

# Cutter Benchmark Review

Analyzing IT Metrics  
for Informed Management Decisions

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“It is clear today that superior customer service is possible only with the synergistic deployment of IT.”

— Gabriele Piccoli,  
Editor

## Life Is Service: Even for the IT Shop

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# Cutter Benchmark Review

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From the Editor, Gabriele Piccoli

## Life Is Service: Even for the IT Shop

When I was on the faculty of the Cornell School of Hotel Administration, my office was in Statler Hall, which is named after Ellsworth Milton Statler,<sup>1</sup> the famed New York hotelier who built the Hotels Statler Company that was later sold to Hilton in the largest real estate transaction of its time. Prominent in the entrance of Statler Hall (and on the school's Web site) is E.M. Statler's most famous quote: "Life is service. The one who progresses is the one who gives his fellow human beings a little more, a little better service." This is a very powerful set of words that shaped, and continues to shape, the education of generations of "hotelies," as the students are called at Cornell. It is also, in my own personal analysis, one of the drivers of the success of the Cornell School of Hotel Administration as a whole. Recruiters from all sorts of businesses that cater to the hospitality industry and beyond — big consulting firms, large chains and independent operations, and investment banks — used to tell us that what set our students apart from other business school students was not their preparation but their attitude. Our students do know the strategy frameworks and analytical techniques just as well as their fellow graduates from traditional business schools. However, what they have as an edge is their professionalism, their ability to relate to the other people in the room, and their polished *savoir faire* that makes them ready to be in front of clients from day one. I think the DNA of the Cornell School, directly traceable to Statler's words, is the key driver of such development.

The idea that service and service orientation are key to any organization today should come as no surprise. Scholars increasingly talk about the use of value propositions, rather than products or services, in relation to the idea that to be successful today an organization needs to solve problems. Empathetic service is indeed about the willingness and interest (the devotion at times) toward solving problems. It is also clear today that superior customer service is possible only with the synergistic deployment of IT. I will resist the temptation to go off on a big tangent here, as this is one of

my principal areas of research and personal interest. I will instead point you to the December 2008 issue of *Cutter Benchmark Review* (Vol. 8, No. 12) on IT services and service functionality for a discussion of the opportunities and role of IT as a resource in the firm's customer service strategy. As we wrote in December, our interest was pointed outward. Our driving question was: how should your organization think about deploying IT resources in order to deliver superior IT-enabled customer service? Complementary to this view is an internally focused one that calls for understanding how well the organization's own IT shop is serving the IT needs of the firm.

With this issue of *CBR*, we bring you experts from the academic and the practicing sides of this important issue of IT service. Our academic contributors are Geneviève Bassellier, Assistant Professor of IS at the Desautels Faculty of Management at McGill University (Canada), and Ronald Cenfetelli, Assistant Professor of MIS at the Sauder School of Business at the University of British Columbia (Canada). Geneviève and I met at a doctoral consortium, when she presented her dissertation work on the contribution of shared competence between IT professionals and businesspeople to the development and effectiveness of their partnerships. She is now a recognized expert on the subject. Faithful *CBR* readers have already met Ron, who was the academic contributor in the December 2008 issue, and know that he is rapidly becoming an authority on the topic of IT-enabled service. Geneviève and Ron's research expertise and interest coalesce on the topic of IT service, making them the perfect academics for this issue. Our contributor from the practicing side is Cutter Consortium Senior Consultant Bob Furniss, a 27-year veteran of the industry and founder of Touchpoint Associates, Inc.

Geneviève and Ron begin their piece with an overview of the domain and the state of the art of the research in this area. They then comment on the survey findings, articulating their work through four important questions:

## INTRODUCTION

(1) Are IT groups contributing to their business? (2) Is knowledge sharing between the IT organization and business clients improving service? (3) What role does trust play in the quality of the services? (4) Should management care about the emotional climate? On the basis of their findings, they then provide a roadmap for improving the internal relationship between the IT shop and the rest of the organization, with particular attention to the service function.

Bob's contribution departs from the notion that much of the relationship between the IT shop and the people that IT professionals support revolves around the service culture of the IT group. From this grounding realization, Bob articulates a number of very valuable perspectives and guidelines for improving the customer-service orientation and attitude of your IT shop. In his piece, Bob comments on the survey results and findings to highlight what is working and what is not for organizations that today seek to improve the relationship between the IT shop and IT users in the organization.

As IT professionals we are not generally famous for our polished savoir faire, some recurrent stereotypes in fact have us being just the opposite when it comes to social skills. Yet if it is true that "life is service," working on

our customer orientation and service skills can be a great investment, not just individually but collectively as the IT professionals in our respective organizations. This issue of the *CBR* is full of tangible guidelines and actionable ideas to help you get started.

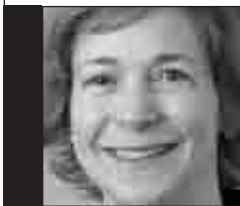
## ENDNOTE

<sup>1</sup>Of course, E.M. Statler, along with William Waldorf Astor, lent his august name to much more than just hotels. If you are familiar with *The Muppet Show*, the beloved television program popular with audiences of all ages, you will remember Statler and Waldorf as the two old men — seemingly always grumpy — whose favorite pastime is that of hackling the rest of the Muppets.



— Gabriele Piccoli, Editor,  
*Cutter Benchmark Review*

## THIS MONTH'S CONTRIBUTORS



### Geneviève Bassellier

Assistant Professor of IS,  
Desautels Faculty of Management,  
McGill University (Canada)



### Ron Cenfetelli

Assistant Professor of MIS, Sauder  
School of Business, University of  
British Columbia (Canada)



### Bob Furniss

Senior Consultant, Cutter Consortium

## COMING NEXT MONTH

### Personal Productivity Systems

#### AN ACADEMIC PERSPECTIVE

Joe Feller, Senior Lecturer of Business Information  
Systems, University College Cork (Ireland)

#### A VIEW FROM THE FIELD

Jared Goralnick, President, SET Consulting



by Geneviève Bassellier, Assistant Professor of IS, McGill University (Canada); and Ron Cenfetelli, Assistant Professor of MIS, Sauder School of Business, University of British Columbia (Canada)

## IT Service Management: Improving Customer Service Through Better Relationships

How is the IT group viewed in your organization? Is it seen as a necessary evil or are the IT people looked upon as “white knights” coming to the rescue? Is IT seen purely as a support function or, alternatively, as a strategic asset? No doubt IT plays a variety of roles in different organizations. One thing that is becoming more true today than ever before is that IT is a service — a customer service. In some cases that service is externally focused: the group running your firm’s e-business Web site, for example. But some of the most important clients the IT group has are in the very same organization as the IT group. These clients might include the marketing division, the CFO’s office, the R&D labs, or any of a number of other internal business functions. This means that for many firms, IT is moving out from behind the cubicle to join the rest of the organization, and this means being a part of cross-functional teams, sitting side by side with the marketing staff, or even taking a seat in the boardroom. Gone are the days when IT members went off to work in the corner on their own. A firm’s internal clients come to rely on IT for everything from day-to-day activities to strategic imperatives.

“The distinction between technology and business is antediluvian — it’s gone,” said Douglas Merrill, former CIO of Google.<sup>1</sup> So the role of IT is not just about coding or watching over the server farm, it’s about IT partnering with business clients to help them reach their goals. As IT moves into a more integral role in the organization, it becomes less a support function and more a service provider. As the mandate of IT grows from support toward service, it becomes important to understand this new role so as to help ensure a successful outcome.

In this article, we focus on the topic of IT service management. We will dovetail with the comments Bob makes in the next article regarding the “culture of service” that IT professionals must evolve toward, the shared understanding that the IT group has not only about its role but also about its internal customers, and the overall needs of the business. We see IT service

management as the idea that IT is a service to the organization. This idea is also about how best to manage IT as a service beyond the specific activities for which the IT group is in charge. For example, let’s take two fictitious firms called Acme and Bask. Acme has an IT group as a traditional support function. Bask’s IT group has taken on the “culture of service” that Bob talks about. When the Web server fails in the middle of the day, the Acme group notes a work order and sends in a technician. Bask’s group, on the other hand, has been proactively logging data on the performance of its Web server and analyzing that data for abnormalities. It has scheduled a few minutes of downtime in the middle of the weekend to fix the problem before the Web server ever has a chance to fail. In both cases, the IT group has taken responsibility for keeping mission-critical systems up and running. The difference is that Bask went beyond just “keeping the lights on” to think through its customer’s needs.

So IT service management is really about service in the conventional sense: there are customers to be served. Granted these are clients internal to the business who may never pay a bill and who aren’t at risk of going off to a competitor, but they are still clients with needs and problems to be solved, and they will also fully judge and evaluate the work provided by the IT group. This means that we look at that service from an internal stakeholder’s perspective of the IT group’s contribution to the firm and helping the firm reach its goals. Helping customers reach their goals is a central part of service. In the more traditional thinking about customer service, such as in the retail world, service is about helping a customer find the right pair of shoes, an interesting book, or the right car. Retail sales representatives, if they are doing their job correctly, are helping their customers reach a variety of goals: being fashionable, getting entertained, or finding reliable transportation. So why not think of a business function like IT in the same way? Thinking of IT as a service function means that IT can help its clients reach their goals as well: more

accurate budgeting, faster response times, facilitating the development of new business strategies, and so on. For example, firms that use Web 2.0 strategies, such as Web analytics, now have more productive marketing and sales personnel who can spend their time on more targeted leads. Those Web 2.0 strategies somewhere along the line required an IT professional (or at least the person wearing the IT hat) to think not just about the tools, but about what kind of business value could be realized from the tools. This is again about thinking beyond the specific activities that the IT organization is in charge of and toward a focus on how these activities are executed and the impact they will have.

Our previous research has brought the two of us to see that the relationship between the IT group and the business clients plays a key role in the ways in which the groups work together and appreciate each other's work. This appreciation is reflective of business clients' satisfaction with the output and services rendered by IT, as well as of their evaluation of the performance of the IT group. The core of this idea revolves around the interaction that takes place between the IT group and its internal business clients. The more effective these interactions, the better the outcomes of the projects and the more satisfied people are. In this article, we look at three key aspects of interaction: (1) how well IT and business clients learn from one another; (2) how much they trust one another; and (3) the overall emotional climate that exists among IT and the business clients. We explore these interpersonal and interactive variables as important contributors to how well IT serves the interests of its business clients. In addition to these interpersonal aspects, we also go further in trying to understand how to improve this interaction. If some or many firms have a dysfunctional relationship between IT and business clients, how do you change that? How do you improve a good relationship? We will discuss some of the key factors senior management can focus upon to do just that. We think you will find some interesting synergies with Bob's prescriptions on changing the culture in the firm.

As you can see in Figure 1, we developed a three-part model to help enhance IT service. Ultimately, the objective is to achieve high levels of satisfaction in the business clients as well as in their appreciation of the IT group's performance. Under the IT service management perspective, the factors that influence these outcomes go beyond the specific services that are delivered and put the relationship between the groups at the forefront of the service quality. Our contention is that the service performance of the IT function in an organization relies upon these key areas under management's control. We will bridge our thinking with data, and we will also report on this month's CBR survey.

### ARE IT GROUPS CONTRIBUTING TO THEIR BUSINESS?

We begin by talking about the bottom line of IT as a customer service. How do the clients of the IT group view the contribution that IT makes to the firm, and are they satisfied with the service they receive from IT? In this survey, we look at two very straightforward measures of these outcomes: (1) how business clients evaluate the work performance of the IT group; and 2) how business clients evaluate their satisfaction with the work and services provided. What we find is that many respondents are not impressed by the work done by IT, and they have very middling levels of satisfaction. The results fall almost completely in the middle of the range of possible responses. Indeed, about one out of five of our respondents reports overall poor performance and dissatisfaction with the IT group, and one out of three rates these two outcomes as average (see Graphs 1 and 2 in the Survey Data section beginning on page 19).

Regarding the satisfaction of the business clients, the ratings are about equal for the work produced and for the services rendered by the IT organizations (see Graph 1). But interesting differences can be observed regarding the work performance. Work performance is as much about the quality of the output as it is about the efficiency in which these outputs are delivered. The challenges of providing outcomes on time and on

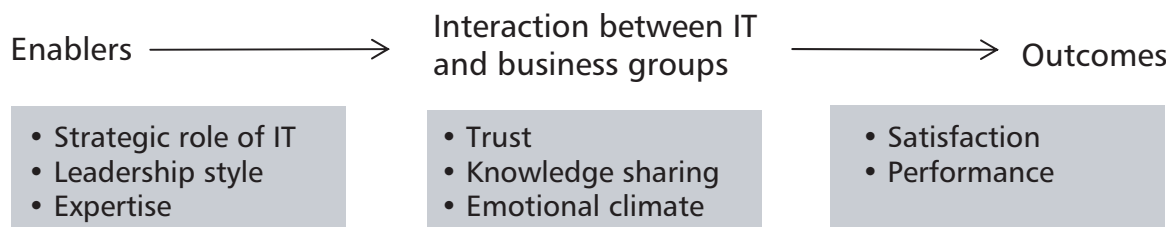


Figure 1 — IT service management model.

budget are often more important to the IT group than the quality of the services they deliver. Our data confirms this: 69% of the respondents assess the efficiency of their IT groups as average or less, as compared to 52% who assess the quality of the outputs as average or less (see Graph 2). On both dimensions, the respondents are not very positive, but clearly the efficiency seems to bother the business clients more. Keep in mind that these levels of satisfaction and of perception of the performance are the same across firms regardless of the size of the firm, its revenues, or the IT budget. This might remind some of us of the phenomenon of: “fast, good, cheap: pick only two.”

Average or poor assessments of the IT group are the bad news. These results might have an intuitive appeal for many of us. Who among us doesn't have a horror story or two about dealing with our organization's IT group? The middling results for IT service performance likely reflect that many IT groups do not view themselves as a service function. The good news is that there is room for improvement in how the IT group in an organization can impact the business client's satisfaction and assessment of its work performance. The way forward to such improvement is in changing the mindset toward thinking of IT as a service function. So let's discuss some of the factors that might help enhance how the IT group is viewed in the organization. Beyond the specific activities of the IT group, the relationship between the IT group and its clients plays a key role, as discussed in the next section.

## RELATIONSHIP BETWEEN THE IT GROUP AND ITS BUSINESS CLIENTS

We focus on three characteristics of the interaction between the IT group and the business clients: shared learning, the degree of trust, and the emotional climate. We discuss what each of these factors are and how they contribute to creating a more positive assessment of IT work performance and customer satisfaction.

### Is Knowledge Sharing Between the IT Organization and Business Clients Improving Service?

A crucial interaction that takes place between the IT group and its business clients is how well the two groups learn from and share knowledge with one another. With the emerging role of IT as a service function, we have a context where professionals come together from two very different domains, in this case IT and business. These two different types of professionals are trying to learn from and interact with one

another. Yet trying to interact is akin to these two types of professionals speaking different languages. Business clients don't necessarily know anything about IT, and IT professionals don't necessarily know anything about business. Although oftentimes forced to collaborate, such collaboration does not mean that either professional is learning about the domain of the other. Yet this learning is crucial for the IT-business client relationship precisely because IT and business professionals come from very different worlds. Business professionals are expected to have knowledge of “soft” skills such as leadership, strategy, and human resources management. In contrast, IT professionals are expected to have knowledge of “hard” skills that tend to be highly specialized and subject to rapid change. With apologies to author John Gray (who wrote the popular *Men Are from Mars, Women Are from Venus*), you could say that IT people are from Mars and businesspeople are from Venus. Each type of professional brings a very different set of skills, needs, and expectations to the working relationship. A successful relationship is characterized by an understanding of the domains involved in a cross-functional project. To be a successful relationship, each side must learn from the other.

What IT professional has not struggled at one point or another in making sense of the business client's request? The same struggle can be seen from the opposite perspective: What business client hasn't experienced challenges in having the IT professionals understand a request? By learning, we don't mean that business clients have to become IT experts, but it is important that they learn enough so that they can contribute effectively to the working relationship and make sure the assignment is going in the direction that they expect.

Take the example of a cross-functional IT project team that is to implement a new customer relationship management (CRM) system. A business client on the project team may not be at all familiar with technological issues such as the advantages of open source versus proprietary software or what the term “platform virtualization” means. The business client must look toward his or her IT partner on the team to gain the IT knowledge necessary for making decisions that will affect important outcomes like system cost and functionality. IT people don't necessarily know about customer segmentation or what goes into a sales forecast, but learning about these areas means that the IT professional can do a much better job of developing and maintaining the CRM system or other systems that the business clients use. But there is more than just these direct benefits of learning from one another. The process of learning

about each other's domain also dramatically improves the overall relationship between business and IT personnel.

In the survey, we look at whether this cross-domain learning and sharing of knowledge between the distinct groups of business and IT professionals helps to achieve better service from the IT group. First we asked respondents to explicitly rate how important knowledge sharing is to their organization. Respondents report an average rating of four out of five, with 75% of the respondents giving a rating of four or five (on a scale of 1 "not at all" to 5 "to a great extent" in Graph 3). Knowledge sharing is clearly an important aspect. We also analyzed the importance of knowledge sharing to customer service performance and satisfaction. We asked respondents to rate the degree of learning that occurs between IT and business professionals in their firm and the success of the knowledge sharing initiatives. We then correlated this data with our previously noted measures of performance and satisfaction. The results tell us that the greater the effectiveness of knowledge sharing between the IT professionals and the business clients, the more customers will be satisfied and the more likely it is that customers will positively evaluate IT work performance. Knowledge sharing is a vital part of promoting IT as a customer service. However, such sharing is not always easy. We get asked all the time by our students for ways in which the knowledge sharing and communication between business and IT can be improved. That's our opportunity to sell our students on majoring in management information systems. Our main role in business (and what we teach in a business school) is to train business-people to bridge the gap between IT and business. Those people eventually become CIOs some day. It is worth noting that of all the tools available to organizations to support knowledge transfer, face-to-face meetings are by far the most successful, according to our survey respondents.

### **Core Role of Trust in the Quality of the Services**

A second mode of interaction we see as being important to fostering improved customer service from the IT group is the degree of trust between IT and the business clients. Trust is essentially the belief that the actions of others are favorable (or at least not detrimental) to oneself. Trust plays a crucial role in organizational interaction in general as it usually facilitates all kinds of exchanges such as cooperation and sharing of information. Trust has been called a "social lubricant" that reduces the frictions of day-to-day interactions. For

example, when we have trust in a colleague, we don't have to take the time and effort to verify all the information and knowledge that come from that colleague. This results in an interaction that is more efficient than if trust wasn't established. The role of trust in fostering better customer service is all the more important when we consider the differences between IT and business professionals once again. Historically, the relationship between IT and business groups has not been characterized by high levels of trust. IT and business professionals represent the "two solitudes" within a business: the techies and the suits. IT professionals many times don't feel appreciated, face high expectations, and constantly have to deal with changing demands from users, and so forth. The classic perspective is that business professionals view IT professionals as being unresponsive prima donnas who are overly enamored with technology instead of meeting business needs. We can see this lack of trust in our survey data. About 21% of the respondents rate the level of trust between IT and business clients as low (rated 1 or 2 out of 5 in Graph 4). This is of some concern since building trust is essential for creating a service-oriented IT function in the business. Looking further into the survey results, we find that trust is indeed associated with better satisfaction of the business client and a greater evaluation of the performance of the IT organization. These results support that trust plays a positive role in the organization.

### **Should Management Care About the Emotional Climate?**

The third mode of interaction relevant to IT customer service is the emotional climate, where climate refers to the pervasive feelings individuals have from day to day in a given relationship context. This emotional climate transcends the feelings of any one individual. It instead is more of a shared sense of the feelings in the organization. Compare a firm like Google with just about any bank. Ask the employees at Google about the emotional climate, and they will likely respond with descriptives such as "fun," "exciting," "happy," and so forth. Poll employees at many banks in today's environment, and you'll get far more negative and glum responses.

It may seem somewhat intuitive, but in many societies today we focus greatly on only rational capabilities to explain why people do what they do and how they go about making decisions. The basis for this perspective is the assumption that human beings are rational and make the best decisions when using their head and not their heart. In other words, emotions are irrational and

should be excluded from the decision-making process. However, a great deal of research is now showing the value of emotions in helping people to make better decisions and behave, well, more rationally. Certainly, interactions between individuals or groups can lead to a full range of emotions, from happiness to anger, and these may impact the quality of the work done. We decided to look at how such emotions affect the service performance of the IT group. We asked respondents to report on what emotions are experienced by members of the IT organization and business clients as they worked together (see Graph 5). Again, we find some areas of concern. Overall, about a third of the respondents report higher levels of negative emotions than positive emotions between the IT and business units. If we look at specific emotions, nearly one out of five reports that anger exists between the IT and business groups. Nearly a quarter reports unhappiness. Nearly one out of three respondents report a state of worry amongst these two groups in the organization. If our sample is representative of a wider state of affairs in the industry, there is certainly some cause for concern. We parsed the data by industry and found that computer consulting, government, and financial services report the greatest degree of worry between business and IT.

Beyond these descriptive statistics, we also find strong relationships between the emotional climate and customer service. A more positive emotional climate is associated with better IT work performance as well as customer satisfaction. We also find that a positive emotional climate supports knowledge sharing as well as trust. We also looked at positive and negative emotions separately. Strong positive emotions facilitate the activities of learning and are also associated with higher levels of mutual trust between the groups. Interestingly, negative emotions did not predict these outcomes as well as positive emotions did. This may be the result of negative emotions being a reflection of wider areas of concern. For example, the degree of worry expressed about working together with IT and business may reflect a general state of worry. As we found, some of the greatest worry is happening in the financial services industry. The worry may not be coming from either business or IT and how they get along but from current external events.

## A FEW HINTS TO IMPROVING IT-BUSINESS RELATIONSHIPS

In this section, we offer some ways to improve the relationship between the members of the IT group and the business clients.

## Role of Knowledge

When it comes to the IT group providing good service to its business clients, we've discussed three important interaction characteristics: knowledge sharing, trust, and emotional climate. Each area presents opportunities for betterment. But how exactly can management improve these areas? There is no magic lever to pull that will automatically increase trust between business and IT personnel, enhance the emotional bonds between them, or increase how well they share knowledge with one another. However, one of the key things managers can do is to enhance the degree of knowledge and expertise that either the business and/or IT professionals bring to the table.

Remember that knowledge sharing is all about IT people learning about business and businesspeople learning about IT. Ironically for this learning process to best take place, some overlap in their respective knowledge areas is required. If we consider the language analogy we used earlier, if two people don't know a single phrase to speak in the other's tongue, then very little communication can take place. However, if each knows a little of the other's language, quite a lot can be said. This applies to the learning process between IT and business groups, particularly when it comes to discussing some of the technical aspects, jargon, and the like.

Managers can raise concerns about trust and knowledge transfer and legitimately ask how they can influence these factors. Which area of knowledge should each group master? Do we want IT professionals to be good at IT and business clients to be good at understanding their own business best and consider that to be sufficient? If an overlap is required, should it come from both sides or is sharing knowledge in only one area sufficient?

As we've said, IT people and businesspeople seem to speak a different language. One group talks in terms of "platform virtualization" and "UML" and the other in terms of "I need to file my budget report tomorrow!" In our research, we've found that one of the most effective ways for bridging this knowledge sharing gap is for IT people to learn a lot more about business. IT people need to understand the business needs. In fact, we have found that, in many cases, it is more important for IT personnel to understand business than it is for business to understand IT. Kimberly-Clark provides a good case in point. It told its hundreds of IT professionals that they would be going to a "finishing school" of sorts to learn about basic business ideas, strategy, and even how to communicate well with their business clients.

For a manager in charge of cross-functional projects, should the objective be to make sure that all required expertise is present and well integrated across the team members, or should team members all speak the same language (be IT or business)?

What we have found is that expertise is a significant predictor of trust and knowledge sharing and that it contributed significantly to a positive emotional climate. The old adage is that knowledge is power. What we have found is that knowledge is also empowering. Greater expertise fosters better relationships between IT and business professionals and ultimately leads to IT being able to make a better contribution to the business.

Looking closer at the types of expertise, we see a very interesting, but not too unsurprising, result: business expertise is the most important predictor of the three interaction variables as compared to IT expertise. What that means is that business expertise is the key leverage point for managers to consider when developing the skills of their employees, even for IT professionals. Of course, we should point out that the results do not profess that IT expertise is unimportant. Quite the opposite is true. IT expertise is also important for the quality of the relationship between IT and business professionals, just not to the same degree as business expertise.

What this also means is that IT professionals can and should be very knowledgeable about the business side. The aforementioned idea of sending IT professionals to a “charm school” to learn more about business is one option. Enhancing the business knowledge of IT professionals can also be accomplished by assigning IT personnel to work in a business unit (through a decentralized structure). Yet another way is to hire IT professionals from the business side of things. IT professionals who have had a past life as a business professional before becoming part of the IT group tend to be quite successful in bridging the gap between IT capabilities, business needs, and two distinct cultures.

### Strategic Role of IT

Another very important part about creating a customer service-oriented IT function is the strategic role of IT in the business. Cutter Fellow Richard Nolan and F. Warren McFarlan talk about the strategic role of IT and how it can vary from simple support (think e-mail and bookkeeping) to a central strategic role (think Google).<sup>2</sup> Whether IT is a strategic asset or just a support tool can vary from one company to the next as well as within a single firm. For example, the pharmaceutical industry uses IT for basic support functions such as accounting. But it also relies upon IT to manage

and collate huge amounts of data on new drug compounds that can lead to blockbuster multibillion-dollar discoveries — certainly a strategic application. What we wanted to find out is whether the service performance of the IT function is contingent upon the degree to which IT plays a strategic role overall in a given organization. Our premise is that the more an organization comes to rely upon IT for strategic advantage, the more likely it is that the IT function would have a customer service orientation and, thus, better performance. Of course, a counterargument would be that the more an organization comes to rely upon IT, the higher the expectations are for the service to be provided. If a furniture company loses e-mail for a day, it’s inconvenient but likely not disruptive. If Google loses one of its many search applications for a day, it makes national news and has an impact on its global reputation. Nevertheless, the results of the survey show that the strategic role of IT to the business is positively associated with the contribution that the IT group makes to that business. Organizations where senior business managers see IT investments as business-critical and where the IT organization plays a key role in the growth of the business report higher levels of business client satisfaction and of the IT group’s performance.

Of course, it may be that the more strategic role there is for IT, the more resources are poured into assuring it will perform effectively. It turns out that this is not the case overall in the organizations we surveyed. We find no significant correlation between the IT budget and the strategic role of IT, even after controlling for the size of the firm. The lesson here for management is one of mindset and leadership, not spending more money on IT. Seeing IT as more and more a strategic asset has tertiary benefits in enhancing the role of IT as a service within the organization.

### Leadership Style

We’ve discussed mindset over money when it comes to IT as a service and to the strategic role of IT. That got us thinking about the role that IT management plays in making IT a success. We asked our survey respondents to rate the leadership style of the IT manager. Based upon work from academic research in leadership, we evaluated two styles of leadership, namely, centralized and consultative. The latter consultative style is more empowering, where the leader predominantly lets employees seek out opportunities to learn instead of giving specific instructions about how to carry out assigned tasks. Such leaders tend to work with employees in defining their performance goals. This is really a “bottom up” kind of approach. On the other hand, the

directive leadership style is “top down” and characterized by more centralized decision making. This type of leader expects that members will follow given directions. This more traditional type of leader plays a key role when projects tend to be less structured by bringing in more explicit coordination of activities.

We are in no way saying that one style is right and the other is wrong. Both styles play important roles depending upon the context and the situation that the leader might encounter. Nevertheless, we have found that while both styles can encourage greater knowledge sharing, trust, and a positive emotional climate, the empowering style has some advantages over the more directive style. The lesson here is that while neither style should be blindly followed, IT managers may benefit from adopting an empowering style to help facilitate the relationship their IT group has with the business clients. Such a style is more accepting of questioning, knowledge seeking, and understanding. It is worth noting that in our survey, 63% of respondents report a strong empowering leadership style, while 37% characterize the style of their IT leader as being more directive (see Graph 6).

## KEY FINDINGS

Before we close, we offer some ideas to keep in mind and some highlights of our key findings:

- Organizations can and should work to improve business clients’ appreciation of the contributions made by IT.
- To develop this appreciation, it is important that IT plays a strategic role in the organization. Top management must send the message that IT is important, regardless of the size of the IT budget.
- The success of IT in the organization is founded on increasing the exchange of knowledge, creating a supportive emotional climate, and instilling trust between the IT and business groups.
- Knowledge is key. To foster IT success, each group must enhance not only its knowledge of its own profession, but also its knowledge of the profession of its partner. IT people should learn about the problems, strategies, and opportunities of its business partners, while businesspeople should learn the same about their IT partners. Specific practices that can facilitate such knowledge sharing include “seeding the line” and promoting more cross-functional projects.
- Organizations should implement more empowering leadership practices that will motivate employees in

seeking out opportunities to learn both within their own domain and in the domain of their IT or business partner. Compared to the traditional approach of providing specific directions and goals, this participative leadership style can also lead to greater levels of creativity and help develop better products. But care needs to be taken to ensure that the costs in time and resources do not overwhelm the benefits.

## FINAL COMMENTS

We’ve been seeing the economy progressively shift from old-style manufacturing to increasingly a service economy. When we talk about the knowledge economy, we are talking about another type of service. Information, consulting, relationship building, helping individuals and business reach their goals, these are all services. What we tried to emphasize in this article is the importance of thinking of the IT function in a business as a service with the customers of that service being other employees and stakeholders who are in the same business. The IT function has gone from “keeping the lights on” to a far more integrated role within the business. If you work in a firm bigger than one person, think about your own job for a moment. Consider whether you could get along without your IT group helping you in either the short term or long term. How do you interact with the group? Do you have a positive relationship with the IT members? Are you learning from them? Are you educating them on your business needs? We hope this issue of *CBR* sheds some light on the importance of trust, the sharing of knowledge, and even the emotional bonds that exist between IT and the business clients and how that can facilitate IT being better able to serve the needs of the business. We assert that the interaction by itself plays a role, regardless of the actual IT activities.

IT professionals are entering a new century where their focus will be as much on managing clients and their needs as on the technology itself. Those are tough skills to build but vitally important ones to firms being able to best gain benefit from technology.

## ENDNOTES

<sup>1</sup>Weiss, Todd R. “IT Has Vital Role in Interactive Ad World: Google VP.” *Computerworld*, 17 March 2008 (<http://computerworld.co.nz/news.nsf/mgmt/9C3839270523ADA8CC25740B0081DC74>).

<sup>2</sup>Nolan, Richard, and F. Warren McFarlan. “Information Technology and the Board of Directors.” *Harvard Business Review*, Vol. 83, No. 10, 2005, pp. 96-106.



Bob Furniss, Senior Consultant, Cutter Consortium

## IT Service Management: Culture as a Solution?

If you talk to customers who are unhappy with the level of support they receive from their IT support organization, you may find they are unhappy about more than just the fact that their PC is not running well. The real problem can often be described as one of indifference: “They just don’t seem to have the same sense of urgency about my issues as I do; I cannot seem to get straight answers or a timeline on when it will be fixed.” In my role as a consultant, I hear these statements often as I talk to customers regarding their perspective on IT support and service.

So if customers care about more than just technology, what are the key elements of a successful service management model? The IT Infrastructure Library (ITIL) and ISO 9000 standards talk about effective processes but perhaps don’t offer enough of a focus on what really drives the organization to a high level of success — a culture of service. We find that organizations must have a culture of service that is deeper than just solving problems; there must be a clear understanding of who the customer is and what issues transcend “fixing the problem.”

Therefore, the survey in this issue of *CBR* looks at IT service management. When asked to what extent business clients are satisfied with the work produced by the IT organization, only 8% rate the level of satisfaction at the highest category (5 out of 5, or “satisfied to a great extent”) (see Graph 1 in the Survey Data section beginning on page 19). While 40% give a score of 4 out of 5, the question remains, what takes a client beyond being merely “satisfied?”

Since each customer has different expectations, IT first must develop a specific strategy to support customers based on their specific needs. The next step is to understand *who* in the organization is actually “touching” or communicating directly with the customer. We can do this by developing a list of touch points and a clear list of which employees are engaged directly with the customer. As Geneviève and Ron note, relationships are the true catalyst for success. It is important that the IT

person managing the *technology* also has the ability to manage the *relationship*.

If the goal is to provide the highest level of service, we first need to understand the various customer segments that IT typically touches:

- **Internal customers** — customers across IT silos such as network, architectural, telephony, desktop support, and so on
- **External customers** — various departments within the organization such as marketing, distribution, financial, and so on

It is also important that you can clearly articulate your touch points: phone, Web, e-mail, walk-up, field service, and management overview. Each one has a specific set of needs, and each one needs a specific set of employees assigned as the key contact for customers. Typical categories of employees include: frontline employees (phone, Web, e-mail, walk-up), field service (onsite, maintenance, desktop), and development (architectural design, application design). We might also want to conduct an audit of who should not assume the role of customer-facing employee. I have a friend in the industry who says there are some people who should be kept away from customers and simply left to do good work and eat pizza passed under the door. This is not to say that every employee is not important but not everyone should fill the role of direct contact. But how do you tell the difference between these individuals and those who are ready to assume the role of communication directly with the customer? Consider this quick list:

- Is the employee capable of facilitating a meeting?
- Does the employee have good writing skills? Does the person write succinct, information-based e-mails?
- Is the employee comfortable talking with colleagues of various levels: team members, managers, executives?

- Does the employee have good “soft” skills? Is the individual capable of handling conflict and negotiations?

The question to ask yourself is, what is your organization doing to ensure that these workers are capable of direct contact and have the ability to share their knowledge effectively?

Our survey indicates that 75% believe that “knowledge transfer between the IT organization and business clients is important for the work of the IT organization” (selecting either 4 or 5 on scale of 1 [“not at all”] to 5 [“to a great extent”]) (see Graph 3). If this is true, what training and processes does the organization have in place to ensure that frontline employees understand how to share knowledge while providing a high level of customer service?

## UNDERSTANDING THE CURRENT CULTURE

Culture is a feeling in your organization that is hard to categorize but easy to see. Culture is what your employees say about service and the customer when no one else is around — around the lunch table or over drinks. Culture is an attitude toward quality. Culture is the norms, attitudes, beliefs, and values that employees place on their job, their organization, and their relationship with the customer.

So what is your culture? Let’s explore the possibilities, but remember that analyzing the current culture is not for the faint of heart. You may not like what you find, and you have to accept the results in a way that is open to candor. Typically the best way to discover the culture is through anonymous surveys, focus groups, and one-on-one dialogue (see sidebar “Assessing Your Culture”).

### ASSESSING YOUR CULTURE

There are different ways to go about assessing the culture of your organization. Here we describe some methods to consider.

You may first want to consider how many individuals are in your organization and then ask yourself, how long has it been since you truly asked the tough questions and then acted upon the results?

Employee surveys are one option to consider. In the not-too-distant past, creating surveys for employees was a time-consuming and often costly process. It required that we hire a survey company or build a survey tool internally. However, the Internet now gives us a quick and very inexpensive way to build surveys — a way to seek immediate feedback and find opportunities. Web sites such as SurveyMonkey.com and ConstantContact allow companies to build surveys that can be e-mailed directly to employees. The results are gathered in an online database, and the system creates reports in PDF or spreadsheet format. For example, my colleagues and I have worked with clients to design leadership surveys to gather insight in seven key areas: vision, customer focus, integrity, commitment, communication, development, and knowledge. But some of the most useful material comes from asking three simple questions: (1) If you had unlimited resources what would you change to make the organization support customers better? (2) What is the best part of your job? (3) What would improve your level of satisfaction with your job?

Another option is to ask yourself what you know about your team members. What are the values and passions that drive them to personal success and directly affect the culture of your organization?

Good leaders have relationships with their team members that allow them to know their passions and their value. How many questions from this list can you answer about your direct reports?

- What do they enjoy most about their current work experience?
- What did they enjoy most about their previous work experience?
- What attracted them to this organization? What keeps them here?
- What are their true talents?
- What are their goals for their current roles?
- How often do they like to discuss their progress?
- What are their personal goals for the future?
- What was the best praise or recognition they received in the past year?
- What is their passion outside work?

Our survey indicates that companies are struggling in this area. Only 17% of the participants say that their IT leader “works with employees in defining their performance goals” to a great extent, while only 25% indicate their leader “encourages cooperation among employees” to a great extent (see Graph 6).

**The first step in redefining the culture is to develop a new story for success.**

If culture represents the norms, attitudes, beliefs, and values that employees place on their job, how do these break down for the average employee? Let’s look at each below:

- **Norms.** These can be described as the customary rules of behavior that coordinate our interactions with others. If this is true, what are the norms within your organization? Here are three “norms” that should be a part of any successful IT culture:
  1. Know your customers and build systems and processes to support their needs.
  2. Expect customers to want more technology than they need. Ensure you have ways to quantify their expectations and negotiate a move toward better processes.
  3. Talk about your culture of service every day. Make communication the cornerstone of every project.
- **Attitude.** When asked, most managers say they would rather hire someone with a great attitude in lieu of great skills. Actually they really want both. It is important that we develop ways to measure behavior attached to attitudes because indifference is typically the top issue with unhappy customers.
- **Beliefs.** Do your employees know your beliefs about service? Do they understand how important it is, and do they believe that their actions matter?
- **Values.** When we talk about value, we are typically talking about the values of the company. But, in this case, we are talking about the values of the individual. If customers ask one of your employees what their key value is, what would the response be? The key is for the values of the individual to match up with the values of the company or organization. Do your employees “care” about their customers?

Defining culture requires a diligent process that constantly evolves. Much of the culture of the organization is based on history. Most of you will identify with the importance of history because at some point you stepped into a role where the leaders of the past created a culture of fear and retribution. Changing this culture may take months, if not years. But once the evaluation of the current culture is complete, it is time to begin to make the move toward a new approach.

## REDEFINING CULTURE

The process of redefining culture requires you to undertake the following four steps:

1. Develop a story.
2. Include your employees in the journey.
3. Understand that knowledge transfer is a necessary focus in IT.
4. Define behavior that supports the culture.

We discuss each of these steps in this section.

### Develop a Story

The first step in redefining the culture is to develop a new story for success. Develop a core story that explains what the culture should be. Share your story with the team. Tell the members how you developed the story and how it impacts the company or organization. Use other well-known companies as examples of where you want to be.

FedEx has a culture of two key components: safety and delivering on time. Everything about its organization revolves around these two things. My friend Tommy works in the international hub in Memphis, Tennessee, USA, sorting packages and loading planes each night. When I asked him about his job, he said that the top priority is for the plane to leave on time. He said outside of safety, nothing else matters. All technology and processes revolve around loading the plane on time to ensure it leaves on time. If the weight is out of balance by mere pounds, the plane cannot take off. So everything is weighed twice before it reaches the plane. Cart after cart is loaded into the plane with each one measured and loaded in a specific order to ensure that the plane is weighted correctly and can leave on time. Tommy knows that his job depends on his success in these two areas.

Ask yourself the following questions: What are the top two cultural drivers of your IT organization? What do you want the team to say when the members talk about the organization with others? Over the years, as my

colleagues and I have worked with successful organizations across the globe, we have seen many cultures. But it seems that the successful ones almost always focus on these two key elements: do quality work and provide excellent customer service. This is your chance to begin to develop your story of what is important. If you create a culture and tell a story of quality and service, your employees will begin to make that the focus of your work.

### Include Your Employees in the Journey

In our survey, 32% of the respondents rate their IT leaders 1 or 2 on a scale of 5 (with 1 being “not at all” and 5 being “to a great extent”) when asked if their leader “gives instructions to his/her employees about how to carry out their work” (see Graph 6). If one in three employees working within the IT organization is not sure what the boss really wants, we have identified a problem that needs to be fixed quickly. We recommend that you conduct employee focus groups to understand the key elements and anecdotal evidence of what the culture is today. But we also recommend that you follow up with a quantitative survey that confirms the needs and required change. You may have heard the axiom, “None of us is as smart as all of us.” In his book *Wisdom of Crowds*, James Surowiecki describes four situations where the wisdom of the crowd matters:<sup>1</sup>

1. **Diversity of opinion.** Each person holds a small piece of the knowledge puzzle.
2. **Independence.** People form their own opinions independent of others.
3. **Specialization.** People draw on their own knowledge, something no one else has.
4. **Aggregation.** Some mechanism exists for turning private judgments into a collective decision.

Surowiecki argues that in these four conditions, the opinion of the crowd is greater than the judgment of an individual within the crowd. Consider the TV game show *Who Wants to Be a Millionaire?* When a contestant “phones a friend” to help answer a question (someone they have chosen as “really smart”), the answer is right almost 65% of the time. However, when the contestant polls the audience, it is collectively right 91% of the time. While not conclusive statistically, Surowiecki makes a powerful argument that “none of us knows as much as all of us.”

So why is it important to include everyone in the journey? Because with the collective information of the group, you have a better opportunity to understand trends and develop strategies that can be implemented

by the entire team. If people have this opportunity to be heard — and feel that they have been involved in the new direction — they are much more likely to take ownership regarding decisions for change and the results.

### Understand that Knowledge Transfer Is a Necessary Focus in IT

Knowledge transfer is a key element of an effective culture strategy within the IT organization. The very nature of support services is the sharing of knowledge — internally and with the customer. There are three types of knowledge that exist in most IT structures:

1. **Personal knowledge.** This refers to information that is gathered through personal experience and learning (and is typically hard to gather for group consumption).
2. **Explicit knowledge.** This is information found in knowledge management systems or applications (wikis, blogs, forums, social networks).
3. **Tacit knowledge.** This consists of fixes, work-arounds, and diagnostics. You may have heard this called “tribal knowledge.” It is the extension of personal knowledge and is typically shared through informal communities of practice but may also be shared through social applications. It can also include the mentoring relationships through one-on-one coaching or side-by-side training.

**If you create a culture and tell a story of quality and service, your employees will begin to make that the focus of your work.**

Do you have an organization where knowledge is “held” as a position of power, or does your organization share knowledge to constantly improve internal and external projects? As we mentioned earlier, the survey shows that 75% of leaders believe that “knowledge transfer between the IT organization and business clients is important for the work of the IT organization,” yet only 33% say that the “organization is successful in its initiatives of knowledge transfer between the IT organization and its business clients” (rating these statements a 4 or 5 in Graph 3). This disconnect is strong, and the successful culture must include an expectation to make knowledge transfer a high priority. As Geneviève and Ron point out, the greater the effectiveness of the knowledge sharing between IT

professionals and business clients, the more customers will be satisfied and the more likely it is that customers will positively evaluate IT work performance.

### Define Behavior that Supports the Culture

We opened this article with an expectation from customers that IT support is about more than just solving technology issues. The customers my colleagues and I have talked to in our consulting practice tell us that they want to work with employees who are service-oriented in all that they do. But we also find that defining the specifics of “good service” is often lost between expectations and delivery. If I tell an employee that he or she should offer “good service” without clearly defining the behavior that delivers good service, I have failed. My interpretation of good may be totally different from that of my employees. Many things enter into the definition: generational issues, personal experience, competitive analysis.

**If I tell an employee that he or she should offer “good service” without clearly defining the behavior that delivers good service, I have failed.**

I had a customer tell me about a situation where a field service representative provided what he believed was good service. When the projector failed in a training room, he was called and immediately interrupted the class by bounding into the room, jumping on a table, and working to change the bulb. He finished the repair in less than 10 minutes and was out the door, proud of his response. But the customer did not see the same results. The field service rep had his black trench coat on in response to the cold US Midwestern winter. The incident happened just after the 1999 shootings at Columbine High School in Colorado so the site of a “long-haired, trench-coated person” opening the door and jumping on the table without any explanation actually scared the majority of those in the training class. The rep also never communicated with the teacher. In his mind, he was there to do one thing: fix the projector. I am sure that someone had talked to him about “customer service” at some point; there was even an expectation that he offer good service. But the specific behavior was not explained or trained. The rep should have been trained to enter the classroom and speak to the teacher. He should have introduced himself and ask if it was OK for him to go ahead and climb on the table

to fix the problem. He should have fixed the problem but also provided a basic customer service interaction.

As you begin the journey to improve, it is important that you clearly define and train your employees on words, actions, and behaviors that match the expected culture of customer service.

### IMPLEMENTING THE CULTURE

Now it is time to push the agenda forward and seek to push the new culture into the organization. Remember this can take six months to a year for full implementation. The goal is to push the new culture into the work-group cultures. If one arm of the organization refuses to “play,” the entire change of culture will fail. Start with your most direct contact to your customers: your support call centers and direct field service groups. They are constantly coping with the pain of irate and abusive customers, so they need to understand and begin to “tell the story” that change is coming.

Successful implementation will almost always include the following key elements:

- Expecting the organization to become customer-focused rather than problem-focused.
- Developing profiles of customers and understanding how their needs are different. If you have a federated or decentralized IT model, it is even more important that you understand how each area touches the customer.
- Clearly defining job responsibilities and ensuring that each employee knows that customer service is a key part (if not the most important part) of their job.
- Ensuring that your team (and the customer) understands the interconnectivity between all IT services. Again, in a federated model, you must ensure that employees are not saying, “That is not our responsibility because our work ends here.” The customer is the responsibility, not the work.
- Developing an expectation that IT departments will become more proactive, anticipating future needs instead of filling current orders.
- Teaching managers how to be effective coaches. Teach them how to build relationships with their team members — seeking to tie personal value to organizational values.
- Being proactive also means prevention-oriented. The expectation is not to just solve the problem but to analyze why it happened and how to keep it from happening again in the future.

- Understanding that face-to-face discussions should always be the communication method of choice with the customer. Yes, trouble ticket updates are necessary and e-mails are quicker, but face-to-face conversations will almost always uncover a wider set of needs. It was refreshing to see in the survey that face-to-face meetings are the highest-ranked method of communication (cited by 97% of respondents in Graph 7).
- Considering the following: As you and your managers talk about culture change, try not to make it just about new written processes and policy changes. Try to keep the conversation informal, spontaneous, and story-based. Telling a story about how the bad decision affected the customer is a much better option than creating a new policy.

### DAILY VALIDATION OF CULTURE

Culture change is not easy. As the journey progresses, your team will sometimes fall back into its old ways. As budget cuts happen or customer's expectations rise, it is easy to revert to an internal focus.

It is important that you and your immediate circle of managers continue to "talk the walk": connecting success to culture, sharing stories, and leading based on the expectations. There is no better teacher than the model that our leaders live.

Recommend that your leaders become avid readers and authors. Reading provides them with the perspective from outside the organization, and writing forces them to articulate how new principles and policies have

impacted the organization. At the same time, every manager must become a historian of success and failure. Ensure that you lead with the expectation of failure but also demand that the organization learns from mistakes and seeks to construct a single narrative of service to the customer.

Use meetings to build culture and create identity. Ensure that meetings are more than just a way to disseminate information. Seek feedback and involve employees in the meeting when possible. Ask them to share stories that validate the new culture. Schedule meetings but make sure your managers are planning agendas. Teach managers how to conduct effective meetings by teaching them facilitation skills. Also teach them to use meetings to recognize success — among individual team members, as a team, and as an organization. Encourage employees to share their experiences and engage in analyzing failures and celebrating success.

In the survey, only 4% of respondents rate each of the emotions of happiness, caring, and excitement as being experienced to a great extent by members of the IT organization and business clients as they work together (see Graph 5). It only seems reasonable that a culture makeover is one of the key solutions to this problem. Working in an organization where the culture (not the manager) expects that people do good work and deliver good customer service just may be the solution to raising this bar.

### ENDNOTE

<sup>1</sup>Surowiecki, James. *The Wisdom of Crowds*. Random House, 2005.



From the Editor, Gabriele Piccoli

## IT Service: It Begins with Business Knowledge

This issue of *CBR* takes a complementary inward look to the issue on IT services and service functionality that we published in December 2008 (Vol. 8, No. 12). Here, we benchmark the service relationship between the IT shop and the other functional areas of the organization. An issue on IT service is important for many reasons, chief among them is the prominent role that service (or perceived service) quality of the IT shop plays in developing the level of trust necessary to engender a productive partnership with other functional areas. Yet despite the importance of service and a service orientation for IT professionals, the traditional preparation and educational curriculum of the average IT professional lacks any service focus.

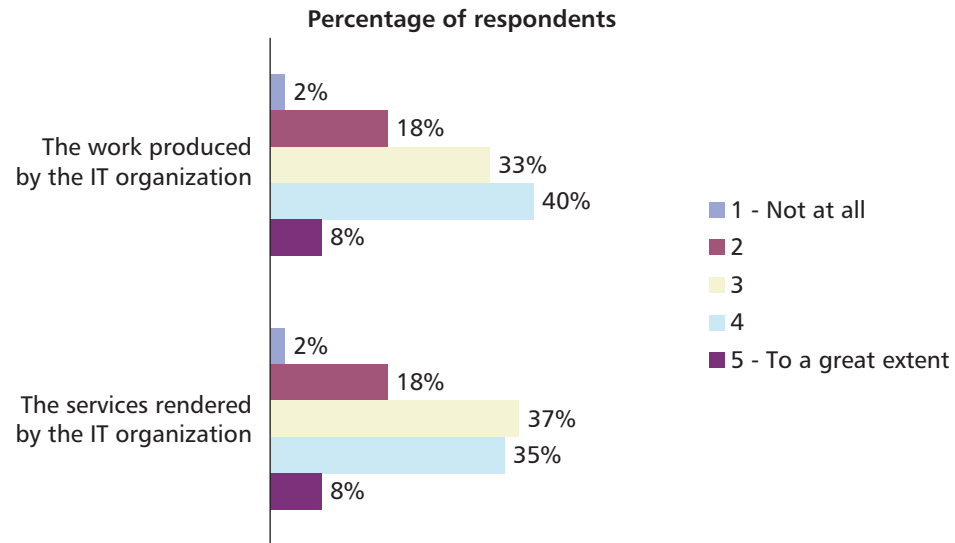
To help us benchmark the relationship between the IT shop and other organizational members, as well as the general service orientation of IT shops around the world, we enlisted the help of three subject matter experts. Our academic contributors are Geneviève Bassellier, Assistant Professor of IS at the Desautels Faculty of Management at McGill University (Canada), and Ronald Cenfetelli, Assistant Professor of MIS at the Sauder School of Business at the University of British Columbia (Canada). Geneviève is a recognized expert on the subject. Ron is rapidly becoming an authority on the topic of IT-enabled service. Geneviève and Ron's research expertise and interest coalesce on the topic of IT service, making them the perfect academics for this issue. Our contributor from the practicing side is Cutter Consortium Senior Consultant Bob Furniss, a 27-year veteran of the industry and the founder of Touchpoint Associates, Inc., a boutique consulting firm that offers strategic consulting and frontline training. The primary focus of his work is customer strategies in employee engagement and customer-facing strategies. You can further tap into Bob's thoughts through his blog at [www.bobfurniss.com](http://www.bobfurniss.com).

As I reviewed the results of our survey, I was struck by some of the parallels between the implications of the findings in this issue and those in a recent installment of *CBR* (Vol. 8, No. 10, October 2008) on managing highly talented employees in the IT shop. Somewhat jokingly Bob made a powerful observation: "This is not to say that every employee is not important but not everyone should fill the role of direct contact." His point made me think about a challenge that Jo Ellen Moore and Mary Sue Love issued to IT professionals in the October 2008 *CBR*: "Do you realize how valuable and highly respected you can be if you lose that edge of the sword and replace it with business understanding and good communication?"

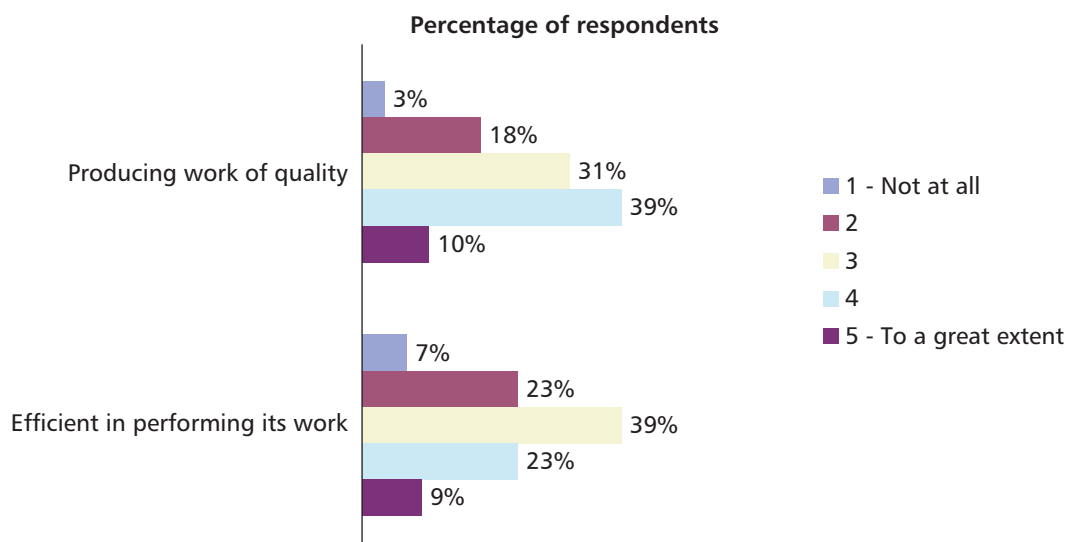
Scott Heintzeman, the former CIO of Carlson Hospitality (the parent company of brands such as Radisson Hotels and TGIF Restaurants), was fond of telling my students: "Be known as the problem solver." He believed that the best way to be successful as an IT professional was to seek out problems and take ownership of them. Expressed differently, in the context of this issue of *CBR*, his advice suggests being the point of contact for "providing IT solutions" to colleagues in other functional areas. If your role is that of managing the IT shop, then the challenge is even more interesting: to make the solution-provider approach the culture of your IT shop. The consensus emerging from both Bob's piece and Geneviève and Ron's contribution is that the greatest ROI in this direction will stem from helping your IT colleagues in enhancing the degree of business knowledge and expertise that they bring to the table. Incidentally, this same advice emerged in our October 2008 issue as a key step that IT professionals can take in rounding out their ability to relate to partners from other functional areas.



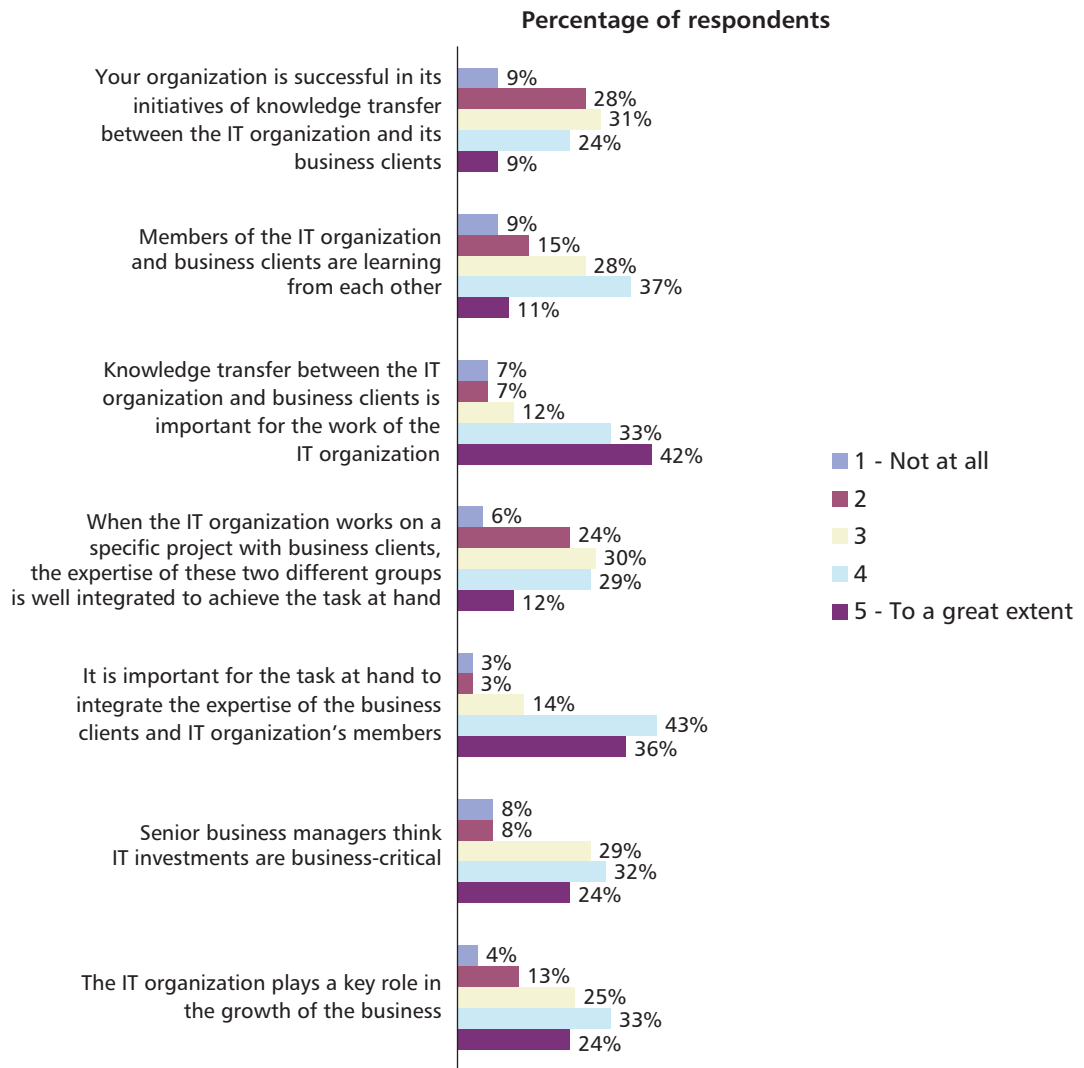
# IT Service Management



Graph 1 — Indicate to what extent business clients, in general, are satisfied with work produced and services rendered.



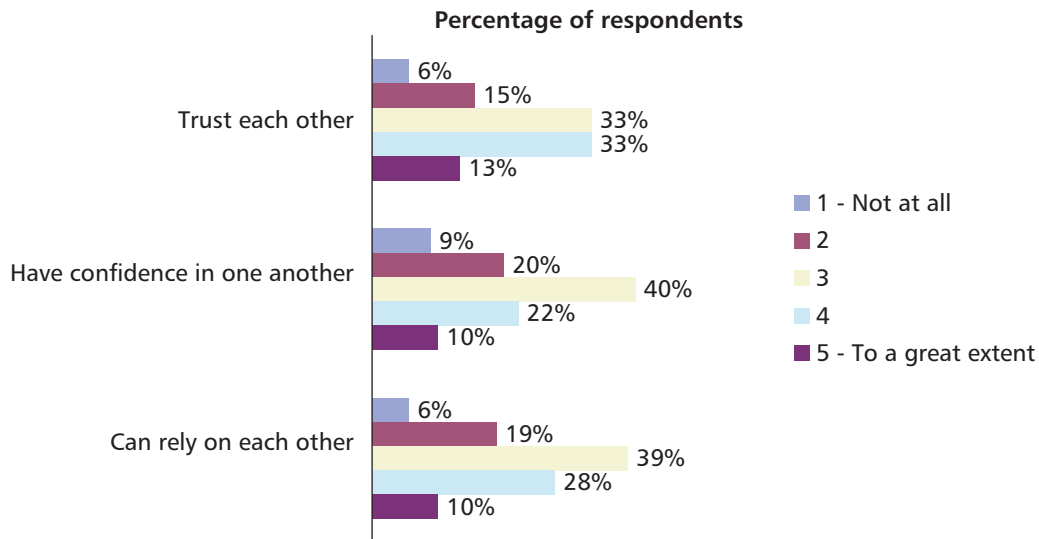
Graph 2 — Indicate to what extent, in general, the IT organization is producing work of quality and is efficient in performing its work.



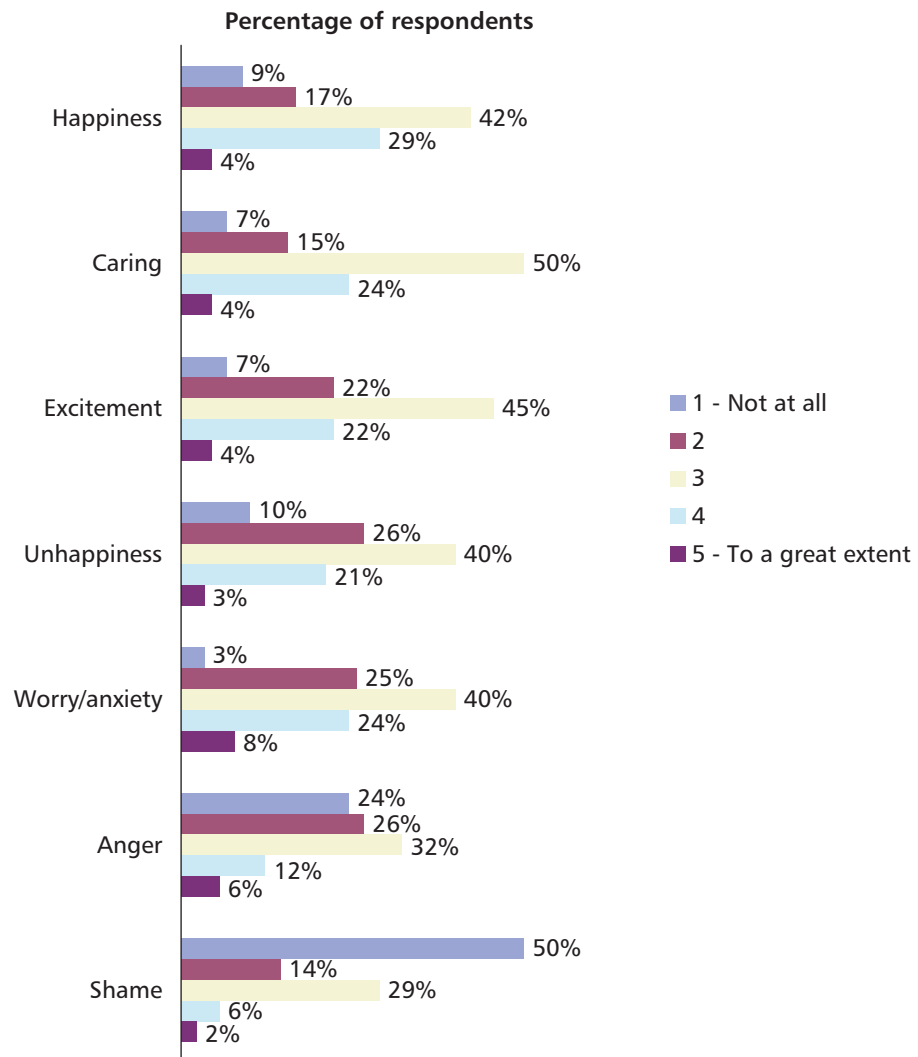
Graph 3 — Indicate the extent to which you consider each of the following statements to be accurate.

### SURVEY DEMOGRAPHICS

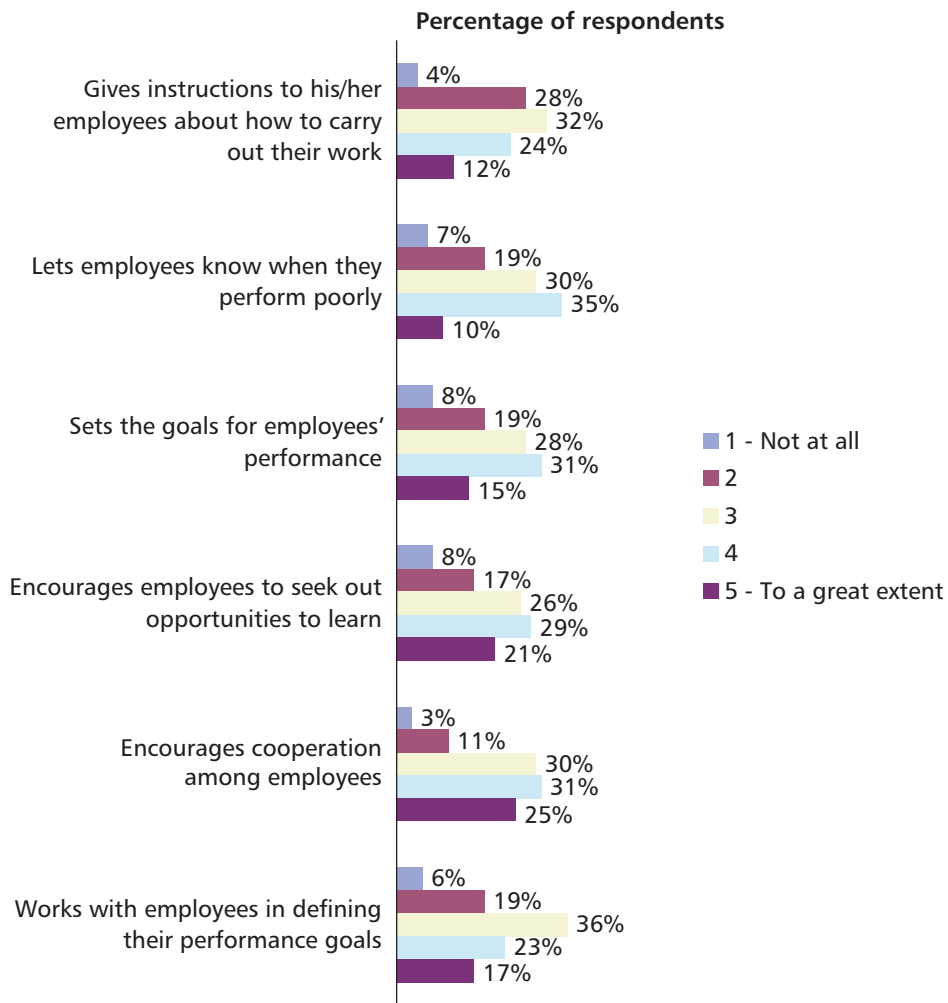
This survey examined the interaction between the IT organization and its business clients with the aim of better understanding what organizations can do to increase the quality of IT service provided. Almost half (47%) of the 91 responding organizations are headquartered or based in North America; of the remainder, 15% are headquartered in Europe, 15% in Australia/Pacific, 13% in Asia, and 10% in South America or the Middle East. Twenty-one percent of responding organizations have annual revenues of more than US \$10 billion, 15% have annual revenues between \$1 billion and \$10 billion, 14% have annual revenues between \$100 million and \$1 billion, 24% have annual revenues between \$10 million and \$100 million, and 26% have annual revenues less than \$10 million. Annual IT budgets range from less than \$100,000 (12%) to more than \$100 million (14%). Twenty-six percent of responding organizations have more than 10,000 employees, 28% have between 1,000 and 10,000 employees, 30% have between 100 and 1,000 employees, with the remainder having 100 or fewer employees. The number of IT professionals in responding organizations ranges from less than 20 (23%) to more than 1,000 (19%), with 26% having between 20 and 100 IT professionals and 32% between 100 and 1,000. Forty-three percent of the respondents hold senior management/policy making or IS/IT management titles, with consulting, project management, operations, and software engineering/programming being among the other titles.



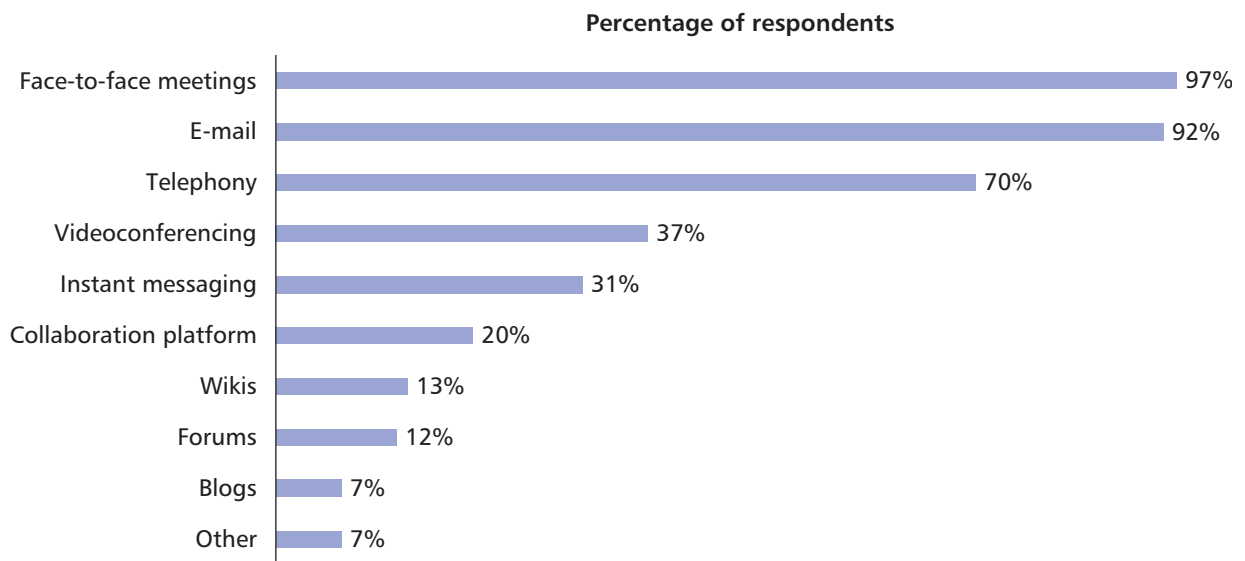
Graph 4 — Indicate to what extent the IT organization and its business clients trust each other, have confidence in one another, and rely on each other.



Graph 5 — Indicate to what extent, in general, each of the following emotions are experienced by members of the IT organization and business clients as they work together.



Graph 6 — Indicate to what extent, in general, each of the following statements is true about the IT leader.



Graph 7 — Which methods/tools are being used in your organization on an ongoing basis for the majority of communication between IT and business clients?



## About the Authors

**Geneviève Bassellier** is Assistant Professor at the Desautels Faculty of Management, McGill University (Canada). Her research examines IT management. Dr. Bassellier's work explores the dynamics between IT professionals and their business clients as well as the role of top management in IT strategic initiatives. She also explores how organizations can best leverage their intellectual capital through knowledge adoption from online knowledge communities, knowledge integration in geographically dispersed teams, and knowledge requirements in the context of outsourcing. Dr. Bassellier recently started working on the role of emotions in technology adoption. Her work has been published in *Information Systems Research*, *MIS Quarterly*, and *Journal of Management Information Systems*. Dr. Bassellier received her PhD from the University of British Columbia and her MSc and BCom from HEC Montreal. She can be reached at [genevieve.bassellier@mcgill.ca](mailto:genevieve.bassellier@mcgill.ca).

**Ronald T. Cenfetelli** is an Assistant Professor of MIS at the University of British Columbia's Sauder School of Business (Canada). Dr. Cenfetelli conducts research in a variety of technology-related areas, including e-business and online customer service, the strategic uses of IT, the influences of technology on immoral behavior, the behavioral and emotional aspects of technology usage, and human-computer interfaces. His research has been published in the *Journal of AIS*, *Decision Sciences*, and *Information Systems Research*. Before entering academics, Dr. Cenfetelli worked in the pharmaceutical industry in both production as well as technology management roles. He also has a prior career as a US naval officer. Dr. Cenfetelli received his PhD from the University of British Columbia in 2004. He also holds an MBA from Indiana University's Kelley School of Business and a BS in aerospace engineering from Purdue University. He can be reached at [Ron.Cenfetelli@sauder.ubc.ca](mailto:Ron.Cenfetelli@sauder.ubc.ca).

**Bob Furniss** is a Senior Consultant with Cutter Consortium's Business-IT Strategies and Business Intelligence practices. For more than 27 years, he has worked with companies to help them understand and improve the customer experience. Mr. Furniss is the founder of Touchpoint Associates, Inc., a boutique consulting firm that offers strategic consulting and frontline training. He has worked with some of the top companies in the world to help them

realign their customer strategies. Before entering the consulting world 10 years ago, Mr. Furniss was the Director of Customer Contact at BellSouth Mobility in the Tennessee, USA, region and managed the customer interactions across three key channels: call center, retail stores, and technical support.

As a consultant, Mr. Furniss has deep experience in the areas of customer research and strategy in direct-to-consumer markets. As Practice Lead at iXL, he worked on several long-term projects that focused on customer experience and loyalty. Mr. Furniss's recent clients include DePaul University, Dell, HP, NBTY, and others. He is a member of the National Speakers Association and speaks internationally for companies and trade shows on customer experience issues. Mr. Furniss is a frequent author for industry publications and Web sites, including *1to1 Magazine*, *CRM*, and *CustomerThink*. He also writes a blog on employee engagement issues: [www.bobfurniss.com](http://www.bobfurniss.com). He can be reached at [bfurniss@cutter.com](mailto:bfurniss@cutter.com).

**Gabriele Piccoli** is a Senior Consultant with Cutter Consortium's Business-IT Strategies, Business Intelligence, and Innovation & Enterprise Agility practices. He is Associate Professor of Information Systems at the School of Economics and Business Administration at the University of Sassari (Italy). His consulting, research, and teaching expertise is in strategic information systems and the use of advanced IT to support customer service. Prior to moving to Italy, Dr. Piccoli was Associate Professor of Information Systems at the School of Hotel Administration and Hospitality Management at Cornell University. He has also held positions as Adjunct Professor of Information Systems at the AB Freeman School of Business at Tulane University and as instructor at the EJ Ourso College of Business at Louisiana State University, where he received his MBA as well as his PhD in business administration with emphasis in management information systems. Dr. Piccoli is the author of the book *Information Systems for Managers: Text and Cases*. His research has appeared in both academic and applied outlets such as *MIS Quarterly*, *Decision Sciences Journal*, *MIS Quarterly Executive*, *Communications of the ACM*, *Harvard Business Review*, *The DATA BASE for Advances in Information Systems*, and *Cornell Quarterly*. He can be reached at [gpiccoli@cutter.com](mailto:gpiccoli@cutter.com).

## About Cutter Consortium

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Cutter Consortium's philosophy is that there is no single right solution for all enterprises, or all departments within one enterprise, or even all projects within a department. Cutter believes that the complexity of the business technology issues confronting corporations today demands multiple detailed perspectives from which a company can view its opportunities and risks in order to make the right strategic and tactical decisions. The simplistic pronouncements other analyst firms make do not take into account the unique situation of each organization. This is another reason to present the several sides to each issue: to enable clients to determine the course of action that best fits their unique situation.

**For more information, contact Cutter Consortium at +1 781 648 8700 or [sales@cutter.com](mailto:sales@cutter.com).**

## The Cutter Business Technology Council

The Cutter Business Technology Council was established by Cutter Consortium to help spot emerging trends in IT, digital technology, and the marketplace. Its members are IT specialists whose ideas have become important building blocks of today's wide-band, digitally connected, global economy. This brain trust includes:

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- Tim Lister
- Lou Mazzucchelli
- Ken Orr
- Mark Seiden
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