

IT and business objectives

Optimize your ROI with goal alignment. **Interviewed by Chelan David**

Nearly every company, regardless of their size, faces the challenge of aligning IT objectives with business objectives. Though the task is difficult, aligning new technologies with business goals can lead to streamlined operations and improved efficiencies.

"Aligning your IT objectives appropriately can help you realize major business objectives that include service-level improvements, cost reduction, compliance, information protection, and business process support and automation," says Dave Braner, CIO of CIMCO Communications.

Smart Business spoke with Braner about aligning IT objectives with business objectives, what the biggest challenges are and the importance of developing metrics.

Why is it crucial for IT management to align its objectives with the company's business goals and objectives?

Businesses are changing structurally and operationally in response to new trends in technology and business practices. The role of technology is becoming more and more of a competitive advantage as organizational dependencies on information and data increase. How IT is integrated into the core of a business and the integral relationships required between the IT organization and senior leadership are crucial to the success of a growing organization.

As companies become more transaction-based, the value in IT investments grows. IT is no longer a cost-center or stand-alone function. In order to grow a company, IT initiatives have to be tied tightly to key strategic business goals and objectives.

What specific benefits can be realized by alignment?

Successful, properly aligned IT projects create a chain reaction of benefits. Increases in performance can lead to improved customer satisfaction, which, in turn, leads to higher revenue and market share. By basing IT investments on their ability to drive the business forward, not only does the organization's performance increase but so does the IT department's overall success.



Dave Braner
Chief Information Officer
CIMCO Communications

How should a company get started?

It is imperative that IT management be involved in strategic planning for the business. Once the business's strategic goals are set, establish a plan in which you translate the overall business objectives into measurable IT services. This allows you to effectively allocate your IT resources and maximize business value with every project you implement. Next, create an infrastructure that allows you to accomplish your planned objectives. Identify key resources, both internal and external, and their alignment so your entire staff can function efficiently. Finally, determine the functionality of each project and measure how it improved operations across the organization. Make sure to take baseline measurements in order to appropriately report significant change.

What are the biggest challenges?

Every business has its own set of unique challenges. Here are some challenges that can touch any IT organization:

- **Managing costs:** This is always the No. 1 concern. To ensure that investments will bring the best return, assess the current state of your organization and its ability to deliver value.

- **Changing metrics:** All too often in IT, when you finally find a pattern, there is a change and your current metrics become obsolete. Be prepared to adjust midcycle, as it is inevitable.

- **Understanding requirements:** Ensure that you fully understand internal customers' needs and the requirements to ease their pain as well as meet the business's goals.

- **Leadership support:** Major infrastructure changes and enhancements are significant investments. Senior management may not always see the big picture and often have varying opinions about how to spend budget dollars. Showing direct correlation between IT initiatives and business goals can help earn IT funds.

- **Poor prioritization:** IT project wish lists do not get shorter. Poorly prioritized projects can end up costing additional money and time. Consider time, capital and outcomes when prioritizing projects.

What metrics are typically used when aligning IT and business objectives?

One of the most important ways to monitor your success is to evaluate your work and show tangible results. Although it is recommended that you develop metrics significant to your organization's success, there are some standard metrics that can work well for any organization.

- **Percentage uptime:** How long are your applications staying up? Consider the times when the applications are down and how they affect the function of that application and the cost per employee during downtime.

- **Functionality:** What purpose is the application serving, and what process is it improving? Determine whether the project is meeting a purpose for the business.

- **Problem resolution:** Are user issues being addressed in an efficient way? Is there one central location for users to go to for the application? What is the time to repair for problem resolution?

Metrics should always be tailored to a company and its objectives. Determine what metrics capture the true results of your projects to calculate the return on investment for your organization. <<

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