TECH FOR YOU

Approach to Developing IT Strategy Plan[1]

A structured approach to strategic planning can help CA firms to assess the current status of their clients, competencies and capabilities and create a vision for the future. Developing cohesive plan for the future is essential for CA firms of all sizes to achieve sustainable goals. Failing to plan leads one to be complacent, hampers future growth resulting in loss of emerging opportunities. Hence, it is important to give right priority to designing and developing a strategic plan for the firm. Information Technology (IT) is key enabler for enterprises and human resources are most critical for management of IT. The Principal/Senior partner of the firm has to ensure that the right type of organisation structure is set up depending on the nature of services, type of technology deployment and objectives of client deliverables so as to ensure that business goals are achieved.

IT Plan and IT Architecture

The most critical factor in developing an IT strategy plan is development of an IT plan. The IT plan should be derived from the IT strategy which in turn is based on the firm's overall strategy. The IT plan should provide a clear perspective of the road ahead in terms of where the firm is headed in the near future, the areas of specialisation, the emerging avenues of practice and services sought to be delivered to existing and prospective clients. The IT plan should also consider the aspirations and objectives of the CA firm and take into account the external factors such as potential avenues for growth, growth of existing clients, acquisition of new clients, envisaged expected

competition in the traditional areas, and regulatory requirements that will impact and influence development of practice. In developing IT plan it is important to understand and document the technology architecture and application architecture of the firm and also of the clients.

In developing IT plan, it is important to understand that the Technology architecture refers to hardware, software, systems, methods, and standards that an organisation uses to develop and operate computer systems. It includes computer and telecommunications equipment, operating systems software, communications software, office support systems, methods for developing and maintaining systems, and the organisation's technical standards.

The key to developing services is the software applications used. Hence, it important to ensure that the application architecture encompasses the automated processes or systems that an organisation uses to support its programs for providing services to its clients. The application architecture also includes the interrelationship among applications in terms of sharing data, access to applications, and the presentation of applications to users.

Approach to developing Strategic Plan

A simple approach for developing a strategic plan which is equally applicable to IT is given below:

1. Allocate time for planning sessions as required. Make appointments for yourself and stick to it. Involve your key staff and take inputs from them. It will

be very useful if you treat your firm as an important client so that you remain objective and provide the right priority.

2. Make a list of existing clients, services offered, staff strength, infrastructure specifically technology infrastructure, revenue streams, growth trends, key issues and challenges. Perform a SWOT analysis of strengths, weaknesses, opportunities and threats of your firm based on your current status. This is an excellent way to get a quick assessment of where your firm stands.

   a. Start by listing your strengths. Are you making the most of them? Are you able to devote most of your time to develop your best clients or most profitable services?

   b. Identify your firm's weaknesses. Do you have the personnel that you need to do all the work available to you? Do you and your staff have the expertise to keep up with clients' changing needs, emerging regulatory requirements and new avenues in IT areas? Are you aware of the technology deployed by each of your clients? How does the technology deployment impact the services provided by you? Do you have competency to provide services on IT implementation for your clients?

   c. In reviewing opportunities, consider what they are and whether you have a plan to utilise them. Scan the environment by reading

relevant articles/surveys/ regulations and websites. Are there new avenues for IT-enabled services which can be provided to your existing clients based on IT? For example: what opportunities do you see in areas such as XBRL, Cloud computing, IFRS, Data analytics, Business intelligence, KPO, IT assurance, etc.

d. Review both external and internal threats. Competition from other firms is an obvious threat, but internal threats can be equally risky. For example, does the bulk of your income come from one client or one type of client? Are you depending on few personnel for providing services? What are your/your personnel current competencies and skill-sets in IT and related areas in view of emerging e-governance, e-filing and e-services? Will you current service offerings remain relevant in the near future for your existing and new clients? Do you have the appropriate technology infrastructure to provide services?

3. Based on SWOT analysis, list out all key findings and prioritise them in order of importance and impact. Segregate them in terms of impact on your business in short term and long term. Use IT related items for designing IT strategic plan.

4. Create a vision for the future. Where do you see yourself/ your firm in three years in terms of service offerings, clients and revenue? Based on this, prepare a plan for the future. Your SWOT analysis could be a good indicator on how you can maximise your strengths and opportunities, minimise weaknesses and address threats. Use your priority list to prepare a master list of tasks/activities which help you to build roadmap for moving to the future. Itemise list in terms of competencies, infrastructure, technology, resources, etc. Use the IT related items as input for preparing your IT strategic plan for building the required competencies and skill-sets and invest in technology infrastructure to automate the current service offerings and identified IT-enabled services.

5. Implement the plan grouped into easily identifiable projects with individual deliverables, timelines, budgets, resources, monitor the progress and take correct measures as required. Establish personal accountability for each of the projects. Consider yourself as project manager tasked with implementing the project. Strategic planning is not a once-a-year planning exercise. It is important to take action as per plan and monitor progress on a regular basis. Build the required competencies by acquiring skills in appropriate technologies through hands-on and online training courses. Consult with peers in the area and use their expertise as required.

IT Strategic plan Template

In developing an IT strategic plan, it is advisable to use a standard template. Template of a typical IT strategic plan with specific sections and overview of details is given below:

1. **Introduction:** The introduction will provide an overview of the mission, vision, strategy and goals of the firm and highlight the importance/benefits, processes and the approach adapted in developing the IT strategic plan.

2. **IT vision:** Based on overall vision of the firm, the IT vision will outline the technology plan and will include overview of the current technology deployment and the planned technology deployment to meet the overall strategic requirements.

3. **IT strategic issues:** The key IT strategic issues which need to be addressed such as optimal technology infrastructure, out-sourcing, internal/external require-ments, security, contingency planning, change management, organisation structure, impact, risk management strategy, etc. are included in this section.

4. **IT policy and principles:** This section will include the policies/ principles which are developed to guide the use of information technology. Some examples are: development must use flexible systems concepts to ensure integration, connectivity and compatibility, development shall address the needs of all internal and external customers, architectures must reflect existing standards, employees shall have access to the technology, data and applications required to do their jobs as effectively as possible, technologies are supported throughout their

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life cycle, architectures shall be appropriate, flexible and adaptable to change.

5. **Technology portfolio:** This section will provide a summary of current technology deployment at layers such as network, servers, operating systems, database, office applications, etc.

6. **Application portfolio:** This section will include summary of all major applications deployed in the enterprise, relevant vendors and related business processes,

7. **IT and program area responsibilities:** This section will outline the processes for managing the IT programs and assignments of responsibilities. This will include definition of the recommended list of IT functions, identify whether these are centralised or distributed and list the specific functions with assigned responsibility and role as responsible, accountable, consulted or informed.

8. **List of strategic projects, and project descriptions:** This

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section provides an overview of allocation of resources. For example: Maintenance Activities are allocated 30% of the available programming hours. Enhancement Activities are allocated 20% of available programming hours. New Project Development is allocated 50% of available programming hours. Further, each of the projects is listed with their project types. For example: Information Technology Project Types or Business Process Project Types. The projects could be classified as Active Projects, On-hold/Pending

Enhancements, Idea Statement or Business Case. A listing of the projects may be provided in the following format: Project Type, Project Name, Current Priority, Project Description, Business Case reference and whether Business case is developed. Further, details of each of the projects are provided as per project plan template.

Conclusion

CA firms have to become IT savvy so as to deploy the optimum level of IT within their firm and also to have the required working knowledge of IT to audit/consult for their clients. There are no ready-made solutions/training courses which can meet all the requirements of CA firms. CA firms have to perform their own SWOT analysis and chalk out the strategy for updating skills to remain relevant with the times. IT strategic planning and IT planning could enable CA firms to successfully ride the technology wave and become thought leaders in the dynamic IT arena.■