State of ICT-Business Alignment: A Case of Zimbabwe

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ABSTRACT

Considering the dynamic nature of ICT and its contribution to business growth and prospects which later translate to national development and prosperity, the aim of this research was threefold: study and examine ICT-business alignment cases in Zimbabwe, establish the current state of ICT-business alignment in the Zimbabwean business sector, and determine factors that have a propelling or frictional effect on alignment transition. The research results indicated that ICT and business executives in Zimbabwe appreciate that ICT contributes positively to business growth and sustainability of their organizations. However, the majority of these executives do not understand and apply the concept of IT-business alignment in their organizations. Another notable result was that to achieve alignment in a turbulent environment there are many factors that have a propelling or dragging effect on alignment. The factors have differing magnitude of effect on alignment as such a critical analysis of each factor is required.

Keywords: Alignment Indicators, Enablers, Information Communication Technology-Business Alignment, Inhibitors, Potential Alignment

INTRODUCTION

Besides being a key source of competitive advantage (Almajali & Dahalin, 2011; Lê & Czekalski, 2006; Henderson & Venkatraman, 1993; Luftman & Brier, 1999), alignment has been a top priority for executives (Saat, Winter, Franke, Lagerström, & Ekstedt, 2011) and has captured the attention of researchers and practitioners. In a quest to demonstrate how alignment has shaped the business sector from a developing economy perspective, this paper seeks to establish the general state of alignment and factors that have a propelling or frictional effect on the momentum gained by businesses in Zimbabwe towards achieving proper IT-business alignment (ITBA). Taking a case study approach, instances of alignment were studied and critically reviewed to determine the general state of alignment in Zimbabwe as well as critical factors that enable or inhibit alignment.

The next section of this paper discusses relevant previous work on alignment, followed by an outline of materials and methods used in
this research. The last section gives a detailed discussion of the results and conclusion of the work.

LITERATURE REVIEW

ICT as a resource should be deployed by organisations to create alignment with the business, (Pijpers, de Leenheer, Gordijn, & Akkermans, 2011). According to Zimbabwean National Information and Communication Technology Policy Framework (2005), ICT embraces the use of computers, telecommunication office systems and technologies for the collection, processing, storing, packaging and dissemination of information. Henderson and Venkatram (1993) defined alignment as the degree of fit and integration among business strategy, IT strategy, business infrastructure and IT infrastructure. Mckeen & Smith (2003) viewed alignment as the state of harmony that exists between an organisation’s goals and activities and the supporting information systems. Luftman and Brier (1999) went on to define good alignment as a situation where the organisation is applying the appropriate IT in given situations in a timely way, and that these actions stay congruent with the business strategy, goals and needs. The government of Zimbabwe through its strategic plan 2010-2014 viewed alignment as the central point in order to produce effective results, as such the ministry pledged to ensure proper alignment in all business processes. In this context business refers to an operational entity or organisation with a clear statement of goals and mission to accomplish, be it profit making or non profit making, governmental or non – governmental, small or large.

Real IT-Business Alignment

Significant work has been done by researchers regarding the significance of real IT-Business alignment and the resultant competitive advantage (Almajali & Dahalin, 2010; Lê & Czekalski, 2006; Luftman & Brier, 1999). Besides notable strides made by these researchers, a lot of executives in organisations do not fully understand what IT-Business alignment means. Some just compare it with use of ICT tools in organisations which can safely be referred to as IT-business linkage. From a linkage perspective business executive viewed ICT as a cost centre with no direct contribution to organisational success, management is mainly concerned with ensuring that ICT activities are linked to business requirements. However those organisations that understand alignment select the appropriate alignment perspective for achieving business objectives. This makes it very important to make a clear distinction between alignment and linkage. Henderson and Venkatraman (1993) clearly outlined the difference as illustrated in the Table 1.

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Traditional Linkage</th>
<th>Strategic Alignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predominant focus of information systems and technology</td>
<td>Internal I/S function and organisation</td>
<td>Internal I/S function and organisation and external I/T market place</td>
</tr>
<tr>
<td>Management objectives</td>
<td>Ensuring that I/S activities are linked to business requirements</td>
<td>Selecting appropriate alignment perspectives for achieving business objectives</td>
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<tr>
<td>I/S executive roles</td>
<td>Line leadership and I/S functional support</td>
<td>Multiple executive roles for line and I/S managers</td>
</tr>
<tr>
<td>Dominant criteria for performance assessment</td>
<td>Cost and service considerations</td>
<td>Multiple criteria</td>
</tr>
</tbody>
</table>

Table 1. Differentiating strategic alignment from traditional views on linkage (adapted from Henderson & Venkatraman, 1993)
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