

# THE ENTERPRISE OF THE FUTURE

IMPLICATIONS FOR THE CIO  
EXECUTIVE SUMMARY



GLOBAL CEO STUDY

This is a summary of the IBM Global CEO Study – The Enterprise of the Future: Implications for the CIO

The full study is available at: [ibm.com/cio/implications](http://ibm.com/cio/implications)

## EXECUTIVE SUMMARY

Catalyst for change ...

Expert on the “art of the possible” ...

Guru of risk management ...

These are some of the many roles CIOs will play in the Enterprise of the Future, a vision outlined in the IBM Global CEO Study. The CEOs envision an Enterprise of the Future that is characterized by accelerating, wide-ranging and unrelenting change. For CIOs, the challenge will be to enable the kind of flexible and scalable technology systems and infrastructures that can not only respond dynamically to change, but actually drive change across the enterprise.

Results from the IBM Global CEO Study are in, and they have major implications for CIOs. The 1,130 CEOs interviewed in the study envision an Enterprise of the Future that is all about change. This change goes beyond the types of changes experienced over the last 20 years: It’s faster, pervasive and ongoing. In fact, the only constant in this scenario of the future is the pressure on CIOs to do more, faster, better — with less.

Moreover, companies that were identified as outperformers, based on comparisons of publicly available revenue and profit track records, are anticipating even more change than other study participants and report that they are better at managing it.

Today's CEOs are looking to instill five key traits within their organizations that will prepare them to become Enterprises of the Future:

- **Hungry for change**—embracing the fast, broad, uncertain changes that lie ahead
- **Innovative beyond customer imagination**—leveraging growing customer demands as an opportunity for differentiation
- **Globally integrated**—becoming outperformers by embracing global integration
- **Disruptive by nature**—innovating business models to stay ahead of the competition
- **Genuine, not just generous**—growing the business by being more socially responsible.

## CIOS AS CATALYSTS FOR CHANGE

Among the many roles CIOs will play in this CEO agenda, two stand out.

As providers of IT services to the enterprise, CIOs must transform their IT applications, services and infrastructures into nimble, automated environments that can support the Enterprise of the Future — and do it as quickly as possible. The fact is that, for many, the Enterprise of the Future will be difficult to support with existing IT environments, which typically include silos of data, applications and hardware that can slow change.

CIOs must break down inhibitors to change while managing the associated risks. Just as the automobile assembly line had to evolve to support the globally integrated automobile companies of the 21st century, IT must continue to evolve as it becomes increasingly critical to the Enterprise of the Future. CIOs will need to enhance service management in order to provide the consistent, reliable and innovative service delivery that will be so essential to the Enterprise of the Future.

Second, as leaders of IT, CIOs have the opportunity to transform their IT organizations into models for the rest of the enterprise and to become full partners to the business in the delivery of the Enterprise of the Future. IT is typically a major function within the enterprise — with significant and visible expense and capital budgets — so it faces many of the same challenges as the enterprise as a whole.

IT is also the provider of the technology-based solutions and services that enable the CEO vision. In fact, CEOs see technology as one of the top three external factors affecting their organizations. Information will be the key to managing the change and innovation that define the Enterprise of the Future. That means IT organizations must evolve beyond managing data to creating business intelligence. As an expert on the “art of the possible,” the CIO can be a key ally of the CEO in moving toward a shared vision of the Enterprise of the Future.

## THRIVING IN A PERMANENT STATE OF CHANGE

Although a recent study shows that 51 percent of CIOs already see themselves as transformation leaders, CIOs are being challenged as never before with increased expectations for delivering solutions that support the CEO's accelerated change agenda.<sup>1</sup>

CIOs and their IT organizations, like their CEOs, must instill five core traits:

- **Hungry for change**—transforming IT applications, services and infrastructures to make them flexible, extensible and secure
- **Innovative beyond customer imagination**—enabling collaboration across and beyond the enterprise and turning data into insight
- **Globally integrated**—moving toward a shared services model and enabling integrated business operations and supply chains
- **Disruptive by nature**—preparing to support the evolving business models of the enterprise, including acquisitions, mergers and divestitures
- **Genuine, not just generous**—working to reduce the IT footprint and associated energy use, and to support the enterprise's broader social responsibilities.

The good news is that the vision, technologies, methodologies and services are available to support CIOs as they prepare to thrive in the Enterprise of the Future.

## FOR MORE INFORMATION

For further details about the IBM Global CEO Study, please visit [ibm.com/enterpriseofthefuture](http://ibm.com/enterpriseofthefuture)

To explore these topics in more depth, contact one of the following IBM Leaders:

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For additional business insights from IBM, please visit the IBM Institute for Business Value at [ibm.com/iibv](http://ibm.com/iibv)

## SOURCES

<sup>1</sup> "State of the CIO 2008," CXO Media Inc., 2007.





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