

The boardroom view of IT

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Issues to be covered



Aspects of a hybrid CIO:

- **The translator?**
- **The transformer?**
- **The gatekeeper?**
- **The sheriff?**
- **The accountant?**

Final thoughts.

The translator...



CIOs are the people who can translate for the board what IT can offer and how it fills business needs. They thus create a well-founded understanding of what technology can deliver for the business – as opposed to business either making unreasonable demands on the CIO or just not understanding what it could achieve by asking the right questions.

It boils down to the ability of the CIO to put technology issues in business terms and to speak business language.

The transformer...



A crucial role for the CIO is to make the business user aware that if you simply automate a poorly performing business process, it will remain a poorly performing business process. What CIOs need to do is to sit down together with the business user and figure out how to make this process better. The fact that a process has been used for 10 years doesn't mean it's right.

At the end of the day, the CIO has to work in partnership with the other directors and the business unit heads that are responsible for the areas being transformed...

The gatekeeper...

CIOs hold the key to unlocking value from IT investments. This is because unlocking value from IT should always be based on business change, not just IT change. If CIOs haven't explained from the start to the shop floor why it's important to put the right information into a particular system and what consequences there might be of getting it wrong, that system may very well fail in business terms – although in IT terms, it may be perfect.

CIOs know that if a new or upgraded system doesn't get the right input from the right people, it will not deliver for the business.

The sheriff...



Particularly during the current recession, CIOs have to worry about security and fraud. Being a tool, IT can fall into the hands of fraudsters. Also, the way people and processes are structured within a company can sometimes encourage corruption. Since these processes almost certainly interact with computer systems, CIOs must work with the board to examine them from a security point of view.

CIOs know that if there is a major fraud or data loss they are often in the firing line...

The accountant...



CIOs can help their organizations take out cost, for example, through virtualization. Also, they can turn fixed cost into controllable cost – perhaps by contracting out in-house functions so they become current costs as opposed to capital expenses. CIOs can reduce costs by making improvements in purchasing or in supply and distribution chains. Maybe there are areas where they should be helping to realign the business, either into electronic channels or at least complementing their physical channels with electronic ones.

CIO's have to balance "keeping the lights on" with creating new lights...

Don't accept tunnel vision

- **Work with the Chairman as tactfully as possible to make sure that board colleagues are IT literate.**
- **Help the board to recognise that: “There is no such thing as an IT project in isolation from its business change programme...”**
- **Really understand the business, make a full contribution to all Board discussions.**
- **Recognise that the role of the CIO is truly multi-disciplinary...**