



Overview

Analysis across our C-suite research reveals that executives are less aligned than they may realize – despite good intentions of leading and collaborating with their teams to achieve the organizational mission. By re-examining the findings of our CEO, CMO and CIO Studies, this report uncovers new opportunities for strategic and tactical intersections among these members of the C-suite.¹ This “cross-section view” of our most recent executive research shows how organizations can connect more effectively to support CEOs’ stated top priorities, including: teaming better across the organization, individualizing customer relationships and investing in partnership ecosystems.

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Intersecting insights from the IBM CEO, CMO and CIO Studies

Since 2003, IBM has published 16 in-depth C-suite studies as a result of more than 18,000 face-to-face interviews with private and public sector C-suite executives globally. Each report in the ongoing C-suite Study series reveals the most pressing challenges and opportunities executives faced at publication time and describes recommended actions to help organizations benefit from prevailing trends, technologies and circumstances. Chief Executive Officers (CEOs), Chief Marketing Officers (CMOs) and Chief Information Officers (CIOs) are three of the most important constituent groups who have shared both their views of the current business environment and their vision of the future.

In this executive summary, we focus on our most recent conversations with CEOs to provide a touchstone for their CMO and CIO colleagues. Beginning with the CEOs’ perspective, we re-examine the collective findings of the 2012 CEO Study, 2011 CMO Study and 2011 CIO Study to better understand how these three C-suite members can better align their priorities and objectives.

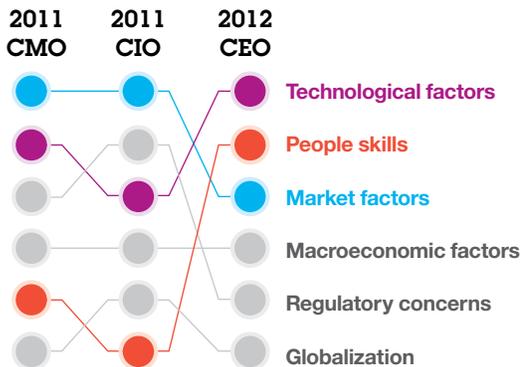
Where CEOs stand on external forces

To understand what CEOs will require from the rest of the C-suite, CMOs and CIOs must have a deep understanding of CEOs’ expectations for the coming three to five years. Starting at the broadest level, they’ll need to align with CEOs’ views on both:

- The most important forces impacting organizations, and
- Priorities within organizations’ operating strategy.



External forces impacting organization



Source: 2012 CEO Study / 2011 CIO Study / 2011 CMO Study
Q1: “What are the most important external forces that will impact your organization over the next 3 to 5 years?”
(CMO n=1733, CIO n=3018, CEO n=1709).

Figure 1: CEOs are most focused on the impact of new technologies, while CMOs and CIOs ranked other external forces higher in importance.

Since our CEO Study series began in 2004, technology has progressively risen on CEOs’ radars. CEOs ranked it sixth in importance out of nine external forces in 2004, and then it jumped to the third spot in 2006. In 2012, technology rose for the first time to the top of the list (see Figure 1).

And in CEOs’ minds, people skills rank just below technology in importance. With the economic crisis, CEOs in 2010 temporarily lowered their focus on people skills, but it bounced back in 2012 to reclaim the number-two spot it has otherwise held since 2004. Based on our conversations with them, today’s CEOs view technology and people as two interdependent forces they cannot afford to ignore.

It’s important to note that CEOs interpret “technology” to mean more than “information technology.” For them, the term encompasses the growing variety of technologies that organizations must incorporate within their businesses, including social, mobile, data, digital and cloud.

Compared to CEOs, both CMOs and CIOs had different views on technology’s importance. CMOs in 2011 placed technology in the second spot behind market factors. CIOs in 2011 put technology in the third spot, behind both market factors and regulatory concerns. So, while all three executive roles acknowledge the importance of technology, each can get better synchronized with the other in terms of setting technology priorities.

Their differing perceptions about technology help explain why there is also greater opportunity to align the C-suite in terms of people skills. CEOs are strategically looking at what can help their organizations become more competitive. They understand that it is critical for growth to move beyond “lip service” and focus on people. Unless they retain, develop or hire the right people with the right skills, they will impede their ability to leverage the ongoing technology explosion.

Overall, CMOs and CIOs seem less concerned with the big picture of what is truly most important for the organization. CMOs ranked people skills fifth in importance out of six forces even as they seek relatively new and scarce capabilities, such as marketing technologists. And CIOs placed people skills at the bottom of the list – perhaps in part because they are accustomed to partnering externally for required skills, including newer, less available roles such as data scientists.

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Where CEOs stand on operating strategy

Another major alignment opportunity involves multiple aspects of CEOs’ planned operating strategy. For example, 76 percent of CEOs said they aim to be innovation leaders instead of fast followers. And 69 percent plan to partner extensively, as opposed to centralizing all work “in house.” Also notable: the majority of CEOs (59 percent) expect to simplify operations rather than choosing to manage existing complexity. CMOs and CIOs will have to verify that their teams plan and execute initiatives based on these same CEO priorities.

CEOs are more evenly split on whether operations should be centralized or decentralized; likewise, about half plan to optimize operations globally while the others plan to optimize operations locally. Undoubtedly, for their own success as well as that of their organizations, CMOs and CIOs need a thorough understanding of the particular operating strategy parameters that their own CEOs deem most critical.

Building bridges across the C-suite

So, where are the bridges to better connect CEOs, CMOs and CIOs? Based on our analysis, these executives can align for the greatest impact through joint focus on: Managing openness across the organization, individualizing customer relationships and investing in the partnership ecosystem. With these three common areas of focus, CEOs, CMOs and CIOs can create the synergy to improve organizational interactions for the benefit the enterprise, its customers, employees and partners.

To access the full version of this paper, visit ibm.com/iibv or e-mail us at iibv@us.ibm.com.

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Reference

- 1 “Leading Through Connections: Insights from the Global Chief Executive Officer Study.” IBM Institute for Business Value. May 2012. www.ibm.com/ceostudy; “From Stretched to Strengthened: Insights from the 2011 Global Chief Marketing Officer Study. Institute for Business Value. October 2011. www.ibm.com/cmoustudy; and “The Essential CIO: Insights from the 2011 Global Chief Information Officer Study.” Institute for Business Value. May 2011. www.ibm.com/cmoustudy.”