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## CIO Issues

### Microsoft CIO Ron Markezich: The Ultimate Beta Tester

By Pam Baker

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**"The next 12 months are the next biggest wave of new products we have had in the history of Microsoft. I will be quickly deploying all the new products like Windows Vista, Windows Server (Longhorn), Exchange 12, and Office 12 -- all will be fully deployed at MS before shipping. All the log-ins are moving to two-factor verification. ... It is an exciting time."**

➤ Ron Markezich is the man Bill Gates tapped to head [Microsoft](#)'s information technology. While the position of CIO is tough at any company, it is arguably more demanding at the world's largest and best-known software manufacturer.

As CIO and vice president of Managed Solutions at Microsoft, Markezich is responsible for delivering I.T. services for Microsoft, as well as for developing new ways that customers might improve the efficiency and productivity of their desktop environments.

Markezich's teams are responsible for increasing employee productivity through the use of Microsoft technology and for making those same benefits available to Microsoft customers.

Before Microsoft products are allowed to ship, Markezich ensures that they run on Microsoft's I.T. [infrastructure](#) 📦. In addition, by working in managed solutions, he is able to get first-hand customer experiences that play a vital role in enhancing products. His responsibilities also include protecting the [security](#) 📦 and privacy of the company's digital assets, data, and intellectual property.

Before becoming CIO in May 2004, Markezich ran I.T. infrastructure and line-of-business application organizations inside Microsoft. During this tenure, the organizations received numerous awards, including the Alexander Hamilton Award for Technology and the Primus Luminary Award.

Markezich joined Microsoft in 1998. Before that, he was at Accenture (formerly Andersen Consulting) in the Electronics and High Tech group. He has a B.A. in management information systems from the University of Notre Dame.

He spoke with CIO Today about running Microsoft's I.T. on Microsoft products in a Microsoft-based world. He is an affable fellow who obviously takes genuine pleasure in testing products personally, deep inside the inner belly of the software behemoth.

**CIO Today: What are your top concerns as CIO?**

**Markezich:** First and foremost, hiring the right people. After the last several years of everyone saying I.T. jobs aren't going to be around anymore, there has been an impact on the level of I.T. people around. The myth is discouraging people from entering the field. But, in fact, I.T. careers have never been better.

The other concern is in ensuring that resources are allocated to the right technologies. I.T. drives business value and that requires creative ways of thinking about technology.

The third is to make sure we take advantage of opportunities presented by the Internet and connectivity. The types of things we can do arouses customers and partners and we need to capitalize on those.

**CIO Today: Has the I.T. environment changed from five years ago?**

**Markezich:** Five years ago was kind of the tail-end of the bubble. Money was spent on I.T. just for the sake of spending it -- just not much thought was given to the outcome. After the bubble burst, budgets were slashed just as recklessly. Now we are in the healthiest state I.T. has ever been in. For the first time, I.T. is in a state of balance.

What was promised by the Internet five to seven years ago is finally coming true: the landscape becoming a reality through the low cost of bandwidth, connectivity, and a great deal of innovation. So, I think there is a big change in opportunity and how we think about I.T. overall.

And everything is much more complex than five years ago. The environments were built without a lot of thought around the architecture during the bubble, and now all I.T. departments have to work through that.

Elevating the level of technology to make it more easily searchable and accessible also makes it more complex for a CIO to manage. It used to be you could just lock down the network, but now it is hard to control the network because you want to use it with partners, customers, suppliers, and others. It is a much more complex trend and difficult to manage.

**CIO Today: How have new legislative demands affected the I.T. department and the CIO in particular?**

**Markezich:** That is another category of things that have radically changed. I think Sarbanes-Oxley regulation has been great for the industry and for us but it does require a huge time commitment. Even so, I am probably at an advantage because I have the resources to readily comply. It does give us internal controls and great feedback, but the actual scope of the requirement is difficult to nail down.

The biggest challenge is in handling all the different laws in different countries, and even in different regions of the same country. Many of those laws dictate where you can store company data or even employee information. That makes it hard. I.T. loves to standardize, but such a scattering of requirements makes it hard to standardize compliance. Plus, the rules are constantly changing.

At some point, many of us in I.T. would like to see some consistency for managing controls and privacy, like a standards board that sets the bar across industries -- something along the lines of what accounting has in the GAAP, or generally accepted accounting principles.

**CIO Today: Which enterprise component or technology will be growing most in terms of its slice of your company's budget pie in the next 12 months?**

**Markezich:** As a standard course of my job, I run products within Microsoft before we release them to customers. The [SQL Server 2005](#), for example, launched [recently] but we've been running our production systems on that [database](#) since August of 2004 -- a full 15 months before shipping that product.

The next 12 months are the next biggest wave of new products we have had in the history of Microsoft. I will be quickly deploying all the new products like Windows Vista, Windows Server (Longhorn), Exchange 12, and Office 12 -- all will be fully deployed at MS before shipping. All the log-ins are moving to two-factor verification. Passwords are pretty much phased out. It is an exciting time.

I am also bullish about what is going to happen in the network area. Wi-fi is much better than years past. We are redoing our wireless network with products from Aruba. There is a lot more functionality these days and we want to integrate data, voice, and video through mobile phones. IPv6 is the next version for our network; the security benefits and simplicity of use are astounding.

**CIO Today: Can you walk us through the decision-making process of implementing a large-scale business process management initiative?**

**Markezich:** Microsoft is very large company. We have four main business groups: Sales & Marketing, I.T., Operations, and Product and R&D Group. We work with the executives from those four areas and look at business strategies and then look at solutions to drive that initiative. Our business groups understand that there must always be a business effort to marry with an I.T. solution to support it. A dedicated I.T.

team and a dedicated business process team then focus on the delivery.

The costs are approved by the business-executive sponsor that championed the process.

**CIO Today: What are one or two software or hardware products your company uses that you would describe as outstanding?**

**Markezich:** I don't want to sound too much like sales, but we do have some exceptional products. A new, lesser-known product is the Data Protection Manager. It allows you to do backup to disk instead of tape. It has saved us quite a bit of money.

When it comes to a non-Microsoft product, I would say Aruba Airespace -- recently bought by Cisco. It's fabulous wireless with increased bandwidth and has huge benefits.

The third, IP PBX by Interactive Intelligence for IP [telephony](#) 📞. We have had great success with it.

**CIO Today: Which emerging technology do you see as most important to the enterprise?**

**Markezich:** Most important is the trend toward software as a service, where you take a function and give it to another company to run remotely. The other trend is something that we are going to do as well: getting rid of the password process and using two-factor authentications.

**CIO Today: Where do you go to do your research on new technologies?**

**Markezich:** I read online and paper magazines like CIO Today regularly. And, I spend time talking to other CIOs. As a matter of fact, I just got back from New York City, where I met with 25 different CIOs in one day. I also work closely with venture capitalists and start-ups. They have an option to present a pitch -- it's hard for them to get their products known otherwise. We also have a very large R&D department.

