



The Three Secret



of Next Generation IT

By Charles Araujo





What does the future hold for IT professionals?

For the oblivious, it is business as usual. Sure, there's a lot of talk about change, but there's always talk about the latest new thing in IT. This is just more of the same.

I am guessing that you are not one of these people.

If you are reading this report, there is a really good chance that you understand that some fundamental change is afoot in the IT industry. In fact, I believe that we are in the midst of the biggest change that our industry has ever known. And the forces at play will shift the very foundations of how IT organizations are structured, operated and staffed. If you are an IT professional, this should be very important to you. Because the skills that have gotten you this far in your career not only will not be enough as we move into this new era of IT, but they may well be your undoing.

Next Generation IT

In my book, *The Quantum Age of IT: Why Everything You Know About IT is About to Change*, I describe the three market forces that I believe have come together to create a perfect storm that will change everything. These market forces: the **Consumerization of IT**, the **Criticality of IT** and the **Competition for IT**, have set the stage for the next generation of the IT organization, what I call The Quantum IT Organization.

It is an IT organization less defined by its technical capabilities and more defined by the business value it contributes to the organization. I lay out the five organizational traits that each Quantum IT Organization will possess - that they will be a:

- Learning Organization
- Disciplined Organization
- Transparent Organization
- Intimate Organization; and a
- Dynamic Organization

Moreover, this transformation into Quantum IT Organizations will also be marked by two other shifts. First, the shift from IT being a manufacturer of technology to being a retailer of technology. Second, the shift away from IT

being the sole source provider of technology to the enterprise. From here forward, IT will be only part of an ecosystem of technology providers and its primary role will be to curate a customer experience that delivers competitive and differentiating value to the enterprise.

That's quite a change. And as you might imagine, it is going to require that IT professionals develop a whole new set of skills to compete and be relevant in this new era for IT.

The Three Secret Skills of Next Generation IT

In the book, I identify the five professional skills that every IT professional must develop in order to compete in The Quantum Age. They are:

- IT Financial Management Skills
- Critical Thinking and Analysis Skills
- Marketing & Communication Skills
- Innovation & Collaboration Skills
- Leadership Skills

These represent the key building blocks that every IT professional is going to need. This will become the new normal. In the years to come, every IT professional will be developing these skills if

they are to survive. Without these skills, frankly there will be no home for them in the next generation of IT organizations.

This begs a question. If mastering these five skills is going to be the baseline, what can you as an IT professional do to get ahead?

First, you can take the mastery of these five skills to the highest level. This will be a long and never ending process. Many IT pros will only invest what they have to in order to stay in the game. But there is something else you can do as well.

There are three more skills - “secret skills” - that will set you apart from the rest of the pack as we enter this new age.

These are the skills that will make you incredibly valuable to any IT organization that is making this transition because these skills are the difference makers - the skills that create value for an organization. And they are going to be three skills that are incredibly difficult to find, making anyone that possesses them very valuable to the organization.

The three “secret skills” are (drum roll please...):

- Coalition Building
- Ecosystem Management
- Branding

What makes these three skills so special and why are they going to be in such demand?

First, these three skills are probably the three things that come least naturally to most IT people. Essentially, they are all variations on the same thing: understanding and persuading people. If you have spent any time in IT at all, you know that is not something that is typically in the wheelhouse of most IT professionals.

Second, these three secret skills hint at one of the defining characteristics of the future IT organization: it will cease to be predominately managed in a hierarchical fashion. As the world of IT moves faster and faster, senior IT executives will no longer be able to operate hierarchically and hope to move fast enough to keep up. The Dynamic Organization of The Quantum Age will be one that

If mastering these skills is the new baseline, what can you do to get ahead?

is managed from deep within the organization. It will require a new breed of IT professional that can manage, can execute and can get things done without explicit orders from the top. This new breed of IT professional will be someone who can bring people together, inspire them, guide them and lead them to work collaboratively to achieve spectacular results - all without having any formal authority.

These kinds of people are going to be very hard to find.

The three secret skills of coalition building, ecosystem management and branding are the building blocks that will help you become one of them.



Coalition Building

What does it mean to be a coalition builder? The word coalition is thrown around at times, but its meaning can be fuzzy. A lot of times, it is used to simply mean a group of people who share some beliefs. But a real coalition is much more than that. It is an alliance of people or groups that come together around a common purpose for combined action. The key word here is action. A coalition is not about bringing people together to agree on an idea. It is about bringing people together to take action. And that is a lot harder than it sounds.

To become a coalition builder is to forge deep relationships with people around ideas big enough and bold enough to inspire them to step outside of their comfort zone. It does not always need to be earth shattering, but it will always be personally impactful to everyone involved. To build a true coalition, one that will take action and have an impact requires three things:

- A Cause
- A Gift
- A Path

A Cause

The first thing is the idea. You cannot build a coalition without an idea. But most of the time, the idea is not the hard part. People know what needs to be done. What is missing is clarity.

While everyone may know what is wrong and what needs to be done, there is not a common language to describe it or to rally around. So the first element to the skill of coalition building is to be able to take a commonly understood issue and to articulate it in a clear and memorable manner. To transform it from a problem into a cause.

People do not rally around problems. They rally around solutions - or at least the pursuit of a solution.

So learn to dissect problems and reduce them to their most simply understood form. Then learn to be able to articulate them into a rallying cry around the solution. The cause will be the foundation of the coalition.

A Gift

Are you involved in any kind of

non-profit work? Do you participate in The Race for the Cure or support the March of Dimes? Are you involved in charitable activities at your church or perhaps involved in an environmental cause? Most of us are involved in some kind of activity in which we have no personal gain. Why?

Whatever it is that you are involved with I can pretty much guarantee one thing: you have some personal connection to it. Perhaps you or someone you care about has had a disease and that led you to a group pursuing its cure. Perhaps you love nature and have a passion for protecting it. Whatever it is, you can see some part of yourself in the causes that you support. Why else would you be involved, right?

Well, it is the same in our work efforts.

If you are to succeed in building a coalition, each member of the coalition must be able to see themselves within it in some way. What does this mean to you if you are seeking to become a coalition builder? It means that as much as you have invested in “creating” the cause, you must be willing to give it away. To build coalitions, you must practice putting everyone else above you, to make it

all about them. This can be very difficult. Overcoming ego and the sense of “pride of ownership” will take a sustained and significant effort. If you are passionate about your cause (and you’d better be) giving it away can almost be painful. But learning how to do this gracefully, to make it a gift to those who want to be a part of it, will be a key factor in building your coalition.

A Path

At this point, your new coalition will be fired up. You will have articulated a clear problem and rallied them around the passionate pursuit of a solution. You will have given it up to them freely so that they can see themselves within it. They will be ready to go. Ready to take action. But will they have anywhere to go?

It can be easy to get people excited and even take them to the point of action, but if you leave it up to them, their actions may be unpredictable. They may all go in different directions squandering the power of the coalition. Some may be overwhelmed and have no idea what they should do - and therefore do nothing.

What they will need is a path.

Once you have taken them to this point of action, they will need some simple next steps. Ways that they can move forward in a unified fashion. It doesn’t have to be overly prescriptive. There can be multiple paths with different levels of commitment or engagement, but there must be a next step. You must learn to see three or four steps ahead and design that path in a way that will make it easy for your coalition to engage. It can take some practice, but it will be what turns a passionate group of believers into a force for change.



Ecosystem Management

The era of IT being the sole-source provider of technology to the enterprise is over. And that's really going to mess things up for IT.

It used to be that we were in control. Or at least pretended we were. We have always had an army of suppliers. But they worked for us. We owned the contracts and they did what we told them.

That is no longer the reality.

In many cases, service providers will have relationships directly with specific business units. Even when IT still owns the relationship, the complexity of what is happening behind the scenes is overwhelming. These cloud service providers are playing by a new set of rules and unlike the contracts of the past, everything **WILL NOT** be on the table for negotiation. There are some things that they simply will not or cannot do. That means that IT is going to need a new approach and the professionals with the skills to manage in this very complex, dynamically changing environment.

IT will no longer be able to issue edicts and mandates and have any hope that they will be enough to get the job done. Instead, it is going to require equal measures of humility, clear understanding of value contribution and the ability to negotiate from an abundance posture in order to effectively manage the IT ecosystems of the next generation of IT.

Humility

I spend quite a bit of time in the book talking about the need for humility. After it was published, I was concerned that people would take it wrong.

The need for humility is not meant to imply that we, as IT professionals, have been operating from a state of hubris and arrogance. The idea of bringing humility to the table is much more about a posture of service. It means to lower our own sense of self-importance. In any conversation, we need to start with an understanding of what is important.

And IT will never be what is most important.

IT always - and only - serves to further the strategic business objectives of the

organization as a whole. That is what is important. Coming to our relationships and to every conversation with that understanding is what I mean by approaching it with humility.

As we come to the task of managing these complex ecosystems, this posture of humility will allow us to bring the correct state of mind to every conversation. We are there to serve the strategic goals of the company. Our sole aim then should be to pull together the various parts of the ecosystem to achieve those goals. This will take practice. It will take patience. And it will take a willingness to change your view of your own role. But it is what you must do if you are going to be able to engage in healthy and productive conversations with your partners in the IT ecosystem.

Value Contribution

Not all parts of the ecosystem will contribute to the value of the organization in equal parts and equally among different strategic aspects of business operations. But in IT we rarely manage our providers from a position of value contribution. Instead, we tend to treat them all the same (and attempt to squeeze each of

them to the point of submission, but I am getting ahead of myself.)

The reality, however, is that IT investments contribute to the value of the organization in different ways. Those that contribute the most value should be those that we strive to protect and continually seek to improve. But to do this, you must first understand how IT investments contribute value from a business perspective.

Focus on Value

In order to develop the skill of Ecosystem Management, you will need to first become proficient at understanding and mapping the value contribution of each IT investment to the enterprise. Without this, you may very well end up managing the wrong parts of the ecosystem and leaving those most valuable components unattended.

Developing proficiency in value management will take time and you must commit to its continual development, but more than anything it begins with a mindset shift. Every IT conversation, investment or decision must start with a

question: How does this contribute value to the enterprise and how can I articulate that value in business terms? Learn to ask that question and you'll be on your way.

Abundance Negotiation

I have a problem with the way most Vendor Management Offices (VMOs) are run. With all due apologies and respect for those that run their VMOs correctly, I believe that most VMOs are in grave danger of killing IT's ability to function effectively in the coming era. Most VMOs and procurement departments operate from a posture that their job is to squeeze everything that they can from their vendors.

The problem is that they often succeed.

But in succeeding they create the exact opposite relationship from the kind of partnership that is needed to succeed going forward. Here is the truth of our supplier relationships in The Quantum Age: our success will be inexorably tied to the success of our supplier ecosystem.

Our goal cannot be to squeeze them and then keep them at arms length. Instead

we must establish deeply intimate relationships and create an environment in which we cease to see the demarcation points between one member of the ecosystem and the next. We need to begin negotiating our supplier contracts from a posture of abundance - from a belief that we can all get what we want out of the relationship and that together we can succeed. In fact the term itself is instructive. The term “ecosystem” does not imply a collection of organizations all working independently.

An ecosystem is much more.

First and foremost, it represents a community. A community of people and groups that are interconnected and inter-dependent. A failure in one part of the ecosystem will have significant impact on other parts of the ecosystem. To effectively manage the ecosystem, then, will begin with negotiating with this in mind. Recognizing that you are not just “hiring a supplier”, but rather that you are inviting someone into the community and that by doing so are investing your future into theirs.

You must become as invested in their success as they must become in yours. This will require a very different ap-

proach. It will require both humility and an understanding of value contribution that we discussed previously. And it will require that you are able to leverage your coalition building skills to build a coalition within your ecosystem.



Branding

Somewhere along the line, branding collected a negative perception. It became code for manipulative marketing practices and for contrived positioning and posturing. As people became bombarded with “brand messages” they got turned off to the idea of being sold and so anything that felt “marketing-ish” was seen as bad.

Very early in my career I was in sales. One of my clients had become a friend and I always enjoyed our honest and frank conversations. I remember at one point being sent to sales training. Upon returning, I tried to dutifully apply some of what I had learned. Two minutes into my first conversation with my client/friend, she stopped me cold by saying, “Oh no. You went away and you got slimed.” I was trying to sell her, when what I already had was so much more powerful: an authentic relationship.

Branding is not about selling or manipulating. It’s not really even about marketing. At its most basic level a brand is just a promise.

The most successful brands are those that come to embody a set of promises about what you will get when you purchase that brand. It might be a luxury brand where the promise is that you will be in style and have the highest quality materials. Or it might be a value brand where the promise is that you will get a consistent quality at an inexpensive price. Despite being turned off by marketing hype, most of us still rely on brands for most of our purchasing decisions. Whether it is a large national brand or the “brand” of the local mexican restaurant down the street, the brand represents a promise of consistency. You know what you’re going to get.

And that’s a good thing.

What is the brand of your IT organization?

I hope that you’ve figured out that I’m not talking about some shiny logo. I mean what is the consistent experience that your customers expect to receive when they deal with you? In all likelihood, your organization does not have a brand. Or more accurately, you do not have a brand that you know of or that you control. In everything that you do

today, you are communicating a brand message. It may be a brand message of inconsistency and poor quality, but it’s still a brand. Your customers are creating an idea of what your brand stands for every day. The question is, what is it?

As we enter The Quantum Age and are faced with endless competition, IT’s brand will become incredibly important. Managing it will be vital. It is a skill that will be desperately needed. Effectively managing your brand is really a three part process - and you will need to develop your skills in each part: Defining, Embodying and Communicating.

Defining

There is some really good news. You are not defined by what you are right now. You are defined by who you want to become. This is true in life and on a very personal level (a subject for another day), but it is also true of organizations.

The first part of the process is to define what you want your brand to represent. How do you want IT to be perceived? What should people think of when they see IT’s name posted somewhere? What

images or ideas should pop into their heads?

Whatever they may think now is not incredible. In fact, the best way to change it is to begin by reimagining how you want them to think of you. That will become the essence of your brand.

You need to learn to master the art of this process of imagining a future. You must learn how to project and articulate how you believe your customers should see you and think of you. It can be difficult. There are number of techniques that can be drawn from marketing theory that can be helpful, but the essence is that you must practice proactively projecting the desired image of the organization - and being able to articulate that “brand message” clearly and plainly.

Embodying

Do you know where most marketers go wrong? They think that marketing is the message. They concoct some outlandish marketing claim that they think will inspire someone to buy whatever it is that they’re selling, but they fail to realize that the greatest brand message is the product or service itself. Instead

of creating a meaningful brand message, they create a perception of inauthenticity and manipulation.

A brand is a promise.

That means that it is worthless if the organization does not embody it. To master the skill of branding then requires two key elements. First, you must be bluntly aware of your organization’s current capabilities. You cannot make a brand promise that you cannot keep. Second, you must ensure that once that brand promise has been made that you can build the coalitions necessary to protect it.

Using your definition, clearly articulate the brand message, fully aware of current capabilities, and then challenge the organization to live up to the promise. Using your coalition, build disciplines and practices that are designed specifically to protect the brand. It is the most important part of building your brand - living it.

Communicating

The last step in the process is to communicate your brand message, authentical-

ly, to your customers. This is the most “marketing” part of the branding skill. But it is important to remember that this is not about being flashy or creating hype.

The key here is authenticity.

Simply go to your customers and have an honest conversation about your brand and what it means to them. This is part art and part science. You need to learn how to strike the right balance. You need to get the message out there, but to do it with the right tone.

Marketers will tell you that it takes seven impressions for an idea or message to get through. But you need to do it authentically. You must do it in a way that projects an open and honest dialogue. This goes back to the idea of humility. You must strive to not project a message of “Look at How Great IT Is - We Rock!!!” and instead project a message of “We are Here to Serve. This is Our Promise to You.”

To make it more complicated, how you do this most effectively will be driven by your organizational culture. How do your customers want to be communicated with? When and in what fashion are

they going to be most receptive to your message? There is no right answer or one way. It will take a fair amount of trial and error to get it right. And it’s going to take a lot of patience. But get it right and it will be extremely powerful.



Wrapping It Up

So there they are. The three “secret skills.”

Maybe they are not that secret. I am not sure.

But I am sure of this: These three skills will become increasingly important in IT organizations everywhere over the next several years. They are important right now. But they will become some of the most critical and sought after skills in the years to come.

Develop and master them and you will be in a great position as we enter The Quantum Age to have a significant impact on both your organization and on your career.

Learn More

If this has made sense to you, then don't stop here. Take a step and keep moving forward. You have a few options.

First, if you haven't read my book yet (I know, shameless plug), you can start there. It is available from The IT Transformation Institute's website at www.transformingit.org/qit-book-page. (And remember to use code **ITTI20** for a discount from the publisher.)

If you are interested in finding out more about the IT Transformation Institute, we would invite you to keep in touch. Click on this link www.transformingit.org/keep-in-touch. We promise not to spam you and will only send you one or two short emails a week.

Get involved and make a difference!

About The Institute

The IT Transformation Institute is a catalyst for change, transforming the IT industry. Focused on developing leaders and creating sustainable organizations that realize the business value of their technology investments, ITTI provides a set of "transformational tools" designed to change the DNA of IT organizations. Built by practitioners, ITTI's baselining / feedback tools, on-demand / live workshops and professional development resources give IT leaders what they need to solve today's problems, break the dysfunctional cycles that cause tomorrow's, and create Next-Generation IT organizations.

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