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# The Deloitte On Cloud Podcast

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| **Title:** | **Digital transformation: C-suite leadership is a big key to success** |
| **Description**: | Why do some digital transformation initiatives flounder while others succeed? One answer might lie with the C-suite leadership. In this podcast, David Linthicum talks with StarCIO's founder Isaac Sacolick about his latest book, *Digital Trailblazer: Essential Lessons to Jumpstart Transformation and Accelerate Your Technology Leadership.* According to Isaac, good leadership is about understanding how technology can serve the business, adapting to innovation, and building high-performance teams. |
| **Duration:** | **00:26:27** |

**David Linthicum:**
Welcome back to the On Cloud Podcast. Today on the show I am joined by Isaac Sacolick. He's the president and founder of StarCIO, a tech learning company that guides leaders on digital transformation. He's the author of recently-published book entitled *Digital Trailblazer: Essential Lessons to Jumpstart*

*Transformation and Accelerate Your Technology Leadership*. Man, this is an exciting topic, Isaac, but tell us how you came up to writing the book. What was the thinking behind it?

**Isaac Sacolick:**
Well, I was looking back after I published my first book, *Driving Digital*. This was back in 2017. I was meeting lots of leaders after that, obviously pre-pandemic, doing workshops, just talking to a lot of people, speaking at conferences, and I was getting the same sort of questions, mostly from second reports and third reports to CIOs and chief digital and data officers. They came from different backgrounds. Some were product people, some were technology, some were in data or security, and they were really trying to put their arms around what it meant to be a transformation leader.

At the same time, I found CIOs and CDOs recognizing how important it was for them to build their bench strength, to build up the next level of leaders. They're the ones really running transformation programs. And, so, I had already started writing a lot of my stories down. I wasn't sure exactly how I was going to use them, where I was going to use them, but as the pandemic hit, and I had some more time to really devote to writing, I decided to take those stories, put them together and said, "What would happen if I provided a first-person narrative to aspiring transformation leaders—people I now call digital trailblazers—and put them in my shoes as I worked through some of my toughest moments?"

And that's what you're reading in my book. My mom is in the middle of reading it right now, and she's like, "I didn't know your job was so hard," and I'm like, "Yeah, being a CIO is pretty tough at times." But I put the reader through these different scenarios that I've been through in a first-person narrative, and then at the end of every chapter, I leave everybody with lessons learned. There's a total of 50 of them in the book. And that was the thesis.

Let's help people learn from stories and learn by example and get more confidence that when they're in a difficult situation and they're trying to get people to change or handle a detractor or sell an idea, they have some ideas to work with that they've read and learned about to use and apply in their own journeys.

**David Linthicum:**
Yeah, and this is very appropriate right now. We just did a study at Deloitte, and we found that leadership kind of made all the difference. The companies were spending the same amount of budget, who are successful with cloud and not successful with cloud. So, in other words, someone could have—everybody could have a $100 million budget, which is relative in the benchmark for the line of the revenue of the company. Some leaders were able to do a great deal with it and inflect innovation and really kind of take the company to the next level. Some others not so much. Before we get into the detailed topics of the book—I assume you're not at your first job. Tell us about your career and how you came about focusing on digital transformation.

**Isaac Sacolick:**
Yeah, that's a great question, David. I actually started my career in startups. I spent about a decade working in media, mostly, for newspapers. I did one startup in bio, another startup in travel. So, that was my early career. I spent a lot of time figuring out how to build technology out, how to build websites out, how to scale systems, and then I moved on after about a decade. I said, "If I'm going to continue doing startups I better move out to the West Coast," and for family reasons I chose not to. So, I pivoted, and I became a CIO at companies that were looking to invest in technology, and data, and experiences, really start using technology as a strategic advantage and building really a lot of customer-facing applications out.

So, when you put those words together—experience, data, and technology today—we usually call that digital transformation, but back in 2007 it was we need to do things different at *Business Week* magazine. I worked at a construction data company. Same sort of problem. Very traditional publishing house that needed to become an analytics powerhouse, which I helped them transform. And then I also did some work in financial services.

I also bring analytics and data to companies that never really had that capability before. So, that was my second run. In the middle of all that, digital transformation because a buzzword, and I had started writing—all the way back in 2005, somebody said to me, "Isaac, you have a great travel, social network that's not plugged into the blogosphere," and I listened to that and said, "Oh, they want me to go write a blog," and, so, I started writing my blog in 2005, and that really started my writing career. My speaking career started in 2010 when I realized that I could get to CIO conferences, if I was speaking and representing the brand and making sure that people understood that *Business Week* and construction and later on Greenwich Associates, that they were known for technology, so I started speaking at that point.

Just to finish the story, David, in 2016 I did a Gartner conference. They asked me to do a workshop around transformation, and that led to me writing my book *Driving Digital* and starting my third career, leading a company called StarCIO.

**David Linthicum:**
Wow. That's a pretty interesting career. It's pretty typical, though. People pivot and they change directions, and they start going after different passions and also figuring out their abilities. And it sounds like you figured out your ability was to transform leadership and explain concepts, which I think is probably as important, if not more important, than people out there who do stuff. And it sounds like you do that as well, so you kind of have this, "I have experience in moving forward, I'm able to teach you how to move forward, I'm able to teach you how to be a leader."

So, kind of back to the original concept, why are CIOs, and CTOs, and midlevel managers in IT having trouble to transfer over to a leadership mindset? In other words, they're not transitioning as well as we thought. They're not necessarily looking at this from a strategic point of view, looking at the study we just did. It's more tactics, it's more budgetary stuff and kind of missing the bigger picture. What's going on?

**Isaac Sacolick:**
Yeah, it's a great question. It's actually a good softball for me to hit. The very, very first lesson I leave in the book, I say reflecting on the skills that got you here won't get you there. And you think about people who aspire to be in the C-level seats in technology roles—technology, data, and security—you have to have some management skills there, but you also have to have a lot of technical chops today. There's so many different ways to put a cloud together, or to assemble a DevOps stack, or to run an Agile program.

You pretty much have to have a good sense of what questions to ask and how to apply it in your organization. When you get up into the C-suite level, when you're really doing leadership, and this is one of the exercises I put leaders through, I ask them, "How do you spend your time? Look at the last two or three weeks and give me a breakdown of how you're spending your time." And very often they're spending a lot of their time back in the operational areas solving an operational issue or looking at technology in terms of how it's implemented.

When you're really trying to run transformation at a C-level, first and foremost you need to be out with the business, out talking to customers, learning about where the market is going, see how they're using your product and service, how they're using technology before their product and service, how they're using technology after your product and service. So, you have to have a really deep customer mindset. You've got to be working with your other executives in terms of changing their mindset about the role that technology's playing and the role of data is playing and how to think about security so that it's baked into people's mindset up front.

So, you're spending a lot of time with executives and you're spending a lot of time with the business. So, if I'm spending 60 to 70 percent of my time with customers, with executives, with business, I really have to expect that I have a leadership team that when I spend 20, 30 percent of my quality time with them, they're sort of understanding the vision, they understand priorities, they have a good sense of who the customer is when they're building something. They can make really sound decisions about what technologies to use and what technologies not to use.

Go back to what you said earlier. Same company, same budget, some are excelling and some not excelling, and there are a lot of ways to spend money on technology. Are you spending it on the right things in the right order, in the right area and in ways that are going to be impactful? And that comes down to leadership, really understanding where's technology making a difference and having the leadership step to be able to carry forward, and implement, and plan things, because that really hasn't gotten easier over the years. It's actually more difficult to orchestrate all these technologies and put them all together in robust, secure ways so that they continue to run and that you can continue to enhance them over time.

**David Linthicum:**
Yeah. I'm someone who had to transition to a better leadership mindset in my journey as a CTO. The first job I had was very tactically focused, sitting with the developers, R&D folks and talking about tools and technologies and how to do it. I had a good experience, and it was reasonably successful, but I wasn't very successful in making my company successful until I learned that CTOs, CIOs, CEOs, all those C-level folks need to be externally focused and do the tougher things. Get on an airplane, go talk to a client, even going out and dealing firsthand with maybe some quality issues that the product needed to leverage so they can figure out how to fix them and make sure they don't happen again. Really kind of focusing on the business in general, which is not necessarily taught in computer science school. They teach you how to build compilers and what databases are, and even in the information systems management as well, kind of the same thing. They don't necessarily teach you leadership skills. You find that out on your own through trial and error. So, is that what you're finding?

**Isaac Sacolick:**
It's exactly what I'm finding. You take an example just from the first chapter of my book, I talk about really one of my first big board meetings back in the '90s. I was young, I was inexperienced at the time, but I was a CTO, and the CEO said to me, "Isaac, you're here to be collaborative, to show that we have a strong technical leader. You don't have a speaking part, and just sit here and listen." And, of course, a question came in from one of our board members, and it was a technical question, and I had to respond to it.

What's a "cookie" to an executive back in the '90s without getting into more jargon and explaining things in a way that they would never understand. You flash forward to today, or really pretty much everybody over the last 20 years, being able to sell your ideas and market your ideas. Now if you're in a startup, you have to have that skillset. You have to have it as a CTO, and anybody else who is a founder to be able to sell the vision, sell who the customer is, sell the technology and organizational plan and so forth.

But if you take your average company, your average enterprise, that's not a skillset you come in with. You talk about having to go through a very difficult process to prove a business plan and what goes into writing up the P&L around that and writing up all the slides that they want you to present around that. But at the end of the day, you're going to get 15 minutes to talk to someone and say, "Here's why my initiative is important to invest in. Here's why we should do this POC," or, "Here's why we have to stop what we're doing from a security perspective and do something completely different," and be able to sell that in a very transformational way in a very little bit of out of time. That's something that most people are still learning and still figuring out, and sometimes it takes two or three tries, just on the same idea, until you figure out what idea resonates with people.

**David Linthicum:**
Yeah, learning to fail fast. I mean, that seems like a buzzword now because it's been used lots of times, but you have to have the ability to do trial and error and figure out what works for you and what works for the company. So, one of the topics that your book covers, a concept that your book covers, is leading innovation and developing products, and that kind of interests me because I was interested in how innovation occurs. I consider myself an innovative person. I create net new-skills and write books around concepts that just don't exist yet, and basically moving things up, but that's something that I think is kind of lost.

We don't seem to be as innovative as we were 20 years ago and coming up with net new ideas, and I guess some people would say all the good ideas are invented, they're already out there. We're building innovation on those ideas and not necessarily rebooting or creating new concepts from scratch and taking them to the next level and putting them into products—actually building, investing, taking a risk, building a product, pushing out of the marketplace, and I think it takes a different type of person to do that. So, tell me about how we should think about doing that and how should leadership change to adapt to innovation and the quick development and getting more value brought back to the business.

**Isaac Sacolick:**

Yeah, there's a few exercises you can do to do some blue-sky thinking with groups. At a macro level, when I'm working with C-suites, I try to picture a competitor coming in and completely disrupting their business. What would they do? What would their product and service look like, what customers would they go after? What are some of the internal institutions would no longer be needed, or need to change drastically because that competitor was now in place?

I used to do that all the way back early in my career. I remember going back to newspaper executives in the '90s and saying to them, "What would happen if you took your least-performing newspaper and made it digital only? Cut out the entire revenue, all the cost that goes into doing your print product, and just use—do an investment over 18 months and learn what a completely digital product looked like so that you could start building up that DNA." It turns out that would've been a really good idea for them to do, but the hard thing today is, this isn't a one-time deal. This is something that you see the biggest companies doing.

It's really something that every organization has to rethink what their product and business line's going to look like over the next five to ten years and know that in three to four years there's going to be technology that we're calling emerging today that's going to start becoming mainstream, and we're going to have to redo this again.

I tell people we're always transforming. We might not like the word digital transformation at some point, but we're always going to have to be transforming our businesses at faster paces. And then when you take it to a micro level, I think one of the mistakes folks make around picking out transformation is trying to figure out the answer too much up front. Who's the target market, who are the end users what are we trying to deliver for them? I try to come up with some very, very basic answers to those things.

Give me a one-pager that says, "Here's the people I'm trying to impact. Here are the key end users, the key customers that I'm trying to do something with." It could be for an internal product like taking a legacy system and moving it to the cloud, it could be something customer-facing, it could be a data integration. Tell me who's going to benefit from this investment and write up a value proposition for them. Why is this important, and what are we going to stop doing if we invest in this new way of doing things?

And then I ask a strategic question: "Why is this important to do now? What are some of the constraints if we go and invest?" And these kind of questions, they go into a vision template. Lots of companies have them. I have my own version of a vision template. But the main difference is, I can bring a small group of people together, come up with a single page of what they're trying to accomplish. They haven't invested a lot into planning this. And then I go immediately into an Agile process and say, "Okay, what are some of the questions that you're trying to answer that you don't have answers for?" That becomes sprint one. You're just answering questions. You're not coding, you're not POC-ing it; you're just going out and doing basic research.

You're talking to customers, you're learning, and that's how you fill your first sprint up. So, you can start iterating through that planning process until you start seeing and building confidence that you're heading in the right journey, and now we can start transitioning from a planning process to more of a delivery process. We're actually POC-ing and delivering something to actually put in front of customers.

**David Linthicum:**
So, another concept that your book discusses is fostering high-performance teams, something I've been studying over the years as well, because I think initially when you took management in college, or getting your master's degree in business, things like that, they kind of tell you about micromanaging people. And, ultimately, that's not how you foster high performance teams. It's about hands off. It's about management by objective. It's about letting people have the freedom to go create and be excellent in what they do. So, what's your thinking around that? How should I foster and promote a high-performance team from running projects or running development or things like that?

**Isaac Sacolick:**
Well, I think it's really important to make sure that, when you have a team, you're creating some kind of leadership structure around it, that people understand what their responsibilities and roles are and people understand what their decision authorities are. And you start contrasting the world of a startup where you give a lot of authority to teams. In the world of regulated enterprises, maybe you're giving a little bit less authority to teams. But when I walk into an organization and I ask them, "Are you doing Agile, are you doing Scrum," the answer almost always is yes.

I'm like, "Do you have a defined product owner?" And they're like, "No." Okay, so who's doing the priorities? That's a set of responsibilities that an Agile product owner has. And you find out, "Well, we can't decide who's setting the priorities so we let our stakeholders decide. We come up with a queue and that goes into a funnel, and then we start having our Agile teams work off of that list."

And I said, "No one's making priority decisions then, right? You don't have a high-performance team because you're just taking everybody's wish list, everybody's wants, you're putting them into a list, and you're just knocking them off like they are tickets." That's not a very strategic way of saying, "Here's the outcome that I'm trying to get to, here's how we're going to measure that outcome, here's some of the unknowns that we're trying to work our way through, our risks that we're trying to work our way through," and having the team come back to you and saying, "These are the first few things we think we need to go do. We need to do a POC around a new technology, so we have some new experience around it. We want to put a test, a mockup in front of customers to see what their reaction is to a user experience."

You see how I just turned that around and I gave a lot more authority to the team, but I'm also setting some guardrails. I'm telling them a little bit of what their vision is and I'm also telling them and sharing with them what their responsibilities—where they have decision authorities and where they can be self-organizing and run their own decisions.

And when you start putting that together and doing that over a period of time—the reason Agile is so big on cadences, is we start building up our muscle to be able to do this in a repetitive fashion. That's how you start building high-performance teams, because they start working together, understanding what their roles are, and start looking at their objectives and asking questions and answering them.

**David Linthicum:**
So, what are three lessons you learned by writing the book? And also, where would you recommend that potential digital transformation leaders go out and learn more and get the skillsets, they may be missing to take their digital transformation efforts to the next level?

**Isaac Sacolick:**
Yeah, I mean writing a book is a journey in itself. It's one of those things that you sort of have an idea and you start writing things down. I started writing some stories down pre-pandemic. I really wasn't sure what I was going to do with them. Before the pandemic started, I made a conscious decision that I think I have enough material here of interest. I think I'm going to start thinking about putting a book together.

And then I started putting it all together and saying, "Who's the audience, what am I trying to help them get through, what is going to be their outcome if they read through this book?" So—a lot of lessons learning in terms of how to put it all together. I received tremendous feedback from people. There were over 30 people who received different chapters of the book at different times. There's a little bit of humility in that, being able to get feedback and say, "That story, it's a great story but I didn't get it. Why is this in the book?" Or "You're giving me a lesson here that I don't know how to put to practical use. Can you be more verbose around something so I understand exactly what you're trying to accomplish by using this story?" There's a lot of different ways to look at this and think about how to orchestrate your ideas in such a way that people can respond to them.

I'll share just a couple of the lessons that are in the book. There's a total of 10 chapters, there's five lessons learned at the end of each one, so there's a total of 50 lessons in the book. Chapter two is all about technical debt, and the phrase I use in the chapter is, "Technical debt is now your problem." What I mean by that is, when you're working in engineering and you're working as a developer or tester, you have some responsibilities to avoid technical debt, you have some responsibilities to address technical debt. But when you become a leader, you know there's too much technical debt in the organization, you can't solve it all, and so your decision here is how much to prioritize, which areas to focus on, how do you turn something that's debt into a positive, and knowing that you can't solve everything.

So, one of the lessons I leave in the book is: Lead teams by helping prioritize which questions need solving. And the reason again is that, whether I lift and shift to the cloud, whether I spend more time on security, I need them to help me understand the answers, but I have to help them understand which questions are worth spending some time on. So, something really important in the book. Another one I'll share from chapter three is all about operations. And I have a lot of sympathy for people woken up in the middle of the night to resolve issues, and it leads to a lot of stress.

I talked a lot about that in the book. This is summer months when we're recording this. One of the things I tell and remind people, take real breaks away from operations. And if you lead operations, make sure you help people in operations get out of that working model for a little bit. Maybe go visit some customers, maybe attend a conference, maybe learn a new skillset, but there's so much stress that goes into operations. It's time to be able to leave out of it a little bit.

**David Linthicum:**
That's great advice. So, where can listeners find your book online?

**Isaac Sacolick:**
Well easiest way to find my book is probably on Amazon. Just look it up under *Digital Trailblazer*. It's the name of the book. The other thing you can do is I do a ton of writing every single month, somewhere between 10 and 15 articles, somewhere between 2 and 4 videos that I'm recording every single month, and I offer lots of incentives around that. So, if you come to my website, starcio.com/oncloud, that's oncloud as one word, sign up for my newsletter and you get access to all my writing that I put out every single month.

David, some of your writing actually ends up in my newsletter as well. And I'm on Twitter. I love getting questions from people. @NYIke on Twitter is the best way to find me there. And look, I think everybody who is aspiring to be a transformation leader, really it's a lifelong journey. You're constantly learning new things, sharing new things. So, come ask me a question, find me. I'd love to talk to you about where I can help you and what are some of the things that you're working on that you're struggling with.

**David Linthicum:**
Yeah. Check out Isaac's work, because we really need to understand how to do this, to take things to the next level. I see this as kind of an impedance with organizations going right now, just not getting over the leadership humps they need to take the organization to a more innovative level and find those true values and become a disruptor before you be disrupted. So, that's a good word of advice.

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