

LAST WORD

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IT Planning, Governance and the CIO

Why a Structured Approach Is Critical to Long-Term Success

Today's CIOs face a ticking clock: Every year, according to one estimate, between one-quarter and one-third get the boot. Using the higher rate, that's a turnover of 50 percent every 21 months. Not much of a honeymoon for them, and a deeply destabilizing fact for the rest of the organization.

What gives?

Though there are no definitive answers, IT industry watchers have identified one problem that seems to run rampant among IT leaders—a lack of “vision,” meaning long-term strategic business thinking.

This characterization of the CIO differs from my experience: Many are strategic business thinkers. The real problem is that they are always faced with the difficult challenge of balancing the business vision with daily tactical imperatives. In short, CIOs constantly find themselves fighting fires when what they want and need to be doing is helping the organization align and adapt for future needs.

Planning and governance are vital tools for CIOs to effectively manage this challenge, and they are aware of this. In a 2007 worldwide survey of about 750 top IT and business executives conducted by PriceWaterhouseCoopers for the IT Governance Institute, more than half (52 percent) of respondents said that their organizations have either implemented or are in the process of implementing IT governance activities.

At the same time, there was also a belief among IT executives that governance is not workable. They feel uncertain about precisely what these mechanisms are and how to quantify their results. They cited obstacles like “ROI” (30 percent), “lack of knowledge and understanding” (24 percent), and “lack of support” (12 percent).

IT planning and governance can and should be cost effective, simple, and directly relevant to core business needs. In this paradigm, the CIO facilitates a structured and mature governance process, so that all stakeholders, including subject matter experts from every line of business in the organization, have a voice at the table and can influence the decision process and ensure more successful project delivery.

IT planning and governance undoubtedly runs counter to the intuitive response—to fight fire with a hose on the spot. Yet dealing with crises as they occur and avoiding larger structures and processes for managing IT issues is ultimately ineffective. The only way to really put out a fire is to find out where the fire is coming from and douse it from there, and further to establish a fire department to rapidly respond to future outbreaks.

Today, organizations of all kinds fight fires, large and small, every day. And they do so while larger forces—advancing technology, changing market demand, emerging competitors, new regulations, and so on—swirl around them more quickly than ever. This modern world is precisely what puts the CIO at such a high risk of failure. While in the past it was enough to keep the network and systems running, today the business seeks far more; those capabilities are just commodity competencies. IT leaders are expected to leverage IT to provide a long-term competitive advantage as well.

IT planning and governance effectively help the CIO adapt to this new environment; they are no longer a nice-to-have but a must-do. This is because they provide a framework for consistent, ordered decision making that aligns the organization, modernizes it, and makes it agile enough to move ahead in an unpredictable marketplace.

Looking at it from a more down-to-earth perspective, IT planning and governance just makes the day-to-day work lives of CIOs less stressful. In the words of Liza Lowery Massey, the previous CIO of the City of Los Angeles: “IT governance is crucial to a CIO's sanity.” **A&G**

NOTE: This article reflects the personal views of the author only.

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