The 2018 CIO Agenda: Mastering the New Job of the CIO

Michele Caminos, Managing Vice President, Gartner
The nature of the CIO's job has changed from the role of delivery executive to that of IT business executive.
If your enterprise was looking to fill your job today

Would they hire you?
Trusted Ally CIOs Represent the Highest Level of CIO Influence in the Enterprise

**Transactional CIO:**
- Perceived as an **internal supplier**
- Reputation built on effective IT service delivery
- Communicates to C-suite via proxy

**Partner CIO:**
- Perceived as a business enabler and credible **technology leader**
- Reputation built on effective response to business requirements
- Able to regularly discuss business issues with CxOs

**Trusted Ally CIO:**
- Perceived as the **business leader and CxO peer** who is in charge of IT
- Reputation built on business impact
- One of the key CxOs involved in shaping business strategy
How to Create the New Job of CIO

Pre-empt disruption

Actions

Live your NEW job

Define your NEW job

Old job ➔ NEW job
Pre-empt disruption

Old job → Actions → Live your NEW job → NEW job

Define your NEW job
Disruptive Technologies Approaching a Tipping Point
Percent of respondents that have deployed a technology or are in short-term planning for deployment

- **IoT**
  - 2015: 10%
  - 2018: 20%
  - Percentage growth: 80%

- **AI**
  - 2015: 10%
  - 2018: 25%
  - Percentage growth: 150%

- **3D Printing**
  - 2015: 10%
  - 2018: 17%
  - Percentage growth: 70%

- **Smart Robotics**
  - 2015: 12%
  - 2018: 16%
  - Percentage growth: 33%

- **Conversational Interfaces**
  - 2015: 16%
  - 2018: 21%
  - Percentage growth: !
Top Performers Generate More Digital Revenue and Have More Digital Processes

What percentage of your organization's total revenue would you attribute as digital sales revenue today? How much of your organization's total turnover/budget can be attributed to fully digital services (or products) delivered to your external constituents (e.g., citizens, students, patients, other agencies)?

What percentage of your organization's processes (core and support) have been optimized (made more efficient) through digital means? Top (n = 182), Typical (n = 2,433) Trailing (n = 134): APAC (n = 487).

Base: All company types have a digital initiative. Size of bubble represents size of sample.

Digital Revenue
(Average percentage of digitalized business)

Digital Processes
(Average percentage of digitized processes)

ANZ Average: A
Top Performers Generate More Digital Revenue and Have Processes That Are More Digital

Digital Revenue
(Average percentage of digitalized business)

Digital Processes
(Average percentage of digitized processes)

What percentage of your organization's total revenue would you attribute as digital sales revenue today?

How much of your organization's total turnover/budget can be attributed to fully digital services (or products) delivered to your external constituents (e.g., citizens, students, patients, other agencies)?

What percentage of your organization's processes (core and support) have been digitized (made more efficient) through digital means?

Base: All company types have a digital initiative. Size of bubble represents size of sample.

ANZ Average:

Manufacturing (n = 560), natural resources (n = 128), media (n = 48), services (n = 290), government (n = 386), education (n = 250), retail (n = 161), wholesale trade (n = 47), financial services (n = 323), insurance (n = 138), health payers (n = 47), healthcare providers (n = 111), transportation (n = 106), utilities (n = 69), telecom (n = 51), Top (n = 182), Typical (n = 2433) Trailing (n = 134); APAC (n = 487)
Top Performers Generate More Digital Revenue and Have Processes That Are More Digital
Opportunity Abounds

Digital Processes (Average percentage of digitized processes)

Digital Revenue (Average percentage of digitized business)

High Cost New Business Models

Sustainable New Business Models (A-enterprises)

Old Business Models

Low Cost Old Business Models

Today

Future

TYPICAL
Education
Insurance
Wholesale trade
Health providers
Healthcare providers
Manufacturing
Retail
Telecom
Utilities
Media
Financial services
Services
Transportation
TOP
Average level of digitalization
Government

Opportunity Abounds

Digital Processes

Digital Revenue

Sustainable New Business Models

High Cost New Business Models

Old Business Models

Low Cost Old Business Models

Today

Future
Old job \rightarrow \text{Pre-empt disruption} \rightarrow \text{Actions} \rightarrow \text{Live your NEW job} \rightarrow \text{NEW job}

Define your NEW job
Act as Business Leaders More Than IT Leaders

Only **56%** of ANZ CIOs have a seat at this table …
Have an Industry Vision: Craft and Communicate Your Unique Message

- Wisdom of informed crowds
- Business model innovations
- Analogies from other industries
- EA analysis
  
  - Insights from your personal network
  - Results of bimodal explorations
  - Insights from data
  - Technology trends

Personal experience

Personal opinion (gut)
Be Subject to Business Metrics

Are you measured by your IT activities ...57%

... or are you measured by the business outcomes you impact most? 43%
Leaders Embrace Growth

Global — top performers percent of respondents

- 64% building business agility
- 61% influencing business models
- 50% revenue growth
- 43% growing margins

ANZ — percent of respondents

- 64% building business agility
- 56% influencing business models
- 19% revenue growth
- 18% growing margins

Which of these strategic business objectives are among your personal job objectives?

n varies by segment; Base: role is CIO or most senior IT leader

Percentage of respondents
There's a Wall Between Initiating and Scaling Digital Business

Stage of digital maturity
(Percentage of respondents)

Initiating
- No Digital initiative: 9%
- Desire/Ambition: 20%
- Designing: 28%
- Delivering: 26%

Scaling
- Scaling: 14%
- Harvesting/Refining: 3%

Which of these best describes the stage of your organization’s digital initiative — i.e., your organization’s digitalization efforts? 2018: n = 3,025; APAC: n = 515
Culture Is the Biggest Brick in the Digital Wall

What do you think is your organization’s biggest barrier to move from the initial phases of digital business transformation to scale? Base: stage of digital is desire, design or delivery, n = 2,208 APAC (n = 366)

- Culture: 46%
- Talent: 23%
- Resources: 13%
- CEO Commitment: 5%
- Board Commitment: 4%
- IT Organization: 2%
- ANZ: 46% 25% 9% 6% 3% 5%
Apply Different Leadership Styles
Pre-empt disruption

Old job

Define your NEW job

Actions

Live your NEW job

NEW job
CIOs Are Adopting Roles That Drive Growth

**Global Top Performers**

- **55%** hold CDO role
- **54%** responsible for Innovation
- **28%** responsible for enterprise change

**ANZ**

- **34%** responsible for Innovation
- **20%** responsible for enterprise change

**Multiple Responses Allowed**

In which areas are you/is your CIO designated as the person in charge of any aspect of the business other than IT?

- Differences between top and typical
  - Top performers (n = 179)
  - Typical (n = 2,532)
  - Trailing (n = 200)
  - APAC (n = 495)

**Percentage of respondents**
Scaling Digital Creates New IT Roles

New Roles in IT:

- **Human Factors**
  - User Experience Designer: Top performers 25%, Typical 30%, Trailing 11%, Difference 14%
  - Digital Workplace Leader: Top performers 13%, Typical 17%, Trailing 7%, Difference 6%
  - Voice Interaction Designer: Top performers 3%, Typical 5%, Trailing 2%, Difference 2%

- **Digital Core**
  - API Product Manager: Top performers 22%, Typical 21%, Trailing 6%, Difference 16%
  - Cloud Architect: Top performers 18%, Typical 20%, Trailing 18%, Difference 2%
  - Megavendor Manager: Top performers 16%, Typical 16%, Trailing 22%, Difference -6%
  - Digital Risk Manager: Top performers 10%, Typical 17%, Trailing 20%, Difference -7%

- **Intelligence**
  - Chief Analytics Officer: Top performers 20%, Typical 21%, Trailing 11%, Difference 9%
  - Algorithm/Model Designer: Top performers 16%, Typical 18%, Trailing 18%, Difference 2%
  - Machine Trainer: Top performers 4%, Typical 6%, Trailing 4%, Difference 2%

Percent of Respondents
Multiple Responses Allowed
Which of these roles (or equivalents) exist in your organization?

n varies by segment. Base: Excludes don’t know

Difference between top and typical
Top performers (n = 175)
Typical (n = 2,532)
Trailing (n = 196)
How to Create the New Job of CIO

Old job → Pre-empt disruption → Define your NEW job → Actions → Live your NEW job → NEW job
Leadership Mindset
Changes Are Needed

Provoke and catalyze
Be an ambassador
Instigate discussion

Entrepreneurial
Open-minded
Customer centric
Talent-attracting
Knowledgeable
Adaptable
Collaborative
Change Management
Execution
Validation
The 2018 CIO Agenda: Mastering the New Job of the CIO

Michele Caminos, Managing Vice President, Gartner