Does tomorrow’s business depend on the technology inside or the people outside?

Part 4 of 6. Explore the series

The better the question. The better the answer. The better the world works.
IT needs to move at the speed of business. But sometimes this causes technology debt or the need to refactor platforms and technologies as the result of prioritizing speedy delivery over perfect code. When this debt adds up, it can seriously impede the ability of a CIO to enable digital transformation.

When building an operational and strategic foundation for digital transformation, CIOs need to develop a clear plan for overhauling the technology infrastructure without disrupting the business and then invest for long-term performance improvements across the enterprise.

A robust digital foundation means having an integrated technology transformation platform that delivers a comprehensive view of the business in real time and can help predict — with the help of artificial intelligence (AI)/machine learning — what comes next.

There are four levers that a CIO can use when enabling a digital foundation:

**Go digital or go home**

Discover four levers the Transformative CIO pulls to build a digital foundation for future success

96% of CIOs say that their role is expanding beyond traditional IT responsibilities.

Source: 2021 State of the CIO, IDG, January 2021
In terms of creating the digital foundation strategy, questions the Transformative CIO might consider are: does the organization need more cloud capability? Are there applications that need to be scaled up? Or does it need additional DevOps capabilities that the cloud can provide? Perhaps the business just needs to operate more efficiently or to automate operational processes? These are just some of the choices the CIO will need to make in terms of resource allocation.

The Transformative CIO will need to settle on an advanced data architecture that suits the business and then choose among various configurations within platforms (e.g., storage, compute), applications (e.g., enterprise resource planning, customer relationship management, supply chain management) and services to offer the business (e.g., analytics, dashboards, sandboxes for data exploration, cognitive AI). There will also need to be careful attention toward data management practices to achieve clean master data and data quality checks along the way to enable decision-making based on accurate information.
How today’s CIO helps enable a successful digital transformation

There are different facets to managing data and applications in the cloud rather than on-premises, so a business will likely need to upskill its workforce, teaching new capabilities and the need to think differently about how the business consumes IT resources. The Transformative CIO knows they must not only plan to maintain existing and legacy infrastructure, but they will also need to decide where emerging technologies will best fit. In addition, as enterprises struggle with the aftermath of COVID-19, CIOs must help business leaders decide how to enable their people to work better remotely, both now and in the future.

The final part of the jigsaw is to develop external partnerships and alliances with strategic technology providers. This allows the organization to take advantage of best-of-breed applications and services without having to spend R&D dollars to create things from scratch. In addition, leveraging strategic vendors may offer economies of scale, especially from cloud computing giants who have invested billions in infrastructure and applications.

A CIO needs to have a clear vision of the future with how complementary vendors fit together — especially those offering “as-a-service” models. When architected in a cost-efficient and effective manner, utilizing strategic vendors can help reduce costs and run operations more effectively, while simultaneously taking advantage of new capabilities as they are released. All these efforts form the core basis of a successful digital foundation.
Enjoyed Part 4 of this series? **Click here to go directly to Part 5.**

**Contact EY** for more insights and information on becoming a **Transformative CIO** or to start your technology transformation journey.

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