



Gartner Executive Programs



Meeting the Challenge: The 2009 CIO Agenda

January 2009



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MEETING THE CHALLENGE

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FOREWORD

Enterprises face a challenging economic environment in 2009. They expect IT to contribute by delivering results in an uncertain economy while reducing enterprise and IT costs. To do this, CIOs need to be decisive and resourceful in building an effective enterprise that can meet current and future challenges.

In 2009, executives face challenging global economic conditions that have not existed for more than 50 years. Leading enterprises recognize the seriousness of economic conditions, but they are not paralyzed by them. Their leaders have confidence in their ability to use IT to achieve results.

Effectiveness gains importance in uncertain times. Defined as the ability to achieve financial and strategic plans, effectiveness gives enterprises the flexibility to meet challenge with change. This report addresses the question, *How will CIOs create effectiveness to meet economic and enterprise challenges?*

Meeting the Challenge: The 2009 CIO Agenda was written by Mark McDonald (group vice president) in collaboration with Jacques Begin (senior writer) and Susan Fortino (content production director).

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EXECUTIVE SUMMARY

The challenges posed by uncertain and volatile economic conditions are changing enterprise plans and strategies. Enterprises are responding in different ways, based on their confidence in achieving results.

Economic conditions challenge enterprise plans and strategies. As enterprises face continued economic volatility and uncertainty, their confidence in the future also becomes challenged. Two fundamental questions face executives in 2009:

- In an uncertain economy, where should the enterprise focus its attention and resources?
- Beyond cutting costs, what are the enterprise goals in a volatile market?

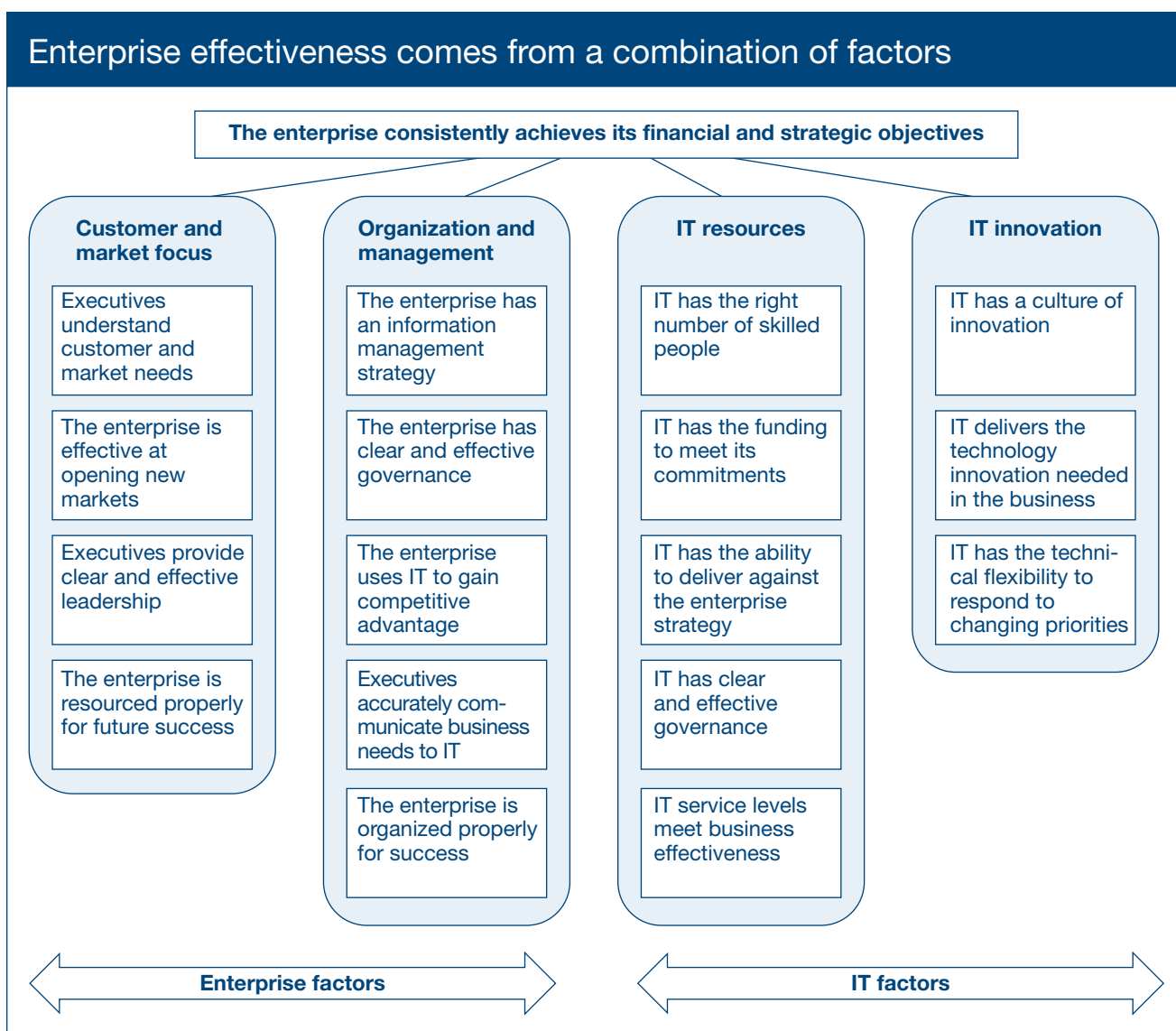
Business expectations of IT call for the CIO to play a role in responding to these questions. The CIO faces the challenge of delivering improvements needed to raise enterprise effectiveness while managing IT resources and performance. Success requires the CIO to take decisive action and to be resourceful across operations in delivering results.

Business expectations for IT focus on improving current operations and performance						
Business expectations	Ranking of business priorities CIOs selected as one of their top 5 priorities					
Ranking	2009		2008	2007	2006	2012
Improving business processes	1	↔	1	1	1	2
Reducing enterprise costs	2	↑	5	2	2	7
Improving enterprise workforce effectiveness	3	↑	6	4	*	6
Attracting and retaining new customers	4	↓	2	3	3	3
Increasing the use of information/analytics	5	↑	8	7	6	8
Creating new products or services (innovation)	6	↓	3	10	9	1
Targeting customers and markets more effectively	7	↑	9	*	*	9
Managing change initiatives	8	↑	12	*	*	12
Expanding current customer relationships	9	↓	7	*	*	11
Expanding into new markets or geographies	10	↓	4	9	*	4
Consolidating business operations	11	↑	13	14	*	15
Supporting regulation, reporting and compliance	12	↑	14	13	*	16
Creating new sources of competitive advantage	13	↓	11	8	*	5

* New question

Effectiveness meets enterprise challenges

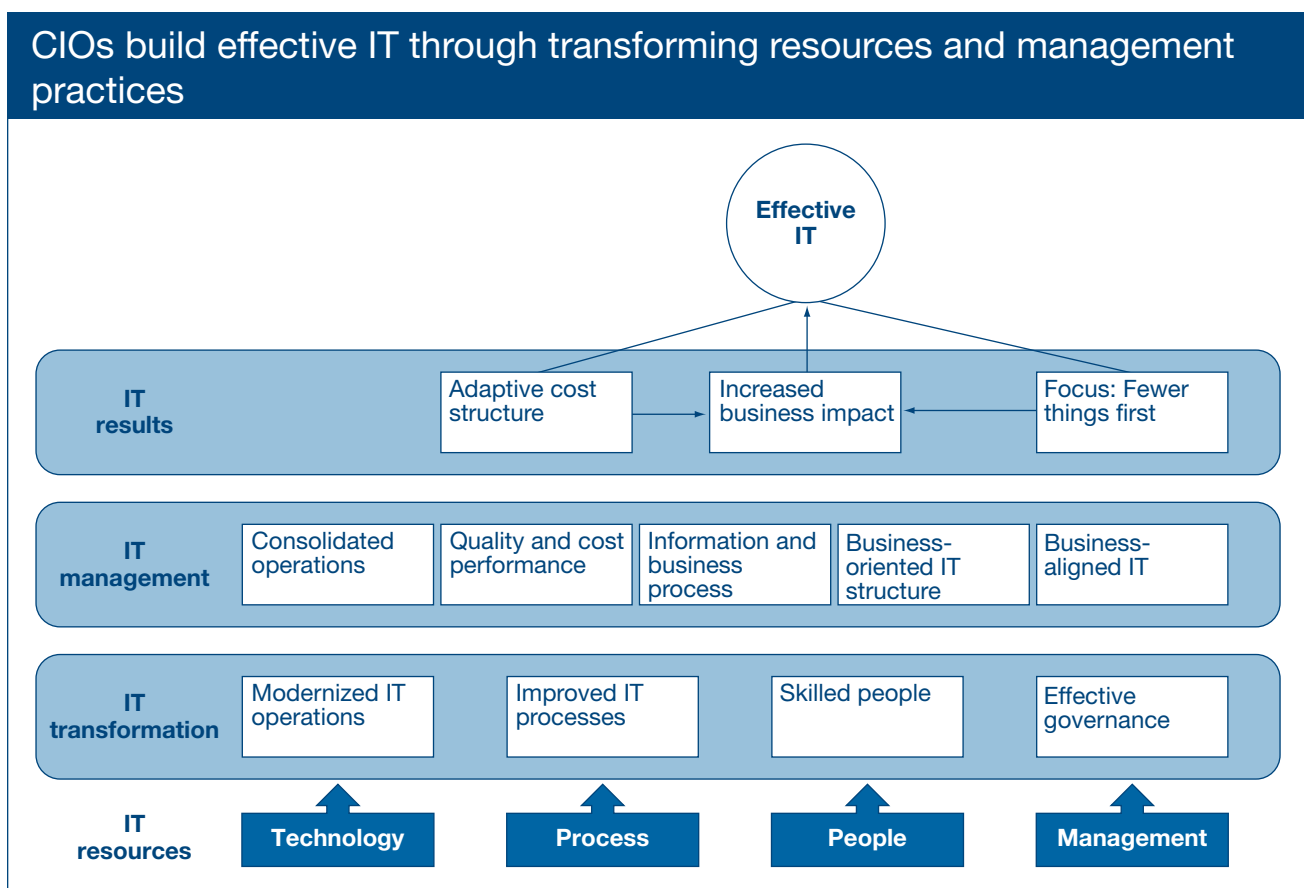
An effective enterprise has the confidence to change in challenging times. In today’s environment of cost containment, CIOs can cut costs or reduce the company’s cost structure. Leading CIOs are changing their cost structures and using IT differently in order to achieve and sustain results. Raising effectiveness requires changing the enterprise and IT by building on the four pillars that support the enterprise’s ability to achieve results.



EXECUTIVE SUMMARY

Raising effectiveness changes IT and the enterprise

CIOs contribute to enterprise effectiveness by raising IT effectiveness; therefore, they must concentrate on the drivers of IT effectiveness. True leaders use these drivers as the basis for transforming IT operations and management to achieve new levels of performance.



CIOs must be decisive and resourceful in 2009

Meeting the challenges of 2009 requires CIOs to lead their organization and enterprise through decisions that have no simple answers. CIOs need to lead and have the foresight to look at IT in new ways. They will demonstrate this leadership through the following imperatives:

- Be decisive in setting priorities on actions that raise enterprise effectiveness, with a focus on improving business process, using business intelligence to raise visibility and enhancing workforce effectiveness.
- Do the first things faster, as changing economic conditions render a large project irrelevant. CIOs need to add schedule to their prioritization process and recognize that other important priorities can wait. They need to place greater emphasis on the schedule (when) rather than the priorities (why).
- Be resourceful in restructuring IT to raise its productivity and agility, because the business will not reduce its demand for IT just because you have fewer resources.
- Modernize the technical infrastructure, as new technologies offer lower cost, use less energy, deliver better performance and provide greater capacity; the business will need all of these in the immediate future.

These imperatives form the basis for the CIO agenda and its focus on making the enterprise more effective. Every CIO will start at a different place, facing unique challenges and setting their own agenda to marshal the resources needed to make the right decisions and deliver results across the enterprise.

