Tips to be a successful CIO

Jerry Luftman was an enthusiastic participant of the sixteenth [Americas Conference on Information Systems (Amcis)](#), held in August this year. He is a Information Technology teacher at the [Stevens Institute of Technology](#) (SIT) in Hoboken, New Jersey. During the event, Professor Luftman was a moderator that knew how to summarize the presentations and contribute his experience for the benefit of the participating audience. ESAN Connection talked with him and also pulled out some important conclusions, especially in reference to good performance of a CIO, that is to say, a business leader in the information technology field.

What are the main mistakes that organizations make in terms of Information Technology?

The biggest mistakes made are the fundamentals of change management. For any change. An organization change is no different than any other major change. A large part of it is understanding what the long term implications are And the rational is making sure it is effectively communicated at all levels that will be impacted by the change and fundamentally making sure you have the appropriate sponsor at a high level in the company who is supportive. But also champions that are well respected are the people who are being impacted by the change.

How did you deal with this problem? By solving these problems with another change?

Well you have to make sure you have the right people who are respected by the people they impacted, and are very effective in communicating into the people. So they put away the fears that people have. Many people don't know why change is happening, what the value of the change is going to be, the benefits are going to be to the respective stake holders.

Let's say you tell your children you're changing a routine that you normally would do. I did this once with my kids when they were young. When you all sit at the dinner table, whether a child or the husband, everybody sits in the same seat. Well, one time, I told my wife to sit in a different seat and I would also sit in a different seat and let's watch the kids. And they were laughing. It is a very simple thing but then you explain to them. Again, very simplistic but think of a big organizations and it isn't managed correctly. You could have the right organization but if you don't manage how you derive towards it, it's critical. One thing is not changing too much too quickly. From an organizational change, rather than changing everybody, you start slowly, a piece at a time. And you evolve towards an organizational structure base in this case, that is easier to attain.

But the biggest problems tends to be basic fundamental change managing. The other thing is making sure that the executives that are impacted by the change agree with it. So for example if you are going from a centralized IT where everybody reports to the same highest executive to one that's more spread out, federated or perhaps decentralized, and the business organization that is going to take that IT group doesn't want that, it's not going to work. Same thing if you have IT people in different organizations and you're bringing it all together in a centralized are where the business unit controls their IT and what they were doing and how much they were spending. Now it's centralized, they don't have that same control, they're not going to be happy. So getting to your specific question of organizational change, to find a sense or organizational structure you have to consider discovery structure. How will you manage the overall control of the decision making that being done? Whether it's central, decentral or federated. So besides generic change management, the other key piece that people forget about is the government policy that needs to be in place to ensure that the organization works. And typically not considered.

All organizations change. But which are the last ones you should change?

It's really going to depend on what company, the organization. Generically, there is nothing that one can say you can't change.

What can you tell us about cultural issues?

Culture is always the most difficult. Culture takes a long time to change and I'm not sure you can. Some people argue that you can't change culture.

What are the main characteristics that a CIO must have (high level executive in the IT area) in this change context?

The successful CIO is the one who is considered a business person, not an IS person, who can not only sit at the table with other business executives but have an equal voice at the table with the other business executives. It is an executive that just doesn't wait to be told how the company can use information technology, but tells the company how they can change, take advantage of information technology whether it's at the back office level or the front office level because that impacts your best customers and clients and strategic partners. So the fundamental message that came out of multiple sessions yesterday was, not to focus on technology but to focus on business, on industry on effective interpersonal skills. The last thing you want focus on is technology.

Now at a younger age, you need to understand and focus on technology. But as you move up in your career, a leader understands the industry in business and less specific technology.

And you have to lead as a CIO, not just your IT organization, but your business partners would be taking advantage and pay the value from your IT organization.

And you have to get a very good human relationship with another entity…

It is relationship management at the strategic level, because you then depend on your people to handle the relationship at a tactical level and an operational level. A CIO, like any other C level executive can't focus on operations and can't focus a lot on the tactic. And too often, CIOs especially, fall into their comfort level of the operational things and they shouldn't be. He or she is an executive and should be focused on executive things.

We have MBA students who study information technology. What would you suggest to them to be a success as a CIO?

Most important would be to learn the industry. Not just business, I mean most MBAs are too generic. So if you are an IT person in the finance, food or communication industry or whatever. The thing most programs do not offer is tell me what I need to understand and what I need to do to take IT and leverage it into the finance, pharmaceutical or whatever industry.

Especially younger people don't understand the industry and to be very effective as they move up in their career they got to be able to work with their business partners, and to be effective with business partners, you got to understand what's on their mind. Most universities have a finance MBAs or pharmaceutical MBAs or IS masters and IT masters. Very few have IT in financial services or IT in pharmaceuticals that are taught by retired executives from that industry, with grey hairs who could share, here what it is, here's the type of thing.