

# **Case Study**

INet , implementation of IT Mark

Skopje, May `2007

## 1. DESCRIPTION OF THE NEED

INet Inc. – Skopje, Macedonia (SME)

INet has been in the business of Information and Communication Technology (ICT) on the Macedonian market since 1991. The company is highly recognized in value-oriented technology distribution and channel innovation providing complex ICT equipment, peripherals and packaged software products while adding value through technical capabilities. INet serves its business partners and their business likely serves a diverse mix of customers who rely on them to solve their IT challenges. This focused strategy has permitted INet to increase both the revenues and profits over the years.

MASIT – Macedonian Association of Information Technology (Intermediary Organization)

Macedonian Association of Information Technology (MASIT) is a volunteer, non-profit association of private companies, founded in 2000 as an initiative of the top fifteen Macedonian IT companies.

The association represents 63 companies in all ICT sectors. MASIT is governed by a fifteen member Managing Board elected by the General Assembly. The Managing Board includes the President, Vice-President, four Committee's Chairmen and the ICT Experts Council Chairman. Salaried staff includes two Executive Secretaries.

The president of MASIT is a member of the Macedonian National Competitiveness and Entrepreneurship Council.

MASIT became a member of the World Information Technology and Services Alliance (WITSA) in May 2005.

According to IDC, the Macedonian IT Market CAGR by 2010 will be 15,4%, and in 2007 the IT market will reach \$100 million. The Macedonian government has already identified the domestic ICT industry as the one with the highest value-added. In that respect, the Macedonian ICT Cluster was established in October 2003 and today the business environment and forces of change, actors composing a cluster, as well the institutions for collaboration (IFCs) are well defined.

The mission of MASIT (Macedonian Association of Information Technology), as an IFC, is to foster the competitiveness of the Macedonian ICT SMEs and to upgrade the ICT cluster. The ICT cluster competitiveness factors are identified as MASIT's objectives to be achieved through an implementation of an action plan adopted once in a year.

The MASIT's objective to set the technical standards and to implement the quality certification programs (CMMI, IT Mark, etc.) in more than ten domestic ICT SMEs, is in alignment with one of the main competitiveness factors, "Promotion of innovation and new technologies". The activity has been initiated in August 2005 together with the ESI Center Bulgaria, and by February 2007 the first five Macedonian ICT SMEs became IT Mark certified. INet Inc. from Skopje was among these 5 companies.

We have recognized that the IT Mark enables not only Software Intensive Organization, but also Value-Added ICT distributors as INet is, to improve the management and technical performance, gain market recognition for the capability assessed by means of world class models and standards, and attain a market differentiator. And these are the reasons why INet has implemented the IT Mark.

INet's and other 4 ICT SMEs quality certification implementation lessons learnt, the problems encountered, and the intended activities with the ESI Center Bulgaria for the next 18 to 24 months will be presented.

## **2. SOLUTION (up to 0,5 pages)**

The strategy of INet for the next 18-24 months regarding the quality assurance services is implementation of CMMI Level 2 & ITIL v3 (IT Infrastructure Library) – a new certification model for services (starting September 2007).

That was the reason why we started with IT Mark implementation as the first step of the certification process.

Why not only Software Intensive Organizations, but also a Valued-Added ICT Distributor as INet Inc. is, implemented the IT Mark? IT Mark enables an Organization to:

- Improve the management & technical performance
- Gain market recognition for the capability assessed by means of world class models & standards
- Attain a market differentiator

Also, IT Mark is designed for SME's and adequate for Micro Enterprises. The most valuable reason for implementing IT Mark is TO BE MORE COMPETITIVE!

The main goal is to foster the Competitiveness through 3 key internal improvements:

- Understanding our customers
- Positioning the company against our competitors correctly
- Knowing and improving our own capability

The steps which have been taken in INet are:

- First Appraisal - August 2006: ESI Center Bulgaria has carried out the first assessment
- Second Appraisal - December 2006: ESI Center Bulgaria has carried out the second assessment
- Final Appraisal - February 2007: ESI Center Bulgaria has carried out the final on-line assessment

## **3. RESULTS (up to 0,5 - 1 pages)**

The expected results are:

- Raised qualification of the core staff through participation in seminars and appraisals
- Improved management and technical performance as an outcome of the tutorial provided by ESI Center Bulgaria consultants
- Gained Market recognition for the capability, assessed by means of world class models and standards

The achieved results will be visible in the next period, especially in the field of Market Recognition. The qualification of the core staff is already visible and

improved management and technical performance as an outcome of the tutorial provided by ESI Center Bulgaria consultants is visible, too.

The visible results are:

- Processes are planned, documented, performed, monitored, and controlled at the project management level
- Objectives established for the process (cost, schedule, quality objectives) are achieved
- Requirements, standards, and process objectives for the process and work products are defined and documented
- The work products and services satisfy the specified requirements, standards, and objectives

#### **4. LESSONS LEARNED (up to 0,5 - 1 pages)**

The successful implementation of the initiative was the result of many factors, as:

- Management commitment – the management team has been very committed to the project plan
- Clear understanding of business goals – the business goals have been shared into the core management team
- Consultant support – the support from ESI center BG has been at high level
- Donor support – the support from BAS program facilitated all financial construction of the project to be successful (very acceptable price of the proposed solution)

Without any of these factors, the project could not be successful.

Our recommendation to the Macedonian ICT Community, for any IT company which goal is to be competitive on the market, is the following:

- CMMI - from 'nice to have' to 'must have' for any IT professional organization

The process of distribution of IT Mark certification recommendation to the other IT companies has already started and we are expecting first results from them in the very near future.