The Positive Way

WAVESTONE

Strategy Brief

The New Chief Data Officer (CDO) Leadership Guide: How to make an immediate and lasting impact to transform your business with data

Apply these insights, observations and industry best practices to guide your leadership plan as a new Chief Data (Analytics) Officer

CDO AS A CHANGE AGENT

There is little argument that data has become one of the greatest drivers of innovation in leading companies. It is also true that the role of Chief Data Officer (CDO) has high potential for business impact, is also one of the most challenging, and is still evolving.

CDO's have many different objectives and priorities, but all arrive at the same goal – data transformation: transforming data so that it can be used to transform the business. That is not a technology, management, or governance job, **it is a leadership job as a change agent for the organization.**

> " *The greatest leader is not necessarily the one who does the greatest things. They are the one who gets the people to do the greatest things.* "
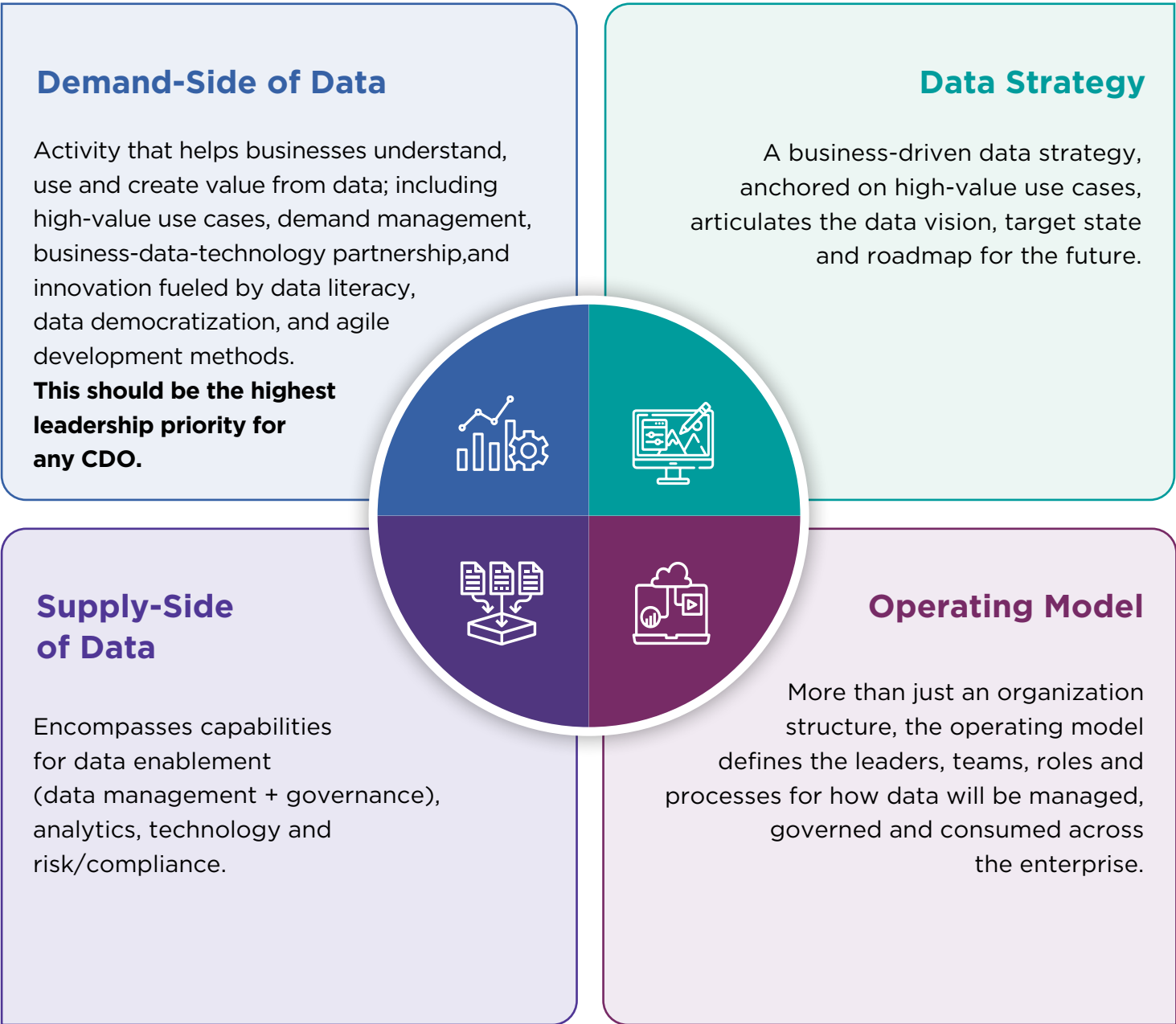>
> **Michael Abrashoft, former Naval Commander, and NY Times Best Selling Author**

Our research shows that many companies are struggling to drive data transformation and become data driven. Human factors - culture, people, process, or organization – are considered more pressing than technological factors. Yet investment continues to be focused on the supply-side of data – like technology and infrastructure, while a majority of respondents in our annual **Wavestone : Data and Analytics Leadership Annual Executive Survey 2023** indicate that technology is not the primary obstacle to data transformation.

THE NEW CDO LEADERSHIP GUIDE

Whether you are new to the CDO role, joining a new organization, or an existing CDO looking to refresh your approach, this guide can give you a starting point for focusing your initial efforts. While undoubtedly many initiatives are underway in your organization, this guide will emphasize how to set the stage for long-term, enterprise-wide data transformation.

We can categorize the CDO leadership of data into four quadrants, each needing a different focus depending on your organization's maturity and choosing where to focus will require a thorough assessment.

Demand-Side of Data

Activity that helps businesses understand, use and create value from data; including high-value use cases, demand management, business-data-technology partnership,and innovation fueled by data literacy, data democratization, and agile development methods. **This should be the highest leadership priority for any CDO.**

Data Strategy

A business-driven data strategy, anchored on high-value use cases, articulates the data vision, target state and roadmap for the future.

Supply-Side of Data

Encompasses capabilities for data enablement (data management + governance), analytics, technology and risk/compliance.

Operating Model

More than just an organization structure, the operating model defines the leaders, teams, roles and processes for how data will be managed, governed and consumed across the enterprise.

Ensure Business Use Cases Are Being Delivered
First 90 Days

Where to begin is often dictated by executive priorities and mandates, especially if there are regulatory findings that must be addressed. However, all things being equal, delivery of value is the primary measure of success for any data organization, so delivering on high-value business use cases requires immediate focus.

> Ensure there is a pipeline of high-value use cases that are being delivered incrementally, with the ability to deliver value every 90 days at a minimum. If there are any obstacles, address these first to ensure a reasonable flow of ideation, demand management, and delivery. If there are high profile initiatives with executive attention, ensure visible and vocal support of these. Success here is shown by a roadmap of deliverables that business leadership is engaged with and tracking.

Build A High-Performing Team
First 90 Days

Given that human factors are often the biggest challenge and data leadership needs organizational influence, collaboration, and partnership across the organization, the operating model also requires emphasis early on. Start first with the data team, eventually expanding to include key technology and business partners.

> Assess your current team for leadership, talent, skills and resource capacity and develop a plan to close gaps and upgrade where necessary. Look across the enterprise to find leaders and the right talent who are good at what you are not. While this is can be a difficult process, constrained by budgets, it is a critical first step in the CDO journey to data transformation.

> Do not hesitate to address team needs outside your direct organization. Data is a team sport, and it is equally important that partnering organizations in technology and other functional groups also have the right leadership and resources to enable a high-performing data and analytical community. Your internal partners will welcome these frank conversations if they see your goal is to help the enterprise improve its data/analytics effectiveness.

Establish The Enterprise Data Strategy
Next 90 Days

Unless your company is a digital native with an existing data-driven culture, data transformation will not happen without a coordinated enterprise commitment guided by a strategy. Depending on your company's situation, you may have an existing strategy in need of a refresh, or your strategy is not meeting expectations and needs to be replaced, or you don't have a data strategy at all. A good business-driven data strategy will establish key elements for achieving the level of partnership and collaboration that is necessary for enterprise data transformation, including:

- Creating executive commitment
- Setting realistic expectations
- Aligning the business, data, and technology community on common goals and actions, including KPIs to measure success

Establish a business-driven data strategy, anchored on high-value use cases and enterprise imperatives, that articulates the vision, target state, and roadmap for:

- The data/analytics Operating Model for the enterprise,

- The Demand-Side of Data required to affect a data-driven culture, and

- The Supply-Side of Data required to provide reliable and protected data in a responsible way.

While the roadmap may be across multiple years,
care must be taken to ensure incremental business value is being delivered along the way, even while the Data Strategy is being formulated.

Begin to build a coalition of champions and influencers who can be your key partners to deliver value and drive change. Councils and committees are fine for formal governance, but it is one-to-one partnerships that make things happen. These relationships are essential to long-term success.

Mobilize And Accelerate The Strategy
Next 90 Days

By this point in the journey, the data/analytics community has delivered key wins, the CDO and extended team is being established and the Enterprise Data Strategy has been defined and socialized. Now begins the strategic effort to implement the data transformation and achieve a data-driven culture.

> Realign funding, priorities and initiatives to execute on the Enterprise Data Strategy Roadmap.

> Establish a dedicated Change Management plan and capabilities to communicate, support and enable the execution of the roadmap.

Key Principles:

90-day deliverables	Measurable business impact	Regular feedback and course corrections	Annual strategy and funding update

Tips

1 Seek the experience of others – internal partners, external partners, and your CDO network. Successful organizations are learning organizations.

2 Ruthlessly prioritize – talent and resources are diluted when too many things are pursued at once, slowing everything down. Concentrate resources on the highest priorities to accelerate value creation.

3 Avoid being the personal savior and fixer of all problems. Focusing only on pain points can be an overwhelming drain. Lead through the leadership of others and delegate - put a strong leader in charge of pain points and give them full support.

4 Avoid long term foundational and infrastructure initiatives that slows business value down. Seek progress that delivers incremental business value every 90 days.

To learn more about how Wavestone can help you in your data journey to start and accelerate business transformation, visit us at wavestone.us or call (610) 854-2700 to see what we can do for you.
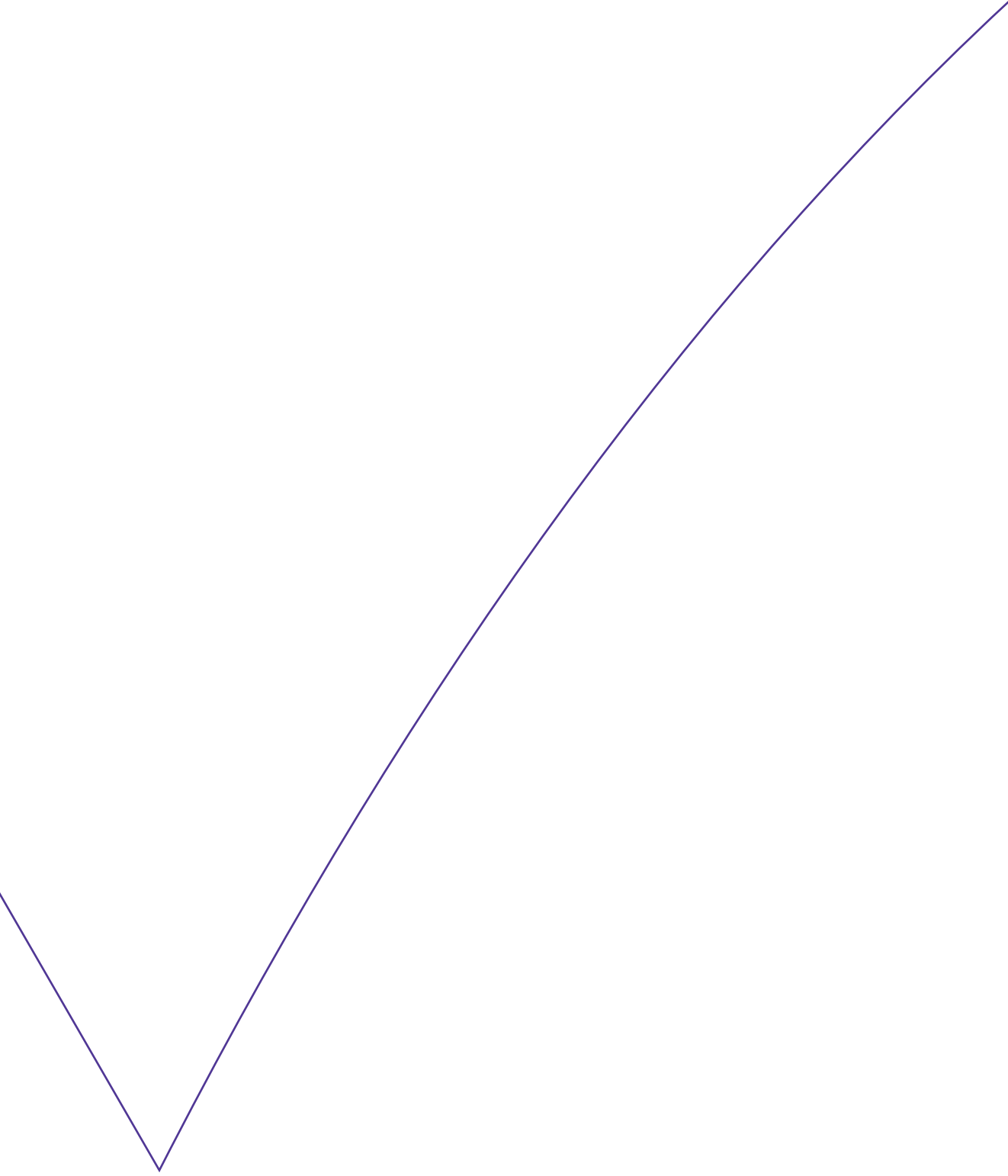
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John is a strategic advisor and consultant to Fortune 1000 firms and market leaders, helping organizations in their data transformation to use data as an asset, become data driven, and innovate with data. John provides thought leadership and delivery expertise ranging from strategy and planning to execution and implementation with proven results in creating value from data across a portfolio of business initiatives. John has led global teams at Wells Fargo, E*Trade, and Bank of America, providing strategy, architecture, product development, platform management, and operations of large-scale data and analytics environments.

About Wavestone

Wavestone is a business and digital consulting firm that supports organizations in delivering their most critical transformations. Over the past two decades, Wavestone has championed the transformations of more than 700 of the world's largest enterprises from a wide range of industries. Behind these successes is our ability to bring a winning mix of extensive hands-on experience, powerful analytical skills, and creative problem-solving to address our clients' greatest challenges. We drive change for growth, lower cost, and risk, and create the trust that gives people the desire to act.