I was asked recently to speak to a group of large-company Chief Information Officers on the subject of innovation in IT. In earlier posts I wrote about challenges and capabilities. This final entry is focused on innovation frameworks that can be applied to information technology.

It is probably no surprise to my regular readers that I would list portfolio and pipeline management at the key framework that should be applied to manage innovation in IT. We have the same problems in product development: overloaded pipelines, rampant incrementalism, heavy in-market support burdens, and a lack of intermediate-term initiatives.

Paired with strategic roadmapping, resource management, and program management, this framework can be used for governance, investment allocation, strategic alignment, communication, and general management of the IT function. In a large organization, this requires a system to manage all of the data and incredible discipline to make sure that the information for decision making is timely and accurate.

The second framework that I believe is valuable in IT is the use of planning horizons to map out the evolution of enterprise IT over several years. With a clearly articulated long-term strategic direction, it becomes easier to align the entire executive team and make better portfolio decisions in the short-term.

And finally, I suggest that CIOs use cost-value and risk frameworks to evaluate investments in information systems. Costs of delivering software solutions are coming down, but the business value of many systems is also questionable, especially when adjusted for technical and adoption risk. These are standard frameworks that we apply to new product concepts, and they would be useful in IT.
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