

# **The 5 Conversations CIOs Must Have to Support Digital Business Acceleration**

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# The 5 Conversations CIOs Must Have to Support Digital Business Acceleration

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Initiatives: [CIO Role Evolution](#)

In a time of sustained uncertainty, many CEOs will turn to the CIO to accelerate digital business transformation, but to succeed, the CIO must work with other leaders. CIOs must inspire, empower and engage them to build an enduring collaboration around digital.

## Overview

### Key Challenges

- The pace of digital transformation frustrates many CEOs. They must create urgency within their own organizations as they watch competitors capture new opportunities.
- CEOs expect the CIO to create new efficiencies, new value and new ways to engage constituents. However, CIOs can't do it alone. They must work with fellow executives, who can be difficult to engage.
- CIOs need to have renewed conversations with roles in the organization that have a crucial impact on digital transformation: the chief financial officer, the chief marketing officer, the chief human resources officer, the board of directors and CIOs' direct reports.
- CIOs who have played a traditional supporting or operational role may not know how to structure such digital conversations so they lead to lasting partnerships for business growth.

### Recommendations

CIOs working to engage business leadership and stakeholders to increase their value impact should:

- Inspire your partners in a digital conversation by developing and employing empathy. Work to understand what digital business means from their perspective, using their language and focus. Then act to create a shared plan of action and success metrics meaningful to their responsibilities.
- Focus on shared power, by discussing how to navigate cultural issues, political landmines and how to sustain momentum for change.

- Engage your partner in the change by jointly mapping out a clear set of actions focused on the shared success of the enterprise in a digital world, now being shaped by multiple societal shocks.

## Introduction

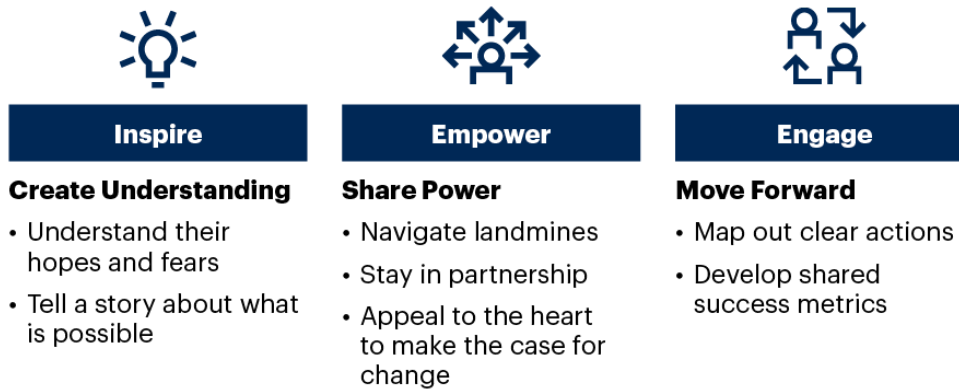
The slow pace of digital transformation frustrates many CEOs (see [“Four Definitions Make a Digital Business Strategy Process More Effective”](#)). Before the pandemic, they could not create enough urgency for transformation within their own organizations, even as they watched competitors capture new opportunities. The global pandemic has given organizations the permission and courage to change, but can it be sustained when some sense of stability returns?

CEOs expect the CIO to create new efficiencies, new value and new ways to engage constituents, as well as to support change initiatives resulting from the COVID-19 pandemic. However, CIOs can't do it alone. They must work with fellow executives. Unfortunately, many executives don't fully understand the business implications of digital technology and don't view the CIO as a business leader (see [“The Politics of Powerful Partnerships”](#)). This is about building the digital dexterity of the entire leadership team (see [“Leader-Led Digital Dexterity Development \(The Co-operators Group\)”](#)). CIOs need to know how to frame three-part digital conversations with them that will spark collaboration (see Figure 1) :

- **Inspire** your partners by understanding digital business from their perspective, using their language and focus. Then share a vision about what is possible with digital technology (see [“Create a Compelling Vision That Everyone Understands”](#) and [“Using Digital Business Narratives to Speed Digital Business Transformation”](#)).
- **Empower** yourselves by discussing how to navigate cultural issues and political landmines, and sustain a strong partnership. Appeal to shared objectives and purpose to make the case for change (see [“Selling Digital Transformation: A CIO's Guide to Crafting Better Stories”](#)).
- **Engage** your partners in the change by mapping out an action plan, a set of metrics and things they can contribute toward the shared success of the enterprise in a digital world (see [“Use the ESCAPE Model to Develop Change Leadership”](#)).

Figure 1. Three Goals of a Digital Conversation

### Three Goals of a Digital Conversation



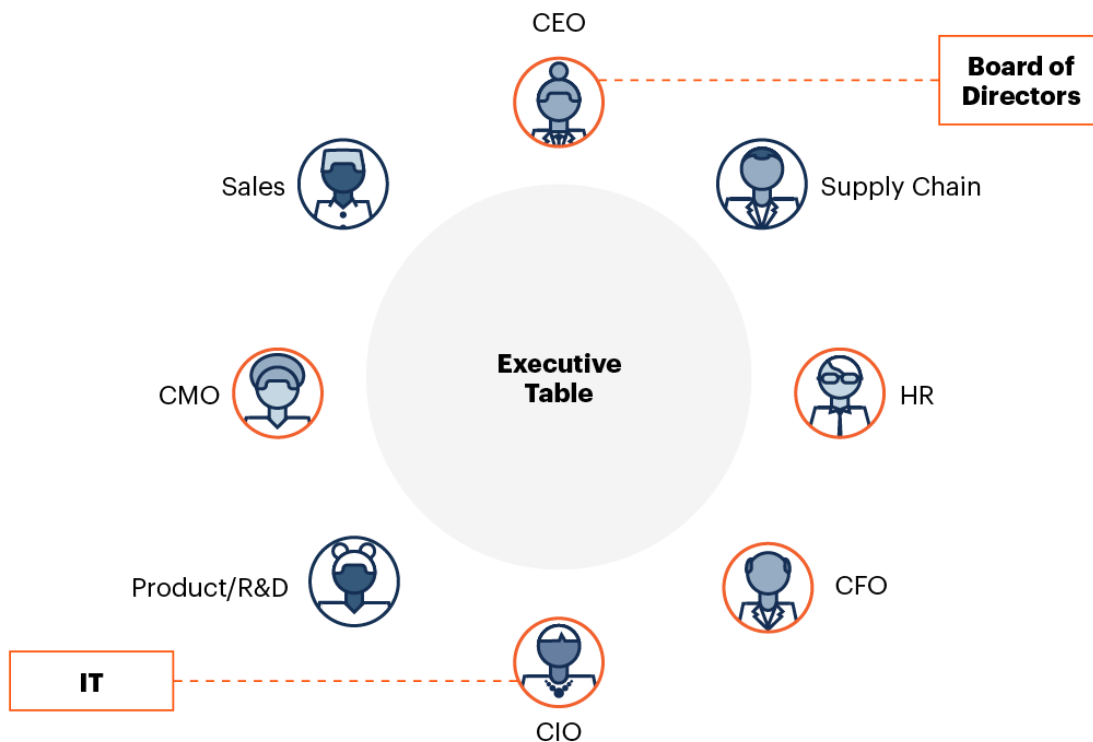
Source: Gartner  
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CIOs need to have renewed conversations with roles in the organization that have a crucial impact on digital transformation (see Figure 2). Start with these five, but know there will be others as you have more dialogue on digital transformation at the executive level:

- The chief financial officer (CFO)
- The chief marketing officer (CMO)
- The chief human resources officer (CHRO)
- The board of directors
- Their direct reports

Figure 2. Five Roles CIOs Need to Target for Digital Conversations

### Five Roles CIOs Need to Target for Digital Conversations



Source: Gartner  
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## Analysis

### Inspire the CMO With Your Ability to Exploit Data

#### Inspire

Engaging customers and planning for a return to growth are key priorities of marketers today (see [“Use Gartner’s Crisis Framework to Plan for COVID-19 Marketing Scenarios”](#)). They use every available means to attract, convert and retain customers. CIOs will foster a positive dialogue with the CMOs if they demonstrate the ability to enhance, combine and deploy customer data in ways that help CMOs achieve their goals. For example:

- Marrying marketing’s prospect and customer data with IT’s operational data will create a better understanding of customer behavior and demonstrate areas for deeper customer engagement.
- CIOs can share their expertise in hiring digital talent and engaging with external innovation partners.
- CIOs can help CMOs evaluate marketing technologies and their architectural fit with core technology platforms.
- CIOs can help CMOs plan for emerging technologies, like artificial intelligence (AI) and the Internet of Things, which can transform the customer experience and demand generation.

- CIOs can lead with listening – understanding CMO’s data and technology problems, and offering solutions.

## Empower

CMOs and CIOs have different mindsets, goals and communication patterns. CMOs must focus on immediate business outcomes, not processes and tools. They welcome alternative technology solutions, as long as CIOs talk in terms of use cases, not features (see [“The Multilingual CIO – 3 Languages for Success”](#)).

Nevertheless, CMOs are often more data- and tech-savvy than CIOs realize. Marketers have worked with data and technology for decades. Marketing is as data-driven as any function in the company. This makes the CMO an excellent partner in the creative and business-driven use of information and insight.

CMOs operate at an urgent pace. The market changes faster than the annual planning process. CIOs should assign someone from IT to sit on the marketing staff to spot issues and opportunities early.

## Engage

CIOs should co-innovate with CMOs around the customer journey, website, channels, data and security. A digital conversation should:

- Align priorities and define spheres of action for both IT and marketing.
- Develop shared key performance indicators (KPIs) around customer experience, digital commerce, demand generation, measurement and analytics, and customer service (see [“Digital Business KPIs: Defining and Measuring Success”](#)).
- Offer options for technology outsourcing, including an ecosystem of digital agencies, that can also advance marketing’s desired outcome.
- Collaborate on roadmaps that put capabilities first and technology second.

## Recommendations

- Keep trying to engage the CMOs by listening to their problems, even if they question why they should have a digital conversation with you. CMOs are often held responsible for digital touchpoints and may be in charge of digital engagement for the organization. They have large digital marketing budgets and often act as chief digital officers. However, CMOs cannot execute a digital transformation on their own anymore than CIOs can.
- Ask the CMO to have IT representation within the marketing operations team. This team will typically monitor and manage programs and be the first to spot issues with which the CIO can assist.

- Partner with the agencies engaged by marketing on digital projects. One European CIO has members of its IT team work at the digital agency two days a week – not to monitor the projects, but to ensure efficiency and security.

## Show the CFO How Digital Business Changes Industry Economics

### Inspire

CFOs want to drive business performance and ensure the solvency of the organization in the face of fractured technology systems, economic turmoil and a changing regulatory environment. CIOs can talk about how:

- Platform business models are changing the economics of the enterprise's business or industry.
- The digital business technology platform connects the organization to a wider ecosystem, while generating more insight from intelligent systems.
- New types of AI-driven analytics tools can help optimize costs.

### Empower

CFOs get frustrated when CIOs discuss the topic of shifting capital expenditure to operating expenditure (see [“Tell the CFO the Agile Team Isn't Asking for a Blank Check”](#)). CFOs believe CIOs are too close to their vendors (for example, cloud vendors) and not able to make objective decisions. Therefore, CIOs should better explain the vendor selection process and how that process contributes to improved business outcomes with strategic partners.

For technology investments, CIOs should partner with finance, not the vendor. Finance leaders need more time to evaluate investments so that they can be in a better position to advise the CIO. Simply discussing new investments in the language of finance will go a long way toward building partnership. For more detail, see [“The Multilingual CIO – 3 Languages for Success.”](#)

### Engage

CFOs take their role as financial stewards of the organization seriously. CIOs can respond to the CFO's challenges by:

- Advising the CFO to think about digital business investments as product development toward business outcomes, rather than traditional IT projects that add to ongoing expenditure
- Recommending digital KPIs that are leading indicators of financial performance
- Providing solutions, such as predictive maintenance analytics, that can improve the economics of key assets
- Offering insights to attract and retain the right type of talent for a digital world

- Working with finance on light budgeting processes that support the faster pace of digital business

## Recommendations

- Learn the language of finance and of the business model to earn the respect and trust of the CFO. For example, CIOs and CFOs think about budgeting differently. The CFO wants a clear outcome before signing off on an investment, but modern continuous delivery (such as agile development and DevOps) makes that hard. Finance thinks in terms of products, while IT often thinks in terms of projects and “keeping the lights on.”
- Guide the discussion to meet the CFO in the middle. Perhaps the IT organization can adopt a product management orientation, while finance can accommodate the experimentation and development sprints that digital business requires (see [“Product Manager Role Description for Digital Business”](#) and [“CIOs Must Ensure CFOs Account for the Value of Digital Business”](#)).

## Talk to the CHRO About Engaging the Workforce for Digital Business

### Inspire

CHROs think about how leaders’ jobs, including the CIOs’, are changing in the digital age and as a result of the global pandemic. Leaders must learn to recognize changes in the digital business environment and societal conditions, and develop and implement strategic responses to those changes. To accomplish this goal, leaders must help the workforce become digital-ready, even in the midst of hiring freezes. CIOs can help HR:

- Fill critical skill gaps, like AI and security, by partnering with the CHRO to identify skills inside the organization or find new ways to source talent (see [“Create a Skills-Sensing Network Built to Outlast COVID-19”](#) and [“Talent Strategies to Fill Skills Gaps During COVID-19”](#)). Gartner researched the work habits and behaviors of almost 5,000 employees from across functions and industries, and found that many employees outside of IT have pivoted from being only “end users” to also become technology producers (see [“Presentation: Force Multipliers Beyond IT: Harnessing Business Technologists for Efficiency and Resilience In Times of Volatility”](#)).
- Recruit workers who demonstrate high digital dexterity when conditions permit (see [“Understanding the People Side of Digital Business: An Empirical Analysis of Digital Dexterity”](#)).
- Manage labor costs with advanced analytics.
- Use analytics to improve the employee experience (see [“5 Ways Talent Analytics Can Drive Quality Business Decisions During COVID-19 and Beyond”](#)).
- Assess employee engagement (see [“Measuring Employee Engagement: Past, Present, Future”](#) and [“Get, Give, Grow: A Conversational Model for Improving Employee Engagement”](#)).



- Invite all associates to help co-create the future with a business and technology innovation program.

## Empower

Boosting the digital dexterity of the organization is an emerging priority for HR. CHROs feel pressure from the CEO to find solutions to the digital talent shortage. CIOs can help the CHRO by:

- Sharing their knowledge of how the enterprise's operating priorities are changing in response to the digital strategy (see [“Case Study: Employee Development Framework for Digital Transformation \(VDOT\)”](#)).
- Taking an organizationwide view on any technology change to minimize disruption for employees. Amid the global pandemic, this means partnering with CHROs to address the urgent need to virtualize talent processes (see [“Common Risks of Virtualizing HR Processes at Speed”](#)).
- Lending their expertise in developing and recruiting digital talent (see [“Layer Talent Acquisition Tools to Captivate and Connect With the Talent You Need”](#)).
- Demonstrating you understand the challenges and opportunities for an unplanned remote workforce (see [“Practical Tips for Maintaining Productivity After a Shift to Large-Scale Remote Work”](#)).

## Engage

CIOs should work with the CHRO to implement the right governance structures for moving digital initiatives forward (see [“Succeed With Digital Business Through Adaptive Governance”](#)). CIOs and CHROs should share responsibility through common KPIs around employee experience to make sure technology improves their ability to create value for the organization. CIOs can also offer to create a joint roadmap for the digital workplace that will enhance the organization's digital talent development and recruiting programs.

## Recommendations

- Collaborate with the CHRO to develop a continuous learning culture in the enterprise (see [“Continuous Learning Delusion Imperils Your People and Enterprise”](#)). Such a culture requires regularly setting aside work time for employees to learn new skills and securing funds for training as a standard budget item that doesn't get cut when the organization must reduce costs.
- Develop a variety of options — such as on-the-job training, university courses, third-party content, job shadowing, online training and in-person classes — so that training can be tailored for each employee and each type of skill to be learned. Agile learning can help you upskill and reskill

employees rapidly to execute postpandemic renewal strategies (see [“Renew Your Business Faster With Agile Learning”](#)).

## Tell the Board of Directors What IT Needs for Business Initiatives to Succeed

### Inspire

The board of directors often asks to speak with CIOs, because it has a question about a big project or a major security breach. These invitations give CIOs an opportunity to participate in the digital conversation with the board (see [“What the Board of Directors Needs to Know About Digital Business”](#)). CIOs must start by showing the board they:

- Understand board priorities, and understand the overarching business context and implications of those priorities.
- Know how to make those priorities succeed.
- Know which initiatives are funded and which are not — budgets don't lie.
- Are working on the board's highest priorities, like cybersecurity, and demonstrate success. Know the entire business and the industry almost as well as the CEO does.

Gartner clients tell us that a high-level perspective on the business and the industry, one rivaling that of the CEO, is essential for the CIO's advancement in the enterprise.

### Empower

CIOs get into trouble with the board when their presentations focus too narrowly on technology or project details. Instead, CIOs should take a strategic approach, explicitly linking tactics and metrics to enterprise strategy and identifying risks and opportunities. They should think through every aspect about what they are proposing — vision, planning and execution — and give the board a mature, integrated summary (see [“10 Essential Tech-Related Questions in Digital Business: Key Take-Aways for the Board”](#)).

CIOs should avoid giving the impression that they are only focused on the traditional IT agenda (such as refreshing legacy ERP). They can do so by building on the board's quickly evolving knowledge of technology and connecting activities to revenue growth.

### Engage

CIOs can appeal to the board's sense of purpose and help it fulfill its duties as guardian of the organization. For example, most boards want to avoid getting disrupted by a technology startup (see [“Measuring the Impacts of Digital Disruption: Populating Gartner's Digital Disruption Scale”](#)). Accordingly, CIOs can:

- Help the board understand the landscape of potential digital competitors and how it could change in the next 12 to 24 months.
- Recommend a board member from a digital giant or other tech-savvy company.
- Tell a story about what digital business success looks like (see [“CIOs Emphasize Value, Not Technology, When Communicating Strategy to the Board”](#)).

## Recommendations

- Show your commitment to becoming a digital business leader by gaining operations experience. Executive recruiting firms that search for CIOs tell us that business operations, knowledge and experience are so important that a CIO should invest in a lateral move to obtain them.
- Shift from a project management to a product management perspective (see [“Adopt Digital Product Management to Achieve Digital Business I&T Delivery”](#)). Look for opportunities to assume profit-and-loss responsibilities, such as by leading internal startups. Your way of looking at the business will then align more closely with the board’s.
- Practice the art of storytelling — an essential skill for a digital business leader (see [“Selling Digital Transformation: A CIO’s Guide to Crafting Better Stories”](#) and [“A Practical Approach to Presenting to the Board of Directors for CIOs”](#)).

## Provide the Psychological Safety to Give Your Direct Reports the Confidence to Execute Digital Business

### Inspire

CIOs need to address the feelings, hopes and fears of the people who report to them, especially in these times of turbulent change. They will have questions about the impact of digital business and its possible acceleration:

- Will we still have a data center?
- How can we deliver this change without more or different resources?
- Is transformation even possible?
- Will I still have a role amid increasing automation?

CIOs need to instill comfort, control and confidence through your interactions with them by drawing out the “why” behind these questions (see [“CIOs Can Accelerate Digital Business Decision Making by Building Enterprise Emotional Intelligence”](#)). CIOs shouldn’t just take them at face value. “Yes, we’ll still have a data center” doesn’t address the anxiety that prompted the question. What people

really want to know is whether they will still be relevant amid all this technology change and what they have to do to stay relevant.

## Empower

CIOs cannot empower their direct reports unless they understand the politics of their team and their own biases. CIOs must avoid three landmines to scale their team for success:

- **Beliefs.** CIOs should not assume that others know what they know, otherwise known as “false consensus bias.”<sup>1</sup> At the start, level-set the conversation by understanding where others are in their journey to change, and adapt to the digital era. It will take time for colleagues to incorporate the new reality of digital into the enterprise.
- **Status.** When direct reports ask clarifying questions and situational questions, they are not challenging the CIO. Rather, they are trying to come to terms with the crossing of traditional territorial boundaries that digital initiatives require. CIOs must listen to feedback and concerns, and use these as opportunities to improve their communications.
- **Control.** CIOs should not strive to be the sole owner of the digital transformation story and interpretations of the future. Empower your direct reports by co-creating the change. Let direct reports interpret it and add color, depth and character. CIOs must create the psychological safety to let their direct reports grow into the new roles they must play and bring them to life. Everyone needs to have a meaningful part, so CIOs should share control to achieve a better outcome.

## Engage

CIOs should also equip their direct reports to have digital conversations with their peers by:

- Sharing what they (CIOs) are learning. CIOs need to constantly share their digital vision, listen to input, refine, adapt and then repeat.
- Encouraging them to network. CIOs should help them build connections outside their regular circles.
- The digital journey will be easier for CIOs to make if their leadership team accompanies them. CIOs must help their direct reports see themselves in the future by having co-created the journey and able to identify the actions they will take and cascade this into their teams.

## Recommendations

- Ensure your direct reports view the exchange as a true conversation, not as one-sided. Often, they will expect you to tell them what they need to think and do. To avoid falling into this trap, use empathy to understand the people you are talking to, and approach the conversation without any preconceptions about the answers your organization needs to find, so that you involve them in seeking answers together.

- Evaluate what percentage of your people's time is spent servicing technical debt. In some cases, you may not have the right people. But it is also likely that you have many of the right people. They're just stuck doing the wrong things. Create a roadmap that frees them from low-value tasks, and positions them to create the digital platform your enterprise requires.
- Foster a growth mindset and use culture hacking as techniques to accelerate digital transformation (see ["Use Culture Hacking to Foster a Growth Mindset and Accelerate Digital Transformation"](#)).

## Evidence

We based this document on Gartner's extensive research into digital transformation and on discussions with Gartner analysts who focus on other corporate executives and functions, in addition to the CIO and IT.

<sup>1</sup> ["The False Consensus Effect: Why People Assume that Everyone Agrees with Them,"](#) Effectiviology.

## Recommended by the Authors

[What the Board of Directors Needs to Know About Digital Business](#)

[CIOs Need Organizational Change Management and Change Leadership for Digital Business](#)

[The Multilingual CIO – 3 Languages for Success](#)

## Recommended For You

[Increase Focus on Data Integration to Surmount IoT Data Proliferation](#)

[Summary Translation: 2020 Retail Digital Transformation and Innovation Trends](#)

[Summary Translation: How to Build a Successful Business Case for Desktop Virtualization](#)

[Critical Capabilities for Sales Force Automation](#)

[2020 Audit Plan Hot Spots 2Q Follow-Up: COVID-19, the Economic Downturn and Crisis Response](#)

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