Chapter 6.10

Agile Alignment of Enterprise Execution Capabilities with Strategy

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ABSTRACT

Emergent strategy provides for both planned and reactive aspects of strategic planning. It also identifies that strategy as implemented will often have different characteristics than originally anticipated. Today, even traditional, non-knowledge based organizations have adopted comparatively high levels of computerization compared to a decade ago. Enterprises now rely extensively on digital systems for data handling across operational and administrative processes. This chapter maintains that detection and reporting capabilities inherent in information technology (IT) can themselves be exploited as a strategy for managing knowledge. Using feedback loops to describe the dynamics of systems lets an organization capture and communicate intended strategy and emergent characteristics of the actual strategy along with changes in the execution environment. The role of IT as an execution capability required for both business strategy and knowledge management is examined, along with the need to more quickly align the business processes that use IT services to changes in business strategies or priorities. Advances in IT assisting in requirements discovery,
system design and development— including use cases, patterns, decision modeling, and aspect-oriented software—are discussed. Techniques to capture and communicate knowledge vital for aligning organizational capabilities with emerging strategies and competing priorities are evaluated. A predicted emergent business pattern as a tool for managing the capture and communication of organizational knowledge is proposed. This includes techniques for defining strategy and decision elements as data about processes that can be used during execution to trigger notification and appropriate handling of exceptional events.

**INTRODUCTION**

Knowledge management strategies require effective execution to be successful. Over time, information technology has become a de facto repository for organization knowledge, in the form of business rules and data integrity constraints expressed as computer programs. IT is a requirement for successful execution of a knowledge management strategy.

Even while information systems have become increasingly pervasive across organizations of all sizes and types, their ability to capture and convey knowledge elements has generally been secondary to their intended utility in processing data.

In many cases, these systems are deemed inflexible, expensive to enhance or worse.

As much as organizations have come to rely on information technology to enable their knowledge strategies, change to the computing infrastructure, or the introduction of new systems to support knowledge management carries significant risk. Many enterprises have launched IT initiatives that have failed completely (Santa, Ferrer & Pun, 2007).

Recent innovations in information technology and techniques offer valuable new ways to use information technology to collect and communicate knowledge across organizational lines and functions, while reducing that risk.

The Predicted-Emergent pattern captures a context and motivation for any organizational endeavor, describing both the planned for and actual events that occur. Advanced separation of concerns is used to define relevant scope for each activity. These activities include strategic planning and course correction, and progress through levels of detail down to business process definition and decision management. These in turn can be implemented as adaptive software, which establish thresholds for action and notification through operational parameters.

This approach pulls the discussion of IT solution elements into earlier phases in the organizational planning process. Incorporating a predicted-emergent knowledge management strategy allows the enterprise to more accurately assess events as the plan unfolds, and to communicate priorities more quickly. The net effect is faster reaction and shorter implementation times with the ability to capture significant new knowledge as it arises from organizational experience.

The predicted-emergent approach to knowledge management strategy seeks to enable an agile alignment between enterprise planning and operational systems.

The legacy of traditional systems has given rise to hardened silos of computing, with inflexible data structures, complex program logic, scattered business rules and standard reports designed to serve a fixed set of organizational requirements.

This gap between expectations for and delivery of information system affects and is affected by knowledge management practices. Given that IT frequently fails to deliver basic business operations support, it should come as no surprise that a gap exists between implemented systems and their capabilities for the management of institutional knowledge.

That there is a lack of alignment between information technology departments and enterprise strategies is not a new observation (Chan, Huff &
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