

Preface

The Challenge

An obvious statement — all organizations use information systems and technology to support their key business processes. Value of IT and systems is reflected in the performance of the business through the processes. The business has a mission or vision and strategic business plan. Many have strategic IT plans. Even with all of these, there are problems and many instances of failure. Some of them include the following:

- The value of IT is questioned.
- Systems get implemented. Nothing changes in the work. Benefits are not achieved.
- Alignment of IT to the business is questioned.
- Failures in process change systems' implementation are frequent.

Of course, not everything is bleak. The situation, however, raises some questions.

- How can you develop a strategic IT plan with limited time and resources?
- How do you address planning for the business processes?

- What if you have not done IT planning before, or have had limited success in the past?
- Even if you develop the plan, how do you market it to management, business units, and IT?
- Even if you develop and market the plan successfully, how can you get resources to implement the action items of the plan?
- How do you implement and track the implementation of the action items of the strategic plan?
- After implementing, how do you measure whether it was worth the effort?
- How can you maintain the plan with limited time and resources?

It gets more complicated. You have the strategic systems plan in your right hand and the business plan in your left. Other questions like the following also arise:

- How do you know if the two plans mesh and are aligned?
- More generally, how do you assess the operational and intermediate term alignment along with strategic alignment?
- Business relies on processes. Systems and technology support processes. Where is the process plan? What is the direction of the work?

Planning Failures

We define success for strategic IT and process planning as the cumulative improvement to business value and competitive position through the measurable improvement of key business processes using information systems, technology, and project management. This is a very tall order.

Why? Because there are many instances and degrees of planning failure. Here are some of them:

- The plan is never completed.
- The plan is completed, but management and/or business departments ignore it.
- The plan is supported but, too bad, there are no resources to do anything.
- The plan action items are implemented, but there seems to be no change.
- The systems changed, but the organization and business processes remained the same.
- There appear to be no tangible benefits from the plan.
- Many of the planning actions are too long range and require a lot of resources — so they never even get started.
- The plan is there, but it seems too general and hard to map to day-to-day work.
- The plan just sits on the shelf and gathers dust.

The General Objectives

Here are the critical objectives for strategic IT and process planning and the plan.

- Get improvements in the business and IT through planning, strategic resource allocation, and implementation.
- Develop a real-world strategic plan so as to generate political support.
- Assess and exploit IT-business alignment on three levels: operations, intermediate term (projects and strategies), and strategic.
- Effect cumulative improvement and time and effort reduction in future planning.

- Address commonly encountered problems and roadblocks.
- Be capable of being in any country, any type, and size of organization.

The Detailed Goals

Key issues and questions were mentioned above. Answering these and more is the purpose and scope of this book. More specifically, our goal is to provide you the methods and tools so that you can:

- Understand the business, process, and systems environment.
- Develop the strategic IT and process plan that includes the direction of key processes (hence, the business process and strategic systems plan).
- Get involvement, support, and endorsement from management, business employees and IT staff.
- Put in place an organized approach for allocating resources between the planning action items, projects, maintenance and enhancement, and support.
- Implement the planning action items and measure the results.
- Employ an affordable method for updating the plan — fast.

Our Approach

The method presented has been distilled over a period of over 25 years. The method is a combination of:

- Strategic planning
- Change management
- Process improvement
- Project management

- Business process management
- IT architecture and systems

Change management acts as the umbrella over all. Project management governs how it is done in a strategic planning framework. Changes are affected through: process improvement, business process management, and IT architecture and systems.

We have collected a library of over 100 strategic IT plans. A planning database has been created with over 200 objectives, 500 strategies, and 800 action items. This information has been invaluable to the content and examples in the book.

The method in this book has been implemented in over 50 organizations in 20 countries including North America (United States, Canada, and Mexico), South America (Peru, Brazil, Chile, and Colombia), Europe (Great Britain, Ireland, France, Spain, Germany, Italy), Asia (China, Singapore, Thailand, Taiwan, Japan, Korea, India, Saudi Arabia, Dubai), Africa (South Africa, Egypt, Nigeria), and Australia and New Zealand.

Industries that have employed the plan include:

- Banking and insurance
- Manufacturing
- Distribution
- Transportation and shipping
- Utilities
- Government agencies
- Agricultural firms
- Natural resources and energy firms
- Aerospace and defense
- Technology and Internet firms
- Education
- Logistics
- Telecommunications

The method is scalable. It has been implemented in organizations ranging from a three-person IT group to several with hundreds of employees in multiple locations and countries.

Why has it worked? Here are the key ingredients.

- The approach is inclusive of processes as well as information systems and technology — ensuring that the technology and systems are relevant and useful to the actual work.
- We map the strategic business planning elements to those of the strategic systems and process plan through business processes — ensuring alignment and generating more support.
- We employ checklists for issues and opportunities, objectives, action items — all planning elements — getting you off the ground and running fast.
- Lessons learned and potential problems are provided to get you over hurdles you may encounter.
- Developing the plan is treated and organized as a project — giving more structure for the method.
- The method is step-wise with multiple steps in parallel — to reduce the elapsed time and get results faster.
- Focusing on not just project ideas but also policy changes, procedures, organization, workflow, etc. provides you with Quick Wins to gain more support for the plan, and to get these implemented before the plan is totally implemented.
- The method addresses resistance to change and the many political factors that can crush the planning effort.

The approach is based on the emerging integration of four areas:

- Information systems and technology
- Project management
- Process improvement and business process management
- Change management

These are all related. You do not want to implement a new system or technology with business impact and benefit — process improvement. You cannot get lasting process improvement through reengineering, Six Sigma or some other method unless there is automation to prevent regression and deterioration. Implementing last process change and systems requires a structured project management approach. The mention of change instills resistance in many — they see it as a threat to their jobs, positions, and power. Thus, we include change management to deal with the politics.

The method components are based on the following:

- Examine the business by examining the vision and mission, several key processes, and industry environment; measure the processes.
- Analyze and measure the current work in IT and systems to see where changes can be made, new technology employed, and resources obtained to support the planning action items.
- Develop the plan (issues and opportunities, objectives and constraints, and strategies and action items).
- Implement Quick Win changes consistent with the plan, generating more support for the plan.
- Perform a structured approach for allocating resources between the planning action items and other IT activities.
- Implement and measure the results of the plan action items.
- Update the plan using structured lists and tables.

To implement the method we employ:

- Extensive checklists and tables that effectively are the core of the plan.
- Collaboration with the business and IT during the entire process.
- Lessons learned from past planning efforts.
- Roadblocks, barriers, and problems that you may encounter and how to deal with them.

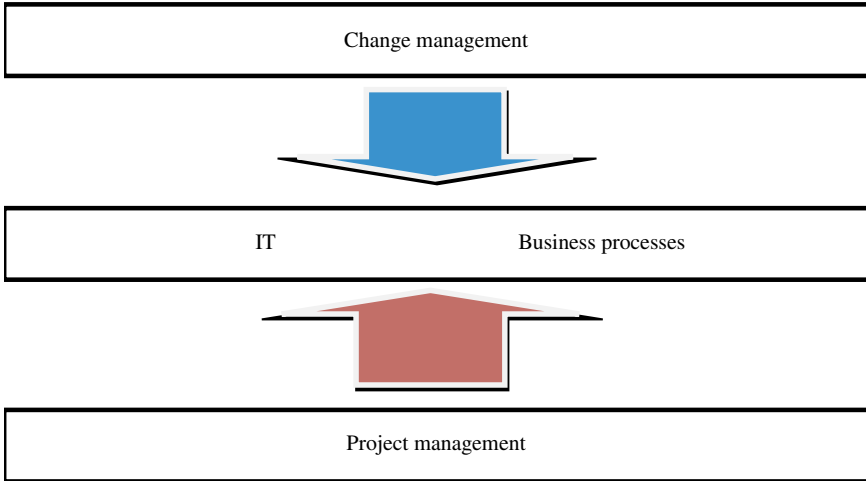
- A parallel approach for most of the work limited by available resources. If you followed a sequential approach, you might never finish.
- Don't strive for perfection the first time — you won't make it. Instead, work toward improvement of the processes through the strategic plan.

The book follows the method from the initial start through the update of the plan. Each chapter contain an introduction, lists and tables to help you get going, examples, a discussion of the political factors at work when doing the tasks in the chapter, lessons learned, and things to do next. At the end of the book is a complete example within the space allowed. This example, an Irish farming organization, contains many of the factors of other organizations — technology challenge, resistance to change and new ideas, limited IT resources, and very busy business employees — to name a few.

You will note that the word “breakthrough” appears in the title. The approach is quite different than others in that it employs change management as the umbrella for the planning and project management to get it done. Rather than being restricted to IT, it encompasses IT architecture and systems, process improvement, and business process management. This is shown in the diagram below. Here, change management is over the IT and strategic business process planning. Project management governs the planning work. The middle area is the subject of planning — IT and business processes.

How the Book is Organized

This book is divided into four logical parts. Part I presents the method and give guidelines for the various presentations and informal communications related to the planning effort. Part II involves collecting information for plan from both internal and



external sources. This part also includes a chapter on alignment of processes and IT to the business. Part III focuses on developing each part of the strategic plan. Also, there is an additional chapter on how to develop strategic plans for business units. This is often neglected in other planning books. Part IV addresses implementation and provides an in-depth example. Both short-term Quick Wins and longer term change are addressed. There is a chapter on measurement and updating the plan with the minimal effort as well.

Note that there is some intentional overlap. For instance, during the planning effort there are two instances of data gathering by interview. One is in the gathering of information related to past planning efforts (Chapter 4). The other is in the data collection for the new plan — in Chapter 6. A summary project plan for developing the strategic plan is given in Chapter 1, while a more detailed plan appears in Chapter 5. The purpose of the one in Chapter 1 is to explain the scope of the planning work. The business mission and vision are covered in Chapter 5 (data collection) and in Chapter 6 (analysis).

Key Differences with Other Planning Books

In brief, many planning books are one dimensional in that:

- They only consider the technical aspects of the planning and ignore the politics.
- They focus on just information systems while ignoring or giving little attention to the business processes.
- They ignore the marketing needed for the planning effort and plan — from day 1 until the updating cycle of the next version.
- They often are cumbersome and rely on jargon that fits only with large institutions.
- They lack specific actions for what to do exactly at each stage.
- They fail to consider the politics of planning and resistance to change. They do not realize the impact of the changes affected by the plan on the business and IT and their corresponding political power structures.

What You Will Get from the Book

This is a nuts and bolts approach to strategic systems and process planning developed and honed over the past 15 years. Firms and people that have used the method have received the following benefits:

- Integrated examples throughout the book
- Standardized lists of planning issues, objectives, action items, strategies, and constraints
- Integrates process and systems planning
- Jargon-free methods
- Easy to read format
- Extensive checklists and examples
- Specific tips on how to develop the plan

- Scalable to large and small organizations
- Proven in over 50 organizations in 20 countries
- Method allows you to measure progress as you go
- Realistic approach to developing the plan with limited resources
- How to deal with the real-world politics of planning

The Audience

In our management, consulting, and seminars, we have found that the audience for this material includes:

- Business managers and senior staff involved in overseeing business work
- Business planning and control staff
- IT managers and senior staff
- Consultants involved in IT, process improvement, planning, and change management

The materials have also been used in classes at the upper division and graduate level in IT, process improvement, change management, and project management.