

## The Venn Factor – Part III

You Can't Get There From Here

by Derek Gaasch and Alexander Bovee

**Diamond Management and Technology Consultants**

November 2006

In Parts I and II of *The Venn Factor*, we discussed the imperative for having employees and leaders with skill sets which cross the boundaries typically ascribed to 'IT' or the 'Business'. As presented, one who has a composite view of these two perspectives has the potential for far greater impact within an organization. This article intends to highlight the roadmap for achieving such high-performing teams and provide some examples of measurable benefits.

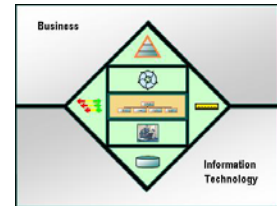
When confronted with the challenge of adopting and instituting enhanced Venn Factor across an organization, an executive's response might be similar to that of Kevin Nealon's response in the Saturday Night Live Skit 'What's the Best Way?' where, as a contestant on a game show, he is asked for directions from Boston to Maine. His response was: "You can't get there from here". While Kevin Nealon's response is incorrect, in that one can of course get from Boston to Maine, many executives may still follow Kevin's lead by saying that they can not 'get there from here' when asked if they can go from having dysfunctional or low performing teams, to high performing teams. This is because sometimes executives have not hired the right people, defined their operations, nor structured their organizations to foster high performing teams. As a result, these executives must make substantial changes, including at times a radical shift in the culture of the organization, to realize the enhanced performance associated with improved Venn Factor. Only in conjunction with these behavioral, operational, and organizational changes will a culture steeped in Venn Factor emerge.

The following are essential changes necessary to transitioning towards higher performing teams:

### BEHAVIORAL

**Executive Venn Factor** - As mentioned in Part II of *The Venn Factor*, the first step in the process is for executive management to commit to regular touch-point meetings. Companies with a COO committed to understanding the opportunities, challenges, and successes achieved by the CIO's organization will develop a greater appreciation for previously un-noticed opportunities and pitfalls. Similarly, a CTO who engages other executives to develop a deep understanding of the strategic direction of the company, including growth opportunities, marketplace challenges, and process pain-points, is better enabled to chart an appropriately prioritized technology roadmap.

**Enhanced Communication** - As mentioned throughout previous *Venn Factor* articles, communication is essential to developing cross-disciplinary and high-performing teams. While teams are typically unified across business and technology resources, teams often must span disjointed and disparate locations. This



challenge often becomes a sizable obstacle to clear and open communication channels, and can impede or stop effective collaboration. However, by placing additional emphasis on communication through the appropriate use of meetings, tools, and travel, such issues can be mitigated. Technical resources who design, build, and maintain the tools which enable business functionality produce more effective results when they are intimately familiar with the everyday problems, issues, and concerns which face business users.

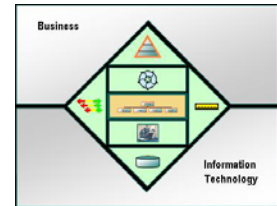
**Incentives** - An organization attempting to foster and develop increased Venn Factor must ensure that the rewards and incentives which teams receive are directly in line with those goals. Are designers expected to understand the business processes which they are enabling? Should business analysts be aware of the possibilities available to them through technology? To encourage enhanced performance, rewards must reflect a mutual success on business and technology fronts for *both* business and technical team members. Creating a compensation and bonus structure which encourages those values creates an environment of shared vision and forces the entire team to share the pain and share the gain. For example, a business group in an insurance company that successfully increased revenue by introducing customizable products to the company's offerings should not be the only group recognized for their achievement. Recognition must instead be shared with the group responsible the successful deployment of flexible infrastructure it requires. Similarly, responsibility for the deployment of a system that does not meet business needs may need to be shared between the delivery team (if poor delivery occurred) as well as the business team (if they failed to clearly articulate, document, and ensure quality of requirements).

## OPERATIONAL

**Enforce Direct Reports** - Directors and middle management in business and IT must host formal, regular meetings to consider, discuss, and formulate shared strategic and tactical plans, discuss issues, and recognize successes. An IT director who understands the strategy and status of his business counterpart's organization is exceedingly more prepared to anticipate, respond to, and resolve requests.

**Change Team Locations** - Team members should be located as physically close to one another as possible to enhance and optimize communication. Although it is typically difficult to mix business and technical resources over the long term, "visits" or temporary relocation of technical resources is an effective alternative. By simply putting technical and business resources in closer proximity, the relationships, context, and a shared vision which result can drastically enhance productivity and effectiveness. Often, greater results are achieved through brief, but regular, 'updates' in person over coffee or in social situations.

**Run the Numbers** - As with the successful management of any initiative, it is imperative to track metrics and trends of an organization's Venn Factor health. Each of the aforementioned steps must be tracked with concrete metrics, including as an example, the number of cross-disciplinary meetings scheduled and held. In addition, 'transcendent' metrics which span multiple Venn Factor initiatives are equally as important. These metrics should demonstrate, for example, whether the business capabilities which were initially



requested are being delivered faster and/or with more quality than previously, or operational issues have decreased due to more comprehensive and focused testing efforts. These metrics will provide critical insight across the entire Venn Factor initiative. Setting up benefit statements and metrics related to enhancing Venn Factor increases accountability by measuring progress against defined goals.

## ORGANIZATIONAL

**Redefine 'Team'** - Organizations often group teams by functional silos. A *business team*, for example, consists of the business analysts and resources that create requirements, while the *delivery team* consists of the System Analysts, Architects, and Developers who leverage requirement artifacts to create a solution. An unintended result of this structure is the 'over-the-wall' communication style that it encourages, the symptoms of which include poor requirements definition, inadequate design, and production issues due to poorly tested code,. The Venn Factor requires a definition of 'team' that inextricably links the business users who create requirements to the developers who enable them. Leaders must ensure that this definition is clear and that team members recognize, understand, and fulfill their role.

By focusing on the three areas above, executive leadership can remove some of the impediments to achieving a high performing organization. They will no longer be faced with the problem that they "can't get there from here", but instead will have established a foundation of tight integration between business and technology and paved a clear path towards optimal Venn Factor and its related successes.