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An Interview with Rick Echevarria by Michael
Hopkins

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Rick Echevarria, vice president and general manager of Intel's business client platform division, says that one way to manage the information overflow is to disperse decision-making.

CIOs need to move away from a control mentality if they want to get the best from their people—for their organizations, and for themselves. "You don't have to open up the whole enterprise," says Rick Echevarria, "you just have to show some incremental steps."

Echevarria is the vice president and general manager of the business client platform division of the Intel Architecture Group, and knows first-hand the pressures that come with a mobile workforce with high expectations. A fifteen-year veteran of Intel, he is currently responsible for the desktop and notebook platform business for products specifically targeted at the corporate segment.

In this wide-ranging interview with *MIT Sloan Management Review* editor-in-chief Michael S. Hopkins, Echevarria talks about the need to look closely at your business model in order to make the right decisions about investment in both IT and the workforce.

What should CEOs be paying attention to in terms of how innovation and information percolate through their organization?

They have to future-proof their enterprise. In the past, we used to talk a lot about future-proofing in the context of performance: buy up, and buy higher performance capabilities because you don't know what's going to happen in the future.

But the world of business and technology is so much more dynamic today that the single factor of future-proofing is no longer enough. You have to deal with security, ongoing threats both internal and external. You have to deal with the management of devices. You have to deal with performance and energy consumption requirements, and those are all technology-driven issues. When you start thinking about risk management, when you think about how you're going to get your employees to be much more productive and effective, how are you going to enable collaboration in a global sense, there's a tremendous amount of technology that can help businesses be very effective and to grow. It doesn't necessarily require the CEOs or CIOs to get into the deep dive into the technology, but they do need to understand all the different factors that many of us in the technology industry are designing for.

What are some of the obstacles to doing that?

Because of the current environment, companies are paying attention to cost. They're looking for the cheapest way to do something, and that fundamentally deprives them of having the opportunity to look at potential. They have to think multiple years down the road. At Intel, we invest our way out of tough environments, and we practice what we preach, and that's exactly what I would tell CEOs and CIOs to really think about.

Where do you think the most important opportunities are for companies that can invest their way out of trouble?

You have to start thinking of investments in technology from a business value perspective. We've spent a significant amount of time, in collaboration with MIT and others, creating business value models for information technology. These models allow you to take a look at the investments that you're making today and prioritize between the things that are absolutely critical to keep your business running and those things that are really adding no significant value, so you can start shifting your investment to opportunities for growth. There is no magic formula that's going to get you there in a short amount of time. It took Intel three or four years to define the model, put it in place, and start managing to it.

Fundamentally, you have to understand the business before you can make appropriate investments. One of Intel's previous CIOs said no matter what type of company you look at and what industry they reside in, they all have a core set of business processes that they have to have in place. And that's probably a very good starting point. Second, look at what the competition is doing. There's a lot that you can learn just from working at the peer level.

There's so much about this industry that is very dynamic, and I think that most CIOs as they're sharing information are also gathering a lot of insight. I've sat in many of these conversations, and they're hardly ever a one-way street. The pace of change is so high, and complexity is so great, that people are looking to learn wherever they can.

What are the collaboration and innovation opportunities that companies are not capitalizing on yet?

The world is increasingly global, but it's still not always practical to put people next to each other physically. There is great value in infrastructure that helps people collaborate real-time but virtually. Now, you're going to have to make some investment to get the return, for instance around management and security. And you have to look at yourself honestly as to whether you can justify and quantify the productivity gains that you're going to get from that investment in technology.

As a company, we made the decision a few years ago to make our work force mobile. Today we are north of 80 percent. We stated a case that said, "Hey, the investment in mobile is going to give our users and is going to give Intel X number of extra hours or minutes on a weekly basis." We ran the math, and it's actually proven to be a very wise investment.

And though we only did it on that one criteria, we've since seen that having the sales force distributed with real capabilities at their hands, who can still be effectively working during snow storms, or some kind of crisis, is invaluable.

Have there been behavioral or cultural changes as a consequence?

Absolutely. Mobility has had a tremendous amount of impact on productivity.
Intel has a very committed, very driven, very, very focused workforce of people who are investing a tremendous amount of time just delivering breakthroughs. There's only so much the human mind is going to be able to deliver, but in our case, wow, we have people that absolutely continuously go the extra mile.

To some extent, some would argue it's had too much of a positive impact because your personal life and your business life are really blurring. But properly used, you get much more productivity out of the employees while they get much more satisfaction because they're able to actually balance their business and work life.

When you listen to the marketplace now, what are you hearing? What's coming that you think is going to be important?

Any CIO that you talk to in the enterprise is thinking about consumerization, the consumer devices coming into the enterprise, they're thinking about client virtualization. They're thinking about how do I make it easy to manage all of these devices? And how do I make it less expensive to operate?

But the other piece that's having significant impact in our space in particular is the end users. And the end users have access to a tremendous richness in their personal experience, and they're asking the CEO and the CIO, "Why can't I have that in my working life?" And they're not saying it because they want to come to work to play. It's because they have realized how effective these technologies are in helping them connect with people, access information, you name it.

What are some of the implications of that?

CIOs have to move away from a control mentality. At the end of the day, they are still held accountable. You don't have to open up the whole enterprise. You just have to show some incremental steps. OK, I'm going to allow you to use this type of wiki capability, or I'm going to allow you to do blogging. But you know what? We're really not going to have a free-for-all from a blogging perspective. We're going to build an infrastructure internally so that we can at least leverage that type of functionality and capability inside of our four walls.

Do you have any special advice about how manage the flood of data we're getting?

There are executives all over the world hoping somebody writes the magic book that allows them to handle the information overflow. One of the best ways you can manage that overflow is the way you empower your organization to have decision-making made at the right level so a lot of that doesn't come your way.

Because in today's day and age, if you're a micro-manager, and as a senior manager you decide that you want that much control in terms of all the decisions that your organization is going to make, you're just not going to have a life.

Are there any assumptions or habits that organizations need to change?

I think always being connected. At some point in time, you have to give yourself time off, time to break away. It enhances your ability to think. It refreshes you. And I think that's probably the one habit that we all need to break.

We also need to be disciplined in our relationships with our bosses, managers, and subordinates about what decisions each of us will be making. That's the single source of flexibility that you have some control over, but you have to be willing to have those conversations and establish boundaries, communication, and agreement about what you need to do. Otherwise, you will never be able to get that time that allows you to be innovative, and creative.

When you look ahead what do you think the opportunities for business process or competitive strategy innovation will be?

Consumers today are defining the technology experience, which is going to be very critical to a lot of businesses over time. Not only because it's going to impact the way their employees are going to want to work, but it's also going to impact some of the expectations of the end customers.

People are looking, and expecting, more and more for personalization in their experiences, even when they go to the grocery store. There's been a series of events that you could almost map in the industry, starting with personal computing. That was really the first step. And now you're seeing personalization and the access to technology for people, whether it's gaming consoles, whether it's smart phones, whether it's notebooks of all types of size and shapes and colors.

That's what's really created this phenomenon.

I've been surprised by the extent to which people take technology for granted, and the demands that they have to have access to anything any time. There's been a backlash against companies that are delivering a great deal of innovation and value, who want to extract a return for the investment that they made. You don't see that kind of entitlement in any other industry.

It sounds unlikely that trend will change soon. What are the business implications?

Look at your current business model and ask, where are the growth opportunities? They could be adjacencies within the core business or somewhere else. If you look at the acquisition patterns of many companies, they're starting to realize that the one thing you cannot afford to do is stay put. Even if you look at Intel as a core microprocessor technology, we have made a significant number of investments in software. We are making more and more investments in user experiences. Those are fundamental parts of our strategy.

We're also trying to take a look at all the different places around the world where computing happens, and how we fit in. And you know what? It's no longer a matter of delivering great

microprocessor technology. You have to deliver a certain level of the software experience, of the software interfaces, that are going to enable those people to take your technology and deliver some value themselves.

So it really creates a much tighter connection between those who develop technologies that leverage our technology as well as the people who buy technology. I don't think you'll find any firm in the world that won't consider themselves targeting end customers.

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