

## **CEOs - Do You Have a Strategic View of Technology?**

There is a lot of talk about CIOs needing to step up and talk business – and it's true but it is a two sided coin. In order to be effective as a business talking CIO, the rest of the C-suite needs to embrace them.

CIOs do need to evangelise, learn to sell and speak business but CEOs also need to understand the true role of the emerging and strategic CIO and the value that a strategic perspective towards technology can bring to their business operations, growth and profits.

Unfortunately, there are many instances where more technical experts, rather than business oriented people, have been placed in CIO roles and this does play a considerable role in creating the more tactical perceptions of technology that many CEOs maintain. It's a bit of a catch-22, though, as it is the CEO who put these more technically oriented people in the CIO role in the first place.

It's great, though, when the cycle is broken, when CEOs do see the value of approaching technology strategically and appoint a more business oriented person into the CIO role. In these cases CIOs can find themselves in the position of speaking business with their CEOs and really making a positive and pro-active difference – but these situations only exist because their CEO gave them this opportunity.

Sadly, this is still far from the norm. Having worked across and consulted to multiple industries I remain concerned at the amount of CEOs who still have outdated and more tactical views with respect to technology. Many have made a lot of money very rapidly through their core business (and being very good at it) but fail to recognise the longer term, strategic aspects of technology beyond PCs on desks and facilities to store documents. They look to spend as little as possible on technology because of this perception, instead of appreciating that investing in technology and innovation can improve their services, make them more competitive, increase profitability and create long term sustainability.

How many times have you seen a great small company give excellent service and then watched them grow and experienced the almost inevitable decline of service quality - the very thing that supported their growth? This same restricted vision is what prevents the openness to embrace technology as it evolves into a completely different role from the traditional 'keep the lights on'. CIOs cannot provide strategic input if CEOs are fixated on short term profits and returns and hence have their CFOs glued to their ears.

In these situations, the CIO role, more often than not, reports to the CFO or has the code phrase "hands on" in the JD and a CIO can talk business until they're blue in the face but if the CEO isn't listening then everyone's time is being wasted.

Where CEOs and Boards do have strategic vision but get technology advice from senior engineers or IT Managers who are predominantly technically focused, the same LOSE-LOSE situation results.

So, we have three scenarios with regard to the CEO-CIO relationship but only one that results in a WIN-WIN:

1 – The CEO's perception of technology is one that is far more tactical than strategic (it really doesn't matter the type of CIO in this scenario) – LOSE-LOSE

2 – The CEO has a strategic appreciation of technology but appoints a technical specialist as their CIO – LOSE-LOSE

3 – The CEO has a strategic appreciation of technology and appoints a business oriented, technology savvy person as their CIO – WIN-WIN

In summary, CIOs do need to step up and be business focussed and speak business speak but in this digital era CEOs and Boards need to lead the way and adapt their perceptions of technology and seek out these business leader CIOs in order to maintain long term, sustainable business growth and profits.

Are you / do you have a CEO with a strategic view of technology?