OCCASIONAL ADDRESS

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Delivered at the graduation ceremony for graduates from
the Faculty of Information Technology

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G'day, Chancellor, Vice-Chancellor, Dean, faculty staff, distinguished guests, graduates and your extended support team – your parents, partners, friends and family.

Congratulations to the graduates.

Firstly, congratulations on your personal achievement – it really is quite significant when you reflect on the time and effort you've put into getting the degree you received today and the world-wide recognition of achievement it represents. I encourage you to revel in your success and the fact that your support teams are proud of your efforts - enjoy the moment.

Secondly, congratulations on your decision to obtain your degree here at UTS. I will confess to be a little biased when it comes to the I/T faculty here. However, my comments come from observing graduates over a number of years in the workplace. Those who have had practical experience as part of their degree get off to a faster start and seem to assimilate more easily. Personal view - you chose well.

Thirdly, congratulations on your selection of I/T as an industry in which to pursue your careers. In this context there are three current topics I'd like briefly address: the debate concerning the relevance of I/T; the affect of globalisation on Australian I/T; and finally the growth potential of I/T – and why it's the right place to be.

The recent debate on the relevance of I/T was sparked by Nicholas Carr in his somewhat controversially titled Harvard Business Review article: 'I/T doesn't matter'. The I/T industry reviled against Carr and his assertion pointing to indisputable improvements in productivity and service enabled by technology over the past 30 years. However, in some ways Carr was right, technology is no longer seen by business as providing the ‘silver bullet’ of strategic differentiation and first mover competitive advantage - for most organisations it probably never was. Rare examples such as the Sabre reservation system were promoted by the I/T industry in an attempt to get I/T into the boardroom and establish its indispensable role in creating sustainable competitive advantage.

The heat and emotion of the debate has largely subsided and the following more rational view has emerged. The days of technology providing sustainable first leader advantage - if indeed they existed - are behind us. This is in part due to the increased accessibility of technology and in part due to its commoditization. Technology should be seen as an enabler of business strategy, its effective leverage essential to success in improving organisational efficiency and providing new capabilities. No modern organisation can exist, compete or grow without I/T. Technology has become and will continue to be an essential element of an organisation’s investment portfolio. I/T does matter.

The second debate which continues in the industry relates to 'globalisation' and concerns the off-shoring of technology jobs. Naysayers point to recent decisions by some of our telcos and financial institutions to move I/T work offshore. They draw parallels to the manufacturing industry when forecasting I/T’s demise. I'd like to make a few balancing comments. Unlike manufacturing - I/T requires a skilled workforce. Due to the need for university educated staff the wages arbitrage differences between nations will quickly change over time. We are already seeing competition for staff in the sub-continent escalating salaries and beginning to erode their point in time cost advantages. Like manufacturing - there are certain industry segments which for reasons of policy, such as security, are not candidates for off-shoring their I/T. Unlike manufacturing - I/T has a large percentage of its workforce which requires physical affinity with the business it is serving.

This applies both in I/T operations and, possibly more significantly to you, in the development and evolution of new systems. I/T strategy, business analysis, facilitation, prototyping, user interface design, user acceptance testing, deployment ... these are just some of the I/T roles requiring interaction with the business and the users of I/T systems.

Talking from my organisation's perspective, to-date, through multi-shoring we have seen a net inflow of jobs and revenue to Australia. However, the flow will be dynamic and it will vary over time.

These factors are credited with 'taking the gloss' off a career in I/T and used to explain the recent plateauing in I/T enrolments across Australia - though I understand this is less the case at UTS. Paradoxically the down-turn in I/T enrolments should work in your favour – the industry is already seeing shortages in key technical skills.

From where I stand I see vibrant and regenerating I/T industry fired by a continual stream of enabling technologies. In my role as chief technology officer I'm privileged to have both a broad and deep insight into where technology is headed. Having access through my work to the research labs and strategies of the major I/T players provides me with a unique perspective which I'd like to share with you now.

All of the major technology companies continue to make significant investments in both evolutionary and disruptive technologies. The drumbeat of technology development continues to beat unabated. The investments continue at multiple levels: silicon remains the core - Intel's multi-billion dollar investments in new manufacturing plants support the views of their engineers who report that they are on track with Moore's law for another 10 years – meaning cheaper, more powerful and more pervasive computing; significant work is being done by software providers to make it easier to reuse existing I/T systems and to develop new systems that more directly support business processes; technologies such as RFID and GPS supported by wireless communications will allow businesses to become near 'real-time enterprises'; developments in mobile computing, advanced user interfaces and hand-held devices will continue to extend organisations' reach and range.

All of these developments will need skilled I/T professionals to architect, develop, integrate and operate these systems. You are on centre stage.

The I/T industry has been kind and fulfilling to many, and I believe it will continue to be so - which leads me to a few final words of advice which may help guide your progress - whether you pursue a career in the commercial world or return to academia.

Technology will continue to evolve. When I entered the industry 30 years ago I was using an IBM golf-ball typewriter terminal connected at 300bps to a computer a small fraction the power the current PC – it's hard to believe now but it was 'state of the art' technology – and we had to book time to use it!! The drum of technology development has certainly kept beating during these 30 years. Interestingly the fundamentals of computing really haven't changed in this time, however I've had to reinvent myself many times - you will also need to be prepared to reinvent yourself and continually learn - you will need to develop a sense of when to move on to a new technology and/or role in the industry.

Finally, technology is not an end in itself - technology is only an enabler. I'm willing to predict that the more successful amongst you will be those who are able to answer the 'So what?' question, those who able to understand and realise the *business benefit* of technology rather than remain enamoured by the technology itself.

I believe you're off to a great start in an industry with lots of relevance, a solid future and plenty of growth opportunities.

Chancellor, I thank the university for the opportunity to make this address and again whole-heartedly congratulate this year's graduates - enjoy the moment and all best with your careers.