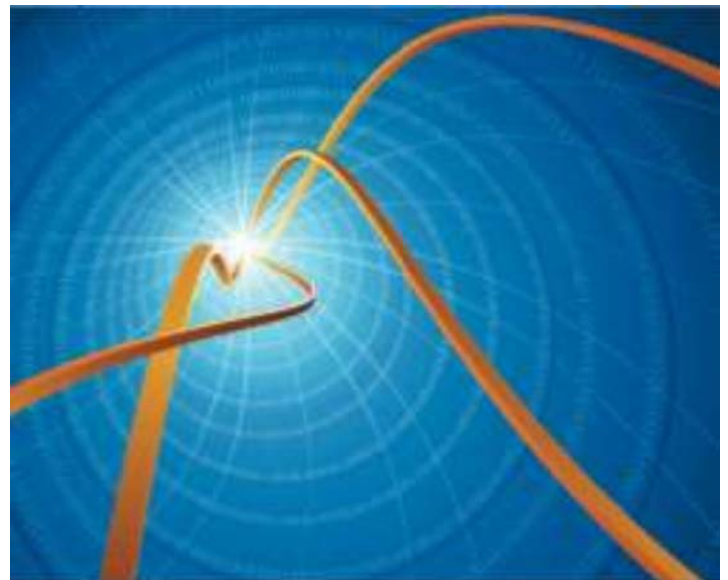


AUXIS™



IT: Business Alignment

How to get IT and business united to drive towards common goals

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If you ask most business executives what their expectations are for their information technology (IT) assets, the answer is pretty basic: they are supposed to do what they're supposed to do when they're supposed to do it. In other words, their IT is just expected to work. Those who believe that "IT should just work" assume that IT infrastructure, applications and the management of the same is quite easy; when in fact, it often is not the case. Not at all.

What we already know

In today's global and complex business environment, the management of IT assets and processes involve the integration of multiple layers of technologies across disparate locations and business functions. In addition, new technologies are continually emerging to improve and enable business capabilities. These new technologies tax the already overburdened IT organization as the limits of IT knowledge and capacity are stretched. Consider the following current and "emerging" technologies that are becoming increasingly common in today's business landscape:

- smaller packages
- Software as a Services applications for businesses

Clearly, business technology has evolved from simple, localized systems to complex, globalized solutions that enable improved visibility, management and control over physical assets, information and cash. As technology continues to drive competitive advantages, the image of IT being the simple process of servers, a web site, email and network connectivity has become obsolete. The forward thinking IT organizations are now driven by the needs of the business; which are reflected in the services they provide.

What CIO's Are Saying

CIOs' ranked "improve business and IT alignment" as third on the list of top near-term priorities addressed in the next 12 months, according to a study performed by Gartner in 2007. Related to this point, a separate question found that 58 percent of respondents indicated their organizations' IT applications and systems were tightly linked into their business units and business processes, while 36 percent of respondents indicated they were only loosely linked. While this linkage is a key aspect of aligning IT with the business, it still does not address whether the linked IT applications and systems are those best suited and capable to meet the needs of the business.

According to a 2008 study performed by VentureForward of a cross section of mid-market IT Executives, mid-market IT organizations are facing the same top issues

as all IT organizations. When asked to rank their top challenges, study respondents ranked IT-Business Alignment as the top issue. This isn't entirely surprising, but it does beg the question, "What is the cost of this lack of alignment?" All of us have heard the horror stories of businesses that invested in costly new technologies, such as sales force automation, only to see sales performance decrease after the implementation of this new technology. But more often, the cost of inefficient and ineffective technologies is not that "black and white". It can be difficult to quantify for many businesses, as the cost factors can range from business performance degradation to the inability to scale to support growth. The reason for bad or failed technologies is not that clear either. Was the system at fault, or was it the process of evaluating, selecting and implementing it? Nonetheless, we have found that the most common reason for failure is poor alignment during the requirements and implementation phases between IT and the business.

This misalignment isn't entirely the fault of IT executives and managers. We find that many of today's IT managers are in a constant "fire fighting" mode, forcing them to dedicate key IT resources to managing and maintaining the current state of operations. Unfortunately, it is more often about "keeping the lights on" than it is about "enabling business performance" to support corporate strategy and business growth.

How can IT and business better align?

To become more effective in driving the business forward, IT must understand business performance as well as properly prioritizing services, support and investments. IT solutions are best articulated in terms of business performance that is measurable, with clearly defined ROI's. IT leaders are now focused on viewing their success in terms that are aligned with success of the business and its customers. This involves implementing effective communication between business and IT to ensure that strategy, service and support requirements are understood and well managed. Additionally, it involves realizing the bandwidth and capabilities of IT's resources, so you know what can effectively be done internally and what requires external assistance.

As a result of the new capabilities that are available, business executives have an increased reliance on their IT organizations to support their strategic initiatives. This includes clearly defined processes for managing issues that impact business performance. They want proactive management and support, rather than reactive "fire fighting". Effective communication and agreement on how this communication is performed is key. Business leaders look for the active participation of IT in the business planning process. This participation will effectively bridge the gap between business needs and IT solutions.

How Auxis can help

The means to effective IT - Business alignment are three fold and require the following:

1. Consideration, planning and implementation of a strong **Portfolio Management** process;
2. Institution of a working **Program Management Office**(PMO);
3. Phased implementation of an **IT Service Management structure such as ITIL**.

Portfolio Management

Through Auxis' innovative approach to Portfolio Management, companies have achieved the following:

- **IT - Business Strategy Alignment** - Ensured that the portfolio of projects reflects the company's business strategy and that spending aligns with the company's strategic priorities.
- **Balance** - Achieved a desired balance of projects via parameters such as risk versus return, short-term versus long-term gain, customer / market driven opportunity, and technologies.
- **Maximized Value** - Allocation of resources where optimized to maximize the value of the IT portfolio of services as measured against profitability, ROI and acceptable risk.

Program Management Office

How a PMO is organized and staffed depends on a myriad of organizational factors, including targeted goals, traditional strengths and cultural imperatives; all of which are taken into consideration when Auxis helps companies implement a PMO. Through Auxis' consulting practice, PMOs help CIOs deliver strategic IT projects that satisfy both the CFO and internal customers. PMOs can save organizations money by enabling better resource management, reducing project failures and supporting those projects that offer the biggest payback.

IT Service Management

IT Service Management is something that has been around for quite some time. But only recently has it come to the forefront of improving the performance of IT organizations. Not only does Auxis help other organizations improve their operations, but we too have experienced the benefits listed below in our IT Managed Service offering:

- Repeatable, documented processes essential to improving IT service delivery and support
- Improved communication and information flows between IT and the business
- Improved ability of IT to adjust as business opportunities and challenges are presented
- Lifecycle management of IT services and initiatives



Headquartered in Coral Gables, Florida with offices in Plantation, Florida and Washington, D.C., Auxis is a management and technology solutions firm dedicated to helping companies prosper. Celebrating our 11th Anniversary, Auxis was founded in 1997 with the core belief that success is measured by the ability to create value for our clients. We distinguish ourselves through our combination of high-end business and technology expertise, superior project management and accountability for delivering business value multiples far in excess of our fees. Our multi-disciplinary and complimentary practices allow us to tackle some of the most complex challenges facing our clients.

Auxis understands that today's technology is increasingly difficult to manage and support for most businesses. For Auxis, IT is our vision, our mission, and our passion. We make IT Work. To learn more about how Auxis Managed Services can help you Make ITWork, visit us at <http://www.auxis.com>.

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