

## 2<u>Connect</u>

# Replacing legacy software & not your company culture

13/11/2023 - Nadine Lahaye

**COLRUYT**GROUP

Good evening, my name is Nadine Lahaye and I am a business analyst in our IT Service Center for communication & collaboration systems and processes.

I see many familiar faces here and some of you may have heard of me because I work on corporate tooling that is widely used.

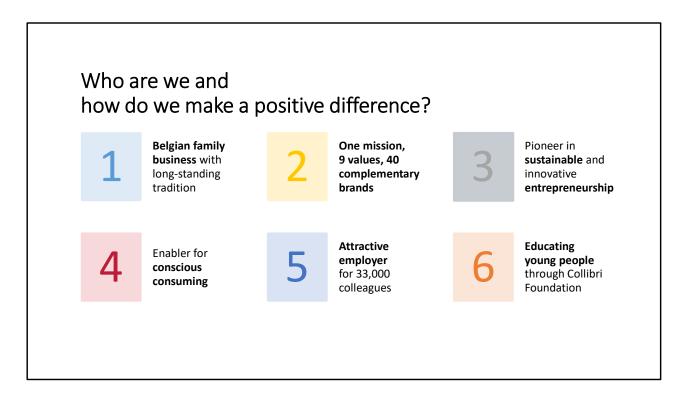
Our more than 30,000 employees daily use our portal, and of course our Mail and Agenda system which are the legacy systems I will talk about this evening.

Yes, we don't use Outlook or Gmail but own developed tools. These java web applications are used daily in the shops, in the supply chain and central services.

They have been around for about 15 years and are legacy systems. Some years ago, we initiated a first project to replace them, but that failed.

That's maybe a first characteristic of legacy systems: they are hard to replace...

Today I will share with you some insights I got from our difficulties to initiate a multi-project called 2Connect that will replace our Mail and Agenda systems. Some years ago our company culture blocked us from changing our communication and collaboration systems. About 2 years ago, our company culture became an enabler, I'll explain how.



But first, besides the familiar faces, we also have business analysts with us today from outside Colruyt Group, so here is a brief introduction to our organization. What should you know about us to follow this presentation?

Well, we have a mentality to add our Colruyt sauce, we think we are "different" in some ways. Most importantly, we are a retail company.

This means of our 33,000 FTE's the majority does not sit at a desk but moves boxes around, in the shops or supply chain.

We are not a bank or software company; we have a high volume but low margins so in everything we do we must be aware of the cost we create. Often colleagues here will use expressions like: do you know how many jars of choco paste we have to sell to pay for this? Or packs of coffee, or crates of Cara pils or another product of choice. It depends on the person ©

But we always bring it back to the "reality of retail": we have to sell a lot of items to make money, thus let's spend it carefully.



### Yes, we are also a retail company with a mission.

Colruyt Group's <u>mission</u> gives us direction. It tells us what is important to us and why we do what we do. It is our common 'why'.

I only highlighted the first word because I will come back on it later:

**Together.** We can only create added value if we do it *together* with our colleagues, business partners, investors and customers.



Behind the mission, there are corporate values, determining for who we are, what we represent, and what we want to accomplish together.

We integrate the values with our daily work.

Again, I want to highlight one: Solidarity. Together, we can achieve more than alone. We stimulate collaboration and find connection with each other as a *team*.

At CG, You are never lonely.

### President steerco communication & collaboration

### **Jef Colruyt**



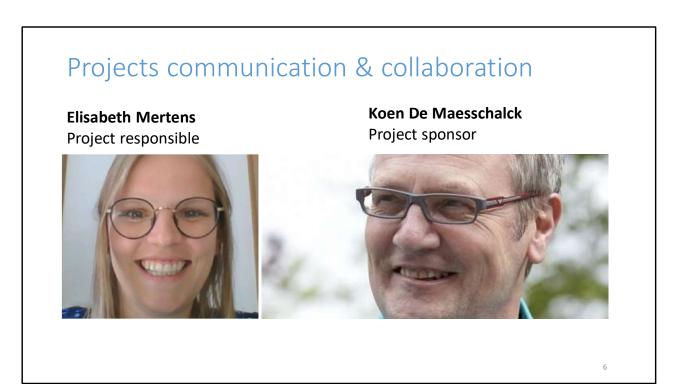
### **Stefan Goethaert**



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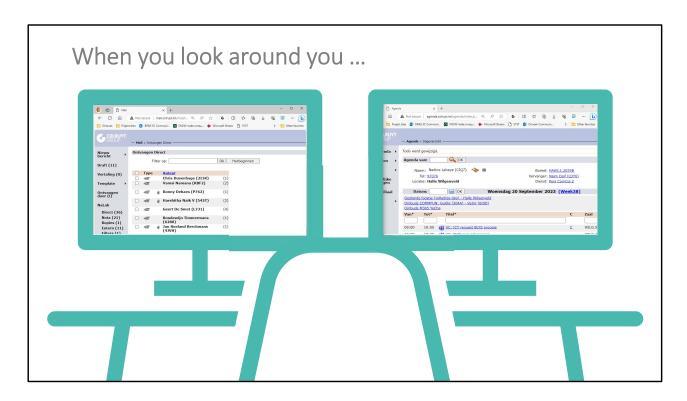
That is also why the domain of communication & collaboration is considered a differentiator, our CEO and his executive committee believe we are different from other company's because of the way we communicate and collaborate. Our domain responsible is Koen Demaesschalck, division manager corporate affairs, but he reports to a domain board with our CEO as a president. Until this year before summer it was Jef Colruyt and from now on Stefan Goethaert.

The final decision for our systems and processes are made by the CEO himself. I don't think that's the case in many company's.



On a daily basis, we discuss with Elisabeth and Koen.

Elisabeth was normally going to be here with me this evening, but today is her first day back on the job after maternity leave that took some more time than first planned. I did not force her hand to come here, but much of the credit for the model I will present and that is helping us in our multi-project goes to her.



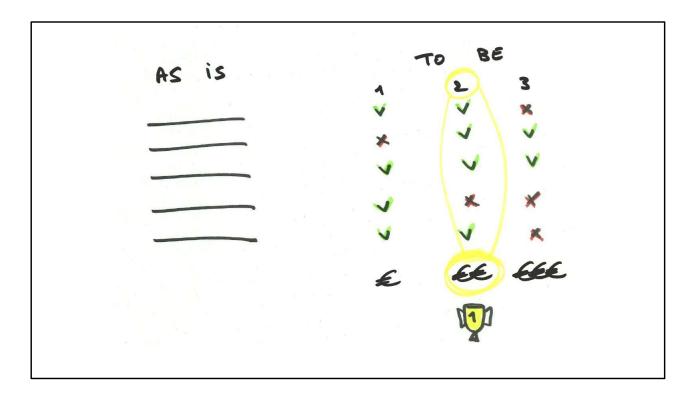
When you walk around here in the building in the daytime, and you see people working on their pc, you will often see these type of screens. Those screens were introduced in 2007, on the day I started working here.

I was part of the rollout projects and first releases on these systems over the years.

Today I am lead analyst in the multi-project to replace this vintage tooling for mail and agenda by solutions from the M365 stack, commonly said: introducing Outlook.

Actually, this is not so new for me because as I mentioned, I was already involved in a project with similar goal in 2015-16.

Back than we had our first discussions with business about replacing Mail and Agenda.



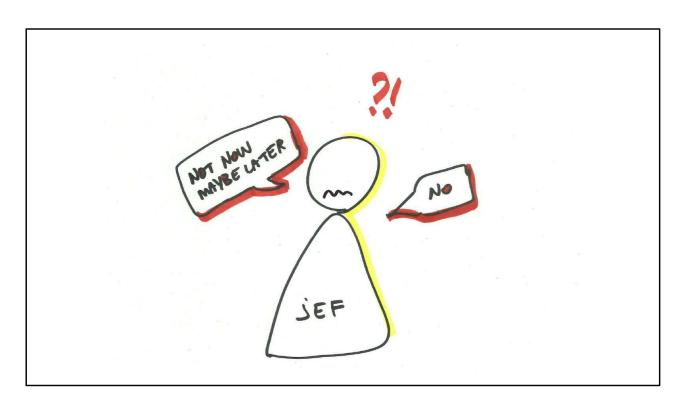
What do you do when a new ICT solution has to be introduced? We followed a classic approach. You study the AS IS, based on a feature list. You specify requirements for a TO BE, and if you choose a product, you do a fit/gap analysis of features or requirements.

And ofcourse: a comparison of cost. And out of that comes a winner you propose to business.

Most people involved, agreed we should go to Outlook so we proposed this to our top management.

You can take this literally because in Colruyt Group communication & collaboration is considered a differentiator, it contributes to this togetherness I mentioned before, and final discussion are taken by a steerco with several directors and our CEO.

We did this for Outlook for a first time but and proposed this solution in 2016 to the steerco.



But, Jef said no.
After the first disappointment was over, we moved on.

### Legacy system

Article T

From Wikipedia, the free encyclopedia

In computing, a **legacy system** is an old method, ted relating to, or being a previous or outdated computer "legacy" means that it paved the way for the standard out of date or in need of replacement.



10

Six years later, we definitely can define these systems as "legacy system".

The code base is old. They are coded in a type of java our IT department refuses to support beyond 2025. We have few developpers still able to work on it.

Basically, these systems are is out of date and in need of replacement.

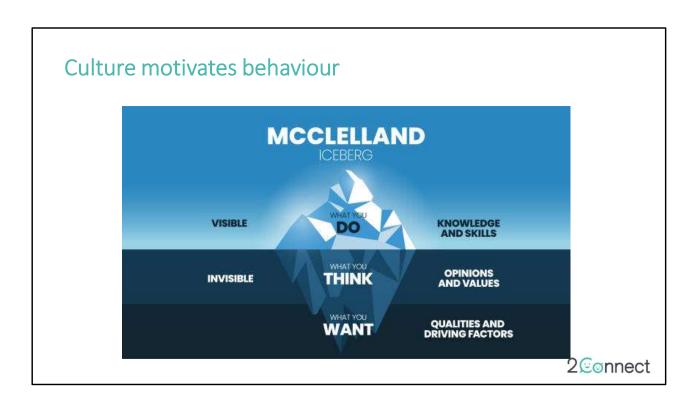
But why is it than so difficult to say goodbye, to let a legacy system go?

Did you ever have tailor made shoes ? I don't but I can imagine, they are comfortable, they must fit your feet like a glove. You hardly notice you are wearing them when you walk, so well fitted are they.

Well, legacy systems are often custom built or highly customised package software > they were tailored to your organisation.

Tailored to your organisation's way of walking, to your way of working.

And because of this, they also say something about who you are as a company, they are linked to your corporate identity. And your identity reflects your culture & values.



Let me give some theoretical foundation to this viewpoint with a well-known model to describe culture as a reason why we do certain things in a certain way. It is the iceberg model of McClelland, it explains how culture motivates our behaviour. How behind visible features, there are invisible elements.

What do people think? What do do people want? Why do people act in a certain way? This is linked to basic drivers like a need for success, for belonging or of power. The same goes for organisations, in my opinion

For us at Colruyt Group, the Need for belonging – to be part of something "bigger" is very strong > together is the characteristic of CG, one of the main values.

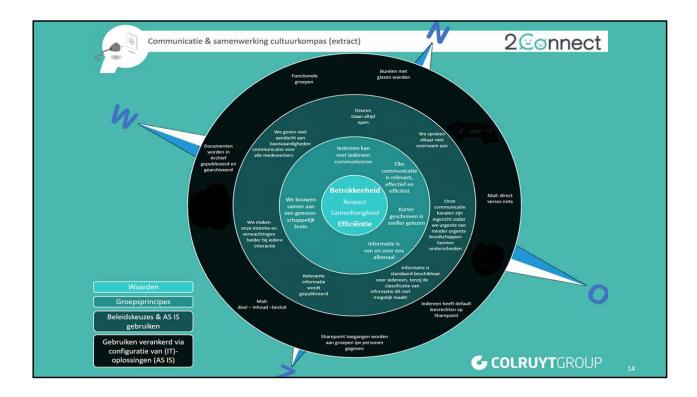




I'll repeat > Togetherness. Together, we can achieve more than alone. We stimulate collaboration and find connection with each other as a team.

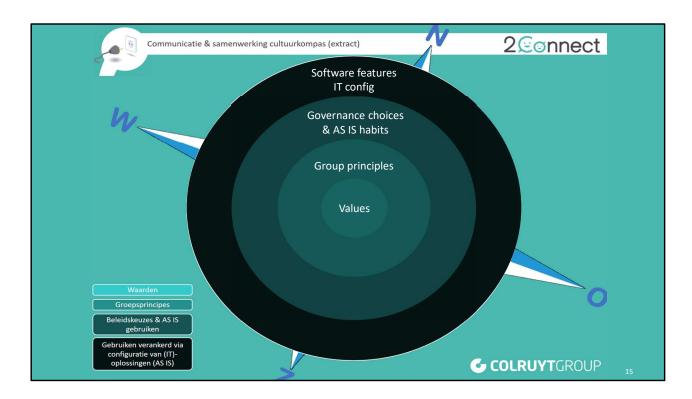
The legacy systems we are replacing, are custom developped and have a strong link with this togetherness, to our culture & values, they seem to say something about who we are as a company. About in which direction we walk with our tailor made shoes.

The biggest reason for not already going to Outlook 6 years ago, is the opposition between this togetherness and the personal information concept of a Microsoft. There was a fear, a concern, of loosing who we are, that co-workers would to not recognize their workplace anymore. Because we built so much of who we are as a company, in these systems we use for communication and collaboration. But today, these own systems are blocking us from communicating and collaborating with our partners and with new company's in the group. For example, we do acquisitions like Fiets that became Bike Republic. To plan a meeting with someone of Bike Republic, is complicated because they don't use our Agenda.



Over the last years, we also had new people join the domain com & coll, like Elisabeth. The job of Elisabeth is to develop policy and guidelines, based on the mission and strategy. She wants to renew the way we communicate and collaborate in CG. But she also noticed it was difficult to get top management aboard.

Questioning why we did not make the choice for Outlook earlier, she came more or less to the same conclusion, but together with Koen they also came up with a way to deblock the situation. Instead of culture being a blocking factor, they made it an enabler. I will shortly explain the model they developed. They called it the **culture compass**, and it is really smart.



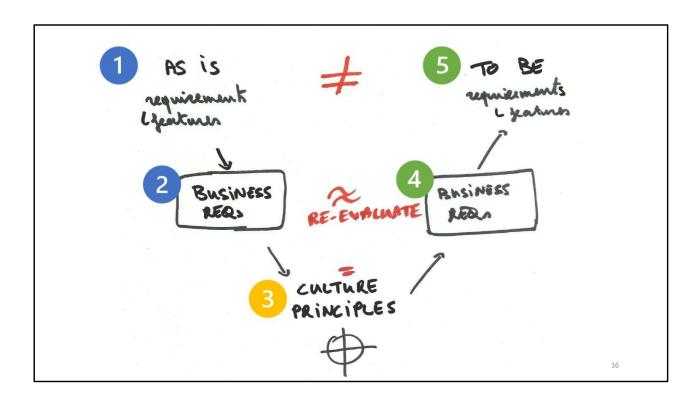
### We start in the outer circle:

- 1. Those are the visible elements, the features and setup of your tools and processes.
- 2. Next you find habits and choices made in the past that have become guidelines.
- 3. In a deeper layer, you see the group principles that incorporate our culture. They have defined a list of culture principles discussed with many stakeholders.
- 4. And in the core you can find the values of Colruyt Group.

Koen and Elisabeth, not IT, took the features list we provided from our current state analysis and defined the group principles: they say why we do it like that, the make the invisible elements explicit. And they linked them to the Colruyt Group values.

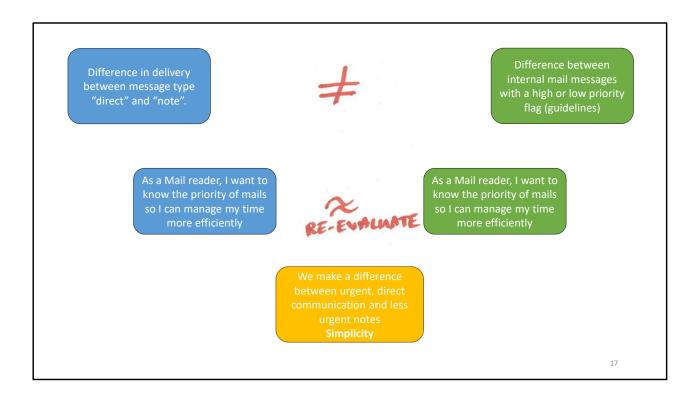
They communicated on a regular basis to stakeholders and top management about this process, discussing about the group principles and putting them in words which were not linked to the system anymore. During this process also became clear which ones were still valuable to Colruyt Group, or not.

The outcome is not a finished product, it is an ongoing process, they have just published a version 2.0 . I will use some examples from this document.



What did I do as a business analyst on IT side with this culture compass ? You can imagine I didn't give as such to a software or system engineer  $\odot$ 

We use it to formulate the requirements for the new solutions. Explain V-model

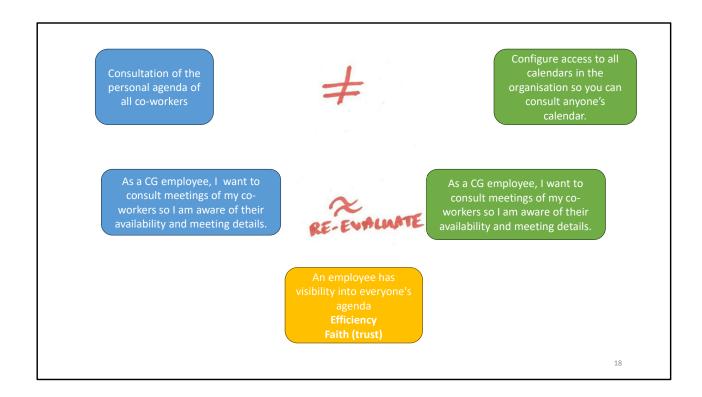


### Let me give some examples. First Mail

Explain direct/note.

Principle = "Not everything is equally urgent. To avoid employees being constantly glued to their mailbox, we distinguish between urgent, immediate messages and less urgent messages (note)."

Values as drivers for new requirements

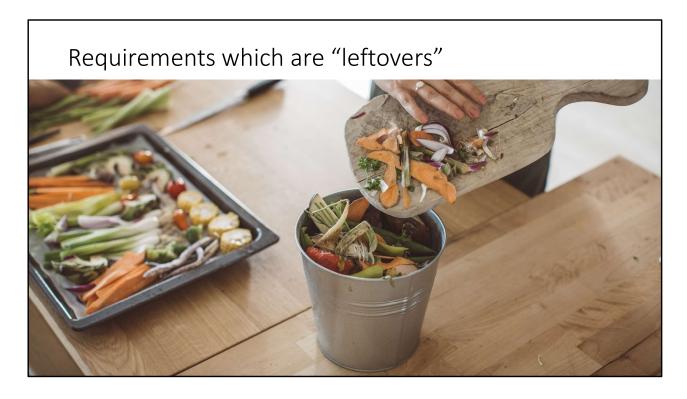


### **Example for** Agenda

Explain feature.

Principle = "Based on the values of trust and efficiency, everyone has a view of everyone else's agenda. In this way, we can find available consultation space smoothly and without barriers and this according to the needs of the client. However, specific consultation moments in the agenda can be made confidential, so that the content is not visible to everyone."

Values as drivers for new requirements



Ok, we have discussed in length that you should not see legacy systems as "get rid off asap" but as valuable sources of culture principles, of business requirements for new tooling. I also want to bring one more thing about projects involving legacy systems to your attention.

In my experience, another aspect is what we call in Dutch "koterijen", let's call them "leftovers" in English.

Overtime, the system is used for business purposes it was never meant for. You have your tailored made shoes walking towards a specific destination, but some road work came up or someone heard about an interesting town not that far from the main road, and before you know it, your systems has alternate paths going in another direction. Someone thought it was a good idea to add it there "as temporarily" solution, a quickwin, ... and these features are hard to get rid off.

That is why when doing the first part of the V-model: current status analysis and you link your features to business reqs, you will probably have some features leftover, because they do not really belong in this system or they surely do not belong in the new system. Maybe you don't need one new solution but a set of new solutions. It is common a new system will handle not all but only a part of the business requirements of the legacy system.

Identify those "leftovers" early in your project. That way you have time to find a new owner in the business, or have business make a consicious decision about it: leave it like that or replace by another solution. And prepare the operations for this end of life.

This is also reassuring to business, especially to end users and middle management. Because decisions are sometimes bravely taken in the higher levels, but the impact will be your operations.

Maybe someone finally stops doing a task he should not have been doing, but at least this should be well explained. More probably, if the task is still of some use, they will find an alternative to get it done.

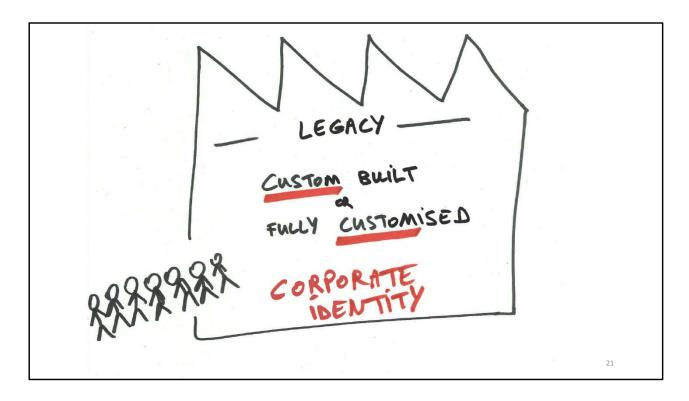
One example: we create letters via our mail system. Yes, it is a mail system but I can send you an acknowledgment letter via this system. We will not use Outlook for that but our business is aware and we will have to find another IT solution for this. This is one of the smaller projects in the multi-project but if you don't identify early on, you will never be able to shut down the old system.



All right, let me summarize my insights on the view of the role of business analist in legay projects: look under the surface Dig up the mud early and you can also find valuable objects.

We found a culture compass when digging, maybe you something else, but take into consideration not pure rational drivers like budget.

Other elements drive behaviour, also in your company.

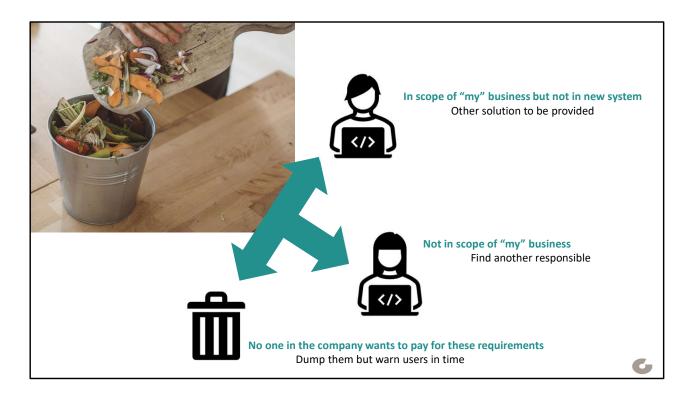


Think about the link with your corporate identity, identify the concerns and fears of your stakeholders.

Use them to enable change instead of blocking change, don't ignore these signals.

If your legacy systems are highly customised or custom built, analyse what they are tailored to.

Don't tell (all) your end users: you should use this now because it is so much better but explain how it the new system fulfils the same needs, how it will be used so your values are not in danger. Co-workers should still recognize themselves in the new system. Or are your replacing the employees together with the system?



And finally, identify what requirements are fulfilled today by the legacy but will not be met in the new system,

Divide them up in three categories:

- Find out what your business is responsible for and foresee other solution
- Find out who else is responsible so they can provide tooling
- Find out no one wants to pay for a solution and inform users on time they have to look for an alternative themselves.

They might not like it but will appreciate the heads up.



Next we will discuss some statements in little groups.

But before, are there any questions on this presentation? Also online you can ask questions.

# Statements to be discussed Endusers can be considered as functional experts who can clearly express what their needs are When opting to partner up with an external party to implement the IT solution, outdated. When opting to partner up with an external party to implement the IT solution adapt to the customer's way of working / methodology. An external package does not require any testing and will work as described This leads to a decrease in testing related costs.