PROCEDURE OVERVIEW

IT Strategic Planning is an on going and iterative process managed through project a management methodology. Major changes in the business environment (internal or external) will lead to a re-assessment of the IT Strategy to ensure that it is fully aligned with the business strategy.

Development of a strategy is a very broad exercise. Thus, the procedure that supports the development framework must be very comprehensive in perspective. Therefore, as a framework, not every activity is appropriate in every IT Strategic Planning exercise. Likewise, the spectrum of opportunities and the ever changing landscape of the Internet that will be considered are not fully represented in this document. When these opportunities surface this procedure will provide a framework, but additional steps should be added to the project plan and ultimately to this procedure.

Procedure Owner: Chief Technology Officer

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REVISION HISTORY

Version	Date	Author	Description

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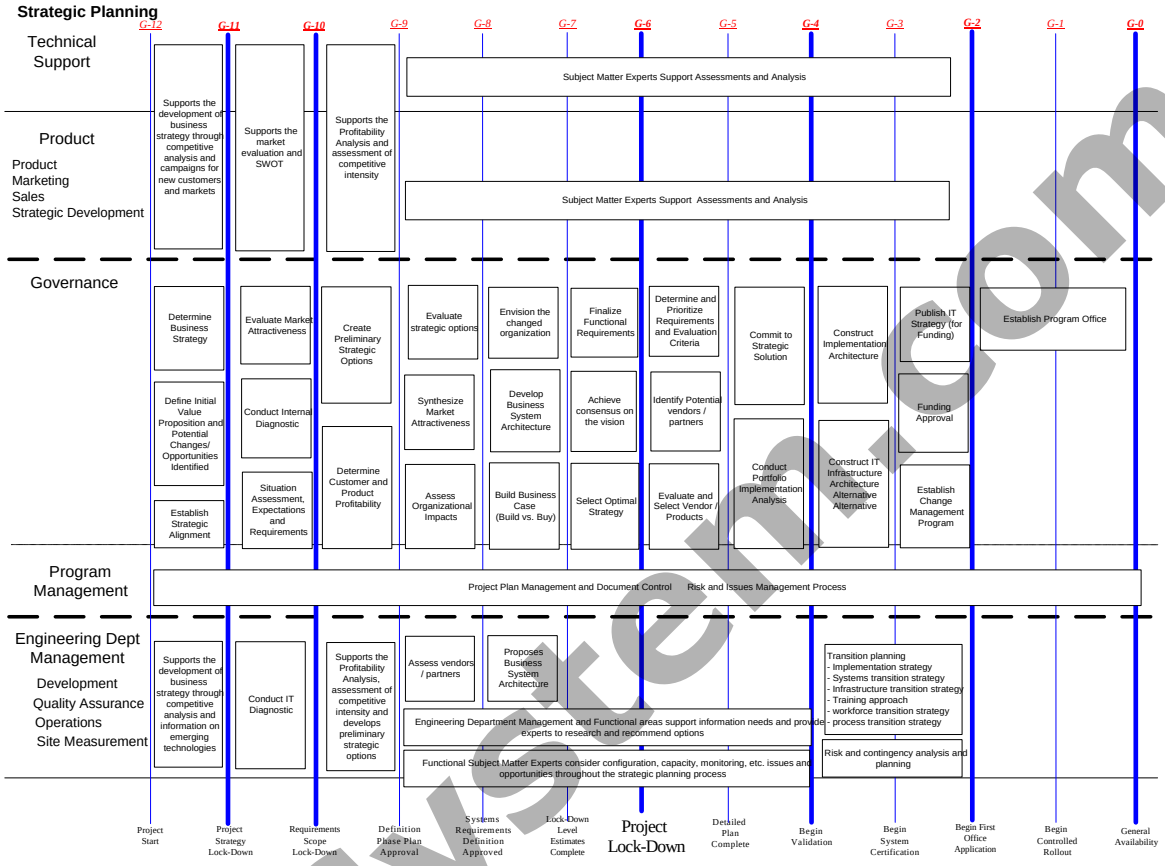
PROCEDURE DIAGRAM



ROLES AND RESPONSIBILITIES

- To be defined

METRICS

- To be defined

PROCEDURE ACTIVITIES

Project Strategy Lock-down

Governance determines business strategy through the development and analysis of:

- corporate strategy
- mission (Form: Mission Characteristics)
- business structure (Form: Organization Map/Chart)
- value chain (Form: Business Unit Service Profile)
- position (market, competitor, suppliers, customers, etc.) (Form: Enterprise Competitors)

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Governance develops the following through an iterative process supported by functional areas:

- potential changes/ opportunities (Form: Current Information System Support for Business Processes)
- change drivers /critical success factors (Forms: Enterprise Performance Framework, Business Process Performance Framework, and Process Design List)
- strategic alignment (Form: Current Information System Support for Business Processes)

Technical Support and ***Product*** support the development of business strategy through competitive analysis and campaigns for new customers and markets. (Forms: Strategy Characterization: Market Segment Selection, Strategy Characterization: Market Segment Approach, and Market Share/Market Growth Model)

Engineering Department supports the development of business strategy through competitive analysis and information on emerging technologies. (Forms: Current Information System Support for Business Processes and Event List)

Governance defines the initial value proposition by synthesizing data from analysis and forms.

- value of benefit
- cost factors of the solution
- high level cost benefit analysis

Governance prepares first cut vision of opportunities and direction

- criteria for decision making
- prioritized potential opportunities
- assumptions, issues, and constraints
- opportunities for further investigation

The ***Project Manager*** establishes project controls and monitors completion of work for management review prior to moving forward.

- project plan management
- document control
- risk and issues management process

Requirements Scope Lock-Down

Governance conducts a market evaluation (evaluates market attractiveness) establishing performance measures and targets for decision making (Form: Enterprise Competitors)

Governance identifies relative strengths and weaknesses (SWOT [strengths, weaknesses, opportunities and threats])

Technical Support and ***Product*** support the market evaluation and SWOT by preparing appropriate analysis (Forms: Enterprise Customers, Customer Requirements, Weighted Requirements Ranking, and Application Development Strategy)
The ***Engineering Department*** receives the SWOT analysis and provides to ***Governance*** "iInformation for Systems Diagnostic," including, but not limited to the areas of Configuration Management, Capacity Management, and Site Monitoring. (Forms: Application Development Strategy, Equipment Facility Requirements, IT Infrastructure to Information Cross Reference, and IT Component Costs)

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The ***Engineering Department*** conducts an IT Infrastructure Diagnostic (Forms: Process Dependency Diagram and Current Infrastructure Strengths and Weaknesses)

Governance consolidates and analyzes the Information Systems Diagnostic (Form: Information Systems Strategic Grid)

Governance analyzes the IT Infrastructure Diagnostic, the output of which includes:

- issues and opportunities (Form: Current Infrastructure Strengths and Weaknesses)
- assessment of current state (Form: Information Systems Strategic Grid)
- improvement goals (Form: Information System Audit Grid)
- process evaluation (Form: Relationship Matrix)

Governance prepares situation assessment, expectations and requirements:

- prioritized customer requirements (Forms: Customer Requirements and Weighted Requirements Ranking)
- qualitative customer research
- critical performance matrix (Form: Critical Performance Matrix)

The ***Project Manager*** updates the plan and monitors completion of work for management review prior to moving forward.

- project plan management
- document control
- risk and issues management process

Preliminary Strategic Options (Definition Phase)

Governance creates a preliminary strategic options document

Governance determines customer and product profitability

- product line
- channel
- etc.

Governance assess competitive intensity:

- entry/exit cost
- competitor financial position

Technical Support and ***Product*** support the Profitability Analysis and assessment of competitive intensity (Forms – Updated/Revised: Strategy Characterization: Market Segment, Strategy Characterization: Market Approach, Market Share/Market Growth Model, Enterprise Customers, Weighted Requirements Ranking and Application Development Strategy)

The ***Engineering Department*** supports the Profitability Analysis, assessment of competitive intensity and develops preliminary strategic options (Forms: - Created/Updated: Application Development Strategy, Current Information System Description, IT Component Inventory, IT Component Costs, and Equipment Improvement Matrix)

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The ***Project Manager*** updates the plan and monitors completion of work for management review prior to moving forward.

- project plan management
- document control
- risk and issues management process

System Requirements Definition

Product and ***Technical Support*** subject matter experts support assessments and analysis.

Engineering Department management and functional areas support information needs and provide experts to research and recommend options. Also, functional subject matter experts consider configuration, capacity, monitoring, etc. issues and opportunities throughout the strategic planning process.

Governance evaluates strategic options

Governance synthesizes market attractiveness by

- assessing market factors
- evaluating the profitability of key market segments (Forms: Strategy Characterization: Market Segment and Strategy Characterization: Market Approach)
- preparing market share / market growth models (Form: Market Share/Market Growth Model)
- identifying issues and opportunities (Forms: Market Share / Market Growth Model, and Potential Target Application Benefits and Risks)
- preparing a competitive environment assessment (Form: Enterprise Competitors and Business Unit Incentive/Reward Profile)

The ***Engineering Department*** assesses existing and potential vendors/partners (Form: Enterprise Suppliers)

Governance assesses

- supplier / partner relationships (Form: Enterprise Suppliers)
- organizational impacts (Form: Business Unit Budget, Target Application Support for Business Processes, Potential Target Application Benefits and Risks, Job Definition, and Business Unit Service Profile)
- engineering process impacts (Form: Data Entity Usage by Location / Target Application, Job Definition, Process Dependency Diagram, and Business Unit Service Profile
- security
- SWOT

Governance determines information needs and derives IS opportunities

- effectiveness (Form: Information System Audit Grid, Information System Strategic Grid and Information System Strengths and Weaknesses)
- support for MIS (Form: Target Environment Definition Summary)
- process support (Forms: Target Application Support for Business Processes, Process Design List, and Process Dependency Diagram)
- assumptions and constraints (Form: Information System Strengths and Weaknesses)

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- IS opportunities (Forms: IT Infrastructure to Information System Cross Reference, IT Component Costs, IT Component Inventory, and Current Information System Strengths and Weaknesses,)

The ***Project Manager*** updates the plan and monitors completion of work for management review prior to moving forward.

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Estimate Lock-down

Product and ***Technical Support*** subject matter experts support assessments and analysis.

Engineering Department management and functional areas support information needs and provide experts to research and recommend options. Also, functional subject matter experts consider configuration, capacity, monitoring, etc. issues and opportunities throughout the strategic planning process.

Governance envisions the changed organization

- defines the changed organization (Forms: Enterprise Performance Framework, Organization Map/Chart, Envisioned Cultural Elements)
- considers alternative structures (Form: Organization Map/Chart)
- defines roles and responsibilities (Forms: Business Unit Service Profiles, Job to Task Cross-reference, Business
- defines performance measures and targets for each business unit (Forms: Business Unit Budget, Business Unit Incentive / Reward Profile, Business Process Performance Framework, Event List, Process Design List, and Vision / Performance Measures, Targets)
- identifies issues and opportunities (Forms: Process Elimination List, and Infrastructure Strengths and Weaknesses)
- prepares organizational design approach

Governance develops the business system architecture

- reviews IS issues and opportunities for improvement (Form: Current Infrastructure Strengths and Weaknesses)
- develops initial business architecture (Forms: Target Application Support for Business Processes and Preliminary Functional Requirements)
- refines business architecture

Technical Support supports the development of the proposed Business System Architecture (Forms: Target Application Support for Business Processes, Cost Summary Matrix, Target Application Estimated Costs, Application Development Strategy, Process Design List, and Facility Improvement Matrix)

Governance builds the business case

- assesses options - Build vs. Buy (Approaches: Discounted Cash Flow, Net Present Value, Opportunity Cost, Internal Rate of Return, etc.)

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- summarizes business benefits, issues opportunities, cost, market intelligence, etc. (Forms: Gap Analysis, Target Application Support for Business Processes, Cost Summary Matrix, Target Application Estimated Costs, Application Development Strategy, Process Design List, Customer Requirements and Facility Improvement Matrix)

The ***Project Manager*** updates the plan and monitors completion of work for management review prior to moving forward.

- project plan management
- document control
- risk and issues management process

Strategy Selected (Project Lock-down)

Product and ***Technical Support*** subject matter experts support assessments and analysis.

Engineering Department management and functional areas support information needs and provide experts to research and recommend options. Also, functional subject matter experts consider configuration, capacity, monitoring, etc. issues and opportunities throughout the strategic planning process.

Governance determines usage and business support

- determines process and target application systems (Form: Target Application Support for Business Processes)
- prepares unit usage matrix (Form: Relationship Matrix)
- determines usage by location/system (Form: Data Entity Usage by Location / Target Application)
- assesses strategic impact of target applications (Form: Target Applications to IT Component Cross Reference)

Governance finalizes functional requirements

- develops detailed functional requirements (Form: Preliminary Functional Requirements [with detailed functional specifications attached supporting this top level presentation])
- prioritizes and classifies functional requirements (Form: Weighted Requirements Ranking)
- reviews requirements dimensions

Governance determines IT Infrastructure Requirements using data and analysis collected throughout the project and related to the following:

- processing
- data
- deployment
- interfaces
- connectivity
- security
- contingency/
- recovery
- physical
- management

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- operations
- support

Governance achieves consensus on the vision

- finalizes organizational definition (Forms: Organization Map / Chart, Envisioned Cultural Elements, Vision / Performance Measures, Targets, and Business Unit Incentive / Reward Profile)
- defines roles and responsibilities (Forms: Business Unit Performance Framework, Job to Task Cross-reference, Job Definitions)
- creates reporting structure (Form: Business Unit Service Profile)
- develops business architecture (Forms: Business Unit Budget, Preliminary Functional Requirements,
- reviews business case (Forms: Mission Characteristics, Strategy Characterization: Market Segment Selection, Strategy Characterization: Market Segment Approach, Weighted Requirements Ranking, Customer Requirements, Critical Performance Matrix, Business Process Performance Framework, Information System Audit Grid, Information system Strategic Grid, Information System Strengths and Weaknesses, Process Elimination List, Target Application Support for CSFs [Critical Success Factors], Cost Summary Matrix, and Gap Analysis)

Governance selects optimal strategy

The ***Project Manager*** updates the plan and monitors completion of work for management review prior to moving forward.

- project plan management
- document control
- risk and issues management process

Vendor Evaluation (Detailed Plan)

Product and ***Technical Support*** subject matter experts support assessments and analysis.

The ***Engineering Department*** management and functional areas support information needs and provide experts to research and recommend options. Also, functional subject matter experts consider configuration, capacity, monitoring, etc. issues and opportunities throughout the strategic planning process.

Governance determine and prioritize requirements and evaluation criteria

Governance develops weights and scoring system

- assigns weights to requirements (Forms: Weighted Requirements Ranking, Customer Requirements, Critical Performance Matrix, Target Application Support for CSFs [Critical Success Factors], Cost Summary Matrix, Vendor Selection Summary and Gap Analysis)
- defines scoring system
- validates weights and scores tables

Governance identifies potential vendors / partners

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- conducts survey of potential vendors / partners
- develops short list

Governance produces a Request for Proposal (RFP)
- develops RFP
- distributes to vendors / partners on short list

Governance evaluates responses
- conducts preliminary evaluation
- develops detailed technical evaluation (Form: Vendor Selection Summary, Target Application Estimated Costs, and Cost Summary Matrix)
- assesses suitability
- conducts site visit and evaluates (Form: Site Visit Worksheet)
- prepares recommendation
- creates bill of materials (Form: IT Component Costs)

The ***Project Manager*** updates the plan and monitors completion of work for management review prior to moving forward.
- project plan management
- document control
- risk and issues management process

Portfolio Implementation Analysis (Development)

Product and ***Technical Support*** subject matter experts support assessments and analysis.

Engineering Department management and functional areas support information needs and provide experts to research and recommend options. Also, functional subject matter experts consider configuration, capacity, monitoring, etc. issues and opportunities throughout the strategic planning process.

Governance Commits to a Strategic Solution through analysis of data collected to data.

Governance Conducts Portfolio Implementation Analysis
- develops a risk analysis (Forms: Current Infrastructure Strengths and Weaknesses, IT Infrastructure to Information System Cross Reference, and Potential Target Application Benefits and Risks) Using data from forms, market intelligence, organizational SWOT, etc.
- assesses automation boundaries

IT Infrastructure Architecture Selected (Validation)

Product and ***Technical Support*** subject matter experts support assessments and analysis.

Engineering Department prepares a transition plan addressing:
- implementation strategy
- systems transition strategy

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- infrastructure transition strategy
- training approach
- workforce transition strategy
- process transition strategy

Engineering Department conducts risk and contingency analysis and planning

Governance constructs the Implementation Architecture
- determines high level drivers and constraints (Target Environment Definition Summary, Gap Analysis, Mission Characteristics, Enterprise Performance Framework, Strategy Implementation Plan, Weighted Requirements Ranking and Information System Component Cost, Cost Summary Matrix and Customer Requirements)
- determines system distribution strategy
- develops training plan

Governance constructs IT Infrastructure Architecture Alternative (Target Environment Definition Summary, Gap Analysis, Mission Characteristics, Enterprise Performance Framework, Strategy Implementation Plan, Weighted Requirements Ranking and Information System Component Cost, Cost Summary Matrix and Customer Requirements)

Governance selects optimal IT Infrastructure Architecture Alternative for organization

Project Manager updates plan and monitors completion of work for management review prior to moving forward.
- project plan management
- document control
- risk and issues management process

Funding and Change Management

Product and ***Technical Support*** subject matter experts support assessments and analysis.

Engineering Department refines transition plan addressing:
- implementation strategy
- systems transition strategy
- infrastructure transition strategy
- training approach
- workforce transition strategy
- process transition strategy

Governance publishes IT Strategy (for Funding)

Governance obtains funding approval (Capital Allocation Request (CAR))

Governance establishes a change management program (Form: Strategic Implementation Plan, Target Application Support for CSFs, Gap Analysis, Change Action Summary, and Continuous Improvement Framework)

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Exit to **PROCUREMENT PROCEDURE** to Acquire Approved Materials

The ***Project Manager*** updates the plan and monitors completion of work for management review prior to moving forward.

- project plan management
- document control
- risk and issues management process

Strategy Execution

Establish Program Office

Exit to **ASSET MANAGEMENT** to record receipt, acceptance and installation

Project Manager updates plan and monitors completion of work for management review prior to moving forward.

- project plan management
- document control
- risk and issues management process
- lessons learned
- document library maintenance

FORMS

- Application Development Strategy (WP0656)
- Business Process Performance Framework (WP0175)
- Business Unit Budget (WP0140)
- Business Unit Incentive / Reward Profile (WP0170)
- Business Unit Performance Framework (WP0130)
- Business Unit Service Profile (WP0150)
- Change Action Summary (WP0710)
- Conceptual Data Model CDM (WP0270)
- Continuous Improvement Framework (WP0895)
- Cost Summary Matrix (WP0635)
- Cost/Benefit Analysis (WP0645)
- Critical Performance Matrix (WP0090)
- Current Information System Description (WP0950)
- Current Information System Support for Business Operations (WP0315)
- Current Information System Support for Business Processes (WP0310)
- Current Infrastructure Strengths and Weaknesses (WP0380)
- Customer Requirements (WP0085)
- Data Entity Usage by Location / Target Application (WP0595)
- Enterprise Competitors (WP0010)
- Enterprise Customers (WP0012)
- Enterprise Performance Framework (WP0020)
- Enterprise Suppliers (WP0011)

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- Envisioned Cultural Elements (WP0415)
- Equipment Facility Requirements (WP0342)
- Equipment Improvement Matrix (WP0430)
- Event List (WP0185)
- Facilities Improvement Matrix (WP0435)
- Functional Decomposition Model (WP0060)
- Gap Analysis (WP0685)
- Information System Audit Grid (WP0320)
- Information System Strategic Grid (WP0325)
- Information System Strengths and Weaknesses (WP0330)
- IT Component Costs (WP0372)
- IT Component Inventory (WP0350)
- IT Infrastructure to Information System Cross Reference (WP0365)
- Job Definition (WP0485)
- Job to Task Cross-reference (WP0160)
- Market Share / Market Growth Model (WP0097)
- Customer Requirements (WP0015)
- Organization Map / Chart (WP0025)
- Package Comparison Matrix (WP0625)
- Potential Target Application Benefits and Risks (WP0610)
- Preliminary Functional Requirements List (WP0420)
- Process Dependency Diagram (WP0205)
- Process Design List (WP0400)
- Process Elimination List (WP0405)
- Relationship Matrix (WP0095)
- Site Visit Worksheet (WP0630)
- Strategic Characterization: Market Segment Approach (WP0040)
- Strategic Characterization: Market Segment Selection (WP0035)
- Strategic Implementation Plan (WP0045)
- Target Application Estimated Costs (WP640)
- Target Application Support for Business Processes (WP0585)
- Target Application Support for CSFs (WP0600)
- Target Application to IT Component Cross Reference (WP0665)
- Target Environment Definition Summary (WP0680)
- Vendor Selection Summary (WP0755)
- Vision / Performance Measure, Targets (WP440)
- Weighted Requirements Ranking (WP0080)

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EXCEPTIONS

- None identified at this time

AFFECTED/RELATED PROCEDURES

- **PROCUREMENT PROCEDURE**

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- **ASSET MANAGEMENT PROCEDURE**

TOOLS/SOFTWARE/TECHNOLOGY USED

- MS Word (Version: Office 97)
- MS Excel (Version: Office 97)

APPENDIX

- None identified at this time

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