3 Ways for CDOs to Grow Their Influence and Business Impact

Key Findings From the Gartner Sixth Annual CDO Survey
How CDOs Grow Their Influence and Impact

The Gartner 6th Annual CDO Survey confirms that the role of chief data officers and other data and analytics (D&A) leaders is growing in influence and impact. To succeed, D&A leaders, especially CDOs, must demonstrate measurable value to multiple business stakeholders.

**What the survey shows**

CDOs are increasingly being asked to take on more strategic objectives and lead digital transformation efforts.

CDOs who have business-facing key performance indicators and multiple business partners have more influence and impact than those who don’t.

CDOs who actively pursue a modern change management approach to their D&A programs have more influence and impact than those who don’t.

**How CDOs succeed**

Illustrate the critical significance of D&A to digital business endeavors.

Improve the value received from D&A investments.

Increase the impact on business performance.
Digital Transformation Is Widespread and D&A Leaders Are Key Players

What CDOs face

- Digital business has become widespread, with 83% of respondents reporting a digital transformation underway. In the process, the boundaries between CDOs and chief digital officers are blurring.
- CDOs play a critical role, increasingly asked to take on more strategic objectives and lead digital transformation efforts. Those leading digital transformation more often report directly to the business.
- Involvement equals performance. Survey analysis shows an organization is more likely to outperform on innovation and be highly effective in producing business value when the CDO is leading or heavily involved in digital transformation.

D&A Leaders Have a Leadership Role in Digital Transformation Initiatives

At organizations with a digital transformation initiative underway, D&A leaders are often heavily involved or leading those initiatives.

- 25% Leading
- 14% Involved
- 51% Heavily involved
- 8% Somewhat involved
- 2% Not involved

n = 134
Source: Analysis of Gartner 2020 CDO Survey results
Illustrate the Critical Significance of D&A to Enterprise Digital Business Ambitions

How CDOs succeed

- **Do more than just stay involved in digital transformation.** Gartner analysis shows that when CDOs lead, an organization is more likely to outperform on innovation and CDOs are more likely to be highly effective in producing business value.

- **Clarify executive accountability** to drive digital and data mandates — and reinforce the critical significance of D&A to digital business endeavors.

- If the enterprise has a chief digital officer, **create a strong partnership** to drive mutual success.

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It’s Not Enough for CDOs Just to Be “Involved” in Digital

*Warning*

Those in the lowest performing group were over 4x more likely to say they were just “involved,” rather than heavily involved or leading.

- 25% Leading
- 51% Heavily involved
- 14% Involved
- 8% Somewhat involved
- 2% Not involved

n = 134
Source: Analysis of Gartner 2020 CDO Survey results
CDOs With Business-Facing KPIs and Multiple Business Partners Have More Influence and Impact

Outcomes improve when CDOs successfully demonstrate ROI from their D&A investments

1.7x Met objective on ROI from data and analytics investment

2.3x Met objective on reduced time to market

3.5x Met objective on data monetization

1.7x Met objective on employee experience improvement

1.9x Creative or innovative thinking is critical to success

2.4x Met objective on number of analytics application end users

Odds of the D&A team consistently producing clear business value for the organization

Source: Analysis of Gartner 2020 CDO Survey results
How CDOs succeed

- **Treat data and analytics as an asset.** Don’t work exclusively on data management and governance. Focus on delivering return on investment from D&A investments.
- **Create business value** by defining business outcomes first, and then producing and analyzing the data that links to those outcomes.
- **Increase data sharing** to improve customer experience and actively look for opportunity to collaborate and create new value from data.
- **Ensure that your organization’s decision making is data-driven.** Use D&A in decision making in a measurable way.

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What Happens When CDOs Aren't Strategic?

When CDOs prioritize the everyday priority of “enhancing data quality, reliability and access”

- The likelihood of the D&A team being effective at providing value to the organization is reduced by 43%.
- The chances that the D&A team is effective at showing demonstrable, verifiable value to D&A stakeholders is reduced by 47%.

Source: Analysis of Gartner 2020 CDO Survey results
CDOs Who Are Proactive Change Managers Are More Effective

What CDOs face

- **Effective communication is critical.** For the vast majority of survey participants, communication, collaboration and creativity are the most crucial leadership competencies for the success of the CDO. Those with the most influence have the most impact.
- **People skills trump technical expertise.** All of the most important competencies for effective D&A leaders are people-oriented. That includes leadership — not management — skills.
- **Data literacy remains a problem.** Poor data literacy, lack of a data-driven culture and talent shortages are prevalent and persistent inhibitors to the success of D&A.

### Top 5 Competencies Critical for CDO Success

- **Communicates effectively**: 93%
- **Cross-functional collaboration**: 90%
- **Creative or innovative thinking**: 74%
- **Leading and managing others**: 71%
- **Engaged and present (available)**: 71%

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3 Ways for CDOs to Grow Their Influence and Business Impact

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n = 469, All Respondents
Source: Gartner 2020 CDO Survey
CDOs Must Build a Data-Driven Enterprise to Increase Business Impact

How CDOs succeed

- **Improve your own personal effectiveness.** Build the skills and competencies (maybe via executive coaching) needed to communicate influence and engage stakeholders.
- **Develop your team.** Assess the skills, competencies and behaviors of your teams to ensure they’re fit for purpose and have the right mix of data and leadership skills.
- **Emulate high-achieving peers** to build a data-literate, data-driven organization. Gartner expects that by 2023, data literacy will become an explicit and necessary driver of business value, demonstrated by its formal inclusion in over 80% of D&A strategies and change management programs.

Data-Driven Strategy

Imagine data and insights as catalysts

Transformative Effects

- **Business Model**
- **Customer Experiences**
- **Decisions and Work**

Collective Capabilities and Deficits

Enterprise Operating Model

Source: Gartner
Did You Know?

The Keys to CDO Success

High-performing CDOs were much more likely...

Medium- to high-performing CDOs were slightly more likely...

Low- to medium-performing CDOs were slightly less likely...

Low-performing CDOs were much less likely...

... to do these things at an organization level

- Innovative product or service development
- Translate customer or business needs into high-value products or services
- Remove obstacles to data access or breaking down data siloes

... to do these things at a team level

- Consistently produce clear business value for the organization
- Show demonstrable, verifiable value to D&A stakeholders
- Provide value to the organization
- Promote data sharing and access and breaking down data silos
- Excel at stakeholder engagement and influencing
- Monetize data assets or create data products
- Promote a data-driven decision style with data literacy programs
10 Imperatives for CDOs to Build a Data-Driven Enterprise

1. Define the vision, priorities and scope of your role
2. Forge partnerships
3. Seek to build a data-driven enterprise, not department
4. Prioritize culture change and foster a data-driven orientation
5. Treat information as a business asset
6. Expand monetization options
7. Measure information so you can value it
8. Adapt innovations of others
9. Leverage external data sources
10. Deal with risk and address ethics
About the Gartner CDO Survey

Gartner’s 6th Annual Chief Data Officer Survey was conducted to explore the business influence and impact of the chief data officer (CDO) role and the office of the CDO.

The research was conducted online from September through November 2020 among 469 respondents from across the world. They represented 16 named industry segments in companies ranging from less than $10 million to over $10 billion, with 61% having revenue of $1 billion or more.

This year’s survey by the numbers:

- **469** CDOs across the globe
- **16** industries
- **$1 billion** in revenue
- **6th** year of conducting the Gartner CDO Survey

Gartner’s 7th CDO Survey 2022
Contribute your voice and be heard in Gartner’s 7th CDO Survey

→ Sign Up Today
Explore complimentary Gartner resources for data and analytics leaders:

- **Research**: What Effective Decision Making Looks Like
- **Roadmap**: IT Data and Analytics Roadmap Excerpt
- **Tool**: Gartner IT Score for Data and Analytics
- **Webinar**: The Gartner 2021 Leadership Vision for Data & Analytics Leaders

As a Gartner client you can access these resources:

- **Research**: Access the full 6th CDO Survey findings
- **Consultation by phone**: Remove your most critical roadblocks by delivering exceptional business outcomes
- **Analyst Inquiry**: Discuss how to create business outcome metrics and communicate value
- **On-Site Workshop**: Learn how to apply Gartner’s Risk, Opportunity, Appetite and Return (ROAR) framework to optimize the value of your D&A portfolio

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