

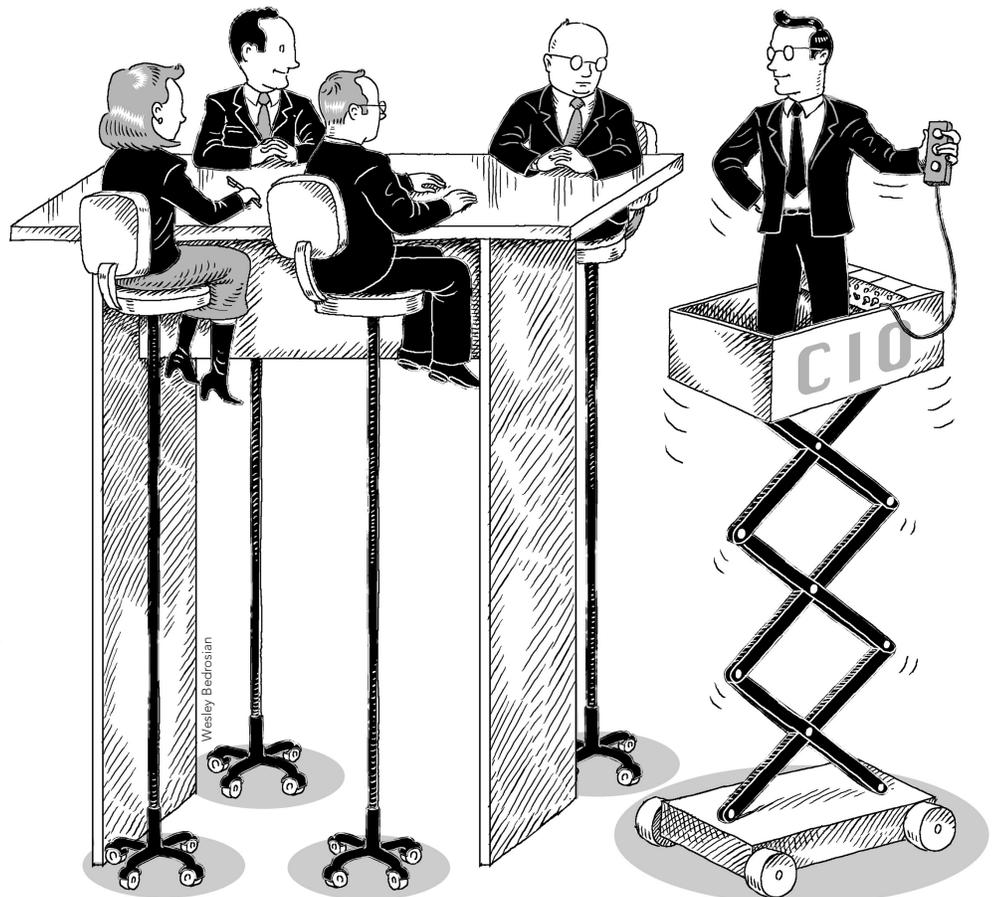
**Leadership for a Changing World.** Articles in our *Leadership & Talent* series address key issues companies face in creating effective talent management strategies—to identify, develop and retain successful leaders and leadership teams.

## Elevator Executive: The Transformational CIO

The only thing consistent about the chief information officer position seems to be that it's a role in a constant state of flux and change. The title itself often engenders as much confusion as it does clarity amongst business users and many functional practitioners. What is a CIO? What is a CTO? Is there a difference between the roles and corresponding titles? As a business leader, what should I expect from this key functional partner? As an IT professional, I have aspirations to be a C-level technology leader. What skills and competencies must I develop and acquire to realize this ambition? In this paper, Shawn Banerji and the Information Officers practice at Russell Reynolds Associates tackle these questions and other issues surrounding next generation CIOs.

In the new world of order of technology and business, where the personal converges with the professional and the lines of demarcation between public and private are opaque if not completely blurred, IT leaders regularly attempt to address questions about role expectations, required skills, leadership traits and other not-so-easily quantified questions.

As recently as the early 00's, the perception was that the CIO role had matured into a true executive-level position that delivered measurable business value, recognized by the coveted **seat at the table** (SATT) designation. The SATT is a place on an organization's executive or leadership committee—a place that had for many years eluded information officers. Predecessor roles to the CIO, such as the data processing manager or accountant with responsibility for systems,



were primarily concerned with fixing what was invariably thought to be broken, hopscotching from fire to fire, doing one's best to provide management with some degree of accuracy with respect to financial reporting and business automation. Customer insight

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and business intelligence were largely still concepts waiting to be made actionable, and most companies suffered from the common affliction of drowning in data but thirsting for knowledge. These managers would have found it impossible to find a SATT even with the help of a GPS.

For many information officers, the best route to a SATT has been their ability to build and manage seamless technology operating environments. Akin to running a reliable functional utility, the **operational CIO** ensured that business partners and other functional leaders had the requisite tools to manage the enterprise in a transparent, efficient fashion. By the mid to late 00's, an era marked by increased regulatory scrutiny, heightened emphasis on risk management and strict

adherence to compliance, the operational CIO's ability to navigate the overt challenges as well as the nuances that constitute the modern enterprise required a leader who embodied the most prized qualities of the contemporary executive. These **operating competencies** included a clear **strategic vision** coupled with the ability to **execute for results**; well-developed interpersonal and communication skills that allowed the CIO to **influence** and build relationships across all levels and cultures of the organization; and **team leadership**—the ability to identify, attract, develop, deploy and retain the best talent.

These attributes, though critical and necessary in the most absolute terms, are table stakes in the new order of CIO leadership. Organizations will always seek operational improvement and the benefits of process re-engineering. Measurable efficiencies and cost savings that fall directly to the bottom line will continue to be prized. Information officers who can deliver on these initiatives in quantifiable terms will serve as valued leaders in these endeavors. As **shared service** operating models become the de facto organizational standard for the Global 2000+, capable operating leaders will continue to occupy a significant number of

CIO suites, but as we enter a new decade, we also enter the next phase of CIO leadership.

The current iteration is marked by the emergence of the **transformational or product CIO** leader. This change is particularly evident in content and in IP-intensive industries such as media and entertainment, publishing, high tech, healthcare, financial services, education and e-commerce where data and/or information assets are core to the enterprise. Even cultural institutions, associations and not-for-profits have awakened to the opportunity to better serve their memberships by leveraging technology as a driver of change. Such organizations recognize that their ability to **aggregate, productize** and **monetize** these assets, internally and externally, is critical in the pursuit of

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market leadership. This is a seminal moment with respect to the relationship between the technology function and the business. Boards and executive-

level leadership have arrived at the conclusion that technology transcends the notion of the legacy back-office support function and are placing product and business transformation expectations directly upon the IT function. And, perhaps for the first time, these organizations are genuinely empowering their CIO leadership to deliver commercial results.

Despite the different avenues that CIOs who have earned the opportunity to operate in the transformational/product paradigms have traveled, all possess a common repertoire of competencies that they must regularly

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exercise. These competencies include but are not limited to a demonstrable record of **innovation** and real **technical acumen** that many operating counterparts have lost in the pursuit of process excellence. The ability to apply technology to problem solving, particularly as it relates to architecting multi-platform products, services and solutions, also differentiates a product information officer

from their more operationally focused brethren. The product CIO is the consummate leader with respect to **change management**, able to sell a vision for transformation across both the internal organization and the external marketplace in advance of competitors from within and outside the traditional industry. The desire to investigate emerging technical trends and methodologies wherever their genesis—public, private or academic—and convert that learning into commercial **partnerships/alliances** or actionable **business development opportunities** will further separate the transformational and product CIO from those leaders whose mandate, skill set or desire is to ensure that the proverbial trains run on time—a task that never should be underestimated or diminished.

Despite these observations and prognostications, the fact remains that the role of the CIO and that of the technology function will continue to morph as business inevitably evolves. The transformational CIO of today may be viewed as being ahead of his or her time or woefully lagging behind whenever the topic of innovation is revisited. It is hoped that what constitutes innovation

today will serve as a foundation to build for the future. Despite the exhortations of the futurists’ cult, the inexorable reality is that we simply can’t predict the future—that is, not until someone builds an app for it....

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