

Chapter 7

Organizational Readiness/ Preparedness

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ABSTRACT

The Internet and Information Technology (IT) are being used in many ways to bring benefits and to increase competitiveness to businesses and public sector organizations. Implementing innovations in an organization is a dynamic and continuous process. This chapter discusses factors and elements fundamental for overcoming business challenges that most of the organizations are facing during successful implementation of an IT initiative within an organization. However, in order for systems to be prepared for change in terms of organizational readiness, organization needs to assess and plan their organizational readiness. It will be also presented how to assess an organization's readiness for success and how to put together an organizational readiness plan.

INTRODUCTION

„Suddenly business is not the same any more“ (Hammer, 2002). The Internet and IT jumped from „back office“ to the „front office“ further more to the main role in the play. The Internet and Information Technology (IT) are being used in many ways to bring benefits and to increase competitiveness to businesses and public sector organizations. Businesses are using the Internet and IT to form alliances, create new products

and services, increase revenue and productivity, and improve customer satisfaction. Public Sector organizations are reducing costs for government and citizens, promoting economic development and improving education and healthcare through citizen-centric service delivery, while private organizations are reducing costs for their operations and accelerating the speed of product, or service, lifecycle, through consumer-centric service delivery. Organizations of all types are improving communications, collaboration, and business processes.

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Implementing innovations in an organization is a dynamic and continuous process. This chapter discusses factors and elements fundamental for overcoming business challenges that most of the organizations are facing during successful implementation of an IT initiative within an organization. Hence, in order for systems to be prepared for change in terms of organizational readiness, organization needs to assess and plan their organizational readiness.

In this chapter, we will try to present what organizational readiness means and discover what the relationship is between Information Technology governance, business planning, and project success. It will be also presented how to assess an organization's readiness for success and put together an organizational readiness plan.

Questions that will be answered are related to definition of the characteristics that prepare an organization to embark on Internet and IT initiatives, and explanation how to move organization closer toward organizational readiness.

After description of four pillars of organizational readiness four keys to IT governance will be presented and explain why the IT governance process during planning is vital to the success of IT initiatives.

VALUE OF ORGANIZATIONAL READINESS

If a simple question is raised "What makes Internet-enabled organizations successful?" the answer will be even simpler - execution. If an organization is ready to execute it implies that organization has ability to successfully plan, implement, and manage Internet-enabled strategies and initiatives, or in other words it means that organization has built its organizational readiness. In addition, another important characteristic in the approach of improvement of organizational readiness presents the fact that organizational readiness is not a one-time strategy-it is a continuous process. It

is seldom either discrete or one-time event; it is overlapping activity that occurs throughout the life cycle of the organization.

Successful leaders understand the need to develop the organization, its culture, and its infrastructure. As the organization develops and executes its strategies it needs to ensure that IT strategies and initiatives are strongly linked to organizational goals and objectives and to make ongoing improvements to organizational readiness to enhance its ability to execute on IT initiatives.

What is Organizational Readiness?

Expressions, such as organizational readiness or organizational preparedness have the same meaning and they are focus more on the micro level, which is organization level. On the other hand, addition expression can be found, such as e-readiness which is more focused on macro level. "E-readiness (electronic readiness) is a measure of the degree to which a country, nation or economy may be ready, willing or prepared to obtain benefits which arise from information and communication technologies" (Dada, 2006, p. 1). This paper will attempt to carry out the concept of organizational readiness at the micro level, and to suggest ways to bridge the limitations that today's organizations are facing. The most practical definition of organizational readiness/preparedness from our stand point of view is the one proposed by Hartman, Sifonis, and Kador (2000) and refers to the "level at which an organization has optimized key attributes required to successfully implement Internet-enabled business strategies and initiatives". Without first addressing its readiness, an organization's IT initiatives may fail.

As a ninth pillar of Global Competitiveness report organizational readiness plays the crucial role not only in an organization but also in an economy of every country. "This pillar measures the agility with which an economy adopts existing technologies to enhance the productivity of its industries" (Porter & Schwab, 2008, p. 5).

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