Over twenty CIOs and from large organizations met at the MIT CIO Summit on April 18, 2002. During the course of the day, several themes emerged.

**All Business is eBusiness**

IT plays such a pervasive role in all aspects of business that the distinction between businesses and eBusiness is gone.

**IT: From Cost Center to Business Unit**

Companies are viewing IT as an important strategic element of the business, not just a cost center. But as a business, IT must now justify its impact on corporate performance. IT executives need to construct business cases that establish current operating performance and justify the value of expected performance improvements. This shift also increases the responsibilities of the IT organization -- from delivering IT applications to delivering business performance enhancements.

**Increased Role of Governance**

Prof. Weil argued for increased formal governance by CIOs -- leadership by itself is insufficient. As IT plays a larger role in organizations, CIOs need to build formal decision making processes. Moreover, as Prof. Brynjolfsson argued, these decision making processes and decision rights need to be coherent and mutually reinforcing with respect to the goals and values of the organization. Both EQUANT/France Telecom and HP cited governance as a key success factor to M&A and post-merger integration.
**Patents Stifle Web Proliferation**

Tim Berners-Lee refuted conventional wisdom regarding patents. Conventional wisdom suggests that patents encourage innovation by creating economic incentives that encourage new inventions. Tim Berners-Lee argued that with the world wide web, patents and greed create fragmentation, stifle innovation, and reduce the opportunity for everyone. Unlike many other inventions, the value of many an IT innovation is not intrinsic to that idea, but is, instead, a function of all the complementary inventions and products that mesh with that first innovation. IT innovations often enjoy network effects in which the value increases with the square of the number of users (and number of uses). Selfish attempts to limit widespread use of the invention, by charging onerous royalties and using restrictive legal language, reduce the number of users.

**Openness, Security, or Privacy**

CIOs discussed the sometimes contradictory goals of openness, security, and privacy. Prof. Brynjolfsson emphasized the importance of openness in leveraging IT investments. Widespread information-sharing lets users find innovative and value-added uses for corporate information. At the same time, increased openness raises issues of security, especially when supporting global virtual teams. CIOs also discussed concerns about the security of software developed offshore. Such software could contain malicious bugs or backdoors that leave companies (or their customers or suppliers) vulnerable to cyberterrorism.

**Shifting Focus to the Customer**

Many companies are shifting the focus of IT development toward the customer-side of the business to create comprehensive IT-mediated customer touchpoints. Companies such as Royal Ahold and GM want to better understand their customers -- creating behavioral models to predict how customers might respond to new products or new promotions. Other companies, such as Qwest and 3M, are interested in the use of customer self-service as a means of providing low-cost 24x7 dialog between the customer and the company.