

Align IT – Why bother?

Ask any business leader whether IT can deliver meaningful value to organizations competing across the world in 2007 and the answer will be an unequivocal “Yes”. Ask them “What and how?” and the certainty starts to fade.

For me, IT can deliver real value and enable your business to enjoy greater success in three core areas:

- Achieving competitive advantage
- Delivering greater productivity
- Transforming the organization

Achieving competitive advantage

There are a number of ways in which IT can support the business’s goal of achieving competitive advantage.

Supporting & linking

- Searching for simplicity. Making customers’ lives simpler so that they enjoy doing business with you.
- Asking the question "how can we do it better?"

Reducing competitive pressures

- IT can help to establish new industry standards so that it becomes harder for new players to enter your marketplace.

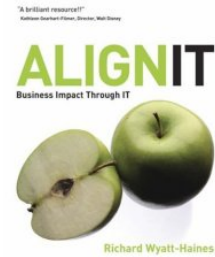
Adding value through information

- IT can improve your margins by increasing the amount of information, either within the product itself or in its supply.

Improving productivity

Whilst IT has an incredibly attractive role in enabling the business to compete more effectively, it should not forget its responsibility to improve the productivity of the business through:

- Effective operations management.
- Identifying the best ways of using organization-wide information to deliver improvements in productivity and reduce the cost base of the business.
- Deploying and leverage enabling technologies such as teleworking, groupware, communications systems that lead to higher levels of autonomy across the business.



- Improving internal management processes and systems by providing the technology and processes by which managers and leaders can direct, monitor, control, plan, advise and communicate.

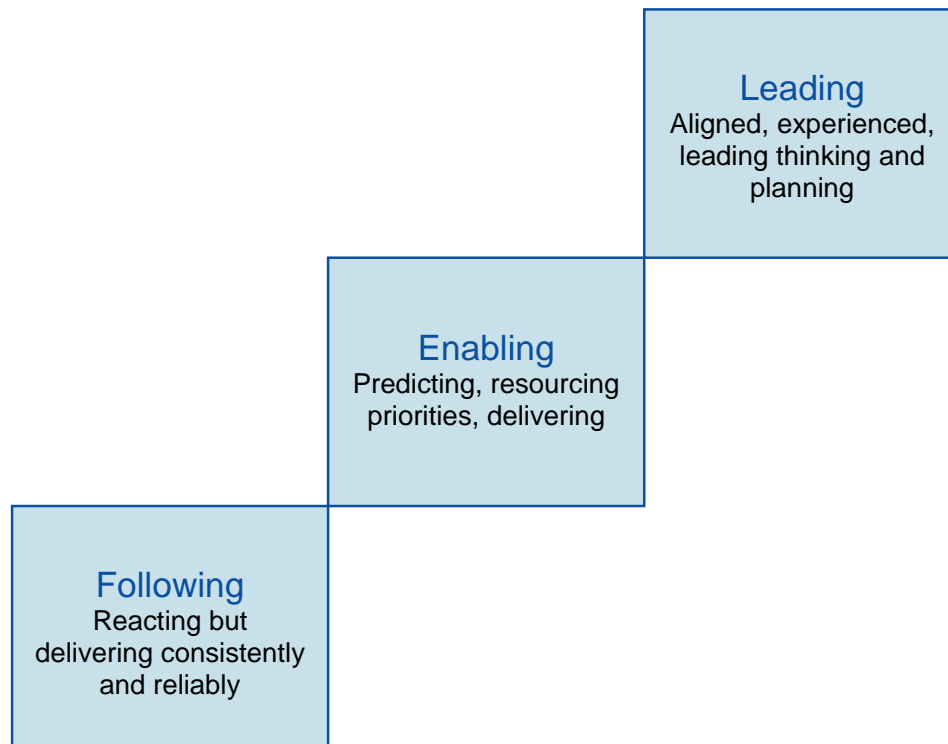
Transforming the organization

IT provides the vehicle through which major competitive shifts and trends are realized in the business. This might include:

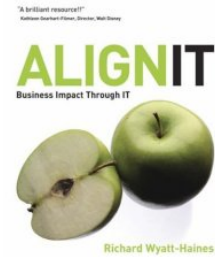
- The transition to e-commerce or partnering arrangements, alliances and acquisitions
- Leveraging the opportunities of new technology so that the organization can operate in a world without geographic boundaries
- Utilizing worldwide project teams to bring new concepts to market faster and respond more quickly to customer needs.

IT's broader role in the business

The brief summary clearly identifies the potential that exists for IT to have a massive impact on the performance of the business on a wide range of aspects; our task is to realize that potential. In part, this success will be enhanced by the role that IT plays in the business. In this sense I see three stages of development of IT:



Following, Enabling, Leading



Following

- The first and lowest level is where IT follows the business and reacts to their needs, but is capable delivering consistently and reliably. Regrettably many IT functions are failing to deliver even at this basic level.

Enabling

- With the benefit of an understanding of the businesses strategy, the IT function is able to effectively resource priority and strategic issues in order to maximize the performance of the business. In this way, IT has the role of enabling the business to enjoy strategic success.

Leading

- This is an advanced and extremely well aligned IT function, where IT leads the board's thinking and becomes a key player, not only in delivery but also in terms of creating strategic opportunities for the business.

In my book *Align IT: Business Impact through IT*, I explore these issues and roles in much greater depth, but a key strategic issue must be to identify where your IT function currently operates and where you need it to be in the future if you are to enjoy the success your business desires.

IT has the capability and the potential to deliver more in every organization and yet the ability to realize the power of the IT function is constrained by limited strategic awareness in the IT function and a failure by commercial managers to leverage the possibilities that exist. What are you doing about the gap between potential and performance in your organization?

Richard Wyatt-Haines speaks and facilitates internationally to bring alive, and make very applicable his thinking and approaches so that you can identify:

- Where you are going
- How you can get there quicker
- Why people will follow you

His clients include P&G, GSK, Walt Disney, Royal Bank of Scotland, Standard Life Bank, Financial Services Authority, Institute of Directors, and he is a Visiting Fellow at the Centre for Leadership Studies, University of Exeter

He is the author of **Align IT: Business Impact Through IT** and copies of his book which expands on many of the issues covered in this article can be purchased through the website www.alignit.co.uk

Richard can be contacted on:

t: +44 1626 854326
m: +44 77 111 39697
e: richard@richardwyatthaines.com
w: www.richardwyatthaines.com