

WHO'S IN CHARGE OF IT?¹

By Sandra Swanson and Elisabeth Goodridge

Managing IT is as much about business as it is about technology, and the drive to E-business is attracting a variety of managers with a variety of skills—many of them outside traditional IT.

Bill Seltzer wants to give up some responsibility. Seltzer, CIO of Office Depot Inc., is weighing a model for budgeting IT projects that allocates IT funds to various business divisions, such as marketing. Those divisions will then be responsible for funding their specific IT initiatives. Previously, that was IT management's job. "We're looking to move budget responsibility over to the functional areas to provide more accountability for IT funds," Seltzer says. If approved, the new model will go into effect next year.

Seltzer's plan isn't revolutionary. But it's indicative of business managers' growing involvement in IT. As non-IT executives strive to put their stamp on E-business, department heads are exercising more control—initiating projects, selecting vendors, and handling budgets for IT projects. "Every executive in an organization today wants to get something on his resume called 'E-business,'" says M. Victor Janulaitis, president of Janulaitis Associates, a management consulting firm.

That scramble for control of E-business projects leads to a broader question about the place of technology in modern business: *Who's in charge?* The answer isn't obvious. The imperative to align technology and business goals has led many companies to create cross-functional teams—an effort that in some instances has generated rivalry and partisanship. Also, CEOs are taking a more active role in approving big IT projects, with or without input from the IT

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department. The danger: a limited view of the technical complexities and internal politics involved.

The changing nature of IT management is apparent in both dot-coms and brick-and-mortar companies. IT executives now come from all ranks of business—marketing, human resources, and manufacturing, as well as technology. Another emerging player in the IT pecking order is the chief technology officer. Equal parts technology visionary, venture capitalist, and salesperson, the CTO represents either a new breed of IT executive or a new member of the board—sometimes both, depending on the company.

Instead of fighting technology interest on the part of business leaders, some IT executives use that enthusiasm to their advantage. For instance, when CEOs and other business leaders champion IT initiatives, that support can deliver a turbo-boost to project momentum. When Bruce Nelson, president of Office Depot International, was promoted to CEO in July, he made international E-commerce his No. 1 priority, CIO Seltzer says. "He turned to me and said, 'Let's be the first in there.'" By drawing on the expertise of Seltzer, the executive VP of distribution, the head of marketing, the IT staff, and others, Office Depot expects to launch 11 international Web sites by year's end.

But a little IT knowledge can be a dangerous thing. Enamored with the short-term benefits of E-business applications, non-IT executives may become short-sighted about the broader repercussions: integration problems, stalled rollouts, even damaged morale. RadioShack Corp. senior VP and CIO Evelyn Follit says the weekly meetings of the company's strategic technology initiative committee, which includes representatives from areas such as marketing, HR, and legal, are lively, to say the least. "We've actually laughed at some of these [proposed IT initiatives] and made the proponent realize that it wasn't as smart as he or she thought it was."

After years of heralding the value of technology—a message that sometimes fell on deaf ears—Mostafa Mehrabani, VP and CIO of TRW Inc. in Cleveland, likes to see business leaders evangelize E-business initiatives. While Mehrabani doesn't expect VPs to understand routers and network topology, he does require a business line leader to champion each application project before he'll agree to it. "When you're trying to come up with technology initiatives that solve business problems, and there's pushing on the IT side but no pull on the business side, you feel like they're throwing darts at you," he says.

TRW's recent E-procurement project team was led by John Plant, executive VP and general manager of TRW's Chassis Systems, the company's largest division. Mehrabani was a member of that team, providing recommendations for vendors and implementation. During the final briefing to the executive team, Plant answered the tough questions, Mehrabani says: the project's cost, why certain vendors were eliminated, what the benefits were. "It was delightful to observe that interaction, as opposed to having the CIO trying to do a sell job on technology they should implement."

As business leaders race to capitalize on new opportunities, small department projects proliferate. As a result, vendors' target audiences are changing. At Lotus Development Corp., Ken Bisconti, VP of marketing, has noticed that meetings at the Lotus Executive Briefing Center draw new attendees: "Recently, we've seen an evolution from IT managers to today, where it's very common to see people from marketing, the VP of sales, and other business unit leaders."

Jim Shephard, an analyst at AMR Research, says software vendors' pursuit of non-IT execs can lead to "application anarchy." The problem is that IT is sometimes excluded from key discussions. And when executives don't fully comprehend the IT issues at stake, that can wreak havoc on implementation and integration.

Robert Egan, director of information services at forest products company Boise Cascade Corp. in Boise, Idaho, agrees that IT involvement in purchasing decisions is critical, and non-IT execs need to know that. "Although software vendors often try to sell directly to non-IT executives, our CEO recognizes the complexity of the issues and always insists that the IT folks be involved first."

As more executives witness technology's competitive advantage, it's hard to find Luddites occupying the corner office. "CEOs now see IT projects more as business projects," says Lori Mitchell-Keller, a VP of technology strategy at Manugistics Group Inc., a developer of supply-chain management software. "When the software can help their companies with suppliers or develop marketplaces or help with pricing, nine times out of 10 the CEO is involved in the IT purchasing process."

Fueling the involvement for software purchasing by non-IT executives: E-business application categories such as E-procurement, channel management, and supply-chain planning. Tech-savvy execs realize those applications can help improve their business lines—and significantly enhance their careers.

One advocate of involving IT and business leaders in vendor discussions is Dave Self, VP of sales and marketing for both Regence BlueShield of Idaho and Regence BlueCross BlueShield of Utah. Earlier this year, he chaired a workgroup to select a vendor for a sales-force automation system made up of 20 members—half from IT and half from areas such as marketing, benefits, administration, and corporate communications. The team met with 40 vendors over the course of several months. Those meetings provided Self with a better understanding of the company's technology needs. During one meeting, an IT executive drew numerous dots on a sheet of paper, with each dot representing a new system. He then began connecting the dots to illustrate the difficulties of dealing with legacy systems and new systems—referring to the outcome as a "plate of spaghetti." Lessons like that helped Self recognize that without input

from IT, sales could have made a bad decision. "I realize now that there's no easy implementation," he says. The group selected Onyx Software Corp. for the project, and Self's next task is to help write business rules as part of the implementation.

When vendors sidestep IT, problems can occur that have nothing to do with technology—and everything to do with business relationships. Joe Federer, VP of IS at McKesson HBOC Inc., a health-care IT company in San Francisco, recalls a hardware vendor that made that mistake. In connection with an internal hardware purchase, Federer met with a particular vendor but decided on another. Soon after, Federer met with McKesson's VP of sales, who was pushing for the first vendor. That vendor had proposed reselling its hardware with McKesson's software and offered the sales VP discounts that hadn't been mentioned during the meeting with IS. The deal made sense to Federer after he had all the information—he had no objections to the product, but did object to the vendor's lack of communication about working with sales. Vendors' hidden agendas can cause problems, he says. "At the risk of alienating the IS team, they'll get an executive to carry something as a critical business requirement—at the cost of other projects."

Reinforcing technology's move outside the confines of IT management is the influx of nontechnologists populating CIO positions. Jim Yost and Roger Mowen are two examples. Yost, VP and CIO at Ford Motor Co., has an undergraduate degree in engineering and spent most of his 26 years at Ford in finance. Mowen, Eastman Chemical's VP and CIO, initiated the company's E-business plan; he's a self-taught techie who's spent most of his 30-year tenure at Eastman in manufacturing and sales. What both executives have in common—besides their titles—is in-depth knowledge of the inner workings of their companies, acquired through decades of experience—something that has enormous appeal to their employers.

Yost's appointment in June represented two firsts at Ford: The CIO reporting to the CEO, and the CIO holding the title of VP. That stems from CEO Jacques Nasser's desire to have IT help lead Ford's transformation, Yost says. "Jacques wanted somebody in the job who understood the business well enough to be able to make sure that the kind of IT support we needed for transformation was going to be delivered," he says. "If you don't understand the business extremely well, it's hard to deliver the right capability to the businesses."

Eastman Chemical chairman and CEO Earnest Deavenport appointed Mowen as CIO after Mowen planted the seeds for the company's E-business strategy early last year. Mowen took notice of E-marketplace startups such as ChemConnect and convinced the executive team that Eastman needed to act swiftly on an E-business strategy. The result: The company expects to do nearly 20% of its purchasing via E-procurement by year's end.

Mowen also heads Eastman's CustomerFirst group, which encompasses E-business strategy and business research, customer interface, and distributor sales. Mowen plans to keep the CIO title for another year, then he'll find someone with a traditional technology background to fill that position. Because he's well known throughout the company and has gained the trust of executives, Mowen says, a major part of his role is to help gain traction for a project during its early stage—which can be a critical time: "It's about people getting comfortable with the change," he says.

In terms of IT titles, chief technology officer has the biggest New Economy cachet these days. CTOs get better raises than CIOs, according to InformationWeek Research's annual salary survey. The April survey of 507 CIOs indicates an annual median base salary increase of 8.4% and a total cash compensation increase of 9.3% for CTOs. In a broader view of the survey, which tracks raises for 3,638 IT executives, chief technology officers report annual median base salary and total compensation increases of 9.8% and 11.1%,

respectively. "CTOs are driving the technology pieces forward, and there's a high price for those in-depth tech skills," says Maria Schafer, a Meta Group analyst.

In large companies with both CIO and CTO positions, the CTO usually serves as the visionary—the one who anticipates technology needs such as E-business capabilities, Schafer says. That's the case with Tony Scott, General Motors Corp.'s CTO, whose focus includes emerging technology. Scott and his team of 13 work closely with the labs of their major technology vendors to learn more about next-generation projects and the expected time frame for product delivery. "We spend more than \$3 billion on technology each year, so it's not something to be treated lightly," he says.

Scott also oversees technology standards, including projects such as GM's Web Center of Excellence. The center provides starter kits that help project teams determine what technology is appropriate for Web initiatives. When the project teams use the templates, they know all pieces will work well together, Scott says.

When EDS hired its first CTO this year, it turned to its CIO, Terry Milholland. Although EDS has been in the technology services business since the early 1960s, the need to globally deploy rapidly changing technology such as online marketplaces and applications for increasingly mobile workforces led the company to create the position of CTO—and Milholland fit the bill for both jobs. As CIO, Milholland's primary focus is determining what technology EDS deploys to its employees. As CTO, "I can use that thinking to decide which technology we offer our customers," he says.

The title of the top IT executive often relates to the type of company, says Mary Jane Range, president of executive-search company BTS Recruiting in Stamford, Conn. "Traditional companies that are users of technology, not creators, use the CIO title," says Range. "E-business organizations want to call their top IT execs CTOs."

But CTOs may also be taking on more than technology responsibilities. LiveMind Inc. combines traditional CIO responsibilities with the CTO's role—and then some. Iain Scholnick, CTO at the San Francisco developer of wireless E-commerce technology, manages more than 30 IT and business-development employees, oversees the company's networking and systems operations, and determines the IT budget and purchasing. Scholnick, who reports to the CEO, heads product development, strategic marketing, and partnership alliances, in addition to determining and implementing emerging technology. Scholnick recently hired a VP of engineering to oversee day-to-day operations, because sales calls, venture capital, and partnership meetings consume most of his time. "VCs joke that as a CTO, you're really chief sales officer."

Like LiveMind's Scholnick, PeopleSupport Inc. CTO Steve Kowalski spends plenty of time on sales calls—something he never expected to do. Kowalski, a PeopleSupport co-founder, says his role is becoming less technical and more business-oriented. "Not until recently did I need to know how to read a financial balance sheet and understand how a sales organization runs," he says.

When the Los Angeles company was formed more than two years ago, Kowalski took on the CTO title as the sole member of the company's IT management. As the company grew, Kowalski needed management help, prompting him to hire CIO Abby Hossein last November. Taking over responsibilities for the company's technical infrastructure, Hossein oversees daily operations, freeing Kowalski to focus on product development, emerging technology, and establishing business partnerships. "We're the only entity at the company that has two representatives at the executive board meetings," Kowalski says.

The revenue and cost-saving opportunities of E-business aren't lost on CEOs, whether they've seen them firsthand or watched competitors benefit. As a result, E-business compels CEOs to increase their role in establishing IT strategies.

GM's Rick Wagoner is a prime example of today's breed of tech-savvy CEO. Addressing a group of about 120 graduates from GM's internal IT university in late August, Wagoner explained how technology transformed his role—especially in the eyes of his own children. "[His children] also think that what he does at work, to some degree, is run the IT organization," says CTO Scott. "They expect him to be the technology guy in the household."

Soon after taking the reins, Wagoner created something Scott calls the "E-org chart," which made the leaders of each major business-process area and the corresponding IT executives responsible for drawing up E-business plans. Since then, Wagoner has had monthly follow-up meetings regarding the E-org chart.

That hands-on approach can be problematic, however, when CEOs lack a thorough understanding of IT's complexities, says Boise Cascade's Egan. In the late '90s, software companies had great success marketing enterprise resource-planning packages directly to CEOs, who wanted to achieve consistent and efficient processes across their businesses. The projects sometimes turned out to be more difficult, disruptive, and expensive than promised, however, and many failed to achieve the promised return on investment.

Boise Cascade didn't encounter such problems with its PeopleSoft ERP rollout last year, says Egan. "That's because our CEO stayed involved in the project throughout the implementation phase and made sure the operating units and the project team worked under the same vision." Today, Egan says, top executives have a greater appreciation for the difficulty of installing large software packages. "Superficial involvement of a CEO is detrimental, but committed and knowledgeable involvement is quite valuable."

While some CIOs, such as Eastman Chemical's Mowen, spearhead E-business, others, such as TRW's Mehrabani, don't share that desire. Either way, as the CEO, the VP of marketing, and other executives make more decisions regarding vendors, budgets, and strategies, a consistent IT strategy becomes increasingly

critical. Non-IT executives must be cognizant of the repercussions their independent projects can have—and successful companies will ensure IT executives have the vision to convey that.

IT Managers Face Challenge From Outsourcing

Now that departments throughout companies are initiating E-business projects, IT outsourcing isn't always orchestrated by traditional IT managers. Others, such as departmental VPs, are hiring outside contractors as a way to bypass internal bureaucracy and get E-business initiatives finished fast. "VPs can outsource almost everything today," says M. Victor Janulaitis, president of consulting firm Janulaitis Associates Inc. in Santa Monica, Calif.

The problem with non-IT managers handling this kind of outsourcing is that these executives may get into the habit of looking outside the company before considering what projects are best suited for management and execution by internal technology resources. "IT needs to demonstrate they can set up E-business infrastructure at a cost that makes it undesirable for marketing or a different business unit to use some other provider of those services," says Meta Group analyst Maria Schafer.

Ad hoc outsourcing of E-business projects is a source of agitation for many IT managers. Evelyn Follit, senior VP and CIO at RadioShack Corp., says that if another VP ever tried to leave her out of a decision about how to execute an IT-based project, she would remind the manager that her cooperation is necessary for its success. After all, it's her department that manages the core IT infrastructure on which the departmental project will run.

When Tom Thomas served as CIO and VP of E-business at 3Com Corp. before taking his current job as CEO of Ajuba Solutions Inc., he allowed marketing managers to control E-commerce projects and seek outside IT services providers

for help. "I wanted to let them learn," he says. "If the marketing person wanted 15 to 20 outsourced programmers to put up some Web sites and get that moving, the choice I had was to cut it off at the knees—or let it move along."

And learn they did. Thomas says the Web sites looked great, but when customers asked for guaranteed delivery dates or real-time pricing, marketing managers realized the sites lacked integration with 3Com's other applications and data. It was a painful experience—one that IT eventually had to rectify—but it taught marketing managers a valuable lesson. Says Thomas: "They realized our customers want detailed information on these Web environments, not just static HTML pages."

—Sandra Swanson

The Upshot

There's a scramble for control of IT projects at businesses everywhere. *Who's in charge?*

- Non-IT executives are gaining increasing power over technology decisions.
- Instead of fighting the trend, some IT executives are using that enthusiasm to their advantage.
- The CIO ranks are beginning to swell with non-technologists.
- CTOs get better raises than CIOs; they usually serve as the visionary in their companies.
- When technology vendors sidestep the IT department, problems can occur that have nothing to do with technology—and lots to do with business relationships.

GM CTO's Career Follows Theme

When Tony Scott, General Motors Corp.'s chief technology officer, entered the University of Illinois in the early 1970s, he picked parks and recreation as his major. The computer age was expected to liberate everyone, and he figured that would fuel the theme-park business.

"All of that computerization and automation would give everyone a lot of free time—the theme-park business would explode," says Scott.

But Scott was bitten by the technology bug. He changed majors and transferred to the University of San Francisco, where he earned a degree in IS management.

Scott kept a foot in the technology and recreation areas. He accepted a job at Marriott Corp., which had opened theme parks in Santa Clara, Calif., and Chicago. From a retail-management job, he was promoted to the unusual title of manpower utilizer manager. "The job was to improve productivity and figure out where we needed people," he says. Scott helped write several computer programs aimed at improving Marriott's employee job-scheduling and park-attendance predictions.

He later served as a senior director in Price Waterhouse's companywide technology group. While there, he worked on a Price Waterhouse project with Bristol-Myers Squibb Co., which was deploying SAP and needed major renovations to its network and desktop infrastructures. The work evolved into a new job—Bristol-Myers hired Scott as VP of information management and shared services in March 1996.

Scott joined GM last year. As CTO, he's responsible for ensuring that all of the company's technologies and architectures "fit together on an enterprise level."

The basic lessons Scott learned in the theme park business have served him well throughout his IT career. In both, "you have to think on your feet and move

fast, and then adjust quickly if you make the wrong decisions," he says. "You've got to scale up quickly to support a few hundred or tens of thousands of people, and you've got to have the infrastructure to support that."

—Marianne Kolbasuk McGee

Eastman Chemical's CIO Leads By The Book

Roger Mowen, VP and CIO at Eastman Chemical Co., says he's a voracious reader—and he's not just talking about the 200 or so E-mails he receives daily. He finishes at least one business book per week. His current pick is *Living on the Fault Line* by Geoffrey A. Moore. It's about how brick-and-mortar companies create shareholder value in the New Economy.

All that reading helps Mowen—who doesn't have an IT background—drive Eastman Chemical's E-business efforts. Mowen joined the company right out of college 30 years ago, after earning a bachelor's degree in textile chemistry and a master's degree in textile technology. Most of his positions have centered on sales, marketing, and manufacturing.

But thanks to his extensive reading, Mowen learned about West Coast E-marketplace startups in the chemicals industry last year and saw a window of opportunity for Eastman. He went to the executive board with a sense of urgency. "I told them, 'This is going to have a huge impact on the chemicals business—it's a chance for us to be a real leader in the New Economy if we get out ahead of this.'" The board agreed to let Mowen do some benchmarking and to study companies such as Cisco Systems and Dell Computer. With the help of consultants, a group led by Mowen created an E-business strategy fully sanctioned by the executive team. When Eastman's CIO retired last year, Mowen was promoted to the post.

Unlike his predecessor, Mowen reports directly to chairman and CEO Earnest Deavenport. Not having a strong technology background keeps Mowen from

getting caught up in the "build part" of the job and focused on strategy, he says. Part of his vision is to have technical and nontechnical managers understand IT's strategic implications. Says Mowen, "I want them to be so knowledgeable that IT folks and business people can work collaboratively and not sell to each other."

—Sandra Swanson

IT Executives Bring Technology Knowledge to CEO Posts

Most CEOs realize the ability of technology to meet key business goals, and they're taking a hands-on role with IT. But a growing number of CEOs have a keen interest in technology because they're former IT executives.

CIOs, chief technology officers, and other IT executives are moving into the CEO office. The highest-profile examples are at companies that sell technology: Eric Schmidt, Sun Microsystems' former CTO, became CEO and chairman at Novell; Michael Capellas was promoted from CIO to CEO at Compaq; and Jim Barksdale, former Federal Express CIO, became CEO at Netscape.

There are more opportunities for IT execs looking to move into CEO positions than they realize, says Tom Lewis, former CEO of Ameritrade Inc., who's now on hiatus. "If you talk to any major recruiting firm," says Lewis, "they'll tell you the toughest spots to fill are senior executives who have a keen understanding of technology."

Lewis, who served as CIO at Marriott, CS First Boston, and at the White House, says IT managers need skills in many areas if they aspire to the CEO office. They also need to admit their weaknesses. "I'm not good at operations; I don't enjoy managing what's happening day to day," he says. "If you're not good at things, you have to hire brilliant people who are."

Lewis says it's critical for IT executives to be "excited to their very core" about a company's vision. "You've got to believe in it with all your heart and get other people to believe it, too," he says. Lewis is weighing several offers, and will more than likely end up in a CEO role again. But don't expect to see him at the helm of a dot-com startup. "Dot-com plays don't hold my interest right now," he says. "I'm looking for something more in the traditional culture of American business, with multiple disciplines and multiple products."

—Sandra Swanson

Ajuba CEO Pegs Passion to Performance

Tom Thomas likes to get his managers to show passion for their work. Without passion, the CIO-turned-CEO says, the job may not get done. "People don't perform well if they're not passionate about a thing," says the CEO of Ajuba Solutions Inc., a business-to-business integration company.

Outside of work, sailing is Thomas's passion. He spends 10 days each year in the Caribbean on a 40-foot Beneteau Oceanis Clipper 411 yacht. At work, he uses sailing as a metaphor to get his managers to work as a team. As CIO at Dell Computer from 1993 to 1995 and 3Com from 1995 to 1999, Thomas had his top managers compete against one another in sailing races. He later became a CEO, first at customer-relationship management software vendor Vantive Corp., and this year at Ajuba, where he plans to foster teamwork by pitting two teams of managers in a yacht race. "In sailing, you can't change the wind, but you can adjust the sails," he says. "Similarly in business, you never have control over the market, but you can change your drive, your objectives."

At Dell, Thomas was a key player on a team of executives, including CEO and founder Michael Dell, that changed the PC maker's business model of selling to businesses rather than consumers.

As CIO at 3Com, Thomas teamed with CEO Eric Benhamou and others to create a network control center in 3Com's customer briefing center in Santa Clara, Calif. There, customers saw how products work. "CIOs want to kick tires. They want to see how products operate," he says.

Thomas says his experience as a CIO prepared him to be a CEO because these days, the focus is on business, not technology. "The only important acronym for a CIO is EPS (earnings per share)," he says. "We're trying to drive profitability for shareholders, not the next technology we create."

—Eric Chabrow

Toyota VP Knows His Technology Limits

Be aware of your weaknesses but emphasize your strengths. That's the credo Irving Miller preaches as head of Toyota Motor Sales USA Inc.'s Office of the Web. Miller sees his strength as being a communicator. He relies on the information technologists on his team and Toyota's IT department to provide the technical knowledge he needs to run Toyota's Web ventures.

Miller, a VP and a 20-year veteran at the Torrance, Calif., company, has spent almost his entire career as a marketer in the auto industry. But he says he's had enough exposure to IT to qualify him to run an organization that requires a leader with technical know-how, marketing sagacity, and the business savvy to succeed. "I got my first laptop in 1990," he says. "I've had one fixed at my side ever since."

In 1995, as corporate manager for advertising and merchandising for the Toyota division, Miller helped launch the automaker's first Web site. Fifteen months ago, Toyota created its Office of the Web, which sets the company's Internet policies and oversees its Web sites, intranet, and extranet. Miller's office also heads

Netcar, a company project to Webify the automobile through telematics—a combination of computer and telecommunications technologies.

Miller sees his role as providing direction and articulating expectation. "Then I get out of the way to let these people do their jobs," he says. "I don't need to be an expert in technology, but I need to surround myself with good people who are."

—Eric Chabrow

Turner Construction CTO Keeps His Eye on the Big Picture

The work done by commercial engineering and building company Turner Construction Co. involves a lot of nuts and bolts—but it also entails a lot of big-picture planning and exploration. Stephen Reiter, executive VP and chief technology officer at Turner, is a big-picture guy.

Reiter focuses on ways IT can be used to optimize the business, internally and externally. He's working on how the \$4 billion company can improve its supply chain through the use of IT, particularly the Internet, for online auctions and procurement. Reiter is also a member of the policy committee for AECventure, a global business-to-business consortium of several large commercial construction companies that's developing ways to exchange real-time information and collaborate online.

As CTO, Reiter is examining the use of virtual-reality technologies to reduce design and construction costs. "If you can walk through a virtual-reality model and see that pipes are overlapping in the design stage, you won't have to wait till you're on-site to discover this," he says. "On-site changes are more costly."

Reporting to Reiter is VP and CIO Doug Nies, who oversees the internal use of IT. "You might say the CIO is my manufacturing guy. He makes sure all our internal [IT] needs are met," Reiter says.

Before joining Turner in June, Reiter was senior VP and CIO at ServiceMaster Co., where he launched two Internet ventures. Previously, Reiter was VP and general manager for Computer Science Corp.'s \$4.2 billion, 10-year outsourcing agreement with DuPont. Reiter was a history major in college. But he began an IT career 25 years ago at EDS, which was looking to hire and train young people with no formal computer education. Before that, Reiter spent two years in the Army.

Reiter says military experience provided important lessons for his IT career. "The military is about logistics—getting supplies where they're needed—quickly—when they're needed," he says. "IT is the engine for making that happen in business."

—Marianne Kolbasuk McGee