

# ICTs FOR ORGANIZATIONAL TRANSFORMATION



Microsoft. (n.d.). Bing.

## Week 9 :

ICT strategic planning and sustainability:  
Aligning Organizational and ICT Strategies

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*ICTs for Organizational Transformation. Week Nine (Lecture Nine).*

# Agenda

1.

**Flash back of the  
previous Lecture 8.**

2.

- Introduction to ICT strategic planning and sustainability
  - **Aligning Organizational and ICT Strategies**

## *Flash back to the previous Lecture 8*

# ICT performance management

## 1. Managing Costs for ICT

- 1. Understanding IT cost
- 2. Controlling the cost of IT
- 3. Focus of IT optimization

## 2. Measuring the added value of IT

- Define Key Performance Indicators (KPIs):
- Track ROI (Return on Investment)
- Conduct Cost-Benefit Analysis
- User Satisfaction Surveys
- Benchmarking:

## 3. IT Portfolio Management.

- IT Strategy and Strategic Alignment
- Practical Approaches to the Alignment of Business and IT
- Managing IT Demand and Supply

# ICT STRATEGIC PLANNING AND SUSTAINABILITY-

*Aligning Organizational and ICT Strategies- Fardal, H. (2007).*

Knowledge Areas when dealing with ICT strategic planning and sustainability,  
Aligning Organizational and ICT Strategies

- **Benefits of ICT Strategic Planning**
- **Current Technology Trends**
- **Defining Organizational Goals**
- **The Peril of Misalignment**
- **Frameworks for Alignment**

# ICT STRATEGIC PLANNING AND SUSTAINABILITY

## What is Strategic Planning?

A continuous process where organizations define their **long-term goals** (vision) and develop a clear **roadmap** to achieve them. It involves;

- Analysis of the **internal** and **external** environment,
- Setting priorities, and
- Allocating resources effectively.

# ICT STRATEGIC PLANNING AND SUSTAINABILITY

## Benefits of ICT Strategic Planning

### 1. Improved decision-making:

By having a clear vision and goals, organizations can make informed decisions that align with their overall strategy.

### 2. Increased efficiency and productivity:

Helps organizations focus on the most important activities and allocate resources effectively, leading to improved efficiency and productivity.

# ICT STRATEGIC PLANNING AND SUSTAINABILITY

## Benefits of ICT Strategic Planning

### 3. Enhanced focus and resource allocation

Clarifies priorities and ensures resources are directed towards achieving strategic goals.

### 3. Improved preparedness for future challenges

Helps organizations anticipate future trends and challenges, allowing them to be more proactive and adaptable.

# ICT STRATEGIC PLANNING :

## Current Technology Trends

### Evolving Technological Landscape

- These trends are transforming how businesses operate, creating new opportunities for innovation, efficiency, and customer engagement.
- They also present challenges such as security concerns and the need for skilled personnel.
- So knowing the current trends in Technology helps in ICT strategic Planning and Sustainability

# ICT STRATEGIC PLANNING :

## Current Technology Trends

### Evolving Technological Landscape

- **Cloud computing:** Enables flexible and scalable on-demand access to computing resources like storage, servers, and software.
- **Artificial intelligence (AI):** Machines that can learn and mimic human cognitive functions, used for tasks like data analysis, automation, and decision-making.

# ICT STRATEGIC PLANNING :

## Current Technology Trends

### Evolving Technological Landscape

- **Big data:** The massive volume of data generated by various sources. Organizations leverage big data analytics to gain insights for informed decision-making.
- **Internet of Things (IoT):** Network of physical devices embedded with sensors that collect and exchange data, enabling automation and remote monitoring

# ICT STRATEGIC PLANNING :

## Defining Organizational Goals

### Understanding Organizational Goals

#### a). Importance of understanding goals

- Effective ICT strategy hinges on aligning it with clear organizational goals.
- These goals provide direction for technology investments and ensure ICT supports the overall business strategy.

# ICT STRATEGIC PLANNING :

## Defining Organizational Goals

### Understanding Organizational Goals

#### b). Goal variations:

- Goals can vary depending on the industry and organization size.
- For example, a startup might prioritize rapid growth, while a large established organization might focus on maintaining efficiency and market share.

# Aligning Organizational and ICT Strategies

## The Peril of Misalignment

## The Peril of Misalignment

### Why Alignment Matters

- Investing in technologies that don't directly support business goals leads to wasted resources and missed opportunities for impactful technology investment

# Aligning Organizational and ICT Strategies

## The Peril of Misalignment

### The Peril (Danger) of Misalignment

Disconnected ICT strategies can create inefficiencies as business processes and technology infrastructure lack cohesion.

Failure to align ICT with business goals can hinder innovation, limit the ability to capitalize on emerging technologies, and put the organization at a competitive disadvantage

# Aligning Organizational and ICT Strategies

## The Peril of Misalignment

### The Peril (danger) of Misalignment

- Lack of communication between business and IT departments.
- Siloed operations where departments operate independently without considering the bigger picture.
- Unclear or poorly defined organizational goals.

# Aligning Organizational and ICT Strategies

## The Peril of Misalignment

### Why Integration with Organization goals is Key

Aligning is critical for organizations. This is because.

- ICT investments can be targeted towards technologies that deliver the most value and directly support strategic objectives.
- Alignment fosters a more responsive IT department that can quickly adapt to changing business needs and capitalize on new opportunities.
- Effective use of ICT allows organizations to gain a competitive edge by improving efficiency, innovation and customer service.

# Aligning Organizational and ICT Strategies

## Frameworks for Alignment *Wheelen, Hoffman, & Bamford, (2018)*

### a). **Balanced Scorecard.**

The Balanced Scorecard (BSC) is a strategic management framework that translates an organization's vision and mission into a set of measurable objectives across four perspectives:

1. Financial,
2. Customer,
3. Internal processes, and
4. Learning and growth.

# Aligning Organizational and ICT Strategies

## Frameworks for Alignment

### b). The Value Chain Model

Is a business framework that analyzes the activities an organization performs to deliver a product or service to its customers. The Value added chain model identifies;

- **Primary activities** (directly involved in creating and delivering the product) and the
- **Support activities** (contribute to the effectiveness of primary activities)

# Aligning Organizational and ICT Strategies

## Frameworks for Alignment

### b). The Value Chain Model Cont.

These Activities can typically include:

#### 1. Primary Activities

- ▣ Research and Development (R&D)
- ▣ Production
- ▣ Marketing and Sales
- ▣ Delivery and Customer Service

#### 2. Support Activities:

- ▣ Human Resource Management
- ▣ Infrastructure Management
- ▣ Technology Development
- ▣ Procurement

# Aligning Organizational and ICT Strategies

## Frameworks for Alignment

### b). The Value Chain Model Cont.

ICT plays a crucial role in optimizing each stage of the value chain.

examples:

#### 1). Research and Development (R&D) by Utilizing;

- Data analytics tools for market research,
- Computer-aided design (CAD) software for product development.
- Collaboration platforms for efficient communication within research teams.

# Aligning Organizational and ICT Strategies

## Frameworks for Alignment

### b). The Value Chain Model Cont.

ICT plays a crucial role in optimizing each stage of the value chain. examples:

#### 2) Production:

- Implementing enterprise resource planning (ERP) systems to manage inventory, production processes, and supply chains.
- Industrial automation and robotics can further enhance efficiency.

# Aligning Organizational and ICT Strategies

## Frameworks for Alignment

### b). The Value Chain Model Cont.

ICT plays a crucial role in optimizing each stage of the value chain.

examples:

#### 3) Marketing and Sales:

Leveraging customer relationship management (CRM) software to manage customer interactions, targeted advertising through digital marketing channels, and e-commerce platforms for online sales.

# Aligning Organizational and ICT Strategies

## Frameworks for Alignment

ICT plays a crucial role in optimizing each stage of the value chain.

examples:

### 4). Delivery and Customer Service:

Utilizing logistics management software for;

- Efficient delivery tracking,
- Providing self-service options and
- Online chatbots for improved customer service.

# Aligning Organizational and ICT Strategies

## Frameworks for Alignment

### C) The SWOT Analysis Framework

- ▣ Is a strategic planning framework that helps organizations identify their Strengths, Weaknesses, Opportunities, and Threats.
- ▣ It considers both internal (strengths and weaknesses) and external (opportunities and threats) factors that can impact an organization's strategic direction.
- ▣ By conducting a SWOT analysis, organizations can gain valuable insights into their ICT capabilities and identify areas for improvement.

# Aligning Organizational and ICT Strategies

## Frameworks for Alignment

### The SWOT Analysis Framework

#### 1. Strengths :

A strong existing ICT infrastructure, a skilled and knowledgeable IT team, or a culture of innovation can be leveraged when developing the ICT strategy.

#### 2. Weaknesses

Outdated technology, limited IT resources, or lack of cybersecurity measures can be addressed through strategic ICT investments

# Aligning Organizational and ICT Strategies

## Frameworks for Alignment

### The SWOT Analysis Framework

#### 1. Opportunities :

Emerging technologies like cloud computing or AI can present opportunities to improve efficiency or create new products and services.

#### 2. Threats

Cybersecurity threats, regulatory changes related to data privacy, or disruptions in the technology supply chain can be mitigated through proactive ICT planning.

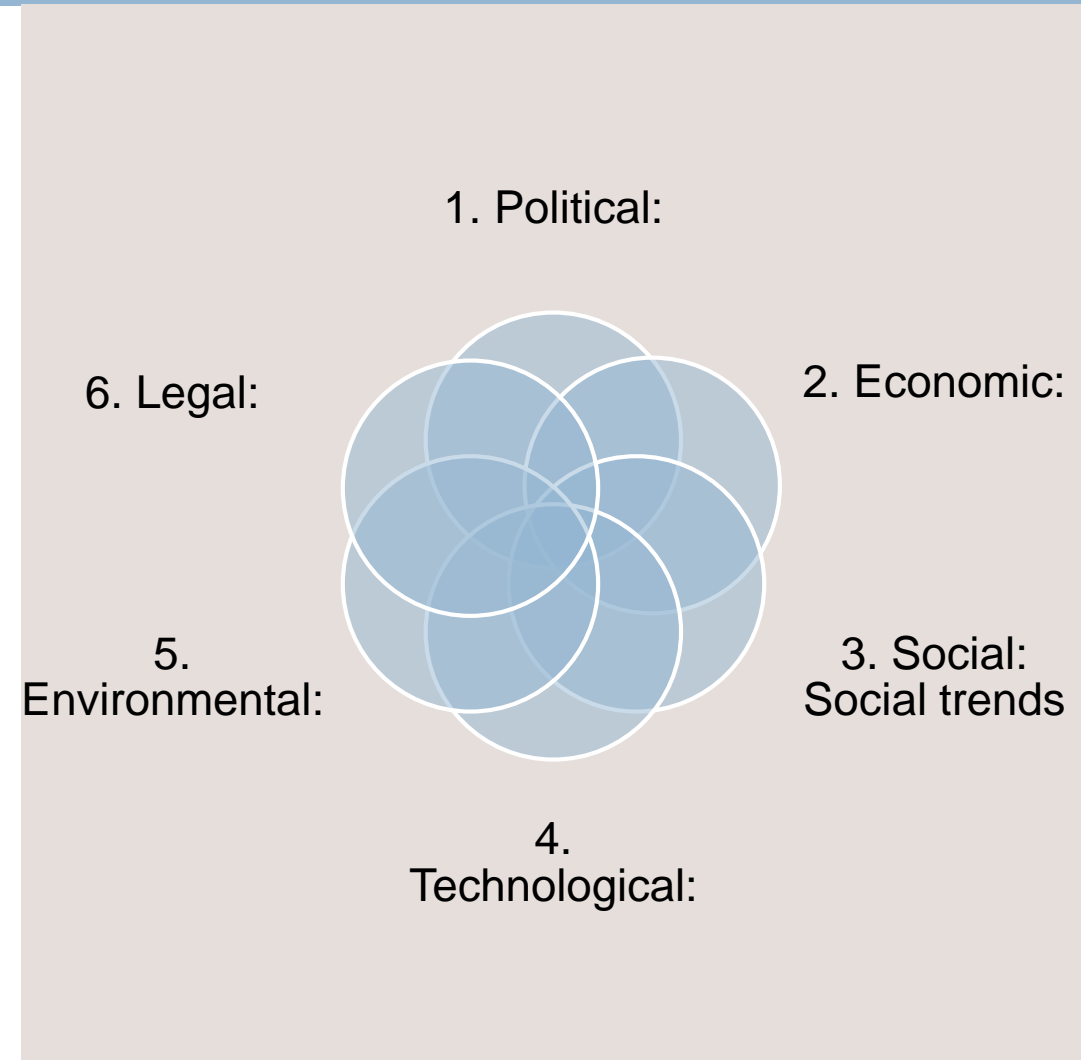
# Aligning Organizational and ICT Strategies

## Frameworks for Alignment

### d). The PESTEL Analysis Framework

Is a framework used to examine the external macro-environment that can influence an organization's strategic planning.

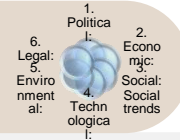
It considers six key factors:



# Aligning Organizational and ICT Strategies

## Frameworks for Alignment

### The PESTEL Analysis Framework *Alam, M. (2023)*



#### 1. Political:

Government policies, regulations, and political stability can impact business operations and ICT investment decisions (e.g., government incentives for technology adoption or data privacy regulations).

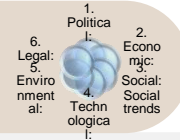
#### 2. Economic

Economic factors like economic growth, inflation, and interest rates can influence budgeting for ICT projects and overall business performance.

# Aligning Organizational and ICT Strategies

## Frameworks for Alignment

### The PESTEL Analysis Framework



#### 2. Social:

Social trends, demographics, consumer behavior, and cultural values can shape customer needs and preferences, influencing how ICT is used to engage with stakeholders.

#### 3. Technological

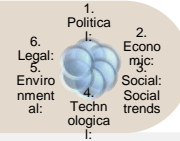
Advancements in technology can present new opportunities for innovation and efficiency gains, but also require considerations for compatibility and potential disruptions.

Cybersecurity.

# Aligning Organizational and ICT Strategies

## Frameworks for Alignment

### The PESTEL Analysis Framework



#### 5. Environmental:

Environmental regulations, sustainability concerns, and resource availability can influence how organizations use technology and the impact of their operations.

#### 6. Legal:

Legal frameworks, data privacy laws, and intellectual property regulations can impact how organizations collect, store, and manage data, requiring appropriate ICT safeguards.

# Conclusion

## **ICT strategic planning and sustainability: Aligning Organizational and ICT Strategies A Recap**

- ICT plays a critical role in enabling organizational communication, collaboration, data analysis, and innovation.
- Effective strategic planning that considers both internal and external factors is essential for organizational success.
- Misalignment between ICT strategies and

# Conclusion

## ICT strategic planning and sustainability: Aligning Organizational and ICT Strategies A Recap

- organization goals leads to wasted resources, inefficiencies, and missed opportunities.
- Frameworks like the Balanced Scorecard, Value Chain Model, SWOT, and PESTEL analysis can be used to assess the organization's landscape, identify ICT needs, and develop an aligned strategy.

# References

1. Fardal, H. (2007). ICT strategy in an ICT user perspective: Exploring alignment between ICT users and managers. *Issues in Informing Science & Information Technology*, 4.
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3. Alam, M. (2023, November 24). *What is Pestel Analysis? definition, benefits and best practices*. IdeaScale. [https://ideascale.com/blog/what-is-pestel-analysis/#toc\\_PESTEL\\_Analysis\\_Examples\\_and\\_Factors](https://ideascale.com/blog/what-is-pestel-analysis/#toc_PESTEL_Analysis_Examples_and_Factors)



# THANKS