

How to Build, Staff and Evolve Your Digital Innovation and Enablement Function

Nick Jones

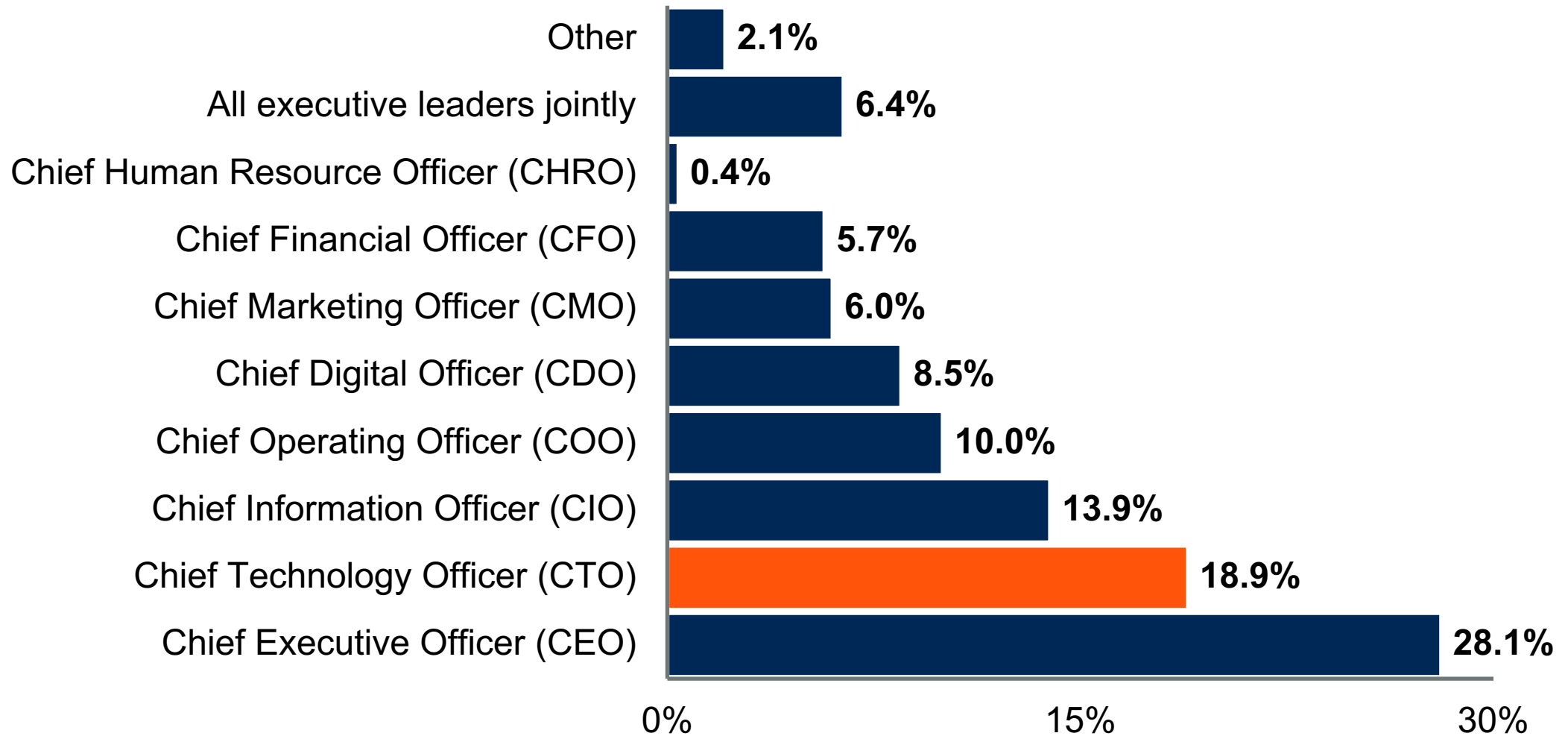
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What Is Digital Innovation Enablement?



The CTO Is a Key Digital Enablement Leader



n = 281, nonexecutive board of directors, excluding don't know

Q, Who is the primary digital leader that has primary responsibility for driving digital business initiatives in your organization?

Source: 2023 Gartner Board of Directors Survey on Business Strategy in an Uncertain World

Key Issues

1. What are the essential capabilities and success factors for a digital innovation enablement function?
2. What challenges does the digital innovation enablement function face and how should it be organised to address them?

Digital Leadership Capabilities [1]

**Transform & enable
the digital business**

**Lead technology
innovation**

Develop/implement
technology strategy

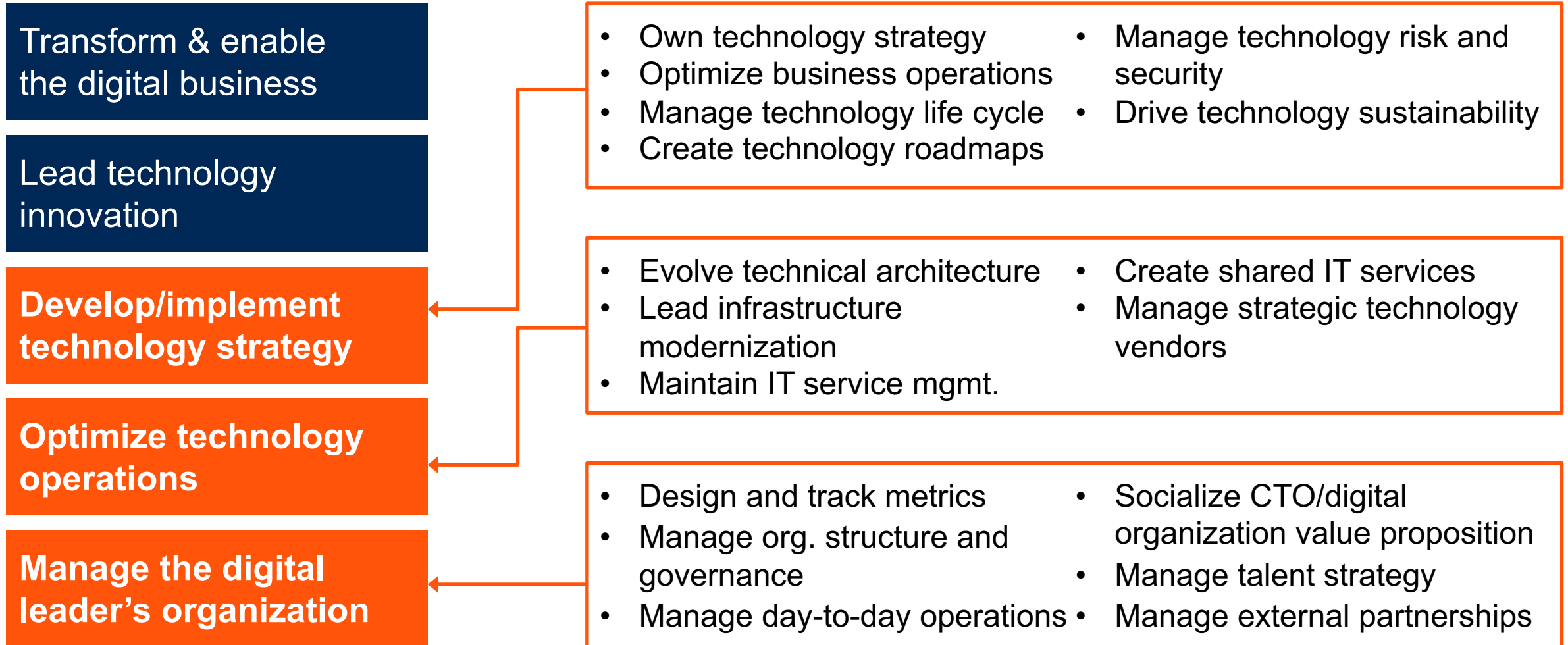
Optimize technology
operations

Manage the digital
leader's organization

- Build digital product capabilities
- Innovate new digital products
- Drive business model innovation
- Apply business architecture
- Evolve CX and EX
- Manage digital business platform

- Trend spotting and foresight
- Manage innovation portfolio
- Lead idea and innovation management
- Manage the innovation team
- Create an innovation culture
- Act as a technology evangelist

Digital Leadership Capabilities [2]



The Growing Scope of Digital Innovation

Three Key Areas for Which Digital Innovation Leaders and CTOs Are Gaining More Responsibility

Transform & enable
the digital business

Lead technology
innovation

**Develop/implement
technology strategy**

Optimize technology
operations

**Manage the digital
leader's organization**

Sustainability

- Sustainable business
- Sustainable IT
- Innovation to improve sustainability

Ecosystems and partners enable digital innovation

- Business/technology ecosystems
- Innovation partners, e.g., startups/academics
- JVs, investments
- R&D partners, innovation ecosystems

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There Are 4 Basic CTO Personas

↑ Growing ↓ Shrinking → Little change

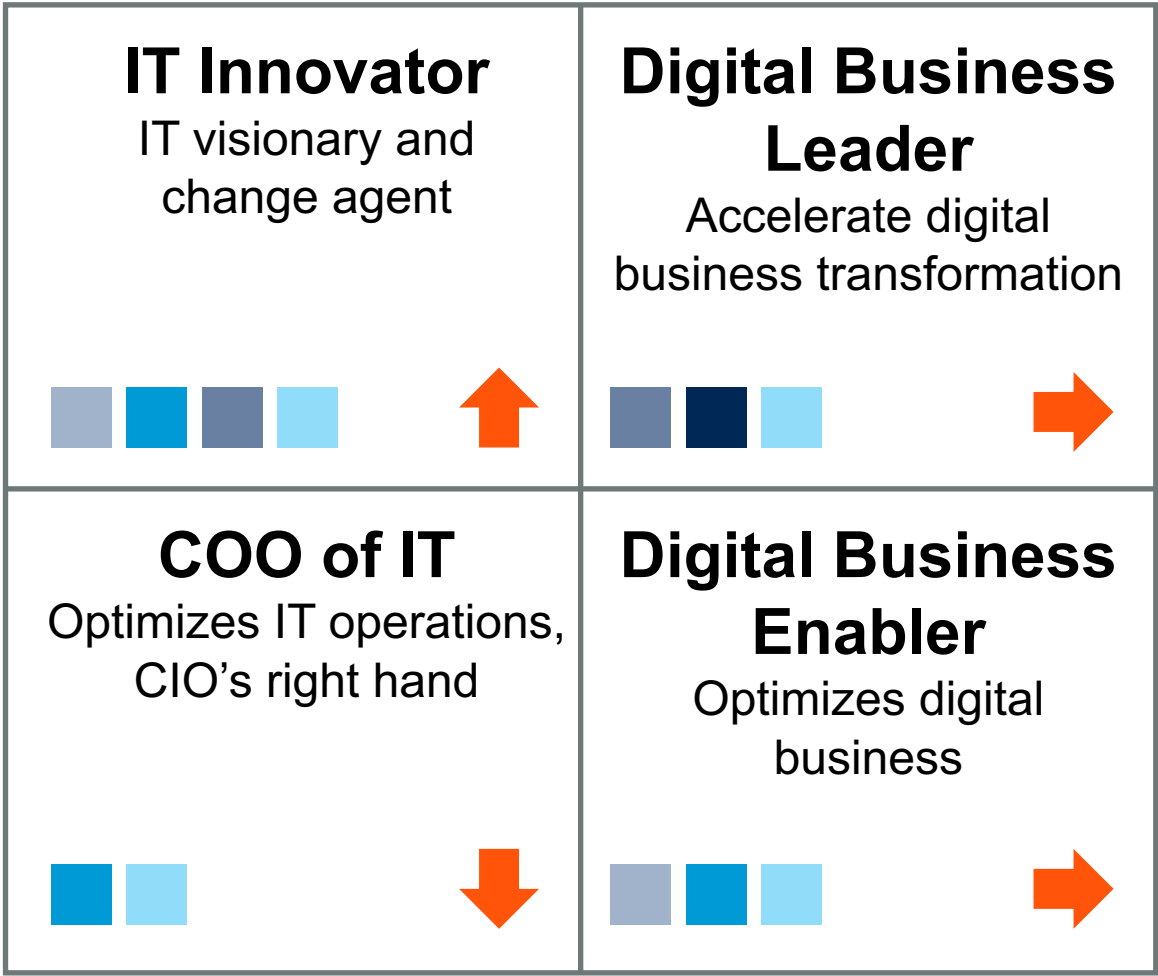
Transform & enable
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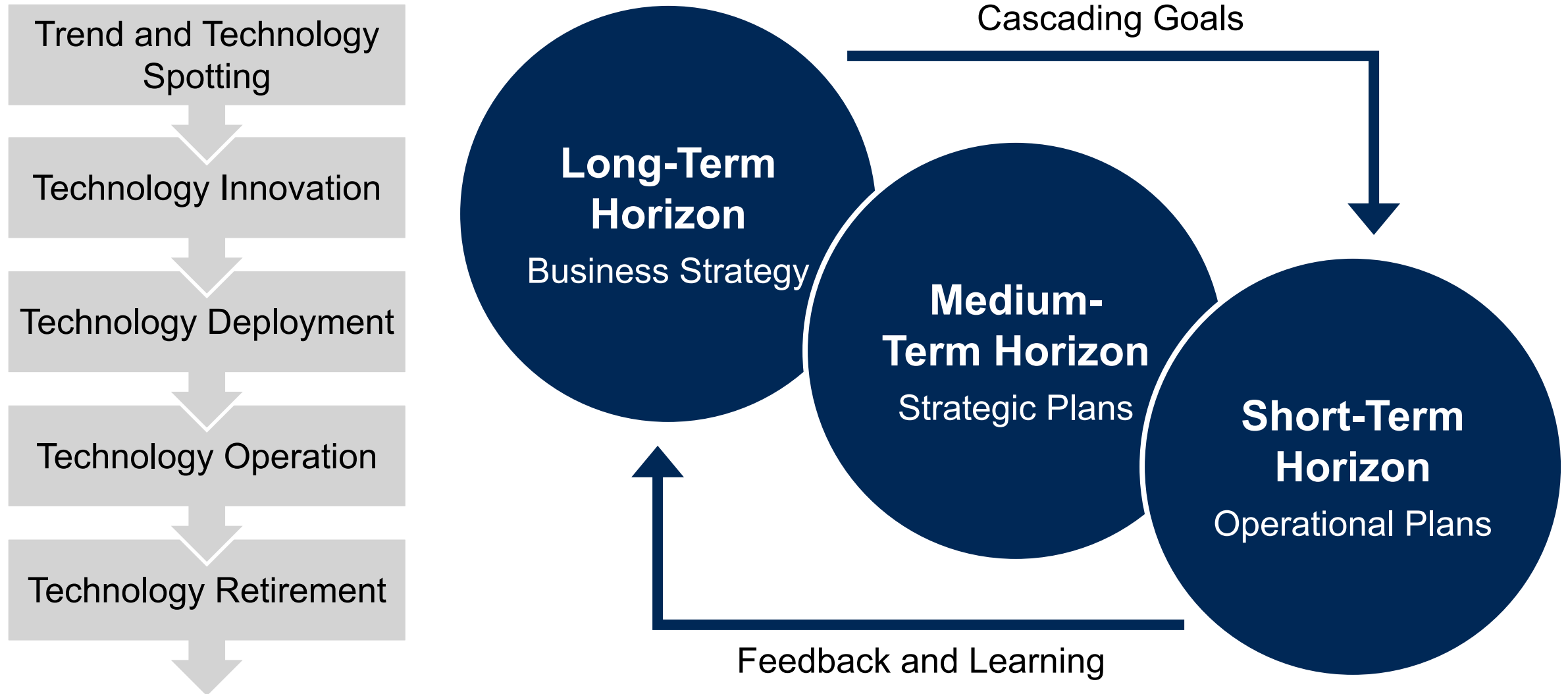
Transformation
Focus

Optimization
Focus

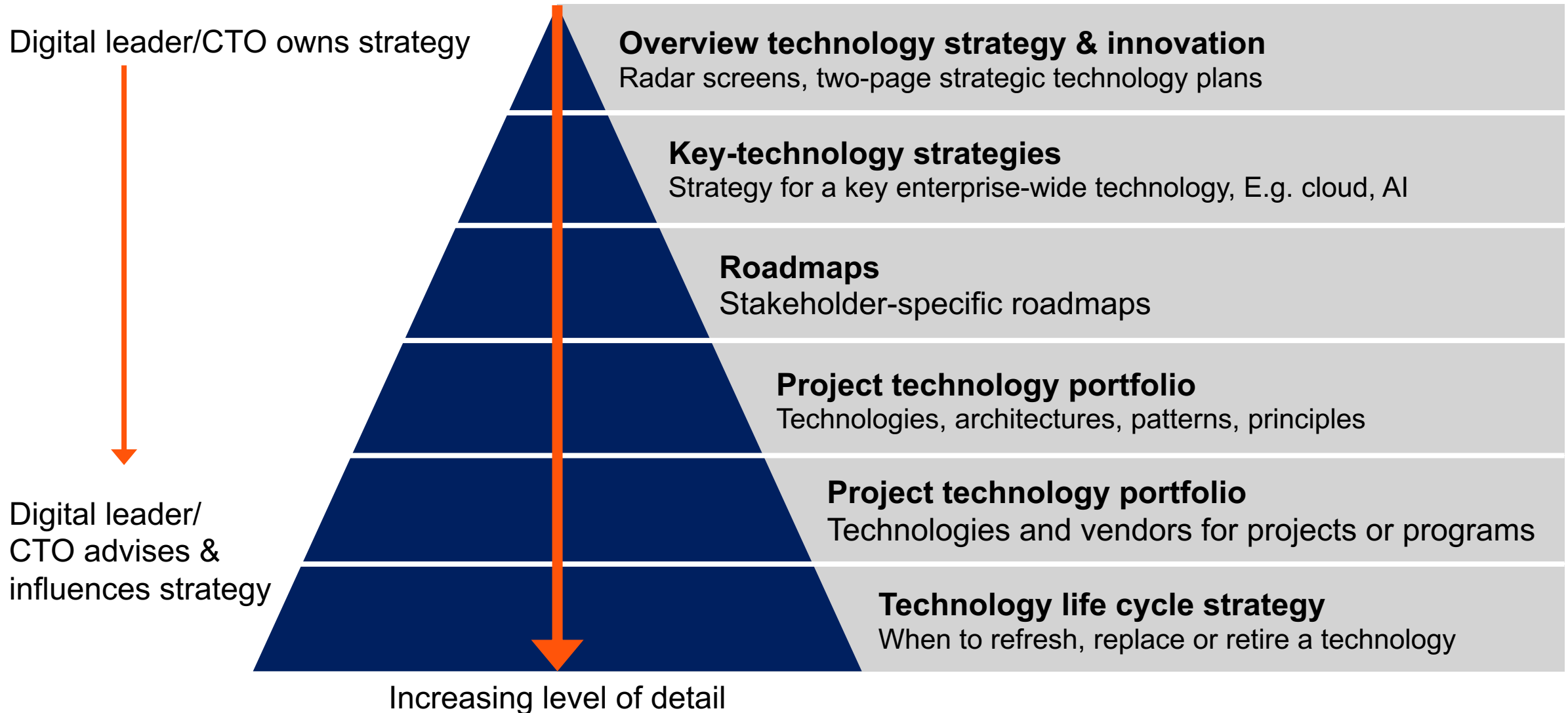
IT Focus

Business Focus

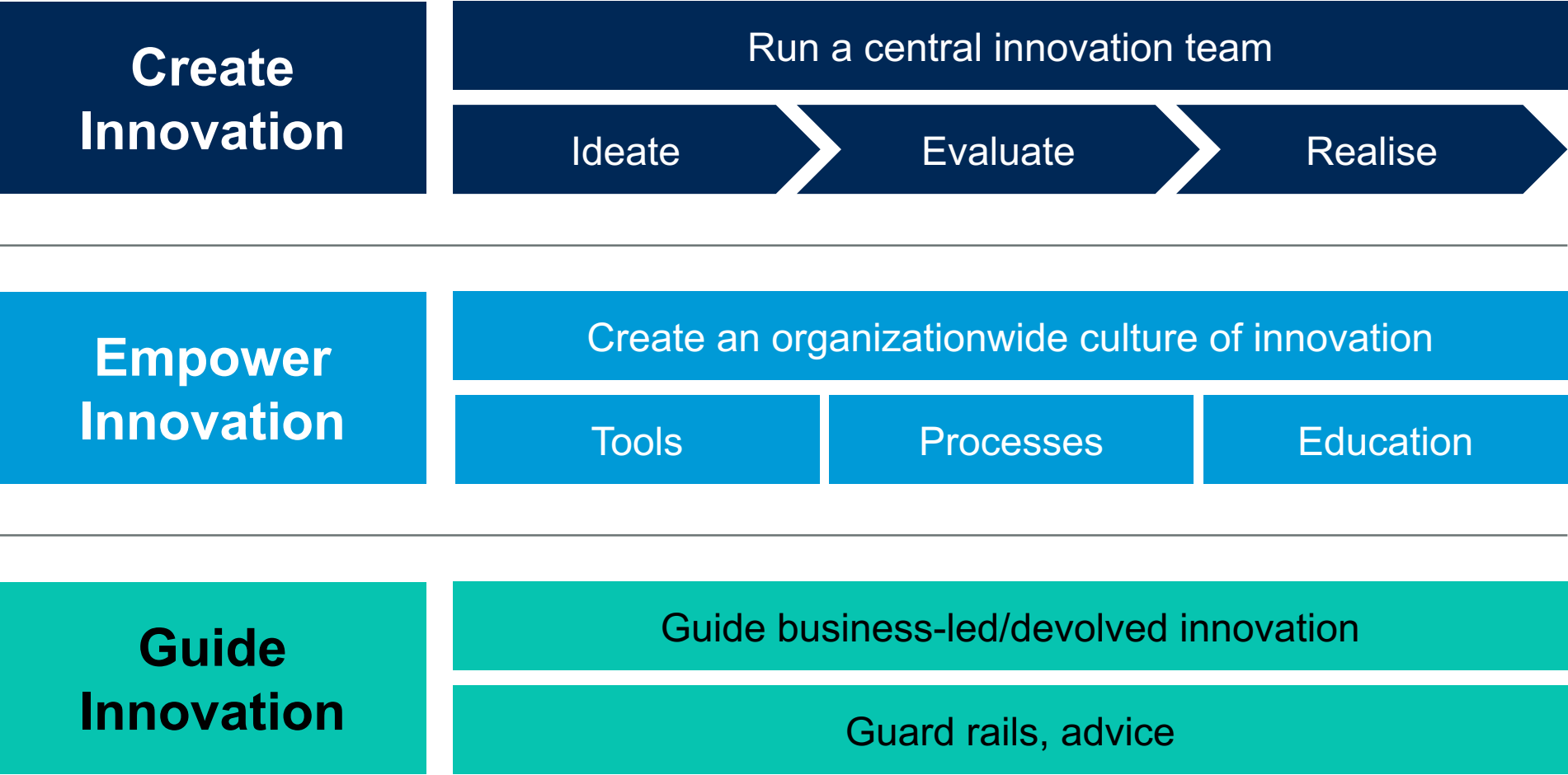
Manage 3 Horizons of Technology Strategy



There Are Many “Technology Strategies”



Digital Innovation Has 3 Goals



Innovation is typically a challenge for organizations

Key Issue Take-Away:

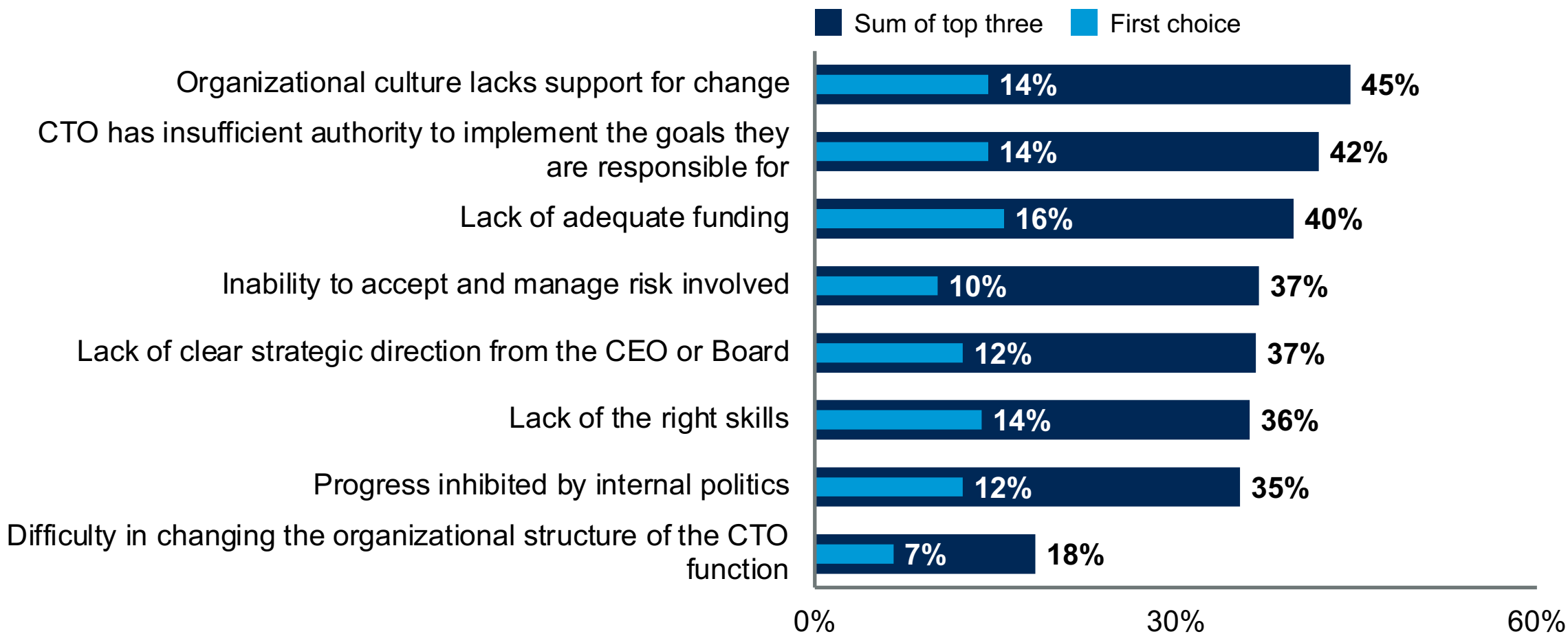
Innovation is key for digital innovation and execution to success but is a weak spot in many organizations.

Key Issues

1. What are the essential capabilities and success factors for a digital innovation enablement function?
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Selected CTO Internal Challenges

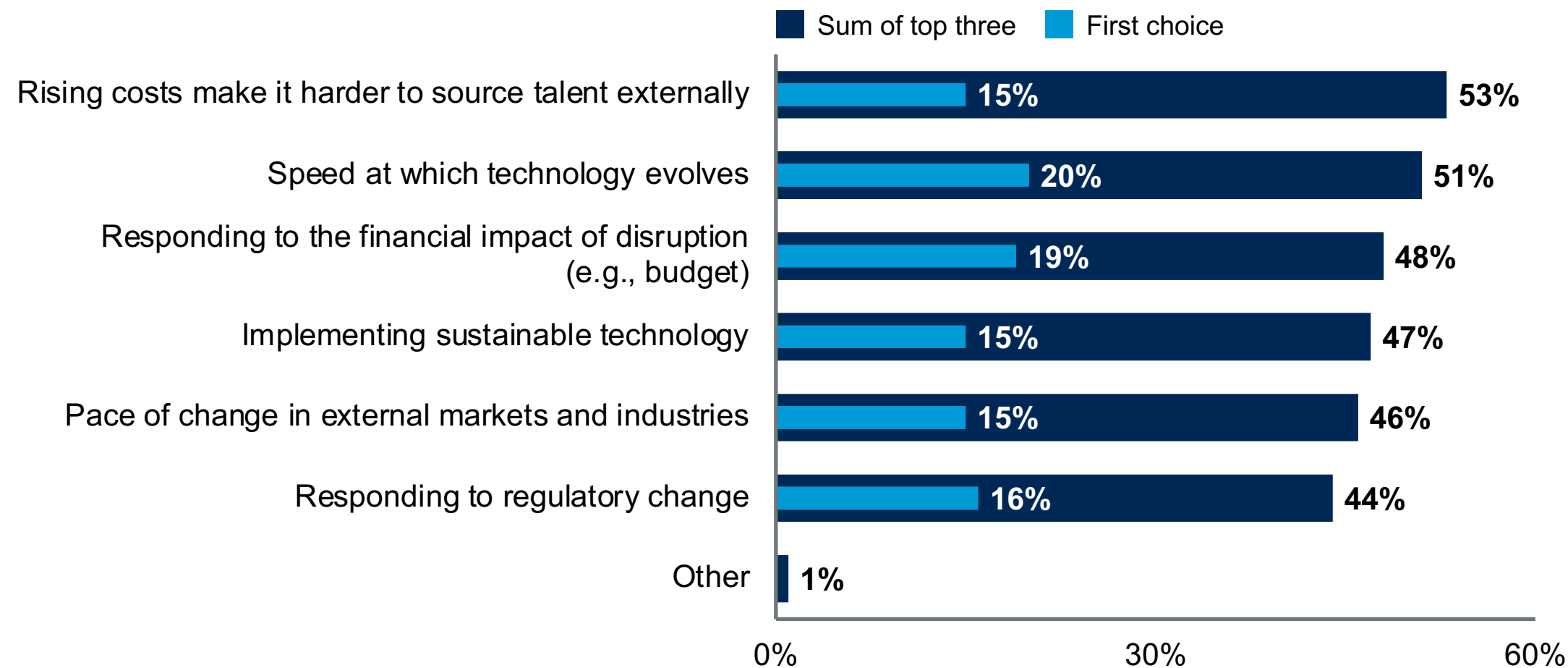
Internal Roadblocks, Sum of Top Three Ranks and Rank 1



n = 382, excluding 'not sure,' table does not include other
Q: Now, thinking about the current challenges the CTO at your organization faces, what are the top three internal roadblocks that impact the CTO function's ability to meet its current goals?
Source: 2023 Gartner Changing Role of the CTO Function Survey

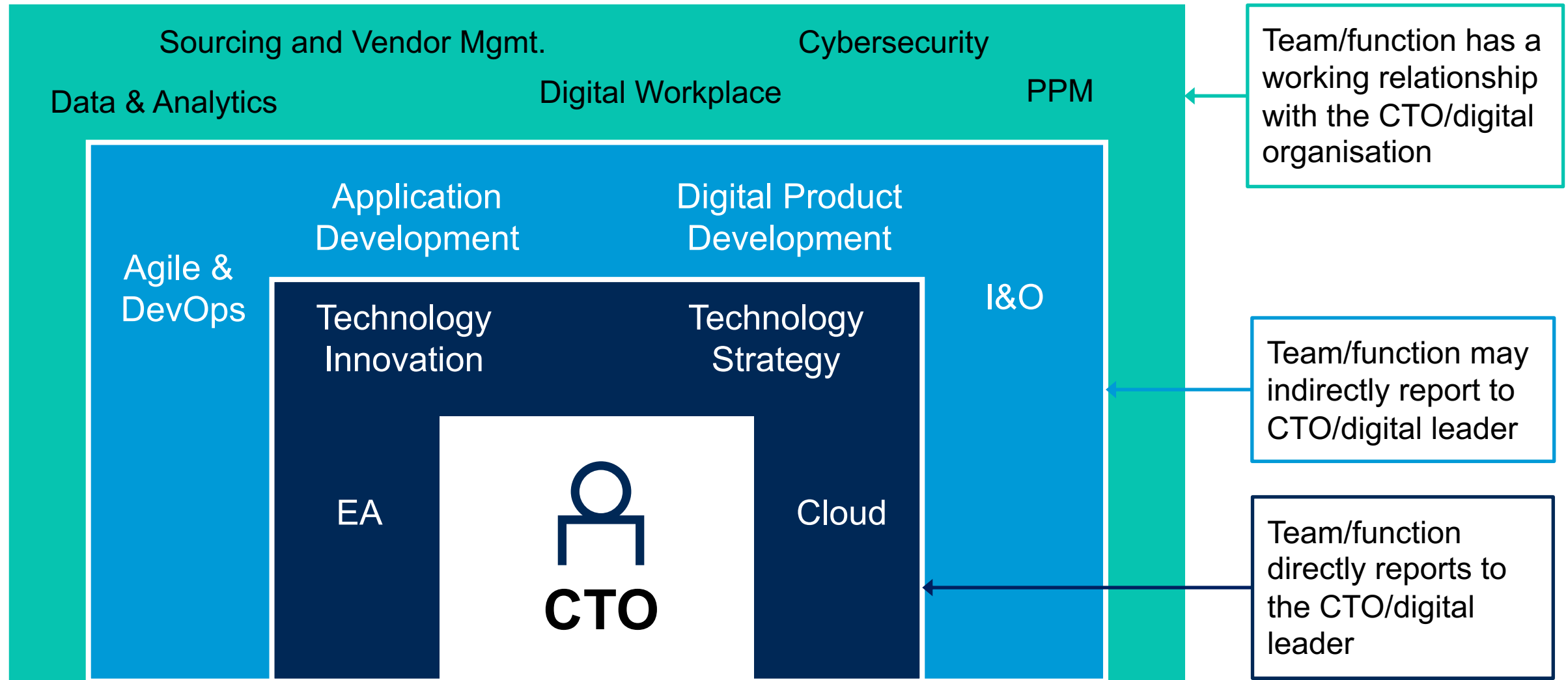
Selected CTO External Challenges

CTO External Challenges, Sum of Top Three Ranks and Rank 1



n = 394, excluding 'not sure'
Q20: What are the top three externally driven challenges for the CTO function at your organization?
Source: 2023 Gartner Changing Role of the CTO Function Survey
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Align Responsibility and Power

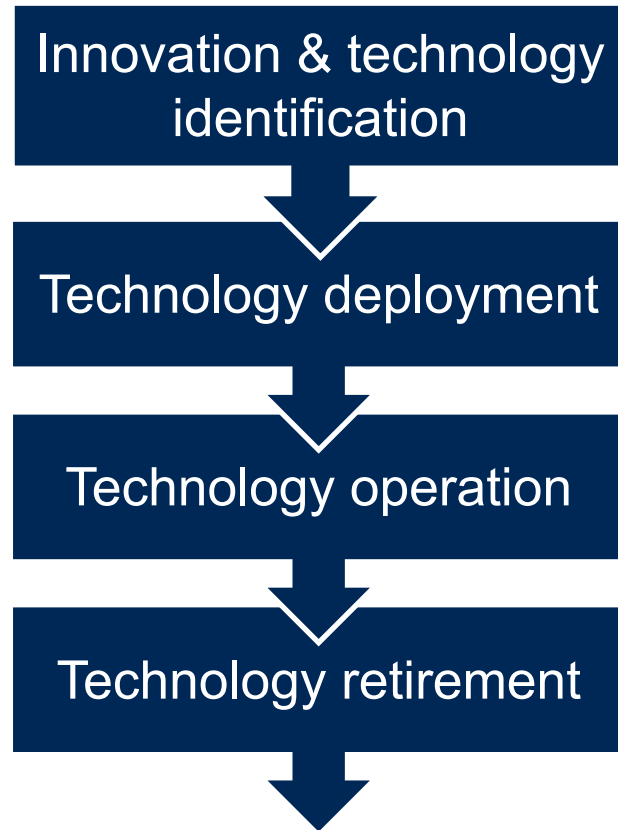


Define Your Operating Model



Build Relationships and Communicate — Frequently

Technology Strategy Life Cycle



Example Tactics

- Position and strategy papers
- Workshops
- Technology roadmaps and radar screens
- Networking and listening tours
- Webinars
- Videos
- Meetings, e.g., “town halls”
- Drop by “open door” times
- Training: classes and “how to” materials
- Success stories
- Team messaging and chat systems
- Crowdsourcing platforms
- Matchmaking
- Joint strategy/advisory groups
- Internal conferences

More communications channels are better, “you can’t over-communicate.”

Organisational Danger Signs

- An advisory CTO with no staff
- No seat at the tables where decisions are made
- Too many/too diverse responsibilities
- Unclear/incomplete goals and metrics
- Responsibility without power
- Weak relationships/poor communication channels
- CTO viewed as a technologist lacking business credibility
- Unclear/incomplete business strategy



Charters Bring Clarity to the Role

- Innovation charter
- CTO/digital innovation organization charter

Section
Executive summary and endorsement
Mission statement and business objectives
Goals and principles
Metrics and reporting
Stakeholder roles and responsibilities
Teams and functions
Key deliverables
Risks and assumptions
Charter governance

A charter provides a concise definition of a role, goals, expectations and its relationship to the rest of the organization.

Key Issue Take-Away:

Align power and responsibility, especially in areas where there are tensions between central and devolved goals.

Recommendations

- ④ Define your mission and metrics as a digital innovation leader.
- ④ Review your innovation process and organization to ensure it is fit for purpose and delivering what the organization needs.
- ④ Communicate with a wide range of stakeholders more frequently than you think is necessary, using many communications channels.
- ④ Ensure you have the sponsorship, organizational structure and power to achieve your goals.
- ④ Create a CTO charter and an innovation charter.
- ④ Enhance your business credibility, don't be seen as merely a technologist.

Recommended Gartner Research

- 🔍 [Quick Answer: What Are the Components of a CTO Operating Model?](#)
Nick Jones and Samantha Searle
- 🔍 [Building CTO Credibility: An Interview With the CTO for the Hospital for Special Surgery](#)
Enterprise Architecture Research Team
- 🔍 [How CTOs Can Create a Winning Digital Innovation and Enablement Function](#)
Samantha Searle and Nick Jones
- 🔍 [Digital Innovation and Enablement Function Primer for 2023](#)
Samantha Searle