Find your way through the chief data officer (CDO) maze

Three questions organizations need to ask and answer

An IBM Institute for Business Value (IBV) study on chief data officers (CDOs) revealed that organizations that have a CDO “tend to be analytically mature, business driven enterprises that outperform their competitors.” Unfortunately, like a hedge that has been left unattended too long, CDOs can often find their job an endless maze of poorly defined responsibilities—leading to a high rate of turnover. However, answering the following three questions can help you find the right path.

1. What is expected of the CDO?

Too often companies fail to define the primary business goal and scope of the CDO role clearly, and the CDO suffers as a result, pulled in competing directions. To avoid this, determine whether the company’s goals for the CDO office align more with the CDO’s ability to be a data integrator, business optimizer or market innovator. In addition, make sure to specify the scope of the CDO’s role—whether that entails data management, technology or analytics or some combination of these.

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2. How should the CDO office be structured?

Early on, building a data-driven culture is key. Leaders should recognize the importance of culture early and set their CDO up for success by allowing him or her the freedom to shape it. Of course the data itself is important too. The type of data that needs to be collected may vary based on the primary responsibility that a CDO has. For example, a market innovator might be particularly interested in the contextually rich data available from sensors and devices.

Organizations should ensure that CDOs have the necessary resources to access the data needed to fulfill their primary responsibility.

3. What should the priorities be for the CDO?

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For more information about which expectations, structure and priorities might best suit CDOs, read the full study at ibm.biz/2016cdostudy or view helpful solutions at ibm.biz/cdolookbook.

1 IBM Institute for Business Value research and market observation. 2014 to 2016.

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