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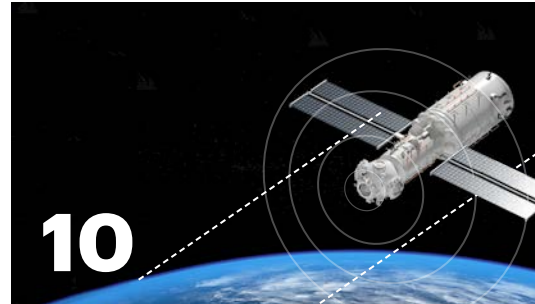
Top Priorities for IT: Leadership Vision for 2021

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Top priorities for every leader



**CIOs and
Heads of IT**



**Security and Risk
Management Leaders**



**Application
Leaders**



**Program and Portfolio
Management Leaders**



**Data and Analytics
Leaders**



**Infrastructure and
Operations Leaders**



**Enterprise Architecture
Leaders**



**Sourcing, Procurement and
Vendor Management Leaders**

Introduction

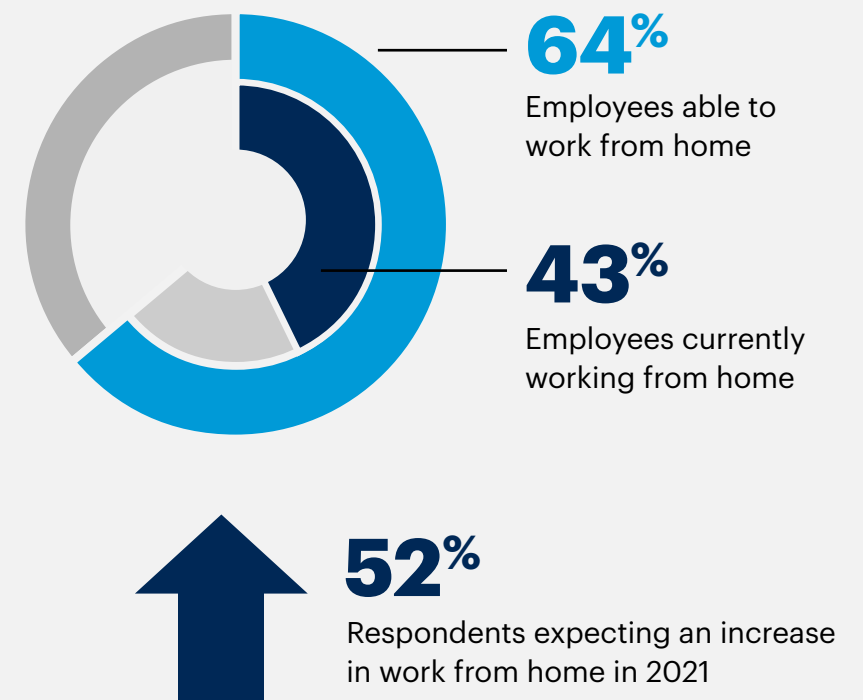
Nothing has changed for the CIO, and everything has changed. The biggest accomplishment for many CIOs in 2020 was a classic IT responsibility — provisioning laptops and VPN connections for remote workers. The list of technologies that interest CIOs looks roughly the same as in recent years. Digital business remains a top priority as it has been for a while. And yet ...

The support for remote work? That might have been the biggest win for CIOs since Y2K. CIOs helped save many enterprises during the COVID-19 lockdown. They now have the attention of the CEO in a way that they haven't before. Digital business? CIOs have been trying for years to convince senior business leaders to modernize and take full advantage of technology. Now, many prior roadblocks have been removed. Boards of directors have launched a large majority of enterprises on digital business acceleration. CIOs must seize this moment because they may never get another opportunity like it.

By 2024, 25% of traditional large enterprise CIOs will be held accountable for digital business operational results, effectively becoming “COO by proxy.”

Source: Gartner

Work from home in 2020 and 2021



n = 1,848

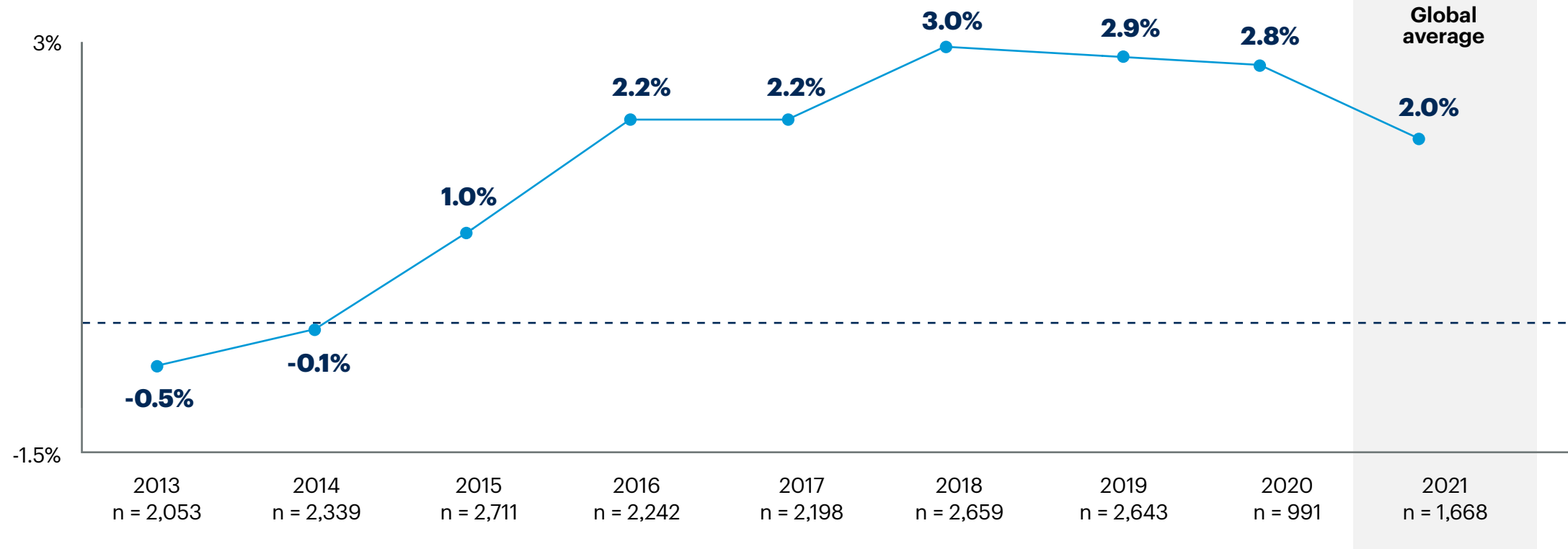
Source: 2021 Gartner CIO Survey

Q. Approximately what percentage for your enterprise's total workforce is able to work from home?

Q. What percentage of those able to work from home are currently working from home for a majority (more than 50%) of the time?

IT budget growth over time

Global expected change in enterprise IT budget

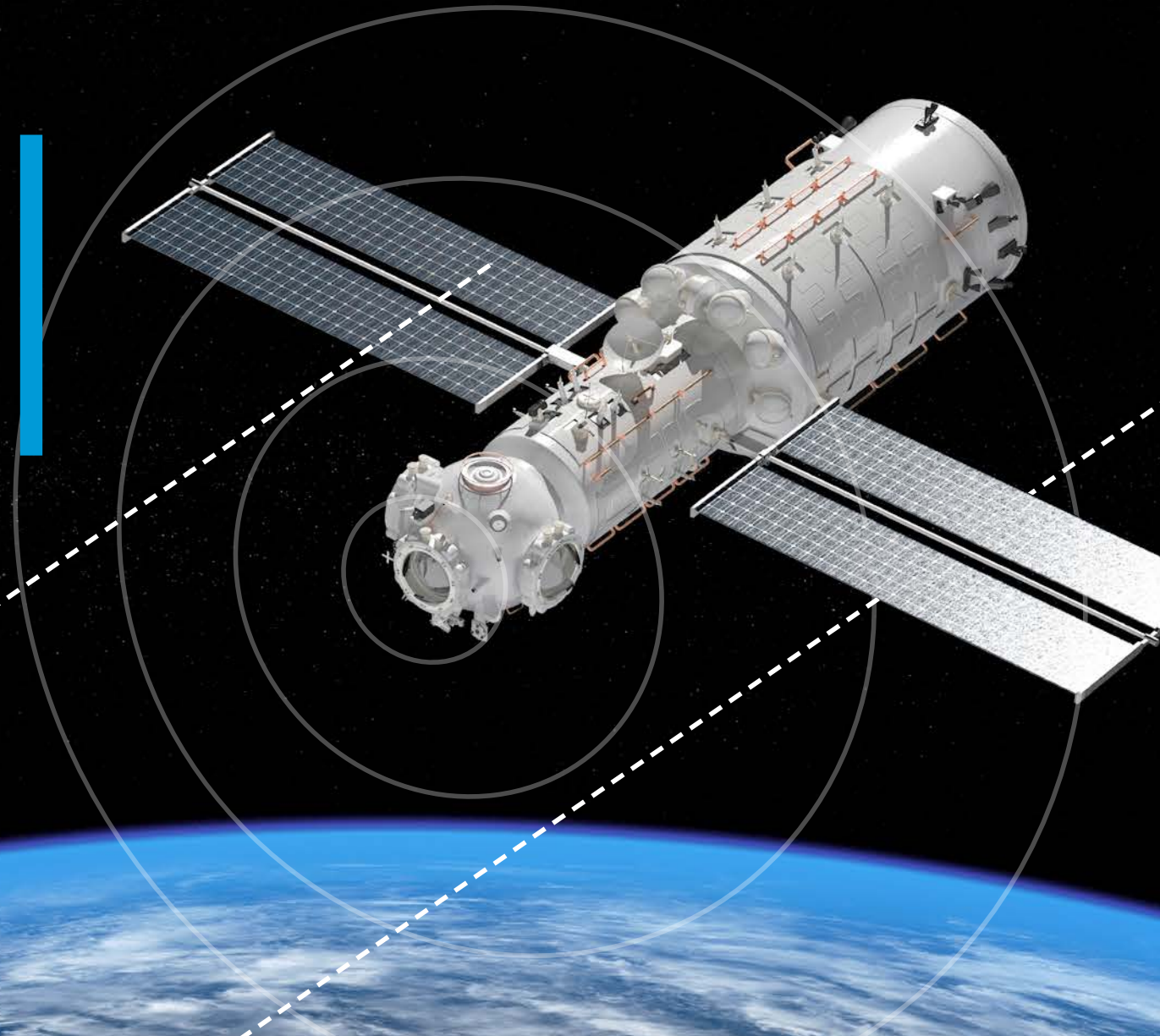


Base: Excludes don't know/no answer

Source: 2021 Gartner CIO Survey

Q. By what percentage do you expect your organization's IT budget to increase or decrease from <current year> to <next year>?

Security and Risk Management Leaders



2 challenges facing security and risk management leaders in 2021

Although security and risk leaders will face many challenges in 2021, here are two to begin strategizing for:



Acceleration in digital business is outstripping cybersecurity investment

It is often simply assumed that the security and risk team will be able to adequately protect the organization regardless of what the business decides, but the heritage security infrastructure is just not designed to expand in scope across new and unfamiliar systems.



Cybersecurity knowledge gap

Demand for cybersecurity skills already outstrips availability. New digital initiatives mean organizations need more cybersecurity effort with new and different skill sets. Digital initiatives almost always use new forms of digital computing that require new skill sets. Virtually all Gartner clients struggle to find the skills needed to apply public cloud computing.

2 actions for security and risk management leaders to take in 2021

Given the challenges that security and risk leaders will encounter, consider these two actions to help move the organization in the right direction:



Practice influence, not coercion

Don't be "Doctor No." With decentralized security, CISOs have less control as roles evolve away from building and operating, toward facilitating, enabling and ensuring. Successful CISOs are limiting the number of battles that they choose to fight and seeking ways to apply their limited resources where they will be most beneficial in risk reduction.



Develop talent, don't try to hire it

The competition for needed talent in cybersecurity is fierce. It is virtually impossible to hire people with security skills for public cloud computing and other newer digital domains. Make a plan that addresses the need for critical security skills and manages their development. Avoid getting trapped in old preconceptions about the types of people, or sources of people, who might be suitable for cybersecurity roles. Be more open to experimentation.

Focus on competencies, not cybersecurity skill sets or tactical knowledge



Adaptability

Demonstrates flexibility, agility and the ability to respond effectively to changing environments



Business acumen

Demonstrates awareness of internal and external dynamics with an acute perception of business issues



Digital dexterity

Is able to leverage information and technology in unique and innovative ways



Outcome-driven

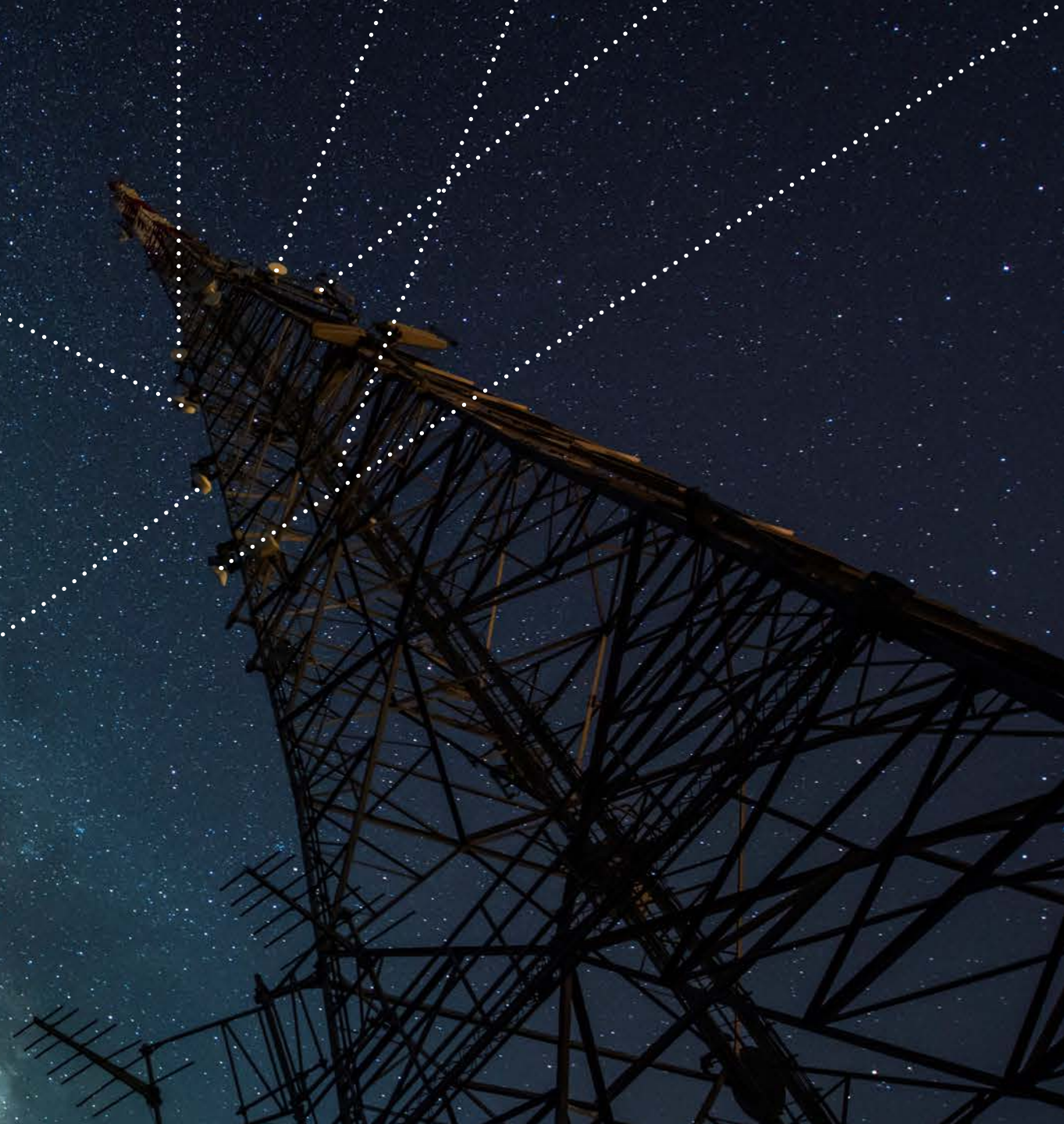
Focuses on desired results and business outcomes, sets and achieves challenging goals



Collaboration/synergy

Collaborates with other members of formal/informal teams in pursuit of common mission, vision, value and goals

Application Leaders



2 challenges facing application leaders in 2021

Although application leaders will face many challenges in 2021, here are two to begin strategizing for:



Hitting the cloud inflection point

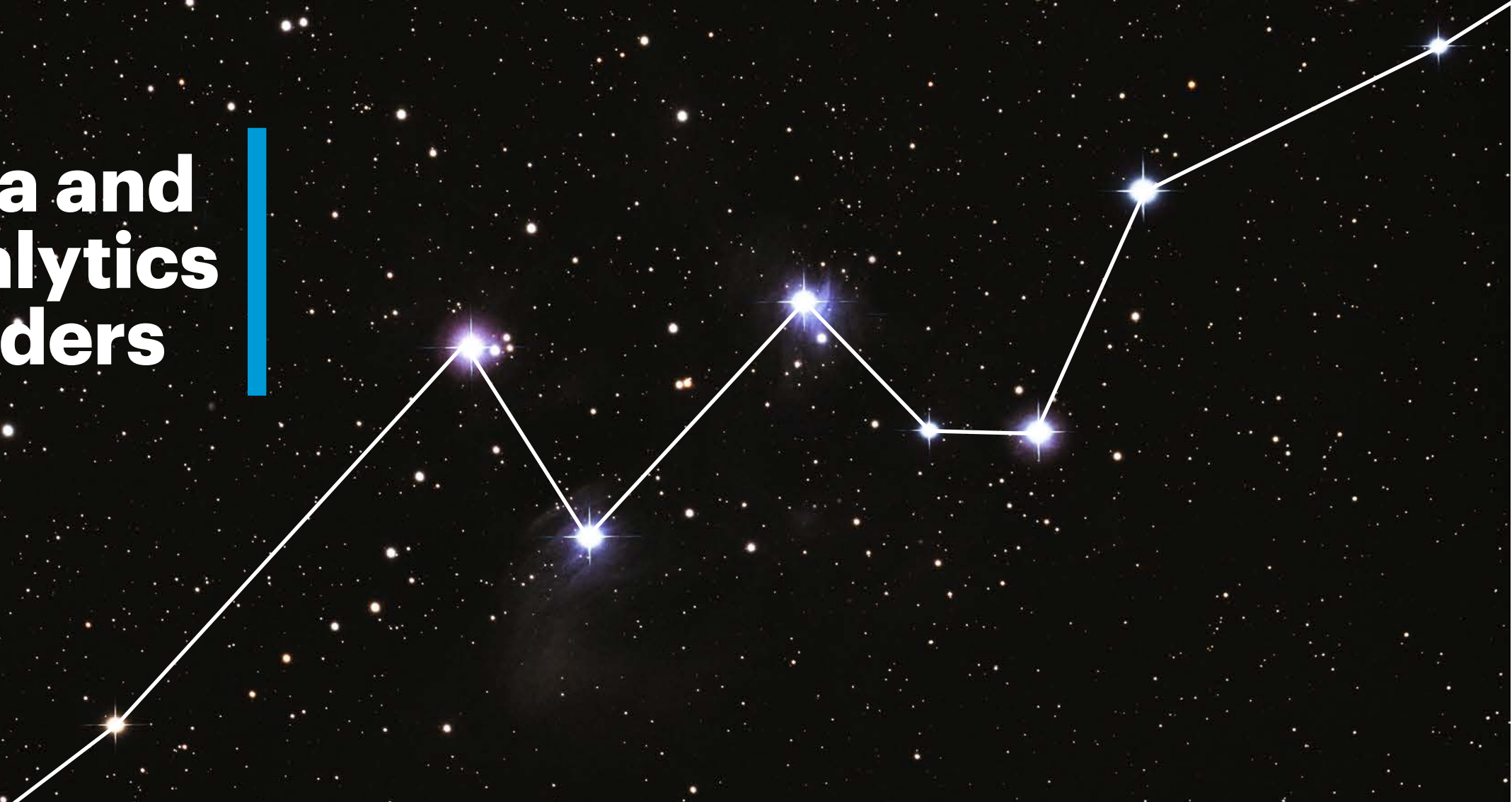
The shift to the cloud finally reaching its decisive inflection point is a notable challenge for many organizations. However, it is also important to understand how your organization plans to change IT to be better prepared for future disruptions on the scale of the COVID-19 pandemic. This might include: How prepared or not the organization is for a work-at-home world; or how to be more agile as an organization.



Enabling new and flexible ways to work

In the midst of a profound desire to drive digital business and change the employee culture, the tools that employees use every day — for working together, creating content, analyzing data and consuming information — are undergoing a significant transformation. This dramatic change in tooling provides organizations with a unique opportunity to substantially improve business outcomes by making the workforce more digitally dexterous. Digital dexterity is the ambition and ability to use technology for better business outcomes. Organizations that fail to exploit the new work nucleus and foster workforce digital dexterity are at a substantial risk of falling behind.

Data and Analytics Leaders



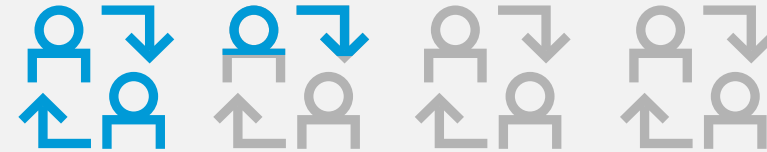
Introduction

Increasingly, CEOs and boards of directors — after investing much time and money into data and analytics (D&A) — are beginning to wonder where repeatable, sustainable value will come from. For digital business in particular (and D&A in general), the pressure is acute as time is running out.

Given that every digital business moment leads to a decision that is powered, or held hostage, by data and analytics, it is no wonder that chronic issues have become more acute. Siloed data, lack of trust, misalignment to outcomes, a focus on data for its own sake and an assumption that a technology acquisition will be sufficient can be colossal challenges to overcome because there is no quick fix.

By 2023, data literacy will become an explicit and necessary driver of business value, demonstrated by its formal inclusion in over 80% of data and analytics strategies and change management programs.

Source: Gartner



By 2022, 30% of CDOs will partner with their CFO to formally value the organization's information assets for improved information management and benefits.

Source: Gartner

3 trends that will impact data and analytics leaders in 2021

CDO embeds D&A in business strategy

The role of chief data officer (CDO) is one of orchestration and prioritization. CIOs “own” technology assets, and CDOs “own” information assets. The CDO is responsible for guiding decision makers at an organization using data insights.

Data literacy increases

Data literacy is not about turning everyone into a data scientist. It is about developing a common understanding of what goals and outcomes are important across the organization, so that all stakeholders contribute to the whole (rather than deflect and misdirect with competing or alternative outcomes). Once a strategic alignment of understanding is achieved, there is augmented decision making, with new insight and new abilities, to be more thoughtful in actions and decisions, without adding time or cost.

D&A implements change management

CDOs are getting on with the work of driving meaningful change in their organizations.

Base your D&A organization on collaboration, cooperation and problem solving. Create awareness among your employees. Stand on your soapbox, give presentations and organize hackathons; but most of all, spread the word about how D&A can help drive business outcomes.

2 challenges facing data and analytics leaders in 2021

Although D&A leaders will face many challenges in 2021, here are two to begin strategizing for:



Embed D&A in business results

Moving from technology-centric to data-driven and from siloed separate data strategies to a business strategy infused with D&A is the future. D&A is no longer simply about dashboards and reports, it's about augmenting decision making across the business.

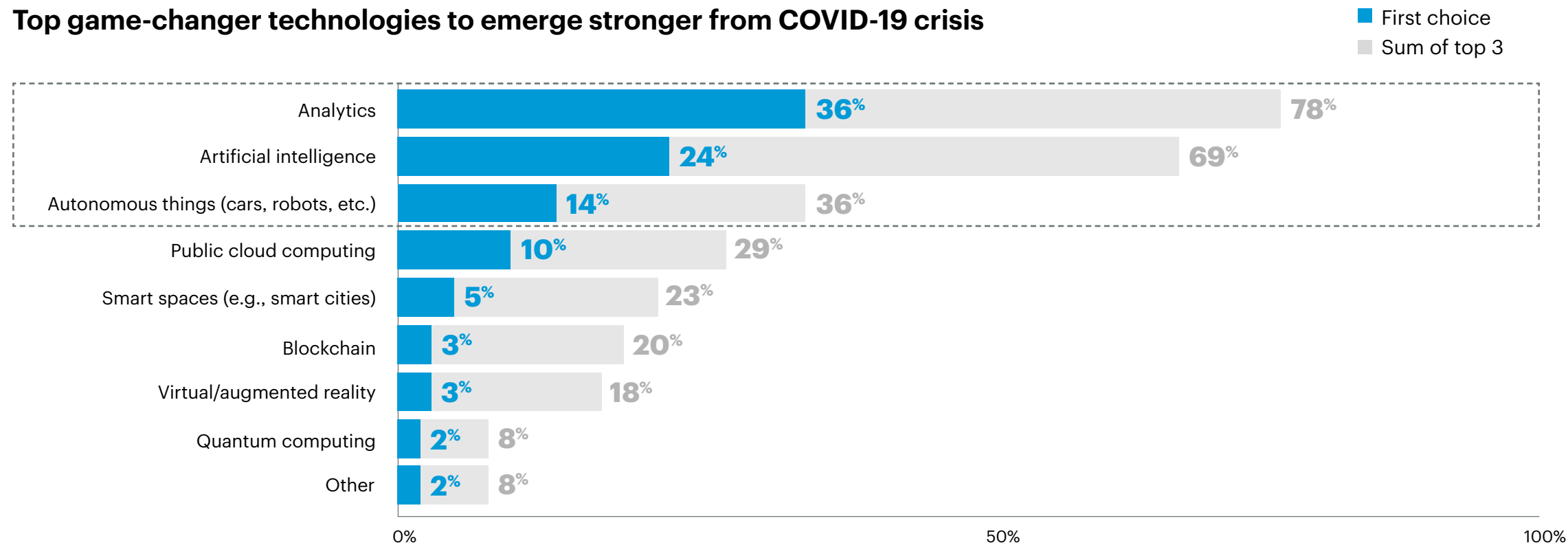


Perception of D&A within the organization

Changing the perception of D&A is vital. In some places, D&A is still seen as a service found within the IT department that runs reports on request. At other organizations, the D&A leader is in a leadership position, with data work split between the business and IT. In the ideal perception, the D&A leader is outside of IT entirely and reports to the COO or CEO. Here, CDOs are central to the business strategy.

The heat is on: Boards of directors place analytics and AI as the No. 1 and No. 2 priorities

Top game-changer technologies to emerge stronger from COVID-19 crisis



n = 255, all respondent, excluding "can't say"

Q. Which will be the top three game-changer technologies for your industry to emerge from the COVID-19 crisis?

Source: View From the Board of Directors 2021, CIO Research, July 2020



Infrastructure and Operations Leaders

Introduction

Disruption has happened — now infrastructure and operations (I&O) leaders must build an innovation platform, apply cost intelligence, lower technical debt, forward-fill skills and enable anywhere operations to be relevant in the post-COVID-19 world.

Infrastructure-led innovation is an I&O strategy that helps stakeholders overcome business challenges and enable business growth using infrastructure technology and operational practices that enhance customer experiences and solutions.

By 2025, 70% of infrastructure and operations leaders forgoing infrastructure-led innovation will be marginalized to legacy system support only.

Source: Gartner



52% of I&O organizations selected “lower costs” as one of the top three important goals for the next 12 months.

Source: Gartner

3 trends that will impact infrastructure and operations leaders in 2021

Customer value matters more than infrastructure reality

Customer centricity is at the heart of the infrastructure-led innovation (ILI) model, and certainly CIO expectations will be better met by focusing on meeting and exceeding customer value, rather than exceeding infrastructure reliability.

However, I&O leaders must not neglect reliability. Site reliability engineering is about building reliability into applications and infrastructure. It is a strategy to be embraced, but I&O leaders must not lose focus on customer value.

CIOs look for customer value in I&O leaders

A Gartner analysis found that 43% of I&O leaders hired between 2018 and 2020 have a professional background outside of I&O, with the remaining 57% having spent most of their career in I&O. The historical practice of hiring I&O leaders from within the function is clearly evolving. Most of these I&O newcomers have a background in application development, information security or lines of business highlighting a focus on customer centricity and corporate vision.

Addressing the skills gap

Recruiting for I&O talent is certainly changing. Significantly more job postings are now emphasizing skills such as automation and DevOps more than traditional frameworks such as ITIL and IT service management.

I&O leaders must invest in skills that support iterative, customer-focused frameworks and ways of working, such as DevOps, product management and agile.

2 challenges facing I&O leaders in 2021

Although I&O leaders will face many challenges in 2021, here are two to begin strategizing for:



Insufficient skills resources

Developing versatilists is key for I&O as is investing in DevOps, site reliability engineering (SRE) and other skills that drive agility. Create a sense of urgency with skills and resources because the long runway often needed for development, upskilling, hiring, sourcing and other activities is common. Conduct a comprehensive skills and behavioral gap analysis to assess the current gaps — but more important, to assess the future (12- to 18-month) gap.



Managing technical debt

Technical debt greatly impacts resources, workflows, capabilities and mindsets and smothers the culture of agility and creating disruption. Technical debt and managing change are directly related. I&O must lead the discussion to lower technical debt. Reducing technical debt is necessary for innovation.

Action plan for infrastructure-led innovation



Drive change



Build a platform for innovation



Lower technical debt



Apply cost intelligence



Forward-fill skills



Enable anywhere operations



Enterprise Architecture Leaders

3 trends that will impact enterprise architecture leaders in 2021

EA leaders play key role through the recovery

As organizations go through the three phases of COVID-19 (Respond, Recover, Renew), EA leaders will play a vital role. In the Respond phase, EA leaders identify essential parts of the core of the business. In the Recover phase, they find innovative ways to reduce cost, increase productivity and drive better performance. Finally, in the Renew stage, EA leaders work with business and IT executives to identify opportunities to create new business models, services and experiences.

EA shifts toward internal management consultancy

Over the past five years, there has been a shift toward business-outcome-driven EA, which has extended the reach of the EA practice into the strategy end of the cycle — identifying business outcomes, supporting business capabilities, and changing requirements and roadmaps. This activity provides real value and helps organizations execute their strategies.

Information becomes the fuel for business innovation

EA leaders should look for opportunities for their teams to help business executives identify where in the business and operating models AI could be used. They can then assess the scale of the benefits and help create implementation roadmaps for those initiatives selected.

2 actions for EA leaders to take in 2021

Given the challenges that EA leaders will encounter, consider these two actions to help move the organization in the right direction:



Shift your leadership style to coaching and mentoring

Your leadership style can be adjusted to fit the situation and context. The leader that can nurture a high-performing team will need to take advantage of each of these styles given the appropriate situation.



Build a flexible adaptive EA team

Cultivate an organizational network and reach out to individuals and teams from key areas (for example, business analysts, business strategists, business relationship managers and the project management office). The EA team can use more “adaptive governance” approaches, such as a “center of excellence,” which brings people together. Ideally, this network is driven by the senior executive team that is leading the transformation.

Shift your leadership style to coaching and mentoring

Continuum of leadership styles



Commanding

“Do what I tell you.”



Pace setting

“Do as I do now.”



Visionary

“Come with me.”



Affiliative

“People come first.”



Coaching

“Try this.”



Democratic

“What do you think?”

Low

Degree of involvement of team members

High

Be comfortable with this style of leadership.

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