

Corporate portals get personal to get users

By Michael Lattig

IF YOUR COMPANY is one of the many hoping to drive productivity and knowledge sharing through the implementation of a corporate portal, you may need to know one thing: If you build it, they may not come.

Portal software vendor Sequoia Software this week will launch a series of partnerships with the theory that "populist applications" which marry professional and personal utility will make corporate portals more compelling to end-users. The company is entering a crowded market with heavyweights SAP and Oracle, for instance, which are readying their own wares.

"The whole portal metaphor is a powerful one, but the real challenge is getting people to use it, to lever-

age the information sources the company is making available," said Mark Wesker, president of Sequoia Software. "Our goal is to provide customers [with] a full range of more real-world-type applications that provide more value to the target users but don't detract from their productivity."

Sequoia will offer that capability through partnerships announced this week with providers of benefits planning, travel, and procurement applications.

Those applications will be tied in to Sequoia's XML Portal Server, creating what Josh Walker, an analyst at Forrester Research, in Cambridge, Mass., feels is the ideal corporate portal solution.

"The idea [of a portal] is that once you have folks at a Web site, that's where knowledge management really takes place, but first you need a way to attract employees to an internal knowledge-sharing site," Walker said.

"These populist applications do create that all-elusive virtual water-cooler, which is the Holy Grail of the corporate portal," he said.

That Holy Grail, Walker said, is something that many current portal solutions, such as MySAP.com,

fall short of due to a focus that, while extremely functional, is not quite broad enough in terms of the services they offer end-users.

One company Walker feels has a good chance to succeed where solutions such as MySAP.com have failed is Oracle, which can offer a wide range of functional applications with which users are already comfortable. In addition, the company has a portal strategy in place that could provide the necessary infrastructure for building a feasible corporate solution.

Oracle, meanwhile, is looking to boost its presence in the corporate portal market. Jeremy Burton, Oracle's vice president of server marketing, hinted that the company is closer than most would think to entering the portal market in earnest.

In fact, Burton said, Oracle's WebDB 3.0, the company's portal building tool, is now in beta testing, and Oracle has provided 12 partners with an early version of its Portlet software developer's kit in an effort to jump-start its portal strategy.

Sequoia Software Corp., in Columbia, Md., is at www.sequoia.com.

Extensity offers Net links to content

By Eugene Grygo

EXTENSITY PLANS to offer new content links for its Internet-based travel-planning and expense reporting applications via Extensity Connect, and analysts predict that others in its niche are certain to follow.

Described as a business-to-employee hub, Extensity Connect serves as a central link to online, third-party e-procurement, business travel, and billable time management services, according to Elizabeth Ireland, vice president of marketing at Extensity.

The Extensity Connect system is capable of providing these links via widespread usage of XML, Extensity officials said.

Extensity's offerings can be set up by businesses so that they are accessed remotely by their staffs, especially sales forces. Extensity also offers direct and indirect ASP (application service provider) hosting services, Ireland said.

"Gelco Information Network has 42 customers using the [indirect] ASP service," Ireland said.

The links beyond the Extensity suite to Internet content mirror the internal links that Extensity provides between its applications and back-end systems, Ireland said.

"About 98 percent of our customers have integrated to an ERP [enterprise resource planning] system," she said. "This is not a stand-alone system."

For its debut this summer, Extensity Connect will bring together the services of three third-party ven-

dors: EventSource.com, Netcentives, and WebEx.

The EventSource link helps employees obtain control of corporate meeting and event-related expenses, and Extensity will provide access for finding and booking hotels and services for meetings and conferences via the EventSource.com's links to its 12,000 suppliers.

Netcentives enables employers to give employees incentives for complying with corporate policies. The WebEx helps employees meet online rather than in person. Extensity Connect users will be able to conduct presentations, demonstrations, document collaboration, and training all from desktops with internal or external audiences.

These value-added services are harbingers of bundled and integrated services to come, said Timothy Tow, an analyst at the Gartner Group, a market research company in Stamford, Conn.

Extensity's competitors with expense reporting, travel management, e-procurement, and billable time capture services are likely to consider third-party connections, Tow said.

This integrated offering also serves as a new channel for the third-party, Internet-based niche service providers, Tow said. Although Extensity gets the benefit if providing these services out of the box, "it's more of a win for these incremental providers," he said.

Extensity Inc., in Emeryville, Calif., is at www.extensity.com.

Sequoia's populist partners

Sequoia Software will integrate the following into its XML Portal Server in an effort to make corporate portals more compelling to end-users.

- ▶ Biztravel.com for travel services
- ▶ 401Kafe.com for investment updates
- ▶ Officemax.com for procurement

Consulting

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and strategies in hopes of becoming nimble and attracting top IT talent.

Last week, Andersen Consulting and Microsoft formed a separate services company called Avanade, which will focus on Internet and enterprise projects anchored on the Windows 2000 platform (see chart, right). A key reason for the spin-off was to create a start-up environment.

"Right now, being a pre-IPO technology services firm is not going to hurt recruiting," said Mitchell Hill, CEO of Avanade.

This joint venture is the latest in a series of spin-offs that is redrawing the top tier of the consulting landscape.

Spurred by regulatory and legislative scrutiny, most of the Big Five consulting firms have taken steps to divorce their auditing and accounting practices from their consulting operations.

In recent months, KPMG has spun off its consulting group. Andersen Worldwide has been hashing out the details of a similar split, but has been delayed by partner

Spinning out

Andersen Consulting and Microsoft have created a new professional services company called Avanade.

- ▶ Headquarters: Seattle
- ▶ CEO: Mitchell Hill (from Andersen Consulting)
- ▶ Investment: \$385 million from Microsoft
- ▶ Valuation: \$1 billion

Avanade will offer the following products and services.

- ▶ Reusable e-commerce applications
- ▶ Windows Distributed InterNet Architecture (DNA) development and application integration
- ▶ Highly available enterprise and Web infrastructures
- ▶ Data center consulting services

lawsuits. PricewaterhouseCoopers, stung by high-profile incidents of questionable partner investments in client companies, last month reorganized into separate consulting and auditing/tax groups.

And Ernst & Young late last month announced the sale of its consulting arm to French services giant Cap Gemini. Deloitte & Touche has tinkered with the relationships among its various business groups, but has not fully cleaved its consulting operations.

These structural adjustments parallel a frenzy of investments and partnerships designed to plug the traditional consulting leaders in to the digital economy. Most of the firms have venture capital groups seeding new, smaller services and e-commerce players, as well as fast-growing networks of partnerships.

To keep pace with the rapidly changing business technology requirements of corporate IT shops, the Big Five not only need to adapt their strategies, but also need to shed their images as hidebound number-crunchers, analysts and users said.

"We don't look to our accountants for help with IT, any more than we would look to our caterers to get IT help," said the Web projects director at a Fortune 10 company, who wished to remain anonymous. "This is mostly an idea propounded by the accountants themselves who somehow figure if we are good at accounting we must be good at IT."

Many Fortune 1000 shops routinely rely on the Big Five for direction and advice on IT issues. But analysts and users said that these large companies will turn to Silicon Alley and Valley types, such as upstart services firms Scient, Viant, or Razorfish, for advice on Web-based

projects, which require skills ranging from back-end systems integration to front-end design.

"For the most part, these [user] companies are using [the Big Five] for non-e-businesses. But for e-commerce projects where there is a 50-times increase in speed and responsiveness, these older-guard companies can't begin to cut it," the project director said.

Part of the problem, in the view of some IT managers, is that the Big Five do not exactly know yet which business they want to be in. Some see the more glistening and profitable opportunity of IT services laid out in front of them, but they also know they can't be in the auditing business with the same account at the same time.

"I think a lot of these firms are still exploring what role they should play. What they are seeing is a bigger opportunity in [IT] services and consulting, especially when it comes to the e-world as opposed to their

traditional business," said Frank Petersmark, vice president of information technology at Amerisure & Co., a large regional insurance company in Southfield, Mich.

To successfully move into IT services, what Big Five companies need to do is not only become swifter and more educated, but also do a better job of marketing themselves, Petersmark said.

Despite their mixed track records with such projects as ERP (enterprise resource planning) implementations and the perception that they are a step behind Web time, the Big Five consulting operations can't be dismissed, said Russ Novak, an analyst at the ARC Advisory Group, in Dedham, Mass.

"The tier-one service companies have the financial resources and vertical industry expertise to penetrate almost any market, although they've already opened the door to midtier competitors and Internet start-ups," Novak said.