

CATCH 22

The role of the CIO is changing. Mere firefighting is no longer enough, with business objectives expected to be given greater importance than technical tasks. We investigate how IT leaders can drive business value through their work, and ensure their objectives are aligned with those of their employees.



Chief Information Officers in the Middle East are hamstrung by a seemingly never-ending Catch 22. The last ten years has seen IT change from the department that takes care of technology to support the business, into an era where CIOs and IT managers are increasingly expected to help achieve competitive advantage. While senior stakeholders within a company demand innovation, and that a business is equipped to meet mercurial demands, the reality for IT departments is that 80 percent of budgets are

currently directed towards 'keeping the lights on', with the remainder of cash left for innovation projects. It is no easy task, driving a business' objectives with a fraction of your financial resources. That's the reality facing the CIOs of 2015, meaning mere technical expertise no longer suffices; these IT heads now have to be shrewd businesspeople and strategists, and increasingly central figures within an organisation.

Stephen Fernandes, Assistant Vice President and Head of Middle East, Cognizant, empathises with the position that many



CIO Role

CIOs are in, “Today, IT organisations across many enterprises feel that they are in a bind,” he says. “On the one hand, they are required to optimise budgets in response to macroeconomic factors, budgets that already have very little room for additional trimming. On the other hand, business and end-users are looking for differentiation and productivity gains from investment in, and implementation of, new technology. The big question they face is: How can IT deliver the goods without the budget to do so? The answer is in IT’s ability to create its own discretionary budget, in ‘self-funding’ the transition.”

There exists a school of thought that says that if the CIO is becoming more of a service broker, then they should be more reluctant to do the day-to-day ‘dirty work’ that could otherwise be automated. Although this requires initial investment in certain areas, the intangible man hours that can be saved are hugely beneficial to an IT arm. Cherif Sleiman, General Manager, Middle East, Infoblox, believes that these leaders need to have a change in mindset to bring a new kind of value to the business. “CIOs have to shift their time and expensive resources from doing routine mundane tasks towards high value tasks like planning, design and strategy tasks,” he says. “The first thing CIOs need to do is deploy IT tools that they have ignored for a long time that take a lot of the regular tasks away such



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as network automation tools. For example, IT departments are now realising that they have to move from the traditional ad-hoc approach to controlling and managing their networks to a more automated and controlled mechanism that minimises risk and increases compliance.”

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of budgets are currently directed towards ‘keeping the lights on’, with the remainder of cash left for innovation projects.

The changing role of the CIO is not an easy transition. It involves a degree of risk-taking, and for those who are heavily reliant on technology skills whilst not being business-oriented may find this evolution to be especially taxing. Sleiman believes that breaking old habits

is tough, “The greatest threat is their own ‘legacy’ mindset and fear of moving out of their comfort zone,” he says. “But this has to change. The expectation from the IT team and the CIO has changed. No longer are they expected to focus on network uptime and helpdesk and user support. They are expected to drive employee productivity.”

This increased need to drive productivity and profit means a greater need for streamlined, core technologies. “CIOs can play a key role in the organisation to drive innovation and new business in the application economy,” Sevi Tufekci, CTO, Eastern Europe Middle East and Africa, CA Technologies, says. “In today’s application economy, fast delivery of high quality applications can be the make or break of an organisation. Yet, the time to market for many enterprise applications is too long and



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they lack the usability and functionality that consumers expect, because of a rigid culture and a 'one skill in a box' approach."

Although it may be stretching a point to say that CIOs of the future will be penalised for failing to turn IT into a revenue centre, those who are able to align IT vision and strategy with their company's market opportunities will certainly stand out from the crowd. With organisations in the region beginning to grasp the fact that IT is a strategic priority rather than a cost centre, CIOs should be both enthused with and prepared for the opportunity to flaunt their technical acumen in a bottom line context.

Nonetheless, it's important that CIOs remember not to bear the burden of the business' bottom line alone. The better their collaboration with board members and senior stakeholders, the greater chance of success in a project. Tufekci believes that building this vital relationship should be a harmonious two-way street. "Every organisation is different and specific needs will vary, but often it helps to start with a transparent and mutually agreed business plan," she says. "CIOs need to talk the language of the boardroom to grasp innovation opportunities and help drive new business. It's critical for execs to understand the value that IT and the CIOs are bringing to the organisation, but IT needs to distill complexity down and insulate the C-Suite from it – and then deal with it."

Bassam Hemdan, AVP, CommVault, believes it is crucial for IT leaders to translate their IT vision into unambiguous business information. "When deciding to embark on an IT project, it's not so much looking at technical features of various products, but more about evaluating which solutions will have the most business value impact on the organisation – what solutions will give you the highest ROI, the lowest TCO and meet business needs," he says. "Any technology acquisition today will impact the bottom line and hence when making investment decisions, it is important to have the involvement of the CIO, CFO, CEOs and procurement. There needs to be a full study of the investment – how will it impact



"IT departments often work independent of, and aloof from the rest of the business units. As such, there is often a significant disconnect between the IT departments' deliverables and the internal departmental requirements. It is critical that IT personnel and the operational departments work closely together in order to achieve the common goal of successful implementations of systems, which, in the end, will only benefit the operational departments themselves."

Rohan Tejura, Assistant Vice President, Focus Softnet



"IT leaders should assess long-term business objectives and what the organisation expects from their IT. Based on that, they need to allocate their budgets to projects that will deliver the business requirements from IT. CIOs must also communicate the cost and quality tradeoffs that are possible in service terms that business leaders understand. This will encourage business leaders to look at value rather than just costs of the technology."

Tamer Saleh, Director of Operations, eHosting Datafort

the business, what will be the operational hours spent on managing the technology, how will it speed up 'time to market' or help the company introduce an innovative service etc. not just a discussion of the technical feature set of the solution."

Sleiman thinks that the importance of long term planning now necessitates the involvement of IT, where it may not have done before, "The CIO and the IT team needs to be involved in the business planning," he says. "Traditionally when an organisation put its three year plans and strategies in place, very seldom was the IT team present. They were treated as a tactical function. But today, we are slowly beginning to have the awareness and the realisation that the three year plan will not be a reality if technology isn't playing a part and that technology is the actual mechanism to make it happen." ■