Strategic commentary

Developing leadership roles for a digital age

Chris Underwood

The prolific rise of digital technology and data science is reshaping every facet of society as well as having a profound impact on how we work. No business can – nor indeed should – avoid the implications, challenges and opportunities that come with embracing digital transformation.

Data science in particular is driving the evolution of business and the workspace and this is only set to grow, considering we have barely scratched the surface of the A.I, Machine Learning (ML) and the cognitive computing revolution.

One of the biggest challenges for businesses is in how to respond quickly, but appropriately to the disruption occurring around them so that they are able to harness the opportunities that change brings, especially as research from McKinsey shows that by 2030, 30 per cent of industry revenue will come from new business models.

Shifting business models and emerging roles

Harnessing digital transformation to respond to disruption and – indeed – to be a disruptor requires a fundamental shift in business model, impacting everything from customer experience and operations to marketing and culture.

As such, leaders now need to be agile, nimble, adaptable and capable of driving a culture of innovation and continuous improvement. They need to understand how digital technology and data science can shape their organisations and those of their competitors, be vigilant to the ever-increasing risk from cybercrime, while still retaining the foundations of traditional leadership in terms of displaying emotional intelligence, a sense of purpose and realising the art of the possible.

Perhaps unsurprisingly, leadership roles have changed and developed in recent times to reflect this. Chief Data Scientist, Chief Digital Officer, Chief Data Officer, Chief Transformation Officer and Chief Information Security Officer – these are not roles that existed until recently, but are now joining the C-Suite and are certainly influencing the executive.

The traditional leadership team is rapidly evolving. The trinity of the CEO, CFO and COO still stands firm, however, new "Chiefs" and triumvirates of CIO, CDO and CMO or CPO are forming and joining the table reflecting the hugely transformative role that both digital and data are playing across every industry and function of an organisation.

Finding the right leaders

These new roles bring with them great opportunity, but they also raise challenges. For example, for a recent Executive Search mandate, 78 per cent of the CDOs we engaged with were in their first senior leadership role. As such, they will have limited experience of how to operate at executive level and speak "executive"

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language or use it to obtain stakeholder buy-in.

However, there is much that both the "old" and "new" Chiefs can learn from each other. Dynamic, forward thinking businesses appreciate that Data and Digital now affect nearly every aspect of an organisation, at all levels, and cannot be viewed solely as a technology issue – they offer a way to transform business operations for the better. With this come different approaches and new, agile ways of working. Chief Data and Digital Officers can help to introduce these working methodologies and further educate their peers about the power of Digital and Data, helping shape business strategies in order to deliver exceptional and innovative customer centric experiences.

In turn, more established board members can help those in their first leadership roles to develop the unique skill set needed at such a senior level. This includes not just excellent business acumen and a focus on solving business problems but also softer skills such as Emotional Intelligence (EQ), speaking the "right" executive language and building collaborative networks.

Modern leaders need to be agents of change more than ever. They must be a visionary, a disrupter and a master storyteller who needs to be able to articulate the art of the possible to a wide variety of groups, hierarchies and stakeholders.

While a high IQ is undoubtedly an important factor when considering appointing leaders, it is not the only measure of intelligence that should be considered. Equally important is emotional intelligence or EQ, which affects how we manage behaviour (both our own and others'), navigate social situations and make decisions.

Another consideration is that unlike more traditional and well understood executive roles such as the CFO or CIO, new leadership roles often have no established network of peers to learn from and collaborate with. Their backgrounds vary from IT and marketing to pricing analytics and data science.

However, with the right mix, balance and approach, evolving leadership teams can work together to successfully harness these opportunities, drive growth and realise the art of the possible!.

About the author

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