

The Enterprise Compass

A four-directional guide to reaching goals and focusing achievement can help an IT department tackle change successfully and reach performance excellence

By **Ken McCardle**

As a CIO leading an IT department through change and reorganization, I developed the Enterprise Compass—a four-point guide to reaching goals and focusing achievement. The Enterprise Compass directs staff to look forward to future accomplishment, back for performance assessments, across campus for better understanding of practical working points and long-term goals, and outside the organization for inspiration and innovation. The four bearing points—forward, back, across, and outside—encourage flexibility and communication among everyone from the CIO to managers, supervisors, and staff.

If you are a new leader challenged to turn around a troubled organization or lead a less-than-effective IT shop to performance excellence, you and your staff may benefit from the clarity and versatility of the Enterprise Compass methodology.

Looking Forward

I see the need for a more agile and flexible campus IT shop to better respond to business strategies. A recent article in *CIO Magazine* presented a workforce study that found a correlation between lack of workforce agility and workforce structures that emphasize jobs over skills and competencies.¹ A strong set of core competencies, with an emphasis on knowledge, skills, and attitude rather than specific job descriptions, is necessary for flexibility and agility. Core competencies thus make a good starting point for introducing flexibility.

Leaders define the business goals that guide staff members in making decisions within their areas of expertise, and core competencies constitute the tool set necessary to achieve those goals. They are foundational areas of ability and awareness tailored to the organizational or departmental mission. Core competencies are focused priorities that inform decision making at every level.

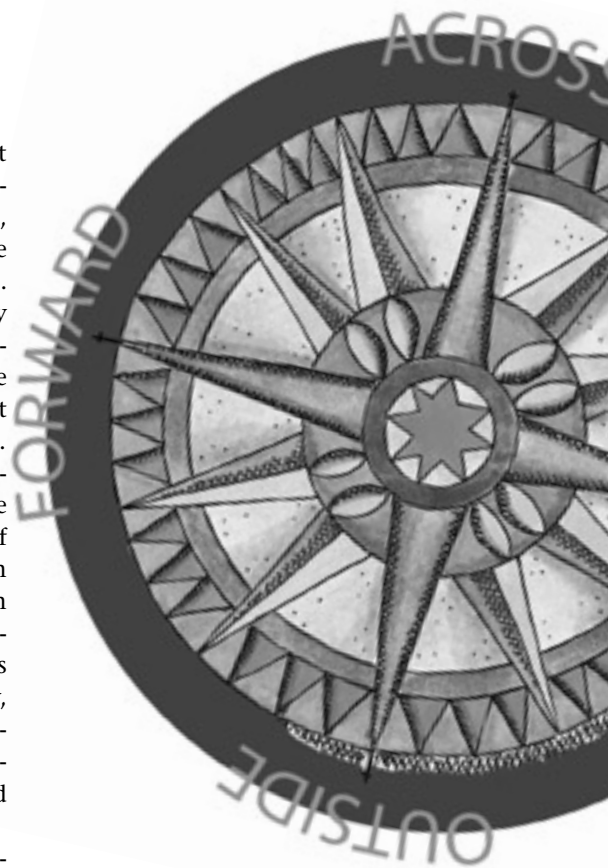
Because establishing core competencies is a mission-based practice, the idea scales to many sizes and types of enterprises. In organizations in which IT shops have a strategic rather than operational role, new leaders might consider core competency options such as innovation, creativity, marketability, industry-specific solutions, and time-to-market results. Most executives establish a framework of between three and ten core competencies for staff.

In the case of a public liberal arts college like mine, the IT shop is inherently a service organization. As a leader in a newly created CIO position, I was challenged to align the IT department with college goals, improve the soft “people” skills and technical responsiveness of my staff, and build a culture of collaboration. To give our IT shop the performance focus we needed to meet our goals, I established three mission-responsive core competencies: service-mindedness, technical competence, and project management.

Service-mindedness, defined as the delivery of top-quality service and support, includes customer service and interpersonal and communica-

tion skills. Customer service skills are most important for service agents such as help-desk support staff. Although technical strength is the domain of engineers and application specialists, they too can enhance IT service relationships through strong interpersonal and communication skills as they work with campus clients.

Technical competence is the assumed current level of expertise and in-depth knowledge of specific jobs, with a range of abilities and talents matched to the demands of the IT plan. Each staff member strives to be the best at what he or she does, focusing on professional



development and willingness to learn within that area of expertise.

Project management competency requires sound methodological thinking, good communication and collaborative skills, decisiveness, effective negotiation skills, and enhanced creativity. At a college with shared governance as the leadership model, project management is an especially helpful tool that allows the CIO to establish accountability, structure decision making, and define responsibilities. Although not all staff in all organizations will need a full range of project management competencies, everyone should contribute actively to the success of the whole. That contribution may take the form of leadership, idea sharing, task completion, or team participation.

Each staff member understands clearly which core competencies are important to the organization's success, and each person applies those skills in multifaceted ways appropriate to individual roles and responsibilities. For example, at my college, specialized technical competence might be the primary focus of a network engineer, but that engineer will manage his or her tasks as an essential element of a bigger project (project management awareness) and know how his or her contribution ultimately benefits the campus (service-mindedness).

The clear priorities of established core competencies empower staff to make decisions, take risks, and grow within the organization. When staff members know, for example, that their CIO values successful project management or service-mindedness, they have standards on which to base their daily decisions. They know what is important and can look ahead to results, taking action on that basis. Ambitious

staff members know to focus on a core competency such as successful project completion in order to be recognized and rewarded.

All IT staff need to be able to recognize the demands of change and respond effectively when new initiatives require updated skills and processes or render old skills irrelevant. Good planning throughout the IT organization accommodates strategic initiatives while balancing operational needs. Many of my staff will be leading new initiatives and projects, and all will be contributing project members. While I do not expect everyone on my IT staff to be a visionary, I do ask all staff to consider the broad and long-term implications of our services and support. IT unit managers deal every day with short-term solutions and operational fixes. With the big picture in mind, those short-term solutions can be more effective.

As an IT strategic plan translates into annualized projects, IT managers develop a balanced team to get the job done effectively. While planning for the future at my college, we looked closely at the strengths, weaknesses, and current functionality of the IT group. We clarified functions within each IT unit and identified staff responsible for those functions. We asked and defined what it means to be an expert in these areas.

Mapping functionality to individual staff positions and conducting skill gap analysis within units provides managers and staff with a real connection between professional skills and IT planning needs. This analysis presents opportunities for all staff to grow professionally, identify their talents, and find new meaning in their work. For example, new initiatives for better systems interoperability and middleware developments required new technical competencies within our enterprise information systems unit. The high-performing IT organization of any size can use this type of functional analysis

to optimize diverse talents, skills, and ambitions.

Looking Back

Metrics and internal benchmarks assist leaders in measuring the value of all areas of IT and communicating that value to constituents campus-wide. IT shops that have learned how to monitor (and act on) meaningful measurements of operational performance will find metrics a powerful asset in managing costs and optimizing services.

One example of the multifaceted effectiveness of metrics is a system status report I developed to share with my management team. This report measures uptime and downtime for servers, network services, telephone services, and enterprise applications. Data are summarized by fiscal year, calendar year, and academic year, and unit managers are recognized for their accomplishments. Managers with 99 percent or greater uptimes are proud of their achievement, and managers with less than this are motivated to improve. They are also held accountable for improving their performance. IT managers and staff are pleased to share positive reports with campus constituents, thereby encouraging communication.

The performance evaluation process is another point at which we benefit by looking backward. The yearly assessment should truly look to the past, with core competencies measured against job descriptions. It is important to have clarity in the evaluation process: Did you meet expectations or not? The evaluation process creates time for the entire department to recognize team and department accomplishments and reconfirm personal contributions. A meaningful performance evaluation process compares staff core competencies against management expectations and the IT plan. I am now developing specific processes to link performance metrics to performance evaluations. For example, help-desk staff performance will be measured in terms of customer-



service satisfaction levels and time-to-resolution levels.

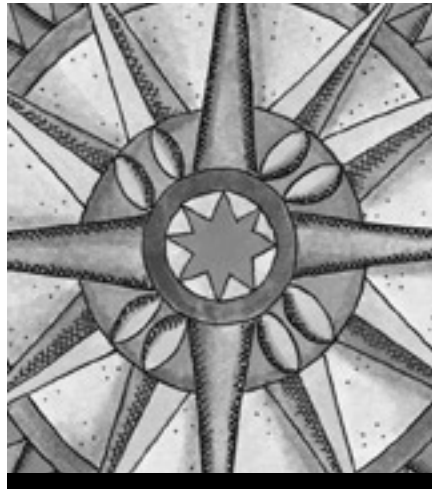
When implemented and practiced well, formalized satisfaction surveys (such as quality-of-service metrics) assist staff in evaluating job effectiveness. Satisfaction surveys get at more than just the interesting statistics, revealing customers' perceptions of technical competence and service levels. A year-long assessment linked to the annual performance evaluation, rather than a report of situational hotspots and anecdotes, shows longer trends and identifies clear and measurable indicators. Incorporating help-desk staff surveys and metrics in the performance review process operationalizes the service goals of an IT plan.

Looking Across Campus

By continually sharpening their professional skills ("looking forward" in the Enterprise Compass system) and understanding how their work fits in the IT plan and the college mission (the big picture), all IT staff members can represent the IT group more effectively and communicate its goals across campus. Strong, collaborative relationships among IT staff and campus clients build shared aspirations.

Do all staff acknowledge that they work for the college and are accountable for producing projects on time? Do they understand how their projects affect other departments and the campus as a whole? Are their individual IT goals aligned with college goals? Even highly technical staff infrequently involved with campus communications will become more effective by becoming more aware of the ways in which their tasks and projects fit in the portfolio.

A recent *CIO Magazine* survey found that 80 percent of IT shop respondents "regularly use portfolio management or other project prioritization methodology" and that use of such methodology was rated as the most effective practice in achieving strategic goals.² Sound project management methodologies help staff realize a sense of purpose, develop a sense of the organization, and claim accountability for their work. The perspective of portfolio management



By continually measuring efforts against the four reference points of the Enterprise Compass, staff have sharpened their ability to set priorities and maximize resources

enables IT staff to visualize the IT plan, put executive vision into context, and place IT goals within the framework of college goals. An executive sponsorship and prioritization process sends a clear message to staff about the appropriate priority, scope, and campus impact of specific IT projects.

IT staff must understand the goals of the college and the needs of IT customers and use this understanding to form the basis of quality service and support offerings throughout the macro and micro levels. IT staff should also understand that the role of IT involves change management as well as service-mindedness. Each year my IT shop leads, manages, or sponsors 40 to 50 projects. Whether these IT projects provide strategic value or service value, an underlying aspect of technology is change. IT staff must recognize that the customer view of IT service (replacing workstations, upgrading the operating system, network interruptions) has change as a foundational element. Do we as IT staff realize how much change we are introducing to customers each year? Are we positive change agents?

In business relations, project management, and campus outreach, open and honest communication skills are necessary for all IT staff. Good communication practices and protocols address issues such as project delays before they become obstacles to building trust and respect across campus. Clear communication from the IT department to campus clients reinforces positive campus relationships and keeps projects running smoothly. Like metrics, strong verbal communication stimulates credibility and positive perceptions about IT services, builds service-minded consensus, and fosters campus trustworthiness.

Looking Outside Campus

While "looking across" balances and aligns IT planning to campus goals, "looking out" offers continuous learning and comparative measurement of project implementations and IT operations. Continuous learning creates and exploits knowledge-based assets. Looking out helps staff get away from "the way things have always been done here" and move toward innovation. Looking outside for solutions to a broad range of business problems is so important that prominent private-sector businesses have linked the practice to quantitative goals. For example, Proctor & Gamble's chairman "challenged his company to source half its innovations from outside the company, up from roughly 20 percent at present."³

Continuous learning through adoption of best practices results in real connections between goals and thoughtful implementation. Structured for peer-to-peer discussion, site visits provide an atmosphere in which staff members may contribute equally and suggest creative answers to problems at hand. Institutional (state system and/or cross-institutional) collaborations are beneficial for sharing expertise and knowledge across our learning communities. IT staff become more effective at managing their own operations when they see solutions in action at their peer institutions or when they read on e-mail list services that their thoughts align with the thoughts of their peers at other organizations. IT staff build a knowledge base by looking

outside the institution for innovation, solutions, and stimulation.

IT managers benefit from benchmarking operations against best practices at other institutions. Combined with peer relationships (as defined through continuous learning), recognition of best practices and development of external benchmarks help staff achieve process and performance improvements. At my institution, in addition to identifying project milestones and activities, all IT project leaders are responsible for identifying best practices and/or implementations at other colleges and universities.

The Compass in Practice

The Enterprise Compass has helped our college align IT and campus goals throughout development of a new IT plan. As with many colleges, we have articulated an IT plan that emphasizes people and processes while continuing, with less emphasis, to replace tools and infrastructure (more computers, more applications). Previous plans simply called for more computers;

now our campus talks in terms of organizational agility, integration, and interoperability. To respond effectively to these new demands, IT staff need to be more than an infrastructure manager. We must come into alignment with campus goals through collaboration, reliability, people, and processes.

While we made a campus splash in our first year of implementation (lots of new projects and initiatives are very visible to staff, faculty, and students), we are also doing some hard work within our own group to provide a more agile department. Some of this work is directly visible to campus in the short term—we have already received accolades for our new project management methodology and improved communication. Our greatest efforts (for example, finding core competencies, articulating metrics, defining what it means to look backward, and establishing better project management across the college), however, are in service of the long-term success of the IT group and the IT plan.

By continually measuring efforts against the four reference points of the Enterprise Compass, enhancing awareness of the dynamics of change, staff have sharpened their ability to set priorities and maximize resources. By directing our focus to long-term campus goals, we have developed pride in work well done and built enthusiasm for lasting achievement. *e*

Endnotes

1. S. Kendall, "Better Management of Workers a Key to Productivity," *CIO.com*, October 15, 2004, <<http://www2.cio.com/metrics>>.
2. R. Pastore and L. C. Ware, "The Best Best Practices," *CIO Magazine*, Vol. 17, No. 14, 2004, pp. 58–63.
3. G. Hamel and G. Getz, "Funding Growth in an Age of Austerity," *Harvard Business Review*, Vol. 82, No. 7/8, 2004, pp. 76–84.

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