

The Essential CIO

Insights from the Global Chief Information Officer Study

"We expect a lot of impact by IT on our industry and our organization."

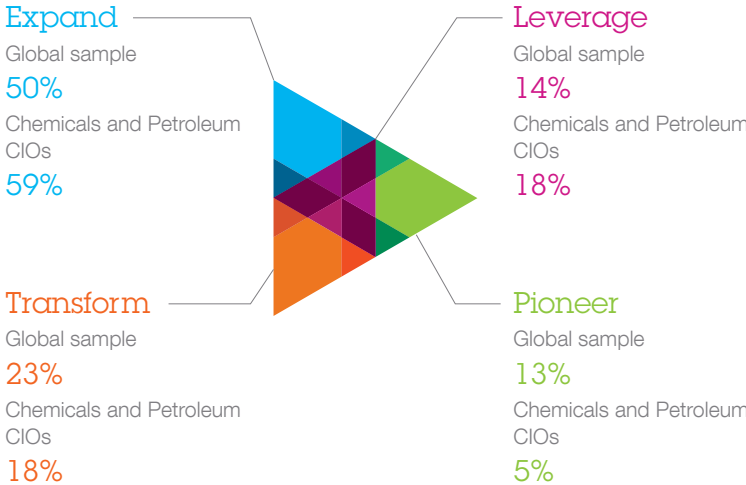
Chemicals and Petroleum CIO, European Union

Chemicals and Petroleum CIOs and CEOs agree that macroeconomic and market factors are the top two external forces impacting the industry, with CIOs listing globalization and environmental factors close behind. To prevail in the increasingly stringent regulatory climate and diversified business environment, Chemicals and Petroleum CIOs have a higher focus on business insights and internal collaboration than the global CIO sample. They support this focus by deploying business analytics and mobility solutions.

How are technology leaders helping their organizations adapt to the accelerating change and complexity that mark today's competitive and economic landscape? To find out, we spoke in person with 3,018 CIOs in 71 countries, with 152 of those CIOs representing the Chemicals and Petroleum industry.

CIOs everywhere spend at least part of their time on IT fundamentals. Our research identified four distinct "CIO Mandates," based on how each organization views the role of IT. For CIOs we spoke to in the Chemicals and Petroleum industry, the predominant mandate was the Expand mandate.

Figure 1
The CIO Mandate Effective CIOs know and deliver on a mandate that is defined by the predominant goals of the enterprise.





Chemicals and Petroleum insights

- ▶ **Tend strongly toward the Expand mandate** and less on Pioneer mandate. Expand mandate CIOs are focused on cross-enterprise growth and continuously tune business processes and internal collaboration to gain tighter integration. Chemicals and Petroleum CIOs with this mandate will need to help re-engineer their organizations, making them fast, more flexible and better equipped to turn data into insights. On the other hand, only a small portion of Chemicals and Petroleum CIOs lean toward a Pioneer mandate, which drives radical redesign of products and business models with IT. This is similar to other asset-intensive industries such as Electronics and Industrial Products (5 percent versus Electronics' 6 percent and Industrial Products' 7 percent).
- ▶ **How do they expect to compete?** This group has a greater focus than the global sample on two types of visionary plans in the next three to five years: business intelligence and analytics (83 percent and 89 percent, respectively) and mobility solutions (74 percent versus 76 percent).
- ▶ **How will they benefit from global integration?** Chemicals and Petroleum CIOs with an Expand mandate report that they are particularly interested in deeply changing the mix of capabilities, knowledge and assets within the organization (74 percent versus 12 percent who plan to maintain the current mix). Sixty-eight percent of the group plan to leverage global integration by partnering extensively, as opposed to doing everything in-house.
- ▶ **How will they manage data?** This group focuses on turning data into intelligence, particularly to improve health, safety and environment (HSE) and asset performance. Their strongest emphasis is on visual dashboards, master data management and search capabilities.

Whether an organization requires an emphasis on delivery of essential IT services or challenges the CIO to pioneer new opportunities, CIOs need to innovate. Ongoing technological shifts, the seemingly endless onslaught of data and the increasingly frenetic pace of change underscore the ever-more vital role of CIOs in every industry and region.

For further information or to reach an IBM industry expert, please contact iibv@us.ibm.com.

© Copyright IBM Corporation 2011

IBM Global Services
Route 100, Somers
NY 10589 U.S.A.

Produced in the United States of America
July 2011
All Rights Reserved

IBM, the IBM logo and ibm.com are trademarks or registered trademarks of International Business Machines Corporation in the United States, other countries, or both. If these and other IBM trademarked terms are marked on their first occurrence in this information with a trademark symbol (@ or TM), these symbols indicate U.S. registered or common law trademarks owned by IBM at the time this information was published. Such trademarks may also be registered or common law trademarks in other countries. A current list of IBM trademarks is available on the Web at "Copyright and trademark information" at ibm.com/legal/copytrade.shtml

Other company, product and service names may be trademarks or service marks of others.

References in this publication to IBM products and services do not imply that IBM intends to make them available in all countries in which IBM operates.
