



IT Metrics Strategies Interview: Stu Kliman on Relationship Management

by Michael Mah

In the April 2001 issue of *ITMS*, I tackled the subject of metrics and negotiation. I described how negotiation using metrics is crucial when IT organizations face inevitable cost constraints that occur in an economic slowdown. This is compounded by the fact that IT organizations are often aiming for Internet-speed deadlines. It's a double whammy for IT organizations today.

These intense pressures call for new skills, with metrics being used to negotiate sustainable and realistic agreements on project scope, deadlines, cost, and reliability. Navigating through current business conditions will call for IT professionals to develop and use metrics and negotiation abilities more effectively than ever. However, it should be noted that many IT professionals have not had formal training in either discipline.

The Rise and Fall of Alliances and Partnerships

There's another trend that I believe will become even more prevalent: IT organizations will be pressured to ramp up their abilities with more outsourcing and partnering relationships, as opposed to growing new capabilities organically. This will be a fast-track method to gain access to core

Continued on page 2.

Case Study: The Story of a CMM¹ Project — A Process Improvement Production, Part 2

by James Perry, James Heires, and Carol Wickey

In Part 1 of this story (see *ITMS*, May 2001), readers learned about a process improvement project taking place in a company based in the US Midwest, along with some of the organizational dynamics involved. With the stage set and the cast of characters assembled, the story of the project is ready to be played out.

A Funny Thing Happened on the Way to Level 2

Two project managers were assigned early in the project's lifecycle. Unfortunately, they were assigned five months into the project schedule. This was the first clue that the project was headed for trouble.

¹Copyright 2001 by Carnegie Mellon University. The Software Engineering Institute is a federally funded research and development center sponsored by the US Department of Defense and operated by Carnegie Mellon University. See www.sei.cmu.edu/cmm/cmm.html.

Continued on page 9.

June 2001 vol. VII, no. 6
executive summary

Partnerships. Alliances. Outsourcing. Joint ventures. Today's economic climate requires companies to speed their time to market while lowering costs and increasing the amount of functionality they can deliver. Many seek to achieve this through partnerships, establishing metrics and benchmark frameworks to ensure that performance goals are being met.

This climate mandates that organizations master at least three critical skills to ensure that alliances are successful: metrics, negotiation, and alliance relationship management. The first two were discussed in the April 2001 issue of *ITMS*; this issue tackles the third.

The stakes are high: research shows that between half and three-quarters of alliances fail. Since many alliances are valued from several hundred million dollars to billions of dollars, the financial risks are staggering. To address the topic of how to make alliances succeed, I interviewed Stu Kliman, a founding partner with Vantage Partners LLC and a Cutter Consortium senior consultant. Kliman gives fantastic insight into the emerging science of relationship management and outlines what managers can do to move this from an individual skill into the realm of an organizational capability.

Another way to meet the challenges of faster schedules, lower costs, and increased functionality is to elevate an organization's own processes to increase efficiency. This is described in the second part of an article by James Perry, James Heires, and Carol Wickey entitled "Case Study: The Story of a CMM Project — A Process Improvement Production." (Part 1 appeared in last month's *ITMS*.)

What I love about this article are the "behind the scenes" lessons learned: actual experiences from the frontlines of a process improvement initiative with advice to practitioners based on the morals of the story. I'm grateful that these experts have shared their secrets and hope you find them valuable to your initiatives.

Michael Mah, Editor

