



**CIO TODAY**

# The Secret Retreat Where the Elite CIOs Meet

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March 16, 2006 7:40AM

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▶ Three times a year, executives from the world's leading companies gather, quietly, to plan the future of mankind's technology. Membership in this club -- in which meetings often are undisclosed, research frequently is conducted in secret, and documents always are highly classified -- is by invitation only.

It's not a setting from a Tom Clancy novel. It's the Research Board, a bona fide think tank open exclusively to CIOs from the world's most profitable companies. Its mission is the same today as it was at its inception 35 years ago: to inform, stimulate, counsel, and connect the world's top I.T. executives.

It's a private organization that's hidden in plain sight. The Research Board is headquartered at an elegant town house in midtown Manhattan. Behind its doors, members mingle, pore over research, debate best practices, and entertain presentations from technology vendors who would give their last ounce of RAM for an audience with these CIOs, who collectively wield billions in I.T. buying power.

The group's clandestine nature has fueled intense speculation about exactly what happens at that brownstone on 5th Avenue and West 54th Street. The Research Board's [Web site](#) consists of a single page that provides a brief description of the organization, its address, phone number, an e-mail link -- and that's all.

The man in charge of this shadowy fellowship says discretion is a large part of the organization's appeal, but he insists there's nothing funny going on.

"The board's activities, research, meetings, and other exchanges are conducted in such a way that members' confidentiality is assured," said Research Board CEO Peter Sole. "This enables a quality of dialogue which would not otherwise be possible and is a key factor in delivering value to members. Due to our low public profile we may give the impression of being secretive; this is not the case, but clearly discretion is an essential ingredient in all of our activities."

The exact nature of those activities remains something of a mystery, however.

### **The Ones in Charge**

This media-shy organization is owned by none other than the highly respected Gartner firm, a provider of research and analysis about the global I.T. industry. Gartner acquired the Research Board in 1998 when it bought Wentworth Research, a service founded by Sole in 1993 specifically for CIOs.

"We are owned by Gartner but operate as an independent business unit maintaining the confidentiality of our research and relationships with members," Sole said. In other words, don't expect that other Gartner clients ever will see the high-level research data generated by the

Research Board. Only members get to see the material.

The Research Board does not publish its membership list, but Sole said total membership stands at about 100 people. Companies known to have CIOs within the group's ranks include Bank of America, Exxon Mobil, General Motors, Toyota, American Airlines, Boeing, Lockheed Martin, Bechtel, Halliburton, Caterpillar, Disney, Reed Elsevier, Coca-Cola, Procter & Gamble, Unilever, Nestle, 3M, McDonald's, Home Depot, Wal-Mart, Dow Chemical, DuPont, GlaxoSmithKline, Pfizer, Merck, Johnson & Johnson, State Farm, and AIG.

The composition of the membership is designed for maximum diversity but minimum conflict of interest: CIOs from computer hardware, software, telecommunications, and I.T. companies are not invited to join.

A small number of public-sector organizations are represented, as are over 80 Research Board alumni, many of whom -- although retired as CIOs -- still are active in the industry as advisers, consultants, investors, and nonexecutive board members.

The members pay an annual subscription fee. The amount remains undisclosed, but Sole said that members get what they pay for. "[The subscription] reflects the premium nature of the service and is obviously sufficient to cover our extensive research program," he said. "Ultimately members are more concerned about the return on the use of their time and are prepared to pay for a valuable experience."

Membership obligations, apart from respecting the confidentiality rules, require a personal commitment to participate in research studies and to attend meetings. Regular attendance is a condition of membership and no proxies are permitted.

Once in, a CIO usually stays in. "Since we are very careful about who we invite to join, there is seldom a need to ask a member to leave. This has happened but it is very rare and something we work hard to avoid," Sole said.

### **Giving Them the Works**

Research at the board is classified at two levels, strategic and tactical. Strategic research is aimed at the long-term issues confronting CIOs, and topics are selected by members through a ballot process. The scope is always broad and invariably embraces a socioeconomic and

sometimes political perspective as well as a review of the relevant technology and business trends affecting member organizations.

This is complemented by individual case studies that relate valuable experiences (good and bad) to the membership as a whole. A typical study will be the centerpiece of a series of meetings in which members review the research and debate the issues with their colleagues and invited external speakers.

Tactical research, conducted when an immediate response is required, covers topics ranging from organizational structure to application-deployment strategy and Sarbanes-Oxley compliance.

"We do all of our own research in-house," Sole said. "The research we do is critical to members' understanding and interpretation of industry trends and to their own evaluation of the [research and development] conducted by vendors and start-ups. In order to maintain our independence, we do not conduct or participate in any product or technology development."

Examples of recent Research Board CIO studies include "Great Leap Forward," which looked at the future of enterprise software; "Choice Over IP," which reviewed the far-ranging effects of Internet Protocol on the telecommunications industry; and "Race to the Stars," a view of the restructuring of the I.T. industry, with an emphasis on a push to rewire businesses and replace packaged applications and legacy systems.


In addition to these efforts, the Research Board also operates subsidiary programs geared to individuals who report to CIOs. These include the Associate Board, a platform for senior I.T. executives; the Technology Infrastructure Board, for chief technology officers or chief architects; the Human Resources Management Board, dedicated to I.T. HR topics; the Finance Management Board, for I.T. finance issues; and the Digital Security Board, for chief information [security](#) officers.

Conducting dedicated research within these groups gives the Research Board the opportunity to drill deeply into an assortment of topics, which is a perfect underpinning for its mission of providing CIOs with an in-depth perspective on the whole practice of I.T. deployment.

## Vendors on the Hot Seat

Research Board members have tremendous access to top academics, venture capitalists, entrepreneurs, and industry CEOs who are invited, from time to time, to meet the group to discuss major trends, strategy, and competitive performance. Most vendors relish the opportunity to receive direct feedback from their major customers.

It's the kind of presentation one doesn't leave to underlings.

Bill Gates, for example, personally has addressed the Research Board on 15 occasions, his first appearance being in 1988 when [Microsoft](#)  was in its formative years.

There is no cap on the frequency of presentations, nor is any one company given special preference to pitch to CIOs. The frequency of vendors' appearances depends on their strategic importance to members and the extent to which they have something of value to say, according to Sole.

Industry leaders are keen to address the board because it gives them an opportunity to get first-hand feedback from the membership in an uncommonly intimate, off-the-record forum. In addition to inviting established leaders in the industry, the board often calls in representatives from start-up companies as well as other speakers considered insightful or challenging.

The presence of a small number of government agencies on the board is intended to help members understand more about the challenges and solutions applied in the public sector, as well as for the public-sector members to have access to commercial-sector best practices.

"These connections have led to some members being invited to advise individual government agencies from time to time. This kind of exchange is exactly what the Research Board is designed to foster. Having a small number of government members broadens the opportunity for sharing best practice," says Sole.

News like that might spawn rumors of a plot by the Research Board to infiltrate the inner workings of government. But in reality, the

collaboration is much more likely to provide solutions to many problems plaguing governments today, from communications in public safety and disaster recovery to automated public services.

### **Selling the Membership**

An appearance before the Research Board is unquestionably a plum gig for a vendor. But conspiracy theorists would do well to remember that the board is not the only means members have to learn about companies.

Research Board member Bob DeRodes, the executive vice president and CIO of Home Depot, said that while he has found the New York organization to be very helpful, it is far from being the only outlet for his company's exploration. "We visit I.T. vendor labs at least once a year. Plus we listen to industry-watch groups to see what they have to say," he said.

Many Research Board members report that the discussions within its walls are a demanding and valuable process. In other words, vendors can find themselves more heavily scrutinized, possibly even verbally flogged, in the presence of so many knowledgeable I.T. giants.

On the other hand, having a friend or two among the members can help change attitudes. A strong presentation can grease many wheels at once, and a start-up product can be salvaged from a financial stall. In many cases, convincing a single member can significantly change a vendor's fortune.

It's all just business as usual at one of information technology's most powerful and mysterious enclaves.