Forrester: For Firms To Extract The Most Value From Their Tech Investments, IT And Business Strategies Must Be In Lockstep

January 16, 2024

CAMBRIDGE, Mass.--(BUSINESS WIRE)--Jan. 16, 2024-- As economic conditions improve, Forrester (Nasdaq: FORR) estimates that global tech spending will increase at a faster rate and will reach $4.7 trillion in 2024. This increased spending, combined with highly competitive markets, will put even more pressure on technology leaders to provide IT capabilities that help drive their firm's growth agenda while managing costs and increasing efficiencies. Unfortunately, disconnected IT strategies often jeopardize the positive impact that IT teams can have on revenue, profit, customer satisfaction, and employee engagement.

Forrester's high-performance IT research recognizes that every organization is unique and that a one-size-fits-all approach to IT doesn't exist. Instead of forcing technology leaders to follow a predetermined IT maturity path or adopt practices that are too advanced for their organization, high-performance IT enables leaders to determine the appropriate mix of IT capabilities required to achieve business outcomes. As a result, leaders can boost business performance with the right technology investments for their company.

Forrester's high-performance IT research is built upon three guiding principles:

1. **Alignment.** Ensure tight alignment across business and IT strategies, with both centered on driving customer value. Companies that align deliver better revenue and profitability growth.
2. **Trust.** Build trust through security, privacy, and resilience to fuel long-term success. Companies with high levels of trust see customers buy more products and services.
3. **Adaptivity.** Rapidly move technology, capital, and people to respond to market changes. Adaptive companies outperform their peers by more rapidly seizing on market changes.

To help leaders craft the right portfolio of capabilities, Forrester has identified four common high-performance IT "styles":

- **Enabling.** Enabling teams and their business partners prioritize capabilities that efficiently stabilize, operate, and protect the business — and then consistently deliver on the promises made to create trust.
- **Cocreating.** Cocreating teams collaborate on product and experience delivery with a focus on skills such as agile development, DevSecOps, and product management. They take advantage of technology partnerships to acquire new skills, which in turn help develop, deliver, and operate new products and platforms.
- **Amplifying.** Amplifying teams harness advances in automation, artificial intelligence, and analytics to streamline processes, deliver insights, and optimize business outcomes around areas such as sales, inventory costs, and customer experiences.
- **Transforming.** Transforming teams tap into new technology opportunities to accelerate the business in new directions. This style requires a strong understanding of customer needs and tight interaction with the business, built from established mutual trust and tight organizational alignment. Also, adaptivity is highly valued to quickly shift capital, people, and technology to stay ahead of the changing market.

"More than ever, businesses are looking to their IT teams to drive growth," said Sharyn Leaver, chief research officer at Forrester. "However, misaligned IT strategies don't deliver business results. Forrester's high-performance IT research encourages leaders to anchor their IT strategy to business strategy. It is designed to help technology executives align their budget investments, operating model, and leadership approach to business priorities and readily adapt to changing market conditions."

Resources:

- Read Forrester's blog High-Performance IT Continuously Improves Business Results Through Great Technology to learn more.
- Read the Forrester report High-Performance IT to learn how to drive business results through technology investments (client access required).
- High-performance IT and related research is available to all Forrester Decisions and Forrester Market Insights clients.

About Forrester

Forrester (Nasdaq: FORR) is one of the most influential research and advisory firms in the world. We help leaders across technology, customer experience, digital, marketing, sales, and product functions use customer obsession to accelerate growth. Through Forrester's proprietary research, consulting, and events, leaders from around the globe are empowered to be bold at work — to navigate change and put their customers at the center of their leadership, strategy, and operations. Our unique insights are grounded in annual surveys of more than 700,000 consumers, business leaders, and technology leaders worldwide; rigorous and objective research methodologies, including Forrester Wave™ evaluations; 100 million real-time

feedback votes; and the shared wisdom of our clients.

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Ira Kantor
ikantor@forrester.com

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