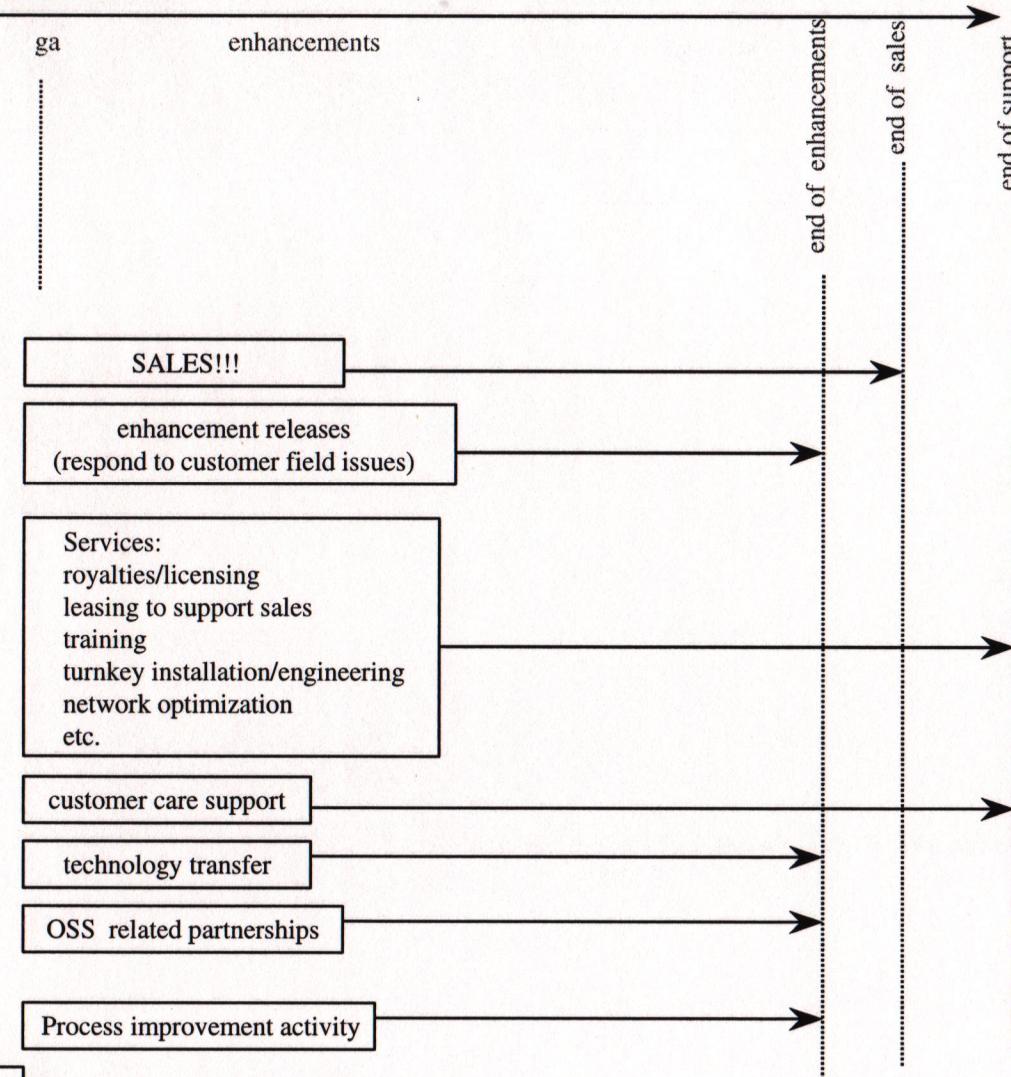
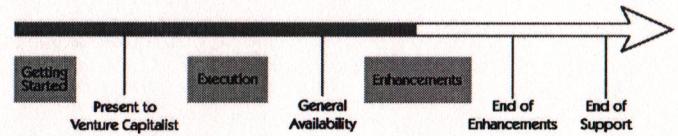
- ⌚ See Appendix B for more information
- ⌚ See Appendix C for more information
- ⌚ See Appendix D for steps in detail

Note: Different features of a product might be at different stages at different times (one feature at alpha while another is at beta - would need beta for whole though)

Note: Flow through these steps would be defined by pm and pl (and customer?)

Note: To make go or no go decision the business case must be updated - use business case to keep cabinet informed of status

Enhancements



Players

marketing, sys eng, sales

pm, design,
customer advocacy group

services

customer care group

pm

pm

all

Timeline

determined by pm

July 7, 1998
Version .05

Karen Lange/VCP Team

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New Concepts

- enhancement releases
 - defn: software releases to address CSRs
 - free for customers with release
 - no significant new features
 - our major competitors do maintenance releases to allow much more rapid turn around of customer issues
 - timing determined by pm (influenced by customer advocacy group)
- customer advocacy group
 - defn: group which helps to promote awareness of customer issues and mediates for rapid solutions
 - rapid escalation of customer issues
 - involvement of larger % of staff in solving customer issues
 - time added to cycle to explore ideas
 - GA involves more \$\$\$ than just selling the product in the traditional sense

Assumptions

- Project lead is responsible and accountable for TTM
- Small cross-functional teams @ working level (MSS to MSS)
- High level of customer involvement
- Venture capitalist maintains priority list of projects upon which decisions are based
- Portfolio manager has some discretionary funds to spend exploring ideas
- INM changes infrastructure to support multiple projects and their interaction (loadbuild and streams become agile and flexible)
- In order to achieve short-short projects need to be modularized to accommodate small teams =< 10 people

Recommendations

- Collocation of teams as much as possible
- Verification is concurrent with design
- Verification is involved throughout to provide input on verifiability etc.

Points to be addressed

- partnering and this process
- how will groups outside of INM fit into this (e.g. access node)
- resourcing prioritization
- all the sub processes to go under this process
- stream management and loadbuild

What's next?

- Gather feedback from customers (INM employees) on current alpha version
- Analyzing feedback and updating process
- Present process to cabinet and decide on Beta strategy

Appendices

Appendix A: Present to VC

Questions to answer in Business Case for VC

1. Do we have the right value for the right customer in the right time frame?
2. Does this address the global market? If not, why not?
3. Have we engaged with a lead customer?
4. Do we have the project team in place to execute?
5. What's the next milestone?
6. Have we sized the overall market?
7. Can we quantify the return on investment?
8. Should we build this ourselves or buy it?

Note: Lead customer should have been involved by this stage.

They should be aware of our alpha beta approach.

Negotiations should begin with customer regarding ga acceptance criteria

How to go about an answer:

1. strategic fit
lead customer (also answers 3)
other potential customers (also answers 2)
market window
proposed features (high level) and definition of services (high level)

4. identify team

5. preliminary project plan (high level)
(range of dates, phases of execution)

6. estimates of revenue

7. estimates of effort (high level) based on
range of dates

Also important:
risks
software research vs. software development

Appendix B: Alpha criteria

- To take alpha to customer
 - feature(s) developed enough to show clear intention to customer of looks, functionality, and behavior (these could be done as several iterations)
- To finish alpha step
 - customer satisfied with feature(s) (content, looks and behavior)
 - customer input collected on usability of feature(s)
 - customer satisfied with documentation strategy (types of information, layout, etc.)

Appendix C: Beta criteria

- To take beta to customer
 - customer's feedback on features, usability and documentation addressed
 - feature(s) complete
 - installation developed enough to show clear intention to customer of looks and behavior
 - documentation of feature functionality 80-90% complete
 - customer care ready to support
 - sys eng ready available to supply prof. services to beta customers
- To move on to ga
 - Project Leads decision - presumably based on:
 - customer acceptance criteria met
 - customer's feedback on performance, system integration, robustness, delivery etc. addressed
 - all documentation complete
 - training is ready

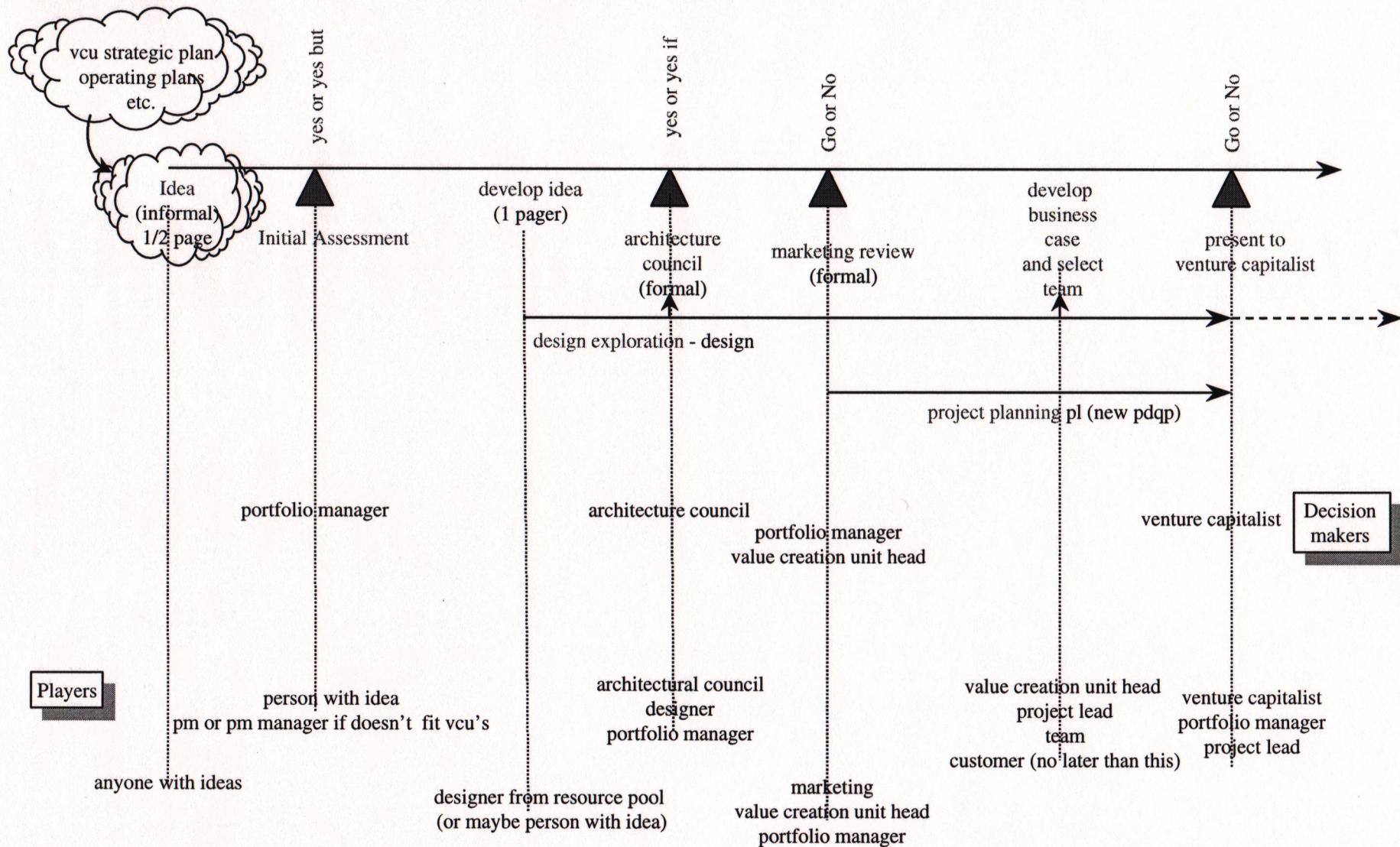
Appendix D: Steps in detail

	slide show	prototype (proof of concept)	alpha	beta	ga
Purpose of step	work with customer to: define initial detailed requirements of design of documentation of acceptance criteria	work with customer to: define initial detailed requirements of design of documentation	work with customer to: further understanding of what's required feedback on features of design of documentation	work with customer to: fine-tune feedback on: system integration robustness performance usability (wide scope) delivery process	generate revenue!
Definitions	slide package road show simple to present	explore functionality proof of concept implies throw away code vaporware	feedback on feature content re-usable, flexible code << robust << content	feedback on system determine GA criteria with customer projects come together to make products	ready for general release
Sales	intellectual property	no	no	yes (sales of GA through Beta offer)	yes
Comments			Risk: 10% of projects should be tossed at alpha	have several beta customers to ensure marketability	Risk: 35-50% of features should be different at GA than at alpha

Appendix E: Notes

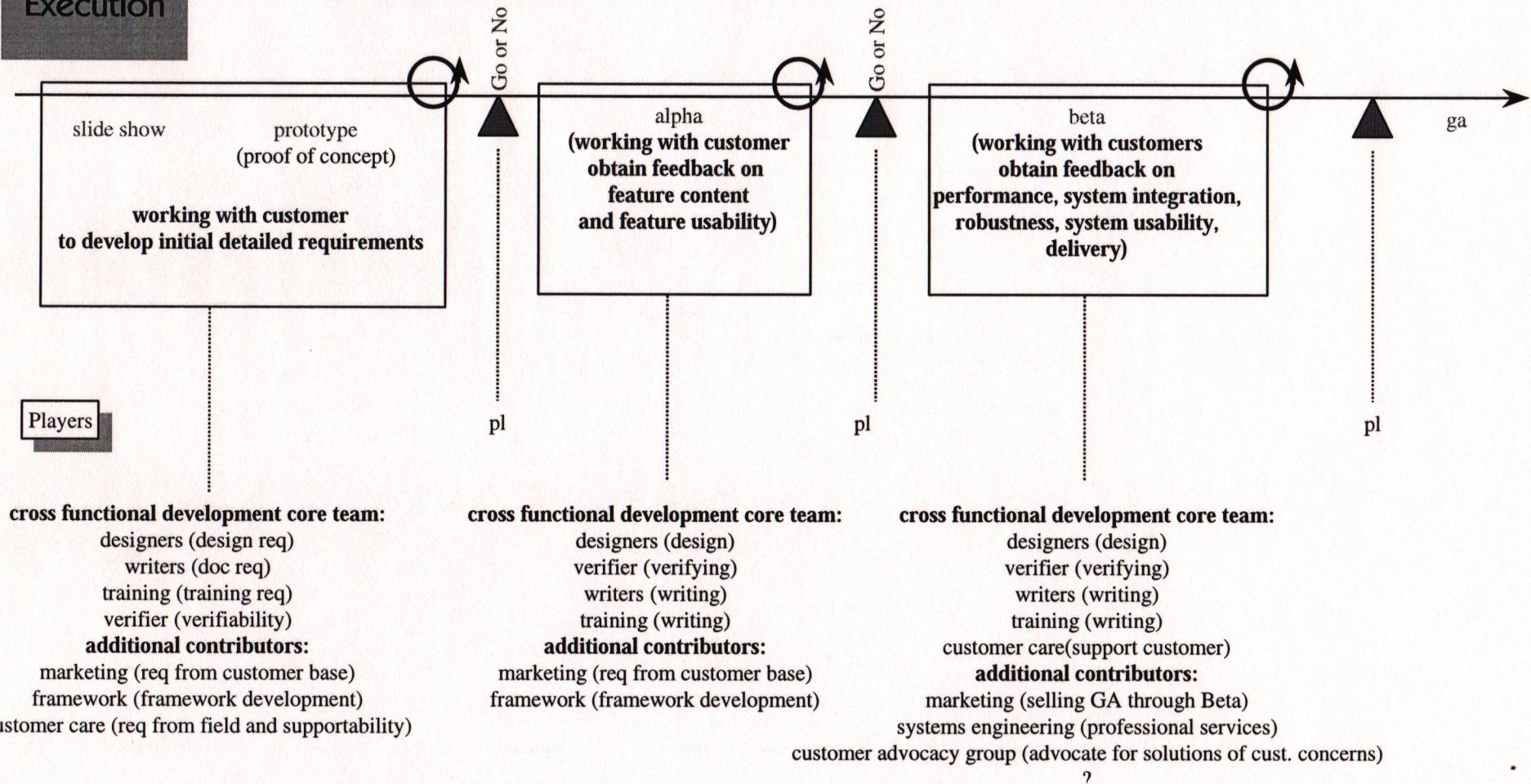
- Any No Go decision would require project lead to remove any customer expectation regarding product (POR, lead customer, etc)
- Design documentation mechanisms left up to project leader but recommendations will be provided as process is developed further
- Marketing Review
 - answers project vs product question - how will this fit in with our product positioning
- Architecture Review
 - determine whether the technological aspects of the idea can be fit within the architecture (or whether this is an architecture direction we want to take etc.)
 - can send idea back for further exploration
 - portfolio manager would obtain project lead for the go decision
 - timeline: ASAP after passes architecture review

Appendix F: Roles



Execution

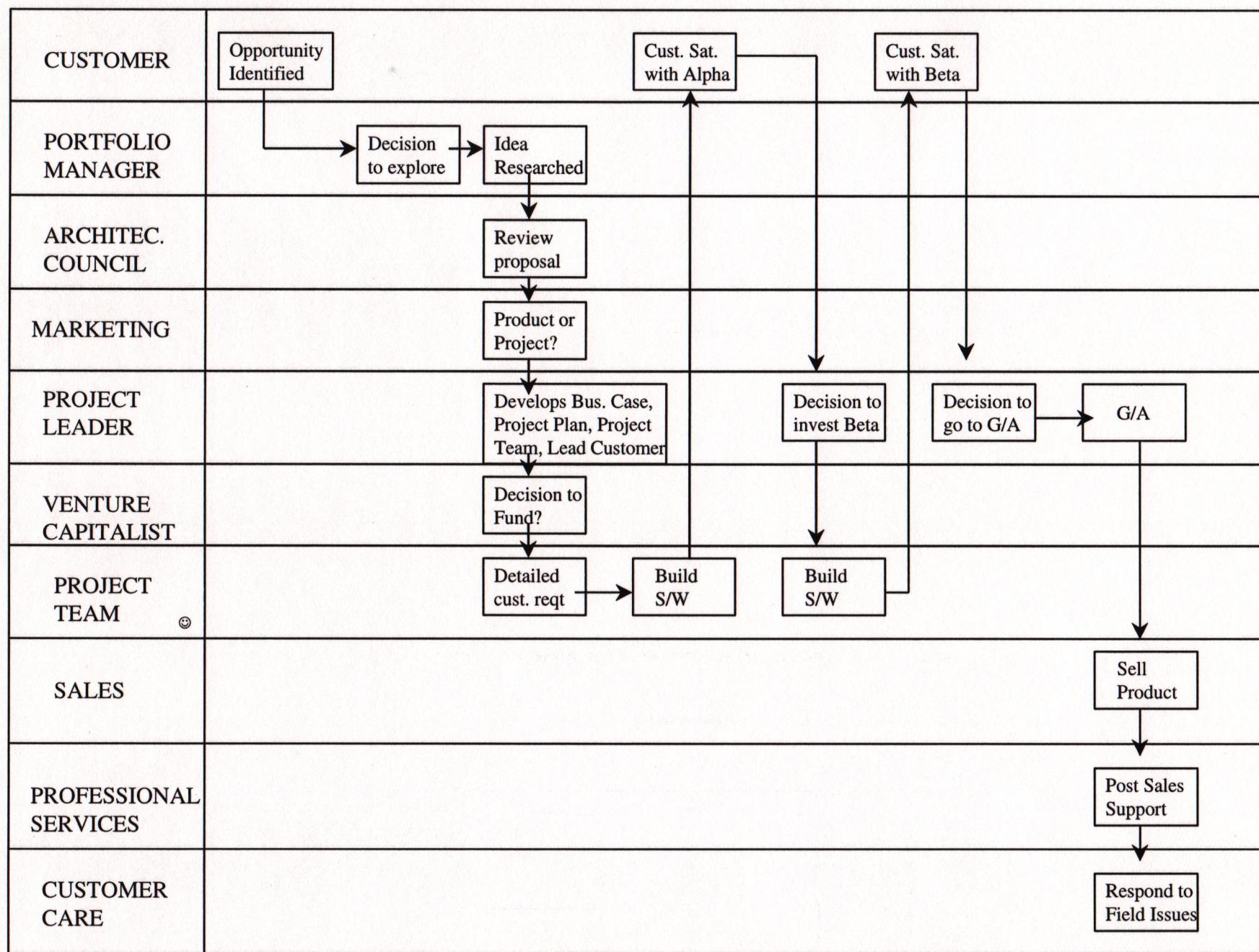
Appendix F: Roles continued



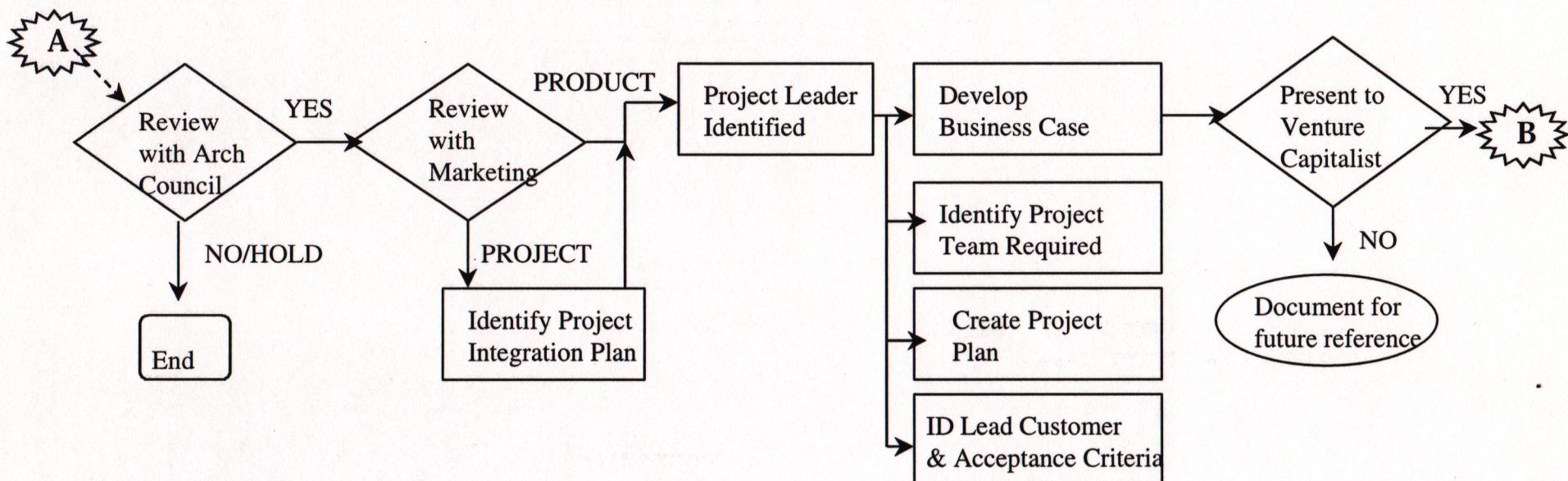
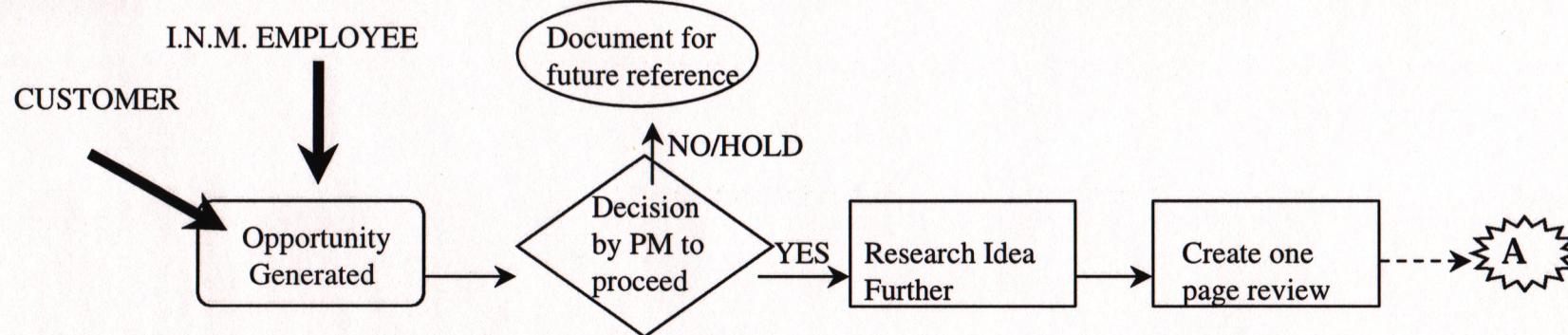
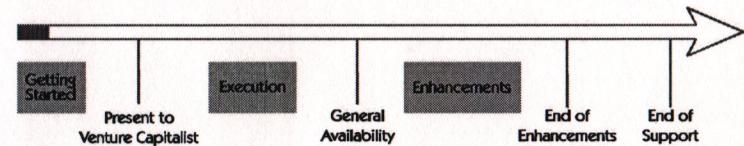
Appendix G: Process Flow Charts

CROSS - FUNCTIONAL V.C. PROCESS MAP (High Level)

☺ For more role information see Appendix F



Getting Started



Execution

- ⌚ See Appendix B for more information
- ⌚ See Appendix C for more information

