



IT Must Learn to Fail Fast to Succeed



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Innovation is an imperative for all organizations, and particularly IT. With that imperative comes the need to fail fast.

In *Fail Fast or Win Big*, Bernard Schroeder writes that it is not just leadership, culture, and technology that make for a successful startup, but also **speed** and **timing**. It has become easier to launch prototypes and get instant feedback via such tools that range from free online tools, social media, crowdfunding, and crowdsourcing. Startups can learn faster and pivot to new options, thus reducing the risk of outright failure.

Entrepreneurs have reached an extraordinarily high maturity level of innovation and failing fast. Startup methodologies have been honed in the US and globally, making small innovators big threats to established enterprises. As a result, larger companies are

adopting startup methodologies—including fail fast—for themselves. Unfortunately, many IT organizations are laggards in this regard.

IT should be leading the way. If we don't, we will be asked to get out of the way!

Let's look at 4 enablers that IT can take advantage of to better innovate, fail fast, and learn:

Technology Life Cycles

In IT, we used to implement applications, databases, and servers and keep them for a long time. The life cycle of such technology assets was that we first installed it (which was a journey unto itself), then stabilized it, and only then did we figure out how to truly use it as an asset.

That took years. We don't have the luxury of time any more.

Time-to-value is what business partners are demanding from IT. Any technology we implement must quickly innovate, provide business benefits, or fail fast so we can learn and adjust. The cloud, DevOps, and Agile all enable a reduction in technology life cycles.

Advances in Risk Management

Risk management is far more advanced than ever before. IT should not view risk management as an inhibitor to failing fast, but as an instrument for transparency, quick decision making, input to halt initiatives, and learning for the next innovation.

To mitigate risk, organizations nurture rapid, small-scale successes or failures, as opposed to waiting years to learn if an investment was beneficial or not.

Fast Turnover Portfolio

Organizations shift their focus and introduce new strategic initiatives and innovations more frequently than ever before. “Flavor of the month” projects seem to appear all the time and out of the blue. This requires IT to quickly adjust and dedicate resources to each new initiative.

Are you fighting this? Don't! If we structure the initiatives in a way that allows us to gradually build a momentum with frequent opportunities for small-scale success or failure, we will have a much better chance of gauging which initiatives to keep and which to cancel.

Remember, time-to-value is what our business partners are expecting for from IT. When the expected time and value is not meeting expectations, you want to quickly call the play, and move onto the next flavor of the month.

Digital Transformation

Business leaders know how to build a pilot to test out a new product, service, geography, etc. Now that IT is more embedded in revenue generation, we need to adopt the pilot concept in some of the internal investments.

In *Leading Digital*, the authors address how to engage with customers, digitally enhance operations, create a digital vision, and govern digital activities. As companies small and large embrace this digital transformation, IT is pivotal for making investments and leading. If not, again, we risk losing relevance.

The changing world around IT, both within and outside the organization, no longer has the patience for long (and often unsuccessful) IT initiatives. Innovation, time-to value, failing

fast, and lessons learned are all essential for an IT organization to embrace. By utilizing new technologies and processes, the transparency of risk management, embracing fast turnover portfolios, and leading the digital transformation, IT can provide the time-to-value and innovation our business partners are expecting. Your organization needs this now more than ever.