11-21-2005

Developments in Practice XIX: Building Better IT Leaders - From the Bottom Up

Heather A. Smith

Queen's School of Business, Queen's University, hsmith@business.queensu.ca

James D. McKeen

Queen's School of Business, Queen's University, jmckeen@business.queensu.ca

Follow this and additional works at: <https://aisel.aisnet.org/cais>

Recommended Citation

Smith, Heather A. and McKeen, James D. (2005) "Developments in Practice XIX: Building Better IT Leaders - From the Bottom Up," *Communications of the Association for Information Systems*: Vol. 16 , Article 38.

DOI: 10.17705/1CAIS.01638

Available at: <https://aisel.aisnet.org/cais/vol16/iss1/38>

This material is brought to you by the AIS Journals at AIS Electronic Library (AISeL). It has been accepted for inclusion in Communications of the Association for Information Systems by an authorized administrator of AIS Electronic Library (AISeL). For more information, please contact elibrary@aisnet.org.

DEVELOPMENTS IN PRACTICE XIX: BUILDING BETTER IT LEADERS – FROM THE BOTTOM UP

Heather A. Smith
James D. McKeen
Queen's School of Business
Queen's University
hsmith@business.queensu.ca

ABSTRACT

IT organizations face many new challenges. While strong IT leaders are needed, few IT leadership teams as yet are well-equipped for the job. Very practical reasons imply that all IT staff should now be expected to act as leaders, regardless of their official job title: a new top line focus; the growing impact of IT decisions on organizations; and the complexity of the work to be done. These requirements are driving the need to push leadership skills and competencies further down in the IT organization. This paper explores how organizations are addressing these new requirements for leadership in IT. It examines the qualities that make a good IT leader and what companies are doing to build better leaders at all levels of their organizations. It concludes by outlining a value proposition for investing in IT leadership development.

KEYWORDS: IT leadership; leadership development; IT training; leadership qualities; leadership skills

I. INTRODUCTION

For IT to assume full partnership with the business, it will have to take a leadership role on many vital organizational issues. ...This leadership role is not the exclusive prerogative of senior executives – it is the duty of all IT employees. Effective leadership has enormous benefits. To realize these benefits, leadership qualities should be explicitly recognized, reinforced, and rewarded at all levels of the IT organization. This only happens when a concerted effort is made to introduce leadership activities into the very fabric of the IT organization. Leadership is everyone's job." [McKeen and Smith, 2003].

This quote, taken from a paper we prepared several years ago, remains as true today as it was then. But much happened in the interim. Chiefly, in the chaotic business conditions of the late 1990s and early 2000s, IT leadership development became sidetracked. The dot-com boom and subsequent bust soured many companies on the top line potential of IT and refocused most CIOs on developing strong processes to ensure that IT's bottom line was kept under control [Roberts

and Mingay, 2004]. But the wheel has turned yet again. Now emphasis is renewed on how IT can help the organization achieve competitive differentiation and top line growth [IBM, 2004].

In this new environment, IT organizations face new challenges: achieving business growth goals; enterprise transformation; coping with technical and relationship complexity; facilitating innovation and knowledge development; and managing an increasingly mobile and virtual workforce. While strong IT leaders are needed for this effort, few IT leadership teams are well-equipped for the job [Mingay et al., 2004]. Traditional hierarchical structures with command-and-control leadership are not only ineffective, they can actually become a barrier to developing a high-performance IT department [Avolio and Kahai, 2003]. New communications technologies enable new ways of leading and empowering even the most junior staff in new ways. These factors all bring senior IT managers around to a new appreciation for the need to build strong IT leaders at all levels of their organization.

To learn more about how IT organizations are addressing these new needs for leadership, the authors convened a focus group of senior IT managers from organizations in a variety of industries. In preparation, these IT managers were sent the authors' earlier paper on "Developing Effective IT Leaders" [Smith and McKeen 2003] and asked to address a series of questions about leadership in their organizations. These questions asked how the role of leadership in IT is evolving and what qualities make a good IT leader. In addition, they were asked to describe the programs and practices they use to develop leadership competencies throughout IT.

This paper looks first at the increasing importance of leadership in IT and how leadership is changing over time (Section II). It examines the qualities that make a good IT leader (Section III) and then looks at how companies are trying to develop better IT leaders at all levels in their organizations (Section IV). Finally, it outlines the value proposition for investing in IT leadership development (Section V).

II. THE CHANGING ROLE OF THE IT LEADER

The death of the traditional hierarchical organization structure and top-down command-and-control leader has been predicted for at least two decades [Bennis and Nanus, 1985]. But it is dying a slow and painful death, according to the focus group. While much lip-service is paid to the need for everyone in IT to be a leader, the fact remains that the traditional style of leadership is still very much in evidence, especially in large IT organizations.

This is the case for at least three reasons:

1. Until now, very little pressure was exerted to change.

"We've been focusing on centralizing our IT organization in the last few years and centralized decision-making is inconsistent with the philosophy of 'everybody leads'". A focus group manager

Those IT managers struggling with the complexities engendered by non-standard equipment, non-integrated systems, and multiple databases full of overlapping but inconsistent data, can be forgiven if this philosophy suggests the Wild West days of IT where everyone did their own thing.

2. The organizations within which IT operates are also largely hierarchical. Their managers grew up with traditional structures and chains of command. They are comfortable with them and are uncomfortable when they see parts of their organization (i.e., IT) behaving and being treated differently by their CIO [Feld and Stoddard, 2004]. Senior management may therefore pressure IT to conform to the ways of the rest of the firm. This situation is exacerbated, according to the focus group, by new compliance regulations (e.g., Sarbanes-Oxley, privacy legislation), which require hierarchical accountability and severely limit flexibility.

3. Many senior executives, even within IT, find it difficult to relinquish control to more junior staff because they know they are still accountable for their results. Keeping a “hands-on” approach to leadership, they believe, is the only way to ensure work gets done right.

However, in spite of the remarkable tenacity of the hierarchical organization, there are signs that traditional leadership modes in IT are now in retreat and a growing recognition that IT organizations must do a better job of inculcating leadership behaviors in all their staff [Bell and Gerrard, 2004]. The following are very practical reasons why all IT staff are now expected to act as leaders, regardless of their official job title:

- **Top Line Focus.** CEOs look for top line growth from their organizations [IBM, 2004]. New technologies and applications largely drive the enterprise differentiation and transformation efforts that will deliver this growth. Strong IT leadership teams are needed to take on this role in different parts of the organization and at different levels. They can only do this effectively by sharing clear goals and direction, understanding business strategy, and applying the requisite soft skills to influence business leaders [Roberts and Mingay, 2004].
- **Credibility.** No IT leadership initiatives within business will be accepted unless IT is able to deliver results consistently. While this aspect of leadership is often called “management” and considered somewhat less important than its transformational aspects, IT’s credentials in transformation rest solidly on management [Mingay et al., 2004; McKeen and Smith, 1996]. The focus group agreed that no business organization will accept IT leadership in other areas unless it demonstrates the skills and competencies to deliver consistently on what it says it will do.. Furthermore, distinguishing between leadership and management leads to a dysfunctional IT organization.

“Managers who don’t lead are boring [and] dispiriting, [while] leaders who don’t manage are distant [and] disconnected.” [Mintzberg, 2004].

Too often we forget that top level leaders are developed over time from amongst the rank and file and that is where they learn how to lead.

- **Impact.** Without question, individuals within IT have more opportunities to affect an organization, both positively and negatively, than others at similar levels in the business. The focus group felt that this fact alone makes it extremely important that IT staff possess strong organizational perspectives, decision-making skills, entrepreneurialism, and risk assessment capabilities at lower levels. Because even small decisions in IT can impact an organization in major ways, it is essential that a CIO be confident that his/her most junior staff has the judgment and skills to take appropriate actions.
- **Flexibility.** Increasingly, IT staff and organizations are expected to be responsive to rapidly changing business needs and help the enterprise compete in a highly competitive environment. This situation requires IT staff not only to be technically skilled, but also able to act in the best interests of the organization wherever opportunities arise.

“We are no longer order takers in IT. All our staff are expected to do the right things for our firm, even when it means saying ‘no’ to senior business management.” A focus group manager.

Similarly, group members noted that doing the right things might involve being proactive. These actions take significant amounts of organizational know-how to pull off, leadership skills that rank-and-file IT staff are not noted for at present.

- **Complexity.** IT responsibilities have grown increasingly complex over the last two decades [McKeen and Smith, 2003]. Not only is IT expected to be a high performance organization, it is also expected to offer change and innovation leadership, interact with other organizations to deliver low cost services, chart a path through ever-growing new technology offerings, and

offer content leadership [Mingay et al., 2004]. The complexity of the tasks, relationships, knowledge, and their integration now faced by IT mean that leadership cannot rest in the hands of one person or even a team. Instead, new ways of instilling the needed skills and competencies into all IT staff must be found.

- **New Technology.** E-mail, groupware, instant messaging, and the Internet are all changing how leaders work, especially in IT. Increasingly, staff are virtual or mobile and their interactions with their managers are mediated by technology. At the same time, IT staff gain much greater access more quickly to the same information as their managers. New technologies therefore change how information is acquired and disseminated, how communication takes place, how people are influenced, and how decisions made. Traditional forms of control are thus increasingly ineffective [Avolio and Kahai, 2003].

All of these factors are driving the need to push leadership skills and competencies further down in the IT organization. While traditional hierarchies will likely remain in place to define authority and accountability, leadership is likely to become increasingly situational and exercised as required by task and conditions [Bell and Gerrard, 2004]. With the demands on IT projected to be ever-greater in the next decade, the need for more professional and sophisticated IT leadership is also greater than ever before [Feld and Stoddard, 2004]. Many believe that it is leadership that will make the difference

“determining which [IT] organizations disappear into the back office of utility services and which ones build company-wide credibility and drive business growth and ability.” [Mingay et al., 2004].

III. WHAT MAKES A GOOD IT LEADER?

In many ways the qualities that make a good IT leader are similar to those that make any good leader. These qualities can be divided into two general qualities:

1. **Personal Mastery.** These qualities embody the collection of behaviors that determine how an individual approaches different work and personal situations. They include a variety of soft skills, such as self-knowledge, awareness of individual approaches to work, and other personality traits. Most focus group IT organizations include some form of personal mastery assessment and development as part of their management training programs.

Understanding how a staff member relates to others, how they respond to you, and how to adapt personal behaviors appropriately to different situations are fundamental parts of good leadership.

“Leaders must exercise self-awareness, monitor their impact on others, be receptive to feedback and adjust to that feedback”. A focus group company’s internal leadership document.

“The higher up you get in IT, the greater the need for soft skills,” said one focus group member. Another noted the positive impact of this type of skills development. “It’s quite evident who has completed our management development program by their behaviors.” An increasingly important component of this quality for IT staff is personal integrity, that is, the willingness to do what you say you are going to do, both within IT and with external parties such as users and vendors.

2. **Leadership Skill Mastery.** These qualities include the general leadership skills expected of all leaders in organizations, including: motivation, team-building, collaboration, communication, risk assessment, problem-solving, coaching and mentoring. These skills can be both taught and modeled by current leaders and are a necessary, but not sufficient, component of good IT leadership [McKeen and Smith, 2003].

However, good IT leaders require a further set of skills that could be collectively called “strategic vision”, if they are going to provide the direction and deliver the impact that organizations expect from IT. Because this is a “soft skill”, there is no firm definition of this quality. The focus group members, however, identified several components that help to develop this quality at all levels in IT:

- **Business understanding.** It should go without saying that for strategic vision, an IT leader should understand his/her organization’s current operations and future direction. This concept is quite well-accepted in IT, although few IT organizations offer formal programs to develop such understanding. Most IT staff members are expected to pick it this knowledge as they go along, mostly at the functional business process level. Although such knowledge may be adequate at junior levels, being able to apply strategic vision to a task also involves a much broader understanding of the larger competitive environment, financial management, and marketing, said the focus group.

“Our customers are now our end users. With our systems now reaching customers and extending out horizontally in the organization and beyond, IT staff all need a broader and deeper appreciation of business than ever before.” A focus group manager.

- **Organizational understanding.** A key expectation of strategic vision in IT is enterprise transformation [Mingay et al., 2004]. Transformation involves not only generating insights into how technology and processes can be used to create new products and services or help the organization work more effectively; it also involves the effective execution of the changes involved. IT professionals have long understood that technology must work in combination with people and processes to be effective. Therefore, they are expected to be experts in change management [McKeen and Smith, 2003; Markus and Benjamin, 1997; Orlikowski and Hofman, 1997]. But being able to drive transformation forward involves a number of additional skills, such as:
 - ♦ political savvy (to overcome resistance and negative influences);
 - ♦ organizational problem-solving (to address conflicting stakeholder interests);
 - ♦ effective use of governance structures (to ensure proper support for change); and
 - ♦ governance design (to work with partners and service providers). [Bell and Gerrard, 2004; Kim and Mauborgne, 2003].

The focus group agreed that because IT people come from a technical background and are more analytic in their thinking, they typically do not have strong skills in this area and need to learn them.

- **Creating a supportive working environment.** Most IT work is done in teams. Increasingly, these teams are virtual, include business people, staff from vendor companies, and members from different cultures. Motivating and inspiring one’s colleagues to do their best, dealing with relationship problems and conflicts, and making decisions that are consistent with the overall goals of the organization and a particular initiative, are therefore the job of every IT staff member. Since much leadership in a matrixed organization, is situational, an IT professional could find him/herself being a leader one day and a follower the next. Thus, he/she must know how to create a work environment that is characterized by trust, empowerment and accountability. To achieve these goals requires clear communication of objectives, setting the rules of engagement, developing strong relationships (sometimes virtually), and providing support to manage risks and resolve issues [Anon, 2004; Avolio and Kahai, 2003; Bell and Gerrard, 2004].
- **Effective use of resources.** A good IT leader knows how to concentrate scarce resources in places where they provide the biggest payoff for the organization. To do so not only means

making use of processes and tools to stretch out limited staff, it also means understanding where resources should *not* be used (i.e., saying 'no'). In the longer term, using resources wisely may mean using job assignments and budgets to enhance people's capabilities, identifying and developing emergent leaders, and using reward and recognition programs to motivate and encourage staff [Anon, 2004]. IT resources are often spread too thinly, underappreciated, and not given time for training, according to the focus group. Good IT leaders value their resources, run interference for them when necessary and work to build 'bench-strength' in their teams and organization.

- **Flexibility of approach.** A good IT leader knows where and how to exercise leadership.

"Skill mastery must be complemented with the ability to know when and where particular behaviors/skills are required and ... how they should be deployed."
[McKeen and Smith, 2003].

While this statement is true in all parts of the organization, leadership in IT can be a rapidly shifting target for two reasons.

1. IT staff are well-educated, well-informed professionals, whose opinions are valuable. "Good IT leaders know when to encourage debate and also when to close it down," said a focus group manager.

2. Business' rapid shifts of priority, the changing competitive and technical environment, and the highly politicized nature of much IT work, mean that leaders must constantly adjust their style to suit a dynamic topography of issues and priorities.

"There is a well-documented continuum of leadership styles... The most appropriate style depends on the enterprise style and the business and strategic contexts."[Roberts and Mingay, 2004].

Leadership Styles Vary According to the Degree of Involvement of Team Members

- Commanding – "do what I tell you"
 - Pacesetter – "do as I do now"
 - Visionary – "come with me"
 - Affiliative – "people come first"
 - Coaching – "try this"
 - Democratic – "what do you think?"
- Based on Roberts and Mingay [2004]

- **Ability to gain business attention.** A large component of IT leadership is not focused on the internal IT organization, but outward towards all parts of the business. One of the biggest challenges for IT leaders is that the focus of their work is more on business value than on technology [Mahoney, 2004]. The ability to motivate business executives, often in more senior positions, to lead business transformation and to gain and maintain executive attention is central to establishing and maintaining IT credibility in an organization [McDonald and Bace, 2004]. A good IT leader knows how to position his/her contribution in tangible, business terms, how to interact with business leaders, and how to guide and educate them about the realities of IT use. "Bringing value to the business is a very important trend in IT leadership," stated one focus group member.

IT leaders need more or fewer of these qualities, depending on the scope and type of their work. Obviously, IT staff responsible for sourcing need a different mix of these skills than those with an internal IT focus or those with a business focus. These qualities will also be more important the higher one moves in the management hierarchy. Nevertheless, these are skills that IT organizations should endeavor to grow in all their staff from the most junior levels. Since these skills take time and practice to develop and are in increasing demand, senior IT managers should put concrete plans in place to ensure that they will be present when needed.

IV. HOW TO BUILD BETTER IT LEADERS

Everyone agrees that fostering leadership skills throughout all levels of IT is important to IT's future effectiveness [Bell and Gerrard, 2004; McKeen and Smith, 2003; Mingay et al., 2004;

Mintzberg, 2004]. However, the reality is that leadership development is very hit-and-miss in the focus group organizations we spoke with. Many saw formal leadership courses cut or scaled back

substantially in the past five years by cost control initiatives. Most limit attendance to managers. Only one articulated a comprehensive program of leadership development that includes other initiatives besides training.

Leadership development in IT is not as simple as sending a few handpicked individuals on a training course. In fact, formal training may be one of the least effective (and most expensive) aspects of building better IT leaders [Kesner, 2003]. The focus group identified three layers of any comprehensive leadership development program (Figure 1).

CREATING THE ENVIRONMENT

First and most important (and probably the most difficult) is an environment within which leaders at all levels can flourish. It is often suggested that leaders, like cream,

will naturally rise to the top regardless of the conditions in which they work. The reality is that more and better leaders are created when organizations create a supportive process for developing them that is widely understood. What's needed is "a culture that nurtures talented managers, rather than one that leaves them to struggle through a Darwinian survival game" [Griffin, 2003]. The following are generally agreed to be constituents of this type of culture:

- **Well-articulated and instantiated values.** Values guide how staff should behave even when their managers aren't around. Values provide a basis for sound decision-making. [Stewart, 2004].

"If you're going to push leadership down in the organization, you have to push values down as well," A focus group manager.

Others noted that senior IT leadership should primarily be about forming and modeling values, not managing tasks. Values are especially important when staff are more mobile and virtual [Cascio and Shurycailo, 2003]. A strong value system is crucial to bringing together and motivating a large, diverse workforce and helping staff act in ways that support the company's brand and values. Unfortunately, while many organizations espouse values, they are often out-of-date or not lived by management [Stewart, 2004].

- **A climate of trust.** Trust that management means what it says about values and leadership development must be established early in any program. Trust is established by setting expectations and delivering results that meet or exceed those expectations. By sending clear messages to staff and exhibiting positive attitudes about staff behavior, senior IT managers help people feel they can begin to take some risks and initiatives in their work [Cascio and Shurycailo, 2003]. If people feel their culture is based on fair processes and that they can draw lessons from both good and bad results, they start to respond with the type of high performance and leadership behaviors that are expected [Kim and Muaborgne, 2003].

Conversely, senior managers must take steps to weed out counterproductive behaviors, such as poor collaboration, that will undermine this climate [Roberts and Mingay, 2004].

- **Empowerment.** Empowerment thrives in a climate of trust, but leaders need to deliberately encourage it as well. In IT, one of the most important ways to do encourage empowerment is to create mechanisms to support staff making difficult decisions. One focus group company recognized this by explicitly making, “we’ll support you in doing the right things” as a central element in revamping its leadership promise. To make it real and visible, the firm established a clear process through which junior staff can resolve potential conflicts with users when disagreements occur about what is “the right thing”. Furthermore, it established committees to help manage the risks involved in IT work, find the root cause of recurring issues, and protect the promises made to business partners. Such processes, in conjunction with values and trust, create a management system that empowers people and frees them up to make appropriate decisions [Stewart, 2004]. By staying connected with staff as teachers, coaches, champions and mentors, more senior leaders help more junior staff to take “intelligent risks” and sponsor initiative [Taurel, 2000].
- **Clear and frequent communication.** As with other types of change, one cannot communicate too much about the need to create an environment to foster leadership.

“In spite of all we know about communication, it’s still one of our biggest leadership gaps,” A focus group manager.

Open, two-way communication is the hallmark of modern leadership. Leaders and followers are gradually learning how to effectively use the electronic nervous system that now runs through all organizations [Avolio and Kahai, 2003]. Use of information technology and multiple channels is now the norm. Redundancy is advisable because of the increased opportunities for miscommunication in the virtual world. Senior executives now use IT effectively to communicate interactively with their most junior staff [Stewart, 2004]. One focus group company established an “Ask Phil” email whereby any member of IT can direct questions to the CIO. Thus, leadership is about developing relationships with people. It engages them and helps direct them to a particular goal. Learning to leverage all conduits of communication to build and sustain an array of relationships is therefore central to becoming an effective IT leader [Avolio and Kahai, 2003].

- **Accountability.** Acceptance of accountability is a key component of leadership, explained the focus group. A climate where accountabilities are clear is therefore an important aspect of a leadership development culture [Bell and Gerrard, 2004]. Natural leaders often first come to senior management’s attention because they consistently deliver on what they promise. More recently, the concept of accountability is being extended to include expectations that IT staff will assist the business in achieving its growth goals and that IT will not create impediments to implementing business strategies [Mingay et al., 2004]. Unfortunately, accountability is too often lacking from IT cultures, which results in negative perceptions of IT leadership in the rest of the organization [Feld and Stoddard, 2004]. No member of IT should be allowed to abdicate responsibility for delivering results. However, focus group members stressed that to create a culture of accountability, IT leaders must also provide the processes, tools, and support for their staff to produce successful results.

BUILDING LEADERSHIP INTO PROCESSES AND PRACTICES

The second layer of a leadership development program involves building leadership activities into IT’s processes and daily work. Well-designed and documented processes for such activities as planning, budgeting, conflict resolutions, service delivery and financial reviews and approvals, clearly articulate the individual elements that contribute to leadership in particular situations. They make it easier for more junior staff to carry out these activities and to learn what is expected of

them [Bell and Gerard, 2004]. They also establish boundaries within which staff can exercise judgment and take risks.

Human resources management practices are also a key component of fostering leadership at this level. Many companies are documenting the competencies that they expect staff to exhibit in each job category and level. These competences typically include both leadership and technical skills.

"It gets harder to do this the higher up the management hierarchy one goes. At the more senior levels, leadership skills are much more individualized and are more difficult to capture, but we're working on it." A focus group manager

Specific training and development strategies work well for each job stream at more junior levels. With more senior positions, development plans should be created for each individual.

Job assignments are one of the most important ways to develop leadership expertise. Some experts suggest that 80% of the levers at management's disposal in this area are related to how a company uses assignments and job postings to influence an individual's experience [Kesner, 2003]. Job rotations, stretch assignments, and on-the-job coaching and mentoring are all effective ways to build leadership skills. Occasionally, assignments may entail taking risks and not always appointing the most-qualified person for a particular job [Roberts and Mingay, 2004]. Sometimes, a person may be moved out of IT into the business for an assignment. All organizations should have processes in place to identify emergent leaders and take proactive steps to design individualized strategies of coaching and assignments that will fit their unique personalities [Griffin, 2003]. Succession planning is also a significant part of this process. While recruiting leaders from outside is sometimes necessary, this option is a far more risky and expensive way to address succession than growing leaders from within [Roberts and Mingay, 2004].

FORMAL LEADERSHIP TRAINING

Commitment to formal leadership training in IT organizations is patchy at best according to the focus group. Training can be internally developed or externally purchased. The fastest growing segment of executive education is customized programs for a particular organization that are specifically tied to their business drivers and values [Kesner, 2003]. In-house programs are best for instilling vision, purpose, values, and priorities. External training is best used for introducing new knowledge, practices, and thinking to leadership.

Because of the time and expense involved, leadership training should be used strategically rather than comprehensively. Often, IT resources can be so stretched that finding time for development is the biggest challenge. One focus group company reasserted the importance of training by promising its staff that it would spend its entire annual training budget for the first time! This organization sees training as one tool for helping individuals make their best contribution and achieving success. Interestingly, it has found that making it easier to find appropriate courses through the creation of a formal curriculum and streamlining the registration and payment processes led to a significant uptake in employees taking advantage of development opportunities.

V. INVESTING IN LEADERSHIP DEVELOPMENT: ARTICULATING THE VALUE PROPOSITION

Although leadership development is widely espoused, many organizations reduced their budgets in recent years and formal training programs were hard hit. One focus group member remarked that his staff knew senior management was serious about their development when it kept training budgets consistent even though it was cutting back in other areas. However, as discussed in Section IV, training is only one facet of a good leadership development program. Doing it right takes executive time and consistent attention, in addition to the costs involved in establishing and

following through on necessary communications, procedures and planning. It is therefore essential to articulate the value proposition for this initiative.

Experts and the focus group suggested several elements of value could be achieved by implementing a leadership development program. Using a rubric established by Smith and McKeen [2003], these are:

- **What is the value?** Since different companies and managers perceive value differently, the value to be achieved by a leadership development program needs to be clearly described and agreed on. Some of the value elements that organizations could achieve with leadership development include:
 - ◆ improved current and future leadership capabilities and bench strength (preventing expensive and risky hires from outside),
 - ◆ improved innovation and alignment with business strategy,
 - ◆ improved team-work (both internally and cross-functionally),
 - ◆ improved collaboration and knowledge sharing,
 - ◆ greater clarity of purpose and appropriate decision-making,
 - ◆ reduced risk, and
 - ◆ a higher performing IT organization.

When these value objectives are understood, it is possible to develop metrics to determine whether or not the program is successful. A focus and metrics for a leadership program ensure that management pays attention to it and that it isn't shunted into a corner with the "soft and fuzzy stuff" [Kesner, 2003].

- **Who will deliver the value?** Because leadership development is partially an HR responsibility and partially IT's, clarifying which parts of the program should be delivered by which group is important. Similarly, much of the coaching, mentoring, and experiential components will be fulfilled by different managers within IT. It is therefore important for senior management to clarify roles and responsibilities for leadership development and to ensure that they are implemented consistently across the organization. Ideally, senior IT management will retain responsibility for the outer layer of the leadership program, i.e., creating a supportive working environment. At one focus group company, the senior IT team created several packaged presentations for middle managers to make that articulate their "leadership promises".
- **When will value be realized?** Leadership development should provide both long and short term benefits. Effective training programs should result in visible behavior changes. The initial impacts of a comprehensive leadership initiative should be visible in-house within a year and to business units and vendors within 18 to 24 months [MacDonald and Bace, 2004]. Again, metrics are an essential part of leadership programs because they demonstrate their success and effectiveness. While leadership development and improved business results cannot be linked directly, clear and desirable results should be achieved [Kesner, 2003]. The focus group recommended using a Balanced Scorecard approach to track the different types of impacts over time. The scorecard can be used to demonstrate value to IT managers themselves, who may be skeptical, and to HR and senior management. It can also be used to make modifications to the program in areas where it is not working well.
- **How will value be delivered?** This question is the one that everyone wants to ask first and which should only be addressed after the previous questions are answered [Smith and McKeen, 2003]. Once it is clear what IT wants to accomplish with leadership development, it will be much easier to design an effective program to deliver it.

VI. CONCLUSION

Leadership development in IT is something that everyone agrees is increasingly important to helping companies achieve their business goals. However, all too often, it is a hit-and-miss exercise, depending on management whim and budget availability. It is now clear that senior IT leaders must make leadership development a priority if IT is going to contribute to business strategy and help deliver services in an increasingly competitive environment. To accomplish these goals, leadership development in IT must start with the most junior IT staff. An effective program involves more than just training. It includes the creation of a supportive work environment and the development of processes that deliver on management promises.

However, no leadership program should be implemented in a vacuum. A clearly articulated proposition is required that outlines its value to the organization and includes a set of metrics to monitor its effectiveness. Like technology itself, leadership development will only be effective if management takes a comprehensive approach that integrates culture, behavior, processes *and* training to deliver business value.

Editor's Note: This article was received on August 31, 2005 and was published on November 21, 2005.

REFERENCES

- Anonymous (2004). "A Guide for Leaders", Presentation to the Queen's School of Business IT Management Forum, November.
- Avolio, B. and S. Kahai (2003). "Adding the 'E' to leadership: how it may impact your leadership", *Organizational Dynamics*, (31)4, January pp. 325-338.
- Bell, M. and M. Gerrard (2004). "Organizational Chart is Falling into Irrelevance", Research Note QA-22-2873, July 6, Stamford, CT: Gartner Group.
- Bennis, W.G. and B. Nanus (1985). *Leaders: The Strategies for Taking Charge*, New York: Harper and Row.
- Cascio, W., and S. Shurygailo (2003). "E-leadership and Virtual Teams", *Organizational Dynamics*, (31)4, January pp. 362-376.
- Feld, C. and D. Stoddard (2004). "Getting IT Right", *Harvard Business Review*, (82),2, pp. 72-79.
- Griffin, N. (2003) "Personalize Your Management Development", *Harvard Business Review*, (81) 3, March
- IBM. "CEO Survey 2004: Executive Summary", IBM Consulting Services, http://w3-2.ibm.com/services/bcs/news_pubs/features/2004/0224_survey.html, current as of January 2005.
- Kesner, I (2003). "Leadership Development: Perk or Priority?" *Harvard Business Review*, May (81) 3, March
- Kim, W. and R. Maugorgne (2003) "Tipping Point Leadership", *Harvard Business Review*, (81) 4, April.
- Mahoney, J (2004). "Demands for Business Growth Make CIOs Reallocate Their Time", Research Note SPA-22-6613, June 29 Stamford, CT: Gartner Group.
- Markus, M. L. and R.I. Benjamin (1997). "The Magic Bullet Theory in IT-Enabled Transformation," *Sloan Management Review* (38) 2, Winter, pp. 55-68.
- McDonald, M. and J. Bace (2004). "Keys to IT Leadership Credibility, Respect and Consistency", Research Note TU-22-8013, June 28 Stamford, CT: Gartner Group.
- McKeen J. and H. Smith (1996). *Management Challenges in IS: Successful Strategies and Appropriate Action*, Chichester, England: John Wiley and Sons.
- McKeen, J. and H. Smith (2003). *Making IT Happen: Critical Issues in IT Management*, Chichester, England: John Wiley and Sons.

- Mingay, S., J. Mahoney, M.P. McDonald, M. Bell (2004). "Redefining the Rules of IT Leadership", Article AV-22-9013, July 1 Stamford, CT: Gartner Group.
- Mintzberg, H. (2004). "Enough Leadership", *Harvard Business Review*, (82)11.
- Orlikowski, W.J. and J.D. Hofman, (1997). "An Improvisational Model for Change Management: The Case of Groupware Technologies", *Sloan Management Review*, (37) 2, Winter, pp. 11-21.
- Roberts, J. and S. Mingay (2004). "Building a More Effective IT Leadership Team", Research Note TU-22-5915, June 28, Stamford, CT:Gartner Group.
- Smith, H. A. and J.D. McKeen (2003). "New Developments in Practice VII. Developing and Delivering on the IT Value Proposition", *Communications of the Association of Information Systems*, (11)25, April, pp. 438-450.
- Stewart, T. (2004). "Leading Change when Business is Good: An Interview with Samuel J. Palmisano", *Harvard Business Review*, (82)12, p.8.
- Taurel, S. (2000) *On Leadership*. Indianapolis, IN: Eli Lilly and Co.

ABOUT THE AUTHORS

James D. McKeen is Professor of MIS at the School of Business, Queen's University at Kingston, Canada and is the Director of the Monieson Centre – a research centre focused on the study of knowledge in organizations. He received his Ph.D. in Business Administration from the University of Minnesota. His research interests include IT strategy, user participation, the management of IT, and knowledge management in organizations. His research is published in a variety of journals including the *MIS Quarterly*, *JITM*, *CAIS*, the *Journal of Systems and Software*, the *International Journal of Management Reviews*, *Information & Management*, *CACM*, *Computers and Education*, *OMEGA*, *Canadian Journal of Administrative Sciences*, *JMIS*, *KM Review*, and *Database*. He currently serves on the Editorial Board of the *Journal of End User Computing* and was the MIS area editor for the *Canadian Journal of Administrative Sciences* for seven years. Jim and Heather Smith's most recent book: *Making IT Happen: Critical Issues in IT Management* was published in January 2003 by Wiley.

Heather A. Smith is Senior Research Associate with Queen's University School of Business, specializing in IT management issues. A former senior IT manager, she is a founder and co-director (with James McKeen) of the IT Management Forum, the CIO Brief, and the KM Forum, which facilitate inter-organizational learning among senior executives, and co-author (with James McKeen) of *Management Challenges in IS: Successful Strategies and Appropriate Action* (1996). She is also a Research Associate with the Lac Carling Conference on E-Government, the Society for Information Management, and Chair of the IT Excellence Awards University Advisory Council. Her research is published in *CAIS*, *JITM*, *Information and Management*, *Database*, *CIO Canada*, and the *CIO Governments Review*. Her book, *Making IT Happen: Critical Issues in IT Management* with James McKeen was published by Wiley in January 2003 and she is co-author of a new book, *Information Technology and Organizational Transformation: Solving the Management Puzzle* published by Butterworth-Heinemann.

Copyright © 2005 by the Association for Information Systems. Permission to make digital or hard copies of all or part of this work for personal or classroom use is granted without fee provided that copies are not made or distributed for profit or commercial advantage and that copies bear this notice and full citation on the first page. Copyright for components of this work owned by others than the Association for Information Systems must be honored. Abstracting with credit is permitted. To copy otherwise, to republish, to post on servers, or to redistribute to lists requires prior specific permission and/or fee. Request permission to publish from: AIS Administrative Office, P.O. Box 2712 Atlanta, GA, 30301-2712 Attn: Reprints or via e-mail from ais@aisnet.org.

Communications of the Association for Information Systems

ISSN: 1529-3181

EDITOR-IN-CHIEF

Paul Gray

Claremont Graduate University

AIS SENIOR EDITORIAL BOARD

Jane Webster Vice President Publications Queen's University	Paul Gray Editor, CAIS Claremont Graduate University	Kalle Lyytinen Editor, JAIS Case Western Reserve University
Edward A. Stohr Editor-at-Large Stevens Inst. of Technology	Blake Ives Editor, Electronic Publications University of Houston	Reagan Ramsower Editor, ISWorld Net Baylor University

CAIS ADVISORY BOARD

Gordon Davis University of Minnesota	Ken Kraemer Univ. of Calif. at Irvine	M.Lynne Markus Bentley College	Richard Mason Southern Methodist Univ.
Jay Nunamaker University of Arizona	Henk Sol Delft University	Ralph Sprague University of Hawaii	Hugh J. Watson University of Georgia

CAIS SENIOR EDITORS

Steve Alter U. of San Francisco	Chris Holland Manchester Bus. School	Jaak Jurison Fordham University	Jerry Luftman Stevens Inst. of Technology
------------------------------------	---	------------------------------------	--

CAIS EDITORIAL BOARD

Tung Bui University of Hawaii	Fred Davis U. of Arkansas, Fayetteville	Candace Deans University of Richmond	Donna Dufner U. of Nebraska - Omaha
Omar El Sawy Univ. of Southern Calif.	Ali Farhoomand University of Hong Kong	Jane Fedorowicz Bentley College	Brent Gallupe Queens University
Robert L. Glass Computing Trends	Sy Goodman Ga. Inst. of Technology	Joze Gricar University of Maribor	Ake Gronlund University of Umea,
Ruth Guthrie California State Univ.	Alan Hevner Univ. of South Florida	Juhani Iivari Univ. of Oulu	Claudia Loebbecke University of Cologne
Michel Kalika U. of Paris Dauphine	Munir Mandviwalla Temple University	Sal March Vanderbilt University	Don McCubbrey University of Denver
Michael Myers University of Auckland	Seev Neumann Tel Aviv University	Dan Power University of No. Iowa	Ram Ramesh SUNY-Buffalo
Kelley Rainer Auburn University	Paul Tallon Boston College	Thompson Teo Natl. U. of Singapore	Doug Vogel City Univ. of Hong Kong
Rolf Wigand U. of Arkansas, Little Rock	Upkar Varshney Georgia State Univ.	Vance Wilson U. of Wisconsin, Milwaukee	Peter Wolcott U. of Nebraska-Omaha
Ping Zhang Syracuse University			

DEPARTMENTS

Global Diffusion of the Internet. Editors: Peter Wolcott and Sy Goodman	Information Technology and Systems. Editors: Alan Hevner and Sal March
Papers in French Editor: Michel Kalika	Information Systems and Healthcare Editor: Vance Wilson

ADMINISTRATIVE PERSONNEL

Eph McLean AIS, Executive Director Georgia State University	Reagan Ramsower Publisher, CAIS Baylor University
---	---