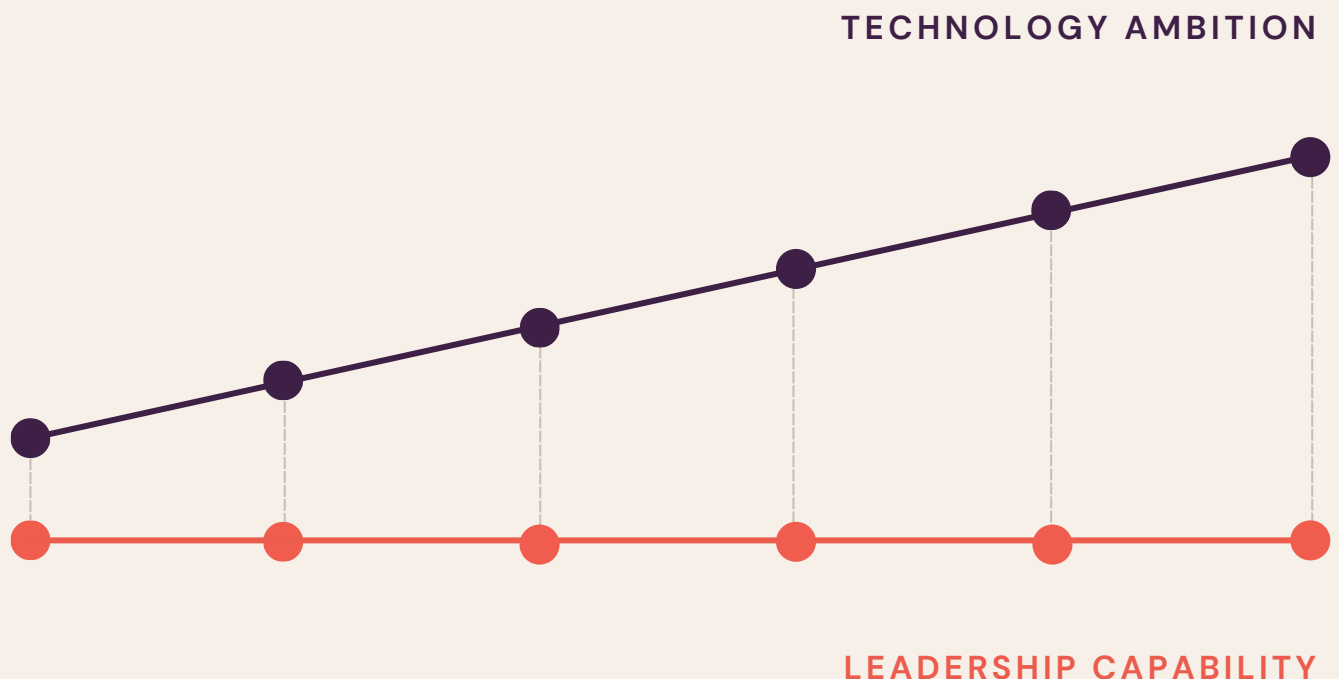


When Technology Strategy Outpaces Leadership

7 Signs to Recognise

How to assess whether your leadership, skills and operating arrangements are equipped to deliver what the business expects from technology.



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EXECUTIVE SUMMARY

The leadership requirements are changing

When I talk to businesses about technology leadership, I often ask whether the people, skills and leadership structures they have today are still right for what they want to achieve.

The mix of technology skills a business needed three years ago may be very different from what it needs today. AI is prompting businesses to reconsider where technology sits in the organisation, what they expect it to achieve and who should be accountable for delivering the results.

What interests me more is how technology is changing the way businesses operate. It creates opportunities to rethink how work is organised, where decisions are made, which tasks technology could take on and where human judgement remains essential. A business built around AI from the outset can design its processes differently. Established organisations have existing systems, responsibilities, customers and employees to consider, which makes those opportunities harder to realise.

That means looking beyond the technology itself and examining how the business operates. Simply adding technology to established processes may deliver worthwhile improvements, but it doesn't necessarily address whether those processes remain the most effective way to operate. The changes can significantly affect employees and managers, as well as the technology teams responsible for implementation.

A technology function that has historically operated as an internal service provider may now need to contribute directly to commercial strategy, innovation and business performance. This isn't solely a technology leadership issue. Technology leaders need to understand the commercial priorities of the organisation and how technology can support them. Business leaders also need enough understanding to recognise opportunities, challenge assumptions, assess risks and make informed decisions.

The challenge is bigger than skills

Data quality, cybersecurity, information governance and systems integration have mattered for years. What is changing is how much now depends on them. As AI draws on more data and applications become more connected, weaknesses in one part of the business can create risks and dependencies elsewhere.

That doesn't automatically mean hiring more people. Some of the expertise can be developed internally through training, mentoring and practical experience. Businesses need to judge where that is realistic, when specialist knowledge is needed and whether existing leaders have the authority and time to take on more.

Technology has less chance of delivering value when its leaders are kept at arm's length from commercial decisions, or when employees are expected to adopt new ways of working without understanding what will change for them. Even when everyone supports the direction, the business still has to free up the people, time and resources needed to deliver it.

This briefing looks at seven signs that the demands on a business may be moving faster than its leadership and ways of working. It then considers what those signs might call for, including developing existing people, changing responsibilities or bringing in new expertise.

THE CENTRAL QUESTION

Does the business have the right combination of leadership, skills, understanding and operating arrangements for what it now wants to achieve?

Why this deserves executive attention

When I interview senior technology leaders, I'm as interested in what it took to deliver a programme as in the technology itself. I want to understand the relationships they've built across the business, which decisions they were able to influence and what stood in their way. Those conversations often tell me more about their leadership than a list of completed projects.

The technology leaders who impress me most are those who understand the business well enough to challenge how it operates. They can work with commercial and operational colleagues, recognise where processes could be improved and bring people with them. But knowing what needs to change is not the same as having the authority or resources to make it happen.

That matters when CEOs and boards are assessing the performance of their technology leaders. A programme that's struggling to deliver might reflect poor leadership or a flawed strategy. Equally, it might reflect competing business priorities, decisions outside the leader's control or resources that were never realistically available. Those are very different problems, and they require different responses.

A technology leader cannot resolve conflicting business priorities or make resources available that other functions have not committed. Those decisions sit with the wider leadership team, which is why responsibility for successful transformation has to extend beyond technology.

As you consider the seven signs that follow, I would encourage you to look beyond the individual leading the technology function. The question is not simply whether that person is capable, but whether the organisation has given them the authority, support and conditions needed to deliver what is expected.

01 Technology investment is increasing, but business value remains difficult to demonstrate

WHAT TO LOOK FOR

A technology programme can meet its delivery milestones and still leave the business questioning what it has gained. A new system may be working exactly as intended, but the anticipated improvements in productivity, customer experience or profitability are difficult to identify. Sometimes those improvements haven't materialised. In other cases, nobody established a clear way of measuring them in the first place.

Demonstrating return on investment was a recurring challenge in my AI and Data Leadership Survey. Although the research focused on AI and data, the question is relevant to any significant technology investment: what has actually changed for the business?

When I interview senior technology leaders, I'm interested in what happened before the business committed to a solution. Did they have the opportunity to work with commercial and operational colleagues, understand where the problems were and challenge whether the proposed technology would deliver the improvements the business actually needed?

Some of the most useful examples I've heard from technology leaders involve being given the freedom to question the process before choosing the technology. Rather than starting with a system that's already been selected, they've worked with commercial and operational colleagues to understand how things actually get done, where the frustrations lie and what could work better.

Measurement matters just as much. If nobody knows how long a process currently takes, what it costs or where problems occur, it's difficult to demonstrate that a new system has improved anything. Agreeing what success looks like before the investment is made gives the business something meaningful to measure against.

Before approving a major technology investment, I'd want to know how much opportunity the business has had to challenge the proposed solution. If the system has already been chosen and the delivery milestones agreed, there may be little room left to ask whether the underlying process should work differently.



A QUESTION WORTH ASKING

Before choosing the technology, have we understood the problem, challenged the existing process and agreed how we'll measure improvement?

02 Technology and business leaders are working towards different priorities

WHAT TO LOOK FOR

Technology and business teams can each be meeting their own objectives while making very little progress together.

Technology leaders may be focused on resilience, cybersecurity, technical debt and modernising infrastructure. Commercial and operational leaders want new capabilities and faster delivery. Neither is necessarily wrong, but the business needs to understand the trade-offs and agree which priorities matter most.

My AI and Data Leadership Survey highlighted similar difficulties. Leaders identified cross-departmental collaboration as a challenge, alongside the need for stronger stakeholder management and communication between business and technology teams.

When I speak with businesses where transformation has stalled, I often hear a familiar story. Everybody wants the transformation to happen, but nobody wants to commit the resources needed to deliver it.

The problem often becomes apparent when a programme needs people from outside the technology team. Operational managers are expected to release employees for workshops, testing or process redesign, but those employees already have full-time responsibilities. The technology team is stretched too. The transformation becomes additional work that nobody has made room for.

Executive sponsorship has to mean more than approving the strategy. Someone needs to decide which other work will take a lower priority, whose time can be committed and whether the business has the skills to deliver. Without those decisions, the transformation may be approved but not properly resourced.

There is also a knowledge gap on both sides. Technology leaders don't always have enough commercial context to recognise where they could make the greatest difference. Equally, business leaders may struggle to judge what technology can realistically achieve, what it will cost or what changes will be needed elsewhere in the organisation.

Giving business leaders a better understanding of technology, and technology leaders a better understanding of commercial priorities, can improve the quality of those decisions. But knowledge alone won't deliver a programme. The executive team still has to agree what matters most and commit the resources to make it happen.

EXECUTIVE SUPPORT

We support the ambition.



But are we ready to deliver?

CAPABILITY

Do we have the right skills?

CAPACITY

Can people commit the time?

RESOURCES

Have we allocated what is needed?

A QUESTION WORTH ASKING

What are we prepared to deprioritise, and whose time have we actually committed to delivering this transformation?

03 Decisions take too long, and governance is not helping

WHAT TO LOOK FOR

Governance should help businesses make good decisions. Where technology affects customers, security or regulatory obligations, scrutiny is clearly necessary. But the approval process should reflect what's at stake, rather than treating every decision as though it carries the same risk.

Problems arise when routine decisions repeatedly go through several committees or end up with senior executives who shouldn't need to be involved. Equally concerning is a leader who is accountable for delivering a programme but cannot make the decisions about priorities, resources or implementation needed to move it forward.

Governance also featured among the challenges raised in my AI and Data Leadership Survey. The findings don't tell us whether businesses have too much oversight or too little. They do suggest that governance arrangements deserve attention as organisations introduce AI and other emerging technologies.

In conversations with technology leaders, I've heard how much difference clear decision-making boundaries can make. A small, low-risk trial shouldn't necessarily need the same approvals as a programme involving sensitive information or critical systems. Both need appropriate controls, but the level of scrutiny, the people involved and the authority to proceed should reflect the risks.

Sometimes the problem isn't the approval process at all. It's that the people responsible for making decisions are already stretched. They need time to understand a proposal, assess the risks and consider the implications. When that work has to compete with their day-to-day responsibilities, even a sensible governance process can become painfully slow.

People also need to know where they're allowed to experiment. If an unsuccessful trial could damage someone's reputation or career, it's hardly surprising that they'll avoid taking risks. There's an important difference between an experiment that doesn't produce the hoped-for result and a failure to follow appropriate safeguards. Leaders need to make that distinction clear.

If I were reviewing an organisation's governance, I'd start with a handful of recent decisions. Which ones took longer than expected? Who needed to approve them? Was the level of scrutiny justified by the risk? And were the delays caused by the process itself, unclear authority or simply a lack of time? Those examples will tell you far more than looking at the governance structure on paper.

LOWER-RISK INITIATIVE

A limited trial with manageable consequences

- ✓ Define the safeguards
- ✓ Delegate decisions
- ✓ Test, learn and review

HIGHER-RISK INITIATIVE

A programme affecting critical systems or sensitive information

- ✓ Assess the wider risks
- ✓ Involve key stakeholders
- ✓ Approve, monitor and review

The level of oversight should reflect the level of risk.

A QUESTION WORTH ASKING

Where are decisions getting stuck, and is the problem the level of risk, the approval process or the authority and capacity of the people involved?

04 New technology is being introduced without reconsidering how the business operates

WHAT TO LOOK FOR

A new system can make an existing process faster without making it fundamentally better. Sometimes that's enough. But if the process is poorly designed in the first place, introducing technology may simply preserve the problems rather than solve them.

A business might invest in a new platform and remove some manual activity, only to find that employees are still relying on spreadsheets and workarounds. The technology has changed, but the responsibilities, handovers and ways of working around it haven't. The business has improved individual tasks without necessarily improving the overall process.

This was reflected in my AI and Data Leadership Survey. Leaders reported difficulties integrating AI into business operations and moving beyond initial applications. Getting a tool to work is one thing. Changing how the business works around it is another.

AI makes this particularly relevant. It can change how information is gathered, recommendations are prepared, customer enquiries are handled and decisions are supported.

Before automating a process, ask whether you would design it that way today.

Introducing technology changes more than the tools people use. Employees may need new skills and the confidence to assess AI-generated outputs. Managers may need to rethink responsibilities, performance measures and how their teams operate.

This takes time and money. Yet training, communication and process redesign are frequently left until the end of a programme, after the major decisions have already been made.

By then, the people expected to make the change work have had little opportunity to influence it. Involve them while there's still time to challenge assumptions and shape the approach.

Employees also have legitimate concerns about making mistakes, being held accountable for automated decisions or what the technology means for their jobs. Those concerns won't disappear simply because a new system works.

When assessing a technology investment, I'd look beyond the implementation budget. What will it cost to redesign the work, develop employees and support managers through the change?

REDESIGN

Rethink how work gets done

TEST

Try new ways of working

IMPLEMENT

Introduce the new process

EMBED

Make the change stick

PEOPLE AND CHANGE FROM DAY ONE

Involve employees and managers from the start. Plan training, communication and support alongside the technology, not after it.

A QUESTION WORTH ASKING

Have we involved the people whose work will change, and budgeted for what they'll need to make it work?

05 Technology leaders have little capacity for strategic change

WHAT TO LOOK FOR

Senior technology leaders are expected to keep systems running, manage cybersecurity and suppliers, control costs, develop their teams and deliver major transformation. Each responsibility demands attention. Together, they can leave little room for the strategic work the business now expects.

Operational problems need immediate attention. Developing strategy, building relationships across the business and planning longer-term change require sustained focus. Too often, that work is pushed aside by more urgent demands.

When reviewing senior technology roles, I've noticed how often responsibilities are added without anything being taken away. A capable leader may be given another discipline to oversee, with little time to understand its risks, develop the necessary knowledge or put the right support in place.

Experience in one area doesn't automatically translate into expertise in another. And expanding someone's remit doesn't give them more hours in the day.

The problem becomes more acute when additional responsibilities involve AI, data or cybersecurity. Each comes with its own risks and demands on leadership time. Simply adding them to an existing remit doesn't create the knowledge, capacity or support needed to manage them properly.

Major transformation also demands attention well beyond the technology function. Leaders need to work with operational colleagues, rethink processes, plan for changes to the workforce and understand the impact on customers. That work cannot be squeezed indefinitely between operational emergencies.

Not every improvement needs a major transformation programme. Smaller changes can remove frustrations, demonstrate progress and build confidence. But they still need to be prioritised. Otherwise, they become another set of commitments competing for the same limited time.

I'd review what the technology leadership team is expected to deliver over the next 12 to 24 months, alongside what already consumes its time. Which responsibilities can be delegated? Where is additional support needed? And what should the business stop doing to make room for its new priorities?

A QUESTION WORTH ASKING

What have we taken off our technology leaders' plates to make room for the change we're asking them to deliver?

06 Your skills mix no longer reflects what the business needs

WHAT TO LOOK FOR

Technology teams are usually built around the systems and priorities they've been asked to support. When the business changes direction, the skills mix doesn't automatically change with it.

A business may have experienced people keeping its established systems running, but lack the expertise to improve data quality, integrate new technologies or change how work gets done. It may also depend heavily on a handful of employees or external suppliers who hold knowledge that nobody else has.

My AI and Data Leadership Survey highlighted the importance of people who can work across technology and business, understand their industry and connect technical expertise to practical improvements. Respondents also identified the growing importance of data quality, governance, integration and managing organisational change.

A business may decide it needs more AI expertise, only to discover that poor data quality, disconnected systems or weak information governance are the real obstacles. Recruiting an AI specialist won't necessarily solve those problems.

New applications and wider access to data can also introduce security risks that existing teams aren't equipped to manage. Understanding those risks increasingly requires expertise across cybersecurity, data and business operations.

The skills challenge extends beyond technology departments. Employees need to know how to work with new tools, question their outputs and exercise judgement. Managers need to understand how to lead teams when automation changes the work their people do.

I'd be wary of treating every new requirement as a recruitment problem. Existing employees understand the business, its customers and its processes. Many can develop the skills needed with the right support. But some gaps are too specialist or too urgent to fill internally, and businesses need to recognise when that's the case.

Start with what the business will need over the next three years, not just the vacancies it has today. Which skills can you develop? Where do existing teams need more support? What expertise must you bring in? And where would losing one person or supplier leave the business exposed?

DEVELOP

Build existing capability

When people can develop the required skills in time.

STRENGTHEN

Support teams to deliver

When more capacity or clearer responsibilities are needed.

ACQUIRE

Bring in specialist expertise

When the skills gap is too specialist or urgent.

ACROSS ALL THREE: REDUCE CRITICAL DEPENDENCIES

Use succession planning and knowledge transfer to reduce reliance on individuals or suppliers.

A QUESTION WORTH ASKING

Are we building the skills we'll need in three years, or relying on those we needed three years ago?

07 Your leadership structure reflects historical priorities rather than future requirements

WHAT TO LOOK FOR

Leadership structures rarely start with a blank sheet of paper. Roles are created to solve particular problems, responsibilities are added and reporting lines change as people come and go. Over time, the structure can look quite different from what the business would choose if it were designing it today.

Think about how much has changed since 2020. During the pandemic, technology leaders were focused on keeping businesses operating and enabling remote work. Since then, expectations around digital services, data, AI and how people work have continued to evolve. Yet the leadership structures established for earlier priorities haven't necessarily kept pace.

In some businesses, technology still reports through Finance because the role was originally centred on maintaining systems, managing suppliers and controlling costs. That arrangement may still work well. But if technology is now expected to drive innovation, influence commercial strategy and reshape how the business operates, it's worth examining whether the reporting structure gives its leaders the influence and authority they need.

A leader originally appointed to run infrastructure and technology services may now be expected to deliver transformation across the entire business. Meanwhile, digital, data and AI responsibilities may have been added elsewhere, creating confusion over who owns what and where decisions should be made.

The result can be capable executives working within a structure that makes it harder for them to deliver.

AI makes these questions more pressing. Decisions about how work is organised, which activities can be automated and how roles might change affect the whole business. They need input from commercial, operational, people and technology leaders, with clear accountability for making the decisions and delivering the changes.

Before creating another executive position, I'd look at whether the existing team could deliver with clearer responsibilities, different reporting arrangements or additional support. If a new appointment is needed, define what the person must achieve, the decisions they'll own and the authority they'll have. The title can come later.

CORE RESPONSIBILITIES

What the role was designed to deliver

- Reliable technology operations
- Systems and supplier management
- Cost control and service delivery

EXPANDED EXPECTATIONS

What the business now needs

- Commercial strategy and innovation
- Enterprise-wide transformation
- Data, AI and organisational change

Has the leadership structure evolved alongside the mandate?

A QUESTION WORTH ASKING

If we were designing our technology leadership team today, would we give it the same responsibilities, reporting lines and authority?

What do these signs mean for your business?

The seven signs aren't a scorecard. Recognising one or several doesn't automatically mean you have a leadership problem.

A delayed programme might reflect unrealistic expectations, poor implementation or a sensible decision to manage risk. A skills gap might be temporary.

If technology investment isn't delivering the expected value, operational teams aren't committing resources and employees are reluctant to adopt new systems, the problem may be less about technology and more about whether the wider business is ready to change.

Equally, if decisions are constantly escalated, executive responsibilities keep expanding and critical knowledge sits with a handful of people, I'd want to examine how the leadership team is structured and supported.

Sometimes the technology strategy is sound. The problem is that nobody has fully worked through what delivering it will require from the rest of the business.

Recognising a symptom is not the same as understanding the underlying problem.

Five questions for your leadership team

Before changing your technology leadership team, there are five questions I'd want the business to answer.

01 What are we trying to achieve, and how will we know we've succeeded?

Agree the business outcomes, establish where you're starting from and decide what you'll measure.

02 Are we ready to deliver, or do we simply support the ambition?

What have we prioritised, and whose time and resources have we actually committed?

03 Do our leaders understand enough to make the right decisions?

Can business and technology leaders challenge assumptions, weigh up risks and make informed choices together?

04 Have we planned for how people's work will change?

Consider what will need to change in processes, responsibilities, skills and day-to-day working practices.

05 Are our leadership structure and capabilities right for what comes next?

Can existing leaders deliver with the authority, expertise and support they have, or does something need to change?

The answer isn't always a new executive appointment

When technology strategy isn't delivering, it's tempting to assume the business needs a different leader. Sometimes it does. But first, you need to understand what's getting in the way.

Executive enablement and collaboration

Business and technology leaders need enough understanding of each other's priorities to make good decisions. Sometimes better conversations and stronger working relationships will achieve more than another appointment.

Developing existing people

Before looking outside the business, consider the potential already there. Training, mentoring and giving people the right opportunities can close capability gaps while retaining valuable organisational knowledge.

Governance and operating arrangements

If decisions are repeatedly delayed or responsibilities are unclear, examine how the business is organised. Clearer accountability and more appropriate decision-making authority may make the difference.

Reshaping leadership responsibilities

An executive team may have the right people but the wrong division of responsibilities. Changing reporting lines, redistributing work or strengthening the support around existing leaders can be more effective than adding another role.

Additional or different leadership

Sometimes the business genuinely needs expertise or leadership experience it doesn't have. When that's the case, define the outcomes, responsibilities and authority of the role before deciding who to appoint.

The right answer may involve more than one of these options. What matters is solving the problem, not simply filling a position.

Before your next technology leadership appointment

Once you've decided a new appointment is needed, the quality of the brief matters as much as the search itself.

Two businesses can recruit a Chief Information Officer and be looking for very different people. One needs someone to run reliable technology operations, manage suppliers and control costs. Another needs a commercially minded executive to lead significant business change. Both are important roles, but they demand different experience.

Even an accomplished executive can struggle when expectations are unclear or they're held accountable for decisions they don't have the authority to make.

Before approaching the market, agree what needs to change, what the new leader will be responsible for and where they'll need the support of other executives. Be equally clear about how their performance will be judged.

Only then can you assess candidates against what the business actually needs, rather than how closely their previous job titles match yours.

BUSINESS OUTCOMES

What must this leader achieve?

LEADERSHIP MANDATE

What will they own and be accountable for?

AUTHORITY & SUPPORT

What decisions can they make, and what support will they have?

AN OUTCOME-LED LEADERSHIP BRIEF

Define the role before deciding on the title or approaching the market.

Is your technology leadership designed for the business you have today, or the business you were three years ago?

Technology is changing what businesses can do. AI has accelerated that change, but the harder decisions are often about how work is organised, who is accountable and whether people have the skills and authority to deliver.

Some businesses will need different leadership. Others already have capable people whose roles, resources or reporting lines haven't kept pace with what is expected of them. Those situations call for very different responses.

Before changing the leadership team, be clear about what needs to change in the business. Even the best technology strategy will struggle if the organisation isn't equipped to deliver it.

Leadership decisions start with the business



I'm Rebecca Hastings, founder of Lucent Search. I work with businesses making important decisions about their technology, data and AI leadership, from developing existing executives to appointing new ones.

My work spans executive enablement, leadership advisory and retained executive search. I help business leaders understand what they need from technology, assess whether their existing leadership can deliver it and identify where different skills or experience might be needed.

Much of my perspective comes from conversations with senior technology leaders about what they've achieved, what has held them back and what businesses expect from them. That insight shapes the advice I give clients, whether they're reviewing an existing leadership team or considering a new appointment.

If you're reconsidering what your business needs from technology leadership, I'd welcome a confidential conversation.

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