Disparate applications: an opportunity for agility

Multiple disparate applications are often viewed as problems that must be eliminated, such as converting all applications to a single platform infrastructure. While this may provide IT efficiency, it may limit business effectiveness.

Problems

A homogeneous infrastructure can never be fully attained or maintained because:

- Opportunities to gain a competitive edge may require incorporating a disparate platform;
- Large health plans likely have scaling issues with one platform across a wide variety of business units and applications;
- Politics often requires different business units to have different degrees of semi-autonomy;
- Mergers and acquisitions will likely introduce disparate platforms;
- No single platform is likely to be the best for all applications across the wide variety of functions that must be supported;
- Migration to a single platform still requires supporting disparate applications during the migration.

Thus, IS organizations that pursue a strategy of total application homogeneity will limit their health plan's options to address these realities; sooner or later a new, disparate application will need to be incorporated into its existing IT infrastructure. How quickly and effectively the new, application can be accommodated could affect the health plan's competitive viability. A health plan can lose time and money gaining IT efficiency without increasing business effectiveness.

Flexibility

Application flexibility is a primary requirement for business effectiveness; hardware, operating systems and databases are critical to IT efficiency. If IT efficiency can be obtained while enabling ideal application flexibility (business effectiveness), but if application flexibility requires supporting a different hardware, operating system or database, IT efficiency should not automatically reject the disparate application. If the best application for the accountable business function requires different platform, the additional IT support costs must be added to the project costs for the accountable business function to justify the total costs in business terms.

Solution

A preferable strategy is to plan for and to use a managed disparity. An opportunistic application can be more easily incorporated, when competitive situations require them, while the core systematic applications continue to run smoothly. Scaling is also more easily accommodated with an infrastructure designed for managed disparity. This same capability would also support multiple business units at different stages of conversion.

Rather than "control" participants, managed disparity "coordinates" the participating applications. The capability to exchange and consolidate information from any source provides a high degree of flexibility to add, replace or even drop individual applications as the business needs require.

Some of these benefits could be maintained in relatively homogeneous IT environments if the "commonness" efficiencies are avoided. However, the reality of their convenience requires some degree of heterogeneity as a better "insurance" or reminder. Permitting and encouraging some degree of active heterogeneity allows an optimal degree of IT efficiency within an appropriate level of business effectiveness.

A business-oriented approach would be for the IS organization to provide the true costs and to have those accountable for delivering the expected business value determines the efficiency/effectiveness trade-off. Since managed disparity is not as IT-efficient as homogeneity, letting IT efficiency determine the business strategy may limit business effectiveness.

Bottom Line

Having disparate applications in an IT environment forces a degree of independence between applications that can provide a high degree of flexibility (business agility) if appropriately designed and managed. Health plans that try to eliminate heterogeneity by standardizing on single applications may gain IT efficiency but at the loss of critical business effectiveness.