



*Across Time
Around the World
Understanding Technology*



Telecommunications



Compliance



Operating Systems



Data Center

Mainframe



Strategy



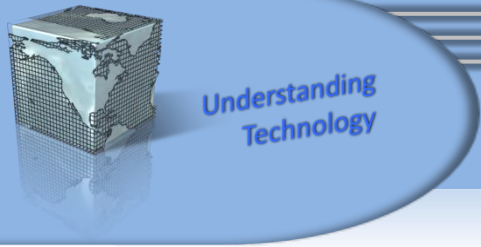
Development



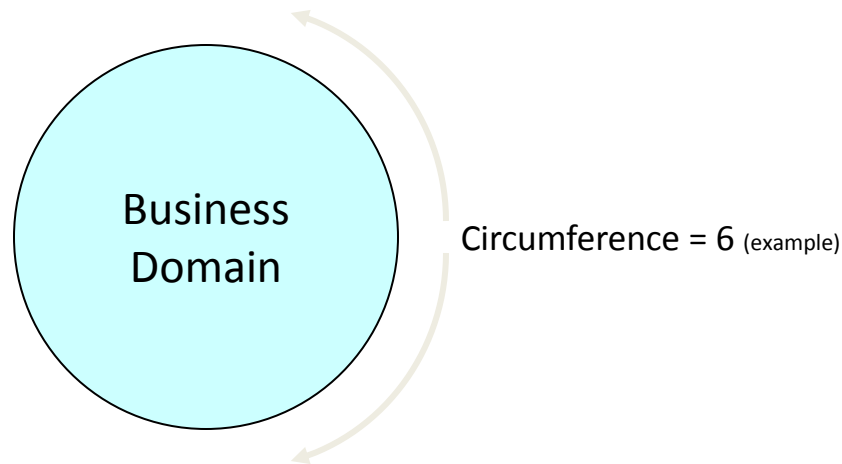
Mobility

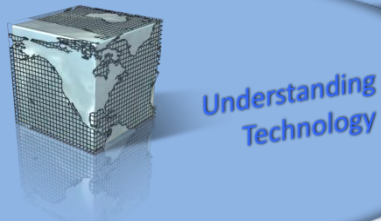
Good, Fast, Cheap; Pick Two!

A discussion of balancing objectives in business to achieve the “best” solutions at any point in time



- Every product or service is governed by the nature and boundaries that a business defines for itself.
 - What do you do? What do you sell? What IS your business?
- If we view this “Business Domain” represented as a circle, then those service boundaries are prescribed by the circumference (and the area within it) of the circle

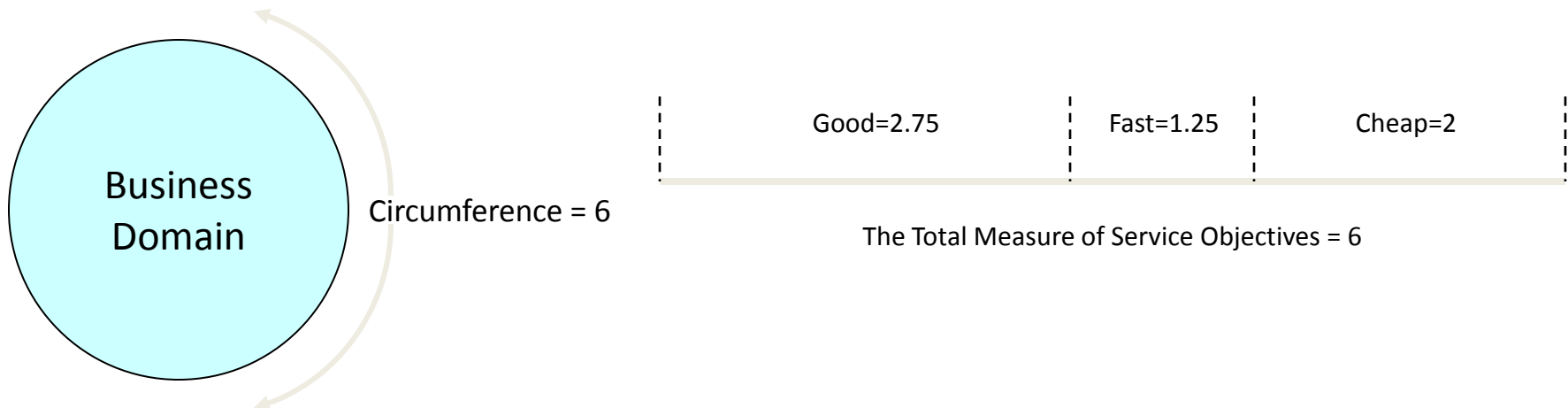


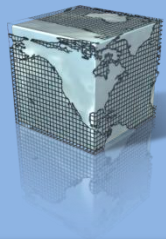


Service Objectives

- Every activity associated with delivery of work within the “Business Domain” can be classified under one of three headings that we will call “Service Objectives”
 - Good, Fast, or Cheap
- In order to continue functioning, the total scope of these activities **MUST** stay, at least, **EQUAL**, to the boundaries of the service domain, but a varying amount of emphasis can be placed on the service objectives.

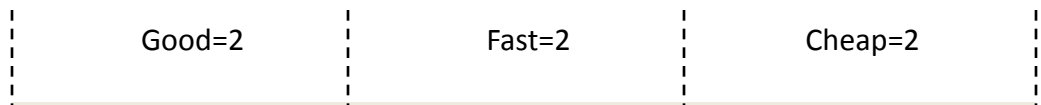
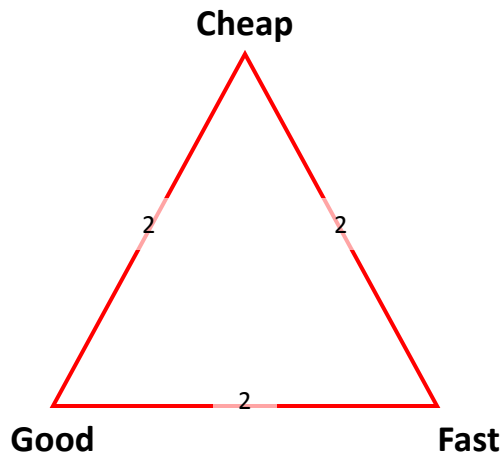
In this example, the weighting of Good, Fast, & Cheap, **MUST** total up to a Value of “6” to match the service boundaries





- As we are managing the business, we may make some changes to the way any of the three service objectives interact, but the total of all three service objectives must stay the same (i.e, 6 in the example) and remain equal to the boundaries of my Business Domain (the “circumference”)
- A way to demonstrate this is to represent each service objective as the point of a triangle and then to use the “distance” between those points to determine their interrelationships.

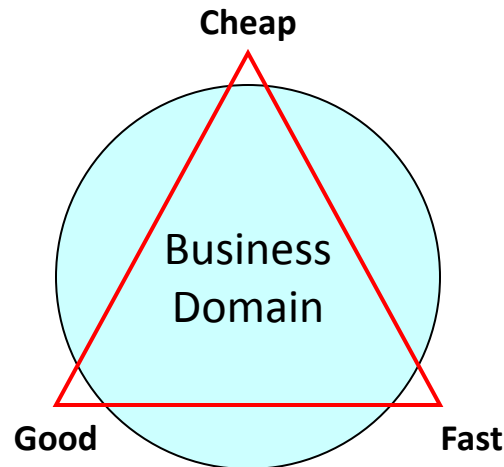
For example, weighting each Service Objective equally would result in an “equilateral” triangle. (i.e., if the total must equal “6” then each would have a value of “2”)



The Total Measure of Service Objectives = 6

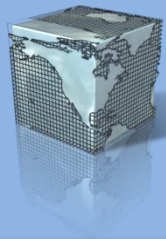


- **Geometry is the Problem!** An Equilateral Triangle with a perimeter of “X” **CANNOT** overlay a circle with a circumference of the same “X” and have all the points of the triangle within the circle.

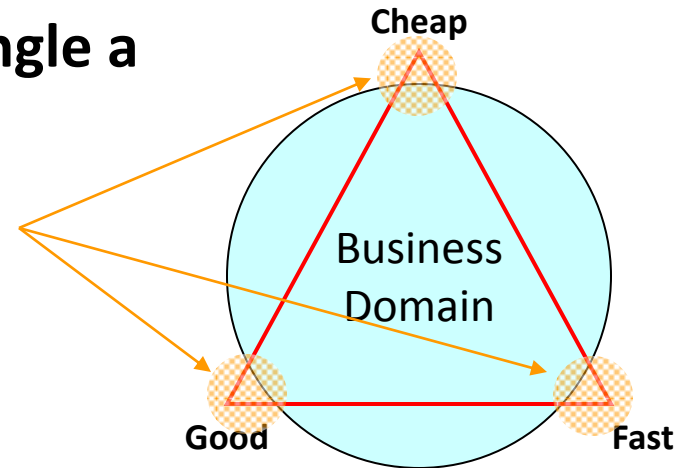


****The distance of the points of the triangle from the Service Boundaries (the circle) is a measure of “missing” the ideal expectations or goals for that service objective in the business.**

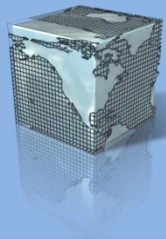
- **So.....What can we do?**
 - **Alter Service Objectives by changing Focus or by changing Scope**



- The distance of the points of the triangle a measure of “missing” the ideal expectations or goals in the Business Domain.

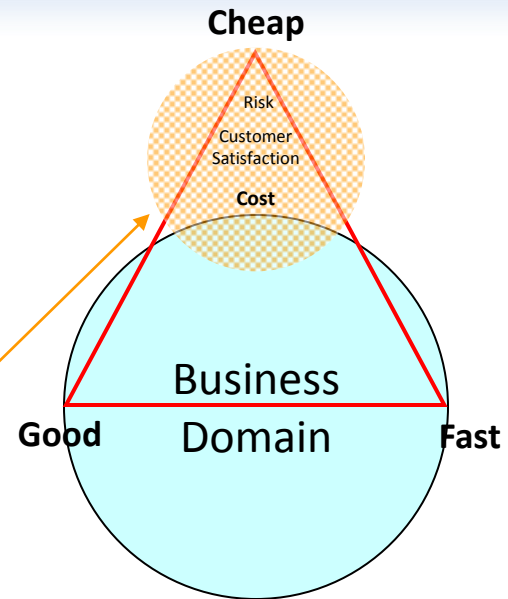


- You can try to manage this problem in two ways:
 - Changing the Focus of the Service Objectives
 - Moving the Triangle itself around to different positions.
 - Changing the Scope of the Service Objectives
 - Altering the interactions between the objectives or “changing the length of the sides in the triangle
 - These alterations affect that measurement of “missing” our business IDEAL conditions.

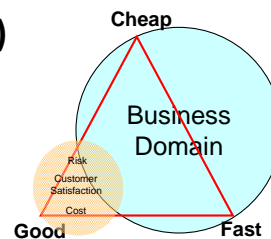


- Since we must keep a balance between Good, Fast, & Cheap, then you can only ensure that you meet expectations or goals in up to two of the points in my Business Domain.

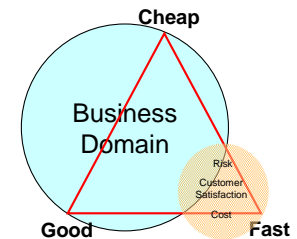
- Here we've now "focused" on putting Good & Fast in the business, but that will force our costs to further move away from goals or expectations of the business.



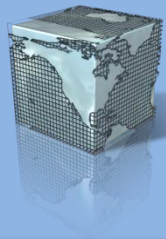
- Business leaders need to understand that one of their primary responsibilities is to quantify how to "move the triangle" around to keep their overall business meeting the "most important" objectives most of the time. (staying close to "ideal" conditions)



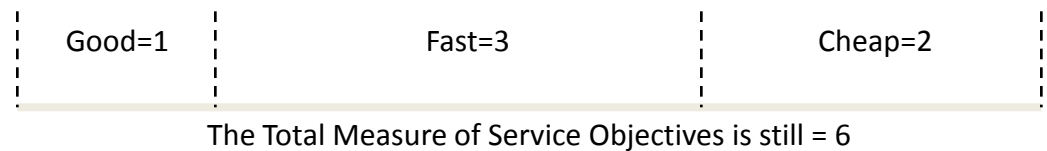
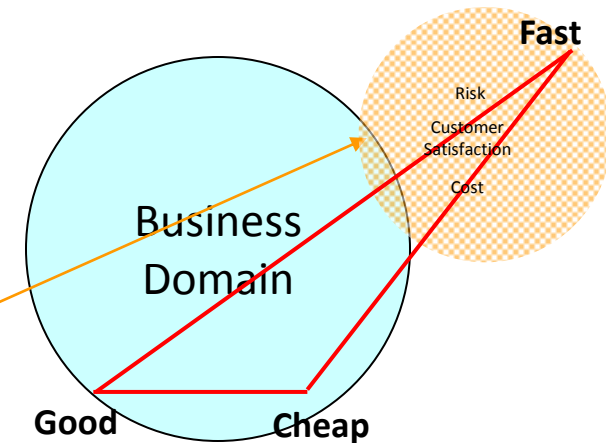
Risks Quality



Risks Time to Market

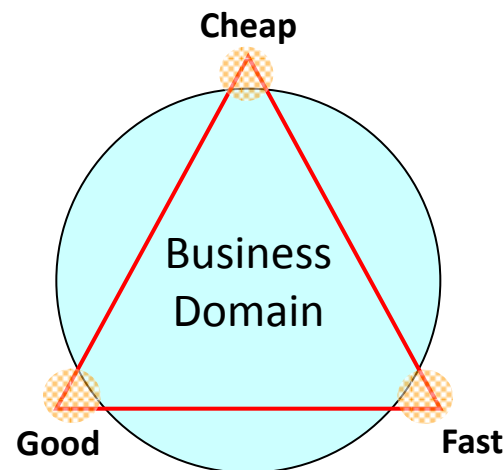


- By changing the “scope” of the service objectives or the weighting relative to one another we can also influence the amount of “missing the mark” in a single objective. This still must be coupled to changing the focus as well, but may allow better control of the element that stays “outside” the business domain
 - In this example we’ve now “focused” on delivering quality at the lowest possible cost. But that forces our time to market to be much longer than desirable.



- The need to evaluate unique business changes starts to become more apparent
 - What do I do to stay as close as possible to “Ideal” for my Service Objectives (Good, Fast, Cheap) in any particular situation?

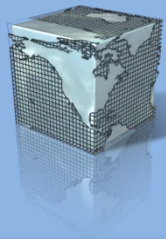
- This discussion is not intended to send “bad news” to anyone. This phenomenon does not mean that business is stifled or suppressed. Your “Business Domain” remains free to grow to whatever a market (or new markets) can be support, but the balancing of Service Objectives will always be required.
- Compromises must always be pursued in the balancing of the Good, Fast, & Cheap service objectives. One will always trump another much like the lessons learned as kids playing a game of Rock, Paper, Scissors.



Paper covers Rock!



Rock smashes scissors!



Now that you understand the rules; go have some fun playing the “games”.

