Technology, Transformation, and Collaborative Leadership

A Roundtable Overview

Roundtable *on* Digital Strategies

Technology, Transformation, and Collaborative Leadership

Thought Leadership Roundtable on Digital Strategies

An executive roundtable series of the
Center for Digital Strategies at the Tuck School of Business

The U.S. Chapter convened for a discussion on changing business models and leadership demands, in light of new technologies. This Roundtable on Digital Strategies was hosted by Sysco in Houston, TX. CIOs were joined by business unit leaders and colleagues in strategic planning and marketing to discuss operating challenges and best practices. Executives and academics from Blockbuster, Chevron, DISA, Eastman Chemical, Eaton, Sysco, Thomson Reuters, Time Warner Cable, the Tuck School of Business at Dartmouth, University of Houston, University of Texas at Austin, and Waste Management participated.

Key Insights Discussed in this Overview:

With both information technology and the overall business context undergoing rapid and significant change, the Roundtable convened to discuss strategies for managing through this period of great uncertainty and making the most of opportunities to grow.

Leaders exchanged ideas and approaches to handling creative tensions and core dichotomies in the internal and external environment:

- How to reconcile the need to drive efficiency and cut costs through standardization—while remaining responsive, agile and flexible?

- Where is the right balance between enterprise centralization and business unit autonomy?

- Can enterprises engage customers and the larger ecosystem through information technology as never before—and still protect IP and vital data? What are the tradeoffs between security and openness?

- With a new generation of 'digital natives' entering the workplace, what norms and management expectations will most effectively inspire, govern and motivate performance and cross-functional collaboration?

The discussion generated insights about leading and governing processes differently—particularly between IT and other functions—to manage through these dichotomies, give customers the interaction and service they want, give employees the identification and engagement they need, all while reducing costs and driving performance.

Evolutionary Thinking

IT leaders in large, distributed global organizations are managing through a significant evolution in thinking about information access and distribution in every element of the stack, within and beyond the boundaries of the enterprise, and on platforms of every kind—from core ERP, to new social networks like Twitter, to handheld devices like the iPhone.

Managing that evolution requires rethinking longstanding trade-offs between standardization and innovation, efficiency and flexibility, and centralization and decentralization.

Twila Day, Senior VP and CIO at Sysco Corporation, stated "We're challenging everything that we're doing, from the perspective of business processes and day-to-day activities, to be more productive, more cost-efficient and more streamlined from a business perspective, to really keep those costs under control, but also to be able to accelerate our growth in a time period where you're not necessarily going to see a lot of systemic improvement. I think that a lot of what IT was founded on, from an historical perspective, just isn't valid in today's environment."

Is IT Spending, or Investing?

The group was intently focused on the need to drive efficiency and reduce total operating expense in the current environment.

Puneet Bhasin, Senior VP and CIO at Waste Management, said "My budget compared to last year has gone up 40 percent—and all of that increase is on the expense side, meaning labor. My staff is going to double. In that context, how do you staff up rapidly but effectively and efficiently? What are the best practices around governance, program management? How do you align the business organization across this massive additional investment in technology?

Moderator Abbie Lundberg offered the challenge of a lighter-weight, more agile, flexible model for IT, driven by an imperative for lower costs—to which Sysco's Day replied, "A lot of investment that's happening in technology means overall the budget will be going up, but you're getting a higher return on what you're doing."

"We're not reducing IT expenditures," Day said. "I've seen a lot of investment happening, because the business realizes that without that technology platform, they can't become more cost efficient. So the technology cost is saving money for the organization overall, but it won't be reflected in IT.

Time Warner Cable Senior VP and CIO Frank Boncimino said, "For us it's definitely a request of the business to do a lot more, but for a lot less. The old expectation of 'Do more for less' has become, 'Do a lot more, and do it for a lot less.'"

Randy Krotowski, CIO of Chevron Global Upstream, reinforced a 'whole-of-management' (enterprise wide) approach to planning. "I don't believe that we should be managing our IT budget in isolation," he said. "The trade-off should be: Do we make this IT investment, or should we drill a well?"

"We should be managing our capital the way we manage our people," he said, "with very deliberate forethought and planning. That allows us to be more agile in a more uncertain future."

Regulatory Control, New Opportunity?

The leaders discussed uncertainty in the larger business context, beginning with larger regulatory factors—and their impact on visibility, planning and growth.

Eastman Chemical Company's VP and CIO Keith Sturgill said, "The legislative environment is a big deal for us. One of our core competencies is turning high-sulfur coal into syn-gas, which we use to make all kinds of downstream products that you use every day. A year ago we were very serious about building a large syn-gas facility in Beaumont, Texas.

"But with no visibility on the direction of greenhouse gas legislation, we're not willing to lay a billion dollars on the table. So that project has recently been cancelled due to uncertainty in the legislative environment."

Bill Blausey, Senior VP and CIO at Eaton Corporation, agreed, indicating that "One word about legislation that sticks in our mind the most is uncertainty. Whether it's tax law, labor law, energy law—all of them are up in the air. In some areas we're holding pat, because you don't know exactly what the government is going to do. Do you start additional companies in a certain area, or don't you? Our CEO, CFO and tax people probably spend five times as much time in Washington as they ever did before."

For some of these executives, legislative change opens up potential new opportunities. As Kelli Crane, Senior VP and CIO for Thomson Reuters put it, "We're spending much more time there, as well. But we also have market opportunities with legislative change, because we have all this information, particularly in our healthcare business. We're focused on developing innovative technology that helps detect fraud and can identify fraud in the medical system, for instance."

Blausey of Eaton concurred. "It's an interesting point. Even in our electrical business, part of our go-to-market is more focused on government sales because of the stimulus. So there is that other side of the equation."

Sirkka Jarvenpaa, who directs the Center for Business, Technology and Law at the University of Texas at Austin, sees a generational effect developing alongside of the regulatory regime. "I see it in the expectations of new graduates. I see a lot of really heartfelt energy around sustainability, a desire to work for companies that have green policies. In certain areas of engineering, there will be a huge shortage of qualified people. We will need to manage and meet the expectations of the next generation of knowledge workers."

Young Talent, Old Rules, New Technology

This question of how next-generation employees will enlist technology—and the context that corporate leadership needs to provide for its use—was a recurring theme throughout the day.

Eastman's Sturgill said, "We are continually looking for ways to leverage the computer-savvy workforce. The people that are coming into our organization—whether they're supply chain professionals, HR professionals, or otherwise—they get technology. They know the power of it."

Keith Morrow, CIO of Blockbuster, said "It's hard to overstate the importance of technology to this next generation. They're using it when they're eight years old. So it's going to be very hard in the immediate future, when they're looking for good IT, to say, 'Go talk to those people on that floor, or go through all these [hoops] to get a technology person.'"

There were some environments where the generational dichotomy between flexibility and control generates potential consequences more serious than even financial profit and loss.

Bobbie Stempfley, CIO and Vice Director for Strategic Planning and Information at the Defense Information Systems Agency (DISA), spoke about this in the context of how the armed forces give and receive orders in combat situations. "Last month we kicked off a working group to consider the fundamentals of what technology should and shouldn't enable an order," she said. "These service men and women are all used to phones and hand-held devices. In the field they'll use whatever they have to, to get the job done. These kids make final decisions. So how do we give them an order?

Where do we revise a decades-old framework that orders come in a particular way? Can troops get an order on chat? Obviously we're right in the middle of a significant evaluation of what technology should and shouldn't do for us."

Participants discussed the challenge of enlisting a new generation's creative energy while protecting core IP. As Eastman's Sturgill put it, "There are some great things that the next generation brings to the workplace. It's amazing to see what they can accomplish when given the goal and the motivation." However, young people who have grown up communicating in the open spaces of MySpace, Facebook and IM often have a more casual attitude toward information. "One thing we have to work on is the value of information, and the perception of the value of that information," Sturgill said. "We have a principle that information is money, and we need to protect it as if it were money. And sometimes I've seen some of that next generation coming in and treating the information as if it's free and limitless."

Sysco's Day agreed. "I think that's really where the disconnect is coming from. I think they need to have more context around the business environments and why the information has to be secure. There are problems with information leaking out, getting into the wrong hands. And you have to help them understand that from the business perspective."

There was broad agreement that technology policy and IT governance need to keep pace with Millennials' expectations and practices—applying some measure of creative control, to keep technology's effects as positive and productive as possible.

The Big Platform: Heads in the Cloud

Executives see cloud computing offering a path to both cost flexibility and operating agility. But the topic raised interesting security, financial and operating dichotomies and trade-offs in the group. "We're looking at a shift, in terms of investment," said Lucas Wagenaar, VP Information Technology for Sysco. "It's a little bit less expensive from a commodity application perspective. I think the cost has now shifted back to the central data center where we're managing those business applications, and where we're managing the cloud."

Time Warner Cable's Frank Boncimino described some of the benefits large companies gain by developing their own (private) cloud to support multiple business units. "You don't need a separate QA environment, a training environment, a development environment, another QA environment, and then a production environment. That is a big part of our footprint for applications, especially in big applications. So you save data center space and a whole bunch of people who are racking and stacking and maintaining."

Crane of Thompson Reuters sees additional benefits in shifting to a provider's cloud. "It's your own assets there. But they manage the hardware, the infrastructure, the support. It's a very agile and powerful environment."

But there's still a lot of uncertainty when it comes to sharing resources through a software-as-a-service or cloud infrastructure provider. John Garing, Director of Strategic Planning and Information for the Defense Information Services Agency (DISA), said, "Our dilemma is trust.

Perceived or not, there's a real trust issue associated with moving into salesforce.com, Google, Amazon. Your stakeholders say, 'Oh my gosh, it's on the Internet.'"

The benefit side of that risk seemed compelling to most in the group. Boncimino of Time Warner said, "There's an economic benefit by putting applications into the cloud, if you can manage the security issues. I'd estimate the savings at over 30 percent." Bhasin of Waste Management noted, "I always think of cloud computing less as a data center cost reduction issue, and more as a driver of time to market and upgradability."

The Small Platform: Going Mobile, as Employees and Consumers

Along with their interest in cloud as platform, the technology leaders were equally focused on individual devices as a path to greater effectiveness and efficiency.

There was broad agreement that mobile technology is bringing substantial operational and competitive benefits. Chevron's Randy Krotowski said, "If you're at a field location, you need access to information to deal with the business problem. We focus on mobility because we want to put information into the hands of those people out there operating in the field. There is an operational imperative around mobility."

Wagenaar of Sysco reinforced the trend for internal operations, as well. "I see vendors moving application functionality to mobile devices. Executives do like to have workflow and approval processes in their hands. We're looking at opening and responding to tickets and order-taking on mobile devices."

The implications of ubiquitous and mobile access "has an impact in two places as I see it," said Hans Brechbühl, Executive Director of the Center for Digital Strategies at the Tuck School of Business, Dartmouth College. "It's not just an employee question. It's also a question of how we engage the end consumer. A generation is coming up with entirely different expectations, both as employees <u>and</u> as customers. They are going to have expectations that we'll need to meet—as individuals, and as providers and consumers of products and services."

Sysco's Twila Day said, "These kids are used to having everything with the tap of an iPhone, instantaneously. And that is the direction that everybody needs to be prepared to move in, because those are your employees of the future, your customers of the future, your suppliers of the future. It has absolutely reached the tipping point. Allowing people to work and respond from anywhere is absolutely critical."

Social Networks—Turning Inside Out

That consensus, however, did not suggest that the ability to respond from anywhere should allow anyone to say or see anything.

Garing of DISA said, "In the last four or five months there has been a huge debate in the Department of Defense about social networking, and how or whether to allow what. You've got

two distinct schools of thought. One you might call 'The Bunker'—the idea that we have to protect everything. And the other effectively says, 'It's out there. How can you stop it?'"

Chevron's Krotowski responded, "With social networking, there's a bias in most technology organizations around control. I don't think that's a sustainable model. What's going on in industry, society and technology is going to have huge ramifications—in terms of how we use technology and how we structure the roles, responsibilities and people inside the organizations to manage it. We can't control our employees' behavior after they leave the office. So we don't try to [lock] things down much inside, either."

Blake Ives, Director of the Information Systems Research Center at the University of Houston, said "It's certainly transformed our classrooms. The kids are sitting there with their laptops open and Facebooking each other. We had a class adjacent to mine that an executive MBA told me had actually exchanged 600 Facebook messages during a four-hour class. And the younger students have a much different understanding of intellectual property. They don't really protect it."

The group also saw the positive implications for the inside-out dynamics being generated by social media. Crane of Thomson Reuters said, "We use Yammer, which is like your company's Twitter. We had some legal issues, but we got through them. And people love it. I think we have about 10,000 on Yammer now, and they've found it to be a great productivity tool for organizations with a dispersed workforce. People post snippets from management meetings, seek guidance or tips from peers—it has been a huge way to network groups that wouldn't meet each other."

Social Networks—Going Outside In

The group also considered the implications of social networks for gaining closer visibility and connection with customers. These benefits seemed universally appreciated—albeit challenging, and demanding significant sustained focus.

Morrow of Blockbuster said, "We've formed [social listening and response] teams. We've literally set up a group that manages real-time feedback to the company. It's pretty phenomenal—because 24x7 you see it all, and you have to be able to stop and respond to it. Some of it is haters and crazies, but I'd say that 80 to 90 percent of it is really solid stuff.

"We get snippets throughout the day and the week," he continued, "and the response group has ties into PR, marketing and copywriters, where they can work with CRM and the call center folks to either do individual responses, or put it out on our blog, or whatever the appropriate response is. But it's a huge amount of volume, it's a big commitment."

The group cited interesting new ways that technology is rising to help enterprises meet that challenge. Crane of Thompson Reuters said, "The tools that are out there and the teamwork they enable are extraordinary—tools that bring Facebook and Twitter into the contact center, where you can assign people just the way you do with phone or e-mail and chat, and manage it all like the call center, with service level agreements. It's very powerful because you can look at categorization and send out campaigns based on threads that are negative or positive."

Chevron's Krotowski concurred, saying, "The key thing is you're capturing that information, after seeing those texts. It makes it minable—and you can do something with it." The trend seemed likely to continue, in some form. Said Bhasin of Waste Management, "The fundamental reason people are trying to build applications and build interfaces with MySpace, Facebook and Twitter is because that's where the eyeballs are. So you're taking your capabilities to where the people are."

In the view of Jarvenpaa of UT Austin, "It's a kind of listening. Here's a good example. A colleague of mine who does a lot of speaking around the world was catching a Southwest Airlines flight. The security line was long. He Twittered his concern that he wouldn't make the flight. Well, Southwest has real-time monitoring of Twitter. So on comes a customer service rep, on a special line. This underscores the extent to which you can use Twitter real-time, and make it a meaningful customer contact point."

There was broad agreement that social networking platforms would be a consequential part of how the boundaries of the organization would be crossed, from within and without—and a clear consensus that IT leaders need to manage the impact of social media creatively and carefully, to generate positive benefits.

Engaging customers and enlisting employees through social networks will be a major priority in the immediate future.

Standardization vs. Flexibility: Is There a Vital Center?

Mirroring the inside-outside dichotomies and tradeoffs of social networks, many of the executives were managing the creative tension and trade-offs between centralized and decentralized control of information technology overall—and what kind of standardization makes the most business sense.

According to Eaton's Bill Blausey, "One of the dichotomies we run into is a desire to standardize, but at the same time drive or allow more innovation. The experience for an organization can be counterintuitive, to say the least."

Added Twila Day of Sysco, "Business units usually think that standardization means that something is going to take longer to happen."

"And then the big issue," said Krotowski of Chevron, "is if we deploy a standard across corporations, you now have to change a lot of people's behaviors. That is by far the hardest thing that I ever do. In the abstract, everybody loves a standard. If everybody would use what we're using, we love it. But if we have to adopt somebody else's 'something,' it gets difficult."

Of course, a total absence of standards could make things even more difficult. As John Garing of DISA put it, "Where would we be today if we didn't have the standard telephone system? Who would you call? How would you call with no numbers?"

As troubling as a lack of standards might be, there are cases where standardization leads to competitive disadvantage. "Consider what happened with McDonalds and Burger King, who both made standardization decisions a long time ago," said M. Eric Johnson, Professor and Director of the Center for Digital Strategies at Tuck.

"Burger King installed flame-broilers—so you couldn't undercook the meat. McDonalds adopted fryers—more flexible, but they had to install buzzers to get everything cooked properly. But then McDonald's launched breakfast—and it took Burger King a decade to catch up. Why? Because you can't flame-broil an egg."

The approach to centralization and standardization varied substantially in the Roundtable, depending on each organization's approach to its markets and customers.

Sysco's Twila Day said, "We are a very autonomous organization. Every unit operates as their own business. They have their own P&L, their own finance departments, their own presidents, and they make their own decisions."

"That can be a challenge," she said, "in today's environment where you just see all of this replication and non-standardization and just a lot of expenditures that aren't cost-efficient. So the good news is that because of what's happened [with the economic downturn], it's easier for us to be making some of the changes we're making. People see that they won't be as productive if they can't get more streamlined processes and more efficiencies. It's really acting as a positive from a technology perspective, because when times are easy, people aren't as open to change."

Defend the Core… but Deploy the Toys

What kind of change to invite, from a process and technology perspective—where to standardize, and where to allow flexibility—led to some interesting exchange.

"Something we're trying to do at Eastman," said Keith Sturgill, "is to understand and have a good deep discussion about what processes really differentiate us. Which are commodity processes? We're trying to follow the money, and understand what truly makes a competitive difference."

Sam Howe, Executive VP and CMO at Time Warner Cable, said, "One of the things we see is that some organizations allow people to opt out [of certain standards]. We think it's more effective to say, 'Hey, we're going to give you this standard. You must meet it. But standards can change, they can be influenced, and you can certainly play in that. But nobody gets to opt out of there being a standard at all.'"

As a result, he continued, "The silly conversations seem to have stopped. Now we're talking about business process—and is it better or worse for customers. Senior management has effectively said that opting out is not an option."

Eastman CIO Sturgill added, "I would argue that standardization aids responsiveness. In effect, it puts the guard rails on the road, so you know you can run within those guard rails and they'll keep you safe."

The question of control in IT seemed to be on everyone's mind. As Chevron's Krotowski put it, "We've made a big shift over the last few years from a control orientation to enabling the good things at the perimeter. We control Exchange. We control our network. We control servers, our ERP system as a core platform. We have four layers: the core, platform, tools and then toys. And

the key point is to get involved with each of those layers at the appropriate time. The toys, little tools can be very powerful, for a group of five people. But the core is dead standard."

DISA's Garing reinforced the importance of control. "What we have the least of—the most precious resource we have—is management bandwidth. Control reduces the amount of time our intellects and energy get displaced by trivial and mundane things, consumed by problem solving. If we, by loss of control, start proliferating problems, it seems we invite a spiral that's hard to pull out of."

There was a general sense that centralized control is being countervailed—and even led—by end user preference. "We look around the medical center here in Houston," said Blake Ives, "and we see docs walking around with iPhones. It's a very difficult environment to implement information systems in. But the nurses and docs are really picking up on the iPhone. I saw a survey the other day that said one in five docs expects to buy an iPad within the next year. Those are toys—and yet they're toys that are actually being used."

Said Krotowski of Chevron, "I think it's going to be huge. Part of what we do has to be controlled, and part we have to discover. If the doctors are trying to use their iPhones to do things that are useful in the hospital setting, we need to help them do that—rather than come in with a $180 million medical record system that will take three years and force them to use clumsy interfaces."

Lucas Wagenaar of Sysco concurred. "I think companies that are able to leverage those types of devices within—for example, if we were to do an [order] entry system as an iPhone app—we could probably get our customers to order more food from us, compared to other companies. Taking advantages of those devices I think would really drive some businesses to greater profits."

The prospect of fundamentally improved business processes through intelligent device technology seemed universally appreciated by the Roundtable.

Device-agnostic Innovation

There was also a sense among these IT leaders that over time, they would focus less on the question of specific devices, and more on enabling the many applications delivered through them.

"The way I look at it," said Time Warner Cable CMO Howe, "is that it's less about the device than the apps environment. I think a lot of the imperative here is really around simplifying process. How do you do that without making monolithic [infrastructure] decisions? Can you make a host of incremental app environments without upending your world, the IT world?"

"I think you can," answered Blockbuster CIO Morrow, "if we realize that the consumer and employee are going to have all sorts of devices. AT&T got to 5,000-percent CAGR for wireless use because there are more than two wireless devices for every person in the country. So we've gone fully down the path of a SOA approach, building all of our platforms and exposing them once as APIs. So now they can be used on telephones, iPhones, web browsers, anything else that you can walk around with. These devices will be out there. People are going to want to pick them up and use them—without us building 300 apps hardened into every single one."

"That's a great point," said CIO Bhasin. "To get to the stage where we're truly device agnostic, and enabling best of breed applications, the core is the data has to be centralized and kept succinct. You need integration architecture and then you need a service-oriented architecture."

"To get this done," he continued, "What has worked for us is having the right people within the mainstream organization who understand the business, who are technologically savvy, who can think out of the box. The innovation comes from within because they see the problems."

"We have a philosophy," said Chevron CIO Krotowski, "that we call 'the reinforcement of the positive deviant'—the type who pulls so much farther out, in terms of creating competitiveness in his organization relative to our peers, that it's fantastic. Our involvement really is just to help him go fast and help him do the IT stuff well so that it doesn't create problems later on."

IT: Not Just for People Anymore

Along with technology's power to enable people within and beyond the boundaries of the organization, there was discussion of the richness of data being generated by IT, and the role that IT may play in products and services themselves—and in the case of green technology, even the buildings and infrastructure customers inhabit.

To make this happen requires new forms of collaboration between internal departments—for example, between engineering and IT.

Eaton CIO Bill Blausey said, "There's a state in New England that wants us to monitor every public building, every piece of technology in the building, and what's going on with consumption of power and resources—gas, electricity, water, heat—to look for any anomalies in a facility. Or a hydro plant in Europe, that wants us to manage and monitor pumps and valves, for instance. All of this sensing technology being built into products is a huge part of what our engineers are doing."

Because of these trends, IT and engineering are working together in ways they never have before. "Where IT plays in the game," he said, "really is around the collection and understanding of the information—the monitoring, trends, anomalies, and value associated with more intelligently managing electricity, managing water, and saving money or looking for a potential maintenance issue. These are dimensions and focus that three years ago we didn't have at all. Green has really blossomed. It is a big partnership that we've never had before."

Implications for Leadership

The implications of the many trade-offs and dichotomies discussed throughout the day underscored the need for new and distinct combinations of leadership and skills—in particular, that they must be more cross-functional than ever before.

Time Warner CIO Frank Boncimino said, "As we launch a new product, IT is at the table. A service delivery lead is at the table. Along with a marketer, a finance person, the engineers. We're all at the table, and we're talking about the product as one group, developing a shared view of that product in its entire lifecycle. And I'm finding that to be a different and refreshing experience."

"Consider QA," he continued. "Typically, since they're metrics-driven, they'll say, 'We didn't recommend this to go out the door and here are all our stats on it.' That's the traditional approach. But if you change the performance measures, so that their job is to protect production, to accelerate bringing good product to market, and you start measuring them on acceleration, it forces them to join in more on your methods of agile and scrum. You have to change the KPIs on how they're measured."

Morrow, Blockbuster's CIO, agreed that the leadership required is different. "I think it's part of the progression of IT," he said, "from the far back office in a closet somewhere, to the point where every aspect of the business becomes technology-based—and everybody's going to do some part of technology."

As Time Warner Cable's Sam Howe put it, "The more strategy reviews we can do around the business, and what we need to do with customers, the more we realize that you really have to park your functional guns at the door. Sometimes we all forget to make time for that. But all of the people that work for us are looking for us to do that, to be able to translate in one voice what it is that we're seeking to solve."

DISA CIO Bobbie Stempfley said, "It calls for a willingness to lead outside your organization." Added Crane of Thomson Reuters, "It's a very different skillset than simply command and control management."

Many in the Roundtable had devoted significant effort to identifying and cultivating cross-functional leadership talent in their ranks. Chevron's Krotowski said, "We identified some unique attributes for the people who are most successful, around thinking styles and the ability to understand multiple viewpoints, people who can formulate and make a clear and compelling argument. Those three skills really differentiated the people who were most effective in engaging cross-functionally."

"It's not one type of person you need," said Twila Day of Sysco. "That's the bottom line. You need a variety and a diversity of people. But what you need to be able to do is to understand how to work together better as a team. And if you've got a team that's all full of strategists and no executors—then you'll have a great strategy but won't get anything done. We found we needed people with a certain kind of 'arranger' skill—because that's what they call this, an ability to connect the dots and move the pieces around."

Business and IT Leadership Needed

Eastman CIO Keith Sturgill agreed, but said, "Here's another dimension of the same problem. You have people who've been with you for years, who know deeply how the process works. Not just how the technology works, but how the company really runs from an end-to-end perspective. But it often happens that they aren't the same people with a broad view of the next generation of technology. Trying to bridge that gap from the deep process knowledge to the next generation iPhone device agnostic thinking is a cultural challenge."

Answered Twila Day of Sysco, "You really do need to enlist the strengths of both of those types of people, and use them together. That's the whole point. You've got the business process knowledge which is really hard to replicate in these new people that are coming on, but you've got the new way of thinking of things, really getting out of the box and challenging the status quo. And I think that's when you end up with kind of the best solution."

Maintaining a relaxed grip on the wheel in such an environment seems a subtle art. As Kelli Crane of Thompson Reuters put it, "I like to think that we drive from the back of the bus. We're glad to let someone else feel like they're driving—which is often the case in implementation—but you know who's really driving it. You just let someone else think they're driving it."

Keith Morrow, added, "We'll need to ratchet up those influencing skills, selling and influencing skills, to convince a board or an executive committee or your peer group that you need to make that ERP investment or that standardization decision, and get them aligned and get their support."

He continued, "A lot of teaching behaviors and attitudes matter here—it's a kind of stewardship, being flexible in the decision-making, given the influx of change and less control in the environment."

"I do think," said Twila Day, "it is a skill set that has to be developed—particularly among those people who have been in the business for a long time and are more used to traditional technology roles. The days of sitting in my corner and doing my job are really over. You really have got to have better communication skills and be able to get on the business level."

This greater need for communication seemed to be universal appreciated. Kelli Crane said, "The role that bridges business and IT is really valuable—understanding the technology, trying to solve the business problems, speaking both 'speaks'—that's a skill in itself."

Conclusion

The overall impression generated by the day's discussion was one of keen optimism and interest, to capture the opportunities being presented in both process and technology improvement. The consensus, as reflected by Keith Sturgill, was that "leaders of IT organizations have as great an opportunity to influence our business as we've ever had before. We have a wonderful opportunity to improve bottom line results."

Making the most of that opportunity will require successfully navigating the many trade-offs that IT executives have always faced—between cost-control and growth, standardization and innovation, efficiency and flexibility, centralization and decentralization—as well as new challenges and opportunities presented by social media, the cloud and mobile devices.

Such a landscape will require an unprecedented level of cross-functional IT and business leadership.

Participant List
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