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# CEO-CIO Alignment

Achieve Alignment by Understanding Your CEO's Perspectives & Priorities

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# Your Journey Starts Here.

Align IT with Business Priorities

Establish IT Performance Indicators

Invest in New Technology & Innovation

Build Alignment with Strategy, Portfolio, and Budget

The following report is a sample of what you will receive after completing the CEO-CIO program. Each report is customized to the individual organization highlighting the IT department's most pressing needs.

Complete the diagnostic program to get the data you need to start your alignment journey.

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## CEO-CIO Alignment Copy: [Inside the Report](#)

	<b>1 Align IT with Business Priorities</b>	Compare your evaluation of IT performance and objectives against your boss's.	Sit down with your boss to highlight areas of disagreement and to get on the same page.	Agree on a move-forward plan for how IT can uphold its mandate and meet its objectives.
	<b>2 Establish IT Performance Indicators</b>	Involve your boss at the right frequency and for the right activities.	Measure & report on the IT performance measures that your boss cares about.	Create systems for measuring performance including stakeholder satisfaction, business benefits as well as cost.
	<b>3 Invest in New Technology &amp; Innovation</b>	Determine which new technologies the business is most interested in investing in.	Innovate intelligently – clarify IT's mandate and how you can best innovate to support the business.	Build new technology & innovation initiatives into your IT strategy.
	<b>4 Build Alignment with Strategy, Portfolio, and Budget</b>	Map business goals to IT priorities in order to build an IT strategy.	Organize and evaluate your IT portfolio based on business value created.	Categorize and allocate IT spending in order to enable business goals.

A silhouette of a person in a dynamic, forward-leaning pose, pulling a rope that is attached to a large block labeled 'CEO'. The person is positioned on a dotted line that curves across the page.

**CEO**

A silhouette of a person pushing a large block labeled 'CIO'. The person is positioned on a dotted line that curves across the page.

**CIO**

# ALIGNMENT PROGRAM

To be completed by the most senior IT leader and their boss

**Prepared for:**

Scott Summers, CEO  
William Clay, CIO

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## □ Executive Summary

Alignment has been a buzzword for decades. Among CIOs, alignment is hyped as the apex of effective IT and written off as jargon. Yet without the proper tools, CIOs are left to play a guessing game of what deliverables the business demands.

By taking part in the CEO-CIO Alignment Program, you have already taken the first steps to building IT-business alignment that optimizes IT and drives business value. This report shares insights from the survey component of our program. It will help you:

- Understand the CEO's perception of and vision for IT in your business
- Identify and build core IT processes that automate IT-business alignment
- Create a plan to address alignment gaps impeding business growth
- Deliver your plan to demonstrate IT value and progress

Instead of producing an endless list to add to your backlog, the program brings clarity to what IT priorities need to be, how they are defined, and how their success is measured. It creates a tangible path to alignment and all of its associated benefits. Research reveals that companies with robust IT departments effectively aligned to business goals achieve higher growth compared to IT departments lacking alignment. For CIOs, effective alignment can be the tipping point in moving IT from supporting the business to enabling and transforming it.

Make your way through the report and then allow us to guide you through the results and insights. Invite your CEO to join us on the results call and start your alignment off right.

Throughout the report the CEO and CIO are represented with the following colors:



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# □ Evaluating IT Fundamentals

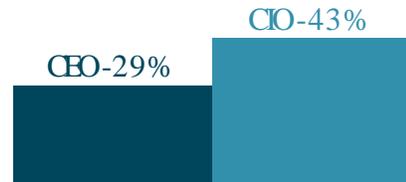
Misalignment is easier to spot than alignment. It is most obvious when CEO and CIO management – are out of sync with business goals. Understand expectations and align IT business alignment efforts.

**Compare CIO and CEO responses in key areas. Use these to have a conversation and set expectations.**

## Overall Satisfaction

Overall satisfaction provides insight into the CEO's perception of IT performance as a business partner. Keep in mind that the CEO is the most important business stakeholder.

□ Rate overall satisfaction with IT performance as a business partner.



## IT Budgeting & Staffing

Account for available resources now and in the future by understanding IT budget and staffing expectations.

□ How much should the IT budget and headcount change in the next 3 to 5 years?



**Budget**  
Proposed change to budget over 3-5 years

CEO + >30%  
CIO + >30%

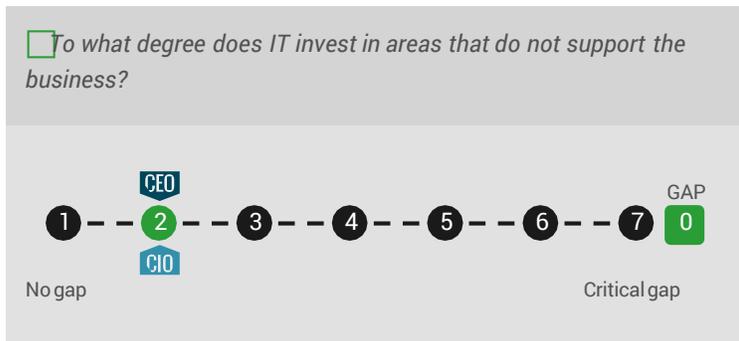


**Headcount**  
Proposed change to headcount over 3-5 years

CEO + >30%  
CIO + >30%

## IT Alignment Outcomes

Identify whether IT is investing in non-critical areas, leaving business needs exposed, or both. Understand the needs of the business then realign IT resources to best meet them.



## Keys to Effective Alignment at Your Company

Effective alignment starts with effective IT. Goals need to be defined and into every layer of IT governance supports long-term success of the IT-business alignment in your business.

**Evaluate 6 Key Areas of IT performance. Set priorities and start improving with Info-Tech tools.**

Rate your satisfaction with the following activities.

◆ Not Required    ◆ Significant Improvement Necessary    ◆ Some Improvement Necessary    ◆ Effective

Activity	CEO	CIO	Description
<b>Understand business goals</b>	◆	◆	<p><b>Align to Business Goals</b></p> <p>You are here. You've started. Continue to take advantage of the CEO-CIO Alignment Program by following up with our experts to ensure a successful follow-through.</p>
<b>Define and align IT strategy</b>	◆	◆	<p><b>Align IT Strategy</b></p> <p>The <a href="#">IT Strategy workshop</a> has one goal: Provide clear, measurable improvements to your IT Strategy, in a week. It provides you with:</p> <ul style="list-style-type: none"> <li>A clear understanding of business objectives, risk awareness, and specific criteria to the relevance, costs, and benefits of IT investments</li> </ul>
<b>Measure stakeholder satisfaction with IT</b>	◆	◆	<p><b>Align with Stakeholders</b></p> <p>Stakeholder management is critical to IT success. The <a href="#">CIO Business Vision</a> is a high impact program that requires little effort on your part. It provides you with:</p> <ul style="list-style-type: none"> <li>Detailed report cards on stakeholder satisfaction with IT and tools and indicators to improve your interaction with key stakeholders</li> </ul>
<b>Align IT project approval process</b>	◆	◆	<p><b>Align the Project Portfolio</b></p> <p>Establish discipline and transparency around IT investments and contribution to business goals with the <a href="#">Portfolio Management workshop</a>. It will provide you with:</p> <ul style="list-style-type: none"> <li>A streamlined process for requesting and allocating IT resources for projects and transparent project approval and prioritization procedures</li> </ul>
<b>Align IT budget</b>	◆	◆	<p><b>Align the IT Budget</b></p> <p>Align the IT Budget: The <a href="#">Cost &amp; Budget Management workshop</a> will get you to manage IT spending so that IT services align with business goals and objectives. It provides you with:</p> <ul style="list-style-type: none"> <li>A forecast for next year's budget, cost improvement to optimize IT spend, and a comparison of key cost accounts to industry benchmarks</li> </ul>
<b>Measure IT project success</b>	◆	◆	<p><b>Align Indicators &amp; Metrics</b></p> <p><a href="#">Performance Measurement &amp; Assessment roadmap</a> guides you on how to use IT metrics to evaluate accountability and success. It provides you with:</p> <ul style="list-style-type: none"> <li>A Metrics Selection &amp; Reporting tool and best practices for communicating IT metrics</li> </ul>

# □ Aligning with Business Goals

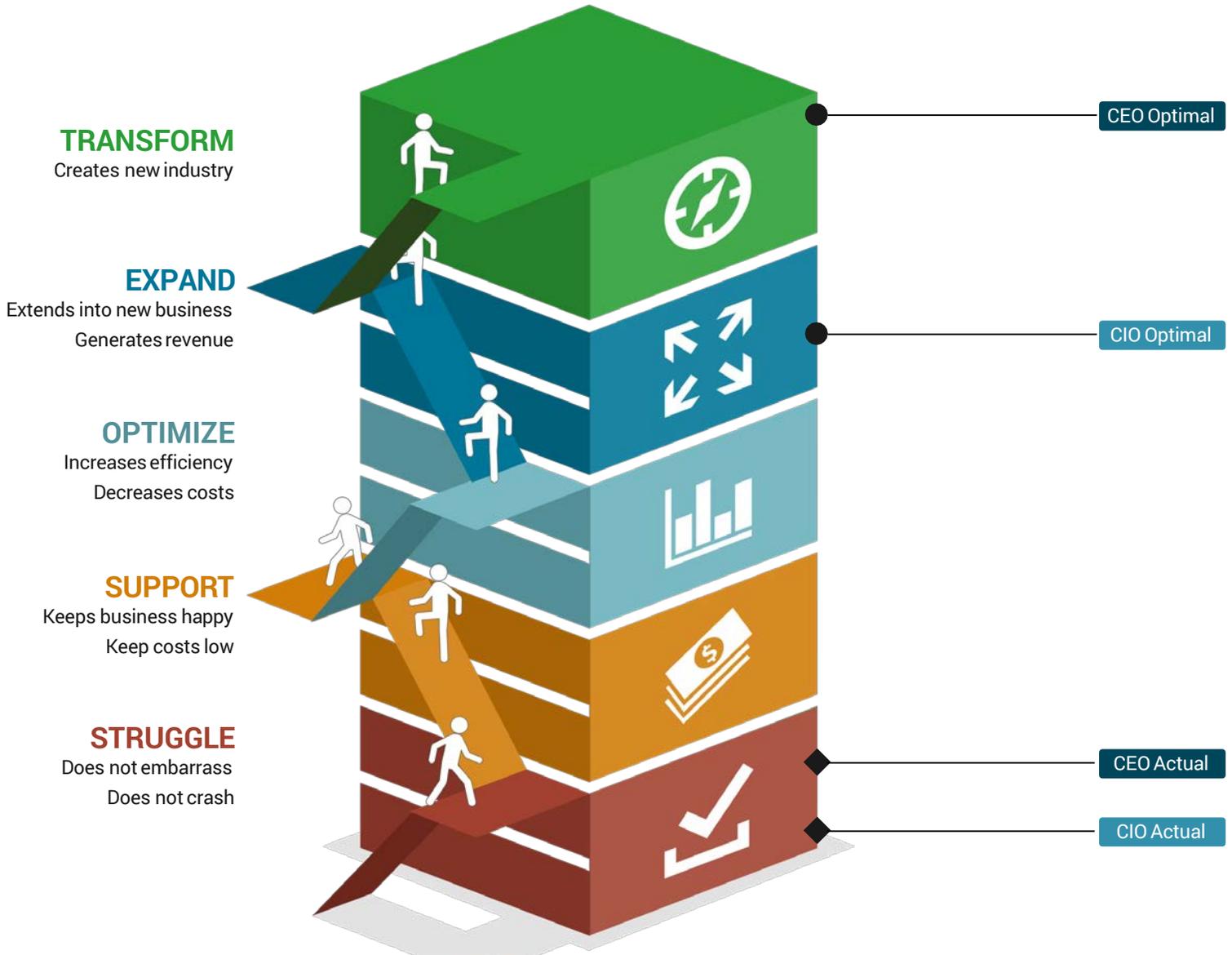
For IT to serve as a valuable business partner, IT leaders must direct resources toward supporting and achieving business goals. A CEO functions as the primary business stakeholder. Not only does the CEO need to be consulted on these big ticket items, but more importantly he or she must be understood. IT leaders ignore this reality at their own peril.

## The Role of IT at Your Company

Does IT struggle with, support, optimize, expand, or transform the organization? This is a necessary precursor to building an IT mandate and a necessary precursor to building an IT mandate.

□ Describe the role of IT in your organization – now and in the future.

Compare CIO and CEO views of IT performance and target role. Agree on performance and clarify IT's mandate.



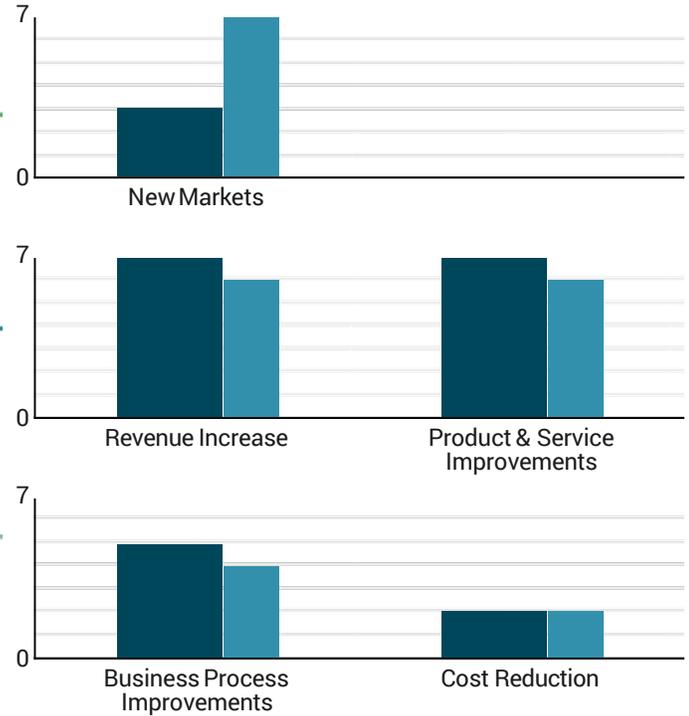
The role of IT needs to be defined by the business and realized by IT. Maximize value created by IT by ensuring that the CEO and CIO agree on how the IT role is defined so that IT effectively addresses business needs.

## Your IT Innovation Goals

Innovation is not simply about supporting or developing new products; it

On a scale of 1 to 7, how strongly should IT innovation contribute to the

**Determine how IT should innovate.**  
Assess misalignment and plan initiatives to support the business.



## CEO Priorities

CEO priorities reflect organizational priorities. IT is responsible for servicing these key projects and departments effectively.

Based on business priorities, identify the top 3 corporate projects and departments that are most critical for IT to support?

Top Projects	
CEO	CIO
1. Opportunity Management	1. Lead Generation
2. Acquire Marketing Lead Generation	2. Increase Experiences
3. Becoming a Model IT Department	3. Development Throughput

Top Departments	
CEO	CIO
1. Sales & Marketing	1. Innovation
2. Engage	2. Marketing
3. Innovation	3. McLean & Co.

**ACTION & ANALYSIS** Approach innovation as a process – not merely an ad hoc activity. Align IT capabilities with business expectations for IT-enabled innovation.

**Make sure you're aligned around top IT priorities and departments requiring IT support.**

# Enabling Innovation with IT

With effective processes in place, innovation offers the potential for IT to deliver transformative value to the business and create a source of sustained competitive advantage. It is critical to ensure that IT-enabled innovation supports business goals. Ensure innovation alignment continues down the correct path.

## Your Areas for IT Innovation

From new processes to new markets, IT-enabled innovation can touch any aspect of a business.

On a scale of 1 to 7, how strongly should IT innovation contribute to the business in the following areas?

(1 = Not at all; 7 = Very strongly)

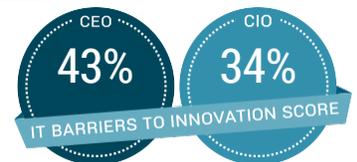


## Your Barriers to Innovation

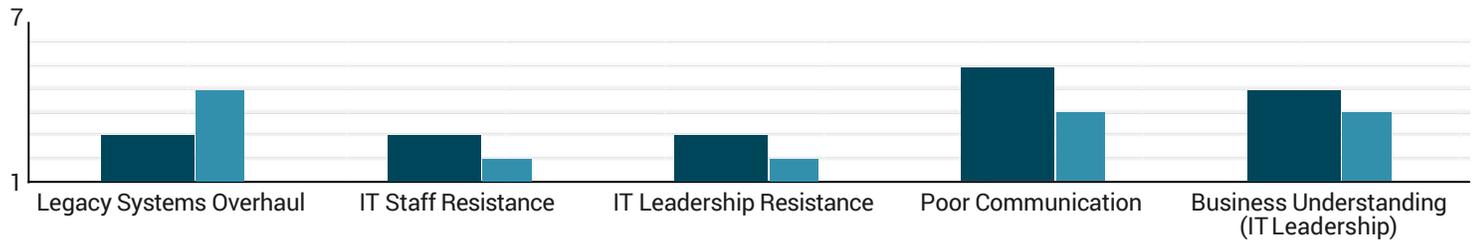
Barriers to innovation need to be understood before they can be overcome.

On a scale of 1 to 7, how significant are the following barriers to IT-enabled innovation?

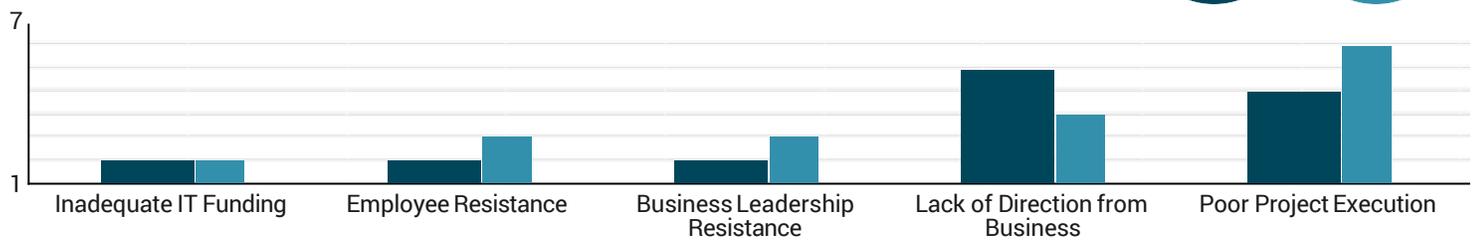
(1 = Not at all a barrier; 7 = Significant barrier)



### IT Barriers



### Business Barriers



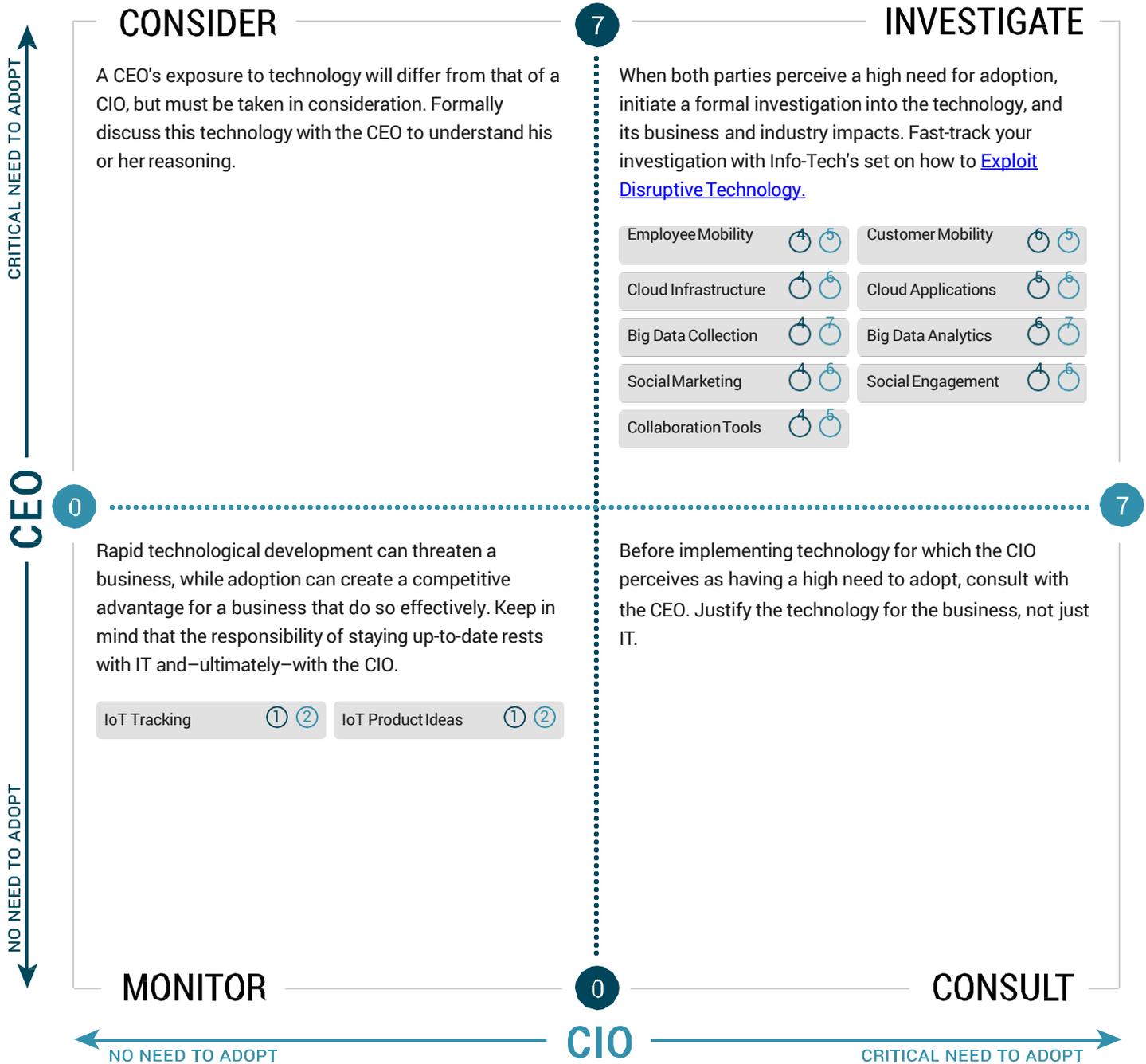
Identify which barriers are impeding growth in your business. Understand the IT barriers to innovation, address the business barriers to innovation with the most relevant stakeholders, and minimize the both sets of barriers.

# Appetite for Innovation Technology at Your

Understanding why the business wants to innovate with specific technologies

In 3 to 5 years, should the business adopt these technologies?

See where the CEO wants to invest in new technology. Incorporate these areas into IT strategic planning.



Effective adoption of technology requires alignment between IT and the business before implementation.

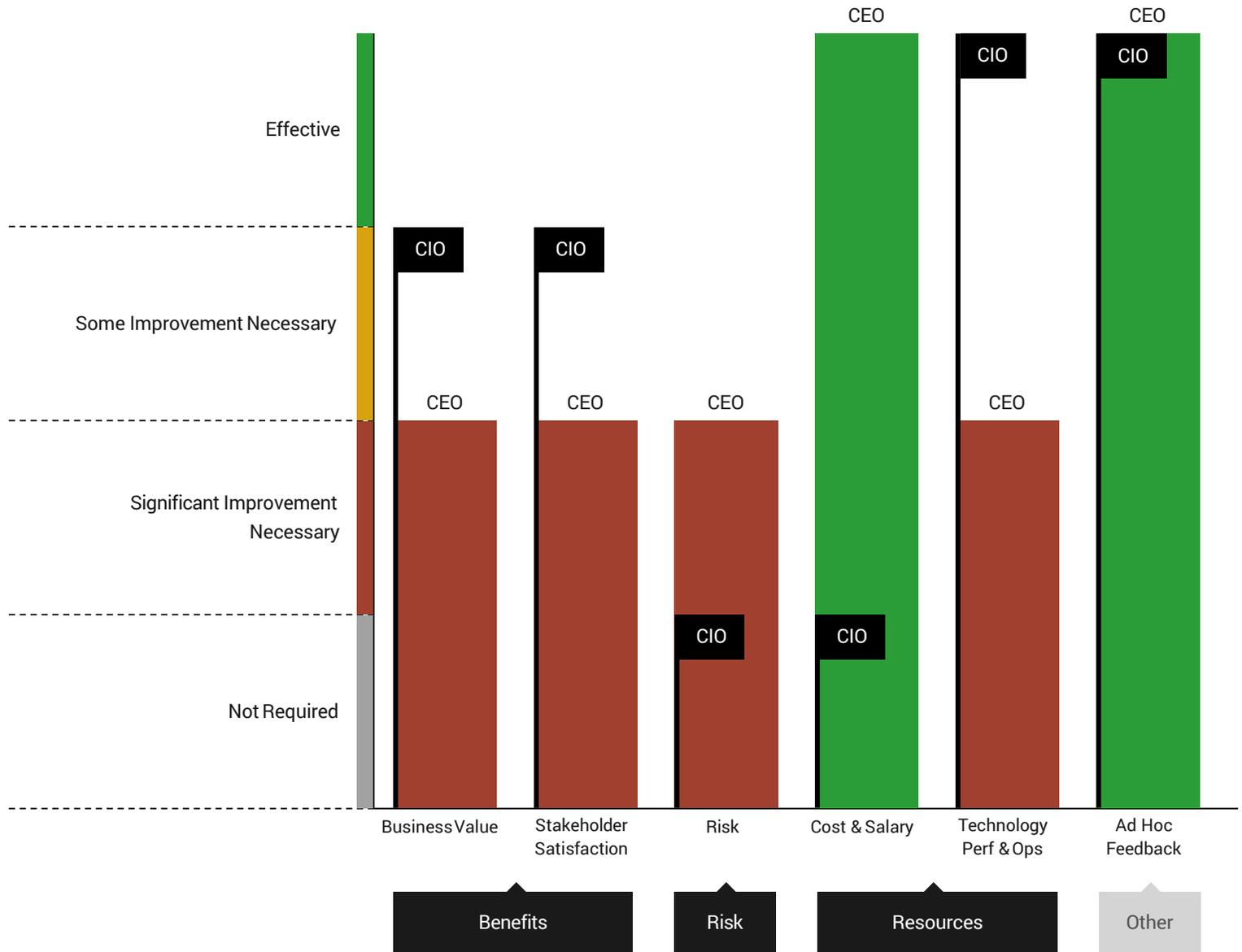
# Establishing IT Performance Indicators

Follow-through is critical. You may be operating a world-class IT department, but do you have the indicators to prove it? Are these indicators communicating IT performance transparently and effectively to the CEO? Delivering your results in a user-friendly format – typically the format the CEO demands – ensures that you will be understood and rewarded accordingly.

## Your IT Performance Metrics Recommendations

You can't manage what you can't measure. Understand which metrics matter most to the business to optimize IT communication and reporting.

Which indicators are used and which indicators should be implemented in your business?



**Determine which performance indicators the CEO values. Make sure you have programs in place to report on them.**

**ACTION & ANALYSIS**  
Do not sell yourself or your... serious issues and also fail... metrics in areas that are im... business happy.

of... and... keep the

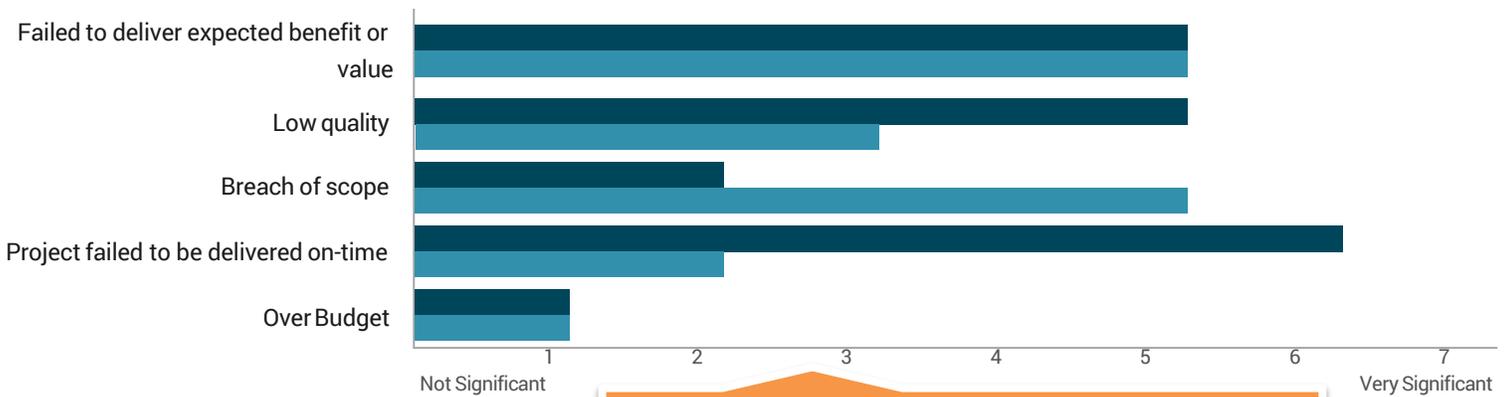
## Project Success at Your Company

While project failure is a reality in any organization, the proportion of successful projects should be maximized. Understand and address the issues that impede project success.

What percent of projects exceeded, met, or failed to meet business expectations? What percent were outright cancelled?



Of projects that did not meet business expectations or were cancelled, how significant were the following issues?



Other:

Assess the success of IT projects and reasons for failure. Use feedback to improve project management.

## CEO Involvement

Consider the CEO's capacity for involvement and establish regular collaboration on key activities.

How often should the CEO participate in these activities?

Selected by CEO Selected by CIO Selected by Both



**ACTION & ANALYSIS**  
 Strategic... and plan for a healthy...

Understand what activities the CEO wants to be involved in. Ensure involvement matches expectations for a quick win.

Expectations around core activities of unforeseen changes and foster



## Outline of the Cobit 5 Framework



### What is COBIT 5?

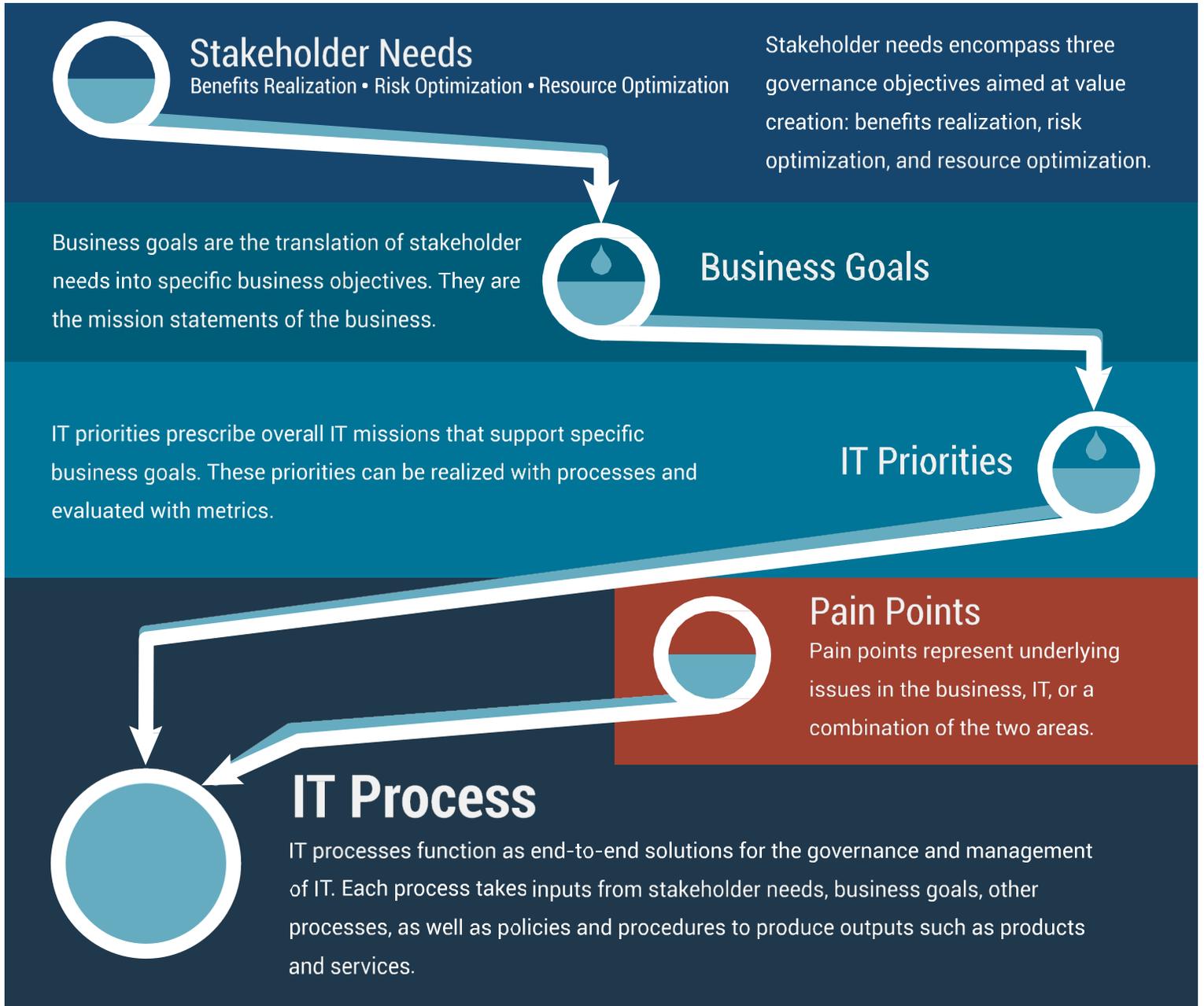
COBIT 5 is a business framework for IT.

### Why is COBIT 5 important?

COBIT 5 outlines the best practices for IT departments in any business.

Map stakeholder needs to IT priorities and processes to improve.

value. It covers end-to-end business processes to achieve business goals. It outlines best practices for IT departments in any business.



Effective processes are essential to the success of IT. By prioritizing business goals and identifying pain points, you ensure that you are focusing on the right processes for your business.

See a summary of business goals and IT priorities & processes that address them. Use these to build your IT strategy.

## Your Company Goal Cascade

<b>Stakeholder Needs</b>	<p>Stakeholder needs encompass three governance objectives aimed at value creation: benefits realization, risk optimization, and resource optimization.</p>
<b>Scott Summers's Business Goals</b>	<p>Info-Tech's survey design made it possible to provide a weighted importance of business goals. The business goals revealed here have been determined by your CEO.</p> <ol style="list-style-type: none"> <li>1. Offer competitive products &amp; services</li> <li>2. Improve customer experience</li> <li>3. Respond to change with agility</li> <li>4. Manage people</li> <li>5. Manage risk</li> </ol>
<b>IT Priorities at Your Company</b>	<p>Your business goals can be used to determine which IT priorities are critical to achieving them. Focus on these priorities to strengthen the IT-business partnership.</p> <ol style="list-style-type: none"> <li>1. Achieve IT-business alignment</li> <li>2. Optimize IT service delivery</li> <li>3. Implement agile IT</li> <li>4. Facilitate IT-enabled innovation</li> <li>5. Generate benefits through IT investments</li> </ol>
<b>IT Processes at Your Company</b>	<p>IT priorities map to specific IT processes. This section expands on the top 10 IT processes that will automate IT-business alignment in your organization. Any processes emphasized in bold identify processes for which the CEO perceives a critical need to improve.</p> <ol style="list-style-type: none"> <li>1. <b>Manage Requirements Definition</b></li> <li>2. <b>Manage Strategy</b></li> <li>3. <b>Ensure Benefits Delivery</b></li> <li>4. <b>Manage Human Resources</b></li> <li>5. <b>Manage the IT Management Framework</b></li> <li>6. <b>Manage Innovation</b></li> <li>7. <b>Manage Relationships</b></li> <li>8. <b>Manage Programs and Projects</b></li> <li>9. <b>Manage Portfolio</b></li> <li>10. <b>Ensure Governance Framework Setting and Maintenance</b></li> </ol>
<b>IT Pain Points at Your Company</b>	<p>To determine your most important processes, the CEO-CIO Alignment Program takes into account the severity of your pain points. We incorporate the CEO's and CIO's pain point severity scores to determine which IT processes are listed in this cascade. This ensures that the IT processes you focus on will simultaneously address business goals and minimize pain points.</p> <ol style="list-style-type: none"> <li>1. Ineffective, late or over budget IT changes</li> <li>2. Business frustration with IT failure to deliver value</li> <li>3. Staff sufficiency, skill, and engagement issues</li> <li>4. IT limits affecting business innovation and agility</li> <li>5. IT-related business risk incidents</li> </ol>

Use this personalized cascade as your guideline for strengthening IT's alignment with business goals. The cascade reveals business goals, streamlines the definition of IT priorities and processes necessary to achieve business goals, and identifies pain points that impede IT effectiveness.

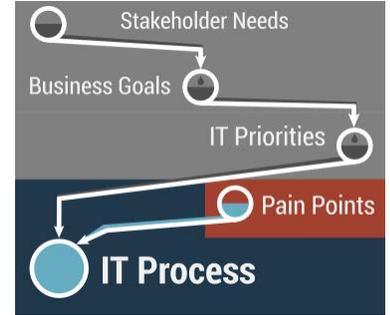
Refine the results with your CEO and remember not to use the cascade mechanically. Keep in mind that goals and their respective importance will change over time. Revisit and refine the cascade annually.



## Your Critical IT Processes

This table defines the most important processes for your IT department. It outlines which IT priorities map to each process and which specific pain points are addressed by the process.

Non-negotiable – Resolve     Imminent – Strategize     Negligible – Monitor



### Mapping of Business Goals to IT Priorities

Rank	Process	IT Priorities Supported	Pain Points Mitigated
1	Manage Requirements Definition	<ul style="list-style-type: none"> <li>Achieve IT-business alignment</li> <li>Optimize IT service delivery</li> <li>Support and enable business processes</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Business frustration with IT failure to deliver value</li> </ul>
2	Manage Strategy	<ul style="list-style-type: none"> <li>Achieve IT-business alignment</li> <li>Optimize IT service delivery</li> <li>Facilitate IT-enabled innovation</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Business frustration with IT failure to deliver value</li> <li><input type="checkbox"/> IT limits affecting business innovation and agility</li> <li><input type="checkbox"/> Ineffective, late or over budget IT changes</li> <li><input type="checkbox"/> Senior management unwilling to sponsor IT</li> <li><input type="checkbox"/> Complex IT operating models</li> </ul>
3	Ensure Benefits Delivery	<ul style="list-style-type: none"> <li>Achieve IT-business alignment</li> <li>Optimize IT service delivery</li> <li>Facilitate IT-enabled innovation</li> <li>Generate benefits through IT investments</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Business frustration with IT failure to deliver value</li> <li><input type="checkbox"/> Hidden and rogue IT spending</li> <li><input type="checkbox"/> Resource waste from duplication</li> <li><input type="checkbox"/> Senior management unwilling to sponsor IT</li> </ul>
4	Manage Human Resources	<ul style="list-style-type: none"> <li>Achieve IT-business alignment</li> <li>Facilitate IT-enabled innovation</li> <li>Manage IT staff</li> <li>Optimize IT resources</li> <li>Optimize project delivery</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Business frustration with IT failure to deliver value</li> <li><input type="checkbox"/> Staff sufficiency, skill, and engagement issues</li> </ul>
5	Manage the IT Management Framework	<ul style="list-style-type: none"> <li>Achieve IT-business alignment</li> <li>Implement agile IT</li> <li>Facilitate IT-enabled innovation</li> <li>Manage IT staff</li> <li>Optimize IT resources</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Business frustration with IT failure to deliver value</li> <li><input type="checkbox"/> Hidden and rogue IT spending</li> <li><input type="checkbox"/> Senior management unwilling to sponsor IT</li> <li><input type="checkbox"/> Complex IT operating models</li> </ul>
6	Manage Innovation	<ul style="list-style-type: none"> <li>Implement agile IT</li> <li>Facilitate IT-enabled innovation</li> <li>Generate benefits through IT investments</li> <li>Optimize IT resources</li> <li>Satisfy IT products &amp; services support</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> IT limits affecting business innovation and agility</li> </ul>
7	Manage Relationships	<ul style="list-style-type: none"> <li>Achieve IT-business alignment</li> <li>Optimize IT service delivery</li> <li>Facilitate IT-enabled innovation</li> <li>Support and enable business processes</li> </ul>	
8	Manage Programs and Projects	<ul style="list-style-type: none"> <li>Achieve IT-business alignment</li> <li>Generate benefits through IT investments</li> <li>Manage IT-related risk</li> <li>Optimize project delivery</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Resource waste from duplication</li> <li><input type="checkbox"/> Ineffective, late or over budget IT changes</li> </ul>

**See which IT processes will best support your business goals. Work on process improvement to drive results.**