THE STRATEGIC CIO

LEADERSHIP

Top of stack: the rise of the connected CIO

Companies are increasingly seeing their IT chiefs as high-level business advisers. What are the skills that have enabled them to escape the tech silo and assume truly strategic leadership roles?

Christine Horton

The role of the IT chief is changing fast. Recent research by CIO.com indicates that, within three years, more than half of corporate tech chiefs will focus less on overseeing functional work and more on developing strategies for the whole business.

While the CIO's stock was already on the rise before the Covid crisis, the move from basement to boardroom has been fast-tracked by the pandemic. When the first lockdowns were imposed, it was CIOs who drove the urgent shift to digital platforms and services. As a result, their organisations increasingly view them as strategic advisers, inevitably blurring the lines between the IT function and the wider enterprise.

The growing strategic importance of the CIO is highlighted by recent increases in the rewards offered by the role. A survey by recruitment firm Mondo indicates that the average CIO salary has risen by 21% year on year in the US, for instance.

So what accounts for the greater emphasis on strategy? More crucially, what does it mean to be more strategic as a CIO?

Omid Shiraji is a consultant CIO who works for several local authorities, including Westminster City Council and the London Borough of Newham. He also sits on the mayoral Smart London Board, a digital data advisory body for the capital. This role, he says, plays into the changing nature of the CIO.

"There are hundreds upon hundreds of lines of business in local government, all doing different things. It's important to know how various organisations intersect and how technology enables those different elements to work together. A CIO must focus on outcomes and their value to the business. They must be able to talk the right kind of language to different people with different perspectives," he says. "That's really different from what the CIO role has traditionally been."

At Newham, Shiraji's role is focused on the council's strategic direction. "There's an economic growth strategy, a job strategy, a patient strategy and a council transformation strategy. It's all to do with digital data, so I advise on that," he says.

At Westminster, meanwhile, "there is a clear ambition to be the smartest city in the universe". The questions occupying Shiraji's mind here include: "How do you build an ecosystem of partners, suppliers and citizens to work with the council to solve problems? How do you fundamentally rethink what you're delivering to residents, because it might not be what they need? And how do you set yourselves up with the teams and the ways of working with the tech to tackle those things?"

> **Restricting yourself to 'supporting the business with technology' is no longer an option. The CIO needs to be an imaginative generator of commercial ideas**

He continues: "You're not buying a solution or deploying a new system. You're bringing together a bunch of people with a range of digital skills and you're showing the organisation how to work in a different way."

Shiraji believes that the CIO's rise to prominence in organisations has been inevitable, given their increasing reliance on digital tech.

CIOs who understand "how technology can be applied to solve business problems and who can speak that common language will emerge into positions where they can help organisations to think and act in different ways", he says. "CIOs can see every activity from the top across the strategic level. They are best placed to be having those conversations."

Yiannis Levantis, group CIO of Unipart Group, agrees.

"CIOs have found themselves getting deeply involved with most or all functions of their businesses, gaining a rare breadth of commercial understanding from a unique vantage point," he says.

As the role becomes less about leading a function and more about developing strategy, there will be an inevitable shift in the kinds of skills required of a successful CIO, Levantis predicts, adding: "Being more strategic means that restricting yourself to 'supporting the business with technology' is no longer an option. The CIO needs to be an imaginative generator of commercial ideas who can collaborate – or lead – on the creation of new business models and revenue streams."

As a multinational manufacturing, logistics and advisory company, Unipart Group has a 200-strong IT team in the UK and India that serves several blue-chip clients. Levantis has the task of expanding the group's offering in IT services beyond the bounds of logistics to create a standalone business.

"CIOs of the future – or, rather, the very present – should operate as business executives with a technology angle. This requires them to have qualities focused on business creation and growth. For instance, financial planning skills and a working knowledge of contract law will become increasingly central to the role of a strategic CIO."

Stuart Whittle, CIO of law firm Weightmans, believes that the role is also becoming much more concerned with relationships.

"The CIO must prioritise building partnerships inside the business and with their service suppliers instead of focusing on a gaining deeper understanding of machine code," he argues.

Whittle has played a leading role in his firm's most recent strategic review. He has guided it towards being a data-driven business – and, he says, the advantages have been evident.
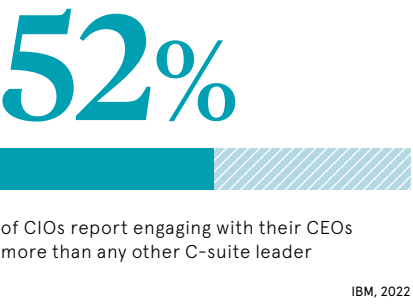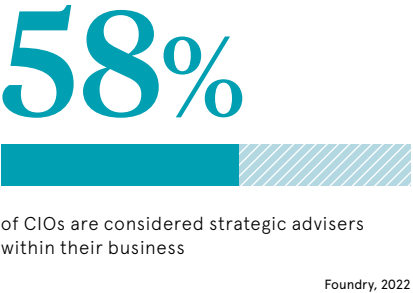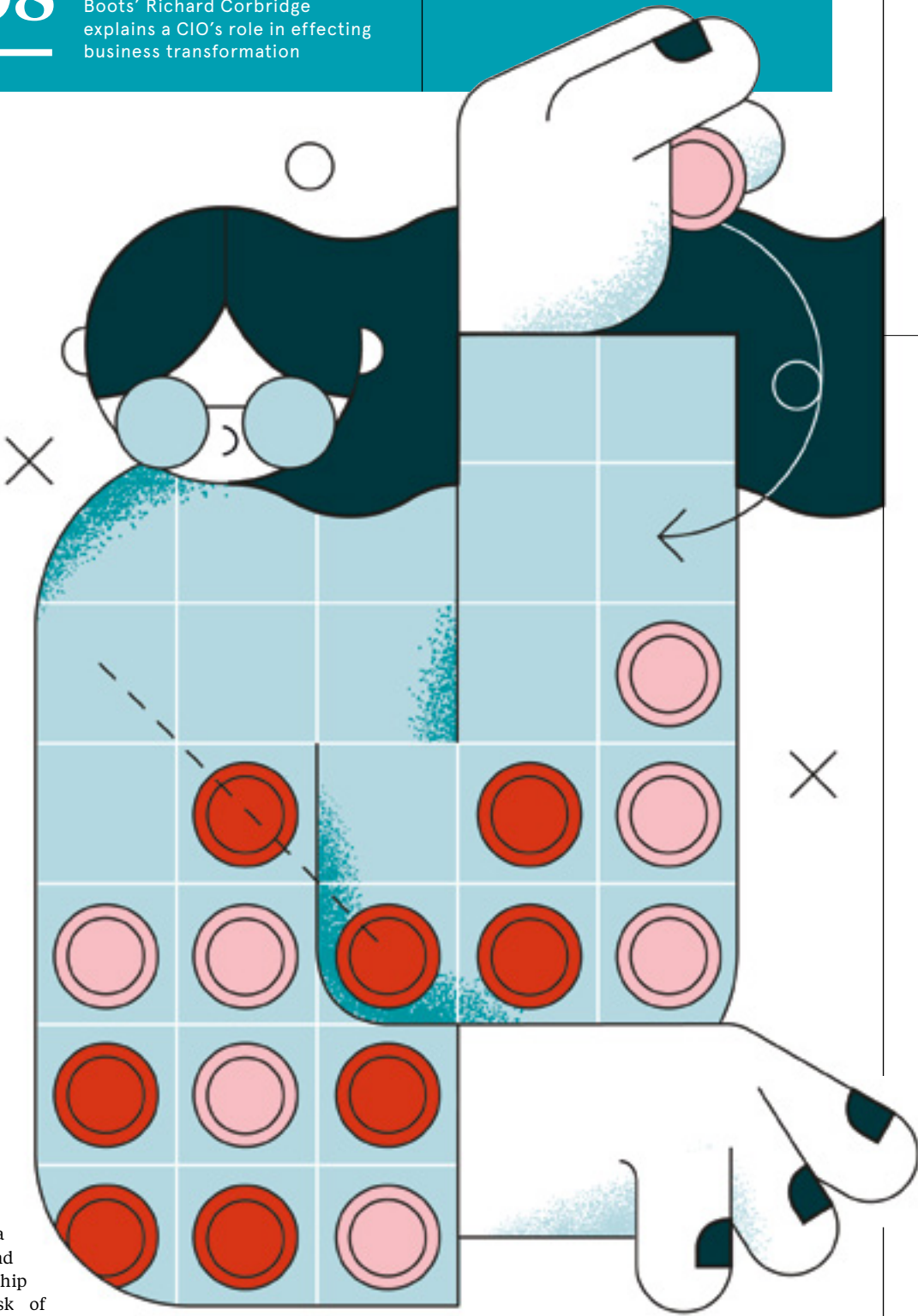
"As part of the new strategy, we've transformed historically manual, hand-cranked work into increasingly standardised processes," Whittle explains. "The benefit is that we can reduce our clients' legal expenditure and change the billing structure to more of a fixed-fee model instead of the traditional hourly rate."

He continues: "The other advantage of working hard to develop integrated solutions for repeatable, predictable processes is that we have been able to enhance our lawyers' workflows, saving them time and money, sweat and tears."
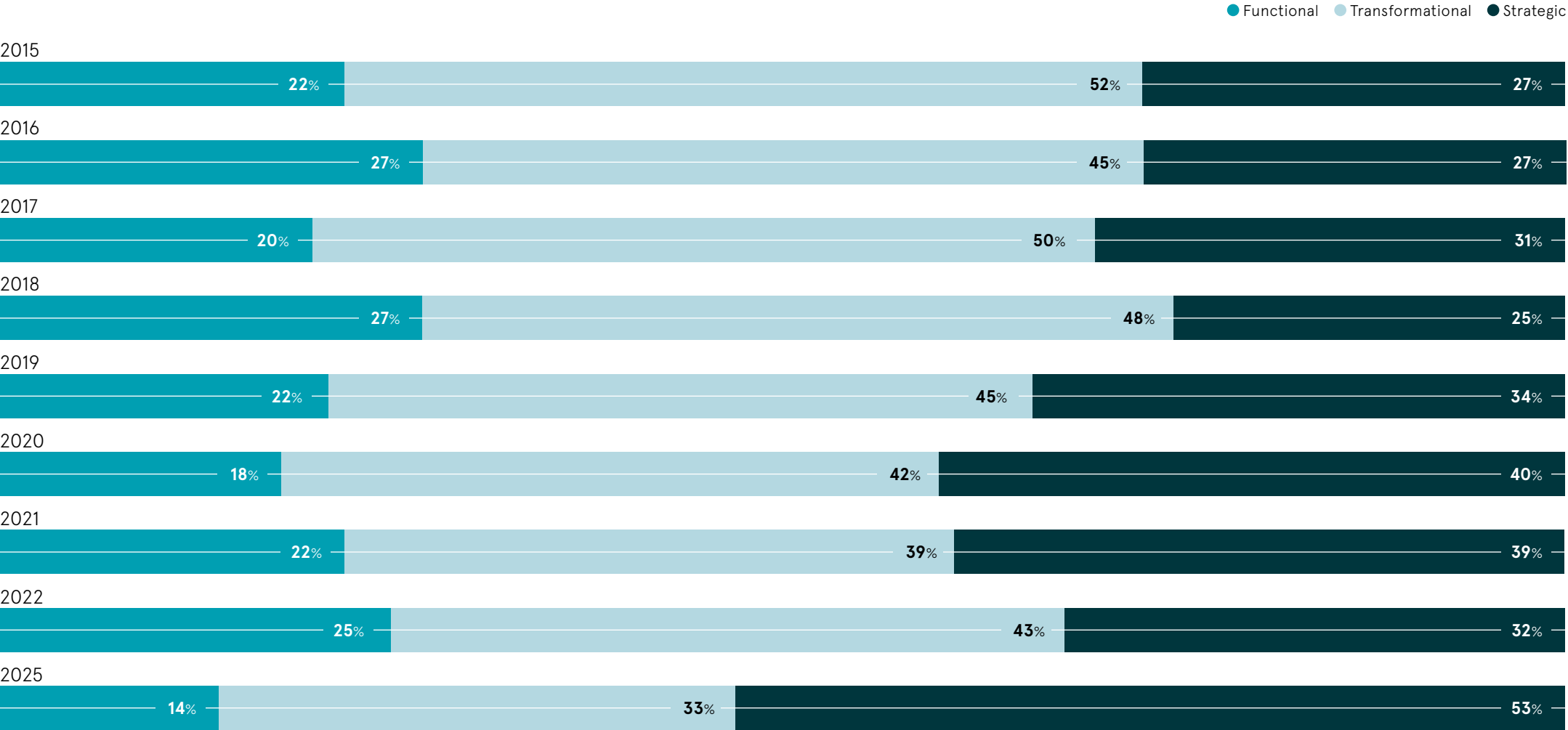
How will a typical IT chief be operating in a few years' time? Shiraji says that he has spotted "a big shift" in the types of people who are becoming CIOs.

"A lot of them aren't technologists by background," he reports. "Many are simply great leaders. They're humble, they understand humanity and they demonstrate clarity and integrity. They understand the importance of how people work together and how tech can be applied. They might not know how to code or write application programming interfaces, but they do understand the power of technology." ●

58%
of CIOs are considered strategic advisers within their business

Foundry, 2022

52%
of CIOs report engaging with their CEOs more than any other C-suite leader

IBM, 2022

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raconteur.net /strategic-cio-2022

CIOS ARE SPLITTING THEIR TIME BETWEEN THE TRANSFORMATIONAL, THE STRATEGIC AND THE FUNCTIONAL

The percentage of CIOs that say the following best characterise their focus and how they spend their time in their current role*

● Functional   ● Transformational   ● Strategic

Year	Functional	Transformational	Strategic
2015	22%	52%	27%
2016	27%	45%	27%
2017	20%	50%	31%
2018	27%	48%	25%
2019	22%	45%	34%
2020	18%	42%	40%
2021	22%	39%	39%
2022	25%	43%	32%
2025	14%	33%	53%

*Due to rounding, some years do not total 100%

State of the CIO, 2022

Commercial feature

How retail and logistics CIOs are tackling tech transformation

Chief information officers in retail and logistics discuss the ways their roles have evolved and how they're building the teams of the future, in a recent roundtable

Lucy Handley

To say it's been a challenging couple of years for retail and logistics CIOs would be an understatement. Online sales in the UK jumped up by 15% between March 2020 and February 2021 as people turned to ecommerce during coronavirus lockdowns and both retailers and logistics firms leant heavily on their technology leaders to meet consumers' demands for goods.

Coming out of the pandemic, there is now a skills shortage to grapple with. And as firms embrace emerging technologies and compete to hire talent, salaries for some roles have rocketed. These were all topics covered at length in a recent roundtable discussion sponsored by specialist IT recruiter and project services provider Computer Futures.

As a result of this fast-moving change, the CIO role has been seriously elevated. "We were leaned upon in a way that we could have only ever dreamed of … We have, at last, been trusted and believed as a transformation agent rather than an IT director, which is a positive thing," says Rich Corbridge, CIO of Boots UK and Ireland.

The unrelenting focus on technology has fostered new ways of working and made CIOs and their teams more proactive within a business. Delivery company Yodel now uses agile ways of working, with CIO Helen Marshall creating the relevant multidisciplinary teams – known as squads – and relentlessly prioritising to deliver business value at pace. "We're able to move much faster," Marshall says.

For the roundtable participants, there has also been a shift towards a product-orientated operating model, a way of working that focuses on a particular business capability rather than an IT system, with teams working together to deliver a solution to an internal or external client. At Yodel, this means its apps can integrate, so, for example, a driver can use a tailored app to communicate with a customer for directions to their address, via that customer's app.

Integration has also become more important at Boots. The pandemic helped to blur the line between brick-and-mortar stores and the retailer's ecommerce site, which had previously been seen as a competitor to its physical shops. "It's fascinating – the way that people in our stores see technology. It has become just another part of what they do, rather than it becoming this competitor, this thing that's going to take their jobs in the future," Corbridge states.

Keeping up with constantly evolving consumer trends and your tech needs means carefully managing your talent supply, says Faith Doherty, senior business manager at Computer Futures. "A big challenge in delivering the kind of projects and programmes of work … is being able to prepare yourselves and your teams to have the right people to deliver them at the right time," she says.

Remote working has widened the talent pool for logistics company Wincanton, which has its head office in Wiltshire. As for many firms, the pandemic proved that large projects can be done by a distributed workforce – Wincanton delivered significant large scale systems, including a transport management system and a cloud enterprise resource planning (ERP) platform, remotely during the pandemic, says its CIO Richard Gifford.

Hiring from more diverse talent pools is also something the firm is focusing on. "We actually set ourselves KPIs from the board, the exec team and then down through the organisation … when we're looking at forming teams, at recruitment, all the way through, it's a very positive thing that we're doing. So, it's not just happening, we're designing it, and we're actively on it," he states.

> **We have, at last, been trusted and believed as a transformation agent rather than an IT director, which is a positive thing**

Hybrid and remote working helps different types of people to thrive, a trend Doherty has seen within Computer Futures as well as with clients. The stereotypical view of a white male sitting at a boardroom table is now on its way out, she says. "It's actually people sitting in their homes, juggling work and life, from different types of backgrounds, from different parts of the country."

But, while talent has become more accessible in some ways, other hiring challenges remain, with the supply of tech workers not meeting the demand. "One of the things we've tried to do differently is to be more generic in the roles we bring in and then allow them to develop into specific roles," says Corbridge, adding that solution architects are particularly hard to find.

Another way to attract talent is to showcase what's on offer, says Marshall. "At Yodel, we focus our investment on technology that delivers value to our clients, consumers, and colleagues. Our IT colleagues have fostered a great team, working to deliver technology

29%

of IT workers have a "high intent" to stay in their roles

Gartner, 2021
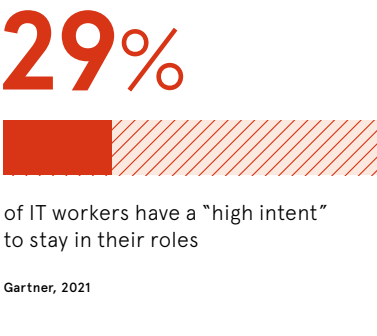
that provides cutting edge solutions. It's an exciting prospect for new talent to be able to work so dynamically."

Retaining staff is a key concern, especially with the so-called 'great resignation' underway in most sectors. In IT, just 29% of workers have a "high intent" to stay in their roles, according to a Gartner survey, and keeping people is a focus for all of the roundtable participants. "We're very conscious now of bringing people in and immediately making sure that for those people, there is a career path that's defined," says Wincanton's Gifford.

Indeed, retention at all levels is proving tricky. "Developing colleagues has always been an important focus for us here at Yodel and it's now more important than ever to ensure these opportunities are provided, allowing colleagues to upskill and get promoted in order to grow them in the business," explains Marshall at Yodel.

A common theme across recruitment in the STEM industries is how to keep hold of people, Doherty confirms, and forward-looking businesses are looking proactively at how to manage demand, she adds. "They're looking at those programmes that are being bid for, or are being mapped out at an exec level, and people are saying 'where are my gaps over the next 12 to 24 months? And how can we partner with people that can help me get that work done?'"

What's next for CIOs? The pace of change is only going to increase, says Yodel's Marshall. "We've seen dramatic changes in how we use technology in the last few years and this trend looks set to accelerate even further into the future. The next step for us is to build on our utilisation of predictive analytics to support the continued development of the business, whilst at the same time evolving our employee proposition to attract and retain the best talent," she says.

At Wincanton, the CIO role is "less about the tech," says Gifford. "It's much more about the business value that that's going to bring and ensuring we unlock business process and innovative areas of value … that's all about building a great team."

For more information, visit
computerfutures.com

CF COMPUTERFUTURES

Panel

Rich Corbridge, CIO, Boots UK and Ireland

Faith Doherty, senior business manager, Computer Futures

Richard Gifford, CIO, Wincanton

Helen Marshall, CIO, Yodel

The Military Training Centre in Zaporizhzhia Region, Ukraine, was up and running within 24 hours

BUSINESS CONTINUITY

United front: how Ukraine's IT sector is still open for business

Developers are working from barracks and bomb shelters in a determined effort to continue supporting clients, the national economy and the war effort

Sam Forsdick

Despite having joined the army to defend his native city of Odessa from Russia, Eugene Lata, head of marketing at Lemon.io, still participates in company meetings on Slack between patrols.

Staff at the Ukrainian IT services firm have stayed at work since the invasion on 24 February. Some of Lata's colleagues have managed to continue coding from their bomb shelters.

Such examples underline the assertion of the IT Ukraine Association's executive director, Konstantin Vasyuk, that the nation's tech industry is "the most resilient business sector, with a huge potential for further growth after the war".

The trade body represents more than 100 tech firms and about 75,000 IT specialists in Ukraine. Vasyuk is keen to stress that, despite the grim situation, the sector remains open for international business. Speaking over the wail of an air-raid siren, he says: "During the first two days of the war, while most citizens were in a state of shock, one of our members was facing a client deadline of 26 February – and still got the work done. It's that type of reliability and determination that drives us."

That is not an isolated case: the latest survey of IT Ukraine Association members has revealed that 85% are still meeting all their commitments to clients. Vasyuk describes the finding as "a good indicator of the industry's capability and collective responsibility to customers".

For many firms, the greatest disruption came at the start of the war, as they acted swiftly to relocate staff to safer parts of the country. For instance, software development outsourcer N-iX evacuated 600 of its employees, most of whom were in Kyiv, in the space of two days.

The company's chief strategy officer, Nazariy Zhovtanetskyy, says: "A week after we resumed delivery, we were back to 85% capacity. We've been at 95% for the past three weeks."

Many businesses gave their employees an advance when the war broke out and are continuing to pay staff who have since joined the army. Lemon.io has started paying salaries fortnightly to help employees with their cash flow.

The country has a proud history of nurturing IT talent. More than 285,000 Ukrainians work as tech specialists. The export of their services added more than £5.2bn to the country's economy in 2021.

As well as supporting many companies in Europe, the Ukrainian tech industry is the IT outsourcing destination of choice for more than 100 of the Fortune 500. Ukraine is also home to R&D centres for Samsung, Oracle and Google.

At the outbreak of war, there were fears that several such clients would sever their ties with Ukrainian IT companies for fear that they would no longer be able to fulfil their obligations. But the mass exodus did not come to pass. According to the IT Ukraine Association, only 5% of contracts have been cancelled since the invasion.

Although Zhovtanetskyy admits that the pipeline of potential new clients at N-iX is weaker than it was before the war, the firm hasn't lost any existing ones and has recently secured three new contracts. Both his

company and Lemon.io are still planning international expansions this year.

Daxx, a Netherlands-based firm that helps tech companies hire developers in Ukraine, notes that Ukrainian IT services remain relatively cost-effective. It reports that the average minimum pay rate for developers in Ukraine is £20 an hour, compared to the considerably higher £30 in neighbouring Poland, for instance.

"The big price difference between Ukraine and Poland is driven mainly by different taxation levels," Zhovtanetskyy explains. "So those customers that looked at Poland initially as a contingency option have since returned to Ukrainian businesses, because they've seen how we're continuing to deliver."

International trade sanctions against the Putin regime have also meant that many

> **Our clients have tended to be heartily empathetic. They have been understanding of any pauses in delivery**

western firms have cancelled their contracts with Russian developers. This has created a deficit of IT specialists on the global market, according to Vasyuk, who reports that a growing number of US companies are seeking recommendations for alternative providers in Ukraine.

"This is giving Ukrainian companies a chance to gain contracts from companies that have ended relations with Russian IT providers, which is good for us," he says.

This doesn't mean that using Ukrainian IT providers isn't riskier than it was, of course. Even though many of their workers have been able to relocate to safer territory, either at home or abroad, the biggest threat to continuity of service concerns connectivity.

Ukraine's telecoms infrastructure has been relatively undamaged so far, but a recent deal agreed by its minister of digital transformation, Mykhailo Fedorov, and SpaceX boss Elon Musk enables the latter's Starlink satellites to be used as a reserve channel should Ukraine's fibreoptic networks be disabled.

"We are quite optimistic about the basic conditions for tech businesses to continue being able to operate in Ukraine," Vasyuk says. "Customers understand the situation and companies have tried to reduce risk as much as possible."
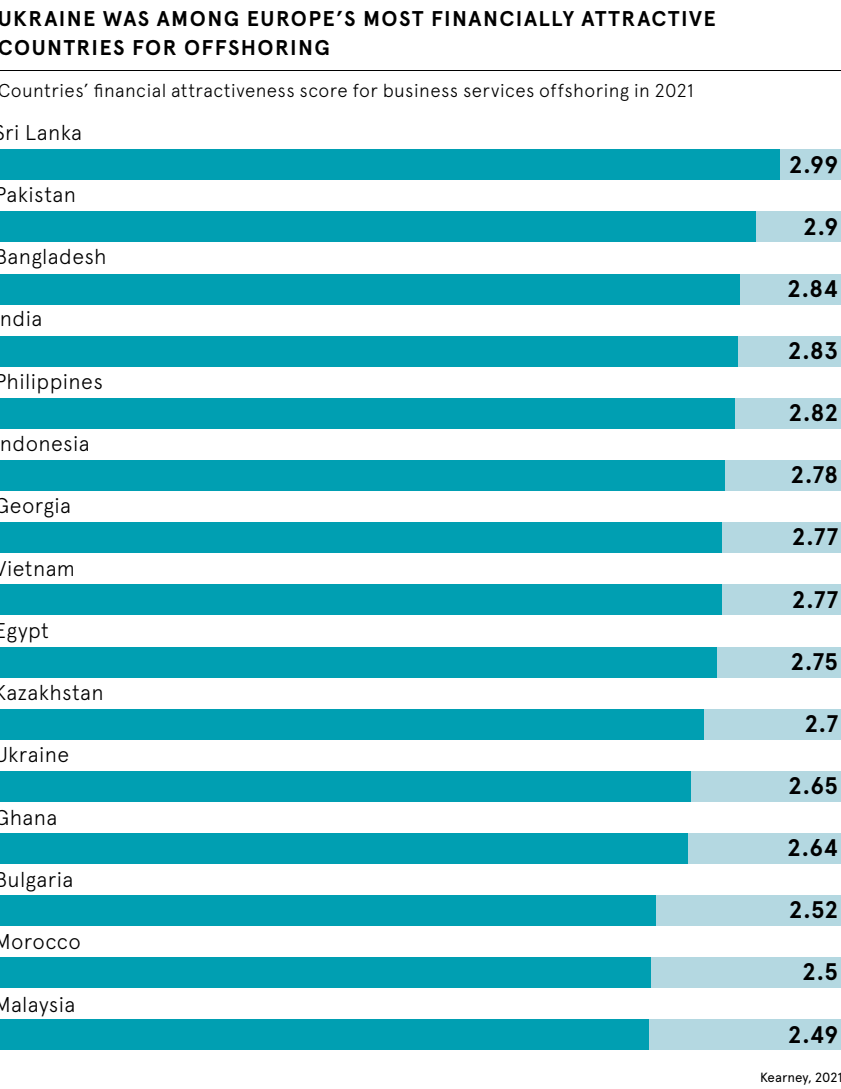
Oleksandr Stukalo, a content writer for Lemon.io, reports that nearly all of the firm's customers have been forbearing. "Our clients have tended to be heartily empathetic. They have been understanding of any pauses in delivery and have offered support wherever they can," he says.

International businesses have offered practical assistance in a range of ways, from financing the relocation of developers to providing office space in safer territories.

But the most obvious thing they can do, according to Zhovtanetskyy, is "continue paying your invoices and so help keep Ukrainian businesses growing".

The importance of the sector to the economy isn't lost on its workers, many of whom see themselves as fighting Russia on an economic front. Several businesses have donated profits to the war effort, including Lemon.io. Members of the IT Ukraine Association gave nearly £14m to the armed forces and humanitarian causes in the first 10 days of the war, for instance.

"We're carrying on because we understand that we're in the vanguard of this conflict on the tech front, so we keep working and we keep offering our talents," Stukalo says. "If the business is able to continue, it's making money that can go to the army. Without the army, there would be no IT business here." ●

UKRAINE WAS AMONG EUROPE'S MOST FINANCIALLY ATTRACTIVE COUNTRIES FOR OFFSHORING

Countries' financial attractiveness score for business services offshoring in 2021

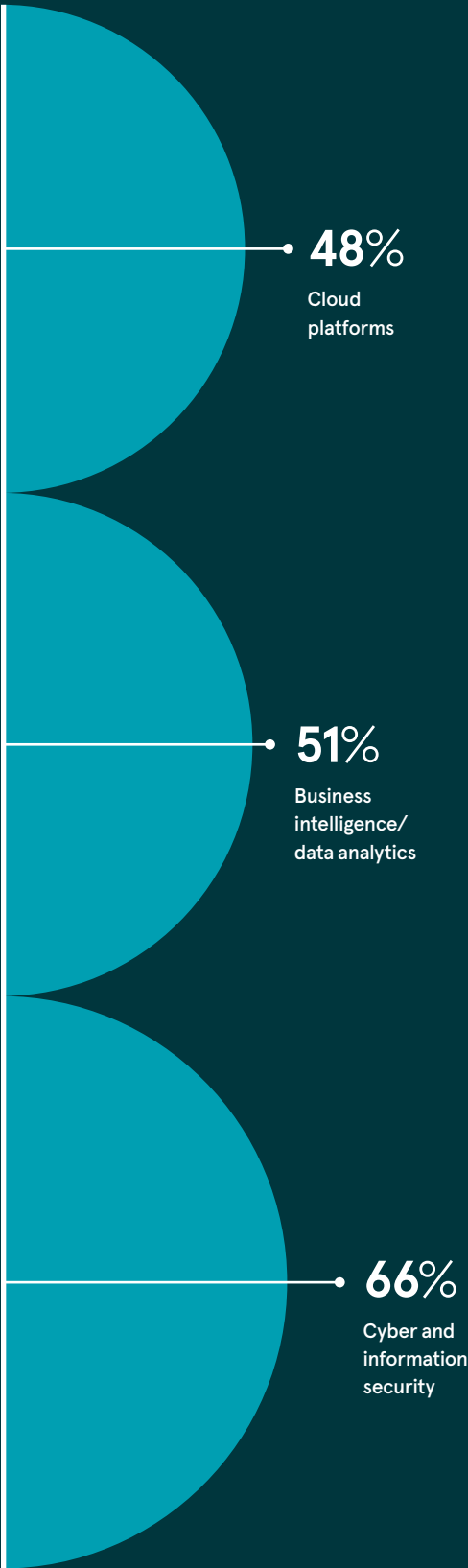| Country	Score
Sri Lanka	2.99
Pakistan	2.9
Bangladesh	2.84
India	2.83
Philippines	2.82
Indonesia	2.78
Georgia	2.77
Vietnam	2.77
Egypt	2.75
Kazakhstan	2.7
Ukraine	2.65
Ghana	2.64
Bulgaria	2.52
Morocco	2.5
Malaysia	2.49

Kearney, 2021

WHERE DO CIOs
SPEND THE IT BUDGET?

More IT departments are expecting budget rises this year than ever before. Cybersecurity is the top concern for many IT departments, but staffing shortages, cloud migration and business transformation are also high on the priority list. So how will CIOs spend the extra budget in 2022?

TOP THREE PLANNED INVESTMENTS AMONG IT TEAMS IN 2022

Share of IT teams expecting spending increases in the following areas   Gartner, 2022

48%
Cloud platforms

51%
Business intelligence/ data analytics

66%
Cyber and information security

IT FOCUS
Business initiatives expected to drive IT investment in 2022

CIO, 2022

Increasing cybersecurity protections — 49%
Increasing operational efficiency — 46%
Improving customer experience — 42%
Transforming existing business processes — 41%
Improving employee productivity — 27%
Improving profitability — 24%
New product development — 22%
Enhancing hybrid work technologies — 21%
Increasing top line revenue for the business — 20%
Meeting compliance requirements — 19%
Introducing new digital revenue streams — 18%
Optimising employee experience — 17%
Improving talent acquisition/retention — 15%
Monetising company data — 14%
Creating more diverse and inclusive company culture — 9%

$223.3bn
projected growth in IT spending in the UK in 2022
Gartner, 2022

21%
of enterprise IT budgets will go to managed services in 2022
SWZD, 2022

THREE IN FIVE IT DEPARTMENTS EXPECT A SPENDING BOOST IN 2022

Share of organisations expecting IT budget increases in the next 12 months   Harvey Nash Group, 2021

THE STAFFING BUDGET IS PRIORITY NUMBER ONE

Primary budgetary needs in IT departments worldwide

- 29% Hiring more tech staff
- 28% Investing in more innovation
- 21% Upgrades to collaboration tools
- 17% Upgrades to endpoint devices
- 5% Upgrades to websites/e-commerce

CompTIA, 2021

IT SPENDING PRIORITIES

Allocation of IT budgets in European and North American organisations in 2022, by segment   Spiceworks, 2021

	Hardware	Software	Hosted/cloud-based services	Managed services
1-99 employees	31%	29%	26%	14%
100-499 employees	33%	28%	26%	13%
500+ employees	27%	26%	25%	21%
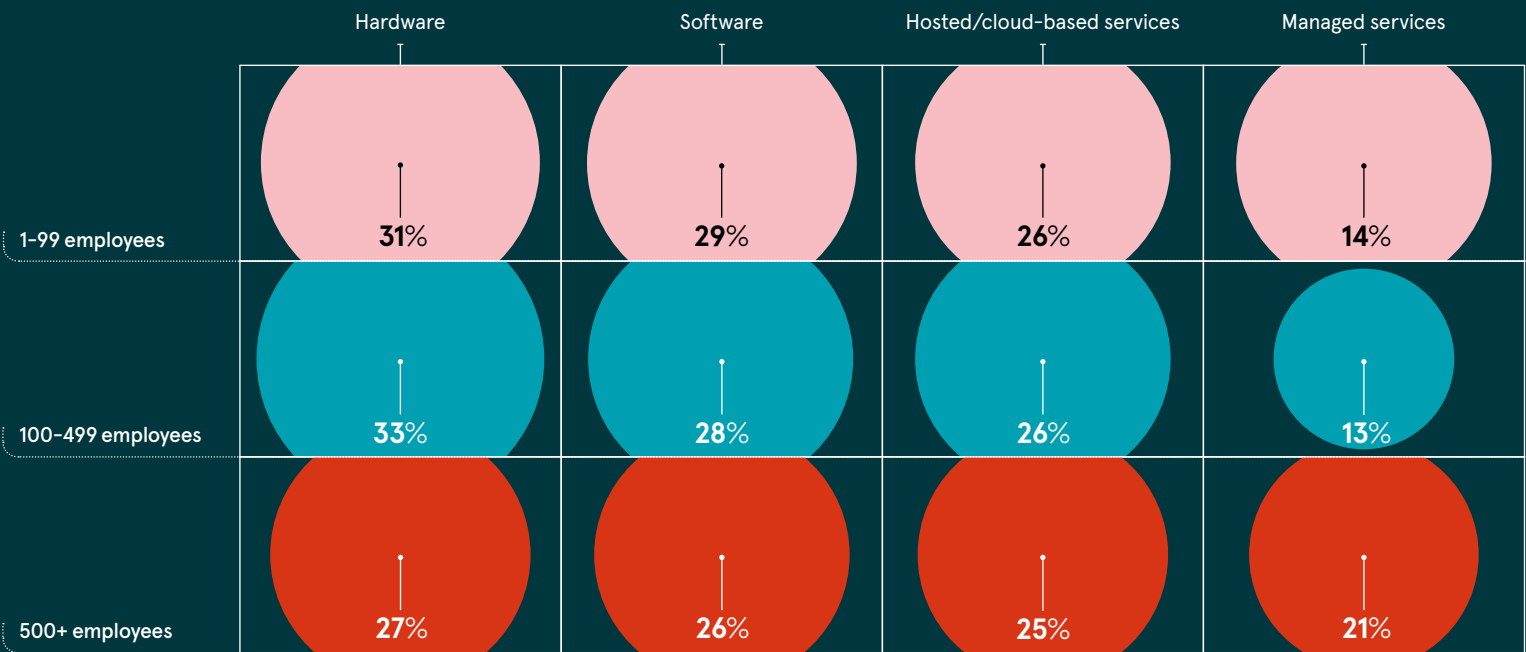
Migration with narration

The sheer complexity of digital transformations can be alienating. The onus is on CIOs to make them comprehensible to all stakeholders by providing a clear, compelling story

Nick Easen

34%

of business leaders said the CIO had the biggest role to play in the technology strategy for enabling a productive workforce

Harvey Nash Group, 2022

38%

of CIOs are prioritising aligning IT initiatives with business goals

Foundry, 2022

B y their very nature, digital transformations tend to be large and complex undertakings that aren't widely understood outside the IT function. This has obliged many CIOs to articulate a convincing vision of the future to win the support of their boards and rally the whole organisation around ideas that may be hard for the lay person to grasp. It's no mean feat.

Excellent communication skills are vital – non-technical employees must first understand a largely tech-led strategy if they are going to buy into it. But the important task of explaining the plan in the most relatable and compelling terms is often overlooked.

"This can be a dry and complex subject, of which relatively few people have a deep knowledge," says Haig Tyler, CIO at global law firm Herbert Smith Freehills. "But, with technology affecting all aspects of our lives, this knowledge gap needs to be addressed – hence the need for storytelling."

He continues: "Good CIOs have recognised the importance of their role as 'chief translation officers' for a while. Change is a participation sport. If people are to participate, they first need to buy into their part in the story. Plain language and an empathy for the listener are essential for communicating the rationale for, and means of, change."

A compelling narrative needn't come in the form of a tub-thumping TED Talk with a fancy slide deck. But a CIO must explain clearly why the change is required – including the key commercial advantages of doing so – and how its most tangible aspects will affect employees' work.

"The power of storytelling is that it creates an emotional connection to otherwise dry facts and figures. CIOs have to master this art, as they are key in leading their organisations through such changes. They must align people towards a common goal and bring them along to achieve it," says Ravi Mayuram, CTO at software developer Couchbase. "We accomplish all this by inspiring them. The most direct way to achieve that is to tell stories of why the business needs to take on the project and what it means to employees, their organisation and its customers."

Trailblazing CIOs are doing this by providing 'fireside chats' on video for all staff to view, relaying relevant case studies and encouraging champions of change from outside the IT team to tell their stories on the corporate intranet. In these businesses there's a realisation that technology is no longer something 'those people in the IT department over there do' in a silo. It affects everyone in the organisation.

"A modern CIO is in the business of changing the culture of their organisation," Mayuram argues. "For that to happen, their stories need to be carried by word of mouth and repeated in hallways, around watercoolers or in any other places where the CIO is not present. Only when this happens will a story become organisational knowledge and stay in the collective corporate memory."

But he adds a note of caution: "While storytelling is important and powerful, it has to be authentic. An audience can quickly smell whether a storyteller is being genuine or not. A strong narrative is based on the integrity of both the story and the teller. Results will follow only if everything is authentic."

It helps CIOs that the fundamental importance of digital transformation projects is becoming more widely understood beyond the IT function. This is crucial, according to Tyler, who says: "Let's just call out digital transformation for what it is: this is about business transformation."

Given the impact of digital technology on real customer experiences and actual corporate profits, the jargon-filled language of the IT professional needs a makeover, he argues.

> **An audience can quickly smell whether a storyteller is being genuine or not. A strong narrative is based on the integrity of both the story and the teller**

"Do you say that you 'have a data strategy focusing on improving information governance and control, ensuring that the business is an effective steward of the material it holds, where the taxonomy is sound and each activity delivers usable data'? Or do you simply describe a vision of the future in which 'sound data informs better decisions'? The latter is not only easier to say; it's also easier to hear and understand," Tyler says.
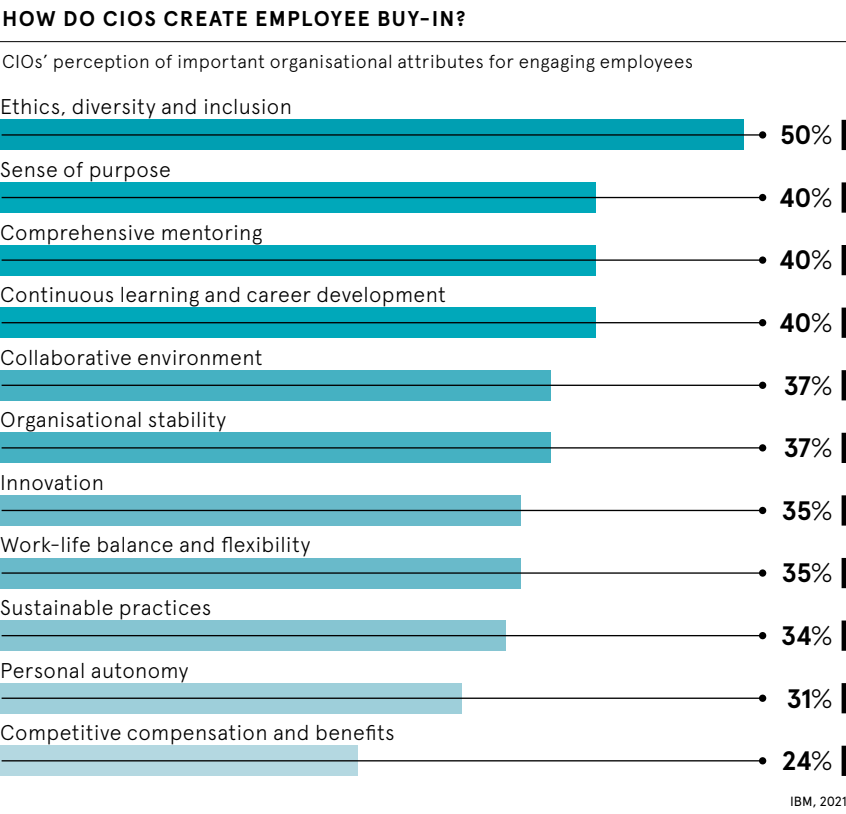
Non-IT staff who are evangelists for the cause, particularly if they're part of the leadership team, can prove key allies to the CIO in communicating the case for the transformation. With this in mind, wise IT chiefs are encouraging potential internal champions to help spread the word in layman's terms.
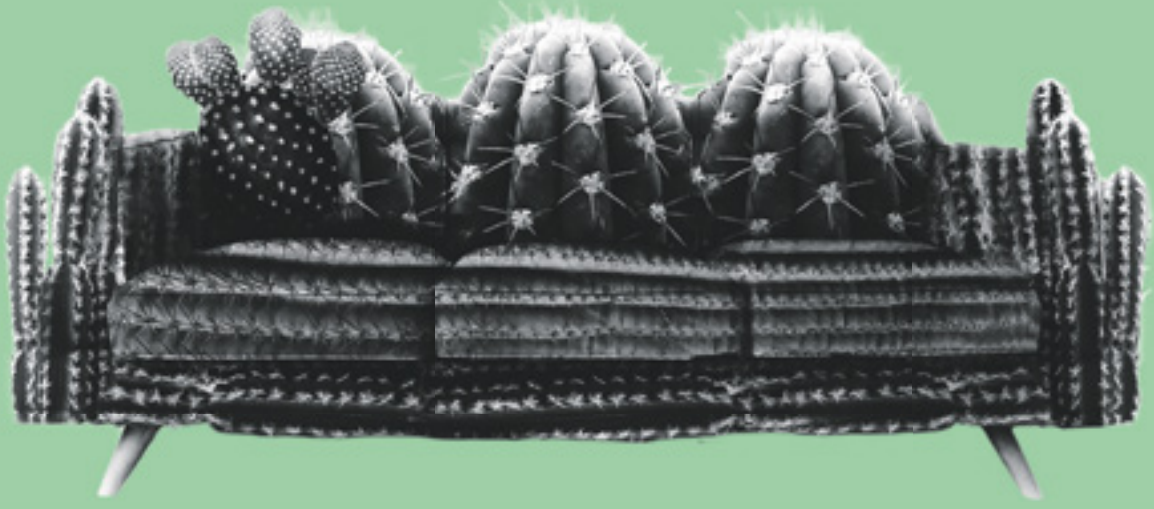
Corporate narratives have acquired a more personal touch in many companies that have had to adopt remote working over the past two years, as C-suite members converse with their staff on video from their living rooms to a background soundtrack of children playing and dogs barking.

As Michael Smets, professor of management at the University of Oxford's Saïd Business School, has discovered, "many business leaders have reported forming a more human connection with their teams" since the UK's first Covid lockdown in 2020.

The need for new compelling corporate narratives won't diminish any time soon. As the technology delivers more benefits, our expectations of it only tend to increase. This indicates that storytelling will have to evolve over time into a continual conversation.

When Tyler says "change is a participation sport," he means the process must engage the hearts and minds of as many stakeholders as possible. And ongoing dialogue will be key to ensuring that this happens. ●

HOW DO CIOS CREATE EMPLOYEE BUY-IN?

CIOs' perception of important organisational attributes for engaging employees

Attribute	%
Ethics, diversity and inclusion	50%
Sense of purpose	40%
Comprehensive mentoring	40%
Continuous learning and career development	40%
Collaborative environment	37%
Organisational stability	37%
Innovation	35%
Work-life balance and flexibility	35%
Sustainable practices	34%
Personal autonomy	31%
Competitive compensation and benefits	24%

IBM, 2021

Photo via Getty Images

Could an interim CIO be the right choice?

An interim tech leader could be the right solution for quickly evolving startups or companies with project-based IT strategies

Sally Whittle

When Thomas MacKenzie hired the first CTO at his cybersecurity business, RankedRight, he knew that he'd be looking for a replacement in a matter of months.

MacKenzie is one of a growing number of business leaders who choose to recruit interim CTOs, CISOs and CIOs. Rather than bringing a full-time, permanent technology leader on board, temporary executives are hired for periods of six months to two years.

Demand for short-term technology executives has boomed in recent years. Between 2020 and 2021, demand for interim CIOs, CTOs and CISOs grew by 83%, according to Business Talent Group, a subsidiary of executive search firm Heidrick & Struggles.

The key benefit of hiring CIOs for the short term is that businesses can bring on board an experienced professional with a specific set of skills. For a start-up company such as RankedRight, an interim CTO means hiring someone with experience in building an SaaS infrastructure from scratch and who can support rapid growth.

In younger businesses or a company newly spun out from a parent company as part of a merger or acquisition, an interim CIO can help to lay the right foundations. "Startups and companies acquired by private equity are unlikely to have any IT leadership," says Jaco Vermeulen, portfolio CTO at consulting firm BML Digital. In those cases, he says, an interim CIO will recommend and establish IT requirements, which requires different skills from BAU work.

"Of course, a permanent CIO can do that. But their focus will typically be on long-term strategy and experienced, permanent CIOs want to step into stability," he adds.

After a year of working with an interim CTO, RankedRight brought in a new CTO with experience in growing market share. The company has chosen to recruit another interim executive, explains MacKenzie. First, because the business is changing so rapidly, the skills demanded of its CTO will likely be different in a year. Second, working with interim CIOs reduces risk, says MacKenzie. "It means you're not going to be in a situation where six months down the line, it's not working out and you realise you should have hired the other guy," he says.

Most importantly, RankedRight is heading into a round of seed funding and the decades of experience that the new interim CTO has brought is critical. "When we talk to investors, the idea of not having a technical co-founder is frowned upon massively. But we can say to investors, here's how we got from A to B and now we have this CTO who can bring us to C. Our current CTO has years of experience and helps us navigate this stage of our business and avoid mistakes he's seen before."

RankedRight is typical of the younger companies hiring interim CIOs and CTOs today, says Vermeulen. "Companies can always appoint a permanent CTO or CIO if needed," he adds.

Yet, it isn't just startups that are recruiting interim CIOs. Vermeulen recently completed an interim CIO assignment with a UK holiday park operator with 30 sites across the UK. As the company's CIO, he helped drive a modernisation programme that included building a work from anywhere (WFA) programme for employees and migrating multiple on-premise systems to a cloud-based application suite.

In established organisations, an interim CIO can offer a fresh perspective that combines experience and independence, says Vermeulen. "I have a degree of freedom as an interim CIO, and I can say things that permanent staff members might not feel comfortable saying," he says. "Companies often approach transformation projects with a fixed idea of what they need – for example, that they need AI. As an interim CIO I'm in a great position to challenge preconceived ideas and say, okay, what do we want to deliver and is this the right technology to do that?"

> "An interim CIO will recommend and establish IT requirements, which requires its own set of skills"

For larger organisations, interim CIOs can play a valuable role in driving forward digital transformation projects, often bringing years of experience with them. "During the pandemic, we saw lots of organisations that perhaps didn't think IT was critical to their business realise that actually, it was completely critical, and they'd been left behind," says Vermeulen. "We are now at a point where boards are happy to invest in IT and appointing an interim CIO could be the key to making the most of this opportunity."

It's important to note that an interim CIO isn't right for every business or every situation, says David Brandon, CTO at Rota-Cloud, and the current interim CTO at RankedRight. Getting the right cultural fit and agreeing expectations is critical because an interim CTO doesn't have the luxury of spending a few months finding their feet, he says. "Both sides need to do their due diligence to make sure it's a good fit. You have to be able to get under the skin of an organisation quickly and hit the ground running," he says.
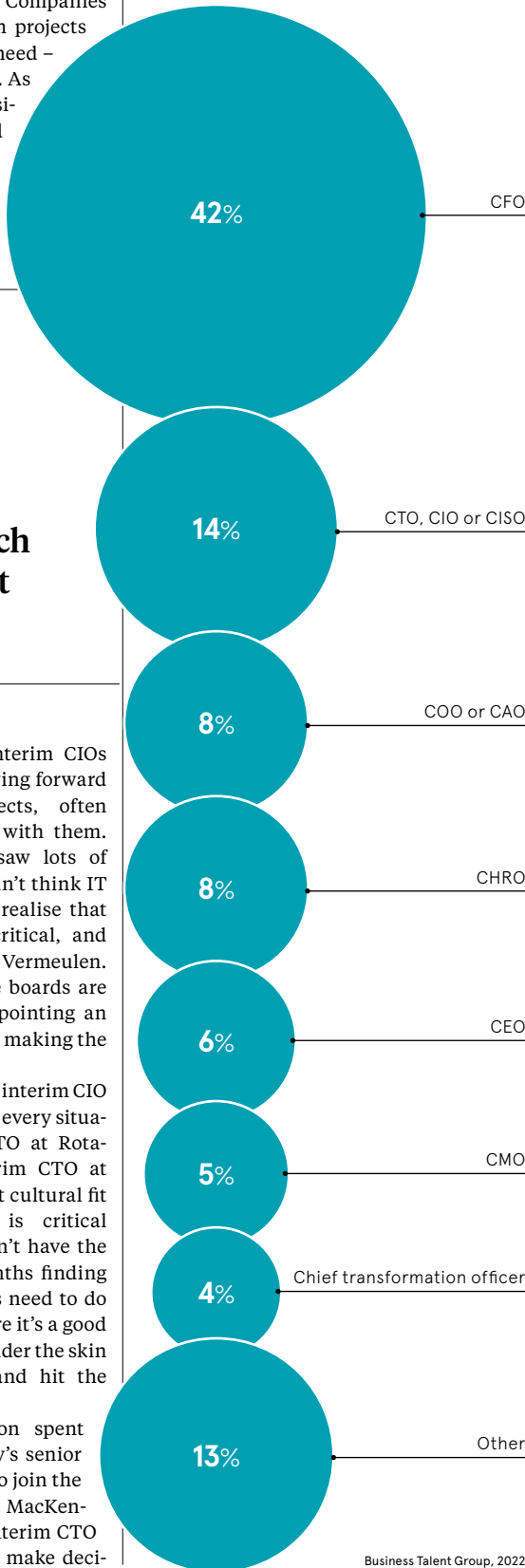
With RankedRight, Brandon spent lots of time with the company's senior management before agreeing to join the team. This builds trust so that MacKenzie is comfortable giving his interim CTO the freedom and autonomy to make decisions for the company. "Although we have an interim CTO, I talk to him just as I'd talk to anyone we employ. We have had to build a culture where he feels completely part of the team," MacKenzie says.
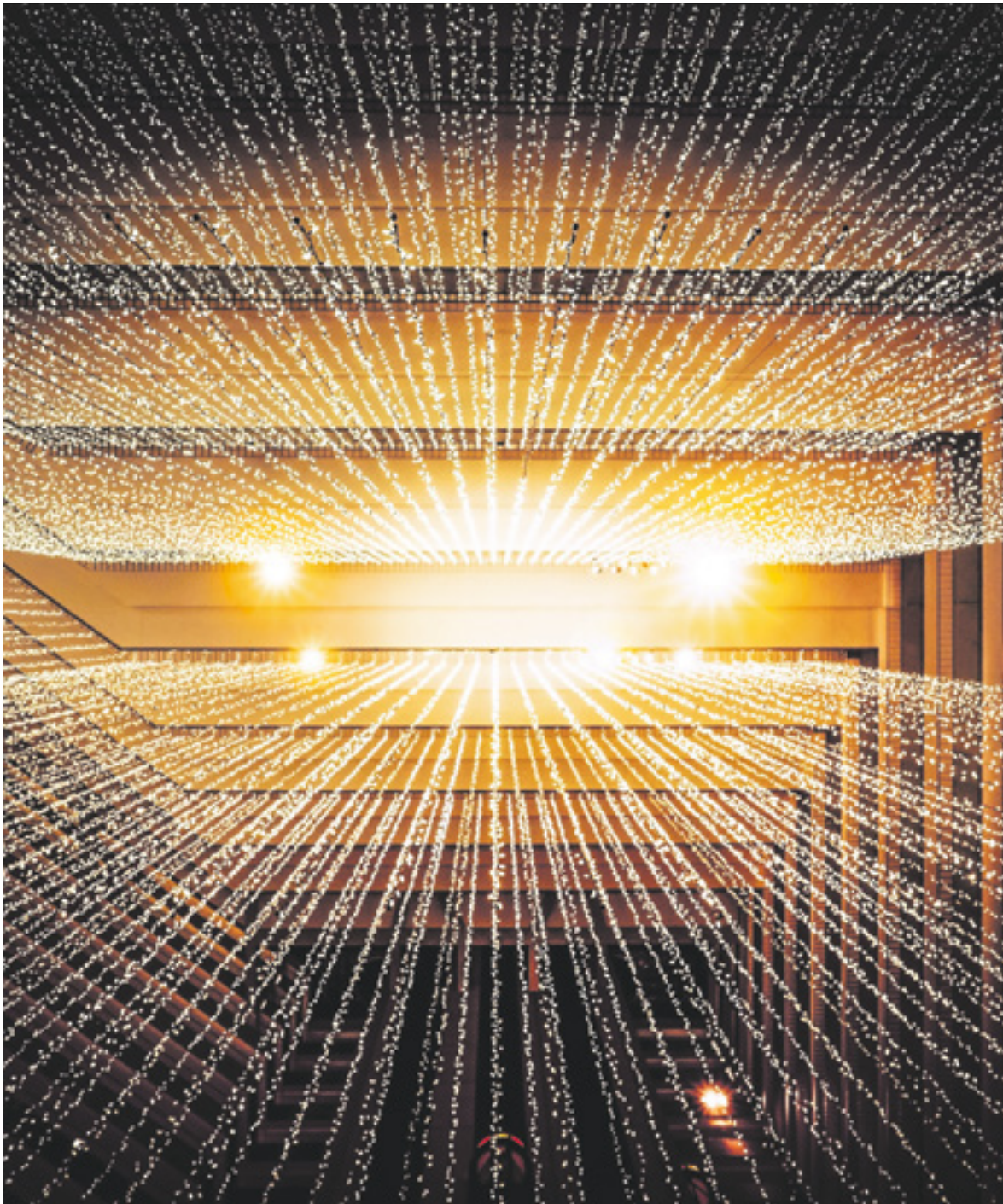
Being fully involved as an interim has advantages for Brandon. "It's always a challenge fitting into a new culture, and it can be tough. But I wasn't an expert in the security industry before I took on this role. I've learned a lot about remediation and vulnerability management that I can take back to my other role," he says. ●

THE CIO IS THE SECOND-MOST IN-DEMAND C-SUITE ROLE

Enquiries for interim C-suite leaders, by position

Position	Share
CFO	42%
CTO, CIO or CISO	14%
COO or CAO	8%
CHRO	8%
CEO	6%
CMO	5%
Chief transformation officer	4%
Other	13%

Business Talent Group, 2022

How can we unlock the true potential of data?

A diverse roundtable of leading data executives share their views on the power and potential of data, as well as the many pitfalls to avoid

Dan Matthews

Data is often described as the 'new oil', but it's way more precious than that. And, unlike fossil fuel, the more you use it, the more you get back. Data is the future power source of the global economy, but its evolution is fraught with challenges.

Now is the perfect time, then, to hear from a select group of data chiefs for their views on the data opportunity – how it can supercharge industry, what its limitations are, and what we must overcome to reach its full potential.

Get closer to the numbers
For optimal results, organisations must first understand what they have, says Mike Connaughton, head of analytics and data innovation, EMEA, Oracle. "A lot of organisations are still struggling to understand how their data underpins value creation. Research suggests that the top quartile of businesses best placed to acquire and use digital capital are growing exponentially compared with the other three quartiles. So, we know that people who do this well are benefitting, but many are still struggling to understand how their data underpins their organisation. It's an issue we all have to deal with."

What's clear is that organisations are investing heavily to get to grips with the information at their fingertips, even those with mature data approaches honed over three, four, even five decades. "A challenge most organisations have today is that systems and processes are not designed to quickly and easily derive insights," says Ashish Surti, EVP technology and security at Colt.

"Our technology serves us extremely well for our processes and customers, but there are many data entry points. Not everyone fully understands that if you enter a piece of data it could get manipulated 15 times before it drives a decision, and then that call could be completely wrong. Organisations must understand the true architecture of their footprint and run the basics of what is the source, why it was captured and what is its value."

Natalie Fishburn, vice president, global head of clinical data and insights at AstraZeneca, agrees: "In the pharmaceutical industry, historically we have thought about data in terms of each individual product, less about the breadth of our data and its potential.

"We have a project happening now to standardise our data, which will improve its utility in clinical trials. For example, in future, we may be able to simulate trial populations of patients on placebo ('sugar pill'/inactive treatment), so we don't need as many people in our trials. This is better for trial participants and gets to the conclusions faster."

Building strong foundations
For Emma Duckworth, director of data science, GSK Consumer Healthcare, it's crucial to get the basics right: "A data good strategy has to be aligned with your business strategy. So figure out your objectives and work backwards from there. That means clear governance and defined data stewards, AI and ML standards, as well as a data literacy programme that starts with leadership."

This is even more important in a world where the technical opportunity outstrips the number of skilled individuals available to run projects. Tris Morgan, director of security advisory services at BT, thinks the answer lies in simplicity. "We're looking at how we can simplify processes and automate them using data insight as the trigger point for it all so that we can deploy the most precious bodies we have on the park to the highest value activities, while automating easier things that require less expertise."

The skills gap and a proliferation of data silos are two of the biggest drags of progress in this area; others include relevancy, technical debt and the need for governance at the national and international level to move with the times, replacing complicated permission forms with tangible proofs that can build trust. Ashish Surti says: "I don't think the way we're doing acceptance or consent is really working. The intention was right when we set out, but now it's a legal document people just do not understand."

> "It's a gift that will keep on giving. With trust and choice about how data is used, we can let people live better lives"

In future, it will be crucial to democratise data and provide users with clear information allowing them to make their own decisions on how their information is used, according to Doug Brown, chief data scientist at Capita. "It's an interesting frontier but also a difficult problem to solve because of the restrictions on capture and use of data. For regulated industries, it's fundamental to understand how you have arrived at a particular decision and therefore the ethical boundaries, testing and transparency of the results.

"We have to prove we don't want to disenfranchise, or in any way reduce, people's access as a result of moving to advanced analytics, AI and ML. Individuals want more control and by working collectively we can move the dial on social engagement and purpose."

Panel

Doug Brown
Chief data scientist, Capita

Mike Connaughton
Head of analytics and data innovation, EMEA, Oracle

Emma Duckworth
Director of data science, GSK Consumer Healthcare

Natalie Fishburn
Vice president, global head of clinical data and insights, AstraZeneca

Tris Morgan
Director of security advisory services, BT

Ashish Surti
EVP technology and security, Colt

Future opportunities
If regulators and industry can get the balance right then the possibilities are endless. Natalie Fishburn at AstraZeneca says data applications will get medicines to market faster and reduce the burden on hospitals, ultimately giving people more time with loved ones.
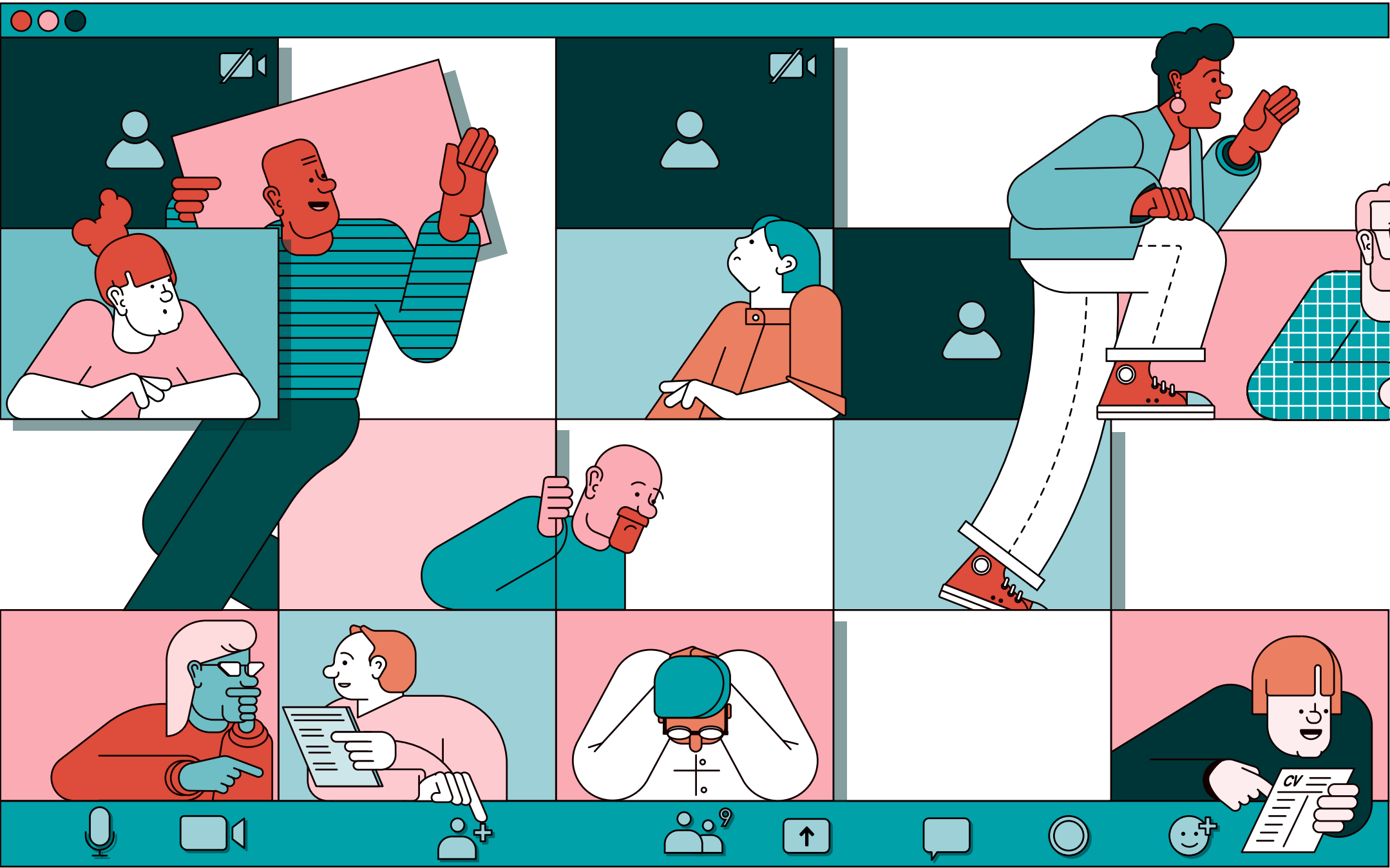
Emma Duckworth at GSK Consumer Healthcare similarly sees a move towards self-care, with more in-home treatments, lower reliance on prescriptions and fewer visits to the GP. Tris at BT sees data as a weapon against the complex and evolving threat landscape while Ashish Surti at Colt thinks it will improve sustainability and benefit older generations. But all agree that the way we acquire, manage and use data will be fundamental to its application in future, and that there are many questions to answer before we truly witness its optimal use.

"It's a gift that will keep on giving," says Capita's Doug Brown. "With trust and choice about how data is used, we can let people live better lives. As we move into a more virtual world, organisations that can traverse virtual and physical experiences will win. But if we don't manage it properly or use it for the right purposes, that will have an impact on brand value and individual relationships alike."

Fresh approaches to solving the tech skills crisis

It's time to explore new avenues to fill the record number of vacancies in the tech sector

Cath Everett

The global skills crisis in the tech sector has reached a high and threatens to derail the industry's seemingly unceasing growth.

But such unprecedented skills shortages are the result of a perfect storm, according to recruitment consultancy Harvey Nash Group's 2021 *Digital Leadership Report*. Tech leaders intend to increase their investment in technology (60%) and related headcount (61%) this year to record levels. Yet, they are experiencing retention issues as employees re-assess their priorities (80%) or opt to take advantage of spiralling wage inflation (40%).

The UK has also been affected by European workers returning home, says Andy Heyes, Harvey Nash's regional managing director, UK South.

"From an economic point of view, the UK isn't as attractive as it once was due to Brexit, the pandemic and a weaker pound," he says.

Skills shortages are currently most acute in cybersecurity, where 43% of digital leaders are experiencing hiring problems, up almost a quarter over the past 12 months. Big data and analytics skills are next on the list (40%), followed by technical architects (34%).

The tech industry has underlying challenges in filling job vacancies. While graduate entry is still the most common path into the profession, universities around the world are not producing enough graduates to meet demand. Simon Short, chief operating officer of software and services provider Advanced, says: "There aren't enough people in technology, which means we're competing for the same candidates."

But the sector's focus on graduates also means the industry is missing out on a huge amount of untapped talent, according to James Barrett, regional director at recruitment consultancy Michael Page Technology. There may have been a big shift in the number of apprenticeships and boot camps, he says, but they're still just scratching the surface.

To tackle the issue, about 51% of digital leaders plan to cross-train people from other parts of their organisation. More than a third have also widened their geographical recruitment net thanks to hybrid working, the report reveals. But it still isn't enough.

Mark Watson, chief executive of Fat Beehive, a web design agency for charities, believes that historical race and gender biases have dissuaded many people from pursuing a career in tech. This has resulted in the sector being dominated by middle-class, straight, white males.

As a result, the secret to solving the skills crisis over the long term, in his view, lies in proactively seeking out non-traditional talent pools, not least to boost diversity. Here are four examples of employers that are doing just that.

Diversity of employee background, life experience and thought is vital in a sector such as tech, which prides itself on innovation, believes Watson.

Coming from a non-traditional background and an advocate of prison reform, he decided to work with Code4000 and sits on its advisory board. The charity teaches software development and basic skills to prisoners, with the aim to cut re-offending rates.

Fat Beehive, which employs 33 staff, has now taken on two of Code4000's graduates and intends to hire another one each year.

Watson explains the rationale: "Companies should use their power, where they can, to do good. Giving people a second chance is powerful in and of itself – but it's also good for business, individuals and society."

Tangible benefits include high levels of loyalty as people understand and appreciate the chance they've been given. Others comprise the different life experiences that they bring to the table, which is great for problem-solving, he notes.

But there are challenges. Many ex-offenders have grown up in chaotic, disorganised environments, which means they may need a bit more structure and support than other employees, Watson says. As a result, each joiner at Fat Beehive is assigned a staff member to be their mentor and their first port of call in case of problems.

Watson explains: "You can't just bring people in and expect them to instantly fit into an alien environment. Some of them won't have worked in an office before, so you do need to adapt the training and support to make it work."

> ## We're not taking on just anybody. It's about giving a genuine chance to people who are committed to a career in tech

In the short term it is, he says, a more costly and less efficient process than the traditional route to hire, although people don't earn the same salary as someone fully trained. In many ways, he says, it's comparable to taking on an apprentice.

Ultimately, it's about weighing up the pros and cons and working to ensure success. "You can't just take on an ex-offender and expect it to be hunky-dory. It needs more commitment than that," Watson says.
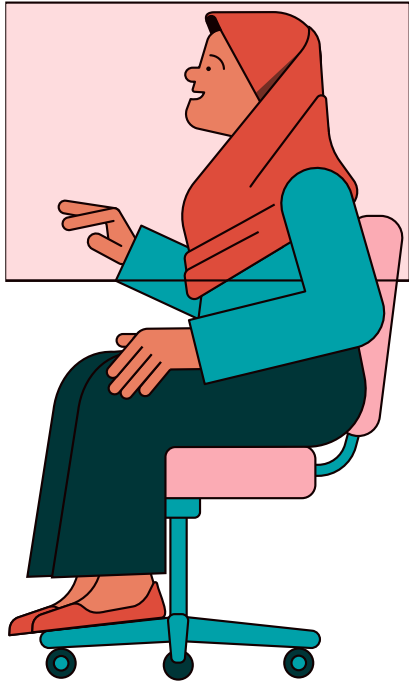
Despite worldwide skills shortages, the tech industry has a habit of throwing people on the scrap heap, whether it is older workers, women who left to have children or people with chronic illness, Short says. As a result, he decided to take a different tack when evaluating how to supplement the software and service provider's existing UK workforce of around 1,800. Short is chair of trustees of charity Astriid, which was set up by his friend David Shutts following a cancer diagnosis.

It aims to match skilled professionals with long-term health conditions, such as leukaemia, multiple sclerosis and long Covid, with employers willing to accommodate part-time, flexible working arrangements. Once interested parties have registered on the charity's website, an AI-based search service finds suitable matches and the charity makes the introductions.

Advanced has already taken on one employee to handle first-line tech support via this route but intends to take on four more over the next couple of months. The aim is to learn collectively from the experience with a six-month review, Short says, before expanding the approach into other areas of the business.

Key considerations include training managers to support new joiners effectively and hold potentially sensitive conversations to understand not only their capabilities but also their limitations.

"The thing with people with chronic illness is that there aren't necessarily visual markers of diversity, which adds another layer of complexity, especially if they feel anxious about how to manage their day-to-

day objectives and goals," Short says. "It's important to create a safe space to ensure people feel supported and can build their confidence and managers have an important role to play here."

At the more junior, 18- to 21-year-old level, meanwhile, the organisation has abandoned the standard entry devices of CVs and graduate entry. Instead, candidates' capabilities and personalities are evaluated via an online cognitive aptitude test before they progress to an internal assessment centre.

"We're trying to attract young talent and raw capability into the workforce for the first time but also to supplement it with more experience, which includes people with chronic illness," he says. "But while, like everyone else, we need skills and labour, the other side of the coin is social justice. We believe a key role of business is to support society and the wider community."

In a world in which demand for skills is outstripping supply using traditional routes, says Stephen Paterson, head of people and technology at AND Digital, it makes sense to give opportunities to people with the right attitude and a genuine passion for tech.

To this end, the digital consultancy has teamed up with charity CodeYourFuture, which trains refugees and other disadvantaged groups to become web developers. After providing the charity's senior technology people with coaching and mentoring on a voluntary basis for a few years, the decision was taken to hire two of its graduates: a steady flow of people every year is expected.

AND Digital employs 1,500 staff but aims to more than triple this figure to 5,000 by 2025. While it anticipates that much of this recruitment activity will take place via traditional sources, it expects a fair number to come through innovative channels, he says. Although no concrete targets exist at this point Paterson says that if they find the right people, they'll hire them. "As a source of talent, we keep our hiring bar high. We're not taking on just anybody. It's about giving a genuine chance to people who are committed to a career in tech and want to make a success of it."

While the recruitment process is similar to conventional agency hiring, providing refugee workers with effective support, particularly initially, is key to success, believes Paterson. After attending AND Digital's training boot camp, which is compulsory for all entrants, each participant is given their own 12-month coaching, mentoring and training plan.

They are also assigned a buddy and allocated to a squad of 12 people, whose leader is their mentor. A full range of wellbeing and mental health services is available, as is professional development training. This includes language support, and help in areas such as understanding what constitutes appropriate dress.

Six of these squads then form a club of 80 people, each of which has its own office space, clients, and social and training calendar. The aim of this organisation-wide structure, Paterson says, is to ensure no one feels alone because everyone knows everyone else and feels invested in – as if they're part of something small, but also something much larger.

The idea is to provide a fully rounded, holistic support that isn't limited to career development but includes people development. That's important because if people feel supported, they'll fly, he explains.

Adopting impact sourcing – hiring candidates from non-traditional and underprivileged backgrounds – as an approach to hiring tech talent is not just a CSR commitment, it's a business model commitment, points out Sandrine Asseraf, group managing director and ESG lead at Webhelp.

The customer experience solutions provider, which has a workforce of 100,000, was granted the Impact Sourcing Provider Award this year for its inclusive employment strategy. More than 4,400 people from non-traditional talent pools were taken on at locations across 25 countries in 2021 and standardised metrics were introduced. In 2022, the aim is to roll out the model in each country hosting a new office.

A further goal is to use the approach to hire 15% of all recruits in each of the supplier's existing 55 global locations by 2025.

But to make the vision a reality, each country is required to commit to annual measurable targets relating to recruitment, retention and tenure. They are also expected to provide joiners with cultural bridge training, ongoing career development and personal support.
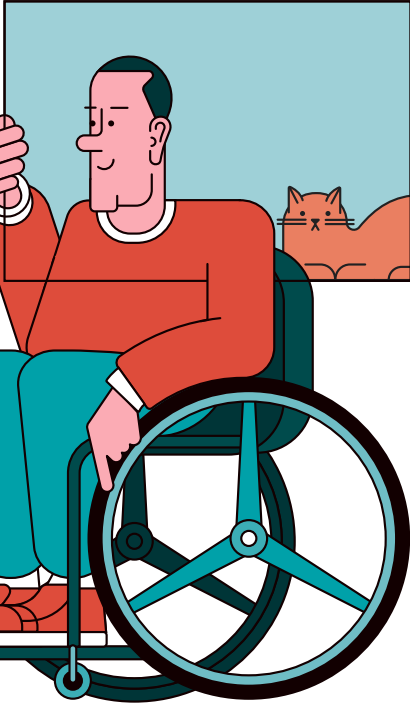
To achieve its goals, Webhelp is partnering with governments and NGOs, such as MigraCode in Spain and Harambee in South Africa, to create a holistic system where we all collaborate to identify the broadest talent pool, Asseraf says. Ensuring clients understand and are on board with the approach is also considered vital.

38%

of CIOs said that current socioeconomic factors have escalated the need to improve talent acquisition and retention strategies

Foundry, 2022

37%

of business leaders report that the depth of tech talent in the UK in December 2021 was worse than in December 2020

Atomico, 2021

But taking this kind of approach does require planning.

"If you wake up one morning and a client says they want to start their project in two weeks, you'll find it difficult if you want to recruit this way," Asseraf says. "Instead, you need to build networks so you can hit the ground running."

While impact sourcing may be more expensive than conventional recruitment approaches in terms of time, training and resources, Asseraf firmly believes the benefits outweigh the costs. And not just for the individual and local communities concerned.

"It's about creating a sustainable model for the company, as people stay longer and have access to a better future, which means we create a built-to-last model.

"Our clients are becoming more supportive of it. Individuals, the company, our clients and stakeholders all benefit," she says. ●

> ## There aren't enough people in technology, which means we're competing for the same candidates

TOWARDS A SUCCESSFUL D&I CULTURE

How CIOs have tried boosting D&I in tech teams

● Have not tried   ● Tried with limited success   ● Tried with success

Having a clear vision for inclusion and transparent reporting

33%	30%	36%

Inclusion training/communications

36%	31%	33%

Creating employee support networks

42%	28%	30%

Have an inclusion steering team with genuine powers

59%	21%	20%

Mandatory quotas on shortlists of candidates

75%	17%	8%

Mandatory quotas on hiring decisions

79%	15%	6%

*Due to rounding, some years do not total 100%   State of the CIO, 2022

Closing the technology skills gap

The need for more skilled employees in technology roles, particularly cybersecurity, has firms re-evaluating their recruitment strategies to attract and retain employees

For many people, hardly a day has passed since the early days of the pandemic that have been free of video calls. Whether at work, at school or at home, screen-based interactions have defined the last two years.

Not only has hybrid working forced companies to think harder about their cybersecurity, but job hopefuls have had to contend with a different working world than has ever been seen before.

"While there will always be a need for mid- and senior-level talent, it's important to also be mindful of how recruitment is handled for junior level roles. Given that many new graduates have spent the last two years of their education behind a screen, some may not feel as prepared to enter the workforce," says Daniele Grassi, chief operating officer at global talent and reskill training provider Wiley Edge.

The problem, however, is that while companies may now have the required infrastructure, systems and software in place to support a changed working model, they don't necessarily have the right staff to run them. The great resignation of 2021 resulted in millions of people quitting their jobs because they were dissatisfied with them and wanted to pursue other opportunities. One of the worst hit industries was technology, with 3.6m job openings listed in the US alone in 2021, according to the Computing Technology Industry Association Group. It's predicted that there will be 178,000 new positions created in 2022.

The fact is that there's a huge skills gap in the market and it's widening by the day. That's evidenced in Salesforce's 2022 'Global Digital Skills Index Report,' which found that 76% of respondents didn't feel ready for the future of workplaces and only 14% said they had advanced knowledge in encryption and cybersecurity skills.

Exacerbating the skills gap in digital and technology roles is the lack of diverse candidates both seeking and being employed in those positions. In its 'Diversity in Tech' research, Wiley Edge found that '71% of young tech workers have felt uncomfortable in a job because of their gender, ethnicity, socioeconomic background or neurodevelopmental condition.'

But the need for talent is seeing companies source candidates from a broader pool than ever before, making the need for equality in technology a greater need in terms of talent attraction and retention.

Grassi says: "The hardest roles to recruit for are mid and senior level talent as everyone is vying for their attention. Roles in cyber security, cloud computing, data analytics and software engineering and development are greatly in demand across all industries."

And because many companies are still relying on outdated hiring practices, they're missing out on people from other backgrounds who have valuable skillsets to bring to the job. Doing so limits them to a narrow talent pool, thereby overlooking a wealth of diverse junior- and entry-level candidates.

Wiley Edge helps businesses overcome this challenge. In partnering with them, Wiley Edge presents companies with candidates who are ready to learn and join their workforce, backed up with a top-quality training and support system. "Leaders can spend less time training as junior talent are equipped with the knowledge to start contributing to the team early on," says Grassi of the benefits of this strategy.

After analysing the company's needs and employing the graduates on their behalf, Wiley Edge supplements their education by training them on technology they are currently using to equip them with the right knowledge and skills to hit the ground running.

Only 8% of companies say they are not planning to recruit entry-level talent at all in the coming year. That means the market for skilled junior tech professionals is incredibly competitive.

Tapping into diverse pools of talent – particularly considering that hybrid working has allowed for greater geographic diversity in the talent pool – can help alleviate this competition. The 'Diversity in Tech' study shows that the talent is out there. There was little discrepancy between ethnic groups as to their exposure to technology careers at school. And, as 37% said this was the main motivator toward digital careers, a more diverse workforce is achievable.

However, one of the common misconceptions still apparent among young people is that technology doesn't offer a future-proof career path. Three-quarters of survey respondents agreed with this assessment. That makes job-based skills development all the more important as learning at work can help combat this misconception.

It's vital that businesses recruit junior employees while continuing to develop their own in-house talent to aspire to more senior roles. Companies need to harness their eagerness to learn and make a difference to enable them to fulfill key positions and progress their careers, thus closing the skills gap.

> ## Those who don't have adults they look up to in technology or big corporations may have a bit of imposter syndrome and question their lack of ability to perform

One of the root causes for the lack of diversity in technology is not having received the encouragement to pursue a career in technology from an early age, particularly among women, with only 35% saying they felt encouraged to do so by their school. A further 42% said they weren't given any information or resources to learn about such opportunities. It's a similar story for Asian and Black people, with only 19% and 29% respectively saying they were far more likely to follow a technology career as a result of being encouraged by their school.

"Those who don't have adults they look up to in technology or big corporations may have a bit of imposter syndrome and question their lack of ability to perform," says Grassi. "With Wiley Edge, we help remove some of the hesitancy and help them realize how strong their skill sets are and that they can make important contributions within Fortune 500 companies. Sometimes, all it takes is one person

71%

of young tech workers have felt uncomfortable in a job because of their gender, ethnicity, socioeconomic background or neurodevelopmental condition

mthree, 2022

expressing that you can do it to help them make the leap."

Other barriers include people's doubts over their own qualifications, skills and expertise, thinking they won't feel welcome, or discrimination in the recruitment process. That suggests many companies are struggling to establish an inclusive working environment. The solution is for schools and businesses to ensure everyone receives equal opportunities and encouragement to learn about technology as a career path and the qualifications needed, as well as promoting available roles and attending job fairs. Role models can also play a key role in encouraging women and Black people, in particular, to choose a career in technology, while firms need to do more to address problems inherent within their own culture to improve retention rates and put their diversity and inclusion strategies into action to meet their goals.

The Reskill programme offered by Wiley Edge trains existing employees and tackles any biases by opening up businesses to a new demographic. Its alumni hire-train-deploy model saw 35% female and 50% black, Asian and minority ethnicity employees placed in 2020.

The benefits of having a diverse workforce are clear. Numerous studies have shown that having a team of people from a wider range of backgrounds, ages, genders and ethnicities drives greater creativity, productivity and profit margins.

And, tackling the skills gap now, will only be a benefit to companies in future. Grassi says: "At the rate that technology is evolving, we only expect the skills gap to widen even further if education doesn't evolve to become more in line with the needs of the industry. That's why we feel that the work we're doing at Wiley Edge is so important to ensuring that both companies and junior level talent are able to thrive."

With the rapid rate at which technology is evolving, the skills gap is set to widen even further. But by educating, enabling and empowering junior talent to thrive, this shortage problem can be addressed in the long-term.

For more information about how Wiley Edge can help with your technology recruitment needs visit wiley.com/edge

WILEY | EDGE

'My role is becoming more and more about business transformation'

The CIO of Boots UK, **Richard Corbridge**, explains why his team visited as many of the company's shops as it could reach in a single day

Emily Seares

After Covid restrictions had prevented his IT department from visiting the firm's stores across the UK and Ireland for the best part of two years, Richard Corbridge urgently needed a way to reconnect the function with the customer-facing part of Boots.

"What we hit upon was how we could reinvigorate that relationship as soon as possible, rather than letting it be a slow burn," says Corbridge, who was promoted to CIO from director of innovation at Boots UK in August 2020. "I had the idea of picking one day where we would try to visit as many stores as we could. We wanted to see if we could make a big impact quickly."

On 17 March this year, about 200 IT specialists duly travelled to well over 300 retail outlets, ranging from the flagship stores in London's Covent Garden and Sheffield's Meadowhall centre all the way down to its smallest cornershop pharmacies. Their mission: to glean as much information as possible about the biggest tech concerns of those on the front line.

To ensure that members of his team were fully engaged in this wide-ranging exercise, he encouraged them to organise their own itineraries and decide which sites they would visit. If they so wished, they could use their field trips as a basis for going on to meet friends and relations, for instance.

"People could decide wherever they wanted to go – and they didn't feel they had to come up with a reason for their choice of destination," Corbridge says. "We tried to empower the team to enjoy the day and get the most out of it for themselves, which is probably why it was so successful."

He continues: "Our 45,000 colleagues in the Boots portfolio are seeing customers day in, day out. They gain so much insight into what consumers are seeking from technology. On the front line, they know better than those of us who sit in a tech development lab or at head office about what our customers really want."

> **"**
>
> ## I see my expertise as being about how to make successful changes happen at pace

Corbridge feels it's the role of a CIO to understand what the customers' requirements are and then determine the best way to meet those needs. "If we want to offer them a personalised journey, the only way to do that is to bring technology and data together and then work out how to make that change happen," he says. On the day of the visits, Corbridge also held an open video chat session in which anyone could update him on IT problems they were experiencing. More than 650 calls were logged.

Armed with all the new information, his team swiftly completed a strategy that was presented to the executive team the following afternoon.

"We put a price tag and a timeframe on it. The next day it was approved as our first store-centric IT strategy," Corbridge says.

It's crucial for the IT function to use projects such as this to learn what's happening on the front line, he stresses. It should ensure that the customer experience will be more "exciting, invigorating and convenient" in any Boots outlet, whatever its size.
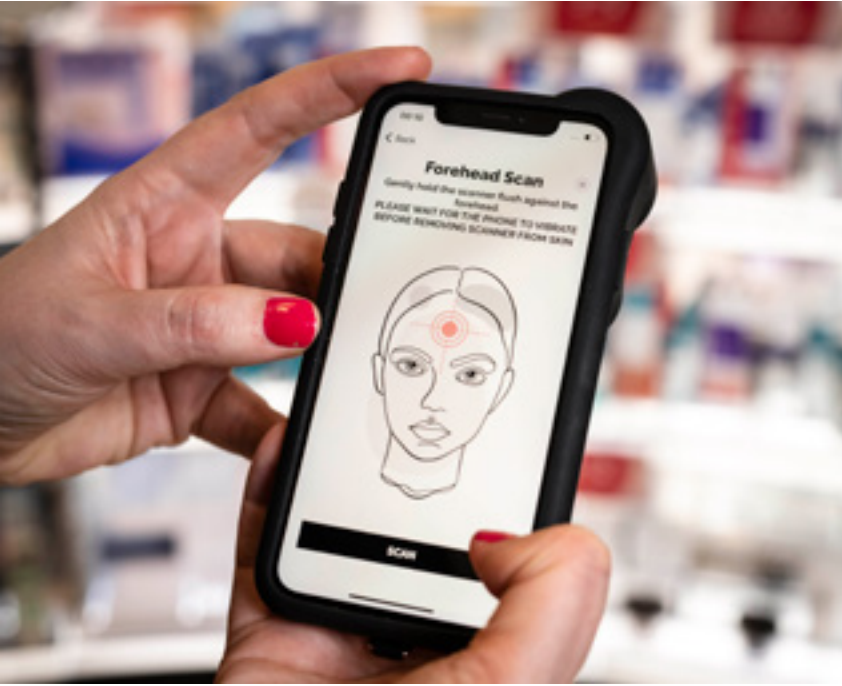
Corbridge explains: "We're in the middle of rolling out a huge new network capability across the whole of the estate. One of the key things we learnt from the day was that we need to do this more quickly because stores are really struggling with connectivity. When customers are in stores and can't get a Wi-Fi connection, it's hampering their experience, particularly as Boots has moved its loyalty card on to mobile phones."

Another key insight arising from the project was how hard it can be for a member of staff in a busy store to contact the IT helpdesk quickly whenever something breaks. It also highlighted a wider issue concerning internal communications.

"It was interesting," he says. "One of the things we had created about nine months previously was the ability for stores to raise

a help call by sending an email instead of ringing someone up. But staff in more than 80% of our stores hadn't realised that they could do that. IT's ability to communicate with them is something we really need to think through, so that we get more messages out to them and they understand what we're trying to do."

This aspect is crucial to the part that CIOs play in transforming businesses, notes Corbridge, who adds: "My role is becoming more and more about business transformation because business transformation is becoming more and more reliant on technology."

This makes it important for the CIO to be part of the senior leadership team – something that he has been at Boots ever since assuming the role.

"I don't see my expertise as being about technology when I'm sitting on the executive board," Corbridge says. "I see it as being about how to make successful changes happen at pace. As a CIO, you lean on your team for the technological knowledge. Your own skill is about connecting people and providing the answers to the transformation questions." Building on Boots' first store-centric IT strategy, he's already thinking about further projects to support tech innovation and inform the company's wider strategy.

"We're lucky our leadership team values what tech can do," Corbridge says. "Our managing director [Sebastian James] has been clear that IT is intrinsic to the transformation, so it needs a seat on the board and the capability to do all the work needed." ●

The new Boots No7 skincare service uses digital technology

Boots by the numbers

Its history

1849
Boots is founded

51,000
total employees

85%
of the UK population is within 10 minutes of a Boots store

Its store footprint

2,263
number of Boots stores across the UK

2,141
in-store Boots pharmacies

19
new stores opened in 2020 and 2021

Its digital capability

£73m
invested in its digital capability over the past three years

1,600+
stores with next-day click-and-collect available

54%
increase in Boots.com sales in its 2021 full year

The three key strands of Boots' tech innovation strategy

1 Online
A central component of Boots' new plan concerns "super-scaling" the website so that it can handle much higher numbers of users shopping at any given time, according to Corbridge. Personalisation is another important element. Once you've shopped online at Boots and return to the site, it will know what you've bought previously and "how to tailor your basket at checkout with offers, so that all the most valuable things you might think of from Boots are there".

2 Healthcare
The second strand concerns Boots' ability to offer "personalised healthcare on the high street". Corbridge says that he's intent on applying here what the company has learnt from personalising the retail journey. This includes using tailored online content to give customers access to relevant medical information such as updates from NHS trusts and Boots pharmacists.

3 Physical retail
The third strand focuses on bringing the digital and physical customer experiences closer together. For instance, customers who use the Boots app when they are visiting a bricks-and-mortar store will be granted access to new items on their devices.