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Your Business Needs to Become a Platform

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Cloud and other digital technologies are changing the landscape of IT. But the application of digital technologies is doing far more than that, creating a new Web-powered arena for business. So what does this mean for our business models and the way we think about 'platforms'?

A few years ago a Googler frustrated by the degree of 'platform thinking' present in the company decided to make a point about the need for Google to think in platforms rather than in terms of products and services.

<http://siliconangle.com/furrier/2011/10/12/google-engineer-accidentally-shares-his-internal-memo-about-google-platform/>

While most of the reaction at the time was largely about Google and its approach to product management I always thought that there were some really interesting and more fundamental points about the nature of 'platforms' in a cloud era.

What is a platform?

Many of us who work in IT have the tendency to use the word 'platform' in a relatively narrow way. Essentially when we say platform we generally mean infrastructure platforms or middleware platforms that form the underlying foundations necessary for the creation of databases, applications and business services. Such platforms are certainly an increasingly critical element of the emerging business ecosystem as technology is simplified, commoditised and moved into the cloud.

On the other hand the above Google+ post – rightly – extends this definition to include the services that your company offers to others. Essentially anything that forms a foundation on which others can build higher order value can be considered a platform if it is created and managed with this mindset. Traditionally platforms have topped out at middleware due to the paucity of opportunities to reuse business capabilities within one organisation – but the cloud is giving us new opportunities to go further due to the ability to share functionality with others.

Your Business as a Platform

The increasing ease with which we can expose, integrate and manage APIs is leading to a new model of "business as a platform". Effectively in the same way that computing platforms use APIs as a route to building an ecosystem, so too can businesses expose their services to the Web via APIs in order to participate in ecosystems of their own. Making business capabilities available beyond the bounds of a single organisation opens up opportunities for them to be leveraged by many organisations, effectively turning them into a platform for others to build upon. In this sense 'platforms' aren't only about the technology and middleware your organisation needs to use but rather about turning everything your business does into a 'platform' for others to leverage – often in unforeseen ways that create completely new kinds of revenue streams. This seems so very obvious but often comes as a shock to people. Effectively one of the biggest shifts occurring is the need for businesses to digitize and share their core capabilities in new ways – in this sense IT systems that capture important and differentiating IP are no longer just "operational support" but are in fact becoming the de facto expression of what a business does.

Most importantly, focusing on exposing your services to such an extended ecosystem can tell you a lot about which services constitute the real value of your organisation and which ones don't – the hint is basically in which services you offer to customers and which are only used within your organisation to support these. By reversing the process of API provision – i.e. looking from the outside in – you can also then think about replacing your non-differentiating services by integrating business APIs provided by others. By doing this you can build new and dynamic digital supply chains that simultaneously reduce costs, increase adaptability and improve offering quality.

Computing Platform → Business Platform

At the moment, however, many of these implications are hidden beneath the mountain of infrastructure-oriented obsessions that are dominating cloud debate – in most cases the discussions continue to be about 'how' to do things at a technical level without really stopping to consider the broader issue of new business models and the kind of ecosystems that technology simplification could ultimately enable.

As a result when thinking about 'platforms' there are two aspects you need to consider:

- Does my cloud platform enable me to capture, deploy, integrate and deliver my business IP quickly, adaptably and reliably? and
- Does my cloud platform enable my solutions to become part of a scalable and higher order "business platform" that

can be shared to generate new revenue, new efficiencies and new innovation?

This is why we focus on using modelling, integration and automation to enable our customers and partners to rapidly and flexibly achieve their aims – building, integrating and delivering solutions spanning people, processes and technologies existing both on and off premise.