

6 STEPS *to an actionable* IT STRATEGY



CHARTING THE COURSE

It is easy to get caught-up in daily issues that arise as part of running an IT organization. Many CIOs find they leave important but not urgent initiatives undone such as creating an IT strategy. However, budgeting and operating without a defined strategy can lead to wasted resources and ineffective support of business goals.

In this guide, we will make the strategy creation process more manageable by exploring six steps you can take to create an actionable IT strategy including:

1. Confirm Business Strategy
2. Connect IT to Business Strategy
3. Develop ROI
4. Establish Priorities
5. Create Roadmap
6. Turn Initiatives into Projects



Confirm Business Strategy

The most successful CIOs are ones who understand the goals and objectives of the organization and develop an IT strategy to support those goals.

Key business strategies that will impact your strategy may include:

- Financial objectives
- Market segmentation
- Geographic growth
- New products or services
- Mergers, acquisitions, and divestitures

To support the overall corporate goals, every department will have its own objectives. Take time to interview each department head to understand priorities across the organization. Technology will support or enable nearly every one of their priorities.

Use the grid below to help guide your conversations:

Department Goal/Initiative	How Measure Success?	Dependencies on IT (What software/systems will be used/needed)	Technology/Process Concerns or Challenges



Connect IT to Business Strategy

Once you have met with each department leader to understand their goals and IT dependencies, list out all of the IT initiatives needed to meet the business strategy.

Make sure to consider the following when defining your list:

- Every initiatives should connect to a business objective
- The list should include business applications and information as well as infrastructure to support the business applications
- Identify new initiatives and those already in the pipeline
- Flag projects that are in the pipeline but do not contribute to meeting business goals and objectives. Look at redeploying or decommissioning associated resources
- Think beyond technology. Consider how you can support the pace of business by making systems or processes more effective or efficient
- Determine which systems will be supported and allocate time and resources toward preventative maintenance.
- Always ask the question “Why.” Investments such as upgrades or changes to existing systems can become routine but may often not truly be needed to reduce risks or support business goals



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Develop ROI

With each initiative you define, it is important to develop a ROI or payback period. Defining what makes a successful project and how to measure that successes will be an important component of demonstrating the value of your IT team.

This activity should not be done entirely on your own. Work with the business leadership to confirm the value of the initiative.

ROI will likely be refined when it goes through the project definition process in the PMO however it is import to have initials measures established in your strategy

Developing the return metrics should include:

- Determine a reasonable timeframe for ROI or payback based on the size and scope of the project - Small (1-3 Years); Medium (3-5 Years); Large (5+ Years)
- Understand how the business will measure the project's benefit such as through additional or new revenue, cost savings, or efficiencies
- Incorporate all costs including acquisition, support, and maintenance

Quick wins are a great way to get stakeholders excited about a project. Explore if there are ways to start obtaining parts of the ROI sooner through smaller deliveries.



Establish Priorities

At this point you will likely have several, if not dozens, of initiatives defined. Because you will want to deliver impact as soon as possible as well as executive with excellence, create a priority ranking based on business value for all of the initiatives. Consider the strategic relevance and ROI in your evaluations.

If there is an established steering committee, get confirmation from them that the list and ranking is accurate. Make changes based on their collective agreement.

If there is not an established steering committee, create one with the business leadership for the purpose of confirming the initiatives list and ranking. Try to make this a standing committee to provide business direction to IT. Organizations with IT steering committees demonstrate greater alignment with business objectives and produce better project prioritization.



Develop a Roadmap

Developing a roadmap will enable you to communicate IT initiatives by sequence and set expectations on timing.

Consider the following when creating your roadmap:

- Estimate the duration of each initiative
- Understand what dependencies are needed to begin an initiative. For example, will you need to upgrade your ERP system before developing an e-commerce system?
- Identify initiatives that can be conducted in parallel
- Consider important business deadlines or milestones

Once those items are defined, create an IT road map as a visual to communicate how the initiatives will be conducted in sequence and in what general timeframe.



Turn Initiatives Into Projects

Finally, once you have the initiatives defined and mapped, use the portfolio management or project management office (PMO) process to turn the initiatives into defined projects.

In the order of priority, the initiatives will be defined as projects and go through the approved project management process.

In this process the cost and timing will be refined and confirmed with the steering committee.

Projects will be executed as planned in the project management process.

Look for opportunities to sequence the work to provide the best ROI even it does not 100% align with priorities. The most likely places this will be necessary is with infrastructure or people that are critical path for multiple projects.





ON THE LOOKOUT

Creating an IT strategy is not a one-time activity. You will need to review and revise periodically depending on the pace of your business.

Make sure to keep measuring success and adjust based on what is working and what is not.

Pay attention to factors that will cause more substantial modifications of your strategy such as:

- Market shifts
- New competitors
- Consumer technology
- Mergers & Acquisitions
- National and international economic conditions



GET STARTED TODAY

As an objective third-party, Intellinet can help you get started by evaluating your strategy, organization, PMO, or application landscape. Contact us at 877.362.4530 or by clicking on the boxes below to schedule an assessment today.



Strategy Assessment

Review of IT / business alignment and recommendations to improve current processes



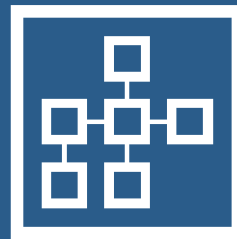
PMO Jumpstart

Establish or enhance your project management office (PMO)



Organizational Assessment

Review your systems, staff skills, processes, and procedures



Application Topology

Document infrastructure and enterprise applications for effective understanding of systems environment

Strategic,



**Technology
Enabled**



**Business
Solutions.**



Integrated.



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