Tool 5: List of targeted planning outcomes

The fifth tool described by Salmela & Spil helps to structure which goals senior management and information management wants to achieve in the coming year. It can be conceived under the first cycle "agreeing on planning objectives and stakeholders" and builds on the results of the previous four stages in the following way:

Tool goal (output)

"In the simple end, outcomes can consist of a list of running and planned projects. In the complex end, a complete set of strategic information systems planning outcomes can be selected" (SALM03).

It is clear that the cycles that are suggested by Salmela & Spil are not only for selecting a long term strategic IS plan, and a methodology to incorporate the IS strategy into the corporate strategy, but also for establishing more concise and more short term goals. The results in this stage are aimed at a one-year term, and are thus on a tactical level. One way in which companies have successfully translated year goals in short term achievements is by using a methodology known as "Objective - Goal – Strategy – Measure". The following will explain how the output generated in the previous stages of the Salmela & Spil cycle can become input for the OGSM model.

Objective Goal Strategy Measure

A structured approach towards a list of targeted planning outcomes is the OGSM method, which consists of the following elements.

1) objective

IS strategy objectives should be seen integral to the <u>business strategy</u>.

2) Goals

Goals should be formulated in a <u>SMART</u> way, which is by making goals: Specific, Measureable, Attainable, Realistic and Timely.

3) Strategy

The choices made to reach the objectives and goals. Objectives and strategies are linked: when strategies are worked out, objectives will be reached. In order to successfully execute a business plan, critical success factors (CSFs) should be identified:

<u>CSF</u>: Critical success factors pertaining to one challenge are those factors that must be implemented in order to successfully address the challenge.

4) Measures

Numerical statements of how the company will benchmark progress towards implementing each strategy or initiative. Goals and measurements are linked: when to do's are done, goals are realized. In order to maintain an up to date overview of the measure associated with the goals formulated, one can use <u>a balanced scorecard</u>. A balanced scorecard is only effective if it evaluates the status of the Key performance Indicators.

<u>KPI</u>: A set of Key performance Indicators (KPI) is created [...] to present a dashboard view of the current status of [...] projects.

Example of OGSM at Procter & Gamble.