

Why do you need an IT Strategy?

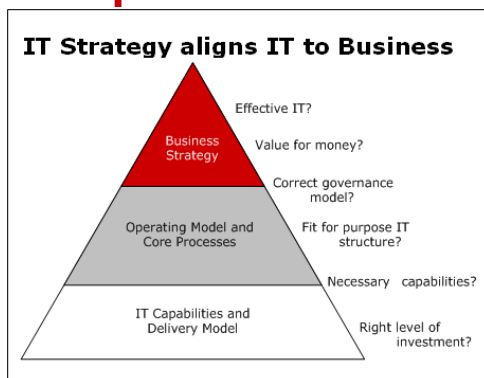
Introduction

This Insight describes the need for an IT Strategy and how it can enable organisations to be more effective in delivering value.

What an IT Strategy should do

Most organisations have an explicit business strategy which guides business decisions. An IT Strategy is the structure which ensures that the money being spent on IT by the organisation is being used to the best effect to further its strategic aims. It helps answer the questions:

- How can we be sure that our current spend on IT is effective?
- What IT investment should be made to deliver the business strategy?
- Have we got the right structure and governance to deliver IT to our organisation?
- Does our governance of IT projects deliver value?
- What IT enabled capabilities are required to deliver the business strategy?



IT Strategy should:

- ◆ Deliver clarity from complexity
- ◆ Prioritise investment
- ◆ Give understanding on how the organisation can utilise emerging technologies to:
 - ➔ Satisfy customer requirements
 - ➔ Manage business processes
 - ➔ Manage organisational performance

Managing IT

Typically, organisations have a senior manager who is responsible for the delivery of IT. It is a complex role, as it usually is regarded as a cost, regardless of how well it is being managed. The brief is to serve the whole organisation, but there are always areas which will deliver higher value from IT deployment than others. The key is to ensure that IT is aligned to the strategic initiatives of the organisation, has the support of the management team and clearly delivers the enabling facilities as prioritised by management.

The signs that your organisation needs an IT Strategy

Most leading organisations have a clearly stated IT Strategy, which sets out how IT will be delivered. It should be dynamic, and adapt to changes in business strategy. When an organisation does not have a clear IT Strategy, it can manifest itself in several ways. Some of the signs are:

- Levels of dissatisfaction with IT service across the organisation. These may be unjustified but clear expression of a strategy means that performance can be measured.



- Areas of the organisation attempting to organise their own IT. This may be symptomatic of low IT service levels. The result is often high cost, unsupportable systems, which are not integrated.
- IT not working to a clear business driven mandate. This can be the result of not having a mandate, or of not following direction.
- Project benefits not being realised. This can be caused by inadequate project governance by business and /or IT.
- Many systems with transactional data, but little usable management information.
- Emphasis on complexity rather than simplification in both business and IT, resulting in a lack of clarity across both.
- Inability to service the organisation's information needs for rapid decision making.
- Unclear how IT is delivering strategic benefits. Without a clear IT Strategy, which is accepted by the rest of the organisation, it is impossible to gauge whether IT is delivering strategically. This is not perceived as a problem when organisations are delivering on their aims, but becomes critical when organisations are put under stress.
- IT Strategy in place but not aligned to business strategy. This can be the worst situation of all, where the business strategy has changed, but the IT Strategy does not reflect that. The result can be misdirected investment which drains resources which should be deployed differently. This can be compounded by complacency in thinking that the IT Strategy is correct.

Critical success factors for IT Strategy



Our offering

Curach Consulting has a team of specialists who can develop an IT Strategy for your organisation. We have the business experience to understand the strategic issues, blended with the knowledge of leading technologies to ensure that your IT Strategy is right for you. There is no one-size-fits-all, as each organisation has its own challenges. We work collaboratively with you to develop a new strategy or update your existing one.

Conclusion

IT Strategy is essential for any organisation with limited resources which needs to get value from investments.

IT Strategy must be aligned to business strategy to ensure that it delivers the best benefits.

IT Strategy must be kept up to date because it guides IT investment. An out-of-date strategy will misdirect and waste resources.

If you have any queries on the above, or would like to discuss your organisation's need for IT Strategy, please contact Curach Consulting.

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