

The IT Strategy:

An Articulation of the IT Strategy from a Coherency Architect's Point of View.



Articulation of the IT Strategy

The Coherency Architect needs to be able to deal with the IT strategy otherwise he or she will not be able to drive any value from the Enterprise Architecture. There are many approaches to how an IT strategy can be articulated and what the primary focus should be.

This blog post will deal with the approach Chris Potts have proposed in his book titled “FruITion”. Chriss Potts have proposed a bit controversial approach to IT strategy e.g., he focuses on other models and claim that when the organization manages its investments then the right portfolio of technology will be selected, likewise does he propose that the role of the CIO isn't an imperative. In the novel Chris Potts suggest the title “CIIO” for Chief Internal Investment Officer.

The Coherency Architect can make use of the approach to challenge his or her own view on the strategy and thereby be able to produce better strategy.

It is notable that the book is organized around a novel that deals with a CIO that faces a situation where he can't pin point what kind of value the IT department brings value to the organization. Potts then write emphasize some observations that can be made on each of the chapters in the book.

The Strategy Articulation Process

This section is based on the definitions that Potts describes in his work “FruITion” (Potts 2008, p. 13):

- 1) Most robust strategies emphasize high value on its environmental feedback.
- 2) Make sure the strategy is meaningful to the stakeholders of the strategy.
- 3) Distinguish between the strategic level and the operational level thinking.
- 4) Disinterest should never be understood as trust.

The following four statements are based on Potts's “fruITion” (Potts 2008, p. 25):

- 5) A document that contains the strategy is not the strategy.
- 6) The language used to articulate a strategy shows the mindset of which the person who articulated made use of (or has).
- 7) If the host organization (enterprise) has an IT strategy then it is necessary to include all of the Information Technology the organization (enterprise) makes use of.
- 8) It is an imperative that the IT strategy has to summarized in one meaningful sentence; otherwise the strategy needs to be reworked.
- 9) If the organization (enterprise) has an IT roadmap then it is imperative that the driver of the roadmap isn't the suppliers but the tactical goals and strategies of the organization.
- 10) If the CIO runs the IT department as an external business (weak links to the enterprise) then the enterprise will threat the IT department as such.

The following four statements are based on Potts's “fruITion” (Potts 2008, p. 54):

- 11) Shape the strategy by exploring why the company isn't already fulfilling its promise.
- 12) The CIO should validate who the promise is “talking about”.
- 13) Build the strategy on a model that emphasize the customer and supplier perspective and never the “Business and IT” perspective. The over all reason for this is that the organization and IT department is one and the same.

The following four statements are based on Potts's "fruITion" (Potts 2008, p. 204):

- 14) If the organization manages its investments well then it is likely that the most appropriate technology will be selected.
- 15) The organization should assign an executive accountability for maximizing the total value the company creates by its internal investments in change.

This leads to the Alignment phase.

The Alignment Phase

This section is based on the definitions that Potts deals with in his work "FruITion" (Potts 2008, p.34):

- 1) Never under estimate the pace (of change) of the Corporate Strategy.
- 2) The strategy has to be compatible that stakeholders change their minds.
- 3) Build the IT strategy on a promise and not on aims.
- 4) If the IT strategy is organized around solving a particular problem, then it is a necessity that the IT strategy solves the problem.
- 5) Are the persons who develops and articulates the strategy (strategists) game players?

This section is based on the definitions that Potts deals with in his work "FruITion" (Potts 2008, p. 44):

- 6) If the business side of the organization perceives the IT department as an external supplier then it is likely that the IT department and the CIO can't influence the corporate strategy.
- 7) Different kinds of strategies needs different kinds of strategists.
- 8) The CIO should know his relative strengths and weaknesses when it comes to analysis and synthesis. In a strategy it is the synthesis part that is the most important thing to handle.
- 9) If the IT department or organization (enterprise) have issues with identifying what value the IT brings to the organization then it is likely that the organization (enterprise) experience wider business related problems.

This section is based on the definitions that Potts deals with in his work "FruITion" (Potts 2008, p. 61):

- 10) A corporate strategy that is focused on exploiting IT is focused on value, money and organization. The corporate strategy is not focusing on technology.
- 11) The directors of a company is an independent community that adds value to the company.
- 12) Value is defined as a portfolio of measures and types.
- 13) The "business side" of an organization will in many cases assume the money the enterprise is spending on IT is a random number.

This section is based on the definitions that Potts deals with in his work "FruITion" (Potts 2008, p.124):

- 14) Each stakeholder in a strategy has something distinctive to offer.
- 15) Language and communications are critical to a strategies success.
- 16) The concept of theoretical, practical and abstraction depends on the audience. The strategy should be articulated and aligned to the audience.

- 17) People in organizations develops the projects rather fine but they tend not to make the most out of the projects when the projects have been implemented.

This leads to the value adding phase.

The Value Adding Phase

This section is based on the definitions that Potts deals with in his work “FruITion” (Potts 2008, p. 70):

- 1) Many relationships are based on perceptions and high profile characteristics.
- 2) The business side of the organization expects service and therefore should service levels between the IT department as a supplier and the customers be negotiated and incorporated into the strategy.
- 3) The corporate strategy is about numbers. The focus of the IT strategy should be the same.
- 4) Often there is a gap between those in the enterprise who adds value and those who spends the value. Is that also the case for the IT strategy?

This section is based on the definitions that Potts deals with in his work “FruITion” (Potts 2008, p. 159):

- 5) The CIO (or the Coherency Architect) should make use of color coding to distinguish the business investments from the IT investments.
- 6) The CIO (or the Coherency Architect) should prove that looking and managing the IT investment as something apart from the business investment isn't sufficient.
- 7) The CIO (or the Coherency Architect) should show that the strategic projects aren't necessary those projects that aggregate the highest ROI.
- 8) Explorer the cause and effect with of IT investments and business investements.

This leads to the change management phase.

The Change Management Phase

This section is based on the definitions that Potts deals with in his work “FruITion” (Potts 2008, p.72):

- 1) When changes occur (as it will with the implementation of a new strategy) then the change process will also impact the employees (and managers) personal life.
- 2) Numbers is a dispassionate way to analyze the strategic landscape with. It should include what the CIO and the enterprise knows and doesn't know.

This section is based on the definitions that Potts deals with in his work “FruITion” (Potts 2008, p.81):

- 3) The IT strategy has to be articulated in an iterative approach.
- 4) Look at the numbers in the budget and evaluate if they speak for themselves.
- 5) The CIO (or the Coherency Architect) has to explore how the company budgets , manages, and measures business change that comes through IT related projects.

This section is based on the definitions that Potts deals with in his work “FruITion” (Potts 2008, p.175):

- 6) The CIO (or Coherency Architect) has to cause other people to change.
- 7) The CIO should know what he would die in the ditch for.
- 8) The business side of the organization often experience the IT side of the organization as being “promising a lot and never keeps the promises and it doesn't care about the business side”.
- 9) 100% alignment among strategies can be dangerous and it occurs rarely that the strategies are 100% aligned.
- 10) The future role of the CIO is not assured.
- 11) The CIO or Coherency Architect has to understand that there are competencies else where in the enterprise that is in duplication of the those competencies that are in the IT department.
- 12) The new strategy for IT demands a new operation model.

This section is based on the definitions that Potts deals with in his work “FruITion” (Potts 2008, p.180):

- 13) Strategists deal only in success and so should the CIO and the Coherency Architect.
- 14) It can be hard for the CIO and the Coherency Architect to challenge the orthodoxies of the organization.
- 15) If the CIO will not cross the bridge then let someone else take care of the investments.

This section is based on the definitions that Potts deals with in his work “FruITion” (Potts 2008, p.182):

- 16) Leading strategy can be a lonely job.
- 17) The over all focus of a strategy is about winning. If the CIO or the Coherency Architect is not committed 100% to achieving the strategy then it is not really a strategy.

This section is based on the definitions that Potts deals with in his work “FruITion” (Potts 2008, p.191):

- 18) Set down your Promise, Principles and Tactics for the key stakeholders to explore and ratify.
- 19) The stakeholders wants to see the combination of ideas in relation to the organizational system.
- 20) The strategy can look like the obvious but it is important that the CIO or Coherency Architect emphasize that the strategy isn't applied.
- 21) The CIO or Coherency Architect should test the best practice of the industry.
- 22) The strategy is what the CIO or Coherency Architect does (de facto strategy).

This leads to the implementation phase.

The Implementation Phase

This section is based on the definitions that Potts deals with in his work “FruITion” (Potts 2008, p.96):

- 1) Use the “Promise, Principles and Tactics” framework while the strategy is in the articulation process and when it is about to become executed.
- 2) The “Promise and Principles are the stabile core of the strategy. Tactics are more fluent or adaptable when it comes to events.

- 3) Address each of the stakeholders individually (preferable personally) before the stakeholders are addressed as a group.
- 4) Lead the execution of a strategy don't manage it.
- 5) When it comes to the investigation of IT investments then start with identifying value and then work backwards. When using a spreadsheet then the focus should be on columns and not on rows. This should help create the overview that is needed (according to Potts).

This section is based on the definitions that Potts deals with in his work “FruITion” (Potts 2008, p.103):

- 6) The strategist (CIO) is the embodiment of the strategy.
- 7) Organize the collaboration around one set of numbers and strategic themes; however each person who works with the strategy should be given the opportunity to have an influence on that part of the strategy that they work with.

This section is based on the definitions that Potts deals with in his work “FruITion” (Potts 2008, p.115):

- 8) A relationship is owned by two people.
- 9) Experimenting with the numbers (in the budget) can uncover a new understanding of the problem.
- 10) The CIO (or Coherency Architect) should make use of a bottom up value portfolio.
- 11) The CIO (or the Coherency Architect) should evaluate the investment strategy to sparkle a discussion on what priorities the organization (enterprise) has.
- 12) The Coherency Architect should be focusing on the exposing the scenarios for what will happen if the investment strategy is changed.

This section is based on the definitions that Potts deals with in his work “FruITion” (Potts 2008, p.134):

- 13) Strategy is essential about options and opportunities and it is not about being right.
- 14) Take the lessons for what didn't work as expected.
- 15) The relationships that people builds are influenced of previous events and relationships.
- 16) Look for the subtleties in the responses of the stakeholders.

Types of Managers

Potts presents the model (illustration 1) that serves as a compass for characterizing managers within the organization. Note it is a compass and most managers aren't purely technical, purely operational, purely environmental or for that matter purely organizational.

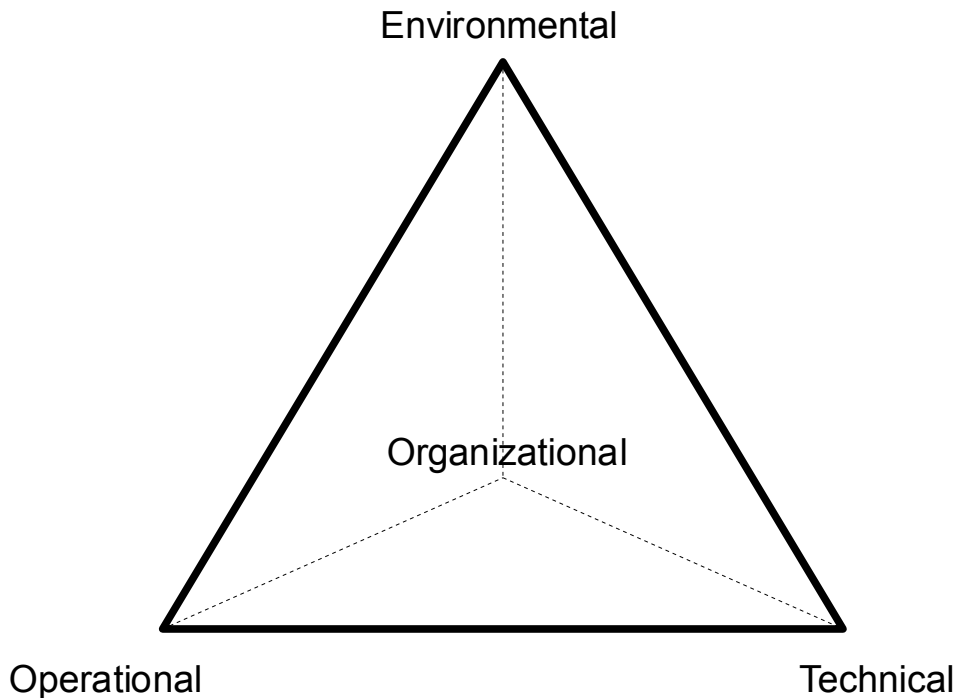


Illustration 1: Types of Managers (based on Potts 2008, p.39)

The **operational** manager focuses on execution and internal processes.

The **environmental** manager focuses on how the strategy's external context.

The **technical** manager focuses on specifications, technologies and products/services etc.

The **organizational** manager focuses on organization models, cultures, structure, internal politics and sourcing.

That leads to the conclusion.

Conclusion

The Coherency Architect should be aware of that there are various ways to develop and articulate an IT strategy. Potts approach is rather clear and can in many ways be considered as a practical approach to articulate an IT strategy. Potts approach can be considered an alternative approach to IT strategy and it can be used to challenge the “industry orthodoxies” which in itself can create a competitive advantage.

The Coherency Architect has to understand how an IT strategy is and how the artifact can be produced if it doesn't exist in an enterprise already and that makes the concept of the IUT strategy rather important to understand and challenge.

Sources

Potts, C., 2008. *fruITion: Creating the Ultimate Corporate Strategy for Information Technology* illustrated edition., Technics Publications, LLC.