



The CIO Paradox

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CIO CIO Executive Council
Leaders Shaping the Future of Business

Local Connections on Global Issues

My list of questions

- Why do CIOs always inherit a mess?
- Why does the executive committee rarely honor the CIO's succession plan?
- Why can IT make or break a business yet corporate boards rarely employ CIOs?
- Why do so many CIOs still report to finance?
- Why do CEOs hire strategic IT leaders, yet the CIO still winds up in the weeds?
- Why are we still writing about demonstrating IT value?

What is the CIO Paradox?

- Conflicting forces that every CIO confronts in his or her job
- Collected over 10 years of talking with CIOs
- The foundation of the CIO magazine's CIO Paradox column



Finding Time for Strategy

How to extricate yourself from the tactical weeds of operations

BY MARTHA HELLER

Last week I asked a CIO roundtable which elements of the CIO Paradox they found most challenging. Every one of the CIOs included among their top three "You were hired to be strategic, but you are forced to spend most of your time on operational issues." I spoke to five of the Council's most strategy-minded CIOs about how they managed to get out of the operational morass.

Resist the lure of the weeds. "I've seen CIOs become overwhelmed with tactical challenges and never get to the strategic," says Kevin Summers, CIO of Whirlpool. To combat that, you need to be strategic from day one, regardless of your operational situation, Summers advises. "During my first six months, while I was visiting our operations and meeting with the board, there were outages and delivery problems," says Summers. "The hardest part was to let those fires burn while assessing the data to build our IT road map. Once you have

strategic skills. In order to do that, I had to hire the right staff to handle the operations and let go." Once her staff had operations under control, Day applied the same approach to her strategic responsibilities and focused some of her staff on strategy. "We started an architecture review board that looked at new technologies and processes. Whether you hire new staff or tap your vendors and business partners for strategic input, you need to look beyond yourself to balance both roles."

Outsource your commodity work. "I was certainly in the weeds when I was first hired," says Ron Kifer, group VP and CIO of Applied Materials. "So very early on, we did a core-versus-context analysis to determine how to direct our internal resources. We held onto competencies that drove business performance, but outsourced commodity work." With the success of the IT outsourcing initiative, Kifer's group extended the managed services model to HR and procurement—a strategic move in itself.

"The best way to get out of the [operational] weeds is to refocus your internal resources on core competencies."

— Ron Kifer, CIO, Applied Materials

Your Role

- You were hired to be strategic, but you are forced to spend most of your time on operational issues
- You are the steward of risk mitigation and cost containment, yet you are expected to innovate.
- Your function is seen as a service provider, yet you are expected to be a business driver.
- IT can make or break a company, but CIOs are rarely on corporate boards.

Your Stakeholders

- You run one of the most pervasive, critical functions, **yet you must prove your value constantly.**
- Your many successes are invisible, **your few mistakes are highly visible.**
- You are intimately involved in every facet of the business, **but you are considered separate and removed from it.**
- You are accountable for project success, **but the business has project ownership.**

Your Organization

- Your staff is most comfortable with technology, **but must be good with people.**
- Your staff is doing more with less, **but must make time for learning finance and the business.**
- You develop successors, **yet the CEO almost always goes outside for the next CIO.**
- You are forced to seek cheap overseas sourcing, **yet you are expected to ensure the profession's development at home.**

Your Industry

- Technology takes a long time to implement, **yet your tool set changes constantly.**
- Technology is a long-term investment, **but the company thinks in quarters.**
- Your tools cost a fortune, **yet have the highest defect rate of any product.**
- You sign vendors' checks, **yet they often go around you and sell to your business peers.**

So what?

- More whining?
- Or a framework for communication and change?

You were hired to be strategic, but you are forced to spend most of your time on operational issues

- Kevin Summers: Let the fires burn.
- Tom Flanagan: Carve out time to think strategically
- Ron Kifer: Outsource the context
- Paul Fasano: Make the operational strategic

You are accountable for project success, **but the business has project ownership.**

- Carol Zierhoffer: Two in a box
- Mike Jackson: Don't try to own the gray
- Steve Hanna: Competition and humiliation
- Bruce Livesay: Enterprise projects group

Comments & Questions



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