

The CDO - Managing a new entrepreneurial asset

The need for the evolving C-role



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In today's session we will look at history but also likely near future of the CDO and the need to re-invent



- The CDO has been around for a while, but is not yet fully understood
- CDO's role for defense and offense data management
- If rightly done, he is managing the entire data value chain for convergence
- He needs to be equipped with the right authority and responsibility
- The more as technology will make data usage even easier in future
- The ethical use of data also falls his remit
- Consequently, the CDO manages all aspects to bring the data asset to its full bearing

The CDO is still a rather unknown “animal” in the corporate organization

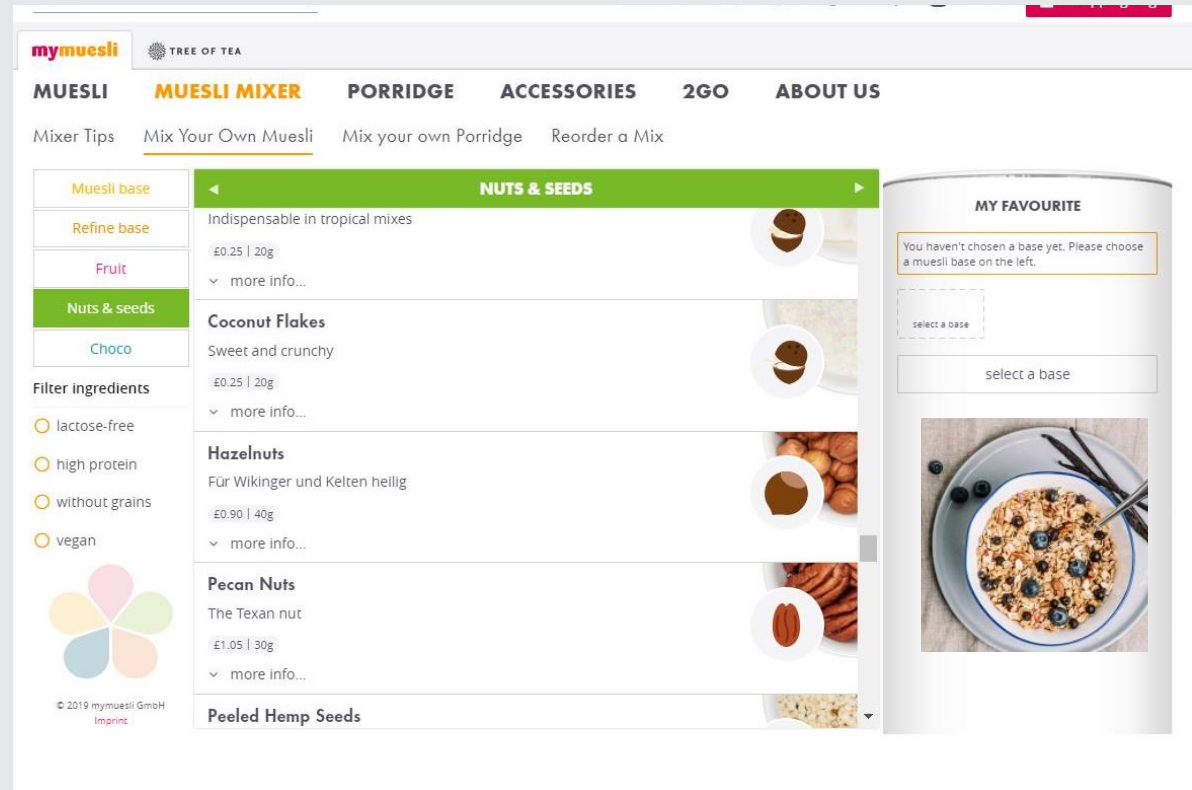
- Increasingly popular since 2014
- On the rise ever since
- Often reporting to CEO, CIO or COO
- CIO, despite common understanding that role is not about IT
- Role is often like in American Football teams
 - Defense role: governance, sourcing
 - Offense: Analytics, Big Data, ML
- A minority has P&L responsibility
- Often has the latecomer effect, who, why, what?



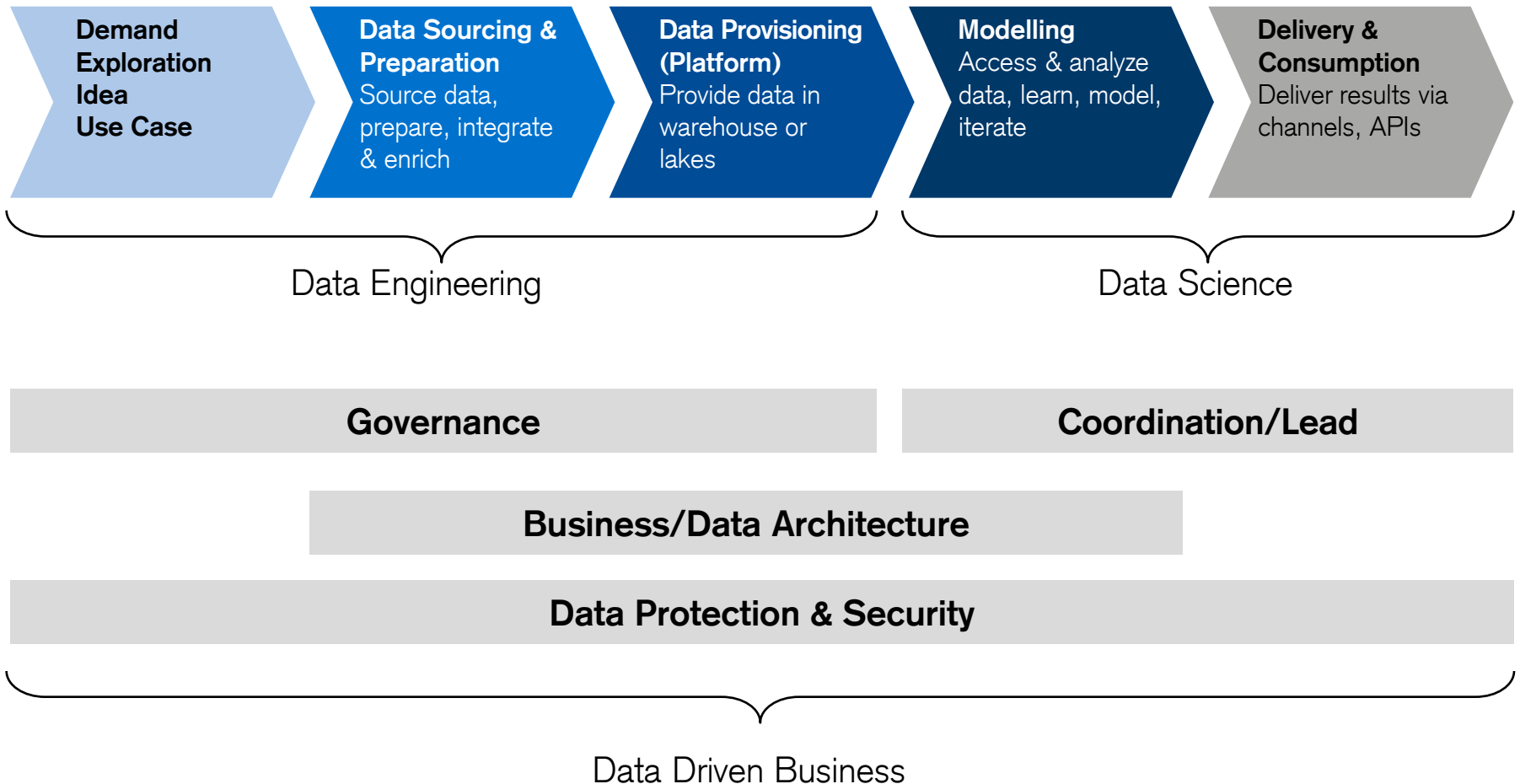
<https://theleadershipnetwork.com>

To explain the CDO role analogies about collection and preparation can be used

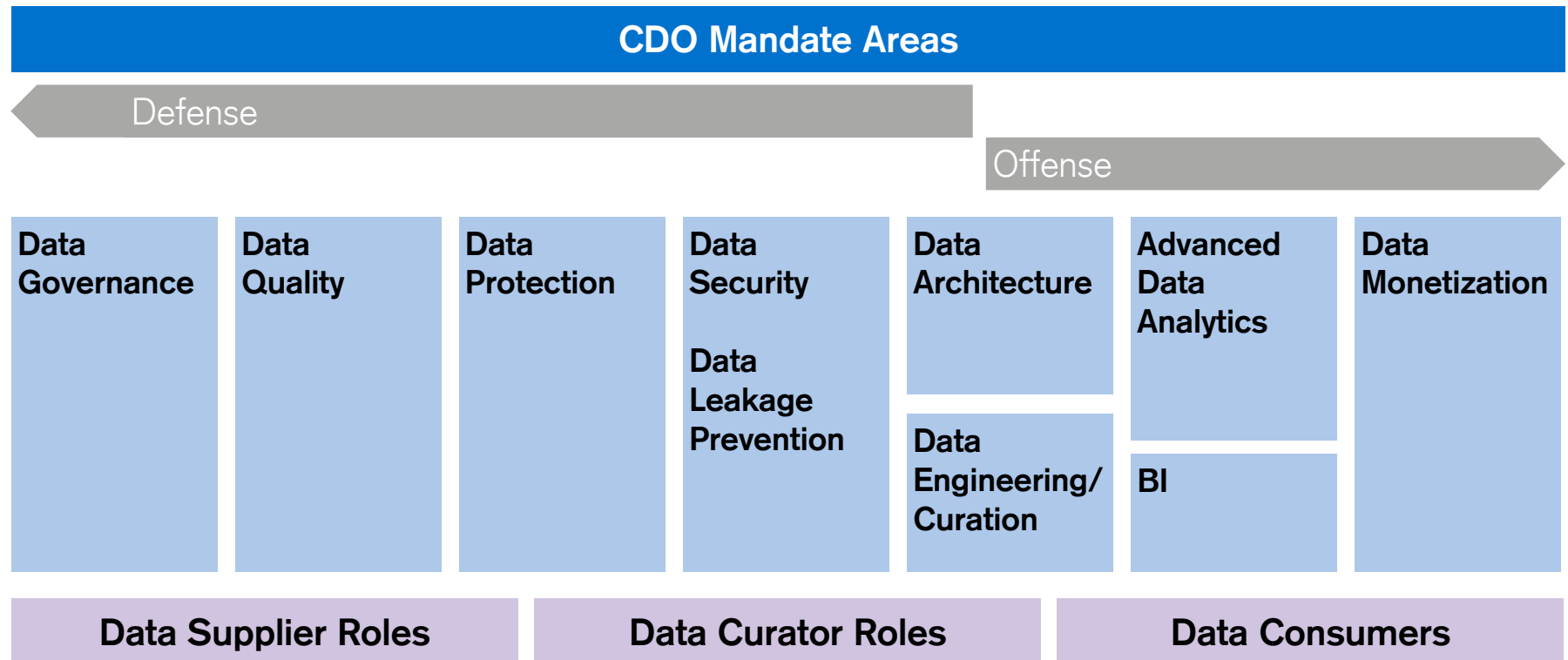
- In order to get a muesli
 - No one would start collecting nuts, blueberries in the forest, go on a field and dig out grains from a spike, wash, sort and mix
- Yet we often do this in data science life
- What if someone would do the same for data as the chaps from mymuesli.com
- The analogy would extend to fields, attributes, business objects, cleansing etc.



However, the value add of a CDO is not limited to data engineering or other defense topics



Accordingly the set-up of the role is crucial and many organizational varieties can be thought of



- Various organizational mandates can be allocated to the CDO
- There is no one truth, best set-up depends on business model and history
- Clearly, a proper management of data in terms of architecting sourcing and monetizing is not a side job

The CDO role needs authority and responsibility to prepare the firm for tech driven data challenges

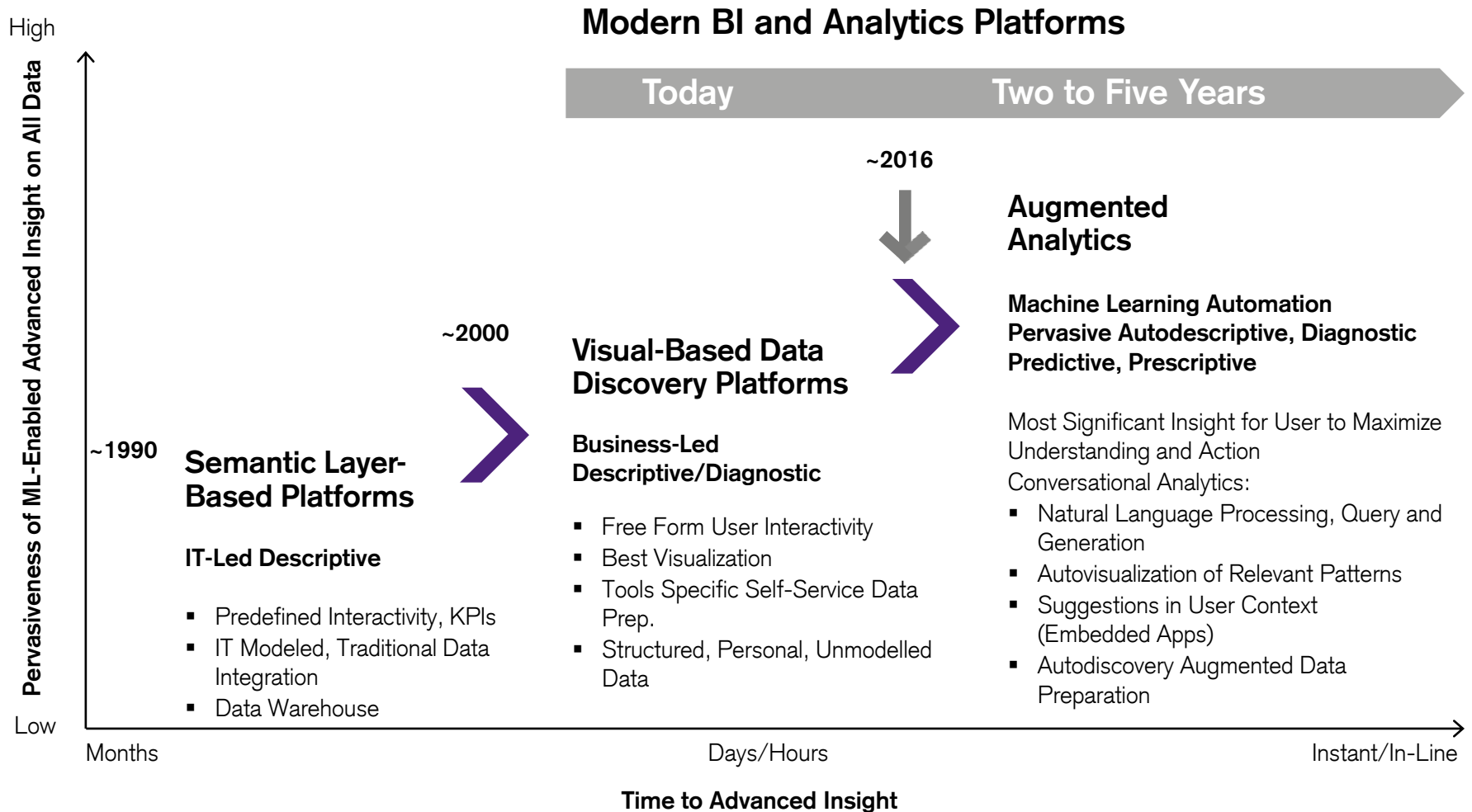
- “Futility” zone is no option
- “Spinning wheels” is easier to solve than “Wishful Thinking”
- Way Out: Provide value, resolve issues
- “Communicate what you do good and the power of data – Can’t wait for Leaders to get “it” in 2–3 years
- CDOs need to move into the success zone as data driven business and operations are advancing with a rapid pace

Align Authority and Responsibility



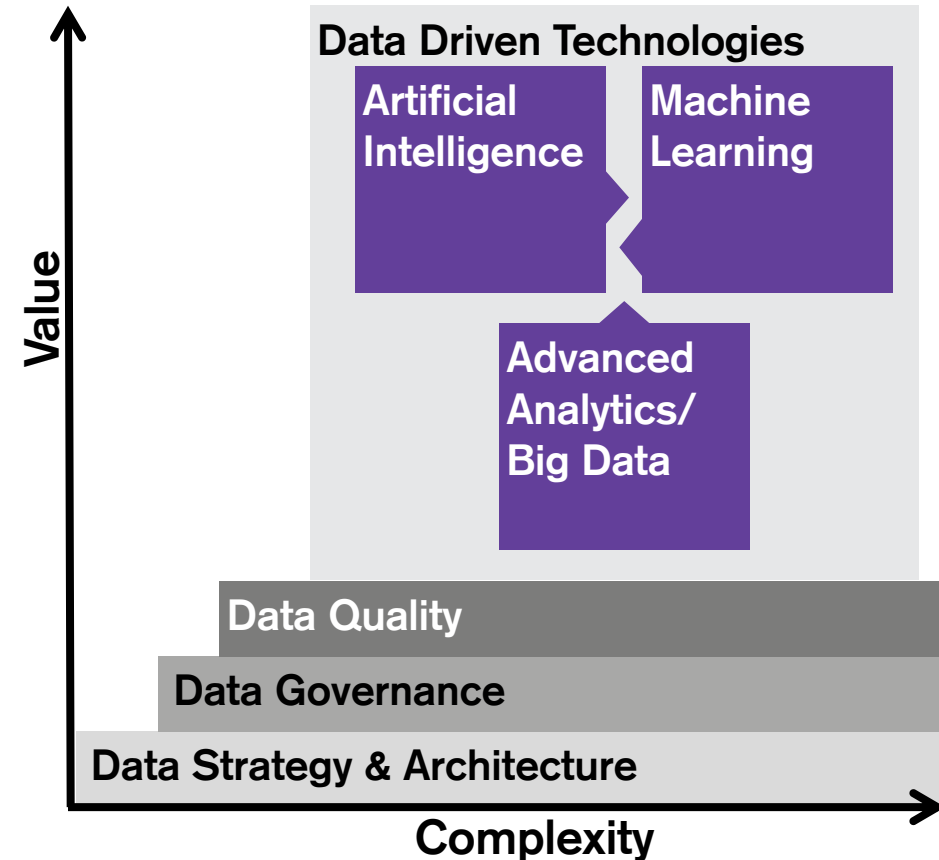
Source: Gartner, 2018

Mainly because technology will make data increasingly relevant for the operational and business model



Source: Gartner, 2018

If done right the defense and offense roles will team up and combine



■ Defense done right

- Establish strategy, governance quality
- Catalogue, define, map, quality assure “shoppable” data
- Use offense techniques for defense purposes (e.g. ML for DQ)

■ Offense done right

- Work with defense teams in data sourcing, cleansing, analyzing, learning
- Be the other side of the “digitalization coin”

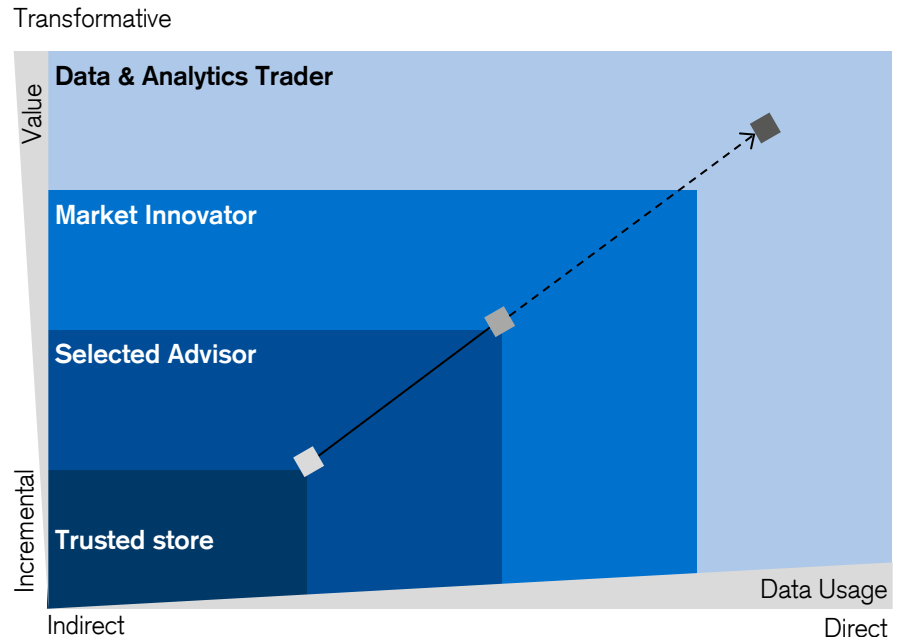
If done right the offense and defense functions will converge appreciating and building on each others value contribution in the data value chain.

Often overseen are the technical possibilities need answers in terms of ethical questions

Position Yourself/Key Questions

- Data usage and monetization quickly leads to questions on how far a company should go in exploiting data.
- Clarification and positioning of the company considering business strategy, culture, heritage is a task for the CDO

Strategic Data Exploitation



Source: CDO, Credit-Suisse (Schweiz) AG

Summary - building and driving the data driven business as an asset, the CDO role is to stay

- The variety and depth of tasks needed to **manage data as an asset** clearly show that a proper management **cannot be done as a “side job”**
- This is similar to **when technology became an entrepreneurial asset** in the '70's and 80's and the role of **the CIO was founded** as technology could not be managed on the side.
- **So now, as data emerges as an asset** being of relevance across the enterprise **a dedicated senior manager needs to be appointed** and take care of this asset:
The **Chief Data Officer**
- Similar as other C-roles before **this role is bound to stay**



Reflection & Discussion

