Big Digital Leadership

A white paper by Ade McCormack, Auridian and Kevin Laahs, HP

Introduction

Technology trends such as big data and the Cloud are driving the IT agenda, as are technology-fuelled trends such as mobility and social media. Increased user empowerment as demonstrated by the Byod movement is changing the CIO's role from technology manager to digital leader. **This white paper explores these trends from a strategic perspective. It also offers operational advice thus enabling you to turn these emerging themes into business value.**

Trend drivers

There was a time when technology advances could be assimilated into the organisation at a pace that suited both the leadership and the IT function. But admittedly that era ended with the arrival of the 'Intel-inside' PC. So the issue of user-driven technology adoption is not a new challenge for the CIO.

Why is it that the users have needed to storm the organisational gates with technology which CIOs are well aware of but are reluctant to embrace? There are of course many plausible reasons including security, vendor lock-in and support. The real issue is the underlying distrust between the IT function and the user community and it is important to be aware of this when examining trend drivers.

Following on from the PC invasion, the IT function introduced thin-client computing, locking down any attempt to personalise or control the user device. But along came the Cloud, which passed control back to the users. Consequently today we find ourselves with users on the one hand wanting to use cheap apps delivered via highly engaging lifestyle devices. And on the other hand the IT function is torn between seeking out the next generation of lock-down technology and throwing caution (plus the enterprise architecture and security policy) to the wind by letting users do what they want.

In respect of trends, this user – IT function cold war is tipping further in favour of the users because:

- Good users, i.e. skilled professionals, are getting harder to find; making the 'sought after few' more empowered in terms of their working environment expectations.

- The user community is increasingly being populated by Gen Y workers who see beyond the 'subjugated compliant salary man career promise' and thus will not 'soak it up' today for a better life tomorrow.

- Many of the subjugated compliant salary men are increasingly wising up to the hollowness of this career promise. Consequently they are taking charge of their professional destiny and setting out on their own.

User expectations are about to go asymptotic and if your IT function cannot respond appropriately the users will go elsewhere. At the very least this will lead to you having a series of earnest conversations with the HR director.

Specifically users will want to work when and where it suits them. Mobility technology expectations are very much on the increase; Byod being merely a symptom of the issue. To focus attention on byod and ignore the underlying people trends that are driving it would be to focus on the thunder when the lightening is the real issue. The lightening in this case is the power axis shift from employer to employee.

Social media started off being something users engaged in when they should have been working. Today many elements of the business including both market and supplier-side communications harness social media. But one cannot simply offer enterprise social media. The trend towards work-life integration demands that users have access to their social network, as stated, when and where they need it.

Big data is an important trend, not least because it has gained such traction in the minds of both business and IT leaders. It is not directly driven by the growing needs of high maintenance users, which should perhaps tell us something. Big data might be seen by some as an attempt to sell big storage and big processing capacity as well as serving as a central theme for high-cost conferences.

That stated, the need for organisations to make better decisions faster is driving the demand for technology that can convert data, structured and unstructured, into actionable insight and in turn better business decisions.

The need for organisations to sweat the human capital, whilst at the same time indulging its increasing propensity to work where it wants, is driving the demand for collaborative tools.

So the workers are revolting in respect of their seemingly outrageous working expectations. Like the arrival of the tablet, this trend will drive many technology trends over the next few years.

CIOs who attempt to push back the tide will appear both foolish and acting against the interests of the business.

Implications for the enterprise

The implications for the enterprise are profound. Traditionally organisations have used humans to automate the factory processes computers were unable to address. Advances in technology are relieving traditional process workers of their duties. Whilst at the same time organisations are looking for creative talent to give them a market edge or to even disrupt the market.

These are the people we have been referring to. They are highly creative, feel no need to be corporately compliant and have a highly tuned sense of their market value. Given the growing imbalance in respect of the associated supply and demand, this new generation of workers is threatening the traditional command and control model beloved of industrial-era corporations.

But let us remind ourselves that like highly paid (special needs) entertainers, these workers ultimately enhance value and so are necessary for organisations looking to compete on an increasingly international stage.

Thus organisations need to change their leadership style so as not to constrain the creative output of their people; giving more latitude than traditionally enforced in respect of adherence to company rules.

The quality and impact of this talent will at times drive the business strategy; not unlike the acquisition of a master chef or a star footballer. In these cases you build the corporation around the leading talent's capabilities. The days of strategy being set by the board followed by a string of edicts targeted at the HR function to find appropriate staff are coming to an end.

Again the price of securing this talent includes providing them with the technology environment to collaborate and pursue their craft, whether it be with your tools or theirs.

Implications for the CIO

As has been mentioned, this has very significant implications for the IT function and the CIO. The background of tension that has led to the aforementioned series of technology battles is coming to a halt. And in blunt terms the IT function has lost the war.

Imagine your company was a football team. Of course your CEO, acting as captain, is on the field. We would expect the CFO to be on there as well as the organisation's star talent. Would the CIO be on the field? Maybe they have a support role, e.g. physiotherapist? It is not obvious where the CIO sits in the team. Sometimes it may feel as if you are the referee, only ever noticed for (the occasional) poor decision-making. There may even be times when you feel you are (from a political perspective) the football.

The point being that the star talent is more likely to be perceived as business critical. As such they are more likely to garner executive support than the CIO.

But some CIOs are taking steps to rebuild user-trust; viewing the user as the client rather than the enemy through a more service-focused approach. This is certainly an improved situation after decades of antipathy. However this might be overshooting the desired outcome.

We would encourage the users, superstars or otherwise, to be treated as partners to the IT function, working together to meet the needs of those people that pay both your salaries - the organisation's clients (or citizens in the case of the public sector).

The value unleashed from an investment in new technology does not come from the IT function but from skilled usage. Users determine the value and so must share the responsibility for sweating the IT investment. A partnership model encourages this perspective.

Managing technology earns you the title of IT manager. Tuning data into insight makes you a CIO. The CIO who can entwine technology management with user-pleasing and market-disruptive tools is a digital leader.

Digital leaders use technology to drive operational efficiency, supply chain excellence, heightened client experiences and superior organisational agility.

Your ability to use technology to not only support, but drive business strategy will totally reposition the role of the CIO in the eyes of the senior management team.

Take action

As mentioned value comes from partnership and in any partnership it is crucial for all parties to work together. To do so effectively requires understanding each other's viewpoints. Have you ever slept in the guest room in your own house? Doing so allows you to better understand what others are experiencing and the challenges they face (bet you never knew that the clock on the wall ticked so loudly or the early morning sun beams straight in through the skylight!)

The savvy CIO regularly sleeps with users (metaphorically speaking of course!) joining their world before inviting them into their own. This allows the CIO to better determine appropriate tools and to take informed actions that support, rather than hinder, the users in getting their jobs done. Getting closer to your constituents also gives them a better understanding of your aims and they will be more likely to appreciate the guidance that you offer. Bottom line is that it's a win-win situation.

As you enter their world you may find that your current IT policies are out-dated and unsuitable for new ways of working. This is an opportunity to reconsider the purpose of your policies and to write them in a reasoned way rather than the "thou shalt not…" edicts of the past. Explaining why something should or should not be done stands a much greater chance of being followed than merely mandating it – especially as most users are IT literate these days and will be able to follow your reasoning. A "Do not swim" sign in front of inviting waters is much less effective than a "Do not swim because there are sharks here that will kill you" sign!

By viewing the world through the eyes of your users you will see that they seek universal access to people, applications and information regardless of the devices they may have to hand. To support this goal you need to look to providing a service that allows IT to have enough control to assert that the devices in use are trustworthy without restricting the users' flexibility in getting the job done or their enjoyment of the device. As work and life return to being more integrated such a service should allow both personal and work environments to be accessed with the same amount of ease and with the knowledge that neither of them will be compromised by the other.

Once you have enabled a flexible environment that IT is happy with and users respect you can enhance your reputation as a digital leader by helping users be the best in the world at what they do. This involves providing appropriate access to information at all times. "Appropriate" in this sense means considering the context under which information is being accessed to determine the best way to deliver the required information. Context helps applications adapt and can be determined from many conditions such as the capabilities of the current device, the current situation the user is in, user current and past preferences as well as attitudes that can be determined from social networks and big-data analytics.

Whether you modernize your existing application landscape or seek out new capability via third parties or SaaS offerings you must always see the world as your users do ensuring that what you provide will truly make them shine.

Conclusion

CIOs who are able to look beyond the operational technology issues of today and consider the evolving dynamics impacting the organisation will be best placed to ensure they remain relevant in the years to come.

Solid technology management will remain important, but will not in itself take you any closer to being a genuine c-suite executive. **For those too busy to look up, the converging trends will be overwhelming.**

But for those who anticipate what lies ahead there is a real opportunity to move centre stage and take the digital lead.

About the Authors

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He is also a visiting lecturer at MIT Sloan School of Management where he lectures on digital leadership as part of the MBA programme. He also helps organisations prepare for the digital economy through his eWorld Academy **www.eworldacademy.com**.

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