An elusive harmony

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Not long after joining Exelon Corp.'s energy trading division, Ron Swartz earned the sobriquet "T-bone." Something about being fresh meat, the traders recall with a few devilish chuckles.

Swartz was, in many ways, being thrown to the lions when he first set out to design an automated trading platform for Exelon. The traders worked at a frantic pace, their existing system was becoming increasingly ineffective, and they had already grown frustrated with failed attempts by IT to come up with a replacement.

But two years later, those lions have clearly been tamed.

"There are times when [we] look at each other and we can read each other's minds," says trader Joe MacCrory, describing his relationship with Swartz and fellow trader George Barnes, who together led the development of Exelon's homegrown VizTrade trading platform, which went live last summer.

"It's like the *Star Trek* mind meld," Swartz breaks in. "We have an unwritten bond between us. I know it sounds corny, but it's a passion we have."

IT leaders have long realized the value of partnerships between application developers and end users. Such alliances help align IT initiatives with business strategies, make end users advocates for IT projects rather than critics and let system development evolve along with changing business realities. But, as is often the case, building those partnerships is easier said than done, and it's up to the IT director to create the right structure and climate within IT to foster those alliances.

Tips on fostering partnerships between end users and IT:

- Immerse IT workers in the users' environment. If you can't assign IT employees to business units full time, give them extra time at the start of a project just to watch end users work.
- Involve end users in projects from the start and put an end user in charge so that the business unit takes ownership of -- and responsibility for -- the system.
- Keep users engaged in projects after development is complete. Ask them to come up with ideas for system upgrades so that the technology evolves with their needs.
- Don't just tell users what a system will do. Show them. Use storyboards and simulations so they can actually see what the system will look like.

"It's one of those things that we just still can't master," says John Harris, managing director of Atlanta-based Information Management Forum's IT management program. "It's a resource issue, and that has always been at the heart of it: scarce resources." That said, the days of IT going off to design systems in a vacuum are long over. IT/end-user partnerships may be resource-rich, says Harris, but without them, technology initiatives are doomed to failure.

The Right Fit

The trick, says Harris, is to find an IT/user relationship that best fits the business.

Multidivisional companies often permanently assign application development teams to lines of business, he says. Those teams may report to business unit leaders and have dotted lines on the org chart to the CIO, or they'll work on behalf of the business unit but report directly to IT.

Another approach is to assign individual "relationship managers" to business units -- also with a dual reporting structure -- but keep application development within the IT department, says Harris.

One problem with both approaches is the potential for unbalanced resources, he says. For instance, the sales department may have substantial IT needs, and the person or team assigned to that department may be overtapped.

Meanwhile, the marketing department might not have many IT projects on its plate, so the people assigned to that division are underutilized.

Another problem is shrinking resources. As IT staffs and budgets are slashed, many CIOs pull their employees back into the department, says Jim Jones, executive director of the Information Management Forum.

"It clearly is more costly," says Harris. "And if you're doing it all on cost, the answer is to centralize."

Some CIOs organize their departments like resource centers and assign development teams to business units based on their need, says Harris. But the disadvantages there can be twofold, he says: IT workers aren't as familiar with business processes, and different business units fight for IT resources.

One solution is to use a two-pronged approach to achieve the benefits of both the centralized and decentralized models, Harris adds. Systems that go across the company, such as enterprise resource planning or customer relationship management, are managed within IT, whereas those that are specific to particular lines of business are doled out to those departments, he explains.

If there are good lines of communication among business units, IT teams can be evenly assigned to groups of departments; so, for instance, one team would be shared by human resources, finance and maintenance, says Harris.

That's the approach used by New York-based Verizon Communications, says Skip Patterson, executive director of business planning and development. IT is organized into customer-facing units grouped together as "portfolios." For instance, all corporate departments, such as finance and administration, are served by one IT group that would care for it "soup to nuts," explains Patterson.

"The idea is to maintain alignment between IT and the business [unit] that was being served," he says. "And it would be one-stop shopping."

The teams work in the business units, but they report to the CIO. And while the teams are responsible for the performance of the groups they represent, they use a core set of departmental metrics that they're all expected to meet. So, for instance, the CIO and his direct reports might compare the costs for each team to maintain code. If one team spends $1.50 and another 25 cents, it's clear that the first team needs to lower that number, explains Patterson.

"It really puts a spotlight on things," he says. "It creates a friendly competition."

Another effective and efficient model for working with end users is to develop a system for one business unit, then customize it for other business units while maintaining a core set of standards. This approach works well with e-business applications, says Harris.

A new trend, says Jones, is for companies to develop a cadre of IT employees with consultantlike skills so that they can go into an organization -- in this case, a business unit -- understand its challenges and goals, team with it to determine how technology can help reach those goals, then work together to develop the solution.

Giving Users Ownership

One thing Jones has heard a lot of CIOs talk about recently is the need to make end users understand that the systems being developed belong to them, not IT, and that they're responsible for the system's success and results.

This was a major theme at *Computerworld*'s recent Premier 100 IT Leaders Conference in Palm Desert, Calif. In the opening keynote speech, United Airlines Inc. CIO Eric Dean complained that users have been coming to IT departments with pipe dreams for too long, but CIOs have been so eager to please their typically disgruntled users that they've made promises they can't keep. Then, when those dreams aren't realized, IT takes the fall.

To succeed, CIOs must be realistic with business units about what technology can and can't do, he said, and they must make it clear to end users that the systems are only as good as the information the end users feed into them.

One way to get end users engaged in system development is to have them assigned to work full time with the project team, says Harris. Or better yet, put them in charge of the project. "This way, they take ownership," he says.

At Naperville, Ill.-based Tellabs Inc., Senior Vice President and CIO Cathie Kozik set up a governance system to make business managers responsible for return on investment, but IT employees, financial controllers and business end users all work together to design systems and determine and track their anticipated returns.

Such teamwork is critical to success, says Jon Dell'Antonia, vice president of management information systems at OshKosh B'Gosh Inc.

At the Oshkosh, Wis.-based clothing firm, senior executives from throughout the company, including IT, come together to determine the company's strategic initiatives. Then, IT works with end users to drill down to the details.

Users and IT employees sit together at the same table to determine what they want to get out of the system and to work through the development process. They decide as a group whether to go with homegrown systems or off-the-shelf products, and if they choose the latter, they all work together to draft a request for proposals, meet with vendors and make the final decisions.

If you don't do it that way, "you're just setting yourself up for failure," says Dell'Antonia. "It's not 'We pick it, you get it.'"