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The Transformation of the CIO:  
Enterprise, Expertise and Industry Evolution



*Back row, left to right: Vidya Gopinath, Hitachi Data Systems; Adrian de Luca, Hitachi Data Systems; Michael Draheim, Metro South Health; Kent Christiansen, Smart Services Queensland; Gwilym Davies, Brisbane Airport Corporation; Matt Dargie, Computer Merchants; Marianne Vosloo, Suncorp; Sue Coulter, CUA; Luke Abercrombie, QSuper; Chris Turnbull, Department of Treasury; Peter Westerveld, Norton Rose.*

*Front row, left to right: Ramon Gavranic, KPMG; Petra Markova, Hitachi Data Systems; John Rumery, Hitachi Data Systems; Andrew Mills, Queensland Government; John Brand, Forrester Research.*

## The Transformation of the CIO: Enterprise, Expertise and Industry Evolution

Last month 12 of Brisbane's leading IT executives attended the 2nd installment of OmniChannel Media's and Hitachi Data Systems Executive Dialogue series entitled: 'The Transformation of the CIO: Enterprise, Expertise and Industry Evolution'.

The two-hour luncheon provided an opportunity for some of Brisbane's leading CIOs and IT Executives to explore how the role of the CIO has changed within the business. The platform also afforded the executives a chance to discuss how CIO's should be approaching an internal shift towards technology adoption, and what their roles might look like in the future.

The keynote speaker was John Brand, CIO Advisor at Forrester. The event moderator was Adrian De Luca, the Chief Technology Officer for APAC at Hitachi Data Systems.



# Introduction

In his opening presentation, Forrester's John Brand provided a springboard for discussion by exploring how the role of the CIO has shifted in focus.

Brand believes this that this shift is due to the ever-evolving impact of technology from within the workplace. 'The role [of the CIO] now demands that CIO's co-ordinate and unify across diverse business operations,' Brand said.

Brand continued by exploring the idea that due to the fact organisations are placing more emphasis on digital transformation and innovation projects, the role of the CIO has diversified to one that both serves the business, as well as innovates.

'Forrester often refers to CIO's as no having two agendas: the Information Technology (IT) agenda and the Business Technology (BT) agenda.'

'[The BT agenda] specifically refers to the CIO's role in helping the organisation to become customer obsessed, and applying technology to win, serve and retain customers.'

Brand explained that the dichotomy of innovation and operation within the role of the CIO was forcing the IT department to diversify. Increasingly, organisations are creating new digital and innovation roles such as the Chief Digital Officer and the Chief Innovation Officer. Brand explained that although positive for the business, the CIO should continue to have fundamental oversight over all technology projects.



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**John Brand**  
Forrester Research



# The Internal Shift

Central to this change is the idea that CIO's and their teams are considered by company's as being customer-facing executives.

This perspective comes from the the idea that digital engagement has become the most critical point of connection between the business and their customer. With this, the CIO has been pushed into the forefront of customer delivery:

'The IT organisation is no longer a purveyor of technology and a guardian of applications and infrastructure,' said Hitachi Data Systems Adrian de Luca.

'Instead, they have the dual challenge of continuing to delivering existing services in more efficient ways whilst introducing new innovative technology solutions responsive to competitive and disruptive market forces.'

Following this the discussion looked at how organisations should best respond to these disruptive forces. Critical to this challenge was the belief that technology was no longer a conversation only for the technologists within the business, rather for the whole of the business.



## Influencing at CXO Level

With the new level of influence that CIO's now have within the business, the group discussed the need for the CIO to have a greater impact on influencing business decisions and strategy. Due to the impact technology has on the health of modern day business operations; CIO's are now being called upon to drive business strategy from an operational level.

'It is important for the CIO to assist the business in reaching new customers through digital leadership. In an era where business success is increasingly enabled by cloud services, big data and mobility, the CIO needs to influence other CXO's through trusted collaboration,' De Luca commented.

With the CIO now being required to influence business decisions, the group discussed the trend of non-IT executives taking up senior technology roles. It was noted that in diversifying the skill-set of IT team within an organisation, greater levels of collaboration and creativity could be achieved.

Critical to mapping out the IT and innovation agenda for a business is the idea that the CIO should also have an acute understanding of the business and its operating market. Having these peripherals intern diversifies the role even more, with CIO's needing to develop a strategic skill-set, akin to the business acumen of a CEO or COO.



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**Adrian De Luca**  
Chief Technology Officer – APAC,  
Hitachi Data Systems



# Revenue Generation

With presence and influence at the top-level, CIO's are also going to be held to account from a revenue generation perspective from within the business.

As a consequence of the role of the CIO shifting from being operationally focused to one of seeking out business solutions, the CIO will be required to identify ways in which the business can increase its output and grow its customer base.

'CIO's are no longer being asked to just focus on cost reduction to increase bottom lines, but being asked how to monetize information through analytics, reach new customers or businesses through mobility which all go to increasing the top line,' De Luca noted.

Cloud, applications, analytics, and virtualization were all discussed as being ways in which CIO's can add to company revenue streams. However it was also noted that the cost of legacy systems must be incorporated into any business transformation aimed at increasing revenue.

From a customer facing perspective, the group discussed that being aware of the disruptive forces within their own industries was crucial to understanding how technology can be leveraged to enhance the customer experience.



## Conclusion

It was concluded by the group that although traditional operational issues consume a fair portion of time, it was clear that IT was becoming a genuine business partner to underwrite performance and success.

'The CIO's role is no longer just about technology management but increasingly "business service management",' Brand concluded.

Being a market leading CIO requires executives to have strong empathy for the customer experience, whilst remaining creative, collaborative and malleable with respect to IT operations. A successful IT executive no longer delivers, rather creates and expands.

Integral to this evolution is the need for CIO's to continue to innovate and force disruption from within. This means having the ability to self-assess, as well as bring in external parties to identify challenges and offer solutions. The impact that this thinking could potentially have on an organisations prosperity cannot be underestimated.



## About OmniChannel Media:



OmniChannel Media is one of Australia's leading online tech publications for Australian CXO's. We create a range of digital content, as well as host industry events that look at how technology, innovation and disruption is impacting the way CXO's approach business enablement.

## About Hitachi Data Systems:

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