Five Steps to Build Your Digital Business Dream Team

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CIOs will need to get smart about building out digital business teams with the right blend of business and technology skills. A "dream team" will help CIOs identify the right people to make digital ambitions real.

Key Challenges

- CIOs often lean on technical specialists when they should lean on people who can envision how to apply new technologies to create disruptive business models — business as unusual.
- Digital business requires a range of skills, attitudes and capabilities beyond business as usual. CIOs and other digital business leaders may not know what to look for or how to evaluate them.
- Digital business is not a single venture or project. It is a permanent shift in business model and will require dynamic distribution and orchestration of talented people.

Recommendations

- Enlist people from across the enterprise for digital business dream teams, people who have a blend of business leadership and technology leadership.
- Look inside your business or institution for talented people — many hidden from view — who possess relevant knowledge, insights and expertise. This is not for the IT organization alone.
- Double the number of versatilists on your dream team, particularly for experimentation, scenario building and cross-organization communication.
- Regularly map the dream team's achievements to top-level business objectives, drafting new players with a different balance of skills and behaviors as required to meet the objectives.

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Introduction

You, the CIO, get an urgent message from your CEO. You stare at the message, thrilled and nervous.

Dear CIO:

I have selected you as the digital business leader of our company. The first thing I'd like you to do is draft your dream team. Then come back to me in a week so we can discuss how the team will achieve the company’s digital business objectives and satisfy the board's growing interest in using digital business for competitive advantage.

Good luck, Your CEO
Where do you start? What is a dream team? Where will you find the right people? What capabilities will you need? Who will have them? Where should you look in the company? A dream team is a group of people with the perfect combination of talents for a particular purpose (see Note 1). In this case, digital business is the purpose — the creation of new business designs that blur the physical and digital worlds to generate new revenue and new services — and the dream team is about you, the CIO, getting as close as practically possible to the right combination of talents to fulfill that purpose.

With disruptive business models and capabilities as its aims, digital business moves beyond process improvement and incremental innovation. It enables companies to graduate from using technology for automation to exploiting technology and information as revenue builders, market makers and customer finders.

Here we identify five steps for CIOs and digital business leaders to build and advance their digital business dream teams:

■ Zero in on the objectives of the digital business dream team.
■ Choose the right blend of people for the dream team.
■ Align dream team members to four phases of digital business activity.
■ Develop a portfolio of capabilities by activity phase.
■ Blend the right behaviors to motivate the dream team.

Analysis

Zero In on the Objectives of the Digital Business Dream Team

Digital business has rocketed to being a prime area of interest among boards of directors, CEOs and other senior executives. Early successes in digital business indicate that CIOs and other digital business leaders need to enlist people with a range of qualifications, profiles and business insights — beyond those found in traditional projects. Dream teams concentrate and harness the perfect combination of talents and apply them to several objectives:

Fulfill CEOs’ digital business ambitions. CEOs are committing to digital, making digital business part of the DNA of their enterprises and recognizing that it is not about marketing or e-business.

■ CEOs expect "digitally attributable revenue" almost to double, from 22% in 2014 to more than 45% by 2019, according to Gartner’s CEO surveys.¹

■ Roughly one-third of CEOs plan to change their business models by 2018, a change that will introduce new sources of revenue, alter competitive playing fields and change revenue assumptions.
One-fifth of CEOs expect to invest heavily in the Internet of Things (IoT), which is a cornerstone of digital business moments and can potentially change how revenue gets recognized among the many players contributing to a business moment.

**Drive business growth.** Gartner's survey of senior executives involved in digital business found noticeably different approaches between those who have implemented digital business and those who follow or lag:

- Leaders rank digital business design as the most critical success factor in their initiatives, moving beyond digital business strategy.
- Leaders make no distinction between digital business strategy and business strategy — the strategies are the same or integrated. Followers keep them separate.
- Leaders are more likely than others to adopt new technologies and to make the Internet of Things part of their daily business than others.
- Leaders concentrate on sharing data for business benefit and on launching startup activities — by a wide margin over others.
- Leaders expect a bigger impact in customer experience than do followers, who have less mature digital business strategies.

**Model mindsets and behaviors for the organization.** Executives involved in digital business named the most important mindset or behavior they will need for their organizations to realize their digital business opportunities. The top five responses were:

- Understanding business models (25%)
- Culture shift and acceptance (15%)
- Executive commitment and skills (14%)
- Risk-on attitude (11%)
- Transforming business models (10%)

Dream teams become living examples of the mindsets and behaviors required for digital business. Notably, deep understanding of business models — the plans for how an enterprise creates and retains value — is a crucial attribute of an effective dream team. Influencers and individual contributors who want to help drive business growth can emulate the attitudes and behaviors of the role models in the dream teams.

**Choose the Right People for the Dream Team**

Through 2020, companies will graduate from using technology for automation to exploiting technology as revenue builder, market maker and customer finder. Digital businesses will need knowledge, skills and competencies that are closer to business than to technology as they accelerate their plans to introduce new business models, digitally remaster their products and put great minds to work in innovation. As one CIO said about digital business dream teams:
"We have great people internally. We need to scope internal talent and see where we have to plug the gaps. We need to educate each employee individually on digital strategy and marketing venues, regardless of which field of the business they work in."

Look for Profiles

Digital business will become a *lingua franca* across the organization. No single organization, function or person will fulfill its far-reaching promise. CIOs and other digital business leaders will need to identify qualified experts and top talent in new ways: Look beyond job titles and instead look for people whose talent profiles represent the right combination of accomplishments, interests, character, experiences and personal competencies.5

Consider the talent profiles of Stephanie and Oliver, each with different backgrounds, track records and strengths (see Figure 1). As CIOs build out their digital business dream teams, should they select Stephanie? Should they select Oliver? In fact, they should select both Stephanie and Oliver and deploy them for different phases of activity.

**Figure 1. Draft Different Talent Profiles Into Digital Business Dream Teams**

<table>
<thead>
<tr>
<th>Stephanie</th>
<th>Oliver</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Experience</strong></td>
<td><strong>Experience</strong></td>
</tr>
<tr>
<td>Business strategist</td>
<td>Technology strategist</td>
</tr>
<tr>
<td>Led new product innovation</td>
<td>Led data-integration program</td>
</tr>
<tr>
<td>Generated $25 million in revenue</td>
<td>Crafted IoT guidelines</td>
</tr>
<tr>
<td>Persuaded CEO to fund a startup</td>
<td>Lobbied for industry standards</td>
</tr>
</tbody>
</table>

Source: Gartner (March 2016)

Look Inside the Business

CIOs and other digital business leaders all are looking for the same qualified people at the same time to drive their digital business. Often, CIOs can create a dream team from *inside* the company — people who the company has already recruited, hired and developed.

We asked CIO clients and Gartner analysts where CIOs could find the right dream team members inside their companies. The answers suggest deep veins of hidden talent worth mining. CIOs who enlist people with these attributes — and who enroll other business leaders in doing so — are on their way to building out a digital business dream team.
Business influencers, competitive strategists and organizational boundary spanners

Data scientists, people who tell stories with data, people who drill into data in finance or sales

People who understand how the business competes today and how it will compete

Competitive intelligence analysts, financial wizards, math geeks

People who speak the language of money

Product designers and operations experts

Internet-savvy engineers and developers who play with technologies and information

Suit and T-shirt thinkers as a proxy for deductive and inductive reasoning

Look for Versatilists

Versatility ranks high as CIOs seek to develop dream teams for the future. Put plainly, people who embody versatility — versatilists, as we call them — are professionals whose multidisciplinary assignments, roles and experiences create a blend of synthesized knowledge, competencies and context to fuel business value (see Figure 2).

Figure 2. Versatilists Span Boundaries

Within the context of digital business dream teams, versatilists are crucial. They tend to be boundary spanners and interpreters, bridging various domains of expertise and communities of interest and often conveying, reconciling and resolving different points of view. Versatilists can walk in the shoes of others and apply different tools to different challenges. They have the skill, even the fluency, to speak the languages of business, information, technology and things. And they understand what makes different stakeholders tick. In those cases and many more, CIOs and digital
business leaders must invariably draft versatilists into their dream teams — and not be stingy in doing so. We expect digital business dream teams to need two or three times the number of versatilists initially planned.

Align Dream Team Members to Four Phases of Digital Business Activity

Think of the digital business dream team as you might a dream team in soccer or basketball. A good coach carefully enlists people based on their unique combination of talents and skills. Throughout a game, a different combination of players will take the field based on strategy, position and scoring. Most players fulfill clear purposes, determined by their strengths and the progress of the game.

We offer an organizing construct to help CIOs align members of the dream team to the right activities and purposes. Digital business development typically passes through four phases, each of which fulfills a different purpose. Multiple digital business initiatives will likely unfold at once, and CIOs will need to orchestrate talents and expertise across the four phases (see Figure 3):

- **Discover**: Explore, brainstorm, identify and clarify digital business opportunities and threats.
- **Design**: Plot the roadmap to convert digital business from discovery to reality.
- **Pilot**: Introduce new services and products to early adopters, using customer validation, prototypes, beta tests and behavioral change tactics.
- **Build out**: Engineer and scale up the digital business products and services that pass the pilot stage.

*Figure 3. Map Talent Profiles to Phases of Activity*

![Diagram showing four phases: Discover (Explore, Brainstorm, Scenarios), Design (Craft strategy, Plot roadmap, Set constraints), Pilot (New products, Validation, Prototypes), Build Out (Implement, Execute, Calibrate).](source: Gartner (March 2016))
The first two phases, discover and design, encourage business model scenarios, experimentation, exploration and architectural considerations. The pilot and build-out stages focus on testing, execution, implementation and scaling.

Our research suggests that CIOs and other digital business leaders should emphasize versatilists in the early stages. Strong relationships across domains of expertise and business functions make versatilists indispensable as digital business crosses boundaries. Our research also indicates that the later phases would emphasize the builders, engineers, integrators and specialist teams. They will take the plans from the early stages and convert them into real digital business products and services, perfecting and scaling as they advance.

Develop a Portfolio of Capabilities by Activity Phase

The four phases of dream team activity each require a unique blend of business expertise, technical expertise, strategic know-how, disciplines, behaviors and frontier domain thinking — all in varying proportions. CIOs and other digital business leaders can use a model as a visual starting point to see which capabilities are emphasized in which phases (see Figure 4). For example, the discover phase emphasizes business expertise and would be the perfect phase for our friend Stephanie. The build-out phase emphasizes technology expertise and would be the perfect phase for our friend Oliver.

Figure 4. Distribute Capabilities Across Four Digital Business Phases

The deeper challenge for CIOs and other digital business leaders is to understand the detailed makeup of the phases and how they differ. Gartner has been developing a model for digital business dream team capabilities during the past two years and laid out the capabilities and expertise across all four phases. Every company will have different appetites and objectives, and this detailed model will help CIOs understand where, when and how they need certain capabilities.
(For a detailed model of the capabilities and expertise by phase, see Table 1 in the Appendix section.) CIOs and digital business leaders can use the capabilities model to get as close as possible to a dream team and to focus their quest for talented people and qualified experts both inside and outside the company.

Blend the Right Behaviors to Motivate the Dream Team

Digital business crosses so many organizations within an institution that people’s behavior can make or break success. The right behavior at the right time will produce the right outcomes. Four behavioral profiles constitute an ideal digital business sociology model. Rather than expect people to exhibit all four behaviors, CIOs and digital business leaders can deliberately design dream teams to have blends of the right behaviors (see Figure 5).

Figure 5. Fit People’s Behaviors to Dream Team Phases and Intentions

- **Creatives** contribute to business agility, growth and innovation. They feed formal brainstorming, open-ended discussion, structured challenges, and any technique that requires and generates a continual flow of ideas. The phases of discover and design are most conducive to creatives. *Representative comment: "We’ve got a great idea."*

- **Challengers** test, explore, analyze and exercise ideas. They look for strengths, weaknesses, gaps or problems in an idea — for example, whether a digital business design can be fulfilled in the reality of a physical world. *Representative comment: "Here’s why the idea might not work."*

- **Collaborators** enhance, rework or reconcile ideas or alternatives after a challenge. In digital business, collaborators dig into problems, understand people’s concerns and mitigate disagreements — such as those found around architectural constraints or pilot tests gone bad. *Representative comment: "We know the weak spots, so let’s shore them up."*

- **Cooperators** move the organization from talking to doing, and they do so with the spirit of accepting an initiative rather than rehashing it. Cooperators smooth the way for a project,
provide resources and time, build relationships with those involved on the project and communicate effectively. Representative comment: "Let's get to work."

Recommendations

Use this research to think through the people and capabilities associated with digital business, not as a set of rules, policies or staffing ratios. Develop your dream team based on your business's realities — its priorities, perspectives, risk thresholds, opportunity windows and cost constraints.

- Enlist people from across the enterprise for digital business dream teams, people who have a blend of business leadership and technology leadership.
- Look inside your business or institution for talented people — many hidden from view — who possess relevant knowledge, insights and expertise. This is not for the IT organization alone.
- Double the number of versatilists on your dream team, particularly for experimentation, scenario building and cross-organization communication.
- Regularly map the dream team’s achievements to top-level business objectives, drafting new players with a different balance of skills and behaviors as required to meet the objectives.

Case Studies

- Coffee chain Starbucks develops new capabilities for improving the customer experience by means of a "digital scrum," chaired jointly by the company’s CIO and chief digital officer.6 The scrum combines people from the IT organization as well as the customer-facing side of the business. Store managers, who have daily contact with customers, contribute ideas for reducing friction in the customer experience, and corporate executives pitch in ideas, too.

- Monsanto’s prescriptive-planting system, FieldScripts, is a true digital business case. Monsanto, the world’s largest hybrid-seed producer, had a library of hundreds of thousands of seeds, as well as terabytes of data on their yields. Climate Corp., a Silicon Valley startup, used remote sensing and cartographic techniques to map every field in America (all 25 million of them) and then superimpose all the climate information it could find. By 2010, its database contained 150 billion soil observations and 10 trillion weather-simulation points. In 2013, Monsanto bought Climate Corp. for $1 billion. By adding its seed library and data to Climate’s soil and weather database, Monsanto produced a map of America that indicates which seed grows best in which field, under what conditions. With the acquisition, Monsanto’s seed, fertilizer and pesticides business extended into data science services. Physical and digital worlds blurred by gathering microclimate weather data from multiple environmental sensors.7

Appendix

Which capabilities, people and talent profiles CIOs need will differ based on a company’s digital business readiness. Table 1 offers a detailed view of digital business dream team capabilities by phase of activity.
### Table 1. A Detailed Look at Digital Business Dream Team Capabilities by Phase of Activity

<table>
<thead>
<tr>
<th></th>
<th>Discover</th>
<th>Design</th>
<th>Pilot</th>
<th>Build Out</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Expertise</strong></td>
<td>Revenue-centric creativity Business strategy Business model innovation Operations</td>
<td>Ecosystem development Data mining Customer/consumer engagement Business architecture</td>
<td>Customer validation Dark data mining Product marketing</td>
<td>Information-as-asset management Data science Corporate information stewardship</td>
</tr>
<tr>
<td><strong>Technology Expertise</strong></td>
<td>Smart machines Big data Internet of Things Additive manufacturing</td>
<td>Robotics Sensor arrays Cybersecurity 3D printing</td>
<td>Iterative testing Digital R&amp;D labs Gamification Social analysis</td>
<td>Information integration Business, people, things integration Information protection</td>
</tr>
<tr>
<td><strong>Strategic Capabilities</strong></td>
<td>Competitive intelligence Business strategy SWOT analysis Emerging trends radar screen</td>
<td>IP creation Multichannel customer mining Social network influencing</td>
<td>Rapid prototyping Behavioral change and modification</td>
<td>Startup, scale-up science Talent science IP management</td>
</tr>
<tr>
<td><strong>Disciplines</strong></td>
<td>Competitive analysis Horizon scanning Product and service marketing Analogous industry analysis</td>
<td>Design thinking Competitive strategy definition Business process design Business architecture</td>
<td>Technology incubation Stakeholder analysis Social and behavioral sciences</td>
<td>Information curation Customer experience management IT/OT/IOT integration Data science</td>
</tr>
<tr>
<td><strong>Behaviors</strong></td>
<td>Critical thinking Competitive team spirit Break-the-box thinking</td>
<td>Creative solution building Revenue-centric entrepreneurship</td>
<td>Tenacity Salesmanship Enrollment Feedback analysis</td>
<td>Knowledge sharing Communities of practice Adoption change</td>
</tr>
<tr>
<td><strong>Frontier Domains</strong></td>
<td>Predictive analytics Digital anthropology Autonomous processes</td>
<td>Web psychology Digital humanism Algorithmic design</td>
<td>Prototyping (e.g., Arduino) IoT trials Wearable trials</td>
<td>Human analysis of sensor data Distribution, manufacturing controls</td>
</tr>
</tbody>
</table>

SWOT = strength, weakness, opportunity and threat  

Source: Gartner (March 2016)
"Building Out Digital Business 'Dream Teams'"

"Inside the Concept of Versatilists: What Are They and How Do CIOs Develop Them?"

"CIOs Must Partner With HR to Revitalize Compensation Practices to Compete for Digital Talent"

"CIOs Must Develop Talented Entrepreneurs to Fuel Growth and Drive Innovation"

Evidence

Since our first dream team analysis published in January 2014 ("Building Out Digital Business 'Dream Teams'"), digital business has become a juggernaut, affecting CIOs and CEOs in almost every industry and region. Best practices have emerged, and this dream team research reflects a brand-new take on the expertise, behaviors, skills and teaming models that generate success. Gartner’s positions and models grow out of a large base of inquiries, surveys, engagements, research investigations and analyst insights.

1 "2015 CEO Survey: Committing to Digital"

2 "Gartner Survey Shows Digital Business Leaders Breaking From the Pack"

3 Ibid

4 "Introducing the Gartner Business Model Framework"

5 "Creating Your Digital Edge Through a Competency-Based Talent System"


7 "Digital Disruption on the Farm." The Economist. 24 May 2014.

Note 1 The First Dream Team

The language of "dream team" entered popular culture during the 1992 Olympics in Barcelona. Four years earlier, the 1988 United States men’s Olympic basketball team had suffered a stinging defeat, raising the cry for professionals to be allowed to play in the Olympics. The 1992 United States men’s Olympic basketball team, nicknamed the Dream Team, was the first American Olympic team to feature active professional NBA players. The team defeated its opponents by an average of 44 points en route to winning the gold medal against Croatia in Barcelona. Sports Illustrated later stated that the Dream Team was "arguably the most dominant squad ever assembled in any sport."
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