
The Technology Executive: Tomorrow's Business Hero?

by Philip Hall

7 November 2006

BEng(Aero), MEng, MIEAust, CPEng

In today's increasingly competitive business environment and job market, the role of the technology executive is being seriously questioned. More and more businesses are demanding that their technology executives have a high level of business acumen, expecting Chief Technology Officers and Chief Information Officers to provide the strategic leadership needed to run their department as a business. Typical of recent commentary on this topic, the editor of an Australian IT magazine suggested that CIOs from technical backgrounds must learn how to grow into the role of business "superheroes" in order to survive. He reiterated the argument that CIOs must adopt the CEO way of thinking by grasping the business world in which they work and realistically balancing risk with the business's need to change and grow.

While not a supporter of "heroism" in business – preferring instead to encourage the virtues of good leadership and management – I communicated to the editor that I believe the potential is there for all technology executives – not just CIOs – to become business superheroes.

The dilemma for technology executives is that the definition and importance of their role varies significantly between industry sectors and businesses within those industry sectors. The dilemma is compounded by the array of titles and definitions that are associated with technology executive positions and the lack of consistency in how those titles and definitions are applied against the actual role and status of the position within the business. Many businesses, therefore, struggle to determine what type of technology head they need – a CTO or CIO, Chief Engineer, Head of Engineering, etc. – and what standing that position should have in the business's senior or executive management structure based on the perceived value the position contributes to the business's bottom line.

Unfortunately, while most technology executives are considered to be operationally critical to the success of their company, they are also considered to be lacking the business acumen necessary to significantly contribute to the development of the business' strategy.

To change the perception that technology executives are disinterested in or incapable of strategic leadership, such executives must assume the role of champion within their company for sustainable business improvement. This role demands a thorough understanding of the company's strengths and weaknesses, both internally and within the market, as well as the ability to set strategic direction to act on that understanding. The ultimate success of this role depends on constructing and maintaining the operational processes to follow through on the strategy. The technology executive is uniquely positioned to offer this combination of business savvy and technical competency. I believe this is where the real opportunity lies for technology executives to realise their potential to become business superheroes.

Generally, businesses strive to establish a solid reputation of quality and performance; a reputation that most businesses take years to painstakingly build, but a reputation none-the-less that can be destroyed in a

moment. It is well known that US businesses are tending to move away from employing CIOs from technical backgrounds, primarily on the basis that such CIOs are perceived to lack the degree of business acumen required to effectively contribute to the continued success of the business. While this trend is not surprising, it is of concern, and represents a wake up call for technology executives around the world.

The issue is not about the capabilities and performance of technology, but the overall culture and performance of the business itself. Technology and technology executives are often made the scapegoats for poor business performance, whereas the real reason is a basic lack of understanding and commitment *across the company* to consistently deliver the promised or expected level of service to the end customer.

Around the world, businesses of all sizes and in all industries are attempting to define a corporate culture that empowers their employees to meet three fundamental challenges; Be Innovative, Reduce Costs, and Increase Quality. To succeed against these challenges, such a corporate culture must be built around a simple, focused concept; a concept to which all employees at all levels of the business can relate their day-to-day activities. This concept is Customer Service Delivery.

In one way or another, all businesses produce or provide something for a customer, and all of the activities of a *successful* company must enhance the production and support of that 'product' or 'service'. To achieve this, businesses must develop customer service delivery practices based on a heuristic service delivery model that not only meets their immediate needs, but is sustainable and scalable across time and changing markets.

Typically, however, most businesses are structured on the tri-departmental or 'silo' model of Sales and Marketing, Technology and Product Development, and Operations and Support. Each of these departments has a particular 'personality' and behaviours to match. Sales and Marketing is gung-ho, irrepressible, and with a limited attention span, responds best to pictures and simple statements. Often speaking in foreign tongues, Technology and Product Development likes to play with toys, and prefers to be left alone to do so. Operations and Support takes a nurturing role with a large element of martyr mixed in, dutifully taking on the 'problems' created by others' impractical or unrealistic approach. These are not groups of people that naturally work and play well together.

Astute and business savvy technology executives have the best potential and more opportunity than anyone else in the business, with the exception of the CEO, to strategically champion the establishment of a company-wide culture of end-to-end customer-centric service delivery across these typical silos. Few would refute that it is easier for a technically qualified executive to become business savvy than for an executive without a technical background to become technology savvy.

Business savvy technology executives are also ideally positioned to take up the tactical leadership role by leveraging their technical background and analytical skills to become experts on the intricacies of business operations and performance, by identifying and championing business improvement initiatives, and leading business improvement programs aimed at achieving sustainable customer service delivery. They are best placed to facilitate the definition and adoption of customer-centric performance metrics and measures appropriate for the products and services offered to customers, lead all areas of the business to agree on realistic and achievable targets for those metrics, and to insist on a company-wide commitment to achieve those targets. They are also well-positioned to facilitate business impact analyses of the business's potential failure to deliver against agreed service delivery targets.

Establishing an effective customer-centric service level delivery capability requires top-down leadership, and bottom-up participation and engagement. This approach brings together the sales and marketing, technical, and operations teams to collaborate on the design and implementation of a sustainable service delivery model, and reduces internal 'us/them' orientations that make it so difficult for most businesses to deliver consistently on the commitments they make to their customers. By incorporating a regular review process, this approach can be used in any business to address tactical issues quickly, establish sustainable long-term strategies to achieve service delivery objectives, and build a culture of service level commitment through continuous improvement.

Good leadership and management are essential in changing company behaviours. Business savvy technology executives can strategically champion the establishment of a company-wide culture of end-to-end customer-centric service delivery across the typical departmental silos. Leading by example and in cooperation with all other areas of the business, they also become the tactical champions for sustainable business improvement. It is essential that everyone across the business understands the meaning and application of service levels promised to the customer. Through a combination of consultation, focus workshops, one-on-one mentoring, formal training and documentation, the business must provide every opportunity for its staff to learn, understand and take ownership of the end-to-end service delivery model that is adopted by the business.

Like all programs designed to facilitate improvement, sustainable performance in service delivery must be strategically and tactically managed as long as a company is in business. Without visible and consistent executive leadership, Customer Service Delivery will become just another passing fad, and technology executives will continue to find the Board Room door closed to them while the business trudges on in search of the Holy Grail.

Author Bio

Philip has extensive engineering executive experience across a diverse range of industries from Defence aerospace, information technology and telecommunications, theatre and entertainment, to scientific facilities and networks. He has led large-scale and high-profile engineering initiatives delivering operational facilities and mission critical systems for major companies and organisations both in Australia and internationally.

He was the senior aeronautical engineer on the RAN Seahawk helicopter acquisition project, senior project manager on leading-edge Defence initiatives at ARL DSTO, and for several years held key engineering management positions at the Australian Bureau of Meteorology where he was responsible for the design, installation and operational integrity of numerous scientific facilities and systems around Australia, the Antarctic and in the South Pacific region. In 1996 he headed Honeywell Australia's international team of engineers engaged on the weapon and navigation sub-systems upgrade for the RAAF P-3C Orion Refurbishment Project, with responsibilities for the management of subcontractors in the US and Europe, before accepting senior engineering management appointments with Bytecraft Automation and Link Telecommunications.

In 1999 he established his own professional services company providing independent strategic business and project management services to major companies and organisations in Australia and the US. He co-pioneered the development and implementation of a formal framework and supporting methodologies for a customer-centric service delivery model at Telstra that resulted in significant improvements in customer experience for IT products and services delivered to corporate and public customers.

Philip has written and presented several conference papers on operational performance and is currently collaborating with colleagues on a number of professional publications, including a business textbook that defines practical strategies for achieving sustainable business performance. He is founding partner of Applied Strategies Pty Ltd.

Philip Hall
BEng(Aero), MEng, MIEAust, CPEng
Applied Strategies Pty Ltd
Web: www.appliedstrategies.com.au