

How to Form an Effective IT Strategy

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Introduction

Strategic planning for IT is very much effort driven and you only get out what you put in. At the end of this guide I'll provide a comprehensive IT strategy template which will help to clarify and simplify the steps required to build an effective IT strategy in the form of a Service Delivery Plan for your business. This is a process which I've spent over ten years honing and have used to help the CIO's of some of the world's leading companies including Aston Martin, Buro Happold, Herbert Smith Freehills, Jones Lang LaSalle, Maples and Calder, Red Bull Formula One, Rotork, Schlumberger, and many more. Although this is quite a substantial effort, the dividends returned will make it worthwhile. The importance of strategy formulation should not be underestimated as it underpins your IT spending – or at least it should.

Without an effective IT strategy, you will expend an enormous amount of effort with very little return and your IT will continue to be a liability. With an effective IT strategy, you will be able to save money, grow your business and ultimately transform your traditional business into a Digital leader. The most important thing to remember is that a strategy is designed to realise a desired goal. Therefore, before we can begin preparing an IT strategy for your business it's important to have a vision and some desired business goals. The entire process will take approximately eight hours to complete so you may wish to download this page as a PDF and return to this when you have scheduled the time to create your comprehensive IT strategy.

Company Background and Executive Summary

We begin with a company background that provides an overview of the business you are preparing the strategy for. This section should include the following information:

- A bullet list of company demographics (Annual revenue, number of employees, HQ, etc.)
- A paragraph or two describing the company's background and competitive advantages (what's the company known for?)
- Assessment of IT Operational Maturity based on overall knowledge (using either ITIL or MOF)
- Previously achieved results with IT support services

Armed with the company background, we should then present an Executive Summary which details how the company realises value from its existing IT spend. After all, it's important to understand how the company presently views IT support services which will help us to choose a strategy implementation technique. A good Executive Summary will provide a high level synopsis of how IT support or IT services are engaged within the business and how IT support or IT services are delivering value to other departments. It should also include an overview of the following:

- Business structure
- Products and Services
- Industry
- Annual revenue

If possible, the Executive Summary should elucidate how IT support and IT services will satisfy the other business units within the company, such as Finance, HR, etc. The next step is to assess the current state of the IT support services platform. Things to include are:

- People
- Processes
- Technology
- Governance
- Business Drivers

Can you guess the most important item in the list above? Whilst most of us would say 'People', after all – what's a business without people? The correct answer when specifically formulating an IT support services strategy is 'Business Drivers'. That's



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because when formulating an effective IT support services strategy, we need to connect the business drivers to the desired business outcomes. Let me explain, a Business Driver is an intrinsic need the business must fulfil to ensure its existence. For example, for an oilfield services company, a business driver is the price of oil. Typically, when the price of oil goes up, there is more money to spend on IT support services or IT projects. Conversely, when the price of oil goes down, headcount is reduced and efficiencies are sought. It's quite difficult to truly understand business drivers at first but it's essential to properly identify these for your company.

Shared Goals

Next, we identify Conditions of Satisfaction (or shared goals). Typically, these will include:

- Perform a Customer Background Presentation.
- Perform a Service Introduction
- Perform a IT Operational Maturity Review.
- Present a Service Delivery Plan and gain business approval to proceed with scheduling the services recommended.
- Send a Weekly Business Technology report.
- Perform Monthly Service Review presentation.
- Perform a Quarterly Business Review with the CIO to ensure the three-year IT support services strategy identified is accurate, remains current and is aligned to realising desired business outcomes.

Please bear in mind these are only examples but are generic enough to be applicable to most businesses. The purpose of the shared goals section is to agree what has been decided between the business (typically at CxO level) and the IT support services department. Otherwise, how do we know that what our strategy is achieving is relevant? Personally, I use the SMART method (Specific, Measurable, Achievable, Relevant and Time-bound) when creating shared goals.

At this point you should also include any formal and informal decision criteria for the success of your IT strategy before going on to the most important criteria in this section – unique business value. You should be able to articulate a brief paragraph that expounds exactly what the IT support function will provide for the business, how IT connects to the business drivers and how IT will achieve the desired business goals. Otherwise known as an 'elevator pitch, the unique business value statement is as important as understanding the true business drivers.

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Political Considerations

The next step in formulating an effective IT strategy is to analyse political considerations. To ensure the IT support services team are correctly aligned, we must identify answers to the following questions...

- Do we have inside connections? Who?
- Do we have access to the relevant decision makers? Who?
- Are we aligned with the executive approvers? Who?

This is usually followed by company action questions such as...

- Why would the company do something different?
- Why would the company do it now?
- Provide an Executive Summary of why the company would want to engage an effective IT support services strategy?

Once the above political analysis has taken place a 'circle of influence' can be mapped which categorises company employees involved with the companies IT department. As members of the inner circle, influencers or non-influencers. We should identify their name, role and relationship with the IT support services team – such as a mentor, supporter, neutral, non-supporter or enemy. With the political analysis complete we can move onto a SWOT (strengths, weakness, opportunity, threat) analysis which is designed to identify a strategy to implement. By detailing the IT support services team's solution against the competitive landscape (internal or external) we can design our strategy implementation. There are five main strategies to design...

- Frontal (rarely successful, taking one's opponents on directly leads to a destructive pattern)
- Flanking (out thinking and going around one's opposition)
- Fragment (identify a piece of the overall business technology strategy that is likely to succeed and target just this – sometimes known as land and expand)
- Defend – Dig in and fight to ensure your business technology strategy will be accepted against all opponents)
- Depart (decide the effort isn't worth expending or the result is not valuable enough)

The main goal of a successful and effective IT strategy is to identify how both the IT support services team and the entire business can win (a win/win scenario). For



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example, if a strategy is implemented within a company that pits marketing against IT support services for budgeting spend, then whoever 'wins' will have created an internal rival. Therefore, a truly successful and effective IT support services strategy will ensure both business units achieve their shared goals and a mutually beneficial outcome that advances the entire business's cause.

Goals

We now move onto the goals section and defining the desired state of the IT strategy. Goals should be thought of as the IT support services teams goals for the business. We should be thinking in terms of functions (or services) the business needs to operate successfully. A goal should also be thought of with regards to related Projects and Improvement Points that align with the goal. In order to uncover the goals of the company we will need to talk to more than the IT support services team and their managers. We need to engage at Director level and above, and it may take several conversations until you are able to understand what drives the business.

The following information should be included in our IT strategy document:

- A good description that indicates why the goal is important.
- Success metric established that identifies the criteria for success.
- Current status updated either monthly or as needed.
- The business technology team and company owner identified.
- Mutual agreement with the company.
- Priority.
- Linked to any projects and improvement points as well as the business value statement.
- The date when the next action will take place for this item.

Values

Following the goals section, we now produce a values section. How is this connected to the business drivers and any ongoing initiatives? What value does it bring to the company? These should be articulated in an annual report or company mission statement and should be thought of as the business values of the company. Just as goals are about services provided to the business by the IT support services

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department, values relate to how the business views the purpose of the IT support team and the services it offers.

As with the goals section, this section should include:

- A good description that indicates why the value is important.
- Success metric established that identifies the criteria for success.
- Current status updated either monthly or as needed.
- The IT support services team and company owner identified.
- Mutual agreement with the company.
- Priority.
- Linked to any projects and improvement points as well as the business value statement.
- The date when the next action will take place for this item.

Key Improvement Points and Projects.

By now you will have gone a long way towards developing an effective IT support services strategy. Before we can finish we should include a section on any key improvement points or projects currently underway or scheduled. Projects are any activities in the pipeline that typically have a name, budget, and resolve known issues or mitigate perceived risks. Anything else would be considered an Improvement Point. For example, projects may be a new content management system migration project called 'SharePoint Migration'. Improvement points may be training, process reviews, etc.

Information to include:

- A good description that indicates why resolving this is important to the business.
- A success metric established that identifies the criteria for success.
- Current status updated either monthly or as needed.
- IT support services team and company owner identified.
- Mutual agreement with the company.
- Priority.
- Linked to Issues/Risks and a Goal.
- The date when the next action will take place for this item.



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At this stage we can begin to build out a project plan (or Gantt chart) for the IT strategy implementation. This can take many forms but usually involves identifying project phases, defining deliverables, the type of deliverable and a non-technical description. Once we understand what the project plan looks like we can develop an action plan that will detail individual tasks, who owns them, when they need to be completed by, etc. And that's it – we have formulated an effective IT support services strategy. If you'd like a template to implement the above processes, then please visit <https://strategicasset.co.uk/blog/how-to-form-an-effective-it-support-services-strategy/> and click the button at the bottom of the post. Good luck with formulating your strategy and of course we're always delighted to assist if required.

George Smith, Founder and Owner of Strategic Asset.



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About Strategic Asset

Strategic Asset is a creative technology start-up, our mission is to delight you and turn you into a promoter of our business. We provide a mix of IT support services, Digital marketing and Digital transformation consulting services.

Save: Our Managed IT Support Services will save your business money. Our Microsoft Cloud Solutions will reduce costs and enable cost transparency and agility.

Grow: Our cloud based CRM products and Digital Marketing Services will help you attract new visitors, turn prospects into leads and convert leads into new customers.

Transform: Our Digital Transformation Consulting Services transform your traditional business into a Digital leader.

Our Proposition: Is save, grow, transform. The first step is to help you reduce your IT support costs with a comprehensive business technology spending review.

Why Strategic Asset? By reducing the cost of your IT support services we create a budget for growth with our Digital Marketing Services. We transform your IT support services from a liability into a strategic asset.