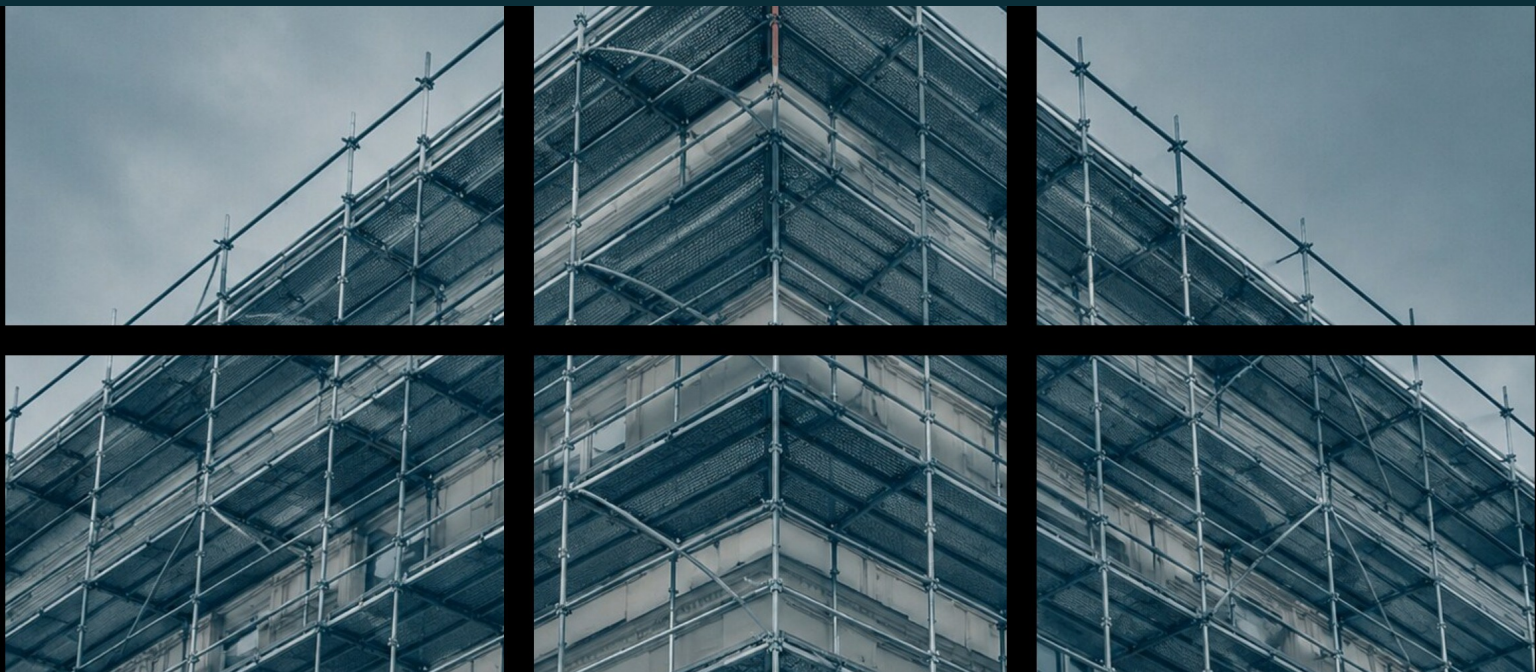


BEYOND ALIGNMENT WORKSHOPS

Why IT-Business Alignment Remains a Structural Illusion After the Dot-Com Collapse

A Practitioner's Perspective on Unresolved Technology-Value Disconnects in Enterprise Organisations



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“Alignment was never broken by a lack of meetings; it was broken by a lack of shared ownership of what the money was for.”

The Wreckage Nobody Audited

The last eighteen months have delivered a peculiar kind of clarity. As venture money dried up and the capital markets turned hostile toward anything with a ".com" attached, a great many organisations were forced to look honestly at what their technology spending had actually purchased. In case after case, the answer was uncomfortable: systems nobody used, portals nobody visited, and strategies that existed only in board papers, never in the daily decisions of the business itself.

This is not a story about bad technology. Most of what was built in the last three years worked more or less as specified. The failure was not technical. It was structural, and it predates the dot-com boom by a good decade. What the crash did was strip away the cover that easy capital had provided, exposing a disconnect between IT spend and business value that the industry has talked about constantly and resolved almost never.

"IT-business alignment" has been a fixture of conference agendas since at least the early 1990s. In my experience, the term has always meant something closer to better communication than to any genuine restructuring of accountability. Steering committees were formed. Liaison roles were created. Business relationship managers were appointed to sit between the CIO's organisation and the operating divisions. None of this changed who owned the outcome of a technology investment, and that omission is the entire problem.

Alignment initiatives have consistently targeted communication between IT and the business, when the actual fault line has always been ownership: who is accountable when a system fails to change how work gets done.

Three Patterns That Produced the Wreckage

Across the organisations I have observed through this boom-and-bust cycle, three recurring patterns explain why so much capital produced so little durable value.

1. Funding followed enthusiasm, not accountability. Capital was released to technology initiatives on the strength of a compelling narrative about the internet, competitive threat, or first-mover advantage. Few of these initiatives carried a named business owner who would answer, personally, for adoption and value realised eighteen months later.

2. IT was measured on delivery, the business was measured on nothing related to it. Technology functions were judged against schedule and budget. The operating divisions who were meant to use the resulting systems carried no equivalent obligation to change their processes, retrain their people, or retire the old way of working. A system can be delivered flawlessly and still die of disuse.
3. Strategy documents substituted for strategic decisions. Many organisations produced elaborate e-business strategies in 1999 and 2000. Very few of these documents forced a genuine trade-off - a channel to be closed, a product line to be reprioritised, a budget to be reallocated away from something else. A strategy that costs nothing to write and changes nothing in practice is not a strategy; it is a description of ambition.

The common thread running through all three patterns is an ownership gap. Somewhere between the point where a technology budget is approved and the point where a system goes live, accountability for business value quietly evaporates. IT owns delivery. Finance owns the budget line. No one owns the outcome.

“Alignment was never broken by a lack of meetings; it was broken by a lack of shared ownership of what the money was for.”

This is why alignment initiatives, however well-intentioned, have tended to produce more process than progress. A steering committee can improve visibility into a programme's status. It cannot, by itself, make a business division owner accountable for whether the programme changes anything.

What Would Actually Close the Gap

I do not believe the answer lies in yet another governance layer or another round of relationship-manager appointments. It lies in three harder changes that most organisations have so far avoided, because each one requires giving up something.

- Every technology investment above a meaningful threshold should have a single named business owner - not a sponsor, not a steering committee chair, but an individual whose performance assessment is tied to adoption and value realised, not merely to project sign-off.
 - This owner must sit in the operating business, not in IT, and must hold budget authority over the change management and process redesign that accompanies the system.
- Technology strategy should be judged by what it explicitly rules out, not by what it aspires to include.
 - A strategy document that adds initiatives without retiring or deprioritising others is an appendix to the annual plan, not a strategy.
- Investment committees should require a stated assumption about who will stop doing their old job, and how, before releasing funds for a new system intended to replace it.
 - Where no answer exists, that absence should be treated as a red flag equal in weight to a missing budget or a missing sponsor.

Old Assumption	Structural Reality Exposed by the Downturn
More IT spend signals more business value	Spend and value have no reliable causal link without owned adoption
A steering committee closes the alignment gap	Committees improve visibility, not accountability
A written strategy is evidence of strategic intent	A strategy is only real once something has been given up

A Cycle That Will Repeat

The organisations now writing down the value of unused portals and abandoned e-business platforms will, in due course, recover their appetite for investment. Capital markets are cyclical, and so is corporate memory. Unless the ownership gap identified here is closed structurally - through named accountability, funded change management, and strategies that force real trade-offs - the next cycle of technology investment will produce the same pattern of expensive systems and absent value. The lesson of this downturn is not that technology investment was excessive. It is that it was, in the truest sense, unowned.