

companies, she chose a commercial direction as much as she could: At CIBC, she was a founding member of the financial services company's e-commerce site. Among several positions at Merrill, she led client technology. She was named Nasdaq's CIO in 2005.

At Nasdaq, Ewing and her team recently launched a free iPhone application for checking stock quotes as a way to experiment with hot new consumer technology and seed the ground for some revenue-generating app in the future. The app debuted on a Friday. By Tuesday, without advertising, the stock-checker was the fifth most downloaded free financial app at Apple's site. "We wanted to see if the appetite was there," Ewing says. "It is." A CIO's ability to spot new business opportunities comes from thinking like a CEO, she says. "Product development and technology go hand-in-hand."

Still, most CIOs have no P&L duties. That's a mistake, says Bill Deam, CIO of Quintiles Transnational, a \$2.7 billion medical research company. Starting in 2007, most of Quintiles' top executives, including the COO, the head of corporate development and Deam himself, were assigned one key customer account. Deam says he tries to cultivate good relations with senior managers at his assignment, a \$15 billion biotech and pharmaceuticals firm.

Quintiles helps the biotech firm conduct clinical trials for medicines in development. Deam reviews the account with an executive at the customer company every Friday and visits every six months. He hopes his efforts not only produce closer ties but also more business between the two companies. But that takes time.

"They want to make sure that all the work we do for them is performed excellently, without issues," Deam says. "Then we can go to the next phase of the relationship; this is very much about the business side," he says. For example, Quintiles would like to sell customers on the idea of outsourcing their technology infrastructures, Deam says, and he sees a pivotal role for himself in that strategic sales process. "My job is to make sure senior executives feel comfortable enough to talk to each other."

Doing sales calls is a relatively simple way for a CIO to learn about customers. The CIO's presence also adds weight to what the salesmen claim. Having a CIO on a sales call

isn't uncommon, but it's especially important now when so many products and services rely on IT, says Hilton Sturisky, senior vice president for information and communication technology with the \$14 billion BCD Travel.

BCD manages travel for big companies whose employees use BCD's web technologies to, for instance, book flights and hotels. Special services, such as tools for analyzing your company's travel data for ways to cut costs, are also available.

When Sturisky went out with BCD's sales team recently, it wasn't so much to contribute but to listen, he says. BCD hasn't yet won the contract; sales cycles are 9 to 12 months in the travel services industry, he says. But he thinks that being there made a difference. "There was appreciation that we take a collective approach to serving customers and that added credibility to what the sales professionals were saying," he says. As a result of those conversations, Sturisky is considering how to provide such new services as sending notifications of canceled flights to travelers' smart phones, along with alternative itineraries.

CIOs who want to focus on external customers may have to deal with internal resistance. The way to overcome that, says Coyne of Chevron, is to be visible.

When she is trying to change how people work, for example, she meets in person as much as possible with colleagues above and below her. At "Dining with Denise" lunches, she talks with lower-level employees about corporate change. At meetings once or twice a year with Chevron's senior-most executives, she explains the value of IT. In between there are monthly meetings with departments and governance boards. All the while, it's her voice, her face out there. "Blogs, e-mail, town halls, dining. The objective for me is to continuously remind everyone of the bigger picture."

Reilly White, too, is aware of her visibility at Darden and tries to use it as a tool. When restaurant operations crews see IT managers and staff in kitchens and dining rooms, they know Reilly White takes their partnership seriously. If you're not "out there" she says, you risk not understanding what your business needs.

Source: Adapted from Kim S. Nash, "2010 State of the CIO: Today's Focus for IT Departments—Business Opportunities," *CIO.com*, December 17, 2009.

CASE STUDY QUESTIONS

1. How does the job of the CIO change with the assumption of customer responsibilities? Do you agree with this new development. Why or why not?
2. Why would there be internal resistance to CIOs becoming more externally customer-focused than they were before? Does this present a threat to executives in other areas of a company?
3. How do companies benefit from having their CIO meet customers and generally become more involved with product development? What can companies do now that was not possible before? Provide a few examples.

REAL WORLD ACTIVITIES

1. The IT function is notorious for being dynamic, and its leaders are no exception. Go online to research recent trends affecting the traditional roles of senior IT executives and how those roles are changing. Prepare a presentation to share your findings with the rest of the class.
2. "In the future, the prevalence of IT in product offerings will blur the distinction between IT and other areas of the company, to the extent that the IT function will cease to exist as a separate entity." Do you agree with this statement? Why? Break into small groups with your classmates to see if you can reach a consensus on the issue.