IT STRATEGIC PLANNING: WHY IS AN IT STRATEGY SO IMPORTANT?

All of us at some point or another have likely been involved in a strategic planning process. Sometimes planning goes well and sometimes it does not. More often than not, a strategic plan becomes what I refer to as a "dustable" Dustables are those little nick-Knack's that are all over you grandmothers house that just sit around and collect dust. Occasionally you look at them and dust them off, but then back to the shelf they go.

If this is what happens to most strategic plans, then why do we even create them?

Plans are worthless, but planning is everything – Eisenhower

One cannot be at all sure that any operational plan will survive the first encounter with the main body of the enemy - Helmuth von Molkte

A Strategic Plan Lets us Begin with The End in Mind

Stephen Covey popularized the phrase "begin with the end in mind". This phrase captures the spirit of all strategic planning processes. If we do not know where we want to be in 3-5 years, how do we ever stand a chance of getting there? Strategic planning is the process that gets us out of our day-to-day thinking. It lets us think about the important rather than the urgent. Perhaps most importantly, it allows us to create a mechanism for achieving what is important.

Strategic planning enables delegation of decision making

One of the most challenging things as a manager to delegate is decision making. After all, despite our best efforts we rarely can get our employees to think the same way we do. However, a strategic plan gives us a way to tell our teams what we are thinking. It provides a framework for decision-making. When making decisions, employees can use the strategic plan to ask, "is what I'm doing in line with the plan (wishes of the organization)?" or "is what I'm doing in the opposite direction of the plan?"

By having a strategic plan we empower our employees to make decisions and move initiatives forward without the need to be involved in every decision. This in turn helps to create a more agile, faster moving organization.

Allows us to respond to change

We all know that the one thing you can count on in IT is change. Those of us who are best prepared for change can leverage change to our advantage. Those of us who are not prepared for change, or do not adapt to it, are destined to fail. Think of Blockbuster video and Netflix. In 2007, Netflix had its eye toward the future and predicted that streaming video was the correct direction for video rentals. Blockbuster however, thought that the in store experience of renting videos (i.e. The way they had always done things) is the future. I'm not saying a strategic plan would have saved blockbuster. However the lack of thinking about the future and preparing for it definitely did. Strategic planning does encourage planning and is one of several ways we can do our best to ensure that organizations remain successful.

Furthermore, a strategic plan also allows us to be better prepared for unexpected change. How many of you have experienced a system outage or problem, just before a big weekend? Believe it or not, having a strategic plan can help address emergencies. Look at the scenario below as an example.

Scenario:

It is a Friday afternoon and everyone is getting ready to head home for the weekend. You just found out that the engineering team completed a new set of drawings. Unfortunately, because of the high volume of work done this week, the file servers are extremely low on storage space. Luckily, for you, your organization's strategic plan has cloud migration as one of your goals. Your team is familiar with the strategic plan and as a result has already implemented a pilot project for a cloud storage solution. Furthermore, the CFO is aware of the plan and is in support of it.

When you call your boss and brief him/her on the situation, the conversation could go something like this:

You: *I'm calling to give you an update on the storage situation.*
Boss: *It's Friday. I'm headed home. Why isn't this fixed yet?*
You: *Well, we have a few options. As you know, we have been short on capex funds this quarter so we were waiting on our next major storage purchase. However, I'd like to move up our implementation of our cloud solution. It has already been in pilot and its part of the strategic plan that was approved by the board. It may increase our expenses this month but I already talked to the CFO and she says we have the funds.*
Boss: *OK, do it, have a nice weekend.*

Can you imagine how the conversation would go if the strategic plan was not in place? You would probably have to explain this "cloud thing" to your boss. Additionally, you may have to request emergency PO approval so that your storage vendor could get new hardware shipped.

Gives us parameters for creative thinking

When we are trying to develop solutions to organizational challenges, sometimes a blank slate is too much leeway. Think of building a house. Most of us do not start with a stack of lumber and a box of nails. We rely on a builder who has several floor plan options to start with. This is analogous to a strategic plan. Once we have a plan, we can have conversations about what we like and what we do not like. We can also talk about features and what the rooms (the system) will be used for. Before long, a house that meets our needs starts to take shape.

You will find that problems can be addressed much more quickly when everyone has at least a basic understanding of where the organization wants to go. Planning sessions can more easily be focused on capabilities and not get caught up in "lumber selection" that has little impact on the larger goals.

A way to address Shadow IT

Many organizations have seen a rise in "Shadow IT" in recent years. In its simplest definition Shadow IT is an IT function/application/department that have been created by individual units and are not affiliated with the official (or central) IT department. Shadow IT evolves in organizations oftentimes because IT departments are not agile enough or are not meeting the needs of the smaller departments in large organizations. A strategic plan can allow and organization to discover why Shadow IT exists and incorporate that need into the overall goals. Oftentimes a great method of dealing with shadow IT is to acknowledge the need and gain support for bringing them into the main IT organization.

Again, let's take a look at how this could play out.

You: Hey boss, as you know Bob's group has spun up a new application over there in marketing that we have no visibility into. However, their application is in line with one of our goals for the strategic plan. I have talked with Bobs folks and they were frustrated because they wanted to do something that was part of the plan and they could not get past our project management intake process. They have some real talent over there and I'd like to bring his group into ours so that we can learn what happened and become more flexible with our project management. Can you talk to the VP of marketing and help us out?
Boss: yes, I'll support you on that.

A Strategic Plan helps you communicate your Intentions to Senior Leadership

A strategic plan for IT is the single most important tool for communicating your intentions to senior leadership. High level strategy is what senior leaders are most concerned with in organizations. Having a documented plan allows you to have conversations with C-Level executives about your goals. Most importantly it provides senior leadership the opportunity to redirect any of your efforts that might not be 100% in line with their vision. These conversations allow senior leadership to

establish an understanding of what the IT department is doing without having to be involved in day-to-day operations.

What a strategic plan is not:

Tactical or Prescriptive

I have seen more than one strategic plan fail to succeed simply because it was not a strategic plan. It was a tactical plan or contained tactical elements. A strategic plan is a framework for allowing departmental managers to make decisions and implement solutions that support the overall strategic plan. That decision-making ability is key in gaining support for the strategy. A tactical plan containing specific information for what must be done in order to meet strategic goals is a mandate, not a plan. This is approach is guaranteed to turn the organization's lower level managers against the plan.

A Strategic Plan is NOT Static Document That Should Never Change

My own personal preference is to write a 5-year strategic plan every year. The strategic plan should be built to allow for updates and adapt to changes in the market. As discussed earlier the point of a strategic plan is to consider what the future may hold and align resources today to support that vision. By regularly considering what the future may hold, you can make small manageable course corrections rather than having to "right the ship" when unexpected change occurs.