Chapter 19
Achieving Objective Values for Customers in Enterprise IT Solution Services:
A New Concept – Methodological Universe for the Services Environment (MUSE) and "Design Office"

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ABSTRACT

In this chapter, the authors discuss real business cases of IT solution services in the information industry. The concepts of two "service values" are introduced (i.e., "objective value" and "functional value," which should be co-created by customer and service providers). The authors introduce the role of a "design office" to support this co-creation activity and propose the method of MUSE for designing successful IT solution services. Two cases of actual IT solution processes are analyzed from the viewpoint of service to demonstrate the effectiveness of the proposed concept.

1. INTRODUCTION

As Information Technology (IT) is currently essential and a key to success in business activities, IT solution services have become very important. However, there are too many failures in this domain. Their quality, cost and delivery (QCD), in particular, cannot sometimes satisfy customers' requirements in the development phase of IT systems. Customers in such cases cannot even reach the stage of evaluating the services. Two reports (Nakamura & Yaguchi, 2003), (Yaguchi & Yoshida, 2009) have informed us that the aver-

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age success rate is around 30% for large-scale IT system development projects in Japan. Customers' objectives are generally not to build IT systems but to solve their business problems by using IT solution services. What are important factors that make IT solution services successful?

The authors as consultants have engaged in several projects on developing information systems in the facility management division of a large utility company and their subsidiary companies for over 10 years. The first project started in early 2000 and involved many risks such as:

- Little development experience with open Web systems using JAVA in the utility industry; and
- New challenges where the objective of the system was not to replace existing work processes (that involved people) with an IT system but to innovate their businesses using IT solution services.

Yet another risk was:

- To newly develop a joint venture without a System Integrator (SIer), which was unusual and with which the company had had no experience in the past. Before this development, a chief engineer at a large facility manufacturer said, "Concepts are great, if they could work."

However, it actually worked. The new system could synchronously start operation of an entire work process immediately. The branch manager of a computer vender said, "We have known that this large scale project adopted JAVA, but could not imagine that it could be in operation."

Was it a miracle? While looking for a way to repeat this success, we met with the Service Engineering Forum (SEFORUM) in 2006 (SEFORUM web site). We could find factors for the success of this project by applying service engineering methodologies, so that we could design a new methodology to lead us to the next success in IT solution services. We have analyzed this successful case with these motives from the viewpoint of service (Nishioka & Koike, 2006), (Tokyo University, 2008), (Nishioka, 2010) and developed a new methodology for IT solution services: the Methodological Universe for the Services Environment (MUSE).

The concepts of two "service values" in IT solution services are introduced in this chapter. The first is an "objective value," which is the customer's end goal to be achieved by using IT solution services. The second is a "functional value," which is actually provided by them. It is crucial to clarify the relationship between the "objective value" and "functional value" for IT solution services to be successful. These IT values should also be co-created by customers and IT system development companies. We introduce the concept of a "design office" to support this co-creation activity and propose the method of MUSE for designing successful IT solution services.

Two cases of actual IT solution processes are analyzed to demonstrate the effectiveness of the proposed concept, i.e., how customers' "objective values" are clarified and broken down into "functional values" in the grand design phase, and how the IT system and its related services are achieved in the IT service realization phase. We could identify the important role of the "design office" as a stable hub throughout the lifecycle of IT solution services from the grand design phase to its operation phase through analyzing these two successful cases. Finally, we refer to the future of IT solution services.