

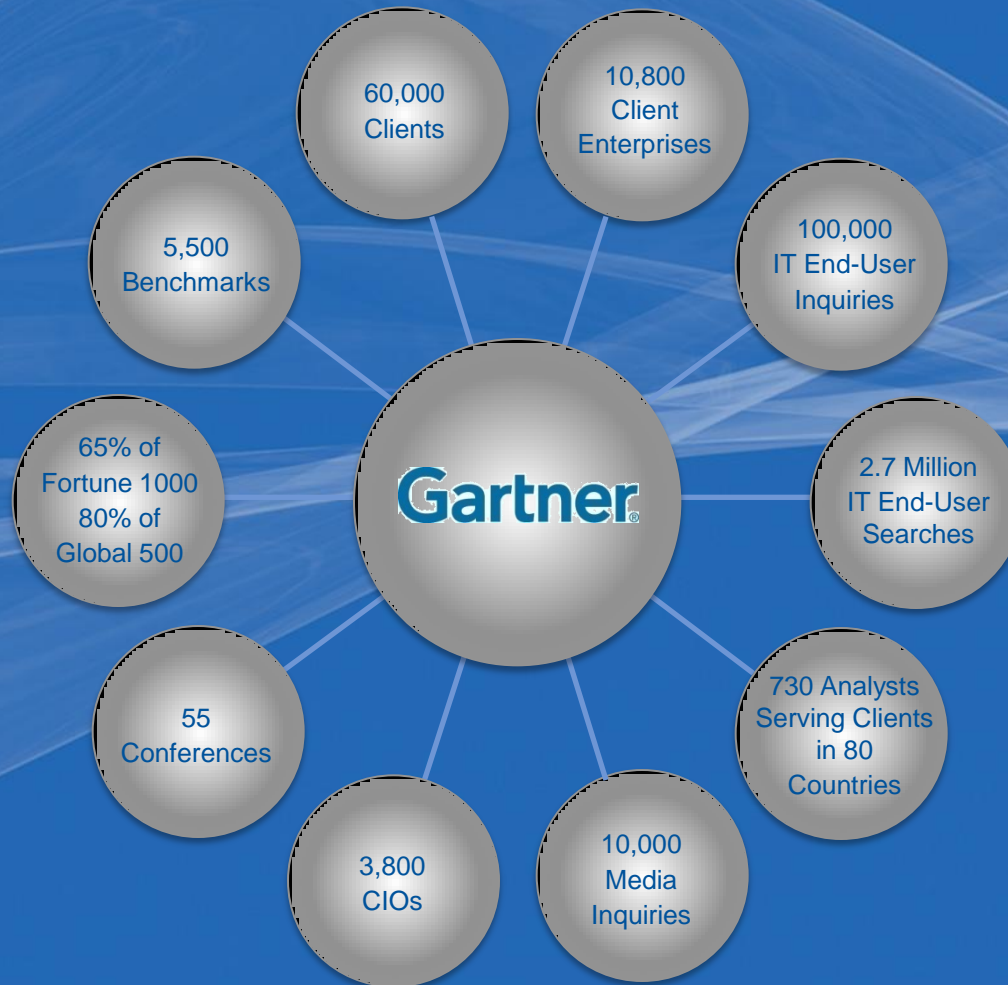
The CIO Mindset

Jennifer Beck
Vice President and Gartner Fellow
June 2010

Welcome!

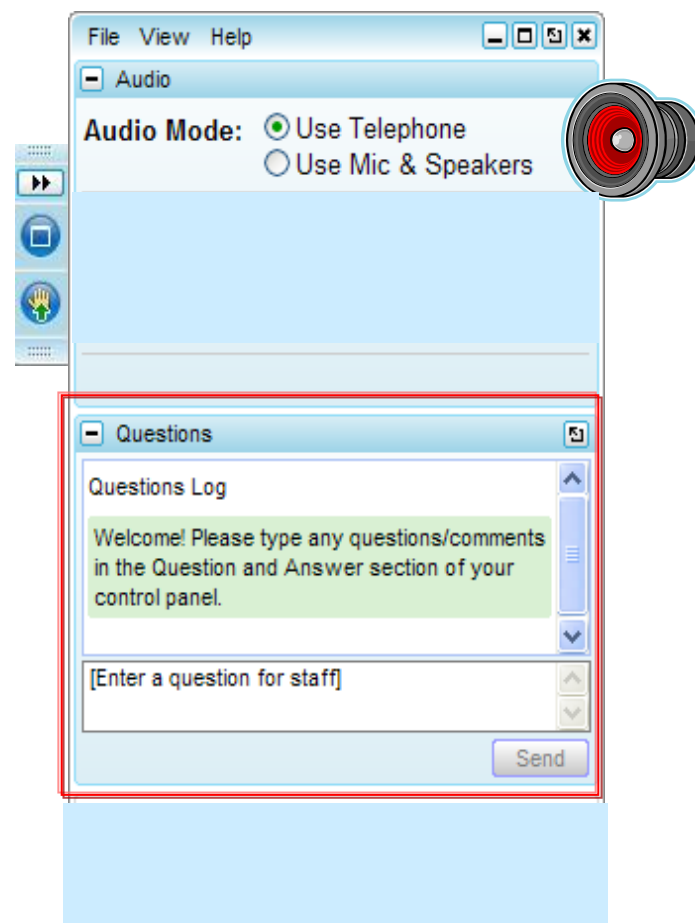
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Today's topic is "The CIO Mindset"



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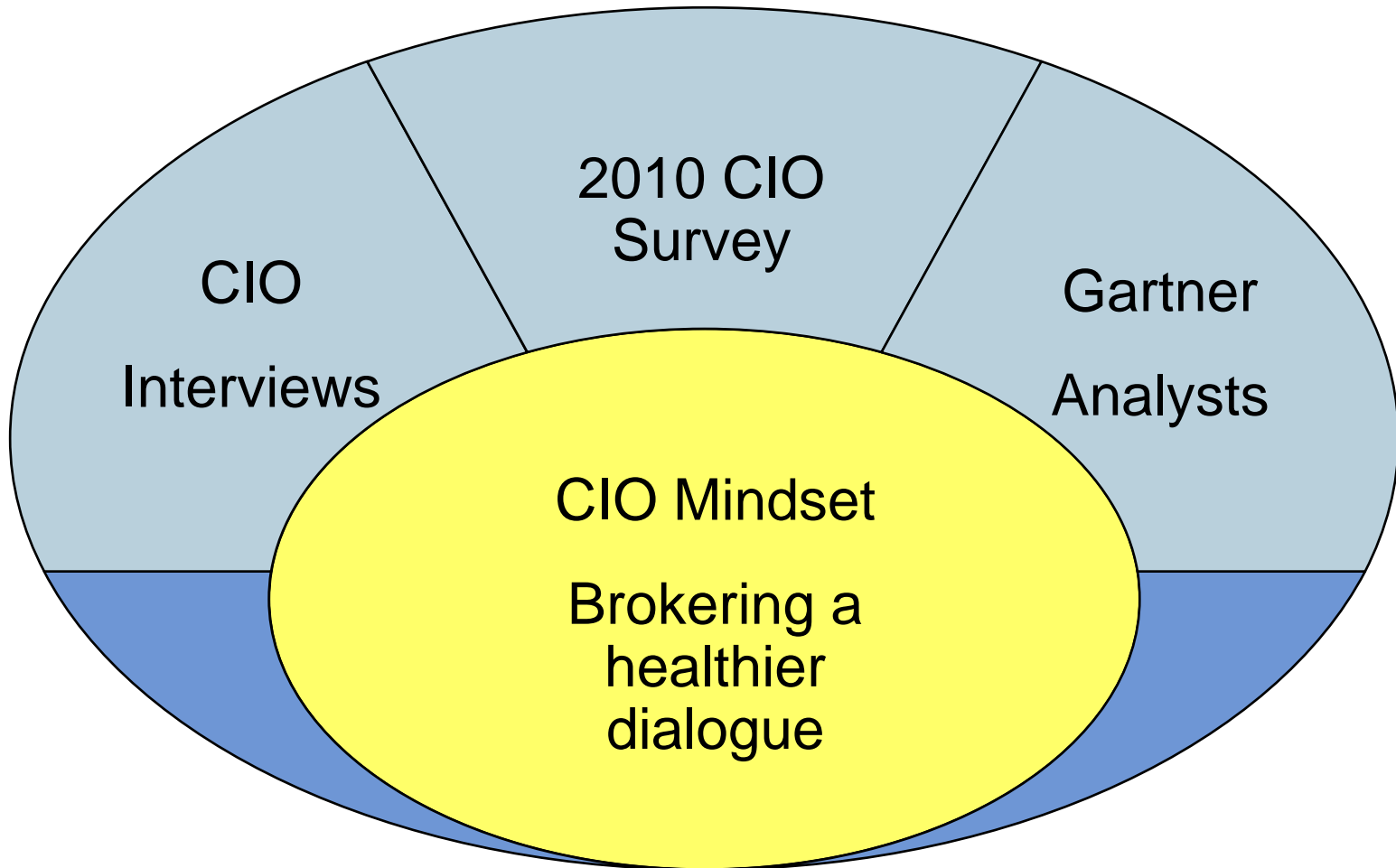
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Methodology and Sources



CIO Survey Demographics



1,586 CIOs

27 industries

41 countries

\$120 billion in
corporate and
public sector
spending

F50 to Mid-size
organizations

The Survivors are Thriving

- They think about their **company's real customers**, not internal ones
- Transitioning from managing resources to **raising business performance by more than 10%**
- They **measure performance based on operational outcomes in business terms**, not traditional ROI calculations on technology purchases or benchmarks on application roll-outs
- They are focused on **improving productivity** across the organization - IT and Business
- **Increasing collaboration**
- Defining **new funding models** for IT

New Initiatives Geared for Growth

- Evaluating and incorporating **cloud strategies**
- **Adopting social computing** and Web 2.0
- Addressing new **information and data security requirements**
- Supporting new **reporting requirements**
- Managing a **heavily outsourced IT** organization
- Re-evaluating the **enterprise project portfolio**
- Finding business owners for “**orphan applications**”

By 2013 CIOs say their focus will move from process improvement to innovation, competitive advantage and customer growth.

Business Expectations		Ranking of business priorities CIOs selected as one of their top 5 priorities in 2010, and projected for 2013				
Ranking	2010		2009	2008	2007	2013
Improving business processes	1	↔	1	1	1	2
Reducing enterprise costs	2	↔	2	5	2	8
Increasing the use of information/analytics	3	↑	5	8	7	5
Improving enterprise workforce effectiveness	4	↓	3	6	4	7
Attracting and retaining new customers	5	↓	4	2	3	3
Creating new products or services (innovation)	6	↔	6	3	10	1
Managing change initiatives	7	↑	8	12	*	12
Expanding current customer relationships	8	↑	9	7	*	9
Consolidating business operations	9	↑	11	13	*	16
Targeting customers and markets more effectively	10	↓	7	9	*	10
Supporting regulation, reporting and compliance	11	↑	12	14	13	15
Creating new sources of competitive advantage	12	↑	13	11	8	4
Expanding into new markets or geographies	13	↓	10	4	*	6

*New question for that year

Changing the Economic Equation of IT

CIO Technologies	Ranking of technologies CIOs selected as one of their top 5 priorities in 2010				
	2010		2009	2008	2007
Virtualization	1	↑	3	3	5
Cloud computing	2	↑	16	*	*
Web 2.0	3	↑	15	15	*
Networking, voice and data communications	4	↑	6	7	4
Business intelligence	5	↓	1	1	1
Mobile technologies	6	↑	12	12	11
Data/document management and storage	7	↑	10	9	9
Service-oriented applications and architecture	8	↑	9	10	7
Security technologies	9	↓	8	5	6
IT management	10		*	*	*
Enterprise applications	11	↓	2	2	2

*New question for that year

The Top 10 Money Trails*

Cloud Computing

Enterprise Architecture Program

ITIL and Process Improvement

IT Governance

IT Cost Optimization

Strategic Planning

Data Center Modernization and Consolidation

PMO

Microsoft Windows 7 and Office

Application Development

Infrastructure, Application and Data Protection

Outsourcing

ITIL and Process Improvement

Strategic Planning

Data Center Modernization and Consolidation

ERP

VoIP, Unified Communications and Collaboration

Mobile Enterprise Strategy

CRM

The C-Suite's View of IT

- Open, Simple, Integrated
- Restructured into a business technology and consulting services org – reducing OPEX by 25%
- Anticipates the need to scale as the business grows
- Actively manages initiatives for results
- Create a process-oriented enterprise that focuses on real-time information
- Restructure management and operations to meet expanding demands of citizens

4 Biggest Myths About Marketing and Selling to CIO's

- You can target them as a single, homogenous group
- They make all the technology decisions
- Their “customers” are internal stakeholders
- They will react favorably to solution selling providing you reference a few high level pain points and aspirations



Core Challenge: Making IT Strategy and Business Strategy ONE CONVERSATION



“I have two outfits in my office. One is business attire for the leadership meetings with my executive team; the other is sneakers, chinos and a t-shirt that I wear when visiting my technical team” -- CIO

Providers as Facilitators: Make Every Interaction Count

- Break down the adversarial buyer/seller relationship
- Position as translator and mediator between IT and the business, and between IT functions
- Do business on their terms – how they operate, make decisions, how they want to buy
- Bring creative solutions and alternatives, not just technology or service

CIO Psychographics



The Business Mind

- Business oriented
- Autonomous
- Focus: *Enhance the business*



The Visionary

- Big picture concepts
- Think like enterprise architects
- Focus: *People and processes*



The Quantitative Genius

- Execution oriented
- Numbers driven
- Focus: *Do things right*

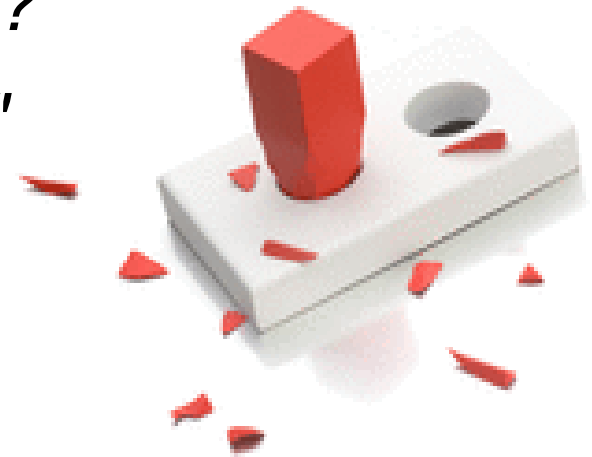
Step 1: Target the Right CIO With the Right Solutions

IT's Role in the Business Defines CIO Priorities

Capability	Level	Description	%
Functional	1	IT is responsible for managing and operating technology systems and resources efficiently, in terms of their cost, availability, reliability and security.	23
Enabling	2	IT is responsible for enabling business operations by building and operating technology systems defined by the business.	23
Contributing	3	IT is responsible for contributing to the enhancement of business operations by using technology proactively to raise business performance.	42
Differentiating	4	IT is responsible for being the primary source of the enterprise's competitive advantage — technology is a differentiator in enterprise products or services.	8
Transforming	5	IT is responsible for the transformation of the enterprise's business model and the creation of new markets and rules of competition.	4

A Buyer's Simple Test

- *"If I paid you money, what would show up at the door?"*
- *"How will you actually solve my problem?"*
- *"Will your solution fit my problem?"*
- *"How will you make me happy?"*



Conclusions and Recommendations

- **Segment the CIO buyer** to reflect their changing focus on the business, and by their different backgrounds, styles and approaches to leading their organizations.
- Determine when a proposition would best be pitched to one of the CIO's reports or a **dual strategy that resonates with multiple influencers.**
- Synthesize your conversations about business strategy and IT strategy. **Quantify your propositions** using business metrics, use cases and financial business cases.
- **Abandon the adversarial approach and build credibility** with the individual. Start a dialogue, share in risk, deliver promises and make guarantees about outcomes. Decide when compromise is too great and prepare to walk away.
- **Match the way CIOs do business:** in geographic reach, business processes and time scales.
- Use your influence to break down the barriers between pre-sales and post-sales to **align promises with execution.**

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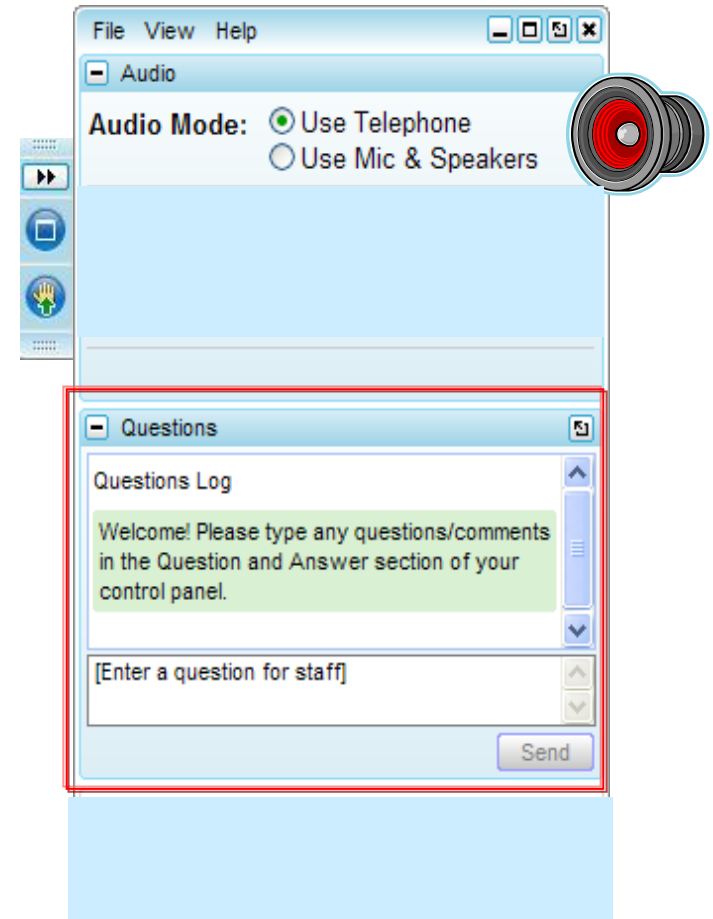


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