

The IT Guy Becomes a Player

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Back in the days of mainframes, the ubiquitous “IT Guy” was responsible for planning, building and maintaining in-house infrastructure, as well as developing custom solutions to automate back-office functions. And while the role evolved some over the years, the first truly tectonic shift occurred when cloud computing emerged, combined with aftershocks in the form of mobile, social and Big Data. As technology became commoditized and consumerized, some analysts suggested in-house IT would become obsolete.

In reality, the role of the IT Guy is evolving into one of greater value and significance.

Recently, IDC and Forrester Research, two of the largest technology industry research firms, released predictions that IT is poised to take the lead as companies move toward their digital futures. The reason: While many companies outsourced their initial forays into cloud and mobile applications, they can’t continue to depend on external consultancies for much longer. Digital transformation is so critical to the future of businesses, the analysts say, that relying on external parties to provide solutions will be too dangerous. In-house IT will, of necessity then, become the core driver of “how business does business.”

Taking on a more important role

Even in today's quicksilver environment, the role of the IT department has increased in value across the enterprise, as it works with various internal teams and links its goals to the wider objectives of the business. A recent survey by Forrester asked company executives to name the most important senior leader in driving or supporting business transformation and innovation, and one of the top answers was the CIO – ahead even of the CEO.

As the master of all things digital, talented CIOs are perfectly positioned to take the lead on leveraging new tech elements to help shape a business' overall strategy – and use high-performance networks to effectively pursue it.

This new, more challenging—but much more valuable—vision of the IT Guy's role as an innovator and strategist also seems to be widely accepted, according to a survey by Gartner Research.

The CIO as chief innovator is trending up: The Gartner survey says more CIOs are adding value to their roles by leading boardroom discussions about using cloud, mobile, analytics and social technologies to drive new product development, online marketing and other customer-facing initiatives. The research firm concludes that the perception of the CIO has evolved from an IT service provider to an enabler of digital products that support business.

And that's only the beginning. The next great leap for businesses will be the Internet of Things (IoT), and CIOs will have the opportunity to lead by solving the challenges that will come with IoT integration.

Three types of CIOs

“IoT requires the creation of a software platform that integrates the company’s IoT ecosystem with its products and services,” says Peter Sondergaard, senior vice president, Gartner Research, adding that CIOs will be the “builders” of the new digital platforms and high-performance networks that IoT projects will require. However, while the change of role might be adventurous for some, not every CIO wants to embrace the change from being operational to innovative, according to an IDC study, “The Changing Role of IT Leadership: CIO Perspectives for 2016.”

The study outlines three types of CIOs: operational (keeping the lights on and costs down); business services manager (providing an agile portfolio of business services); and chief innovation officer (business innovator).

Business innovator is the role CIOs must play in order to have a meaningful future, says Michael Jennett, vice president for enterprise mobile strategy at IDC.

“For these executives to stay relevant, they must shift their focus to transformation and innovation,” he adds. “CIOs who stay operational will find themselves further marginalized over the next three years.”

The big question for many businesses, then, is will the IT Guy be prepared to incorporate an understanding of the company’s mission and develop value-added strategies to generate, as Jennet says, “revenue out of what you do.”

Interestingly, the IDC study found that while more than 40 percent of line-of-business executives view the CIO as an innovator, only

25 percent of CIOs describe their own role that way, with more than 40 percent viewing themselves as primarily operational, and 34 percent as business service managers.

However, with global digital commerce revenue at over \$1 trillion annually, CEOs see digital as fuel for growth, and expectations for IT departments are running high. To succeed in this environment, and bring value, the IT Guy needs to rise to the occasion and take on responsibility for digital innovation, as well as maintaining the infrastructure.