CEP Magazine – February 2018
The evolving role of CIOs and how the board can spark transformation

By Betsy Atkins

Betsy Atkins (betsy@bajacorp.com) is Founder and CEO at Baja Corporation in Miami, FL.

The past few decades have seen an explosion in the number of C-level roles at the top of global corporations. Many of these are company-specific, trendy, or just confusing. How is a chief information officer (CIO) different from a chief knowledge officer (CKO)? But the overall trend shows just how complex and specialized running a corporation has become in a time of accelerating, disruptive change. New leaders with new skills truly are needed to survive in this environment, but this also demands regular rethinking of some current C-level roles.

In my role with technology companies (which today means *all* companies), I've seen this turbocharged evolution hit the role of the CIO. Just within the past 12–18 months, the role of the CIO has quickly been transformed.

The evolution of the CIO role

The CIO officer fills a crucial need, but may be the wrong "tool" for meeting the demands of the digital business age. The CIO began as a technical pathfinder for companies wrestling with early digital and networking needs. It was viewed as (and typically still is) a back-office, general and administrative (G&A)-budgeted function or a cost center supporting systems applications and products/enterprise resource planning (SAP/ERP) platforms, which today are increasingly legacy systems. The CIO role was measured by the number of company servers, how many employees worked in the data center, and how often someone yelled, "The network is down!"

The past decade has seen the pace of digital change in business push the CIO out of the back office and into a sometimes-uncomfortable new role — the company leader for digital transformation. Once tucked away in the CFO's chain of command, many CIOs now have front-and-center attention and new responsibility for plotting digital strategy.

With new responsibilities for incorporating digital change into strategy, some CIOs are being recast as chief digital officers (CDOs). Traditional responsibilities for overseeing company platforms and systems, while still critical, are gaining powerful added responsibilities under this newly created CDO role.

Sounds impressive, but I've seen many companies struggling with a CIO role that has one foot still firmly stuck in the past. More of the company's data processing is being outsourced to cloud services such as Amazon's AWS, Microsoft's Azure, etc. Also, C-level functions that once depended on the CIO to manage their tech selections are now handling it directly. The chief human resource (HR) officer is making the call on new HR platforms, while dealing with issues such as online hiring and the gig economy. The chief marketing officer is making the investments in marketing automation and ad tech systems.

Meanwhile, the legacy data systems that are being retained still eat up something like 80% of the tech budget, yet remain crucial to the company's success. Despite their lack of sex appeal, these ERP systems are needed to build products, make payroll, invoice, and do all the other basics of any company. Without this basic plumbing (and someone to manage it), none of the fancy sci-fi stuff will happen.

This document is only available to members. Please log in or become a member.

Become a Member Login