



Positioning IT for Success Through Effective Strategic IT Planning

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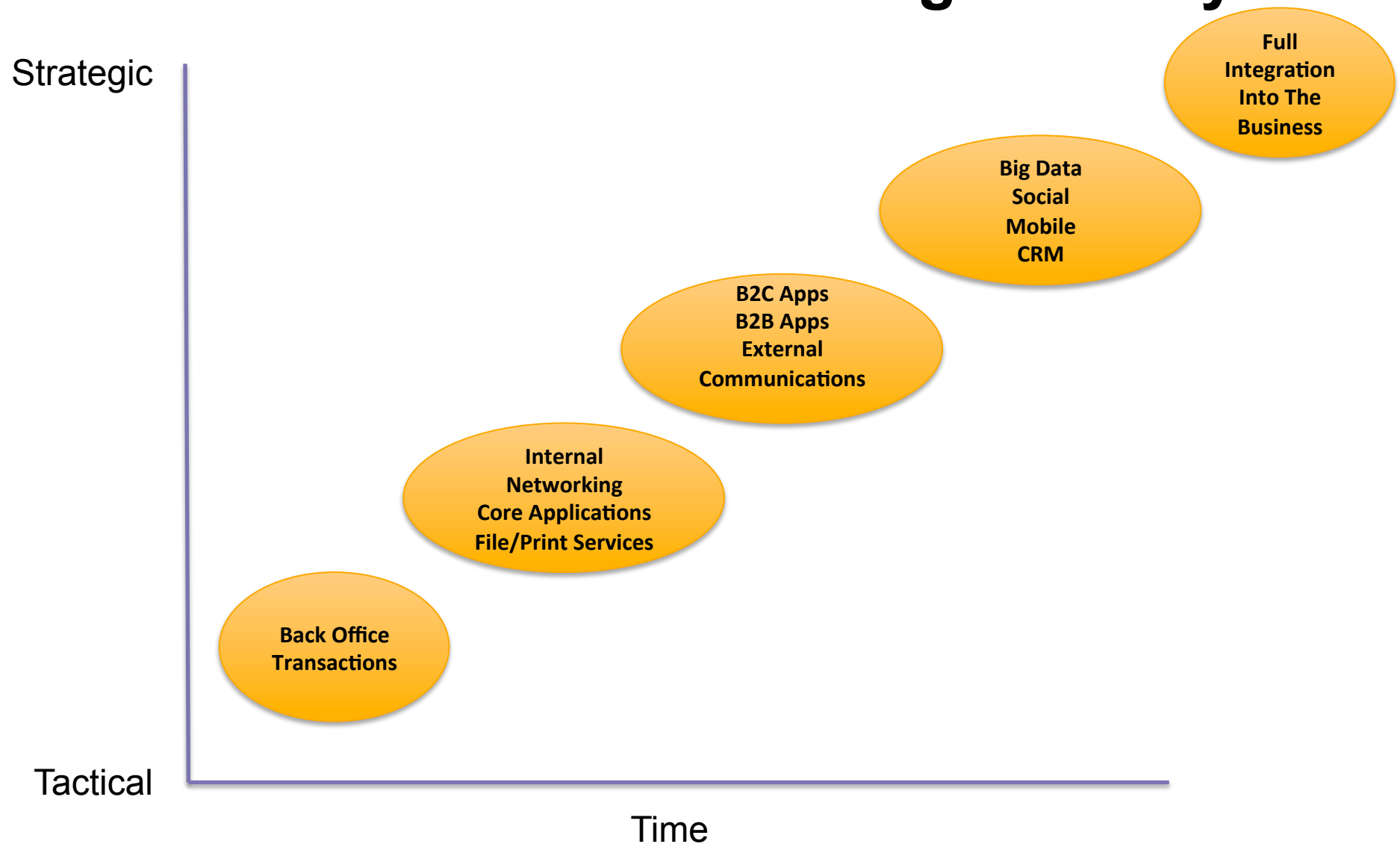
Barker & Scott Consulting

- www.barkerandscott.com
- Barker & Scott is a twelve year old firm that specializes in helping nonprofit organizations identify, understand, and leverage their major constituencies for operational and mission success.
- We are 100% vendor independent.

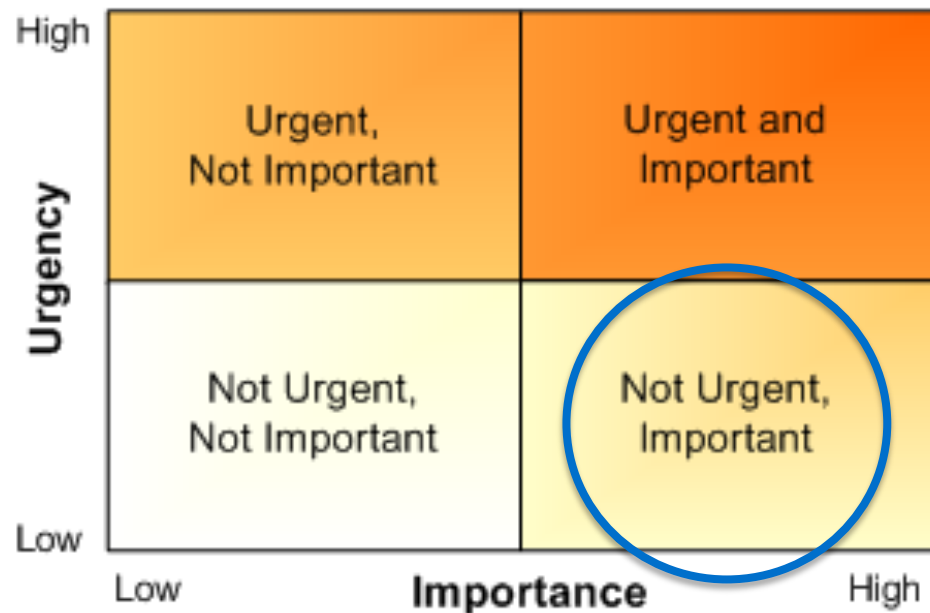
Objective

Discuss ten pragmatic things that you can do to effectively position Information Technology for success.

The role of IT has evolved significantly



A lot of what we talk about will seem obvious but does not get done



IT leadership has to be proactive or IT will fail (and so will they)



Ten key things to do to effectively position IT

1. Have a voice at the Board of Directors level.
2. Implement a governance model.
3. Know what will make your internal customers successful.
4. Create and manage a portfolio of products and services.
5. Develop a rational funding plan.
6. Be selfish when hiring your direct reports.
7. Align the IT organization with the rest of the organization.
8. Select and manage key vendors.
9. Measure, evaluate, adjust.
10. Never stop communicating and educating.

Have a voice at the Board of Director level



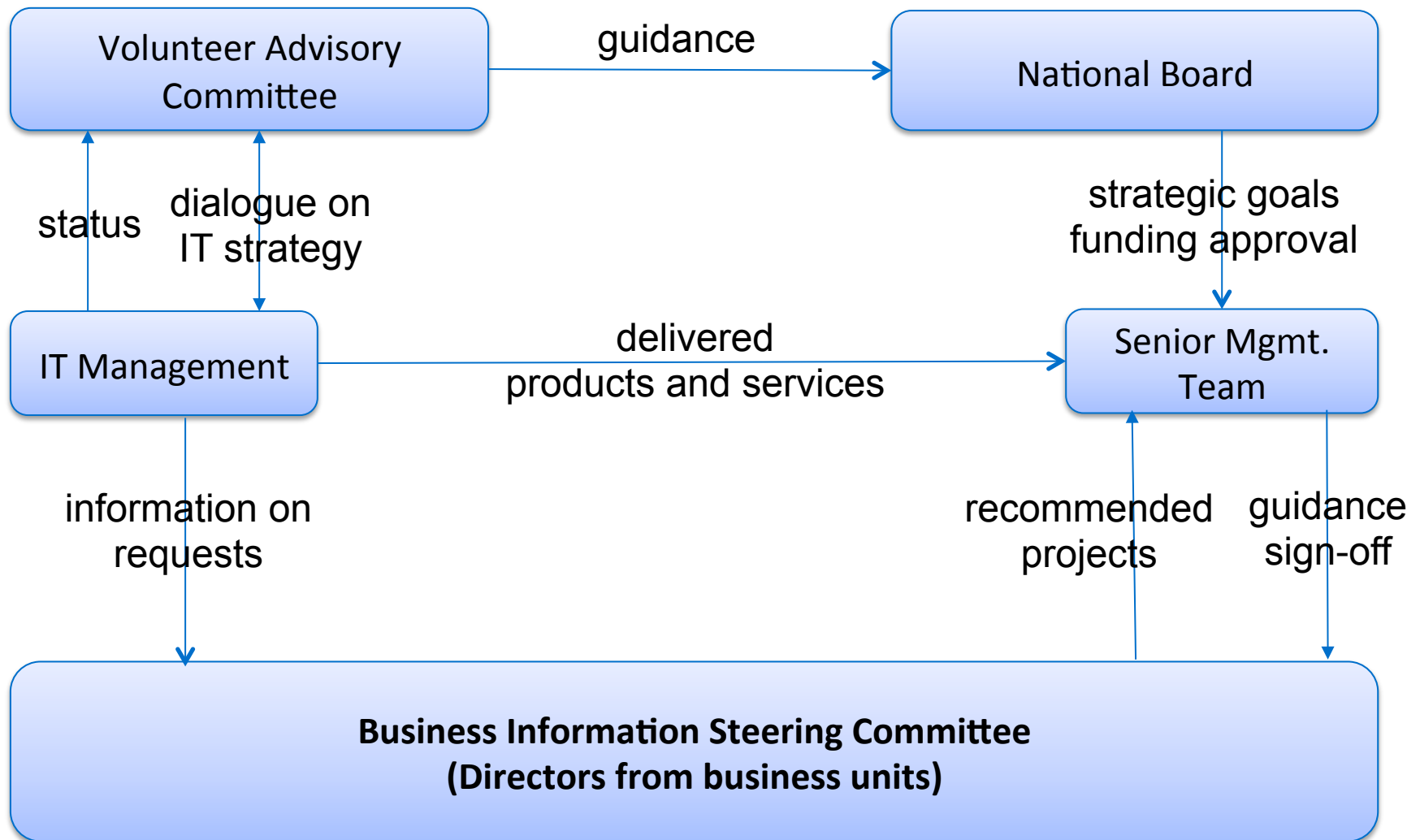
- IT will eventually be a topic discussed by the full board.
- Don't have the first time the board sees the IT leader be when there is a problem.
- Have a regular and ongoing connection and dialogue with the board, even if it is short.
- Look for opportunities to have a deeper dialogue about IT at the committee level.
- Form an advisory committee of other IT leaders plus two board members.

Implement a governance model



- Get IT out of the middle and implement a process that will keep IT out of the middle.
 - Prioritize IT investments
 - Monitor progress of IT investments
 - Develop and monitor IT budget
 - Develop and measure performance metrics
 - Stay in regulatory compliance

Sample governance model



Leverage governance to shift IT spend



1. Run budget items keep the organization operating. Run budget items include mission-critical server replacements and key software upgrades.

2. Grow budget items help the organization introduce new capabilities or improve existing ones. Grow initiatives could include the implementation of new software that makes operations more efficient.

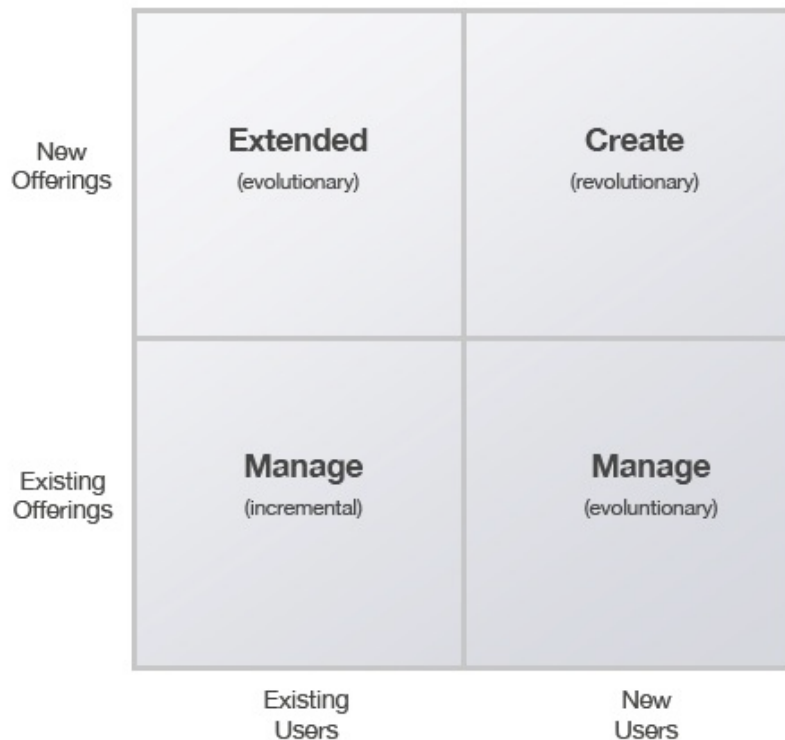
3. Transform budget items are research-and-development-type activities. These initiatives might seek to identify, for example, the right technologies for new organizational capabilities, fundamental changes to business processes, or a new product or service offering.

Know what will make your internal customers successful



- Know what each department is committed to do.
- Identify the points where IT can help.
- Proactively talk to them and show them how you can help them.
- Document all of the above and make sure everyone in IT knows.
- Be direct, be straight with internal customers about what IT can and cannot do.

Create and manage a portfolio of products and services



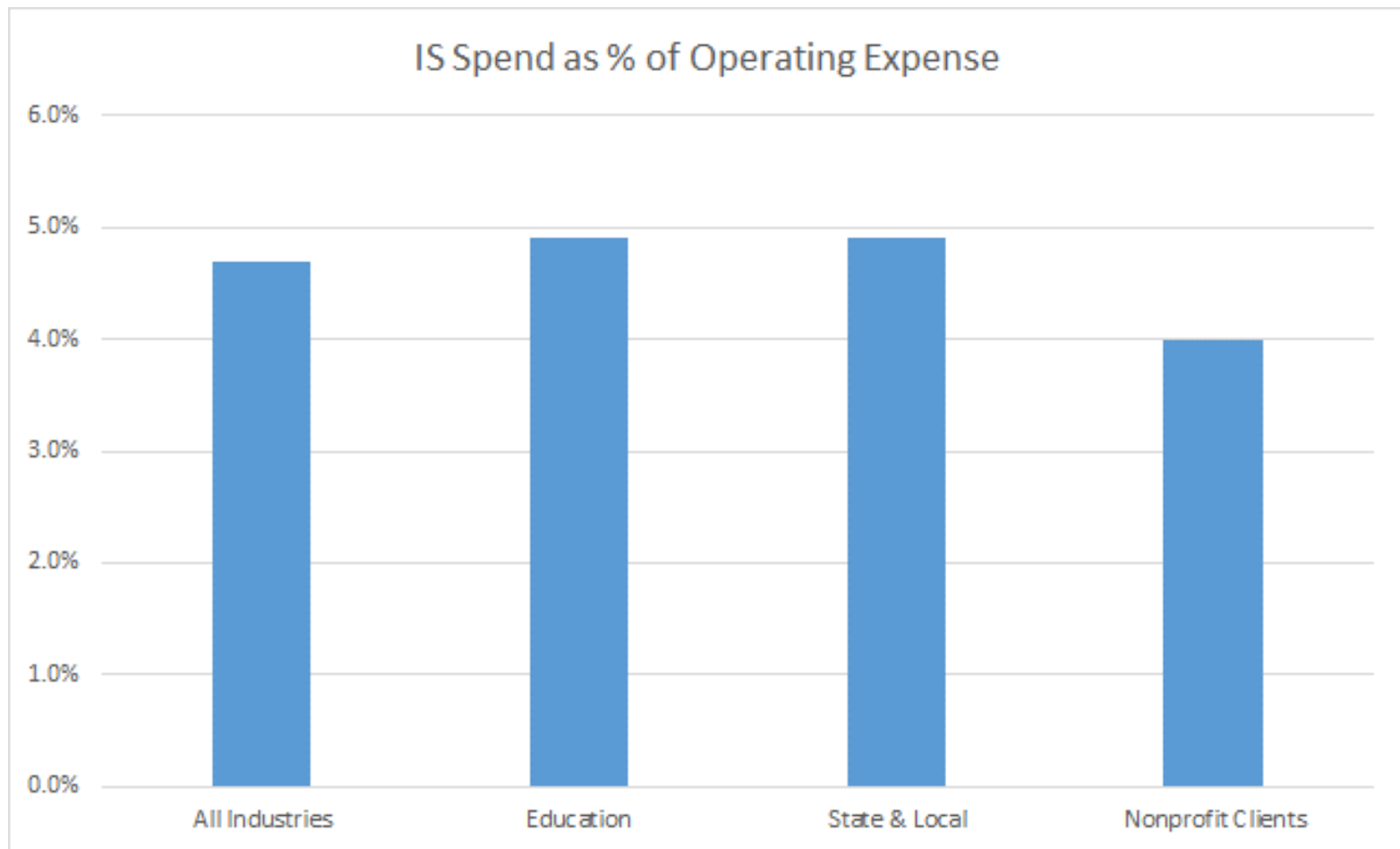
- Everything is a product or a service.
- Your products and services make up your technology portfolio.
- Measure the effectiveness of every component of the portfolio.
- Make investment decisions accordingly.
- Invest in portfolio management software.
 - Microsoft
 - Planview
 - Innotas
 - Dozens more
- This will require staff.

Develop a rational funding plan



- Remember everybody is a fundraiser.
- Do proactive fundraising (including in-kind) from IT industry.
- Have Business Leads take the lead on ROI for key business investments.
- Create predictability and visibility into IT spending.
- Create funding that maintains a decent level of infrastructure and capacity to avoid big spikes and emergency-level funding, especially given trend from capital to operational IT spend.

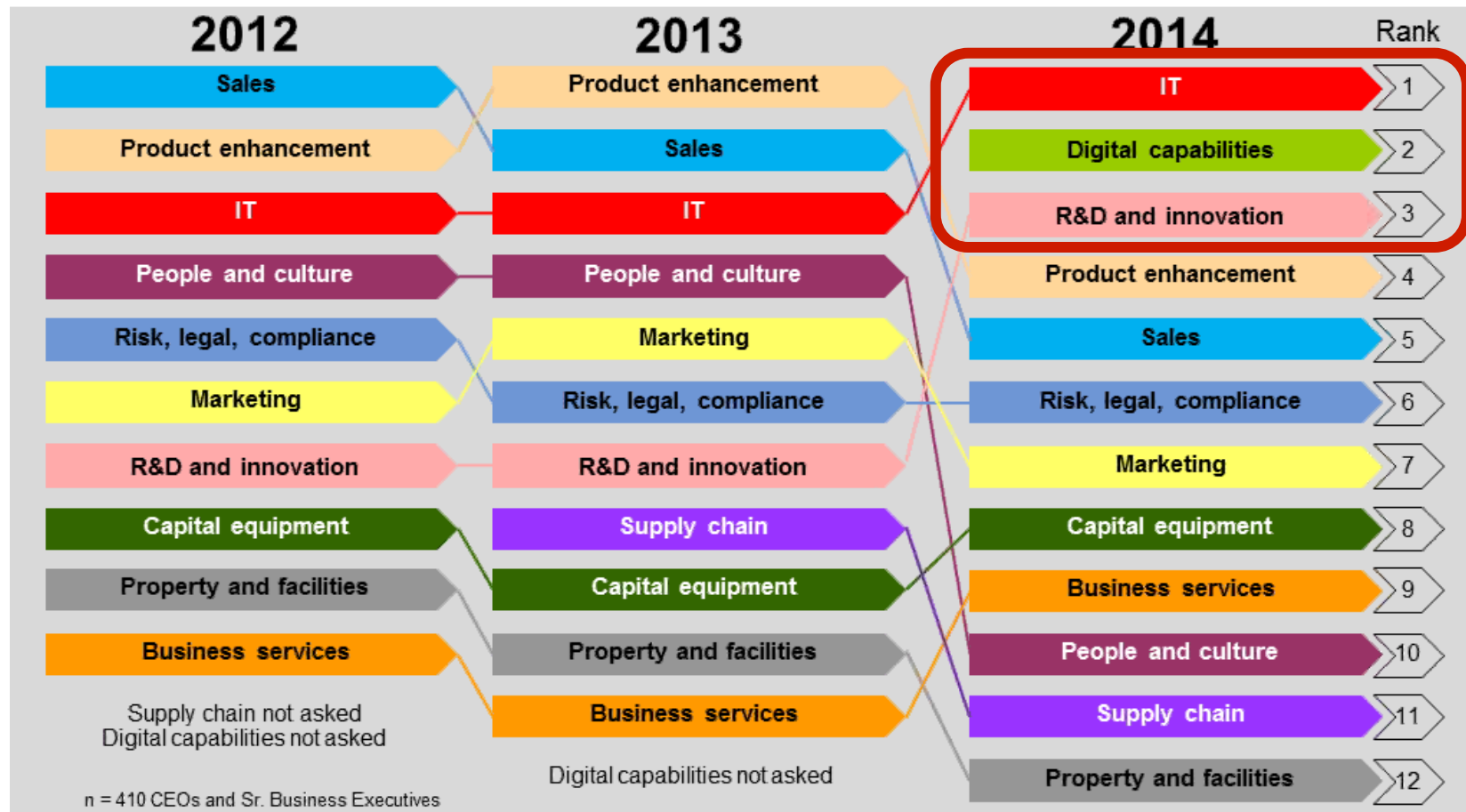
What others are spending



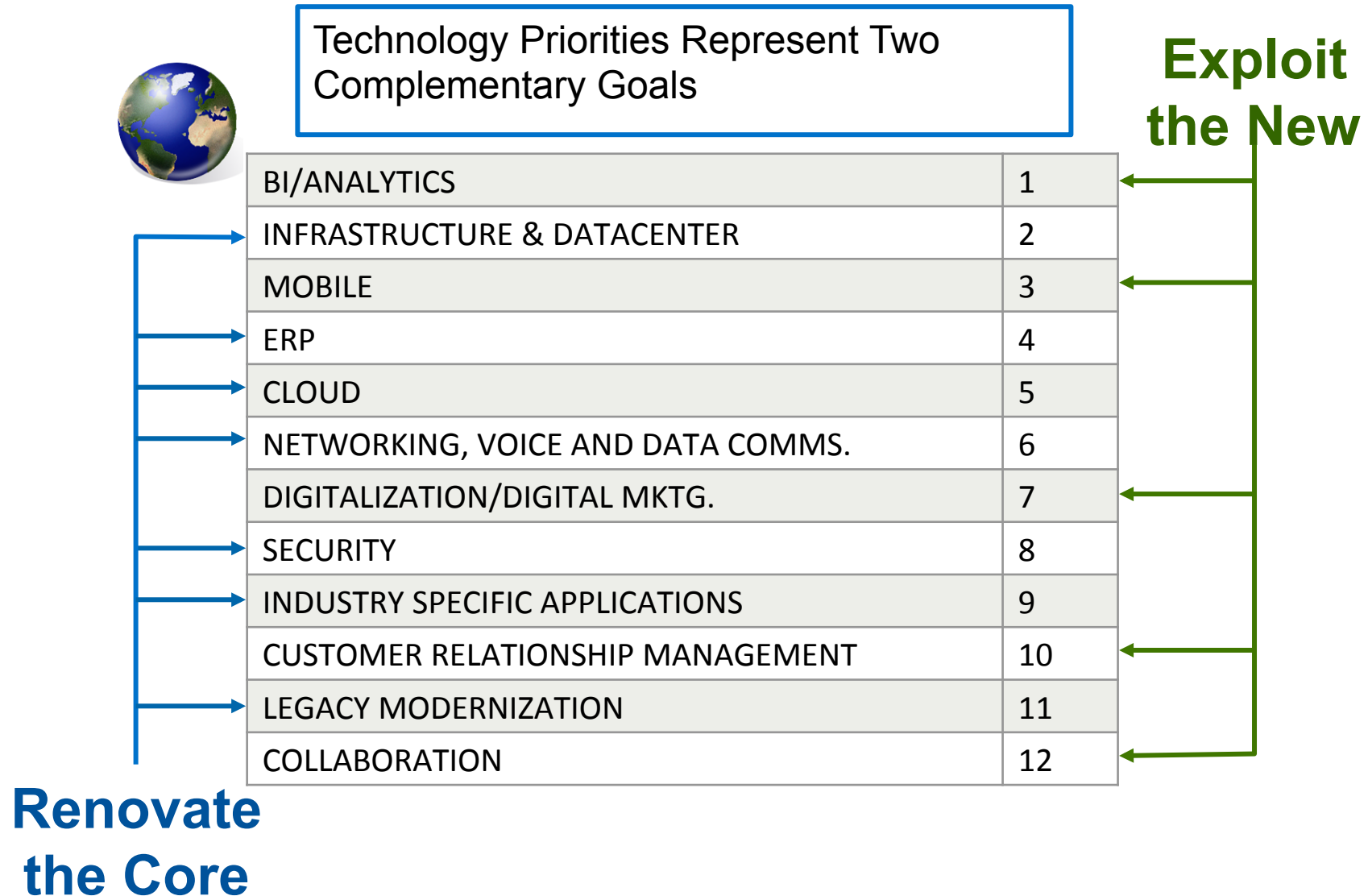
Sources: Gartner, Barker & Scott's Clients

CEO Survey: Investment Focus (Gartner)

“Compared to the current fiscal year how will your organization’s investments in the following business areas change next year??”



Top Three Spending Priorities for 2014 (Gartner)



Most Important Technology-Enabled Capability Investments Over the Next Five Years (Gartner)



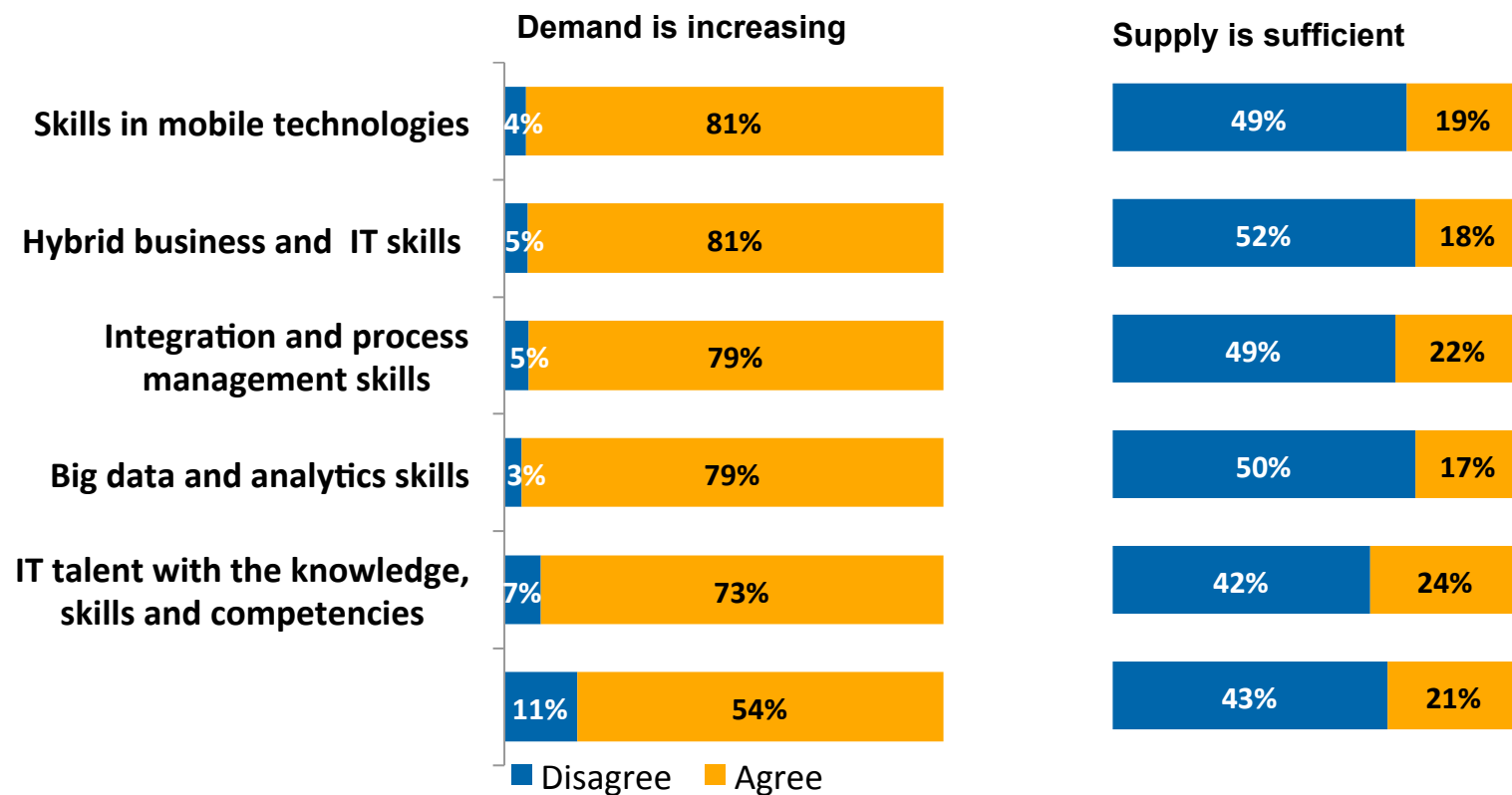
Be selfish when hiring IT directors



- These are the people that are going to have the most day-to-day interactions with your people.
- These are the people who will be executing IT strategy.
- Hire slowly, fire quickly.
- Know that IT will fail if the people below the IT lead are not strong.

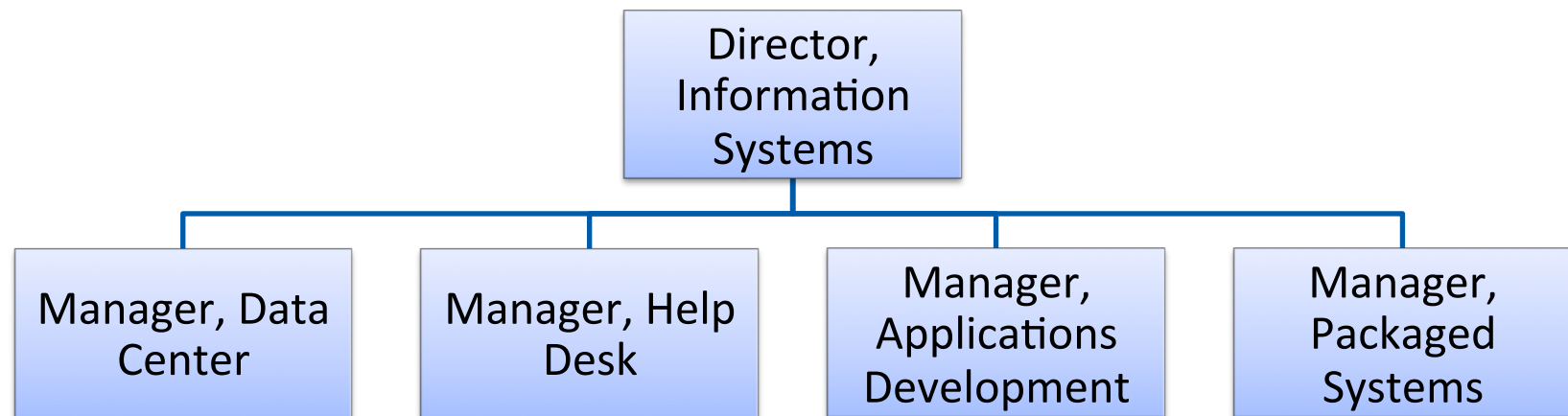
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Source: 2013 IT Workforce Management Survey, Gartner Symposiums (Global), n = 241

Stop organizing IT like it is 1982



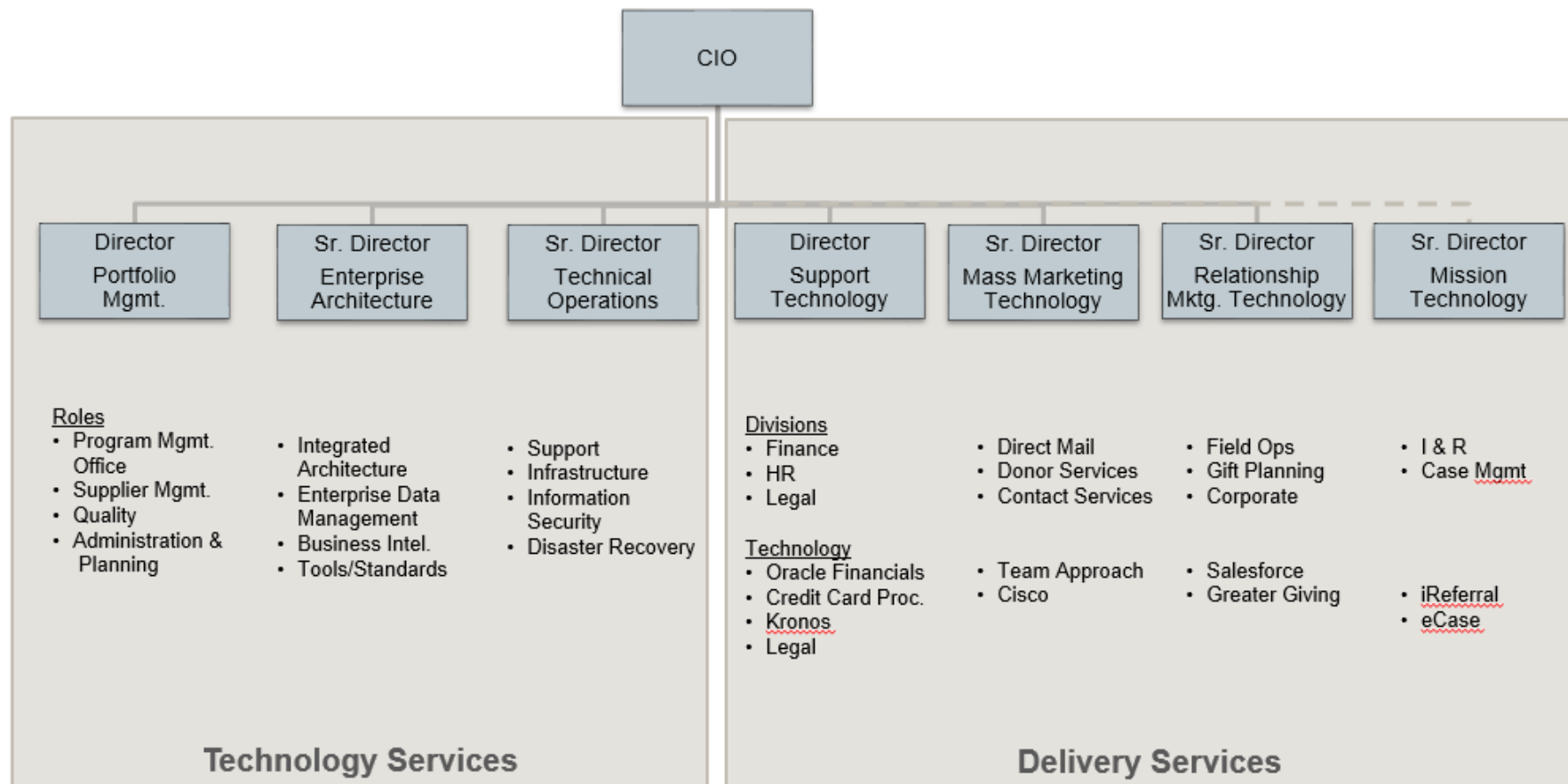
Align the IT organization with the rest of the organization

	Communications & Support	Mass Marketing	Relational Marketing	Mission Delivery
Nonprofit Divisions	Communications			
	Finance	Direct Marketing	Field Ops	
	HR	Donor Care	Gift Planning	Case Mgmt.
	Legal	Contact Centers	Corporate	Research
Supporting Technology	<ul style="list-style-type: none"> • Sage • ADP HRIS • SharePoint • Legal 	<ul style="list-style-type: none"> • Team Approach • Data Warehouse 	<ul style="list-style-type: none"> • Salesforce • Greater Giving 	<ul style="list-style-type: none"> • Grant Tracking • Information & Referral • Case Central

Have dedicated client delivery resources with shared technology support services

	Mass Mktg Technology	Relational Mkt Tech.	Support Technology	Mission Technology	<u>Benefits</u>
Delivery Services	Strategy/ Acct. Mgmt.	Strategy/ Acct. Mgmt.	Strategy/ Acct. Mgmt.		<ul style="list-style-type: none">• Dedicated Leader with business solution focus• Dedicated Team (Capacity) to improve responsiveness• Prioritization among few divisions• Designated Technology Application Ownership
	Business Analysis	Business Analysis	Business Analysis	Business Analysis	
	Delivery	Delivery	Delivery	Delivery	
Technology Services	PMO / Vendor Mgmt. / Quality				<ul style="list-style-type: none">• Common processes• Comprehensive quality• Integrated solutions• Efficiency through consolidation & innovation
	Operations & Support				
	Enterprise Architecture				

Sample aligned organization structure

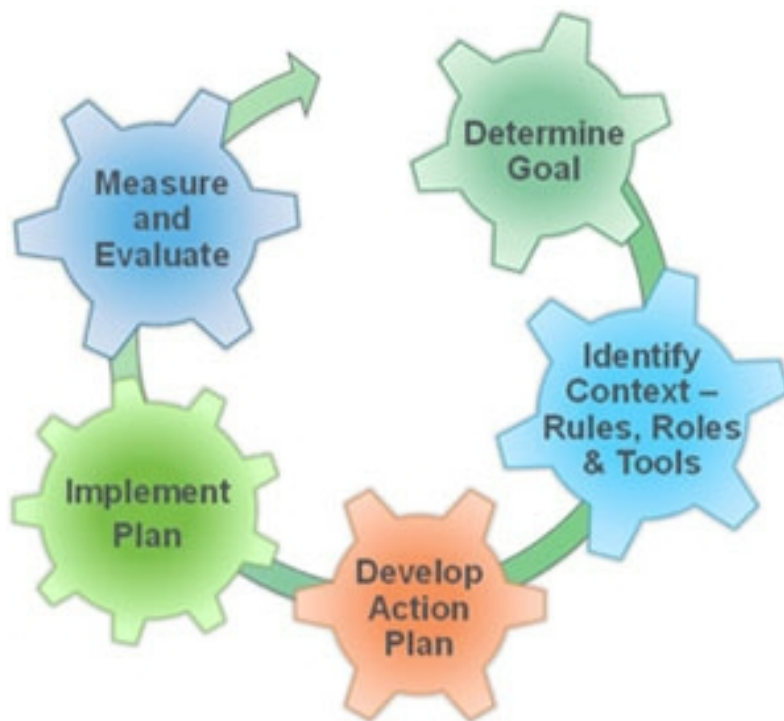


Select and manage key vendors



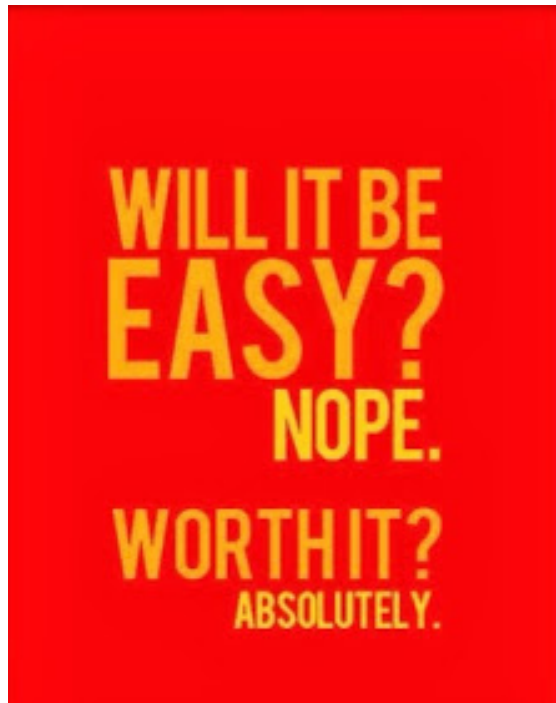
- Regard IT capacity and skills as a combination of internal staffing and outside vendors and advisors.
- Staff for base demand and supplement with external resources.
- Outsource appropriately.
- Use external counsel for negotiations.
- Avoid putting vendors in full control – maintain oversight in all situations. Help make them successful.

Measure, Evaluate, Adjust



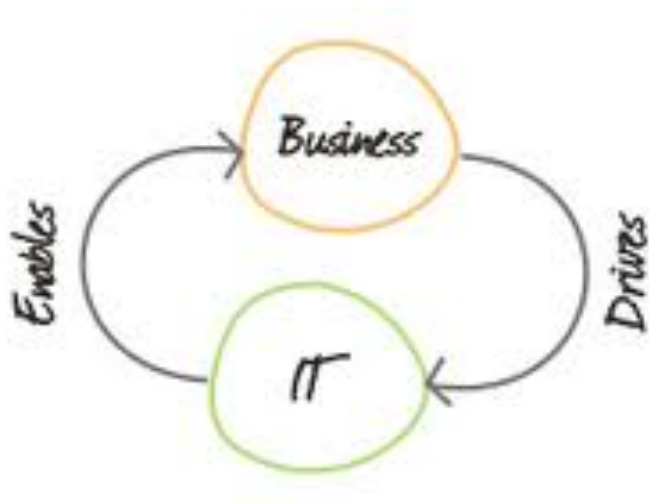
- Identify measures of IT operational, product delivery, and service delivery performance that users can understand.
- Leverage the governance process to set standards.
- Measure against standards.
- Have productive conversations with the end users.
- Adjust accordingly.

Never stop communicating and educating



- Be transparent. It is hard sometimes, but always worth it.
- Know that issues that are addressed early get resolved.
- Figure out the communication channels that work in your organization.
- Always have time to meet with someone to answer a question or discuss an issue.
- You are right, your customers will not hear or grasp everything you say. Figure it out.

Organizational strategic planning and IT strategic planning need to be done in tandem



- IT should be bringing innovation to the table which can impact organization's strategic plan.
- Don't wait to do IT strategic planning until after the organizational strategic plan is complete.
- Avoid shelfware – regularly update the IT strategic plan.

Questions and discussion