University of the Cumberlands

ITS 831 Information Technology Importance in Strategic Planning

Midterm Project

Case Study on Operational Strategy for an IT Organization

You are in IT management/leadership team in a medium size IT organization and are responsible for three engineering teams. Your teams are implementing about 15-20 projects per year for the company, and also provide support and maintenance of current systems. While your teams have been successful in project delivery overall, you have to constantly shift people from project to project to meet multiple competing timelines, the engineers are overworked and stressed, and any small delay or problem impacts multiple project deliveries. Your engineers are also reminding you that some of the core technologies your systems are built on are getting old and will need upgrades or completely different technical approaches. Their preliminary analysis also shows that upgrading or replacing core technologies will result in the need to reengineer some of your existing systems, so that teams can better support current and future projects as well as take advantage of the new technologies.

A new CIO has recently joined your company and has assembled a committee to determine and prioritize the necessary changes in IT processes, technologies, and approaches to project delivery. You have been invited to participate in this committee to provide your and your teams' perspectives as input to upcoming operational strategy changes.

As you reflect on the day-to-day issues your teams are facing, you note the following trends:

- **People** – your employee staff is relatively small compared to the number of people needed to staff all projects and other IT activities your teams are responsible for. When you have requested additional employee positions, you were told that the company does not want to expand IT organization at this point. There is a budget associated with each project, so you can use this budget to hire contracting resources. You are asked to keep costs down, so you have to think of creative ways to staff projects quickly and with qualified people, while reducing costs. You are concerned that the system and technology knowledge may be lost when contractors leave. You can also see the strain on your employees, who are tasked with overseeing contractors, facilitating knowledge transfer and ensuring the projects remain high quality and with on-time delivery despite the changing staff members.
- **Project delivery** – your company has a thorough process of selecting projects for IT implementation based on business priorities. Selected projects go through multiple reviews of technical and architecture approaches and a detailed budgeting process before they are approved for implementation. While you value the diligent governance for IT project delivery, you are also concerned that many of the projects end up with a very short implementation timeline due to the long initial selection/ideation/budgeting/approval process. Your teams are often faced with delivering projects on very compressed schedules, resulting in cuts to time spent testing, stressed team members, and some functionality being delivered in later releases.
- **Core technology upgrades** – while your teams are busy on project implementation and deliveries, technology frameworks that your systems are built on seem to be aging quickly. You have been setting aside some budget and engineering time every year to upgrade or replace one or two of the multitude core technologies powering your systems. These technology improvements seem to always take longer than you expect, impact a lot of the systems, require some changes and lots of

retesting. In some cases, there is no choice but to upgrade, as vendors announce plans to retire your versions of their products. In other cases, you have some flexibility on the timing of the upgrade, and wonder about the relative costs of upgrading vs. falling behind on the technology curve. Your engineers bring up various opportunities and advantages of switching to new technologies or the latest versions of the vendor products. You are wondering how you can balance the cost and impact of continuous technology changes with the need to deliver new projects and maintain/enhance current systems.

Your Challenge:

What changes in the current operational strategy can you propose to the new CIO, as your input to operational strategy committee? Please address the following topics in your response:

- Provide a summary of the challenges of the current operational process. Describe the current and expected long-term impact of these challenges if they are not addressed.
- For each challenge, provide three alternative strategies to address the challenge – aggressive, balanced, and moderate.
    - An aggressive strategy can be a major change to the current processes and ways of operating. It may also have major impacts on the organization in terms of restructuring, changing people roles/responsibilities, major changes to how work is done, or major cost impacts.
    - A balanced strategy may be an introduction of some changes to the current processes and operating strategy, with less impact and disruption compared to an aggressive strategy. It may also be a phased introduction of the some or all elements of the aggressive strategy.
    - A moderate strategy may have some incremental changes to the current processes and operating strategy, while leaving most of the current way of operating as is. A moderate strategy aims to minimize changes and disruptions, while introducing gradual improvements.
- Provide your recommendation of the preferred strategy for each challenge. Explain why the selected strategy is preferred in each case, and provide the next steps to plan for or introduce the new strategy.
    - Please consider the overall impact of your recommendations for the organization – if you are recommending aggressive strategy changes in all areas, there will be major changes in the work processes, with higher improvement potential. If all recommendations are moderate, the changes will be minimized, but the positive impact may not be sufficient. What is the right combination? How well is your company prepared to deal with recommended changes?

Create your response to this challenge as a proposal you will submit to operational strategy committee. Format your response as an APA paper and include a bibliography with references/sources you have consulted in preparing your proposal.