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The Path to Success for a New CIO

by Diana Bersohn

With every business striving to become a digital business, CIOs are in the hot seat. The pressure on those in a new role is intense. Right from the start, CIOs have to prove they can use technology and digital innovation to build and deliver new capabilities, products and services at speed, while also tackling existing problems and closing current gaps. How quickly can you demonstrate that you are the CIO your organization needs? We break down the key challenges for new IT leaders, and highlight the right marks to be hitting within the initial months on the job.

Mobilizing the market

Digital innovation continues to blur the lines between industries, between customers and product developers, between business and IT. That means stepping into the CIO role requires reading between the blurred lines to find one's niche and the opportunity to make an impact.

The focus in today's world is speed. As digital advances amp up the rate of innovation—and the expectations of business leaders and customers—CIOs are challenged to operate at multiple speeds. IT organizations must attend to the day-to-day functioning of enterprise applications and infrastructure. They must track and guide new projects at various paces. They must meet business demands to get to market quickly with digital offerings. Operating in a multi-speed IT environment is fast becoming the new steady state, which feels anything but steady.

CIOs are racing against time. Accenture's research into High Performance IT has found that new CIOs have about 90 to 120 days to make their mark. An inability to show significant performance gains in the initial year on the job can sharply shorten one's tenure—which is already less than other C-suite colleagues.

The rewards for doing well are worth the effort, however. Among high-performing IT organizations, 84 percent of global CIOs have been in their role for more than three years. Their collective success has three traits in common: an ability to deliver reliable IT at a reasonable price; a high level of agility, especially in rapidly changing business conditions and evolving technology; and a culture of innovation with the necessary IT to support the initiative.¹

Yet even successful CIOs are seeing their turf shrink. In the digital world, leaders from all parts of the business see themselves rather than the IT organization, as drivers of innovation. In fact, according to the Accenture 2015 Technology Vision, only 34 percent of executives expect the IT organization to be the main generator of innovation in the next two years, compared to 71 percent two years ago.²

There is a growing rivalry for supremacy in the digital world, and ownership of such initiatives is not the CIO's by default. Indeed, chief digital officers and CIOs are very likely to battle over custody and management of information and technology in the coming years.

However, somewhere among these multiple speeds, blurred lines and shrinking turf are huge opportunities. Leading CIOs can effect change as never before. They can position their organizations as digital dynamos – disrupting industries and having an impact on major business challenges. These possibilities thrill and motivate candidates for the top IT slot. They promise to put the CIO on a truly strategic plane, once and for all.

So what are the characteristics and competencies that define digital-age CIOs? What are the hallmarks of success for the job? How does one pursue innovation, deliver legacy performance and build agility into the organization all at the same time? We will answer these questions by looking at the four key imperatives for any new CIO.



Know how digital demand affects every area of the business

With every business striving to become a digital business, the CIO has a golden opportunity to make a lasting difference. The conversation shifted long ago from “keeping the lights on” to “becoming a true strategic player”; the CIO needs to make the move from the server room to the board room.

Make the digital conversation a business and technology conversation

The distinction between an enterprise's business strategy and its technology strategy is gone. Embracing this critical intersection means being business-minded and customer-driven as well as technology savvy. New CIOs should quickly ground themselves in the company's strategy, challenges and financials, as well as current and future business realities and trends.

Look at your industry—and beyond

Early on, the new CIO should dive into industry dynamics, understanding how his or her company's partners and competitors use technology to drive their digital agendas. Additional exploration of other industries will help the CIO understand future players in an ever-evolving eco-system that has no boundaries and prepare to work with them. The Accenture Technology Vision 2015 tells us that 81 percent of business and technology leaders believe that in the future, industry boundaries will dramatically blur as platforms reshape industries into interconnected ecosystems, and 75 percent say the next generation of platforms will be led by industry—not technology leaders.

Deepen your discovery

The new CIO's first couple of months provide the best opportunities to ask questions about culture and understand the perception of the IT organization across the enterprise. A formal initiative to gather current-state facts can lay the groundwork for a credible and actionable digital plan. A metrics-driven approach establishes a baseline of IT performance and enables the IT organization to show tangible progress towards a future state.



Seize the opportunity to become the company's innovation architect

Every new leader has the opportunity to advance a "brand" that (ideally) resonates with—the board, the executive team, and the rest of the organization. For CIOs, one important component of that brand should be the role of an innovation architect. Here are some ideas for placing oneself at the epicenter of the transformation.

Uncover what top stakeholders want

Meet with senior leaders to understand business strategy and imperatives, value drivers, key business customers and technology expectations. These meetings can help influence and drive a broad-stroke outline for a bold, fused business and IT vision—one that is potentially disruptive and provocative, that drives innovation and directly affects the company's financial performance. These insights should drive a short-term plan to demonstrate the IT group's ability to lead and deliver quick wins.

Establish momentum – and show that you can sustain it

Use quick wins with a few business allies to effectively demonstrate value and build support for larger, bolder initiatives. Three or four months into the job, a CIO should have a good handle on how to sustain momentum. Short-term programs, developed and executed collaboratively, show what the IT organization can and will do to optimize technology investment.

Shift from ideal state to practical plan

Conversations with business peers should quickly start revolving around actionable strategies and measurable outcomes. As the IT transformation plan starts to crystallize, it establishes who is accountable for what, and what the decision-making structure looks like. Demonstrating that the IT team is primed for swift decisions and fast execution positions the team to deliver on the company's promise.



Embrace the "We Economy"

The Accenture Technology Vision 2015 is built around the concept that leading organizations are stretching their boundaries by moving from a "me" economy—where the focus is internal—to a "we" economy that taps into digital business, customers and networks, where working together, they can shape experiences—and outcomes—in ways never before possible.

CIOs would be well advised to do the same—recognizing that success does not rely solely on IT operations and one's ability to control them, but on being a collaborative participant in an evolving digital eco-system, both within and outside the organization. Here's how.

Discover and align with your digital allies

Within the first several weeks, open up lines of communication with the most technology-savvy senior leaders—regardless of their titles and where they report across the enterprise. Does the company have a CDO, and does the D stand for digital or data? Is the marketing chief a self-styled tech guru? Does the head of strategy have a strong sense for what hybrid cloud can do for the

organization's agility? Can the CEO talk knowledgeably about digital disruption or mobility? Within four months, a new CIO will be able to identify natural allies in the cause as well as those who need further persuasion.

Prove your business credibility in more ways than one

While testing out who is fluent in IT, be prepared to talk business. CIOs should be business leaders in the broadest sense: big-picture visionary, change agent, innovator, capability builder. Be prepared to move the conversation beyond optimizing costs and streamlining processes to actively driving innovation and top-line growth. CIOs face an uphill struggle if they cannot quickly demonstrate they understand the currency of business.

Communicate, communicate and communicate some more

The incoming CIO has to be a superb communicator and exercise that skill all the time. The very best will be able to listen astutely and convey complex digital concepts with passion, using an orator's tools to energize and mobilize an array of stakeholders. Leading CIOs will establish two-way communication between IT and the business that focuses on powerful stretch goals without over-promising or over-committing.



Get your whole IT team on board with your agenda

A world-class IT team will complement a CIO's abilities and help him or her deliver on the organization's strategic agenda. Building a credible team means taking stock of the capabilities on hand and keeping an eye out for top talent. Here are some pointers.

Plan the dream team

Within a couple of months, the new IT leader should have a very clear picture of the team's collective and individual talents. A strong team will include a mix of IT leaders who can help drive the digital agenda as well as committed technologists who can help keep the proverbial lights on. Are there enough business minded thinkers? Enterprise architects? Data scientists? Cloud infrastructure experts? Software-defined networking professionals?

Not everyone will buy into a new IT agenda, so it is vital to know who is on board, who needs to be persuaded and who is not a good fit moving forward. Acting promptly and decisively, a successful CIO will not shy away from making any needed changes, recruiting new talent and new ideas sooner, not later.

Screen for more than just IT competency

Just as a new CIO needs to be conversant in the business as well as the technology, a strong team should be more than IT experts. They should be able to embrace organizational agility and bring fresh perspectives to the decision-making process. Getting this team may be a matter of rewiring the group to take measured risks (not a traditional hallmark of IT types), rewarding sensible experimentation, and not reflexively punishing failure. Investment in new career tracks and technology skills will help create the right kind of IT culture and serve as a magnet for talent.

Start the hunt for the next top talent

Looking beyond the leadership team, the IT organization's talent will not be merely comprised of full time employees. The right skills can be found in a wide-ranging network that spans partner companies, consultancies, competitors, freelancers and even crowdsourcing. Improved collaboration beyond the borders of IT will draw upon partners' strategic capabilities to help to innovate and execute. Such a network of talent is a hallmark of success: One in five high performers in IT has a comprehensive sourcing strategy, aligning key partners with business priorities—and doing so three times more than other organizations, according to our High Performance IT research.

As companies in all industries strive to transform into digital businesses, CIOs have more pressure, more scrutiny and more opportunities than ever before. Starting a new tour as a CIO can be a daunting and exciting prospect. But, by quickly learning the company's agenda, actively becoming the architect of innovation, embracing the "we economy" and building a dynamic, world-class IT team, new CIOs can make a significant and sustainable impact.




Sources

1 High Performers In IT: Defined by Digital. Insights from Accenture's fourth High Performance IT research (October 2013). Accenture has been producing the High Performance IT research report since 2005. The report is based on detailed assessments conducted by the most senior IT executives in 202 of the world's largest private and public sector.

2 Accenture Technology Vision 2015: Stretching Your Boundaries in the Digital Era (February 2015). Accenture's Technology Vision is developed annually by the Accenture Technology Labs. The 2015 report includes input from the Technology Vision External Advisory Board as well as 100 technology luminaries, industry experts and Accenture business leaders. This year's vision also incorporates crowdsourced ideas from more than 1,700 Accenture professionals, who provided insight on what they see as the most interesting emerging themes in technology.

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