

How Innovative IT Organizations Are Winning in a Down Economy

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First Steps

A cio.com October 2008 survey of 243 IT executives revealed that nearly 75% of companies are reducing or leaving unchanged their 2009 IT budgets – over DOUBLE the amount that indicated the same in March 2008¹. The current economy has forced massive IT budget reductions in companies everywhere. Traditionally, this has meant across-the-board cuts throughout IT organizations, and often times, layoffs. Smart IT organizations are doing it differently, and with success.

IT leaders tasked to cut their budgets should resist making blind cuts. Instead, they should focus on improving their internal processes and the business processes that IT enables and supports. Working with the business leaders on this can result in significantly greater cost savings than by simply chopping off the top.

It starts with working with business leaders to convene a cross-functional group to identify and analyze a process by looking in detail at the steps of the process and determining which of those steps add value to the customer (internal or external), and which steps do not. Those that do not add value are labeled as “waste” and should be targeted for elimination. The group then brainstorms actions that will eliminate the waste. These actions may or may not involve technology. Once identified, an action plan is put together and the future state process documented and implemented.

Given the proper focus and resources, the identified processes can be reviewed and analyzed in days, not weeks or months. This rapid focus allows organizations to quickly reap the benefits of the group’s actions. Those items that are “long lead” are tracked, and implemented as soon as possible. This ‘Lean’ approach to IT and business processes can provide a company immediate results, and position it for growth and expansion when the economy recovers.

Identifying and improving a process is the first stage of New Age Technologies IT2x Framework – the Business Process Assessment (BPA). The IT2x Framework provides an organization with a structured methodology to implement a process improvement approach, whether the IT organization is working across the company on business processes (IT2B), or looking internally at its own IT processes to make them more efficient (IT2E). Organizations that utilize the IT2x Framework will also achieve better [IT alignment to the business](#).

Let us show you how we can help! We would be happy to discuss how our approach can help you eliminate waste, lower costs, and improve efficiencies.

¹ [http://www.cio.com/article/458317/CIO s IT Budget Survey Results July Jitters Turn to October Fear](http://www.cio.com/article/458317/CIO_s_IT_Budget_Survey_Results_July_Jitters_Turn_to_October_Fear)