Partnering For Success

By: Harris Kern's Enterprise Computing Institute:

An effective way to view the world is through a global organization matrix as illustrated in Figure 1 below. The matrix highlights the three dominant views of the global organization;

- ➢ **Local view** – The perspective of a business unit within a geographic region.
- ➢ **Regional view** – The perspective of a geographic region across multiple business units.
- ➢ **Global business unit view** – The perspective of a business unit across multiple geographic regions.

These three views respond to interdependent market demands and compete for enterprise resources. IT resources, when viewed through the matrix, can be allocated visibly and objectively if the competing business needs are presented through business cases developed jointly by IT and its business partners.

The jointly developed business cases will institutionalize IT's alignment to the business and tie IT activities to the creation of value for the enterprise.

Figure 1: Global Organization Matrix

GLOBAL ORGANIZATION MATRIX

	Business Unit I	Business Unit II	Business Unit III	Business Unit IV	Business Unit V	
ion I						
ion II		Local View				
ion III						
ion IV						
ion V						
ion VI						

REGIONAL VIEW
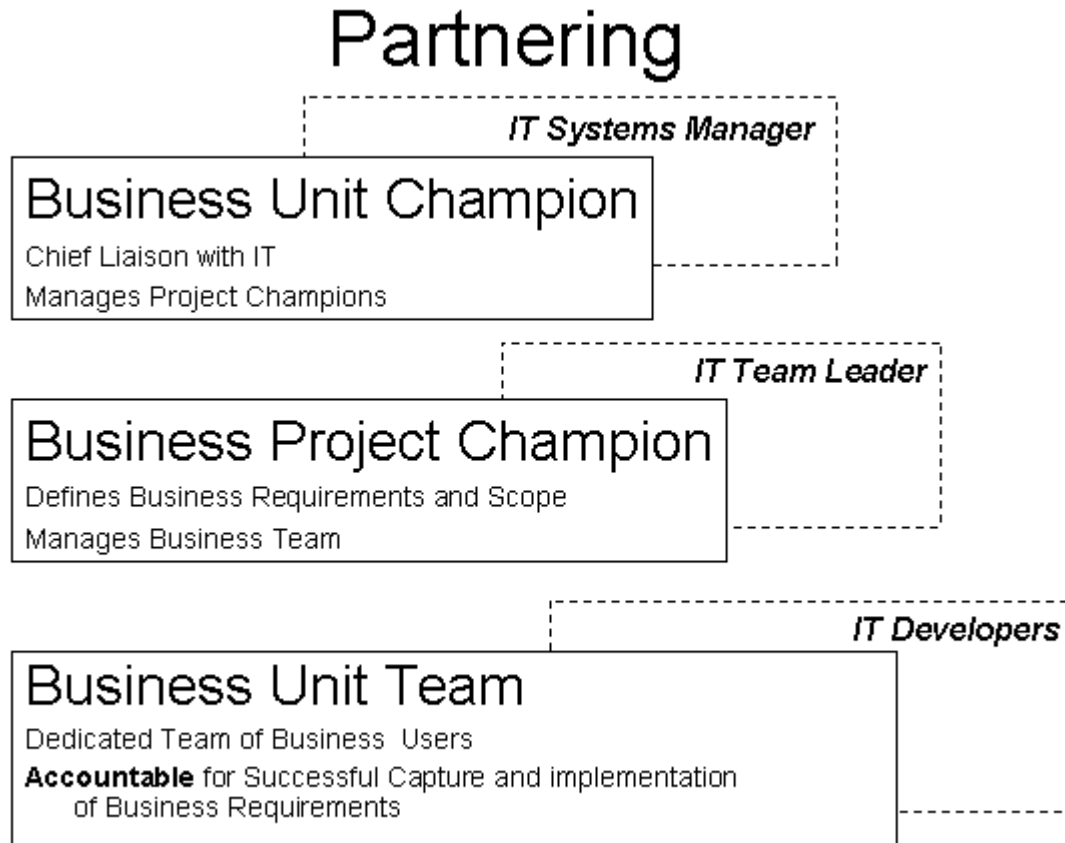
Global Business Unit View

Business Case

Business cases should be required for all work outside of routine maintenance and minor enhancements. Business cases are the instruments through which project priorities are set and are created by a joint business unit/technology team. It's a business case not a technology case. Business cases are required to address questions of enterprise business goals and technology goals. The business case process forces individuals and organizational units to engage in a continuing dialogue.

Alignment with business objectives is a natural consequence of jointly developed business cases for projects that fall within the business's strategic plan. Approval of the business case moves the business agenda forward and creates partnership and understanding during the process. A not insignificant objective of this process is the respect of the business for IT's understanding of the business and its strategic needs.

Business Teams

Business teams represent the fundamental relationship for identifying, specifying, prioritizing, and creating IT value. Business's role as a partner of IT rather than a consumer of IT is institutionalized through this relationship. As shown in figure 2, every technology project is done within the context of a business team. Business staff and IT staff are paired and every project has a business unit champion and a business project champion. All members of the team have accountability as well as responsibility. The business team concept is so important that the business case template explicitly requires the business unit champion and the business project champion to be named. Our goal is a consequence-minded culture: It's not about me being right, it's about getting to the right solution. Everyone owns the problem and everyone owns the solution.

Figure 2: Partnering

Partnering

	IT Systems Manager
Business Unit Champion	
Chief Liaison with IT	
Manages Project Champions	

	IT Team Leader
Business Project Champion	
Defines Business Requirements and Scope	
Manages Business Team	

	IT Developers
Business Unit Team	
Dedicated Team of Business Users	
Accountable for Successful Capture and implementation of Business Requirements	

Partnering Within IT

Every member of a department needs to understand and be kept up-to-date on any information that relates to what they are doing and what their partners are doing. Delegation of authority to the lowest practical level allows new ideas to be tested constantly on the front lines in multiple situations simultaneously. Many opportunities are recognized only at the front lines. These opportunities may be fleeting if not recognized at the source when they occur. Delegation encourages creativity. Over-communication is demanded. Managers will never have as much information as all of their people on the front lines. Relevant information must flow upwards and downwards with enough breadth to allow individual perspectives to be applied. A manager cannot be at every subordinate's shoulder at every minute of every day. Every subordinate needs to be able to react, make decisions, and inform the manager of relevant facts.

All staff members need to be mentored to recognize these opportunities. Opportunities may result in efficiencies, operational effectiveness, cost savings, new markets, competitive advantages, or strategic shortcomings. The gathering of intelligence takes place at all levels of the organization. The analysis of this intelligence likewise takes place at all levels of the organization. A free flow of intelligence needs to take place continuously.
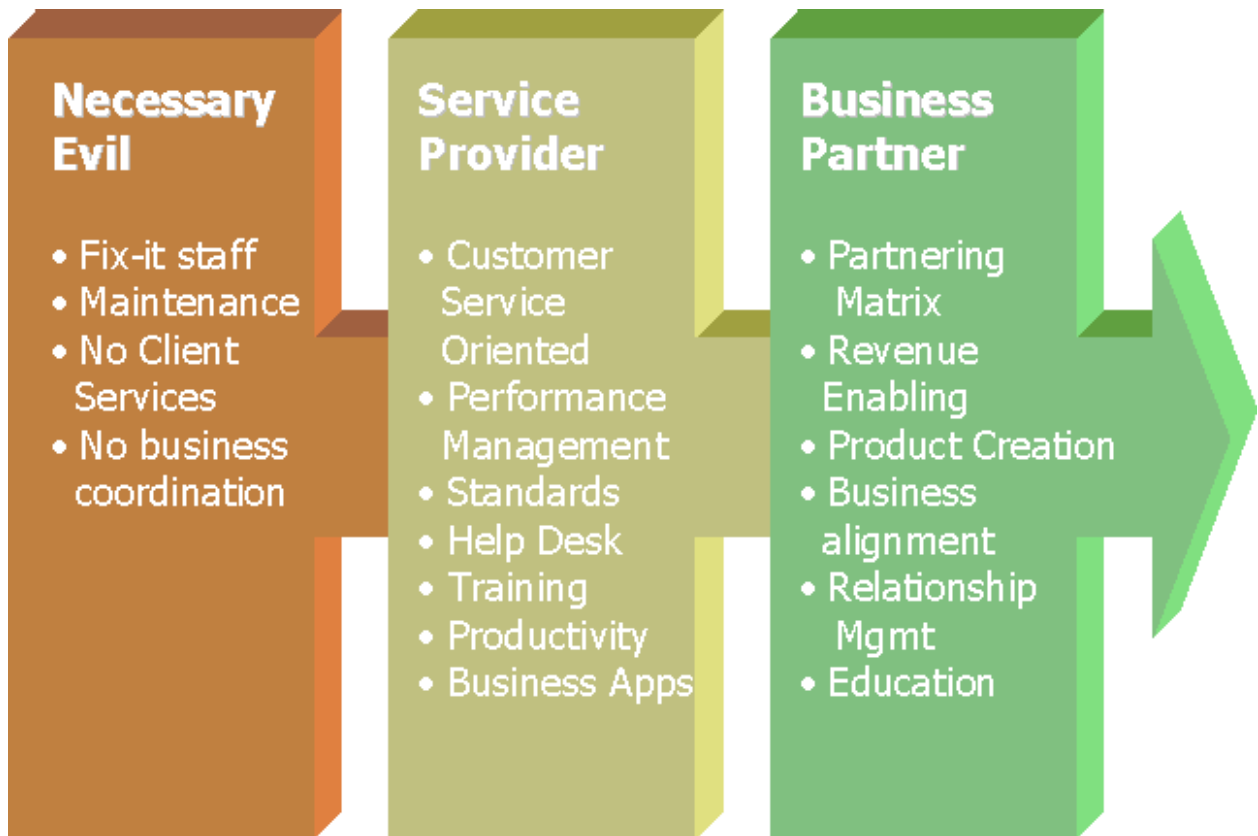
The evolution of IT as a business partner is illustrated in Figure 3 below.

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The Enterprise Computing Institute (www.ecinst.com) helps IT professionals solve problems and simplify the management of IT through consulting and training based on the best-selling Enterprise Computing Institute book series. Founded by Harris Kern (www.harriskern.com), the industry's foremost expert on simplifying IT and world-renowned American author, publisher, lecturer, and consultant, the Institute has focused on providing practical guidance for tackling current IT challenges since its inception in 1998.

Operating Principles

Figure 3: Evolution of IT

Necessary Evil

- Fix-it staff
- Maintenance
- No Client Services
- No business coordination

Service Provider

- Customer Service Oriented
- Performance Management
- Standards
- Help Desk
- Training
- Productivity
- Business Apps

Business Partner

- Partnering Matrix
- Revenue Enabling
- Product Creation
- Business alignment
- Relationship Mgmt
- Education

The operating principles of managing IT as a cost center and managing IT as an Investment are contracted in Table 1 below.

Table 1: Managing IT as a cost center vs. managing IT as an Investment

Cost Center Management	Managing IT as an Investment
Business throws projects requirements over transom (often as solutions masquerading as requirements).	Business teams including IT as a "business" work together to specify requirements
Priority set by user intuition	Jointly developed business case used to determine priority
Acceptance testing done by users when time permitted	Acceptance Testing done to exacting standards and scheduled with accountabilities and deliverables
Infrastructure as a reactive afterthought	Strategic architecture/infrastructure as a competitive advantage
Application development as an art	Application development as a science (discipline and rigor)
Infrastructure as overhead	IT Infrastructure as an Internal Service Provider
Task related communication (isolated)	Relationships
Accept user requirements verbatim. Even worse, creating user requirements without the user.	Ask the right questions and jointly specify requirements
Non-iterative requirements document	Prototypes and proof of concepts
Projects belong to IT only	All projects require business unit champions and business project champions.
Technology for technology's sake	Alignment with business objectives
Reactionary/task-oriented	Proactive/relationship-oriented
Working in silos	Teamwork/synergy
Mistrust	Credibility
IT for IT's sake	Customer-centric
Lack of metrics	Performance metrics
Bureaucratic	Adaptable
Follow orders	Creative solutions
Authoritarian decision-making	De-centralization of decision-making
Cost containment	Build for efficiency and effectiveness, architect for growth and business alignment
Vendors managed by the users	Vendors managed by IT
Vendor invoices go to the user	Vendor invoices go to IT