*Network*News

THIS ISSUE

FEATURE ARTICLE
Are You a Strategic Staffer?

CASE STUDY
Concluding a WIN-WIN Relationship

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MWC WELCOMES NEW DIRECTOR

M. Wood Company is pleased to announce **Jane McCarthy** has joined the practice as **Director of Executive Search and Organizational Development**.

McCarthy joins M. Wood Company having most recently served as Director of Human Resources at SunSource, Inc. Prior to SunSource, McCarthy was Vice President Human Resources for ELEK-TEK, Inc.

McCarthy brings diverse experience to M. Wood Company's consultative approach to executive search. Her combined skills in organizational analysis, change management and recruitment will play an important role in serving the needs of our clients.

ARE YOU STRATEGIC WHEN IT COMES TO STAFFING?

By: John Poracky, Senior Partner

Today you will find the CIO is charged with contributing to the business plan and operations at a different level. In order to position yourself as a strategic partner to the business, the CIO can no longer depend upon his/her technical credentials to guarantee the success of their career. The CIO needs a comprehensive understanding of the business issues, and to become an active partner in owning the company's success.

In addition to aligning the IT goals with the company's business objectives, another overlooked area for CIOs has been in the issue of IT recruiting and retention. As the role of the CIO has evolved into the strategic thinker, M. Wood Company has been partnering with organizations to recruit talented IT professionals who think, plan and act strategically.

In the early days of information technology, the key positions were the managers of system development and the data center. Both positions had a very high technological skill component. As a result, when staffing an organization, the director needed only to deal with a narrow spectrum of skill sets and management styles. Staffing an organization was really a case of "different degrees of sameness"; technology developers versus technology managers.

Today the CIO faces an entirely different recruiting and management development challenge. When a company changes its focal point and now realizes IT can be an enabler, the CIO is left with the task of re-engineering the staff. The critical part of the information technology organization is to have the business systems consulting skills required for re-engineering. Similarly, as end-user computing has emerged and expanded rapidly, the need for an end-user consulting and training capability has become all too obvious. The same can be said for network computing.

INDUSTRY PROFILE: A $70 million subsidiary of a $1 billion transportation services organization. This SBU is the fastest growing and most profitable SBU.

POSITION: Chief Information Officer

BUSINESS ISSUES: Our client experienced significant growth over the past several years and was positoning the business to move to the next level. The business achieved their success through internal growth and the acquisitions of several companies. Technology was playing an increasing role in the business to improve operational efficiencies and deliver improved profitability. Further, the marketplace and clients were also creating new technology opportunities for the business.

ISSUES TO BE ADDRESSED:
- **Educate the organization.** M. Wood's experience with similar businesses identified the need to educate and prepare human resources and the management team for the full scope of the search process; not just filling a job. M. Wood needed to covince HR and senior management the importance of conducting an analysis of both the function and position before introducing candidates.
- **Develop a profile for the CIO of the future.** The corporation had developed a position description of what they believed was the right fit for the organization today. M. Wood's consultative approach to the search process identified the "best fit" of talent and skills for the new CIO and a new search specification was created.
- **Strategically align senior management's vision, mission and corporate objectives for the business with requirements for the CIO position and IS function.**

PROJECT ACTION:
- With senior management participation, M. Wood completed an organizational analysis that revealed the company needed to emphasize using IT as a key business driver. As a result, the company needed to broaden IT's role to innovating new products and services through their existing supply chain.
- Worked with HR to support their role in the recruitment process.
- Identified, coordinated and educated the members of the company's internal recruiting team to identify the best candidate.

RECOMMENDATION:
After conducting the assessment, M. Wood:
- Identified traits and skills that would better support the organization
- Redefined the CIO position for the long-term benefit of the organization. While technical skills were important, planning, leadership, communication and interpersonal skills were essential to succeed in this environment. M. Wood's evaluation revealed the successful candidate required the individual have executive presence, be a corporate spokesman, and relate well with customers.
- Provided the client with a realistic market view of "what it would take" to secure a candidate with the identified skills and abilities.
- Identified CIO candidates that would become a senior management team member and would operate in a client-focused environment.

SUMMARY:
M. Wood Company's experience with businesses that are technologically dependant, organizational planning and search consulting provided the client with a candidate that was very much different from their own internal assessment and expected needs. By approaching the search with an objective perspective, evaluative process and consultative approach, M. Wood identified a CIO candidate to meet the growing and changing needs of the organization.

Mark Your Calendar

M. Wood Company has rescheduled our MWC NETWORK **Outsourcing Session** for **Friday, November 13, 1998.** The session will be held from 8:00am – 10:00am at the Union League Club in Chicago.

We are pleased to announce we will be having a guest speaker, Jeff Cohen, Sr. Manager at KPMG to participate in our session. Mr. Cohen will assist in the facilitation of addressing the following items.

- What are the most common functions CIOs are outsourcing today? What are the determining factors? Any industry similarities?

- The 12 Steps to the outsourcing process

- IT Benchmarking

- As a CIO, how does your IT strategy fit into the picture?

You will be receiving an invitation in the next week. Please contact Katie Koeller at 312/368.0633 if you have any special requests or questions.

In conjunction, information technology budgets have been growing annually and CIOs are being held more accountable for the business impact of increased corporate expenditures. Having this accountability has resulted in the need for a business/financial planning function within the technology organization. This is another new function the CIO has to manage and integrate into what was once an all "'high tech" group. In addition, the CIO's ability to both acquire and integrate the diverse skills sets while still building an integrated team that works well together are increasingly crucial.

As these new "business" requirements emerged, many CIOs tried to tweak their "high tech" managers' skill sets by sending them to management development seminars or interpersonal training programs; usually with minimal success. After many false starts, CIOs have learned they must build their new team much as the CEO builds his corporate team – utilizing the inherent power that comes from mixing people with complimentary skills with a heavy dose of common goals. Not only does the CIO need to have the staff in place, but they must possess the ability to convince functional stakeholders in their plans.

What does all of this mean to a CIO's recruiting and management development strategy? How can the CIO assure that the organization is not only up to today's tasks but is also positioned for future challenges?

First, a CIO must push innovation to determine a clear picture of the services and systems that are to be delivered by the group. This picture is then used as a basis for constructing a skills matrix required for the organization. The skill matrix should include the skill sets and experience levels as well as the staffing requirements to recruit quality personnel (both internal and external). The balance of skills needed will be different from one organization to the next and will even be different within the same organization. It is crucial to specifically define the position, deliverables and skill sets needed before you evaluate potential candidates and existing staff.

Second, the CIO must conduct a human capital assessment of the existing organization. Once you have your skills matrix completed, you must assess the existing skill sets and "talent" of your staff. M. Wood recommends one key phrase to remember when assessing staff -- *" talent over skills".* The worst decision a leader can make is to put an internal candidate in a position where they cannot succeed.

ISSUES TO ADDRESS WHEN YOU NEED TO TRAIN STAFF TO PARTICIPATE IN A NEW IT STRATEGY:

- Managing expectations

- Addressing time-to-market issues

- Resources (internal and external)

- Cost

Third, the CIO must, accept the fact that he/she cannot recruit an all new, "all star team". This is true not only because of human resource policy restrictions but also because such a staff would be devoid of company knowledge and customer contacts and alliances.

M. Wood's experience in working with CIOs and staffing these new areas leads us to *"The Rule of 3".* One-third of the existing staff makes the transition into the new strategy, one-third needs additional training and the balance must be replaced. It is the role of the CIO to devise a method to build, maintain and restructure the organization.

Finally, the CIO must learn to focus the recruiting process on the organization's capability as a unit, rather than on any one particular job opening. The benefit of approaching departmental staffing strategically will be the quality of work produced. The value of the whole will truly exceed the sum of its parts, and often by a very wide margin. This in turn will help the CIO position the IT organization as an enterprise-wide unit that is capable of addressing future business issues.

MWC NETWORK WELCOMES

M. Wood Company is pleased to announce four new members to our NETWORK.

- **Darryl LeMecha** – Sr. Vice President/Chief Information Officer – Insignia Financial Group; New York, NY

- **Jim Brennan** – Director, Information Services – Hub Group Distribution Services, Inc.; Arlington Heights, IL

- **Dan LeMorte** – Sr. Vice President/Chief Information Officer – Cole National; Cleveland, OH

- **Carl Zeller** – Chief Information Officer – Central Vermont Utility Company; Rutland, VT

- **Steve Brown**– Vice President/ Chief Information Officer – Micron, Inc. ; Nampa, ID

In addition, several MWC NETWORK members have been on the move. **Dean Mueller**, former CIO at Rich Foods based in Richmond, Virginia is the new VP Information Services at Bunnomatic Corporation in Springfield, IL. **Kevin O'Neill**, former CIO at Pinnacle Bank based in St. Joseph, Michigan has moved to St. Francis Bank in Brookfield, WI as the new CIO. Please contact Katie Koeller at 312/368.0633 or via email at koeller@mwoodco.com if you wish to get in contact with any of our members.

M. WOOD COMPANY IS ON-LINE
WWW.MWOODCO.COM

M. Wood Company is pleased to announce the launching of our new corporate web site — **http://www.mwoodco.com**

With our new presence on the World Wide Web, M. Wood Company has kept pace with technology to develop an avenue to better service our clients and candidates. Our site illustrates our unique philosophy to executive search by providing quality information on our consultative process and open positions.

We encourage each of you to come visit us on-line.
M. Wood Company – *Experience That Does More*!