The IT Executive Toolkit for Strategic Planning

5 proven best practices that are key to impactful strategic planning

Your success during certain phases will differentiate your strategic plan as one that really drives impact.

These five activities are especially important — and you need tools at each stage to capture key data and information for yourself and to share with stakeholders:

1 **Verify the business context.** Confirm the enterprise mission and goals, and align your function's goals with their C-level stakeholders.

2 **Assess your function's ability** to deliver on your goals and create a plan to fill the capability gaps that will slow your impact.

3 **Strategically manage functional budgets** to prioritize cost, budget and investment decisions to favor initiatives that will drive impact — and demote those that won't.

4 **Decide how to measure your progress.** Select measures and metrics that will demonstrate the progress you're making against the commitments you've made.

5 **Document your strategy** — ideally on just one page — to simply and clearly state where the functional organization is, where it is going and how it will get to that future state.

79%
of CEOs will have **revised postcrisis business strategies** ready by the end of 2024.

Source: 2024 Gartner CEO and Senior Business Executive Survey

Tools and frameworks Gartner offers

1
Verify the business context

- Business-partner conversation guide
- Emerging trends scoping framework
- Scenario planning prep

2
Assess your function's capabilities

- Capabilities scoring tool

3
Strategically manage functional budgets

- Budget benchmarking
- Cost optimization framework
- BuySmart tool
- CFO collaboration guide

4
Measure your progress

- Metrics selection guide
- Digital Execution Scorecard

5
Document your strategy

- Strategic planning templates

1. Verify the business context

Surface and verify the priorities of the enterprise and your business partners.

First make sure you understand enterprise business goals well enough to craft a strategic plan for your function that will support enterprise ambitions.

Document both the business context and the likely impact on your function of factors:

- **Within** your function
- **Internal** to the enterprise
- **External** to clients, investors, competitor advantage

Key tools for this may include:

- A simple **conversation guide** to focus your conversations with business partners.
- **Trendspotting** frameworks to look at drivers of change, including those in the more distant future.
- **Scenario planning** activities to align business partners around your hypothetical futures.

⚠ Don't forget: A productive relationship between function leaders and the CFO will also be critical for effective strategic planning (see page 11 for more).

Understanding the organization's strategy and goals

Organizational Strategy		
Organizational Goal No. 1	Organizational Goal No. 2	Organizational Goal No. 3

Key questions to ask:

- What are the key business objectives for the next one, two and five years?
- What are the organization's core strategies to achieve these goals?
- How does the organization plan to execute these strategies?
- What are current challenges facing the organization?

Conversation guide to get business partner perspective and alignment (Template)

| Questions about that business partner's domain	Notes of your business partner's answer
What are your key business objectives and resultant goals for the next two to five years?	
What are your primary strategies? How do you plan to execute on these strategies?	
What is the direction of the key product line, supply chain, service offerings, etc.?	
How will you know if your unit is successful? What will you measure?	
What are the key success factors that will make or break your unit's success long-term?	
What major obstacles will the business unit face in reaching these objectives?	

Framework to scope for emerging trends that present risk and opportunity

No executive leader can predict the future, but you can adopt a deliberate approach to sensing and responding to trends.

Use a construct like the Gartner TPESTRE of trends to prepare to respond to disruptions and plausible futures. Key considerations are your organization's footprint (existing presence within a market or industry) and foothold (strategic opportunities to expand).
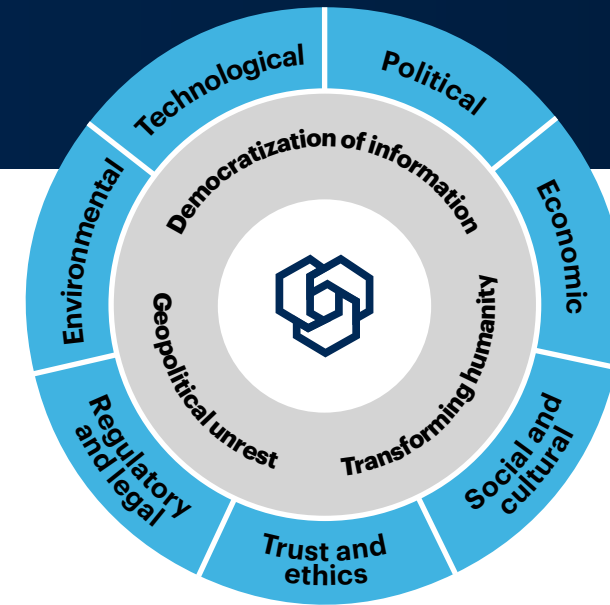
Footprint includes your:

- **Customer base:** established group of loyal customers

- **Operational facilities:** manufacturing plants, distribution centers, infrastructure or supply chains

- **Brand reputation:** market perception of your organization

Foothold includes:

- **Innovation and pilot projects:** testing new offerings with new emerging technologies

- **Partnerships** to gain market insights

- **Acquisitions** to establish a larger presence

- **Targeted marketing campaigns:** gauging interest in a new product or service in new markets

Forces and trends impacting your organization's future

Technological: evolution, impact and disruption of technology change

Political: political attitudes, institutions and legislation shifting the political environment

Economic: factors in the economic environment locally and globally that influence businesses and governments

Social and cultural: attitudes, behaviors and lifestyles of individuals and groups in a society

Trust and ethics: ethical expectations, behaviors, duties and biases of people and companies toward one another and society

Regulatory and legal: changes in laws and governmental policies and regulations to reward or punish a particular behavior

Environmental: technical, political, economic, cultural, ethical and legal changes supporting environmental protection and sustainability

Source: Gartner

Framework to prepare for scenario planning

Good scenario planning requires you to first identify trends likely to create significant risks or opportunities.
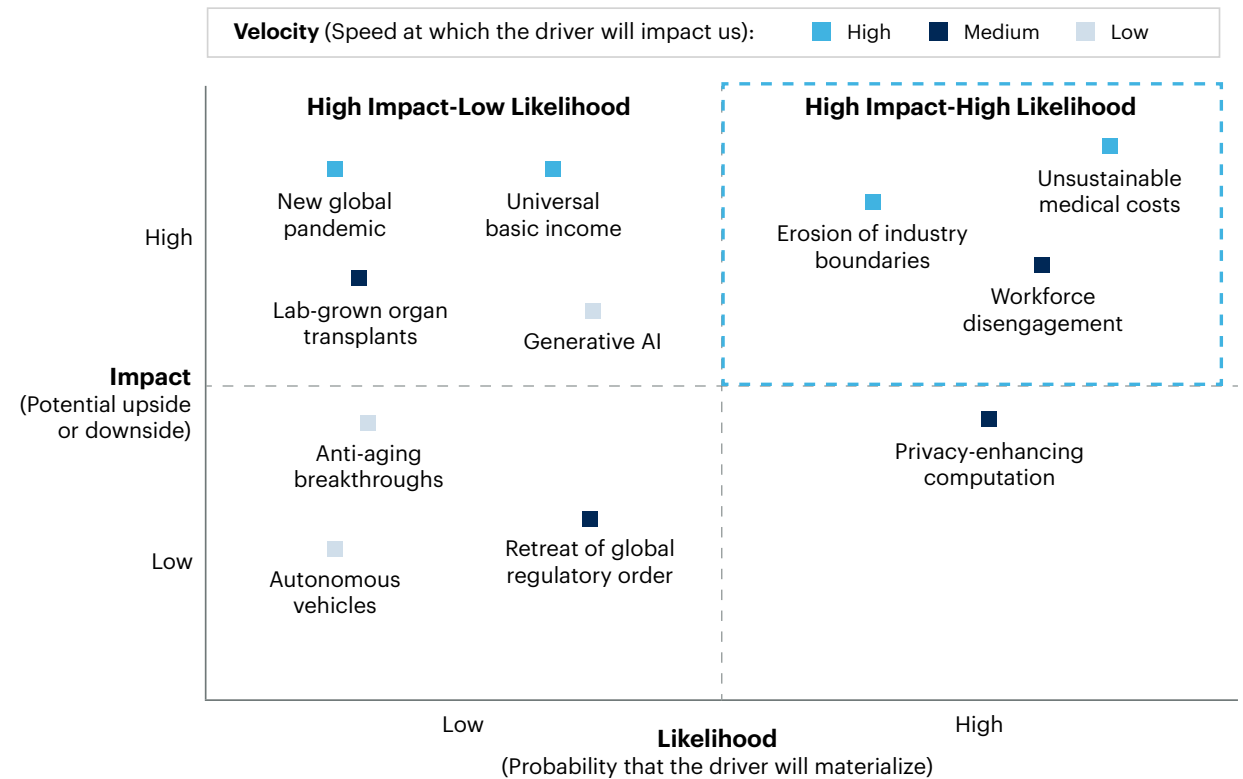
Make sure to:

- Align with a diverse set of business partners on the trends

- Prioritize the trends based on their relative importance (use a tool like this simple 2x2)

From here, categorize and relate trends together to develop scenarios. Develop a storyline for each scenario to test if it seems credible and feasible.

Strategic plans should include actions aligned to whichever scenarios you deem most pressing.

Prioritize actions based on the most material scenarios

Velocity (Speed at which the driver will impact us): ■ High ■ Medium □ Low

High Impact-Low Likelihood

High Impact-High Likelihood

New global pandemic

Universal basic income

Unsustainable medical costs

Erosion of industry boundaries

Workforce disengagement

Lab-grown organ transplants

Generative AI

Impact
(Potential upside or downside)

High

Low

Anti-aging breakthroughs

Privacy-enhancing computation

Autonomous vehicles

Retreat of global regulatory order

Low

High

Likelihood
(Probability that the driver will materialize)

Source: Gartner

2. Assess your function's capabilities

Determine how well-positioned your function is to deliver on strategy.

To ensure optimal results from strategic efforts, it's critical to assess the role of your function in the enterprise and how well it performs that role. As the enterprise strategy evolves, so will this assessment.

In your strategic planning cycle, make sure to undertake a capabilities assessment soon after verifying the business strategy so you can build a roadmap to improve your effectiveness.

It's important to assess both the availability and maturity of existing capabilities. Take a rigorous approach using a methodology like that taken by the Gartner Score tool.

Measure:

- **Existing performance** across key objectives and activities typically within scope for your function

- Your **maturity** in different activities on a simple-to-understand scale so you can easily compare maturity in different activities and against best-practice levels

- The **criticality of activities** on a simple scale so you can focus on requisites for your function to deliver its contribution to enterprise strategy

The objective of this assessment is to plot a path to maturity for each critical activity.

Did you know?

Gartner clients can customize Score assessment tools for their function and walk through their results and action plans with their Executive Partner. **Connect with one of our specialists today** to learn more about this tool and how Gartner can support your strategic efforts.

Benchmark your function's maturity, capabilities gaps and path to improvement

Gartner IT Score for CIOs is a maturity assessment tool for measuring the effectiveness of the information and technology (I&T) operating model based on an enterprise's digital ambition.

Gartner IT Score for CIOs can inform IT leaders on:

- Current maturity level — Understand how well the IT function is performing in its current state and at higher levels of maturity, as well as how well I&T across the enterprise is performing in its current state.

- Target maturity level — Identify your target level of maturity based on your enterprise's digital ambition.

- Maturity transformation — Support short- and long-term planning by clearly identifying the next steps to improve maturity levels.

Learn more about Gartner IT Score now.

Gartner IT Score scores maturity by activity
Sample excerpt

Engage Business Leadership & Stakeholders 3-	Perform Strategy & Planning 3-	Apply Technology Leadership & Innovate 3-
Market IT Capabilities 2	Scope Strategy & Vision 2+	Apply Analysis & Innovate 3+
Assess & Manage Business Demand 3	Develop Strategy 2+	Optimize the IT Operating Model 3-
Establish IT Engagement Posture 3	Communicate Strategy 3+	Leverage Technology 2
Contribute to Organizational Change 3		Develop the Technology Roadmap 2+
Enable the Business IT Capabilities 3+		Hone IT Delivery Capability 2+
		Sustain & Evolve IT Culture 3

High maturity
Medium maturity
Low maturity
Not assessed

Source: Gartner

3. Strategically manage functional budgets

Function leaders face an era of doing more with less budget.

IT executives face new challenges in managing budgets — and appealing for funding — as the focus at many organizations shifts to fueling growth with productivity and efficiency.

Bottom line, function leaders are being asked to achieve growth at lower cost. That means being as efficient as possible with headcount, technologies, workflows and processes — deploying resources in the most productive way possible.

Function leaders will need a strategic mindset and tools to apply three best practices in cost management in this environment:

1. **Reallocate funding** from low- to high-potential investments.

2. **Fund growth investments** using costs saved in less important activities.

3. **Use unallocated funds** for as-needed growth investment support.

More CEOs are putting **growth at the top of their priority list** than at any time since 2014.

Source: 2024 Gartner CEO and Senior Business Executive Survey

Constrained growth puts the focus on productivity/efficiency

Growth	Productivity/efficiency

Spend less to create more value

Source: Gartner

Guide to scoping the CFO point of view for better collaboration

Step No. 1 for functional leaders wanting to build a productive conversation with their CFO is to better understand their role, key priorities and focus.

This understanding will help you build your value story and make it CFO-ready when seeking funding and investments. Customize with metrics specific to your organization or industry.
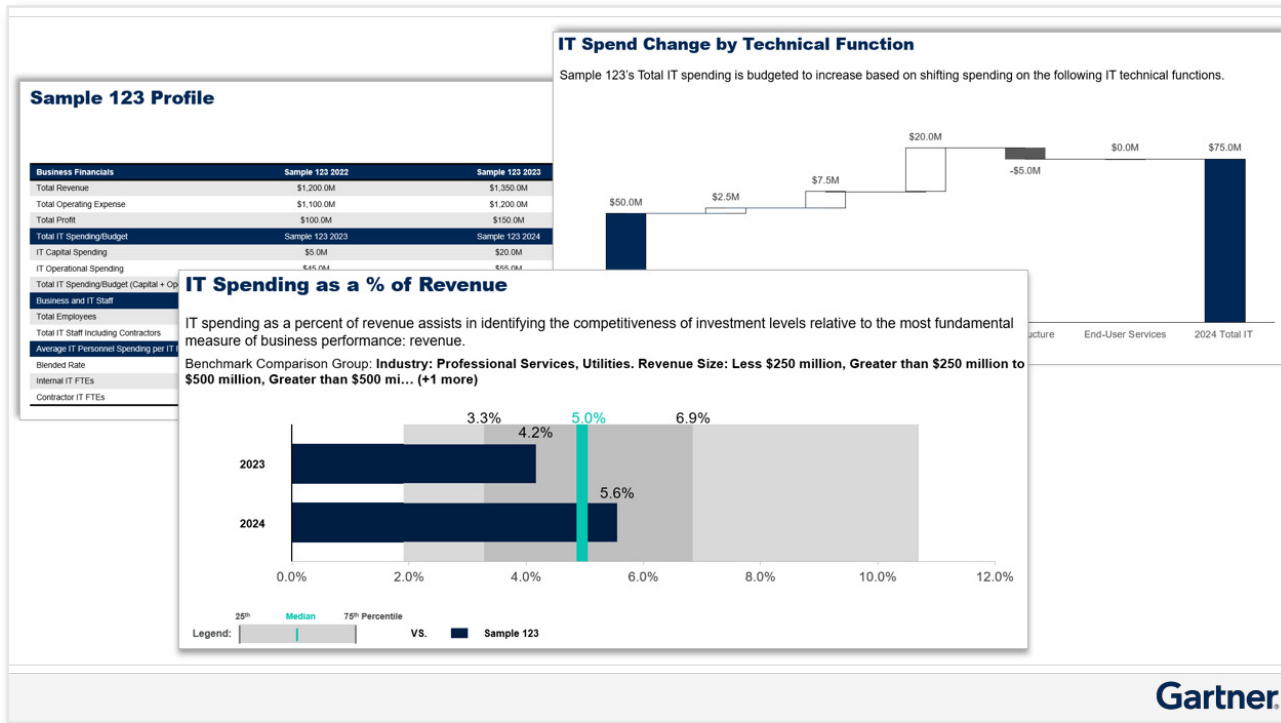
CFO role at a glance — illustrative

	Description	Success metrics for CFOs

Mission	To guide and protect the financial performance of the company	• **Growth**
		  – Revenue and margin
		• **Capital returns**
		  – Return on invested capital (ROIC)
		  – Economic value-added (EVA)
		• **Cost optimization targets**
		• **Cash conversion cycle**
		• **Shareholder value**
		  – Shareholder confidence
		  – Stock performance
		• **Other business-specific metric(s)**

Main objectives	• Growing or maintaining profitability and operational efficiency • Effective cash management • Upgrading finance's capabilities (including both technology and skills) • Unlocking the value of data and analytics for the business • Improving the returns and value capture from investments	
Key activities	• Secure funds and set strategy to meet growth aspirations • Allocate capital effectively toward goals • Track corporate performance • Manage critical business risks	

Source: Gartner

Benchmark your functional budget and efficiency against peers

Did you know?

Gartner clients have access to a robust suite of tools they can use to benchmark their functional budget and efficiency. **Connect with one of our specialists today** to learn more about these powerful benchmarks and how Gartner can help you manage IT cost and identify opportunities for cost and value optimization.

Framework to map the relative value realization of your cost initiatives

To optimize costs strategically and productively (rather than just cutting), you need to know what drives costs, which costs relate to differentiating capabilities (i.e., value drivers) and what are your ROIs.

Strategic cost optimization rarely succeeds without three things:

1. Standardized cost management framework

2. Shared understanding of cost-to-value relationships

3. Consistent definition of success beyond cost saving

Use a structure like the **Gartner Cost Optimization Framework** to refine and visualize your cost optimization ideas by the level of benefit, cost, risk and viability so stakeholders have full visibility into the relative merits of deploying spend.
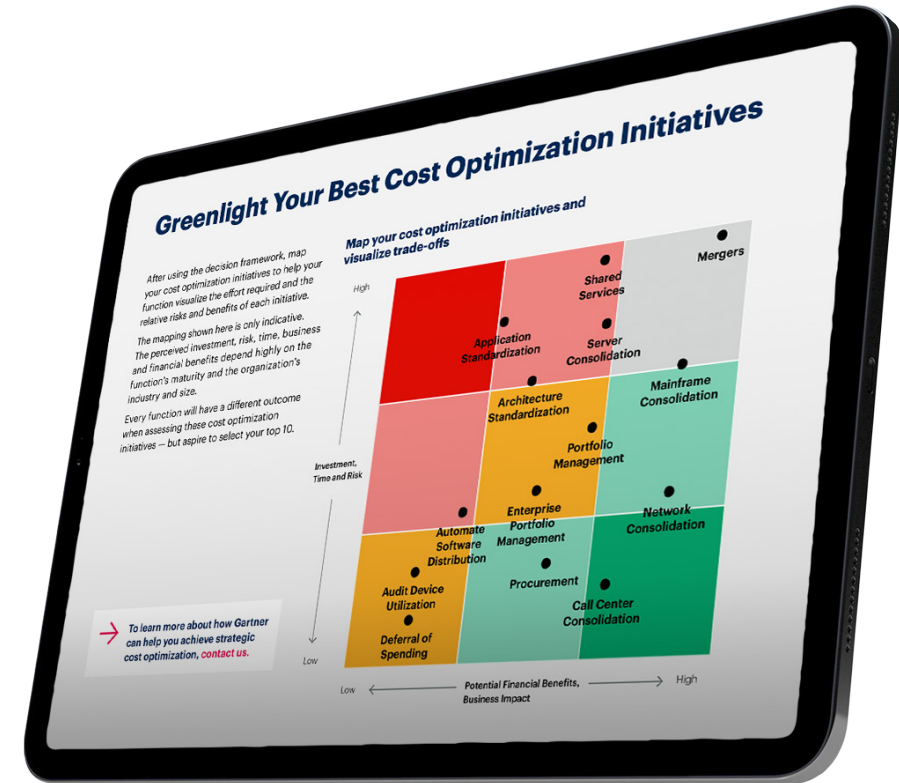
Greenlight Your Best Cost Optimization Initiatives

Tool to evaluate tech decisions and buy with more confidence

The strategic planning process often exposes the need to purchase new or evaluate existing efficiencies of the technology used across the organization. You can streamline your team's path to better technology decisions — fueled by industry-leading Gartner insight.

- **Discover** a wide range of possible technology vendor solutions, driven by proprietary expert and peer insights and evaluation templates.

- **Evaluate** using requirements, questionnaires, scorecards and more, chosen by, and visible to, your whole team.

- **Select** vendors using your aggregated team scores to remove bias and clarify decisions.

- **Optimize** your spend and reduce risk with a Gartner expert proposal review.

Connect with one of our specialists today to learn more about this tool and how Gartner can help you streamline your team's path to better technology decisions.

4. Measure your progress

Identify metrics that will show if your plan is working.

Use metrics to assess the function's performance and its progress in delivering on strategy.

It's important to understand the difference between measures (observable business outcomes that show whether your actions plans are working) and metrics (the data that quantifies those measures).

To choose meaningful metrics:

- Focus on alignment with strategic priorities.

- Don't over-engineer or over-populate your list of metrics; limit it to a few simple SMART metrics.

- Mix metrics as needed for different dimensions of the business (e.g., customer, operational, human capital).

- Identify which metrics will specifically trigger actions predetermined by your strategic plan.

You will need to revisit your strategic plan as business conditions change; make sure to realign your measures and metrics accordingly.

Whatever metrics you choose must be SMART:

Specificity
The metric is sufficiently granular for the goal it measures.

Measurability
The metric can be measured with reasonable ease and accuracy.

Actionability
The metric can lead to action to improve performance.

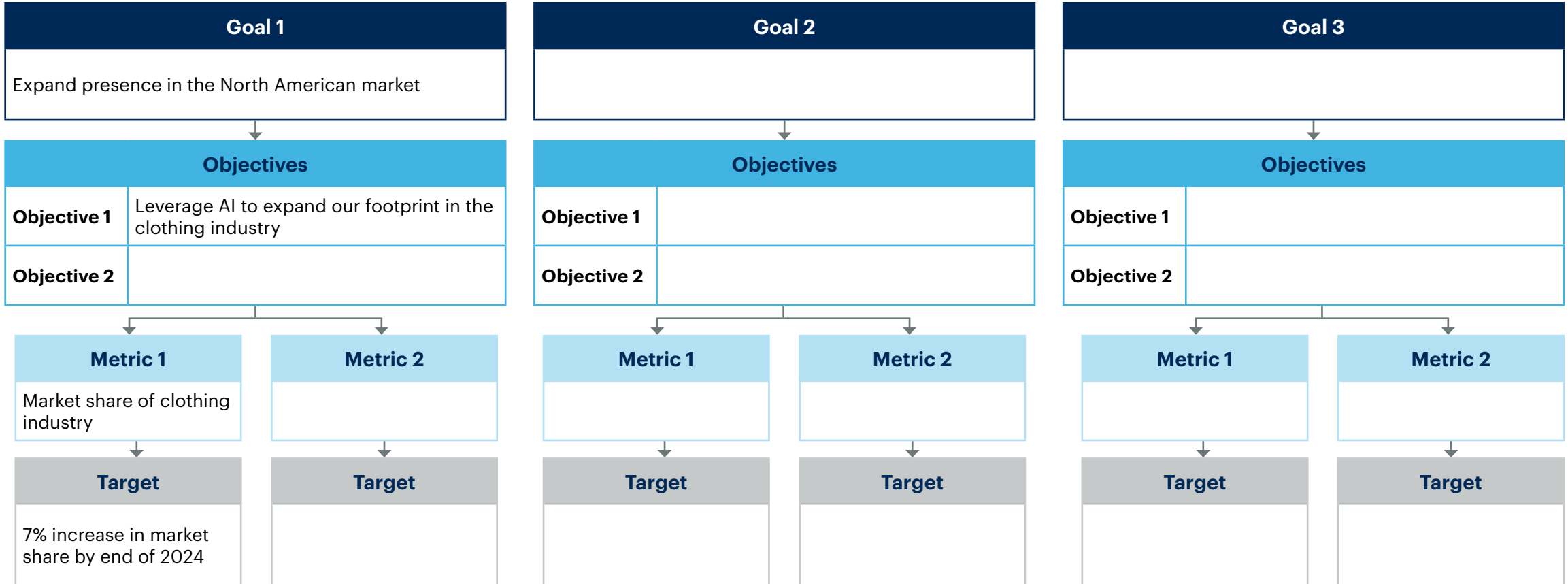**Relevance**
The metric is aligned to overall objectives.

Timeliness
The metric provides early warning signals of approaching risks or gaps in performance.

Guide to selecting metrics that measure your progress toward goals (Illustrative)

Goal 1
Expand presence in the North American market

Objectives	
Objective 1	Leverage AI to expand our footprint in the clothing industry
Objective 2	

Metric 1
Market share of clothing industry

Metric 2

Target
7% increase in market share by end of 2024

Target

Goal 2

Objectives	
Objective 1	
Objective 2	

Metric 1

Metric 2

Target

Target

Goal 3

Objectives	
Objective 1	
Objective 2	

Metric 1

Metric 2

Target

Target

Use Gartner Digital Execution Scorecard™ to benchmark digital performance

Uniting the C-suite and board with a common language is key to successful execution of your strategic plan. The **Gartner Digital Execution Scorecard™** provides CIOs and top technology executives a comprehensive set of digital strategy benchmarks to accelerate decision making and drive execution. This powerful tool was designed to:

- **Measure** your outcomes against five digital priorities that Gartner research shows are best-in-class for top digital performers.

- **Identify** the largest gaps between your performance, objectives and industry peer initiatives.

- **Prioritize** IT initiatives against key strategic priorities and the 12 digital enablers of an operating model and technology platform.

- **Use** prebuilt engaging visuals, benchmarks and actionable next steps to communicate your digital roadmap.
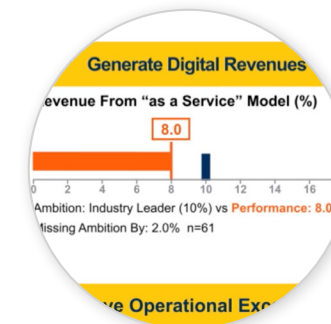
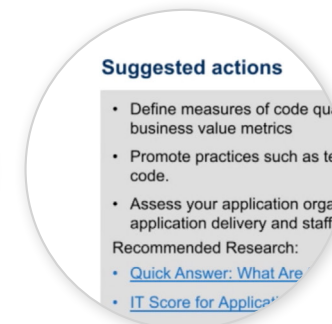**Connect with one of our specialists today** to learn more about the Gartner Digital Execution Scorecard™.

Your selected ambitions

Performance overview

Results and recommendations

5. Document your strategy

Provide a single-page overview to simply and clearly communicate your strategic plan.

Your strategic plan defines the roadmap of initiatives and portfolio of investments your function intends to pursue to execute on its commitment to drive business strategy.

Putting that plan on a single page makes it easier for you to share, summarize and communicate — and easier for business partners to visualize and understand.

One-page templates are meant to provide a summary of your strategic roadmap, not to serve as the overall strategic plan.

Make sure yours contains the initiatives identified as a part of the overall strategic planning process for your function.

See the next page for a simplified view of a Gartner one-page plan (and use the fillable template for your planning), but note that different functions and organizations will need to customize their view, its component parts and level of detail.

Did you know?

Gartner clients can submit documents for review by experts who will assess and provide feedback and input on their strategy template.

Connect with one of our specialists today to learn more about how we can help you.

One-page strategic plan for easy communication (Sample)

Business objectives	Business-IT capabilities	Strategic actions	Strategic roadmap			
			3Q24	4Q24	1Q25	2Q25
Profitable growth	Digital channel management	Develop application programming interfaces APIs to support channel integration	Initiative 1 / Initiative 2 / Initiative 3			
Operational excellence	Optimized warehouse operations (order fulfillment)	Increase warehouse automation with robotic process automation (RPA)	Initiative 1 / Initiative 2 / Initiative 3			
Customer experience	Data-driven customer engagement	Build a scalable, cloud-based customer data platform	Initiative 1 / Initiative 2 / Initiative 3			
Compliance excellence	Compliance management (e.g., GDPR)	Update data controls and process management	Initiative 1 / Initiative 2 / Initiative 3			

Enabling changes and initiatives

- Transition to a product-centric delivery model
- Identify and run a pilot for product-centric delivery
- Increase cloud-based infrastructure capacity
- Update to latest version of ERP

Initiative 1 / Initiative 2 / Initiative 3

Key dependencies and risks

- Channel sales capability changes (marketing)
- Warehouse optimization (supply chain)
- Data classification coding (corporate risk)
- Customer data initiatives (e.g., sales and finance)
- Product-centric delivery (across multiple functions)

Metrics/KPIs

- Year-over-year growth in channel sales orders
- Decrease backorder fulfillment time
- Increase click-through rate on product recommendations
- Year-over-year decline in number of compliance issues
- Decrease cost per user of ERP

Source: Gartner

Outline your own strategic plan on a page (Fillable Template)

Type in the fields below to complete the interactive form

Business objectives	Business/IT capabilities	Strategic actions	Strategic roadmap			
			3Q24	4Q24	1Q25	2Q25
Profitable growth						
Operational excellence						
Customer experience						
Compliance excellence						

Enabling changes and initiatives

Key dependencies and risks	Metrics/KPIs

Source: Gartner

Driving Transformation and Empowering Yinson's IT Strategy

Company Name: Yinson
Industry: Energy & Utilities
Revenue: RM 6.3 Billion
Employees: ~2000

Mission-critical priority

Yinson's urgent priorities included the need to develop a business-led IT strategic roadmap that aligned with their business goals, along with enhancing their cybersecurity capabilities to address enterprise risks and IT audit findings.

How Gartner helped

Yinson was able to leverage the full range of Gartner CIO tools and resources to complement the in-house Yinson IT resources from around its global offices, including:

• IT Score Assessment for comprehensive evaluation.

• Research reports, toolkits and thought leadership for best practices.

• Expert conversations and document reviews for tailored guidance.

• Webinars and peer community for knowledge sharing.

• Industry trends and benchmarks for informed decision-making.

• The Gartner account director and client success partner provided personalized support throughout the journey.

Client quote

"Working with Gartner was value-adding in shaping our IT strategy. Their timely insights, research reports and guidance helped us accelerate transformation, streamline processes and save substantial costs."

Alex Tan, Group CIO, Yinson

Outcome

• **Streamlined functions and processes:** Streamlining the strategy, enterprise architecture and operating model while leveraging best practices around cybersecurity, infrastructure, data and analytics, and AI.

• **Considerable time savings and cost avoidance:** Developing IT Strategy and Strategic Roadmap in-house, saving significant time and costs in sourcing for multiple vendors or consultants.

• **Gartner's research and experts:** Thought leadership to support a strategic planning approach that was very well received by both business and IT leaders across the organization.

Gartner

Advance your IT strategy by attending a Gartner conference!

In an era of continual disruption, the role of CIO is evolving rapidly. CIOs must amplify their impact to lead IT beyond the function, partnering with C-suite peers to accelerate digital business models, enable the future of work and drive business growth.

Join us at our CIO conferences to discover world-class insights to help you drive your mission-critical priorities.

Don't miss out.
View the Conference calendar today and find the conference that's right for you.

→ **Explore the Calendar**

Gartner conferences by the numbers

460,000+
curated agendas informed by more than 460,000 client interactions per year

2,500+
Research & Advisory experts offering exclusive research and individual consultations on-site

60,000+
business and technology professionals in attendance globally each year

1,000+
solution providers at the forefront of technology

Actionable, objective insight

Explore these additional complimentary resources and tools
for information technology executives:

Tool
Gartner for Chief Information Officers

Find out how we can help you measurably impact the bottom line, demonstrate the value of IT and drive organizational objectives.

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Technology Adoption Roadmap

Understand key trends affecting the technology adoption decisions of your peers.

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Build a Value-Driving AI Strategy

Use our AI Strategy Planner to develop a strategy that captures the value of AI while managing risk.

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