Executive Summary Report

Gartner CIO Leadership Forum 2014 was held February 23 through 25 at the JW Marriott Desert Ridge Resort & Spa in Phoenix, AZ, with nearly 500 CIOs on-site. This report summarizes and provides key highlights from the event, including:

2 Conference co-chairs’ reflections
3 2014 CIO Agenda highlights
4 Keynote take-aways
5 Snapshot of attendees
6 Peer-to-peer roundtables
6 Roundtable mobile polling results
9 Maturity Assessment survey results
10 Sponsors
11 Post-event resources
12 Symposium/ITxpo 2014 guest keynotes
Reflections from the conference co-chairs:

The digital reality

At this year’s forum, we focused on the theme “Digital Reality: Meeting the Challenge. Leading the Change.” Almost universally, our CIO attendees supported our key message — the digital reality is here — but many of them were still challenged to better understand their place in it or how to effectively lead in it. It appeared that the level of cross-organizational collaboration needed, the lack of clear ownership, and the competing agendas of different parts of the business present a daunting set of obstacles to a clearly executable path. What may be needed in the digital reality is a new way of working — one designed to drive collaboration and problem finding, abandoning old hierarchies and power bases and letting innovation spring up from all corners of the organization.

Digital leadership

In reflecting on the evolving nature of the discussion year over year, a sense of urgency has increased and the acceptance of the digital reality is high. Also, there are more places where revolutionary changes in how organizations become digital are evident. And newcomers and established organizations alike are reinventing themselves dramatically. So there is hope. But the task requires a level of dialogue and vocabulary that many of our CIO attendees admit is not what they have established, and many more now conclude that they must assume digital leadership. They are coming to the realization that this is the case for everyone and that they are best placed to step forward from the crowd.

The leadership capability is the more challenging issue. We as CIOs understand the need better than anyone; we are best equipped to build digital capability, but we must find a voice. Many conversations were about just that, how do we rebrand ourselves and our role or organization in a fundamental way? This is about our ability to re-educate our colleagues and our own teams, who, we believe, will resist re-education as it threatens the status and certainty about their role in the digital reality. It will be hard, but it must be done and done now.

Peer-to-peer workshops

CIO attendees expressed a desire for even more opportunities to spend meaningful time improving their abilities to prepare themselves to lead in the digital reality, including:

- Developing their ability to influence, use their communication strategies and techniques (the prime tool for re-education), and understand and manage individual relationships and group dynamics

- Having better soft skills — a hard reality for many; there are not many safe places to learn and practice these in a true peer group

Thank you to all the CIOs who took time from their busy schedules to join us on-site. As always, it’s a pleasure to meet you individually and as a community of business leaders.

Heather Colella
Vice President
Gartner Research

Michael J. Leckie
Vice President
Gartner Executive Programs
Taming The Digital Dragon: The 2014 CIO Agenda

Dave Aron, Vice President and Gartner Fellow, reveals some of the key highlights from the annual Gartner CIO Agenda survey, which includes responses from more than 2,000 CIOs, representing $300 billion in CIO IT budgets in 77 countries.

In 2014, CIOs face the challenge of bridging the second and third eras with a three-part response. They have to build digital leadership and bimodal capability, while renovating the core of IT infrastructure and capability for the digital future.

We need a three-part response to tame the “digital dragon”

Most businesses have established IT leadership, strategy and governance but have a vacuum in digital leadership. To exploit digital opportunities and ensure that the core of IT services is ready, digital leadership, strategy and governance must be clear, and all business executives must become digitally savvy.

There is a fast-rising trend to hire chief digital officers who are more likely to come from roles in the rest of the business than from IT. Whatever their previous roles, digital leadership must be clear and powerful. Clarifying the coverage and scope of digital leadership, and integration with enterprise IT leadership, should be high on every CIO’s agenda in 2014.

But individual digital leaders are not enough — all business leaders must become digital leaders. The 2014 CIO Agenda survey found that the CEO’s digital savvy is one of the best indicators of IT and business performance. To raise digital awareness and digital savvy in your organization or public-sector agency, consider interventions such as digital nonexecutive directors, technology showcases, “hackathons” (intensive periods for discovering and creating innovations), and reverse mentoring.
Keynote take-aways

George Westerman
Research Scientist, MIT Sloan, MIT Center for Digital Business
- To lead in the digital reality, one needs digital mastery — the combination of strong digital and leadership capabilities — which is clearly linked to performance.
- Digital mastery varies widely.
- Every industry has its digital masters but there is still opportunity and a road map to follow.

John Maeda
Design Partner, Kleiner Perkins Caufield & Byers
- We must consider different ways of looking at our world to see the breakthrough opportunities.
- The importance of design and artistic thinking is a differentiator that is growing in importance.
- We must design for the needs of our customers, not for our needs.

Dorie Clark
Harvard Business Review and Forbes Contributor, and Author of “Reinventing You”
- In the digital reality, active “Brand You” management is mandatory.
- You need to manage your brand like a project — it is not a happenstance outcome.
- You have a brand and growing brand awareness, whether you manage it or not, and you will be treated accordingly — there is no status quo on brand, manage it or it will manage you.
### Snapshot of attendees

Who participated in the 2014 conference?

#### Industry Sectors

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage of Registration</th>
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<tbody>
<tr>
<td>Government</td>
<td>24%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>18%</td>
</tr>
<tr>
<td>Banking, Finance and Insurance</td>
<td>15%</td>
</tr>
<tr>
<td>Services</td>
<td>10%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>9%</td>
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<tr>
<td>Energy and Utilities</td>
<td>6%</td>
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<tr>
<td>Technology and Telecom</td>
<td>6%</td>
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<tr>
<td>Education</td>
<td>4%</td>
</tr>
<tr>
<td>Retail</td>
<td>4%</td>
</tr>
<tr>
<td>Transportation</td>
<td>2%</td>
</tr>
<tr>
<td>Media</td>
<td>1%</td>
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</table>

#### Enterprise size

<table>
<thead>
<tr>
<th>Enterprise Size</th>
<th>Percentage of Registrations</th>
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<tbody>
<tr>
<td>XX-Large</td>
<td>18%</td>
</tr>
<tr>
<td>X-Large</td>
<td>14%</td>
</tr>
<tr>
<td>Large</td>
<td>15%</td>
</tr>
<tr>
<td>Medium</td>
<td>12%</td>
</tr>
<tr>
<td>Small</td>
<td>11%</td>
</tr>
<tr>
<td>Government or Public Sector</td>
<td>24%</td>
</tr>
<tr>
<td>Unknown</td>
<td>6%</td>
</tr>
</tbody>
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### Top 10 analyst one-on-one topics

- Digital business strategy and road map
- Business and IT strategy
- IT strategic planning
- Business value of IT
- CEO/CIO communications and C-suite relationships
- Governance
- Information management
- Organizational design
- Talent and workforce management
- Vendor management

### Connect with Gartner and C-level peers

Gartner CIO Leadership Forum is on Twitter and LinkedIn:

- Twitter: @GartnerCIO
- LinkedIn: Gartner Symposium/ITxpo group with more than 8,000 senior IT leaders
New! Peer-to-peer roundtables

CIOs gathered to lead roundtable discussions on cross-industry and industry-specific topics and seemed to really enjoy this new format! Mobile polling opened and closed the session to offer CIOs a chance to benchmark digital maturity and share opportunities and barriers on topics they voted as most relevant. CIOs identified culture change as the biggest barrier to digitalization and identified growing the top line and providing new IT service offerings as their largest digitalization opportunities.

Roundtable mobile polling results

How advanced is your understanding of how to apply digitalization at your organization (from 1 to 5, 5 being the most advanced)?

1  2  3  4  5
Just starting  Have some informal ideas we are putting together  I lead digitalization efforts in my organization

26%  22%  26%  15%  11%
What are your biggest barriers to digitalization?

- Culture change: 40%
- Skills and capabilities insufficient: 26%
- Business partners not ready: 20%
- Technology platform not ready: 14%

What are the biggest digitalization opportunities for your organization?

- Increasing operational efficiency and effectiveness: 19%
- Providing new IT service offerings for the business: 19%
- Speeding innovation: 12%
- Creating new partnering opportunities with the rest of the business: 6%
- Growing the top line: 23%
Which functions are providing digital leadership and innovation at your organization?

- Sales: 14%
- Marketing: 27%
- Manufacturing: 4%
- R&D: 4%
- Customer service: 4%
- Other: 47%

How has your thinking changed regarding biggest barriers to digitalization?

- My perspective remains the same — but I have new options to address the barriers: 67%
- My perspective has changed — I have clarified new barriers to overcome: 19%
- My perspective has changed — I have both clarified new barriers to overcome and options to overcome them: 14%

How has your thinking changed regarding biggest digitalization opportunities?

- My perspective remains the same — but I have new options to address the barriers: 63%
- My perspective has changed — I have clarified new barriers to overcome: 30%
- My perspective has changed — I have both clarified new barriers to overcome and options to overcome them: 7%
Now that you might have considered several options for digitalization, who should be your digitalization sponsor?

- Sales 9%
- Marketing 28%
- Manufacturing 5%
- R&D 5%
- Customer service 17%
- Other 36%

Digital Maturity Assessment survey results

New Digital Maturity Assessments took place at this year’s event — a personalized depiction of attendees’ organization’s digital maturity across the key business model framework. Click here for a Digital Maturity Benchmark Summary for some of the collected key metrics.
Thank you to our sponsors

CIO Leadership Forum 2014 attendees met with the following solution providers to discuss the latest innovations, services and products. Thanks to our sponsors for helping make the 2014 forum a lively, informative and rewarding experience.

Platinum Sponsors

Kiosk Sponsors

Innovation Showcase

During the Innovation Showcase, CIOs viewed technologies from exciting startups and mainstream vendors that are changing the way we sense, represent and interact with our world. This year’s showcase featured robotics, unmanned aerial systems, telepresence, 3D printing and scanning, augmented or virtual reality, and gamification.

Gartner would like to express a special thank-you to our exhibitors who stretched our imagination on the possibilities of emerging technologies for competitive advantage:

Anybots, virtual presence systems
Badgeville, the behavior platform, enterprise gamification solution
Embry-Riddle Aeronautical University, unmanned aerial systems
Gamma 2 Robotics, vigilant security robots
Metaio, the augmented reality company
NextEngine, 3D laser scanner
Sixense, immersive 3D modeling for print
Stratasys, 3D printing
Vuzix Corporation, wearable smart glasses
WorldViz, enterprise-class virtual reality software platform
Post-event resources

**Download session presentations**
Download the available session and workshop presentations from Gartner CIO Leadership Forum 2014. These can be a valuable resource for future reference and a great way to share with colleagues what you learned. Click here to access the documentation page on Gartner Events Navigator.

**Learn more with relevant research**
Want to learn more about the general session topics that interest you most? Turn to the end of the session presentations for a list of related Gartner research notes. Select Gartner research is available on demand at [gartner.com](http://gartner.com).

Save the dates for more CIO-focused events around the globe

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**Gartner CIO Leadership Forum 2015, March 1 – 3**

We’ll return to Phoenix, AZ, at the JW Marriott Desert Ridge Resort & Spa. Bookmark gartner.com/us/CIO and check back for 2015 forum updates.

View all Gartner events by role

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India | Japan | Brazil | Spain | Australia

For a complete list of Symposium/ITxpo events around the globe, visit gartner.com/symposium.
Continue your CIO journey in Orlando where we’ll further define in practical terms what the digital business means to you and your organization.

Just-announced CIO luncheon guest keynotes

Arianna Huffington  
President and Editor-in-Chief, The Huffington Post Media Group  
Arianna Huffington is the chair, president and editor-in-chief of The Huffington Post Media Group, a nationally syndicated columnist and author of 13 books. Her new book, “Thrive: The Third Metric to Redefining Success and Creating a Life of Well-Being, Wisdom, and Wonder” (March 2014), follows up on the success of her acclaimed Third Metric conference, offering women (and men) a new definition of success, one that focused not only on career advancement but also on the equally important goals of health and well-being, personal fulfillment, giving back and living a life of purpose and meaning.

Patrick Lencioni  
Founder and President, The Table Group  
Patrick Lencioni is founder and president of The Table Group, a firm dedicated to providing organizations with ideas, products and services that improve teamwork, clarity and employee engagement.

Robert McKee  
Story Lecturer  
Robert McKee is at a unique crossroad in modern media storytelling. His teachings have spread beyond the screen and stage to influence all story forms. Writers, media professionals and business leaders from all over the world read Mr. McKee and attend his packed international seminars for an exclusive deep dive into the narrative potential of their material.

Learn more at gartner.com/us/symposium