An Exploratory Study on the Influencers of the Perceived Relevance of CIO’s Activities

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ABSTRACT

Over the past decades several studies aimed to rank the importance of CIO’s activities. One aspect that stands out in these studies is the difficulty in finding two studies that agree on the relative importance of CIO’s activities. On the one hand, this can be explained by the CIO role evolution. On the other hand, there may be certain variables that influence the perception of the importance of CIO’s activities. This paper presents the results of an exploratory study developed to identify the current CIO’s main activities and to verify whether CIO’s demographics and CIO’s business context influence the perception of the importance of those activities. The results show that managing projects, interacting with top management teams, optimizing business processes and making strategic decisions are main CIO’s activities; and the importance recognized to these activities is influenced by characteristics such as the CIO’s age or the hierarchical structure of the organization.

KEYWORDS

Activities, Chief Information Officer, CIO, Influencers, Perceptions, Large Companies, Ranking

1. INTRODUCTION

Information Technology (IT) has come to assume many different roles in organizations since it began to be commercially available in the mid-twentieth century. Initially, its use was restricted practically to the operational level. But over time, with the development of new features and capabilities, companies found applications at various managerial levels and, currently, information technologies are embedded in Information Systems (IS) and in virtually all organizational activities (Trigo et al., 2011; Varajão, 2005).

The volume and variety of information available to organizations from both external and internal sources is growing rapidly, being IT/IS fundamental for its effective management and protection as a key corporate asset (Williams et al., 2014). The Information Systems Function (ISF), as main responsible for IT/IS adoption and management, must ensure that organizations are adequately supported by IT. In this context, the Chief Information Officer (CIO) plays a central role as Head of the ISF, taking responsibility for the planning, organization, direction and control of the processes that are required to ensure the existence of an Information System (IS) that suits the organization’s informational needs (Varajão et al., 2012b). In fulfilling his role, the CIO needs to perform a rich and diversified set of activities. For several years, studies (Carvalho et al., 2009; Larson & Adams,
2010; Luftman & Ben-Zvi, 2010; Rusu et al., 2009; Trigo et al., 2009) have been developed aiming at identifying and ranking the activities performed by CIOs according to its relative importance. One of the aspects that stand out in these results is the fact that it is difficult to find two studies with similar rankings of activities. Several aspects may explain these differences. On the one hand, the evolution of the CIO’s role influences the importance of certain activities performed. Additionally, there may be other variables that influence the perception of its importance such as, for example, the personal characteristics of the CIO (Sobol & Klein, 2009).

This paper presents the main results of a research that was developed with two main objectives: 1) to identify the main activities currently carried out by CIOs in large enterprises; 2) identify whether certain variables related to the characteristics of the CIO and certain variables related to the business characteristics are influencers of the importance assigned to activities.

The paper is structured as follows: the second section provides the literature review; the third section presents the research methodology; the fourth section presents the data analysis and obtained results; and finally the fifth section presents some final remarks.

2. LITERATURE REVIEW

The literature review was conducted from two major sources of information: the community of practitioners, including the CIO Magazine in its yearly study “The state of the CIO” and Gartner in its yearly study “The CIO Agenda Report”; and the academic community, including Web of Science, Scopus and ScienceDirect. The main search expressions used were “CIO activities,” “IS managers activities,” “CIO roles,” “IS managers roles,” “CIO characteristics,” “IS manager characteristics,” “CIO profile” and “IS manager profile”.

CIOs play different roles and functions in organizations (Gottschalk, 2002; Wu et al., 2004): Leader (e.g.: hiring, developing and managing the IT staff); Connection (e.g.: making a bridge between top management and IT professionals, as well as maintaining a network of contacts with clients and suppliers); Monitor (e.g.: representing the company in social events); Entrepreneur (e.g.: seeking and evaluating IT/IS opportunities); Resource Allocator (e.g.: budgeting and optimizing business processes); Architect of Change (e.g.: making strategic decisions); and Technological Strategist (where one of the main activities is to interact with the top management team in order to give them technological innovations’ scenarios and explaining how the innovations can improve the achievement of organizational goals).

The importance of the CIO’s roles depends on the context of the organization, namely the nature of the business, the dimension of the organization, the country, etc. (Grover et al., 1993; Stephens et al., 1992). In fulfilling its role, the CIO must plan its activities and those of ISF, establishing the interface between the ISF and other organizational areas, managing the overall conception of the IS, organizing resources and activities, directing and controlling operations, and evaluating performance. The analysis of the various activities that a CIO needs to develop gives a better perception of the CIO role in the organization (Varajão et al., 2012b).

Despite the wide variety of activities developed by the CIO, it is possible to find a limited set of activities that are most commonly part of his work (Carvalho et al., 2009). Table 1 presents the main activities identified in the literature.

Interacting with the Top Management Team (TMT) is a crucial activity since both CIO and TMT have as one of the top concerns the IS strategic alignment. CIO and TMT need to have a common language and a common understanding regarding the role of IT/IS and ISF within a company (Johnson & Lederer, 2007). The lack of a common language and understanding is one of the most cited reasons for the poor IS strategic alignment (Preston, 2003). The CIO must know what the TMT expects from his role and must be able to elucidate the TMT about the importance of certain initiatives, which may lead the business into new levels of competitiveness (Varajão, 2002; Vedder & Guynes, 2002).
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