May 27, 2015

How Can We Make the CIO Job More Appealing?

By Thomas H. Davenport

Every semester or so I take an informal poll of my MBA students. I ask them how many of them aspire to be Chief Information Officers. Over the last several years, not a single student has raised a hand. Even though the courses I teach tend to involve lots of IT, nobody wants to be the head of IT.

Why this lack of interest in an ostensibly (and formerly) important, cool job? I may sound like a dinosaur, but I can remember when there was no better job in the world of information technology. But the world has changed considerably over the past couple of decades. Technology jobs have proliferated—chief technology officers, digital officers, data officers, information security officers, analytics officers, and so forth. There seem to be more technology-oriented officers in companies these days than there are officers in the military. And in many cases, these new tech officers don't report to the CIO.

Stephen Kelly/Zuma Press

Many companies are now developing and offering technology-based products and services, but in few cases is that the province of the CIO. What's still solidly in the CIO responsibility set are operating and maintaining business systems, keeping the data center (or the cloud) up and running, and taking the heat when something breaks. If these sound like less-than-sexy activities, I agree with you. In short, the role of technology in business has grown considerably, but in the majority of organizations I see, the CIO role hasn't.

There are, of course, still CIO jobs that are pretty cool. It's important to examine these in some detail, because they provide some hints as to how the job overall needs to change to make it more desirable. For a good example, take Michael Nilles at Schindler, the Germany-based elevator, escalator, and moving walkway company. He is the Schindler Group CIO, but not just the CIO. He's also the CEO of the company's Digital Business group. Mr. Nilles won the MIT CIO Leadership Award for 2015 last week, and Schindler won the 2015 European Digital Business Innovation award as well. I'm sure he's responsible for the relatively boring "keeping the lights on" work, but he's also involved in new digital products and services, embedding the

Internet of Things into Schindler's products, and equipping its service force with a suite of digital tools.

Mr. Nilles' role—and I am sure his success is due in part to successful execution of it, not just the design—provides some guidelines as to how to make the CIO role much more desirable. Here are some of those guidelines:

1. Combine the CIO job with another. I've heard of some impressive combinations of CIO and other roles: head of strategy, head of operations, head of digital business, even head of marketing (at Teradata). It's not that the CIO job alone isn't enough to keep someone busy, but combining it with something a bit more business-focused makes it both more important and more relevant to the senior management team.

2. Give the CIO some responsibility for digital and data-oriented products. Any function that is overhead or infrastructure will always find it difficult to get respect. If CIOs can create products and services that make money, they'll be immediately more popular.

3. If there are other tech officers, have them report to the CIO. I can see the value of having chief technology officers, chief data officers, and so forth. But if they don't report to the CIO that really erodes the power and responsibility of the job. Sure, these other tech roles need to work closely with the business, but so does the CIO.

4. Spend less money and effort on running the business, and more on growing the business. Increasing numbers of companies divide up their IT spending into these two buckets. This is a good idea, and it's an ever better one to shrink down the "run the business" number and increase the "grow the business" one. Ideally every organization would be at more than 50% in the "grow" category.

5. Run the online business. With so much of commerce being online these days, it's not a good idea to take the website and e-commerce out of the CIO's hands if you want the job to matter. If the CIO needs a chief digital poobah to oversee online activities underneath him or her, that's fine.

6. Focus on information and how people use it to make decisions. Transactional systems are so yesterday, even though they are still needed. What really matters is the information they generate to make better decisions and take better actions. Filippo Passerini, who recently retired at Procter & Gamble, was the master of this issue. He excelled at many of the other categories I have described as well.

Put some of these measures in place for your CIO job, and it will be returned to the level of esteem and envy such a position deserves. When my students again lust after the role I will know that you have succeeded.

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