IT Process Institute

IT Strategic Alignment Benchmark

This report was prepared for:

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The IT Process Institute (ITPI) is an independent research organization that exists to support the membership of IT audit, security, and operations professionals. www.itpi.org.

**Advancing the Science
of IT Management**

This benchmark is based on the findings and analysis of the IT Process Institute IT Strategic Alignment research study. The research findings are also summarized in an Executive Snapshot white paper.

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Research Study Summary

The development of a winning business strategy requires the thoughtful alignment of market forces, competitive offerings, organizational strengths and weaknesses, and deep understanding of customer needs. However, the execution of a wining business strategy depends on an organization's capabilities being aligned with strategy key success factors.

The IT Process Institute Strategic Alignment study offers data that supports a breakthrough in thinking about IT business alignment that rejects the notion of generic IT. Specific technologies, IT strategies, and industry best practices do not apply equally well to all IT organizations -- because all IT organizations are not created equal.

What the business needs from IT is different for each organization. For example, cost reduction and resource utilization are generally recognized goals for all IT organizations. But these goals do not help support winning business strategies where agility and speed drive competitive advantage, or where more costly and less efficient technology solutions may provide better differentiation for a niche product or service.

Instead of viewing IT as a generic resource, it is more empowering to recognize different types of IT organizations that have different core purposes designed to deliver different kinds of business value. IT value archetypes provide common profiles of various IT organization attributes that logically group together. The assessment and understanding of different archetypes helps highlight that core purpose and capabilities of an IT organization should align with and enable key success factors outlined in a business strategy. The assessment of archetypes also helps identify specific practices also enable ongoing alignment of each archetype.

The IT Process Institute conducted a study 269 North American IT organizations of various sizes and from various industries, to determine specific practices that enable strategic alignment success. The survey collected data on nine organizational attributes that identify the primary IT value archetype, as well as five categories of strategic alignment practices and five categories of alignment performance measures. Statistical analysis revealed a short list of specific practices that enable the highest levels of alignment performance for three different IT value archetypes identified in the study.

- Data collected on nine different attributes revealed the profiles of three different IT value archetypes including utility provider, process optimizer, and revenue enabler.
- Practices and performance for three groups reveals building block competencies for each. Organizations need to build on baseline competencies in order to shift to higher value archetype.
- There are different practices that enable the highest levels of strategic alignment performance for each archetype.
- However, IT having clear understanding of business objectives and what IT can do to delivery business value -- most strongly predict top levels of alignment performance for the organizations studied.

Using This Benchmark

This benchmark is designed to help you:

1. Determine the IT Value Archetype of your organization. Your archetype should align with what is needed to execute your business strategy.
2. Determine if nine organizational attributes fit your archetype.
3. Determine if you are using the specific strategic alignment practices that are shown to optimize alignment for your archetype.

Use of this benchmark may identify changes that improve how IT enables and supports your business strategy.

Benchmark Executive Dashboard

This benchmark is developed based on the analysis and data from 269 organizations that participated in the study. It is designed to identify and assess the attributes of your IT value archetype, and compare your use of key performance drivers and performance to organizations from each archetype.

Archetype

What type of IT organization do you have?	Our model predicts with 93% confidence that your IT organization is:
Your archetype should align with what is needed to enable your business strategy.	**Process Optimizer**

Nine Attribute Alignment

There is no "pure" archetype. Rather the 9 questions in this 3 pillar framework highlight a mix of attributes that logically group together.

Are all nine elements of your archetype groups in alignment? The graph at right compares your average scores for nine attributes to the three archetype groups.

Look at how well each of 9 attributes align with averages for your archetype groups on page 10.

Key Performance Drivers

We used regression models to identify specific practices that best predict ongoing alignment for each of three archetype groups.

Is your organization using strategic alignment practices that are shown to enable ongoing alignment for your archetype?

A detailed assessment of your use of key performance drivers is on page 4.

	You	Them
Utility Providers	7.3	5.9
Process Optimizers	6.8	7.0
Revenue Enablers	7.4	7.34

Strategic Alignment Performance

This benchmark measures your strategic alignment performance across 16 measures in 5 areas.

A detailed assessment of your alignment performance is on page 6.

Performance Area	You	
Business Alignment	5.7	
Service Delivery	6.7	
Cost Effectiveness	7.5	
Agility	6.3	
Innovation	7.0	

Key Performance Driver Details

Using a framework of IT value archetypes in this model (that builds on archetype work of Forrester and McKensey), IT strategic alignment efforts can be focused on building and optimizing a specific IT value archetype that best fits a business strategy. Identifying an archetype that fits a specific business strategy is something that should be done at multi-year intervals or when business strategy changes. Building and managing an IT organization with characteristics of a particular archetype is an effective way to enable overall business strategy execution success.

However, optimizing strategic alignment on an ongoing basis can be accomplished by implementing specific practices and procedures. Ongoing optimization can be accomplished by understanding unique challenges and key enablers for each type, and implementing and following key performance drivers that have been shown to drive top performance for a particular archetype.

This archetype model contains building block competencies. Process Optimizers must have Utility Provider competencies in addition to business unit and application aligned competencies. Revenue Enablers must have Utility Provider competencies plus Process Optimizer capabilities, plus capabilities that create technology enabled products and services.

Comparison:
Our analysis of archetypes revealed specific practices that best predict top performance for each of the three groups. We developed a regression model for each group, and analyzed all 49 practices with a balance performance measure that equally weighted all 16 performance measures. The practices that best predict top strategic alignment performance for each group are shown below compared to your answer.

Utility Provider	Key Performance Drivers	Your Score	Utility Provider (Average)
Purpose: provide common infrastructure and capabilities that support basic information and transaction management. Key Enabler: • Communication and access with business management, customers, suppliers Key Challenge: • Business units "go around" IT limits and controls Key measures: • Availability • Cost containment • Resource utilization • Security	Actively identifies opportunities to use emerging technology.	7	6.2
	Has an effective process and methodology for justifying and prioritizing IT investment decisions.	7	6.1
	Develops and enforces enterprise infrastructure standards.	7	7.1
	Have a project management office function to provide oversight to business prioritized IT projects.	8	4.4

Process Optimizer	Key Performance Drivers	Your Score	Utility Provider (Average)
Purpose: Utility Provider objectives PLUS enable business unit specific objectives and capabilities by implementing applications that optimize key business functions and processes. Key Enabler: • Business is involved with IT planning and strategy Key Challenge: • Balance standardization with unique business requirements Key measures: • Business unit executive satisfaction • Business process efficiency and effectiveness	Actively identifies opportunities to use emerging technology	7	6.7
	Develops and enforces enterprise infrastructure standards	7	7.4
	IT investments are justified primarily by business process optimization that enables competitive advantage.	6	6.5
	Understanding business needs is pervasive at the IT executive and VP level.	7	7.4

Revenue Enabler	Key Performance Drivers	Your Score	Utility Provider (Average)
Purpose: Utility Provider and Process Optimizer objectives PLUS enable unique products/services that allow the organization to enter markets that wouldn't be possible without IT-enabled offerings. Key Enabler: • Operational excellence and efficiency enables focus on business agility Key Challenge: • Pace of business change mismatch IT pace of change Key measures: • Agility • Revenue contribution	Proactively educates all IT personnel on business objectives so that everyone in IT understands how IT adds value to the business.	7	7.6
	IT acts in concert with the business when setting IT strategy and priorities.	7	7.2
	Have a strong track-record of rejecting bad projects.	8	7.0
	The IT organization has a formal periodic process for identifying what is needed by the business.	7	7.5
	IT budget cycle is part of the business unit budgeting process.	8	7.4

Practice Dashboard

This table compares your average score for all strategic alignment practices in five areas to the average scores for the three IT value archetype groups in the study. A graphical representation of your scores is shown at right (center = 0, outer ring = 10), and the comparison graphs of the three groups below.

Practice Areas	Your Score	Utility Provider	Process Optimizer	Revenue Enabler	Your Scores
			Average for each group		
Strategy and Communication	5.4	5.4	5.9	7.0	
Business Linked Metrics	3.6	4.8	5.4	7.0	
Governance	6.4	5.2	6.0	7.2	
Architecture	7.5	6.2	6.5	7.5	
Business Skills	5.2	5.2	6.1	7.6	

Utility Providers	Process Optimizers	Revenue Enablers

Performance Dashboard

This table compares your average score for all strategic alignment performance in five areas to the average scores for the three IT value archetype groups in the study. A graphical representation of your scores is shown at right (center = 0, outer ring = 10), and the comparison graphs of the three groups below.

Performance Areas	Your Score	Utility Provider	Process Optimizer	Revenue Enabler	Your Scores
			Average for each group		
Business Alignment	5.7	6.7	7.2	7.7	
Service Delivery	6.7	6.7	7.2	7.3	
Cost Effectiveness	7.5	6.8	6.9	7.1	
Agility	6.3	6.8	6.8	7.3	
Innovation	7.0	6.5	6.7	7.5	

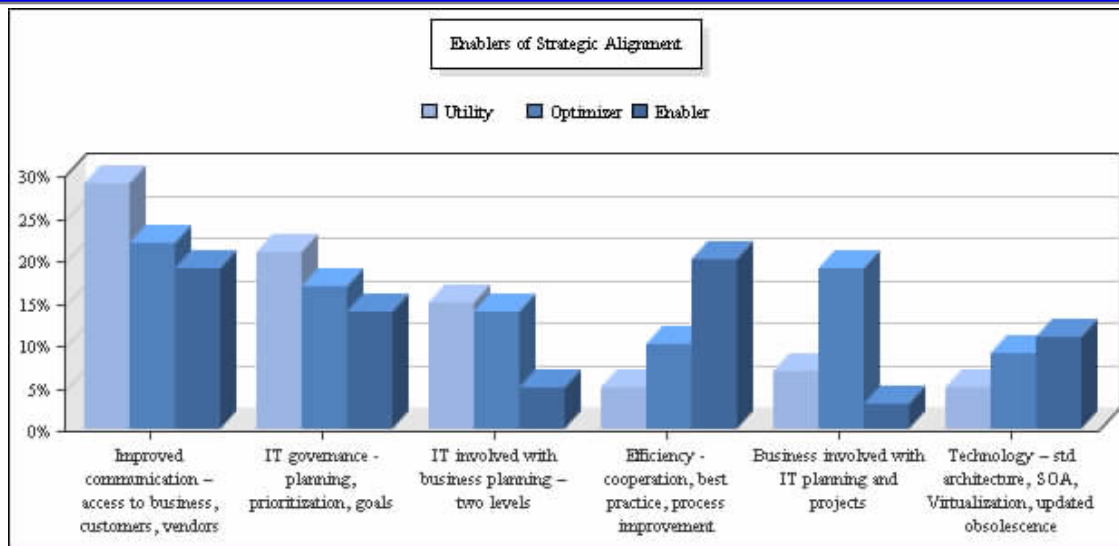| Utility Providers	Process Optimizers	Revenue Enablers
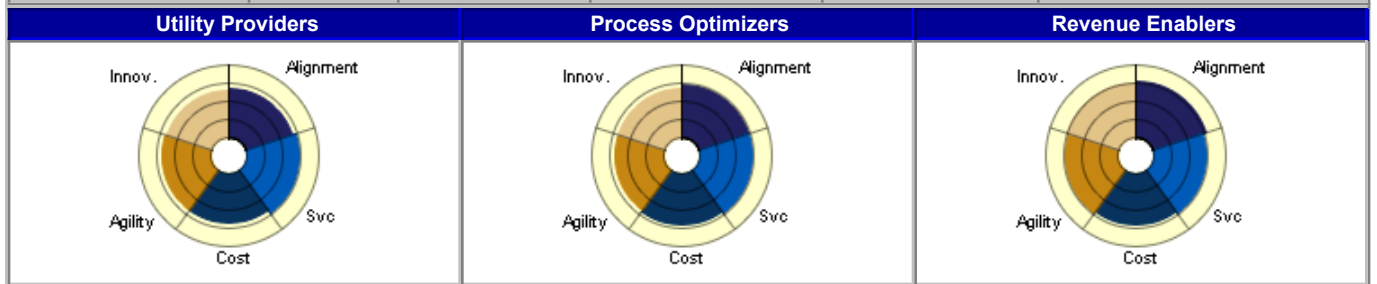
Strategic Alignment Obstacles and Enablers

We asked open ended questions about obstacles and enablers of strategic alignment. The answers from 269 companies indicate common attitudes and beliefs that are different for the three archetype groups, but do not include any causal analysis. Your organization's answers are also shown.

What obstacles keep IT from effectively meeting the needs of the business?

Obstacles to Strategic Alignment

☐ Utility ☐ Optimizer ■ Enabler
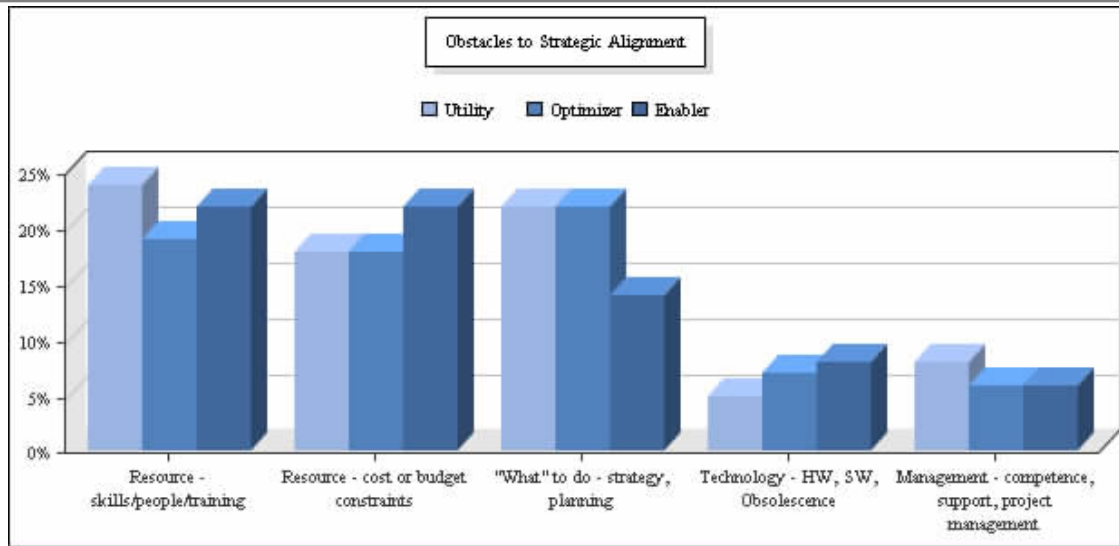
1) Human Resource Constraints

2) Interoperability across state agencies hinders speed to implement solutions

3) Outdated Toll Collection System and vendor dependency

What activities enable IT to effectively identify and align with business objectives?

Enablers of Strategic Alignment

☐ Utility ☐ Optimizer ■ Enabler

1) Departmental meetings

2) Meetings with interoperability partners

3) IT Steering Committee Meetings

Budget and Demographic Comparison

Performance Measure	Your Score	Utility Providers	Process Optimizers	Revenue Enablers
Demographics		25th to 75th percentile		
Revenue ($M)	36	150 – 2,000	262 – 4,500	250 – 2,000
Employees	58	490 - 5,000	825 - 9,750	680 - 10,000
IT Budget ($M)	4	2 – 40	3 – 52	3 - 39
IT Employees (FTE)	18	11 - 165	15 - 300	35 - 175
Key Ratios		25th to 75th percentile		
IT Budget / Revenue (%)	0.1	1.0 – 3.4	0.8 – 3.1	0.5 – 4.0
Employees / IT Staff	3.2	17 – 73	15 - 73	5 - 46
Other		25th to 75th percentile		
Budget rate of change (% annual)	2	0 – 5	0 – 9	2 - 12
% Budget under IT Control	100	57 - 100%	40 - 95%	30 - 80%

Your allocation of total IT budget (capital and operating budget) spent on existing IT systems versus new initiatives is compared below.
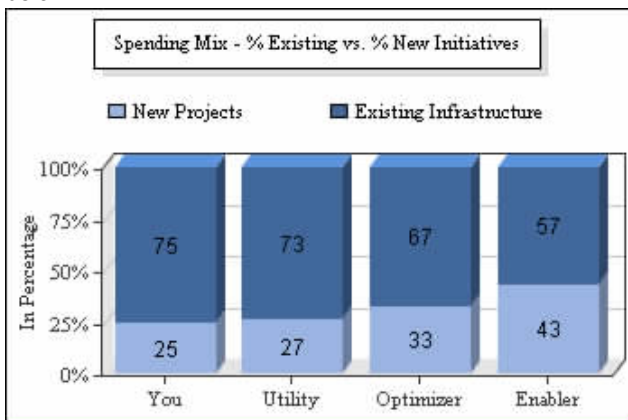
Your allocation of new project budget to common infrastructure, business unit specific objectives, and technology enabled products and services is compared below.
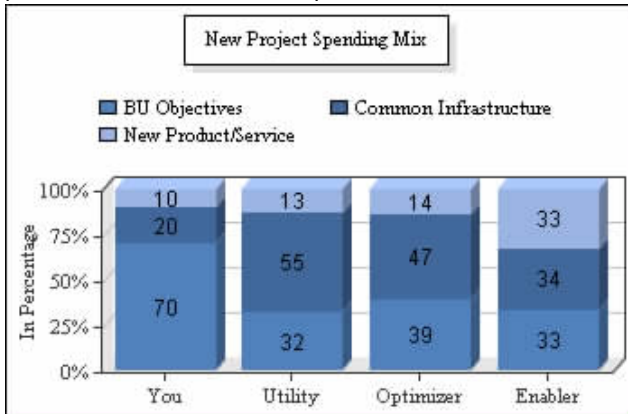
You indicated that your organization's business strategy is **<u>Cost leader</u>**. The table below indicates the percentage of each archetype that have different business strategies. Note that Revenue Enablers are most likely to be Market Focused, and Process Optimizers are most likely to have a differentiation strategy. Utility Providers are most likely to have a mixed strategy.

Business Strategy	Utility Provider	Process Optimizer	Revenue Enabler
Cost leader – my firm strives to drive down costs in order to gain cost advantage over our competitors.	15%	15%	17%
Differentiation – my firm strives to offer products or services that are unique from our competitors, in ways that are widely valued by our customers.	19%	20%	13%
Market niche – my firm strives to focus on the needs of a narrow market segment or group of buyers.	23%	26%	30%
Mix – my firm has various business units which may each have different general strategies listed above.	44%	35%	30%

You indicated that your business steering committee **<u>meets twice a year</u>**. The table below indicates the percentage of each archetype that meet at different intervals. Note that Revenue Enablers and Process Optimizers are most likely to meet monthly or quarterly. Utility Providers are most likely to not have a business steering committee.
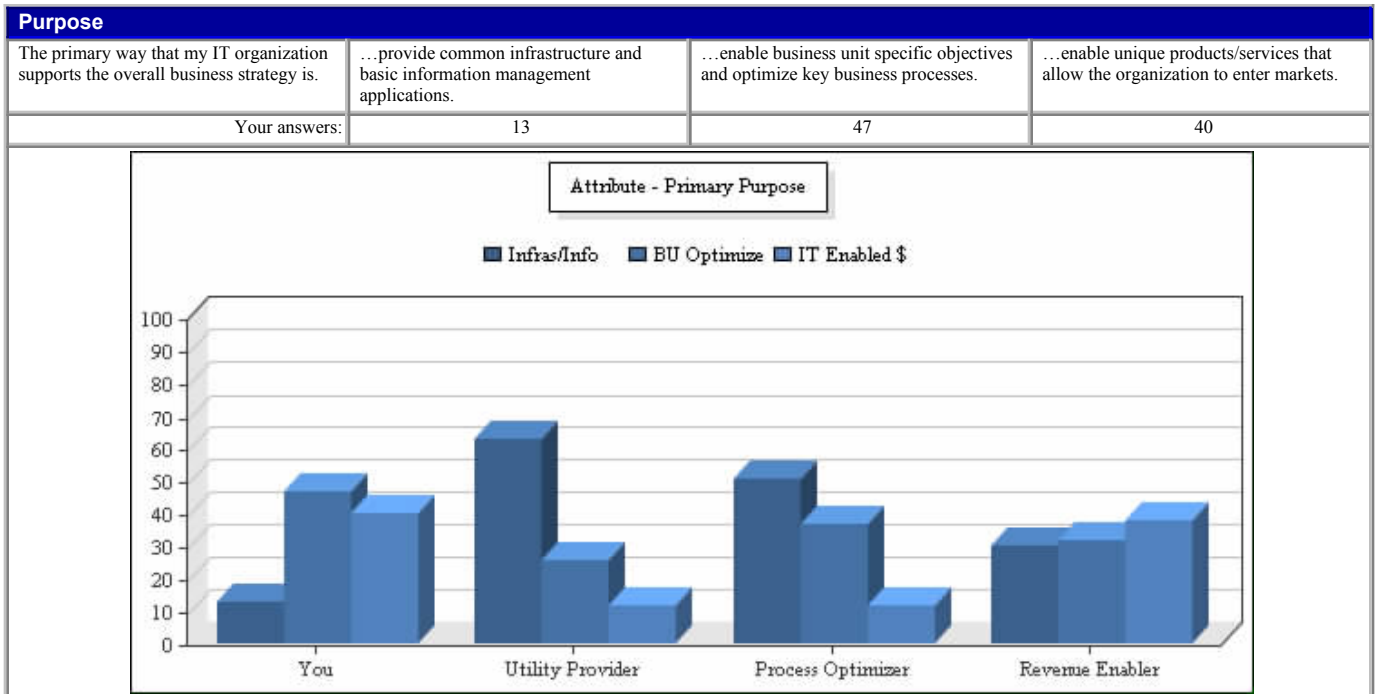
Business Strategy	Utility Provider	Process Optimizer	Revenue Enabler
Weekly	7.5%	12.1%	18.9%
Monthly	31.3%	36.4%	43.3%
Quarterly	26.3%	29.3%	22.2%
Bi-annually	5.0%	3.0%	4.4%
Annually	2.5%	7.1%	3.3%
We don't have a business steering committee	27.5%	12.1%	7.8%

Your performance measurement priorities (total 100) are compared below. Note that Revenue Enablers have more balanced priorities with higher importance given to agility and innovation.
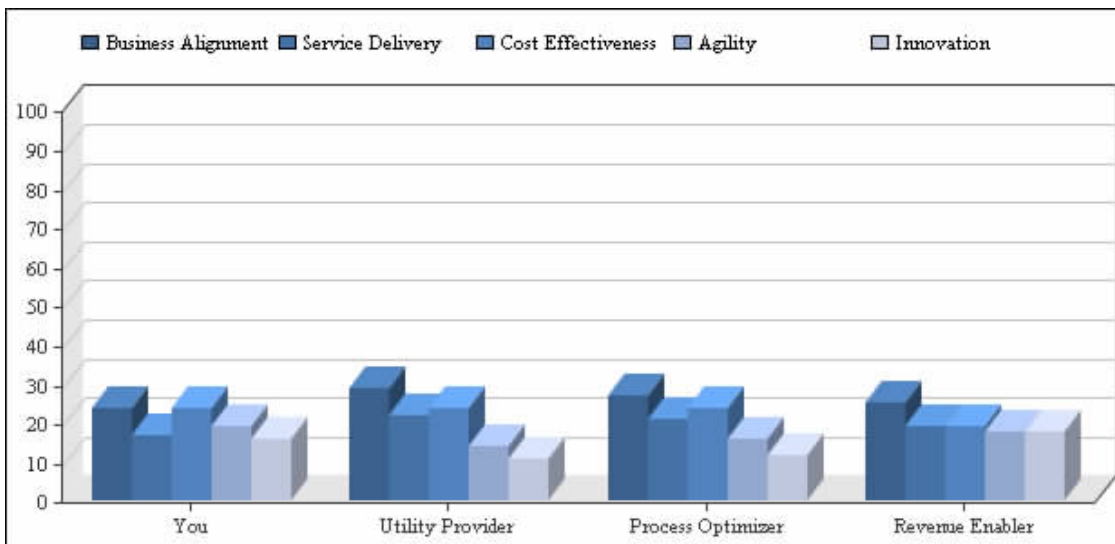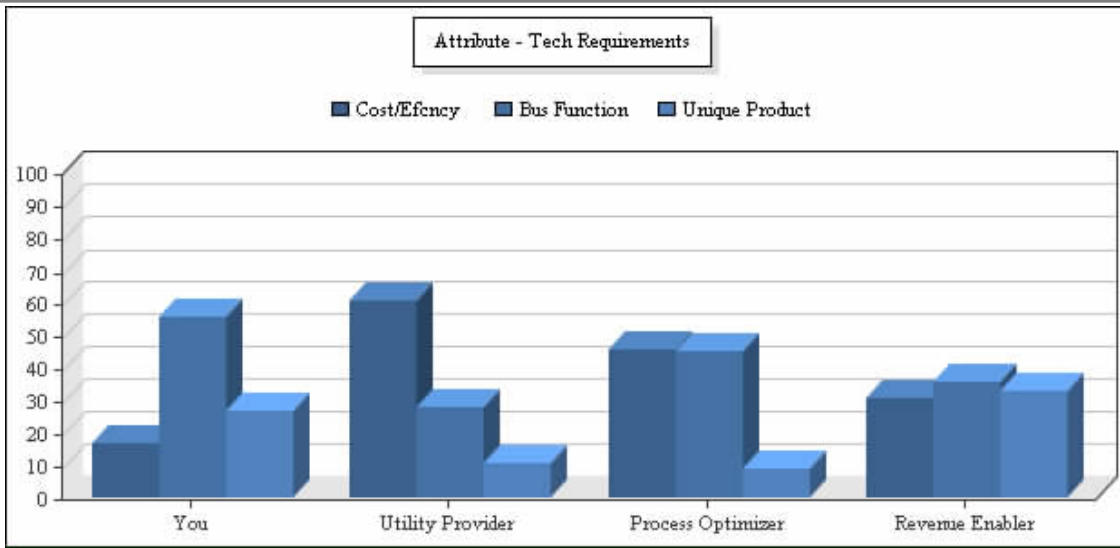
Value Archetype Details

This section compares your answers to nine attribute questions, to the answers for the three archetype groups. Look for areas where your answer is significantly different than the others in your archetype groups. Significant differences highlight an area where your organization may need to change an attribute to better align with what is typical for others in your archetype group.
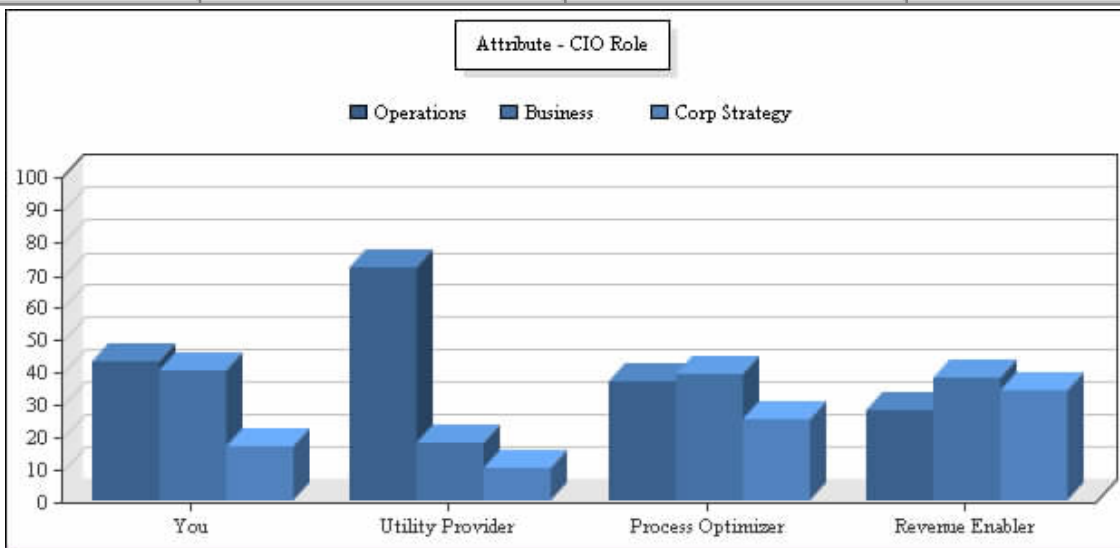
Purpose			
The primary way that my IT organization supports the overall business strategy is.	…provide common infrastructure and basic information management applications.	…enable business unit specific objectives and optimize key business processes.	…enable unique products/services that allow the organization to enter markets.
Your answers:	13	47	40

Attribute - Primary Purpose

■ Infras/Info   ■ BU Optimize   ■ IT Enabled $

Technology Requirements

| Technology requirements are determined by…	…cost efficiency, general information management objectives and ongoing infrastructure excellence.	…specific business function requirements and quest for business process optimization.	…enabling unique product or service with lasting market differentiation.
Your answers:	17	56	27

CIO Role

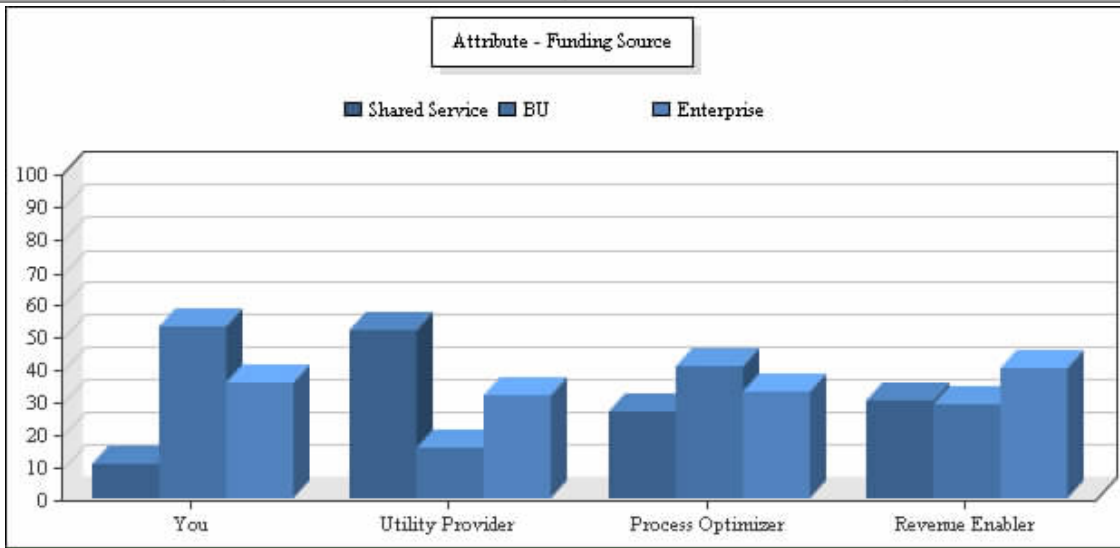| The CIO's primary role is…	…managing effective IT operations—with core competencies in the areas of resource management and execution. May be closely involved with major IT projects such as ERP implementation.	…as a business manager—with core competencies in the areas of leadership, communication, and BU executive relationships. May also manage other corporate functions.	…as a participant in setting corporate strategy—with core competencies in the areas of vision, new business initiatives and change. May delegate operations and technology.
Your answers:	43	40	17

CIO Reporting

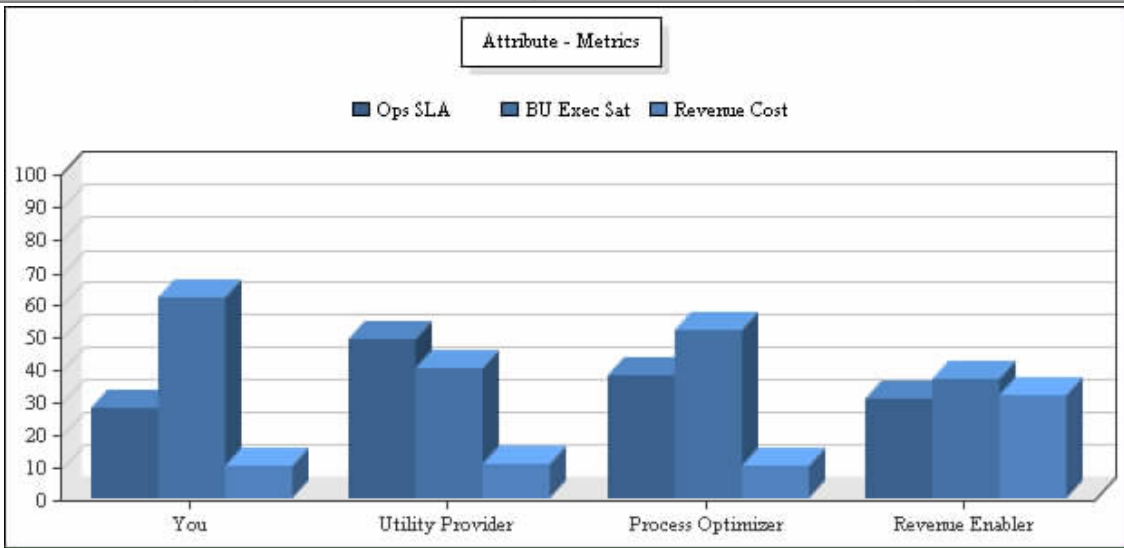| The CIO reporting and governance focus at my organization is…	…our top IT executive reports to the CFO or COO, and focus on operating efficiency and asset utilization.	…our top IT executive reports to Business Unit Executives, and focus on project management success and business process optimization.	…our top IT executive reports to the CEO, and focuses on IT portfolio management and strategic investment mix.
Your answers:	32	50	18
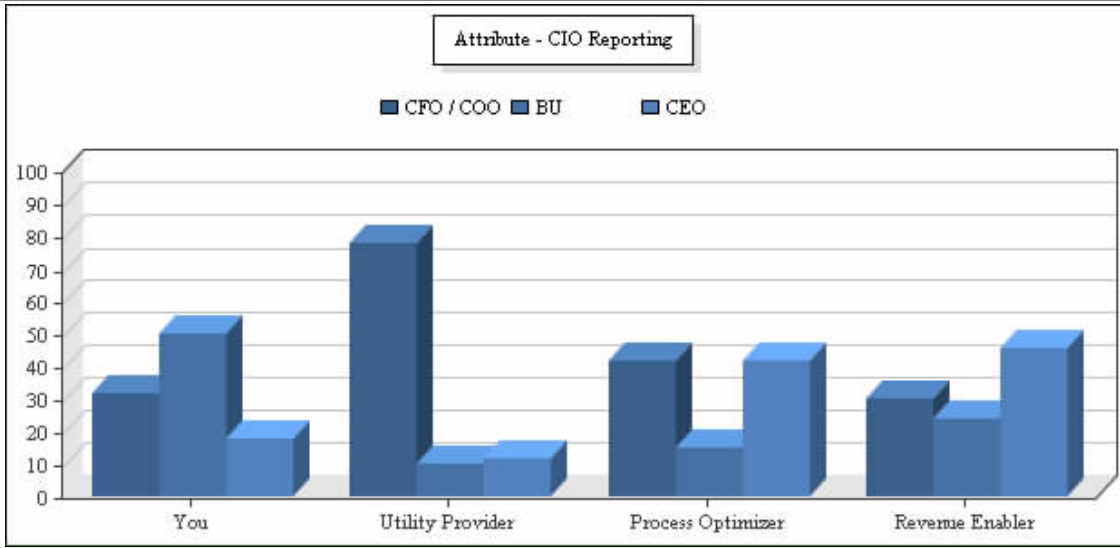
Funding

During the IT funding cycle at my organization…	…IT budgets are funded independently as a shared service.	…IT is funded as part of business unit budget cycle.	…IT is funded as part of enterprise strategic planning.
Your answers:	11	53	36

Metrics

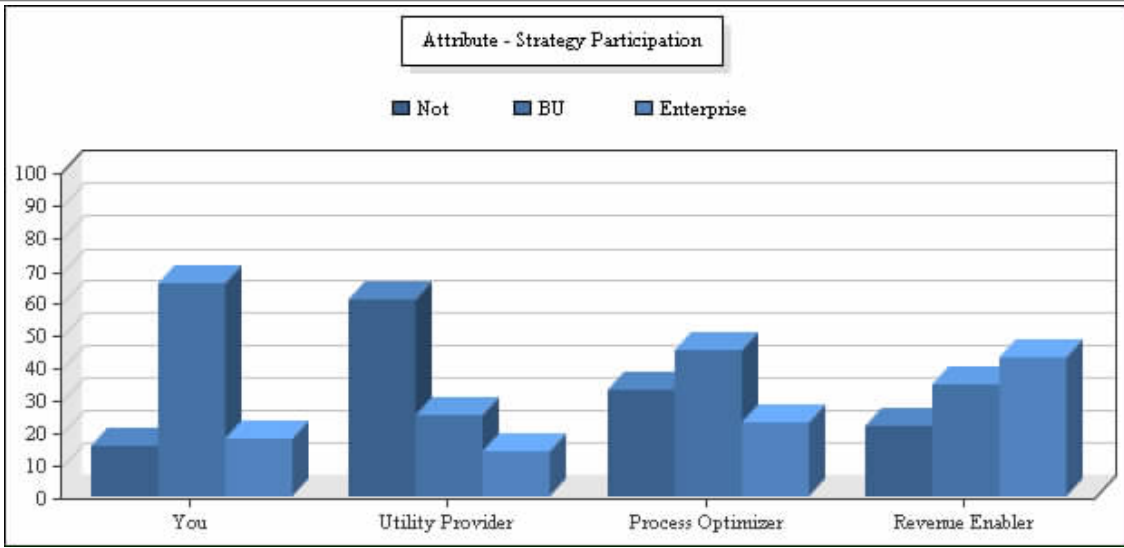| My IT organization uses success metrics that focus on…	…operating performance SLAs like availability, help desk responsiveness, user satisfaction scores, that indicate ongoing efficiency gains.	…business unit executive satisfaction about application functionality and whether projects are on time and on budget , that indicate that IT is delivering what's wanted when needed.	…enterprise level revenue contribution, that indicate IT's linkage to new sources of revenue.
Your answers:	28	62	10

Attribute - Metrics

■ Ops SLA   ■ BU Exec Sat   ■ Revenue Cost

	You	Utility Provider	Process Optimizer	Revenue Enabler

Business Strategy Participation

| IT executive's participation in setting business strategy…	…IT focuses on information issues – and is not involved in determining business goals and strategy.	…IT collaborates with business unit executives to help set and meet business function goals.	…IT assesses technology trends and competitive landscape to play proactive role in shaping business strategy.
Your answers:	16	66	18

Attribute - Strategy Participation

■ Not   ■ BU   ■ Enterprise

|	You	Utility Provider	Process Optimizer	Revenue Enabler

Competitive Advantage

IT helps create competitive advantage by…	…cutting costs, reducing inefficiencies, and enabling better decision making through optimized information management.	…optimizing business functions and business processes to differentiate products and services to better compete in existing markets.	…creating unique products and services that change rules of game in existing markets, or enable participation in new markets.
Your answers:	21	65	14

Attribute - Competitive Advantage

Cut Costs ■ Differentiate ■ Unique Offering
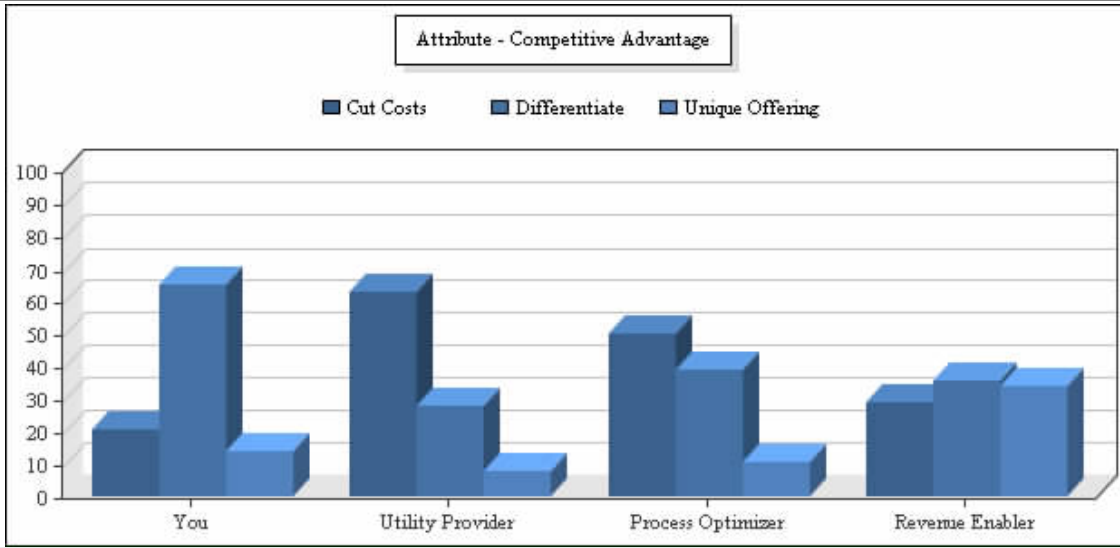
Investment Justification

IT investments are justified…	…by potential for cost savings and business process efficiency gain.	…with customer facing revenue or market share gains from existing products and services.	…based on increased revenue that is generated by entering new markets.
Your answers:	60	34	6

Attribute - Investment Justification

Cut Costs ■ Differentiate ■ Unique Offering
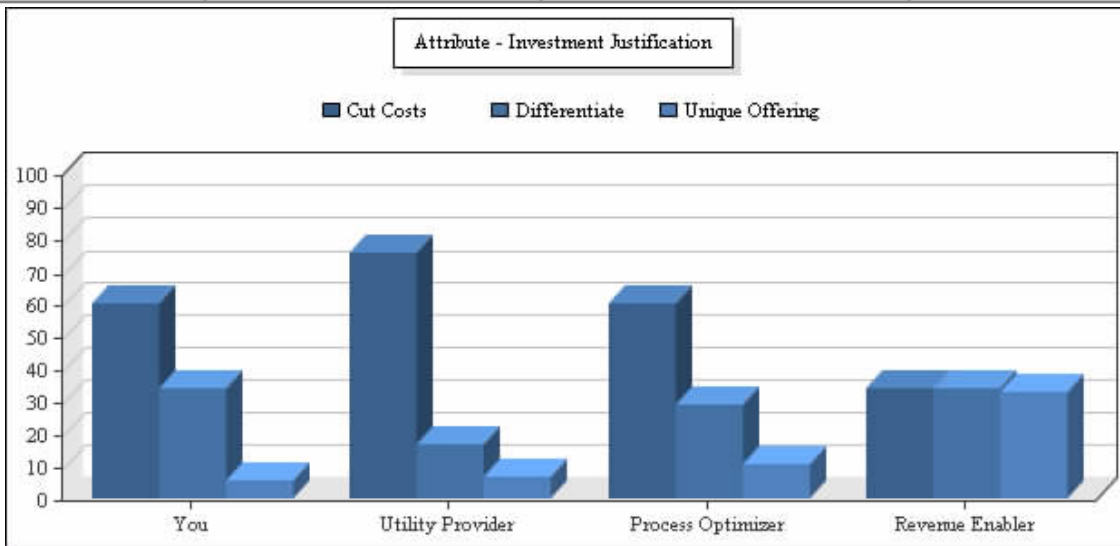
Strategic Alignment Practices - Details

This section compares your score on 49 strategic alignment practices tested, to the three archetype groups. Those identified as key performance drivers are bold font.

* Key Performance Driver

Strategy and Communication.	Your Score	Utility Provider	Process Optimizer	Revenue Enabler
			Average	
The business clearly identifies and communicates business strategy, key success factors, competitive advantage, goals and objectives (what the business is trying to accomplish)—so that IT has clear guidance	7	5.5	6.4	7.2
* The IT organization has a formal periodic process for identifying what is needed by the business	7	5.5	6.6	7.5
The IT organization has an informal or ad hoc approach to understanding what is needed by the business	4	6.4	6.0	7.0
* Understanding business needs is pervasive at the IT executive and VP level	7	6.4	7.4	7.8
Understanding business needs is pervasive at all levels of the IT organization	7	5.7	6.3	7.4
IT acts independently from the business when setting IT strategy and priorities	3	4.3	4.2	6.3
* IT acts in concert with the business when setting IT strategy and priorities	7	6.6	7.1	7.2
The IT organization has a formal approach for sharing IT strategy and priorities to get buy-in from the business (enterprise-wide and business unit specific executives)	7	5.7	6.6	7.0
The IT organization has an informal or ad hoc approach for sharing IT strategy to get buy-in from the business (enterprise-wide and business unit specific executives)	3	5.5	5.5	6.8
The IT organization doesn't share IT strategy to get buy-in from the business	2	2.7	2.5	5.4
Average:	5.4	5.4	5.9	7.0

Business Linked Metrics.	Your Score	Utility Provider	Process Optimizer	Revenue Enabler
We have a balanced set of IT performance metrics that include business-linked measures such as business process efficiency, market share gains, revenue growth	2	4.4	4.9	6.8
IT service levels are measured at the system level (i.e., server availability)	1	6.4	6.6	7.1
IT service levels are measured at the application level (i.e., transaction monitoring)	4	5.2	6.1	7.0
IT service levels are measured at the business process level (i.e., completed orders)	6	4.7	5.2	7.0
My IT organization benchmarks our operating performance against other IT organizations	4	4.3	4.6	6.5
We regularly assess the IT capabilities of our competition to identify areas for potential IT enable product or service differentiation.	5	4.6	4.6	6.9
We have continuous improvement program that involves business managers to help set and achieve performance goals for key IT processes.	1	4.8	5.5	7.2
IT participants in business process improvement programs to help identify ways that IT can help achieve business process performance goals.	8	5.3	6.2	7.4
We tie executive bonus and promotion to customer satisfaction and retention, revenue or other customer facing business metric – in order to focus IT executives on business drivers.	1	3.4	4.5	7.3
Average:	3.6	4.8	5.4	7.0

Governance.	Your Score	Utility Provider	Process Optimizer	Revenue Enabler
IT executives are involved in business strategic planning.	7	5.0	7.2	7.7
Business executives are involved in IT strategic planning	7	5.9	6.4	7.3
Our IT budget cycle is independent of business unit or enterprise budget approval.	2	4.0	2.9	6.0
* Our IT budget cycle is part of the business unit budgeting process.	8	6.4	7.6	7.4
Our IT budget cycle is part of enterprise strategic planning and funding.	7	6.8	8.0	7.7
* We have an effective process and methodology for justifying and prioritizing IT investment decisions.	7	6.1	6.4	7.6
Our IT investments are justified primarily by cost reduction and efficiency gain.	6	6.6	6.5	6.8
* Our IT investments are justified primarily by business process optimization that enables competitive advantage.	6	5.1	6.3	7.3
Our IT investments are justified primarily by strategic revenue opportunities.	6	3.9	4.7	7.1
Our process and methodology for justifying and prioritizing IT investment decisions addresses both shared service and business unit specific requirements.	7	5.5	6.4	7.3
IT has an executive role with primary job responsibility as liaison with the business to foster two-way communication of business needs and IT priorities and results.	7	5.1	6.9	7.6
IT hosts a cross-business steering committee to prioritize and allocate IT resources.	8	5.0	5.6	7.1
We utilize investment portfolio management practices to manage a strategy mix of IT investments.	4	3.6	4.1	6.8
We conduct regular resource allocation post-mortems to identify improvements on our IT strategy process.	6	4.0	4.9	7.1
* We have a strong track-record of rejecting bad projects.	8	4.8	5.4	7.0
Average:	6.4	5.2	6.0	7.2

Architecture.	Your Score	Utility Provider	Process Optimizer	Revenue Enabler
* My IT organization develops and enforces enterprise infrastructure standards	7	7.1	7.4	7.6
My IT organization has enterprise standard definitions for IT roles and responsibilities	8	6.4	7.2	7.9
My IT organization has criteria and process to determine how to balance enterprise architecture standards with the unique business needs that may require the use of non-standard infrastructure.	7	5.8	6.4	7.6
We systematically and aggressively integrate acquired companies into our enterprise standard architecture with very few exceptions.	8	4.9	4.4	6.6
We actively define approved configurations and enforce compliance with standard configurations.	8	6.5	6.9	7.7
* We actively identify opportunities to use emerging technology to reduce costs, optimize business processes, enable new sources of revenue.	7	6.2	6.7	7.7
Average:	7.5	6.2	6.5	7.5

Business Skills.	Your Score	Utility Provider	Process Optimizer	Revenue Enabler
We put significant efforts into developing project management skills and processes to ensure business prioritized IT projects are delivered on time and on budget.	6	5.8	6.5	7.5
* We have a project management office function to provide oversight to business prioritized IT projects.	8	4.4	5.1	7.1
All IT employees attend training to develop attitudes and culture to enable change readiness.	2	4.2	5.2	7.1
IT executives cross over and manage other business functions.	1	2.9	3.9	6.7
Our IT organization has a process culture where following documented processes and procedures is a normal job expectation and not following standard procedures has consequences	8	5.0	5.7	7.2
We have made significant effort to identify functions we can outsource or utilize 3rd party service providers that match our business objectives.	7	5.2	5.8	6.8
IT has dedicated finance personnel to help evaluate prioritization and resource allocation decisions.	1	4.2	4.5	6.9
* We proactively educate all IT personnel on our overall business strategy, goals, key success factors, and competitive advantage – so everyone in IT has business context to help make daily decisions.	7	5.2	6.1	7.6
We proactively educate all IT personnel on our IT strategy including how IT helps meet business objectives – so that everyone in IT understands how IT adds value to the business.	7	5.1	6.4	7.6
Average:	5.2	4.7	5.5	7.2

Strategic Alignment Performance Measures - Details

Business Alignment. How well your IT organization prioritizes IT resources based on both overall enterprise and specific business unit needs.

Business Alignment.	Your Score	Utility Provider	Process Optimizer	Revenue Enabler
My IT organization consistently and effectively identifies what is needed by the business – including business strategy, key success factors, and goals and objectives	6	6.3	7.1	7.6
My IT organization consistently and effectively develops IT strategies and objectives that are designed to meet the needs of the business	7	7.0	7.5	7.8
Our overall IT spending mix (capital and operating budgets) on applications, infrastructure, human resources and 3rd party services -- is very well aligned with the needs of the business	4	6.8	7.0	7.5
Average:	5.7	6.7	7.2	7.7

Service delivery. How well your IT organization delivers services needed by the business—both centralized shared services and business specific IT capabilities.

Service Delivery.	Your Score	Utility Provider	Process Optimizer	Revenue Enabler
IT services and capabilities are predictable and consistent across locations and business units	6	7.2	6.9	6.7
IT service and support levels consistently meet or exceed business prioritized service level requirements	6	7.1	7.1	7.4
My IT organization is proficient at managing IT systems and applications to optimize availability, performance and security at a level required for our business	8	7.7	7.8	7.7
Average:	6.7	7.3	7.2	7.3

Cost effectiveness. How well your IT organization delivers IT capabilities at a reasonable and/or competitive cost.

Cost Effectiveness.	Your Score	Utility Provider	Process Optimizer	Revenue Enabler
We manage costs by consolidating and simplifying our infrastructure, including data center consolidation, architecture standardization and configuration simplification	7	7.3	7.4	7.1
We manage costs by optimizing the overall IT and business application portfolio to minimize redundant applications that perform the same or similar functions	8	6.8	7.0	7.4
We manage costs by sourcing 3rd party services while maintaining in-house services that optimize unique business capability	7	5.7	5.9	6.5
Overall, we provide IT capabilities to the business at or below average cost as compared to our competition	8	7.4	7.2	7.5
Average:	7.5	6.8	6.9	7.1

Agility. How well your IT organization is able to respond to changing business needs.

| Agility	Your Score	Utility Provider	Process Optimizer	Revenue Enabler
We consistently deliver business prioritized projects on time, on budget and with the functionality that was requested to meet desired business results	5	6.9	6.6	7.0
We proactively and effectively balance unique and specific business requirements with the need for enterprise-wide IT architecture standards and capabilities	7	7.0	7.0	7.2
Overall, enterprise-level and business unit level executives give IT high marks for being able to respond to and address changing business needs.	7	6.5	6.9	7.5
Average:	6.3	6.8	6.8	7.3

Innovation. How well your IT organization is able to innovate or leverage new technology to meet changing business needs.

| Innovation.	Your Score	Utility Provider	Process Optimizer	Revenue Enabler
My IT organization consistently and effectively finds new ways to help the business meet cost, competitive advantage, and new product/service objectives	7	6.6	6.7	7.2
My IT organization focuses innovation efforts on specific business objectives and minimizes efforts to simply stay on the technology treadmill	7	6.5	6.6	7.5
Overall, my IT organization is more effective than our competitors at introducing new technology to meet business priorities	7	6.3	6.7	7.6
Average:	7.0	6.5	6.7	7.5

Participant Demographics Overview

269 North American based IT managers and executives completed a web-based survey in October 2007. A broad range of industries as shown below, with most in the financial and insurance, and manufacturing industries are represented.
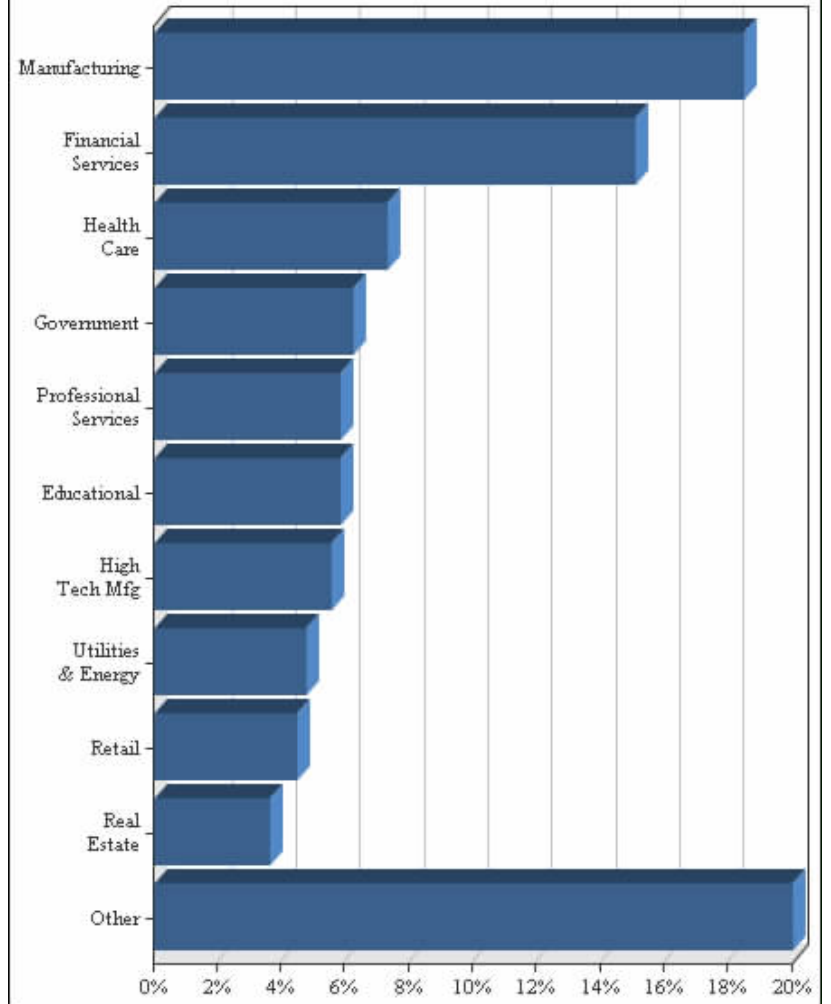
Respondent Title
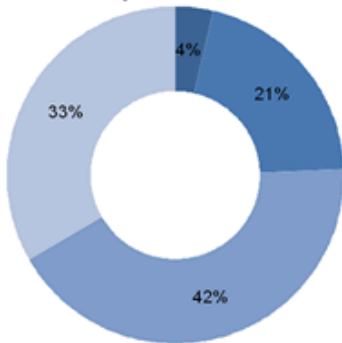
- Individual Contributor
- Manager
- Director
- VP/Executive

Annual Revenue
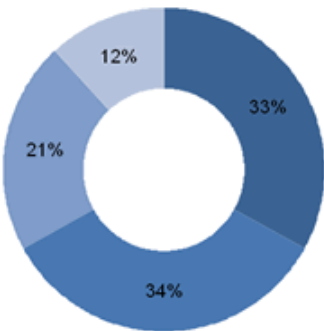
- $100M - $250M
- $251M - $1B
- $1B – 10B
- > $10B

Industries Represented

Additional Resources:

Visit the ITPI website for more information on the IT Strategic Alignment performance study.

http://www.itpi.org/home/research_reports.php

For questions or comments about this benchmark, please contact:

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