Engaging Executives and the Board
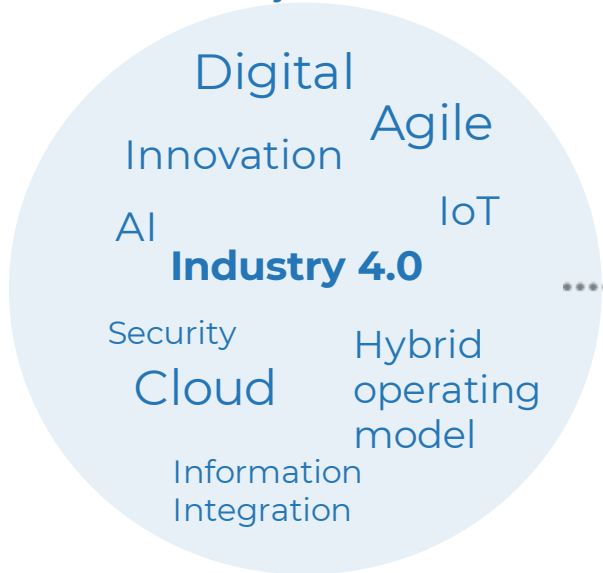
INFO~TECH
RESEARCH GROUP

Agenda

1. What is so special about the current business environment?

2. How can leaders engage with business executives?

3. Are corporate board members redefining boundaries for the CIO?

What is so special about the current business environment?

Organizational growth and business outcomes are the new names of the game

The conventional "what" is actually the "how":

Digital

Innovation

Agile

AI

IoT

Industry 4.0

Security

Cloud

Hybrid operating model

Information Integration

The endgame and the ultimate goal are:

Revenue

ESG

New Business Models
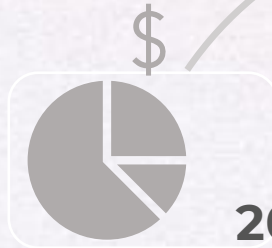
Organizational Growth

Platform Strategy

Improving the Workforce

Customer Engagement

Refocus IT risk planning to mitigate emerging threats
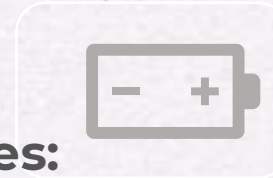
Create an appropriate budget reserve to respond to unforeseen demands

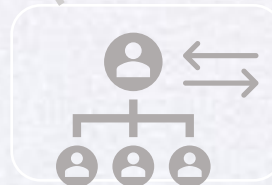Establish capacity awareness to optimize resource utilization

2021 CIO Priorities: Resilience

Strengthen organizational change management capabilities to maximize technology investments

Keep emerging technologies in view to capitalize on innovations

Digital Transformation **Business** Essentials

These essentials have impacts on business outcomes. They have the potential to change internal processes and external positioning within Government/Industry.

Focus on the New Competition Logic

- Identify and Fulfill Individual Customers' Changing Needs
- Orchestrate an Evolving Ecosystem

Apply the Science of Organizational Change

- Strong Strategic Orientation
- Committed Leadership
- Formal Programs

Implement Diversity

- Variety of Work Experience
- Different Education Backgrounds
- Diverse Social Frameworks

Pursue Both Business & Social Value

- Shareholder/Stakeholder Value
- Societal Impact
- Corporate/Organizational Longevity

Foundation needed to enable the digital transformation

01   Business Stakeholder Integration

02   Result-Oriented Processes

03   Organizational Discipline

04   Strategic Partnerships

05   Skills Availability

Top of mind lay of the land

Changing Budgeting Processes & CapEx to OpEx Going Mainstream

New Workforce Long-Term Employee Engagement

Rationalization

- Data Center Consolidation (Organic or Merger)

- Application Streamlining

- Vendor Management Optimization

Let's face it

The C-suite is only interested in the business outcomes, not in the individual technologies that drive them.

>60%
of companies report that at least half of their applications are in the cloud.

Source: Computer Economics Inc, 2021
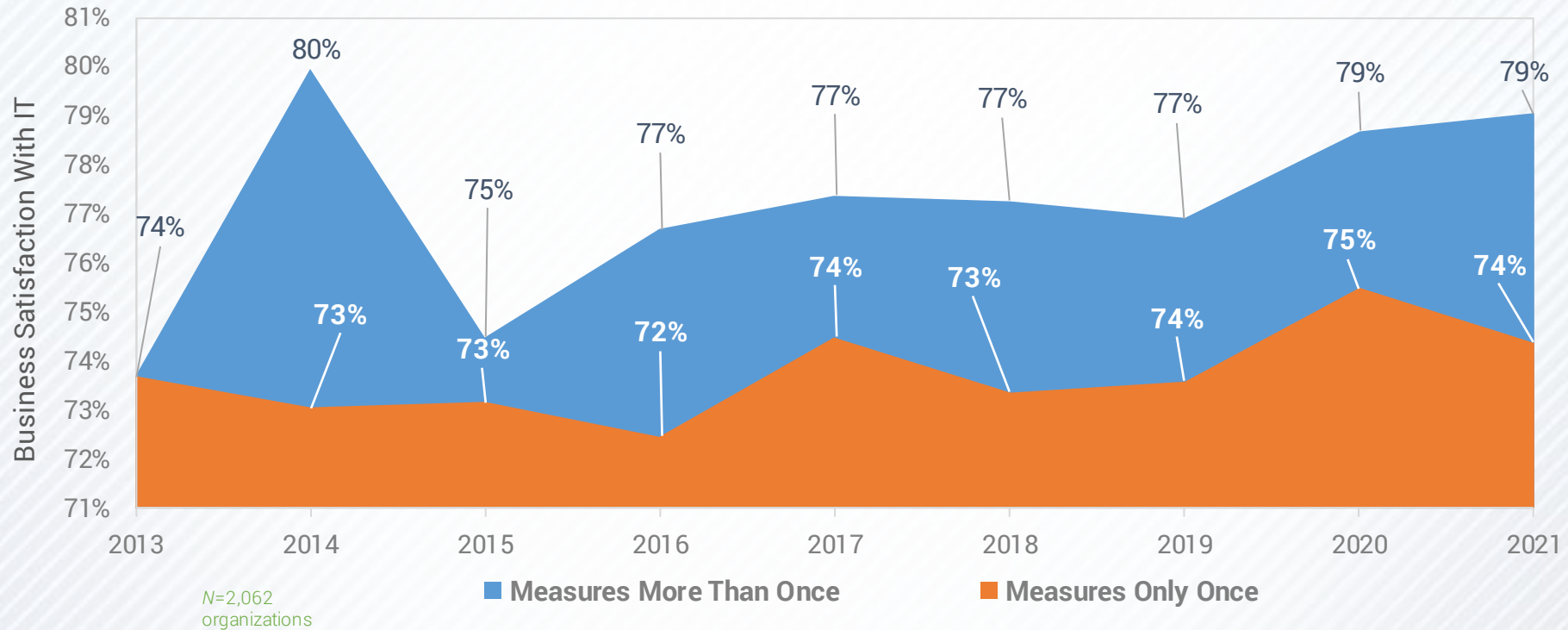
$600B
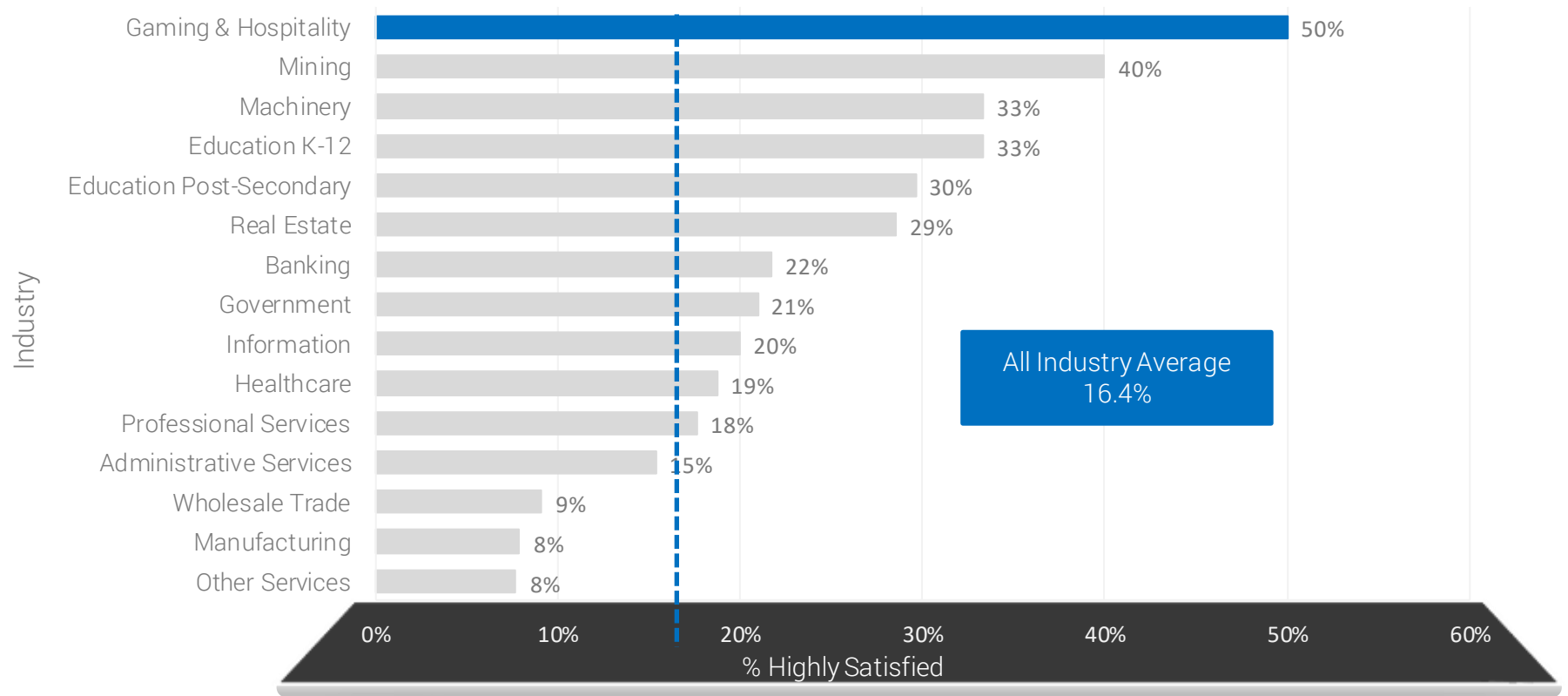worldwide spending on enterprise software applications.

Source: Gartner, 2021

Measuring IT stakeholder satisfaction matters

Business Satisfaction With IT

N=2,062 organizations

■ Measures More Than Once   ■ Measures Only Once

Measures More Than Once values: 74%, 80%, 75%, 77%, 77%, 77%, 77%, 79%, 79%

Measures Only Once values: 73%, 73%, 72%, 74%, 73%, 74%, 75%, 74%

Very satisfied business stakeholders by industry

All Industry Average
16.4%

% Highly Satisfied

- Gaming & Hospitality: 50%
- Mining: 40%
- Machinery: 33%
- Education K-12: 33%
- Education Post-Secondary: 30%
- Real Estate: 29%
- Banking: 22%
- Government: 21%
- Information: 20%
- Healthcare: 19%
- Professional Services: 18%
- Administrative Services: 15%
- Wholesale Trade: 9%
- Manufacturing: 8%
- Other Services: 8%

Source: Info-Tech Research Group, CIO Business Vision Diagnostic

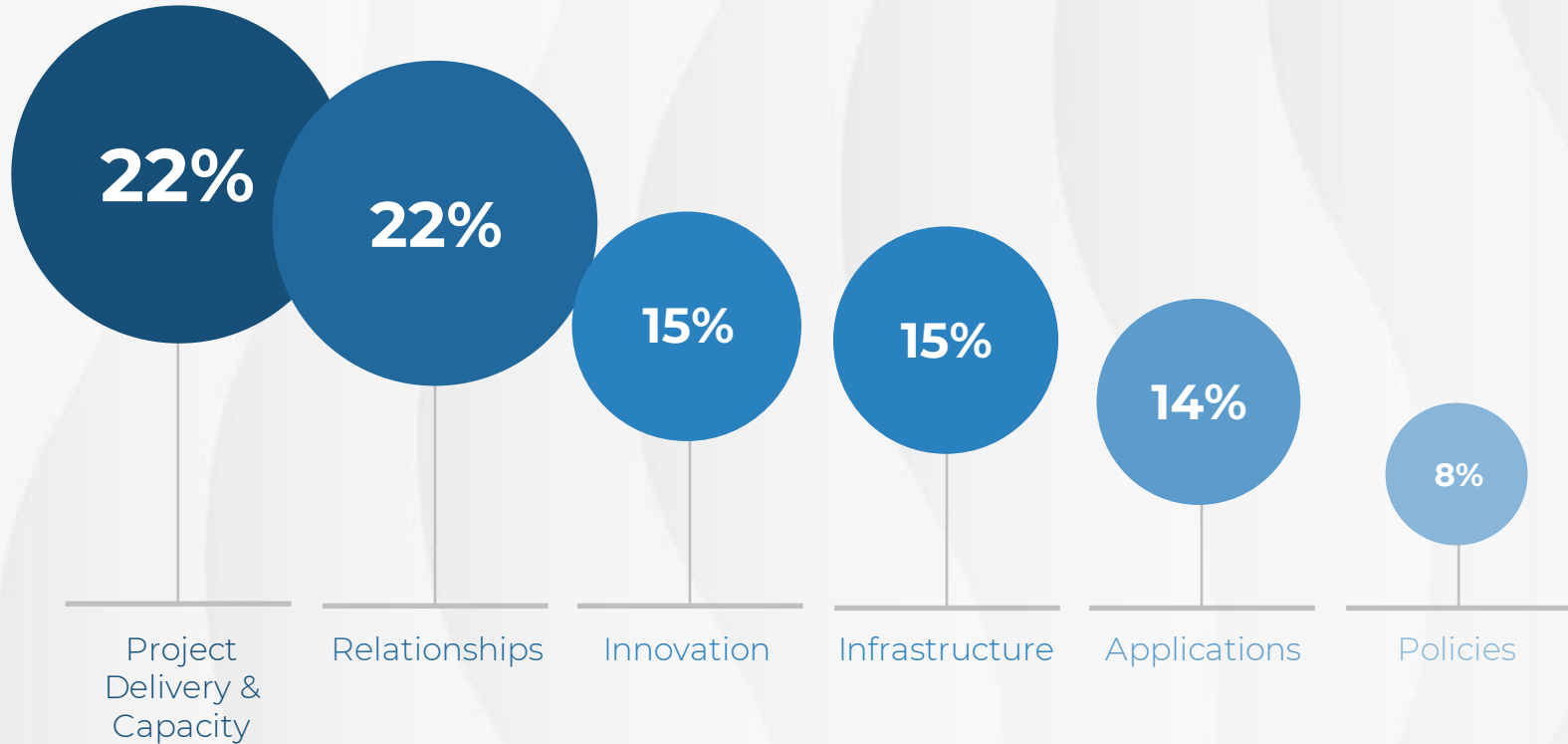# Stakeholder Satisfaction Hygiene Factors

State-of-the-Art Network

High Application Efficiency

Business Demand Priority Setting

White-Glove Service Desk

What really drives business stakeholder satisfaction?

22% — Project Delivery & Capacity

22% — Relationships

15% — Innovation

15% — Infrastructure

14% — Applications

8% — Policies

What are successful CIOs doing differently?

IT Leaders With High Satisfaction Scores

14% Leadership, Culture, and Values
13% Operations Management
10% IT Strategy
10% Project Management
8% Vendor Management
8% IT Management and Policies
6% Stakeholder Relations
5% Innovation

Govern Operations!

IT Leaders With Low Satisfaction Scores

Service Desk **1%**
Operations Management **1%**
Vendor Management **1%**
Application Development Throughput **1%**
IT Management and Policies **1%**
Leadership, Culture, and Values **1%**

Delegate firefighting to people you trust!

How can leaders engage with business executives?

Executive Team Profile

Shared Goals

Problem Solving

High Integrity

Outspoken Individual Accountability

Measure the Important

Meaningful Purpose

Strong Interpersonal Relationships

Helpful Operating Principles

Individual characteristics of business executives

- Little time to spare

- Success is defined by consistent good results

- Teamwork is not the same as team performance

- Extra performance capability comes from skills diversity

- Executive leadership discipline

- Premium for individual accountability
  - Profit
  - Growth
  - Speed to market

What to expect

- They want to know that you believe in what you are saying.

- If there is a flaw in your logic, numbers, or content…they will find it.

- You will get more candor and opinion sharing than asked for.

- They will pressure you for a timely outcome and delivery.

- They are first and foremost part of the Executive Team.

How to behave

- Meet on important issues and have compelling business reasons.

- Show openness and curiosity but bring value.

- Stay away from techie language and give context.

- Respect confidentiality and discretion.

- Always deliver on your commitments.

- Rehearse before a meeting.

- Thank the Executive Office.

INFO~TECH
RESEARCH GROUP

Are corporate board members
redefining boundaries for the CIO?

Understanding the roles and concerns of not-for-profit and for-profit boards

Composition

Objectives

Board Agenda

Defining
reward

Strengthening
partnerships and
governing risk

Managing
cyber risk – a
new era of
security

Reflecting on
new
responsibilities
for committees

Creating
boards of
the future

01 **02** **03** **04** **05** **06** **07** **08** **09** **10**

Developing long-
term value and
defining corporate
purpose

Interacting
with
shareholders

Focusing on
corporate
reporting

Optimizing
capital
allocation
decisions

Enhancing
talent and
corporate
culture

Technology subjects mentioned by board members

Security
& Privacy

Analytics
& Insights

ERP, Cloud, IoT,
Mobile, Agile

50%

35%

10%

Source: Info-Tech Research Group, Interviews

Biggest worries (outside of over-regulation & tax burden)
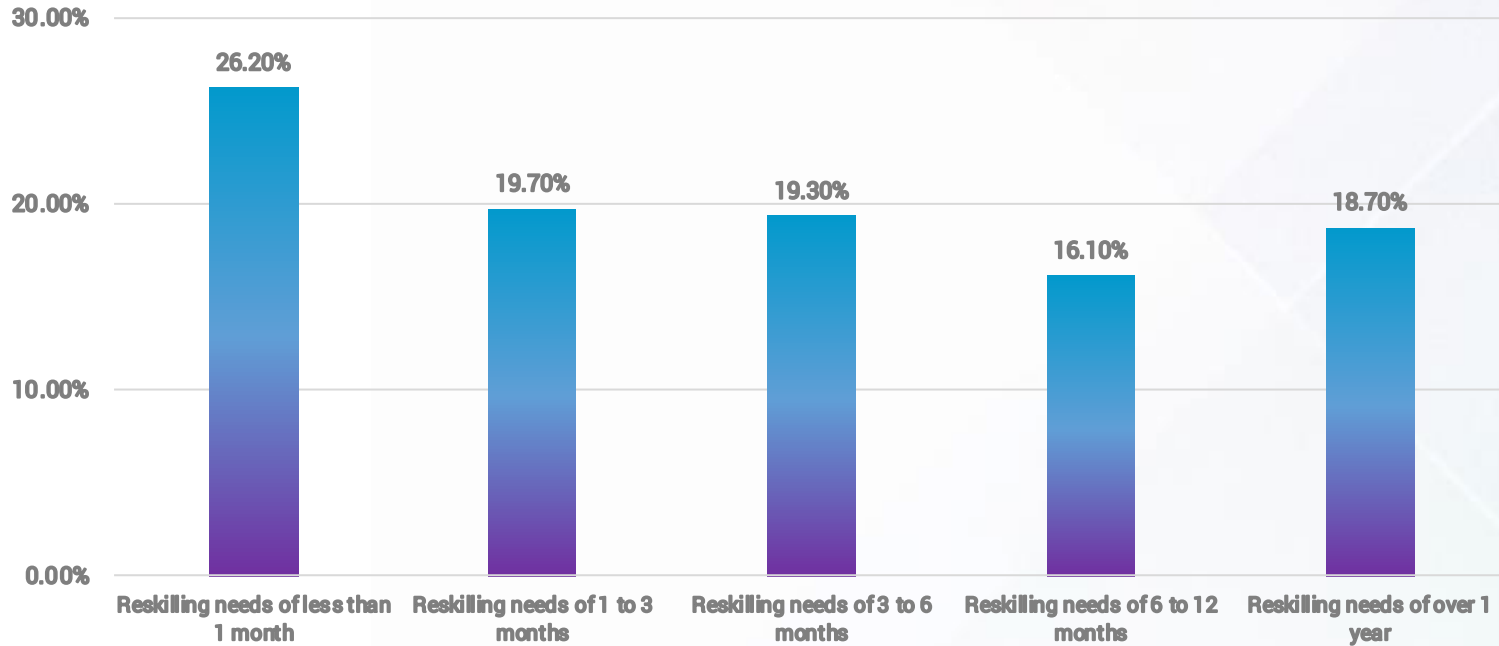
Cyber threats	Speed of technology change	Availability of key skills
50%	35%	40%

Source: Info-Tech Research Group, Interviews

Average reskilling needs across digital communications and IT industry

By share of employees

26.20%	19.70%	19.30%	16.10%	18.70%
Reskilling needs of less than 1 month	Reskilling needs of 1 to 3 months	Reskilling needs of 3 to 6 months	Reskilling needs of 6 to 12 months	Reskilling needs of over 1 year

Source: Future of Jobs Survey 2020, World Economic Forum

Biggest expected changes

More Digital Customer Interaction
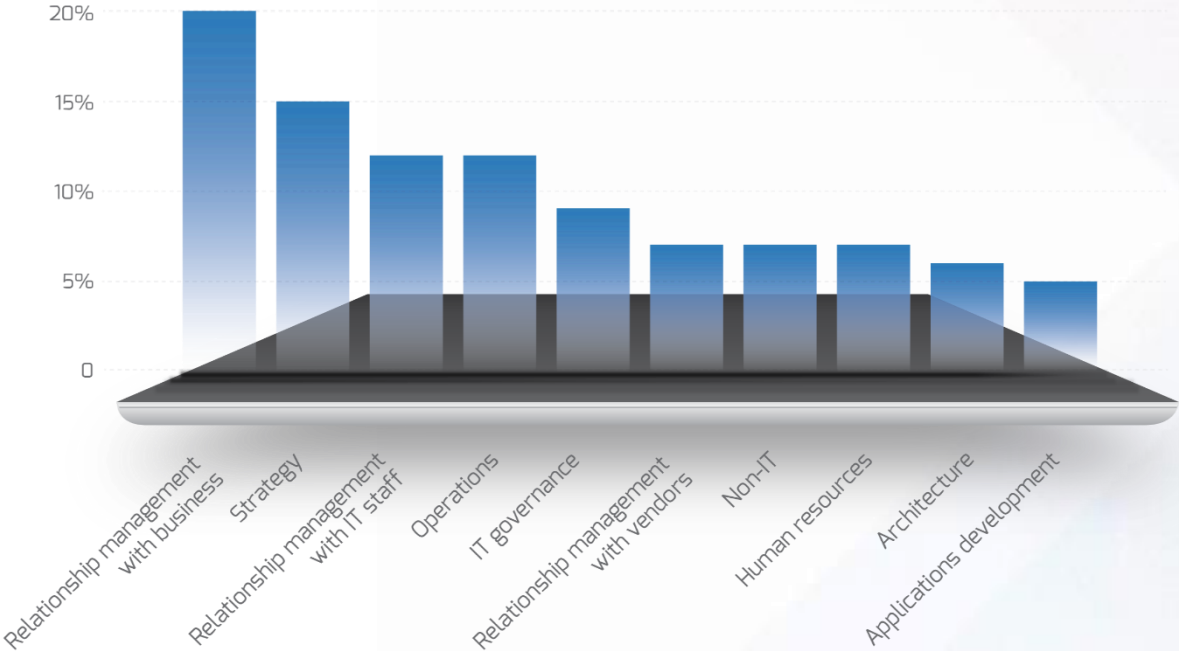
More Focus on Customers as Individuals

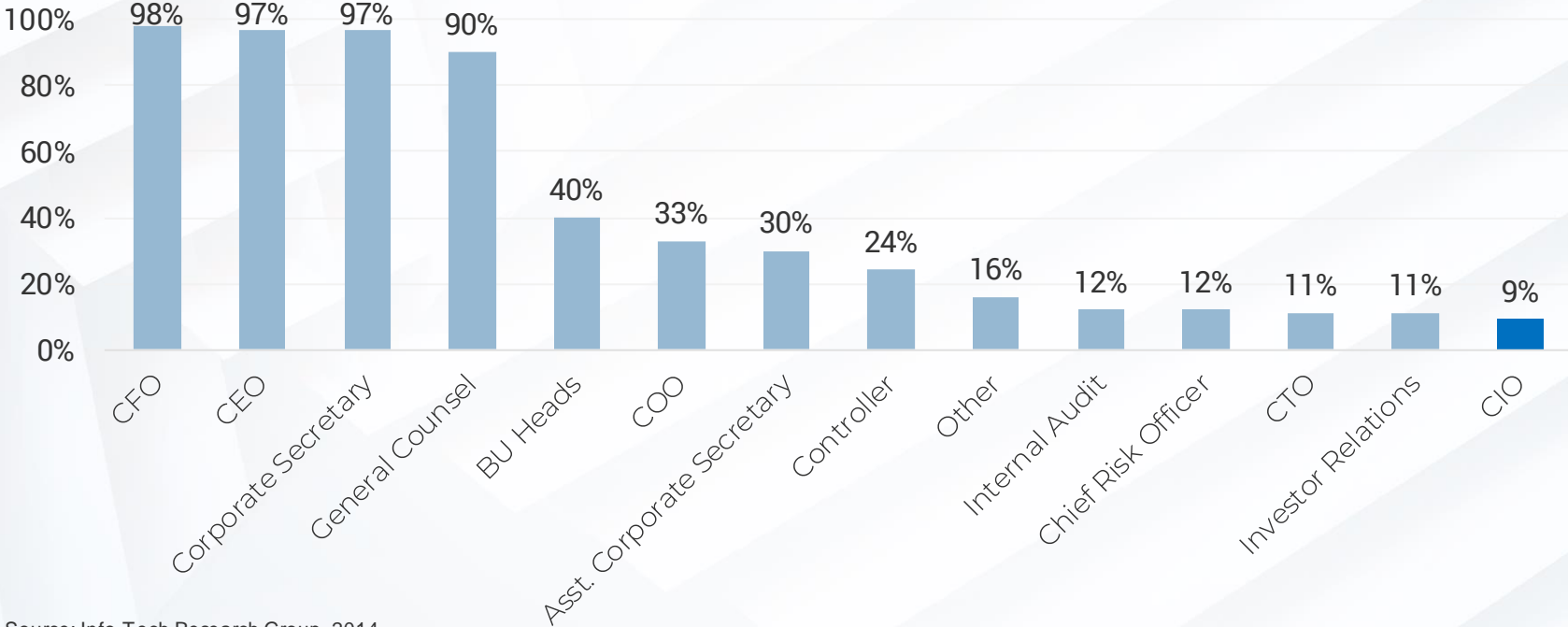More External Innovation & Partnerships

35%

60%

60%

Source: Info-Tech Research Group, Interviews

How CIOs spend their time

IT leadership simply lacks exposure

Source: Info-Tech Research Group, 2014

Chart data:
- CFO: 98%
- CEO: 97%
- Corporate Secretary: 97%
- General Counsel: 90%
- BU Heads: 40%
- COO: 33%
- Asst. Corporate Secretary: 30%
- Controller: 24%
- Other: 16%
- Internal Audit: 12%
- Chief Risk Officer: 12%
- CTO: 11%
- Investor Relations: 11%
- CIO: 9%

What profile are board members looking for?

> Business Acumen
> & Strategic Mindset

> Proven P&L Experience

> Communication
> & Leadership Skills

"The burden is on the CIO to make the case that IT is more than cyber & risk management, and it's more than a cost center."

Source: Info-Tech Research Group, Interviews

Does this sound familiar?

"Driving a global transformation calls on CIOs to toggle between the detailed, technical aspects of the effort and the communications and relationship-building needed to bring diverse stakeholders together to develop a unified vision and plan."

Here is the real quote:

"Driving a global **Finance** transformation calls on **CFOs** to toggle between the detailed, technical aspects of the effort and the communications and relationship-building needed to bring diverse stakeholders together to develop a unified vision and plan."

Pete Shimer, CFO Deloitte

Co-leadership is non-negotiable
to bridge the digital gap

Thank you!
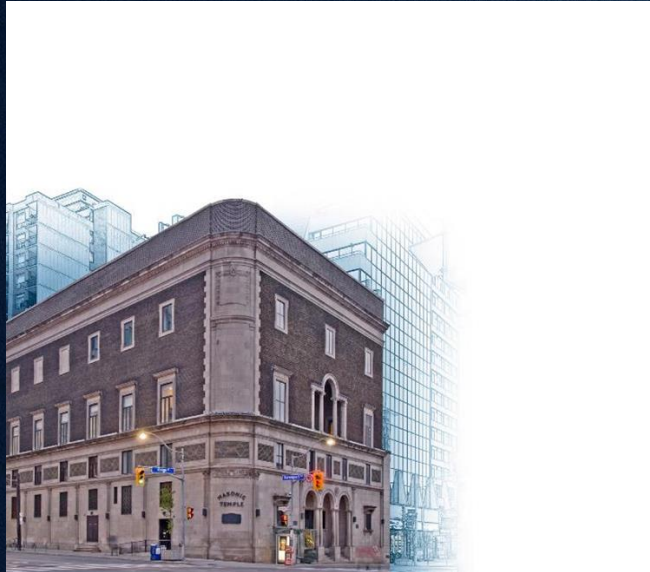
About Us

Info-Tech Research Group is the world's fastest growing information technology research and advisory company, proudly serving over 30,000 IT professionals.

We are, by far, the most innovative firm in the industry and we pride ourselves on providing better research than anyone.

Since 1997, we have been helping CIOs and their teams evolve from fire fighters to innovation champions.

We produce unbiased and highly relevant research & tools to help IT leaders make strategic, timely, and well-informed decisions that drive business value.

We partner closely with IT teams to provide everything they need – from actionable tools to in-person analyst guidance – to deliver measurable results for their organizations.

Info-Tech Advantage

Our data-driven programs enable IT leaders to objectively measure success, develop an impactful IT strategy, and systematically improve performance year over year.

Each year we invest millions of dollars in our library of best-practice tools, templates, training materials, and step-by-step methodologies that are proven to accelerate projects and transform IT departments.

For over 20 years, our team of 100+ world-class analysts has been coaching members though their most challenging projects and largest technology selection decisions.

Why start your next project from scratch when you can leverage known best practices and make your job easier.