



PEOPLE & ORGANIZATIONS

## How Technology Breaks Down Organizational Silos

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### OVERVIEW

New digital technologies and the data they are producing have forced collaboration among senior business leaders across all levels of all organizations. For making insights useful in making decisions and to obtain insights from data to drive decision-making and embed a data-driven approach within a company's culture, it is critical for the C-suite to lead the way.

It's easy to talk about collaboration, but much harder to act. Analyzing information, deriving insights and responding with effective strategies requires an understanding of the analytical tools themselves as well as proactive collaboration. But due to numerous systems used by different teams across organizations, leaders tend to miss the full picture of business processes and outcomes. As technologies get smarter and various functional groups collaborate, simply moving to single systems can give broader teams greater visibility to inefficiencies and broken processes.

But how does a business get to such a place? What tools and strategies bring about successful coordination of activities in such a dynamic situations? And what are the challenges of working together that C-Suite executives should anticipate?



## IN DEPTH

Just about every functional group within an organization can now collect, connect, and analyze data. But big data – from keyword searches, social sites, wearables, mobile devices, customer feedback and so on – presents challenges as well as opportunities for business leaders. One of the biggest is how to maximize the potential of this data by transcending organizational silos to unlock its true potential.

Technology is also transforming how businesses develop and deliver goods and services, and is placing enormous new demands on those responsible for strategies to navigate the challenges. These are the people who need to apply institutional knowledge, implement changes and allocate resources towards new ways of working on a day-to-day basis.

Paul Mang, Global CEO of Analytics and leader of the Aon Center for Innovation and Analytics in Singapore, says there are two types of data analysis that can be leveraged to accomplish this: business analytics and enterprise analytics. Business analytics focus on the use of established tools and capabilities, while enterprise analytics “create new product or value proposition for existing clients or new client segments altogether.” Short-term, enterprise analytics can lead to disruptive innovation while quickly contributing to improved long-term performance.

“Business and enterprise analytics should work side-by-side and complement each other” to support decision making, says Mang.

### **The Changing Role Of The CIO**

The need to become an effective data-driven organization has dramatically increased the importance of the Chief Information Officer (CIO), a role that John Bruno, Chief Information Officer at Aon, says is that of “an integrator – someone that works across the entire organization to embed data within the business.” He sees the value that Information Technology (I.T.) brings, and notes that “I.T. is less about bits and bytes of data, but more about bringing them together to extract specific insights.”

**The** need to centralize and mine big data for market opportunities and to parse out weaknesses is also prompting some firms to create a C-suite level position of Chief Data Officer (CDO). This role would be responsible for working with business managers to identify both internal and external data sets they may not even realize exist, as well as continually looking for new ways to experiment and apply that data.

Equally critical to communicating changes in customer preferences and behaviors, and for their ability to leverage insights from customer purchase patterns into developing new products and services, is the Chief Marketing Officer (CMO). Like the CMO, the effective CIO needs an intimate understanding of how current technology can increase the company’s sales.

However, says Bruno, “in any large organization, there are multiple leaders in different parts of the organization that address different elements of the same challenges. It’s the CEO that can see the whole view and works to have their teams bring forward integrated solutions to distributed problems.” He sees the role of the CEO as one who looks beyond short-term disruptions and organizational adjustments to seize opportunities that ensure long-term growth.

This is why, increasingly, the role of the CIO/CDO is about balancing business needs against an incoming stream of opportunities – and risks. This broad cross-business knowledge can only come from constant and deliberate collaboration with the rest of the C-level executive suite. Above all the CIO has to be able to effectively show how technology and the subsequent data it brings are assets rather than cost centers. For CIOs to really succeed, this means informing their C-level colleagues about technology and the opportunities it can create.

### **Making Collaboration Count: Finance And HR**

The role of the CFO is increasingly about analyzing data to give it meaning and partnering across the organization to make the information actionable. One area that is seeing CFOs use data to drive real results is in collaboration with the Chief Human Resource Officer (CHRO).

Eddie Short, Aon Hewitt’s Managing Director, Global Data & Analytics, says that in most organizations the C-Suite has not been getting sufficient insight into people-related business issues, typically owned by Human Resource (HR) teams. Today, with the CIO’s help, digital tools are increasingly being used by leading organizations to measure employee performance, reduce attrition, and cultivate talent through a better understanding of the data about their workforce they can gather and analyze.

“People analytics,” as this emerging field is known, attempts to bridge the gap between HR and the rest of the organization by providing specific insights into an organization’s talent. “People analytics is all about connecting the value of your people to the strategic goals and objectives of the business,” says Short. “This approach represents a major opportunity for HR and finance leaders to take a road centered on the greatest asset that organizations have – their people – and start to shape the value add they will create for the business over the next 5-10 years using predictive analytics.”

With skills shortages an increasingly pressing issue for many organizations around the world, gaining this kind of insight can help a business to identify and meet its future talent needs.

### **Aligning For Agility**

As technology continues to disrupt, CEOs and the C-Suite in general must accept that there may not be a set playbook to follow to adapt and evolve. Flexibility is paramount, and often organizations must invent and reinvent as they move forward. Intelligently applying analytics tools to derive value from big data can help them navigate this new terrain.

“Today, CXOs want predictive insights,” Short says. “They want answers to the predictive ‘what *could* I do?’ questions as well as prescriptive – ‘what *should* I do?’ questions.” Yet most tools and programs currently available are merely descriptive – to derive true insight needs additional interpretations from people who really understand the business.

This is where C-Suite collaboration becomes so vital. Organizations thrive when there are diverse and complimentary personnel and systems working together. Sharing insights from the analysis of big data across the C-suite and across functions can position businesses to draw valuable insights from this data, harmonize planning around it, align their actions, and understand the full value this brings both to their own divisions and the organization as a whole. And the more that data is shared, the more leading businesses discover that they can find answers to today’s – and tomorrow’s – questions.

With the measurable business benefits this data sharing can bring, the business case for breaking down silos within organizations is stronger than ever. Where this may have once been a C-Suite aspiration, the make or break implications of insights drawn from this data has made it a business imperative.

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## TALKING POINTS



"In every industry, our analysis and our work with clients would suggest technology at a minimum is going to be a tremendous accelerant. So if you have a a business model, the opportunity to scale it more effectively, grow it more effectively gets... amplified." – Greg Case, CEO, Aon



"The way that big data pervades most organizations today creates a dynamic environment for C-level executives to explore how it can and should be used strategically to add business value." – Economist Intelligence Unit

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## FURTHER READING

- The Global C-Suite Study – Sparta Publishing, March 18, 2016
- Building A String CFO-CIO Partnership: Understand, Communicate, Collaborate – The Wall Street Journal/Deloitte, March 16, 2016
- Big Data Overwhelms the C-Suite – CFO.com, April 26, 2016
- How Big Data Is Helping Move Women to the C-Suite – Forbes, February 23, 2016
- Capitalizing On Big Data Analytics In The C-Suite – Hewlett Packard, March 2016

