CIO New Year's Resolutions, 2017

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Beyond the main agenda for the year, this research offers background personal and team development ideas that CIOs can use to elevate performance and amplify achievement.

Key Findings
- Enterprises’ increased focus on digital business is challenging CIOs to evolve their role.
- CIOs are expected to set direction and help develop digital soft skills and corporate capabilities.

Recommendations
In strengthening business relationships, CIOs should select three to five of the following resolutions and personally commit to them in 2017:

■ Purpose development resolutions:
  - I will build my industry’s digital vision.
  - I will lay out my three-step path.
  - I will start product team experiments.
  - I will focus on adoption of technology.

■ People development resolutions:
  - I will re-evaluate my leadership team.
  - I will delegate much more.
  - I will develop talent more than technology.

■ Personal development resolutions:
  - I will interview a building architect.
  - I will make audiobooks a habit.
  - I will make time to experience new technologies.
Analysis

Since 2003, Gartner has provided its annual New Year’s resolutions for CIOs. These ideas are not about the main functional agenda for the year; they are supplemental background suggestions for personal, professional and team performance development. The intention is to help the CIO become more effective at achieving the main agenda. In our personal lives, we resolve self-improving actions such as learning a language or giving up junk food. By analogy, these suggestions are intended to help CIOs become fitter for the digital business leadership role they are increasingly being asked to play. Already, 15% of CEOs see their CIO as carrying primary leadership responsibility for digital strategic change.

This year’s 10 resolutions are in three categories:

1. **Actions designed to help the CIO set purpose and direction for the enterprise** — Many organizations still struggle to make sense of digital business and find a coherent way forward.

2. **Actions to help the CIO with the important task of developing human capital capabilities for digital business** — For the first decade of the century, many organizations eschewed the idea that IT could be strategic, leading to culture and talent deficits.

3. **A few more personal resolutions to help the CIO develop the less-practiced visionary side of their digital leadership capability** — These augment already well-honed delivery management and operations skills.

Nobody should take on all 10 of these New Year’s resolutions. We recommend that CIOs browse these ideas and commit to between three and five. Perhaps these ideas will stimulate others of your own. It would be wise to consider the resolutions with a close peer, mentor or advisor who can be honest about your weaknesses and help you develop where you need it most.

Purpose Development Resolutions

Many enterprises still struggle to find a strong digital business mission and direction. They know technology is becoming more important and that it can even disrupt industries — but "What can we do?" These resolutions are designed to help the CIO lead the enterprise in finding its digital purpose.

**I Will Build My Industry’s Digital Vision**

One problem we see in many client digital business strategies is a lack of breakthrough ambition. Often the proposals are incremental, copycat reversions to e-business and unlikely to really change the game offensively or defensively. Simply put, executive teams need to be thinking bigger, and the CIO needs to help take them there. However, it is not easy for a CIO to become a bigger thinker when trapped within the political and uncreative shell of their existing enterprise.

Sometimes it can be easier to consider a more radical perspective of the future by elevating your point of view. CIOs should resolve to think more about how their whole industry could or should change. Then it is much easier to see how their own enterprise might fit into that. For example, "What is a radical digital future vision for higher education (rather than my university)?" or "What
would digital healthcare look like (rather than my pharma company)?" This might be best discussed with other CIOs in the same industry.

CIO Actions:

- Resolve to create a high-level, short, digital, industry vision document or deck, for your sector.
- Reach out to CIOs in your sector or value chain to brainstorm ideas for the future of your industry.
- Create a small consortium or think tank organization to institutionalize the conversation.

I Will Lay Out My Three-Step Path

Deep, high-value, technology-related transformation to larger enterprises does not happen overnight. In fact, they often take many years. It is typical to see programs like e-commerce strategies and ERP consolidation exercises take almost a decade to play out. Digital transformations will be like this, too. They won't happen in 18 months. You have to be in it for the long haul, and you have to bring people with you on the journey. Make it simple and obvious, or they might get lost in the woods.

The journey should not be perceived as an endless, exhausting march. There needs to be a sense of stepwise achievement that looks back at its foundations, and revitalization that looks forward to the next new horizon. Help yourself and everyone around you by creating the high-level story arc of digital transformation in three major stages or acts. It shows how you, the leader, really have the big picture.

CIO Actions:

- Resolve to create a big-picture story graphic you can talk to (see Figure 1).
- Make the step names very simple — five words or less. Make the stages two to three years.
- Show your recent digital history, where you are leading next and a future visionary stage.
- Reinforce the message by using the chart in every presentation and every high-level document.
I Will Start Digital Business Product Team Experiments

IT’s "day job" is to support running the business with maximum efficiency. IT’s secondary responsibility is to "delight the business." When IT focuses on grow the business and creates net new capabilities or forms of competitive advantage, it builds a strong internal brand. There is a third domain of influence, hence IT brand extension: business transformation — where IT can innovate with the business.

In digital business, this transformation refers to IT’s involvement in creating net new lines of business (LOBs) or net new revenue streams. The logical first step in this activity is monetizing information: Is there information your business collects that might be of value in the open marketplace? As several asset-intensive industries have discovered, the mashup of OT and IT driven by the Internet of Things provided not only operational effectiveness, but also a stream of informational assets monetizable throughout their vertical industry’s value chain. These are the earliest results from IT’s involvement in product development activities — creating information assets as a product.

Beyond the information business, experimenting with sensors or service activity tracking in your existing product set — along with location awareness, internet connectivity and digital ecosystem participation — will reveal new business model opportunities unearthed by the collaboration among sales, marketing, product development and IT.
CIO Actions:

- Express yourself in storytelling, not just functional discussion, at all major meetings.
- Use the word "experiment" in conversations with key stakeholders.
- Paint scenarios for the future in which customers desire new kinds of products and services.
- Imagine, with your business peers:
  - What would happen if your products and services had sensors in them to collect data about their everyday use?
  - What would happen if your products were connected to the internet?
  - How would you make money if the above two conditions came to pass?
- Create cross-department product teams to create, own and operate digital products.
- Consider creating a product experimentation and learning laboratory.

I Will Focus on Adoption of Technology

As a holdover from the internal back-office business technology purpose and management methods of the past, many CIOs retain too high a focus on project and service delivery metrics alone. This is a potential problem, because it allows an IT department to deliver things that don’t have sufficient impact on business results. It may even deliver systems that are hardly used. A passive, order-taking IT department could measure its performance in terms of simple delivery metrics. In today’s digital business environment, that won’t be good enough.

A focus on deliver-to-order metrics can permit lazy internal business requests to squander the budget and resources of IT on incremental systems changes to support old predigital thinking. Even when digital ideas are being tried, measuring project delivery alone fails to place sufficient drive and emphasis on important aspects like scaling and market penetration.

Adoption is what matters, more than simple delivery. Does a new system have the number of users that were planned for it? Is the mobile app being used by customers? Is the number of sign-ons rising? Is the volume or value of transactions increasing? Are we seeing the volume of new data collection we hoped for?

CIO Actions:

- Review the main measures for IT department effectiveness.
- Deprioritize those metrics if the on-time, on-budget and availability performance is good.
- Increase emphasis on utilization, penetration and scaling metrics that drive exploitation.
- Evolve key performance indicators (KPIs) and accountabilities in your IT management team correspondingly. Make it clear they are responsible for encouraging, assisting and ensuring the business is exploiting IT.
Consider publishing (internally) a top 10 new applications list, based on adoption and exploitation metrics. If stick works better than carrot in your culture, try a bottom 10 list.

People Development Resolutions

The CIO’s enduring reputation and legacy will never be technology; it will always be people. As IT departments gradually evolve to become more proactive and closer to core competency units in an enterprise, so the skills and capabilities must evolve. CIOs need their teams to challenge more, to become more creative and to evolve strong company- and industry-specific competencies and knowledge sets that are not easily plucked off the shelf from the marketplace.

I Will Re-evaluate My Leadership Team

Ask yourself whether you have a leadership team, or simply a group of managers reporting directly to you. Managers are important; and are a foundational competency of leaders. However, they have no place reporting directly to a CIO. They belong below the CIO’s direct reports in their focus on delivery, defined by relentless adherence to time, cost and quality metrics. Leaders focus on demand and on business impact. They are defined by their ability to educate, instigate and provoke innovative solutions thinking.

CIO Actions:

- Evaluate your leadership team along two dimensions: the operative words "leadership" and "team."
- Ask yourself the following questions:
  - Can I delegate to them without fear?
  - Will I permit them to fail, and help them to learn from it?
  - If one is failing, will the others pitch in to make them successful?
  - Are my meetings a team sport, or individuals spouting off on individual successes?
  - Do they stimulate meaningful demand, or simply take orders?
  - Do they assume the business knows what it wants? Or do they create a collective approach that educates the business as to what it didn’t know it could have … and now can’t live without?

I Will Delegate Much More

Over the last few years there has been much public discussion about the rise of the chief digital officer (CDO). CEOs appoint them to fulfill a strategic change management need. However, digital officer is not likely to be a long-term, enduring C-suite role. Digital officers will reshape the enterprise strategy, culture and capability for the digital age. When they eventually depart, other C-suite roles will have grown and changed. CMOs, COOs, product development heads and CIOs will all become more digital.
Yet, many CIOs are dragging their heels and changing too slowly. That puts them and their enterprises at risk. Gartner has observed too many examples of CIOs who really believed they were "doing digital," but end up losing their jobs because their CEOs concluded they were unable to give up enough of the old day job.

CIOs must let go to grow. CEOs expect the role to change and step up — from IT order taker and delivery leader, to proactive digital agenda setter and business designer. But all leaders have limited capacity. In order to do the new and very expansive kinds of work, you must let go of some of the old IT responsibilities. Giving up things you have become very good at doing and have habituated to filling your day with, isn't easy. But this is essential discomfort. Deal with it by giving away your best and most precious historical duties to others as a gift — to help them develop. You must free up a lot of time to learn, grow and influence the digital direction of the company.

**CIO Actions:**

- Create a "COO of IT" type of role and appoint someone to it, or
- Designate two of your direct reports as close deputies, delegates and potential successors.
- Review the kind of work you were doing in 2014-2015. Make sure 75% has now been delegated.
- Prove you have delegated successfully by spending half of your time outside the office with customers, partners, startups, venture capitalists (VCs) and others who will form your digital business ecosystem.

**I Will Develop Talent More Than Technology**

We are exiting an era of technology perfection … perfection of "run the business technologies," anyway. Most of the easy efficiency gains have been harvested. We are now entering an era of "applied technology"; one that requires competencies over skills, and one that drives innovative business model transformation.

Skills focus on technology perfection (for example, I'm an ERP platform person; I'm a relational database guy). Competencies focus on how your talent behaves, and how they come across to others. This is the new IT professional. We trust they know how to do things, but they need to first focus on why they do things. That requires talent. However, talent is not a conceptual label to hide behind or to give lip service to. Talent represents human beings with faces, egos, fears, concerns and personalities, many of whom need empathetic leaders to help them understand direction — many CIOs are not yet leader enough for this role.

As we enter an applied technology era not unlike the early days of internet popularization (the period 1995-2000), IT professionals must examine the portfolio of existing platforms and applications, and mash those up with net new or improving technologies such as cloud, sensors, smart machines and location awareness. Those who did this in the early internet era not only advanced their careers, but also drove tremendous effectiveness gains for their enterprises. This is the new talent game: How
can I drive effectiveness defined as net new capabilities of forms of competitive advantage? That is the applied thinking professional.

**CIO Actions:**

- Perform a competency assessment on your IT talent.
- Surface hidden non-IT knowledge sets in your people — such as arts, social science, engineering or physics. Encourage them to apply ideas and thinking patterns from those disciplines.
- Build teams and processes that focus on effectiveness, not just efficiency.
- Engage multidisciplinary and cross-functional teams.
- Examine innovation processes and culture that foster business model and workplace innovation, not technology innovation.

**Personal Development Resolutions**

Digital business challenges CIOs to develop their personal capability and expand their horizons considerably, beyond the confines of the old internal IT management focus of the past. Here we suggest practical actions a CIO can use to build a stronger outside-in thinking perspective on technology and business.

**I Will Interview a Building Architect**

Architects, the building kind, embody everything the new IT organization should embody. Firstly, architects are the ultimate creative and logical thinkers. If one considers their education alone, they had to be adept at art history, drawing and 3D modeling, all while displaying an equal proficiency in calculus, materials engineering and applied physics. No small feat; most students gravitate toward either the creative or the logical. The IT professional of the future needs to think and operate in both realms.

Once out of school, the practice of architecture very much models a high-performing IT organization in the following ways:

- The architect creates a design program with the client. They model the needs, balanced with the client desires.
- They ensure the design program meets a market need. For example, the program must show some sort of return on the land investment, whether it’s a client’s dream house, or a developer seeking maximum return on a plot of urban land.
- The architect produces iterative options. Just as they do not let the client tell them what the answer is, they never assume they hit the "correct" answer or design on the first try.
- They build a model to show the client, effectively playing “show and tell.” The client can then see the "prototype" to ensure they "get" what the design is all about.
The firm then creates blueprints and working drawings. The process now moves out of the design phase, and incorporates engineering specialties such as soils, materials, electrical, ventilation and plumbing.

The architect engages with a general contractor, supervises the construction, and fine-tunes the plans as issues arise.

Finally, when the certificate of occupancy is obtained, the architect hands off to the owner and management company.

**CIO Actions:**

- Use your personal and professional networks to reach out to a senior building architect.
- Propose a personal professional interview exchange. Offer your technology insights in return.
- Ask the architect about talent — what do they look for in new hires who will grow into partners?
- Ask the architect about the whole end-to-end architectural design process.
- Compare, contrast and map the design process to your IT methods and stages.
- Investigate the culture of a high-performing architect’s firm, and see if you can model those behaviors in your IT organization.
- Ask the architect about the process and ceremony of handing off the finished building. How does IT compare?

**I Will Make Audiobooks a Habit**

One of the key differences between being a digital business leader and a traditional CIO is that you will help set industry future direction and company strategy. That means moving a long way beyond conventional IT delivery. It requires that you have a wide-ranging view of what is happening in the world and where technology trends might lead society. Your executive leadership team will expect you to have a well-informed view on any game-changing technology-related idea. In fact, they’d prefer to be introduced to that thinking first by you. Consider yourself the lead tech entrepreneur of the firm, not “the IT guy.”

However, to play this role well, you need to be well-read — not just in the snack food of LinkedIn updates and daily tech news snippets, but at the deep-understanding level in the most significant new "terraforming" societal technology ideas and management methods. We live in times of technology acceleration. There are a lot of these big concepts to keep up with. The problem is a practical one — finding or defending enough reading time. Happily, there is a modern digital solution.

Audiobook listening is growing fast — over 20% in 2015-2016, according to the Audio Publishers Association. Audiobooks and their cousins, podcasts, are a great way to "find" the time to consume the big ideas and the infectious storytelling material you know you need. In the car, on the bike,
while running, cooking or gardening, listening to audio is the multitasker’s friend. It turns underutilized task and chore time into high-value learning time.

**CIO Actions:**

- Set a goal of listening to two business- and technology-related books per month in 2017 (see Note 1 for a starter list).
- Make listening to podcasts (such as The Economist, HBR IdeaCast, TED Talks and the new [Gartner Thinkcast](#)) part of your routine.

**I Will Make Time to Directly Experience New Technologies**

The CIO role can sometimes press individuals into endless rounds of internal meetings and bureaucratic prioritization, governance and compliance work. However, business leaders also expect you to spark futuristic ideas and to have an opinion on significant emerging technologies. There are many new technologies you can assess by reading reports, or by delegating evaluation to your people. However, there are always some that you just have to see and touch to truly "get" — especially if they are in revolutionary new categories. The scope and direction of digital technology and digital thinking keeps changing. CIOs will be faced with many new things that test the limits of prior understanding, purview and responsibility.

**CIO Actions:**

- Schedule quality time in your calendar to visit exhibitions, or to "play" with new technologies.
- Set aside a small budget to purchase pivotal example new technologies for your office or home.
- Browse crowdfunding sites such as Kickstarter and Indiegogo, for new tech ideas to experience.
- Use the list in Note 2 as a set of ideas to get you started.

**Gartner Recommended Reading**

*Some documents may not be available as part of your current Gartner subscription.*

"CIOs, Make Changes to IT Skill Development to Succeed in Digital Business"

**Evidence**

This research is based on the 2017 Gartner CIO and CEO Surveys, and on contributions from Gartner analysts in Europe, North and South America, Australia, the GCC region, India and China.

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**Note 1 Audiobooks to Consider**

- "The Inevitable" by Kevin Kelly — Latest tech-related megatrends from a very influential thinker.
- "The Lean Startup" by Eric Ries — How to import Silicon Valley methods in a traditional business.
- "Machine Learning: The New AI" by Ethem Alpaydin — A key technology every CIO needs to know.
- "The Innovators" by Walter Isaacson — The best innovators brought by very readable author.
- "Exponential Organizations" by Salim Ismail — How to grow and scale digital business, fast.
- "The Economic Singularity" by Calum Chase — Long-range scenarios on the AI and robot future.
- "Platform Revolution" by Geoffrey Parker — Understand how digital business platforms work.
- "The Everything Store" by Brad Stone — Compelling inside stories how Amazon really got built.
- "Elon Musk" by Ashlee Vance — Revealing insights on the man, his methods and his companies.
- "Algorithms to Live By" by Brian Christian — Strengthen your insight into the power of algorithms.
- "Switch" by Chip and Dan Heath — How to make change happen when it's hard to get moving.
- "Mindset" by Carol Dweck — Succinct advice on how to change thinking patterns.
- "Playing to Win" by A.G. Lafley, Roger L. Martin — Simple direct thinking on business strategy.
- "Just Listen" by Mark Goulston — Ideas on getting through to absolutely anyone.
- "The Art of the Start 2.0" by Guy Kawasaki — Startup insights from the popular innovation guru.
- "The Best Place to Work" by Ron Friedman — The motivational science behind great workplaces.
- "Change Your Space, Change Your Culture" by Rex Miller and others — Redesigning the office.
"The Five Dysfunctions of a Team" by Patrick Lencioni — How to deal with difficult human behaviors.

"Alibaba: The House That Jack Ma Built" by Duncan Clark — The story of a non-U.S. digital giant.

"The Phoenix Project" by Gene Kim — Easy listening lessons about DevOps in the form of a novel.

Note 2 New Technologies to Get in Touch With in 2017

**Amazon Echo and/or Google Home** — Every CIO should live with these for a while to understand where user interfaces and intelligent assistants are rapidly headed.

**Dyson "Supersonic" Hairdryer** — A fantastic example of what design thinking really means in practice. How many fundamental multidecade usability weaknesses of this humble product have been solved?

**Cozmo robot** — An enlightening glimpse into the future of social/emotional robot interaction.

**Nike Hyperadapt Trainers** — Adding data collecting sensors to a product can be easier than adding precision control actuators. This is a leading example of difficult-to-engineer, highly miniaturized, digitally controlled mechatronic action adding value to an everyday product.

**Vuse Connect** — Though we acknowledge nicotine products can be a controversial subject, the digitalization of the cigarette powerfully demonstrates many disruption lessons. This is the first mass-manufactured, Bluetooth connected e-cigarette. If a cigarette can become part of the IoT — what can’t?

**Perspiration analysis patch** — Just emerging, a new category of sensor device that can analyze this key biofluid. See "Hype Cycle for Wearable Devices, 2016" for more details and example vendors.

**Smart mirrors** — Digitized mirrors in which a person sees a hyperpersonalized digital experience of themselves reflected back. See "Hype Cycle for Consumer Devices, 2016" for more details and example vendors.

**Macro 3D printing** — Systems using additive manufacturing to "print" physically large objects where the largest dimension is approximately two meters or more in magnitude. See "Hype Cycle for 3D Printing, 2016" for more details and example vendors.

**Jukedeck** — Can an AI really generate music good enough to back your next corporate video?

**High Fidelity** — Where will we all "go" in our VR headsets, and more importantly — how will companies create those virtual places and spaces? Just maybe, the creator of second life has an answer.
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