Information and Communications Technology Strategic Planning Process – Information Sheet

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# ICT Strategic Planning Process – information sheet

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</table>
Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table of Contents</td>
<td>ii</td>
</tr>
<tr>
<td>1. Introduction</td>
<td>1</td>
</tr>
<tr>
<td>2. ICT Strategic Planning Process Steps</td>
<td>2</td>
</tr>
<tr>
<td>Step 1 Develop ICT Strategic Vision</td>
<td>2</td>
</tr>
<tr>
<td>Step 2 Develop ICT Requirements</td>
<td>4</td>
</tr>
<tr>
<td>Step 3 Develop ICT Strategy</td>
<td>6</td>
</tr>
<tr>
<td>Step 4 Obtain Commitment to ICT Strategy</td>
<td>7</td>
</tr>
</tbody>
</table>
1. Introduction

This Information Sheet describes the process involved in researching and developing an Information and Communications Technology (ICT) Strategic Plan. It complements the ICT Strategic Planning Guideline.

The detailed planning steps set out in this Information Sheet include suggested mechanisms for addressing the Government’s ICT priorities, as well as actions to ensure that each agency’s individual strategic and corporate, business goals and Results and Services Plans and Asset Strategies are supported effectively by Information and Communications Technology.
2. ICT Strategic Planning Process Steps

Step 1       Develop ICT Strategic Vision

Step 1.1    Review Corporate & Business Unit Goals, Drivers & Strategies

Planning Activities:

- Understand the external drivers of corporate and business plans, and the development priorities and goals of the agency in response to these. Identify major strategic issues, such as Cabinet decisions, legislative changes, the agency’s Service Delivery Plan and budget funding, and their likely impacts on future actions.
- Ensure a comprehensive understanding of the customers of the agency and the services it provides or plans to provide to them.
- Identify opportunities and plans for business unit, whole-of-agency and multi-agency or cross government services and business initiatives.
- Review and understand planned reforms or developments in the agency and its management, structure, services and business processes.
- Identify, at a high level, the information and business systems required by the business processes.
- Clearly identify and define, at a high level, the business benefits sought from planned reforms.
- Identify current, new or changed performance indicators, performance targets and key result areas of the agency and its business units.
- Identify key relationships between business drivers, business units, business processes, business reforms, and information and business systems requirements.
- Clearly identify the relevant government policies, standards and other guidelines driving changes to the business objectives of the agency or influencing ICT strategies.
- Involve key stakeholders in reviewing the business drivers and emerging issues affecting the agency.

Step 1.2    Assess Technology Opportunities

Planning Activities:

- Investigate new and emerging technologies and their possible application.
- Investigate current and planned use of technologies by other organisations with similar or comparable needs.
- Investigate current or planned infrastructure that might provide opportunities for joint or cooperative use with other organisations.
- Identify mechanisms to encourage joint use of common ICT infrastructure and sector based initiatives.
- Assess any problems or limitations occurring with existing information systems, telecommunications and information technology infrastructure.
ICT Strategic Planning Process – information sheet

- Review the government best practice guidelines in relation to Information Management, Information Security, Use of the Internet, etc to identify any areas that need to be strengthened. Develop strategies to strengthen these areas.
- Ensure that a ‘Technical Proof of Concept’ study is undertaken and reviewed for all major projects valued at more than $10 million.
- Assess the alignment of existing or planned projects with the agency ICT architectures and platforms and justify any proposed variation for individual projects or systems. Identify the cost and support implications of maintaining separate architectures.

Step 1.3 Define ICT Strategic Vision

The ICT Strategic Vision is defined by reviewing, refining and consolidating the outcomes of Steps 1.1 and 1.2.

Planning Activities:

- Write the statement of the agency’s ICT Strategic Vision.
- Review and refine the business benefits anticipated from achieving this ‘vision’.
- Consolidate descriptions of the information, systems and technologies needed to achieve the ‘vision’. Preliminary decisions are made here as to whether or not changes in particular business processes or objectives require changes in the ICT environment. Assess the impact on the business, budget, other agencies, staff, clients, etc.
- Identify and carry out a high level assessment of alternative approaches or streams of activity. Note that this step needs to be carried out largely in parallel with part of Step 2 below.
- Identify the measurable outcomes and specific deliverables for ICT activities over the planning period.
- Validate and gain support for the strategic vision through consultation with key stakeholders within the agency and in any other relevant agencies. CEO, Executive Management team (and, possibly, Ministerial) support is required at this stage.

As planning is an iterative process, performance of Step 1.3 may create a need to review conclusions from either of the prior steps, 1.1 and 1.2.

**Step 1 Checkpoint:**

The objective of the checkpoint at this stage is to ensure that the CEO, the Executive Management team and key Business and ICT Managers understand and agree the role that ICT will play in supporting strategic and corporate objectives, business needs, Results and Services Plan (RSP) outcomes, budget funding and asset strategies. Such agreement provides a valid basis for moving on to define the more detailed ICT requirements and the strategies for meeting them.
Step 2  Develop ICT Requirements

Step 2.1  Identify Current ICT Situation

Planning Activities:
The key activities involved in assessing the current ICT situation are to:

- Identify existing, in-progress and planned systems;
- Identify business systems;
- Identify information holdings / management;
- Assess the ICT environment;
- Review governance/management arrangements;
- Review achievement of planned outcomes and benefits delivered from ICT activities in prior planning periods. See Benefits Management Plan
- Formulate discussion papers and assessments as inputs into the analyses of requirements (Activities 2.2 through 2.5), and as a basis for assessment of alternative strategic directions. Validate through consultation with key stakeholders within the agency and in any other relevant agencies.

Step 2.2  Develop Business Systems Requirements

Agencies are required to focus and prioritise their ICT strategic directions on improving government service delivery and internal business practices and accelerating online service delivery. Agencies need to consider initiatives that support stated Government policy and business objectives, contribute to agency Strategic and Corporate Plans and Results and Services Plan (RSP) outcomes, deliver value for money, support business integration and consolidation and accelerate enhanced service delivery. Consequently, the Department of Services Technology and Administration will focus its review of agency ICT strategic plans on how well agencies are intending to meet these objectives.

An assessment of business system requirements should include current business needs, identified business reform projects, and support required for strategic and corporate objectives and Results and Services Plan (RSP) outcomes. This assessment should establish high-level functional requirements, priorities and desired service levels.

Further analysis may identify a need to introduce new business systems, retain or decommission current systems, continue, modify or cancel current business system projects, or retain, modify or cancel existing business system plans.

For each identified requirement other than a decision to preserve the status quo, a project brief and business case will need to be developed. This is described later, in Step 3.2.

The analysis also seeks to identify those business systems that may be grouped or combined for common use by more than one business process, and those which are specific to a single business process.

The result of this analysis is usually termed a Business Systems Architecture, which identifies the current and required business systems, their usage and the relationships between them. Wherever there are identified opportunities for whole of government or coordinated multi-agency initiatives, the business systems architecture needs to span multiple agencies.

A Business Systems Architecture is closely related to, and usually developed in parallel with, an Information Architecture, which is described later in Step 2.3.
Step 2.3 Develop Information Management Requirements (Information Needs Analysis)

The Information Needs Analysis should consider the needs of the whole agency as well as the individual business units. This process includes lifecycle management considerations such as: what information will be collected, how it will be stored and maintained, where can it be accessed, who can use it, and when will it be disposed of?

It also includes characteristic management considerations such as: to what level of detail will information be defined, who should be made responsible for it, how will its sensitivity be protected and its quality preserved, and how can it be made more accessible? See the Information Management - Framework Guideline for more detailed information.

The analysis may identify a need to introduce new information holdings; retain or dispose of current information holdings; continue, modify or cancel current information management projects; retain, modify or cancel existing information management plans.

The result of the analysis is sometimes called an Information Architecture which identifies what information is currently held by the agency and what information is needed over time to achieve the agency’s business outcomes. For details see the Information Management - Inventory Guideline.

Across Government initiatives, such as coordinated customer services, require a coordinated information infrastructure which spans multiple agencies. This is achieved through cross-agency information sharing. The analysis will need to accommodate these external requirements. External requirements may also extend to agencies in other levels of government or to private sector organisations.

For each identified requirement other than a decision to preserve the status quo, a project brief and business case will need to be developed. This is described in Step 3.2.

Step 2.4 Develop Information Technology Requirements (Information Technology Needs Analysis)

The Information Technology Needs analysis should establish a high level definition of technology and telecommunications requirements, priorities, standards, desired service levels and characteristics such as performance, security and availability. This process is designed to analyse whether user needs are satisfied; and, if not, whether anything needs to be commenced within this planning cycle to redress the deficiency.

This analysis should also examine the agency’s Asset Strategy and Total Asset Management (TAM) Plan to ensure that all ICT components have been included in the TAM Plan. The agency’s holistic TAM Plan (covering all assets, not just ICT) should be examined to ensure that all maintenance and renewal cycles for critical ICT systems and infrastructure have been accommodated in the ICT Strategic Plan.

The analysis may identify a need to introduce new ICT infrastructure, retain or decommission current ICT, continue, modify or cancel current ICT projects, retain, modify or cancel existing ICT plans.

Across government initiatives and provision of coordinated customer services may require a common ICT infrastructure shared between multiple agencies. In some cases, however, a unique technology requirement may be determined for an individual business system, possibly separate from the common infrastructures. Such cases should be relatively uncommon, and should be assessed on their merits against the potential advantages of using a common infrastructure. Wherever there are identified opportunities for across government or coordinated multi-agency initiatives, the ICT architecture needs to span multiple agencies.
ICT Strategic Planning Process – information sheet

For each identified requirement other than a decision to preserve the status quo, a project brief and business case will need to be developed. This is described in Step 3.2.

Step 2 Checkpoint:

The checkpoint at the end of Step 2 serves to underscore the parallel nature of the planning process. There are two key purposes for this checkpoint:

- To ensure consistency and completeness between the vision and the more detailed requirements which must be met in order to achieve the vision;
- To ensure that Business Managers have identified and are committed to achieving business benefits as a result of meeting the requirements and achieving the vision.

Step 3 Develop ICT Strategy

Step 3.1 Identify/Develop Strategic Directions

Planning Activities:

The principal planning activities at this stage are:

- Review the overall priorities of the strategic and corporate plans and business plans, and the timing of key initiatives;
- Group major projects (identified in Steps 1 and 2) according to their priority and contribution to corporate objectives, business strategies and Service Delivery Plans (Results and Services Plan (RSP) outcomes);
- Group other projects according to their mutual inter-relationships and dependencies. Identify any priority or timing conflicts between business needs and inter-project dependencies. Attempt to resolve conflicts by re-prioritising and/or by identifying "migration" or "bridging" projects if necessary;
- Assess potential alternative project strategies (including the "do nothing" option) and prepare preliminary economic evaluation of proposed projects/project streams;
- Consolidate the key projects/project streams and ensure that they all contribute consistently to achievement of identified business benefits and RSP outcomes; they position the enterprise to respond to current and predicted changes in the environment and ensure responsibilities and accountabilities for individual projects and for the strategic program as a whole are clearly defined and understood;
- Identify and detail the measurable outcomes and specific deliverables and benefits that will be achieved by undertaking the strategies and projects outlined in the proposed ICT Strategic Plan;
- Develop an overarching Benefits Management Plan to assist in managing the achievement of the benefits identified in the ICT Strategic Plan (see Benefits Management Plan Guideline; and
- Validate and obtain agreement from key stakeholders to the overall strategy and its key projects.
Step 3.2 Develop Project Briefs and Business Cases

At the time of drawing together an ICT Strategy there will potentially be three classes of projects:

- Projects in progress that have business cases that were developed in previous planning cycles, and whose future will have been determined during Step 2 - Develop ICT Requirements;
- Planned projects where full business cases have been developed;
- Identified projects, needed to achieve the strategic vision and meet the established requirements and for which further work is needed to develop a full business case;
- The majority of this information will be retained by the agency for developing detailed business cases for funding. However, a summary for each project should be included in the ICT Strategic Plan using Form 3 – Project Briefs.

Step 3.3 Identify Interdependencies

The objective of this step is to summarise clearly the business outcomes and benefits, determine the measures of success by which implementation will be judged, and ensure conformity with whole of government and corporate policies and strategies. In particular, it is necessary to ensure that:

- Each planned initiative integrates (as appropriate) with all others, according to the system, information and technical architectures that were developed in Step 2;
- Each initiative adds value to all others, so that the sum of the projects contained in the strategy provides added value or business benefits without unnecessary duplication and without unknown gaps.

**Step 3 Checkpoint:**

*Any of the parts in Step 3 may force a review of and modification to any or all of the preceding steps. In particular - issues arising from the detailed level of project planning may require a re-examination of the overall vision and strategy developed in prior steps. The results of the preliminary economic evaluation may require a review of the strategy and/or any of its component projects.*

Step 4 Obtain Commitment to ICT Strategy

The purpose of this step is to ensure that all approvals are in place, necessary management commitments are obtained and the implementation of the strategy will realise the anticipated business benefits.

Step 4.1 Refine & Draft Strategy & Obtain Approval

A draft ICT Strategic Plan will be prepared using the ICT Strategic Plan template.

Ensure that appropriate input is received during the preparation and refinement of the ICT Strategic Plan. This should include the ICT Steering Committee comprising representatives of senior management, end-user business units and ICT professionals.

It is essential that the ICT Strategic Plan obtain endorsement and active support from the CEO and the Executive Management Team, as it forms part of the plan to achieve strategic and corporate objectives, Service Delivery Plans and Results and Services Plan (RSP) outcomes and meet wider government and business needs.
Step 4.2 Finalise Strategy and Obtain Commitment

The principal direct accountabilities for achieving benefits will lie with those business managers who ‘own’ business reform projects. Indirect, but very important, accountabilities will rest with the CIO or the ICT group for provision of the infrastructure and facilities to enable the business reforms to be implemented.

Once the overall ICT Strategic Plan and its principal projects/project streams are approved, the CEO must ensure that accountabilities for delivering benefits are defined and accepted in management performance agreements and that appropriate monitoring and evaluation processes are in place to ensure that the anticipated benefits are realised. See Benefits Management Plan Guideline, which provides a structured process for agencies to manage and demonstrate the achievement of benefits by the ICT Strategic Plan.

Finally, it is considered good practice to communicate the approved ICT Strategic Plan to all affected parts of the organisation. This may be done through presentations or other means appropriate to the organisation.

Step 4 Checkpoint:

This checkpoint provides an opportunity for final review by the executive and business managers. Theoretically this may result in a need to review any parts of the strategy at this stage in order to obtain approval. In practice, however, support and endorsement should have been built up through a process of frequent involvement and review throughout the planning process, and particularly at each of the other major checkpoints. This should minimise the impact of the final review.