

# Business-IT-Partnership: It's complicated

*Nothing runs without IT: In the era of digitalization the partnership between business and IT is more essential than ever, but the partnership is running into trouble.*

## IT: Core of the digital agenda

Digitalization is not a buzzword anymore, but part of any management board agenda. Business departments strive for launching new innovative products and services ever faster. Therefore, one thing is definite: There is no digital future without adequate information technology.

In theory, IT should act as a business partner. As the central interface within the company, it connects all business operations and processes, forming the platform for digitalization. In reality, a perfect relationship between business and IT is rare.

## Business versus IT: a risk

In reality, the IT unit is often heavily occupied with legacy systems and historically grown complexity. IT lost its innovation capabilities. The mutual perception is IT as "the guard of legacy" versus business as "a dreamer without IT know-how".

In extreme cases both business and IT units have given up on each other. In those situations, business units start to develop digital products and services on their own. The IT is left with their integration and operation. In some cases, the IT unit is entirely sidelined.

This is a risk. Innovative projects increasingly tend to overrun timelines and budgets, or even fail entirely. The IT unit increasingly develops to a cost and complexity driver instead of a digitalization driver.

## The concept of a good relationship

To fully spark the digitalization potential of a company, effective collaboration between IT and business is required ("Business-IT-partnership"). For this purpose, the organizations need to find common cultural ground – and therefore change their mind-sets.

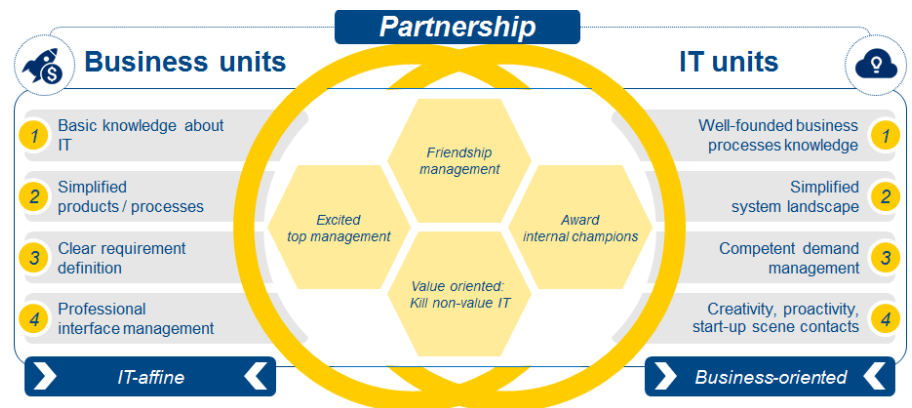


Figure: The Business-IT wedding ring

The concrete suggestion is:

- ➔ Business units need to become IT oriented
- ➔ The IT organization has to become business oriented

In this, we see four goals of collaboration:

1. **Understand each other:** Business units and IT have to develop a mutual understanding of each other. This can be facilitated with collective workshops or training. We strongly recommend IT courses for executive management.
2. **Remove legacies:** Both sides need to reduce their complexity to create space for innovation. This means to systematically clean up the IT landscape, as well as the product and business process portfolios within the business.
3. **Do the right things:** Business units need to know their requirements and be able to define them precisely. Therefore, the IT unit must be able to proactively consult the business.
4. **Do things right:** Departments have to adapt their ways of working to each other. The IT unit needs to be proactive, creative and innovative. This can be achieved with good management. Business units have to professionally manage their interfaces with IT.

## “Marriage counselling”

To stimulate the transformation of both departments, additional impulses are essential:

- **Electrification of top management** for digitalization, and hence the benefits of successful collaboration
- **Active friendship management** between the units to enable proactive collaboration
- **Award internal champions** to promote success stories within the organization
- **Establish value orientation** and consequently cut off “non-value” IT to set clear direction

## Every relationship is unique

At the end of the day one essential aspect should not be neglected: Every organization is unique. Therefore, the challenge is to understand how the individual “marriage counselling” has to be designed.

### Contact:

**Dr. Fabian Doemer**  
 Managing Partner Central Europe,  
 Head of Information Management  
 Practice CE  
 doemer.fabian@adlittle.com