

# The Current and Future State of Nike's IT Function



# Nike boasts a strong operational foundation with investment in future opportunities

IT Budget <b>3.2%</b> of Sales		
INVESTMENTS	COMPETITIVE ADVANTAGE 9%	FUTURE OPPORTUNITY 4%
	CORE PROCESSES 12%	SUPPORTING THE BUSINESS 9%
OPERATIONS	PLANNED UPGRADES 20%	GENERAL MAINTENANCE 46%
INVESTMENT: <b>34%</b>		OPERATIONS: <b>66%</b>
Avg. Project Size: <b>10,000,000\$</b>		Planned/General: <b>1:2</b>

Teamwork Relationship Stance
Nike’s IT function works collaboratively across all departments, providing strong operational support and enabling innovation through teamwork
Driver Operating Model
The IT function at Nike currently acts as a <b>Driver</b> , leading innovation through digital transformation and e-commerce initiatives while supporting operational excellence

IT Spend Reasoning
<ul style="list-style-type: none"><li>• The IT budget as a percentage of sales is slightly above average for a large company in the apparel industry</li><li>• Most resources are dedicated to maintaining and enhancing current operations, particularly through supply chain optimization</li><li>• Nike invests moderately in transformation and growth projects, like AI technologies for customer engagement</li></ul>



# Nike's future focuses on gaining competitive advantage through IT investments

IT Budget <b>3.5%</b> of Sales		
INVESTMENTS	COMPETITIVE ADVANTAGE 10%	FUTURE OPPORTUNITY 5%
	CORE PROCESSES 12%	SUPPORTING THE BUSINESS 7%
OPERATIONS	PLANNED UPGRADES 20%	GENERAL MAINTENANCE 46%
INVESTMENT: <b>34%</b>		OPERATIONS: <b>66%</b>
Avg. Project Size: <b>10,000,000\$</b>		Planned/General: <b>1:2</b>

Teamwork Relationship Stance
Nike's IT function will continue to operate in the <b>Teamwork</b> stance, fostering close collaboration across departments to ensure cross-functional innovation
Driver Operating Model
IT will remain a <b>Driver</b> in leading digital transformation to empower other departments with tools for innovation, ensuring that every part of the business can leverage technology for growth

Nike's Future State
<b>Better Tomorrow Approach</b> should be used to make minor improvements and ensure steady innovation while maintaining Nike's current operational strengths
Suggested Budget Changes
The increased IT Budget reflects a focus on digital transformation with higher allocations to <b>Competitive Advantage</b> and <b>Future Opportunity</b> to explore emerging technologies

