

Is Your Information Technology Team Ready for the Future?

Succession planning is a fundamental activity within every corporate function. For Information Technology (IT), it is especially important as technology's role as a business enabler continues to grow. Constantine Alexandrakis and the Information Officers Practice present the firm's findings on the shifting landscape of IT organizations and the critical competencies for key IT roles.

The Shifting CIO Role

Much has been written recently about the evolution of the Fortune 500 chief information officer (CIO) from technology caretaker to business strategist. As the impact of technology has grown across global enterprises, IT has become critical to every corporate function, and IT effectiveness has become a competitive weapon.

From supply chain to marketing and sales, the CIO is now expected to understand the strategic levers in each function, and to provide detailed insight into and oversight of the functions' use of data and technology in ways that bolster the corporation's bottom line.



Critical CIO Personal and Performance Competencies	
Strategy Establishing Vision and Direction Strategic Thinking	Team Leadership Creating a High-Performance Climate Building Talent
Execution Data Driven Results Oriented Decision Making	Influence Organizational Influence Communication Prioritization/Negotiation

Corporate productivity is driven increasingly by IT's ability to make data available to decision makers anytime, anywhere. Consequently, the CIO must understand the company's products, services and structure like never before and wear a number of different hats while working with internal and external stakeholders globally. In addition to critical knowledge and experience, world-class CIOs possess a portfolio of personal and performance competencies that define them as true business partners within the corporation.

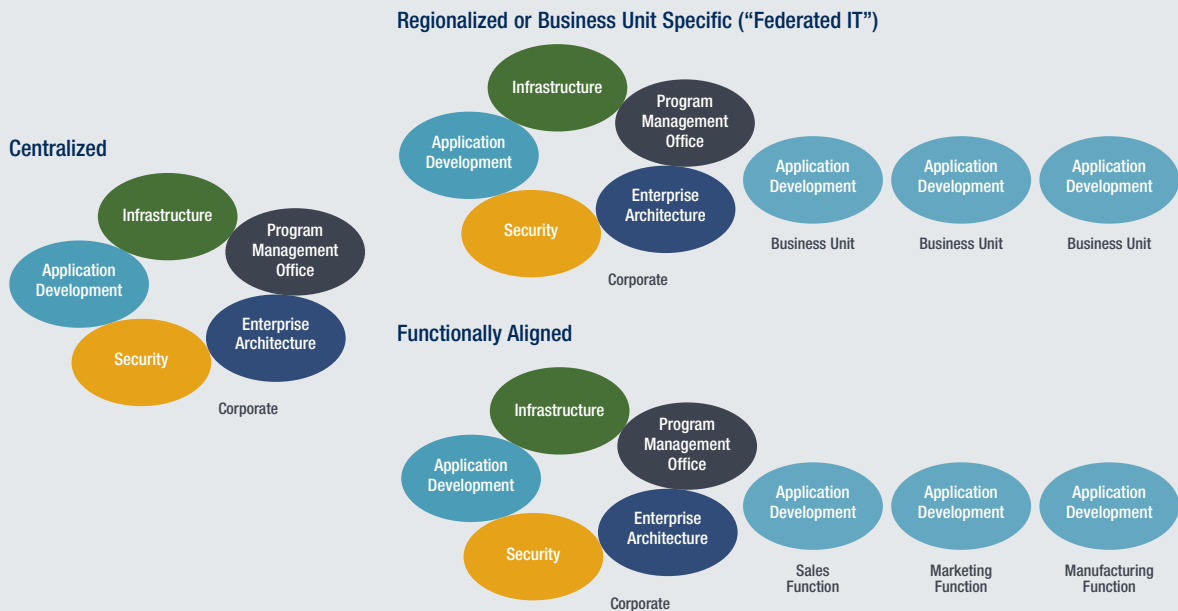
Succession Planning Implications

Systematic succession planning ensures that the right competencies are being recruited into the organization and are nurtured and developed over time to guarantee smooth transitions when future vacancies arise. With respect to succession planning for the CIO position and broader IT organization, to effectively support the shifting CIO role the IT team below the CIO often requires refinement. In addition to providing the right raw material for ensuring that the CIO pipeline is properly developed, the new IT team must be flexible and nimble enough to adjust to the shifting IT demands of the business.

While specific areas of IT will emphasize the development of particular competencies, the underlying theme of raising the business relevance of all members of the CIO's team is critical. This is true despite the fact that companies vary widely in their approach to IT organizational structure.



Sample IT Organizational Models



Shifting Priorities of the CIO's Leadership Team

Regardless of organizational structure, every area within IT is witnessing a fundamental shift in its focus and, consequently, a shift in the priorities and capabilities required of the leaders of each core IT area.

Shifting Priorities and Capabilities

IT Leader	Traditional	Updated
Application Development Area	<ul style="list-style-type: none"> Internal systems development Implementation of outside solutions Homegrown team 	<ul style="list-style-type: none"> Strategic melding of internal solutions and outside products Emphasis on Service Oriented Architecture (SOA) that maximizes efficiency and minimizes cost Creative use of local and offshore external resources Business person first and technologist second
Infrastructure Area	<ul style="list-style-type: none"> Manage server and network operations Ensure 24/7 reliability 	<ul style="list-style-type: none"> Service management approach to data center operations using frameworks such as ITIL Outsourced solutions for portions or all of operations require sophisticated vendor management capabilities
Program Management Area	<ul style="list-style-type: none"> IT focused Project-dependent importance 	<ul style="list-style-type: none"> Business focused Permanent function Agile use of internal and external resources
Enterprise Architecture Area	<ul style="list-style-type: none"> Embedded within other IT capabilities Self-contained regionalized solutions 	<ul style="list-style-type: none"> Stand-alone team key to driving IT strategy Significant global complexity
Security Area	<ul style="list-style-type: none"> Important but focused on a controllable and contained environment 	<ul style="list-style-type: none"> Pervasive across the enterprise and manifold increase in complexity

Translating Shifting Priorities Into Required Competencies

The new priorities and required capabilities of the CIO's core team alter the screening criteria for the recruitment of these individuals as they help populate the succession plan for the future CIO of the enterprise.

The competencies of the CIO's direct reports must correspond with the key competencies of the best-in-class CIO. This not only helps to directly support the efforts of the CIO, but also helps to systematically cultivate future CIO competencies within members of the broader IT team, for succession planning purposes. While certain competencies will be required of all the CIO's direct reports, others can be prioritized depending on the area within IT that he or she serves.

Rising IT Leadership Competency Inventory

Color Key	Personal and Performance Competencies	
Application Development Leader	Strategy Establishing Vision and Direction  Strategic Thinking 	Team Leadership Creating a High-Performance Climate* Building Talent*
Infrastructure Leader		
Program Management Leader	Execution Data Driven  Results Oriented  Decision Making 	Influence Organizational Influence  Communication* Prioritization/Negotiation 
Enterprise Architecture Leader		
Security Leader		

**High Priority For All IT Leaders*

Conclusion

Ultimately, the specific competencies an organization uses to screen, assess and develop IT talent for present needs or succession planning must be customized for the specific corporation. Most important is to develop a comprehensive plan for IT talent management that ensures the corporation's rapidly evolving IT needs are fulfilled by outstanding leaders.

The IT Expertise of Russell Reynolds Associates

Russell Reynolds Associates helps clients assemble the right IT teams to achieve their short- and long-term goals. We help recruit CIOs and direct reports of the CIO who can drive positive change within the IT function and the broader business, while strengthening the CIO succession planning process. We partner with our clients to help them articulate their IT needs at the CIO level and beyond, and then deliver professionals with the critical competencies that will help their companies thrive.

Author

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