

THE CIO & CEO

ROLES AND RESPONSIBILITIES

By: Harris Kern's Enterprise Computing Institute

The CEO's job is to lead. Leadership means setting the agenda. A leader has a vision and sets the direction for the enterprise. The CIO's job is to supply the CEO's needs efficiently and allow the CEO's vision to be realized.

The CIO needs leadership from the CEO, partnership with the CEO, and education of the CEO.

Leadership

The CIO needs to thoroughly understand the CEO's vision. If there is no clearly articulated enterprise vision it is the CIO's responsibility to educate the CEO on the need for an enterprise vision and an enterprise strategy. An enterprise technology strategy that does not relate to an enterprise vision is incomplete and difficult to sell. The technology vision process can lead to questions that provoke the creation of an enterprise vision, however, this is clearly not the most effective way to create an enterprise vision.

CIO's must always remember that successful IT executives need to consider themselves and convince others to consider them as part of the business not separate from the business. CEO's need to understand that IT has become mission-critical and needs to be managed as a strategic asset. It is inseparable from the business and requires complete alignment with business goals. This understanding must be based on demonstrable evidence and constantly reinforced. It is the job of the CIO to demonstrate this fact to the entire senior management team. The CEO can be very supportive but must play a strong leadership role in getting IT a seat at the table. CEO leadership should facilitate the creation of this partnership. Assuming the CEO believes that the CIO has the appropriate capabilities, the CEO needs to put the CIO onto the executive/senior management committee and appoint the CIO to enterprise task forces. The CIO must be able to add noticeable value and earn the respect of his peers or this exercise will be fruitless. The CEO must support the CIO with the proper training and mentoring to assume these responsibilities.

Partnership

Partnership with the CEO is important but partnership with the senior management group is vital. The CEO can lead by example and facilitate the CIO's job, however, earning the support of true partners in the senior management group is the key to professional success. The key ingredient for success is alignment of IT with the enterprise and the establishment of a partnership between IT and the business units. Success in these endeavors should allow the CIO to become a natural partner of the rest of the managers of the senior management group. It is the CIO's role to complete this natural cycle by establishing personal partnering relationships at the senior management level.

Education

The CEO can support technology without becoming a technology expert. The CEO needs to understand the business case for IT as a strategic investment and needs to share the CIO's technology vision. It is the CIO's role to educate the CEO (and the entire senior management team) in the following:

- *An enterprise vision is a pre-requisite to a successful IT vision and an enterprise strategy is a pre-requisite to a successful IT strategy. It is the CIO's responsibility to educate the CEO on the need for an enterprise vision and an enterprise strategy.*
- *IT has become mission-critical and needs to be managed as a strategic asset.*
- *IT is inseparable from the business and requires complete alignment with business goals.*
- *Manage IT as an investment rather than a cost center.*
- *Business teams, including IT as a "business", work together. Other than enterprise infrastructure there is no such thing as an IT project. Whether IT is responsible for 10% of the tasks or 90% of the tasks IT is merely a member of a business team led by a business project champion.*
- *The CEO has a role in the marketing of IT. Marketing the IT organization increases the correct perception that IT adds value to the business. Marketing the IT organization raises the enterprise's recognition of its dependence on the IT.*
- *Quality of life contributes to success.*
- *Values are the essence of an individual or group and provide guidelines by which to make consistent decisions*
- *All projects require business unit champions and business project champions.*
- *All projects are required to build a business case a technology case is not sufficient. All business cases are required to discuss alignment of objectives with enterprise objectives.*
- *IT acts as partners in the business since seeing their place in the success of the enterprise enables them to make decisions and put forward innovative suggestions that go beyond simply meeting the technical requirements requested by their client groups. Their ability to add value, if they have big picture understanding and a big picture mindset increases dramatically*
- *Value is best communicated to the enterprise by IT's business partners. The right relationship and recognition of value leads to the ideal situation of business partners becoming evangelists.*
- *The more meaningful an enterprise becomes to the individuals, the more effort people exert to bring about success.*
- *The value of a strategic architecture*
- *Alignment with the business needs to be more than a strategic plan or a written set of operating principles. The technology organization needs to be set up in a way that allows business alignment to flow as a natural consequence of the way the job is done.*

➤ *CEO support is an active commitment*

Flying Solo

True success in the Leadership, Partnership, Education model means not only that IT has become a recognized and valued contributor to the success of the enterprise but that the senior management team, including the CEO, can successfully represent technology on their own.

The Leadership, Partnership, Education Model

The three qualities of leadership, partnership, and education define the relationship of IT and the CEO. These qualities can be summarized and evaluated through the LPE Model below. The columns represent the CEO's level of leadership to IT, partnership with IT, and education in the value of IT. The ideal row to occupy, of course, is the LPE row where the CEO is exercising leadership, partnership, and understands the value of IT. It may be acceptable, though not optimal, for the enterprise to occupy the OPE row or the LOE row. IT would need to supply strong leadership and rely on a strong partnership if it is the OPE row. IT would need to concentrate on a strong partnership with other members of the senior management group if it finds itself in the LOE group.

LPE Model

L	P	E
0	0	0
0	0	E
0	P	0
0	P	E
L	0	0
L	0	E
L	P	0
L	P	E