Chapter 15

Business Competence and Acumen of Information Technology Professionals

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ABSTRACT

There is an ongoing debate concerning information technology professionals and business competency skills. Conventional wisdom suggests IT professionals should first and foremost be proficient in all technical aspects and abilities with managerial, strategic, and soft skills as secondary. The business competence of information technology professionals may not seem to be a new technical or strategic development; however, the landscape of business has changed significantly. The information technology infrastructure is embedded throughout most organizations. Information technology and those responsible for IT can no longer afford to operate in a silo as they have in the past. Today's businesses rely more than ever on the technical infrastructure to provide scalability, functionality, and adaptability. The technical infrastructure is relied upon to help meet and assist with business operational, managerial, strategic, and competitive needs. This chapter examines the business competency of information technology professionals as a new development within IT.

INTRODUCTION

In contemporary business, business and IT alignment is one of the hot topics of the day and this is often in reference to a company's Information Systems/Information Technology infrastructure, which includes the IS/IT staff, being properly aligned and aware of the Information Technology departments role within the business infrastructure and how IT affects business client relationships,

business processes, competition, efficiency, productivity as organizations move through the various stages of Enterprise Architecture. Numerous research articles are available on this topic of the business competence of IS/IT professionals and the critical skills i.e. soft skills, which IT professionals may consider acquiring or enhancing.

D. A Benton in her book *Executive Charisma* (2003) cites a study that posits "people skills" explain 85 percent of personnel moving further

along in their careers and technical competence accounting for only 15 percent (pp. xiv). Advertisements such as those found on career builder.com now market *Business Acumen* as a technology skill (career builder, 2010). Business acumen loosely defined is the ability to make profitable business decisions. However business acumen within IT projects for example, has not necessarily exemplified this definition. Failed IT projects have a rather significant financial impact. When the true costs are added up, as many as 80% of technology projects actually cost more than they return (Galorath, 2008). Nicholas Letch and Cherliyn Randolph conducted research by asking do the skills of Non-IT business graduates overlap with those of IT specialists. What Letch and Randolph found is "personnel in Accounting/Finance do not perceive capabilities that are traditionally in the domain of IT professionals to be particularly important in their jobs (2000)." This is interesting because business graduates are taught business skills that require business acumen. Therefore incorporating information technology as part of their jobs is seemingly just an extension of the curriculum. This may give the business graduate a slight edge over the IT professional.

The business competence of information technology professionals has been an ongoing debate as far back as the 1970s. The debate consists of should IT personnel require technical skills or management skills or a combination of both (Byrd, Lewis, & Turner, 2004). Byrd et al acknowledge that during the 1970s technical skills for IT professionals were essential with managerial skills being secondary. Thus information technology was viewed as technical support and not as a competitive advantage. However, recent literature is beginning to put emphasis on the soft skills or business skills for IT professionals. For example, in today's business environment most businesses have an information technology/information system infrastructure in place. Byrd et al define a IS/IT infrastructure as, "a set of

shared, tangible, technological resources forming the foundation for business applications (2004)." Therefore a flexible, scalable, and reliable IS/IT infrastructure becomes a competitive advantage or at least allows a company to compete in today's marketplace. Michael Porter asserts technology is important for competition if it significantly affects a firm's competitive advantage or industry structure (1985). In light of this statement, the design, implementation, and strategy of an IS/IT infrastructure does seem to dictate that the business acumen of IS/IT professionals should be more attuned and aligned with business management and strategy. This paper will examine literature on the business competence of IS/IT professionals, the implications, and the suggested critical skills for IS/IT professionals. This paper will also examine the competitive advantage of technology and how business competence of IT professionals when aligned with business strategy help to create information systems with strategy in mind thus implementing strategic information systems. Finally this paper will examine literature on the role of academia and how it prepares IT professionals to fill what has being called the expectancy gap. For instance, Andrea Taylor-Cummings (1998) in her article *Bridging the user IS gap* cites a survey conducted by Grindley that found "47% of IT Directors stated their main problem was the culture gap existing between IT and business professionals, and 56% believe that the culture gap is losing or seriously delaying IT opportunities for their company to gain competitive advantage."

TECHNOLOGY AND COMPETITION

Now more than ever electronic information systems and information technology is being used as a competitive tool in business. Shutting down a company's email capabilities for more than a day or even hours can have serious implications and repercussions. This perspective of technological

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