Gartner Research

General Manager Leadership and Execution Primer for 2024

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31 January 2024

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General Manager Leadership and Execution Primer for 2024

> General managers seek growth via effective investment, buyer alignment, competitive differentiation and ecosystem plays in a landscape of constant change. Gartner's technology general manager research helps navigate decisions with an outside-in perspective on providers and tech markets.

Scope

General managers have an overarching imperative to drive growth and competitive advantage by anticipating trends, prioritizing investments and mobilizing their organization's go-to-market efforts.

Topics in this initiative include:

- **Qualify Market Opportunity:** Size your opportunity in the market.

- **Identify Requirements to Win:** Connect business model strategy to buyer and stakeholder values to acquire and retain customers.

- **Anticipate Technology and Market Trends:** Gain insight to disseminate to the organization on economic, buyer, technology and business model trends.

- **Prioritize Technology and Market Actions:** Take confident action with a full understanding of the impact of technology and market trends.

- **Grow Competitive Advantage:** Disrupt competitive dynamics with strong value propositions, strengths and opportunities.

- **Create Investment Strategy:** Evaluate buy, build, partner and ecosystem options for critical market plays.

- **Prioritize Investments:** Prioritize actions and investments that need to be undertaken to reach revenue potential.

- **Refine Ambition:** Make a pivot to improve competitiveness and growth potential for the long term.

- **Mobilize the Organization:** Align the organization to realize growth from the board to the back office.

- **Go-to-Market and Win:** Align go-to-market teams to engage, retain and expand customer share of wallet.

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Analysis

Figure 1: General Manager Leadership and Execution Overview

General Manager Leadership and Execution

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Considering the rapid pace of change since 2019, an even greater acceleration of change would require a fundamentally different pace of leadership decisions. Yet, among respondents to the 2024 Gartner General Manager Survey, the majority of general managers (56%) see the pace of change increasing compared to the last three years, building upon an environment of already elevated uncertainty. [1] According to the survey, this is a change on top of the significant and rapid evolution in tech markets, society and buyer needs over the last three years.

To intensify matters:

- Enterprises and governments are facing higher borrowing costs, skills shortages, cloud pricing increases and supply chain disruptions — leading to a reevaluation of ROI for ongoing and proposed projects (see (Forecast Analysis: IT Spending, Worldwide).

- The "growth at all costs" strategy pursued for more than 10 years is giving way to a greater focus on efficient growth and a refocus on costs. Fifty-eight percent of boards of directors at their organizations and across regions expect to increase risk appetite in 2024-2025 to drive growth, according to the 2024 Gartner Board of Directors Survey on Driving Business Success in an Uncertain World. [2] Additionally, the use of mergers and acquisitions (M&A) to acquire new capabilities is reported to be worth the risk to drive shareholder value by 47% of the surveyed boards of directors.

Meanwhile, general managers feel pressure for margin and growth that generates sustainable, efficient and profitable results. Yet, 54% of respondents to our General Manager Survey expect their margins to increase year over year. Why are they so optimistic?

There remains solid opportunity in the high-tech industry, across most sectors. General managers have the ability and, in fact, the mandate to mobilize their organizations to meet that growth.

Topics

To be successful, general managers of technology and service providers need to unite their leadership and execution plans. Successful leaders take action based on a firm reading of the market signals. Substantial understanding of their own competitive strengths enables leading general managers to strengthen their competitiveness. Furthermore, uniting their market leadership ambitions with efficient execution is necessary and requires identification of risks and opportunities as they create their investment strategies and prioritize their plans. As they execute, they must continuously calibrate their organizational ambitions, pivot their business and operating models, and adjust customer and go-to-market strategies to enable their success.

Our research in this area addresses the following topics:

Qualify Market Opportunity

Building an understanding of the markets and their associated revenue dynamics is a critical initial step for general managers of technology and service providers. It should be the basis for establishing their leadership goals. This involves exploring and creating net new sources of revenue in a quantified manner to deliver incremental results impacting their high-tech business growth, while sustaining the core and established revenue channels.

Questions Your Peers Are Asking

- What are the new sources of revenue streams that I need to consider to grow my business?

- What is the size of relevant market opportunities?

Recommended Content

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- Market Opportunity Map: CRM Marketing and Cross-CRM Software, Worldwide

- Market Opportunity Map: IT Services, Worldwide

- Market Opportunity Map: Industry Cloud Platforms, Worldwide

- Forecast Analysis: Artificial Intelligence Software, 2023-2027, Worldwide

- Forecast Analysis: Artificial Intelligence Services, 2023-2027, Worldwide

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- Market opportunity map: Enterprise applications

- Market opportunity map: Enterprise infrastructure software providers

- Market opportunity map: IT services

- Market opportunity map: Universal orchestration platforms

Identify Requirements to Win

Winning in the marketplace requires setting goal-based strategies that account for key requirements of customers in the relevant market segments. Therefore, to lead, inculcating the customer demand considerations is paramount. To do so requires building an understanding of all aspects of demand affecting revenue streams.

Questions Your Peers Are Asking

- What buyer demand changes are creating new revenue potential?

- What are the risks around pursuing or not pursuing market opportunities?

Recommended Content

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- Quick Answer: 4 Do's (and a Big Don't) for Tech GMs Struggling With Hyperscalers

- The Cybersecurity Market: Shifting Buyer Needs Creating Significant Growth Opportunities

- Context, Cloud and Consulting Drive Growth Opportunities in IT Services

- Shifting Buyer Needs in the Cloud Market Create Significant Growth Opportunities

Planned Research

- Archetypes general managers should leverage to maximize growth from asset-based consulting portfolios

- Shifting buyer needs in the enterprise infrastructure market

- Buyer demands and needs research for the enterprise application software market

Anticipate Technology and Market Trends

Economic, buyer, technology and market forces are causing leaders to consider both short- and near-term scales for planning their positions — for example, when and how they should invest in GenAI. This requires building up strategic plans, first on the foundational aspects of their market and current position and then anticipating what additional demand- and investment-related headwinds they will face.

Questions Your Peers Are Asking

- What macro factors will create demand changes that will impact revenue potential?

- What are the upcoming technology innovations that are relevant to my line of business?

Recommended Content

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- Cloud Sovereignty and IT Services: New Rules for the Next Evolutionary Stage of the Internet

- Top 3 Generative AI Trends Impacting IT Services

- Presentation: Exploiting the Shift Toward Platform Orchestrators

- General Manager Insight: How the Future of Application Experiences Will Impact Software Providers

- General Manager Insight: Major Trends Impacting Software Sales and Product Delivery

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- General managers must prioritize AI use cases based on their enterprise's current uses and ambitions

- Find your growth path with Gartner's Market Ambition Analysis

- Critical insights on data diversity

- The transformation of service provider business built on foundation models

Prioritize Technology and Market Actions

Gaining a full understanding of the market is required to prioritize the most relevant focus areas impacting the business of technology and service providers. This includes filtering through the various forces creating a trend and confidently acting on those that are business-critical for a given market and the associated business model.

Questions Your Peers Are Asking

- What trends are most important to my business?

- What trends should I communicate to stakeholders?

- How do I disseminate business trends insight to my organization in a way that is actionable?

Recommended Content

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- Case Study: Customer Obsession Is Creating a Generative Provider (Microsoft)

- Vertical Go-to-Market Strategy: Why It's More Important Than Ever

- Visual Insight: 7 Disruptions to Help Prioritize Digital Innovation, 2023-2028

- Technology General Manager Insight: Top Trends' Impact on Software Technology

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- Harness the power of a universal orchestrator and data fabric to optimize client operations

- The impact of top tech provider trends on markets

Grow Competitive Advantage

Dynamically changing markets demand progressive and forward-thinking competitive strategies. Building an understanding of current market positioning and differentiating by leveraging strengths are key to business survival and defending market share. Equally, making timely business and operating model adjustments is necessary to compete with both new entrants and incumbents.

Questions Your Peers Are Asking

- How am I performing relative to my competition?

- Are there new competitive market entrants that I should be aware of?

- How can I build on my competitive strengths to differentiate in the market?

- What investments or business changes are competitors and new entrants pursuing?

- What are opportunities for me to disrupt competitive dynamics?

Recommended Content

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- Peer-Indexed Performance Analysis: Top 10 Consulting Services Providers

- Peer-Indexed Performance Analysis: Top 10 Software Vendors

- Quick Answer: What Cisco's Acquisition of Splunk Means for Tech GMs

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- An analysis of enterprise applications vendors

- A regional peer-indexed performance analysis of the top 10 IT service providers — EMEA and APAC

- A regional peer-indexed performance analysis of the top 10 software providers — EMEA and APAC

- How general managers can grow competitive advantage in enterprise infrastructure software

Create Investment Strategy

Tech and service providers need to structure their thinking about investment options as they seek to meet both near- and long-term revenue goals. Critical to these decisions are organic growth and growth that considers investments outside of the four walls of the organization.

Questions Your Peers Are Asking

- What are the investment options I should consider to meet my near- and long-term plans?

- What organic changes are needed in my business to take advantage of market opportunity?

Recommended Content

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- 3 Vendor Strategies That Create Higher-Value Services Deals

- General Manager Insight: A Service Provider's Guide to Product Management Practices

- What Tech Leaders Know Now in 2Q23 and Must Plan for in 2024

Planned Research

- How general managers can capitalize on changes in IP and assets in IT services

- An ecosystems and platforms framework for general managers

Prioritize Investments

Allocating the budget in an efficient way is critical in the best of times, but even more important in times of uncertainty. To effectively prioritize the investments that tech and service providers should make, they must identify risks and opportunities, optimize based on market conditions, and shape their strategy accordingly.

Questions Your Peers Are Asking

- How do I leverage my channel relationships to enable my business?

- How do I build an ecosystem strategy to create new revenue advantage?

- What are the latest trends and opportunities in the market related to mergers, acquisitions and divestitures?

Recommended Content

⚷ Some recommended content may not be available as part of your current Gartner subscription.

- Defining Actionable Business Outcomes, an Approach

- An Overview of How to Become a Generative Provider

- Increase Revenue Velocity by Orchestrating a Buyer-Centric Partner Ecosystem

Planned Research

- Investment model framework for general managers

- Rethinking constraints to drive new value opportunities

- Top practices for building trust into technology offerings

Refine Ambition

As tech and service providers seek to enable their organizations to succeed, they need to evaluate the fit of their business models against changing client expectations, competitive scenarios and convergence, and macro factors driving new opportunities.

Questions Your Peers Are Asking

- How do I define an ambition that creates a clear vision for the future?

- What sustainable changes do I need to make to my business model to create efficient growth?

Recommended Content

🔑 Some recommended content may not be available as part of your current Gartner subscription.

- IT Services General Managers Must Innovate Business and Operating Models to Mobilize for Growth

- Quick Answer: Which of the 6 GenAI Pricing Models Should Tech GMs Use?

- Leading With Ambition

Planned Research

- A business model and execution framework for general managers

- Grow by targeting information security buyer-based outcomes

- 2024 Gartner General Manager Survey

Mobilize the Organization

Once tech and service providers refine their ambition in annual and long-term planning cycles, they often need to realign the organization to take advantage of their choices. Mobilizing the organization with an operating model that is aligned with that strategy and measuring its progress are key to the success of the organization in the long run.

Questions Your Peers Are Asking

- How should I realign my operating model to be adaptive to new markets or business models?

- What business KPIs should I review to mobilize the organization effectively?

- How do I engage and retain my current customer base?

Recommended Content

⚷ Some recommended content may not be available as part of your current Gartner subscription.

- How Product Leaders Can Transform Their Organization's DEI Results to Enable Growth

- General Managers' Top Levers to Combat the IT Services Talent Crunch

- 7 Business Outcome Use Cases

- Raising TSP Relevance in a Recession: Role Imperatives

Planned Research

- How to compose digital transformation services for effective growth

- How and where to find IT talent in 2024: nearshore, offshore, onshore and noshore options

- The three pillars of creating a services arm of a product company

Go-to-Market and Win

A key aspect of aligning a tech and service provider's strategy is to ensure the go-to-market function is poised to execute effectively. This includes engaging buyers, retaining customers and growing customer share of wallet through effective relationships. It also includes ensuring messaging is reflective of the value propositions that resonate with buyers or potential partners of the tech and service providers' offerings.

Questions Your Peers Are Asking

- How can we align as an organization to ensure we are engaging, retaining and growing customer share of wallet?

- Does my messaging and value proposition reflect my strategy?

- How can I best attract partners as I position the organization in the market?

- What co-positioning strategies are resonating in the market?

Recommended Content

⚷ Some recommended content may not be available as part of your current Gartner subscription.

- General Managers: Strategically Align With Cloud Hyperscalers to Create Commercial Opportunities

- Address New 2024 Revenue Risks From Salespeople Quietly Quitting

- Tech Sellers Are Quietly Quitting — Act Now to Remedy Revenue Gaps

Planned Research

- Go-to-market execution and decisions framework for general managers

- Grow revenue in existing customers with the Gartner Cross-Sell and Upsell Blueprint

- A framework for partner attraction and co-positioning

Suggested First Steps

- Leadership Vision for 2023: Technology General Manager

- Track Competitive Market Leaders and Disruptors With Gartner's Peer-Indexed Performance Analysis

- Webinar: Generative AI Drives Growth — Where and How Matters

- Use Technology and Industry Contextualization as Differentiators

Essential Reading

- IT Services General Managers Must Employ GenAI to Innovate Offerings

- IT Services General Managers Must Innovate Business and Operating Models to Mobilize for Growth

- Market Opportunity Map: Remote and Hybrid Digital Workplace Solutions, Worldwide

- Market Opportunity Map: Secure Access Service Edge, Worldwide

- Peer-Indexed Performance Analysis: Top Application Infrastructure and Middleware Providers

- Quick Answer: How Security GMs Can Use GenAI to Improve Offerings

- Shifting Buyer Needs Are Creating Growth Opportunities in IT Services

Evidence

[1] **2024 Gartner General Manager Survey**. This survey sought to understand how economic turbulence poses challenges to general managers, how confident they are in their ability to achieve their plans and the measures planned to tackle the uncertainty. The survey also sought general managers' outlook on customer profiles and the competitive environment. Results will be used to help technology and service providers (T&SPs) understand how their peers see the future and how they are organizing product organizations for success. The survey was conducted online from August through December 2023 among 200 respondents from North America (136; the U.S. and Canada) and Western Europe (64; the U.K., Germany and France). Selected respondents were from organizations with $250 million or more in annual revenue from technology and service provider industries with the majority (139) from organizations with $1 billion or more in annual revenue. Respondents were responsible for overall portfolio management or distribution of revenue targets for the portfolio or representation of the portfolio in business reviews with executive leadership.

[2] **2024 Gartner Board of Directors Survey on Driving Business Success in an Uncertain World**. This survey was conducted to understand the new approaches adopted by nonexecutive boards of directors (BoDs) to drive growth in a rapidly changing business environment. The survey also sought to understand the BoDs' focus on investments in digital acceleration; sustainability; and diversity, equity and inclusion. The survey was conducted online from June through August 2023 among 285 respondents from North America, Latin America, Europe and Asia/Pacific. Respondents came from organizations with $50 million or more in annual revenue in industries except governments, nonprofits, charities and nongovernmental organizations (NGOs). Respondents were required to be nonexecutive members of corporate boards of directors. If respondents served on multiple boards, they answered questions about the largest company, defined by its annual revenue, for which they were a board member.

Disclaimer: The results of these surveys do not represent global findings or the market as a whole, but reflect the sentiments of the respondents and companies surveyed.

Related Priorities

Initiative Name	Description
Emerg. Tech & Trends Impact on Products & Services	Use this initiative to discover, strategically assess, monetize and integrate emerging technologies and trends (ETTs) in products and solutions.
Tech Buying Behavior	This initiative covers technology buyer behavior — how organizations and the people in them make buying decisions, what these buyers want and how high-tech providers must adapt to that behavior.
Business of High Tech	This initiative covers high-tech industry commercial dynamics, such as strategies for revenue growth, tech and business model innovation, disruption response and sustaining competitive advantage.

Related Priorities

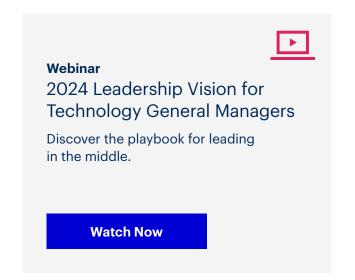| Initiative Name	Description
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Business of High Tech	This initiative covers high-tech industry commercial dynamics, such as strategies for revenue growth, tech and business model innovation, disruption response and sustaining competitive advantage.

Actionable, objective insight

Explore these additional complimentary resources and tools for tech general management leaders:

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