There is too much of "T" in IT and too much "R" in HR

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Abstract: This paper decribes a value destructing culture and the difference between many IT and HR departments in large organisations. The fact that IT departments tend to focus on technology rather than information and HR departments tend to focus on the legal aspects of personnel management rather than competence and knowledge transfer is a continual challenge to overcome.

I have said it numerous times in my lectures but it deserves to be put down in writing as well – there is too much "T" in IT and too much "R" in HR. This cryptic statement hides one of the most value destructing conflicts in organization setups – that between IT and HR departments on one hand and that between "hardware" and "software" within these respective departments on the other.

The arguments for the first conflict, the one between IT and HR departments, boil down to a series of simple observations within many companies. One of these is that if there are two directors on the corporate management team that very rarely hold each other in high esteem, these tend to be the IT and the HR directors. Typically they come from completely different backgrounds and education paths and for some reason this difference seems to be big enough to cause a great deal of suspiciousness between the two. Is this important? Yes, it is devastating, which we will further 'prove' in this article.

Regarding the internal "conflicts"; let's start with the IT department. However, before we even put the spotlight on IT, let's assume something about the employees in the organization. This assumption is simply that the vast majority of employees in all kinds of organizations come to work each day with an aim to achieve something. Granted, some skeptics will argue that I am overoptimistic in my assumption, but I claim they are wrong. At the very least I can argue that of all the representatives of different kinds of organizations I have met, almost everyone has had a sincere desire to contribute by their activity. The problem is rather that organizations' structures, processes and tools very often prohibit them from doing so. Thus, let us again look at the IT department. Put yourself in the role of the ambitious employee who suddenly finds himself or herself facing a comparably new task. Step one is to find supporting information and/or competence to shorten the learning lead time. The problem is that you rarely pass step one with your ambitious mood intact. Barrier no 1; 'where do I find this information which I do not know whether we possess?' Call the Information Technology department and you will rapidly learn that IT has nothing to do with Information (I have firsthand experience of this). IT departments provide hardware infrastructure, software solutions, security routines, etc. The actual business value residing in those systems – the information – is someone else's responsibility; the question is whose? So if IT departments focus entirely on T – Technology and not on I – Information, who, then, might be in charge of this immensely valuable resource? The "line organization", of course! Barrier No 2; 'where do I find a person who may know something about my task?' The task at hand was a 'comparably new task', which means that I cannot assume that there is a 'department' in the company, listed in the company phonebook, to which I may call to

ask for help. A standard initiative would be to call the Human Resources department and ask where to find a human resource (a colleague) who may know something about my task. By now you may not be surprised, however, to learn that my experiences after doing this are also quite dismal. HR departments focus primarily on employee ledgers, salary systems, staff insurance, etc. These are all very important functions (as are the IT department's hardware), but very few departments have routines for keeping track of employees' actual business experience and knowledge. The result is that HR departments manage people as "Resources" but the 'Human' part, that is the part that intelligently 'processes' the information we possess, is not managed.

Where does this line of thought take us? Well, if we agree that a company's most valuable resource is its personnel but also agree that those individuals are significantly handicapped in their daily work if they cannot access information and contacts relevant for their task and daily decision making, we find ourselves in a situation where immense values are not being managed at all.

Business value in an organization is created when people communicate in order to develop, leverage and provide competitive products and services to the market. The key word in that sentence was 'communication.' Usually we think of this as two or more individuals talking, mailing, or chatting, more or less in real time, but communication can very much be non-real time. Communication is the transferring of information, whether spoken, written or drawn. Whether that information is 'consumed' in real time or at a later point is really not important as long as it is timely and relevant for the receiver at the time of use. The sum of the line of arguments above is that most companies totally lack managerial models that enable such communication throughout an organization. Communication thus becomes limited to each employee's own domains of competence and people network. Apparently, today's business equations allow for such waste of values (companies are profitable despite this), but just imagine the profit levels that companies could command by being first movers in adopting models for such management. Also, imagine being a company that has not adopted such methods when these start getting commonplace and seriously affect pricing strategies (as all efficiency gains eventually benefit the end customer).

So why, then, is the limited communication between IT and HR a great risk? The answer is; simply because the solution to this challenge needs to be a cooperative effort between I and H! In more practical terms it can be said that even though very few HR departments have embarked on this field, these are, indisputably, the right unit for the task. They already have the central personnel ledger, they are seen as the natural repository of information about personnel and not seldom do they already have "CV-registers", career planning data, etc. on file, but no processes to make these more continuously updated and useful for the organization. However, the process of "making information useful to the organization" will require some radical new thinking regarding IT strategy as we are looking for solutions where personnel have access to information about other individuals as well as their information, completely cross-border, without any limitations such as organizational belongings. Achieving such a situation requires a thorough understanding of the information at hand (and of how it can be used) as well as the technologies and security requirements available to realize the task. Let us hope that HR and IT managers will start talking. Eventually such communication will benefit all of us as consumers immensely.