Second Edition

# Straight to the

# TOP

CIO Leadership

in a

Mobile, Social, and

Cloud-based World

**GREGORY S. SMITH** 

WILEY

# STRAIGHT TO THE TOP

CIO LEADERSHIP IN A MOBILE, SOCIAL, AND CLOUD-BASED WORLD

SECOND EDITION

Gregory S. Smith

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WILEY

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# STRAIGHT TO THE TOP

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To all of the IT professionals—inside organizations and within supporting vendors—who make this industry so exciting. Keep driving innovation and change every day.

Also, to the executive recruiters who are so often instrumental in the recruitment and placement of today's CIOs and supporting executives. Thanks for all your hard work.

And, finally, to my family for their continued support and patience during the research and writing of this book.

## **PREFACE**

For the past decade and a half, I have had the luxury of serving as the chief information officer (CIO) for some wonderful global organizations. Before accepting my first CIO post at the World Wildlife Fund (WWF), I had the privilege of serving as a principal consultant for one of the most prestigious consulting firms in the world, as an information technology (IT) director at a Fortune 200 financial services firm, as a defense IT consultant, and as an adjunct professor at one of the top 20 American universities.

The role of IT has been changing for decades and is changing still. Looking back, I reflect on the days of centralized computing on mainframes, client-server technology, web 1.0, telecommunications advances, and mobile computing gains—most recently, the significant advances in smart phone and tablet technologies. Today we have new drivers for change. We are heavily leveraging cloud technology, social networking, advanced telecommunication and wireless technologies, the virtualization of everything technical, and the advancement of consumer devices in the corporate world. As a result, the role of the CIO in any organization continues to be demanding and requires solid technical skills, business acumen, and exceptional communication skills to properly succeed.

Preparing for the CIO role takes careful planning. Staying in that role takes continued education in modern technologies, trust from your staff and other C-level executives, and the ability to deliver results at the lowest cost possible.

In 2006, I published Straight to the Top: Becoming a World-Class CIO. The book was intended to serve two main goals: (1) to help nonexecutive IT professionals plan their ascension to the top echelons of IT and, if lucky, their appointment to the CIO role, and (2) to assist sitting CIOs with best-practice information and shared knowledge from a variety of seasoned professionals (CIOs, executive recruiters, and top IT advisory research firms) to become better IT leaders.

Straight to the Top: CIO Leadership in a Mobile, Social, and Cloud-based World continues the journey of educating today's IT leaders and tomorrow's successors. Thus, my goal in this book is to help sitting CIOs, aspiring CIOs, and other business professionals to understand the drivers, complexities, and positioning of IT in the business world today so that as an industry and as leaders in that industry, we become better.

#### The Target Audience

Straight to the Top: CIO Leadership in a Mobile, Social, and Cloud-based World is targeted at IT and business professionals who aspire to land senior management positions in IT or who desire to become top IT resources in their organizations. The book expands on the first edition and focuses on technology and business drivers that are changing the landscape of IT today.

Academic institutions that offer programs and degrees (undergraduate and graduate) in information systems, computer science, and IT management, along with their faculty, should benefit from this book by using it to augment the content of their courses with real-world skills that can propel their students to reach the upper echelons of technology management.

Today's successful technology professionals need to have solid IT acumen, business skills, strong communication skills, and a willingness to embrace the changing landscape in business and technology. Mobile, social, and cloud solutions are here to stay. They are getting more mature and are permeating the marketplace even as I write this. The nonbusiness consumer is having a profound effect on technology in organizations today. Trends in consumer technology and social media are blurring the lines between traditional IT management and governance and the frameworks required today. They are requiring top IT leaders to take another look and reshape their organizations to accommodate these technologies and drivers.

Straight to the Top: CIO Leadership in a Mobile, Social, and Cloud-based World describes why the role of the CIO is changing and what to expect in the future. It introduces topics beyond those in the first edition to help IT professionals govern their technical environments. The readers will get an expanded view from a diverse group of executive recruiters to see exactly what qualities, skills, and experiences quality search firms are seeking in CIO candidates. I compare and contrast the data in the first edition with the data in this edition. This book explores in more depth the social and technical drivers for IT change, including social media, mobile computing, and cloud technologies; it recommend how to navigate the C-suite; and it concludes with what's next for CIOs after mastering the technology leadership role.

#### The Approach

The information and recommendations presented in this book come from a variety of sources: (1) advisory research and case studies, (2) interviews with a diverse range of CIO experts and seasoned IT leaders, (3) interviews with a variety of executive recruiting firms, and (4) my own experiences in both

planning for my first CIO role and serving as a CIO for more than a decade. The expert CIOs surveyed for this book come from a diverse group of organizations that represent a large cross-section of industries and sectors, including academia, nonprofit, retail, technology services, pharmaceuticals, and financial services. The CIO and executive recruiting expertise and input are derived from regional, national, and international experience and depth.

Part I focuses on the drivers and changes affecting information technology and the role of the CIO. Expanding on the first edition, I examine additional best practices of governance, standards, and service levels and explore how to interact, advise, and educate other C-level executives in the pursuit of IT excellence.

Part II builds on the drivers and recommendations discussed in the first half of the book and homes in on several key topics relevant to today, including cloud computing, the consumerization of IT, and social media and networking. The readers will get an updated view from top executive recruiters on what they are looking for when hiring for senior IT leadership positions today.

## **ACKNOWLEDGMENTS**

I'd like to thank the folks at Forrester Research, specifically George Colony, for his continued support of research and IT advisory services that greatly contributed to the success of this book.

I'd also like to thank my CIO peer group of IT leaders and executives for their contributions and insights. Their input lends legitimacy and credibility by providing real-world examples of challenges and solutions to today's complex IT and business environment.

In addition, the information and insight provided by my IT executive recruiting professionals is priceless. I hope it helps the readers with their next

career moves.

Finally, but with no less importance, thanks to my editors, Tim Burgard and Stacey Rivera, at John Wiley & Sons and to the many literary professionals on the Wiley team who helped bring this book to fruition.

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# PART ONE

Key Change
Drivers
and Trends
Impacting the
CIO Role Today



# CHAPTER 1

# Why the Role of the CIO Continues to Change

The only way of finding the limits of the possible is by going beyond them into the impossible.

-ARTHUR C. CLARK1

am honored to have the opportunity to write the second edition of *Straight* to the *Top* for several reasons. First, the information technology (IT) market continues to be robust and a constantly changing canvas that allows vendors, consumers, and IT professionals the opportunity to paint their masterpieces with different technical tools and colors.

Second, my editors at John Wiley & Sons and I saw the market opportunity to update the original text, and they had confidence in me to write the succeeding volume in a way that would assist and educate IT and business professionals on the rise.

Third, I am concerned that the chief information officer (CIO) role may be evolving to a dangerously nontechnical role that relies more on business acumen and less on IT experience and knowledge. A less technical CIO role has been a topic in a variety of media outlets for years now, and the volume seems to be rising. In a recent interview with a major media player, the journalist asked me my thoughts on whether the CIO role still needed to be technical. The interviewer suggested rotating other C-level executives through the CIO role on a six-month basis as a way to interject other business knowledge into the role. He indicated that some organizations were experimenting with this unique technique.

When asked whether I supported this process, I answered the question with a resounding no. I went on to suggest that it wasn't a good idea to extend that concept and rotate the CIO through other C-level positions, including chief financial officer (CFO) and chief marketing officer (CMO). Can you imagine what would happen to a CIO rotating through a CFO role during

the certification of year-end financials—especially if there are issues and audit management comments? The answer is the possibility of prison.

Regarding the skills that CIOs need today, let me be crystal clear. The CIO must have technical knowledge (practical and theoretical) in addition to solid business skills in order to be able to succeed in today's complex environments and beyond. I have met many CIOs who are well received in the marketplace and who are accomplished in the delivery of several large and complex projects but who lack the technical skills and the trust of their own staffs. In the first edition of this book, I cited a CIO research report finding that more than 40 percent of IT staff members surveyed thought that their CIOs were not technically savvy enough about their companies' technologies to lead their respective departments. Today's CIOs need to be technically savvy and business savvy.

Let me be crystal clear with my next statement as well. CIOs throughout this and the next decade need to be IT leaders with tremendous business and technical skills. They need to understand wireless technologies, security, cloud computing, social networking, virtualization, and business intelligence in addition to the "softer" skills like vendor and contract management, communication, financial management, and IT governance. I still believe that those experiences—combined with the right academic mix of a bachelor's degree in computer science, engineering, or information systems and a master's degree in business—form the killer combination. I'll explore this topic more in Chapter 6, where regional, national, and international executive recruiters weigh in on the skills and experience needed by today's IT leaders.

IT leaders who have great business acumen and experience will undoubtedly need to rely on their subordinates or outside consulting experts for technical skills and IT know-how, but business-only CIOs run the risk of relying on them too much. Concepts in IT networking and operations as well as mobile and cloud technologies—including significant changes in integration technology, software development, enterprise applications, and security—are all fairly technical components inside IT. I believe that CIOs with solid technical grounding are better able to rally their IT departments, gain their respect and trust, and appropriately build a successful multiyear strategy that includes a comprehensive and shared discussion with their subordinates, but not one that is dictated by them due to the CIOs' lack of technical grounding.

An analogy that I used in the first edition stated it clearly and looked at the question of expertise from a different perspective and discipline. Does a CFO need to be well grounded in both financial management and accounting principles? Undoubtedly, yes. Similarly, the CIO needs to be technical in his or her role. Thus, CIO leaders today need to be the full package: savvy in technology and seasoned business professionals.

Since I last penned Straight to the Top, I've been busy expanding my career, building my knowledge on the many changing technologies affecting