



## IT/BUSINESS STRATEGIES:

### **Relationship management essential part of IT, business alignment**

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Many CIOs today are using relationship management techniques to better integrate IT into the core business units. These skills are essential, as IT is expected to play a more prominent role in the direction of the business.

When Kumud Kalia joined Toronto-based [Direct Energy](#) as CIO two years ago, the integrated energy company had undergone tremendous growth and was looking to build the necessary infrastructure to support it.

"As the company matures and scales, it's taken a different IT view, moving from reactive to predictive," Kalia said. Although the Centrica PLC subsidiary valued its IT department, Kalia has been successful in using relationship management techniques to further integrate IT into the Direct Energy business model.

"They gave me [a seat at the table](#), and I've showed I could earn it and keep it," Kalia said of the support he's received from executives. He has established a framework for IT projects across the company and within individual business units, using relationship management practices and an investment and change management committee composed of top leaders to prioritize projects.

Under the support of the investment and change management committee sits a business advisory committee that manages projects within a business unit and an executive steering committee that handles programs that involve multiple business units. Programs that affect multiple businesses must have at least two champions from the nine-member change management committee, which limits the number of initiatives that can be addressed simultaneously.

After establishing the framework to monitor existing projects and put forth new initiatives, Kalia has taken a deliberate step back to determine whether the framework can support the structure of the company. "What's success look like?" he asked. "We've now gone on to second and third improvements of processes without me, not in spite of me."

"I'm talking myself out of a job here," said Kalia, adding that he's seen seamless cooperation on some projects but knows that 100% cooperation is an ideal beyond any company's reach. "I've seen it sometimes. I'll stray into a room, see a project team working and not be able to tell who's from IT, marketing, finance, operations, sales or other business functions because they're tackling a problem in a holistic way."

#### **Bridging the IT and business gap**

Focus Brands Inc. is just a few years old, but the company's leaders have ambitious plans to own five food-service concepts with 5,000 total units in the next five years. The company is well on its way, operating or franchising more than 1,750 ice cream stores, bakeries, sandwich shops and cafes in the

United States and nearly three-dozen foreign countries. The company's brands include Carvel, Cinnabon, Schlotzsky's and Seattle's Best Coffee. Based in the Atlanta suburb of Dunwoody, Focus Brands was established to operate assets bought by its parent company, the private equity firm [Roark Capital Group](#).

"The senior management always has been inclusive of IT in strategy and [budgeting](#)," said Rob Hough, CIO. "The five brands, 5,000 units, five years vision statement guides everything we do."

Integrating IT into the core business unit didn't occur overnight, Hough said. Instead, that trust built through a series of successful projects that showed IT could deliver value to the business. "IT is rocket science, but, at the end of the day, it's also customer service," Hough said. "Customer service is listening to the business and reacting accordingly."

Relationship management between IT and the business "has more to do with the personality of the individuals, versus the industry or the size of the company," said John Baschab, president of the management services division at [Technisource Inc.](#), the Little Rock, Ark.-based company that provides specialized IT and engineering services to midsized and large companies.

Baschab said CIOs and other technology directors who do the best job of bridging the IT and business gap are clear in their communications, set deadlines and meet them, have good personal relationships with co-workers and understand the business. "How long has the IT department been around, compared to sales, manufacturing, marketing, accounting or other departments," Baschab said. "IT absolutely is the new kid on the block, and directors have to work hard to make themselves a valuable part of their organizations."

Hough has achieved that status at Focus Brands, despite technically being a Technisource employee. The IT department handles its own networking, Tier 2 desktop support and is ramping up its own help desk, but Technisource handles the strategic IT part of the business.

"There probably are a lot of Focus Brands Folks who have no idea I work for Technisource," Hough says. "They treat us as that trusted adviser in that business role, which goes to show they don't treat IT as a commodity thing."

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