Strategy & Technology

Marine Terminal Management Training Program

September 12, 2013
The Positive and Pervasive Role of IT –
Enhancing Management and Operational Efficiencies

• What is IT Strategy?
• Why do you need an IT Strategy?
• What is an IT Strategy framework?
• How can organizations improve IT performance?
• How can organizations address IT complexity?
• Who is responsible for IT Strategic Alignment?
• How can organizations achieve IT alignment?
Strategy (c 500 B.C.)

Sun Tzu 544 B.C. to 496 B.C.

Greek “Strategos” c. 400 B.C.
Maritime Industry (c. 5,500 B.C.)

Assyrian warship c. 700 B.C.

Image Attribution: Public Domain
Computer Industry (c. 1940)

Colossus code breaking computer 1943

Image Attribution: Public Domain, Created by UK Government prior to 1963
The Kennedy Family (c. 1873)

‘The Last Evening’, James Tissot, 1873
What is IT Strategy?

IT Strategy is an iterative process to align IT capability with business requirements:

- It is a process
- It is iterative
- Alignment of business and IT
- Sets direction for IT

IT Strategy helps create stakeholder value. In other words, it maximizes the return on IT investments.
Historical Issues

High Cost

Complex

Low Adoption

Lack of alignment!
IT Strategic Planning Approach

ASSESSMENT
- Business Direction
- Internal Assessment
- External Assessment
- Assessment Report

DEVELOPMENT
- Data Requirements
- Process Requirements
- Facilities Requirements
- People Requirements
- Architecture
- Alternative Strategies
- Preferred Strategy

PLANNING
- Detailed Strategy
- Strategic Plan
- Presentation
IT Service Management

Your Organization

Long Term Business Objectives

Service and Support

Service Design Package

Performance Management

Performance Metrics

Performance Management

Service Transition Package

Service Design

Service Strategy

Continual Service Improvement

Service Operation
Evolution of IT Processes

Ad Hoc Processes
- Back-office Systems
- Broad Technical Skills
- Low Growth Infrastructure

Proprietary Processes
- Front-office Systems
- Specialized Technical Skills
- Moderate Growth Infrastructure

Standards Based Processes (e.g. ITIL)
- Integrated Systems
- Participative Skills
- Diverse Infrastructure

Automated Processes
- Distributed Systems
- Analytical/Decisional Skills
- High Volume Infrastructure

Complexity

A system composed of interconnected elements and exhibiting properties not obvious from the study of the properties of individual elements.

A period of change in infrastructure and operations during which an organization tries to control a new technological environment using obsolete methods and processes.

Good to Great

Good Results

Transition Point

Direct Comparison Organization

Great Results

Benefits

CGR
MANAGEMENT CONSULTANTS
1. Which factors should be eliminated?
2. Which factors should be reduced?
3. Which factors should be raised?
4. Which factors should be created?
Desired Outcome

- Lower Cost
- Simple
- Rapid Adoption
These are people...

Enterprise systems weren’t built for them… so they don’t use them!
Insatiable Demand for Information

People Like

SkyDrive

Dropbox

Google Docs

LinkedIn

Facebook

YouTube

WordPress

flickr
People Share

What’s happening?

People publish.
A growing problem…

Guess what Mr. CIO? One in five of your employees uses Dropbox.

By Barb Darrow, Dec 2, 2012
People move.
Everyone is talking Mobile

ARE YOU GETTING A LOT DONE ON THE GRANDPA BOX?

THE WHAT?

THE PEOPLE IN MY GENERATION DO OUR WORK ON OUR PHONES AND TABLETS.

I ALSO HAVE A LAPTOP.

I'LL TEXT THE NINETIES AND LET THEM KNOW.
Key Technology Trends
Strategy Paradox

“A dogmatic approach risks an incomplete IT strategy or a strategy that is not as aligned with the organization as it should be.”

Three common misconceptions:

• IT strategy should be derived from a thorough review of organizational strategies and plans.
• IT strategy should focus on defining needed application systems.
• IT strategy is better if developed using a rigorous methodology.

While they are right, they are not completely right!

- Excellent organizations don’t just align, they entwine IT into the business processes.

Source: IT Strategy: Three Misconceptions, John P. Glaser, PhD, 2006
Conclusion

• Alignment, Alignment, Alignment
• Reduction in complexity
• IT Function Performance
• Value

Maximize the return on IT investments!
Questions