

Chapter 8: IT Strategy Implementation

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Introduction

- IT strategy implementation refers to: -
 - Outlining of strategic plans
 - Working on initiatives
 - Executing
- IT strategy implementation takes an organization through different changes and transitions.
- IT strategy implementation has four major aspects: -
 - Leadership
 - Technology
 - Infrastructure
 - Market
- IT strategy implementation begins with
 - Planning, and is followed by
 - Development of IT strategic plan
 - Identifying different activities and milestones in the process of implementation
 - Prioritization of activities
 - Executing the activities step-by-step.

Development of IT Strategic Plan

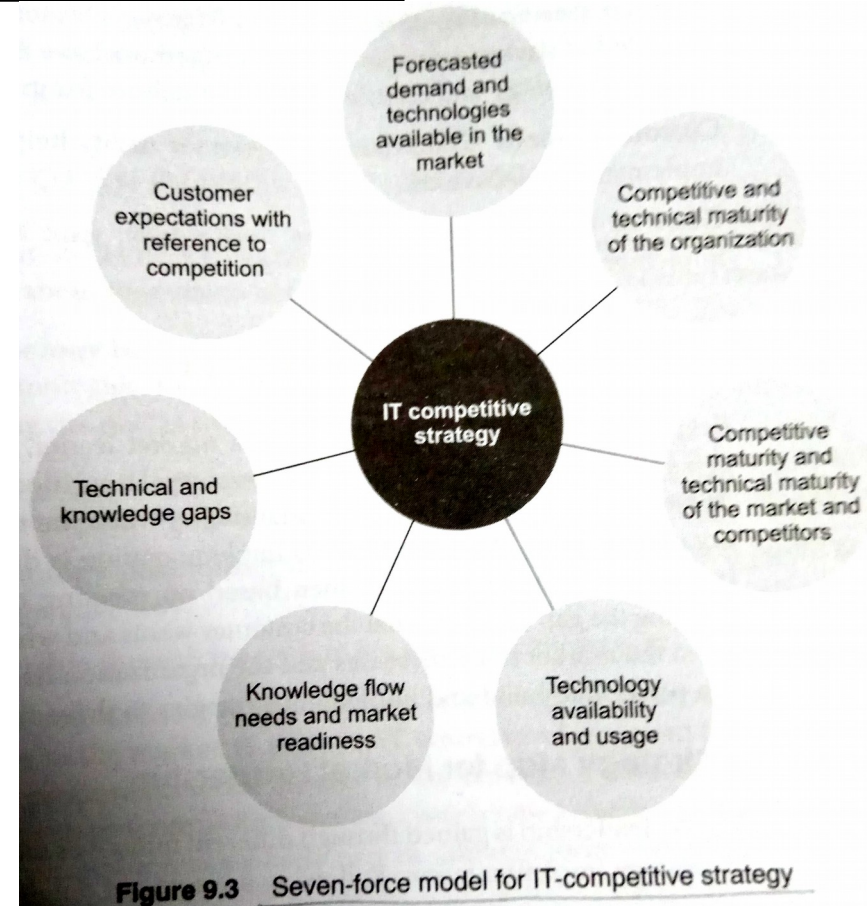
- Two types of IT Strategic plans: -
 - Short term plan
 - Long term plan
- Development of IT strategic plan requires to know
 - What is an IT Strategic plan?
 - Why do we need ?
 - How do we execute? (steps needed)

Steps in developing IT strategy plan

- Analyze business plan
- Understand business objectives
- Analyze IT-centered business
- Know gap between IT requirements and IT capabilities
- Prepare the first version of IT strategic plan

Gain Competitive Advantage

- The implementation of IT strategy needs to focus on building competitive advantage.
- One simple way is to create an entry barrier so as not to allow a competitor to enter the business. Many organizations use brand as an entry barrier.
- Another way is to manage information flow (knowledge !?) about competition as well as individual competitors.

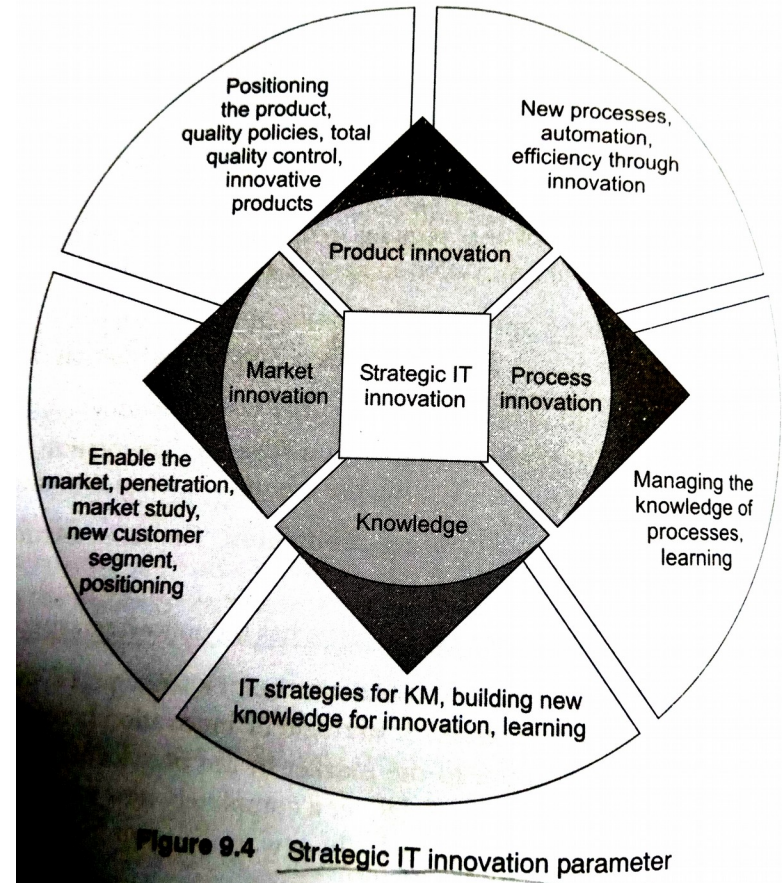


IT Strategy Implementation and Leadership

- The leadership role generally helps to drive the market. i.e. transition from being market driven to market driving.
- Some of the initiatives of the leadership are : -
 - Leadership through Innovation
 - Leadership through Pricing
 - Leadership through Quality
 - Leadership through Technology
 - Leadership through Leadership

Strategic IT Innovation

- Includes: -
 - Technology innovation
 - Technology usage innovation
 - Technology positioning innovation
- Leadership through innovation has: -
 - What you deliver to the market
 - How you deliver to the market
 - How you position the product
- Strategic innovation parameters Include: -
 - Market innovation
 - Process innovation
 - Product innovation
 - Knowledge

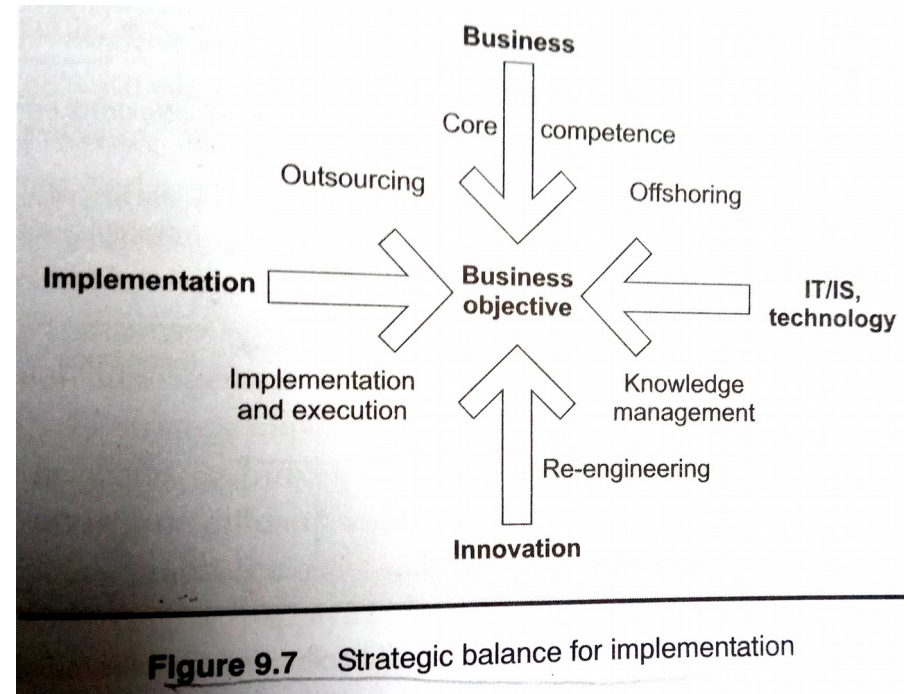


IT Strategy for Specialization

- Sometimes, differentiation is achieved by moving away from specialization.
- Specialization can help achieve differentiation.
- Differentiation can be related to anything that satisfies and offers better service to a customer as compared to competitors.
- Specialization is something more about core competence.
- Specialization
 - Identify the specialized area
 - Market study and business impact
 - IT for developing the product
 - IT for specialized customer segment

Strategic Balance for Implementation

- Organization needs balance between execution and implementation
- A balance act needs to be performed between innovation and business.
- Also needed are balance between external and internal factors, market and organization, business and technical initiatives.
- There has to be a straight balance between numerous initiatives and between the implementer and the leader.



Soft and Hard aspects of implementation

- Soft aspects are related to people and processes
- Hard aspects have more to do with technology and infrastructure.

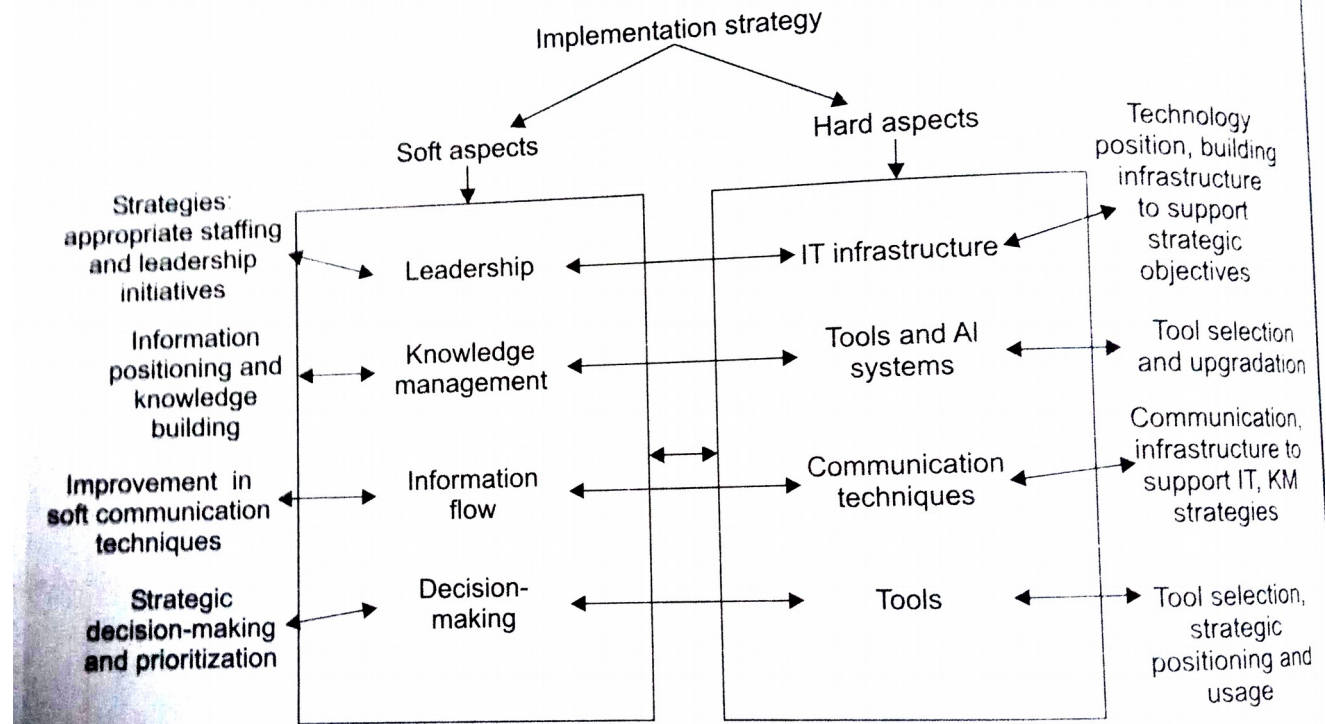


Figure 9.8 Soft and hard aspects of implementation strategies and initiatives

IT strategy Audit

- There is need to audit IT strategy, its implementation, and execution process.
- Audit helps the understanding the flaws in the IT strategy and its implementation; also helps in improving its process.
- Organization needs to consider the alignment of IT and business strategy; consistency in implementation, and efficient information flow and analysis.
- IT strategy audit includes information system audit and study of the impact of initiatives.
- It analyses change management besides scrutinizing the dynamic nature of the strategy.
- An IT strategy audit is the auditing of strategic initiatives to verify whether they can help the organization to achieve the business objectives and ultimately gain competitive advantages.

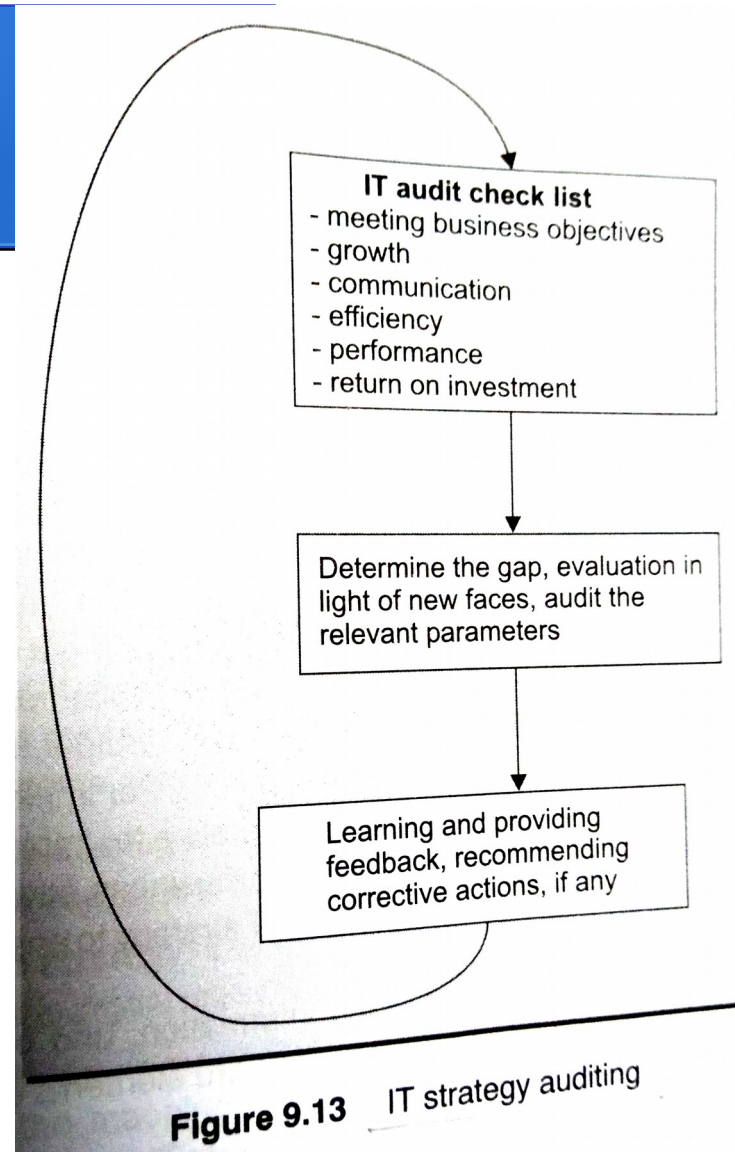


Figure 9.13 IT strategy auditing

Compiled from

- Parag Kulkarni & Pradip K Chande, IT Strategy for Business