

# Building Your Organizational Technology Strategy

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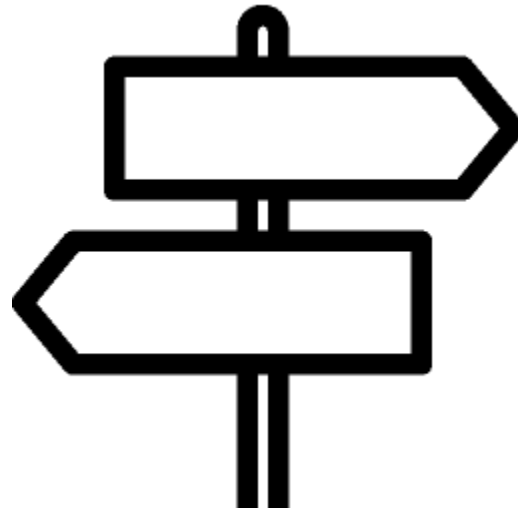
# “Promised Goods”

- How CIOs analyzed, developed, and communicated their organizational technology strategies
- How to start on developing your own strategies
- How to assess your current state of organizational technology
- How to align technology priorities with business priorities
- How to communicate strategy
- How to start a discussion in your organization about a more deliberate technology strategy

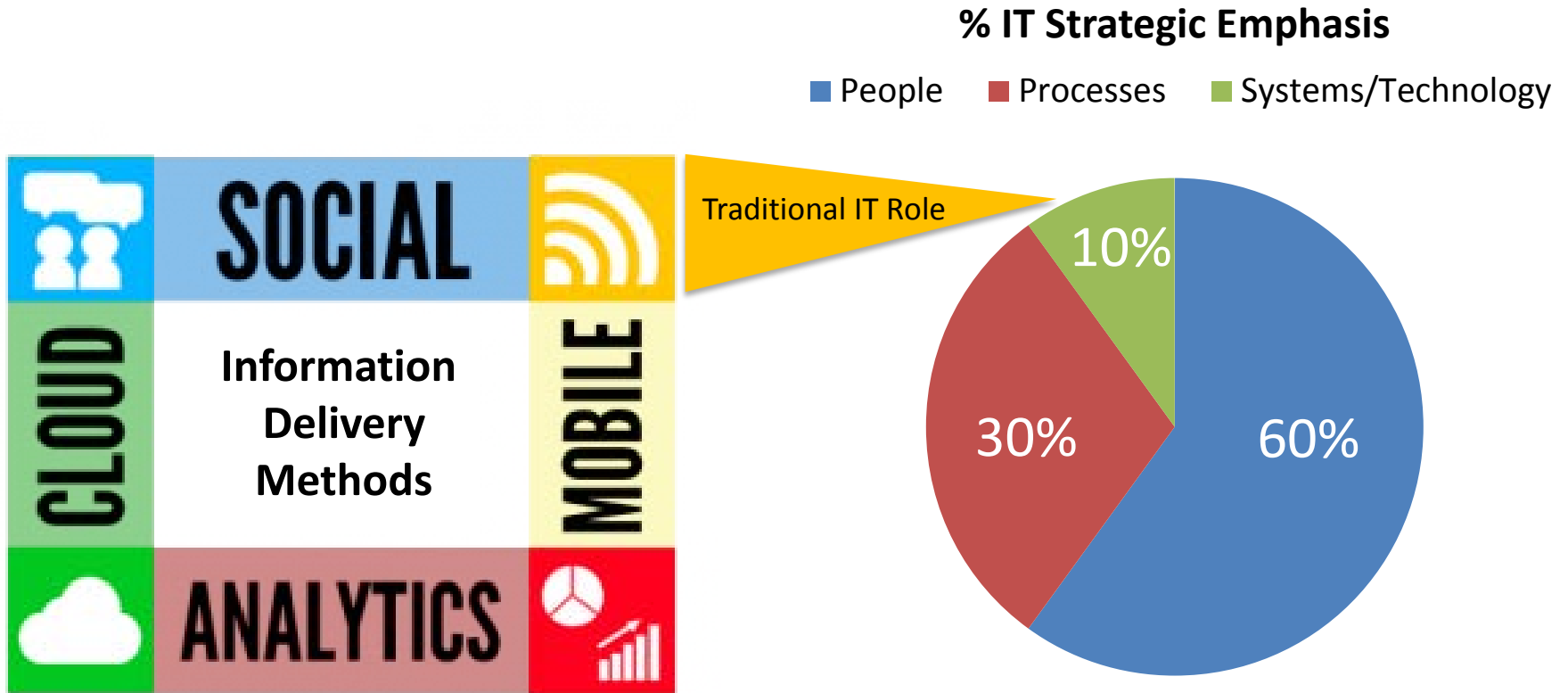
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# Why Are You Here?

- A lack of results from IT investment?
- Conflicting agendas on how to use technology?
- Misalignment of strategic priorities?
- A nagging feeling that “more could be done”?



# IT Strategy is NOT all about Technology

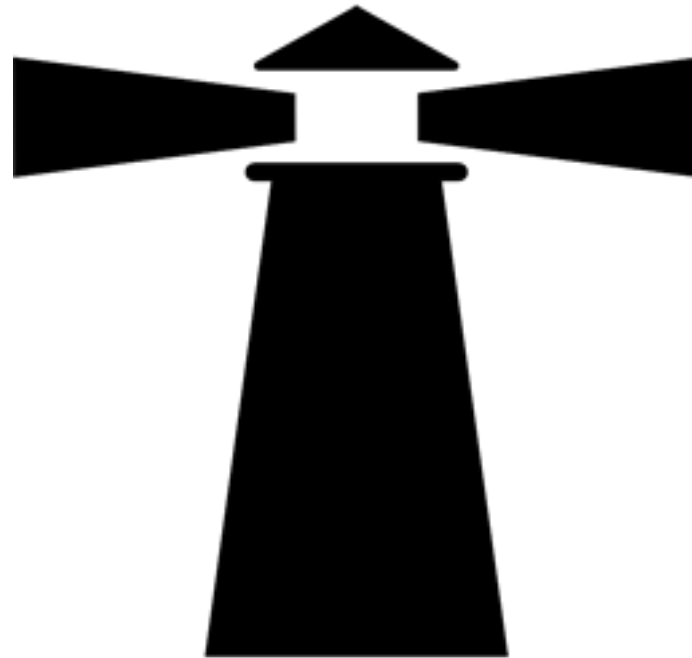


What works best is a delivery strategy that matches the culture and operational maturity of the organization

# Steps to Improving IT Strategy

- Know where you are (yes, I mean **YOU**)
- Align department strategies with IT investments
- Follow-up on execution of planned investment
- Reassess IT plans regularly

# Know Where You Are



# Your Expectations for the Use of Technology sets the Tone

If you expect technology to...

**Support** the Organization

**Enable** the Organization

**Move** the Organization

You need an IT organization which is a ...



**Utility Provider**



**Service Bureau**



**Change Agency**

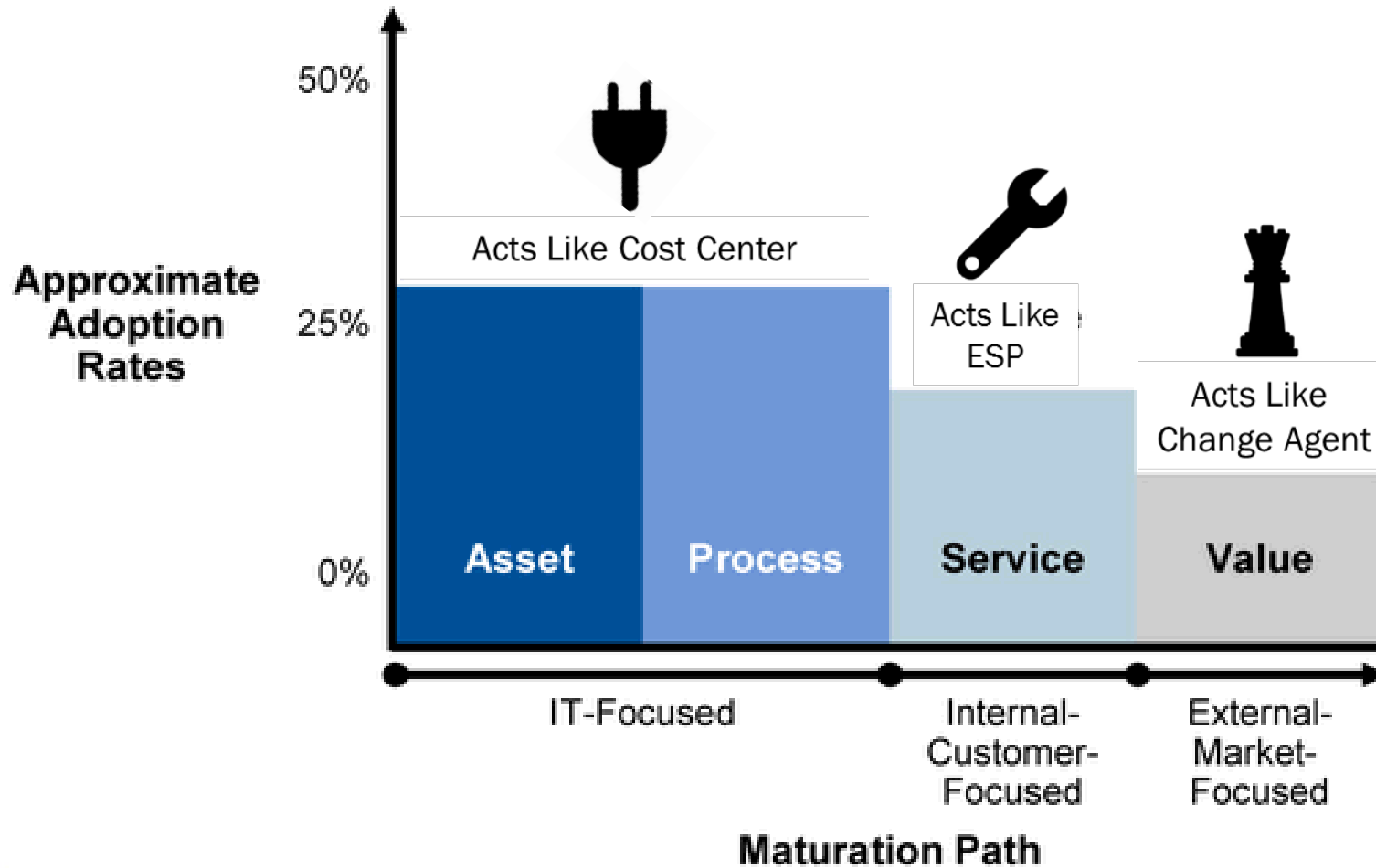
Which yields an IT Strategy that is...

***Cost-Driven***

***Service-Driven***

***Transformation-Driven***

# The Best Practice IT Service Delivery Model Depends on Business Expectations

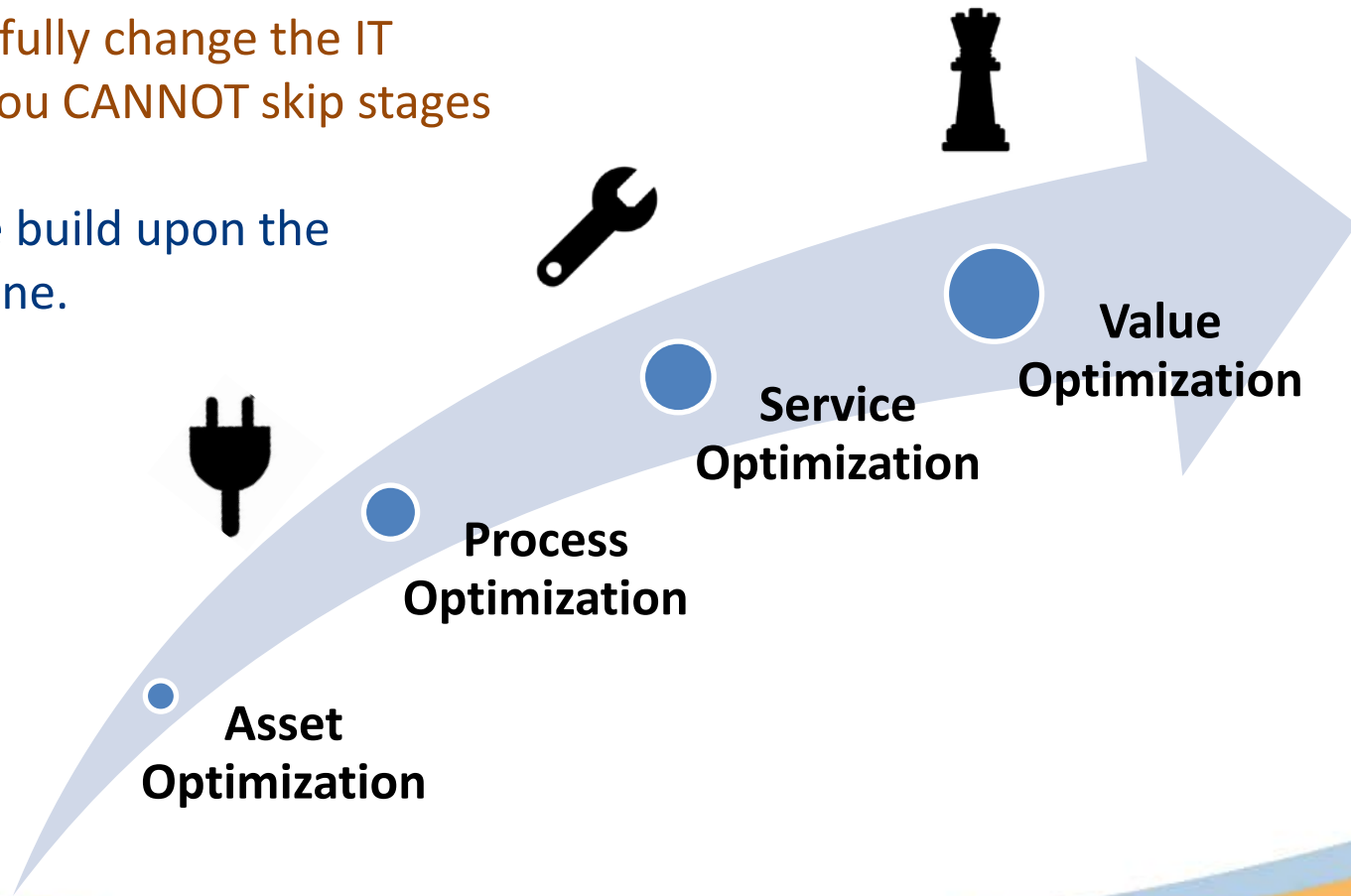




# The Evolution of IT Delivery Strategy Requires All Stages

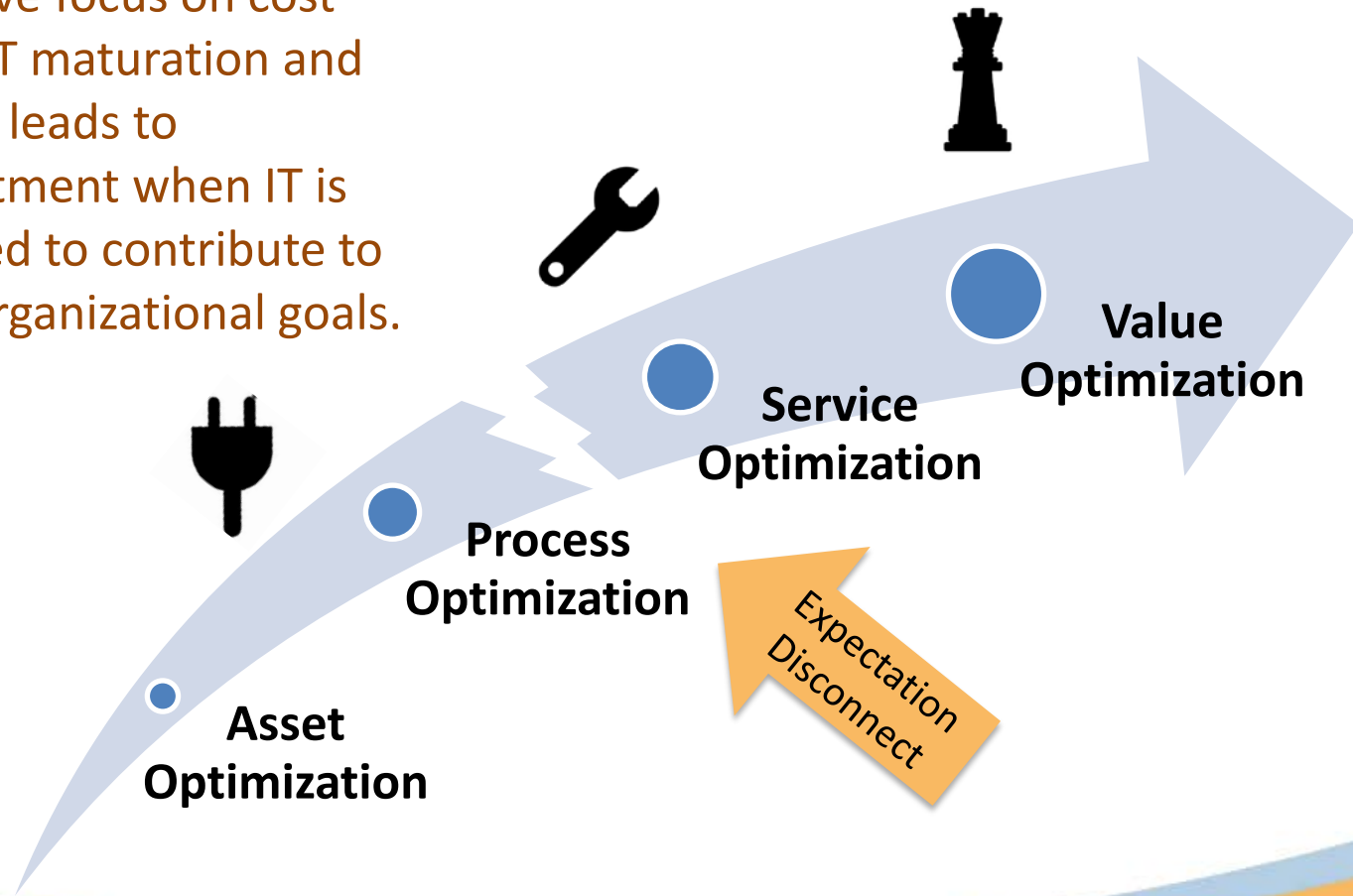
To successfully change the IT strategy, you CANNOT skip stages

Each stage build upon the previous one.



# The Evolution of IT Delivery Strategy Requires All Stages

An exclusive focus on cost prevents IT maturation and ultimately leads to disappointment when IT is unprepared to contribute to broader organizational goals.



# Knowing Where You Are

- Clarify your expectations of IT
- Understand the likely service outcomes
- Communicate with department leaders on their role to facilitate the targeted service outcome

# Align Strategy With Investment



# Business and IT alignment is a perennial topic

Government CIO IT strategies	Ranking of IT strategies CIOs selected as one of their top 3 in 2012				
Ranking	2012	2011	2010	2009	2008
Improving IT management and governance	1	10	1	1	5
Delivering business solutions	2	3	6	15	8
Reducing the cost of IT	3	4	5	7	13
Improving business alignment and relationship	4	2	2	3	3
Consolidating IT operations and resources	5	6	*	6	7
Enhancing IT security and recoverability	6	*	*	*	*
Developing or managing a flexible infrastructure	7	1	11	5	14
Implementing business process improvements	8	8	3	2	6
Improving the IT organization and workforce	9	9	10	9	1
Applying shared services and outsourcing	10	*	*	*	*

\*Not an option that year

Source: Gartner

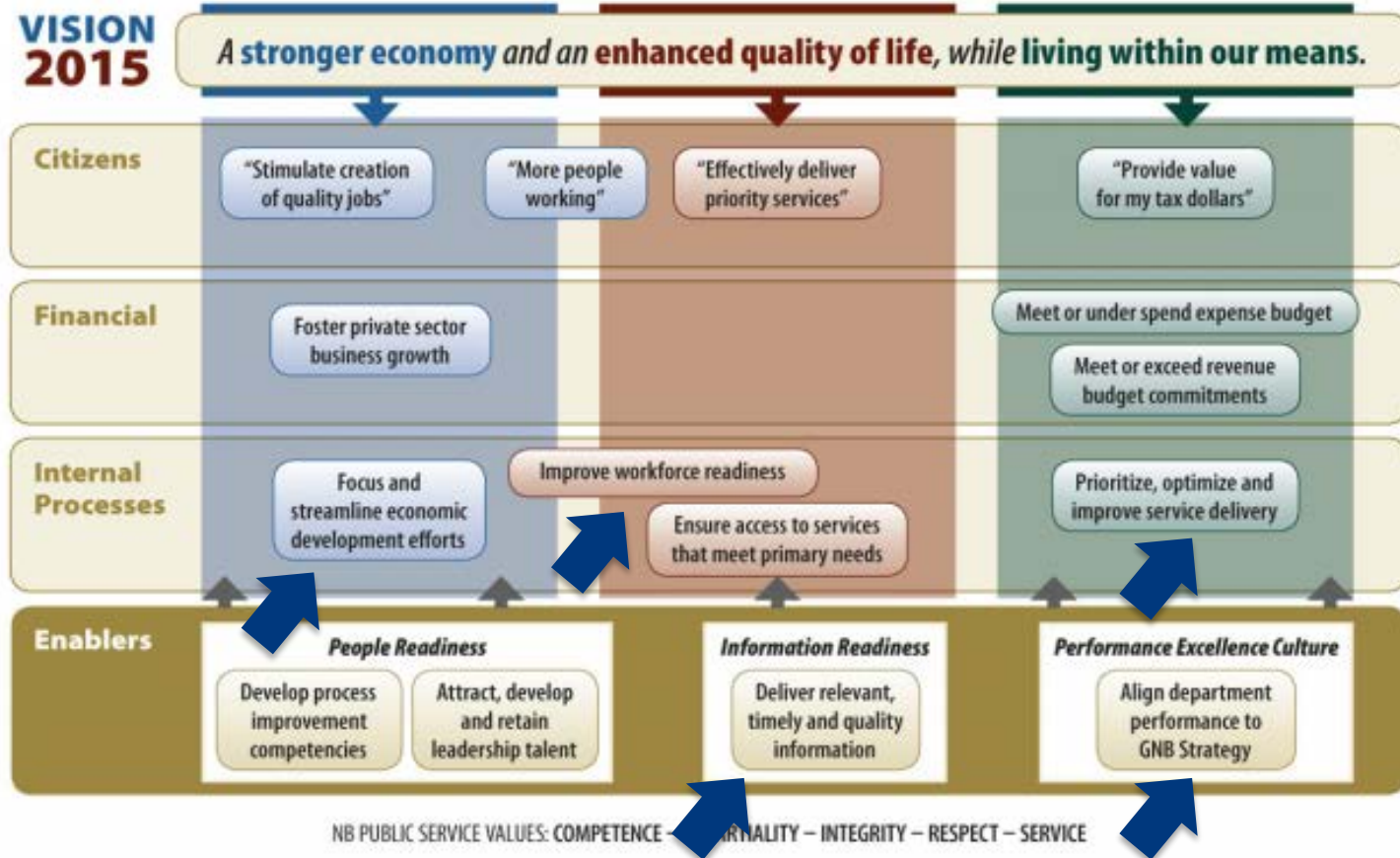
Are these your priorities, too ?

# Questions for the Chief Executive

1. Do you have a well-defined jurisdictional strategy to which IT can align?
2. Does your jurisdictional strategy include a clear prioritization of departmental initiatives?
3. Do your prioritized initiatives have explicit funding for their technology components?

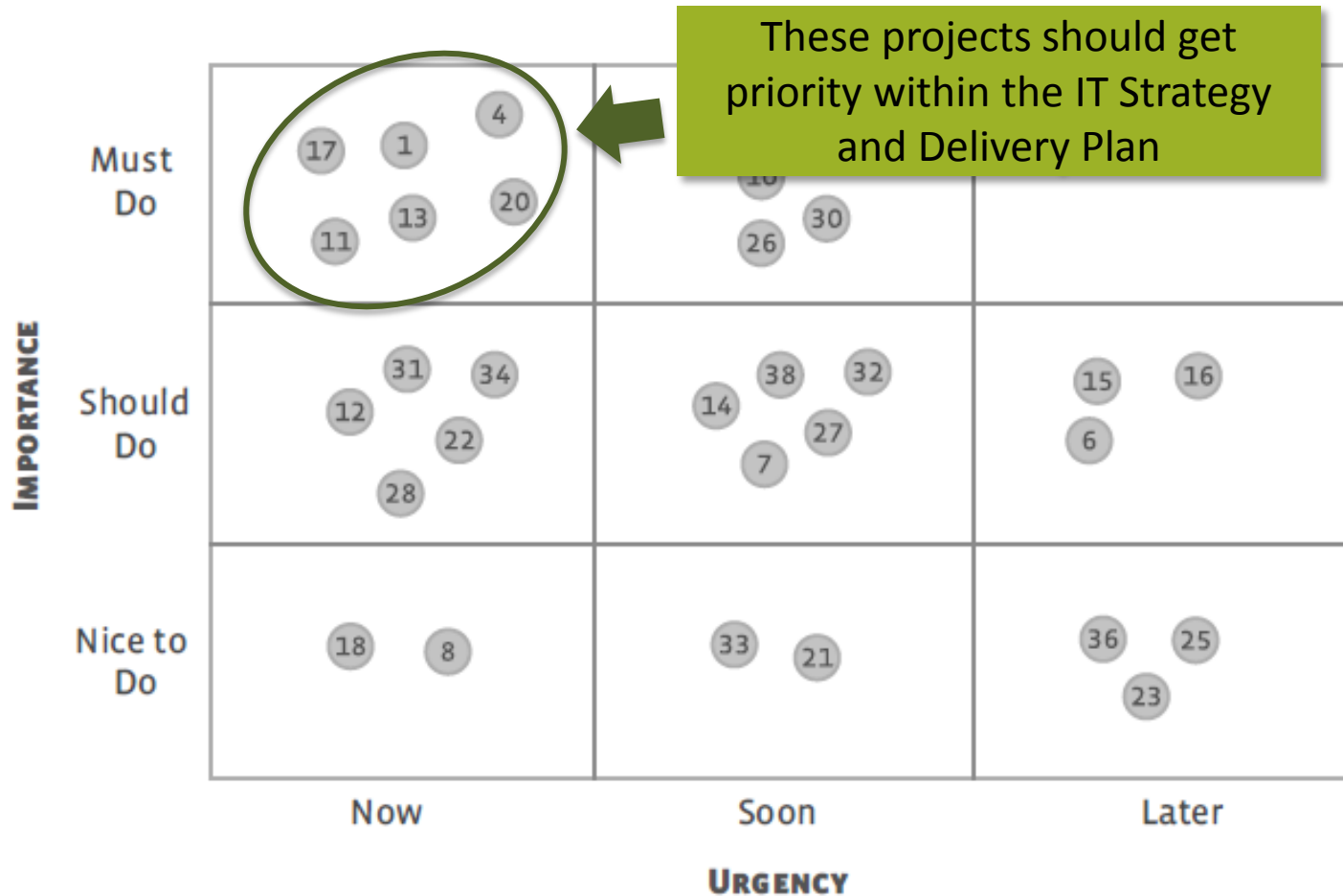
If “yes” on 1, 2, and 3, your IT strategy is already >90% baked in current plans

# Well-Defined Jurisdictional Strategies Help Improve IT Strategies



 = Areas where IT can make a tangible contribution

# Prioritization of Departmental Initiatives Provides Focus for IT Investment





# Prioritization of Departmental Initiatives Provides Focus for IT Investment



# Aligning Strategy With Investment

- Create a well-defined jurisdictional strategy  
...then build IT strategies to complement it
- Prioritize departmental activities  
... then associate IT investments to accomplish them
- Rationalize which activities get funded  
... then budget IT costs as integral to the activities

# Follow-up on IT Strategy Execution



# IT Success Depends on Interlocking Issues



# Skills Needed Will Vary with the Targeted IT Service Delivery Model



**Utility Provider**



**Service Bureau**

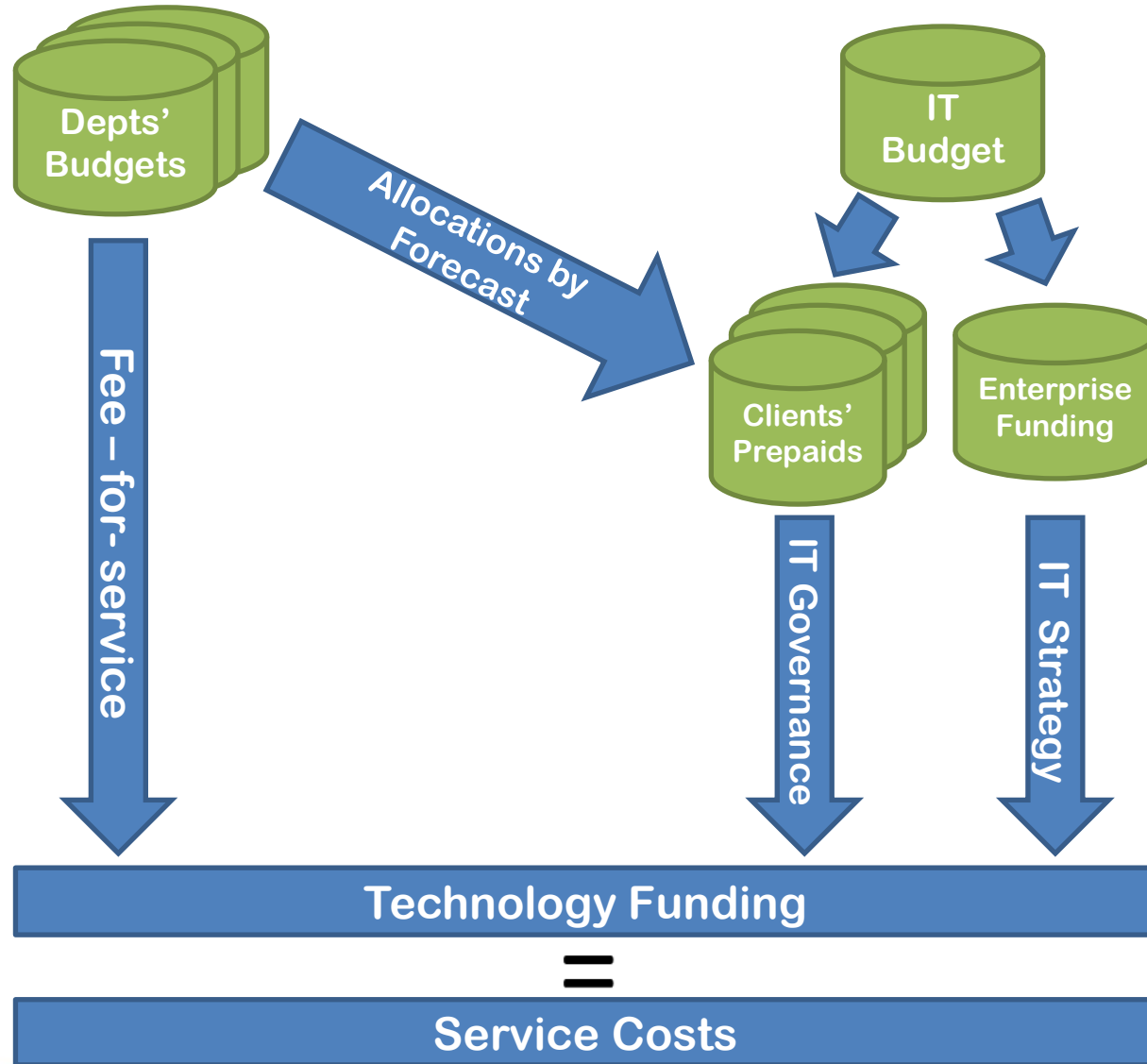


**Change Agency**

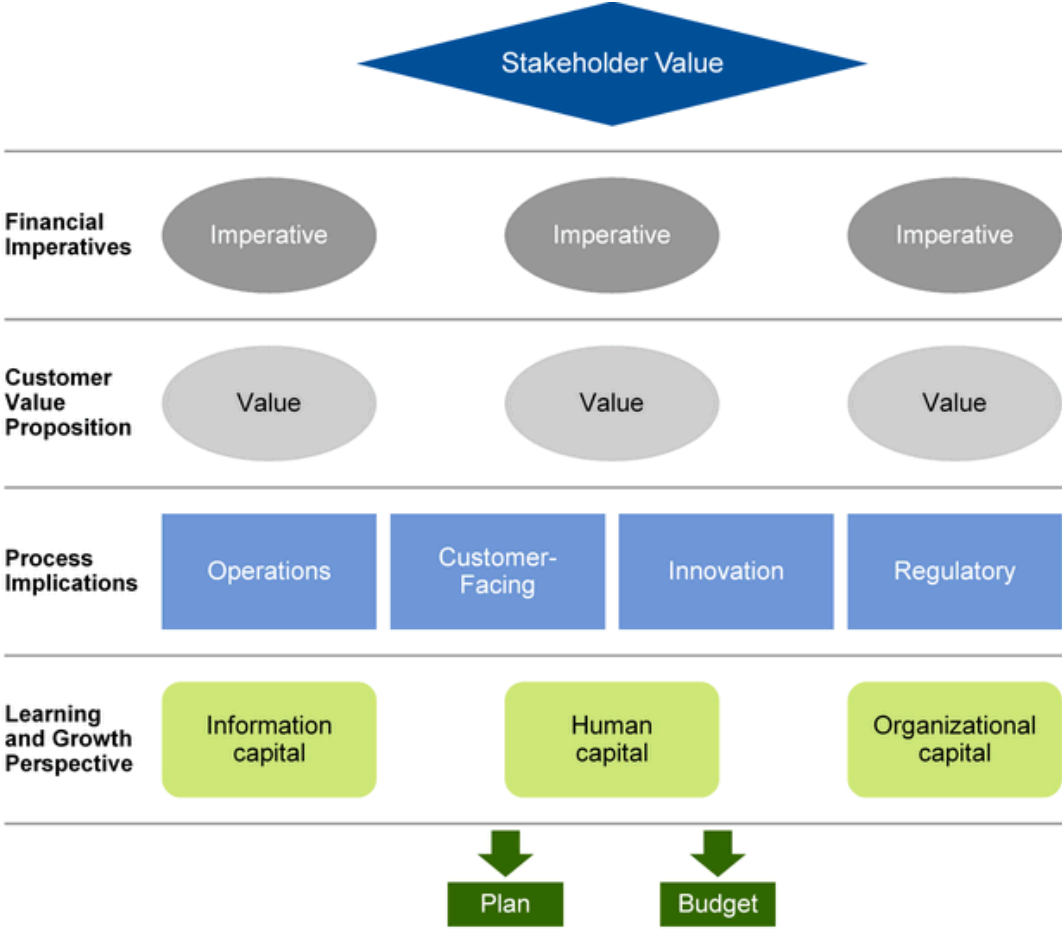
## Critical Managerial Skills

- Asset Management
- Process Management
- Cost Management
- Project Management
- Business Case Development
- Service-Level Management
- Relationship Management
- Vendor Management
- Resource Management
- Benchmarking
- Community Engagement
- Cross-Departmental Strategic Alignment
- Portfolio Management
- Service Pricing
- Strategic Sourcing

# Successful IT Strategies Have Funding Which Matches Departmental Priorities



# IT needs a Balanced Scorecard, too



The IT scorecard can communicate linkage to the broader organization scorecard

# Reassess IT Plans Regularly





# IT Strategies Age Quickly

- Most IT assets fully depreciate in 5 years
- 2 year operating budgets may subvert IT agility
- Reassess goals and plans every 6 months



# Next Steps

- What to do on Monday
  - Determine what role you value for IT in your organization
- What to do within 30 days
  - Communicate your vision of the role for IT in the organization
  - Talk to dept. heads about how they want to use technology
  - Talk to CIO/IT Director about what barriers exist
    - (Spoiler alert: Not all barriers are financial)
- What to do within 6 months
  - Ensure dept strategies/budgets include explicit costs for IT
    - A “business case” for the use of technology in their operations
  - Ensure funding/resources match real costs
    - Align IT strategies to fulfill *funded* dept. expectations

# Questions/Comments?

Additional Information...





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