

The changing role of the CIO: driving innovation

By Tony Willis 30 Oct 2014

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Increasing the digital readiness requires a thorough understanding of the challenges, inefficiencies and opportunities in the organisation. In doing this, the CIO and his IT department can identify technology innovations with the potential to improve business performance - across a number of dimensions, including:

- Increasing revenue/market share/customer base;
- Saving costs;
- · Improving business agility;
- Enhancing customers' experiences; and
- · Shortening production cycles or business processes.

Regardless of whether we are considering innovation, invention or optimisation, the above five dimensions are generically applicable - which in its own right makes the frequently debated topic of 'what is innovation' somewhat superfluous. As long as one or more of the dimensions is being delivered and a positive business case can be demonstrated, the business is generally interested. So, how does the CIO fulfil the goals of becoming a change agent, business partner, innovation champion, and 'digitalisation' advocate?

Over and above the various historical and modern approaches to innovation, we are experiencing two key activities that the CIO can drive to assist in achieving successful:

- Using open innovation ecosystems to blend insights from other, seemingly unrelated industries and fields of knowledge; and
- Creating an environment within the organisation that facilitates the collection of inputs pertinent to ideation, constant innovation and digitalisation.

Cross-industry insights

The concept of open innovation ecosystems pulls together participants from a broad variety of research backgrounds (scientific, tertiary education, technology etc.), together with business leaders from different sectors. Fusing insights from these differing domains of knowledge generates new ideas, new approaches to solving problems, and opens up what previously would be considered as unlikely collaboration opportunities.

Speaking at a recent event in South Africa, Frans Johansson, international speaker and author of the best-selling book The Medici Effect, discussed how true innovation is often found at the nexuses of unrelated fields. Inspiration, he explained, often happens when an individual takes his resources, assets, knowledge and networks - and then connects them to something else altogether.

Diversity can fuel this - including diversity of business goals, perspectives, cultures, knowledge, genders, and ethnicities - and the powerful ideas that emerge when these worlds collide. The CIO is well placed to encourage the organisation to embrace open innovation ecosystems, diversity, and collaboration.

Creating an environment for ideation

Perhaps the most important role the CIO can play inside his own organisation is that of an 'innovation enabler': laying the foundational structures (along with executive colleagues from across the organisation) for innovation to happen organically and sustainably.

Due to the touch points that it has with business at all levels of the organisation, the IT department is exposed to pain points of the business - those problems that cut all the way to the core of the business operations. An approach to ideation that keeps business pain points 'top of mind' and encourages teams to find the answers to those problems (as opposed to developing innovations, and then looking for a problem to solve, to justify the innovation) provides business not only with potential disruptive innovation, but continuing incremental innovations as well.

Along with his leadership colleagues, the CIO needs to create a culture in which ideation is encouraged and formally rewarded at every level. There are a number of ways in which local companies have established incentives and rewards systems to encourage ideas and participation.

The key, however, is in ensuring that the best ideas are then promoted into real-world projects and successful results deployed into the business, and that the original inventors are recognised for their contribution. With the right visibility, this is a powerful motivator for others to start finding innovative solutions to their department's challenges.

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