

Chapter 1

Qualities of Courageous Leadership

Do You Have the Courage to Lead Your Team to Greatness?

Over the past 12 months, my research has focused on exploring the value of courage in leadership. At our CIO Executive Leadership Summits, we've spent hours talking about the qualities required for leading IT teams to greatness, higher levels of achievement, and superior performance.

We've come a long way since the days when we simply assumed that some people were born for leadership roles and others weren't. Yes, it still takes talent and the right temperament to become a great leader. But it also takes experience and the willingness to learn. You need an open mind and trusting heart to guide your IT team across today's landscape of unprecedented disruption and continuous innovation.

Our research points to five foundational pillars of courageous leadership:

1. Innovation
2. Security
3. Talent
4. Simplification
5. Trust

Innovation is the combination of invention and economic value. It's never just about new technology; there's always a business driver. Great CIOs and IT leaders understand that successful companies are fueled by continuous innovation. In highly volatile markets that are easily disrupted, innovation is the only proven strategy for beating the competition.

Security is absolutely critical; just look at the headlines if you doubt the importance of security in the modern enterprise. In the past, security was considered a cost of doing business. Courageous IT leaders are more likely to see security as a competitive advantage. If your security is better, deeper, and more agile than your competitor's security, that's a point in your favor. No companies are entirely safe from hackers and cyber criminals, but great IT leaders know how to balance security and agility to outmaneuver the competition.

Talent is the most important resource in today's ultracompetitive economy. You can never have enough talented people on your staff. Great leaders attract and surround themselves with the best people. It takes more than money to hire and

retain top talent—you need to understand how talent works and what motivates people to excel in the twenty-first-century workplace.

Simplification has become the new normal for IT users at all levels of the enterprise. Even if when the underlying systems are incredibly sophisticated and complex, the user experience—both internally and externally—must seem natural, intuitive, easy, and painless. The modern workforce has no patience for complexity; it wants immediate results, in the plainest terms. That's why IT simplification is so critical; people will abandon systems and interfaces that require lots of effort.

Trust is the bedrock of courageous leadership. You cannot build a team without trust. Great teams depend on deep relationships that only grow when people trust each other. Great leaders understand the basic secret of trust: It develops when you trust other people, when you get out of their way and you empower them to do their finest work.

Michael Dell: 5 Tips for CIOs to Lead Digital Transformation Strategies

As chief information officers (CIOs) and other executives become more deeply involved with digital transformation, one thing that's clear to them is that digital transformation is not an IT project but is instead at the center of business strategy.

Without question, digital is driving the future of business. Consider this: By the end of 2017, revenue growth from

information-based products is *projected* to be double that of the rest of the product/service portfolio for one-third of all Fortune 500 companies, according to IDC.

I recently spoke with **Michael Dell**, the legendary founder and CEO of Dell Technologies, one of the world's leading providers of technology solutions and service for accelerating digital transformation, regarding how digital transformation is unfolding along with recommendations for CIOs on how best to lead the digital charge.

Here's is a transcript of the insight and advice that Michael shared with me:

Hunter Muller: As the CEO of a major technology enterprise, what have you learned about the challenges of developing new product/service offerings and expanding into new markets?

Michael Dell: Listening to your customers is the key to surviving and thriving in business. At Dell, we call it having "big ears." From the beginning, we built the company from the customer back, partnering with them to design new products and services. In 33 years of business, customer feedback has proven to be the best crystal ball there is.

Equally important is a willingness to disrupt yourself. We're living in an unprecedented time. Data, the Internet of Things (IoT), and technology have replaced industrialization as the driving force of progress and transformation. To win today, you must be fearless

about transforming for the future. That's something I've always embraced—whether it meant diverging from the business model that fueled our early success or taking the company private after 25 years of being public, or combining with EMC to become the largest enterprise infrastructure company in the world. Business as usual is how you *lose* in the digital era in which we live.

HM: From your perspective, what should every C-suite executive understand about digital transformation?

MD: I talk to a lot of business leaders from every industry and in every region. None are asking *if* they should digitally transform. They know their future depends on it. As a matter of fact, 45 percent of them believe their businesses may be obsolete in five years and nearly half don't know what their industry will look like in three. It's creating a lot of digital fear out there. But it shouldn't. When the CEO and board see digital transformation as a business opportunity rather than an IT problem, you are halfway there. Then it's about finding the right IT partner with the expertise and depth and breadth of solutions and services to get you where you want to be.

HM: Thanks to their technical expertise and unique view across the enterprise, CIOs are often deeply involved in digital transformation efforts. Can you offer recommendations as to how CIOs should be thinking and acting like CEOs to help lead digital strategies?

MD: The CIO role has changed because technology's role in business has changed. No longer relegated to the back office, technology is how modern enterprises are

gaining competitive advantage, and this aligns the CIO and CEO like never before. A few pieces of advice for CIOs:

1. Digital transformation, like any key agenda for the CIO, must be driven from and closely linked to the core strategy of the company.
2. Embrace the fact that every business will to some degree be a software business in the future. So start building (or flexing) your software development muscle now to get ahead and stay ahead of the competition.
3. Focus on data. The truth is out there, but you have to get good at aggregating, integrating, analyzing, and acting on customer data. The CIO holds the key to this most valuable resource.
4. Create a culture of fearlessness when it comes to trying new ideas and technologies. It's never been simpler to pilot a technology solution that can dramatically change an organization's effectiveness or competitiveness.

HM: Despite all that's been written about digital transformation, many executives still don't really understand it. Which aspects of digital transformation are hardest to grasp, and what's the best way of getting executives to understand the strategic value of digital transformation?

MD: *Digital transformation* is a buzzword that leaves room for interpretation. But at its core, it's really about figuring out how to make the most of all this rich data that

today's technology is cranking out at lightning speed. How do you use artificial intelligence, machine learning, deep learning, etc., to turn real time and older time series data into useful insights to make your products and services better and smarter?

When done right, it creates a continuous cycle. You embed sensors in your product (think Tesla or GE) or create a software to deliver a digital service (i.e., Uber or Spotify). The embedded software feeds you real-time data about product usage, performance, customer information, etc. You use those insights to quickly improve your product or service or to innovate new ones again and again. It's a virtuous cycle, and the faster you go through it, the better you get and the greater the distance between you and your competition. That's the definition of strategic value if you ask me.

HM: What additional leadership advice would you offer to C-suite executives that are striving to transform their businesses? What should they be thinking about?

MD: Don't be paralyzed by digital fear. Transformation is within reach of every business, large and small. There's this perception that the advantage is solely with the disruptors. But we're helping giant global retailers, automotive companies, etc., masterfully reshape and digitize for the future—and their scale is helping them do it.

Transforming IT for the Digital Age

Some companies have large IT budgets. Then there is JPMorgan Chase & Co.

The 2017 IT budget for the financial services giant is \$9.6 billion. To help put this into perspective, the bank's IT budget by itself would place it at number 302 on the Fortune 500 list.

At the helm of the bank's IT organization is Dana Deasy, managing director and global CIO at JPMorgan Chase, which was recently named among Fortune's Most Admired Companies. Dana, who was recently featured in a keynote interview at HMG Strategy's 2017 New York Summit of America, shared his recommendations for successfully driving digital transformation.

One of the essential aspects of digital transformation for IT organizations is marketing the vision and execution effectively to stakeholders. Dana, who has overseen global technology at JPMorgan Chase for the past three years, said this is true even though marketing is rarely a strong suit for most IT groups. "Marketing needs to be a key ingredient in driving transformation," he said. "You need to brand your transformation, give it a name and give it an identity. This can help people buy into your vision. It's powerful how people will rally behind it when you do."

As CIOs move forward with digital transformation efforts, he also recommends picking the top four or five key performance indicators (KPIs) that matter most. These measures of success can include external perceptions of the company's digital transformation efforts by customers and investors.

“What are they saying about your technology? Are they connecting with what you’re trying to accomplish?” he asks.

It’s important to have change agents at all levels of the organization who know the pulse of your employees and how they’re reacting to the transformation.

As a starting point to achieve this, he says, “you need to address the cultural barriers that may be holding you back.”

Perhaps the greatest piece of advice that Dana Deasy offers to CIOs is this: Believe in your instincts.

“Whenever you try to drive change, everyone is going to give you advice,” he says. “Take your own counsel, live with your decisions. Transformations are meant to be difficult and people will inject different opinions. Remember you were hired to be a change agent, and this includes your ability to make good decisions.”

The Building Blocks of Digital Transformation

As companies move forward with digital transformation initiatives, organizational leaders are exploring a range of opportunities to obtain value. These include identifying new ways to reimagine the customer experience, opportunities for streamlining company processes, along with methods for revolutionizing work tasks and boosting worker productivity.

While many practitioners launch into digital by attacking the organization's biggest pain points, ultimately, it's important for decision-makers to use a wide lens to plot the digital strategy across the enterprise for maximum benefit. Doing so ensures that digital investments will be optimized and that digital initiatives won't be siloed between disparate functions or business units.

Taking an integrated approach to digital is key. According to IDC, by 2018, 70 percent of siloed digital transformation initiatives will fail due to insufficient collaboration, integration, sourcing, or project management.

Regardless of whether a CIO has ownership for digital strategy or is helping to guide these efforts, it's important for the CIO and IT team to orchestrate its role in digital execution with key stakeholders across the business, says Patty Hatter, SVP, Professional Services, McAfee.

"The most successful transformations are those where everyone is on the same page—both IT and business leaders—and applying their best resources towards a common set of goals," says Patty, an HMG Strategy 2016 Transformational CIO Award winner.

Whether the CMO, chief digital officer, or another executive is leading the digital charge, the CIO plays a critical role in aligning technology with business strategy. "It's an opportunity for the CIO to bring more to the table, to marry the IT, business, and functional skill sets and to identify the opportunities from a top- and bottom-line perspective," she says.

Another critical component for successful digital execution is identifying how processes need to be designed properly. In too many cases, decision-makers attempt to bolt digital technologies on top of legacy processes that aren't designed for digital workflows.

“New technology is great, but new technology on top of an old process doesn't buy you much of anything,” Patty says. “That's where the CIOs and their teams really need to connect the dots. It's about how the bigger pieces fit together, how your company is working with its customers and its partners and how you streamline that whole ecosystem and lifecycle.”

Because digital transformation also requires new skills across the enterprise, the CIO and IT team should talk to end customers as well as the company's business partners to help determine the skills that are needed to address their needs.

It's also important for the CIO and the IT team to stay connected with new technology developments to cultivate a firm point of view as to where markets are heading. Patty says, “You want both the business and the technology team to know enough about each other's perspectives to get on the same page and to identify the bigger opportunities that are out there.”

She also isn't a big fan of taking a “big bang” approach with digital transformation initiatives. “With big bang, if you try to figure it all out in a conference room instead of testing it out with customers and employees, that's probably not a recipe for a high probability of success.”

Instead, she recommends taking an agile approach to testing new ideas with different lines of business.

“Digital transformation is really a journey, a learned skill,” Patty says. “The better a company gets at it, the faster you can move and the more risks you’re able to take and succeed at.”

Are You a Great Leader, or Just along for the Ride?

I had an excellent conversation recently with Zack Hicks, chief executive officer and president of Toyota Connected and chief information officer of Toyota Motor North America (TMNA).

In his role at Toyota Connected, he’s reinventing the way we think about mobility, developing solutions that excite our customers and anticipate their needs, by utilizing advanced technology and through the art of predictive intelligence.

As CIO at TMNA, he drives strategy, development, and operations of all systems and technology for Toyota’s North American operations. Zack is totally focused on aligning the efforts of business operations, strategic planning, and technology to drive business innovation and efficiency.

In our conversation, he emphasized the importance of taking an executive leadership role—and resisting the urge to just go along for the ride.

“Some CIOs expect leather-bound business strategies will be dropped on their desks, and all they have to do is execute on those strategies. But that’s not how I look at my job,” says Zack. “You need to get out of your office and talk to the people in your company. You need to understand how they work and what they’re doing. You need to stop just being an ordertaker and start being an executive.”

Over the years, Zack has aligned the IT organization with the business, making sure the IT team genuinely understands the goals and objectives of the company’s business leaders. “The more we know about the business, the better we can deliver effective solutions,” he says.

From his perspective, now is the best time to be a CIO. “Sure, you can get bogged down in all the legacy stuff... but you also have the opportunity to transform the business,” he says. “If you’re waiting for the business to hand you a flow chart, you’ll be missing a great opportunity.”

I think that’s great advice. Take the bull by the horns and create your own destiny. Don’t wait for someone else to tell you what to do—figure it out for yourself, and execute on a strategy you’ve helped develop.

Great CIOs are also great leaders. They don’t sit around waiting for orders—they move full speed ahead, accepting the risks and reaping the rewards. Which kind of leader are you?

Empowering a Fearless and Purpose-Driven Team

Naresh is no stranger to acquisitions, joint ventures, and spinoffs. A few of HP's more notable transactions include its 1999 spinoff of Agilent Technologies, the sale of its Medical Products Group, the 2010 purchase of mobile device maker Palm Inc., and its split into two companies—HP Inc. and Hewlett-Packard Enterprise. Naresh Shanker was at the center of each of those transactions.

The formation of HP Inc. has presented yet another opportunity for Naresh to spread his wings and demonstrate powerful IT leadership. He was previously CIO at Palm Inc. and CIO of HP's Printing and Personal Systems Group.

“Working with a core team of individuals over two decades across multiple transactions and industries has helped me execute strategies that meet the demands of a rapidly evolving market,” he said, when talking about the importance of developing an effective team equipped with the right skills, drive, and stamina to successfully support transitions of scale.

Naresh says that when talking about leading large teams through mergers, acquisitions, or divestitures, a lot of myths around leadership and change come apart when transactions are complex, involving more than 100+ countries, 1,000+ applications, and 20,000+ servers. It is not about the size of the team but your ability to integrate the individuals within and across global teams.

“As an example, I have worked with talented solution architects who are leaders because they have been able to bring holistic thinking into solving complex problems across highly matrixed organizations. These qualities become even more critical to the success of an endeavor, especially when working the seams in dynamic and complex environments that traverse multiple geographies,” he says.

“I look at the true value employees can create regardless of the hierarchy of their job or role,” says Naresh. “It is important to foster an environment that enables people to excel—whether by leading a team or by working as a unique, individual contributor. Coaching, mentoring, and providing skills training have been my focus as I have taken teams through demanding transitions,” ensuring that the individuals and the team or the company not lose focus on the contribution of the individuals.

One of the key attributes of great leadership is the ability to lead the narrative that effectively connects people, especially when managing an IT team that supports diverse businesses and go-to-market notions worldwide.

“It’s about being able to communicate and internalize a shared vision and purpose. Because of the 24x7 nature of our work, it’s important for every team member to be able to proactively take the baton forward based on their clear understanding of shared goals. You’ve got to create a highly collaborative and trusted environment to inspire commitment, especially when stakes are high and potential burnout is severe.”

His core team has been with him through several major corporate merger, acquisition, and divestiture transactions that have transformed diverse industries and customer experiences. Naresh says, “It’s critical to create an ecosystem where people are allowed to play fearlessly and with a purpose.”

Naresh also recognizes the importance of fostering a culture that rewards success while acknowledging failure and seeing a firm path to root-cause and corrective-action feedback loops.

SAP Relies on Culture of Innovation and Excellence to Stay Ahead

Peter Drucker famously said, “Culture eats strategy for breakfast.” From my perspective, SAP, the world’s leading maker of enterprise software systems, demonstrates the essential and inescapable truth of Drucker’s immortal words.

I spoke recently with Helen Arnold, the CIO of SAP. Helen is also a member of the SAP Global Managing Board and serves as chief process officer (CPO) for SAP SE. Throughout our conversation, Helen emphasized the critical importance of establishing and nurturing a culture of innovation, inclusion, and operational excellence. I was deeply impressed by her passion and her commitment to serving the culture of a truly legendary multinational corporation.

“These are the most exciting times to be a CIO,” says Helen. “I can tell you each individual day is really exciting. Our goal

is leveraging technology to help our customers succeed in today's fast-changing and disruptive business environments."

I asked Helen to list the top challenge facing twenty-first-century CIOs. Her response was energetic and direct: "You have to be able to walk and chew gum at the same time. For IT, that means renovating the core systems while growing new capabilities and innovating with newer technologies. To accomplish that, you need a clear vision that supports the business strategy of your company."

In the past, the CIO focused mostly on running systems and finding the best tools for the business. Today, Helen says, the CIO is an indispensable innovator and trusted partner to business units across the enterprise. "You have to be extremely committed and dedicated to the business strategy," says Helen. "You need the ability to defeat the complexity around you and deliver real value to the people who depend on you."

For the modern corporate CIO, strong and effective leadership is absolutely fundamental. "Because there is so much disruption and change today, being a leader is more important than ever," she says. "Business strategy relies on a strong culture of shared values and common goals. Everyone at every level of the enterprise needs to understand the strategy, not just a handful of people. That's why we focus on our culture. If we make a promise, we keep it. We deliver. That's the key. Being CIO is more than just a title on a business card."

I was genuinely inspired by my conversation with Helen. She embodies the combination of business knowledge, technical expertise and strong leadership skills required to succeed in today's hypercompetitive markets. I'm glad that Helen took the time to share her insights with our team at HMG Strategy, and I look forward to future conversations with her.

The Modern CIO Is a Tech Investor, Not Just a Tech Consumer

I had an excellent conversation with Clark Golestani, president, Emerging Businesses, and global CIO at Merck, a leading global biopharmaceutical company. Merck has been bringing forward medicines and vaccines for many of the world's most challenging diseases through its prescription medicines, vaccines, biologic therapies, and animal health products.

Clark and his team embody the Merck tradition of invention, safety, and excellence across multiple disciplines and dozens of markets. Additionally, Clark represents a new kind of CIO—an experienced executive who identifies and invests in new technology that spurs innovation across the enterprise.

“The CIO community has done a great job of driving operational excellence,” says Clark. “Now we've got to take the next steps, which involve being more engaged with the startup community. We've spent a lot of time learning how to be great partners and strategists. Now the challenge is learning how to become great investors.”

I genuinely appreciate how Clark defines the challenge and the opportunity for CIOs and senior IT leaders. I agree completely that it's time for us to learn new skill sets and to become more deeply engaged with the startup world. It doesn't necessarily mean that every CIO will become a VC; but every CIO needs to begin thinking like a VC. Moreover, CIOs also need to start thinking—and acting—like CEOs.

“CIOs need to think like CEOs and actually run IT like a business,” says Clark. That means focusing on earnings and revenue, not merely on costs. “Great CEOs don't go to their boards and say, ‘I need more money to succeed.’ Great CEOs work with what they have to achieve success.”

I firmly believe that Clark has articulated the main difference between the mindsets of traditional CIOs and modern CIOs. Traditional CIOs are mainly consumers of tech, while modern CIOs assume active roles in identifying, nurturing, and developing new tech. It's a huge difference in worldview.

We're fortunate to have a wonderful global community of innovative and inventive IT vendors. But as CIOs and IT leaders, we're also responsible for carving out our own destinies and making sure that our companies succeed. From my perspective, that means taking a more active role in the development of new technologies and new techniques for achieving our strategic business goals. It's our responsibility, plain and simple.

Taking Your Seat at the Table with the Board

The role of the chief information security officer (CISO) has evolved in many ways over the past decade. For instance, as the threat landscape has continued to change and become more complex, CISOs have needed to improve how they communicate the nature of these threats and the response plan that's in place to address such risks to the C-suite and the board of directors.

Plus, as cyberthreats have become more widespread and as the cybersecurity talent shortage has become more acute, CISOs have had to become much more creative in their approaches to identify, recruit, develop, and retain cyber professionals.

But perhaps the most significant change to the CISO role is that it has become considerably more business-focused in recent years. While CISOs still need to be technically competent, they also must be able to communicate the company's security posture, its response to information security threats, along with its risks, mitigation, and controls in business terms that the C-suite and board of directors can understand.

Not only are members of the C-suite and the board looking for cybersecurity to be couched in business terms, but they sometimes need to be steered away from their view of cyber concerns as a technical issue.

According to a 2016 survey of Deloitte's CISO Labs participants, 79 percent of information security leaders indicated

that they were “spending time with business leaders who think cyber risk is a technical problem or a compliance exercise.”

“I’m being asked to be more of a business leader, to respond to executive management and board interests in the topic, and to communicate differently with the board than we had to a few years ago,” says Michael Wilson, SVP, CISO McKesson IT, McKesson Corporation.

One of the ways that Michael is communicating the company’s security posture is by arming members of the board with dashboard tools that enable them to track how effectively McKesson is tracking with cyber security governance, protection, response, and recovery efforts.

“I use these tools as well. It tells a story about our organization’s maturity,” he says.

Meanwhile, cyberreadiness updates with the board and with McKesson’s audit committee have also become more frequent in recent years. “The cadence is up, and the concern is there. Most boards are struggling to have IT representation and now we have the security piece which brings it to another level.”

Not only are his discussions with the board and C-suite business-focused, they’re also concise, Michael says. “The communication with the board is short—you don’t have a lot of time. They’re looking for metrics to be consistent as

they've seen in other places. What is the threat posture, what are we doing well, what are the gaps, and what is the plan to address those gaps? These are the things they want to know.”

Even as McKesson is moving forward with digitizing its various businesses and embedding security into its digitized operations, Michael Wilson is finding that his role and communications has become increasingly business-focused and less technically-oriented.

“I’m being asked to be more of a business leader and to respond to interest on cybersecurity topics and to communicate differently than I had to a few years ago,” he says. “It’s become less of a technical role and more about balancing our cyber security needs with our business strategy.”

When Pitching New Ideas, Bring Prototypes and Working Demos

I had the opportunity to sit down with a legendary technology leader in Silicon Valley recently, and I sought his advice on the best ways for preparing for meetings with the C-suite and board of directors.

Specifically, I asked him to describe how CIOs and other technology leaders can make the most of their meetings with senior executives.

His answer was a wonderful blend of insight and practicality. Basically, he advises CIO to *show*, rather than *tell*.

A picture might be worth a thousand words, but a working prototype is worth even more!

In today's world of agile development and rapid prototyping, it's easier than ever to create a working version of the idea or concept you're trying to explain in a meeting.

"You can build that first embodiment of the product or the app," he said. "Before even walking in the door, you can build the first version. Then instead of talking, you're showing."

Nowadays, more senior executives and board members are familiar with the principles of agile development. That means you can bring an MVP (minimum viable product) version of your idea to the meeting.

"Then you can walk into the meeting and say, 'Look, here's what we did using what we have today and here's what we can do if we combine our present-day capabilities with what we'll have in the future.' That's a very powerful statement," he said.

He also recommends that CIOs network regularly to keep up with the competition. "If you're the CIO at State Farm, you want to know what they're doing over at GEICO. If you're at FedEx, you want to know what they're doing at Amazon. Then you're walking in with a prototype and with competitive intelligence. That's a powerful combination."

My friend is truly one of the most brilliant tech leaders I've met. His advice is incredibly relevant to all of us in the tech industry, and I urge everyone to keep his words in mind as you prepare for your next meeting with the board.

Understanding the Difference Between Innovation and Disruption

I had a highly useful conversation recently with John Rossman, a managing director at Alvarez & Marsal. A former Amazon executive, John is a successful author and speaker. His books, *The Amazon Way: 14 Leadership Principles Behind the World's Most Disruptive Company*, and *The Amazon Way on IoT: 10 Principles for Every Leader from the World's Leading Internet of Things Strategies*, are considered must-reads for twenty-first-century entrepreneurs, executives, and investors.

We spoke about the need for technology leaders to understand the difference between *innovation* and *disruption* in the context of the modern global enterprise.

"A lot of people use the word *innovation* because it's a happy word, as opposed to *disruption*, which is a messy word," John says. Disruption is tough. It's risky and unpredictable. You can't guarantee the outcomes. Jobs change and people feel uncomfortable."

For many executives—including CIOs, CTOs, CMOs, CFOs, CEOs, and board members—maintaining the status quo is

preferable to risking an uncertain future. That simple fact is a big part of the challenge.

As Clayton M. Christensen notes in *The Innovator's Dilemma*, disruption isn't a straightforward or one-dimensional process. It's complicated and multidimensional. That's why many executives find it unsettling.

John says, "A classic example of disruption is transitioning from a product organization to a services organization where you're selling outcomes instead of tangible goods. That requires a transformation of your business model, and the impact will be felt across every function in the organization."

Many organizations find it easier to follow a path of incremental innovation. "There can be a lot of value in incremental innovation, whether it's a process improvement or a digital transformation," he says. "But even when you're innovating incrementally, there are huge challenges to overcome."

John Rossman's insights and advice mesh nicely with my theme of courageous leadership, since transformation and disruption aren't strategies for the meek or timid. "Patience is an important quality, but you've got to remember that disruption is a high-risk game. These are the moments when it's not about management, it's about leadership. Leadership matters when you are making fast, dramatic, and scary changes."

I really appreciate how he sets the stage for a deeper and more comprehensive conversation about the interplay

between innovation, disruption, risk, transformation, courage, and leadership.

Rethinking the Concept of Bimodal IT

I had a great exchange with Pat Gelsinger recently and I wanted to share some of his insights. Pat is the CEO at VMware, a global leader in cloud infrastructure and business mobility, and his opinions are widely respected across the technology industry.

Our exchange touched briefly on the topic of bimodal IT, and Pat's thoughts on the matter inspired me to revisit my own thinking on the subject.

As most of you know, bimodal IT is a concept that essentially separates IT into two functions. One function is responsible for operating and maintaining the company's existing systems, while the other is tasked with developing new and innovative solutions.

Ironically, the problem with the bimodal concept is two-sided: One, it divides the IT team. Two, it overlooks the amazing capabilities of virtualized infrastructure.

I wholeheartedly agree with Pat's idea that virtualized infrastructure is inherently agile infrastructure. From my perspective, having virtualized infrastructure means you're ready for innovation.

In other words, when you have virtualized infrastructure, you don't really need bimodal IT. Furthermore, I think it's fair to say that bimodal IT is an idea for making sure that at least some IT resources are dedicated officially to innovation. But it is just an idea, not a framework or a full-fledged strategy.

It is also quite possible that bimodal IT would become a distraction, since it would add a new layer of administration to the IT function and potentially create unnecessary competition between members of the IT staff.

“While it isn't inherently wrong to argue for resource sharing across old and new systems, in practice, a bimodal IT strategy of siloing and sequestering IT teams pits ‘old and slow’ legacy teams against the ‘new and cool’ team of innovators. This perceived dichotomy reinforces discord, budget conflict and complaints of organizational favoritism,” Pat wrote in a recent op-ed post for the Morning Consult.

There's no question in my mind that digital transformation often requires dramatic organizational changes. It also often requires new skills and fresh talent to develop and execute on a digital vision and adapt to a digital mindset. But the key to digital transformation isn't purely organizational. The technology piece is also critical, and that's precisely why having a virtualized infrastructure is essential to digital transformation.

Learning Valuable Lessons about Collaboration from the World's Largest Staffing Firm

Acquiring new skills and capabilities always requires moving out of your comfort zone. If you're totally comfortable in a new situation, then you're probably not learning much.

I learned several valuable lessons from my recent conversations with Bernadette Rotolo, former group vice president, Global Head of Solutions Delivery Management, focused on digital offerings at Adecco Group, the world's largest staffing and HR services firm.

Here's some interesting background information: With more than 32,000 FTE employees and around 5,100 branches in over 60 countries and territories around the world, Adecco Group offers a wide variety of services, connecting around 700,000 associates with clients every day. The services offered fall into the broad categories of temporary staffing, permanent placement, career transition and talent development, as well as outsourcing and consulting. Based in Zurich, Switzerland, the Adecco Group is a Fortune Global 500 company.

When an enterprise is large and successful, it can be hard to nudge it out of its comfort zone. But like other truly great companies, Adecco isn't afraid to change with the times. "As markets evolve, business models need to change," says Bernadette.

Rather than fighting it, Adecco learned to adapt and evolve to keep up with changes in the marketplace. While many

staffing companies view social media platforms as competitors, Adecco decided to partner with social media companies and learn from them. Adecco wisely followed the old saying, “If you can’t beat ’em, join ’em.”

Bernadette understands the power of harnessing partnerships in the modern global economy. “Matching people and companies is both an art and a science. And it turns out the process is similar to dating in many ways.” Just as Peter Drucker famously spoke about culture eating strategy for breakfast, poor matches between companies and their leaders will stunt growth and innovation. It’s important to get the right people in the right places for the right purposes.

I looked forward to learning more from future conversations with amazing thought leaders like Bernadette and other visionary technology executives who understand that being successful means stepping out of your comfort zone.

Great CIOs Strive to Emulate Great CEOs by Focusing on Essential Leadership Skills

One of the top challenges facing most CIOs is leadership, plain and simple. Take a close look at any great CEO and you will see a great leader. That’s the honest truth, and it’s not likely to change. Great C-level executives are almost always great leaders first.

My friend John Foley has spent many years in leadership roles. He was a former lead solo pilot of the Blue Angels,

the U.S. Navy's high performance flight demonstration team. As a career Navy officer, jet fighter pilot, and member of the legendary Blue Angels, John has studied the art and science of leadership from a unique perspective.

I asked him to describe the traits and characteristics of a great leader. Here's a snippet from our conversation:

“Great leaders inspire. They recognize potential in the people around them. Great leaders are always creating opportunities, for themselves and for the people on their teams,” John said. “Great leaders are also calm under pressure. A wonderful example of a great leader is Greg Wooldridge, my “boss” on the Blue Angels. Even in times of extreme stress, Greg’s calm and confident voice on the radio kept us focused on the tasks at hand.”

I'm grateful to John for sharing his insight, and I really appreciate how he describes those essential characteristics of excellent leadership. Notice how all three of the leadership traits are inherently altruistic and benevolent. Great leaders focus on helping their teams achieve success and continually improve their performance. Great leaders stay calm and reassuring, even in the most difficult circumstances.

I believe that CIOs can learn valuable lessons from world-class leaders in all walks of life. As I've written and said many times, successful CIOs need more than superior technology skills—they need to acquire the characteristics and behaviors of great leaders.