



5 Ways to Think
(*and Act*) Like a
Chief Digital Officer

ciber[®]



INTRODUCTION:

Why is it important for tech-based thinkers to take a Chief Digital Officer (CDO)-style approach to digital?

There's no denying that the business marketplace has changed drastically in just the last few years, and established companies are the ones struggling the most to keep pace. No-name startups are creating whole new business models (think UBER). Competition is coming from the least expected places—like from customers (think Amazon Web Services). We need to face the fact that disruption has become the norm, and contributors throughout an organization need to shift our thinking in order to compete. The best way to do this is to think like a Chief Digital Officer (CDO), a position created to embrace this new paradigm of today's data-driven, connected technology world.

UNDERSTANDING THE MIND OF A CDO:

Companies spent decades concerned about internal efficiency and productivity. The focus was on helping maximize profits for the business they already had. You knew where the business was headed. You knew where the market was headed. The role of IT revolved around automating very predictable business processes. Of course, there were enhancements that had to be made, but even those were predictable.

That approach no longer applies, which is why the CDO exists.

Gartner has called the CDO “The Transformer in Chief”, an apt moniker because he or she is often there to help a company make a successful jump to this new digital business model.

The CDO is focused on topline growth, which is why, for them, technology is a business conversation not an IT one. It's not about systems of record. It's about leveraging technology in innovative ways to engage with customers, to grow the business and to create a competitive advantage.

SO HOW DO YOU APPLY THE CDO MINDSET?



STEP 01

REDEFINE YOUR IDEA OF TECHNOLOGY INNOVATION

Technology enablement and a vision for digital business needs to be shared across business silos.

The IT department of the past is radically different from what businesses need today, which means you need to shift your thinking in order to help your company embrace a modern digital approach. To think and act more like a CDO, a shared vision for innovation needs to be developed. This will strengthen your position as a resource and collaborator for digital innovation.

Businesses run on applications and data

Infrastructure, servers and networks have all become commoditized. They are unnecessary capital expenditures (CapEx) in a time when companies are looking to shift to more of an operating expenditure (OpEx) model. In order to make the switch, you need to bring application and data driven solutions to the table that meet the business goals of your company. It might help to think about technology simply as a single-purpose means to an end instead of a long-term investment.

Business and its systems are now becoming customer focused

Technology is no longer a tool to drive productivity of the workforce. It's now a means for connecting with customers how, when and where the customer wants. Customer value and loyalty become the focus. For a lot of companies, this requires reconfiguring processes to be customer centric, which is something most legacy systems aren't built to handle. A shared vision for innovation can unify leadership with a workable digital transformation plan that has customer engagement at its core.

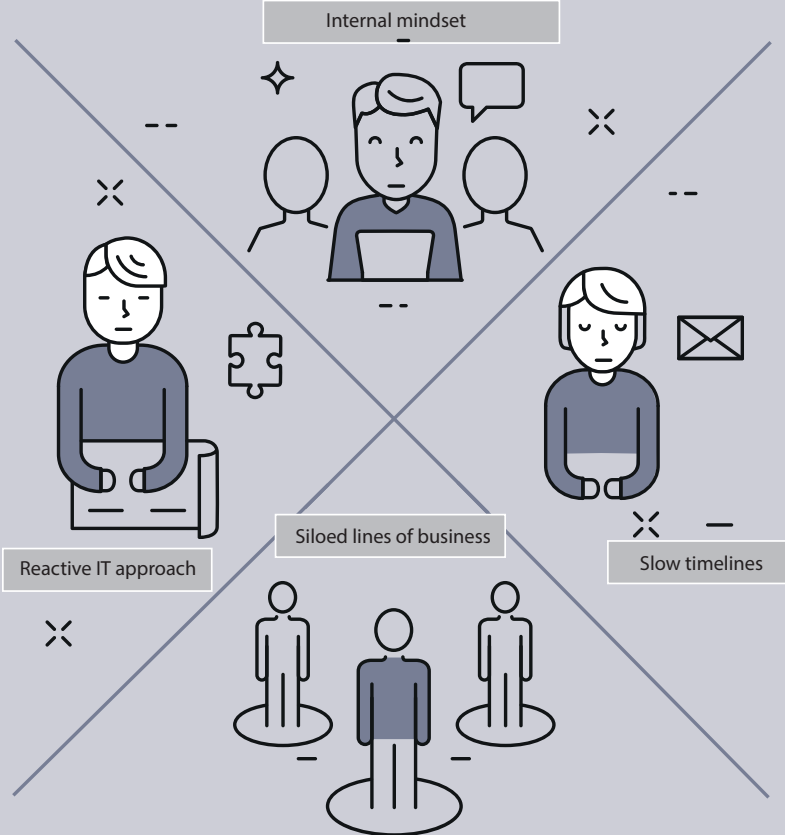
THANKS TO TODAY'S DIGITAL BUSINESS MODEL,
INDUSTRY DISRUPTION HAS SHIFTED FROM A
LIABILITY TO A POINT OF DIFFERENTIATION.

Business needs are unpredictable

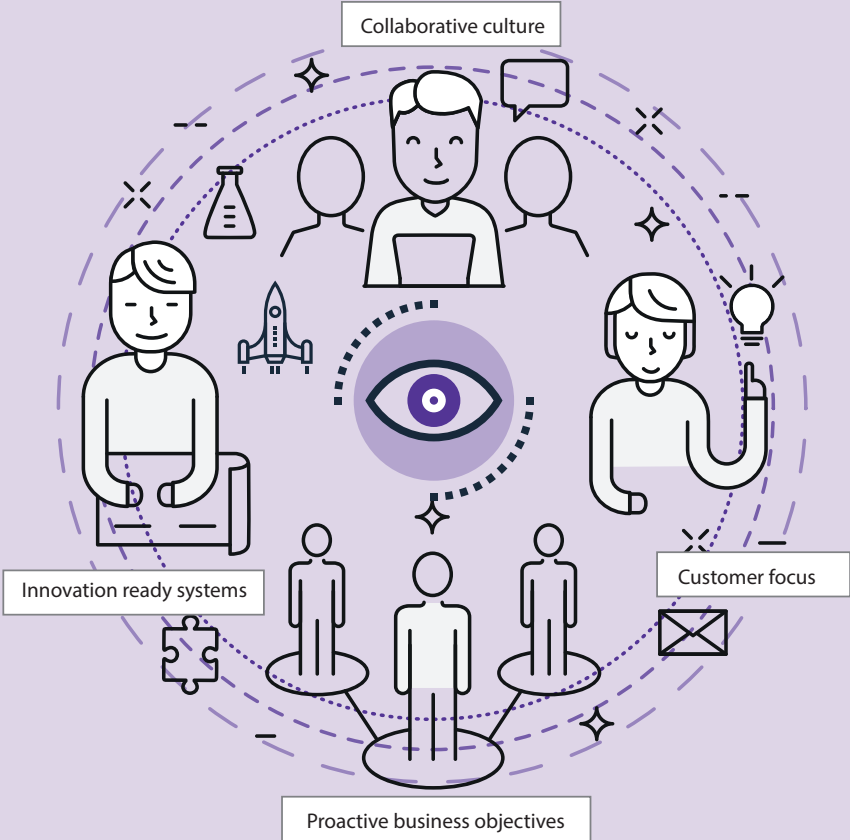
It used to be unpredictability would drive a business to fail, but now it's seen as a marketplace asset that businesses can turn into opportunity. One way you can embrace this the way a CDO would is to first off, reject the tried-and-true. Know what other people are doing and ways they are using applications and data to drive their success but don't look to copy them. Instead use their successful digital solutions as inspiration to create the next great idea or approach. Leap frog others who are not able to innovate.

REDEFINE YOUR IDEA OF TECHNOLOGY INNOVATION

BEFORE



AFTER





STEP 02

EMBRACE YOUR INNER ENTREPRENEUR

Entrepreneurs are by their definition risk takers. They solve today quickly then turn their attention to defining tomorrow, and they do so in what others might view as a haphazard way.

While this thought may strike fear in the heart of many IT professionals, embracing the essence of the entrepreneurial spirit is the perfect way to adapt and adopt a successful digital approach to technology.

Try is the new succeed

While it's unrealistic to think an organization can just embark on solutions without regard to cost or result, you can adopt approaches that allow you to explore potential solutions using a more agile, trial-and-error approach while still being sensitive to the organization and its needs. One of these is using Gartner bimodal IT that concurrently employs two separate but coherent styles of work: one focused on predictability and the other on exploration. The exploration mode is where you have the freedom to create little applets that may focus on one very specific goal or need. These take fewer resources to develop, so there is less impact if it turns out users don't warm to them or adopt them. This also creates a greater return on investment should they succeed.

Solve quickly then move on

IT has historically been a slow moving ship. But that was driven by a process built on creating company-wide infrastructure and legacy systems. The shift to a modern digital mindset allows organizations to be more responsive to the needs of individual business units and create shorter-lived applications to address specific efforts or goals. This type of application typically only requires small updates while in development and very few additional features once launched, as opposed to the bandwidth suck it takes to create and maintain proprietary software solutions.

**EMBRACE RISK TAKING
BY PLACING MANY VERY SMALL BETS**

STEP 03

PLAY BY A COMPLETELY NEW SET OF RULES

Try this: Put anything connected to traditional systems out of your mind. Then, Think “What if?” OK, that’s a simplistic idea of how technology adoption works in the new digital world, but you get the idea. To think like a CDO, you need to let go of the idea of legacy systems and system ownership. Embrace the idea that almost anything is possible. Be there to explore innovative solutions to problems, and you can develop a coalition to meet business goals through digital transformation.

Embrace nimbleness like a startup

Sure, startups don’t face the barriers to entry that existing businesses do, and they aren’t encumbered by legacy systems. That doesn’t mean you can’t find ways to adopt their approach as your own. For example, a devops approach can create new levels of collaboration and communication to fast track your internal process. But if you’re going to be nimble and fast for the business, you’re going to have to modernize. You need to establish responsive systems that are hyper connected, so they can pivot to create a market advantage in meeting the goals of any business unit.

BUSINESS USED TO COMPLAIN THAT IT MOVED TOO FAST. NOW BUSINESS IS SAYING, “HEY IT, YOU’RE MOVING TOO SLOW.”

App is the new everything

To support your company’s business initiatives, developing targeted applications is one of the lynchpins in a successful digital approach. (Data is the other.) But, as the saying goes, these aren’t your father’s applications. The digital approach creates applications that are lean, mean and even single focused. These apps are created to address the needs of a narrower user base and can even be built to meet one-time efforts and then never used again. Thinking of apps as disposable is sometimes a difficult sell to top brass, but talking benefits such as lower development costs, faster delivery and greater responsiveness to customer’s needs will help pique their interest.



STEP 03

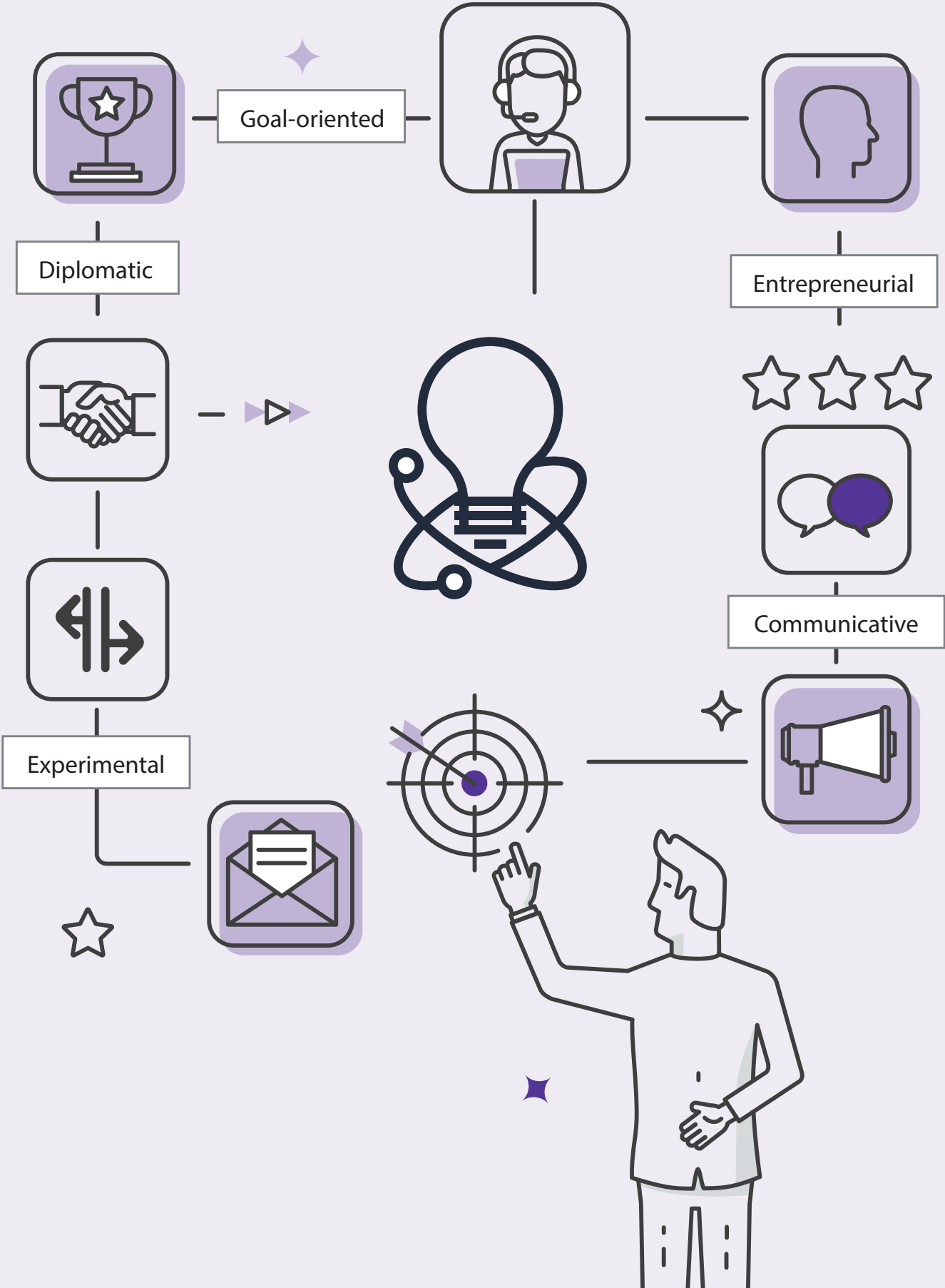
Find the intelligence in data

Data is the other lynchpin to digital success. Fortunately, even legacy systems have been creating mounds of it for years. The true challenge lies in turning that data into knowledge that leads to effective solutions for things like improved customer engagement and stronger customer relationships. Make that data available so that it's not hidden. Creating systems to deliver actionable business intelligence through analytics is also a great way to monetize IT. When combined with the modern sharing approach to business that digital embraces, great analytics-driven intelligence can become an asset the company can sell, opening up new IT-driven markets.

Apply a whole new definition of user

The Internet of Things (IoT) is creating a whole new set of digital business considerations. While the last couple years has seen a shift toward using apps to drive customer engagement, IoT is creating a whole new paradigm that almost completely lacks a human element. Sure, when your refrigerator sends your smart phone a text to get milk because it senses your car is about to drive past your local grocery store, you, the human being, ultimately benefit, but all the apps that make that transaction happen are designed for non-human users. Digital thinkers are perfectly positioned to bring ideas like this to the table.

DIGITAL BUSINESS BEHAVIOR





STEP 04

BE A DIPLOMAT

While the rules have changed, some aspects of the game remain constant. One of these is the art of being a good tactician. It's still the most effective way to successfully get things done. Any good CDO will tell you, this means fighting the urge to make it about you. Instead, you need to understand the various needs and concerns of all the different players and address those in a way that puts them squarely at the center of the conversation.

Think business before technology

Even though technology is your focus, possibly your passion, and definitely your area of expertise, any CDO knows digital is a business conversation. By approaching IT from a business standpoint you'll be able to position technology solutions in ways that demonstrate their ability to deliver the benefits and results that meet the growth and performance needs of the company.

Talk the right talk to the right audience

To have effective digital conversations with other chief officers, you need to talk in their terms, which is most often business-focused not technical. You will also realize better success if you tailor your discussions around topics that person is most focused on in their position. For example, talk profitability and return when you're addressing a CFO, or making vision a reality when the CEO is your audience, or execution and results with the COO. The more you can talk their talk the easier it'll be to get them on your side.

Strive to create connections

Teaming to solve the problems of a particular business unit through modern digital solutions creates a coalition that can meet business goals. Change agents can also exponentially grow their value within the company by being the catalyst for collaboration among business units. By understanding each separate business unit and what it's looking to achieve, you can identify areas of intersection where a single digital solution can create value across multiple business units. And as this choreographer of cross-unit digital conversations, you help create a unified experience for customers regardless of what part of the company they interact with.



STEP 05

WELCOME THE PARTNERSHIP

The concept of a sharing economy is not just for individuals. It has also permeated the business world. They call it collaboration. Today's more successful companies are the ones who find ways to utilize the power of collaboration in ways that drive innovation using technology.

Break down the barriers of the siloed business model

The reality of business siloes means business units often launch their own digital projects, but nobody works in a vacuum anymore. This presents a fantastic opportunity to step up and help drive companywide digital transformation. While each business unit considers its challenges as unique, you can help connect the dots so that everyone can benefit. Seek out shadow IT that is effective but is being held back by isolation. Look for ways to increase its usage to other business units. Create opportunities for sharing solutions that work and find ways to expand their usefulness to other parts of the organization.

Change your default settings

Traditional IT solutions revolve around words like proprietary, internal, siloed, legacy and physical. You can help make the shift to a modern digital approach by eradicating this type of talk. Instead of having your staff bogged down with menial jobs that pull their focus away from supporting business growth and innovation, look for ways to automate repetitive tasks and look for partnerships or resources outside your organization that can take ownership of core tasks. The more you can impress on your company's decision makers that it's no longer necessary or a business advantage to own all your technology, the faster you can help make the digital transition.

Begin Your Transformation

We will help you define a new strategy, create a plan, scope it and get stakeholder buy-in.

Request a complimentary Digital Transformation Strategy Session



SCHEDULE YOUR STRATEGY SESSION



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