

Executive Buy-In

Who Needs It?

If you are the sole proprietor of your own business, you are exempt from executive buy-in. It is my firm belief that owning your own business is one of the very few occasions that executive buy-in will not be a mandatory requisite of conducting business.

The importance of buy-in can not be over stressed. Buy-in is a common and normal practice in our everyday work environments and beyond. We have all experienced the necessity of buy-in on many levels of our lives, often at work and in our personal lives as well. Who do you need to convince to get what you need?

Example of a non-work related buy-in: imagine a married couple, coexisting together as one functional unit, when the perceived need of a new flat screen TV arises and is proposed by one to the other. This scenario could be a hunting or fishing trip or any number of situations where one person is asking the other for buy-in to allow and/or support the requested action or purchase.

I realize this example is a far stretch from the “Executive Buy-in” as seen in the chain of command within major organizations, yet there are very real similarities between the two in the sense that when something is wanted or needed badly enough, someone must take the sales position to convince the controlling faction of that need.

In an organizational setting the specifics of who is soliciting the buy-in, what their organizational position is, whether for a project or program initiation or something lesser; the intention of this article is simply to draw your attention to the importance of preparing facts and figures in such a way that is completely understandable and easily shows the benefits that will be generated for the organization if approved by executive decision.

Ignorance is not bliss, and is certainly no excuse

In an ITAM environment the necessity for buy-in is very real and quite prevalent. All too often though, senior management does not fully understand the specific needs of the ITAM department, exactly what we do or why we seem to be so needy of so many things. In a worst case scenario, executive level management might even take the position of nothing less than a strong opposition to the needs of the IT

department. This is the formidable wall of ignorance that must be scaled and the seeds of knowledge must be planted.

Remember now and always, that ignorance is nothing more than the lack of knowledge pertaining to a subject. The most shameful act is seen when an unknowing person rejects the informational fruits of knowledge that are bestowed upon them and instead remain defiant, refusing to acknowledge an understanding of the information presented.

It is of utmost importance for the IT asset management personnel to arm themselves with the tools of knowledge necessary to be able to present a case of buy-in that can not be rejected by common business sense. Even within an IT department that is striving for maturity, the information necessary to prove your case is readily available and if presented correctly will prove to be a valuable resource in your quest for executive enlightenment.

Arm yourself and aim for your target

One of the first priorities in your approach is to arm yourself with knowledge of the executive sponsor that you intend to convince. Find out where this person stands on issues relevant to the IT department. Is this person a supporter of IT initiatives? How well founded is this person within his/her chain of command? Have you ever had direct communications with this individual before? Have you ever seen the inside of this executive’s office? (Remember that the more you know about the executive and any nuances that you have observed are of great benefit because you are in essence preparing for a negotiation where your knowledge, presentation and demeanor are going to be a consideration in the outcome of your efforts to achieve buy-in) Confidence in yourself and your proposal is such an important factor in presenting the information.

Know your needs and numbers and use them effectively

Do you have all the information necessary pertaining to exactly what your proposed plan is and how it will enhance the mission of the organization? Depending on the size of your organization and the maturity level of your program, you may have already encountered several levels of scrutiny



before you reach the executive level. View this as an opportunity to hone your presentation before presenting your proposal to the target executive. Each person encountered will have a point of view or possibly information that you may not have considered.

What type of information can be presented that will compel executive management to alter existing business structures, plans and budgets to accommodate your proposed plan? Foundational information such as ROI (which should be calculated as a % value to help alleviate the sticker shock of a high dollar cost) is probably one of the most important values to present that will graphically show a positive payback for the investment. Will this proposal reduce costs and/or increase revenue? Is this request going to be in alignment with the organization's goals, objectives and strategic plan? Additionally, there may be occasions that the ROI could indicate that an immediate dollar value is not positive, yet a winning intangible value might be the goal to be achieved. This will obviously call for a very strong and convincing sales approach, one that is in alignment with the organizational agenda and will produce an overall positive long term gain.

If your proposal is a request for a necessary equipment refresh or new equipment for a new project, then TCO of that new equipment must be presented in your proposal. ROI and TCO should be calculated together and when combined can be used as a budgeting tool in your proposition. When utilized

together, these two values can be used to demonstrate overall profit generation and revenue for the organization. Additionally, your proposal needs to outline the other positive attributes such as productivity increases, compliance maturity, decreased service needs, less user training needs, etc; the key information in your favor that needs to be stressed is overall less expenditure if your proposition is approved. In essence, inclusion of your project will help to "lean" organizational expenditures. One of the most powerful dissertations is one that portrays overall savings and increases the value of an organization.

Proposals will have effect on executive management

We briefly covered the importance of gaining insight into the executive you intend to make the proposal to. You may find yourself in front of the CIO, a Vice President, the board of executives or even the CEO. It is common business knowledge that CEOs are hired to focus all their efforts and experience to grow the business. This is accomplished by providing management and leadership which if properly executed will deliver long-term shareholder value and growth. It is by this measure of overall growth that the CEO will be assessed. Your proposal might very well benefit upper management in the eyes of the board of executives. You might have to deliver your proposal to a person who is lower in the chain of command, but rest assured that whomever you provide the information to, it had better be convincing because now you are relying on another person to convey your proposal up the chain of command to top executives.

Confidence is Key

If your proposal has obvious merit on that course then you are well on your way to positive support and buy-in. In my opinion, belief in your proposal is the most important foundation to build upon. If there is valid necessity in your request and the organization can be shown an overall gain by accepting your proposal, then it only makes good business sense for the organization to accept your proposal.

In every organization that supports enough personnel to warrant a chain of command, there will come a time and need to convince that chain of command of necessary changes or purchases to benefit the organization. Research, planning and presentation are necessary to convey the need in such a way as to compel the controlling entities to embrace the proposal as a "must have" that will be a substantial gain to the organization when accepted. Use your knowledge and resources to the best of your ability and sell your plan to achieve the necessary buy-in.

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