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# The new 3 Cs for Digital Leaders:

## Does your digital leader have them?

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# Introduction

> " In 2000, Reed Hastings, the founder of a fledgling company
> called Netflix, flew to Dallas to propose a partnership
> to Blockbuster CEO John Antioco and his team. The idea
> was that Netflix would run Blockbuster's brand online
> and Antioco's firm would promote Netflix in its stores.
> Hastings got laughed out of the room." [1]

And the rest, as they say, is history.

Most people believe the downfall of companies like Blockbuster, Kodak, and Xerox to be the CEO's failure to envision the future. While the tales are a bit more complicated, the reality is rarely does one hear about the digital leadership behind the CEOs. These companies did not recognize that all businesses were to become technology focused, and therefore it was critical to hire leaders with a prowess in digital processes. This paper focuses specifically on why the selection of a digital leader is paramount for business success.

Woeful tales like those above are a stark reminder of why an organization's digital leader must possess the 3 Cs: communication, confidence, and creativity. In cases such as Blockbuster, Kodak, and Xerox, one could argue that had the digital leader had the **creativity** and insight to foresee the future, combined with the **confidence** to **communicate** that insight directly to their executive team, it is possible that these companies could have been the current Netflix, Facebook, or Apple.

Digital leaders come in different forms – sometimes it's a CIO who owns the enterprise business systems. The CTO typically owns the product roadmap and is responsible for the digital agenda, while a CDO generally manages the security, risk, and compliance aspect of business assets. While there are differences in their roles and scope, digital leaders must also share similar traits.

When assessing your current digital leader or searching for your next executive digital leader, ask yourself this: Is your digital leader communicative, confident, and creative? In the executive search industry, these qualities are not new or unique for any C-suite leader; they are essential for all positions. However, in the new era of digital leadership, the application of these particular skills is becoming increasingly crucial for top digital executives in ways that are often unnoticed. In this paper, we draw upon insights from our Stanton Chase Global Practice Leaders to describe how the search for digital executives is shaped by these top three criteria.

# The 3 Cs

## 1. Communication

Communication resurfaces as a key requirement for all employees at all levels; but what unique aspect of this skill must a digital leader bring to the table?

In the past, organizations were much more hierarchical; this structure finds less acceptance in today's business environment. Younger generations are striving to work flexibly and autonomously, and therefore organizations need different and new forms of communication.

Digital leaders must communicate with their colleagues at eye level. Team leaders and members are experts in their fields, and they possess a deep expertise that the digital leader doesn't have. This can be best exemplified with new agile software methods such as Scrum:

> " In the agile Scrum world, instead of providing complete, detailed descriptions of how everything is to be done on a project, much of it is left up to the Scrum software development team. This is because the team will know best how to solve the problem they are presented." [2]

The top leader must communicate with respect for his or her team's technical expertise and maintain a strong focus on the key performance indicators (KPIs) and goals - where should the team go, what is the goal? - not on the how; the team knows that better. An effective digital leader simply sets the KPIs, receives regular reports, and offers guidance as needed. "Digital leaders should not be micromanaging projects," says Sripad KN, Managing Partner of Stanton Chase India, "They delegate a task and let the technical experts follow through."

Digital leaders must successfully communicate with internal and external clients and stakeholders in order to be effective. They must build relationships with vendors, PR firms, financial institutions, and more. Jan-Bart Smits, Global Practice Leader, Technology in the Stanton Chase Amsterdam office, states, "Changing behavior is extremely difficult and it requires excellent social skills. Digital leaders have to explain why they're implementing more rules and systems that may make people's lives more difficult. They have to help people understand the importance of their decisions."

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## 2. Confidence

Digital leaders must be comfortable advocating for themselves in the boardroom. Jan-Bart Smits explains, "Nobody notices when something works as it should; they only hear when things don't work out. Digital leaders have to put time and effort into telling their own success stories." A traditional leader has more opportunities to sell his successes, while a digital leader has to be confident to step up and be his own ambassador. Sripad KN, Managing Partner of Stanton Chase India, also underscores the criticality of establishing rapport with the entire executive leadership team. "A CIO/CTO/CDO is only effective if he or she is able to get the buy-in of the senior leadership team, the C-Suite, and the Board. This generally takes a lot of perseverance to deliver over the long term. Without this skillset, a digital leader won't last long."

Digital leaders must be confident in acknowledging what they don't know. They rely heavily on the expertise of their subordinates, who bring highly specialized knowledge. At the same time, these leaders should be spending time on professional development. This need for continuous learning is particularly important for digital leaders because they must be ready to revolutionize their industry. Tom Christensen, Global Practice Leader of Consumer Products and Services, states, "A digital leader needs to be on top of trends and changes all the time. If you're only looking at what's happening, you'll lose out 6-12 months ahead." Digital leaders must constantly be learning to remain relevant.

Finally, digital leaders should possess a broad range of experiences from different industries. This experience helps with adaptability and agility in an ever-changing environment. Pilar Brogeras, Managing Director in the Mexico City office, states, "Businesses change and evolve all the time. And when the business model or style changes, companies don't necessarily need the same types of people anymore. The best advice I can give to an aspiring digital leader is to stay open, relevant, and diversify your experiences as much as possible." Brogeras provides the example of how Amazon has become less like a retailer and more part of the supply chain industry. Digital leaders who stay abreast of change in a variety of markets will experience greater success.

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# The 3 Cs

## 3. Creativity

In our daily work at Stanton Chase, we see the skills and traits necessary for successful digital leaders. During discussions with my colleagues, creativity, both in terms of forward thinking for possible solutions as well as management strategies for current challenges, emerged as an essential characteristic of today's digital executives. No longer are we seeking employees who simply follow orders; we need employees who have inspiration, know what to do, and execute their creative vision.

A characteristic closely intertwined with creativity and equally important is risk, specifically the ability and desire for digital executives to take risks. Pilar Brogeras observes, "Successful digital leaders like to take risks. They need to be creative, up-to-date, innovative and forward thinking. Anything less, and they are no longer leading." Brogeras and Christensen both place a large emphasis on curiosity as a fundamental trait in creative leaders. In other words, those who continue to question the status quo and ask not just about how things work but how things *could* work, will lead their organizations into the future. It is also a feature that sets them apart from more traditional leaders. Traditional leaders can generally look elsewhere, identify how a problem was solved, and adapt it to their own context. A digital leader is most likely faced with completely new problems that have never been seen before. Therefore, according to Brogeras, "A digital leader must be super-creative, forward thinking, and envision the future."

# Conclusion

Regardless of whether your company is in finance, retail, manufacturing, media, or any other industry, be aware of the fact that you will be in a tech company – at least in the future – and therefore, you will require digital leaders. These leaders must not only be technically experienced, but also strong in the 3 Cs: communication, confidence, and creativity, which are essential skills for navigating today's world. Our experienced executive search consultants can help, so contact your nearest office today and let our professional team of industry experts assist you in finding your next executive digital leader.

## About the author

**Dr. Oliver Ziehm** is a Partner with Stanton Chase Düsseldorf and has more than 20 years of experience in different areas of consulting businesses. Oliver focuses on Practice Groups including Technology, Professional Services and German SMEs.

## White Paper Sources | Cited Materials

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