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How to use Social Intelligence, Human Factors, and Collaboration to Create an **IT Department that Outperforms**

Frank Wander

TRANSFORMING IT CULTURE

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TRANSFORMING IT CULTURE

HOW TO USE SOCIAL INTELLIGENCE, HUMAN
FACTORS, AND COLLABORATION TO CREATE
AN IT DEPARTMENT THAT OUTPERFORMS

Frank Wander



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The greatest revolution of our generation is the discovery that human beings, by changing the inner attitudes of their minds, can change the outer aspects of their lives.

—WILLIAM JAMES

Dedicated to the Corporate Weaver: To those great and selfless leaders who unfashionably rely on sensitivity and outflowing concern to bond with their people; who peer deeply inside them with perceptive social intelligence (sogence); who understand that the social environment is their loom and their professionals are threads of experience; who weave these threads, one to another, forming a closely connected tapestry of mind and emotion, highly productive and deeply collaborative. Done skillfully, the result is pure harmony—information and productivity flow across the fibers. This is human social fabric, the material of modern productivity—the postindustrial equivalent of an assembly line. In this factory, what matters most are not the cost and quantity of thread but the quality—and whether each thread can be tightly woven into the section of the tapestry where it is needed.

This book uses the information technology (IT) profession as a lens through which we can see the importance of understanding the human factors of productivity and how to use them to unlock IT organizational effectiveness; this is how you make IT failure a rare exception, greatly increasing the success of projects, individuals, and teams; this is how you create an IT department that outperforms and companies that outcompete. Our workers are more than mere “human resources,” a dehumanizing description of talent that just reinforces the notion that professionals are interchangeable parts. They aren’t—and they never were! The next productivity revolution will be launched by applying human understanding to unlock the full potential of our people. At long last, we will move beyond our industrial-era management practices and rely on trust, caring, and unselfishness to liberate the productivity of our knowledge workers.

The companies that leverage human understanding to embrace their people will own the future. The need is yesterday; the time is now.

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FOREWORD

Frank Wander's book, *Transforming IT Culture*, is being published at a time when the role of the chief information officer (CIO) and information technology (IT) departments are being reevaluated by chief executive officers. Wander rightfully warns IT management that they have become too dependent on process-based solutions and need to rely more on the "human factors" to improve IT results. Indeed, we have become a society that believes that business problems can be solved through integrated processes, yet everything we have learned from research at Columbia University suggests that it is the human side—those "soft skills"—that are the real difference makers for success.

At Columbia, we have a master's degree program in IT executive management that has relationships with over 125 of the most successful CIOs in the industry. These CIOs mentor and coach our students in hopes that they can help them become tomorrow's IT leaders. Our program focuses more on the soft skills portion—those very things that Frank Wander emphasizes in his book: being caring, social, unlocking the potential of staff, transforming ideas into realities, establishing social networks inside your organization, to name just a few of his strategies. Wander has been a mentor in our program at Columbia and has been instrumental in helping us deliver an important message to our students: Reliance on process only will not be enough for the successful CIO of the future.

My research has rendered remarkable consistency in the ways senior CIOs defined their successes.¹ Not surprisingly, these CIO *attributes*, as I call them, comprise mostly of the human factors highlighted in Wander's book. Unfortunately, these soft skills are usually not the focus of many up-and-coming IT managers.

My new book with Wiley due to be published in early 2013, *Strategic IT: Best Practices for IT Managers and Executives*, coauthored with my colleague Lyle Yorks, divides these CIO human factor skills into two categories: personal attributes and organizational philosophy.²

Yorks and I define the term *personal attributes* as 11 individual traits that appear to be keys for IT leadership. Furthermore, we relate 12 organization philosophy issues that CIOs feel are critical to the way the IT organization should operate with the business.

The results of our research are clear. Most of what brings IT success relates more to the issues articulated in *Transforming IT Culture*, that is, social intelligence, human factors, and collaboration. While so many CIOs agree

with this approach, few have been able to do it successfully. We still see many CIOs with a “short shelf life” in their position—only 39 months. Yet we also see that there are CIOs that have crossed that milestone and are bringing real value to their firms. Certainly, Frank Wander’s book represents what this new breed of business CIOs need to do to change the ways IT is integrated into the business world.

DR. ARTHUR M. LANGER
Academic Director, Executive Masters of Science in
Technology Management
Columbia University
Faculties: Graduate School of Business
Graduate School of Education
School of Continuing Education

Notes

1. A. M. Langer, *Information Technology and Organizational Learning: Managing Behavioral Change Through Technology and Education* (New York: CRC Press, 2011).
2. A.M. Langer and L. Yorks, *Strategic IT: Best Practices for IT Managers and Executives* (Hoboken, NJ: John Wiley & Sons, forthcoming).

ACKNOWLEDGMENTS

Writing a book is a significant undertaking, one even bigger than I imagined when I decided to finish *Transforming IT Culture*, given that I had started this manuscript way back in 2004. Along the way, I have had encouragement from many folks who worked for me, all of whom thought a book on the human factors of productivity was more necessary than ever. I am thankful to all of them for their support.

As I look back over this journey, many, many people come to mind. Speaking with others has enriched my knowledge and led me to great books and information sources, and their probing questions sharpened my understanding. That said, a few folks need to be specifically mentioned.

Dan Roberts, president of Ouellette & Associates Consulting, Inc., has been a great help, encouraging me to finish my book and referring me to my acquisitions editor at John Wiley & Sons. He will always stand out as someone truly genuine, who is also thoughtfully focused on the human side of IT.

Dr. Arthur Langer of Columbia University, who wrote the Foreword to this book, stands out as an individual who is making a difference in so many people's lives. Aside from being a brilliant educator, he has been both a friend and mentor. Through his nonprofit, Workforce Opportunity Services, Art provides scholarships to bright, disadvantaged kids who are in danger of being left behind; he helps them get a degree in computer science and a career in IT by placing them in corporations hungry for entry-level professionals. Art understands talent and the importance of growing it. He is truly leading the way and is a great example of the power of caring.

I would also like to thank the many professionals at Wiley who provided great support, structure, and guidance as we worked together on this book. Wiley is an excellent company that has been wonderful to collaborate with, and I would never have been able to produce a book of this quality without the help and guidance of its staff. I am proud to be a member of the Wiley family.

Most important, I would like to thank my wife, Laura, and my three sons, Alex, Chris, and Kevin, who have put up with me sitting at a computer for long hours as I researched, wrote, and reviewed each chapter. They have been a great help, reviewing content, suggesting improvements, and remaining tireless cheerleaders. I am very proud of each of them and will surely engage them in my next book.

TRANSFORMING IT CULTURE

Introduction

We fear to know the fearsome and unsavory aspects of ourselves, but we fear even more to know the godlike in ourselves.

—ABRAHAM MASLOW

Welcome to a future where professionals count and leaders have the tools and knowledge to unlock the full potential of their talent; where companies are as concerned about their human infrastructure as they are about their networks, storage, and computers; where human understanding is seen as highly productive, and human-centric practices have replaced the selfish, cold, industrial methods that now dominate traditional corporate America. That day now dawns. The pendulum of caring is starting to swing back, and its movement will produce winners and losers. How will things turn out for you?

This book will give you an awareness of the human factors of productivity, enabling you to unlock hidden pockets of personal and group effectiveness, thereby ensuring you are positioned for long-term success. Your outcome does not have to be in doubt. This is a meaningful read, and the first steps in your journey toward a higher level of performance. Enjoy it.

So, how do I know the pendulum is moving? Some things in life are just accidental. As an information technology (IT) leader, I was always very good at strategy, process, and technology, but I also cared deeply about my people and fought to create high-performing cultures where each of them really did count; they repaid the caring with on-time projects, great solutions, deep collaboration, positive social chemistry, and organizational effectiveness. The bargain was unwritten but very clear.

Because of my track record of timely delivery and innovation, I was given the opportunity to turn around departments that were struggling or deeply in trouble. Soon I was fortunate enough to lead turnarounds across companies, and it was then that a pattern emerged: The root cause of failure was the toxic behavior and practices of management itself. These behaviors and practices were not isolated to a company or even an industry—they were part of business. Serendipitously, I had come to see that caring had high productive value, and it was a blind spot. Fortunately, this blind spot has been illuminated, and the pendulum of caring is in motion, even if it isn't yet visible to you. Higher productivity leads to increased returns on human capital and competitive advantage. The companies that embrace their workers will win; the dinosaurs will fade away.

Once I understood the root cause, I was left wondering why caring is so productive. I wasn't able to explain why, so I was moved to dig deeply into academic research and write this book. *Transforming IT Culture* reveals why caring, unselfishness, and human-centric management practices are the key to unlocking knowledge worker productivity, and why increased human understanding remains an enormous opportunity for traditional corporate America and its workers.

The Passing of an Era

When breakthroughs are made, change comes quickly. Case in point: the suitcase. Putting wheels on a suitcase is such an obvious innovation, one wonders how it could have been overlooked for so long. This improvement required no complex engineering and no leading-edge materials, yet everyone missed it. Quite simply, we were trained to accept suitcases and trunks without wheels, so everyone did—for hundreds of years! But once a better alternative appeared, suitcases without wheels disappeared quickly.

Now for something equally obvious that leaders in corporate America do not yet see: the well-documented human factors of mind and emotion. These offer far more productivity potential than the practices we currently embrace. Once this breakthrough is understood, work will change very quickly. We just have to reach the tipping point.

You see, while every era is built on an explosion of understanding, every era gives something while it takes something else away. In the industrial era, we learned to mass-produce goods and held in awe the great machines that turned raw materials into finished products. Unfortunately, craftsmen, the “machines” of the prior era, were dehumanized, becoming nothing more than good hands, mere interchangeable parts, spawning a union movement that won back a measure of self-esteem and control.

Today we have transitioned into the information economy, and a new type of craftsman has appeared: the knowledge worker. Almost unnoticed, craftspeople have returned, toiling in modern information factories, where they utilize the raw materials of a new era: concepts. By applying networks of minds and emotions, concepts are turned into reality; here deep institutional experience and advanced technical knowledge are a competitive advantage; here human understanding is a lever of productivity; here management remains largely blind to this unfolding reality.

In a stark departure with the past, a socially intelligent and unselfish leadership paradigm will fill the cold vacuum of insensitivity that is part of our industrial heritage. Our factories will buzz with the notion of socially derived productivity, and managers will focus on designing social environments that

unlock human output—in addition to managing and controlling the workers. We will learn new forms of measurement that combine both art and science, so that we can peer inside these social systems and see if they are operating effectively.

Refreshingly, we have entered a time that relies on networks of people as the means of production, not machines and process (not to say they won't be very important). As this era evolves, harmony and happiness will increase, and the economic environment will become inhospitable to the cold and socially insensitive giants of the passing era. They will transform themselves or migrate to foreign environs, where an unchanged economic environment can supply their commodity labor.

Clearly, large shifts such as this happen slowly. The industrial revolution that began in the early 1700s is bleeding into the information economy that began in 1945. Like a ship traveling from the ocean to an inland waterway, we are now passing through the brackish delta, where the water transitions from cold, to cool, and then gradually becomes warm and fresh. We eagerly journey toward the warm water, where we will stop, revitalize ourselves, and relax within the security of a caring social environment that is safe and highly productive.

The U.S. economy is already far into this delta, where our past and future are bleeding together. Research-based human understanding has been building during our journey, and it is this knowledge that will propel us along the remainder of this journey. By embracing and applying what is already known, we will finally recognize the insensitive management practices of the industrial era for what they are—a human social pathology embedded within our management culture that is a legacy of the past. Patterns of behavioral transmission like this are technically classified as memes: “a cultural unit (an idea or value or pattern of behavior) that is passed from one generation to another by non-genetic means (as by imitation); memes are the cultural counterpart of genes.”¹ Passively, as managers train their successors, they add a new link to corporate America's pathological chain of inheritance.

With this insight as a backdrop, we can clearly see that the root cause of our repeated failure on large, collaborative IT projects is our ignorance of the human factors of productivity. Figure I.1 juxtaposes our unemotional, cold industrial past and our future, warmed by human understanding.

A New Era Brings a New Focus

In this new era, it is clear that social intelligence, trust, and unselfishness are indispensable management tools that enable a leader to energize a human web and make it highly productive. Executives who can do this will rise in

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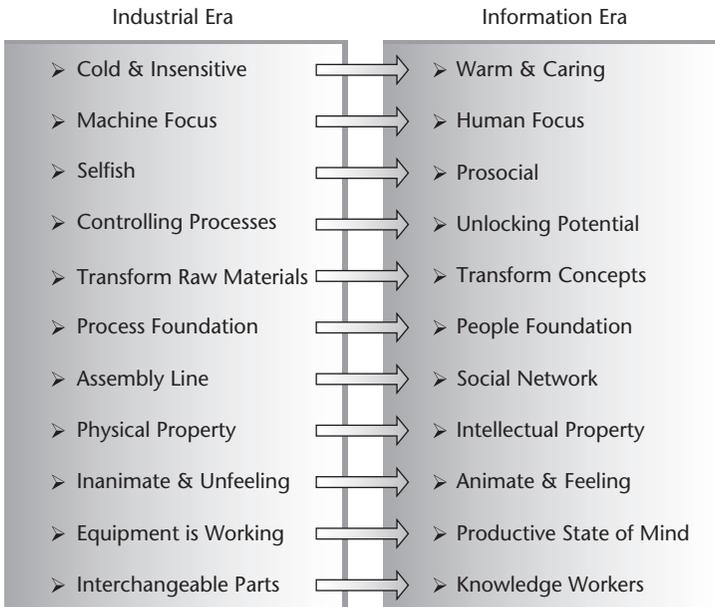


Figure I.1 Two Eras in Contrast

importance as corporate America realizes that each web is a *social system—and the social system is the factory*. Science has brought an explosion of human understanding. This era will provide the insights necessary to build highly collaborative and productive social systems. As understanding grows, the inhumanity of the prior era will fade away. It is a win-win model, unlocking potential by blending the findings of modern science with age-old wisdom:

Even in such technical lines as engineering, about 15% of one's financial success is due to one's technical knowledge, *and about 85% is due to skill in human engineering, to personality and the ability to lead people.* (emphasis added)

—DALE CARNEGIE

Fortunately, we have been putting many building blocks in place. Diversity was a training ground that increased our awareness and sensitivity to others. Now we must add a new dimension to our interpersonal understanding by becoming aware of the social, cognitive, and emotional aspects of human collaboration. This growth in our human understanding will become a competitive advantage, as we leverage social intelligence to unleash strengths in

others. Although the transition will be difficult, it will be far more difficult for countries deeply tied to the industrial mind-set where workers are just another type of machine—keep it running, and if it breaks down, discard it and get a new one. We are many steps ahead on the pathway to human-centric practices.

As in all changes, this transformation will require understanding, trust, and conviction. We must, therefore, move forward with confidence, recognizing that the emerging environment is hospitable and will sustain us until we reach a much better place. As Buckminster Fuller once said, “You never change things by fighting the existing reality. To change something, build a new model that makes the existing model obsolete.” That is where we are today, in the *transition zone*: a place where a socially intelligent, servant leadership paradigm will finally begin to reproduce itself. We must work collectively to make sure the new model is seen, understood, and embraced—a set of memes that inaugurates a new enlightenment.

As is well known, cultural change is a complex, time-consuming undertaking. But here there is good news: Changing the focus from self to others is very powerful indeed.

Self-absorption in all its forms kills empathy, let alone compassion. When we focus on ourselves, our world contracts as our problems and preoccupations loom large. But when we focus on others, our world expands. Our own problems drift to the periphery of the mind and so seem smaller, and we increase our capacity for connection—or compassionate action.

—DANIEL GOLEMAN

Leading companies like Google understand that the only shortcut is talent, and they have therefore embraced and nurtured a creative and motivated workforce. Clearly, the winners of this unfolding era will be led by servants who understand how to unlock human potential. Satisfyingly, this understanding will rehumanize the workforce, launching productivity revolutions within corporations that shun selfishness and short-term thinking; those that refuse to embrace their professionals will compete in a race to the bottom.

To fuel this revolution, an explosion of human understanding has arrived on cue. Brain science has revealed how the human mind works, and decades of scientific research has shown how we think and feel. Winning companies will design collaborative cultures where prosocial and caring behaviors give way to positive social chemistry. Here the minds and emotions of the workers will literally flourish, unlocking desperately needed innovation. The hands no longer matter; instead, we will learn to cultivate work environments where the collective state of mind is productive. Nothing is more important.