







hat makes a modern, effective CIO? In many organizations this will be a difficult question to answer. The lines between CIO and CTO are often blurred and not every organization employs both roles. Should a CIO be more of a technologist than a business leader or the other way around? Despite the fact that technology is increasingly fundamental to the majority of businesses around the world, there still appear to be variances over the inclusion of CIOs at the board level.

Few CIOs are actually full members of their company's board. Research<sup>1</sup> by CIO UK found that just 29% are full members and just 51% meet with their CEO at least weekly. This may be a result of confusion over the role. Perhaps some CIOs have been too technical and have lacked business acumen? Perhaps boardrooms have been slow to change, fearful of technology, its cost and impact on the organization?

What is clear is that doing nothing about it is not an option. As CIO UK suggests in its research, nearly half of the Fortune 500 companies that were operating in 2000 no longer exist, so no business is immune to disruption. Alongside this, 96% of CIOs in **Deloitte's 2018 Global CIO**Survey<sup>2</sup> said that educating the business about technology to be one of their responsibilities, but only 66% currently have the power to develop proactive educational initiatives that reach beyond the executive level to help build tech fluency across their organization.

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**Maggie McGhee,** director of professional insights at the Association of Chartered Certified Accountants<sup>3</sup>

### Technology and the boardroom

There is clearly a link between understanding the importance of technology at the board level and business success. As Maggie McGhee, director of professional insights at the Association of Chartered Certified Accountants writes<sup>4</sup> in Board Agenda, "Embracing technology can be the difference between remaining relevant in their market, and being disrupted by new entrants. It represents a significant, and often the leading, business risk that boards need to address."

Perhaps the problem is twofold. First, technology is still seen as a cost to the business and therefore it will be scrutinized as such. Secondly, CIOs have to rethink how they are selling themselves and the technology, by focusing on business cases, competitive advantage and cybersecurity.

According to the Harvey Nash / KPMG CIO 2018 survey<sup>5</sup>, CIO influence on executive boards is decreasing, so even those that did have the ear of the CEO and other board members are losing their voice. The rise in shadow IT, suggests the survey, is partly to blame, with departments bypassing tech teams to install cloud-based apps and services to meet specific departmental requirements. At the board level, this may come across as a disconnect between CIOs and what the workers want but, in reality, it could lead to a security and asset management nightmare.

While this survey also found that "making a success of digital transformation is proving complex with almost eight in ten

CIOs (78%) feeling that their digital strategy is only moderately effective or worse," there is a need for businesses to be more proactive. Traditionally, tech teams have been reactive. CIOs need to be given the reins to reduce complexity, forge strong strategies that utilize the latest data-driven capabilities and focus on not just solving issues, but creating opportunities.

# What am I really? A CTO or a CIO?

Strictly speaking, a CTO develops the technology strategy for products that are sold to customers while a CIO is responsible for the digital infrastructure of a business. On that basis you could argue that CTOs are more technical, as they invariably come from development backgrounds, while CIOs are more business oriented. The trouble is that not all companies have the luxury of employing both, so in many respects, CIOs and CTOs have to learn fast, about both business requirements and new technology solutions.

"It takes a different sort of person to be at the helm," says Gwen Becknell, Senior Director of End-User Experience Services within Infrastructure Services at HP, talking about the personality and skills of a CIO. "You need good business sense and some marketing flair. You also need to change the perception of IT to employees. IT needs to be seen as an enabler, and IT teams as people that can solve issues proactively"





#### The road to transformation

As Patrick Fisher from the Technology Practice Group recently <u>wrote</u><sup>6</sup>, "Companies that best use technology to create competitive advantage will win." He goes on to talk about Goldman Sachs and how the firm's Chairman and CEO Lloyd Blankfein once said, "Goldman Sachs is a technology firm," pointing to the fact that, at the time, the company <u>employed more engineers</u><sup>7</sup> than companies such as Facebook, Twitter, or LinkedIn.

Perhaps the idea that every company needs to be an IT or software company is coming true. In which case, you'd think that boardrooms would want technology expertise at the top table on a permanent basis. Good CIOs don't just talk technology, they talk about how technology can impact the business and even find competitive advantage.

"Today's CIO has rightfully assumed a much more prominent place in the strategic thinking of the business, not simply enabling other members of the C-suite to achieve their vision, but rather actively setting the agenda for the future of the digital enterprise," says Geoff Webb, Vice president of strategy at Micro Focus in Forbes.<sup>8</sup>

"It's an exciting if challenging time. Moving forward, CIOs will finally have the opportunity to focus on the real meaning of their title – chief information officer."

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The idea of a CIO being a technology and business agent is not that new, but as an agent of change, the CIO is encountering new territory. The efficiencies and opportunities offered by increased automation and data-driven analytics, for example, means that CIOs and their organizations have a target to work towards. If they want to take advantage of machine learning and AI capabilities, current systems and processes will need updating, maybe transforming completely. It's a potential minefield of problems to solve but also a goldmine of opportunity if you can get it right.

Boards need to realize that CIOs are the only people who can really drive change and orchestrate the transformation required to improve employee experiences resulting in increased productivity and satisfaction.

Another ever-present consideration is cybersecurity. Not all organizations employ a specialist chief information security officer (CISO), which means that CIOs will most likely be required to build security policies and implement plans.

Becknell of HP says that there's now "a big shift to cybersecurity focus" within IT leadership. While business leaders are starting to recognize this

stage of new business opportunities, according to Accenture<sup>9</sup> – more needs to be done to ensure cybersecurity practices are adhered to (especially with the growth in shadow IT) and that employees are still empowered and not hindered.

- 38% of companies bring security experts into meetings at early

Becknell adds that delivering technology to enable employee experience is key. That means taking into consideration employee views on which tools and technologies work best for each role. It's about taking control, or re-gaining control for those that are losing it, to ensure each organization has the ability to focus on its core strengths.

"HP Device as a Service (DaaS) helps drive organizations to be more proactive in their management of machines, using HP TechPulse analytics and proactive management to watch over every user."

**Gwen Becknell**, Senior Director of End-User Experience Services within Infrastructure Services at HP





## Strategic thinker and doer

How can CIOs transform their roles? CIOs need to be strategic. not just focused on improving IT infrastructures and usability, but also in finding ways to help the company reduce costs, increase flexibility and drive innovation. How they achieve these things and how they are measured is changing.

"It's not so much about specific SLAs now, it's more around employee feedback and business outcomes," says Becknell. "The board is not so much concerned that the network reported 99% uptime but what did that network actually help achieve in terms of helping create new customer insights or help employees develop new ideas? This is the new judgment."

suggests<sup>10</sup> that, as leaders, CIOs should resist always trying to solve the problem. When your team is debating a strategic direction or solution, it seems reasonable that you, as CIO, will make the final decision. "But when CIOs provide a solution too early in the conversation," says Conaway, "they can reduce their team's ability to problem-solve."

He also suggests that if you want to build a better future, it's imperative that you know your history. When Conaway talks to IT leaders who are struggling with change he often notices that they didn't understand the history of their own organization. "You must establish a coalition to drive your agenda," he says. "That is difficult to do without a shared understanding of the evolution of the organization."

HP, explains Becknell, has taken its own medicine. By going through the process of implementing its own Device as a Service (DaaS) solution, she has witnessed first-hand how the challenges facing CIOs today can be overcome. Multi-OS device proliferation in particular raises potential security issues and yet it still requires a business case. The decision process is elevated through the CIO to the COO, where potential security impact and hardware failure, management complexity and upgrade costs become business critical reasons to act.

"That's the benefit of DaaS, especially for non-IT companies," says Becknell. "Providing hardware as a service means PCs and devices are just cared for completely, end-to-end, with repair and replace policies. This includes HP TechPulse, a predictive analytics tool that can watch over every user and warn of issues before they occur. It's about improving user experience and peace of mind."

For a CIO, it's also about taking away potential pain points that can distract from the bigger goals because for CIOs the job just gets bigger. As Deloitte suggests in its research<sup>11</sup>, "Organizations typically expect CIOs to do more than keep the lights on and the trains running. Yes, CIOs should build and maintain solid back-end core systems, but they also need to leverage digital technologies to streamline business processes, engage employees and customers, and drive new value-generating business models."

For many organizations, business strategy and technology are inseparable; business leaders understand the influence of both. So now, do CIOs.

Discover more about HP Device as a Service: https://www8.hp.com/us/en/services/daas.html See how an online platform can help deliver a <u>business case to the C-suite</u>

HP DaaS guide .....



#### Sources

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