A leadership model and role description for the CIO 2.0

Filip Gilbert
Partner
Operations Excellence
& Human Capital
Deloitte

Karine Pontet
Director
Operations Excellence
& Human Capital
Deloitte

The main development in the role of the new CIO is the shift from a technology-centric role to a business-centric and innovation role. The skills and technical competencies that characterised the CIO of the past are still essential, but are no longer sufficient to fulfil all expectations of this function moving forward.

The CIO 2.0 requires additional leadership skills which will define his/her success in running a department that is moving from an infrastructure and technology focus to an organisation that uses a process approach to create agility and respond rapidly to an increasingly fast-changing business environment.

Whereas the original CIO role focused on managing a smooth IT operation and department, today he or she needs to finds a balance between these management skills and the innovation and coaching skills required in the new leadership role. It is important to note that it is not a choice between these three leadership styles but a balanced combination of the three that will enable an effective chief information officer.

The innovation component of the role allows the CIO to define an effective strategy that is aligned with business expectations. Now that all parts of an organisation are affected by technology innovation, this is a very challenging part of the role that is continuously gaining in importance. Studies have shown that the innovative, entrepreneurial part of the role has become more important than the CIO's purely technical IT skills.

The coaching component of the role centres on listening, motivating and developing a high-impact IT organisation that radiates the business focus and agility required today. The transition from an IT product-centric approach towards a business solution approach is certainly not limited to the CIO function itself, but is a shift that affects the entire information department. New roles are emerging, with IT business partners deeply embedded in the internal or external customer organisation so as to understand the business challenges and come up with appropriate solutions. It is obvious that managing these new roles in the IT department requires enhanced leadership and people management skills. As these new roles do not even always report into the IT function itself, the coaching and influencing skills of the CIO 2.0 are even more important.

We have looked at the CIO role from a leadership model perspective whereby we consider it important that the individual has all three leadership styles

The third component, which is the management part of the role, is the aspect that is normally best understood—but unfortunately, it often has a too dominant a presence in the CIO function. Having a vision without the structure, organisation and governance to execute that vision effectively will evidently not help the organisation either.

However, too many IT departments are run on a purely reactive basis these days, whereby priorities are driven by external IT product evolutions and internal IT issues—the term 'firefighters' comes to mind—rather than being guided by execution of a strategy for the short, medium and longer term.

The three leadership behaviours described above can clearly be translated into more tangible leadership competencies that can be assessed, measured and developed to increase the success of the CIO. Ensuring that translation from the leadership behaviours and defining a specific development path for each of the critical leadership skills will help the whole of the IT organisation to acquire these skills and not just the CIO 2.0 role. To implement the model introduced above, individual development, coaching and change management are critical factors for success. Using a leadership competencies-driven approach in the assessment of candidates, development planning, succession planning and evaluation of staff will help to create a team of people that not only have the required technical competencies but also the right behaviours to support an ever more demanding customer.

Some concrete leadership skills that we consider critical for a CIO are:

- **Customer focus.** It is obvious that the CIO should meet customer needs. The CIO can achieve this through a relationship that is based on trust, listening to the requirements of the client and understanding what is needed

- **Total quality and performance management.** The CIO should use the methodologies, tools and technologies that are available today to optimise the operational processes of both the IT department and the wider organisation. Multiple models and approaches such as Lean Six Sigma are now available to help ensure that the objectives of the role are achieved. In addition, the CIO should be able to define clear objectives and the related performance measures and KPIs to measure the achievement of these objectives

- **Organisation and priority management.** The CIO should be able to mobilise the required resources to implement the defined strategy. This applies to both ongoing operations and specific projects

- **Motivating others.** The CIO should be able to delegate effectively by giving challenging and motivating objectives to his/her team

- **Interpersonal communication.** The CIO should be able to adapt his or her communication style based on the individual or group that he or she is talking to. The CIO should be able to create a constructive relationship with all types of people both inside and outside the organisation

An interesting observation is that more than 30 years of research have shown that the development effort required for each of the skills listed above is not equal. The graph included shows the relative development complexity for each of the competencies listed. Whereas a skill like customer focus is something that can be acquired fairly quickly, learning effective interpersonal communication is something that will take a lot more time before a person becomes fully skilled in that area. It may even be argued that both 'motivating others' and 'interpersonal skills' are so critical to the role of the CIO 2.0 and take such an effort to develop that they should be prerequisites. This would mean that these skills are integrated into the pre-screening of internal and external candidates and are tested during the assessment centres for future CIOs in the organisation.

So far, we have looked at the CIO role from a leadership model perspective whereby we consider it important that the individual has all three leadership styles. Next, we look at the typical role description of the CIO. While there are a number of different models that can be used to describe this, we normally identify three key areas: responsibilities, experience and technical skills, and behavioural skills. As we covered the behavioural skills at length in the first part of the article, we will explore the responsibilities of the CIO in more detail below.
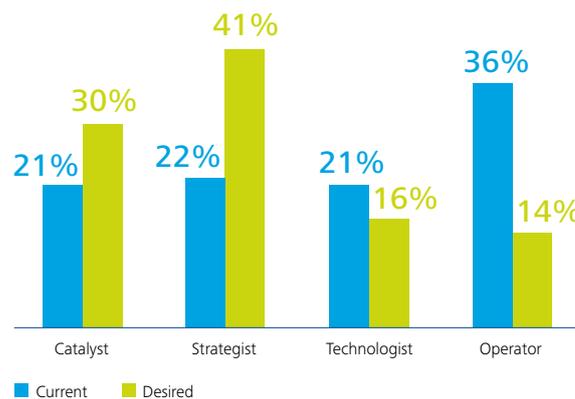
In a recent study carried out by Deloitte, we looked at the four main responsibilities or the 'four faces' of the CIO:

1. **Catalyst**, investigates innovation through transformational change to business architecture, strategy, operations and technology

2. **Technologist**, assesses technologies and designs technical architectures to increase business agility and manage complexity

3. **Strategist**, partners with the business to align business and IT strategies and maximise the value of technology investments

4. **Operator**, operates and delivers efficient IT services and solutions to support the business while managing risks and protecting core assets

A recent Deloitte survey looked at each of these aspects and measured both where CIOs see themselves today and where they would like to put their focus

Development complexity of leadership skills

Average time in role (in %)

going forward (see graph). Unsurprisingly, the findings fully concur with the key message in this article, as the typical CIO spends too much time on 'operator' responsibilities—essentially, twice as long as they would like—and are left with only half of the time they would like to spend in the 'strategist' role.

It is true that the complexity of the CIO 2.0 role and the attendant expectations can appear overwhelming, and it is—quite understandably—difficult to balance the operational, daily activities and the strategic component of the role. Depending on the size and complexity of the organisation, it may be necessary to appoint a Chief Technology Officer (CTO) to take care of the more operational aspects of the IT department. This can give the CIO time to work on the strategic and coaching part of the role and add value by managing the key business stakeholders.