



Aligning Information Technology

With the Business

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Discussion Objectives

- **Define what we mean by “Aligning IT with the Business”**
- **Discuss why alignment is important**
- **Share ideas regarding how to establish and maintain alignment**
- **Provide a framework for establishing alignment**

Aligning IT With the Business

Creating and managing a business driven IT organization for which the primary focus is implementing information oriented solutions that are most important to meeting the business goals, objectives, and strategies of the enterprise.

Why is this an Issue?

- **IT organizations do not have a clear understanding of what's important to the business.**
- **The value of IT is not understood by business executives (and some IT executives).**
- **Opportunities to use information technology are not identified, authorized, prioritized, and implemented, based on importance to meeting business objectives and goals**
- **The business does not participate, from an enterprise-wide perspective, in decisions regarding IT direction and priorities.**

What is necessary to align IT with the Business?

- **Assure that all IT activities contribute to the goals, objectives, and strategies of the business.**
- **Encourage Executive Business Management to become continuously involved in plans and decisions regarding the use of information technology.**
- **Position the IT organization to best address the needs of the business**
- **Create a customer focused culture in the IT organization**
- **Enhance the awareness of the value of IT to the business**

What does this Require?

- **Educating business management regarding the importance of partnering with the IT organization**
- **Giving up some control to the business regarding decisions about information technology (strategy, architecture, priorities, spending, etc)**
- **Making IT related decisions with the same criteria used by the business**
- **Aligning the IT Organization structure, style, staffing, and skills to match the requirements of the business**
- **Creating a process that keeps the business and IT aligned**

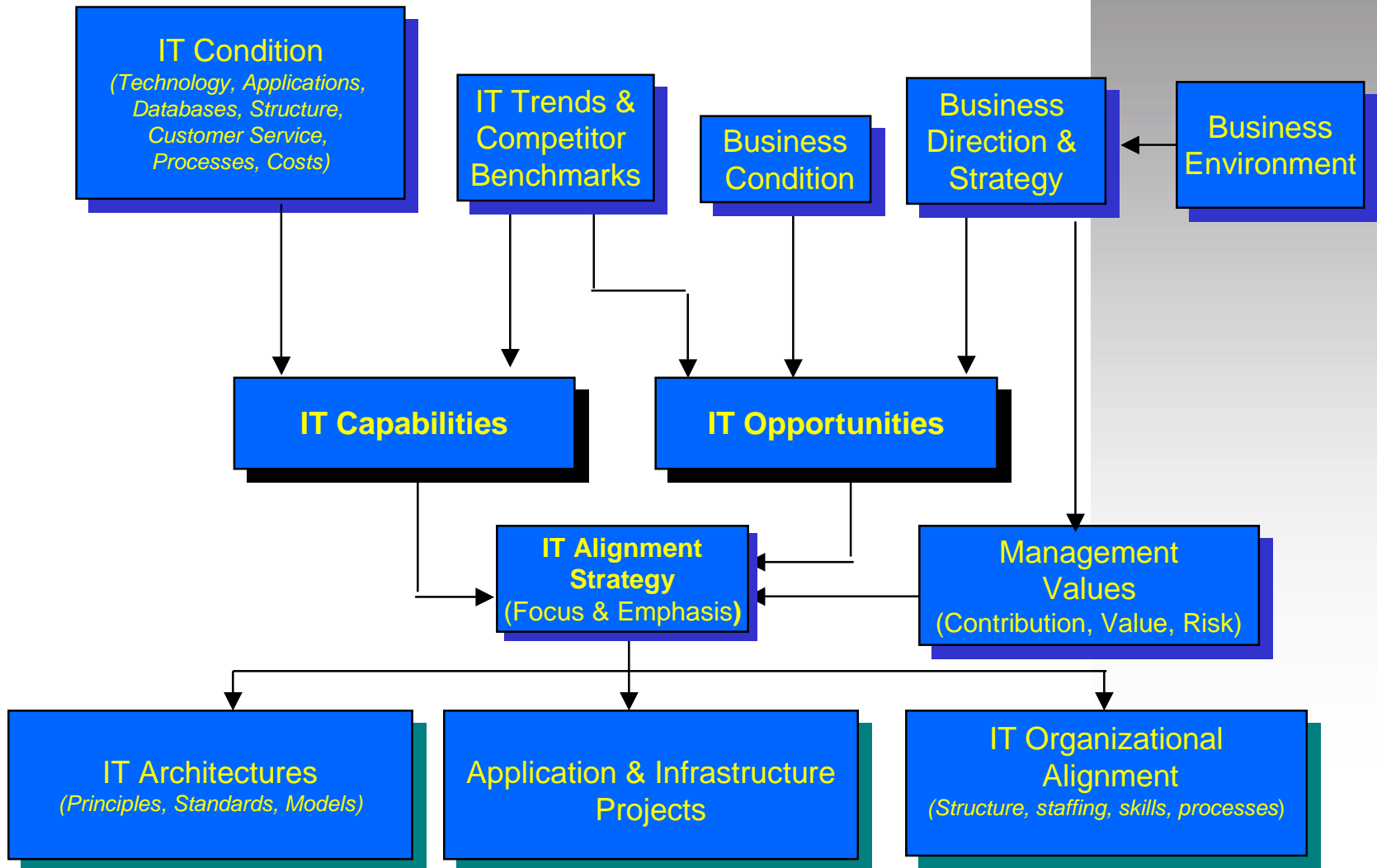
IT Alignment Strategy

Strategy is the match between an organization's capabilities and resources, the environmental opportunities and risks it faces, and the goals it wishes to reach.



An alignment strategy matches what an organization “can do” versus what it “might do”.

IT Alignment Strategy - The Framework



IT Architecture - Definition and Framework

- **Architecture** is a set of **values, preferences and criteria** for guiding the outcome of technology decisions.
- **Architecture** is embodied into **principles, models, and standards**.
- **Architecture guides decisions** regarding the selection, acquisition, deployment, operation and management of information technology.
- **Architectural** principles, models and standards **guide technology decisions** unless there is a **clear and compelling business case** to make an exception.
- **Architectural Categories** are Technology (Servers, Clients, Networks), Business Applications, Desktop Applications and Data Management, IT Management Processes, and IT Organization.

IT Alignment Transformation - Interrelationships



Organizational Alignment Requires

- Identification and implementation of IT Organization changes (structure, staffing, skills, style), as well as training, management education, and services, oriented toward achieving closer alignment of the IT resource to the business goals and objectives.
- IT organizational style changes often include moving:

From

Autocratic
Risk Adverse
Management
Technology Centered
Authoritarian
Inward Focused
Cost Oriented
Reactive

To

Democratic
Risk Taking
Leadership
Client Centered
Partnering
Outward Focused
Value Oriented
Proactive

Managing the On-Going Alignment Process

Requires:

- Establishment of an on-going IT Council consisting of business and IT management sharing equally in decisions regarding IT.
- Development of a process to recommend, review, and approve changes to the strategy and architecture
- Integration of the IT project planning and approval process into the enterprise planning process

Summary

Alignment is critical to the successful deployment of IT within the business.

Alignment requires the involvement of Business as well as IT management.

Alignment involves attitude changes in both IT and the business.

Alignment is a process not a project.