

# Planning for Information System

# What is Information System Planning

- Information system planning is a formal process that **develops plan for** developing and **managing information systems** that will support goals of an organization.
  - Information System plan includes:
    - Activities planner believes will help achieve goals.
    - Program for monitoring real-world progress.
    - Means for implementing changes in the plan.

# Why Plan?

- To obtain resources
  - Financial
  - Facilities – “Capacity planning”
  - Staff
- To align Information System with the business
- To identify needed applications
- To establish goal, schedule, and milestone in order to track progress
- To provide an opportunity for communication with top management and user management

# Approaches to Planning

- **Top-down Planning**
  - Focuses on organizational goals first, then on the needs of business units
- **Bottom-up Planning**
  - Focuses on needs of business units first, then on organizational goals

# Information System Planning Process

- Establish a mission statement
- Assess the environment
- Set goals and objectives
- Derive strategies and policies
- Develop long-, medium-, and short-range plans  
implement plans and
- monitor results

# Establish a Mission Statement

- These are services that you are responsible for; it is your place in the organization.
- It is not what you are supposed to achieve, it is who you are and what you do in the company.

# Goals and Objectives

- Set goals – what do you want to achieve?
- Set objectives – what are your specific, measurable targets?

# Derive strategies and policies

- Strategies for
  - Technology focus
  - Personnel and career development
  - Aligning with the company
  - Funding criteria; how much to spend on IT?
- Policies for
  - Funding criteria; how much to spend on IT?
  - Allocation criteria; priority setting
  - Organizational arrangements
  - Use of outside IT services, outsourcing
  - Selling IT services to outside organizations



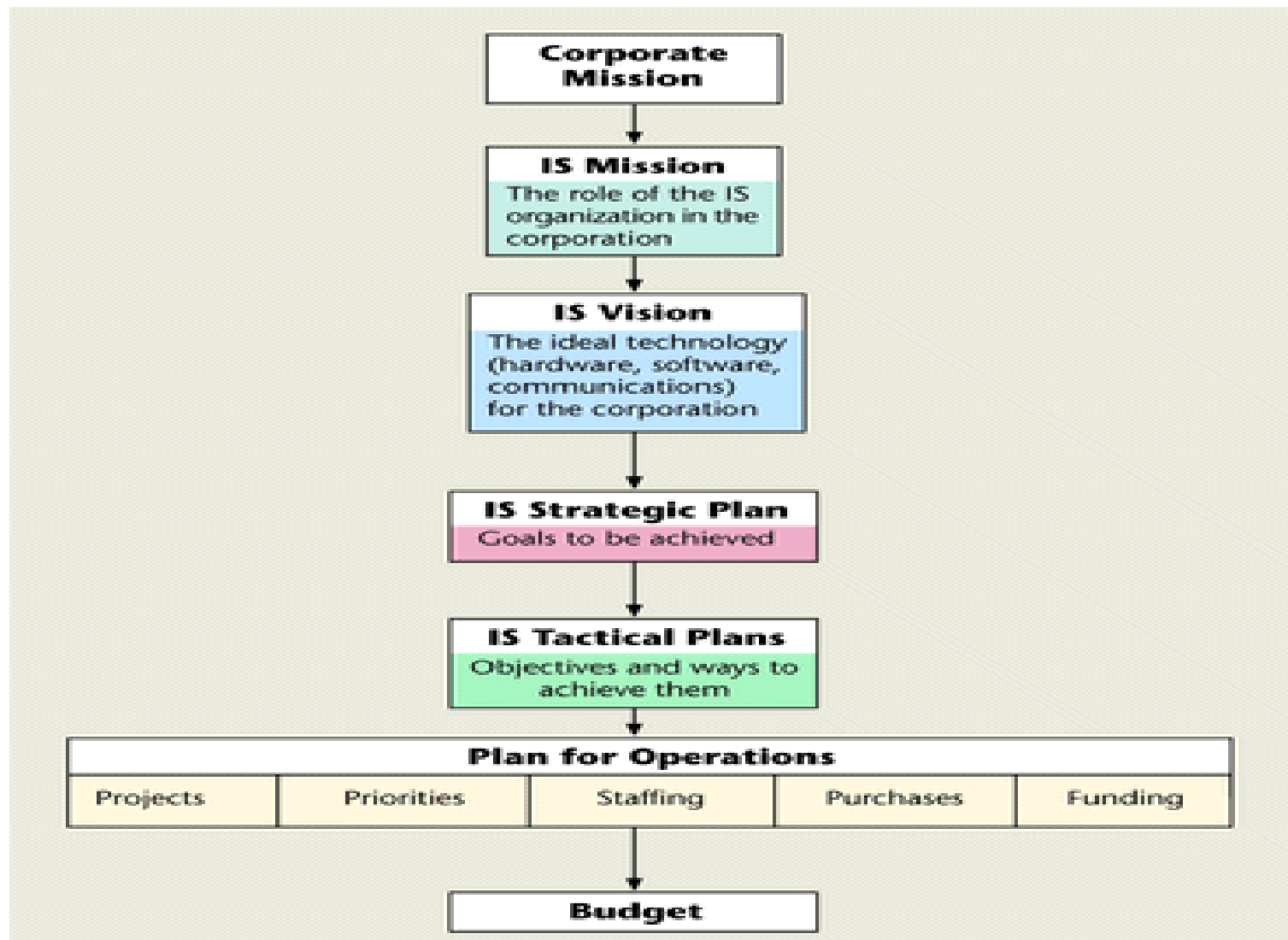
# Develop long-, medium-, and short-range plans

- Short-Range – the next year, the next budget period; developing and operating current systems
- Medium-Range – committing to development efforts for applications that will take more than one year to complete; meeting management's current information needs, projected into the future for as many years as needed to complete them. This is what most organizations call "Long-Range Planning."
- Long-Range planning – preparing for management's future information needs. These are not application specific; they are investments in infrastructure ; it is creating an information architecture.

# What are Key Elements of IS Planning

- Key elements of an IS Plan are
  - Corporate **mission** statement
  - **Vision** for IT within organization
  - IS **strategic** and tactical **plans**
  - **Operations plan** to achieve mission and vision
  - **Budget** to ensure resources are available

# Steps of Information Systems Planning



# Information Systems Planning

- Strategic IS Planning
  - IS Strategic plan details **what is to be achieved**
  - Strategic plans are designed with the entire organization in mind and begin with an organization's mission.
  - Essentially, strategic plans look ahead to where the organization wants to be in three, five, even ten years. Strategic plans, provided by top-level managers, serve as the framework for lower-level planning.

# Strategic Information System

- Strategic Information System is a **system** that helps companies **for** their **business strategy**. It is used to accelerate the reaction time to environmental changes and aid the company in achieving a competitive advantage over its competitors.
- They help in producing **low cost / quality** products.
- The strategic role of IS involves using IT to develop products, services, and capabilities that give company major advantages over the competitive forces it faces in the global marketplace.

# Typical Strategic-Level Job Titles

- Top-level Managers
- CEOs or Presidents
- General Manager
- Corporate Boards
- Steering Committee
- Board of Directors
  - will design and execute strategic plans to paint a picture of the desired future and long-term goals of the organization.

# Tactical IS Planning

- IS Tactical plan describes **how goals will be met and by when**
- Tactical IS Plan performed by middle managers responsible for acquisition and allocation of resources for projects according to tactical plans, set out for one or two evaluators.
- Tactical IS Planning is current and projected information needs of the organization, prioritizes IS development projects, and develops allocation plans for financial and technology resources.

# What are important factors in IS tactical planning

- **Important Factors** in IS Tactical Planning
  - Flexibility
  - Compatibility
  - Scalability
  - Standardization



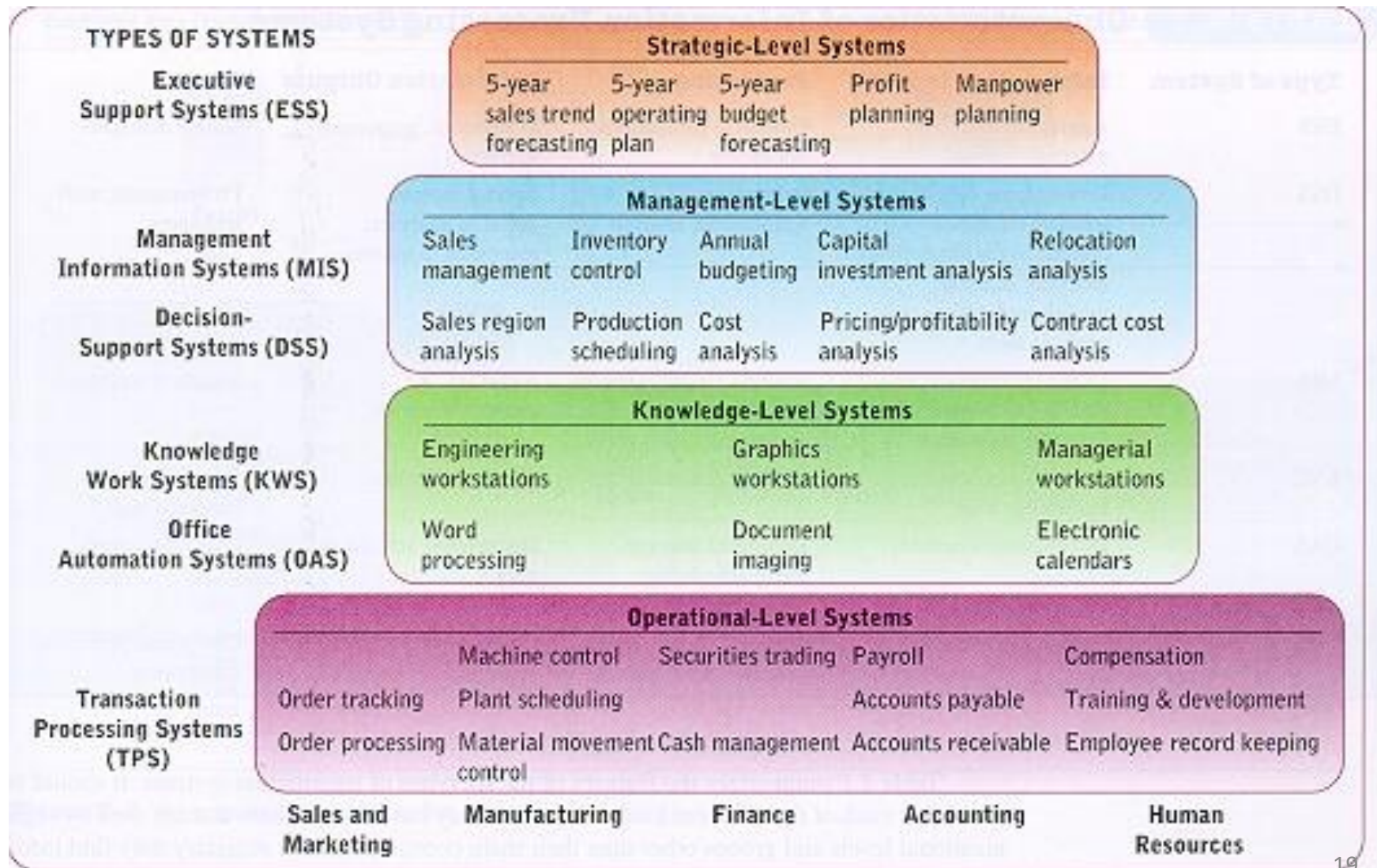
# Typical Tactical-Level Job Titles

- Advertising manager
- Personnel manager
- Creative director
- Manager of information systems
- Communications director
- Chief Financial Officer

# Operational IS Planning

- Operational Plan prepared by a component of an organization that clearly **defines actions** it will take to support the strategic objectives and plans of upper management.
- Operational IS Planning **develops plans** such as **annual operating budgets** and individual IS **project plans**.
- Operations IS Planning performed by supervisors of smaller work units concerned with planning and control of short-term (typically, a week or six months) budgets and schedules.

# Hierarchy of Planning



# Three levels of planning.

Type of Plan	Created By	Scope	Includes	Level of Detail
Strategic Plan	Top Management	Entire organization	Mission of the company, future goals and ambitions	Very broad and general
Tactical Plan	Mid-level Management	Single area of the business as a whole (e.g. a division of the company)	Specific actions to support or work towards the Strategic Plan	Specific actions and ideas, but not very detailed
Operational Plan	Low-level Management	A unit within a single area of the business (e.g. a department within a division)	Specific plans for low level and day-to-day activities and processes that will support and enable the Tactical Plan	Extremely detailed (who, what, where and when)

Thank You