A friend of mine recently shared a conversation that he had with the CIO of a large global firm about the results of the “2012 State of the CIO Survey,” which is conducted annually by CIO Magazine. The exchange focused on two key findings: fewer and fewer chief information officers are reporting directly to the CEO, and the trend towards CIOs reporting to the CFO. 

Asked for his opinion, the CIO shared this lament: “…aligning to the business continues to be a real pain point.” His assessment reflects the findings of the survey. This year marks the third consecutive year where “aligning IT with the business” is identified as the number one issue facing CIOs.

Hmmm…how long has the industry-rallying cry been alignment? At least a decade now.

Take for example a trip I took to Bangalore, India in 1999. I was there to help launch CIO India. The inaugural cover of the issue showed a picture of a CIO with a CEO underneath the headline, “The CEO and CIO, the New Power Partnership.”

CEO-CIO gap

Unfortunately, with the passage of time, that partnership doesn’t seem to be doing so well, according to the trend data over the past several years. CIO Magazine supplemented our research in the “2012 State of the CIO Survey” with an additional survey conducted with Forrester Research. The same business-related questions asked of CIOs were posed to a sample CEO audience.

The results reveal a perception gap between the CIO and CEO as wide as the Grand Canyon. Forty-seven percent of CIOs indicated that “competition against your products or services” was “critical or a high priority.” Seventy-eight percent of CEOs felt it was “critical or a high priority.” This is a substantial difference.

The same disconnect exists in regards to other questions. For example, despite all of the focus CIOs put on reducing costs, only 62 percent said reducing costs was “critical or a high priority” while 85 percent of CEOs felt it was.

Perhaps the most surprising finding is that only 44 percent of CEOs listed “freeing up money for new technology development and product/service innovation” as “critical or a high priority,” suggesting a lackluster belief in the power of IT, an inability of CIOs to convey that power convincingly, or both.

But here’s the kicker: 40 percent of CIOs noted that new technology development wasn’t “critical or high priority” either. Wow!

Avoid extinction

This brings me to the main point of this column. Mark McDonald, a highly regarded analyst from Gartner who follows the CIO function, recently quipped that CIOs are still “doing the dishes.” In large part he is right, and the “2012 State of the CIO Survey” underscores his assessment.

CIOs face an uncertain future. Not only is their significance in question, so, too, is their long-term existence. Indeed, with Technology as a Service (cloud computing) rapidly becoming the favored “channel” for acquisition of enterprise-grade products and consumerization of IT driving the self-provisioning and management of work-related tools, a bigger question begs to be answered: What is the role of the CIO in this new business-IT landscape?

CIOs need to empower their teams to “keep the infrastructure lights on.” They must stop paying lip service to understanding the business. Most importantly, it is not a matter of aligning with the business but becoming the business.

And if they don’t? I predict that by the end of this decade, and possibly sooner, their roles will be assumed by the CEO and CFO, and IT staff will remain in the kitchen doing the dishes.

“It is not a matter of aligning with the business but becoming the business.”

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