

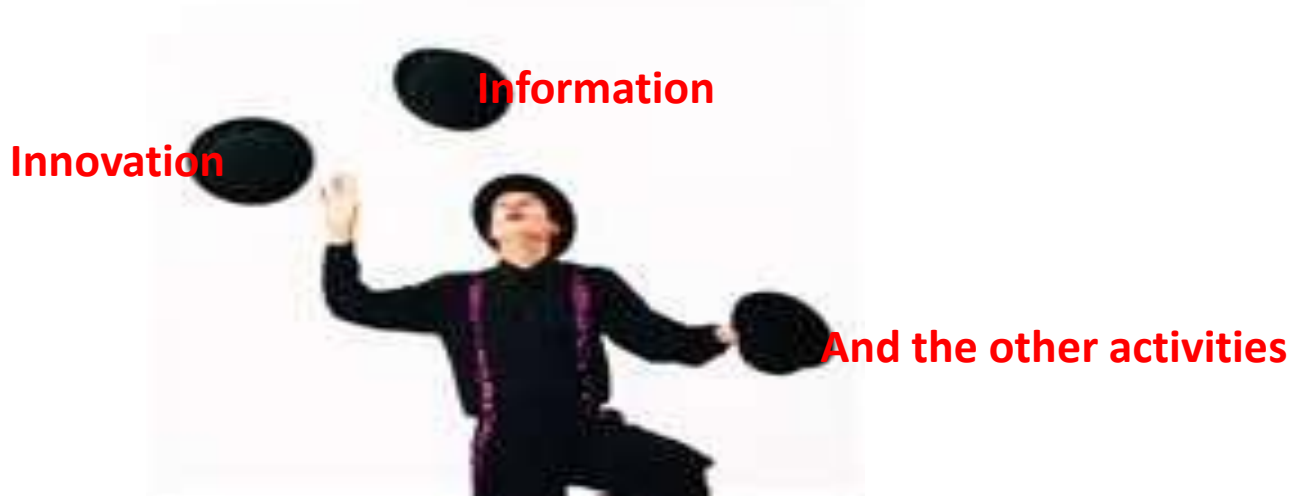
The CIO - A Catalyst for Innovation

Karlin Bohnert

CIO, RGIS

The Juggling Hat Trick

Chief **Information** Officer



Chief **Innovation** Officer

Jumping Into the Next Curve

Everyday we're saying, "How can we keep this customer happy? How can we get ahead in innovation by doing this, because if we don't, somebody else will." Bill Gates



Wait or Risk? Run in Place or Invent?



Do you leave innovation to Chance?

Do you stay ahead of the innovation curve?

The Challenge in Jumping The Curve

- ❑ Know your destination – If you don't know where you're going, you will never know you are there.



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- Which value creation to use – top line growth, bottom-line optimization, or both.

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- Who are the Innovation “Go To Guys & Gals!”
- Which value creation to use – top line growth, bottom-line optimization, or both.
- How to prioritize the opportunity.

But Wait! There's More...

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Technology...

Bleeding Edge, Leading Edge, or Follower?

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FAIL Forward FAST...and Cheap



But Wait! There's More...

Technology...

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Be thick-skinned.
Innovations cause change
and tension.



FAIL Forward FAST...and Cheap



Taking a Different View



Taking a Different View (CEO of CIO)

The CEO wants the CIO to:



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The CEO wants the CIO to:

- ❑ Help bring home the bacon!
Build systems and solutions
that drive sales and revenues.



NOT
THAT!



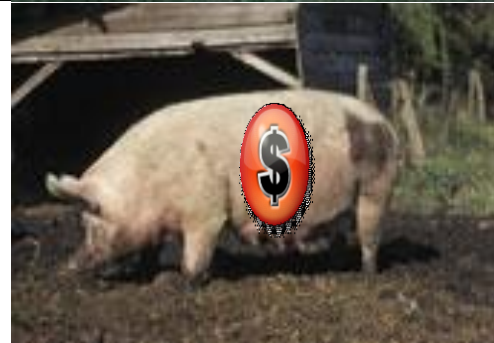
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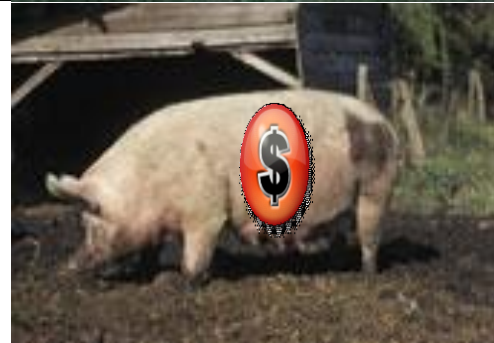
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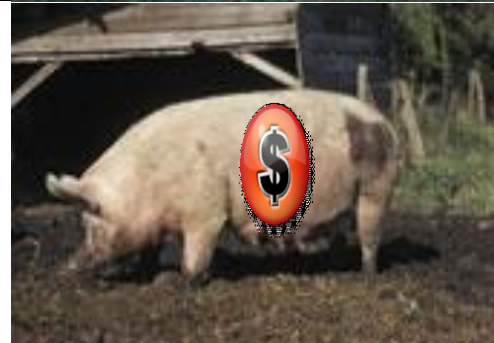
Taking a Different View (CEO of CIO)

The CEO wants the CIO to:

- Help bring home the bacon!
Build systems and solutions that drive sales and revenues.
- Think and act like a business person.
- Drive efficiencies & save money.
- Outsource non-critical commodity services.



NOT THAT!



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CIO as Chief Innovation Officer must:

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Eye Candy

Taking a Different View



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- ❑ Manage for tomorrow – build the IT organization of the future now.

Taking a Different View (The Stretch)



World Class CIO's Look Like This:

Innovation is the creation of the new or the re-arranging of the old in a new way.

Taking a Different View (The Stretch)



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- Know how to break down problems and reframe them into understandable easily assembled components.



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World Class CIO's Look Like This:

- Risk-takers – innovation always involves risk.
- Understand that there will be failure-and-recovery cycles.
- Know how to break down problems and reframe them into understandable easily assembled components.
- Institutionalize Innovation. Make innovation an everyday way of life.



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Figuring Out the Innovation Engine



“We’re all just a moment away from commodity hell.”
Jeff Immelt, CEO,
GE

Innovation Engine – Fact or Fiction



Innovation Engine – Fact or Fiction

1. You can quickly crank up the Innovation Engine, as you have smart people?



Innovation Engine – Fact or Fiction

1. You can quickly crank up the Innovation Engine, as you have smart people? **FALSE**
 - Innovation is not an event, it's a process.
 - There are different people, different styles, and a unique company culture.
 - Innovation requires **influential** people who are willing, committed, capable, and accountable to make it work.



Innovation Engine – Fact or Fiction



2. Research and Development teams are best to handle Innovation?



Innovation Engine – Fact or Fiction



2. Research and Development teams are best to handle Innovation? **FALSE**

- The “voice of the customer” is heard by the people on the edges of the organization, not by teams working in isolation.
- The newest employees are unimpeded by “the way we’ve always done it.”
- R&D is usually focused on top line growth. Bottom line innovations can occur with process improvements and extending the existing product with new technologies.



Innovation Engine – Fact or Fiction

3. The Market rewards innovation?



Innovation Engine – Fact or Fiction

3. The Market rewards innovation? **TRUE**

- On March 30, 2010, Apple's market cap of \$214.75 billion is now larger than Wal-mart's market cap of \$212.9 billion. While this can change any moment, it reflect trends in business and investing. **It tells us that investors are putting big money into innovation.**



Innovation Engine – Fact or Fiction



4. The more ideas we generate, the better?

Innovation Engine – Fact or Fiction



4. The more ideas we generate, the better? **FALSE**
- Too many ideas cause clutter that you need to sort through.
 - A well stated problem is half the solution.
 - Innovations are often existing ideas made better.

Innovation Engine – Fact or Fiction

5. You should try and make everyone happy with the innovation?



Innovation Engine – Fact or Fiction

5. You should try and make everyone happy with the innovation? **FALSE**



- To attempt to do this guarantees mediocrity.
- The product must incite a passionate response/reaction.



Innovation Engine – Fact or Fiction



6. The innovation engine is the value that management places on innovation?



Leading the Revolution



“Innovation distinguishes between a leader and a follower.” Steve Jobs

But Wait...Warning Signs



**Innovate At
Your Own Risk**



**Drink Responsibly
Innovate Responsibly**



**No unauthorized
Innovation beyond this
point**

Wrong Innovation



Leading the Revolution

- ❑ As Ghandi said, “Be the Change.” Be actively engaged in establishing and driving the innovation engine. Show enthusiasm – if you don’t, the team won’t.

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- ❑ As Ghandi said, “Be the Change.” Be actively engaged in establishing and driving the innovation engine. Show enthusiasm – if you don’t, the team won’t.
- ❑ Reward innovation...often and open, but
- ❑ Don’t get caught in the “Flavor of the Month”
- ❑ Forget playing by the rules. Innovation changes often occur by a new player who shows up and makes new rules.

