

Chapter 4.1

I–Fit: Optimizing the Fit between Business and IT

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ABSTRACT

This document summarizes the initial findings of the I-Fit research project that started in August 2006 as a joint activity of a regional ICT consultancy and a university research center. The main goal of the project is to help the consultants to improve alignment between business and IT in the client organizations. The I-Fit project takes the perspective of the business manager: how a business manager can influence and increase the value of the IT services that he receives. Based on the literature on strategic alignment

and Information quality, we develop the I-Fit model. The model assumes causal relationships between IT governance, Strategic Alignment, Information Quality, and Business Performance in an organization.

INTRODUCTION TO I-FIT PROJECT AND ITS OBJECTIVES

The I-Fit research project is a joint effort between KZA and Tilburg University and aims to further develop the alignment model.

The objectives of the I-Fit project are: To predict the impact of the business environment on the IT function in an organization, and to identify and manage the factors that influence the Information services in an organization.

The starting point of both the I-Fit project (and this chapter) is the well-known Strategic Alignment Model (Parker, Benson, & Trainer, 1989; Henderson & Venkatraman, 1991). Strategic alignment, or “business-IT alignment,” intends to support the integration of IT into business strategy. The classic “Strategic Alignment Model” distinguishes between the business domain (business strategy and business processes) and the technology domain (information strategy and IT processes, including systems development and maintenance) in an organization.

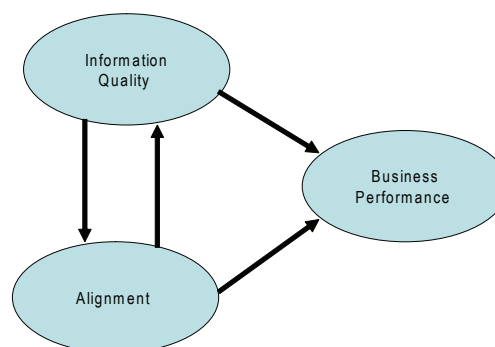
The I-Fit project focuses on three issues: identifying the key alignment processes, identifying performance indicators for alignment processes, and developing methods to improve alignment.

The deliverables of the I-Fit project include instruments or tools:

1. To provide insight for business managers in the IT consequences of decisions on Information services,
2. To support business managers to control Information services, based on alignment processes, and
3. To design strategies for the IT domain in order to maximize IT value added for the business, and (possibly) for benefits management.

This chapter summarizes the first three building blocks (Information Quality¹, alignment, and Business Performance (Figure 1)) for the creation of these tools. We briefly discuss two case studies within the project, and conclude with a generic framework addressing the relations between IT governance, Alignment Processes, Information Quality, and Business Performance. We also discuss the next steps of this I-Fit project for interested readers.

Figure 1. Building blocks for the I-Fit project



Note: The arrows indicate some possible relations between alignment, information quality and business performance

LITERATURE REVIEW

Information Quality

Our work is based on Roest (1988), Van der Pijl (1994a, 1994b), and Vermeer (1999) and denotes a typical Dutch or European perspective on information management. In this perspective, the quality of information (coming from information systems) is the key issue to explain business success. The USA approach differs since it aims to explain business success not by focusing on information, but on information technology and information systems.

The well-accepted definition of information quality is “the degree to which information is fit for use” or “fitness for purpose” (Klobas, 1995). Therefore, information quality on the highest level can simply be determined by asking for user satisfaction. However, this does not provide insight into the origins of quality failures. To analyze the origins, information Quality can be determined in two distinct ways, also known as the teleological and the causal perspective (Van der Pijl, 1994a) (Figure 2 shows these two perspectives). In the I-Fit project we use these two perspectives to determine the quality of information.

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