

# The CIO Executive Communication Guide

**How to speak the language of the C-suite  
and build the business value of IT**

**Edited by**  
Heather Colella, VP Analyst, Gartner

© 2020 Gartner, Inc. and/or its affiliates. All rights reserved. CTMKT\_864083

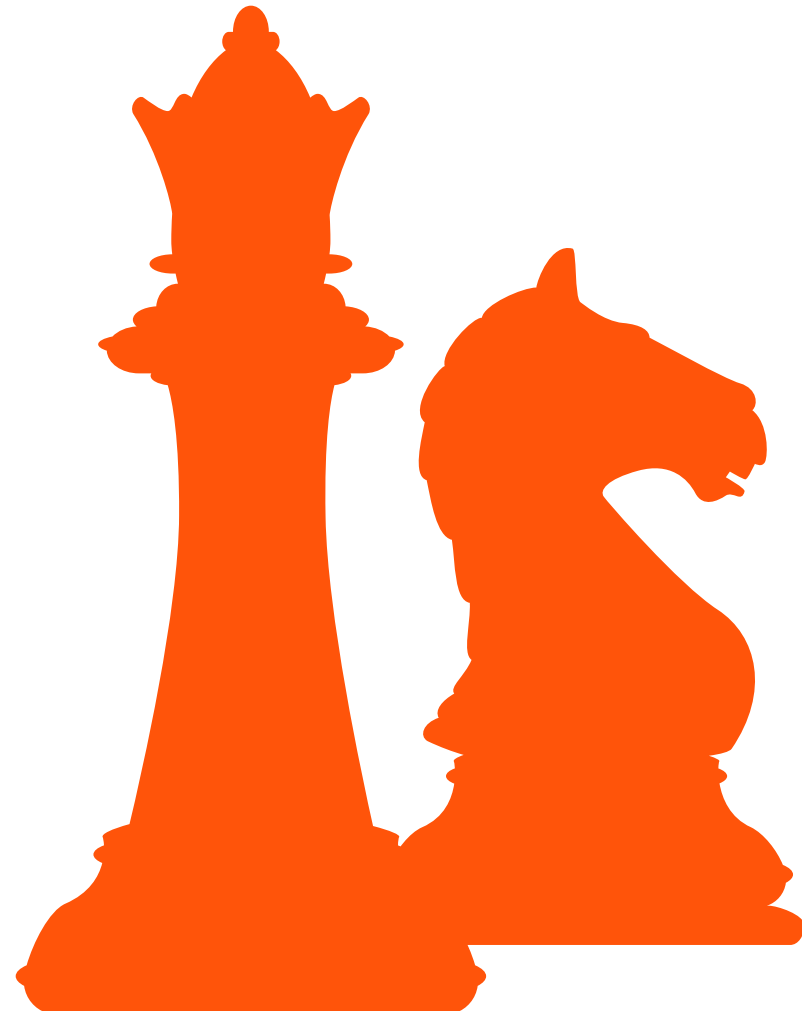


**Gartner®**

# Introduction

The majority of CIOs might speak the language of technology fluently, but struggle to communicate effectively with other business areas. A 30-minute presentation on the minutiae of cloud computing or blockchain is simply part of the job, but when it comes to working with business executives or presenting to the board, the tendency toward detail-oriented technical conversations and presentations can leave both parties frustrated. Even CIOs who come from a business background get bogged down in the details of technology when communicating at the executive level.

CIOs need to use specific techniques when closing the communications gap between the IT organization and other business areas. IT is critical to the future of the enterprise in how it supports the bigger strategies at play.



# Learn the Business, Teach the Tech

When HR executives at ScottsMiracle-Gro, a marketer and manufacturer of lawn and garden products, wanted to migrate to a cloud-based HR solution, Mark J. Sims, who was CIO at the time, knew IT needed to be involved.

Sims, who has since become the VP of Strategy, recognized an opportunity to improve engagement between historically siloed teams, and moved a few IT members completely to the HR team. These IT employees became integrally involved in the day-to-day operations of HR and maintained a dotted-line reporting back to the CIO. The team could then identify and support the HR team's business priorities in a meaningful, effective way.

This change highlighted the fact that while operating and implementing technology is important, spending time with business partners leads to better operations and ensures that IT enables business performance improvement.

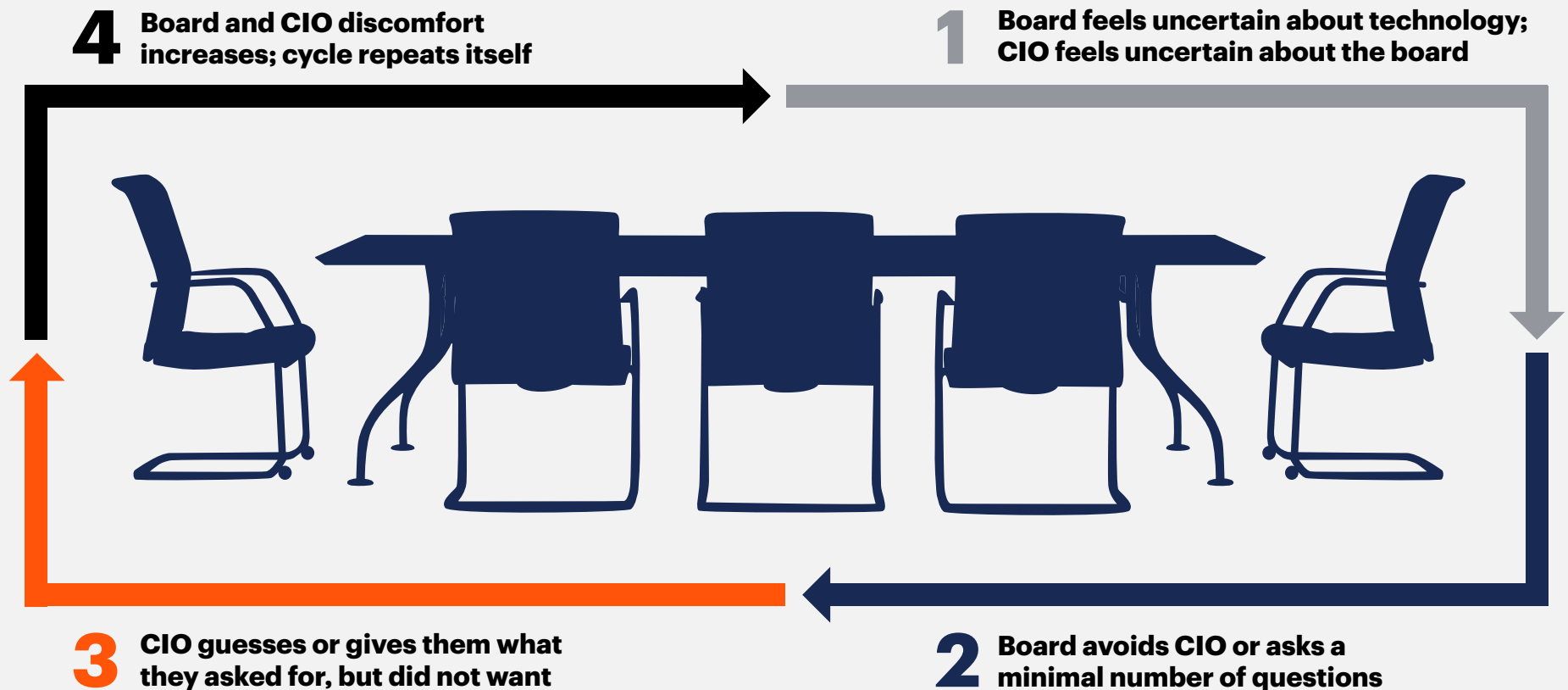
In the digital world, IT is fundamental to enabling and delivering business results. With less than 35% of the C-suite able to have a meaningful conversation about how IT enables that success, it is up to CIOs and their teams to bridge the gap by learning how to speak in a language that will resonate with the CEO, CFO, board and other executives.

“As boards realize how critical information and technology are to success, they are increasingly interested in hearing the enterprise strategic story directly from the CIO. This is new territory for many CIOs,” says Tina Nunno, Distinguished VP Analyst, Gartner.

Digital business is driving a need for more strategic engagement with the board and executives. IT changes how businesses operate from the technology core to the strategic direction.

To be successful in this move from service center to business partner, IT teams must establish relationships with the business and demonstrate business value.

## Boards and CIOs often fall into a vicious cycle of communications



### Engage, don't just align

In order for IT to take a proactive approach, it's important to constantly engage with the business.

“CIOs who seek to increase their strategic contribution to growth and transformation initiatives must first close the proverbial divide between IT and other business areas,” says Janelle Hill, Distinguished VP Analyst, Gartner.

As IT increases its contribution to the business, the relationships will evolve from the traditional provider-consumer to advisor-buyer and, ultimately, peer-peer. Peers influence strategy. If the business team sees IT as a peer, executives will consider IT investments alongside major capital investments.

How do you test if you’re engaged and not simply embedded? Revisit the conversations you’re having with your business colleagues. Do they involve questions such as: “How much will this cost?” If so, IT is viewed as a cost center and probably is not involved in the strategy of the enterprise.

<b>If your company is</b>	Digitalizing products, channels or operations	Focusing on getting closer to customers	Building talent for the future	Questioning IT value	Worried by cybersecurity threats
<b>Your value story should be how IT</b>	Enables digital innovation	Reorients to put the customer first	Creates a next-generation IT workforce	Enables strategic projects and business	Secures information assets
<b>Your scorecard should include</b>	Value from vendor cooperation (innovation, etc.) Time to add new capabilities to a service The additional business generated as a result Percentage of IT expenditures on delivering new functionality	Percentage of total IT spending allocated to the customer interface Number of IT initiatives that impact the end customer	Percentage of technologies/initiatives on the roadmap without aligned skills Percentage of IT staff who have completed leadership development assignments Average days to fill a seat	Revenue generated from faster time to market Percentage of projects aligned with corporate strategic goals Percentage of strategic projects on time, budget and scope	Value loss prevented by incident mitigation Number of advanced persistent threats per month prevented Percentage of systems compliant with security standards

# Communicate With the Board

As technology becomes more integral to the business strategy, CIOs will be called on to present to the board with increasing frequency. Boards don't want to hear about the inner workings of qubits and algorithms. Boards want to know how technology will push the enterprise forward and how to balance any risks.

"CIOs need to reframe their conversations, moving away from efficiency and cost optimization to strategic storytelling, wearing the hat of the business leader responsible for the information and technology investment required to advance the enterprise agenda," says Heather Colella, VP Analyst, Gartner. "Develop the story of shareholder value for the board, and nothing more. Shareholder value is the one thing boards care about."

## The general rules

Though the specific presentations will vary, there are a few hard and fast rules to use for every presentation from blockchain to digital business when talking to the board. Keep in mind the board of directors, while intelligent people, might not be technology experts.

- 1 20 minutes is ideal**  
Anywhere between 15 and 30 minutes is OK, with 20 minutes being the most comfortable amount of time. As a general rule, take whatever time the board offers and cut it in half.
- 2 Inform, don't educate**  
When setting expectations, use "inform," not "educate." Remember, this is an advisory presentation without specific proposals for investments or projects. You're presenting a framework for thinking.
- 3 Select the agenda timing carefully**  
The purpose of the presentation is not technology, but rather the business. If given a choice, schedule after the urgent and important items are attended to, but before the last slot of the day.
- 4 Stick to the main points**  
It's OK to add case studies or observations, but make sure all messaging is a part of the business story of success.
- 5 Provide options, but take a position**  
Boards want to know all the options, but they'll also want to know your opinion on which option makes the most sense moving forward. Take the opportunity to demonstrate business acumen and add value to the decision.

## Discussing digital business

### Answer their digital questions, then ask them yours

Digital conversations illustrate the full transformation of IT from service provider to business partnership, leaders and co-creation.

Question the board asks	What they mean
<b>What is digital, or what should be our approach to becoming digital?</b>	We don't know what bad, good or great looks like.
<b>Why do we need digital, or why is digital that way?</b>	We don't know how to make decisions on this.
<b>How does a digital business work?</b>	Tell us how it works so we can tell you what to do.
<b>What are our digital options?</b>	Help us figure out the flexibility and levers we have to use this to impact business outcomes.
<b>Strategic questions for digital</b>	We are now comfortable and know how to have a quality conversation about this.
<b>What is your primary metric of digital transformation progress and success?</b>	
Half of the CEOs surveyed responded "none." <small>Source: Gartner</small>	

## Time to practice

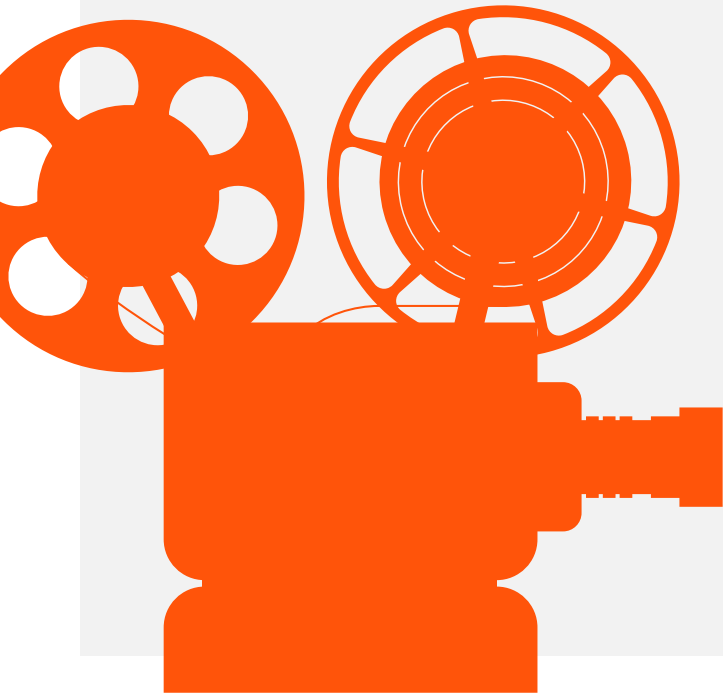
### Pretend you're the CIO of a movie theater business

**Set the tone:** Ask the board questions that evoke particular feelings — things such as: “Envision yourself in a movie theater for the first time, remember what it felt like?” This will cause the board to picture themselves as young, excited moviegoers and give them a fresh mindset for the presentation.

Now the board is feeling pretty good, but if everything was great you wouldn't be giving this presentation in the first place, which brings us to the second slide in the presentation.

**Give the context:** Movie enthusiasts today prefer to stay home to watch a movie. We must ask ourselves: “Are theaters obsolete?”

The answer might be yes or no, but the question highlights the pivotal moment in which the board must act to ensure the business succeeds. The board might need to see what happens in both scenarios to assess the current business model.





## Discover the opportunities of the digital customer experience

The movie theater CIO uses this opportunity to highlight the CX goals for the company. The orange speech bubbles highlight common comments and thoughts from moviegoers. The CIO can then highlight corresponding opportunities and business capabilities.

### Customer experience goals

1. Encourage future visits through increased engagement.
2. Leverage the mobile app to provide additional in-theater services.
3. Offer the guest a frictionless transaction experience.

**“This trailer is great!”**

#### Opportunity

- Display a trailer list to the mobile app.
- Add the capability to “like” trailers or add trailers to a movie watch list.
- Notify the customer when tickets go on sale for movies on their watch list.

**“I’m sharing my experience with my friends.”**

#### Opportunity

- Add “movie mode” to the mobile app.
- Send a notification to the mobile app asking the guest to activate “movie mode.”

**“Can someone bring me popcorn?”**

#### Opportunity

- Add the concession purchasing to the mobile app.
- Send order to the guest’s reserved seat.

**“Box office lines were really long!”**

#### Opportunity

- Add native ticketing to the mobile app.
- Streamline the mobile transaction.

## The accompanying talk track:

**“We all know around this table that popcorn costs more per ounce than filet mignon and that concessions make up 80% of our revenue — so we want to make it easy to get snacks without missing the movie. We envision creating a capability that will enable customers to order concession items directly from their seats and have them delivered during the movie.”**

“Our CIO continues through the strategy components that demonstrate how this IT-enabled story will deliver the growth objectives required by the enterprise and its shareholders,” says Colella.

When presenting to the board about specific emerging technologies, don’t get caught up in explaining the technology. Find a simple explanation for what it is, but keep the focus on the value it can add by talking about the opportunities to be created.



# The Art of the One-Page Strategy

In 1967, Rollin King and Herb Kelleher drew a triangle on a napkin. At each point was a city: Dallas, San Antonio and Houston. The two men created a vision for a low-cost commuter airline moving passengers between the three cities. And so Southwest Airlines was born, alongside a new industry for low-cost air transportation.

While CIOs probably won't be creating the next low-budget transportation option, it's important that they understand how to create a strategy that showcases how IT will support the bigger business goals.

"If a CIO is to do one thing, and nothing else, it is to create context for the enterprise and to use that context to articulate the contribution of IT to the business capabilities that will drive business success," says Colella. This can be done using a one-page strategy that tells a business story of success.

## Begin the strategy

Creating a strategy begins with an understanding of the Value Disciplines model created by Michael Treacy and Fred Wiersema, authors of "The Discipline of Market Leaders." Successful companies differentiate themselves in one of three ways:

- 1** Customer intimacy: Making money by being customer-centric (e.g., Nordstrom)
- 2** Operational excellence: Providing reasonable quality at low cost (e.g., Walmart)
- 3** Product leadership: Future-focused, and able to predict and create customer demand (e.g., Apple)

Your organization's chosen approach acts as a lens to focus strategic decisions. For example, a product leader would invest more heavily in innovation processes and ensuring the company gets product to market before the competition.

To create your version of Southwest's back-of-the-napkin strategy or what is commonly known as the one-page strategy, start with one of the following approaches:

- 1** Tell the story from the point of view of a customer/product. Put your customer or product in the center of the picture and talk to what you need to do as a company for your customer to be happy or your product to be successful.
- 2** Use a process view of the enterprise to highlight the vision. Identify the top five to seven core business processes that, when optimized, will help achieve success. Identify the capabilities required by the process for that success to be delivered.
- 3** Look at the strategy through stakeholders' eyes. Identify the stakeholders in your story and tell their story. If you are an airline wanting to improve customer service, you might tell a story from the perspective of a customer and demonstrate what they really think about the sorely lacking service today.

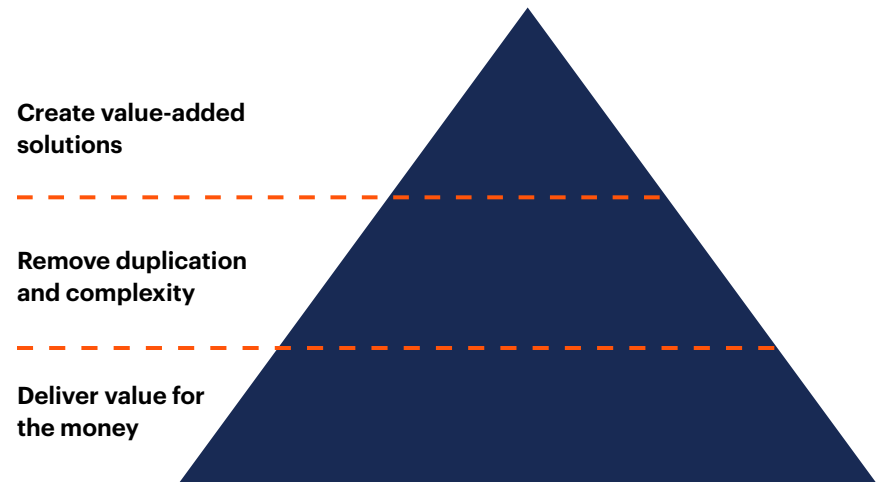
Next, commit your strategy to paper. Remember, this is an iterative process that should be revisited and changed as necessary.

For example, this process-focused strategy highlights a three- to six-year plan for a new CIO.

**Years 1 – 2 (the base):** Invest in IT, creating a platform from which future growth can be enabled.

**Years 3 – 4:** Remove duplication and complexity from the business processes.

**Years 5 – 6:** Grow the business by creating value-added solutions for customers.



# Conclusion

Think big picture. Think shareholder value. Think business strategy and stories.

At the end of the day, CIOs need to create a business conversation that demonstrates how value is created for the enterprise through the use of IT. Use storytelling to communicate what that business success looks and sounds like.



# Additional research

[Strategic Engagement Closes the IT and Business Divide to Deliver Business Outcomes](#)

Janelle Hill, April 2018

[IT Value Stories](#)

CIO Research Team, December 2019

[CIOs Emphasize Value, Not Technology, When Communicating Strategy to the Board](#)

Heather Colella, May 2019

[What the Board Needs to Know About Digital Business](#)

Partha Iyengar, Jorge Lopez, July 2018

[The Art of the One-Page Strategy](#)

Heather Colella, June 2018

[The Art of the One-Page Strategy](#)

Smarter With Gartner, April 2019

# Learn more. Dig deep. Stay ahead.

## **Free content: [Visit Smarter With Gartner](#)**

Stay ahead of the pressing topics, technology and trends that impact your organization's growth and transformations.

## **[How to Build a Successful Strategic Plan for Information Technology](#)**

Don't complete your strategic plan without this 30-page, step-by-step guide.