



The changing role of the CIO: new skills needed

In today's knowledge-based economy, the functions of the chief information officer (CIO) are becoming increasingly complex and multi-dimensional. And while some CIOs are already starting to assume leadership roles, recent studies have revealed a real need for education and training in order for CIOs to obtain the skill sets required to move into leadership positions.

Last year, a global survey undertaken by the IBM Center for CIO Leadership, had already provided broad indications that CIOs could play a more strategic role. A new study released last month in Singapore offers additional insights into the challenges and opportunities looming ahead for CIOs in the ASEAN region.

This IBM-commissioned study, helmed by **Bruno Lanvin**, Executive Director of INSEAD's eLab, was conducted with more than 160 CIOs from local and multinational companies in six ASEAN (Association of Southeast Asian Nations) countries – Indonesia, Malaysia, Thailand, Vietnam, Singapore and the Philippines – between January and May 2008.

The survey findings were aggregated using INSEAD's model of excellence in CIO leadership, which took into account three key measures or quotients: technology, performance and leadership. The technology axis came out the highest of all three INSEAD quotients, primarily because of an impressive degree of ICT (information and communication technology) proliferation across organisational functions, and a well established reputation of excellence in this area across most of ASEAN.

In relative terms, however, ASEAN CIOs scored at lower levels in both performance and leadership. This does not mean that ASEAN CIOs perform or lead at lower levels than their counterparts in other regions: rather, it provides an indication of the areas in which they can improve on their skills and output to achieve the same level of excellence they enjoy in technology.

To lead to meaningful action, such results need to be refined in order to do justice to the naturally diverse profile of CIOs in ASEAN, where IT maturity and adoption levels vary widely from country to country. ASEAN's mix of developed and developing countries also presents technology leaders in the region with a dramatically divergent set of growth prospects and IT systems requirements. Furthermore, there are perceptions of persisting difference between CIO dynamics in local vs. multinational companies, private vs. public sector, and large vs. medium-sized companies.

In addition to leadership competency, an acute understanding of business processes, and skills in business transformation, governance, talent management and communications are also important aspects of the competency chain.

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The challenges ahead

So grooming the consummate CIO is not without its obstacles. At the core, there is already some inherent scepticism about IT as a profession, especially in North America.

“With all of the attention and activity around outsourcing, what we’re seeing is that many students entering college or university environments are not as interested in becoming programmers or IT professionals as they were before ... they’re concerned that their role or profession will end up being eliminated and replaced with a lower-cost labour pool in another country,” says Harvey Koeppel, the IBM Center’s Executive Director.

The problem is further exacerbated by the limited talent pipeline within the IT sector. Koeppel adds that CIOs perceive a fairly significant gap between their own skills and the capabilities of the people one or two levels below them in their organisations, which may lead to succession planning issues in the future.

Yet there’s no denying that CIOs are at a crossroads, but many now, including ASEAN CIOs, recognise that this impending change will give rise to myriad opportunities to elevate their role to a true leadership position.

In fact, the eLab-IBM findings have shown that ASEAN CIOs are already taking on new business roles in addition to their existing technology functions, and that’s a good sign. As Lanvin puts it, “Many CIOs around the world will be trying to anticipate their strategic role five years from now. Rather than a thorough knowledge of technology, the critical quality of ‘e-leaders’ in the knowledge economy will be a deep understanding of the organisational, social and cultural impact of information networks.”

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