The CIO's Role

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Background of the CIO—Technology Versus Business

The role of the CIO has become as varied as the business models in place today. Many CIOs have evolved into these roles from a variety of early disciplines, such as technology, finance, manufacturing, service, and so on.

The Technology Leader: Traditionally, leaders of IT were drawn from information systems departments with which they were applications, operations, or business analysis leaders. This avenue of growth continues to provide the largest number of CIOs.

The Business Leader (with a technology bent): Business leaders from services, manufacturing, or marketing have also transitioned into CIO roles, a phenomenon that has become more commonplace over the last 10 years. The need to comprehend the specific business needs of the corporation has led to the emergence of the business-driven CIOs. At the same time, leaders in the areas noted have taken ownership of some IT-based tools and systems to satisfy their business requirements, which required that they become more knowledgeable about the these tools and systems.

The Strategist and Mentor: These CIOs are typically grounded in strategic thinking and play an active role in the product or service development side as well as the marketing and sales side. By focusing on issues such as business and IT alignment, they attempt to uncover IT-enabled business opportunities and apply IT initiatives to streamline business processes. These CIOs are the best candidates to become the CEOs or COOs of their organizations

The Corporate Influencer: The role of the CIO is directly shaped by the type of business environment he must support, and his influence is driven by the characteristics of the business, including their relative maturity levels. The two areas of focus are likely to be strategy and execution, and most CIOs are expected to play an equally important role in both arenas. The strategic side of the CIO requires a focus on business and IT alignment and IT-enabled opportunities, while the execution side requires active participation in the execution of major projects in areas like ERP, CRM, and so on

Business Environments and the CIO's Role

The following paragraphs elaborate upon the way various business environments affect the CIOs role.

The Startup IT Environment: The startup business model requires a CIO who can literally roll up her sleeves and build an IT organization while the business evolves. This requires understanding of the key business demands associated with strategies and

plans and the ability to delineate the IT-specific functions required to enable them. In addition, a fundamental understanding of basic IT infrastructure usually becomes the early focus area, quickly followed by business-specific applications or initiatives that enable the growth of various business units (such as sales automation, customer service call tracking, and so on).

The High-Tech Environment: High-tech businesses require a CIO who is well grounded in the technology products or services provided by that type of enterprise. The CIO needs to be aware of the technical challenges faced by the development organizations as well as the associated marketing, sales, and services required to promote and sustain the customer communities. The IT support expected by the technology teams emphasizes a secure and highly integrated infrastructure and the ability to relate to these needs and to sustain a highly productive and communicative work environment is key. Therefore email, networking, video conferencing, development labs, and like elements are a given.

The Bricks and Mortar Environment: The brick and mortar businesses are characterized by a more traditional business approach and associated IT infrastructure. I would place financial, health care, and government institutions in this category.

The Internet Environment: The Internet phenomenon changed the methods and practices that most CIOs follow. The term "Internet speed" became the byword that most companies in this arena were expected to emulate—get the products to market before competitors at all costs, and eliminate the processes followed by most traditional businesses. This placed substantial burdens upon CIOs who wanted to apply the best practices of good business processes before embarking upon technological solutions; the technology was expected to be deployed and functional while the business models were evolving, and in many instances before any real business existed

The Established Business Environment (over 10 years): CIOs at more established corporations (such as AT&T, Lucent, HP, and so on) have a more traditional business focus for IT than those mentioned previously, characterized by more established business models that require minimal investments in innovative technologies. They deal with established infrastructures and applications, and focus most of their attention on cost reduction and improvement of existing business processes. The CIOs in these environments are well-grounded in the basic business practices of the corporation, and typically spend a great deal of time with the executive staff, while their direct reports focus on the specific entities that support divisional or business unit needs.

Understanding the Dynamic Role of the CIO

The CIO is at the center of our cultural crossroads. As business people, they are responsible for zero-latency information that drives executive decision-making and critical alliances. As technologists, they are responsible for business continuity and availability. As individuals, they are responsible for telling the truth and doing what is right. The CIO is therefore an

architect and a plumber, a strategist and a tactician, a communicator and a craftsperson, an employer and a service provider.

The CIO is a change agent for business processes and cultural norms. The limitations of institutions are often the reasons for the lack of success and in order to prevail, they must address them.

The CIO is a mentor and a leader. They must lead and teach by example and by the accumulation of best practices as they have learned them over the years.

The CIO is the gatekeeper of the company's intellectual assets and operational resources, taken for granted when things go well and blamed when things go badly.