

BUILDING THE BRIDGE BETWEEN BUSINESS AND IT





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Build the bridge and avoid IT project failure

IT has become a key business function for almost every organisation. This statement is neither new nor surprising. More and more businesses across industries have realised that new business opportunities and channels to the market are created by technology developments.

IT plays an increasingly proactive role in developing long-term business and most organisations have great expectations when it comes to their IT investments, hoping for reduced costs, standardised processes, enhanced productivity, improved workflow and communications, and the possibility to implement new business strategies and gain competitive advantage.



However, despite this general agreement on the importance of IT, another headline hits the news: a large number of IT implementation projects fail, causing loss of money and profitability, internal mistrust and a bitter aftertaste.

Stories about prestigious business projects ending up with unfulfilled promises are – unfortunately – not rare. Over and over we hear more about failure than we hear about success. Why? Well, mostly because of a disconnection between business and IT, characterised by siloes; little shared understanding or focus; and a lack of common business goals.

This divergence is not only hugely frustrating but also extremely counterproductive. Think about how much money has been wasted and how many promises have gone unfulfilled, when the result of investing in, for instance a new ERP system, turns out to be just the opposite of what was expected. Imagine how many dead-end paths have been followed when a new system turns out not to support business procedures, resulting in missed opportunities to drive revenues, grow market shares and increase speed of business. The cost of not bridging the gap between business and IT becomes evident. This whitepaper will help you to understand the nature of the challenge, the fundamental issues involved and will give you the foundations for bridging the gap between business and IT.



Why is it so difficult?

MANY FACTORS CAN LEAD TO SUCCESS OR FAILURE IN YOUR PROJECT, FOR EXAMPLE

- Resistance to change from users
- Software not properly adapted to business processes
- Market changes

Generally speaking, IT-enabling projects always face the challenges of taking two viewpoints into account – the business point of view on the one side, and the IT outlook on the other.

From the business point of view, the focus is to identify the business challenge and understand how a given solution will address specific needs. From the IT point of view, it is about understanding the technology best fit. When a project fails it is often due to a strong focus on “when to execute”. It is tempting to run before we walk and focus on the “go live deadline” instead of taking the premises of the complex task into thorough consideration. The principal difficulty with this arises when a technology-centric IT strategy, focusing merely



on technology products, meets a business strategy. Very often it is like comparing apples with oranges. The two sides don't speak the same language.

If the role given to IT is reduced to being subservient in strategy and business planning, and merely considered an implementation tool not much involved in shaping and formulating strategy, the main risk is that IT will become bolted onto the business and more or less an afterthought, rather than a part of forming the corporate skeleton and central nervous system of the organisation. In this case, the organisation will fail to synchronise IT and business towards common business goals. This contradiction and paradox is one of the main reasons why the gap between business and IT persists, and why siloes and lack of shared understanding are marring the picture. So whether it is a difference in perception, culture, language, goals, or any combination thereof, the gap impacts both the IT business unit and the corporation as a whole.

It is vital for the success of your project to move away from "IT as an afterthought" and instead apply a business-oriented approach, where business and IT work towards common business goals equally addressing the fundamental question:

Where do we need to be in the future and how do we ensure that our IT remains relevant to an evolving business?



UNDERSTAND YOUR ORGANISATION

The result will be no better than your analysis. The key to building the bridge between business and IT is to understand where you stand today before you start planning where you want to go. Take the time to understand the human, business and technology dimensions specific to your business model, your organisation and the key stakeholders on both sides of the fence. A thorough “as-is” analysis helps you to create a good starting point. The analysis can vary from a quick scan on a particular issue to a complete analysis of involved entities, people, processes, locations, systems and environment. Taking the temperature of the organisation helps you gain a clear and authentic view on the organisation including challenges and possibilities to realise the strategic objectives.

KNOW YOUR STAKEHOLDERS AND ENGAGE THEM

Stakeholder management is critical to the success of every project in every organisation. The bridge between business and IT is not built through a new strategy written in Microsoft PowerPoint. The bridge comes with people realising and living out the strategy. Resistance to change or lack of commitment can be solved by engaging the right people in the right way. Therefore make sure to identify the individuals or groups that are likely to affect or be affected and



make sure to involve them. Communicate consistently, frequently, and through multiple channels, including speaking, writing, video, training, focus groups, bulletin boards and intranets. Clear communication and strong involvement will give the key stakeholders a stronger position to undertake further commitments and realise the project.

FIND A COMMON LANGUAGE AND COMMON BUSINESS GOALS

Create a common reference model. Define a common vocabulary. Make certain that both technical and non-technical audiences share a unified knowledge base. If you want to align IT with Business, then everyone needs to speak the same language and be on the same page with priorities. By setting common business objectives you will be able to synchronise the IT and business focus towards the same goal.

ENSURE TOP MANAGEMENT INVOLVEMENT

Never underestimate the value of top management involvement. A key component to bridging the gap between business and IT is ensuring a top management focus. Your ability to gain buy-in and support from across the organisation is dependent on the level of top management involvement and commitment.



Wrap up

It is tempting to run before we walk and apply a “when to execute approach” instead of taking the premises of the complex task into thorough consideration.

The result will be yet another negative headline with unfulfilled promises and expectations. By understanding your organisation, knowing your stakeholders, finding a common language, setting common business goals and ensuring a top management commitment you will be able to establish the fundamental knowledge, shared understanding and cross-functional cooperation that is essential to succeed. Bridging the gap may take some time but it will not happen unless you approach it in a structured manner.



To learn more about how to build the bridge between business and IT and how to break boundaries contact us at info@anegis.com

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