

TENG Newsletter, Vol. 5 No 3

About a year ago, TENG members were invited by David Preston to participate in an opinion survey that would answer key questions concerning the role of the CIO today. This newsletter is the first of a series of three that contain analysis of his findings and will run weekly. I am very grateful to him for asking our participation in his research and for his sharing of its outcome. If you wish to contact David, you will find his phone number and Email address at the end of the article. An MS Word version of this document with the data presented in tabular form, has been uploaded to the Files Section of the TENG-Discussion Group. You may access it by visiting <http://finance.groups.yahoo.com/group/TENG-Discussion/files/> and clicking on this newsletter.

Ed Pospesil

Dear TENG members, we have concluded our information systems (IS) strategy studies conducted at the University of Georgia (UGA) and Texas Christian University (TCU). Thanks to your participation and the coordination of Ed Pospesil, we were able to engage in this research. You will be able to review the results of these studies in three upcoming weekly TENG newsletters, which are as follows:

- 1) "Key Organizational Characteristics of the CIO and the Top Management Team"
- 2) "The Perception of the CIO's Ability in the Organization"
- 3) "The Link between CIO / Top Management Team Similarity and Networking"

In addition, we have published an additional study in the IS Control Journal titled "The Development of a Shared CIO/TMT Understanding and its Impact on Information Systems Strategic Alignment". This study investigated how the relationship between the Chief Information Officer (CIO) and top management team (TMT) influences the alignment of the firm's information systems (IS) strategy with its business strategy. We will ensure that this publication is made available to you one in publication in the next few months. I would like to personally thank you for your participation in this study. This study would not have been possible without your consideration. Please feel to contact me at (817) 257-6154 or d.preston@tcu.edu if you should have any questions regarding these studies or wish to be provided with any additional information.

We are currently involved in an additional study that will provide insight into how application developers can better design IT applications for end users within the organization to yield greater IS performance. Please feel free to contact me if this study may be of interest to you. Thank you again for your time and consideration.

David Preston

Biography and Contact Information are at the end of the article.

Key Organizational Characteristics of the CIO and the Top Management Team

The chief information officer (CIO) and top management team (TMT) members are within the upper echelons of the corporation. We define the CIO as the highest ranking information systems (IS) executive within the organization and define the TMT as the chief executive officer (CEO) and top business executives within the organization who report directly to the CEO. The demographic characteristics and backgrounds of the chief information officer (CIO) and top management team members (TMT) provide allow for the insight into how the top IS executive differs from its organization's top business executives on key variables.

This study requested that both the CIO and TMT members from various companies take part in this research study by completing a mail or web-based survey. A total of 126 organizations returned the CIO survey and at least one corresponding TMT member survey. These organizations represent a wide range of industries and include a total of 123 American firms, two Canadian firms, and one European firm. The organizations within the sample provide a wide range in size. The annual sales of the organizations within the sample range from \$43,000 to \$6.6 billion and the number of employees ranges from 14 to 16,300.

We examine the age, organizational tenure, and tenure in their current executive position for the CIOs and the TMT members. Due to the respective "youth" of the IS field and due to the need for the CIO to have both technical and business acumen, we expect that the CIO will tend to be younger than his/her TMT counterparts. In addition, the CIO has generally been troubled. In the past decade, studies have reported higher than average corporate dismissal rate and shorter tenure for IS leaders compared with other top executives (Gupta 1991; Karimi and Gupta 1996). This would lead us to believe that CIO's organizational tenure and positional tenure will be less than that of his/her TMT counterparts. We examine if this is the case utilizing survey data collected in the summer of 2004.

The average age of the CIOs and TMT members within the sample group is 48.4 and 49.9 years, respectively, indicating a negligible difference between the average ages of each group. The mean organizational tenure for CIOs and TMT members within the sample group is 7.1 and 10.4 years, respectively. In addition, the average tenure that the CIO and TMT members have spent in their current executive position is 4.6 and 6.6 years, respectively. The results indicate that there is not a significance difference between the CIO and the respective TMT members of the organization with regard to age, organizational tenure, or positional tenure. These findings contradict the findings of studies and previous assumptions that perpetually indicate that CIOs tend to be younger than their business counterparts and that the CIO position is more volatile than other top executive positions. A potential limitation of this study was that the majority of the organizations are from the healthcare industry. We conducted additional analysis via t-tests were rerun while controlling for the following variables: industry, educational level, and gender. Again the results indicate that there is not a significance difference between the CIO and the respective TMT members of the organization with regard to age, organizational tenure, or positional tenure.

We also report the educational level and gender of the CIO and TMT members, even though we do not expect that there would logically be any differences between the CIO and TMT members with regard to these variables. As a terminal level of education, the CIOs within the matched pair sample most frequently hold bachelor degrees (49.6%) and an additional 40.7% hold masters degrees. As a terminal level of education, the majority (58.1%) of the TMT respondents hold masters degrees while an additional 25% hold bachelors degrees and 15% hold a PhD, law degree, or medical degree. The gender ratio for both the CIO and TMT respondents is approximately the same. Males comprise approximately 76% of the CIOs and 78.1% of the TMT members.

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BIOGRAPHY

David Preston, PhD is an Assistant Professor of Information Systems at Texas Christian University, located in Fort Worth, Texas. His research interests include IS leadership, CIO research, IS strategy and alignment, and IS outsourcing. He has work experience as an engineer, project manager, and management consultant. His work has been published in the Journal of Logistics Information Management and the Journal of Information Science and Technology. Please feel to contact David Preston at d.preston@tcu.edu or (817) 257-6154

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