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Abstract

A feature of our research into IS/business alignment is the emphasis by participants on the importance of relationships in alignment but, at the same time, their almost total ignorance of strategy. Focus has since been directed towards strategy development and enactment within organizations. A number of issues important for IS/business alignment research were uncovered. Firstly, strategies that tend to be enacted within organizations have certain characteristics. These characteristics tend to be present in the informal strategies that are never documented but tend to be absent in formal strategies. Secondly, there appears to be no guarantee that the strategies that are enacted within an organization are directed toward its well-being. This makes us believe that research and practices that emphasizes the integration of formal business and information systems plans may not be particularly useful. Alignment must consider both the formal and informal strategies that exist simultaneously within an organization. Together, these support the call by previous authors for more emphasis on the social dimension of alignment.

Keywords: strategy development, strategy implementation, alignment,

1. Introduction

N1. So what makes up the [information] system?
S1. Business. Process. People. That's the system.
N1. So the system is the business, the processes within that business, and the people who operate the processes in that business. That's an information system?
S1. ... Business, process, people. That's it. And that's what you've always got to focus on when you're looking at an IS system.
N1. So how can an information system, then, be misaligned with the business?

Exchange between two business managers in a focus group discussing alignment, 2003

IS/business alignment, here-after referred to as alignment, has been defined variously as:-

- the degree to which the information technology mission, objectives and plans support and are supported by the business mission, objectives, and plans (Reich et al. 1996)
- The fit between an organization and its strategy, structure, processes technology and environment (Kanellis et al. 1999, cited in Chan 2002, p. 98)
- Applying Information Technology (IT) in an appropriate and timely way, in harmony with business strategies, goals and needs (Luftman 2000, p. 2)
- Aligning the relationship between the business and IT infrastructure domain in order to take advantage of IT opportunities and capabilities (Reich et al. 2000, p. 82)

One of the most widely quoted papers in the alignment literature does not provide a single definition of alignment (Henderson et al. 1993). Rather, it decomposes alignment into two building blocks – strategic fit and functional integration (p. 474).

The combination of strategic fit and functional integration gives us four aspects of alignment:

- *Business Alignment (or fit)* between the business strategies and the internal business domain
- *IT Alignment (or fit)* between the IT strategies and internal IT domain
- *Strategic alignment (or integration)* of the business and IT strategies
- *Functional (or Operational) Alignment (or integration)* of the internal business and IT domains.

Unlike Henderson and Venkatraman (1993) most research into alignment only considers one or two of these aspects of alignment. Hence it is critical to understand the definition of alignment used by researchers. The fourth definition of alignment above, (Reich et al. 2000), is an example of a narrow definition of alignment that considers only one of the aspects of alignment identified by Henderson & Venkatraman. Fortunately, most of the literature on alignment does tend to use the terms (or close variations) given above to identify these four aspects of alignment. Hence we provide alternative terms in brackets, above.

It has been argued that evidence of strategic alignment can be found via the understanding of organizational objectives by IS planners, a perceived need to change IS objectives due to changes in corporate strategy, a mutual understanding between senior management and IS planners and an appreciation of the IS function within the organization (Segars et al. 1999). That is, IS planners must be aware of the organizational objectives, and strategies that are being followed to achieve those objectives, before they can align the IS objectives with them.

Much research has indicated the importance of collaboration between the IS function and the business, communication and the relationship between the chief information officer (CIO) and the chief executive officer (CEO) during strategy development and planning. This, and the definitions of alignment, above, indicate that there are two dimensions of alignment – the intellectual and the social (Reich et al. 1996). Simply, the intellectual dimension of alignment is when "the content of information technology and business plans are internally consistent and externally valid" whilst the social dimension explores how "the IS and business executives understand each others' objectives and plans" (Reich et al. 1996)

Most research to date has been within the intellectual dimension (Reich et al. 1996; Reich et al. 2000) and has concentrated on: aligning IS strategies with business strategies by focussing on IS planning methodologies (King 1988; Lederer et al. 1996; Teo et al. 1997); how the IS and business planning processes can be integrated (Teo et al. 1999) and; identifying opportunities to either use IT for competitive advantage (Porter et al. 1996) or identifying applications that provide that advantage (Lederer et al. 1988).

The literature on the social dimension of alignment is less extensive and is largely restricted to five papers (Chan 2002; Nelson et al. 1996; Reich et al. 1996; Reich et al. 2000; Sabherwal 1999). There is a rich literature on the CEO/CIO relationship (Brown 1993; Feeny et al. 1992; Gramignoli et al. 1999; Jones et al. 1995) and the relationship between IS and business personnel (Bashien et al. 1997; Couger et al. 1980; Ferratt et al. 1988; Ferratt et al. 1990; Hayden 2002; Im et al. 1990; Kettinger et al. 2002) both of which could be relevant. However, much of the research into the intellectual dimension of alignment acknowledges the importance of the social dimension but does not explore it. For example, Teo and Ang (1999) explore the critical success factors (CSFs) involved in integrating business and IS strategic plans. Of the 18 CSFs they considered 9 could be considered as being within the social dimension of alignment, including the top 3 - Top management is committed to the strategic use of IT, Information systems management is knowledgeable about the business, Top management has confidence in the IS department.

All of the above indicates that an essential element of alignment is about integrating the strategies of the business and the IS function. This could be achieved either through the development of formal plans or via social interaction between business and IS executives.

In their paper Henderson & Venkatraman (1993) refer almost exclusively to business and IT strategies – they rarely mention business and IT plans. However, there is a rich literature prior to, and since, this paper was published that investigates the integration of business and IT plans when considering strategic alignment (Gottschalk et al. 2001; Kearns et al. 2000; King et al. 2000; Teo et al. 1999; Teo et al. 1996; Teo et al. 1997). The premise of much of this work is that if the IS plan refers to, and is referenced in, the business strategic plan, and there is a high degree of collaboration between IS and the business in the development of both plans, then there is a high degree of strategic alignment, although this rarely occurs (Teo et al. 1997). Most of this research has included only large organizations as these are most likely to have both IS and business plans. An implicit assumption of much of this research is that the strategies documented in both the business and IS plans are the strategies that are implemented. This is not necessarily the case (Baets 1992; Chan et al. 1992; Chan et al. 1997; Chan et al. 1998). This phenomenon will be further explored later.

Despite the intensity of research into both information systems planning and alignment the results to date have not been particularly encouraging. Lederer and Sethi (1988) found that of those projects identified in IS strategic plans only 24% had actually commenced within 2 years of writing the plan. They also found that many projects that were not in the plan had been implemented. Studies into the social dimension of alignment have indicated that only shared domain knowledge of senior IS and business managers has an affect on long-term alignment. Other factors such as cross references between written business and IS plans have a positive affect only in the short term (Reich & Benbasat 1996, 2000).

The above indicates that strategy development can be quite complex. The next section, therefore, looks at strategy – what it is, and how it is developed within an organization. It is not a comprehensive review of the literature, but rather provides some salient points within the context of this discussion. Section 3 then discusses the research methodology, whilst the fourth section discusses that research. The final section provides a conclusion.

2. Strategy

The word “strategy” comes from the Greek “strategos” meaning generalship or the art of the general (Macquarie Dictionary 1988). In this context it has meant the marshalling of resources, and the development and possible implementation of actions to obtain the objectives, usually political, of those in power. However, most military writers have emphasized the need for strategies to remain flexible, especially once implementation has commenced as the situation is almost invariably extremely dynamic. It has been argued that this flexibility of strategies must also be maintained in a business context (Quinn 1988).

The term strategy, in a business context, has been variously defined as:

- The *pattern* or *plan* that *integrates* an organization’s *major* goals, policies, and action sequences into a *cohesive* whole (Quinn 1988, p. 3. Emphasis in original.).
- All the things necessary for the successful functioning of organization as an adaptive mechanism (Pascale 1988, p. 113)
- An integrated set of actions aimed at increasing the long-term well-being and strength of the enterprise relative to competitors (Ward et al. 2002, p. 69)

Quinn (1988) goes on to further define goals, or objectives, as “... what is to be achieved and when results are to be accomplished” and policies as rules or guidelines that limit the actions that can be taken to achieve those goals. Note that in all these definitions, strategy is not necessarily documented within a plan. It can be a series of decisions that form a coherent pattern. There could, therefore, be a number of definitions of strategy, depending on how it is derived. Mintzberg (1988) expands on this, providing five different definitions of strategy within a business context:

- Strategy as Plan – a "*consciously intended* course of action, a guideline (or set of them) to deal with a situation" (p. 14). In most instances, the strategy is developed after a comprehensive analysis of the external environment, the competencies of the organization, and the likely behaviour of competitors. Michael Porter is a proponent of this type of strategy development. Because it is logical and analytical it is also the method of strategy development most likely to be taught at colleges and universities, as it is consistent with the scientific method and a positivist philosophy.
- Strategy as Ploy – where a strategy is developed and publicized, but not implemented. The whole objective of the publicized strategy is to change the behaviour of competitors by acting, in effect, as a threat.
- Strategy as Pattern – where a series of successful approaches, or decisions, gradually form a pattern that can later be identified as consistent and therefore form a strategy. Rather than the intended strategies as developed under Strategy as Plan, these are the actions that are actually implemented to form a strategy. That is, the strategy emerges from a pattern of decisions.
- Strategy as Position – the position in which an organization locates itself in its environment. In many instances this refers to the position an organization holds within a market and how it competes within that market. However it is not limited to markets. Mintzberg (1988) makes the observation that Strategy as Position is consistent with both Strategy as Plan and Strategy as Pattern. An organization can arrive at its position either by following a pre-determined strategy (Porter 1980), or as the result of an emergent pattern of prior decisions.
- Strategy as Perspective – refers to the culture of the organization. How does the organization perceive itself? Is it aggressive or a follower? Does it perceive its environment as stable or as highly volatile? Is it highly bureaucratic and conservative, or does it encourage experimentation and collaboration between functional areas? Is the organization a risk taker, or is it risk averse? The answer to these, and other similar questions will, to a large extent, bound the strategies that are available to an organization.

Essentially, strategies are either intended (developed during a formal planning process) or emerge as a result of a coherent set of decisions that form a pattern. Mintzberg argues that while pattern and position can influence the development of perspective, once the latter has developed it is almost impossible to change. This, then, means that any other form of strategy development can only be successful if it is compatible with the organization's perspective. All of this infers that the strategies that an organization can implement tend to be consistent over a period of time. However, in times of crisis it is possible that the perspective of the organization can be challenged and entirely different strategies developed and implemented. After the crisis these new strategies may become the norm for the organization creating a new perspective, or the organization will revert to its earlier perspective. This, then, describes the "punctuated equilibrium" model of strategy adoption (Sabherwal et al. 2003).

It has also been argued that in strategy making it is not possible to separate development from implementation – "... formulation and implementation are intertwined as complex interactive processes in which politics, values, organizational culture and management styles determine or constrain particular strategic decisions" (Quinn et al. 1988). By separating development and implementation we are breaking a vital feedback link between the two. This link makes known what is possible within the environmental and organizational context as well as allowing organizations to learn (Mintzberg 1987). In defending the development of emergent strategies Mintzberg (1987) states "Show me managers who think they can rely on formal planning to create their strategies, and I'll show you managers who lack intimate knowledge of their businesses or the creativity to do something with it" (p. 74).

Combining strategy development and implementation is opposed to the concept of strategy as plan, above. In that concept strategies are developed in a logical and analytical fashion and are then implemented at a later date. Some writers, therefore, argue that strategy development and planning are 2 different processes (Campbell et al. 1997). Managers confuse and combine the two because planning is a relatively straight-forward and logical process that maintains the illusion of control whilst strategy development is complex with no clearly understood method of accomplishment (Campbell et al. 1997; Mintzberg 1988). In distinguishing the two it has been argued that planning is often associated with thinking and reason, whilst strategy development is associated with involvement and learning (Mintzberg 1987).

However, Mintzberg (1987) does make the observation that neither intended (strategy as plan) nor emergent (strategy as pattern) development should be taken to their theoretical limits. Doing so does not make sense as purely emergent strategy development does not allow any control or pre-determination of direction, whilst purely intended strategy development precludes learning. An organization's formal strategies should be a combination of both intended and emergent strategies.

All of the above indicates two issues that are important during the development of IS strategies, especially if an objective is strategic alignment:

1. It is quite possible, even normal, for intended strategies (strategy as plan) and emergent strategies (strategy as pattern) to exist at the same time. The implemented, or realized, strategies are a mixture of both. A related issue is that many intended strategies are never implemented, primarily as a result of a volatile, or dynamic, environment and not necessarily by failures with the development or implementation processes (Mintzberg 1987). Similarly, it is possible that a series of decisions, or experimentations, may not coalesce to form a pattern that can then be recognized as a strategy – there could be many unsuccessful decisions and experiments that are abandoned. Determining, at the time, the actual strategies that are being followed by an organization could be extremely difficult. Simply, this can be summarized as realized versus espoused strategies.
2. The culture of the organization (strategy as perspective) limits the strategies that are implementable by an organization. In an SISP perspective this includes the overall culture of the organization, and the determination of those strategies that are actually possible (as well as those strategies that are just taken as given), as well as the differences in culture between the business and the IT function and their varying world views.

The next section introduces the research and we then discuss the findings in relationship to the foregoing.

3. Methodology

This paper reports initial research into alignment and represents the first in an ongoing stream using a qualitative methodology. The initial interviews tended to be exploratory. Most prior research into alignment has used a positivist approach testing a priori hypotheses. We wished to further explore practitioner's views and experiences of alignment without forming prior theories but maintaining a sensitivity for earlier theories. An appropriate methodology in these circumstances, and the one used in this research, is grounded theory (Strauss et al. 1990). In this instance the methodology was employed using a constructionist epistemology (Crotty 1998).

The general research question was "how do practitioners attempt to achieve alignment." One of the issues that researchers have when conducting research in a new area and using a very general research question is that of determining an appropriate instrument for data collection such as interviews (or survey instruments if another methodology is employed). One technique used in qualitative research in the social sciences for overcoming such issues is that of focus groups to inform the development of such instruments in a multi-method data collection exercise (Morgan 1997).

Focus groups are often used in conjunction with individual interviews in the social sciences and have both advantages and disadvantages when compared to that method (Greenbaum 2000; Morgan 1997; Stewart et al. 1990). It has been noted that focus groups are less efficient at creating ideas. A focus group of eight members will develop fewer ideas than eight individual interviews (Asquith 1997; Fern 1982). Additionally, it is usually more difficult to explore a participant's personal experiences in any depth in a focus group. Both Morgan (1997) and Stewart and Shamdasani (1990) provide a discussion of the advantages, disadvantages and limitations of focus groups. However, an often cited advantage of focus groups is the synergy created within the group that allows a wide range of experiences and topics to be explored in a relatively short period of time. It is this aspect that is appealing when conducting exploratory qualitative research.

The recommendation of Morgan (1997) to use largely unstructured focus groups for exploratory research was employed. In an unstructured focus group the facilitator asks participants a very few general questions and asks for their experiences. Members are given instructions prior to the session to enable them to self-manage the session. For example, if they realise that they are wandering from the topic any member has the authority to refocus the discussion. In these unstructured sessions the facilitator, often the researcher, has limited input and power to guide the direction of discussion. The advantage is that, in many instances, the discussion covers topics not thought of by the researcher. These, then, guide the development of questions to be used in further more highly structured focus groups or individual interviews (Morgan 1997). In this fashion a set of rolling interview questions are developed with the results of earlier interviews guiding the development of areas to be explored.

Three unstructured focus groups have so far been conducted, two consisting of senior IT managers and one consisting of senior business managers. All the IT managers within these groups were at line manager level. The group of business managers consisted of two line managers and a managing director of a medium sized Australian multi-business unit organization. Although most of the participants are post-graduate students at the University of Technology, Sydney, they were selected because of the positions they hold within their companies. The sample is, therefore, purposive rather than representative (Morgan 1997).

Following recommendations in the literature the groups were kept homogenous (in background, not ideas) to avoid conflict (Morgan 1997; Stewart et al. 1990). Although the general recommendation for focus groups size is between six and twelve participants (Asquith 1997; Blackburn et al. 2000; Morgan 1998; Stewart et al. 1990; Templeton 1994) two of these groups had 3 members whilst the first IT group had 6 members, the low numbers due to the difficulty of organizing busy managers. This is a common issue when attempting to recruit professionals to a focus group (Morgan 1997; Stewart et al. 1990). But these writers also note that small group size is not an issue when participants, as in the case of professionals, are highly engaged with the topic. Asquith (1997) also notes that small groups tend to be more effective than larger groups, generating more ideas within a given period of time. The work of Fern (1982) and Asquith (1997) is the only research that explicitly explores the effect of group size on outcome. The general recommendation for between six and twelve participants is based on either experience or personal preference. In many instances these recommendations come from researchers working in the marketing area rather than the social sciences. The two have different agendas and requirements but this is rarely made explicit in the focus group literature.

The groups were provided instruction on how to self-manage the session (Morgan 1997) and then asked to discuss two questions: what do you understand by the term IS/business alignment, and what are the enablers and inhibitors to alignment? Each session was transcribed and the participants asked to review the transcription for both accuracy and to provide additional explanation if required. The transcripts were then coded using both open and axial coding (Strauss et al. 1990). The NVivo software package was used to manage this process (Richards 1999).

The analysis of these transcripts then directed the formation of the questions to be asked in the individual interviews. Four semi-structured individual interviews ranging in length between 1 and 1.75 hours have been conducted. Participants consisted of one IT line manager, two chief information officers (CIO) and another managing director. Interviews were recorded, transcribed and analysed using the same method as for the focus groups. A sample of interview questions is provided at Annex A.

4. Research and Discussion

Analysis of the data provided a number of insights. However it was later reflection on the general content of the focus groups that surfaced the realization that, although the topic had been alignment, strategies and strategy development were rarely discussed. The semi-structured interviews were then directed more towards investigating this area. These revealed that relationships, collaboration and organizational culture have a major influence on strategy development and enactment. These three topics dominated discussion in the unstructured focus group discussions. However, the interviews revealed a number of issues regarding strategies that are important when considering alignment.

It became very obvious that the corporate strategies that were being enacted within organizations were not necessarily those contained within formal plans. This was for a number of reasons. The first was due to changes in the environment, often the result of moves by competitors. There were examples of organizations following the leader of that industry. They may have developed their own plans, but the reality was that they just copied the moves of the industry leader. That is, the enacted strategies varied from the espoused strategies.

A number of participants also reported that the enacted strategies of their organizations were more aligned to the interests of senior management than anything else. In the words of one participant who has held senior IT positions within 10 organizations:

> The self-interest one I would say to a greater or lesser extent was happening in all of those organizations.... but it was really strong in three of those ten. Sometimes to the point of decisions that were clearly counter productive to the health of the organization being made because they were in the interests of the people with the power to make the decisions (D1).

Nearly all participants reported that only a selected few of the espoused strategies were actually enacted. It emerged that those strategies that were being enacted tended to exhibit certain characteristics.

Firstly, they must have meaning to the person enacting the strategy. This is important at all levels of the organization. Most strategies contained within corporate plans tend to be reasonably conceptual and include, implicitly, a vision. This makes them remote to individual employees. To be enacted a strategy must be communicated in such a way that each person knows what they personally have to do to promote the strategy. Some organizations, in personalizing actions required to enact strategies, developed key performance indicators (KPIs) for each affected person. However, there is no guarantee that this will be successful. In one organization KPIs had been developed on a two-tier system, personal performance (40%) and contribution to the organization's performance (60%). Rewards were tied to these KPIs. But most employees concentrated on the KPIs related to their own performance and almost totally ignored those related to organization performance. They could relate to their own performance but not to organization performance. There are a number of other characteristics that are related to this.

Secondly, enacted strategies tended to be conceptually simple and easy to execute. A strategy such as "We will provide industry leading service to our customers" is relatively complex. How do you do this? A comment from a participant whose organization has such a strategy:

> At my organization, for example, with our CEO saying our number one focus has to be customers, but no-one thinks of the customers. You know, we've all identified that we've got this problem that we don't know what its like out in the real world for a lot of people, and here we are saying that in my organization the business strategy is "this" [customer focus], but no-one's doing anything about it (S2).

However, a strategy such as "We are a cost leader" is easy to understand and relatively easy to execute. So much so, in fact, that a number of participants indicated that it is often the only strategy to be implemented in their organizations. This particular strategy also helps to identify additional characteristics of enacted strategies.

The third characteristic of enacted strategies is related to the second. Managers are measured on their performance, so they will tend to enact strategies that can be associated with their actions.

Fourthly, and related to the previous two, enacted strategies tend to exhibit short-term results. A typical example provided by participant D1 was that

> Things that should have been done to ensure the long term growth assets of the company were being pushed back because of "if I don't make this number this quarter, I don't get my cheque" (D1).

Fifthly, enacted strategies tended not to require changes in individual work habits. Change is difficult to enact, and unless a substantial change management plan is implemented it is unlikely that strategies that require change will be enacted. A participant related the experience in his organization which is attempting to refocus marketing from accounting software, where they dominate the Australian market, to legal systems software:

> The accounting side, they have 80 - 85 per cent market share, and so there's not a lot of opportunity for growth there. But, on the other side of the coin, trying to get some development happening ... and there's 3 or 4 products on the legal side from the very top most ranks of the tier one - five thousand plus users and to our product which is sold to practitioners - so there are 5 tiers there. Our products cover all of those streams extremely well ... we're still not getting any priorities. I'm not saying priorities but even footing! That's the politics of the situation. So, besides from the fact that there's a corporate strategy to move forward politics are interfering with that. And its taking 18 months, and its still at baby crawl stage.

Another participant put it another way:

> I think it is also about making life easy for themselves in the sense of not taking on some of the difficult tasks which tended to be change based. So to achieve the outcomes you would need to impact the culture of the organization, and that's not an easy job (D1).

The informal emergent strategies that were being enacted within all of these organizations exhibited most of these characteristics. However, the typical strategy contained within a corporate plan exhibits very few of them. Strategies contained within planning documents tend to be conceptual. It is difficult to identify the actions required by individuals to enact them. They relate to organizational goals and not to the measures on which individuals are assessed and they tend to be long term. As a consequence, many of the corporate strategies contained within formal plans are not enacted, but are replaced by informal, emergent strategies. An observation made by one participant, D1, was that the formal strategies that were enacted tended to be enacted only at the upper levels of the organization, but not at the lower levels. Conversely, informal emergent strategies tended to be enacted at all organizational levels. It can be inferred from the foregoing that, as recommended, strategy development and enactment tend to be combined in informal emergent strategies (Quinn 1988) but tend to be separated when developed during formal planning sessions.

To compound the issue further, we have also found evidence to suggest that those strategies that are enacted may not be in the overall interest of the organization. An example was given above of strategies that promote the self-interest of particular managers. This also occurs in another form, but is less personally motivated. An attempt is made in many organizations to enhance performance by placing business units into competition with each other. This can result in a conflict in interests between these units. One participant described the situation in his organization as:

> So there's bunker mentality – New South Wales branch against Victoria branch. I've come across this a lot in the last few months, and I'm just thinking it makes no sense. So, as far as IT and business alignment goes one of the main inhibitors may well be divisions within the business as well, not just IT.

A related issue is that a central IS department may be placed in a situation of conflicting requirements from various business units. When asked about the strategies being enacted in different business units, D1 replied:

> They tended to be more local than global, the strategies that you got from that. So you collaborated with a business unit and developed strategies for them and you collaborate with this other business unit and develop strategies to support them. And then you have this juggling act where you try to make it work for the two of

> them... And if you could just get those two to talk to each other and come up with a combined strategy, where we had one to work with, wouldn't life be much easier? But it never quite happened that way (D1).

The current research, then, explains why cross references between written business and information technology plans does not support long term alignment (Reich et al. 1996). The strategies and projects identified within those plans may be current for only very short periods of time. As the environment changes so the needs and strategies of the business change. It could also be argued that the intended strategies within those plans will be modified as they are enacted according to the measurement and motivation regimes that operate within the business. And this ignores the effect of self-interest which will modify the strategies in use even further.

The conflict between intended and emergent strategies can also help to explain the low implementation rate of projects identified by Lederer and Sethi (1988). As strategies change, so the priorities for various projects change. This also explains the implementation of projects not identified within the strategic plan that was observed by the same authors.

5. Conclusion

The research reported here tends to support strategy research in the business literature. However, the conflict between espoused and realized strategies is largely ignored in the IS literature. There appears to be an assumption that the strategies identified in formal business plans are those that will be enacted. This does not appear to be the case. Our contention is that if an IT strategy is based solely on the strategies found in formal business plans, as is the case with the technological and method-driven approaches to strategic IS planning identified by Earl (1993), the likelihood is that there will be misalignment with the organization's actual direction. This is supported by the work of Segars and Grover (1999) who found a low level of alignment when these approaches to planning were employed. The research reported here may help to explain why this occurs.

Although beyond the scope of this paper, our research indicates that many business and IS managers are attempting to resolve the conflict caused by espoused and realised strategies by developing relationships. This was very succinctly summarised as:

> So, whilst having informal relationships may potentially overcome the breakdown between the two formal strategies, if there's an opportunity to catch it, its hard to foresee how having the formal strategies will overcome the breakdown in the... IT-business relationship (D1).

This, then, tends to support an organizational approach to IS planning (Earl 1993) where both business and IS managers learn together and produce a flexible plan that is constantly in revision.

However our research also indicated, but not reported here, that a failure in relationship building can have dire consequences for alignment, the IT manager and the IS function. We therefore believe that much more emphasis needs to be placed on the social dimension of alignment (Reich et al. 1996).

Researchers of alignment must be aware of the range of official and unofficial strategies that can exist within an organization at any given time. This makes the investigation of alignment extremely complex. It also suggests that using the level of integration of business and IS plans as a surrogate measure for the level of alignment may not be particularly effective.

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Annex A

Interview Questions (IT Interview) 6/8/03

This research is about the social aspect of IS/Business alignment. I'm interested in the relationships between people and organizational units and how they impact the ability of the organization to align its business and IS visions, plans and goals.

You can elaborate on any of the following questions.

Have the business strategies (visions, plans and goals) been communicated to you?

Do you think they need to be?

What do you think the business strategies are (defender, prospector, analyser)?

Have the IS strategies been communicated to you?

Do you need to know these?

What do you think these are?

Do you think there are any differences between the official strategies and those that are actually being followed?

Why?

What is the nature of the relationships between the various business units?

Does this affect what you can achieve, and how you go about your work?

What is the nature of the relationship between you and your peer business managers?

How does this affect what you can achieve?

In your opinion, what are the 3 most important enablers of alignment? Elaborate.

How important is collaboration in achieving alignment?

What is important in achieving collaboration?