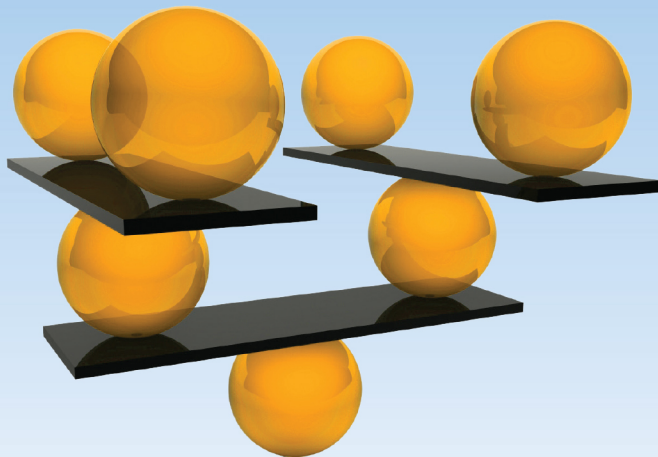


THE  
CIO  
PARADOX

Battling the Contradictions  
of IT Leadership



MARTHA HELLER

With a Foreword by Maryfran Johnson, Editor in Chief, *CIO* magazine

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## *Introduction*

# What Is the CIO Paradox?

In 1999, I started asking CIOs a question: *When you walked into your most recent CIO job, what did you find?* The answer was almost always the same: “I inherited a mess. IT had no credibility with the business. Projects were overdue and over budget. We had no project management discipline, no governance, no career paths, and the team had outdated skills.” Thirteen years later, I am still asking the question, and I am getting the same response at the same rate. CIOs continue to inherit a mess.

How can this be? How can CIOs strive tirelessly to improve their IT organizations only to leave “a mess” in their wake? Why has the rate of failure of IT projects and IT organizations remained so high over the years? Why are we still talking about “IT value” and “alignment” and “getting a seat at the table”? Why do CIOs still work harder than most of their executive peers to establish credibility? Is every CIO I have ever known an idiot? (Most of them seem pretty smart to me.) Is it just human nature to trash what has come before us? (Probably, but that cannot explain the pervasiveness of the issue.) Or is there something so inherently problematic about the CIO role that even talented, intelligent, and experienced leaders have trouble making it work?

In the late 90s, I joined *CIO* magazine as a writer, then launched and

ran a number of programs for CIOs including the CIO Best Practice Exchange and the CIO Executive Council. As an executive recruiter, I have recruited CIOs for almost every major industry and have helped CIOs build out their own leadership teams. As a result of all this experience, I know hundreds and hundreds of CIOs. You would think that I would be able to come up with an answer to my burning question of why CIOs almost always inherit a mess. But not only have I failed to develop a viable answer, I have come up with more questions:

- Why is it that CIOs devote significant energy to succession planning, and yet when they leave, their CEOs typically go outside to replace them?
- Why is it that IT can be a company's strategic differentiator—or can bring a company to its knees—yet corporate boards rarely appoint CIOs?
- Why do CEOs claim they are seeking a strategic IT leader, yet a year later, the new CIO winds up spending all of her time putting out operational fires?
- Why does IT leadership get harder as the business community gets smarter about technology?
- Why do companies still not know how to hire a CIO?

After pondering these questions for far too long (I do have a life, you know!), I finally reached a conclusion: there is something deeply, foundationally, problematic about:

- Our personal relationship to technology and our reliance on it for productivity;
- The discomfort that most senior executives have with subjects (like technology) that they do not understand;
- The conflicting timelines between technology deployment and business change;

- The conflicting timelines between large IT implementations and technology innovation in the market place;
- And the sheer complexity of technology.

These problems, I believe, result in a CIO Paradox: a set of perennial contradictions that permeates the core of the CIO role. Some CIOs buckle under the CIO Paradox and struggle against it in their jobs every day. But successful CIOs—the ones who no longer worry about alignment and credibility and reporting structure and getting a seat at the table—have found a way to deal with the Paradox. One way or another, they have learned to manage the contradictions of the job.

When I came up with this CIO Paradox idea a few years ago, I was so delighted by it that I called up my friend and colleague Rick Pastore, vice president of editorial and programs at the CIO Executive Council, and took him to lunch. I presented my idea and, as Rick typically does, he helped me beat it into submission. He suggested that I write a new “CIO Paradox” column for *CIO* magazine, and in December 2009, I introduced the CIO Paradox to *CIO* magazine readers. I have been writing about it ever since.

Rick and I divided the CIO Paradox into four categories (which became the basis of a CIO Paradox poster we also produced).

## Your Role

- You were hired to be strategic, but spend most of your time on operational issues.
- You are the steward of risk mitigation and cost containment, yet you are expected to innovate.
- You are seen as a service provider, yet you are expected to be a business driver.
- IT can make or break a company, but CIOs rarely sit on corporate boards.

## Your Stakeholders

- You run one of the most pervasive, critical functions, yet you must prove your value constantly.
- Your many successes are invisible; your few mistakes are highly visible.
- You are intimately involved in every facet of the business, but you are considered separate and removed from it.
- You are accountable for project success, but the business has project ownership.

## Your Organization

- Your staff is most comfortable with technology, but must be good with people.
- Your staff is doing more with less, but must make time for learning finance and the business.
- You develop successors, yet the CEO almost always goes outside to find the next CIO.
- You are forced to seek cost-efficient overseas sourcing, yet you are expected to ensure the profession's development at home.

## Your Industry

- Technology takes a long time to implement, yet your tool set changes constantly.
- Technology is a long-term investment, but the company thinks in quarters.
- Your tools cost a fortune, yet they have the highest defect rate of any product.
- You sign vendors' checks, yet they often go around you and sell to your business peers.

My dear friends Maryfran Johnson, editor-in-chief of *CIO* magazine, and Pam Stenson, general manager of the CIO Executive Council thought there was enough to the idea of the CIO Paradox that they let me onstage at their conferences (not knowing, of course, the dangers of giving me a microphone) and allowed me to talk through the paradox with CIOs across the country.

The reaction to the CIO Paradox was mixed. Some people felt I was giving voice to their deepest thoughts about their role and told us they hung our CIO Paradox poster on their office wall. Others politely suggested that I stop facilitating the mass whining of the CIO population and let everyone look up from their navels long enough to get back to work. (I did notice, however, that even the most critical CIOs suggested a paradox or two of their own that they thought I should add to the list.) But whatever the reaction, I found that the CIO Paradox created considerable discourse among CIOs about how they do their jobs. By breaking the role into its most paradoxical elements, CIOs got to the heart of what makes their job so demanding and began sharing advice, challenges, and lessons learned that they had picked up from years on the job.

This book is structured along the same lines as the original set of CIO Paradoxes that Rick and I produced in early 2010. While most of the paradoxes on the original list rear their heads at some point in the book, I have refined and restructured a bit, and even added a few, having had the last two years to test the paradox out on my CIO networks.

The first section, *Your Role: You're Damned If You Do, and You're Damned If You Don't*, takes a hard look at the CIO position. I chose to lead with the *Cost versus Innovation Paradox*, because our current era of big data, mobility, and cloud computing gives CIOs the opportunity (and the challenge) to drive some serious innovation in their companies. But the demand for innovation doesn't decrease the need for cost efficiencies. Innovation ain't cheap, and neither is technology.

Chapter 2 addresses the paradox that CIOs tend to find most vexing. It is the tension between strategy and operations and the balancing act that CIOs—and their teams—must walk between them. In chapter 3 we take on

The Global Paradox and focus specifically on the leadership challenges that face CIOs who run sprawling organizations that span multiple time zones.

In Part 2, *Will the Business Ever Love IT?*, we begin with the Archivist versus Futurist Paradox, which we can also call the Legacy Paradox, if we like. As one CIO said to me recently, “Legacy begins the day you put something in,” which is a challenging situation if ever there were one. I personally find this paradox to be one of the more fascinating, and it is only getting more intense in our current computing paradigm. In chapter 5, we discuss the fact that there continues to be, in so many companies, a clear divide between “the business” and “IT.” This chapter will probably upset you. You will be annoyed that we are still having this discussion, and you will probably wonder why I was ever allowed to set pen to paper. But if you can contain your rage for long enough, I feel confident that you will pick up a few good tips on how to bring the business and IT together. In the last chapter of the section, which covers the Accountability versus Ownership Paradox, we hear how CIOs make good on the claim that “in my company there are no IT projects, only business projects.”

In Part 3, we discuss *Your Staff*, because where would you be without your team? I have entitled this section “They Just Don’t Make Them Like That” for a reason. As someone who has been recruiting your directors and VPs for many years, I have in-the-trenches knowledge about how the CIO Paradox manifests in up-and-coming IT professionals. Those gorgeously blended high-potentials who have business and technology and leadership and interpersonal skills are out there, but they aren’t growing on trees. If you are good at recruiting them and growing your own, you will win the war on talent that seems to have snuck up on us again. If you are not, you will lose.

In this section, we first look at the methods CIO’s use to recruit from the outside. This chapter is my plea to all of you to examine and improve your recruiting practices. In chapter 8, we explore the Enterprise Architecture Paradox, because enterprise architecture, I believe, is the most paradoxical of all of your senior positions. Finally, we address the CIO

Successor Paradox with an eye toward improving your ability to populate the world with great future CIOs.

The final section, What's Next for the CIO?, begins with a chapter about CIOs and corporate boards. Board directorship is an attractive final frontier for CIOs who have had successful careers, but those gigs are tough to get. We'll hear from two CIOs who have served on corporate boards about how they made it happen. In the following chapter, we will expand on some of the ideas that I explored in the "Life after CIO" series that I wrote when I was *CIO* magazine's Career Strategist columnist in the late 2000s. That series, and this chapter, discuss pathways out of the CIO role, for those so inclined. And the last chapter acknowledges that we are currently at an inflection point, where the "technology productization" of so many business models in so many companies is sure to have an impact on the future of the CIO role. Will the person sitting in your chair ten years from now do your job the way you do it today? I doubt it.

In the conclusion (and don't you *dare* skip right to it), we group together in one long list the impressive array of attributes and skills that successful CIOs all seem to bring to their roles, regardless of the particular paradox they are battling. I call this the Breaking the Paradox Checklist.

What has truly amazed me during the many years that I have been working with the CIO community is the wealth of knowledge that CIOs possess and their generosity in sharing it with one another. I have not come across another professional group that turns so consistently to its peer networks for information and guidance. My approach to writing this book stems from that same rich tradition of peer information exchange. I set up interviews with CIOs from a wide range of industries, threw a few paradoxes out on the table, and asked about their approaches to managing them. I took the comments I believed would be most valuable to a readership of IT leaders and built my chapters around them.

I want to be clear that this book is not a step-by-step guide to solving the CIO Paradox. It does not provide a single model for overcoming all

of the challenges CIOs face. The very nature of the CIO Paradox would never allow for such a thing. The keys to solving the CIO Paradox lie in the experiences, thoughts, lessons learned, philosophies, wit, and wisdom of all of those CIOs who are actually doing these jobs. I will leave the multi-tiered road maps and seven-step models to the consultants who know more about running IT than I do. That is not my thing. My thing is facilitating peer information exchange.

In 2000, when I worked for CIO.com, I launched an online community called “The CIO Best Practice Exchange.” Thousands of CIOs logged in and participated in discussions about almost every facet of IT leadership. What resulted was a rich repository of content about IT leadership from executives on the front lines. Gary Beach, publisher of *CIO* magazine at the time, suggested I take the show on the road and conduct “Best Practice Exchange” panels at *CIO*’s executive events. Those panels became the foundation for what is now the CIO Executive Council, a global professional community and another powerful example of peer information exchange.

My goal is to position this book squarely in the tradition of CIOs sharing information with each other. My role as writer is—as it has always been—to dig for and report on the secret sauce that makes CIOs successful, and to present it in the same tone as CIOs sharing tips over coffee at a conference.

In the chapters that follow, we will explore the many facets of the CIO Paradox and hear from CIOs who have found a way around them. We will introduce the concept of “breaking the paradox,” that is, establishing yourself as a CIO who no longer worries about getting a seat at the table, and talking in the language of the business, and all of the other things that CIOs spend hours at conferences discussing. We will learn the approaches CIOs take toward establishing a platform where they enjoy a high level of credibility, and where they are considered, at all layers of the organization, to be superior executives who have made their companies stronger. But just like weight loss and world peace, solving the CIO Paradox is a journey. It is my sincere hope that this book helps you make your own journey a success. Enjoy!