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## Team Work

SUE BUSHELL, CIO

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Smart CIOs know that defining, designing and delivering value starts with having the right relationships with the right people.

A CIO launched a comprehensive critical technology replacement program in the middle of a major push to bring a new product to market. While the technology initiative was essential to the future growth of the company, the CIO soon found himself facing the wrath of his fellow executives in manufacturing and marketing as they hit technology glitches at a critical juncture.

The CIO, says Pamela Harper, founder and president of US consultancy Business Advancement, was guilty of an "act now, think later" pattern of behaviour that was all but guaranteed to become a hidden roadblock to strategic success.

CIOs run into problems with the executive team when they launch ambitious initiatives (such as outsourcing functions, forming alliances or introducing new technology) while making common but mistaken assumptions about their organisation's unique reality (circumstances, capabilities, culture and relationships), Harper says. Such assumptions become "hidden roadblocks" capable of creating persistent organisational problems that pile up and grind their company's progress to a halt during a plan's execution — a condition she calls "strategic gridlock".

This is a particularly challenging time to be a CIO. The hangover from the dotcom environment and the extremely tough business environment for most corporations means fellow executives are likely to be more sceptical about IT initiatives than usual right now. Effective CIOs know those are not sentiments they can afford to let fester, says Accenture global managing partner technology and research Jamie Hall. The good news is that the level of CEO awareness and understanding of technology and its strategic importance to the business is greater than it has ever been before.

"I think for CIOs today there is actually a tremendous opportunity for them to get much closer to the CEOs of their companies and to really be an agent of strategic change in the organisation," Hall says.

Doing so involves finding ways to work much more effectively with the executive team than many CIOs have done in the past. Paul Glen, certified management consultant with US firm C2 Consulting and the author of *Leading Geeks: How to Manage and Lead People Who Deliver Technology*, notes that whether CIOs directly report to the executive leadership team or not, the CIO is responsible for maintaining support for the technical group within the upper reaches of the organisation. Without such support, the technology group is likely to become an organisational backwater, a permanent cost centre viewed as a burden rather than a strategic asset.

To win such support requires CIOs to understand how senior management views the role of technology in the organisation and whether they consider it important to the company's future. They need to understand the views of each individual in senior management and not just the current consensus in order to build effective support. The trick is in knowing how to lead that change. Research firm Gartner says delivering business value from IT depends critically on the leadership agenda of the executive responsible for IS. However, business priorities are so volatile that IS is challenged to respond effectively.

"Effective CIOs actively position themselves with their executives, so that they are able to have real input — this means maximising your exposure to the executives at the top of their enterprise. In order to build their trust, garner their support and wield influence you must 'know the business of your business', and engage with the executive team at an enterprise- or business-wide level," reports Gartner.

Gartner analyst Andrew Roswell-Jones says that means not only understanding the business and its requirements, but engaging with the key decision makers and ensuring they know you understand the business. CIOs should position themselves so that they know early and can influence what the business needs and what is being expected of them by peers, subordinates and business partners. Understanding how most effectively to play that leadership role, particularly among fellow executives, is becoming increasingly vital to a CIO's success.

Yet many CIOs are clearly still struggling with this.

Faith Ralston, the author of *Emotions@Work: Get Great Results by Encouraging Accountability and Resolving Conflicts*, says after 20 years of experience with literally hundreds of executive leadership teams, she has found only 20 per cent are properly aligned and focused to achieve their vision. The majority are unintentionally shooting themselves in the foot by working at cross-purposes. "The sad results are lost profits, missed opportunities and high levels of burnout and frustration. None of this pain is necessary. Success is easier than most leaders imagine. It's simpler to do what works than deal with the fallout from what doesn't," she says. For top IT executives, "IT" should stand for "interaction and teamwork", Ralston says, not information technology. Successful IT leaders long ago realised that integrated systems and innovative technologies required two-way communication, high trust relationships and great partnerships with business leaders.

The best IT leaders rely on their staff to stay ahead of the learning curve and discover the latest technology, trends and solutions. They focus instead on building strong relationships with key decision-makers and promoting teamwork necessary to achieve business results. They are quick to prioritise business results over IT results. "Successful IT executives know how to paint a powerful picture of the future, persuade others to get involved and facilitate bridges — up, down and across organisational boundaries," Ralston says.

"The best IT leaders know how to resolve turf wars, minimise power moves, surface hidden motives as well as motivate their direct reports, resolve conflicts and keep the peace when

things go wrong. It's a tall order. Most IT executives have never been trained in what it takes to succeed at the top. At this level, people solutions are the key to technology solutions.

"The key to success in IT is interaction and teamwork."

## Removing Roadblocks

But interaction and teamwork rely on clear thinking and adopting correct assumptions about organisational dynamics. Harper has identified several common but mistaken assumptions that executives — including CIOs — make during strategic thinking and planning. They include: **Act Now, Think Later Thinking:** the tendency to assume that you have enough information to select strategies and initiatives that meet your organisation's real needs. The reality is that problems and opportunities are seldom what they seem on the surface, and often impact other areas in unexpected ways, Harper says. The best way to avoid this hidden roadblock is to negotiate the buy-in of fellow executives before committing to detailed implementation plans.

**One Size Fits All Thinking:** the tendency to adopt previously successful solutions without regard to whether they can work in your organisation now. The reality is that every organisation is unique and multifaceted. Therefore, a solution that works beautifully for one company can completely backfire in another company.

For instance, one CIO was hired to duplicate the tremendous success he had achieved with his previous employer in launching a state-of-the-art knowledge management system within a two-year time frame. The problem? His new company did not have the resources or stakeholder buy-in to get such a return on investment within the same time period. Conflicts erupted between the CIO and members of the executive team as the promised system failed to materialise on schedule.

Harper says had the CIO understood the full challenge that he faced (versus the apparent challenge) in terms of the expectations of his colleagues on the executive team and this organisation's reality regarding knowledge management, he might have been able to select steps that were more in line with reality, and could have been more effective in managing his colleagues' expectations.

**Magic of the Marquee Thinking:** the tendency to expect the organisation to accept changes instantly. CIOs often plan elaborate strategies that hinge on their organisation's ability to change instantly. However, the reality is that stakeholders almost always resist change, regardless of how "good" it is for the company.

For example, in one company the information technology department had just gone to considerable trouble and expense implementing a new computer database to integrate sales, inventory and manufacturing systems information. When it became clear that employees were still running paper records back and forth instead of using the new database, the CEO was understandably upset. Upon investigation, it became clear that the CIO had underestimated the level of resistance he was going to get to a dramatically different way of doing things — even from his peers on the executive team.

CIOs need to expect resistance as they lead the IT agenda — even from their "agreeable" peers on the executive team. By learning how to identify the various forms of resistance, they can handle more effectively these issues as they arise and prevent further gridlock down the road.

## Establishing Credibility

A general manager marketing or general manager production is automatically assumed to be making a

contribution to the organisation, notes Professor Philip Yetton, executive director of Fujitsu Centre for Managing Information Technology in Organisations. With IT's history of being over budget, over time and under functionality on major projects, many CIOs are viewed as having been brought in to fix the problems created by the previous incumbent, rather than as being key members of the top team charged with managing the organisation into the future. That gives the CIO a unique challenge amongst all of the leadership team.

"To be successful a CIO has to be a significant contributor to the top team's management of the organisation, including its strategic management of the organisation," Yetton says. "A primary requirement for that is that the CIO has already demonstrated that he or she can add value — that is, they've proved their worth in their own area, namely IT." Until the IT executive can establish very strongly credibility as a member of the top team, he or she is in danger of being left out entirely from the informal strategic discussions that can play a powerful role in shaping the organisation's future, Yetton notes.

Accenture's Hall says the three areas most CIOs need to address to establish their credibility revolve around: rationalisation and simplification; methods, standards and common architectures; and governance. "No doubt there are other things on the CIO agenda as well, but I think these are three critical categories," Hall says. "These are prerequisites for you to be able to sit down at the table with top management of your company and have a discussion about the strategic agenda."

Joe Santana, co-author of the book *Manage I.T.*, says there are three major ways a CIO can establish credibility with senior business executives, gain and maintain the confidence of that executive team and establish effective leadership over the IT agenda.

1. Obtain a very clear understanding of the organisation's business objectives and how IT needs to support that effort. First ask: What are the three or five key things that the business wants to achieve, such as growth in current markets, growth in revenue derived from existing clients, increase in profitability or transforming its business model? Next ask: What IT services, applications and products are the most critical towards meeting those objectives?
2. Adopt and use an IT investment portfolio model to define the IT agenda in alignment with the company's business objectives.
3. Drive portfolio management model thinking down through the entire IT organisation. Give every IT vice president, director and manager clear understandings of which portfolio the service or services they manage are part of and how to run them with a clear sense of how they fit into the big picture. (This approach is a good way to help new managers to quickly find and maintain a clear link between their role and the IT-to-corporate objective alignment strategy, Santana says.)

Hall says that from there, CIOs need to position themselves at the point where business and technology come together. That means a CIO needs to have insights into and understanding of the business that he or she is supporting, along with the processes that drive that business and the things that are important to that business. They also need to have an understanding of technology and where technology is going. CIOs then need to be able to marry those things together to help the management team paint some pictures as to where technology is going, how it will impact business processes, and what the new world order might look like.

Bette Price, president and CEO, The Price Group and co-author of *True Leaders*, says CIOs can begin this process by taking the initiative to seek out and understand the day-to-day problems fellow executives are experiencing, and suggest how these issues might be

resolved through technology. This means CIOs have to be skilled in asking open-ended questions, listening and taking time to provide feedback to ensure that there is clarity about the issues they are hearing about.

“Once there is clarity and understanding, the CIO will begin to establish a stronger rapport and trust with other members of the executive team when they begin to return to these team members with positive recommendations on how their insights and experience could help,” Price says. “It will also be important to convey information in common language that takes technical aspects and turns them into easily understandable terms for the non-technical.”

“The most important aspects of CIOs being viewed as credible members of the executive team deal with communication and interpersonal skills issues,” says Price. “The second is their ability to relate their technical strength and knowledge directly to the business development and human capital issues.”

Price says it is impossible to underestimate the important role that communication plays in being accepted as a credible part of the team. An ability to truly relate to other members of the executive team and value their respective needs, then effectively communicate the role IT can play in helping to achieve their necessary results, is a critical part of the role of the IT professional. In part, that means being more proactive and being more interactive.

## The Business Knows Best

by susan cramm

*You can never be smarter than your customer*

Stop and listen closely. There are voices in your department claiming to know more than your internal customers. These voices say things like: “They don’t see the big picture”, “They don’t have a strategy”, “They don’t know what they want” and “They aren’t really committed”.

Logic tells us that this “IT knows best” attitude is ridiculous. Few IT professionals have grappled with the challenges of meeting unreasonable profit targets in tough times. The tendency for IT to go it alone is really a defence mechanism, fomented by years of trying to serve a distracted and technically unsophisticated audience. Like the geeks from school shunned by the “in crowd”, the IT group gets much of its identity from its unique technical, process and information knowledge rather than from business relationships and impact.

You would have thought that the era of the know-nothing “user” was over. After all, aren’t we all now using terms like business partner, customer and client? Well, the fact that I still hear “IT knows best” voices and see these behaviours shows that it takes a lot more than wording changes to change the underlying attitudes. This point of view is dangerous because it drives a wedge between IT and the business, by undermining business authority in IT management under the guise of customer service, efficiency or strategic imperative. To illustrate how this facade of superiority impacts IT effectiveness, let’s examine two critical processes:

**Strategic planning.** The “IT knows best” attitude results in the IT group determining strategy with minimal input or direction from the business. I am always surprised when my coaching practice clients have to be reminded that strategy is a participative process. Of course, I too made this mistake at one point, when I moved from strategic planning into a CIO role. I understood the business strategy and IT implications well enough — but my knowledge meant little since my business partners did not necessarily see things the same

way. Instead of evangelising and sponsoring initiatives, I needed to be educating and listening. Remember, the “right” strategy is one that has commitment from those responsible for delivering business results.

Often, CIOs face the challenge of defining IT strategy with little or no formally articulated business strategy. They sometimes respond by trying to document the “implicit” business strategy or even to drive business strategy development. It doesn’t work. The IT organisation cannot have a longer strategic horizon than that of the business. In cases like this, the best that IT can do is drive IT priorities from business priorities (by asking questions like: “What do you hope to get done next year?” and “How do you measure success?”). From that, the IT group can try to build something that lasts by understanding data and business processes and being a stickler on standards.

When it comes to establishing annual priorities, CIOs sometimes make the mistake of tackling the job alone, by trying to reconcile the strategic plan with the tactical functional demands and the available funds. The CIO may be right in the initiatives that are the most promising and pressing, but the list of funded projects should only include those that the business leaders will fight for and the governance council approves. **Project execution.** Believing that “if we don’t do it, it won’t get done”, IT sometimes prepares the project value justification for the project sponsor. In assuming the role of the customer, however, the IT group is threatening the potential success of the initiative. Better to let an initiative fall by the wayside than to start a project without the necessary business commitment and leadership.

When it comes to project execution, CIOs who follow the “IT knows best” approach assign IT managers to head up all projects and trained systems analysts to drive the requirements definitions. While it’s true that business managers are typically too busy managing the process to build strong expertise in project management or analysis, adopting these roles misaligns authority and accountability. It is IT’s job to use its expertise and influence to coach the business on how to set up projects for success — by helping line managers strike a good balance among scope, approach, staffing and oversight.

In “IT knows best” organisations, the CIO is violating the rule that you can never be smarter than your customer. If you’re lucky, your business partners will revolt and rebalance the roles. More often than not, though, they will be focused on the day-to-day business demands and will let IT run the show. But when results are less than expected, IT will be left (rightly) holding the bag. Anytime you hear the “IT knows best” voices and see your organisation taking on the role and authority of the customer, you know that your organisation is out of step and at risk.

## **A Management Page-Turner**

*The Five Dysfunctions of a Team: A Leadership Fable*

By Patrick Lencioni Jossey-Bass Incorporated (2002)

I want to work with Kathryn. As the new CEO, she has to shape up a disgruntled executive team — the eyeball-roller, the know-it-all, the disconnected. Who hasn’t seen these characters staring back from the conference table? Ah, but Kathryn prods them into thinking as a team. She teaches them how to hold each other accountable, to argue and to trust.

What’s Kathryn’s last name? What company does she lead? Who cares? She’s the protagonist of management consultant Patrick Lencioni’s fictional lesson, which comprises most of this book that points out the five behaviours undermining the functional team: a

fear of conflict, an inattention to results and a lack of trust, commitment and accountability. Far from dry management-speak, Lencioni's fable reads like a potboiler. Kathryn stumbles, she doubts, but eventually she triumphs — and you learn (painlessly) how to manage a team as effectively as she does. — Janice Brand

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