Lessons from Geese— Harmonising IT and Business

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ABSTRACT

The paper focuses on two hypotheses: firstly, that IT strategy is not widely aligned with business strategy; and secondly that IT is still thought of as "something different" in businesses. The paper proposes that rather than attempt to align IT strategy with business strategy, the strategies should be harmonised into a single strategy. The paper attempts to use lessons from geese to outline the process of strategic development.

INTRODUCTION

The alignment of business strategy with IT strategy has been a concern of CIO's [2,8,10,11], CEO's [22], academic researchers [17, 26, 31] and research companies [4,10, 23] since the age of vacuum tubes. In surveys [22] of IT management (CIO) concerns, alignment has consistently been rated as a major issue of concern. A Cutter study in 2000[11] reported that business-IT alignment was "*the number one problem facing IT*".

Many authors [5,10,16,26] agree that it is important to align IT strategy with the organization's business strategy. Although the importance of strategic alignment of IT is acknowledged and widely accepted, it remains an issue within many organisations.

In a recent study [11] of 253 large IT organisations, 52% of organisations claimed to have a 'good to excellent alignment between e-business and IT strategies'. Crowley [11] admits the results are contrary to how business-IT alignment is usually rated, and speculates that the reason may be that non-IT departments sponsored 76% of e-projects.

Burgleman et al [5] state, "*Technological issues only occasionally are included explicitly in typical corporate strategy reviews, and only rarely are they among the regular inputs to corporate planning and development.*" Gates [14] wrote; "*It is impossible to align IT strategy with business strategy if the CIO is out of the business loop.*"

Many managers have poor knowledge and poor attitudes towards IT, they assume the IT staff have the knowledge, and allow the IT staff to decide on the organisations needs. Management's attitude towards IT and IT strategy need to be changed [9]. A 'model of attitude change' described by Nash et al [24] lists five steps to effect an attitude change. 1 - Attention and awareness, managers are subjected to advertising, publications and word of mouth about IT. 2 - Comprehension and Knowledge, managers are taught about IT and its uses. 3 – Yielding, managers actually try out the IT. 4 – Use of IT, management actually uses the IT, and finally 5 – Reinvention, where IT is improved or its use is varied for maximum benefit.

The lack of IT alignment with business can result in late market entry, lost market opportunities or an unsustainable market advantage [8].

Some [3] view IT strategy and business strategy as two distinct strategies, with IT strategy either supporting or influencing business strategy. Other authors [25] stress that IT strategy must be completely and seamlessly integrated with business strategy at all organizational levels.

IT and Business strategies should not be aligned, but should in fact be one harmonious strategy. Alignment is defined [13] as "Arrangement or position in a straight line or in parallel lines." Harmonising is defined [13] as "A pleasing combination of elements in a whole" or being as one. IT and business strategies have to be as one. IT strategy has to lose its distinctness; in this way it will gain prominence and exert greater influence [25] within organisations. Each organisation should have a single harmonised strategy.

This paper examines why IT planning should be in harmony not merely aligned with business strategy. The analogy of flying, and lessons from Geese is used to enhance the ideas presented.

"*As each goose flaps its wings, it creates an "uplift" for the birds that follow. By flying in a "V" formation, the whole flock adds 71% greater flying range than if each bird flew alone*" [7]. The lesson we can learn from this is that "*People who share a common direction and sense of community can get where they are going quicker and easier because they are travelling on the thrust of each other*" [7].

IT and business have to share a common direction, and should therefore plan to fly in harmony not in parallel.

WHY FLY? (WHY DEVELOP STRATEGIES?)

Geese migrate for several reasons [32], changing climatic conditions, seasonally fluctuating food resources and to create more geese. The geese that prepare for migration, and then move in the right direction at the right time survive.

Similarly organisations need to recognise changing business climates, fluctuating resources, and the need to expand or grow [18]. Organisations have to plan where they want to take the business and to prepare accordingly. All factors including IT have to be considered and taken into account holistically.

There is no balance in nature; there is perpetual disruption, as organisms and environments transform each other. Organisations, structures, careers, products, markets, and suppliers are all subject to continual change [20]. Change is a natural and creative force that both destroys and creates. Organisations need to develop strategies to cope with and survive change.

Key tasks of managers within an organisation are to acquire, develop and allocate organisations resources, and to develop and exploit the organisations capacity for innovation [5]. The acquisition, development, allocation and exploitation of IT should be part of any business strategy. Many new products and services such as on-line banking, airline reservation systems, and voice mail have been based on IT [21]. IT can contribute to the overall performance of the organisation by synergistically tying operations of various business units together so the organisation can act as whole [21]. This could lower costs, increase customer access; speed up the marketing process of new products and services. IT can assist an organisation develop a central core of competencies by allowing knowledge to be shared across the organisation [21]. It is unlikely that these contributions and possible innovations will occur by chance; they need to be planned.

Hammer and Champy [15] presented a way of improving organizational, team, and individual performance by first getting a birds-eye view of how work gets done. They advocated rethinking and redesigning business processes to improve an organisations performance.

Tallon and Kraemer [31] found that organisations with focused IT goals achieved higher payoffs from IT. Their results indicate that unfocused organisations achieve consistently lower payoffs at each

point along the value chain than focused organisations. Organisations must formulate and implement an Internet Strategy [1] as part of their overall strategies.

Linear planning is useless; organisations must plan holistically [16] or harmoniously in order to survive.

WHERE TO FLY TO?

Where should an organisation do business, locally, nationally or internationally? Organisations should rather be thinking in terms of where it makes good business sense, where the organisation will survive. A vision of where the organisation is going to needs to be developed and communicated, and everyone in the organisation needs to understand the vision, as they have to implement it [28].

An important goal of strategic planning is to anticipate change beyond the control of the organisation, so change within the organisation can be initiated and controlled [19].

A strategy needs to be defined which includes all the capabilities (forces/tools/resources) of an organisation, so that approved plans may be executed as effectively as possible [17]. Strategy articulates ways in which opportunities can be exploited using the organisations capabilities [5]. Strategy without capabilities is meaningless [5], and excluding the IT capability from the organisations strategy renders the strategy less effective at best. Similarly having capabilities without strategy makes them aimless [5]. The IT capability must therefore be part of the overall strategy or IT will become an aimless capability of the organisation, or at best will be run according to the IT managers aims. Managing the IT resource is a basic business function [5], which should be the responsibility of all managers within an organisation.

A number of elements must fit together in a balanced way in order for an organisation to function effectively. Sawy [29] uses the Leavitt Diamond framework to illustrate the balance. The framework has four sets of organisational variables: IT use, organisational form, people skills, and business processes. When any one of these is changed, the other three needs to be adjusted to maintain 'functional harmony' [29].

Organisations need to define exactly where they are going, and ensure that all stakeholders know why, and where the destination is.

HOW TO FLY? (FORMATION)

A requirement for successful migration is for the geese to successfully navigate and reach their destination. Geese have been recorded flying as high as 29,000 feet. Geese change altitudes to find the best wind conditions [32]. Geese use several formations when flying, V-formation, column or cluster. Researchers [27] suggest that it is a mixture of aerodynamic benefits and the ability for the flock to communicate and see one another.

"*When a goose falls out of formation, it suddenly feels the drag and resistance of flying alone. It quickly moves back into formation to take advantage of the lifting power of the bird immediately in front of it.*" The lesson [7] is "*if we have as much sense as a goose, we stay in formation with those headed where we want to go. We are willing to accept their help and give our help to others.*"

"*When the lead bird tires, it rotates back into the formation to take advantage of the lifting power of the bird immediately in front of it.*" The lesson [7] - "*It pays to take turns doing the hard tasks and sharing leadership. As with geese, people are interdependent on each others' skills, capabilities, and unique arrangements of gifts, talents, or resources.*"

Like geese, organisations need to decide on formations or structures in which to fly. Geese fly faster and further in formation. Formation, structure, and order are necessary for the survival of the geese and the organisation [30].

"*A gap has developed between the power and choice enjoyed by individuals as consumers and citizens on the one hand, and that available to them in the workspace on the other*" [6]. This gap will have to be reduced. Consumers are allowed to design/personalise products/services within a range of options; this is the age of the individual.

However, employees are seldom given any choices in the workplace, other than compliance or exit. Organisations will have to include employees in decisions regarding the formation and structure of the organisations. Free enterprise needs to accommodate the free person.

Organisational design and structure have always been important factors that influence the behaviour of groups and individuals. It is through structure that management establish expectations of achievements for individual employees and departments, and decide how the organisations strategy is to be accomplished. The purpose of structure is to regulate, or reduce, uncertainty in the behaviour of employees [19]. Where and how IT is placed in the organisational structure determine the role and influence of IT.

Each organisation is a formation, and when that is ignored, the organisation will not be able to crawl, much less fly! No organisation will last if everyone acts independently; a structure needs to be developed preferably with the employees, which will support the strategy and vision of the organisation.

WHO TO FLY WITH?

A goose cannot fly in formation alone. Similarly, employees cannot survive alone within an organisation; they need to be in some sort of "flock." Often the collection of employees is more a group than an organisation. Geese in groups are called a "gaggle" when not in flight. Geese only become a flock when they are flying in formation. Similarly, organisations only 'fly' when all the employees are in formation.

Organisations need tradition, ritual, and structure to retain their identity. Before geese take off, they have a pre-flight takeoff ceremony in which they encourage one another [30]. An organisation in which the author worked had a daily meeting in which employees met each other and offered encouragement, support, guidance and feedback. Rollins et al [28] claim that 50% of all employees receive no formal feedback on their performance, and of the 50% who do receive feedback; only 20% believe that it is effective.

"*Geese flying in formation honk to encourage those up front to keep up their speed.*"

Lesson – "*We need to make sure our honking is encouraging. In groups where there is encouragement, the production is much greater. The power of encouragement (to stand by one's heart or core values and to encourage the heart and core values of others) is the quality of honking we seek.*" [7]

Organisations need to fly with employees who want to be in the organisation, who know where the organisation is headed, and who want to fly in formation.

DO WE LET OTHERS FLY FOR US?

Would a flock of geese let a turkey or an eagle fly for them? Organisations outsource IT (or parts thereof) for various reasons. Bocij et al [3] list the main reasons as to achieve cost reduction, improve quality, enable organisation to focus on core business, to reduce risks of project failure and to implement a strategic objective. Outsourcing IT can create problems for an organisation such as loss of control, cost increases [21], security issues, and employee morale [3]. Dell [12] states "*our partners are treated as if they're inside our company*" and, "*bringing our supplier-partners into our business virtually has become a key component of our success.*"

The debate about outsourcing (and in-sourcing) will no doubt continue with pros and cons for both sides. Each organisation must carefully consider their strategy and make a call. If IT is strategic to the organisation [10] can it be outsourced?

WHEN TO FLY?

Geese fly before winter sets in, when the seasons tell them its time to move on. Geese understand that they cannot change or fight the seasons. Similarly, organisations need to develop strategies anticipating 'winter', and start flying before winter sets in. Organisations

must respond to external demands quickly, adapt their organizations and redirect their employees to achieve competitive advantage [28].

Organisations need to understand that IT change is one external factor, which affects competitive position [5]. In order to survive, organisations need to adapt timeously to change. Therefore strategic planning must be a dynamic process, and IT and IT change must form part of the process. Successful organisations balance a well-defined business focus with the willingness, and the will, to undertake major and rapid change. Immobility is the most dangerous behavioural pattern [5].

Organisations need to be ready to fly. Four prerequisites for organisations wishing to embark on e-business are *leadership, governance, competencies* and *technology* [16]. The first prerequisite is *leadership*; outstanding companies are associated with their leaders (Welch, Gates, Bezos). Leaders create a vision that is shared and accepted within the organisation. *Governance* is the operating model that defines the organisation. The formation or structure of the organisation must be clear. Roles, responsibilities, and authority levels must be defined. Organisations need to have methods for assessing, selecting, allocating and monitoring resources. *Competencies,* are the ways in which the organisation responds to change, exploits available resources and opportunities, and accommodates reality. *Technology* needs to be robust and comprehensive.

"*The reality of a strategy lies in its enactment, not in those pronouncements that appear to assert it*" [5]. Strategic intent needs to be converted into strategic action to be meaningful.

HOW TO HANDLE OBSTACLES EN-ROUTE?

During migration geese encounter and overcome many natural obstacles such as predators and weather disturbances, as well as many man-made obstacles.

"*When a goose gets sick, wounded, or shot down, two geese drop out of formation and follow it down to help and protect it. They stay with it until it dies or is able to fly again. Then, they launch out with another formation or catch up with the flock.*" The lesson we can learn is to stand by and help each other in good and in bad times [7].

Organisations need strategies to deal with obstacles, and may in some cases need to revise their strategies in order to be successful.

HOW TO DECIDE IF THE FLIGHT WAS SUCCESSFUL?

If a large percentage of the flock reaches the destination in condition to continue, the flight has been a success. The organisation like the geese has to expect some casualties. To succeed, the energy, creativity and resources of the organisation must have been used. If there are parts of the organisation that have not being used, the question must arise why are they in the organisation?

Burgelman et al [5] ask and answer the question "what strategies, policies, practices, and decisions result in successful management of high-technology enterprises?" Six themes of success are listed; (1) business focus, (2) adaptability, (3) organisational cohesion, (4) entrepreneurial culture, (5) sense of integrity, and (6) hands-on top management. All are controlled or influenced by the organisational strategy. Unless each and every one of the organisations resources is in harmony, an organisation cannot have succeeded. If IT strategy (and all other strategies) are harmonised into a single business strategy, then the organisation can claim to have a holistic business focus, to have organisational cohesion, and to have a sense of integrity. Integrity can be defined [13] as "the state or quality of being entire or complete; wholeness; entireness; unbroken state; as, the integrity of an empire." A disharmonised strategy certainly cannot be regarded as being honest, fair or open, other attributes of integrity.

CONCLUSION

Organizational success must include the ability to align the organization and mobilize the work force [26]. Organisations and individuals can only realize their potential for greatness and goodness when they join the flock, fly in formation, and contribute something for the common good [24,29]. IT strategy must be one of the components of the organisations overall strategy.

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