

NEW CIO – Do's & Don'ts

The only constant in this world is change. There are various factors which trigger change such as: various environmental factors, customer demand, and industry / peer pressure. For an organization, changing its CIO is one of the toughest decisions. The CIO being the owner of the life and blood of the company's working, is a key person in the organization and is an integral part of any business strategy. However this key position puts him in the line of fire as well. There are many reasons besides retirement or job rotation why a company may seek a NEW CIO. These can be: objection to outsourcing, inability to transform IT or improve efficiency, inability to align IT to business strategy.

The NEW CIO can come from three possible backgrounds, the most common being promoting a person within the organization. The approach has its advantages. The foremost being that the person is aware of the organization culture and understands the systems. If

the NEW CIO outside the organization brings in new thoughts to the company. Which of these alternatives is better is debatable, but the challenges facing a NEW CIO are common. These challenges and the options available with the New CIO are discussed in this paper



PANGS OF NEW CIO

Every change by virtue of its nature creates a different environment. An environment which many a times decides the future of the elements involved in the change. A new CIO can make or mar his prospects, if responds positively to his new assignment. When a new CIO assumes office he faces a lot of challenges and the burden of several expectations:

- Management Expectations

The management who has put him in the drivers' seat wants to see him bring about some new ideas, initiatives and above all add business value. They would readily give him a supportive and many a times a free hand, to make him feel comfortable in the position, thus giving him an opportunity to prove himself.

- Business Expectations

Technology has become an indispensable tool for business executives as IT has become the interaction point with business customers, information needs it caters to. Due to various reasons CIO is pressurized, to offer services through minimum cost & sustainable technology. The management & business, expects him to undertake new initiatives as per changing business demands. Business users also expect minimum involvement of business users in IT initiatives.

- IT Expectations

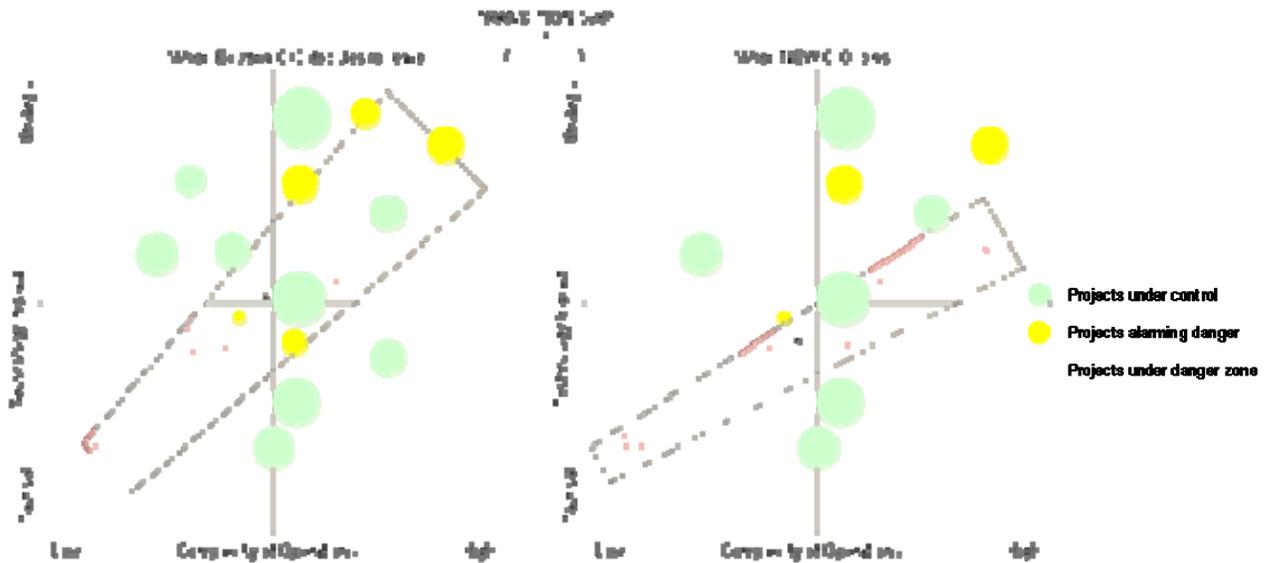
Being a driving force, IT expects simplification of complex infrastructures, applications. A CIO is expected to guide IT to focus on business alignment, project prioritization, adopting new technologies, improve quality of life.

NEW CIO – Do's & Don'ts

- The backlash effect

During initial days because of more energy, requirement to prove mettle, to set expectations & ability to see things differently, NEW CIO feels that there is much room for improvement. There are various symptoms of this effect

- Business – IT disconnects & (dis) alignment
- Deterioration of executive's participation
- Lapses in IT: Projects, Steady state, Infrastructure
- Erosion of IT Staff: Morale, Vision
- Costly delays & budget overruns
- Business expectations are for basic requirements



It becomes his imperative to close out this backlash effect very fast to start afresh & reach to a decision points. Before this becomes a hurdle for transformation & in order to set a vision for IT, NEW CIO should close this gap by understanding the dynamics of the organization.

In addition, because of organizational dynamics, previous CIO was “used to” the environment in which he was working & also the organization “was used to” working with him. A challenge for the NEW CIO is to get the team working well for him.

Common pitfalls for NEW CIO

- Eagerness to prove its mettle

There is always enthusiasm of occupying a new position, the CIO would like to do justice to the job to have a feel good factor and to get his comfortable with the position he acquires. Besides, there would an eagerness within him to prove his ability and fitment for the position. He would also have an one more thought running on his mind “Deliver it and deliver fast”. The competition is moving ahead, no one will wait for the company to transform, so he has to pick up the baggage from where his predecessor left it and have to prove his worth and run fast to catch up with people already ahead of him in the marathon.

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Very often in order to deliver on these expectations the pressure mounts and it results in some common mistakes from the person.

- Managing & not leading

A new CIO once he assumes office can very easily fall in the trap of being tied up with managing the current operations and not being able to think about something new. One has to understand that leadership and management are complementary and as head of the IT operations he has to lead the IT, not just manage it. Leading is about change and influencing others to change. To achieve that personal vision and point of view about how information and IT can make your enterprise more effective is very important

- Starting with an overly ambitious project

Trying to start with an overly ambitious project in the initial phase of one's stint is dangerous. The golden rule is to 'Start small and gradually spread your wings'. Any big ticket item, without having a complete knowledge of the dynamics can have negative repercussions. Any big ticket items have to start after the CIO is able to create the momentum and build credibility

NEW CIOs AGENDA

New CIO must do, in these turbulent times also offer juicy opportunities for the company to instill leadership's confidence in him.

- Understand the fundamentals of environment

The first thing for a new CIO should do, is to take a look at his working environment, understand his industry and competitive environment. He should also engage the key decision makers and stakeholders and get hold of expectations. This has to be followed by creating his vision on how IT should effect the IT landscape

- Get an end to end view of IT

Understanding the environment gives a complete look at the IT landscape, stakeholders, end users, IT spent, Application Portfolio etc. This basic understanding would not only help him get a comprehensive view but also enable assist in quick and smart decision making.

- Identify changes that need to be introduced

The next logical step after understanding the business landscape and the IT landscape is to identify what transformation can be brought to the IT landscape, what new ideas can be brought in, that can deliver new business benefits. A few key areas are

- Innovate IT strategy to enable business further
- Improving Staff efficiency through the use of IT
- Reduce IT spending by sanitizing the IT landscape, off shoring

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HOW CAN HE DEAL WITH IT

Bring in New Thoughts – The decision influencers are not changed & their magnitude of influence has also changed, this is the right time to introduce new thoughts in the management for implementation. If he passes a longer time during his initial phase, his flexibility is lost. NEW CIO shall take advantage of this & bring in new thoughts

Assessments – It is important that NEW CIO assesses the whole IT with a new perspective. Ideas here is not to have due diligence but to assess current IT & its readiness. Readiness can be in terms of change, adding value, doing more.

Reduce Waste – IT assessment services is an innovative way of reducing the IT costs. IT assessment services can help target areas to save money by checking an application on its functional, Technical and management quality, for example a non critical application which has high maintenance cost would be a fit candidate for being shelved out. Such analysis help a company make better use of resources, and improve IT alignments with business goals.

Technology – Reducing enterprise cost structures, improving operational scale, or raising process performance through automation, integration and standardization. CIOs are delivering current services well, but 63 percent of CIOs do not have the right skills in the right amount.

Agility – Managing the speed, scale, cost and risk of change through applying change management disciplines — managing the supply of change with the capacity for change.

Information – Gaining the business insight and understanding required to act in a changing environment. Only 36 percent of CIOs believe that management is using the right information to run the business.

Innovation – Bringing new ideas to the market successfully by evolving current capabilities, implementing new capabilities and gaining market acceptance for those changes. 86 percent of enterprises see innovation as critical to success, but only 26 percent of enterprises believe that their current innovation level is sufficient to achieve their strategy.