Business Executive Responsibilities for Information Technology

Overview and Guide

Today's business executives are more technologically experienced and savvy than ever before, and most are taking greater ownership of their organizations' information systems and technology assets and implementation projects. They must exercise that responsibility wisely. On one hand, as the "consumerization of IT" extends to the enterprise, business units have a growing array of external services to choose from. There are software-as-a-service applications for most business needs and cloud-based infrastructure services to host them. On the other hand, business units have the opportunity and obligation to utilize, contribute to, and help maintain the coherence of corporate infrastructure and other shared technology resources.

Meanwhile, the role of corporate IT organizations continues its fundamental shift from being the primary and default supplier of technology services to enabling their businesses to be effective consumers of technology services from a variety of sources. IT does less direct delivery of technology products and services, but should provide more orchestration and guidance to business units as they determine how to capitalize on technology.

> *"I see information systems as a way of life, what we do to keep the business straight and keep up with demand. Technology is integrated into everything we do. I typically spend half my day in conversation with people about what's happening and how to get better and more efficient, and technology comes up all the time."*
>
> – VP of Consumer Products

In short, the endeavor of information technology management is becoming more dispersed and more collaborative. With the explosion of new technological capability, it's more important than ever that business units consume technology services smartly, and that IT organizations focus on enabling them to do so.

This Outcome Project explores how business executives can best fulfill their responsibilities around information technology, and thus enable their organizations to maximize the utility and value of technology services and assets. We interviewed a variety of senior executives and very experienced and successful CIOs, and we'd like to thank all who shared their ideas and experiences so candidly. We also folded in the experience of Stryve advisors and researchers who have long been following – and in some cases shaping – the evolution of the business use of information technology.

This report takes the form of a concise "how to" guide for business executives. It is addressed to general managers and senior executives leading business units, divisions, functions, or major processes – anyone whose organization spends money and human capital sponsoring technology-based business projects and regularly consuming technology services (note that we often use the term "business unit" to refer to any of those organizational forms).

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The report covers nine key facets of exercising business responsibility for information technology, each captured in at most two pages. Here is a quick summary:

- ***Own your technology-based business initiatives.*** Technology-based business change is too important to be left to the technologists. Hold people, starting with yourself, accountable for benefits realization, and drive for innovation, not just automation.
- ***Leverage technology in strategy formulation.*** Information technologies, both established and emerging, create new strategic options to begin with, then enable their testing and implementation.
- ***Manage consumption of technology services.*** Make sure your organization is disciplined and smart in the services it uses. If needed, appoint a technologist-advisor to focus on enabling and improving how your business unit uses IT.
- ***Maximize use of standard and shared technologies.*** Keeping things as simple and standard as possible lowers cost, raises flexibility, and simplifies technology management and use. That applies to business software as well as commodity computing services.
- ***Build a technologically talented organization.*** Motivate and enable the individuals in your organization to make effective use of information technology in their jobs. Develop business-IT "hybrids" who can join and manage technology-based business change projects.
- ***Be active in enterprise IT governance.*** Participating on your corporation's IT governance committee is a matter of both good citizenship and enlightened self-interest. It's an opportunity to shape what infrastructure and other shared assets can do, and to coordinate around key issues like systems security.
- ***Keep IT in the loop.*** When you go outside for technology services, let IT know so they can anticipate the interface and security needs and smooth your implementation. Also keep IT in the loop regarding your business plans generally, and build a strong working relationship with the CIO.
- ***Own your executive scorecards.*** Work regularly with business and information analysts to make your scorecards connective (what drives what), predictive, timely, and dynamic. Make that a public example of how the organization must be attentive and proactive regarding the information it uses.
- ***Set a personal example.*** How you exercise all these responsibilities around information technology sets an example for your organization – and the more transparent you are in exercising them, the greater the influence of your good example will be.

At the end of the report are some associated recommendations for CIOs.

A note to CEOs: It should be simple enough to take our perspectives and recommendations "up a level" and consider your responsibilities as business strategist, owner of enterprise-wide initiatives, perhaps member of the IT governance committee, and the executive ultimately responsible for the capabilities of

the enterprise, including both talent and technology. Your extra dimension is establishing the right degrees of coordination and cooperation across business units, which includes both how they coordinate through the use of technology and how they coordinate around the management of technology. Your personal example – as both a user of information and a driver of technology-enabled business innovation – likely sends the strongest signals of all across your enterprise.

Technology is a big part of the business you run, and we'd like to help you run it better. We assume that you are ambitious to capitalize on technological capabilities in your business. We recommend a series of actions, but they shouldn't be very time consuming – many involve a redistribution or refocusing of attention. We hope you are already familiar with many of the perspectives we share here, and that you already follow many of the recommended practices. We also hope that you'll find some new and clarifying perspectives and some new "tricks of the trade" in leading a technologically empowered organization. Finally, we invite your feedback and additional input to this document (to stryve@istryve.com), and we'll update it as appropriate.