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Top IT Management Concerns in Kenya

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Abstract

As the impact of the IT organization keeps changing in all regions and industries, the challenges in IT management keep evolving. While IT can be leveraged to enable and drive innovation and business strategies thereby improving customer experience, profitability and agility, there are also concerns.
Keywords: IT Strategic Alignment, Cost Reduction, Return on Investment

Introduction

The top IT management concerns are listed below. Some of the IT management concerns in Kenya are IT strategic alignment, cost reduction and achievement of a return on investment (ROI). Other concerns are change management, business process re-engineering and the use of IT to generate revenue.

Global concerns.

Business productivity and cost reduction.

This means that IT is not fully helping organizations to reduce costs and produce more with the scarce resources available. The factors of production are classified as capital, labor, land and entrepreneurship. IT investments should help organizations be more productive. While this happens in most cases, it is not always the case.

Business agility and speed to market

IT should help organization produce new products faster and push them to the market before competitors. While it has been proven to help in this critical product development area, it is not always the case, leading to competitors hitting the market before the investing organization. This can also mean that the organisation is not to penetrate current market or expand to new markets due to limiting IT capabilities.

IT and business alignment

This concern has been around for more than 20 years. Alignment may also be termed as integration, fusion, harmony or fit. Most IT organizations are not aligned to the rest of the business due to the nature of IT traditionally been seen after chasing after technology for sake of technology and not enabling and driving the business strategy.

IT reliability and efficiency

IT investments should lead to a higher dependency and trust on IT and help with reducing waste. This is not always the case in most organizations and reliability and efficiency prove elusive.

Business process re-engineering

IT investment should lead to changes in processes in order to make the business more efficient and effective. While this happens for a few organizations, it is not always the case. Business process re-engineering would lead to process improvements and ultimately better customer experience.

IT Strategic Planning.

Most organizations globally have tactical and operational IT plans but do not always fulfil the process of adapting a strategic IT plan. This is due to the complexity of the process and the time taken. Some organizations may not have the skills of developing these strategic plans. They also lack appropriate tools. This has been a concern for a long time.

Revenue Generating IT Innovations

Most organizations have invested in IT but these projects have not resulted in innovative and revenue generating ventures. Instead, the investments become just the cost of doing business and this leads to missed opportunities.

IT cost reduction

More than 90 % of the IT budget is spent on “keeping the lights on” for most organizations. The rest is utilized for innovation and value adding projects. The costs keep going up year after year. This is becoming a pain for most IT organizations.

Security and privacy

With the proliferation of the Internet, mobility and social networking, organizations find it hard to contain the information integrity, confidentiality and availability. The cost of protecting valuable intellectual property has gone up due the borderless nature of the new Internet economy.

Globalization

We are now in the age of the Internet economy. International borders have been made irrelevant in the business world. IT organizations should be able to operate in this paradigm but only a few have leveraged globalization due to the geographical boundaries that need to be covered and the new cultures that need to be adapted to.

Change Management

Most new IT investments introduce the need for change management. However, most organizations don't handle change well and this may lead to alienated human resources who may not be comfortable with the new changes. This may affect morale and motivation and may negatively impact on staff productivity and turnover.

Vendor management

Most IT organizations struggle when it comes to managing the numerous vendors they deal with. This is due to the fact that most vendors don't honour contacts and service level agreements. Vendors negotiate aggressively because they are the only one with the rare product. Some vendors may not follow international best practices in service delivery leading to poor quality customer experiences.

Enterprise architecture

Most organization do not employ deliberate and well thought out enterprise architectures. They introduce systems without understanding how it will be to the full business architecture. These leads to complexity and the cost of managing new systems and interfaces become astronomical. Organizations need to design their IT architectures based on proven frameworks and models like The Open Group Architecture framework (TOGAF 9) and others.

Human Resource considerations

Most IT organizations are not staffed with adequate skills in terms of business acumen needed to ensure alignment between business and technology strategies. Most IT human resources are technical in nature and fail to realise how the investments they put in place can enable business strategy. They concentrate on technology and infrastructure deployments in the place of investing in IT applications and IT capabilities that can bring out innovation and revenue generation.

Attracting new IT professionals

Skilled IT resources are critical to the success of the organization. Attracting new IT professional requires understanding of the IT by the business and the reverse; understanding the business by IT. Most new IT professionals are technical in nature and only a few have business understanding.

Other key concerns are Knowledge management, Project management, Sourcing decisions, the CIO role, IT organization design, Societal implications of IT, Building business skills in IT, Making better use of information, Improving IT Quality, Introducing rapid business solutions, Returns on IT investment, Measuring value of IT investments, Governing regulation, Complexity reduction, and Measuring the Performance of the IT organization.

IT Management Concerns	2010	2009	2008	2007	2006	2005	2004	2003	1994	1990	1986	1985	1983	1980
Business Productivity and Cost Reduction	1	1	7	4										
Business Agility and Speed to Market	2	3	13	17	7		5	7						
IT and Business Alignment	3	2	1	2	1	1	1	1	9	7	5	2	7	9
IT Reliability and Efficiency	3	6												
Business Process Reengineering	3	4	18	15	11	5	10	10	2					
IT Strategic Palnning	6	7	3	8	4	4	4	2	10	3	1	1	1	1
Revenue Generating IT Innovations	6	8												
IT Cost Reduction	8	5	7	4										
Security and Privacy	9	9	8	6	3	2	3	3		19	18	6	14	12
Globalization	10	15												
Change Management	11	14	6	7	3	2	3	3		19	18	6	14	12
Outsourcing/Vendor Management	12	11												
Enterprise Architecture	13	11	11	33	15	15	9	8	4	1	8			
IT Human Resource Considerations	13	17												
Knowledge Management	13	17												
Project Management	13	11	10	23	5	10								
Sourcing Decisions	13	17												
CIO Leadership Role		10	16	10										
IT Organization Design		15												
Societal Implications of IT		20												
Build Business Skills in IT			2	3										
Attracting New IT Professionals			4	1	2	2	2	4	8	4	12	15	8	7
Making Better Use of Information			5	9										
Improve IT Quality			8	5										
Introducing Rapid Business Solutions			16	11	6	6								
True Return on IT Investments			23	19	8	7								
Measuring the Value of IT Investments			14	11	9	7	11	5						
Government Regulation			20	11	13	14	6							
Complexity Reduction			9	28	12	9	7	9						
Measuring the Performance of IT Organization			19	19	14	13	8	6	11	16	9	14		

Adapted from Jerry Luftman's SIM (Society for Information Management) annual study

Top IT management concerns in Kenya

Africa has unique opportunities and challenges. The opportunities are that it is an emerging economy. Most of the leading economies including, south Africa, Nigeria, Tanzania, Kenya and Angola are posting GDP growth above 5 % according to the IMF. This growth will improve in the coming years. However, Africa is also bedeviled by challenges that may impact the IT organization. These challenges translate to concerns in IT management.

IT governance

IT governance is a subset of corporate governance .IT governance is concerned with aspects of evaluation direction and monitoring. These include strategic alignment, value delivery, risk management, performance measurement and resource management. Improving IT governance can help IT organizations to be more effective.

IT infrastructure

IT infrastructure in Africa is not as developed as in Europe, Asia and America. Internet penetration numbers are lower compared to the developed world. The cost of bandwidth is also higher compared to the developed nations. There is a need to lay more fibre optic links to connect Kenya and Africa to the rest of the world. This will also bring down the cost of connectivity.

IT Human Resources

Kenya and Africa still lag behind in terms of world class IT skills. This is due to the quality of our universities and the education system that hinges more on theory than on the practical application of the IT skills. With increased investment in research and development facilities by multinationals, the skills gap will be closed. Google, Microsoft, Oracle, HP and IBM have set up office in Kenya. IBM just opened a research laboratory in Kenya. This laboratory will help students develop practical applications that may be used by local industries and government to improve the standards of living while generating new revenues from IT.

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