Three Ways to Thrive

How Chief Information Officers are enabling their organizations to grow and strengthen in today’s challenging economy

Nils Olaya Fonstad
INSEAD eLab

2012 IT Enabled Leadership Report
Contents

Table of Contents .................................................................................................................................................. 2
Methodology .......................................................................................................................................................... 2
Acknowledgements .............................................................................................................................................. 2
Introduction ......................................................................................................................................................... 3
Survey Results ...................................................................................................................................................... 4
Profiles of IT-Enabled Leadership ..................................................................................................................... 7
Carsten Bernhard - Vice President IT / CTO at AutoScout24............................................................................... 8
Oliver Bussmann - Executive Vice President and CIO, SAP AG. ...................................................................... 9
Kurt De Ruwe - CIO of Bayer Material Science............................................................................................... 10
Oscar Gómez Barbero - Organization, Resources and Technology Director, Grupo Prisa............................... 11
Pierre Gressier - CIO of 3 Suisses International............................................................................................... 12
José Manuel Inchausti - CIO of MAPFRE........................................................................................................ 13
Bruno Kretz - Director of Information Systems, Agence Nationale pour les Chèques-Vacances (ANCV)........ 14
Donatella Paschina - CIO of Ermenegildo Zegna Group.................................................................................. 15
Simon Post - Group Operations Director of Best Buy Europe........................................................................... 16
Adriano Riboni - CIO of Sanofi Italy................................................................................................................ 17
Sverre Rosén - CIO of Storebrand................................................................................................................... 18
Pieter Schoehuys - CIO of AzkoNobel................................................................................................................ 19
Lourens Visser - CIO of the Port of Rotterdam................................................................................................ 20
Choy Peng Wu - CIO of Neptune Orient Lines (NOL) Group........................................................................ 21
Overview........................................................................................................................................................... 23

Methodology

The findings in this report are based on two principle sources of original data: survey data from 188 Chief Information Officers (CIOs) from seven European countries and in-depth interviews with 14 of Europe’s and Asia’s best CIOs, according local CIO networks.

For the survey, the author developed the survey questions based on the seminal work of Weill and Worner (2009) studying how the roles of CIOs have changed. The survey asked participating CIOs to estimate what percentage of their time in 2011 they and their team spent across four general activities: providing IT services; working with non-IT colleagues; engaging with external customers; and managing enterprise-wide business processes. Another set of questions asked them to anticipate what percentage of their time they would spend across the same four categories three years from now – i.e., 2014. From January to February of 2012, seven country offices of CIONET solicited members to participate in the brief survey. Over 230 member CIOs participated. The results were first cleaned (e.g., incomplete surveys were removed) and then analyzed in detail.

In addition to the survey data, the author conducted in-depth interviews with 14 CIOs. These CIOs were selected by CIONET Country Offices because of their national reputation and/or their winning of national awards for CIOs of the Year. Building on the survey responses, the author asked interview participants how they effectively fulfilled each of the four general types of activities that the survey researched. Another set of questions was around what key skills are necessary to effectively fulfill each type of activity and how do their organisations foster such skills.

Acknowledgements

This report and the research it is based on would not have been possible without the generous support of many people. The author greatly acknowledges the CIOs who took the time to complete the survey and especially the CIOs who took time from the busy schedules to be interviewed and their colleagues who helped review the profiles. Special thanks to Hendrik Deckers and Mieke Pauwels of CIONET, along with the many leaders of CIONET’s country offices. The author is grateful to have collaborated again with colleagues from MIT Sloan’s Center for Information Systems Research, Martin Mocker, Jeanne Ross, Peter Weill, and Stephanie Woerner. The author also is grateful for the support of his colleagues at INSEAD eLab, Virginie Bongeot-Minet, Lazaros Goutas, Soumitra Dutta, Bruno Lanvin, Beatrice Melin, and Eduardo Rodriguez Montemayor as well as for Brian Henry for help in writing the profiles and Anita Dore for designing the report.
We originally decided to develop this annual report because we were struck by how many of our friends and colleagues still believe the only value of a Chief Information Officer (CIO) is to make sure IT systems are running well enough so that they can e-mail and surf the internet. Having efficient and effective IT systems is fundamental to the success of any organization; however it is no longer a competitive differentiator. Organizations also need to have and foster IT-enabled leaders that can build IT-enabled process platforms for operating and innovating globally, both within and outside the organization.

Since then, an additional objective has emerged. The current economic crisis has damped the energies of many in Europe – especially public officials in European capitals and in Brussels – struggling to transform and thrive amidst austerity. It would not be much of an exaggeration to say that since the role of CIO was introduced to organizations, most have had to figure out how to do more with less, often without the formal authority to execute the necessary organizational changes. And a significant number have succeeded in getting their organizations to improve operations and innovation and overall thrive.

To inspire organizations to make the most of their IT-enabled leaders, we wanted to share 14 recent success stories of how IT-enabled leaders are helping their organizations grow and strengthen in today’s challenging economy.

The report consists of the key findings from our analysis of two sources of data that we collected: survey data from 188 CIOs and interviews with 14 of Europe’s and Asia’s most distinguished CIOs. Together, these findings help us better understand the expanding strategic roles of CIOs and their IT Groups and prove that it is possible to thrive amidst austerity.

The survey data show the extent by which CIOs and their IT Groups are engaged in several key activities beyond simply managing ICT services. We identify three types of IT-enabled leaders, based on how CIOs spend their time: Technology-driven; Business process driven; and Client-driven. The 14 profiles illustrate how each type of leader provides distinct kinds of value to the organization. Technology-driven leaders ensure the organization is spending more on innovation and less on operations and maintenance; Business process-driven leaders help non-IT colleagues map, re-design and improve how things get done in the organization; and Client-driven leaders help extend their organization’s capacity to innovate with customers.

As organizations discover more ways to use IT to operate and create value, they will rely more and more on all three kinds of IT-enabled leaders.

We hope the findings from this report help governments and organizations foster all three types of IT-enabled leaders and inspire students to become the IT-enabled leaders of the future that enable their organizations to grow and strengthen in any challenging environment.

Hendrik Deckers
Managing Director, CIONET

Nils Fonstad
Associate Director, INSEAD eLab
Contrary to traditional perceptions of what CIOs do, our data show that CIOs spend a significant percentage of their time outside of managing ICT services.

The findings were developed from survey data of 188 CIOs on how much time they spent in 2011 across four areas of activities. To find out what type of IT-enabled leader they are, CIOs were asked to estimate what percentage of their time they spent across the four areas of activity in 2011:

A. Managing ICT services
B. Working with non-IT colleagues
C. Managing enterprise-wide business processes
D. Working with external customers and partners

From their responses, the following three distinct types of CIOs and IT Groups were identified.

<table>
<thead>
<tr>
<th>Types</th>
<th>Description</th>
<th>Definition in Relation to Four Areas of Activities</th>
<th>Types in 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology-Driven</td>
<td>CIOs and IT Groups that are primarily focused on managing the IT organization to ensure delivery of IT infrastructure, applications, and related services across the company at the desired cost and service levels.</td>
<td>If C+D &lt; 25%</td>
<td>CIOs 37%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>IT Groups 60%</td>
</tr>
<tr>
<td>Business Process-Driven</td>
<td>CIOs and IT Groups who spend a greater than average percentage of time managing enterprise business processes, such as shared services, global supply chain, operations, and customer experience.</td>
<td>If C+D &gt;= 15 AND C &gt; D</td>
<td>CIOs 41%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>IT Groups 31%</td>
</tr>
<tr>
<td>Client-Driven</td>
<td>CIOs and IT Groups who spend a greater than average percentage of time meeting with external customers and partners as part of the sales, service delivery or innovation process.</td>
<td>If C+D &gt;= 15 AND C &lt;= D</td>
<td>CIOs 22%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>IT Groups 10%</td>
</tr>
</tbody>
</table>

**SURVEY RESULTS:**
The Strategic Roles of IT-Enabled Leaders Are Dynamic

Anticipated changes in types of CIOs

<table>
<thead>
<tr>
<th>2011</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>37%</td>
</tr>
<tr>
<td>Business Process</td>
<td>41%</td>
</tr>
<tr>
<td>Client</td>
<td>22%</td>
</tr>
</tbody>
</table>

Anticipated changes in types of IT Groups

<table>
<thead>
<tr>
<th>2011</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>60%</td>
</tr>
<tr>
<td>Business Process</td>
<td>31%</td>
</tr>
<tr>
<td>Client</td>
<td>10%</td>
</tr>
</tbody>
</table>

Over the next 3 years, just over a third of CIOs (35%) anticipate their roles will change such that they will become a different type of CIO. For example, within each type of CIO, the following percentage anticipate they will change:

- **Technology-Driven to Business Process Driven**: 36%
- **Technology-Driven to Client-Driven**: 13%
- **Business Process-Driven to Client-Driven**: 19%
- **Business Process-Driven to Business Process Driven**: 27%
- **Business Process-Driven to Client-Driven**: 26%
- **Client-Driven to Business Process Driven**: 22%
- **Client-Driven to Business Process Driven**: 6%

Similar to CIOs, over the next 3 years, it is expected that about a third (32%) of IT Groups will become a different type of IT Group. For example, within each type of CIO, the following percentage anticipate they will change:

- **Technology-Driven to Business Process Driven**: 26%
- **Technology-Driven to Client-Driven**: 12%
- **Business Process-Driven to Client-Driven**: 22%
- **Business Process-Driven to Business Process Driven**: 6%

Source: 2012 CIONET and INSEAD eLab survey of CIOs
SURVEY RESULTS: Preparing for Future Demand

Differences and changes in types of CIOs, by country.

The CIOs that participated in the survey represent a variety of European countries. The three most represented countries were Italy (20% of respondents), France (18%), and Belgium (16%), followed by the United Kingdom (14%) and Spain (13%).

Differences across countries are most noticeable with regards to the percentage of CIOs that are Client-driven. In those countries where the percentage is relatively high (e.g., Italy and Spain), few CIOs anticipate becoming a different type of CIO by 2014. In contrast, in those countries where the percentage of CIOs that are Client-driven is relatively low (e.g., Belgium and the Netherlands), CIOs anticipate the percentage of Client-driven CIOs to more than double.

Differences and changes in types of IT Groups, by country.

Survey data provide an important view into the kinds of skills that will be in greater demand over the next three years. In countries such as the Netherlands or the United Kingdom, the percentage of IT groups that are Technology-driven is expected to decrease significantly, as more IT Groups are expected to become Business Process-driven. As several CIOs highlight in their profiles, this has significant impact on the skills that organizations need to make sure they have. To continue thriving with ICT, several organizations need to ensure members of the IT Group are more skilled at service delivery management, systems planning (e.g., enterprise architecture) and business processes.

Source: 2012 CIONET and INSEAD eLab survey of CIOs

### Belgium

<table>
<thead>
<tr>
<th>Year</th>
<th>Technology-driven</th>
<th>Business Process-driven</th>
<th>Client-driven</th>
<th>Year</th>
<th>Technology-driven</th>
<th>Business Process-driven</th>
<th>Client-driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>57%</td>
<td>36%</td>
<td>7%</td>
<td>2014</td>
<td>45%</td>
<td>37%</td>
<td>20%</td>
</tr>
<tr>
<td>2014</td>
<td>43%</td>
<td>37%</td>
<td>20%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### France

<table>
<thead>
<tr>
<th>Year</th>
<th>Technology-driven</th>
<th>Business Process-driven</th>
<th>Client-driven</th>
<th>Year</th>
<th>Technology-driven</th>
<th>Business Process-driven</th>
<th>Client-driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>64%</td>
<td>30%</td>
<td>8%</td>
<td>2014</td>
<td>46%</td>
<td>33%</td>
<td>21%</td>
</tr>
<tr>
<td>2011</td>
<td>64%</td>
<td>30%</td>
<td>8%</td>
<td>2014</td>
<td>46%</td>
<td>33%</td>
<td>21%</td>
</tr>
</tbody>
</table>

### Italy

<table>
<thead>
<tr>
<th>Year</th>
<th>Technology-driven</th>
<th>Business Process-driven</th>
<th>Client-driven</th>
<th>Year</th>
<th>Technology-driven</th>
<th>Business Process-driven</th>
<th>Client-driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>55%</td>
<td>32%</td>
<td>13%</td>
<td>2014</td>
<td>47%</td>
<td>32%</td>
<td>21%</td>
</tr>
<tr>
<td>2011</td>
<td>55%</td>
<td>32%</td>
<td>13%</td>
<td>2014</td>
<td>47%</td>
<td>32%</td>
<td>21%</td>
</tr>
</tbody>
</table>

### Netherlands

<table>
<thead>
<tr>
<th>Year</th>
<th>Technology-driven</th>
<th>Business Process-driven</th>
<th>Client-driven</th>
<th>Year</th>
<th>Technology-driven</th>
<th>Business Process-driven</th>
<th>Client-driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>75%</td>
<td>19%</td>
<td>6%</td>
<td>2014</td>
<td>36%</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>2011</td>
<td>75%</td>
<td>19%</td>
<td>6%</td>
<td>2014</td>
<td>36%</td>
<td>25%</td>
<td>25%</td>
</tr>
</tbody>
</table>

### Norway

<table>
<thead>
<tr>
<th>Year</th>
<th>Technology-driven</th>
<th>Business Process-driven</th>
<th>Client-driven</th>
<th>Year</th>
<th>Technology-driven</th>
<th>Business Process-driven</th>
<th>Client-driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>50%</td>
<td>88%</td>
<td>12%</td>
<td>2014</td>
<td>50%</td>
<td>88%</td>
<td>12%</td>
</tr>
<tr>
<td>2011</td>
<td>50%</td>
<td>88%</td>
<td>12%</td>
<td>2014</td>
<td>50%</td>
<td>88%</td>
<td>12%</td>
</tr>
</tbody>
</table>

### Spain

<table>
<thead>
<tr>
<th>Year</th>
<th>Technology-driven</th>
<th>Business Process-driven</th>
<th>Client-driven</th>
<th>Year</th>
<th>Technology-driven</th>
<th>Business Process-driven</th>
<th>Client-driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>42%</td>
<td>42%</td>
<td>17%</td>
<td>2014</td>
<td>25%</td>
<td>42%</td>
<td>31%</td>
</tr>
<tr>
<td>2011</td>
<td>42%</td>
<td>42%</td>
<td>17%</td>
<td>2014</td>
<td>25%</td>
<td>42%</td>
<td>31%</td>
</tr>
</tbody>
</table>

### United Kingdom

<table>
<thead>
<tr>
<th>Year</th>
<th>Technology-driven</th>
<th>Business Process-driven</th>
<th>Client-driven</th>
<th>Year</th>
<th>Technology-driven</th>
<th>Business Process-driven</th>
<th>Client-driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>63%</td>
<td>27%</td>
<td>8%</td>
<td>2014</td>
<td>38%</td>
<td>50%</td>
<td>12%</td>
</tr>
<tr>
<td>2011</td>
<td>63%</td>
<td>27%</td>
<td>8%</td>
<td>2014</td>
<td>38%</td>
<td>50%</td>
<td>12%</td>
</tr>
</tbody>
</table>

Source: 2012 CIONET and INSEAD eLab survey of CIOs
In this section, we present fourteen profiles of CIOs (listed alphabetically) who clearly illustrate how IT-enabled leaders are essential to the success of their organizations and how they are also creating value for their customers and partners. The accomplishments of the CIOs and IT groups features in the following profiles highlight the importance of fostering IT-enabled leaders for creating and sustaining value.

**Carsten Bernhard**, AutoScout24  
**Oliver Bussmann**, SAP  
**Kurt De Ruwe**, Bayer MaterialScience

**Oscar Gómez Barbero**, Grupo Prisa  
**Pierre Gressier**, 3 Suisses International  
**José Manuel Inchausti**, MAPFRE

**Bruno Kretz**, ANCV  
**Donatella Paschina**, Ermenegildo Zegna Group  
**Simon Post**, Best Buy Europe

**Adriano Riboni**, Sanofi-Aventis Italy  
**Sverre Rosèn**, Storebrand  
**Pieter Schoehuijs**, AkzoNobel

**Lourens Visser**, Port of Rotterdam  
**Choy Peng Wu**, NPO
One of Europe’s most successful exclusively online companies is AutoScout24, the Europe-wide largest online car marketplace. AutoScout24 offers private customers, car dealers and other partners in the automotive, finance and insurance industries a comprehensive platform for trading cars on the internet. Founded in 1998, AutoScout24 today has 15.4 million users in Germany alone and 1.8 million vehicles on offer. With its headquarters in Munich, the company is present in 18 countries and has about 40,000 dealer customers.

As an exclusively online company, everything at AutoScout24 depends on ICT. Carsten Bernhard, Vice President IT and the company’s CTO, is responsible for maintaining AutoScout24’s presence and developing its products, together with his team of 100 colleagues. “Unlike most other companies, we don’t have any physical product that we are producing”, Bernhard explains. “All we have are our webpages and online applications.” And the ICT group is central to AutoScout24s ability to develop new online applications and services.

Bringing people together and tearing down walls
Ironically, it’s a rather non-technical process for developing new IT solutions that enables Bernhard and his team to rapidly take opportunities and tackle challenges. It is the reason why in 2011 Bernhard and his IT group spent only 10-15 percent of their time managing ICT services and over 60 percent of their time engaging with non-ICT colleagues.

Over the last two years, after realizing that the traditional approach to new product development was inefficient and unsustainable, Bernhard started to “tear down the walls between IT and Business.” Before, they were spending “too much time trying to figure out the perfect way of doing things and ending up not doing enough things.” Now, they have literally placed the developers in the same room as the business process owners and the product managers. They are all on the same team.

“What we’re doing is bringing these people together, eliminating all the documentation and all the borders, all the fences, all the upfront quality gates. They are working hand-in-hand in one team and for one customer directly instead of working against each other.”

Increasing face-to-face interaction to innovate digital solutions
The new process for developing solutions is a mash-up of what works best for AutoScout24 from other methodologies such as SCRUM, agile development and lean management. The process begins when someone from the business identifies an opportunity or challenge that needs to be addressed. They write their problem down on a post-it and place it on a whiteboard, together with the post-its of the other team members. The problems are then clustered into key issues. On a separate ‘idea challenge board’ other colleagues post ideas for new solutions.

Proposed solutions are then assessed for their business complexity using reference stories. Reference stories consist of solutions that were developed in the past for similar challenges. The business complexity of a solution proposed for the current challenge is determined by comparing it to complexity of past solutions. Once a proposed solution is selected to be implemented, it joins the others under implementation on a scrum board.

Every day, all team members come together face-to-face for 15 minutes to review the scrum board and address three questions: What did I do since yesterday? What will I do today? And whom do I need for that? In 15 minutes, all team members gain a complete picture of what is going on in the team. In addition, each team selects a representative to participate in a cross-team meeting. Here, the same questions are discussed, in order to manage any interdependencies across teams. This approach is effectively turning one large organisation into multiple small ones to keep the rising complexity under control.

Working in two-week cycles
As part of this approach, new product development occurs in two-week cycles. “Today, we plan our life in two week operations. Every two weeks, we’re talking about what should be done in the next two weeks. Of course, we have a longer term vision – but with this process we don’t plan ahead precise tasks for more than two weeks. We don’t see any value in creating precise plans for the next year, since business is going to change in this period anyway.” If someone comes up with an idea that takes longer than two weeks to implement, this person is told to go back and think about something smaller, focussing on executing the first step, reaching the goal and on measuring it. AutoScout24 refers to this first step as the “minimum viable product”. “It is the smallest implementable idea that can be used to prove you’re moving in the right direction for your big idea. And if this first step is successful, you will be asked to take the next step. If the first step not a success, however, you will be asked to go back, check your assumptions and to come up with a new first step” Bernhard explains.

Most importantly, as a result of this process, people from all around the organisation are actively collaborating all day in front of the whiteboards with planned and ad-hoc meetings, group discussions and talks. This level of interaction is what motivates participants most and fuels them to rapidly develop effective responses to challenges and opportunities and enhance the customer experience. And it is what is driving AutoScout24 to success: Cutting development cost by 60% and at the same time increasing turnaround times tenfold while tearing down the artificial walls around IT.

Succeeding in the digital world with small steps, face-to-face meetings, post-it notes, and metrics.

Carsten Bernhard
Vice President IT/CTO at AutoScout24

CLIENT-DRIVEN
Earning “the perfect spot” of three overlapping areas of responsibility

SAP AG is a German software corporation with regional offices around the world that makes business management software. SAP applications and services enable more than 183,000 customers worldwide to operate profitably, adapt continuously, and grow sustainably. Oliver Bussmann, CIO at SAP AG, joined the company in September 2009, after successfully serving for several years as CIO for the Allianz Group.

Bussmann is proud of the fact that he and the IT group at SAP (“Global IT”) have succeeded in optimizing ICT operations and engaging with the business in such a way that today they find themselves in “the perfect spot” of three overlapping areas of responsibility. The first area is operational – making sure that the business systems are up and running, including the systems that are used by the 15,000 software developers that drive the software development for SAP. The second area is transformational - helping to transform SAP from a business that in 2011 generated 11 billion to one that in 2015 will be generating 20 billion and will have improved operating margins from around 30 percent to 35 percent. The third area is in innovation - driving innovation at SAP by “injecting the IT group directly into the product side.”

Regarding improving ICT operations, during his first 100 days at SAP, Bussmann developed an award winning strategy to transform a traditionally siloed IT structure into an agile operation aligned with the business. He created a new governance structure and new enterprise architecture function. The enterprise architecture group helped simplify processes within IT, enabling IT to focus more on customers and identify new ways to create value for them. Bussmann also initiated the implementation of a global delivery model for application services that increased capacity by 80 percent with a disproportional cost increase of 40%.

The results of these changes included significantly improved relations between IT and the rest of the business. Internal scores from surveys of the perceptions of the business regarding IT’s innovation, business alignment, and delivery almost doubled.

Becoming the company’s most innovative and valuable customer
One of Bussmann’s most notable accomplishments is the SAP Runs SAP program, which he introduced in 2010. As a result of the program, SAP is now its first and number one reference customer. This has provided SAP with a wealth of opportunities to rapidly learn how to improve its products and services. A significant aspect of the program is a feedback cycle between Global IT and SAP’s development team, which as part of the program, is responsible for implementing and supporting internal uses of SAP. Global IT regularly shares firsthand accounts and lessons with SAP developer that they can immediately translate into improvements in software and delivery.

Initially, ‘SAP Runs SAP’ involved a small number of projects. Today, there are many more 50 projects involved. Consequently, SAP is usually the first customer of a new service 6 to 12 months before general availability. Conversely, as an “alpha customer,” Global IT influences the product organization, at least 18 or 24 months before general availability. SAP Runs SAP projects have demonstrated the business value of new technologies internally, such as in-memory computing, one of SAP’s key areas of innovation alongside mobility and cloud. “We [Global IT] provide feedback to the product organization about product features, missing features, white spaces, changes in functionality, issues, etc. So it’s a huge value for the our organization as well as for the customers that we are the first adopters.”

The program has also explored combining new SAP innovation products with external ones, such as mobile devices, mobile apps, and other technologies available from the external marketplace. Back in May 2010, SAP was one of the first companies to support Apple tablets in a secure way. “And now with 15,000 tablets, we have the second largest iPad deployment globally. We are now perceived in the industry as the thought leader. We also have more than 50 mobile apps in place. Employees are embracing the mobile mindset; using them in customer meetings; embracing that we are cutting-edge. They are proud of that.”

Bussmann and Global IT are avid users of social media, especially to promote their accomplishments with ’SAP Runs SAP’. A rather unexpected but pleasant consequence of SAP Runs SAP has been the growing interest from SAP customers in talking with Bussmann and Global IT about their experiences in pushing the boundaries of SAP products and services. In 2011, they participated in over 250 customer meetings to share their knowledge and best practices about implementing and integrating new features into existing platforms. Customers seemed to value Global IT’s distinct experiences.
In 2007, Kurt De Ruwe became the CIO of Bayer MaterialSciences (BMS), the chemical division of Bayer Group. BMS has more than 30 production sites around the world providing high-tech polymer solutions in polyurethanes, polycarbonate and special applications. BMS customers are top-tier companies in a wide range of industries including automotive, construction, electrical / electronics, medical, furniture and leisure. In 2010, BMS had sales of EUR 10.2 billion.

De Ruwe was headhunted for the position by CEO Patrick Thomas, who had just been hired a few months earlier; De Ruwe and Thomas had previously worked together at Huntsman (another global manufacturer of chemicals) for many years. Both understood the strategic importance of information and communication technologies for both operations and innovation. Soon after taking the reins, De Ruwe developed an IT enhancement agenda to increase efficiency and reduce complexity at BMS.

“And that’s basically how ProgramOne started,” De Ruwe said. “We had a lot of complexity and duplication of effort. Some process steps did not add any value. Let me give you an example, order to cash. In Europe alone we had over 800,000 price approvals per year. With the introduction of a floor price concept these manual interventions were eliminated.”

ProgramOne

His first initiative was to define and implement a program to streamline global business processes supported by a greenfield SAP ERP. Called ProgramOne, it included supply chain optimization, customer and product rationalization, legal entity consolidation, training and education for the 14,700 BMS employees. That was quite an accomplishment, given that De Ruwe’s IT department consists of 180 people who reside mainly in four locations: Pittsburg, Leverkusen, Shanghai and Hong Kong.

As De Ruwe launched ProgramOne across the company, he realized that he would need to transform the entire company culture. “It was really seen as a business project with a high focus on changing the mindset and the behavior of people,” De Ruwe said. “This was a project about people. The main focus was on changing the mindset—how people were thinking and working.”

To this end, De Ruwe also began to focus on information and knowledge management at BMS. He wanted to discover how employees shared their savoir-faire and consequently how to improve the process of sharing. One of his pressing concerns was an aging population, whereby some of the most knowledgeable employees at BMS would be retiring over the next five to 10 years.

Social Media

“Knowledge management is really very important because it is a key part of our whole innovation process,” De Ruwe said. “We now have a tool that basically stimulates knowledge and information sharing across the whole global organization.”

Supported by IBM Connections, the off-the-shelf tool has micro-blogging and community management capabilities to drive and enable better and more open information and knowledge management. Furthermore employees did not need to be given company training on the easy-to-use tool. IBM Connections is designed as a simple tool with standard albeit limited features.

“We launched IBM Connections without any promotion and it grew organically,” De Ruwe said. “We began with 50 people and fairly quickly had more than 2,000 BMS employees using it globally. People really liked it. We had people interacting with each other who would have never known that they were working on the same problems but from different departments. Today more than 66% of our people use it on a regular basis.”

“As we are a global company, we need to accelerate the development of solutions to common problems”, De Ruwe said. “We have come from a closed culture where people did not want to share their knowledge to an environment where people are sharing things in a much more open way. We now have people interacting with each other. You could have a sales person working on a finance problem. By increasing the visibility of what is going on in the organization, we have totally changed how we work.”

Becoming a Social Business

Meanwhile, De Ruwe changed the way BMS employees send emails and write reports in their working environment. He migrated from IBM Lotus Notes to the latest version of Microsoft tools and integrated them with IBM Connections. “Now, if I get an email from an employee I can see all the previous contributions that that individual made in IBM Connections.” In addition, documents can be searched across the platforms, giving users greater visibility into what information is available across the company.

To build on his innovations, De Ruwe would like to see every employee of Bayer Group’s 126,000-strong workforce having their own profile tags. According to him, employees can easily create their own tags or allow others to create them on their behalf. In short, profile tags would briefly indicate what skills or competences employees possess in a particular function and geographic location.

“If you want to find a user, for instance, that knows about transportation in Melbourne, you would simply type in transportation and Melbourne,” De Ruwe said. “You would then get a few people that know about it. For the first time all knowledge in the company will be identified in one system. With a few clicks people will be able to find the person that may have the answer to their questions.”
Oscar Gomez Barbero is responsible for all shared services at Grupo Prisa, the world’s largest Spanish and Portuguese-language business groups in the sectors of education, information and entertainment. Grupo Prisa’s businesses reach over 50 million customers across 22 countries. Even with recent economic crises and increased competition, most of Grupo Prisa’s businesses have maintained their top position in their region, in terms of market share. Business units within the Audiovisual Group include the number one Pay TV in Spain; the number one Free-to-Air (FTA) in Portugal; and the number one FTA TV in Spain. Within the Education Group are the number one textbooks in Argentina, Brazil, Chile, Colombia, Mexico and Spain. Within the Radio Group they have the number one radio in Chile, Colombia and Spain and number two in Mexico. Finally, within the Press Group, in Spain they have the number one daily newspaper, the number two daily sports newspaper; and the number two economic newspaper.

ICT is both a source of pain and of competitiveness. Changes in the internet – more specifically, the emergence of online digital media – over the past ten years have brought about immense competition to all of Grupo Prisa’s companies, forcing them to cut operating costs dramatically and create new streams of revenue. Since 2008, Grupo Prisa has preserved profit margins across all groups. A critical success factor has been how Grupo Prisa organizes its operations. To exploit the strategic capabilities of ICT, Grupo Prisa first centralized a significant part of ICT.

First, strengthen ICT as shared services
In 2009, Gomez Barbero launched a massive reorganization of the ICT group, which consisted of centralizing ICT into a shared services organization and outsourcing several aspects of operations and maintenance of ICT systems to external service providers. In the process, Grupo Prisa upgraded several key systems. Centralization also enabled the ICT group to better coordinate and renegotiate contracts with external service providers.

With this process, ICT spending was reduced by a 21%, OPEX was reduced by a 20% and CAPEX by a 43%. Hardware assets were sold to an outsourcer, who now provides hardware services with a pay per use model and is responsible for simplification and renovation of technology.

In addition, most ICT staff were moved – either from one business unit to another or to an external service provider. When Gomez Barbero transferred some ICT infrastructure services to an external service provider, he negotiated that 70 percent of staff be hired by the external service provider and remain working on Grupo Prisa’s systems. He did this to ensure that critical knowledge was not lost. “Before, the key to competitiveness was access to capital. Then it was access to technology. Today, it is access to skills.” By the end of 2011, the ICT group had about 100 employees, with about a fifth within the corporate office and the rest distributes across 4 business units, in the 22 countries in which it operates.

The roles of those who remained in the IT group became more strategic. They became more responsible for vendor management, service management, and business process consulting. Gomez Barbero explained to those who remained, that the responsibilities to deliver increasingly efficient and effective solutions remained the ICT group’s, rather than the outsourcer’s.

Next, develop other business processes into shared services
With the success of the transformation of ICT, the senior management team at Grupo Prisa now relies on Gomez Barbero to transform other business processes in the company for greater operational efficiency. As a result, Gomez Barbero spends over 80 percent of his time with non-IT colleagues.

Gomez Barbero and the IT organization have the most holistic view of how all of Grupo Prisa’s companies operate and as a result, can identify where the inefficiencies are. Their experience with transforming IT, together with their engagement model with the rest of the business, have enabled them to achieve several efficiencies: Finance & Administration: 30% FTEs improvement and 27% OPEX reduction; Human Resources: 41% FTEs improvement and 26% OPEX reduction; Facility Management: 89% FTEs improvement and 13% OPEX reduction.

Building on shared services platform to embrace the consumerization of online media
With stronger shared services, Grupo Prisa is able to focus its resources on converting changes due to online digital media into opportunities. The younger generation consumes media content in manners very different from before. Gomez Barbero described this change using two familiar phrases in Spain: “del “café para todos” a “El efecto Martini (Donde estés, a la hora que estés)” (roughly translated: from everyone receiving the same service at once to each individual receiving a customized service whenever and wherever they want it).

The transformation lead by ICT has enabled Grupo Prisa to introduce more rapidly new sources of revenue that work across its traditional groups. In May, 2011, Grupo Prisa was able to rapidly introduce Planeo a “daily deals service” e-commerce website that offers a selection of daily deals in leisure, restaurants, travel, beauty, sports, and other categories. Planeo is integrated into all Prisa media, both online and in traditional media (press and radio). Just six months after its launch, Planeo registered over 350,000 unique users, making it one of the fastest growing e-commerce site in Spain, according to Nielsen. To remain a competitive leader, Grupo Prisa is counting on their IT experts to develop additional successes.
Pierre Gressier has been the CIO of Group 3 Suisses International since September 2009, after having been CIO of the payTV group Canal+ and of the French ECG retailer FNAC. He has responsibility over all of 3 Suisses’ BtoC companies. In less than three years, Gressier has transformed the entire IT system of Europe’s seventh largest e-commerce group.

Gressier’s modernization project, aptly named Vinci, is turning out to be one of the largest and most comprehensive IT transformation stories currently being undertaken in Europe. In 2010, Group 3 Suisses International invested EUR 70 million in Gressier’s plan to develop their online presence in more than 30 countries.

When Gressier arrived, the Group was a disparate collection of IT silos with no shared services, no integration of projects, no process culture within business, no business involvement in the IT projects, and no centralized logistics and call centers. Drawing from his previous award-winning experience as a CIO in the retail sector, Gressier launched the Vinci plan, which is named after Leonardo Da Vinci who was both an artist and a scientist. According to Gressier, “DaVinci perfectly represents the close alliance between business and IT which is the main success factor of such a program.”

Gressier quickly realized he had to come up with a grand project to match the needs of the fast-growing Group, which includes well-known mass-market brands in the fashion and home decor sector such as 3 Suisses, Blancheporte, and Becquet, to name a few. The Group also has a significant presence in the service sector; its Mondial Relay parcel delivery business has 6,000 pick-up points in Europe. In total, Group 3 Suisses International generated sales of EUR 2 billion in 2011, and has more than 8,000 employees.

Shifting from catalog-centric to web-centric
Gressier knew the plan had to have web development as its principal focus. The Group’s online sales are growing beyond all expectations: 3 Suisses, for example, currently generates 70 percent of its revenues from the Internet and 30 percent through mail orders and phone. In fact, Gressier’s goal is to “shift from a catalog-centric to a web-centric IT, processes and organization.”

This means not only designing new web sites, but completely redesigning the entire information system and business processes - from the purchasing department to the marketing department, including the complete supply chain. So Vinci is not only an ERP implementation, it is a complete rethinking of all the processes, company-wide, and the implementation of a completely new and redesigned best-of-breed Information System, with the integration of several major ERPs, with a Service Oriented Architecture, and a private cloud infrastructure.

And furthermore, the approach is not brand per brand, but for all the brands of the company, enabling the creation of several Shared Service Centers, including critical business services such as warehouses and customers call centers. To this end, he implemented a sophisticated warehouse management system and laid the foundation for the building of France’s largest warehouse among e-commerce companies. With a capacity of more than 25 million items, the new warehouse, near the city of Lille, will process all the customer orders for all the brands within 3 Suisses, with highly automated tools.

Also, all the customer call centers have been centralized into a single call center serving all the mass-market brands. This new shared services organization is a complete turnaround of the former organization. In total, 2,000 employees of the brand’s former 2,500-strong workforce have been transferred to the Group’s logistics and call center organization, without laying off any permanent worker. “It was a completely new way to do a project,” Gressier said. “For the previous 40 years, the Group had blocked in-house IT systems for each brand. Business owners would write down their specifications, and IT would develop these custom-made IT programs without sharing anything with any other brands.”

In devising the most ambitious business plan of his career, the Vinci plan, Gressier pitched it to management in terms they could understand. He showed the Board how he could yield EUR 100 million to the bottom line through cost reduction, value addition and improved customer service. After getting the buy-in from the top, Gressier rolled up his sleeves and got down to work to implement this 100,000+ man-days program.

Ensuring joint responsibility for the success of organizational transformation
One of his first ideas was to put business managers and IT professionals under a single roof, whereby development could march in step with the business needs of the brands. “We’ve got 450 people working together in a large open space building: IT people, business people, service integrators, all of them unblocking the Group’s business potential. What we did was completely integrate the Vinci project into a one-team project.”

None of Gressier’s ideas could have been brought to fruition without change management: a successful transformation program means comprehensive buy-in by employees and management. That includes extensive employee training: each employee will have in average a 9 days training courses, with more than 400 training sessions for the sole purchasing department. This will enable staff to learn new business processes and tools, while gaining deeper knowledge of the internet. With the right platforms and skills in place, Gressier is keen to take 3 Suisses to the next level of digital commerce.
Preparing the company to expand into new markets

MAPFRE is the leading insurance company in Spain and Latin America, where it is active in 18 countries. In 2011, its net profit rose 3 percent to 963 million (EUR), as earnings were boosted by its overseas businesses. Revenues climbed 14.9 percent to 23.530 billion (EUR), of which the company’s international operations contributed 60 percent. Latin America grew 33.3 percent.

Jose Manuel Inchausti joined MAPFRE in 1988. Over the course of almost 20 years, he earned increasingly senior-level positions in various parts of the business, including COO of MAPFRE Vera Cruz Vida e Previdencia and then later as General Manager and the Executive Chairman of MAPFRE SEGUROS GENERALES in Colombia. Insurance companies, like financial service firms, are very ICT intensive. Their operations, products and services are primarily digital. By the time he became CIO in 2007, Inchausti had significant experience with both business and IT.

There are several ways that Inchausti and the IT Group at MAPFRE have contributed to the insurance company’s success. Most significantly, they have developed an IT-enabled business process platform that enables them to expand rapidly into new markets and new regions and they have created a data platform that enables the firm to engage with customers through a variety of business units and channels in a consistent and coordinated manner. Developing each of these platforms was a journey.

Today, the IT group at MAPFRE is organized in two general areas: demand and supply. The demand group is responsible for meeting the needs of the business units, particularly with regards to helping them automate and improve their business processes. The supply group is responsible for aspects such as enterprise architecture, ICT governance, and vendor management.

Empowering business units to effectively manage their own business processes

One fourth of the IT group at MAPFRE is located physically within the business units, focussed on demand. The members of this group help the business and IT prioritize their efforts and investments and keep them aligned. “These are professionals whose competences are increasingly in business and less in ICT. In fact the most recent hires were from the business, such as myself. We prefer to bring someone from the business and teach them about ICT rather than someone from ICT and teach them about the business.”

At MAPFRE, although most business processes are very ICT intensive, their efficiency and effectiveness are the responsibility of the respective business unit. The role of the IT Group at MAPFRE is focussed on providing business process consultation and support, rather than managing directly any business processes. A few years ago, the IT Group introduced and developed a business process group within each business unit and provided those groups with frameworks and tools for mapping and designing business processes.

Building business intelligence capabilities

In 2009, Inchausti introduced an integrated data platform to support business and customer intelligence, as well as various centers of competence. This required traversing internal organizational boundaries. Results from their efforts quickly diffused any skepticism to the new ways of working.

Smarter analysis of existing company data, for example, enabled them to realize that clients were leaving their policies. They discovered a significant correlation between clients whom they had succeeded in matching with specific policies and the rate of renewal of those clients. This helped them realize that any costs in developing a single view of customers would be covered very quickly from a number of benefits, such as enhanced retention of customers.

In addition, within the IT group, Centers of Competence were introduced, consisting of experts in assessing and defining the strategic and operation needs of the business, experts in translating business needs into IT requirements, and experts in designing and building robust, interoperable and scalable information systems to support business intelligence. The centers are focussed on areas such as business intelligence; customer intelligence, business processes; human capital; and social media.

Successfully using social media to foster internal communication and innovation

In 2011, MAPFRE introduced several important applications of social media to enhance internal communication and collaboration. The most significant initiative was an Incubator of Ideas. Every two months, a challenge is posted to the group and invited participants then propose ideas, critically discuss them, and vote on the best ones. The resulting best ideas are presented to a committee that then decides which ones to fund and develop further. In a recent example, when a new challenge was posted, about 70 per cent of the 1100 invited members participated in the process and generated over 300 ideas. The resulting solution was especially salient and effective and had immense buy-in.

These changes have enabled IT to continuously reduce its costs by 9 percent and, most important, to spend less on running the systems and more on innovating with them. Building on these accomplishments, Inchausti and the rest of MAPFRE’s IT group are now ready and looking forward to helping the company pursue new business opportunities in Eastern Europe and Southeast Asia.
Founded in 1982, L’Agence Nationale pour les Chèques-Vacances (ANCV) is a government agency that operates commercially under the authority of the Ministry of Finance and the Secretary of State for Tourism. Its mission is to help provide holidays for all. ANCV seeks to reduce inequalities with regard to holidays and leisure activities and to improve social integration by helping to provide holidays for individuals and families on low incomes. Working alongside other stakeholders, ANCV plays an important role in furthering social tourism.

It has two key operations:
- the production, management and distribution of Chèques-Vacances for employees in both the private (via works councils) and public sectors. 3.7 million employees currently receive these vouchers, a number that rises to 9.1 million when family members are included,
- social programmes for the underprivileged (190,000 people in this category went on holiday in 2011 among which : families and particularly single-parent families, young adults, the disabled, the elderly) and for the support of social tourism facilities.

A socially-responsible economic model
Thanks to its main activity, the distribution of Chèques-Vacances, ANCV has a financial surplus which enables it to finance social welfare schemes which help to pay for holidays and leisure activities for those who are unable to afford them, via a network of partnerships (charitable associations, local authorities and social welfare groups). ANCV is unique among social welfare providers in that it does not receive public funding.

- ANCV uses the operating surpluses (1% on the nominal value + 1% on refunds) generated by its Chèque-Vacances business to fund its social action schemes, creating a genuine bond of solidarity between employees and vulnerable individuals. Financial products resulting from the investment of the value of the voucher is also a major source of income for the ANCV.
- Inspired by the practices used in the social and solidarity economy, this model is a source of strength for ANCV.

Cheques-Vacances can be used throughout the year as payment for a number of leisure and tourism activities, such as accommodation, meals, transport, sports and culture. They are accepted in 170,000 outlets in France, valid for two years from date of issue. In 2011, Chèques-Vacances worth more than €1.3 billion were distributed, double the value recorded ten years earlier.

Bridging departments
Bruno Kretz has been ANCV’s CIO since 2008, after serving as CIO for several large firms, mostly in retail. ANCV employs 226 people on seven different sites throughout France. The IT department employs 20 people. The outsourcing of IT infrastructure and operations is a growing trend in business, and ANCV is no exception. The IT department works with multiple suppliers with whom they meet on a monthly basis.

The IT department works very closely with ANCV’s other department, thanks to participatory planning, regular meetings and the overall structure of the IT group. Bruno Kretz meets regularly with the heads of other divisions to review and prioritize proposals for new IT projects. In addition, there are eight project managers who work closely with the departments and mediate the communication between the needs of business users and (outsourced) developers.

The new IT management has helped integrate traditionally independent departments. For example, when the IT department revamped the bills sent to clients, they integrated the orders with the payments so as to be able to trace them.

For any proposed project, ANCV must prioritize security and rigor over risky innovation. For any relation with suppliers, it must abide to the public market code, which implies detailed terms of reference and strictly controlled procedures. As an ISO 9001 certified organization, ANCV is also submitted to numerous audits.

Increasing the number of people who benefit from Cheques-Vacances
Nevertheless the IT group has found room for innovative projects. For example, the IT department has developed an application to give the sales force mobile access to client and prospect information. This application has helped sales people maximize the use of their time while visiting clients. The IT department has also helped increase the participation of SMEs in the Cheques-Vacances program. There are around 1.2 million SMEs in France, extremely distributed and difficult to access through traditional means (e.g., face-to-face, telephone). Working closely with the business, the IT group has developed a series of online services for SMEs, such as an ANCV online shop and offered their partners online shops adapt to their products. The online sales reached 10 M Euros in 2011.

Looking ahead, digitalization is anticipated to be an important trend in the business as the French government is about to authorize it for food vouchers (tickets restaurant), and pay by phone is expected to become a particularly important means of payment. Nevertheless, it could prove to be extremely challenging for ANCV. Digitalization could jeopardize the firm’s business model by reducing the delay between the sales date of vouchers and their use date. As a result, Bruno Kretz is preparing the foundation from which IT can work closely with the rest of the business to develop new sources of revenue and enhance the organization’s ability to accomplish its mission.
Founded in 1910, the Ermenegildo Zegna Group is today one of Italy’s most famous family driven enterprises and a worldwide leader in luxury menswear, producing exclusive fabrics and garments and operating retail. Since joining Zegna in 2009 as its CIO, Donatella Paschina has successfully lead, in collaboration with other senior-level non-IT colleagues, a significant transformation of business operations, including the IT function. A critical success factor was her ability to enhance collaboration between key IT and non-IT stakeholders within Zegna. Paschina accomplished this by using mechanisms such as metrics that made sense to the business, insisting the business take greater responsibility for enhancing operations, and drawing on social media to facilitate communication.

Achieving synergies across distributed operations and retail
Zegna consists of both production facilities, where a broad variety of garments are manufactured, and retail stores, of which about 330 are directly operated by Zegna and 200 are franchise stores. Zegna has several production facilities in Italy and also in Switzerland, Turkey, Mexico, Spain. Zegna manages internally the entire process of the value chain – from purchasing the raw materials to the selling of menswear in directly operated stores. As Paschina explains, with around 8,000 employees, spread across 45 legal entities in 50 countries across the world, Zegna “covers a huge range of processes and in a distributed manner”. A large part of Paschina’s efforts have been to ensure IT as an enabler to standardize common processes across the organization units and to ensure an higher level of governance.

When Paschina joined Zegna in January 2009, she immediately started centralizing key aspects of IT. Over a period of 14 months, she centralized the ICT infrastructure and consolidated 7 data centers into one, providing synergies and better level of service.

Today, the IT group at Zegna consist of 100 people total. 80 people covering all IT processes, from demand management to software development and technical operations. For Paschina, to complement the centralization of IT, it was critical to also have IT reference in the field that could provide functional support to the business users. As a result, once IT was centralized, the challenge was to transform about 20 people who were located in different locations around the world from technical experts to functional experts.

When Paschina arrived, there were already strong legacy systems in place to support production and development, however for cross-functional processes, such as HR or finance, there were either no systems or too many redundant ones in place. Paschina introduced a competence center for each key business process, so that it was absolutely clear to the business owners of key business processes who in IT could help them. In response, each business introduced a business project manager to engage with IT.

Helping the business take responsibility of processes
In 2011, Paschina spent half of her time working with non-IT colleagues, mostly as part of the collaborative effort to transform Zegna’s business processes. “We are not only, for example, simplifying the accounting system. The finance people are running a revolution within the Finance department. And IT is a partner in this revolution.” The same, Paschina went on to explain, was true to other business processes.

At Zegna, decisions regarding investments in IT are the responsibility of the business. The role of IT is to support the decision-making process. According to Paschina, “a critical success factor has been co-responsibility and co-ownership.” A variety of activities were conducted together with the business, such as choosing systems packages, attending presentations from vendors, selecting the systems integrator. In addition, for each main IT project, there is both an IT project manager and a business project manager.

Relatedly, the metrics of IT are the metrics of the business units they support. With regards to production and operations, the role of IT is to help them continuously control costs and increase efficiencies. With regards to retail, the metrics that drive IT’s performance are the same that drive that part of the business – e.g., sales; market share; number of customers; and product availability in the stores.

Using social media to enhance knowledge sharing
In June 2011, Paschina, together with the head of HR, introduced an intranet based on a social media platform to enhance internal collaboration. The internal use of social media proved to be an immense success. After a period of a few months, there were 30 editors across the world, each managing a different community, and 2,300 people participating in the communities. Tailors, for example, participate in a made-to-measure community. All IT projects now include a dedicated community. The community portals have also become a new way to enhance internal communication within the company. There is an editor for every function of the company, including the five different brands. The editors are now considered to be change agents within their organization, encouraging people to debate, participate and share ideas and documents.

In addition to enhancing communication, the social media platform have paid for itself simply in the amount saved from no longer having to send via express mail CD-ROMs of images worldwide (they are now shared in a disciplined and easy way. Most important, it has enabled a new culture of knowledge sharing.
Simon Post
Group Operations Director Best Buy Europe

Transforming the organization in an open and honest way

Simon Post is group operations director of Best Buy Europe Group (BBE) - the joint venture set up by The Carphone Warehouse and US retailer Best Buy. BBE is a leading European retailer of mobile and other wireless technology products and services. It operates over 2,400 stores in eight European countries, principally under “Carphone Warehouse” and “Phone House” brands. Post is responsible for shared services, supply chain, business change and procurement across all BBE’s brands in Europe.

When Post joined as CTO in 2005, he set out to build an ICT systems platform that could support the uncertainty that was endemic to a business that operated in three traditional industry verticals: insurance, telco, and retail. “With new products and services being released by our suppliers on a monthly, sometimes weekly basis, we operate in one of the fastest and most dynamic industries on the high street. This can be exciting but also very challenging when trying to plan ahead so it’s essential that we operate an IT Department that is nimble, flexible and as efficient as we can make it.”

However, the ICT systems that were in place when Post arrived had become so unreliable that 2 to 3 key customer facing systems would break a week. Post and his team first set about making IT both reliable and flexible. Seven years later, it was down to fewer than one major issue very few weeks.

Outsourcing most of IT
One of the first transformations that Post led was to outsource most of ICT. When he joined, the ICT Group had 900 employees. Today it has about 60. During an initial meeting with the group, in a boat on the Thames, he announced his intention to outsource significant parts of ITS with a message to the ITS group of ‘it is our intent to treat you well through this transition. However, we recognize some of you will elect to leave because you don’t like this vision. Some of you will take advantage of the phenomenal amount of change and opportunity that’s going to create and some of you won’t have the required skills for the new organisation.” Incredibly, throughout the transformation, employees remained highly engaged. Post credited this to the fact that from the beginning, he treated the ICT Group “as adults,” and was very open and honest to them about the changes. He added, “To me it’s just about integrity and that means you can’t hide things from people.”

Today, Post relies on a group of about 40 to manage ICT systems at BBE (the remaining third of the ICT Group is dedicated to billing). About half are focussed on working with external service providers to develop new applications. The rest are focussed on managing external service providers regarding infrastructure and application support services. Post estimates that across all the external service providers they contract with, about 600–800 people work offshore for BBE (depending upon the projects underway). As a result, he estimates that 90 percent of BBE’s ICT activities are off-shored. “We don’t have anyone really who touches keyboards at all either in development or infrastructure anymore.” Today, the underlying skillset of those in the ICT Group is managing contracts and vendors. Accordingly, Post had the team go through training in ITIL, vendor management, leadership and cultural awareness. “The only thing that really matters in life is your people. If you’ve got great technology but bad people, you end up with bad technology. If you’ve got bad technology and great people, you end up with great technology.”

From IT to other business processes
After successfully transforming the ICT Group, Post became the Group Operations Director for BBE. For the past three years, the company has relied on Post and his team to lead other major change efforts throughout the organization. For example, they are in the process of saving the finance function a third of their costs per year by shifting them to a combination of European and Indian offshore operations. Post is now responsible for shared services such as supply chain, HR, finance, business change and procurement.

Five years ago, to shift key project responsibilities to the business, Post spun out from the ICT group a Business Change Function, “in order to get the business to understand that most projects don’t fail because of IT - they fail because the business doesn’t know what they really want, they’ve changed scope or they don’t know how to integrate it back into the business properly.” Today, the Business Change Function consists of 25 people, mostly business analysts and project and program managers and is supported by an offshore and partner model to flex with demand.

As a result of these transformations, Post spends only about 10 percent of his time managing ICT services. Instead, with ICT under control, Post is able to engage more with store colleagues, peers and customers (“it’s a very good way for me to get feedback on whether my services are performing or not”) and work with the management team on potential joint ventures.
In 2005, Adriano Riboni became CIO of Sanofi Italy, a subsidiary of the French multinational pharmaceutical company headquartered in Paris; in 2011, the company changed its name from Sanofi-Aventis to Sanofi. With over 3,000 employees, Sanofi Italy reported sales of more than EUR 1.4 billion in 2011, making it one of the largest industrial companies in Italy.

Headquartered in Milan, Sanofi Italy is currently organized into the following divisions: diabetes, oncology, PCS (pharmaceutical customer solutions), CHC (consumer health care) and generics Zentiva®. Sanofi Italy operates five production facilities in Origgio, Garessio, Anagni, Scoppito, and Brindisi. Following its recent acquisition of animal-health maker Merial, having a plant in Noventa Padovana, and its recent purchase of biotechnology leader Genzyme, these two Companies will see an integration of the IT solutions by the end of 2012 / middle of 2013.

Riboni has more than 25 years of experience at Sanofi Italy. One of the great strengths of Riboni is his ability to adapt to an ever changing business environment. "One of my slogans is we aren’t just business partners but part of the business. We have to work together, sharing experiences day-by-day, to be really sure that we understand their necessities."

Prioritizing Staff and Time
Riboni manages an internal IT department of 24 professionals, while overseeing a number of external consultants depending on projects size. Among the 24 internal staff, seven employees are assigned to IT infrastructure, five work on CRM and BI projects, four are assigned to SAP development including one employee dedicated to the payroll module, three develop web and digital solutions, and one looks after quality, procedures and documentation.

How he allocates his time is changing, Riboni said. Currently, he spends 40 percent of his time working with non-IT colleagues, 30 percent managing business processes, 20 percent providing IT services, and 10 percent engaging with customers.

However, Riboni wants to decrease the amount of his time providing IT services. "I think the services will run without too much support if they are stable enough," he said. In the next three years, Riboni would like to spend as much as 60 percent of his time working with non-IT colleagues, 20 percent managing business processes, 10 percent on customer engagement and 10 percent on IT services.

“We have to provide solutions and innovation,” Riboni said. “If we want to survive against competitors, we need to be leaders in proposing innovative solutions. Otherwise the competitors will pass us up.”

Building a Partnership with a Key Supplier
Riboni said part of his success in running an efficient IT department has been his long-term development of SAP applications from the very beginning of his career at Sanofi Italy. As a former SAP Services Manager with responsibility over the entire range of SAP modules, Riboni has been intimately involved in all upgrades up to the current version ECC 6.0.

“What’s more, the SAP we have is the local installation, Riboni said. With our SAP we are providing services for general ledger, accounting, treasury, credit management, controlling, sales and distribution, etc. We also are using it for the planning of production, the production management, quality control, warehouse management, plant maintenance, etc. in the 5 plants in Italy.”

Creating Better Product Designs
While SAP is a tough act to follow, Riboni is actively working on his next big initiative, the dynamic creation of products launch support on Apple iPads. He has been testing iPads with representatives in the firm’s sales force who have direct contact with doctors and hospital staff. "If our representatives use iPads while speaking to doctors, this could remove barriers between them," Riboni said. "A tablet can be used like a book. Representatives can show details and things to doctors."

Riboni is very enthusiastic about “integrating” iPads with Sanofi’s latest products launch. Last year, Sanofi got into the glucometer business with a handheld device called iBGStar that can connect to an Apple iPhone and iPod Touch and enable better control of diabetes. Working with the Diabetes team, Riboni’s collaborators created on an iPAD all the material to support the launch of this new device, an innovation that proved far more successful than his representatives expected in explaining to doctors of the product’s added value.

After this first successful initiative, also the launch of two new Oncology products have been supported by iVisuals “The difference between a visual on paper and one on an iPad is that when our representatives are talking to physicians they can quickly show additional information, for example the results of clinical trials,” Riboni said. “Where printed numbers on paper are often too tiny to be read, we can enlarge the numbers on the iPads to show percentages and results. We can present data findings in a more dynamic and engaging way to physicians.”

Riboni believes these applications are just the beginning of a new way of integrating IT solutions with daily activities, with new products and services.
Sverre Rosén came to Storebrand in 2006 from McKinsey & Company, following a period as CIO and founding team member at Zalaris, a major provider of outsourced human resources services in the Nordic region. Rosén, who has a Masters in Computer Science from the Norwegian University of Science and Technology, brought with him plenty of hands-on experience in the global IT sector. He joined Storebrand at a time when the Nordic financial services industry was experiencing dramatically increasing competitive intensity and wholesale regulatory reform.

Going to war

After a year absorbing the business and understanding its challenges, Rosén stepped up to take on the role of CIO just as the pace of change and growing complexity in the business threatened to overwhelm its IT organization.

“So many projects were under way in IT, driven by so much demand from the business and the regulators, that there were inevitable budget overruns and delivery failures. IT was regarded as a bottleneck instead of an enabler and the quality and stability of our services was going down instead of up,” says Rosén. “Our own people were becoming demotivated and, worse still, we were driving customers away. Something had to be done – and fast.”

While recognizing that there were immediate issues to be addressed, Rosén knew there would be no “quick fix” for IT and its place in Storebrand’s organization or its business culture. With his management team he created a phased strategy that would be executed over anything from six to nine years. Step one in that strategy was to fix the foundations: to move away from constant firefighting and to win back the respect and trust of their colleagues in the business.

Battling for clarity

In an effort to reduce complexity, Rosén extended the principles of lean management, already embedded in other parts of Storebrand’s business, to his IT department. “Over the first two years we worked hard to stabilize our systems; industrialize our core processes; develop our talent pool; and clarify our governance, ownership, roles and responsibilities,” says Rosén. “At the same time we were creating the strategic roadmap that would lead us back to being a lean, healthy IT organisation and a source of innovation and growth.”

Rosén and his team worked with their business partners to create realistic, strategically aligned project portfolios. At every turn his people were encouraged to challenge the value added by extra complexity and to question what was being achieved for Storebrand’s customers. “If we came under attack from the business, instead of going straight on the defensive we would ask for a sit-down where we could listen to what they had to say, show that we took the feedback seriously and find out what we could fix. Of course that also let us find out if it was the business getting it wrong!” smiles Rosén. The result: overall employee satisfaction with IT increased from 58.8 to 75 percent at Storebrand.

“In this phase we were focussing on updating our solutions,” explains Rosén. “They had to be cheaper to maintain, easier to change, and – above all – they had to ensure a better customer experience.” To this end, a range of legacy CRM systems were replaced with a single modern solution, giving the business a single, integrated view of all its customers. That in turn was an enabler when it came to making Storebrand’s entire product offering available for purchase on the web.

Making peace with the complicated

“When complexity adds value, it can be a good thing - so long as you manage that complexity and your relationship with it,” says Rosén. When it came to Storebrand’s core insurance solutions, the prevailing wisdom - that self-developed solutions were inevitably obsolete and off-the-shelf is always best - was set aside. Modernization instead of replacement would help manage costs and especially risks in an industry that had seen catastrophic failures. Rosén is proud to declare “The consolidation our core insurance systems was probably our finest hour. It certainly demonstrated the will and the skill of our people and our organization.”

In his first months as CIO of Storebrand, Rosén spent perhaps five percent of his time managing enterprise-wide processes and ten times that just getting IT services delivered with his 300 people. Almost half his time went to engaging with customers inside the company and maybe only a tenth of that went to the customers of the company. “But that has changed,” he says. “The next phase of our strategy is about understanding Storebrand’s customers even better. Ultimately, it is our ambition to establish IT as a differentiator for our business - to build distinctive capabilities that will help us win against our competition.”
AzkoNobel is the largest decorative paints and performance coatings company in the world, and a leading producer of specialty chemicals. It operates in over 80 countries worldwide and has 56,000 employees globally. AzkoNobel has 3 main business areas, each of which has 5 business units. In 2011, each sub-unit generated 1bn EUR on average, for a total of 15.7bn.

About 8 years ago, to compete more efficiently and enter new markets, senior management at AzkoNobel decided to transform the company from a financial holding firm of separate businesses to a more matrixed organization where operations and activities of the business units are coordinated for efficiencies and synergies. ICT was fundamental to this transition.

ICT has been critical to AzkoNobel’s success because it has enabled them to not only transform their internal operations but to also strategically integrate their supply chain with key customers and suppliers. Today, the ICT Group at AzkoNobel has an annual IT operating budget of 300mn EUR and is responsible for all systems for AzkoNobel, including those supporting functional organizations such as ICT, finance, supply chain, HR, and legal. About 930 people work in ICT at AzkoNobel in 43 countries around the world.

Ensuring rapid consolidation is sustained with new skills
Since joining AzkoNobel in 2009, Pieter Schoehujs has helped the organization transform itself. The result of 15 companies evolving separately was “a very diverse systems landscape with literally thousands of systems on even more servers.” Whereas similar companies have approached the challenge of consolidation by implementing a single instance of an ERP across the entire firm, AzkoNobel decided to support 6 different systems to give individual business units greater agility. “When I joined three years ago, we had 183 ERP systems. Today we have 96. And we’ve established roadmaps and strategy plans to go to six. Which means that in the last three years we have retired more than two ERP systems per month on average, and we are planning to continue to do so for the next four years. This is business transformation by process harmonization on a global scale.”

This massive consolidation, coupled with a greater use of external service providers, has significantly changed the skill set needed by the ICT Group at AzkoNobel. Before, there was a greater need for technical people who knew how to perform services such as install servers, manage systems, and apply patches. Now, there is a greater demand for professionals who are more skilled at service delivery management, systems planning (e.g., enterprise architecture) and business processes.

To help increase the pool of future ICT-leaders, Schoehujs works closely with HR leaders at AzkoNobel and participates actively in two innovative efforts. One is a trainee program lead by a consulting firm (Kirkman) in partnership with other leading Dutch companies, where recent university graduates spend 6 month internships in each company. Schoehujs also serves on the program review board of an MBA program in business and IT, hosted by Nyenrode University.

Building on harmonized business processes to boost operational efficiency
Last year, AzkoNobel launched a program referred to internally as “Dynamo”, where they are committed to add 500 million (EUR) to its profitability, mainly by making key business processes more effective and efficient. Schoehujs and his IT group are central to these efforts. “I’m participating in various steering committees with e.g. HR and finance, to look at harmonizing processes, rolling out standards and really making our life internally simpler where it can be. Basically, it is about consolidating, simplifying and commoditizing where possible and differentiating and innovating where valuable.”

“As you move to fewer systems and as you move to harmonized processes you really are in the different playing field of understanding your processes, of being in control of your processes and of managing your processes. We are able to get better, faster and deeper insights into what we have and how we run our processes. Now, for a number of processes, we have defined process indicators - indicators that help us better understand the process as well as the people involved. They help open up a number of opportunities to explore. Maybe move to shared service centers. Maybe outsource parts of your supply chain. Maybe outsource some of the activities with the process. You cannot do that where you have 182 ERP systems.”

With more harmonized business processes, AzkoNobel is better able to integrate their supply chain with customers and suppliers. The company has developed several manufacturing plants right next to key plants of customers, such as manufacturers who rely on AzkoNobel’s pulp and paper chemicals for their production process. This has increased the need for tightly integrated supply chains. Customers connect securely to the manufacturing process so that AzkoNobel “can be part of what they do”.

Next challenge up for the ICT Group: making sure the right controls are in place to enable secure crowd-sourcing for research and development...... and of course continue the process harmonization drive to take out a few hundred systems including 90 ERP environments.
When Lourens Visser was offered the job of CIO at the Port of Rotterdam two years ago, he wanted to start afresh without having his predecessor hand over the responsibility to him in a drawn out transition phase. Visser knew a lot of difficult changes would be made under his watch and did not want to carry any excess baggage from someone who had been on the job for the previous 15 years.

Furthermore, the Port of Rotterdam was adversely affected by the global economic crisis. In 2009, a year before Visser was hired, the port saw total cargo throughput fall by eight percent. For a port that has seen almost consistent expansion since its beginnings in the 14th century, this was not a time for more of the same. It was a time for a sea change and Visser knew full well that his job was not going to be smooth sailing.

The former career officer in the Dutch Navy was certainly not unknown in maritime circles, but still was new to many hands on deck in the tightly knit Port of Rotterdam community of 1200 employees. To his advantage, his post-military experience as a Project Executive and Business Manager for IBM Outsourcing, Accenture and Logica taught him the added value of supply chain management especially in shifts around the clock to direct traffic at Europe’s largest port. When one of these traffic managers or ship masters needs information, Visser wants to ensure that it is absolutely correct and up-to-date.

Eager to make his mark, Visser’s first initiative was to reorganize the IT department from a service supplier to a performance-centric organization where governance plays a defining role. “The reorganization was quite a culture shock for many people,” Visser said, acknowledging that some ineffective people were asked to leave. “It’s now a simpler structure whereby four program managers supported by an equal number of information managers would be responsible for working closely with each of the business areas. His was the first department to adopt a matrix format, brought in and re-adapted from his time at IBM and Accenture. “All these departments tend to act like little islands,” Visser said. “By appointing program managers, we are getting connected to the businesses like never before. The model is really working. We have an overview on every initiative, each project, the right position path, and the business case.”

Meanwhile, Visser assembled a management team (MT) that included a savvy Human Resources manager who had a deep inside knowledge of the hierarchy at the sprawling 26,000-acre Port of Rotterdam, helping Visser set the pace for each step forward along his journey. He also hired a coach to lead discussions within his MT on IT department maturity and project portfolio management.

Preparing the organizational foundation for a brand new port
The structure of the Port of Rotterdam is roughly divided into the four areas: port operations under the Harbour Master; asset operations under the COO; finance and IT under the CFO; and corporate affairs, HR, client management and communications under the CEO. In addition to reporting to four supervisors, Visser is under an enormous pressure from a new arrival to the Harbour. The Port of Rotterdam is only one year away from embarking on one of the grandest adventures in its 600-year history, the launch of Maasvlakte 2, an entirely new port which will extend the existing one by 20%.

To support these business areas in this heady environment, Visser introduced a matrix structure whereby four program managers supported by an equal number of information managers would be responsible for working closely with each of the business areas. His was the first department to adopt a matrix format, brought in and re-adapted from his time at IBM and Accenture. “All these departments tend to act like little islands,” Visser said. “By appointing program managers, we are getting connected to the businesses like never before. The model is really working. We have an overview on every initiative, each project, the right position path, and the business case.”

Greater transparency through better governance
With program managers in place, Visser also created an IT Governance Board whose members were drawn from both the business and IT side. While this would seem to add an extra layer of bureaucracy to the mix, the result has been the exact opposite. The IT Governance Board offers complete transparency to all stakeholders and ensures that his business partners have complete visibility throughout the IT supply chain.

“The IT Governance Board decides where to put our money for new projects,” Visser said, referring to a typical outsourcing contract. “This is basic project portfolio management in which the Board keeps track of every project from one phase to the next phase. Every project phase must get new approval from the Board.”

His biggest project, which will replace a 22-year-old legacy, is the new €20 million port management system called HaMIS (Haven Meester Informatie Systeem). Visser has allocated some of his best resources to the Harbour Master, whose 600 employees work in shifts around the clock to direct traffic at the Port of Rotterdam. When one of these traffic managers or ship masters needs information, Visser wants to ensure that it is absolutely correct and up-to-date.

However, Visser has 16 other programs that he wants to put in place as part of his overall roadmap covering the next four years. “One of my favorite missions is creating and gaining the right skills needed for my IT department,” Visser said. “Because as a retained organization you need to have different skills.” Take his four program managers, for example, all of them are on the way to becoming certified program managers, Visser said with pride.
From a quick review of Choy Peng Wu’s recent accomplishments, it becomes immediately evident why she earned most recently the 2012 IT Leader of the Year Award, organised by the Singapore Computer Society and the 2011"IDC-Enterprise Innovation Asia/Pacific CIO of the Year" and why she was featured in a recent case study co-developed by professors at MIT Sloan in the U.S. and Nanyang Business School in Singapore.

Wu served as the Singapore Government’s Chief Information Officer for six years, also holding the position of Deputy Chief Executive (Industry) of the Infocomm Development Authority of Singapore. As the Government CIO for Singapore, she built strong IT technical and project management expertise within her team in IDA, developed partnerships with the IT industry to accelerate systems development and implementation for government agencies, and managed a very competent, trusted and strategic Government CIO function for the Singapore Government.

Since joining Neptune Orient Lines (NOL) in 2006, Wu has lowered the costs of running existing IT systems by at least 30 percent; re-contracted hardware, software and network agreements; introduced a new Global IT structure; and in general enhanced IT operations globally.

IT as a business enabler
An important aspect of Wu’s success has been to set expectations regarding the responsibilities of IT and the business. “IT is an enabler,” explains Wu. “At the end of the day, it’s the responsibility of the business to operate more efficiently.”

As an enabler, Wu spends a significant part of her time (50 percent) engaging with business colleagues, making sure that every part of the business understands what other parts are doing and how IT systems interface and integrate across different business functions. “They can always count on IT to help them to be successful.” According to Wu, the role of IT is to be aligned with the business, help facilitate business processes, and support the organisation in making the right decision. Yet, IT must also challenge the business.

NOL’s very lean Global IT draws on a light-weight governance structure to operate efficiently and engage with the business. Some key mechanisms include NOL’s steering committee, in which Wu participates along with the rest of senior management to make strategic and major investment decisions; an IT Working Committee, which is chaired by Wu and facilitates cross-functional IT projects; and application suite owners, who are typically business vice presidents and directors who represent their area of business and meet regularly with their IT equivalent to manage and address demand from the business.

Making the most of complexity
Wu notes that IT is central to NOL’s global business. Wu is also clear about how different types of complexity enable and constrain each of NOL’s key businesses – shipping and logistics - and how IT can help each business make the most of complexity.

In shipping, IT is helping NOL take control of operational complexity. Having a single instance of mission critical IT systems is essential to optimize resource coordination across NOL’s global network. If a cargo booking is expected to go from one port to another, the two ports cannot use different systems without increasing operational costs. In addition, any disruption to IT systems has a huge impact on the business and its customers. So much so that NOL can be penalised by governments and customers. Standardized IT systems are essential both to reduce operational costs and to optimize the use of resources to transport cargo efficiently and reliably.

In logistics, IT is helping the business embrace product complexity. IT helps the business offer customized services, understand the costs of providing such services, and present customers with solutions that meet their unique supply chain needs. In general, logistics is a fast-paced and highly competitive business. So there is a constant business need for IT to deliver supply chain solutions quickly and cost-effectively. However in logistics, ICT systems are also critical for attracting and retaining customers. To increase customer “stickiness,” NOL provides its logistics customers a broad portfolio of services. In fact, many customers use NOL’s services to run their global supply chain.

As a result, in logistics, Wu explains there are two general types of ICT systems: internal and customer-facing. Wu has focussed her standardization efforts on the internal systems, as customer-facing systems require greater customization. Wu and her team also work with the logistics business to help drive service quality and supply chain innovation.
A common factor across the CIOs featured in the previous profiles is that they have succeeded in helping their organizations thrive amidst challenging environments by bridging boundaries, both internally and externally.

**Fostering all three types of CIOs is essential to the success of an organization.**

To be successful, organizations today need IT-enabled leaders who can take responsibility for successfully managing ICT services; strengthening enterprise-wide business processes; and innovating with external customers and partners. However those responsibilities do not necessarily have to be taken by the CIO or the IT Group. As several of the 14 profiles of effective CIOs illustrate in this report, some effective CIOs have made a conscious decision to support others in the business to take on specific responsibilities (e.g., managing business processes) rather than take on those responsibilities themselves. Several Technology-driven CIOs, for example, are helping to strengthen their organization’s business processes simply by spending greater time working with non-IT colleagues (rather than on managing the business processes themselves). What is the best approach depends on a variety of organizational and sectorial factors and is best developed together by IT and non-IT leaders in an organization.

**Metrics for fostering boundary spanning activities.**

Survey data reveal that all types of CIOs spend on average about 31% of their time working with non-IT colleagues and that on average, the percentage will increase over the next three years. As result, there will be a growing demand for leaders who are both IT and business savvy.

CIOs use a variety of metric to encourage effective engagement with non-IT colleagues. The two most common are regular surveys of non-IT colleagues regarding the extent of their satisfaction with IT (e.g., one firm conducts a Business Partner Satisfaction Survey twice a year) and tracking the time spent with non-IT colleagues (e.g., ). Others use metrics related to project (e.g., ROI of projects, number of projects initiated with non-IT colleagues, number of new services provided) as well as indicators associated with incident, change & problem management.

To encourage IT to work with external customers and suppliers, fewer firms have metrics. Those that do tend to conduct external customer satisfaction surveys and track number of new products and services developed for external stakeholders. One firm measures the involvement of ICT in product task forces where ICT components are an essential part of the product; another, the number of orders cancelled by suppliers; and another, the number of contacts, innovation and improvement ideas.

**Building future IT-enabled leaders is the shared responsibility of multiple stakeholder groups.**

Throughout Europe and Asia, there are already several examples of collaborative efforts that have successfully increased the number of IT-enabled leaders.

On the following page, key activities are highlighted to illustrate what different stakeholders can do to build the supply of IT-enabled leaders.
Industry:
Form industry alliances to develop and regularly update common definitions of critical skills.

Academia:
Match degrees with key strategic activities to help students understand what they could do with a specific degree.

Government & Academia:
Co-develop demand and supply monitor of e-skills.

Academia, Government, & Industry:
Make lifelong learning an incentive and a basis for performance rating.

Industry & Government:
Engage regularly to ensure policy makers understand demands for e-skills from all sectors.

Government:
Make teaching a prestigious career; Assess students on their ability to apply IT to reflect critically, experiment, and collaborate on developing solutions to real challenges and opportunities.

Source: 2012 CIONET and INSEAD eLab survey of CIOs
Three Ways to Thrive
How Chief Information Officers are enabling their organizations to grow and strengthen in today’s challenging economy

The report represents results from in-depth research which surveyed 188 Chief Information Officers from seven European countries and interviews with 14 of Europe’s and Asia’s most distinguished CIOs, as judged by their peers. Together, these findings help us better understand the expanding strategic roles of CIOs and their IT Groups and provide important insights into three ways organizations can thrive amidst austerity.

About CIONET:
CIONET is the biggest community of IT executives in Europe. Bringing together over 3500 CIOs, CTO’s and IT directors from wide ranging sectors, cultures, academic backgrounds and generations, CIONET’s membership represents an impressive body of expertise in IT management. CIONET’s mission is to feed and develop that expertise by providing top-level IT executives with the resources they need to realise their full potential.

CIONET develops, manages and moderates an integrated array of tools and services from the online CIONET platform – the world’s first social network for CIOs – to a range of offline networking events, conferences, workshops and executive education programmes all tailored to top-level management. CIONET also provides exclusive access to the latest research through regular online and offline publications and a number of value adding partnerships with key players from the academic and corporate worlds.

Faced with the rapidly changing role of today’s IT executive, CIONET not only helps its members keep up with the pace of change but empowers them to take an active role in shaping the future of their field, always challenging them with “What’s next.”

About INSEAD eLab:
As one of the world’s leading and largest graduate business schools, INSEAD brings together people, cultures and ideas from around the world to change lives and transform organisations. eLab is INSEAD’s center of excellence in the global knowledge economy. A key objective of INSEAD eLab is to strengthen links across academia, business leaders and policy makers by:

1. Drawing on a variety of global resources to develop research insights that are academically rigorous and relevant to private and public sector leaders; and
2. Providing leaders with regular opportunities to learn from each other and collaborate more effectively.

Information on INSEAD eLab including research reports, can be found at: www.insead.edu/elab

The report identifies three types of IT-enabled leaders who are helping a wide variety of organizations be more competitive and create more value: Technology-driven CIOs; Business process-driven CIOs, and Client-driven CIOs. As a whole, the report’s findings offer insights into how organizations are creating strategic value from IT and highlight the importance of fostering IT-enabled leaders. They suggest that any organization that does not strive to have at least one of the three types of IT-enabled leaders is failing to pursue important opportunities to create value and be competitive in today’s increasingly interdependent and dynamic global economy.