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Letter

Jim Snyder

James N. Bieneman

Thomas B. Hawk

George E. Ott

Recommended Citation

Dear Mr. Bieneman:

I read your recent article ["Bridging the Gap Between Data Processing and Operating Departments: A Fresh Approach"] in the Sept.-Oct. issue of MANAGEMENT ADVISER and want to take a minute to compliment you on your fine comments. Bridging the gap between data processing and operating departments has long been a front-line problem and your approach is very refreshing.

I agree with your logic with the exception of one more difficulty that I foresee. Assigning the operating managers the responsibility for developing computer systems and for determining automation priorities would lead to the real necessity of a well controlled steering committee working very closely with the EDP manager. If this area broke down, there would be the horrendous problem of linking the systems together for sound accounting procedures, scheduling and avoiding duplication of systems work and reporting. I have found that keeping a good steering committee functioning is another problem that merits immediate help. Ready for another article?

Again, please accept my congratulations and hope you continue to attack the problems surrounding our profession.

Sincerely,
Jim Snyder, Manager,
EDP Department
Lowe's Inc.
Cassopolis, Mich.

Dear Mr. Snyder:

Thank you for your recent letter. I enjoyed your comments and agree with the point you make.

If we presume that the operating managers are fulfilling their responsibilities, undoubtedly the demand for EDP services will exceed a company's ability to provide those services. Obviously, therefore, priorities must be established, and the steering committee which you mention appears to be the best vehicle for establishing these priorities.

I did, however, have one small and perhaps subtle disagreement with the implication of one statement you made. You indicated that there is a problem in keeping the steering committee functioning. I don't dispute for a minute that this is a problem. In fact, it is the very problem of management involvement which my article addresses. However, can't this problem be solved by merely pursuing those EDP systems which operating managers require and are willing to become involved with? Aren't we right back to the gut issue of involvement, which will only come as a result of natural motivation and proper assignment of responsibility. If your steering committee members are not motivated to be involved, can you ignore them? Can you proceed to provide computer services to those operating managers who are interested by assigning top priority to the projects of those managers, and ignoring other projects? Can you not ask the steering committee for further priority definition when your load becomes greater than your staff's ability to respond?

In short, I heartily agree that the steering committee is a good

idea and has a real purpose. That purpose is to focus on priorities and to provide the coordination of interdepartmental expertise of which you spoke. But once again, if the steering committee is disinterested, it seems to me that you cannot singlehandedly interest them except by making the systems development responsibility a part of the operating manager's role and involving the steering committee only on a referee basis.

I hope that we can discuss these issues further sometime, as they deserve more airing than a letter can often provide. I thank you very much for your appropriate comments.

Sincerely,
James N. Bieneman
Crowe, Chizek and Company
South Bend, Ind.

Dear Mr. Bieneman:

Per our discussion, I am documenting a description of our operations with respect to utilizing software people.

The key to the success of the "Rent-A-Program" concept depends on successfully dividing the systems design and systems analysis function between the software people and the users.

Here in Dayton engineering, we have a department called engineering software systems that contains the majority of the engineering software expertise. Every time we have a formal planning exercise (two or three times a year), the management of the engineering software group contacts all of the engineering departments, as well as my own department, for definition of work requirements for the coming period.

In turn, the user departments budget appropriate salary and computer dollars to support the estimated work. Note that the above

budgeting is a combined decision between the user and the software managers.

The programing people, who report on a line basis to the software management, report on a functional basis to the user—who is at liberty to divert funds if he is not satisfied.

The systems design man receives user input concerning program operations and from his peers and management on technical matters.

Operating procedures, diagnostic input and output format, control options, etc., which will be performed by the user when the program is finally in production, are in effect designed by the user. Whereas file handling techniques, and other machine-oriented methods, are supplied by the software people.

I find this particularly effective in my area where extreme flexibility in automated procedures is essential—I don't think any administrative manager can consistently second guess higher management in terms of format requirements or summary structure. I might add that the programers have also contributed to production flexibility by making program modifications right in the middle of a production run.

In conclusion, I would have to say that our operations here support your article, although some problems exist. The most serious problem being that the software manpower planning group may not be able to satisfy all customers due to humps in work requirements. I would appreciate any comments or thoughts on the process.

Sincerely,
Thomas B. Hawk, Manager
Data Terminals Engineering
Management Information Systems
The National Cash Register
Company
Dayton, Ohio

Dear Mr. Hawk:

It was a pleasure to receive your letter and learn of a situation where the principles I wrote about are implemented and working. It may interest you to know that I also have received feedback from a number of other sources who indicate that, like yourself, they have successfully assigned systems design responsibility to operating managers. My impression is that this approach may be more widespread than one might at first expect.

I was pleased to read your comment regarding the key to the success of the NCR approach. You indicate that success is predicated upon the successful division of the technical systems specification function and the basic systems design and analysis. You assign the former responsibility to software personnel and the latter to EDP users. I could not agree more.

As the years wear on and we all become more sophisticated in our computer techniques, I expect that the division of responsibility of which you speak to become more sharply defined. Certain technical expertise will require, even more than it does today, specialization and dedication in order to achieve the required proficiency. By the same token, as computer using departments mature in their approach to the utilization of EDP, I would expect them to demand more entirely the basic and fundamental systems design responsibility and authority. I expect these users, having once performed the systems design function, to never go back to their former, more passive role. Do you not find your users wanting to expand the scope of their involvement? A problem I foresee is how you will accommodate this wish.

You indicated a problem due to humps in work requirements. Of

The Pros and the Con

course, this is a problem everywhere in varying degrees, and will, of course, never be eliminated. I believe, however, that the problem can be moderated by giving EDP users as much control over these humps as possible by making your division of software development and user systems design weighted as heavily toward the user as is practical. In this way, the user controls his own destiny and really, this is as much as you can ask of the organizational structure.

How does the divided lines of authority approach work in which programers report to both software and EDP personnel?

I particularly liked your approach to budgeting EDP salary and computer expenses, thereby really giving the users control.

As I hope is apparent, I am most impressed by your company's positive approach to this area. Thank you again for your letter and response to my article.

Very truly yours,
James N. Bieneman

Dear Sir:

The accountants are at it again. Mr. James N. Bieneman, author of "Bridging the Gap Between, etc.," which appeared in the September-October, 1972, issue, is appallingly out of touch with the real world. He insults most modern management people with a type of article which was quite pertinent in the early 1960s. You, sir, are an accessory to this crime by accepting such out-of-date pap for publication.

The products of Mr. Bieneman's approach are costly fragmentation and empire building. I can only assume that he relates to small companies, or he may be shooting at "Ma Bell."

In any event, his article does

your fine magazine an injustice. It is suggested that you employ the services of an assistant editor who is in touch with the real world. If your publication is to include articles relative to EDP, I believe it is in order to set your sights much higher to obtain professional relevancy.

Yours truly,
George E. Ott,* Manager
Information Systems Department
Owens-Illinois
Toledo, Ohio

*Qualifications: 1. Sixteen years in industrial accounting, operations research, and financial analysis. 2. Fourteen years in EDP management including all functions. 3. Member and officer, present and past, in several accounting, management, and EDP professional organizations.

Dear Mr. Ott:

I regret that my article displeased you so.

Are you claiming that the "gap" I describe between operating managers and EDP professionals is not really there? Do you acknowledge the gap but doubt that my suggestion for bridging it will work?

With respect to the reality of the schism between operating managers and EDP and the related frustration felt by many operating people, I can only say that Owens–Illinois is to be congratulated if you do not have this problem. I venture that if you have really solved it, you have in fact placed the systems responsibility with operating managers, perhaps under another name.

On your other comment, that my approach would result in costly fragmentation and empire building, I must respectfully but heartily disagree. Fragmentation is only costly if it results in duplication of effort. Placing systems responsibility with operating managers isn't duplicate effort. It very intentionally

does shift the performance of certain tasks, and the ultimate systems responsibility. Why must this be more costly?

Do you not agree that data processing professionals are not also experts in the fields of marketing, production and inventory control, and accounting? What you call fragmentation I call placement of responsibility with the profession best qualified to handle it. If there is a problem of empire building, my own experience is that data processing departments are more often the guilty parties, particularly when they presume competency for systems design in all other disciplines.

I suspect that our differences are not really so great as your letter and my response might at first suggest. You are probably concerned about how the concept I propose could and would be implemented. So am I. You are undoubtedly concerned about how and if operating managers would achieve the minimum data processing familiarity and expertise required for my proposal to work and, again, so am I.

The issue remains: *how do we achieve the line management involvement that is required for our computer systems to be effective?* I say let's concentrate on finding ways to support the "bridge" of systems responsibility placed with operating management. Although not easily built, it is a bridge which can be supported, and which offers real and compelling reasons for operating management to. fulfill their EDP involvement responsibilities.

Parenthetically, I would close by noting that a large number of companies, including some very large concerns, are successfully operating under the environment proposed in my article.

Very truly yours,
James N. Bieneman