

THE NEXT PHASE OF CIO LEADERSHIP

PERHAPS FOR THE FIRST TIME, ENTERPRISES ARE GENUINELY EMPOWERING THEIR CIOs TO DELIVER COMMERCIAL RESULTS.

BY SHAWN BANERJI

FOR MANY YEARS, THE BEST ROUTE TO A seat at the table of executive leadership had been the CIO's ability to build and manage a seamless technology operating environment. Akin to running a reliable functional utility, the operational CIO made sure that business executives and other functional leaders had the requisite tools to manage the enterprise in a transparent, efficient fashion.

By the mid- to late-2000s—an era marked by increased regulatory scrutiny and heightened emphasis on risk management and compliance—the operational CIO's need to navigate the organization's overt challenges, as well as the nuances that constitute the modern enterprise, began to require 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, although critical and necessary, have become table stakes for the new order of CIO leadership. Organizations will always seek operational improvement and the benefits of process re-engineering. And 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. However, 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. This change is particularly evident in content- and IP-intensive industries, such as high tech, health care, education, media and entertainment, publishing and e-commerce, where data and information assets are an integral part of the enterprise. Even cultural institutions, associations and not-for-profit organizations now recognize that they can serve their memberships better by leveraging technology as a driver of change. These organizations realize that their ability to aggregate, productize



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(make it marketable) and monetize these assets—both internally and externally—is critical in their pursuit of market leadership.

This is a seminal moment in the relationship between the technology function and the business. Board and executive-level leaders have concluded that technology transcends the back-office support function, and they're placing their product and business transformation expectations directly on the IT function. And perhaps for the first time, these organizations are genuinely empowering their CIOs to deliver commercial results.

CIOs who operate in the transformational and product paradigms all possess a common repertoire of competencies. These include—but are not limited to—a demonstrable record of innovation and technical acumen that many of their operating counterparts have lost in their pursuit of process excellence. The ability to apply technology to problem solving—particularly as it relates to architecting multiplatform products, services and solutions—also differentiates product information officers from their more operationally focused brethren.

Product CIOs are consummate leaders in change management. They are able to sell a vision for transformation across both the internal organization and the external marketplace ahead of competitors from within and outside of their traditional industry. The desire to investigate emerging technical trends and methodologies and convert that information into commercial partnerships, alliances or actionable business development opportunities will further separate the transformational and product CIO from leaders whose mandate, skill set or desire is to ensure that the proverbial trains run on time—a task that should not be underestimated or diminished.

As time goes on, the role of the CIO and the IT function will continue to morph as business inevitably evolves. When the topic of innovation is revisited in the future, the transformational CIOs of today may be viewed either as ahead of their time or woefully lagging.

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