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IBM Podcast

Using collaboration to enable the innovators in your organization

GLUCK: Welcome to the IBM CIO Podcast Series. I'm your host, Jeff Gluck, and my guest today is Carl Kraenzel, Global Technology Services Chief Technical Officer, focused on software.

In this series, we're focused on ideas and issues relevant to CIOs, and today we're talking about a new white paper that Carl has helped develop. It's called, Using Collaboration to Enable the Innovators in Your Organization. Carl, can you tell us a little bit more about your background, and about what you do at IBM?

KRAENZEL: What my background is, is actually I have spent many years as part of IBM's software division, and have recently joined the Global Services division to take this responsibility that you just described as my job function in services, to ensure our services organization has the best access to how to utilize SOA technologies, collaboration technologies, developer technologies and management and data storage technologies.

GLUCK: You're also an IBM Master Inventor.

KRAENZEL: Yes, in fact, I am. That is a title given to people at IBM who have been involved with a lot of innovations and mentor other people how to innovate and work the patent process.

So I've been lucky enough throughout my career to be engaged on many first release projects and transformative projects. I actually joined the Lotus division of Software Group over a decade ago when Lotus acquired a small company I was part of starting up. So collaboration in particular has been a place where I've been working most of my career in.

GLUCK: That's a great background to help educate others on innovation and collaboration, the focus of this white paper. Carl, tell us about the white paper and the audience for this report.

KRAENZEL: First let's consider the audience. This is a white paper that is intended for the educated CIO, and we're fortunate that the industry has very talented people who take the role of CIO through big organizations, governments, small business...

CIOs today are well trained to their business and very mature in their understanding of the issues. In fact, through my experience with the collaboration side of the industry, I've been lucky to interact with many different CIOs that already have deployed sophisticated collaboration technologies, and the ones that really get it about collaboration have structured their investments very deftly, to already influence their bottom line as I think was outlined at the beginning of the white paper...

One of the findings from the IBM Global CEO Study 2006 Survey was that by and large those companies that have aggressive collaboration strategies see it in the bottom line with metrics and measures that are very tangible. CIOs understand a lot already about how collaboration can drive their business forward. So we're not starting from scratch.

GLUCK: The CIO study also found that 75 percent of CEOs said that collaborating and partnering are very important to the innovation process.

KRAENZEL: Yes. Yes. And if you go back maybe 10 years ago I am sure you wouldn't have that level of understanding. The industry is very mature at this point to recognize that collaboration is really at the lifeblood of how we execute business.

When we graduated from plain face-to-face to starting to do telephones, and then, I mean, that's going a long ways back, but teleconferencing, instant messaging, e-mail.

We all take those as givens, as part of our execution of business in order to collaborate faster and more effectively to maximize the speed with which we can reach an accurate and effective decision. That's where the heart of the business lies.

GLUCK: Now, you just mentioned that things, virtually all companies now use conference calls and e-mails, but there's a big difference between using them and then using them well.

KRAENZEL: Exactly. Exactly. And so this is where I think the heart of the paper starts to manifest, the white paper. As we've matured over the industry understanding collaboration, one of the things that has been progressively clearer is that not everyone will use the same collaboration tool.

Different collaboration tools are appropriate for different scenarios, and different usage situations. If I'm collaborating with a few people, a small team, certain tools are more apt for that, whereas if I'm collaborating with a partner in a different company, then other tools are more appropriate for that.

There is a recognition that we have heterogeneous tools in the industry, and this is one reason why Service-Oriented Architecture, IBM's belief that the real world is heterogeneous, you need Service-Oriented Architecture principles to at least be able to connect things.

But connecting is not where you need to stop. You need to understand more about what happens between those boundaries and why you're connecting things, and what the benefit you're trying to achieve is.

The focus of this paper is to talk about the role of collaboration for innovation. The industry collective understanding of innovation is comparatively immature. It's rapidly maturing, but it's comparatively immature in that there's still many people that believe innovation is just the good luck accident that happens if you put a bunch of smart people together.

GLUCK: I'm picturing somebody in a lab at night all alone, but I'm also thinking about Thomas Edison. It was a myth, people thought of him as a one-man inventing machine and maybe early on he was, but in reality, he was anything but a loner because he ran this large organization that innovated by collaborating.

KRAENZEL: Yes. Yes. And as you point out, whether it's Thomas Edison or a number of historical figures: Louis Pasteur, Albert Einstein, there is still a prevalent myth that the reason why they had impacts in the world was that they dreamed up the idea.

In fact, the reason why they had impact was somebody did something with the idea. The difference between invention and innovation is a very important difference: an idea in a vacuum that doesn't have action applied to it, doesn't become relevant to consumers or the world, is an invention that doesn't matter; whereas, inventions that start to matter are really why we talk about Innovation That Matters.

You take an idea and you apply it to something that really has value impact. So how do you enable a process for that instead of just declaring, we're an innovation company and here everybody use e-mail.

That's the cusp we are at as an industry, and the companies that don't think past that simplified approach to innovation and collaboration are the ones that are going to be left behind, because today the industry is turning innovation from alchemy to engineering.

GLUCK: Now, engineering is rigorous. There's discipline. And contrary to what some people say, you're saying that rigor and process is an innovation enabler.

KRAENZEL: Yes. Yes. The journey to engineering is, doesn't happen overnight. Software used to be a black art and now is a form of engineering because we've found ways to do things repeatably and use some consistent patterns to focus people's energy.

So within this white paper some of the elements that are pragmatically valuable for a CIO today is how to focus your energy and to start to break down the problem.

There is a segmentation model that's discussed in here. It's not the only way to attack the problem, but if you're going to have a structured plan to really foster innovation you can't just boil the ocean and hit...try and do it everywhere in your company. You have limited resources.

You need to focus your energy upon the pieces of the business activity where you want to see innovation fostered and stimulated and potentially even measured as how valuable, how quickly the innovation occurs after you've applied some changes.

So the first part is to understand the ecosystem of collaboration that underlies innovative activities and break it into pieces that then you can target programs on.

So in the white paper the segmentation model has three elements to it. And you know, I've talked with some CIOs that when they hear the word segmentation model,

segment your user base, they worry, oh, gee, that sounds like a huge exercise, I don't need to.... I'm not sure I want to do that all across my company.

It doesn't have to be a huge exercise. It can be done in pieces guided by the priorities of the CEO, what kinds of innovations need to happen.

So if you need to need to innovate more with your partners, then you can focus on that area and segment it and determine the groups of people that collaborate.

Within each segment you first decide what your segments are that you're going to talk about. Let's say your finance team, or your information technology team, your research and development team, HR.

And those segments you can make more fine-grained as you need, but then within your segments by thinking about three types of innovators, the people who dream up the idea, the people who put it into action, the implementers...

And as important, the people who would consume the idea once it's been made available. Those are the three groups that need to collaborate to make an idea turn into an Innovation That Matters.

And if you look at what those people are using as their tools today or the tools you might introduce, then you can start to assess, are they using different tools that don't work well together? Do they even know about each other? Do they communicate? Are there paths for communications and collaboration?

And you can start to structure a plan around enabling better communication, better collaboration between those three different primary groups to turn an idea into something that's genuinely relevant.

GLUCK: Web 2.0. There's lots of buzz around podcasts like we're doing now, around wikis, blogs, the use of Web video. Can IBM help CIOs use Web 2.0 technologies effectively?

KRAENZEL: Well, IBM has engaged on the new emergent technologies that support collaboration as it has throughout its history around collaboration.

There was a time where instant messaging was thought of as an emergent technology. And IBM picked it up and made a...the most successful, currently leading enterprise instant messaging offering around Sametime, and recently even made it utilize some of the new Web 2.0 technologies to become a real-time collaboration platform.

With respect to wikis and blogs, those are also technologies that IBM invests in to mature in the marketplace. I would say that one of the most salient things that happens with these technologies is they are, they can be technologies in search of a problem.

And so what IBM can help CIOs and partners and our customers in general do, is help them understand how to stitch those technologies together to actually provide collaborations that fit together so that you are able to execute your business process

or your innovation processes without seeing people cutting and pasting from a wiki over into their e-mail manually and making mistakes and maybe risking intellectual property through doing it ad hoc.

So that's one way IBM can help, and the other way IBM is helping is making sure that there are standards that connect these systems together. We invest heavily in standards so that we can actually drive down the error and the cost associated with stitching together those different collaboration technologies new and old.

GLUCK: Well, for example, IP telephony now works very well, and it has enabled what once was a long-held dream that phones and computers should play nice together.

KRAENZEL: In fact tying them together has yielded substantial benefits. Tying together management systems around it that can measure your usage and allow you to do IT service management, speeds the ability of the business to react and adapt as well as understand how it's using its own collaboration technologies.

I'll give you an example. One of our big banking customers, I found their creativity in utilizing instant messaging to augment the way people use their own phone system which they've had for years; it's a great phone system.

They deployed instant messaging deliberately to cut down the number of failed connections made between people inside the company calling each other. They're utilizing instant messaging to drive down the number of wasted calls that go into

voice mail because someone doesn't know if that person is in their office and available.

Instead, they have fostered a collaboration culture where people check the instant messaging Sametime client to see if that person is available before they make the phone call.

GLUCK: I do that.

KRAENZEL: And certainly everyone who starts to use, augment their one collaboration system intelligently with another, that's when they are fostering the flows of communications and collaboration that speed up accurate innovation.

GLUCK: Talk about the importance of measuring results.

KRAENZEL: Measuring collaboration has a number of different approaches. It's a myth that you can't measure the impact of adding collaboration.

What is the challenge is, for CIOs, is to actually decide that it is important to measure the application of an investment and do the activities before you apply, let's say, an instant messaging system, to find out how people are communicating before you add it, and then afterwards, reapply the measure and find that your voice mails are reduced.

So it is a choice. The CIO needs to choose how much they want to measure, but

there are mechanisms for measuring. Additionally, there are mechanisms for expanding time to value. When you deploy a new collaboration technology or in fact any new technology, you can do classic training; that gets you only so far.

If you also embed, say, collaboration experts, into the groups that are starting to adopt the new technology, your time to value goes much faster. So there are approaches to both measuring and speeding up the value that is achieved by applying a collaboration technology.

GLUCK: Carl, how does a CIO organization go about allowing people to go out on a limb and try new things?

KRAENZEL: The CIO pursuing an innovation agenda should also consider the culture of their own organization. With IBM we found great benefits by creating a culture of innovation within the CIO organization.

In some respects, they can behave like an advance technology group. And creating a permission model within the organization for people to try new things, experiment with wikis and also utilize things like SOA frameworks to stitch those in to the business perhaps in a place where you're trying to accelerate innovation itself with partners...

...this is something that a CIO needs to consciously decide where the culture of innovation needs to be instituted in the business behavior and how your reward and measure your employees within your own organization. So that's a very important

part of the collaboration and innovation strategy.

GLUCK: Thank you to my guest, Carl Kraenzel, of IBM Global Technology Services. You've been listening to the IBM CIO Podcast Series. I'm Jeff Gluck, thank you for listening.

[END OF SEGMENT]