### TECHNOLOGY LEADERSHIP Development Survey





CONDUCTED BY DONOVAN LEADERSHIP

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### **Executive Summary**

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Who is a technology leader and why are they important? Technology leaders are to be found in major companies, which are using or providing technology based products or services. The technology leader plays a pivotal role in ensuring that the vision and strategy for the company is fulfilled through timely technology strategy, implementation and operation. They quite often have a technology background and/or are accountable for a technology based product, service or business. Donovan Leadership conducted a series of oneon-one interviews with 50 Australian and international key opinion leaders to better understand the development needs of technology leaders. The research was motivated by the belief that they are a critical group to nurture, given the increasing reliance of businesses on technology. The intelligence gathered can be provided to the education, training and recruitment market place regarding the development needs of technology leaders.

The research program found that technology leaders are attempting to fundamentally reinvent themselves, from seeing themselves as being technologists first and foremost, to regarding themselves as leaders of people first, with their technology backgrounds second. They are doing so, with limited or no professional development support. The pressures on technology leaders to reinvent themselves are also growing at an alarming rate. Some examples of the factors that interview respondents cited are:

Technology accelerating at exponential rates, reducing response times Customers seeking a more collaborative approach to meeting their needs Businesses placing an increasing high reliance on technology business and technology strategies are inseparable Businesses depending on technology leaders to deliver both operational performance and strategic advantage Financial pressures driving costs down and productivity higher through innovative technology decisions Technology leaders articulating the technology vision for companies and the context for major investments on technology

The fundamental conclusion is that technology leaders need a breakthrough to reinvent themselves to deal with these pressures. Becoming incrementally better leaders will not be sufficient to keep pace with the challenges they face and the time frames they are working with.

The overwhelming response of the survey has been that this is a critical group to work with – they hold the key to the development of new possibilities for companies, individuals and ultimately Australia's competitive position. In summary, the research found that the overriding development need is for technology leaders to reinvent themselves as "People Leaders." In summary, the research found that the following 'people' issues face technology leaders.

#### Team

To deliver operational excellence and a strategic vision, technology leaders need a great team The team is increasingly diverse, spanning geographies, genders and generations Availability of skills is already critical and will become increasingly more challenging



#### Peers

Technology leaders need to get firmly into the world of their business unit peers and to pitch their message in business terms if they are to succeed

#### Customers

The marketplace is dramatically altering. Social and technology developments are driving a more collaborative style of marketplace. The result is that technology leaders and businesses, need to give up control to service the needs of customers

#### **Industry colleagues**

Leadership models are shifting rapidly. Most learning and development is taking place on the job, in collaboration with other executives within the company and in the broader industry. Technology leaders are seeking a more collaborative style of leadership with colleagues from traditional competitors, other industry sectors and professions. They are seeking to share their leadership experience in real time, build their network of relationships and connect with opportunities that make a difference to the broader community

## **List of Participants**

Mike Lawrey, Executive Director, Network Services, Telstra Services, Telstra

John Wood, Executive Director, Human Resources, Telstra Operations, Telstra

Paul Crisp, Corporate Affairs Manager, Telstra Public Policy & Communications, Telstra

Ross Fowler, Vice President, Service Provider Verticals in European Markets, Cisco

Jim Hassell, Managing Director, Sun Microsystems Australia

Barry Borzillo, CEO, Tenix Solutions

Graham Gourley, Director, Horton International

Assoc Prof. Judy McKay, Academic Leader - Information Systems, Faculty of Information & Communication Technologies, Swinburne University of Technology

Charles Dougall, Director Billing Operations & Credit Support, Telstra

Janet Matton, VP, Sales Operations, IBM Asia Pacific (based in Tokyo)

Brad Jones, Head of Operations, International Partnerships, Australia and New Zealand Banking Group

Tom Crampton, Managing Director, Trusted Impact Pty Ltd

John Craven, Managing Director, Terranovate Group Pty Ltd

Rob Cook, CIO La Trobe University

Pierre Matthee, GM Holden - Chief Information Officer

Deborah Elliott, DSM - Homeside Lending (Homeside and Introducer) NAB Technology, National Australia Bank

Ron Gauci, Partner, Financial Services Sector, IBM Global Business Services



Gerry Moriarty, Chairman Macquarie Communications Infrastructure Fund

Hugh Bradlow, Chief Technology Officer, Telstra Corporation

Craig Glindemann, Vice President, Capgemini Australia

Denis McGee, General Manager, Partnerships & Private Bank Technologies, Australia and New Zealand Banking Group

Duncan MacCallum, Director Fujitsu Consulting (Vic & SA)

Tamir Levin, Global Technology Manager, Lonely Planet Publications

Stephen Farrugia, Engineering Director, Broadcast Australia (*subsidiary* of Macquarie Communications Infrastructure Group)

Greg Reid, Engineering Director, The Bridge Networks (subsidiary of Broadcast Australia)

Gerry White, former CEO, Education.au

Paul Rizzo, Board Member, National Australia Bank, Bluescope Steel, Mallesons

Tony Arnel, Building Commissioner and Plumbing Industry Commissioner, Victoria

Geoff Avard, Group Director Strategy & Operations, European Directories (Amsterdam)

Robert Thomason, General Manager, Education, Fairfax Business Media

Vince Pizzica, CTO Alcatel-Lucent, Asia Pacific (based in Shanghai)

John Young, Strategic Business Consultant

Colleen Arnold, General Manager, Global Application Services, IBM Worldwide (based in USA)

Amy Poynton, Head of Sourcing Alliances, Australia and New Zealand Banking Group

Chris Stevens, former CIO, Sensis

Deborah Kiers, Managing Director, JMW Consultants Australia, Pty Ltd

Dr Marianne Broadbent, Managing Director, Edward W. Kelley & Partners

Cathy Bibby, CIO, Alinta Ltd

Doug Campbell, former Group Managing Director, Telstra

Geoff Nicholson, Chief Financial Officer, SP AusNet (a member of Singapore Power Group)

Chris Jaeger, Managing Director, International Business, Broadcast Australia

(subsidiary of Macquarie Communications Infrastructure Group)

Phillip Mottram, Director, Consulting Services, Capgemini Australia

Noel Turnbull, former MD, Turnbull Fox Phillips, Public Relations

Les Williamson, Managing Director – ANZ, Cisco

Ron Weber, Dean, Faculty of Information Technology, Monash University

Nick Dean, Chief Technology Officer, Australia and New Zealand Banking Group

Peter Taylor, General Manager - Service Development, Emergency Services Telecommunications Authority

Peter Coulter, General Manager, Human Resources, Emergency Services Telecommunications Authority

Dean Tognella, Chief Executive Officer, Uecomm

Dean Phelan, Executive Director, Adesse Pty Ltd

Franklin Rozario, Business Project Director, National Australia Bank



## Methodology

### Aim:

- 1. To obtain direct feedback from industry opinion leaders regarding the professional development needs of technology leaders
- 2. Provide intelligence to the education, training and recruitment market place regarding the development needs of technology leaders

### Audience:

Senior technology leaders and their staff

### Methodology:

Short phone or personal interviews with senior industry opinion leaders were conducted. Responses to the questions below were captured in the interviews. Names of participants in the study are published with their express permission. Responses to questions have not been attributed to individual participants.

### Questionnaire

- 1. What are the main professional development needs of technology leaders?
- 2. What are the current sources of professional development for technology leaders?

- 3. What is working in leadership development for technology leaders?
- 4. What is not working in leadership development for technology leaders?
- 5. What are the consequences if the situation remains unchanged?
- 6. What is missing in leadership development for technology leaders?
- 7. What are the key ingredients of coaching programs for leadership development for technology leaders?
- 8. In your experience how does Australia compare with other nations in relation to leadership development for technology leaders?
- 9. Are there any innovative ideas from other countries regarding leadership development for technology leaders?
- 10. What major changes are occurring that will give rise to future development needs for technology leaders?
- 11. Any other comments?



### **Key Lessons**

### Question 1 - What are the main professional development needs of technology leaders?

The fundamental conclusion is that technology leaders need a breakthrough, to reinvent themselves to deal with the pressures they face. Becoming incrementally better leaders will not be sufficient to keep pace with the challenges they face and the time frames they are working with.

### "The technology Leader needs to take people on a journey – show them why they need to change/adapt. Technology leader's role is to take them through the change."

The overwhelming response of the survey has been that this is a critical group to work with – they hold the key to the development of new possibilities for companies, individuals and ultimately Australia's competitive position. In summary, the research found that the overriding development need is for technology leaders to reinvent themselves as "People Leaders."

"They often see themselves as a technical person. Their identity has to shift to a people person, which is often hard to do because they know themselves as technical specialists..." To deliver operational excellence and a strategic vision, technology leaders need a great team.

"To spend up to 50% of their time with their business colleagues... it is critical that they have a stellar team. Often their background is an individual strength and they don't think they deserve a good team around them..."

The team is increasingly diverse, spanning geographies, genders and generations.

"Our technology leaders are disadvantaged because they span across two countries, Australia and India....other leaders don't have that challenge..."

"Women won't apply unless they have done the job before...men will apply if they think they know how to do it. Women are happy to get support – men don't want to get support."

Availability of skills is already critical and will become increasingly more challenging.

"The question is why would anyone want to follow you – particularly GenY?"

"Off shoring is working in India, Brazil, China – first wave was about low cost – but then it's about how do you get skills..."



Technology leaders need to get firmly into the world of their business unit peers and to pitch their message in business terms if they are to succeed.

### "The command/control days are gone. Technology leaders need to influence the organisation."

The marketplace is dramatically altering. Social and technology developments are driving a more collaborative style of marketplace. The result is that technology leaders and businesses need to give up control to service the needs of customers.

### "My Space/Facebook are bigger than most countries in the world. This is changing society."

# Question 2 - What are the current sources of professional development for technology leaders?

Leadership models are shifting rapidly. Most learning and development is taking place on the job, in collaboration with other executives within the company and in the broader industry. Technology leaders are seeking a more collaborative style of leadership with colleagues from traditional competitors, other industry sectors and professions. They are seeking to share their leadership experience in real time, build their network of relationships and connect with opportunities that make a difference to the broader community. "...90% of organisational learning sits in the 'informal' or self-directed' category ... most organisations invest at least 80% of their budgets in the formal learning part..." Reference: Reuters – education.au. Global summit – Charles Jennings

"Sometimes use a professional development coach - better than 5 day courses..."

"It's a combination of education experience and exposure..."

# Question 3 - What is working in leadership development for technology leaders?

A number of things are working, mostly informal, from global experience to coaching and mentoring. Respondents also spoke of the need for the individual technology leader to take responsibility for their own professional development.

"We all need our own business plan – think of yourself as a resource in the same way that people consider a company business strategy."

"Imparting knowledge from older, experienced workers."

"There seems to be a growing recognition of executive coaching."



Many respondents said that one of the best, if not essential, pathways for professional development is via international experience and movement through a variety of roles.

### "Global interchange of ideas – technology BUT also people, customers, markets..."

### "Moving people into different roles with different expertise – based on leading people."

Many of the leaders in our survey felt that whilst technology leaders focused on developing their technical skills, they were less inclined to develop the so called soft skills of people management, communication and relationship building. They also said that professional development had to follow a willingness to take on personal development, for it to be effective and for their teams to trust them.

### "Good in developing their technical skills - not the same effort in personal development."

"Personal development – can't develop professionally unless you do personal development."

*"It requires a willingness to take yourself on a realistic personal journey of reflection and learning from the process…"* 

Many opinion leaders said that professional development of technology leaders was best done within a framework, which linked performance assessment, peer and client feedback with the values and leadership behaviours of the company. "The leadership/development program is working, we get good feedback; staff value it and it demonstrates a commitment to them."

*"Having a framework for leadership and a commitment to leadership development from top leaders."* 

# Question 4- What is not working in leadership development for technology leaders?

What's **not** working is a mixture of focus, priority and willingness to take on personal change.

"Unlikely to have prioritised time on development."

"Don't communicate well outside technical communities – resistant to personal change."

"Don't get to broader business context."

"Not developing global mindset working with other countries."

"Work loads too high (particularly new leaders) they revert to the technology issues – more comfortable."

"Lots of other issues get a run but not leadership."

"Attracting women into technology fields – difficult because of the perceptions that all the jobs are highly technical."



# Question 5 - What are the consequences if the situation remains unchanged?

Essentially, the survey participants felt that the 'business' will bypass technology groups, employees will become disengaged and Australia will miss opportunities.

"Gap between business and IT will be as big now as it was 25 years ago."

"End up with a disengaged workforce - they need to be engaged/aligned."

"People promoted who are not ready – lack commercial skills/judgement."

*"Ideas developed in Australia will continue to go offshore."* 

"Business will bypass technology groups."

"Attracting/ retaining people – especially Gen Y will be increasingly difficult."

### Question 6 - What is missing in leadership development for technology leaders?

Respondents were asked if there was something missing, the inclusion of which would make a difference. Interestingly, many said that there was little industry wide dialogue regarding technology leadership and that perhaps there was a demand for a more collaborative approach to leadership development. They also said that a general recognition of the need to focus on 'people leadership' was missing amongst technology leaders.

"Ability to relate to people – listen vs. talk"

"No industry wide dialogue about technology leadership..."

"Can't take people from technical stream and put them into leadership without development in people/communication skills."

"Not good approach to leadership development in Australia."

"IT department needs to change its mindset – to provide services on demand. Awareness of the need for change management with new systems."

"What's missing – leaders being willing to personally change."

"What's missing – good feedback, honest, direct, constructive..."



### Question 7 - What are the key ingredients of coaching programs for leadership development for technology leaders?

Coaching programs need to be matched to the individual, aimed at producing results and pulled toward them by the individual for the coaching to be effective. There was a general acceptance of the value of coaching - a number of people made the analogy with elite sporting athletes, who have long accepted the value of coaching.

"Needs to be from people with experience in that industry – need to understand their world."

"Need individual coaching more than other groups."

"The value is that its like holding up a mirror..."

"Pulled by individual – targeted to individual – great results."

"See results on real things they are working on."

"People who are serious take on coaching."

### Question 8 - In your experience how does Australia compare with other nations in relation to leadership development for technology leaders?

Interestingly, Australian business leaders said that we have a long way to go, whilst international executives regard our technology leaders as very resourceful and prepared to take risks.

"Not too bad unless compared to the UK, USA and Canada who are far superior."

"However, we are on a par with European and Asian leaders if not, a bit better. That does make us second rate though."

*"UK experience – market is larger - European market – cultural differences - CIO's are more attuned."* 

"Australia not acting with global view."

"Australians make good collaborative leaders."

*"USA or Europe – nothing in Australia that compares."* 



# Question 9 - Are there any innovative ideas from other countries regarding development for technology leaders?

It seems that there are plenty of innovative approaches being taken in other parts of the world, but the general view was that we are not well connected with those programs and that international collaboration could be part of the leadership dialogue that opinion leaders are seeking across the industry.

"Heaps in USA e.g. California, Texas, NY, Florida and heaps of courses based on models. Scandinavia, South Korea, Singapore, UK, Western Europe."

"Internal diversity program – web based."

"Investment Banking model developing people, organisations and people oriented professional services business, sharing experience."

"Europe – CIO's are far younger – using CIO position as a stepping stone to role in business."

"Multi disciplined training – share with other people – need to get outside the industry."

### Question 10 - What major changes are occurring that will give rise to future development needs for technology leaders?

The opinion leaders interviewed could see several challenges ahead for technology leaders. The major generational shift associated with baby boomers retiring and the challenge of designing more innovative practices was high on their list. The exponential rate of technology change was also a leadership challenge they said. It has significant impact on traditional approaches to specifying, designing and implementing systems, as does the commoditisation of software. Social and technology developments are also working together to drive a more collaborative style of marketplace. The result is that technology leaders and businesses need to give up control to service the needs of their customers. All in all, a more collaborative style of leadership is required.

"Global push for bank, increases technology push into Asia...new challenges for leaders, managing a cross cultural workforce..."

"Can't hide anything - collaborative style of leadership required."

"Now the organisation chart doesn't define the organisation – technology defines organisation."

"Del.icio.us, My Space, Facebook - Gen Y will use this approach for leadership."



"Gen X and Y think differently - need to understand generational dynamics – about to hit serious resource gap."

"Also end users will dictate terms to CIO's."

"New way of communicating coming via Web 2.0 services - leaders will need to take that step - need to keep developing and learning."

"Leaders will need to lead by example in environment/sustainability issues."

"Main drivers may come from energy, environment, ageing of workforce – drivers will be external e.g. environment, global warming..."

"Facing a looming crisis - next big issue is generation change – also happening in Europe, USA and Asia"

"Social and economic changes (e.g. Generation X & Y) and their behavioural style as consumers."

"Leaders become accustomed to change vs. resisting got to keep capability for change at a personal level then you can keep the organisation changing."

### **Question 11 - Any other comments?**

In concluding, most if not all respondents emphasized the focus on people and relationships in every aspect of the technology leader's role.

"Major leadership challenge to provide the 'why' for major job reductions."

"Have to work on your own career - how to get accepted?"

"Develop mindset that you have to make a difference."

"CIO pool – need to rotate around – no new blood – need to provide innovation/change."

"Key areas – soft skills – ability to attract, nurture & retain people who will help make you and your team successful."



### **Detailed responses**

### Question 1 - What are the main professional development needs of technology leaders?

- How to manage people telling people doesn't work ability to influence people
- Not just technical leaders also people leaders how to get most out of people how to get most out of customer base
- Need behaviour change people take responsibility "If I have to do your job for you, I don't need you"
- Work with technology leaders about how to communicate with businesses
- Don't think about audience what medium to deliver it thru
- Technology folk sometimes don't think about managing up -part of the job – they don't put themselves into shoes of managers upwards
- Two parts- managing up managing down
- How conservative tech people are?
- Industry attracts people unwilling to confront personal challenge
- Within IT everything is important e.g. \$1bn spend needs context
- Tech leaders need to confront this it is not the biggest deal in the world instead of deferring decisions
- Tech leaders have strong domain expertise but not strong management background
- CIO of yesteryear was a programmer or technologist advanced to manage people to leader
- Need a good leader who knows enough to keep people honest
- 1% of people can bridge the gap from technologist to leader
- Getting head around complexities create models to simplify engagement of customers
- "The One Thing You Need to Know," by <u>Marcus Buckingham</u>. Differences of individuals is key find the things they have in common <sup>i</sup>
- Develop more of human relations/symbolic side as per Bolman and Deal model<sup>ii</sup>

• Need to understand delivery of projects on time/on budget and high quality (OTB&Q) so therefore need good project management skills and collaborative skills.

People can adapt. Leader needs to take people on a journey – show them why they need to change/adapt. Technology leader's role is to take them through the change.

- Technology leaders have potential to make outstanding contribution if they understand the interpreter role
- Benefits Realisation Consultant new title for jobs being advertised interpret technology for business
- Don't know how to communicate with senior management
- No longer old model of just delivering on specification
- Time frames are changing speed of response new interaction b/w technology and marketing
- Environment changing e.g. VOIP has changed customer expectations of voice quality for calls
- Ray Kurtzweil law of accelerating returns rate of technology change growing exponentially <sup>iii</sup>
- Good technically but struggle with communication process
- "Preference is to go into things I don't understand!"
- Mistake to stay comfortable need variety of experiences take out of comfort zone
- Move away from just imparting info to style and presence
- Need international experience
- Project management 10% managing financial targets / 10% managing time targets/80% people management
- Build leadership and management skills everyone thinks they need to be a leader but they forget the basic management skills
- Few understand link between technology development and broader market opportunity
- Technologists advance their career leap into management then not supported
- Without support they don't want to admit they need it
- Women won't apply unless they have done the job before
- Men will apply if they think they know how to do it
- Women happy to get support men don't want to get support
- People leadership skills (communication, influencing, performance management, talent management)
- Technology leader can see what's possible often cannot put it in terms of the business leaders



- Collaboration is the key to being globally integrated
- Need a sales capability both selling product and how to sell you/ your ideas to rise above the pack
- 1) People understanding people
- 2) Strategy getting out of the detail
- 3) Business why are you there
- Engineers/technical people go into the field because of creative urge when they can be returned to that creative spark, they can apply it to people
- Command/control days gone. Need to influence the organisation.
- Struggle with getting crisp business focused message together.
- Want technologists to be **the** leaders not just technology leaders
- Critical that they have a stellar team
- Often their background is an individual strength
- Also don't think they deserve a good team around them
- Often see themselves as a technical person. Identity has to **shift** to people person- often hard because they know themselves as technical specialists
- Will revert to specialist solutions instead of spending time understanding what business is trying to achieve
- Problems in business- when challenged with cost reduction during tough times need real leadership in those times i.e. communication needs to become more intense.
- Transition to leadership often difficult for technology people
- Leaders need to be committed to personal change often unwilling to take themselves on

# Question 2 - What are the current sources of professional development for technology leaders?

- Sometimes use professional development coach better than 5 day courses
- Technical skills based training given but not much on personal (softer skills)

- Get it from your boss-peers-mates on the job
- MBA doesn't touch it
- Combination of education experience and exposure
- Formal training hard knocks, dealing with people, stretching people
- Training take time out to reflect valuable to have time
- Post graduate programs private providers Prof Associations CPA/ACS
  CIO Exec Council Consultants IBM, Accenture etc
- Internal development generalised programs. Mentoring with people who have skills.
- Narrowly focussed on technological development.
- Now more connected to disruptive technologies
- Don't look to big vendors for advice
- Listen to real people practicing in the field
- Analysts now more out of touch than ever
- Substantial leadership & development program staff surveys say what they need.
- Edge innovators introducing new things in companies. Rather than stifle that how to encourage that
- Andy Mulholland Mashup Corporations: The End of Business as Usual iv
- Threadless print T shirts turnover \$16M after \$1M investment
- Community collaboration is the key Second Life Wells Fargo have created broker services don't make things
- Put team thru assessment program assesses leadership capability common skills, etc use for development programs
- Link business results and what they are in service of important context for technical people
- CIO leadership have engaged Stanford, Harvard etc to help facilitate that
- 2 sources External theory abounds but role models are more powerful E.g. people who can give a clear and cogent articulation of vision
- Personal development can't develop professionally unless you do personal development.
- Assessment in reviews is now based on living values
- Need the skills to communicate well, chair meetings, listening, how to ask questions



# Question 3 - What is working in leadership development for technology leaders?

Networking at trade shows and facilitated workshops Have an executive shadow – coach Risk taking at leadership level – otherwise nothing changes Be the interpreter – understand their view (BU clients) More time out for people e.g. 6 months off when burnt out. Better to correct things when going wrong Hewitt model for employee engagement - measure of leadership effectiveness - managers counselled if scores down

- Knowledge of technology is good kept abreast of tech trends (rational)
- The 70:20:10 rule. 70% of adult organisational learning takes place on the job. 20% of learning occurs through others in the workplace, 10% of adult organisational learning takes place through formal learning 'events'
- Therefore, 90% of organisational learning sits in the 'informal' or selfdirected' category and only 10% sits in the 'formal' or 'directed' category.
- Yet experts and experience tell us that most organisations invest at least 80% of their budgets in the formal learning part - Reference: Reuters – education.au. Global summit – Charles Jennings<sup>v</sup>
- Global interchange of ideas technology BUT also people, customers, markets.
- Good in developing their technical skills not the same effort in personal development
- Imparting knowledge from older, experienced workers
- Leadership/development program working get good feedback
- Staff value it demonstrates commitment to them
- Coaching, job shadowing, acquisitions, communication through M & A
- Off shoring is working India, Brazil, China first wave was about low cost but then its how do you get skills
- Seems to be growing recognition of exec coaching
- Professional help inherent fear do toastmasters to help with communication skills/ public speaking. Need to practice – stand up & speak
- Having a framework for leadership and a commitment to leadership development from top leaders.
- Moving people into different roles with different expertise based on leading people

# Question 4- What is not working in leadership development for technology leaders?

Technology leaders often never take a stand on anything – prefer to hide Pressure on leaders - won't have coach because of question about their effectiveness Unlikely to have prioritised time on development People manage upwards well – not managing down very well Often ego works against coaching Too much focus on experience without focus on external development Bureaucratic management, formal courses, performance management, isolated working conditions and poor project management and planning. Gen X/Y loval to leaders - they follow people - don't want bureaucracy - \$'s don't motivate them. Don't communicate well outside technical communities - resistant to personal change Cynical about vision etc but critical if it doesn't occur. Don't get to broader business context Solid base of theory – not working with people Not developing global mindset working with other countries Work loads too high (particularly new leaders) they revert to the technology issues - more comfortable Don't have massive Human Resources to tailor programs. Could help people with structured programs Not a lot of leadership development – wonder if it is happening Lots of other issues get a run but not leadership. Attracting women into technology fields – difficult because of the perceptions that all the jobs are highly technical Technology leaders are to some extent a product of the overall company leadership – lack of leadership development starts at the top Many managers haven't developed time management skills - lots of training available. E.g. email takes over (busy work) versus going out & seeing people. Influencing people downwards - board and management often ok but we are not taking the broader group of employees with us. MBA programs as a substitute for leadership development Need to repeat experiences several times over. Not about doing – more about leading others to do Press talks about skill shortages, no dialogue about leadership Listening/understanding doesn't mean you agree



# **Question 5 - What are the consequences if the situation remains unchanged?**

If not, going forwards, then we will go backwards Radical ideas – outsourcing could occur Divide between IT with business will increase - need to be business/technology partners Lousy leadership – no business direction Go on wasting billions of dollars on IT that does nothing. In this case there will be a lack of university/TAFE entrants from schools going into technology (this is happening now) and technology workers will move to other industries, porting their skills Gap between business and IT will be as big now as it was 25 years ago. End up with a disengaged workforce - they need to be engaged/aligned Technologists not highly regarded by their commercial colleagues People promoted who are not ready – lack commercial skills/judgement Still have accountants running the show Contracting workforce – how do you attract & keep best people Ideas developed in Australia will continue to go offshore Business will bypass technology groups Attracting/ retaining people – especially Gen Y will be increasingly difficult Companies and cultures which are more focused on leadership development will ultimately be more successful in business (offshoring etc)

Taking a macro view of Australia – someone else will come & do it quicker

### Question 6 - What is missing in leadership development for technology leaders?

Appreciation of the need to provide leadership training. Culture of "she'll be right" and apathy Good technologists migrating into senior positions. Get people leading infrastructure groups but not good people managers Anchored coaching in a leadership development framework – e.g. Covey Technology managers need to think like a vendor, identify costs, invoice partners e.g. like an outsourced vendor Ability to relate to people – listen vs. talk No industry wide dialogue about technology leadership What's missing is a good mix of theory and practice Business skills, collaborative team work, future thinking, people skills, and project management skills. Willingness to take yourself on a realistic personal journey e.g. reflection, learning from process How to get corporate maturity ahead of their years. Firms don't cater for technology leadership development Can't take people from technical stream and put them into leadership without development in people/communication skills Individual needs to be responsible for their own development - need your own personal plan Leadership needs to change with the environment Bringing it together into systematic program Lack of leadership from government about technology The people piece is missing Shift people's relationship to what they do daily Consistent standards of developing leaders (too ad hoc, no real benchmarking) Should be more than 30-50% of time with business colleagues. Then don't have time to do operational stuff - that's where you need a stellar team. Need team building skills Strategy - IT thinking & planning Knowing how to deal with people as individuals - need to work with people to help them get where they want Trust – it is a necessary prerequisite for big investments in IT \$s.



Comes through being clear about what we are going to do & delivering – building credibility. Being good at politics i.e. we understand the problem & can do something about it.

Not good approach to leadership development in Australia IT department needs to change its mindset – to provide services on demand. Awareness of the need for change management with new systems. Understand impact on people.

How do you develop innovative culture - everyone knows the theory but practice is different.

What's missing – leaders being willing to personally change Recruitment practices – psychological testing/IQ/ looking to match values instead of just technical skills

Missing – good feedback, honest, direct, constructive Job of every manager- to give good feedback

### Question 7 - What are the key ingredients of coaching programs for leadership development for technology leaders?

Need to be from people with experience in that industry – need to understand their world

Recognising different people have different strengths

Fantastic demonstration of support for people

Need individual coaching more than other groups

The value is that its like holding up a mirror

Building trust

Pulled by individual – targeted to individual – great results Kept real – relevant to the individual in the context of the organisation they are in

Has to be personalised.

Should be targeted to their individual needs e.g. presentation to senior management

See results on real things they are working on

Leaders need to understand that they are playing on perception vs. facts and data

Sacking the coach doesn't work - put the onus on the individual to get value - stick with them for 12 months

Not seen as a priority – seen as a cost Larger companies and smaller companies have different needs - coaching is a value added service to get start ups going People who are serious take on coaching The key is that the coach has a desire to bring folks up. Can't work if assigned but the employee does not actually want to be coached People value it - just in time. Don't have to wait Helping leaders understand their strengths and weaknesses Key – coach has to be able to connect Primarily, the individual needs to be receptive If you want to get a big job, you need to be better influencer. Key ingredient is coaching about management & people. Taking them beyond their identity as a technical person. Leaders in people/relationships. Every company is a technology company Coaching has its place & a time. No one initiative by itself will deliver transformation. Grey hair – need experience of mistakes, life, hard knocks. 20 University Degrees won't replace 20 years of hard knocks. Trust to be able to express your inner most thoughts. Wisdom & experience is critical – important that the mentor/coach has been around a while. Will know if it is working for you. Use for people in the talent development program

### Question 8 - In your experience how does Australia compare with other nations in relation to leadership development for technology leaders?

How people solve problems? US throw it into the air. French/Japanese – study and model it – then know how it works. Approaches to problem solving – need to be understood by technology leaders Army-Duntroon – focused on building trust - lack of trust in companies Not too bad unless compared to the UK, USA and Canada who are far superior.



However, we are on a par with European and Asian leaders if not, a bit better. That does make us second rate though. Program exposed people early (Japan/Korea) on a real project. People moving around different parts of company UK experience - market is larger - European market - cultural differences - CIO's are more attuned Australia not acting with global view Could learn from construction industry model Leightons – project managers developed well. Partner development in consulting firms - but doesn't cover coaching/mentoring - Account management/sales training well covered Structured programs with mandatory global opportunity Look at leadership programs that Business Schools run Harvard, Stamford. MIT Pre - 2000 there was a stronger commitment to developing people Australians make good collaborative leaders

 If you want serious business development need to go overseas USA or Europe – nothing in Australia that compares Used to have management development seminars outside the country – where people from other companies/countries gave evaluated feedback to individuals. Broad feedback given to companies

### Question 9 - Are there any innovative ideas from other countries regarding development for technology leaders?

Heaps in USA e.g. California, Texas, NY, Florida and heaps of courses based on models. Scandinavia, South Korea, Singapore, UK, Western Europe

Internal diversity program – web based

Listening to others – since re – trying to respond - accommodate what they want

Opportunity to have global experience

Expand technology leadership to Financial Services

Investment Banking model developing people, organisations and people oriented professional services business, sharing experience.We are a long way behind. Lot to learn regarding the global market - innovative ideas – CIO's moved into sales management – role swapping International exchange programs within and between companies Shell do it with rotation Europe – CIO's are far younger – using CIO position as a stepping stone to role in business Barcelona did with Post Graduate School - put technology bent on it explaining technology Infrastructure projects using transformational approach to leadership Multi disciplined training – share with other people – need to get outside the industry Found that coach helped with restructuring - provide an outside perspective

### Question 10 - What technological changes are occurring that will give rise to future development needs for technology leaders?

Web based- blog based - deliver lower cost medium - managers so busy – don't appreciate the need for development

- Pace of life has changed so much can't live without technology
- e.g. 33 rpm now obsolete need a tool to keep up with current game
- Some effective leaders may not keep up because they don't stay abreast of technology changes. Don't have that extra yard
- Technology makes the world smaller Thomas Friedman
- World is my open channel can get access to anyone anywhere
- No time to rate yourself need to be constantly assessing myself
- Still a lot of programmers progressive organisations more integrated long way from users doing their own IT
- Business analysis needs to be done more both business side with IT side
- Offshoring will give rise to more challenges
- Global push for bank increases technology push into Asia new challenges for leaders



- Managing a cross cultural workforce
- Understanding intergenerational issues
- Generation Y generally more tech savvy
- Impact of technology on all leaders greater connection
  - hierarchies will break down
  - today's leader would not have been effective in 1950's
  - people are better informed the key is to draw out the best in people
  - Technology enables collaboration
- Can't hide anything collaborative style of leadership required
- Now the organisation chart doesn't define the organisation technology defines organisation
- Problem will be getting the light to turn on creating the conversations
- Use and experiment with technology get it to our end users. Let them play with it not pre-determine what the user needs
- People adopt technology at home more freely than work
- Provision of laptops, technology modern equivalent of allocation of pencils, biros, etc in the past need to let people have access
- Technology leaders need to be better at thinking how we influence social trends
- May need to give people technology to keep them as employees, e.g. mobiles/PDA's to report sales.
- Integrated architectural services design e.g. LAN's.WAN's etc., collaborative central web based services e.g. Google e-Bay etc, mobility and mobile services and the integration of web based entertainment/business and leisure, security and identity management.
- Technology will drive collaboration. Will also drive exclusion. Open networks. Open content. Open standards. If barriers are in the way, it will effectively kill it.
- In the education field, TALE (Teaching Language Education) copyright killed it.
- Copyright and digital rights the battle is already lost.
- Blair/Bush on You Tube "I love you darling" mixing cultures and media.
- We mix culture in fashion and other physical things, but not in technology e.g. fiction vs. true story.
- Technology leaders need to be socially and business savvy-technology is driving the business.
- Technology leaders were often like Mt Everest climbers they climbed it because it was there
- Del.icio.us, My Space, Facebook Gen Y will use this approach for leadership

- Mass commoditisation of activities deep technical skills go that way e.g. software
- Need to understand that what you will be working on will be commoditised
- At the consumer level we need to scale massively how to do it quickly
- Technology leaders can create a competitive advantage in articulating the vision for the future
- Wireless revolution home based working and portability
- CIO's working environment will change dramatically communication becomes harder and harder
- Older conservative organisations will find it difficult to adjust to more flexible working arrangements
- Technology leaders will face end user driven need for total portability
- Technology leaders will be used to drive change
- Gen X and Y think differently need to understand generational dynamics – about to hit serious resource gap
- Also end users will dictate terms to CIO's
- They need credibility at board level to represent the organisation
- The next generation of technology will take away the way we work in telecommunications, giving the user more power, control over services it is a major paradigm shift and leadership challenge
- New way of communicating coming via Web 2.0 services leaders will need to take that step need to keep developing and learning
- Using technology instead of face to face communication missing human dynamics
- Leadership challenge is to get face to face
- Multi tasking impossible to do and handle everything
- Volume of stuff to absorb, emails, text, www
- People often use email to cover themselves
- Also used as a way of telling people news, but no responsibility taken for how it lands
- Judgement need to decide what's important and what's not
- Industrialisation of computing doesn't matter what architecture you have - simple technology structure - grid computing - Coates Hire
  - o understand the technology
  - how to sell to the client
- Leaders will need to lead by example in environment/sustainability issues
- Need to behave as a leader committed to the environment walk the talk
- Demonstrate behaviour that you are serious



- Like Al Gore being caught out with an energy guzzling house not demonstrating behaviours don't want to be caught out in Corporate sense not acting consistently with your values
- Tom Peter's half of what you know in 5 years time will be useless pace of change only going to increase
- Moving from cost to value tomorrow worry about value
- Recent book Leadership for the Disillusioned MBS authorvi
- Ability to be flexible in a rapidly changing environment. Changing more rapidly than ever
- What we do in house today, we may outsource tomorrow
- Need to sell that your staff /team perception is what matters. Sell the reasoning. Gen y want the context for what we are doing
- Breakthrough coming in useability of technology over next 5-10 years
- Little kids don't need computer skills if it doesn't do what they want, they put it down rest of society will be users too
- Technology leaders need to respond to that trend more sensitively major challenge for technology leaders
- Transformation key thing is how easy is it for the customer to use
- Main drivers may come from energy, environment, ageing of workforce drivers will be external e.g. environment, global warming
- Sitting on knife edge with oil consumption
- Technology has a lot to offer as solutions, e.g. teleworking could come quickly
- Centralised supply model e.g. veges, food, water, gas shipped to us
- Move to a decentralised model supplement electricity
- Work will change e.g. going out to office to work
- How much could we reduce environmental impacts with more localised solutions
- Still operating in an industrial revolution model
- Where are the linkages between what's possible, with what's needed
- Resources supply of engineers and other technology professions will be critical
- Employees are more discriminating attraction and retention will be more challenging
- Facing a looming crisis next big issue is generation change also happening in Europe, USA and Asia
- Half the team is technical and half them retire in the next 5-8 years takes a long time to replace technical staff. Sales staff not so bad
- What are the HR practices we need for this generation shift, e.g. flexibility for baby boomers

- Offered staff to be trainers at Universities when doing a round of redundancies received an overwhelming response
- Social and economic changes (e.g. Generation X & Y) and their behavioural style as consumers
- Technology developments WWW, web 2.0, mobile computing, high speed broadband, online communities (mash-ups, Wikis, Blogs)
- Offshoring and continually changing services market (what you source vs. what you do)
- Price and performance of enterprise computing (lower storage and processing costs, exponential performance and reliability improvements, consolidation and virtualisation
- Hosting services pay as you go, no need to build your own
- User community can't tell you what they want most technology leaders not equipped with people skills to find out
- If you are CTO, need more technology skills but you are still required to explain to people
- Change management understanding people and finding out how to get in their world
- Few people that think no strategic thinking.
- Need to say NO otherwise IT gets beaten up for not getting flexibility
- Its all people about communication/ relationships/ sales/ customer management
- Need a broader outlook world developments generally benchmark against the world
- Globalisation and diversity. This is a change of profound significance for technology leaders.
- English not as universal as IT locate a technology leader in a new market no matter where they are and they will immediately bond with other technology leaders
- They are at the forefront of change they are the modern visionaries their vision will take companies forward in any market
- Companies are not 'multinationals' anymore companies are at home wherever they are
- Recognise that technology leaders are a lot more than nerds they are now the mainstream
- Dealing with turbulence accepting that times will change
- Move quickly/visibly when bad times come
- Can't keep a secret inside the Company
- Challenge is to leverage the grey hair in the community.
- Constant change we all have to cope



• Leaders become accustomed to change vs. resisting - got to keep capability for change at a personal level - then you can keep the organisation changing

### **Question 11 - Any other comments?**

- Need some form of consistency on what leadership is
- Coach has a key role in sporting/Footy analogy
- Industry needs to be closer both sides need to understand better
- Business misunderstands time, cost IT can help
- Goes wrong when confined to just a business context spills out into all relationships
- How do you provide leadership at work and with family too?
- Growth in China, India major challenge getting people with skills
- Sales reps now with 1 year of experience
- CIO's need to understand cultural differences
- Technology reaching into health care, human function
- Availability of students
- Dependence on international students (> 60%)
- Listening to others different perspectives different realities
- Wetware people are critical
- Emphasis on project management is crazy
- Important to distinguish what is in the background
- We are in a global marketplace get beyond the Australian market understand the differences as well as the similarities.
- Australian business is generally not comfortable with people at home etc. working more flexibly and finding new ways of working.
- We all need our own business plan think of yourself as a resource in the same way that people consider a company business strategy.
- Major leadership challenge to provide the 'why' for major job reductions
- Have to work on your own career how to get accepted?
- How to survive with people?

- Develop mindset that you have to make a difference
- Build a personal aura got organisation's interest at heart
- Develop good gossip, though you don't have to please everyone
- Don't take monkey off their back and put on yours

- Don't crash through the fence walk down the side and you will find an opening
- Meetings better if smaller people have to understand where they are heading what are their objectives? What are your values/principles
- See the gaps talk about phases of careers how to know when to move on need to think about it decide what's right for me?
- CIO pool need to rotate around no new blood need to provide innovation/change
- Not good at inspiring people using simple processes for building rapport
- Consultants helping get the message right
- Often not a time/priority for development
- Presence? What is it how do you get it could be simply taking an interest in others saying please/ thank you
- Have used coaches for 3 years
- Individual chooses the coach they are comfortable with need personal/professional stretch
- They establish clear goals 12 months program
- Reviewed 6 monthly coach sees CEO quarterly not breaching confidentiality
- Work/life balance will be a key differentiator c.f. with other organisations
- Attracting/retaining staff big problem already workplace flexibility at home or in office
- Have a program for alternative workplace locations compressed the working week
- Pay gym memberships medical checks get good gossip about investment in people
- Generation change also needs focus to attract and retain people
- Environment/sustainability focus to attract and retain Gen X and Y
- Attraction/retention problem now will be a bigger problem in future
- Pace of change puts pressure back on technology leaders
- Oncoming irrelevance of CIO moving to Chief Process Officer
- As technology commoditises and becomes less complex
- Parallel with Facilities Management which is now not on the senior team CIO is an expensive plumber
- CIO role gone in 5 years moving to owners of business process
- Companies outsourcing nearly everything e.g. Cadbury Schweppes
- Presence language, body language, dress, imagery of role you are playing
- We talk too much Aussies, Brits etc it's more to do with listening!
- Companies need an ongoing development program they were scaled down with cost reduction programs



- Generation change will force investment in development of people
- Companies creating an alumni giving time off to travel come back and get your job back
- Used Bell Shakespeare Company to train people in presentations/communication
- Leadership assessment use with candidates and apply to their teams
- Place CIO then do team assessment when they are appointed
- CIO's trying to do too much bench strength not enough
- Critical that they have a stellar team
- Often their background is an individual strength
- Also don't think they deserve a good team around them
- Often reluctant to get good people
- Key areas soft skills ability to attract, nurture & retain people who will help make you and your team successful
- CIO's etc often don't understand they are leaders
- The question is "Why wouldn't anyone want to follow you particularly GenY?"

ii

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<sup>&</sup>quot;The One Thing You Need to Know: ... About Great Managing, Great Leading, and Sustained Individual Success" by <u>Marcus Buckingham</u>

iii

"The Law of Accelerating Returns," by Ray Kurzweil http://www.kurzweilai.net/articles/art0134.html?printable=1

Video clip from TED Talks - Ray Kurzweil: How technology's accelerating power will transform us http://www.ted.com/index.php/talks/view/id/38

#### iv

"Mashup Corporations: The End of Business as Usual," by A.Mulholland

taking the training out of organisational learning why we need to know less and learn more Charles Jennings, Global Head of Learning, Reuters http://www.educationau.edu.au/jahia/webdav/site/myjahi asite/shared/globalsummit/gs2006\_jennings.pdf

vi

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