

 Follow us •  Share [BECOME A MEMBER >](#)

 **BUSINESS TECHNOLOGY** Strategy **BUSINESS TECHNOLOGY** Execution **PROFESSIONAL Development** LIVE Exchanges Archive 



Welcome, Karen Schwartz (Log out)

[New](#) [Your Stuff](#) [History](#) [Browse](#)

[Welcome to Smart Enterprise Exchange](#) > [Professional Development](#) > Documents

[Up to Documents in Professional Development](#)

CIO Change-leaders in Action

Created on: Jan 4, 2011 1:01 AM by [Karen Schwartz](#) - Last Modified: Jan 4, 2011 8:12 AM by [Alexis Bickford](#)

IT Pros Must Walk the Walk when It Comes to Business Growth.

By **Karen D. Schwartz**

CIOs are clearly heeding the call to become much more than IT stewards. Today, they increasingly lead top-line growth and corporate change. Steve Elefant, CIO of Heartland Payment Systems in Charlotte, N.C., is a prime example. Undeterred by previous security problems at the company and tumult in the financial services industry overall, Elefant confronted his challenges head on and is driving change and progress in ways that have transformed Heartland's infrastructure as well as its outlook. As CIO for one of the largest U.S.-based payment processors, he has spearheaded a major turnaround in how the company protects cardholder data, its merchants and itself from persistent security threats. In the process, he has helped strengthen the corporate reputation.

Changing the Game at Heartland

Elefant joined Heartland in 2009 from Soaring Ventures, a Silicon Valley venture capital firm, after a series of highly publicized major data breaches rocked Heartland's business and its credibility. He was hired, in part, to revamp the organization's approach to end-to-end encryption — a game-changer for the company.



Steve Elefant

With a CEO's eye for the big picture — he spent much of his career as a CEO or president for companies like Yaga Inc., PriceRadar and ICVerify/CyberCash — and a commitment to moving Heartland forward, Elefant created a companywide initiative to fully overhaul the security infrastructure. He also put in place a plan to develop Heartland-branded payment terminals.

The opportunity "was about taking security to the next level, both in the company and in the industry," Elefant explains. "We started by encrypting all of our e-mail and data files, in addition to our transaction history, which meant putting together an interdisciplinary team. Now, from the time the consumer swipes the card and it changes from analog to digital data, it's encrypted, and it stays encrypted," he says.

The overhaul has already demonstrated results. Not only have more than 8,000 merchants signed on with Heartland's new encryption solution in the past year, but the company has won awards for its secure financial transactions system.

Elefant's accomplishments are what many CIOs aspire to — becoming strategists who can use technology as a tool to move the company forward. The most successful CIOs, says Scott Archibald, a Managing Director at Bender Consulting, run their departments like business units and "can navigate the political battles in the boardroom [and] leverage technology for the business," he says. For many CIOs, "it's a difficult transition to make," he says, "and it's still fairly uncommon." Nevertheless, that's "what sets apart the top-notch CIOs from the others."

Riding Out the Rough Times

Richard Hoynes, former CIO of Pfizer Consumer Healthcare, and an IT leader at many other companies over the past decade, also has a track record for corporate leadership and growth. Now a consultant to other CIOs, Hoynes, based in New Jersey, understands the delicate dance involved in dealing with cost pressures while continuing to spur growth and innovation.

Hoynes was CIO at Warner-Lambert Consumer Healthcare when it, along with five other businesses, was bought by Pfizer in 2000. He then became CIO of Pfizer's Consumer Group, and over the next two years began planning for the inevitable divestiture of the three "noncore" businesses and its impact on the IT infrastructure, cost structure and the overall business.

The key was keeping IT on track during this volatile period when businesses and IT functions, along with their associated costs, would expand and then contract. Hoynes developed a multipronged plan based on the principle that the business plan should drive IT, and not vice versa.

For instance, since he knew that Pfizer eventually was going to divest the three businesses, Hoynes hired IT consultants instead of full-time staff whenever possible to support the noncore businesses. "That way, over time, we shifted the balance so that when it was sold, we wouldn't feel the pain as much internally," he says.

He also sought other ways to balance the inevitable, but unknown, cost-cutting measures with continued growth. That meant staying on top of plans being considered by the company and the IT division, as well as industry directions and trends. It also meant finding ways to drive synergies during integration, while ensuring that the IT plan and business plan were in sync.

Being business-focused requires the CIO to forge strong IT and business partnerships at every level — from the C-suite to the business analyst, Hoynes says. That's the only way IT can act as a business enabler and doesn't suffer more than its share of cost-cutting requests, leaving more for innovation and future growth, he says.



Consultant Archibald agrees that CIOs must do more than respond to trouble tickets and application requests. They have to be "business people first and become a part of the strategic vision and conversation that is taking place at the C-Suite. Projects and initiatives must play a strategic role in driving the company forward versus being about technology decisions or technology integrations," he says.

Downloads

Actions

- [Edit document](#)
- [Manage versions](#)
- [Move document](#)
- [Manage collaboration](#)
- [Delete document](#)
- [Stop email notifications](#)
- [Send as email](#)
- [View as PDF](#)
- [View print preview](#)
- [Bookmark This](#)

Bookmarked By (0)

View:

No public bookmarks exist for this

More Like This

- [360° Vision](#)
- [Game Changers](#)
- [The Customer-Focused CIO](#)
- [Lead with Lean](#)
- [Smart Enterprise Exchange Event in New York City at the NASDAQ](#)

More by Karen Schwartz

[View Karen Schwartz's profile](#)



©2011 Smart Enterprise Exchange is a unique and exclusive CIO and senior IT executive information resource and community. The program was developed by [UBM TechWeb](#) in conjunction with [CA Technologies](#).
[About This Site](#) | [Smart Enterprise Exchange User Guidelines](#) | [Terms and Conditions](#)