

Effective Business Planning Must Include I/T

The only way companies can achieve complete strategic alignment is by incorporating I/T in the business planning process. Information and technology play a critical role in achieving corporate objectives; therefore, it only makes sense to bring I/T to the table.

Over the years many articles have been written about the importance of aligning IT strategy with business strategy. So why another article? Because people still haven't heard, or implemented, the message.

Business has transformed from 'throwing things' at the techies, to the techies 'throwing things' at the business, to a more practical and proactive approach. The best companies have included I/T as part of the business; not as an evil necessity. The CIO no longer waits for the business plan to show up in their in-box before starting to work on developing the IT strategy.

Technology changes so quickly that businesses must actively manage their technology strategy and related processes. It would be unwise to approach the creation of a technology plan as a point-to-point process (meaning you can't afford to size up your situation / needs today and wait 6 months to look at it again). High-level strategic planning is becoming an all-inclusive process, conducted by the entire senior management team (including the CIO).

This partnership between business and I/T is the approach taken by pharmaceutical manufacturer [AstraZeneca](#). CIO Robert Cohen, who spoke at a CIO Perspectives Conference in California, said, "the next stage of business and I/T strategic development—co-evolution—is critical. The business strategy shapes the I/T strategy and the I/T strategy in turn shapes the business strategy."

It is vital for I/T to be in the loop during strategy development, to ensure that all parties know when the technologies do or don't exist to meet the organization's requirements, and to ensure that the implications of the various business units' proposals are identified and considered during the planning process.

So, now that we've established the need for business and I/T to work as one team to create a strategic plan, what next?

Points to Consider

1. **Keep this thought first in all strategic discussions: I/T does NOT direct the business, it supports the business direction.**
2. **Discover and document the business needs of each department before beginning the I/T strategic planning process.**
3. **Formalize this process to help uncover potentially conflicting business needs.** It's better for the business (and for you) to learn about these conflicts now rather than later when trying to implement the I/T plan.
4. **Treat the strategic plan like an investment.** If something is included in the plan it must be justified and prioritized. Business conditions (i.e. revenue goals, profit objectives, etc.) should be established and linked in order for specific components of the strategic plan to be implemented. In other words, the strategic plan is not a blank check. The justification process should be done upfront.
5. **Insist on business owners (department heads or appropriate executive team members) signing off on the I/T strategic plan.** It is the company's plan, not the CIO's plan.
6. **Include the technical staff to gain insight and ownership.**

Mr. Waters has over twenty-five years of business experience, twenty within information technology. He offers a unique balance of practical business and I/T experience, as well as his formal education; Bachelors Degree in MIS, MBA in eBusiness, and formal Six Sigma training.

[For more information on this topic, please contact us as Gerke and Associates – 573-875-7125](#)