

2014 Job Description for IT: Modernization and Agility in the Information Age

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More people have mobile access than safe drinking water and electricity.

Every minute 571 new websites created.

On YouTube “Gangnam Style” has over 1,675,854,966 views.

In 2012 “Gangnam” generated over \$8 million in ad revenue for YouTube.

Gartner's Annual CIO Survey: The Digital Dragon*

"My business and its IT organization are being engulfed by a torrent of digital opportunities. We cannot respond in a timely fashion, and this threatens the success of the business and the credibility of the IT organization."

51%
Agree



"The IT organization has the right skills and capabilities in place to meet upcoming challenges."

* Taming the Digital Dragon: The 2014 CIO Agenda

In 2014, IT Budget Changes Are Incremental,

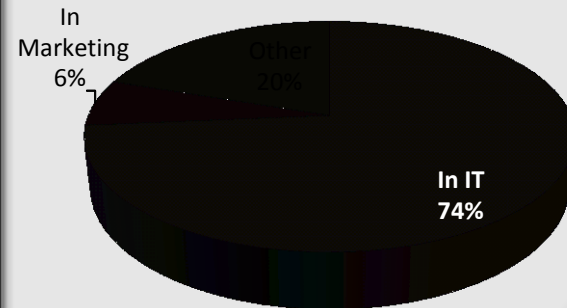
On average,*
2014 IT budgets
are down 1.5%.

45% Increasing

38% Flat

17% Decreasing

(At least) 27%
of IT spend is
outside the IT
organization.



*But this does not reflect
the digital era demand*

What Data Is Considered Important — Is Changing

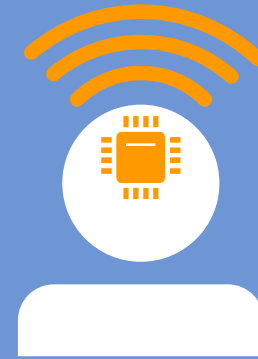
Social



Quantified Self



Internet of Things



New Value in Old Data



Publicly Available Data

We Are Entering a Third Era of Enterprise IT

We are here

IT Craftsmanship



Focus

Technology

Capabilities

Programming, system management

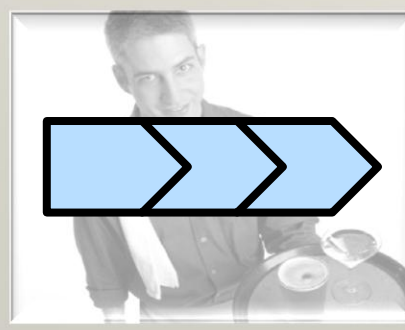
Engagement

Isolated, disengaged internally and externally

Outputs & Outcomes

Sporadic automation and innovation, frequent issues

IT Industrialization



Processes

IT management, service management

Treat colleagues as customers, unengaged with external customers

Services and solutions, efficiency & effectiveness

Digitalization



Business Models

Digital leadership

Treat colleagues as partners, engage external customers

Digital innovation, new types of value

How Shall IT Respond?

IT Industrialization

Digitalization

Digital leadership

- Roles, vision and savvy executives

Renovate core IT

- Cloud and web-scale infrastructure
- Focus on information

Two types of IT (bimodal)

- Reconciling trade-offs
- Exploiting “business moments”

You're A CDO - What Do You Do All Day?

A man in a dark suit is sitting on a large rock in a natural setting, looking out over a landscape at sunset. He has a laptop open on his lap and is holding his hands up to his eyes, framing the view. The sky is a mix of orange, yellow, and blue, with some clouds. The foreground and middle ground are filled with trees and rocks, suggesting a forest or park area.

Position Summary

The CDO is a senior executive who bears responsibility for the firm's enterprise-wide data and information governance, control, policy development, and effective exploitation.

By 2017, 20% of large enterprises will have a C-level information leader

CDOs and CIOs: Friends or Foes?

By 2016, 20% of CIOs in regulated industries will lose their jobs for failing to implement the discipline of information governance successfully.



Many CIOs need and want a partner from 'the business' who is responsible and accountable for data

CIO's Technology Priorities Represent Two Complementary Goals

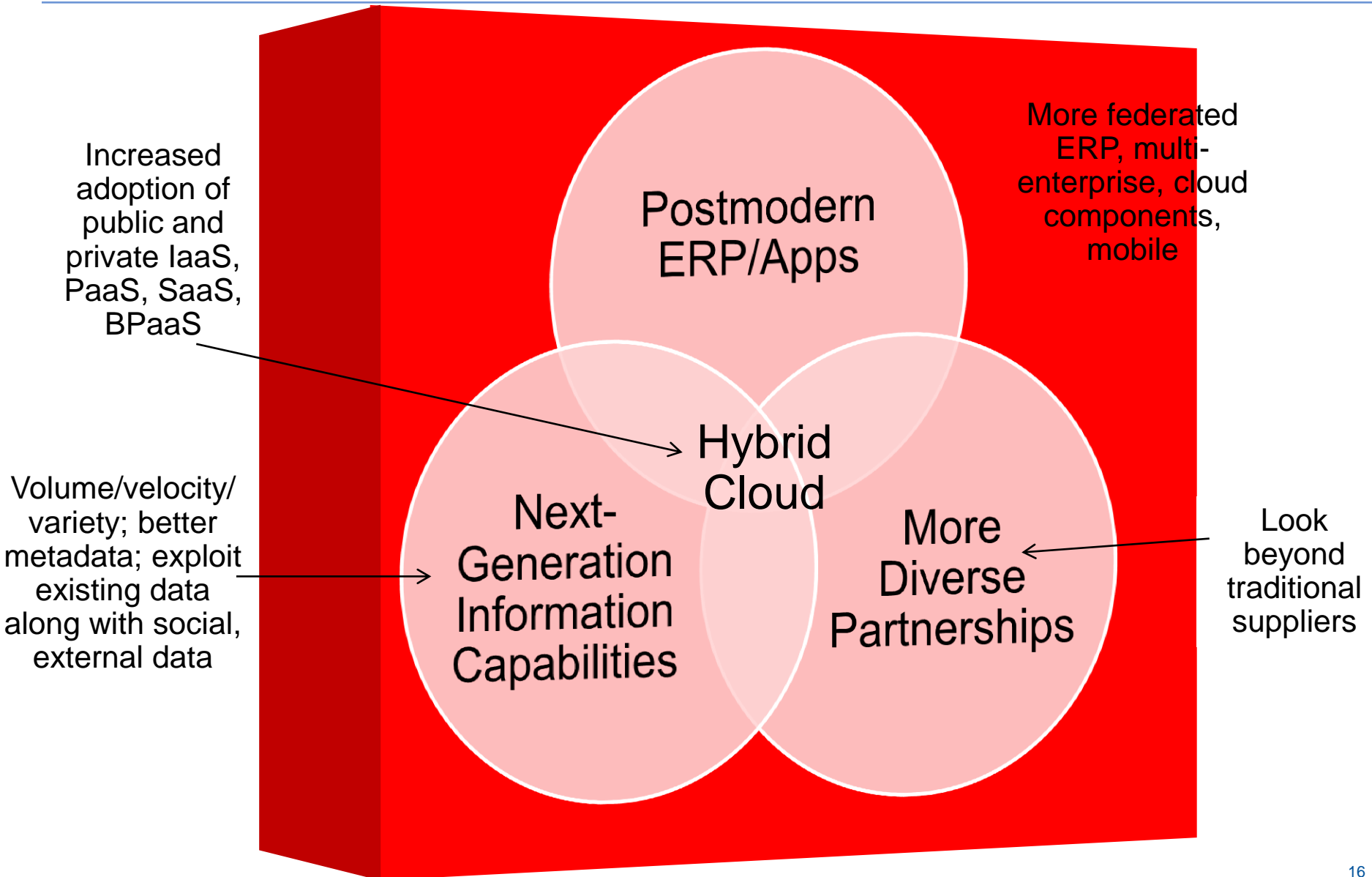
Ranking Based on How Many CIOs Cited Each as a Top-Three New Spending Priority for 2014

Exploit
the New

BI/ANALYTICS	1
INFRASTRUCTURE & DATACENTER	2
MOBILE	3
ERP	4
CLOUD	5
NETWORKING, VOICE AND DATA COMMS	6
DIGITALIZATION/DIGITAL MKTG	7
SECURITY	8
INDUSTRY SPECIFIC APPLICATIONS	9
CUSTOMER RELATIONSHIP MANAGEMENT	10
LEGACY MODERNIZATION	11
COLLABORATION	12

Renovate
the Core

Renovate the Core



Inherent Tension

*Beyond better,
faster, cheaper...*

- Doing IT **right** or doing IT **fast**
- Doing IT **safely** or doing IT **innovatively**
- **Working the plan** versus **adapting**

The Third Era of Computing

Nexus

Internet of Things

3D Printing

New Currencies

Etc.

What Will Hold IT Back

Treating colleagues as customers

***“inside-out” incremental efficiencies
via industry best practices***

IT cannot be an “order taker”

Information Governance: Manage the Data; Not the Infrastructure

Intelligent
Migration

ILM

Enterprise
Information
Archiving

Copy Data
Management

File Analytics

E-Discovery

Through 2015, more than 90% of business leaders contend information is a strategic asset, yet fewer than 10% will quantify its economic value

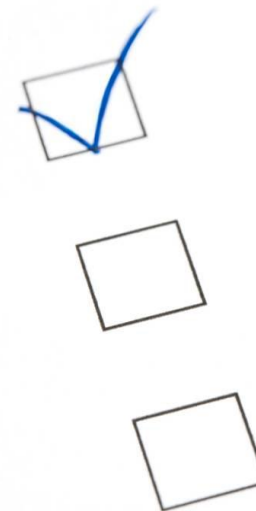
Risk Management Is a Fact of Life

- Business Exposure Versus Business Value
- Complexity of Compliance Landscape:
 - FINRA, SEC17a-4, NASD 3110, Dodd-Frank
- Responding to Legal Requests:
 - E-discovery and the Federal Rules of Civil Procedure

Asian global bank:

- *10,000 mailboxes, Dodd-Frank adherence*
- *Trade reconstruction — to create official record*
- *Up to 25-year retention requirement*

High-end Storage Costs = \$5 to \$8/GB
E-discovery Review Costs = \$13,000/GB



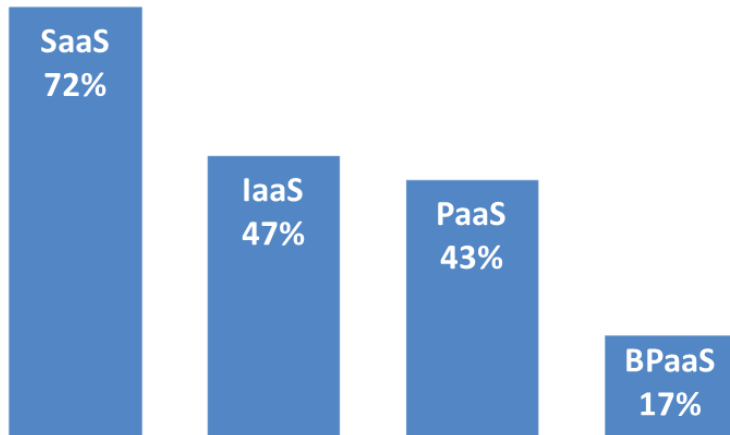
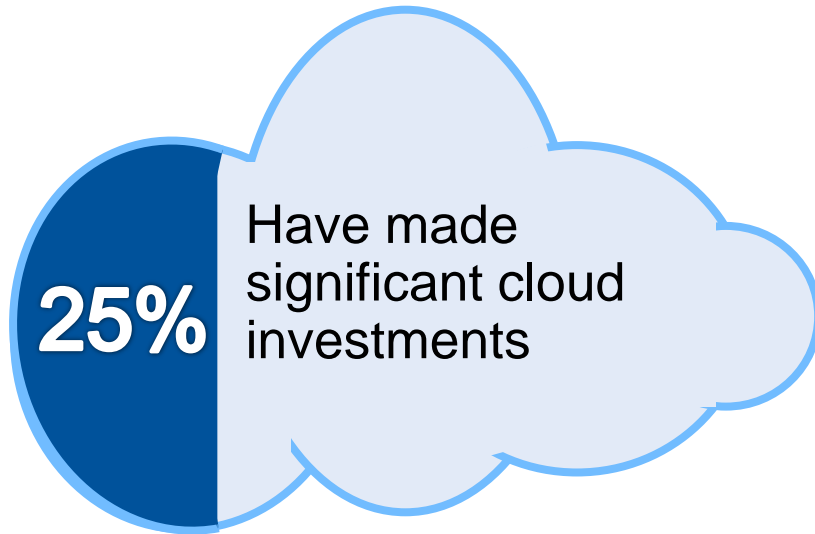
Information Management and Security Increasingly Aligned

- Dramatic changes to where data resides and how data is used
- Access to all data, all of the time
- Global issues affect access and use of data (political / natural)
- Security concerns
 - *“2006 to 2012 security breaches of federal agencies increased 782%”*

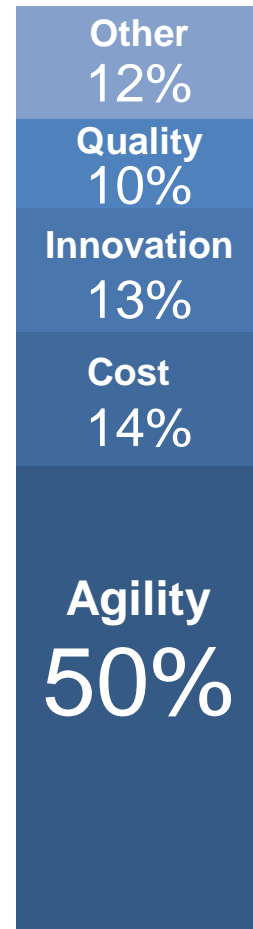


By 2017, 40% of Global 1000 organizations will have aligned both their information management governance and information security governance programs

Public Cloud Is Being Deployed to Support Agility

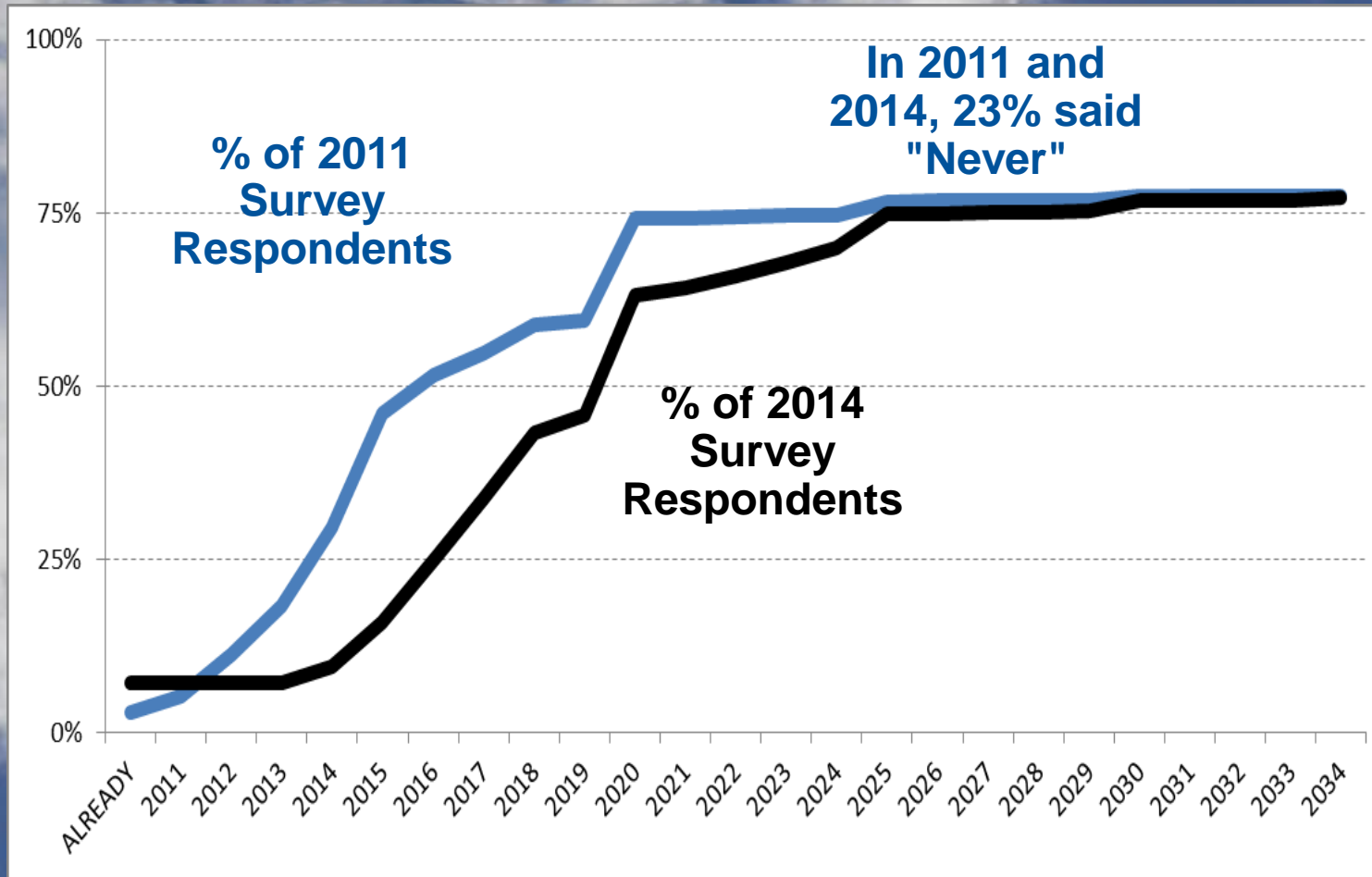


Main Reason



The Future Still Looks Increasingly Cloudy

When will more than half of your business run on public* cloud infrastructure + SaaS?

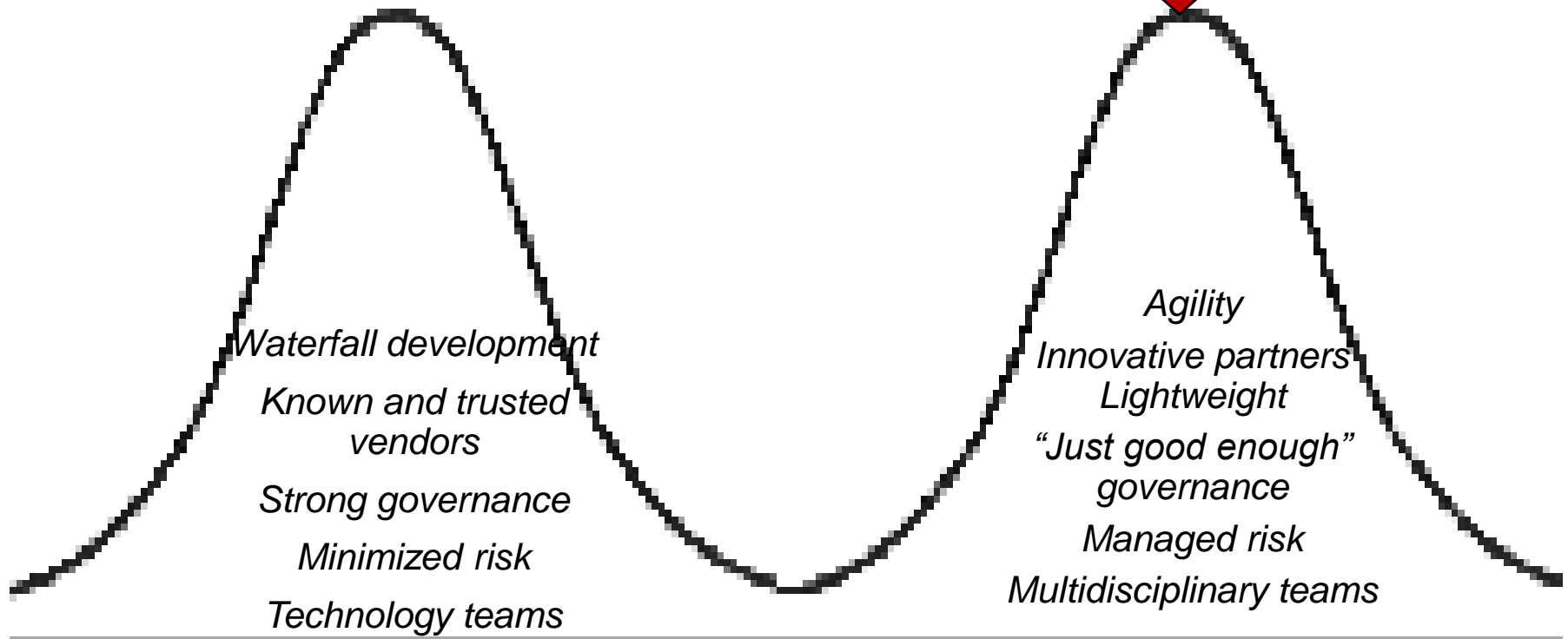
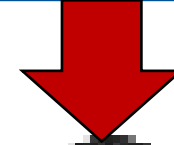


2011: 1,993 respondents; 2014: 2,252 respondents

*2011 survey asked about cloud; in 2014, specified public cloud

Bimodal IT Approach Facilitates Moving Forward

When speed or innovation is needed,
or there is a high degree of
uncertainty



Traditional Mode

Nonlinear Mode

Bimodal IT, Agility and Innovation

Traditional Mode

Non-linear Mode

Agility drives technology innovation:

- Improvements to file analytics, visualization, reporting, auditing
- Commoditization of storage and low cost storage options
- Applications and data cohabitate
- Information moves to the edge
- The right strategy for data preservation
- Blending of backup, DR, copy data management; backup ultimately “disappears”
- Synergies between information governance and information security
- Dark data and new data sources combine to drive business
- Development of concrete ROI and TCO models focused on information



Recommendations for IT in 2014

- Create your current environment with the next one in mind
- Ensure information governance is based on structured processes - not reliant on daily “heroic” actions of key IT or business personnel
- Establish consistent governance and control across both information management and information security
- Embrace culture shift: Foster creativity and enthusiasm, engage with open source communities
- Invest in education and growth
- Continue to focus on improvement (renovate), but think business (agile, innovative, responsive)

Goal: Enabling a workforce for the next generation that sees business for the first time via a digital lens, and has the tools to operate without borders

Thank You