

The CIO in the New Era of IT- The Wrap

By Ana Hidalgo CEC Contributing Writer

As technology continues to be a pervasive part of every business, the IT organization has evolved from a service bureau entity on the periphery of corporate activity to a centralized and *hub-like* resource that services nearly everyone within a company.

While this is a great step forward in terms of elevating IT's role, the technology organization itself may not have had enough time to comfortably integrate with the rest of the business.

This lack of a comfortable integration has led to some odd phenomenon like Shadow IT; the notion that IT should drive adoption of tools in parts of the business where they can't possibly have as much influence as the managers of those businesses; and the creation of new executive titles, such as chief innovation officer and chief digital officer, which might be nervous attempts by CEOs to make sense of a world in which technology has moved to the center, notes Martha Heller, president of Heller Search Associates, columnist for *CIO.com*, and author of *The CIO Paradox*.

"When technology all of a sudden belongs to everyone, what does that mean for IT?" she asks. When technology is your company's differentiator, how does your IT operating model need to change, how is technology leadership distributed across and through the enterprise, and how much more responsibility can IT take on?

Heller asked a number of CIOs those questions and more during a recent CIO Eecutive Council (CEC) virtual session, <u>The CIO in the New Era of IT</u>. This session explored the new challenges facing CIOs and the IT organization, as well as the expanding portfolio of leadership skills needed to keep pace in this new and evolving environment. Taking part in the discussion were: **Greg Meyers**, Corporate VP & CIO of Motorola Solutions, **Michael Del Priore**, CIO of Catalent Pharma Solutions and **Mark Schwartz**, CIO of U.S Citizenship and Immigration Services (USCIS).

The following is a summary of key points made during the Webcast:

Heller:

CIOs have a tough job because they are responsible for seeing everything, end-toend – the challenges, the opportunities, the efficiencies, the inefficiencies – and then creating a vision, having that vision be heard or seen, and then executing on that vision. In essence, the CIO must 'manage the white space', since all of these areas and responsibilities are very different.



My question is, how do each of you manage that white space at your company or organization? Basically, how do you see end-to-end across the company the opportunities for change, and then manage the operational layer so that the technology actually has a chance to have an impact.

Michael Del Priore

CIO of Catalent Pharma Solutions:

- It important to talk and establish a partnership with senior executives, and every person in that partnership must understand where we're going with the business, and then what the opportunities are to apply technology. You need those thought leaders on both sides.
- Initiatives over the past three years have included: development of a portal that helps to better exchange information with our customers, improvements in packaging and labeling efficiencies, and a new service for clinical supply management that develops solutions that optimize the deployment of their inventory across the world. We've created new revenue for the company.
- These offerings provide huge savings for the pharmaceutical company because there's so much less waste, and it's a much more agile way of delivering the product into the marketplace. This will be a huge competitive advantage because none of our competitors have done this.
- More important, we were building a foundation that's flexibly supports different business models, and will be the largest growth driver of our business going forward. We managed that by having an IT leader and a business leader jointly driving that effort, speaking with our customers, analyzing our competitors, looking at the technology space and saying, "How can we work differently? How can we work globally across our organization in a more standard way?"

Greg Meyers

Corporate VP & CIO of Motorola Solutions:

Right now we're now in a process of going through a pretty major and really the biggest change to the back office in the history of Motorola. We'll go from 70 ERP systems and about 600 supporting applications around them and sort of make most of our business work down to one global ERP and less than 200 applications.



In addition to the consolidation, we're really trying to shift towards how we create capabilities that allow us sell long term big system integration projects because all of our systems have really been built around signed products that are configured and shipped to customers.

To accomplish this:

- Go way outside of our comfort zone and really start to show up business leaders that have to help really essentially architect and bring together different parts of the organization that aren't used to working together to really ask big questions: "How are we actually going to sell software in the future? How are we going to bill for? Is it software as a service? Is it perpetual subscription?"
- Realize that the customer is often the end process, especially when you have to generate completely new business processes and optimize current processes. You really have to help the customer relate to these new processes. If you don't, you're left with is this big mess that customers have to sort through.
- Position challenges as an opportunity for IT to re-invent the company and its processes. It can be inspirational for the IT department and allows them to show up very differently for the people that's have been in the company for 15, 20, 25 years. It's really taking on the opportunity to help reinvent a 90-year old company.

Mark Schwartz

CIO of U.S Citizenship and Immigration Services (USCIS):

- As a DevOps shop, we try to deploy new functionality every day or multiple times per day, and that gives us a chance to quickly gather feedback on how things are working for the business.
- Work with the business to do quick and inexpensive experiments to learn more about what it is that they really need to accomplish their goals. We get a set of outcomes and then do an exercise called impact mapping where we brainstorm along with the business leaders on what things will accomplish, how it translates to IT terms and then perform an experiment that will produce the desired outcomes.



• Accountability should not be thought of in terms of percentage reduction, it should be seen as a feedback loop. Nobody knows this in advance so what we do is stage the investment, do changes, and keep checking to see how much it is impacting the amount of time and reprojecting what needs to be accomplished.

Heller:

What do you think are some of the critical success factors when developing new business capabilities, as opposed to executing on business strategies that may already be in place?

Michael Del Priore

CIO of Catalent Pharma Solutions:

When I joined the company three years ago, the business unit president and I immediately formed a relationship and talked a lot about how our business could operate better and really came at it from a strategic perspective. We started with the endgame in mind even though we couldn't envision at all. And he assigned resources. I assigned resources. I actually took a sub-department, I set up sub-department that was dedicated to this business unit. A specialist who knew that and knew the technology and understood the business at a very detailed level. He assigned somebody who owned the customer relationship and what the needs are, and they really formed this tight partnership.

We moved ahead with the more agile way of working which wasn't the historic way we worked. Example: We didn't try to build the fusion portal, the customer portal, all at once. Functionality was delivered every 8 to 10 weeks and we built it over two to three years. At the end of the day it comes down to that collaboration and partnership with a given strategic imperative.

Greg Meyers

Corporate VP & CIO of Motorola Solutions:

You have to get really underneath what business people are trying to accomplish. If they are talking to us, and our agenda is: 'We don't have enough money, we don't have enough people, and we have too many priorities', then we're not aligned on the same thing. We have to be totally focused on how this business is going to achieve its transformation, and how Motorola can reinvent itself as a services and software company. There is no room for ego, there is no room for permission, and there is no room for forgiveness.

Ultimately, we are totally aligned. Some business partners are going to run towards that because they find it refreshing, and some will hold us in contempt



because they like being able to tell a subservient function what to do. But, if you really get underneath the motives and the objectives of the business, there's all sorts of room for different interpretations and different reactions to it.

Mark Schwartz

CIO of U.S Citizenship and Immigration Services (USCIS):

We think of everything in an agile context. The question always comes up for us, how do we manage against strategic goals and make sure that everything that we're doing is in line with what we're trying to accomplish strategically, and how do we impact the strategy? So I have a couple of suggestions:

- Deploy new functionality every day or multiple times per day. That gives you a chance to quickly gather feedback on how things are working, and how they're working for the business.
- Take the point of view that you need to help the business discover what it is that they really need to do. Try to define and agree upon a set of desirable outcomes, and then do an exercise called' impact mapping', where you brainstorm along with the business leaders on what things will actually accomplish, what it is they're trying to do, how that translates into IT terms.

Final Words:

Heller: In one word, or phrase, what skill or attribute do you feel you bring to your jobs

every day to be successful as responsible and effective IT leaders?

Schwartz: I will choose sense of humor. It's important because everybody has to stay

relaxed. They know what to do, and let's not make too big a deal over it.

Del Priore: Influence.

Meyers: Curiosity.



Managing the White Space: Best Practice Tips for IT and Business Leaders

- CIOs and the rest of IT have to work alongside business leaders to achieve mutual business goals across the organization in a more standard way.
- Establish a strategic perspective focusing on how the business can operate better as a whole.
- Step out of your comfort zone and help architect and bring together parts of the organization that aren't used to working together.
- Predict demands by looking at the business, the direction it's headed in and experiment with new ideas.
- Work together to initiate new innovation projects and pilots.
- Adopt an agile approach when working on complex projects to learn from feedback and quickly readjust.
- Recognize that the majority of community-based developments are good for the rest of the organization.
- Ask for help when you need it or sense things getting out of control.
- Establish a standardized tools platform to help with rogue developments and to make sure any development is secure from the start.
- Identify the "guard rails" and boundaries that workers can walk within and really understand what they are trying to do.

About the CEC (CIO Executive Council), an IDG Brand: The CEC, a business unit of IDG Communications, was founded to serve the evolving, challenging and demanding role of the Chief Information Officer (CIO). Now in its eleventh year, the CEC has expanded its highly regarded leadership services beyond the realm of the CIO to include professional advisory services for any executive charged with strategic technology leadership.