

# **Build, Buy, Port or Stay?**

Choosing a winning strategy for your  
HP e3000 transition

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# Presenter Biography

## John Burke – Burke Consulting

- 25+ years experience in IT and IT management
- Developed and implemented several large apps (including ERP) systems from the ground up
- Managed the technical infrastructure of a large (\$30 million and over 4 years) conversion from homegrown HP e3000 applications to SAP R/3
- Over 12 years experience writing for The 3000 Newswire, and before that, HP Professional
- Co-Chair SIG MPE and Vice-Chair MPE Forum
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# Build, Buy Port or Stay - Choosing a Winning Strategy

*What should the IT organization that committed to the HP e3000 do now?*

In this session we will try to objectively explore the alternatives, including using a combination of approaches, to achieve the best overall solution to the transition dilemma. For example, we will consider:

- How to make the Build, Buy, Port or Stay decision, examining the pros and cons
- Taking control of your destiny
- When to use a combination or portfolio solution
- Mistakes to avoid

# HP e3000 Users are in a Transition Period

- On November 14, 2001 your IT world changed forever
- Stability was replaced by uncertainty; FUD reigned
- If nothing else, realize you have time to properly plan; do not rush into making what is a career altering decision
- You also have time to execute your plan
  - HP support still has almost 3 years remaining
  - HP will continue to sell almost everything – the exceptions are whole systems and chassis
  - There are well-qualified third party hardware and software support options

# HP e3000 Users are in a Transition Period - 2

- HP got it right initially when it used the word “transition”
- Migration is NOT a synonym for transition
- Migration is NOT the only option; you HAVE choices:
  - Build (essentially from scratch, but with the knowledge gained from your existing systems)
  - Buy (replace) a complete system or just parts
  - Port (migrate) from the HP e3000 to some other platform
  - Stay (homestead) indefinitely
  - Some combination of the above, plus don't forget outsourcing some functions
- There is no one-size fits all solution

# Someone Has to Do It

- Why not you?
- The transition, how it is handled and your role, **WILL** make or break your career
- Avoid falling victim to
  - Management by magazine
  - Management by consultant
- Burying your head in the sand is the surest way to the unemployment line
- This may not be something you “like” to do, but it is something you **MUST** do
- Planning is the key to success; lack of planning is the most likely cause of failure

# Organization Software Type

- 100% homegrown software (except utilities)?
  - 3 GL?
  - 4 GL?
  - Mixture of 3 GL and 4 GL?
- ISV
  - No surround code
  - 3 GL surround code
  - 4 GL surround code
  - Mixture of 3 GL and 4 GL surround code

# Rate Your Homegrown Code

- Back office
- Value-added, industry-specific
- Quality
- Make sure user documentation is accurate and complete



# Organization Culture/Resources

- Risk averse or Leading Edge
- Conservative or Bold
- Formal budgeting process or ad-hoc spending
- Tolerance for change or set in its ways
- Financial status, strong or weak
- Planning cycle (long term or short term)
- SMB? Large multi-national? Private? Public?

# In-House Talent/Experience

- Your plan should take into account and leverage this
- Platform experience
- Language experience
- Build, Buy, Port, Stay or Outsource experience

# For Each Alternative, Consider or Develop an

- Impact analysis
- Risk assessment
- ROI
- TCO
- Project plan
- Budget
- Spending schedule tied to project plan

# Choices, Choices, Choices

- Remember, again, you **HAVE** choices:
  - Build (essentially from scratch, but with the knowledge gained from your existing systems)
  - Buy (replace) a complete system or just parts
  - Port (migrate) from the HP e3000 to some other platform
  - Stay (homestead) indefinitely
  - Some combination of the above, plus don't forget outsourcing some functions
- And, there is no one-size fits all solution
- Seek advice from experts
- Use tools made available by HP and partners

# Build – Pros

- You have total control over the transition and final product
- Leverages your company's resources and existing business logic
- Costs are most easily managed and are potentially among the smallest of all the options
- You can do it right this time
- Take advantage of new technology

# Build – Cons

- Longest time to completion
- Potentially lengthy code freeze period
- Must learn new platform
- Must provide end-user training

# Buy - Pros

- Opportunity to get best-in-industry software
- No need to reinvent the wheel
- You may gain functionality
- Leverage your staff's talent and business knowledge to write value-added surround code

# Buy – Cons

- \$\$\$\$ upfront
- Maintaining control of \$ and people often difficult
- Extensive end-user training required
- Puts you and your staff at the most career risk
- Must learn new platform
- Must learn new software
- Potential business disruption
- Customize too much and you may not be able to upgrade
- You may have to change your business practices to match the software



# Port - Pros

- Potentially fastest of Build, Buy, Port options
- Particularly suited for a staged move over time, giving you control over the scheduling
- An emulated solution reduces training costs, is fastest to completion and generally cheaper at least initially
- A native port eliminates ongoing license fees for porting tools and allows for greater use of emerging technologies

# Port – Cons

- Must learn new platform
- Training and recurring costs associated with migration utilities
- Potential code freeze issues
- Hardest to achieve an ROI
- Performance issues
- Bad code ported is still bad code
- Questions of emulation mode versus native mode
- Issues with mixed 3 GL and 4GL and “automated” migrations
- Extensive end-user training may be required

# Stay - Pros

- Least cost upfront
- No need to learn a new platform
- Any move to another platform will increase TCO, at least for awhile

# Stay – Cons

- Support during 2007-2010 is problematic
- Support after 2010 is a real concern
- Postponing the inevitable?
- Support for key utility or app software may go away
- Availability of talent will diminish with time and costs will increase
- EOS right around the corner – may not be enough time left to get what you need.
- Support costs will only increase and likely be less responsive

# Portfolio Solution – Pros

- Example: Leverage what you know and do best by combining value added custom surround code with best-in-class back office applications
- Greatest flexibility
- Example: Keep some (non-critical) apps on HP 3000 until such time as they can be more naturally replaced or ported.

# Portfolio Solution – Cons

- Most difficult to manage
- TCO could be highest of all solutions

# Make the Decision, then Make the Business Case

- Leave your personal agenda at the door
- It's not what you've chosen, but what you've eliminated that will define your business case
- Have a written analysis of alternatives
- Understand and be able to explain the factors driving the selection process
- Failure to prepare is preparing to fail
- Stack the deck in your favor

# Making the Business Case

- Project description with impact analysis
- Project plan
- Budget and resource requirements
- Project schedule with spending tied in
- TCO, ROI and a “net”



*Thank you.  
- John Burke*