IT alignment with business

2022

Cybersecurity is not only an IT problem, it is an enterprise-wide problem that requires an interdisciplinary approach, and a comprehensive governance commitment to ensure that all aspects of the business are aligned to support effective cybersecurity practices.

Having a vision in place
(Z. Lavrinovica)

" **A clear vision of where you want to go and how you are going to get there** can be defined when you are ready to make some changes and when you understand that there are things that need to be changed to improve effectiveness.

Vision goes together with The Change Agenda and can be used to improve common understanding, communication and collaboration in my case between departments and higher headquarter"

Vigilance is just as important as vision

- " … in my opinion vigilance is the part which goes together with maturity.

- When I started my career in this company, I was so excited, and I started to work with such ardour with new ideas and I wanted to change everything. Hopefully, I had a good mentor and he stopped me at the right moment.

- For the while, I thought that automated physical security means are the best solution and these people do not realize that it can work properly…but then, after advice to stop and think, I tried to make my first risk assessment…I was shocked by the results. But after 4 years, I understand why vigilance is so important" (Z. Lavrinovica)

Lack of strategic planning

" After 4 years of work for IT consulting company is to see how very tech-savvy companies have an edge in IT field yet they lack quite a lot in strategic long-term planning.

This is what I often saw when you have all the technical people and know-how, but no one had the time or planned capacity to implement strategic decisions for improving employee work or company as a whole" (A. Brigers)

IT is seen as implementation tool not as a part of strategy

« From my experience working in a public sector managerial position, I have experienced it first hand, that many IT tools, processes are being implemented without strategy, without fully trained employees to operate with it and it could waste many work hours for employees to get accustomed to it if there has not been implementation strategy in the beginning... « (E. Saba)

Ability to manage changing circumstances – is the real value of planning

" In this reading material I find the real-life/practical quote – "*if everything always went exactly as planned, we wouldn't need so many managers.*

Some factors really are beyond our control and the manager needs to deal with them and if necessary – needs to change plans on the fly.

 Very important is a practical part of dealing with issues, because the plan on paper without practice is not useful" (I. Buglovs)

IT and Business strategy functions must be completely synchronised

"There was State Audit Office reports (2019) on public sector critical infrastructure server conditions.

In some cases, servers were kept in unsuitable facilities like easily accessible basements. Or in some cases, enormous server storages with all the necessary conditions provided were running it with capacity at approx 4%.

It's all result of lack if IT planning accordingly to strategy" (E.Saba)

Alignment Process – very well described and clearly determined elements of it

" In my experience, it has been one of the stumbling blocks – no time for IT staff to get to know the business of the institution and to discover the value chains, but straight away plugged into the IT assignments.". (A. Balode)

Alignment Process

" IT must always support the goals of the organization.

When introducing or rather any new technology or solutions, it is necessary to see each of the solutions in the context of the goals of the organization.

"Understanding and communication between business people and IT people are, in my opinion, one of the most complex and difficult goals to achieve in practice.

Therefore, in my opinion, it is possible that there should be a person who serves as an interpreter or mediator between business people, process people and IT people. " (S. Plumina)

Business benefit from IT activity comes in many forms, not all of which can be measured in financial terms

" Many IT projects are unlikely to provide a direct ROI and don't get some profit, but these investments can prevent company money loss, for example – in cyberattacks.

Improving your cybersecurity will not be cheap but these investments can increase customers sense of security (subjective measurements) and this activity in future can increase some profit (customer can spend more money or invite some partners)

(I. Buglovs)

The essence of successful alignment between IT and Business Strategy is based on effective understanding, communication, collaboration and mutual trust

" In my opinion no matter what the circumstances are, the effective understanding and communication is the key goal in all the spheres of life. But anyway, this is a key issue almost always.

Everybody understands the importance of this, but still a lot of companies/people are struggling with it.

Last year there are severe improvement in this part, and I see that we are much closer to our goal.

I am the Chief of Signals department, I have earned my trust credentials from my chief, but then the new chief of logistics and finance department appear… I think that this is very important part in all the organizations. I am working hard on it, and I hope that everybody does " (Z.Lavrinovica).

Always need to take in mind also cultural analysis of the organization

" .. Because understanding and communication is a common factor in the success of collaboration.

IT should not always adapt to the culture of the organization but take into account the culture of the organization " (S.Plumina)

Technology Roadmap

- " The big question is who comes first – business or technology. It is clear, that technology has to adapt and serve business, however, when modelling different business models in different time frames (long term vs. short term), management leaders from all functions has to make business viable and ambitious the same time – merging business and technology roadmaps (M. Saba)

Introduce technological briefings for business units and business briefings for the IT Department.

" A very valuable suggestion in the article that should really be implemented in organizations to promote <u>mutual understanding</u> and thus achieve the strategic goals of the organization in connection with IT.

- Although in practice, everyone **should be interested**, at least initially, in the usefulness of such meetings as a whole (from both sides), there should be **motivation** to participate (seeing the benefits), and the meetings themselves should be organized to improve people-to-people understanding" S. Plumina

Never to over-commit beyond capacity to deliver

"A very typical phenomenon in Latvia when large information technology projects are introduced in organizations. In any case in the public sector.

Insufficient resources were initially planned, resources were planned but not allocated, inadequate planning of IT projects, communication problems, etc." (S. Plumina)

Know the IT estate

- " Even though every company and institution have a list of its IT assets, the capacity of these assets and their impact on the business processes often is missing or not assessed correspondingly (often the evaluation is formal and not realistic).

- Again, recalling the COVID-19 crisis, those companies that had an updated IT asset list and a business continuity plan in place could take a decision on remote working much quicker and with a higher efficiency in comparison to those who did not have this information ready" . (A.Balode)

Understanding and documenting business and processes

" As from my experience I know that the necessity of documented business and processes is very important.

But there are still companies where management does not pay attention to this and does not have any description of procedures and business. In such a way they put the whole business at risk.

One can easily understand that if some critical person or equipment (or production line) stops functioning (person dies or leaves the company) there is a high probability to lose business (or time) in this specific area " (A. Peisenieks)

General IT knowledge level in the company

- " …crucial aspect for any company and institution, with approach that *IT knowledge should be fostered* in order to better process information and data, ensure adequate security solutions and improve data analysis skills.

- With enhanced IT knowledge it is easier to ensure that IT is aligned with the business process and it also helps to elaborate a technology roadmap.

- IT department nowadays has to find out appealing and interesting ways how to promote IT knowledge to be picked up and obtained by other staff members". (A.Balode)

Context of the internal and external influencing factors

" It is not rare when IT staff is excluded from any context analysis, thus not being aware of the possible influence and impact. It is not uncommon to inform the IT staff on this context only in the utter emergency cases"
(A.Balode).

The importance of culture

- " ….Personally, I consider it as the foundation of creating a successful joint entity where management officers from different functions comprehend each other and work on a single goal that is accepted by all of them.

- Culture defines how we talk and discuss how we define and solve problems. Culture is the one that determines why a company can win more clients or can lose them.

- Is there is no joint understanding of a necessity to align IT with business, or even have a dialogue about it, then it would never happen"

Committed team and allocated resources (not to over commit)

" …realistic awareness of the actual IT capacity and ability to prioritise allocation of resources should also deserve more attention both form the CEOs and IT managers, if the purpose is to align IT with over all company's development.

At certain times there is a trend from IT staff to over-commit to certain assignments or strive to achieve it with inadequate resources (both human and financial).

The simple paradox (published by Forbes) that COVID-19 led many companies to digital transformation or at least made the companies realize that IT development needs to be closely aligned with the business development for companies to operate in these turbulent times " A.Balode.

Business Value chains

« .. by working in the banking sector, I am involved in the validation of new products or processes, for example, in the development of a new IT system. The process and operation of the system is evaluated by vital administrations, such as security, IT Security, Risk, Finance, IT, HR, etc., the development of the process depends on the work and cooperation of administrations or value chains.

 If one of the administrations hinders the work and does not perform it in time, close development of the other administration and process» (J. Ivanova)

Business Value chains

« at Cabot we have clearly defined IT activities and resources that are aggregated within each value chain.

For example, within the AP department there is a separate IT team has been allocated specific IT estate and specific resources to support that AP department» (J.Strupiss).

Change assessment model

" It's better to pre-play important activities and steps in order to avoid possible high-price failures during implementation of organisation-wide changes.
There's so many issues which could arise during the change process. Like technical incompatibility, human related behavioral misbehaviour etc.

Via "playing through" scenarios there's a good chance to identify weak points, "bottlenecks".

These findings should be used to adjust the planned change process". (A.Peisenieks)

The Change Agenda

" Sometimes I get in situations when initiative is stopped because of age difference, or simply because I have some colleagues which are in their positions for a very long period and they kind a do not want to change things. When I read this article, I realized that there should be another way how to change their minds because "we need to change something" does not work ..;

" The Change Agenda is a good example/tool which presented in the right way to the right managers can work.

So, I made this in a small presentation and will present it on the next meeting. It is simple thing that presented in appropriate way can give desired results

Just as simple as it is by implementing in table just three columns: "as -is" "; defined performance dimension; and "to -be" part. " (Z. Lavrinovica)

Change Agenda

" We have meetings with our Chief of Staff every Friday when everybody has an opportunity to speak about their future plans and real-life problems, this can be implemented as part of these meetings, for example, once per month. The Change Agenda is a living document that defines our options for change, giving us a framework for decision-making and goal setting" (Z. Lavrinovica)

Summary

- "A good reminder in these guidelines is about the major elements that have well-established cycles and that change agenda is necessary also for the IT management, in a systemic manner, not ad-hot as the main mode.

- IT management should not be looked for just in that cases when something goes wrong in the business or hinders the development of the company.

- It is not rear that the major part of IT development is done within IT department, thus hindering the overall development of the company" (A. Balode)

Summary

" The golden rules for managers in order to change the culture of the company and make it more inclusive rather than exclusive for certain units.

There might be fight between different units over their importance and available resources in the company, therefore, more assignments should be carried out in a team work, both to foster the information exchange and build the team spirit " (A.Balode)

The role of organizational culture and commitment

« In my work I have seen many cases when security breach have happened due to unmotivated personnel failing to comply with security procedures.

Sometimes these procedures just takes longer, sometimes people just forget about it, but in most cases it's not just human error - its lack of motivation resulting from culture and leaderships inside organisation…. «

Overall remarks about the topic

«.. I fully believe that IT enables business and business drives IT. Without this *granular strategy*, companies may spend too much on technology without ever solving the business challenges they face due to different departmental objectives, cultures, and incentives.

In Company where I am working strategy alignment process is on place and working. Challenging par was translate business objectives into measurable IT services, so resources are effectively allocated to maximize turnover and ROI – This step required ongoing communication between business and Head of IT.

We as a company with aligned strategy feel more dynamic and agile, we feel current, connected and one step ahead of our own needs». (L. Jekabsone)

Alignment is not a one-time activity.

" The alignment process is something that requires regular reviews, assessments, and adjustments.

Even in a successful arrangement, there is a chance of many factors that influence change.

Structures, teams, and departments can change the priorities and strategies that can, in turn, affect the alignment.

This means that it is vital to track the changing business world (both internally and externally) and make sure solutions are in line. If they are not, then there should be an initiative to align" (A.Vanags)

Overall remarks about the topic

" I do believe that there is a rather noticeable issue with one of the key points which are having a crystal-clear understanding of the business itself - as there are often so many moving parts that are constantly changing and evolving that it is sometimes better to simply understand processes in general terms, not to dive too deep on all aspects of all technicalities and sinking in trying to figure out all of the details" (A.Brigers).

« This article conveyed very important aspects of aligning IT with business strategies and it is very important to include IT when you are undertaking any business initiative» (J.Strupiss)

Overall remarks about the topic

« However, successful alignment between IT and the Business strategy is based on effective understanding, communication,collaboration and mutual trust» (J. Ivanova)

" In order to bring people on the same sheet, it is commonly accepted in my organization to rotate people to and back between combat units and staff positions – this gives different perspectives, this builds common understanding, because after a rotation an employee does not have a particular strong affiliation to sometimes rivalrous positions " (M.Saba)

Why does disconnect happen?

IT departments do not have a clear understanding of what is important to the business

Leadership don't understand the value of IT

Leadership are unwilling to stop using outdated technology

IT decisions are made separate to business decisions