The discussion for this meeting revolved around the changing role of the CIO and the implication of these changes.

Who does the CIO report to and is that hierarchy changing?

Previously the CIO reported to the CFO because the area spent so much money but the current position is more of a Chief Administrative Officer. Some reported that the CIO reports to the CEO. In companies where technology is used as a way to deliver goods or service to customers, the CIO is likely to report to the CEO whereas, if the IT department is spun from the accounting department, then they would report to the CFO or COO.

How does the advancing technology change the role of CIO?

Companies that have used technology longer have legacy equipment and there are a lot of costs associated with these systems. It is important to get everything that is older up to a certain level whereas a company that is newer in the technology area may have an advantage of newer equipment that is built around the strategy of the company.

It depends on what the company is doing and where their focus is. With older equipment, if it still fits the strategy and works well then it is an advantage but if there are problems and the equipment is breaking all the time it makes it more difficult and more costly to run the IT department effectively.

When asked to rate their current systems on a 1-5 scale most of the companies present put their systems at a level 3 or 4. The two biggest factors in this were the fact that companies were still using legacy systems or that the company was still operating on a system that was created before the company grew or changed what they do. The growth that comes from acquiring other companies creates a problem as well because now they are forced to try to integrate an entirely different system in most cases.

Another problem is that many of the systems cannot be used out of the box because they would force a company to compromise a certain part of their business. This forces the company to custom fit these systems and then makes it difficult to run newer applications or make it uniform as the company expands.

The group discussed how technologies are changing. The way people use ATMs and banks as well as the radio is completely different now than when these technologies first came around and even within the last ten years. People can now stream radio stations through apps on their phones and they can take pictures of their checks to be deposited without ever going to the bank. As these technologies develop and change, the role of the CIO will have to change as well in order to remain valid within the business world.
What is the future of the CIO role? Does a name change matter?

The role is about data management and no matter what it is called or how that role changes it will be about being able to manage the data well. The role will also need to focus on protecting intellectual property because of the changing and expanding digital world.

The future role seems to be moving towards more of the business side as well as the technological side but it greatly depends on the company and what their focus is. Some companies do not have CIO roles but instead focus on Directors and Division Managers.

Categories of CIOs

There are four categories of CIOs. Embedded CIOs works with non IT personnel and is focused on business process execution and innovation. CIOs who work a lot with outside customers are considered external CIOs. A service CIO focuses on providing IT services at the right quality and cost and works to manage IT services. The final type of CIO is the Enterprise Processes CIO and this type manages non-IT areas by focusing on the complementary areas.

Maturity of IT Governance

IT Governance is used to put structure around how the organization aligns both the IT and business strategy in order to make sure that the company is able to achieve their goals.

Some of the companies spoke about shadow IT, which occurs when the company hires people in certain areas that are also able to perform some IT tasks. Other companies present felt that it was the opposite in that people from the other business areas are being moved into the IT area.

Is the CIO Proactive or Reactive?

Many felt that the CIO is more reactive than proactive but a good CIO must be both. It all depends on what your business is, what your mission and strategy is and how you add value.

Does CIO mean Career Is Over?

Some felt that the CIOs that are in the news and public eye are actually a minority. Many of the CIOs stay in their companies for longer than 5 years. The group also discussed the changing of the names and what they mean. These names include CTO, CDO, & CSO, some of these will just depend on what area they are and what organization they are working within.

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