SCC Sequoia
Solutions that Endure

Leadership for Innovation

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"I have not failed. I've just found 10,000 ways that won't work."
[Thomas Edison, 1847-1931]

"You can't wait for inspiration. You have to go after it with a club."
[Jack London, 1876-1916]

The following is divided into three parts:

- **Part #1 - Freedom to Innovate**, outlines the centrality of Innovation to our nation's economic success since the very founding of our original Thirteen Colonies, circa 1650.
- **Part #2 - Chronological Quotations**, focuses via a series of sometimes cutting quotations on the evolving role of the CIO with regard to innovation in the last quarter century.
- **Part #3 - A Roadmap to Successful Innovation**, discusses the obstacles to successful innovation and the related *Critical Success Factors.*

Part #1 - Freedom to Innovate

If we ignore the earlier Spanish colonies in Florida and Texas, our country's modern history starts with the thirteen original colonies – from the first, Virginia, in 1607, to the 13th, Georgia, in 1732. The most frequently stated reason for the founding of these colonies is the colonists' desire for *Religious Freedom*. However, that is true for only about half of the colonies and even for that half

Religious Freedom is but one of several reasons – all falling under the general heading of *Freedom*.

Of these other *Freedoms*, possibly the most important then (and now) was the *Freedom to Innovate*.

In Europe in the 15th and 16th centuries, the *Guild System* had a virtual stranglehold on many of the forms and tools of everyday work – from the manufacture of plows and agricultural pumps (for the irrigating of fields) to the tanning of leather, and on and on.

The guilds dominated economic life, setting wages and prices, retaining ownership of tools, and controlling the supply of materials. If you had an idea for a better plow or a more efficient pump to irrigate your fields, you had to get the permission of the related guild – and the *Guild System* was, if nothing else, a staunch advocate for the Status Quo.

Thus, if you did have a good idea and you wanted to benefit from that idea, Europe from 1607 to 1732 (the founding dates of the 1st and the 13th of our 13 colonies) was not a good place to be. Within this context, it has been suggested that as many as half of our nation's original colonists (and those that followed them for the next fifty or so years) came here more for the *Freedom to Innovate* than for the *Freedom of Religion*.

With better plows, better irrigation pumps, better ways of harnessing draft horses, by 1776 our nation's agricultural output per acre exceeded that of continental Europe by a factor of four. By the 1860s, our cotton fields were by far the largest supplier of cotton to England's cotton mills.

To a close approximation, the roots of our nation's economic success have evolved as follows:

Period	Root of our Economic Success
• 1776-1876	agricultural focused innovation
• 1876-1976	manufacturing focused innovation
• 1976-now	technology focused innovation

The point of this brief *Innovation History* is that innovation has been a Critical Success Factor to our nation's economic success since our founding, two hundred and fifty years ago. The question now facing us, as a nation, is "What must we do to successfully continue our *Innovation History* in the face of a very rapidly changing world?"

Whatever we do, we simply must preserve the *Freedom to Innovate* that has inspired and energized our nation since the founding of our original Thirteen Colonies.

Tom Friedman's great book "The World Is Flat"[1] addresses *Innovation* from several directions:

- He mentions our cultural willingness to "tear things down and rebuild them anew" as directly supportive of innovation.
- He describes our research universities as one of our institutional strengths and stresses their focus on innovation.
- He lauds our nation for rewarding risk taking; for allowing High-IQ people to come here, to innovate, to turn their innovations into products.
- He summarizes the net effect of our "institutions, cultural norms, business practices, and legal systems" with one word: trust.
- He states "... a high level of trust is the most important feature any open society can possess. ... these norms and institutions create predictability and confidence, and that creates trust ... Without trust there is no risk-taking and without risk-taking there is no innovation."

I believe it is fair to say that Friedman believes, and believes *strongly*, that innovation is central to our nation's future economic well being. Paraphrasing several of his sentences …

> The only sustainable edge for our nation's companies is the distinctive talents and entrepreneurship of our workforce. Those of our companies that will win in the increasingly flat world will be those that are best and fastest at attracting talent and best and fastest at changing ... their products, their services, their processes.

Friedman's emphasis on *Trust* as essential to innovation and thus to our nation's future economic well-being is consistent with:

- Raymond Miles peer-reviewed views outlined in Chapter 8 of my "Becoming a Renaissance CIO" book,
- The views of all fourteen Renaissance CIOs, as outlined in Chapter #6 of the same book, and
- My own view and that of every respected C-level executive with whom I have discussed this topic.

Part #2 – Chronological Quotations

With the foregoing as *Stage-Setting*, I'd like to creep up on the answer to "What must we do to successfully continue our *Innovation History* in the face of a very

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[1] Friedman, Thomas L., "The World Is Flat: A Brief History of the Twenty-first Century," first updated and expanded edition, Farrar, Straus and Giroux, New York, 2006, 593 pages.

rapidly changing world?" by using a series of chronological quotations, starting just short of thirty years ago:

1987

In the March 1987, Prof. Kalle Lyytinen of the University of Jyva in Finland, stated with considerable support that "75% of all systems development undertaken was never completed or, if completed, not used."[2]

Lyytinen's statement, in a respected, peer-reviewed academic journal, gave support to the then growing pressure for the CIO role to become more professional in nature; to move from a "techie" focus to a clear and much needed business focus.

Fifteen months later, a concise and well-written article laying out the importance of Innovation made its appearance on many CEO's desks:

1988

In July 1988, Cornelis A. de Kluyver of my old firm, Cresap, McCormick, and Paget, commented:

" ... companies are discovering that they cannot remain competitive by focusing primarily on judicious acquisitions on the one hand and careful "subtraction" on the other – shedding unprofitable product liens, shrinking operations and the like. Indeed, chief executives who are struggling to gain and maintain a competitive advantage are already beginning to ask, 'What next after restructuring?' They are finding that the answer lies in creating more value from core businesses and in selecting and pursuing new market opportunities. This, in turn, is highlighting the importance of innovation as a means of creating customer value. Innovation is, in fact, rapidly emerging as a dominant strategic thrust of the 1990s."[3]

Notice that last sentence: **Innovation is emerging as a dominant strategic thrust**. de Kluyver's comment of a quarter century ago rings even more true today.

1992

Robert Crandall, Chairman and CEO of American Airlines, talking about proposed legislation that would have forced American to divest itself of its Sabre reservation system, said:

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[2] "Different Perspectives on Information Systems: Problems and Solutions," ACM Computing Surveys, Vol. 19, Issue 1, March 1987, pp 5-46.

[3] In a "Cresap Insight" article, "Innovation: The Strategic Thrust of the Nineties," Towers Perrin, July, 1988, 15 pg.

"If you told me I had to sell either the airline or the system, I'd probably sell the airline."[4]

Concurrently, Max Hopper, the CIO of American Airlines and the author of its Sabre reservation system, said:

"The opportunity for IS is greater than ever. The technology capability coming at us is going to offer tremendous capabilities beyond where we've been. To put it in perspective, where we've been is first grade, and we've got sixth grade coming at us."[5]

1993

Donald Marchand, the Dean of the School of Information Studies at Syracuse University, commented:

"There is only one definition of IT success: creating direct value for the business in the competitive market-place by speeding the flow of products and services to the customers. This approach is in direct contrast to the tendency to view IT as an internal service provider."

He went on to observe that:

- *Business Needs* must be IT's focus
- IT must become a *Business Partner/Peer*.

1994

In 1994, my boss from a previous decade, Allan J. Prager, commented in an Edgar, Dunn & Company presentation entitled "The Four Essentials: Characteristics of Companies that have their Acts Together:"

- The best managed companies have aligned the vision, the numbers and operations so that all the pieces fit brilliantly.
- The single most distinguishing characteristic of a company that has its act together is that everything (products, markets, manufacturing, purchasing, distribution, policies, procedures, etc.) is interlocked into a coherent whole.

2000[6]

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[4] In "The Computerworld IS Pocket Guide for Success," CW Publishing, Inc., 1992, p. 5.

[5] Ibid., p. 6.

[6] From a May 2, 2000 oral history interview of Max Hopper by Daniel S. Morrow, the Executive Director of the Computerworld Honors Program, pp 32-33.

In 2000, Daniel S. Morrow, the Executive Director of Computerworld's Honors Program, performed an oral history of Max Hopper.

Daniel S. Morrow (DSM): … do solutions pop into your mind or do you see them in some way?

Max Hopper (MH): I can see things. I can see how things tie together … I do see systems as opposed to individual problem solutions.

DSM: It's almost intuitive at this …

MH: Yes, and it's multi-varied. I don't know. Like I say, it's a gift.

DSM: There's a certain beauty and aesthetic in that.

MH: Yes, it becomes art.

DSM: Don't you get the same sort of visceral pleasure out of a problem's solution?

MH: Sure, very much. I'd love to create a great painting, but my skill at doing that is so limited. But having that visual feel for what can be, to me, has a lot of those same attributes of creativity and accomplishment.

The above interview extract succinctly describes a key skill consistently found in highly successful, innovative individuals – the ability to *see* things as an integrated whole along with the way the elements of those things tie together.

However, if Max were still with us today, I think he might clarify the above. I suspect he might point out that he could see things as they *might be* tied together as importantly contrasted to seeing things as they *are now* tied together … the essential skill of the innovative mind being the ability to see the "might be" beyond the "as is."

Happily, as with Leadership, the skill that enables an individual to see the "might be's" is developable. While for some, it will come easily, others will need to push themselves to see *The Big Picture* along with its gaps, its chasms, and its pitfalls and along with the creative bridges to cross those gaps, chasms, and pitfalls.

I have written the above statement as a Statement of Fact. Never have I met a person of normal or better intelligence that didn't seem – albeit sometimes after some prodding – to have at least one creative bone is his or her body.

One of the biggest enemies of innovation is the Status Quo. To the extent we accept the Status Quo, we restrict the flow of our creative juices. View the Status Quo as a starting point, in some cases a foundation to build upon and, in other cases, a foundation to be torn down and replaced.

2007[7]

Max Hopper, fifteen years after his statement of 1992 quoted above, said:

"We are in the early days of our profession. Companies with individuals who have insight and are allowed to innovate may take our newer consumer based technologies and <u>totally restructure</u> entire companies and entire industries."

Almost concurrent with Max Hopper's comment, Bruce J. Rogow, Gartner's former EVP for Research, commented to me in an email (slightly edited):

"I think it can be a fatal mistake for a CIO to see him/her self as the Chief Innovation Officer. It is the business that must be innovative. For a CIO to view his/her self as the focal point or forcing function for business innovation can be career threatening (ending?). …

CIOs must be a constructive *part* of a firm's innovation. To this end, IT must rely on much more than highly structured processes to help support innovation. The structures imposed by the CMM or ITIL or Waterfall or the various Compliance regimens often smother innovation. …

CIOs must become enablers of an innovative environment and work successfully to achieve that environment so that others can do innovative things. CIOs must see themselves as innovation *happenators* and not as, in most cases, the actual *innovator*."

2010

In the October 4, 2010 issue of InformationWeek magazine, Craig Barrett, who had retired in May 2009 as Intel's long-time Chairman, was interviewed under the heading "We Have Our Priorities A Little Bit Wrong." The following are some relevant extracts[8] from Mr. Barrett's remarks:

"We need to ...

- Recognize that the 30% of the kids in the U.S. who don't even graduate for high school are boat anchors around the economy's neck, and do something dramatically about that 30% dropout rate.
- Recognize that R&D is the seed corn of the future. The government has to invest in basic R&D at our universities.
- Recognize that even if you have smart people and smart ideas, you need to have an environment which promotes investment in the U.S. For a country which has

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[7] Both of these 2007 quotes were in response to a draft of my December 4, 2007 keynote address to the annual meeting of the IT organization of Dolby Labs.

[8] Very slightly edited, mostly for format.

the highest corporate tax rate in the world, that is not an incentive to invest. That's a disincentive. So we need to look at what other countries are doing to promote investment. We don't have to copy everything, but we at least have to have the fundamentals right.

We have pretty good intellectual property protection in the U.S., but we put a horrendous burden on corporations with Sarbanes-Oxley. That limits startups.

We can throw hundreds of billions of dollars at shovel-ready, asphalt-ready projects and not put anything into the industries of the 21st century. We have our priorities a little bit wrong."

Returning to Today

Thus, where do we find ourselves in the middle of the second decade of the 21st century? Reviewing the above, I suggest two conclusions:

[1] - Innovation is essential to our corporations' survival, and, via those corporations, our nation's survival, and

[2] - CIOs must enable an innovative environment.

de Kluyver, in his 1988 remarks, went on to describe five *Company Culture* elements that are essential:

- "There must be a *top-level* commitment to innovation that is visible and ongoing, that fosters cross-functional innovative projects and the easy and multi-directional information flow that such projects require
- There must be a longer-term focus than 'Quarteritis'
- There must be a *flexible approach* to structure and organization. The organization must reflect top management's commitment to innovation and new product/service development.
- There must be a *flexible approach* to planning and control. "Allocating all direct, indirect, overhead and other costs to a development project virtually guarantees its demise. Very few innovative ideas can be translated immediately into commercial ventures that cover their own costs or meet conventional payback requirements.
- There must be *appropriate incentives*. 'Reward systems in most large corporations are oriented toward existing businesses, with short-term considerations often outweighing longer-term innovation and market development objectives. But innovation can flourish only when risk-taking is encouraged, occasional failure is accepted and managers are held accountable for missing opportunities as well as for exploiting them.'"

He concluded his remarks as follows:

- "When a company is truly innovation oriented, the entire organization – from the CEO to marketing to R&D – views innovation as essential, exciting, and rewarding. Becoming an innovative company is not easy; it requires careful analysis of current accomplishments, future needs, strengths, weaknesses, threats and opportune-ities, and a concrete, coordinated action plan based on the principles described here. Above all, it calls for inspired leadership, creative foresight and a continuing recognition that while innovation may seem risky, not innovating is even riskier."

Part #3 - A Roadmap to Successful Innovation

If we can agree that innovation is essential and that CIOs must be enablers of it, then I suggest the following four tasks – none of which are easy - when you and your peers sense you have an exciting business opportunity where an innovative response is called for:

- First – Really nail down your understanding of the problem or the opportunity.

- Second – Do the same thing with the innovative concept you plan to use to fix the problem or achieve the opportunity.

- Third – From the get-go follow a top-down and bottoms-up approach that leaves no one uninvolved that should be involved.

- Fourth – Again, from the get-go, have a mind-set that assumes success, that will accept no substitutes, that will view "rough spots" as simply opportunities to demonstrate agility.

A serial entrepreneur recently outlined an insightful three step process which he summarized with three words: 1-Discover, 2-Engage, 3-Transform.

He defined "Discover" as the act of discovering the details of where you <u>really</u> are (his emphasis) and where you <u>really</u> want to be (again, his emphasis). He defined "Engage" as the act of engaging creatively and positively with <u>all</u> (again, his emphasis) of the involved people.

What follows expands upon these thoughts.

[1] - What is "Innovation"?
Why is it hard?

Innovation = The action of innovating; the introduction of a new thing; the alteration of something established.

Some companies find Innovation easy. Others find it really, really hard – at best. The difference is always to be found in the company's leaders and the company's culture.

Innovation as a Critical Success Factor is nothing new and probably not much more important today than it was fifty or a hundred years ago. We are hearing a lot about it but that doesn't make it "new news." However, its importance is undeniable. So, whether it be hard or easy for you and your company, you must find a way to innovate – both speedily and successfully.

[2] - Poisonous to Innovation …

There are five things that are, at the very least, not conducive to successful innovation:

- A "Command & Control" management style
- ROI
- Risk Management
- Metrics (as in "too many" and not the right ones)
- Governance Committees/structures/processes

The days of the top down "Command & Control" management style are long gone. For perhaps a quarter-century, the most effective approach to innovation has been one of low-structure, highly flexible collaboration – with cross-functional teams being a ubiquitous feature.
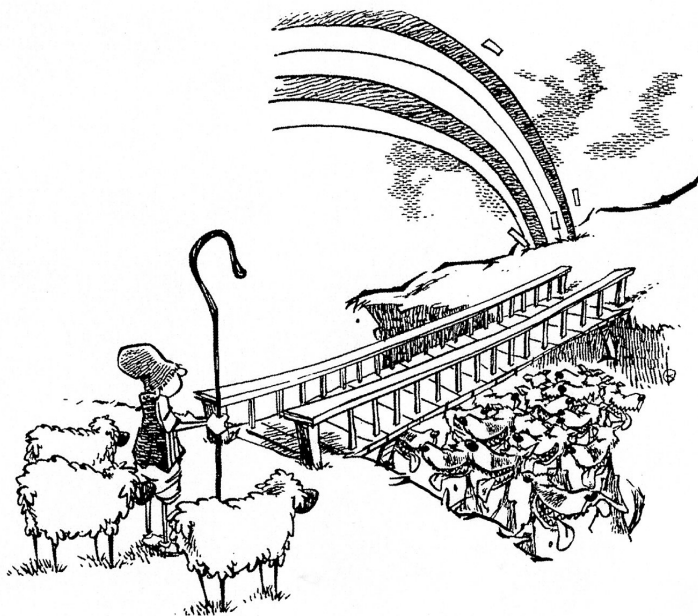
Ravenous peers, friends, associates, snakes-in-the-grass, wolves, and other beasts of prey.

The path to a glorious destination may have some perils

Innovative projects are inherently risky with hidden perils a common feature. They entail change, higher than normal levels of unpredictability, and almost always highly speculative numeric results. Applying to such projects the traditional ROI and Risk Management hurdles, while often done, can (and often does) kill projects that are essential to the future of a company. A far better "hurdle" for innovative projects is alignment with a well-articulated corporate vision – the "vision" being the "endpoint" and the innovative project being a key element of the strategic plan for achieving that endpoint/vision.

Generically speaking, "metrics" as a concept are good things but it's really, really easy to go off the deep end on them by measuring everything in sight. Measuring something takes time, effort, and (sometimes) quite costly instrumentation. Therefore, focus on gathering "actionable" data and recognize that "Good Data" doesn't necessarily lead to "Good Decisions."

Metrics for innovative projects should be:

- few in number
- easy to implement
- non-invasive
- focused on answering just two questions:

Q1 – Is the project moving forward as desired?
Q2 – Is the project's expected objective still achievable?

Governance mechanisms are inherently conservative. Their jobs are to prioritize, authorize, monitor, etc. with an emphasis on conserving resources for only truly "deserving" projects. "Deserving" often translates into "low risk/high reward" being the only projects that get through the process. Anything that is new, risky, or somehow out of the ordinary has, at best, a slim chance of approval – except in those governance environments where alignment with Corporate Vision ranks way high in the project approval weighting factors. Basically, the following of formal project approval processes – when it comes to innovative projects – is poisonous.

[3] - The time has come …

FIRST: Forget "IT as KTLO." SECOND: Think "IT as Competitive Asset." With all due respect to many authors and speakers, the following is not *New News*:

> "IT as a Competitive Asset" has been the #1 job of CIOs for many, many decades.

Permit me to amend that. It's the #1 job of *highly successful* CIOs. Whatever the details, the point is that this is absolutely, positively Nothing New! There has been:

- no role change
- no inflection point
- no new era.

However, there has been a troubling increase in the proportion of CIOs who find the "keep the lights on" (aka KTLO) aspect of their jobs comfortable and low in risk. These CIOs spend their time doing what all CIOs must do and must do well to get paid but they don't do what it takes to get promoted and get that coveted seat at the "Top Management Team" (TMT) table[9].

The key to that coveted seat will be found, as it long has, in innovative, cross-functional projects that impact a company's bottom line in a positive and enduring manner. Most often these are revenue enhancement projects that make your company's products or services somehow better than your competitors. Less frequently, these can be cost reduction projects such as to be found in improved purchase planning mechanisms for raw material.

The cost reduction projects are often easier to sell but there are many CFOs and COOs and CEOs who have become darn skeptical after hearing their n^{th} inventory cost reduction proposal. However, in the CPG (consumer products goods) world and in its Retail neighbor, finished goods inventory planning and management is becoming ever more central with eCommerce being the driving force – and a very large force indeed.

With malls already widely described as an Endangered Species (caused by a culture change exacerbated by eCommerce), the future-focused CIOs of several leading CPG and Retail firms are already focusing on a post-Mall world that will be here much faster than many think.

To somewhat balance the above, the world of 2015 is very different from the "tight and tighter" IT budgets that most CIOs faced in 2003-2010. In that period, KTLO may have been the best strategy in many companies.

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[9] In late 2014, I had dinner with a globally-respected, East Coast based IT management consultant; lunch with a prominent CMU IT management professor, and a glass of wine at UC-Berkeley's Faculty Club with a widely respected CIO. All three in some way expressed concern about the "current crop" of CIOs being much too KTLO oriented. One of the three predicted that the future "Top Tier" CIOs will not come from within IT and went on to name some specific currently prominent CIOs that he thought were "at risk" because of their lack of "IT as a competitive asset" vision.

[4] - Fuel for Innovation

There are three sources for innovative IT ideas that deserve a bit more respect:

- Ideas from "The Front Office"
- Shadow IT
- Dynamic Capabilities

Listening to "The Front Office" - There is nothing like listening to others for innovative ideas and one of the best sources of such Innovative Ideas is "The Front Office" … the CEO and his team.

Some of the very best CIOs that I have known in the last several decades have been superb schmoozers – with their C-level peers. One in particular comes to mind who made a point of having breakfast and lunch meetings virtually every day with one or another of his peers plus "end of day" meetings at a local watering hole with others of his peers.

He came to know the issues the company was facing in a highly cross-functional manner and from many points of view (some contradictory). This enabled him to develop well thought-out cross functional IT proposals that won quick acceptance from his peers. While not initially a member of the Top Management Team, he soon became one – not by his later project successes but, instead, by virtue of his insightful project proposals which commanded the respect of "those already at the table."

Listening to Shadow IT groups - Shadow IT groups are another good source. Find out what they are doing that your "official" IT group is not doing … and why they are doing it. There is nothing inherently bad about such groups unless they make a point of coming up with numbers that conflict with the company's official numbers. More often, they're down in the weeds with highly tailored spreadsheets that are of value to just their group and, thus, are doing the official IT group a favor. Whatever the case, listen to them. You might learn something.

Dynamic Capabilities - The phrase "Dynamic Capabilities" was coined by Prof. David Teece of the Haas School of Business in 1991. Dynamic Capabilities are those difficult to duplicate capabilities that set a company apart from its competitors and enhance its competitive position. Very often, such capabilities go unnoticed – such as:

- Hiring practices that consistently attract better than average candidates
- R&D practices that are uncommonly agile and lead to short (for the industry) "time to market" lead times.

Such Dynamic Capabilities deserve to be nurtured and institutionalized. Many "better" CIOs uncover these things and provide them innovative support.

Sometimes a Dynamic Capability is found in one R&D group that, with little effort, can be replicated in a company's other R&D groups with just a bit of process formalization and documentation and a smidge of cross-group training.

[5] - Small is ok

Small innovations are lots better than no innovations

Small innovations can have big results. One large wholesaler noticed that many of its larger customers often placed orders that closely duplicated previous orders yet the new order (often many tedious lines of product numbers and quantities) had to be entered as something entirely new by the wholesaler's Customer Service personnel.

The CIO, in conversations with the company's EVP for Sales and Marketing, thought it might be fairly easy to simply ask a retail customer for the changes from an earlier order instead of asking for all the details of the new order. The new system was well received by both the wholesaler's customers and by its own Customer Service personnel. Within a few months, the system was expanded to enable customers to simply call up a previous order online, make a few quick changes, and re-submit – entirely by themselves with no contact whatsoever with the wholesaler's Customer Service personnel. This was so easy and so swift and so much better than what other wholesalers of similar products were then offering, that the wholesaler's market share grew substantially in a very short period of time.

The new system cost less than 1% of the company's gross annual revenue. The growth in market share attributed to the project by the CEO, the CFO and the EVP for Sales and Marketing was about 15%.

Sometimes "going for the whole banana" is a bad idea. In most such cases, the company's ROI, risk management, and governance mechanisms kick in and halt the thing in its tracks. Smaller projects (sometimes sold as "pilots") often have a better chance. The old metaphor of getting the camel's nose under the tent …

[6] - The central "Must Have"

You must have a broad and deep understanding of the core success factors of your industry and of where and how "IT" can help by:

- Reducing the price of success
- Increasing the speed of success

Ask yourself, how can you and your IT organization:

- Make your company's products or services better or less costly to make or provide?
- Make your customers like your company more than your competitors?
- Move your new products to market more quickly?

Notice that the "Must Have" pertains to your industry in contrast to your company. It is essential that a CIO thoroughly understand the core business model of his or her industry with the differences between that and the business model of his or her company being far more of interest than just the details of the business model of the specific company. Where the differences are beneficial, what can the CIO do to enhance them? Where they are detrimental, what can the CIO do to mitigate them (or, maybe, reverse them)?

Ask yourselves "How can I help my company get its new products to market faster?" and/or "What can I do to reduce the cost of our products?"

[7] - and when you innovate

Define "success" and move consciously towards it:

- With a great leader
- With a great team [Accept no substitutes]
- With a clear vision
- With a ton of hard work

Make sure everyone understands that:

- Success is the only possible outcome
- Each participant is trusted and essential to that outcome

Recognize "failure" quickly and move on …

Don't take on a project unless you can provide it a great leader, a great team, and a very, very clear vision of what constitutes success. Then, and only then, move forward with vigor. Be well prepared to encounter obstacles and equally well prepared to find ways around them. Accept no substitutes for success. View success as the only possible outcome and work like heck to get there! Trust your team.

[8] - The Single Most Powerful

The single most powerful tool to get your C-suite on-board and supportive is Story Telling!

Telling a non-IT C-suite executive that his or her company needs SLAs or an Enterprise Architecture or to achieve CMMI level-5 or to install a full set of ITIL-v3 processes or (and more to the point) to take on a major, likely costly, innovative project -- will probably get a blank stare in response or, worse, a blunt question of the form "and exactly what will be the adverse consequences if I don't do this?"

Three independent sources support the view that "Storing Telling" is the single most powerful tool to get your point across … relevant, recent, true stories that tell the listener of good outcomes of doing "x" or bad outcomes of not doing "x."

1. In the Fall of 2014 the lead Gartner Analyst at a CIO gathering in San Francisco stressed exactly this point – using the words "single most powerful tool."

2. Almost concurrently, Karsten Zimmermann, the Fisher CIO Leadership Program's Visiting Scholar for 2014, made a similar statement in his July 1st presentation summarizing his interviews of almost thirty prominent and notably successful CIOs.

3. Finally, this writer has long found that relevant, recent, true stories can be far more effective in getting a C-suite executive "on board" than a long discussion of possible (and often theoretical) pros and cons.

[9] - Jack D Moments

I feel the need for Jack D on-the-rocks whenever I hear:

- a CIO complain about not being understood
- … or about not having a seat at the C-suite table
- or say "You must think out of the box"
- or "We are entering the 47th era …"
- or "Our role is dramatically changing!" (again?)

In everyone of these instances, I suspect the offending CIO is spending too much time in his/her office and way short of enough time schmoozing with those whose table they want to sit at. The schmoozing should be subliminally educational in nature; explaining via informal stories the potential Competitive Asset value of IT … when well used.

Schmoozing is an acquired skill. You have to work at it; learn how to get the schmoozees to speak candidly about their problems – and then *listen* to those problems carefully. Schmoozing must be a two way street. You must "listen and learn" from them while they do the same from you.

Those of us who have chosen "IT Management" as our profession are in an always interesting and sometimes quite exciting *continuum*. Let's stop saying we are at yet another inflection point, or entering a new era or anything similar.

Having said that, I must back off a bit regarding the term "digitalization" – as in Gartner's current emphasis on "The Digital Dragon." My concern here is not the accuracy of the term, but, rather, its timing. As I see it, we started entering the Digital Age with GE's payroll system way back in 1954 and have been becoming more and more *digitalized* ever since – with the recent prominence of the term *consumerization* being a sub-category of the overall global *digitalization* process.

When, in 1960, I was first hired as a newly minted Electrical Engineer (with a focus on something then new called "computers"), there was still an active controversy regarding the primacy of Digital or Analog devices. Those of us within the field saw little real doubt of the eventual primacy of Digital and were quickly proved correct – over fifty years ago.

However, maybe Gartner's term is right after all. Perhaps we should think of it this way: that while the *digital* aspect has been with us for over half a century, it has only been in the last few years that the *dragon* aspect has emerged – with all of that aspects' workplace changes and high-impact disruptions.

I discuss this "disruptive dragon" idea at some length in Chapter #8.

[10] - Wrong versus Right

WRONG = state problem; pounce on answer

RIGHT = state problem, clarify problem, collect information, consider alternatives, select best, build team, empower team, monitor team, stay engaged with team

Probably the worst thing you can do for your career is to pounce on the first innovative solution you come up with for an important, maybe "Mission Critical", company problem. Slow down; take your time; think it through.
There is an old saying with regard to projects (not just IT projects; projects of *all* kinds) and that is "Well started, half finished."

> **Take your time before you spend a dime.**

Make sure you really, really know what problem it is that you are going to (successfully) solve. Is the project scope exactly what it should be or are your attempting to "boil the ocean" – an all too common fault of many projects? Check

and double check the solution. Is management engaged? visible? "in it" for the long haul? even when you hit some rough spots? What about the quality of the team … either "A" or forget it!

Takeaways from this paper

- The Freedom to Invent is central to our nation's economic future
- Innovation is essential to our corporations' survival and, via those corporations, to our nation's survival
- CIOs must enable an innovative environment.

Move beyond metrics; listen to anyone for new ideas; start small, it's ok; see success as the only possible outcome.