

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 second 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. Ed

### **THE PERCEPTION OF THE CIO'S ABILITY IN THE ORGANIZATION**

The ability of the chief information officer (CIO) has been brought into questions by the top management team (TMT). TMT members do not necessarily question the technical capability of the CIO; rather they often have misgivings regarding the level of organizational competence of their top IS executive. Based on the findings of the interviews with six industry CIOs, this study found that there are four key elements that are necessary for an effective CIO:

- 1) CIO's level of business knowledge;
- 2) CIO's political savvy;
- 3) CIO's credibility; and
- 4) CIO's communication skills.

Our goal was to examine how the TMT rated their CIO on each of these key variables. In addition, CIOs may not be aware if they are being well perceived by the TMT. Therefore, we requested participating CIOs to rate themselves on each of these variables to examine how these ratings differ compared with that of their TMT members' ratings.

This study obtained completed surveys from both the CIO and TMT members from a total of 126 organizations. These organizations represent a wide range of industries and sizes and include a total of 123 American firms, two Canadian firms, and one European firm. The results are summarized in following table:

Variable	Mean	Std. Dev	Min.	Max.
<b><u>CIO Ability – Rated by the TMT</u></b>				
CIO Business Knowledge (3 questions)	4.0	0.9	1	5
CIO Political Savvy (3 questions)	4.0	0.7	2	5
CIO Credibility (2 questions)	4.1	0.8	1	5
CIO Communications Skills (2 questions)	4.2	0.9	1	5
<b><u>CIO Ability – Self –Rated</u></b>				
CIO Business Knowledge (3 questions)	4.0	0.9	1	5
CIO Political Savvy (3 questions)	4.3	0.6	2	5

CIO Credibility (2 questions)	4.4	0.6	1	5
CIO Communicative Skills (2 questions)	4.3	0.5	3	5

Each of the questions was based on 5-point scale ranging from “strongly agree” (5) to “strongly disagree” (1). A score of 5 indicates strong agreement that the CIO has a high level of business knowledge, political savvy, credibility, and communication skills. The TMT members rating for the mean level of business knowledge, political savvy, credibility, and communication skills of the CIO are between 4.0 and 4.2 on a 5-point scale falling between a level of “agree” and “strongly agree” with regard to these favorable measures of the CIO’s ability. These results indicate that the TMT generally holds the CIO’s ability in high regard, which is contrary to the common viewpoint that many have regarding the CIO/TMT relationship. Therefore, we can infer that the level of the CIO’s competence, based on our four criteria, is highly rated by the TMT, which is in direct contrast to the current industry “mind set”.

We also find that the CIOs’ self-ratings for the mean level of business knowledge, political savvy, credibility, and communication skills of the CIO are between 4.0 and 4.4 on a 5-point scale also falling between a level of “agree” and “strongly agree” with regard to these favorable measures. Through the use of t-tests (at a 0.05 level of significance), analysis of the results indicate that there is not a significance difference between the mean value of any the variables for the perceived ability of CIO through the eye of the TMT or the CIO. From these findings, we can infer that the CIO is accurately aware of their ability as it is perceived by the TMT.

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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](mailto:d.preston@tcu.edu) or (817) 257-6154

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