

National survey finds information tech and business alignment a struggle for American companies

September 22 2008

The Society for Information Management (SIM) has released an important part of its annual survey results, reporting that IT executives continue to identify lack of IT and business alignment as the top concern for companies. Other top concerns include a deficiency in business skills training for IT professionals, and the need for greater emphasis on strategic planning in IT. HR considerations were among one-third of the top ten concerns.

"In today's ever-evolving global economy, the question no longer is how can IT be better aligned with business, but how can business and technology be better aligned with each other," said Jerry Luftman, vice president of academic community affairs for SIM and associate dean and distinguished professor at Stevens Institute of Technology. "This is a crucial question that businesses need to answer because good alignment translates into increased innovation and revenue."

IT and Business Alignment

Luftman says that businesses with good IT alignment, also referred to as "mature alignment," share common traits. They all have effective:

- * Communications;
- * Governance;
- * Understanding of the value of IT;

- * Collaboration with IT as a full partner;
- * Systems that extend to customers and partners; and
- * HR recruiting strategies to attract/retain top IT talent.

Talent Worries

But before business and IT can achieve mature alignment, Luftman says academia and business must ensure that IT professionals have adequate training. "To succeed in business, knowing the ins-and-outs of technology is only a piece of the puzzle," says Luftman. "We need our universities and companies to do a better job of equipping our next generation of IT professionals with a more a skill set that includes training in communications (writing, presenting, marketing, negotiating), business, management, and industry."

Strategic Planning and the Economy

While the released part of the survey highlighted concerns, it also showed some financial optimism within IT organizations. Only 25 percent of the organizations said that 2009 budgets would decrease in 2008, while only 15 percent said that staffing would be reduced. Luftman doesn't attribute this just to an economic turnaround. Instead, he says, "companies are being much smarter about handling economic downturns. By being proactive and planning ahead, they place themselves at a competitive advantage."

Top 10 IT Management Concerns

Following is SIM's full list of CIOs' top ten IT management concerns in 2008:

- * IT and business alignment

- * Build business skills in IT
- * IT strategic planning
- * Attracting new IT professionals
- * Making better use of information
- * Managing change
- * Reducing the cost of doing business
- * Improving IT quality
- * Retaining IT professionals
- * Security and privacy

Source: Stevens Institute of Technology

Citation: National survey finds information tech and business alignment a struggle for American companies (2008, September 22) retrieved 16 May 2024 from <https://phys.org/news/2008-09-national-survey-tech-business-alignment.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.