Executive Summary

Raising IT’s Game Through BRM

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When business historians describe the rise of the multinational corporation from roughly 1920-1970, they often cite the automobile industry, especially General Motors, as an example of how hierarchical, professionally managed organizations emerged to coordinate complex global products, processes and operations. Similarly, when future historians assess the period 1970-2020, they will almost certainly focus on the rise of information technology and its implications for organizational dynamics and leadership.

But exactly how our times will be described remains unclear. Unlike specialized company functions such as sales, marketing and engineering, IT is deeply involved in every aspect of the modern firm, and unlike other cross-company functions such as finance and human resources, IT is often the main driver of innovation and new value creation. These unique characteristics have created entirely new management challenges that have only become more pressing as IT usage expands. While no one knows exactly what the historians of 2070 will say, the emergence of the Enterprise IT organization will likely be seen as part of a long, and often difficult, transition to an information-driven economy.

Because these shifts and challenges will prove seminal to the very nature of the firm, the LEF has since its inception researched the evolving relationship between Enterprise IT and the large multinational organization. In recent years, we have put particular emphasis on Business/IT Relationship Management (BRM), as the emergence of this function embodies the managerial challenges that information technology has created. Consider that most other parts of a large organization don’t feel the need to assign relationship managers in order to deal effectively with one another.

Additionally, to ensure a first-hand feel for these dynamics, we have also conducted more than 30 experiential BRM training workshops with a variety of large multinational clients, involving hundreds of individual IT professionals. These sessions have provided us with many insights into the skill set of the modern BRM, and how this will change in our increasingly digital future.

Throughout this work, the BRM mission has been the same: to improve the communication, collaboration, coordination, negotiation, alignment, leadership and decision-making between IT and other key parts of the firm so that information technology can be better exploited and leveraged. Unfortunately, in many organizations this remains easier said than done. The explosion in cloud, social, mobile, IoT, machine intelligence, and more consumerized technologies is putting huge time and budget pressures on Enterprise IT, causing its role and structure to stay in continual flux.

This Executive Summary provides the key messages from our research and workshops as well as our many years of business/IT advisory experience. Our goal is to help firms raise the game of Enterprise IT, while enabling companies to better prepare their cultures for the technology-driven marketplaces of the 21st century. We strongly recommend that clients read the full report and follow its key frameworks, exercises and playing cards to further assess your specific organizational needs and challenges.

The BRM situation today

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1. Today, ‘BRM’ is widely used to mean both an individual’s job title and an overall organizational BRM requirement. In this Summary, it should be clear from the context which meaning is intended.
As shown in the figure on the left above, the relationship between IT and the rest of the organization varies widely. The placement of the individual dots represents our sense of where the firms we have recently been working with are in terms of our overall 4P maturity model, as expanded upon below.

- Just about every IT organization begins in the Provider role, acting essentially as a vendor that delivers services to the firm, often through an almost arm’s-length relationship. Many IT departments struggle to move beyond this role, and a few are still functioning at this most basic service level.

- A roughly equal number of companies act more as Promoters, advocating the use of technology for business innovation or new ways of working. Given today’s fast-moving technologies, this remains an important IT function.

- The most common Enterprise IT goal is to become a true business Partner, a trusted adviser and consultant fully engaged in key business/IT discussions. Most IT organizations would like to see themselves in this way.

- While becoming a business Peer and earning a full seat at the senior leadership table is the ultimate IT maturity goal, relatively few firms have reached this stage. We expect this to improve over time.

These diverse operational and leadership 4P roles build upon one another. For example, one can never reach the Partner stage (let alone the Peer level) without being effective Providers and Promoters. While the goal of our research and workshops is to help our clients move up the maturity curve, this is often challenging because the business/IT relationship, skills and dynamics vary widely at each stage.

As shown in the right-hand figure above, operating above the line (shown in red) requires a different mind-set and significant behavioural change. Above the line there is much more risk and ambiguity, and much less reliance on formal processes and metrics. These differences have often led to significant disconnects between Enterprise IT and the rest of the organization.

Most companies seek to bridge these gaps by assigning individuals as dedicated BRMs, but a significant minority of firms choose not to do this, believing BRM is much more of a cultural issue. In our research, we have developed self-assessment tools for both the individual BRM job function and the organizational culture approach. As suggested by the figures below, these tools provide a way of measuring where you are on the 4P maturity curve, as well as a means of gauging your future progress.

The figure on the left is largely self-explanatory and speaks to the traits needed to be a successful BRM, many of whom do not come from IT. By triple-deep skills, we mean that BRMs must have sufficient Digital, Business and Emotional IQ. While all are important, our clients consistently tell us that ‘soft’ skills are the most essential BRM capability, as BRMs must maintain trust and authenticity with both IT and the rest of the firm, even in difficult circumstances.

What traits, skills and attributes do your BRMs have? What does your organizational culture look like?
Unfortunately, advanced soft skills such as curiosity, courage and personal power (gravitas, charisma, respect, trust) are the most innate, and thus hardest to teach. This is why we put so much emphasis on experiential learning, as emotional engagement is the only way to spur and sustain real behavioural change. It’s also why we tend to believe that the best BRMs are born, rather than made.

The language in the figure on the right requires a bit more explanation. The terminology comes from the Cultural Web, developed by the UK’s Cranfield School of Management (with which Dr. Chatham has long been associated) to make a company’s culture more explicit and tangible. While we would refer clients to the full report to better understand the use and meaning of each concept, for this summary it is sufficient to say that an organization’s culture can be described in terms of its stories, behaviour, routines, symbolism, power structures, forms of control, and underlying value paradigms. The key point is that aligning the cultural web of IT with that of the rest of the organization is often difficult. Our assessment tools can help identify and bridge any gaps.

**Where is your organization today? Where is it going?**

As a general rule, it appears that the more digital a company becomes, the less need there is for dedicated BRMs, as newer firms tend to see BRM more as an organizational culture challenge than an individual’s role. Over time, the cultural approach will probably prevail, and the term ‘BRM’ is likely to be long gone by 2070. Indeed, the passing of the need for individual BRMs may well be an important indication that the challenge of information technology management has been largely overcome.

But in the meantime, there is much work to be done, and the BRM role is arguably more vital today than ever. Whether your organization has dedicated BRMs or not, the quality of Enterprise IT’s relationship with the overall firm is dependent upon both the people within IT and the cultural attitudes toward information technology across your organization. We have observed that it’s often all too easy to blame any coordination and effectiveness problems on Enterprise IT, even when much of the blame should really go to executives or employees who – actively or passively – resist new ways of working, or simply don’t put in the time to learn the skills that are needed. From our experience, these problems are at least as common as those on the IT side.

The figure above brings both IT and organizational readiness into a simple 2x2 model that allows you to plot where you are and where you would like to be. While this plotting can be done subjectively, ideally it should be based on the organizational and individual assessments included in our full report. As suggested by the arrow, we recommend that firms try to move upwards and to the right over time. But it remains true that many traditional firms still operate in the lower half of the diagram, hamstrung by their people, their culture, their legacy environments or a combination thereof.
Looking ahead, companies will increasingly need a culture that embraces the fact that the centre of technology innovation has moved decisively outside of the walls of the firm. Anticipating and leveraging these exciting cloud-based capabilities (which we have labelled the Matrix\(^2\)) is becoming an essential part of what it means to be digital. Towards this end, we have developed a deck of Digital Leadership Playing Cards, designed to help BRMs and other IT professionals embrace the huge changes that will come in an increasingly Matrix-driven society.

Few people are better positioned to help their firm address these technology challenges and opportunities than BRMs, but only if they have the right skills, attitudes and organizational support. By following the guidance from our research, and giving IT professionals the experiential training they need, companies can steadily raise the game of Enterprise IT, and more effectively pursue the fantastic technology opportunities that lie ahead.
About CSC

The mission of CSC is to be a global leader in providing technology-enabled business solutions and services.

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CSC makes a special point of understanding its clients and provides experts with real-world experience to work with them. CSC leads with an informed point of view while still offering client choice.

For more than 50 years, clients in industries and governments worldwide have trusted CSC with their business process and information systems outsourcing, systems integration and consulting needs.

The company trades on the New York Stock Exchange under the symbol “CSC”.

About the Leading Edge Forum

The Leading Edge Forum (LEF) is a global research and thought-leadership community dedicated to helping large organizations identify and adopt Next Practices at the growing intersection between business and information technology. We believe that as business and IT become inseparable, virtually every aspect of work and the modern firm will need to be re-imagined, and this creates exciting new digital opportunities.

Through an annual membership programme of research, events, onsite workshops and advisory services, we support Chief Information Officers and other senior digital business leaders in areas such as strategy, organizational change, executive education, staff development and the future of the Central IT function. Members enjoy personalized access to our global network of thought leaders, clients and leading practitioners.

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