BUSINESS INTELLIGENCE

With global data, night shift in someone else's day

By D.C. Denison, Globe Staff, 3/3/2002

Electronic updates are still streaming into NewRiver's computer system long after the sun sets on the Andover online financial services provider. On a typical day, between 1,000 and 2,000 filing modifications flow into NewRiver's databases, the very latest information on more than 26,000 mutual funds the company tracks.

The data arrive as late as 11 p.m. and have to be current by the start of the next trading day. But no one's losing sleep at NewRiver, at least not on this project. That's because the company's night shift, more than 150 strong, is located in New Delhi, where the sun is just starting to peek over the horizon as the last NewRiver employee heads home.

In the global version of 24/7, data-centric companies are using the earth's rotation to create around-the-clock operations. "If we didn't split the project between time zones, there's no way we could get it all done," says Craig Le Clair, NewRiver's executive vice president of brokerage services.

NewRiver's approach seems destined to catch on with a new generation of global firms. Amar Gupta, codirector of the Productivity from Information Technology program at MIT's Sloan School of Management, says he has seen it "from both sides, from the US and India." Acceptance of the idea, he says, has already turned "180 degrees."

"Years ago people in India and the United States thought the time difference was a negative," he says. "They thought it would hinder their ability to work with US firms. Now that's switched around - for many projects the time difference is a plus."

According to Gupta, Motorola Inc. is one of the companies that has pushed the concept furthest. Motorola has a chain of centers around the world that allows it to work on projects bucket-brigade style, "literally 24 hours a day."

At Motorola, a project can move with the sun from the United States to Europe to India to Australia and back to the United States. Three eight-hour shifts are possible in a 24-hour period.

"The challenge is developing the collaborative techniques so that you don't spend four hours explaining to the next person what you did in the previous eight," Gupta says.

Gupta believes the trend toward globe-trotting projects that never shut down will accelerate, because the approach saves time and labor costs.
"The cost of programming and data-entry labor in India, for a large multinational firm, is about a fourth of what it is in the US," Gupta says. "For companies that deal with very small Indian firms, the cost can be one-fifteenth."

Gupta foresees software programming projects that will use sophisticated workflow techniques to keep the work moving around the clock and around the globe, dramatically reducing development time and labor costs.

In the meantime, the first generation of global collaborations is primarily data-oriented, because such projects can easily be broken up. At NewRiver for example, the financial data stream into two parallel databases: one in Andover, one in New Delhi (about 10 and a half hours ahead). Every morning at 6:30 EST, the two databases automatically "handshake," synching up in preparation for the opening of the financial markets.

NewRiver chief technology officer Anil Gupta (no relation to MIT's Gupta) believes that his company's two-continent project is only the beginning.

"Once you are on the Internet, it doesn't matter whether you are in Andover or New Delhi," he said. "It's insane for companies not to make that work for them."

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