

# FEARLESS: GOING BEYOND TECHNOLOGY TO DRIVE TRANSFORMATION



*Trends, Strategies and Insights from senior  
technology leaders of enterprise scale organisations*

# THE DISCUSSION TOPIC

What are boards looking for in the modern technology leader?

**D**igital leadership is sought after by CEOs and boards. Yet many technology leaders still find themselves in reactive mode: weighed down by traditional responsibilities and infrastructure.

Having a flexible, adaptive, cloud-based infrastructure is no longer a differentiator, it's your entry stake. How can the modern CIO drive digital transformation and cultural change? Which partnerships are necessary now for long-term success? To find some answers to these questions, Digital Edge convened some of London's most forward-thinking business leaders at its last session of 2019.

## THE DISCUSSION

This report has been compiled based on the views and opinions of leaders from some of London's leading organisations, as voiced at the latest meeting of Digital Edge.

## OUR SPEAKER

Leading the discussion is Neil Pilkington, Director CIO & Digital Practice at Norman Broadbent. Neil has over twenty years' experience in executive search. Focusing primarily on the appointment of CIOs, CDOs and CISOs, he is an expert in the acquisition, appointment and retention of transformational talent.

In his capacity as a technology leadership specialist, Neil has had the pleasure of working with many different types of organisation; from FTSE100's to start-ups across every sector. He will be looking to share the top 5 key traits boards are looking for in a modern technology leader.

## BOARD REPRESENTATION

Our Chair started by highlighting the changes in representation that have happened during his career. At that point, only 20% of boards had CIO representation.

*"...and most of the time those technical people were only there to hear what they would be doing next first-hand."*

Now, that figure is closer to 40% and the vast majority of tech leaders on boards are actively making a contribution.

"Who is responsible for introducing an executive to this community? The CEO, fact-checked by the Chairman, and sense-checked by the board. It's probably the only step up you'll ever take where you have to make sure you've networked everyone and got everyone's approval – it has to be

a foregone conclusion you should be on executive."

### Neil argued there are five things the board wants:

- Someone who can put the customer and business first (because they are suspicious of tech)
- Someone who is a trusted partner
- Someone who demonstrates cross-functional contribution
- Someone who demonstrates innovation and ideas
- Someone who is "one of us"

## THE QUESTIONS TO ASK YOURSELF...

### Neil outlined some of the key questions to ask if you have ambitions to win board representation.

- Is what you do fundamental to the running of the organisation?
- Do you control a large part of the budget allocated to develop the business?
- Is what you do fundamental to the business?
- Do you play a major role in strategy development?
- Does your department play a large part in generating the value the business generates?
- Are you likely to succeed in your current company?
- How are you perceived in the business? By the exec? By the non-exec?
- What have you done so far? How long have you been there? What's your trajectory? What have you delivered?
- Who are your supporters? Who are not?
- Who appoints people to the board? Who doesn't like you? Why don't they like you? What do you have to do to change their opinion?
- What are the characteristics of the current board?
- How long has the current executive team been in place? What's the make up?
- Does anyone "get" tech?
- Does anyone want to change the business?
- How is the business performing?

Neil commented, "If you want a board position, you have to be able to demonstrate these characteristics and, if you can't, you need to move to a company where you can."

# THE DISCUSSION

## THE CHALLENGES THE TECHNOLOGY LEADER FACES

Our guests outlined a variety of issues with which they are grappling.

“There is a mis-match between the guys at the top and the guys who want to push new technology. As a result, someone coming from tech will never be ‘one of us.’”

“Boards want greater diversity, but that is heavily skewed to gender diversity. It’s a very difficult situation because of the lack of representation within appointable platforms.”

*“There’s nothing worse than being the person who wants to change things, but you can’t get traction... then the share price starts falling as the business is not seen as forward-thinking...”*

“FTSE 100s are very large ships and hard to turn around. But when they recognise they are losing revenue to disruptors, that’s when change happens.”

“People in tech coming to the board need to be able to talk the same language – about share price and delighting customers.”

“Business language can also be about ‘risk’ and ‘technology risk.’”

## HIGH-TECH OR LOW-TECH?

“How you present to the board depends of the type of company – is it high-tech or low-tech? Is it in finance? Or retail, etc...? Do they see technology as an enabler or as a cost?”

“The benefits statement you make to the board is the same whatever type of company you are.”

“You don’t need to be able to explain the mechanics of it to the board, as long as they’re happy enough with the outcome, that’s enough.”

“You do need to talk business. Most of the board are in their 60s and 70s, and they don’t get the how or why of tech –

they just know they need to do it. So, by speaking their language and then subtly introducing the tech, you will get a much better likelihood of selling your ideas.”

“I don’t think there is any such thing as a low-tech company any more!”

“I know someone in a pie-making business and the only things that happen on computers there are the invoicing and ordering. It’s definitely low-tech.”

“But should they be?!”

## LEGACY AS “HERITAGE”

Later on in the evening we had a fireside chat made up of technology thought leaders from Verizon, Riverbed, Juniper Networks and Versa Networks. Some of our panel thought that that we need to think about legacy in a different way

*“There’s no point talking about decommissioning legacy, there’s a lot of business knowledge that sits within those systems and that data and you need to think about how you use that and how you integrate those people. You want to avoid the situation where your legacy people take a back seat and say ‘it’s not for me’. Legacy should be seen as a strength.”*

“We call it heritage not legacy! Legacy has such a bad connotation – so, it’s called heritage for the people who look after it.”

“We have problems with ‘heritage’ and every possible security issue and vulnerability that legacy spec brings with it.”

“Yes, but we need to look at modernising, de-platforming, deputising, automating or integrating that heritage stack; to put that investment into legacy to bring it in line with the future rather than cut it loose completely.”

# THE DISCUSSION

## DIGITAL TRANSFORMATION

"There are different interpretations of digital transformation between different organisations – and different interpretations within organisations."

*"Digital transformation isn't an overnight thing and it isn't the only project that an organisation will have ongoing. You need to keep an eye on how the digital transformation project feeds into other projects, and keep people updated about integration, strategy, investment and training."*

"Training isn't only about the skillset of the people implementing the project. The people benefitting from it need training on the benefits – including your customers!"

"I think we underestimate the time it takes for behaviours to change. You need to shoot for the moon to make meaningful change, so you do put really hard objectives in – so I'm not surprised that only 15% of digital transformation projects achieve their objectives."

"There's a real disconnect between wanting the outcomes and the desire to put the effort in to get up that mountain."

## SECURITY ISSUES

A quick survey found that 49% of our attendees are implementing their digital transformation journey either completely or mostly inhouse, but wish they had another option.

"There is a growing cynicism about the security implications of digital transformation and how you can serve that."

"You used to know where the perimeter is, but now there is a lack of visibility of that perimeter – and that's a security risk. So how do I protect my assets? The concept of digital resilience takes on a new importance."

"It's about trust. Getting external trust is much harder than internal trust, and that is a problem for third-party suppliers."

## ARTIFICIAL INTELLIGENCE

Some guests are already implementing AI projects. "We're now at a point where AI is starting to make some decisions but the human still has the ultimate decision."

"My board is challenging me: how can I provide assurance the AI is working as hard as it could be? And is it making the best decisions?"

Understanding and mitigating bias is a key area of concern.

"A really fundamental part of it is that it's a human who selects that data – even before you get to the teaching. At least for now!"

"You need to understand the things you can measure and the outcomes you want. You can see how those measurements change and how that affects outcome."

"It's important to have a comparison – so you can compare outcomes to a human doing the same job."

"We found the AI could replicate the human and achieve the same 70% success rate. But we could raise this success rate to 95% if the machine does the pre-processing to get a better human decision."

*"There's a deep learning part of it. If those bad processes always give a bad result, and you teach it that's a bad result, the AI will change the parameters. Hopefully, over time, it will change the parameters enough to change the process."*

"I have a more pessimistic view; I think it is dystopian and sinister. AI is a bad actor's dream."

"It's an arms race."

## THE CONCLUSION

Our discussion considered the different elements that make a successful technology leader in 2019. We considered how to build a team and create the right culture to support your organisation's change objectives. CEOs, COOs, CIOs and other senior leaders from organisations such as GSK, Santander, Network Rail, Société Générale, Selfridges and select others convened for this meeting of Digital Edge at the Army & Navy Club in London's Pall Mall.

To gain the in-depth insights that our guests benefited from, book your place for next time via our website:

[www.digitaledge.club](http://www.digitaledge.club)

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