



IT Strategy and Business Alignment

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Bio/Background

Steve Praino, Solution Delivery Leader for Dow Chemical, has over 15 years experience in Information Technology. He has led numerous IT Projects and Initiatives and is a recognized thought leader in developing, maintaining and evolving Business & IT relationships.

- Experience with two Fortune 500 Companies
 - Helpdesk + Call Center operations
 - Business IT relationships
 - Project Management
 - Program / Portfolio Leadership
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- **Years in Taiwan**
 - Second Language Learner
 - Communications

中文



Agenda

- IT Strategy 101
- IT Strategy and Business Alignment
- Portfolio Management



Disclaimer: Any views or opinions presented in this presentation are solely those of the author/presenter and do not necessarily represent those of the Dow Chemical Company.

IT Strategy and Business Alignment

- How does it work in practice?
 - The conceptual vs. The reality
 - Ideal vs. Actual
 - Complex vs. Simple



- Sobering facts...
 - According to Corporate Executive Board (CEB):
 - **75% of business partners** believe IT is ineffective at strategic planning
 - **93% of business partners** feel IT strategic planning is important but < 25% think IT is effective at it
 - **63% of business leaders** think IT is too slow to respond to new technology opportunities



What is strategy?

- “Good strategy / Bad strategy” by Richard P. Rumelt states “the core of strategy work is always the same – discovering the critical factors in a situation and designing a way of coordinating and focusing actions to deal with those factors...a leader’s most important responsibility is identifying the biggest challenges to forward progress and devising a coherent approach to overcoming them.”



IT Strategy Refresh

CORE COMPONENTS

- Strategy communications
- Staff Training and Development
- Goals and Metrics
- IT Operational Plans
- IT Roadmaps
- Budgets

- ✓ Talk to industry leaders about best practices
- ✓ Talk to architects latest/future trends, technologies
- ✓ Identify what your core competencies are. What do you want to keep “in-house?” What do you want to outsource/offshore?
- ✓ Communicate and drive throughout organization
 - ✓ Town Halls and team/learning activities
- ✓ Measure and reward desired behavior
- ✓ Adapt as needed
- ✓ Hire the right people who can further the cause. Cultivate the right leadership
- ✓ Ensure IT organization understands the intent of strategy and role of IT



The Evolution of IT

Where we've been...where we're going...

Internal Business Trends

Business leader reviews emphasized an increasing need for IT solutions that enable...XXX...

External IT Trends

Major trends in the IT industry that will change the competitive landscape...

External IT Trends

Trends particularly relevant in the near term...

Resulting Opportunities from Business & IT Trends

New IT capabilities required to stay competitive...

IT Strategic Objectives

Translate strategy into Goals...how we work...

Future of How We Work

Glimpse into the future of how we will work/operate...

IT Roadmap

3 year view...



IT Strategy and Business Alignment



Myth buster

1. Businesses have it all figured out
2. IT realizes/accepts that it is an enabler
3. “Us vs. Them” doesn’t exist in my Company
4. We’ve evolved beyond the sandbox
5. Being smart is enough
6. Surveys solve “world hunger”
7. Businesses always come to IT first with work/ideas
8. Our IT team is fast, flexible and informed...

Searching for
TRUTH



Effective methods in aligning IT Strategy to Business needs

- ❖ Make sure RTB works first. No alignment if computers don't work
- ❖ Make business part of your strategy creation
- ❖ Create IT Business Relationship roles in organization with desired scope...
- ❖ Survey appropriately then act
- ❖ Earn respect by delivering (vs. talking)
- ❖ Know what businesses need and are focused on – speak like a business person – not an IT person!
- ❖ Show businesses how technology can solve business problems
- ❖ Build a long-term strategy but adopt to markets, trends, disruptive technologies, etc.
- ❖ CIO / IT Leader is at the CEO table (see IT Business Relationship leader)
- ❖ Communicate effectively – act like a consultant

- Understand IT's role in the Company and build to that as a starting point...
- Where IT reports tells a lot? Reports to CEO? CFO?
- Educate IT people to think like business people (Rich's Rohm and Haas class)...
- Recruit business people to work in IT; send IT people to the business...
- Think with a profit center mentality...
- Be like a vendor – fast, responsive, client-focused...



Effective IT Strategy and Business Alignment

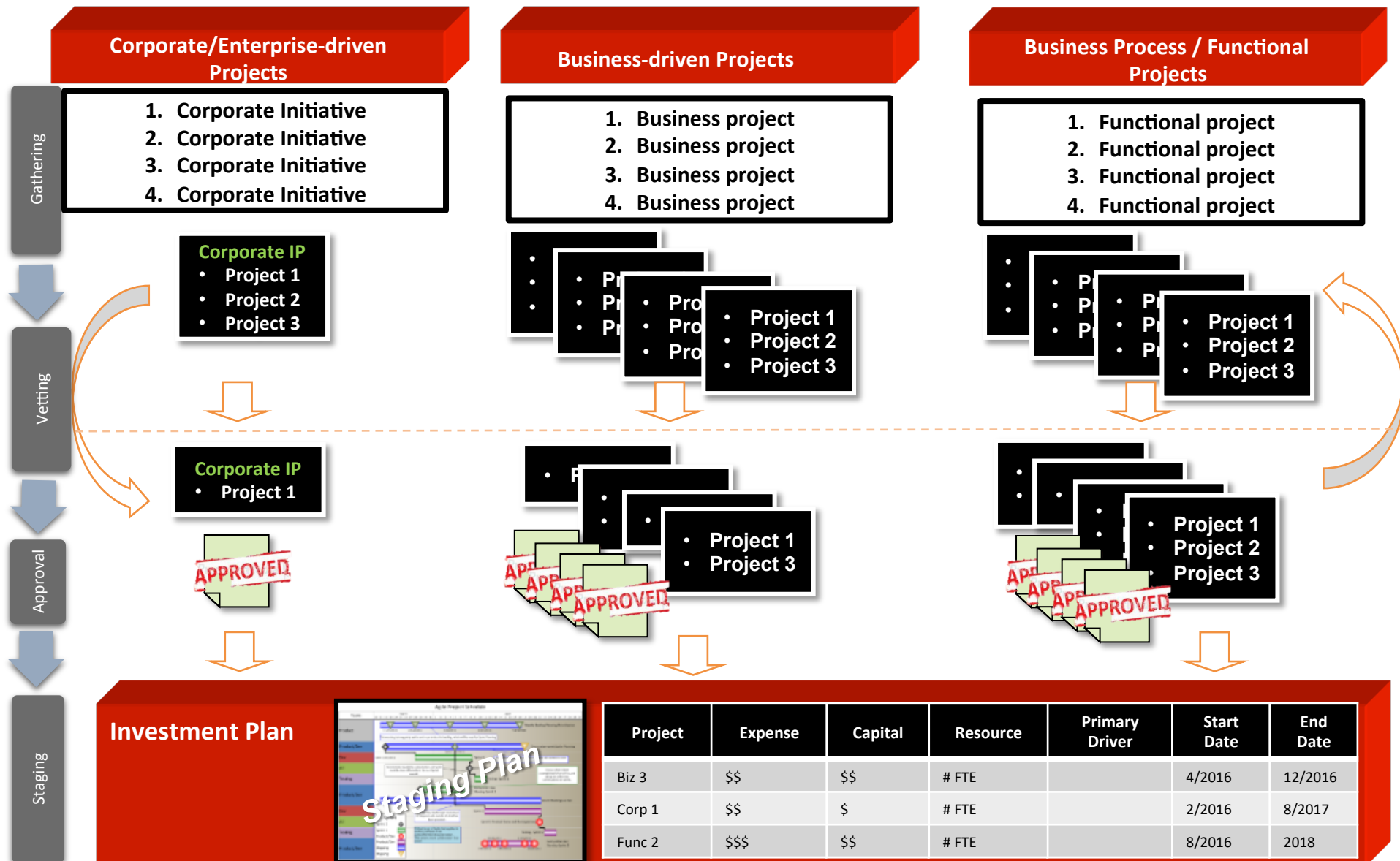
ProfitCenter Enabler
ITBusinessRelationship
Respect SpeakBusiness
Communicate RuntheBusiness
Listen Share Collaborate

Portfolio Management – quick view



- Value vs. Cost
- Affordability
- Alignment to Business Outcomes
- Resource Availability
 - Internal
 - Partner

Portfolio Management...50,000 foot view...



Wrap-up

What we covered



Q/A

