



# LOOK OUTSIDE YOUR LANE:

How IT Leaders are Driving  
Innovation Across Industries

A Softchoice Innovation Report

  
**softchoice**



# TABLE OF CONTENTS

<a href="#">A New World</a>	03
<a href="#">A Letter from the IEF Chair</a>	04
<a href="#">Softchoice Innovation Executive Forum</a>	05
<a href="#">Financial Services &amp; Insurance</a>	07
<a href="#">Government</a>	08
<a href="#">Healthcare</a>	09
<a href="#">Industry 4.0</a>	10
<a href="#">Legal</a>	11
<a href="#">Restaurants</a>	12
<a href="#">Retail</a>	13
<a href="#">Sports Entertainment</a>	14
<a href="#">Conclusion</a>	15



# A NEW WORLD

The following report is a result of the many discussions we had last year among IEF members. However, with all that we are now facing and what has escalated in the last few weeks, I felt it would appear tone deaf if we didn't address what many of you are experiencing. In reaching out to IEF members and having conversations with many of you, I'm learning that while many of us had business continuity plans (BCPs), they in no way went to the extreme of how we are living and being asked to respond today. In my day-to-day role at Softchoice, I lead Employee Experience. Together with our BCP group, we made the decision to test our remote capabilities company-wide a few weeks ago and then the day of the test, with hearing about schools closing, we made the decision to make it our new reality, immediately.

When we talk in this report about the theme "The Age of Ethics," it now means, are you doing everything in your power to keep people safe, first, and productive second? Our people are now managing their own new dynamics from a personal perspective. How we show up as leaders, regardless of our roles, is what people will remember. I feel proud to work for an organization where we truly put our people first.

Next is the "Experience is Everything" theme. The experience we provide our people and our customers, clients, citizens, patients, and partners is now critical. Trying to support a new normal and how you partner with other departments in your organization to do so will be talked about internally. Microsoft Teams has been my lifeblood each and every day since this began. One of our leaders hosted a virtual St. Patrick's Day social with over 100 team members to bring people together and create a sense of remote community.

*I challenge you to think of how the technology you provide and support can foster collaboration – not just for business, but to preserve and grow the culture of your organization.*

Lastly, this report reveals the theme of "Always be Competing." This was originally about how IT supports the organization in competing and opening up new opportunities. Now, it feels different. I see only one race right now – it's the human race. The only competition I want to see is where we try and out-do each other with how we respond to those in need. This is where we provide for others outside of our day-to-day and think through how what your business does and how you can enable more goodness. Last week, one of our Sales Reps called a customer in the grocery space to see how they were doing and what support he could provide. The head of IT said their biggest company challenge was restocking shelves. Our Sales Rep stopped what he was doing and went to one of their stores and did just that.

In times like these, it's about us finding ways to be Human + Inspiring. HBR's cover in May-June 2018 was titled "Agile at Scale" How to Create a Truly Flexible Organization. I don't think they ever thought about this type of scale!

I hope you enjoy the report knowing it is the rear-view mirror. Having said that, we are all truly living outside our lanes at the moment!

Be safe, and take care of you, your loved ones and the people you support!

Warmest regards,



A stylized, handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

**Erika Van Noort**  
Innovation Executive Forum Chair  
March 23, 2020

# A LETTER FROM THE IEF CHAIR

When Steve Jobs was designing his first ground-breaking Macintosh computer, he went looking for inspiration in luxury automobiles, world-famous architects and elegant industrial designers of common household objects, such as toasters and electric razors. Computers back then were ugly, grey bricks. They felt uninviting and daunting. Jobs knew if he was going to make the personal computer go mainstream, he would have to solve problems his tech peers had simply ignored (or simply didn't see). Jobs saw his industry was burdened by a design issue. So, he went where design solutions were being created and started taking notes.

This is the perfect lesson for today's CIO. It doesn't matter what industry you are in, you are facing a combination of digital challenges and opportunities that are present everywhere. We are all digital businesses, now. For example: Today's retailers are worried about competing with Amazon, and law firms are balancing automation with privacy. But, upon reflection, these differences seem superficial. Skin deep. Come back tomorrow, and governments will be trying to build an Amazon-like experience for citizens, and shipping companies will be worrying about automating a secure and compliant supply chain. Speaking of ships: We are all in the same boat now, too.

## The Age of Ethical Experience:

In this year's Innovation Report, we journey across industries and verticals to bring attention to the underlying challenges and opportunities they face. Not surprisingly, what emerges isn't a chaotic picture of conflicting priorities. But, rather, a cohesive and compelling vision of what all CIOs need to be focused on today, to safeguard success in a new age of rapid disruption. Finding the right answer for your specific scenario might just come down to looking outside your lane to what your peers are doing elsewhere.

This vision can be summarized in three key themes, which we see threaded throughout our industry deep dives:

**The Age of Ethics:** You can't drive innovation without first taking responsibility for its impact. From data protection, to protecting people from themselves, to privacy and algorithmic bias, IT leaders have a major new ethical responsibility to contend with.

**Experience is Everything:** Forget technology. Your job is to deliver excellent new experiences, for customers, employees, and partners. Everything else is just there to help (or hinder) that goal.

**Always Be Competing:** IT is on the hook to prove the business impact of their digital initiatives. You must be driving revenue and helping the organization advance to create competitive advantages.

I look forward to seeing these themes play out in the year ahead with our IEF members as we continue our meetups and events.

The only question now is: Are you ready to leave your lane? You better be.

**Erika Van Noort**

Innovation Executive Forum Chair



# Softchoice Innovation Executive Forum

## Bringing Massive Transformative Purpose to IT Leaders across North America

Softchoice's Innovation Executive Forum (IEF) is an exclusive, members-only program consisting of over 400 Senior IT Leaders across North America. The aim is to drive peer collaboration and mindshare while focusing on constant challenges facing the modern IT leader, inclusive of disruptive innovation and organizational transformation.

In 2019, the Innovation Executive Forum met with hundreds of high-level innovation and IT executives across North America. We held 14 exclusive events and digital conference calls, where local leaders, partners, and customers were asked to come and tell us about how they are facing disruption in their own industrial landscape.

The report that follows is based on the key lessons and insights shared during these events, which were captured and shared in our Digital Transformation Reports.

**To learn more about the program and find out how you can apply to become a member, visit our [IEF home page](#).**



*“Leaving your  
lane in 3...2...1...”*




# INSURANCE & FINANCIAL SERVICES

The rise of FinTech innovations, including digital banking and AI-powered insurance, is expected to continue at a major clip in the years ahead. In fact, nearly [84%](#) of financial executives say scaling AI is critical to growth and survival. Expect to [see a lot more chatbots](#), digital-first services, and automation in finances in the years ahead, as these organizations seek to unlock new efficiencies and capture customer loyalty in a tumultuous market. For proof, just ask IEF leaders in the financial industries what they are prioritizing.

*“I have seen the underbelly of the data economy... What is our role, what is our duty? Can we monetize data ethically?”*

## From the IEF Table:

- Discussing the need to monetize data, an IT leader in a financial services company in Atlanta said his firm is using data to identify its “stickiest” customers. With those insights, they are guiding strategic investments and creating new services.
- In Los Angeles, another IT leader said AI and automation can help streamline and simplify insurance claims processes. Instead of needing to send a human worker out into the field to report on an incident, insurance firms can leverage mobile applications, cameras, and visual learning to quickly and accurately complete tasks.
- Digital transformation in financial services is being held up by two key considerations. Financial IT leaders said the nature of the information they collect has made it nearly impossible to leverage next-generation collaboration tools, such as Microsoft Teams, out of the box. They are waiting until more comprehensive templates and options are available before proceeding.
- The other risk is an ethical one. One IEF member said the power unleashed by data and AI is frightening and forces businesses into a moral arena. “I have seen the underbelly of the data economy,” said one IEF member, sharing an example of predicting the moves of the economy before everyone else. “What is our role, what is our duty? Can we monetize data ethically?”

 **CIO Action Item:** Partners and vendors are coming together to make tools like Microsoft Teams easier to secure and govern. Before writing off these solutions as non-feasible for your industry, see if new templates, settings or features are available to help you drive more productivity, securely.






# GOVERNMENT

After years of daunting security fears, public agencies and governmental organizations are finally warming to the idea of moving to the public cloud and hybrid IT. Not only has the cloud proven itself as capable of cutting costs and driving efficiency in legacy IT systems, but governments around the world are also hoping to improve the way they serve and engage citizens with modern, user-friendly solutions. But that doesn't mean age-old security concerns have gone away. On the contrary, according to the IEF, governments are more aware of the need for cloud security than ever. They've just found new, productive ways of handling it.

*“We have a lot of ageing infrastructure, a lot of legacy data centers. My goal is to help my partners move to a solution in a more stable way.”*

## From the IEF Table:

- In Halifax, a municipal government IT leader said his agency looks at technologies such as data and artificial intelligence as tools and levers of larger strategies – not goals in and of themselves. This means that when a new request is made for opening up data, his team asks: “What do you want to be doing better, differently?” He also said it's crucial to think through the unintended consequences of making citizen and governmental data open and available.
- In Ottawa, a federal government agency IT director said he implements a series of tests before deciding to migrate a workload to the cloud. He looks at: Readiness (of the teams adopting cloud), Quality (of the legacy data center and applications) and Criticality (of the data being migrated). “We have a lot of ageing infrastructure, a lot of legacy data centers. My goal is to help my partners move to a solution in a more stable way,” he says. The criteria above are helpful, giving him an objective, repeatable approach to decide what belongs in the cloud.

 **CIO Action Item:** The cloud offers enormous potential to cut costs and drive innovation. But don't migrate blindly. Develop an objective process to establishing which workloads are ready for the cloud and why they should move, before you act.





# HEALTHCARE

Nowhere is the tension between digital innovation and ethics clearer than in healthcare. On the one hand, there are promises of life-saving improvements to patient care. On the other, HealthTech is creating privacy and safety risks. As the sheer amount of health data increases exponentially, these are problems that need to be addressed. Which is exactly what we saw with healthcare innovators at the IEF.

*“We have lots of work to do with infrastructure, which will allow us to light up the future.”*

## From the IEF Table:

- IEF healthcare leaders have plenty of positive use cases in mind when discussing digital transformation. In Boston, the IT leader of a healthcare company said his team is using data to improve patient outcomes by building “Alexa type” experiences to remind people to take their medications.
- In Calgary, another IT leader in healthcare said his organization is using data and AI to help detect liver disease earlier and give patients better prospects. Elsewhere, a healthcare organization has been able to use automation to reduce spending and speed services.
- IEF leaders are also showing signs of caution when it comes to HealthTech. The same leader in Calgary revealed the connection between having a comprehensive, sustainable database and better patient outcomes, saying he needs to replace legacy systems to support new AI functions. IT leaders dealing with highly-sensitive information, such as patient records, are also fearing a wave of new privacy regulations and cyber-security threats, setting them up for what they know will be an expensive – but mandatory – journey to compliance.

**!** **CIO Action Item:** With every innovative action, there is an equal and opposite reaction. The more we seek to improve real people’s lives with technologies such as data and AI, the more we need to be cautious about the risks of mistakes and bias.



# INDUSTRY 4.0

In the Fourth Industrial Revolution, verticals such as manufacturing, energy, and construction, are sharing a moment of disruption. They are investing [\\$267 billion into the Internet of Things](#) by the end of 2020, hoping to drastically reduce maintenance and operations costs. One in three industrial companies are [digitizing their supply chains](#), while others continue to investigate new business models, services and customer-centric solutions. Our IEF leaders in this field tell us that the key to success won't just come down to execution. They will need to prove the business value, too.

*“AI can be a tough sell to non-technology people. But if you can show what you can do with it, it’s amazing, and it’s not a tough sell anymore.”*

## From the IEF Table:

- In Washington, a construction firm is looking to innovate employee safety and productivity with 5G and IoT, enabling workers to control cranes with remote controls at distance.
- In Denver, a manufacturer of medical devices is using AI to prevent supply chain failures and optimize packaging and shipping. And in Halifax, one energy company is giving customers more power and insights by rolling out smart meters and mobile applications.
- One of the biggest barriers to digital transformation in the industrial setting is executive buy-in. An IEF leader from a marine shipping company explains that AI sounds like a fairy tale and is a tough sell to non-tech decision makers. “But once you focus on outcomes and use cases, it’s amazing.” He said his company delivered six-month proof of concept on a fleet of ships using predictive analytics. And with the success of that project, it is now rolling out the solution to many more ships in the near term.

**!** **CIO Action Item:** Your job as an innovator isn't just to assemble the right solution. It's to build excitement and buy-in across the organization. To succeed, do your homework, establish a vision for success, and sell innovation on its business merits.




# LEGAL

By 2023, Gartner predicts that 25% of all internal requests in legal departments will be fielded [by robots](#), or virtual legal assistants. And by 2023, one in three legal departments will need to supply a full-time technology expert, just to support increasing automation. This revolution to the legal profession isn't only happening behind corporate walls. Lawyers and legal professionals everywhere are considering what the future of their work will look like with the rise of AI, automation and other disruptive technologies. Take for example the members of our IEF.

*“Security is table stakes. You need to prove high trust and certification, or you can't do business.”*

### From the IEF Table:

- A law firm in Boston said the cloud is reinventing how lawyers track, deliver and safeguard documents and subpoenas. In Washington, an IT leader said AI can be used to quickly analyze hundreds of years of precedent. This is opening up the potential to shape new and creative legal strategies.
- In New York, IT is helping redesign the office space, creating areas where people will bump into each other and share ideas.
- One IEF legal firm had to put the brakes on cloud because costs got out of control. “You quickly learn it's not cheaper. It simply costs too much,” he said. In a related point, legal firms have an extra burden when it comes to investing and guaranteeing data security. If they can't afford to do so, they simply can't take on the risks of moving to cloud. “Security is table stakes. You need to prove high trust and certification, or you can't do business.”

 **CIO Action Item:** If you are looking at AI as a way to replace jobs, you are doing it wrong. Consider instead how automation and machine learning can be leveraged to enhance and augment the distinctly human capabilities your business is built on.






# RESTAURANTS

To understand the level of disruption restaurants are facing, just look at food delivery. Sales for food delivery stayed relatively stable for decades – until the likes of Uber Eats and Postmates came to town. In the U.S., delivery sales spiked [52% YOY in 2019 alone](#). And while more sales might seem like a good thing, it presents new challenges. Restaurants are losing control of the customer experience, while also being forced to provide new and compelling digital services, or risk losing out on where the market is headed. All of which is placing restaurants in an “evolve or die” predicament. Something our IEF members had a lot to tell us about.

*“What does a restaurant need to look like in five years? That 40-minute delivery window will have to change. Consumers will demand more.”*

## From the IEF Table:

- IEF leaders in the restaurant industry are striving to understand customer expectations - first - and let that dictate transformation. “What is the restaurant of the future and how do we get there?” asks one West Coast leader in the food business. As part of this trend, IEF leaders are looking to adopt new data-driven business models, and investing in enhanced experiences for customers, including providing Wi-Fi, mobile applications and interactive devices in-store.
- But an IEF leader in the food and hospitality business said caution is needed when working toward innovation, especially in data collection and artificial intelligence. Without a clear use case in mind, restaurants risk collecting too much data, incur additional costs and security risks. “What are you going to do differently with access to that information? What action are you willing to and able to take?” she said, adding: “Just because you can do something, doesn’t mean you should. The challenge is for organizations to get clear on using technology as a lever.”

 **CIO Action Item:** Look before you leap. The need to innovate might be urgent – but your investments are wasted if you don’t start from a strategic, impact-focused perspective. Always ask “why” and “how you will measure it” first.



## RETAIL

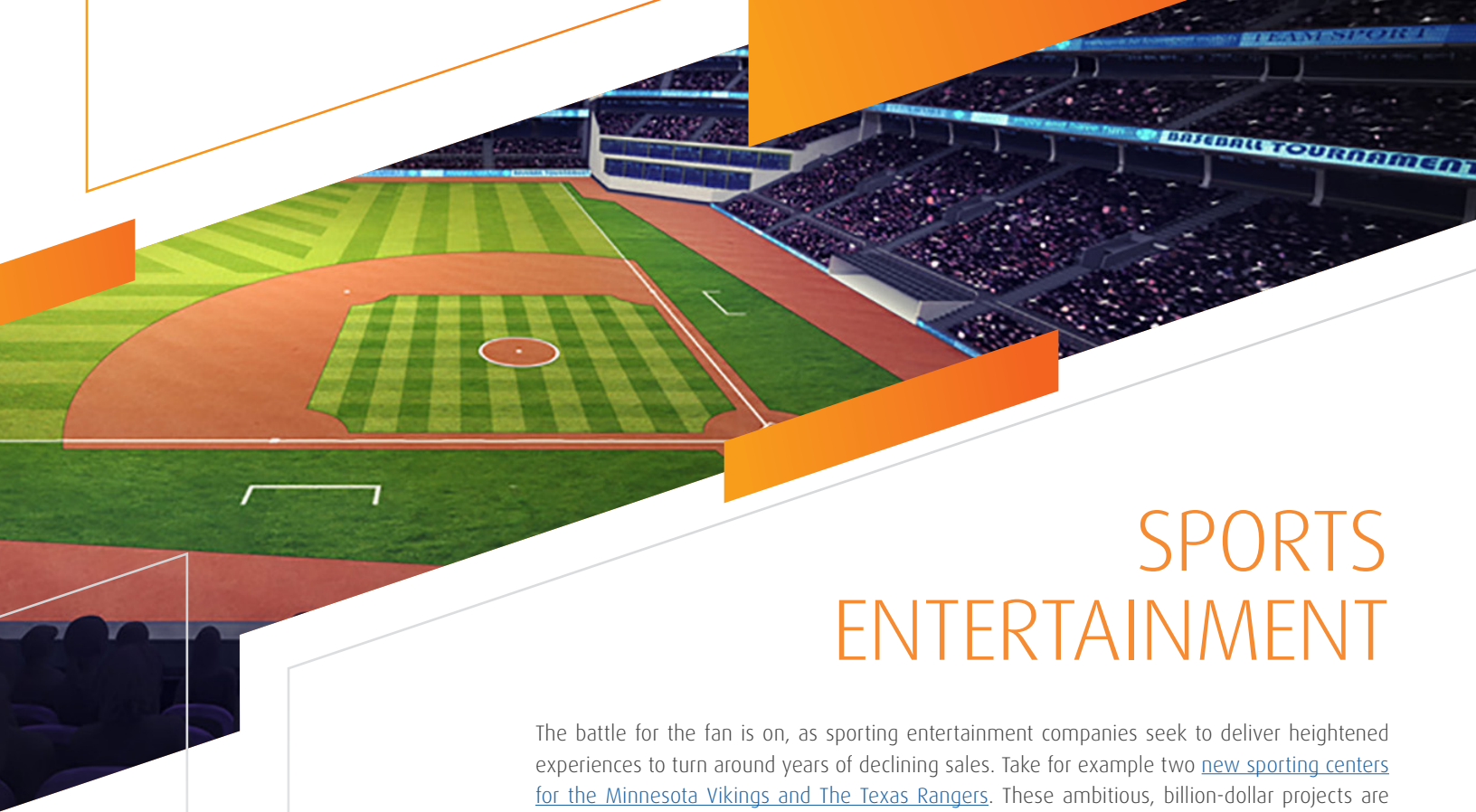
Call it the wakeup call of the century. Seemingly overnight, traditional brick-and-mortar retailers are facing up to e-giants such as Amazon – and they have to do so on new, unfamiliar terms. To stay competitive, they must meet the ever-rising expectations of consumers, from leveraging modern supply chains for easy, same-day delivery, to providing hyper-personalization and engagement with historical data, artificial intelligence and augmented reality. And therein lies the problem. Day-and-night digital transformation isn't impossible, but it can't actually happen overnight. As we saw in the IEF, retail leaders are struggling to put the pieces in place before it's too late to catch up.

*“Our infrastructure is way too behind to even discuss AI. We are still working on the analytics piece. We still don't have inventory accuracy or the insights we need.”*

### From the IEF Table:

- While visiting with West Coast innovation leaders, a retail CIO said her business knows it needs to leverage AI services and capabilities. But that it simply wasn't ready to get started. “Our infrastructure is way too behind to even discuss AI. We are still working on the analytics piece. We still don't have inventory accuracy or insights we need. We are probably three years away.”
- Similar challenges are playing out behind the scenes, as retailers are struggling to keep behind-the-counter workers engaged. That's why another IEF leader said his team is focussed on reducing employee churn and boosting sales productivity, by digitizing the onboarding experience. The goal? Get your front-line workers doing their jobs, as quickly and seamlessly as possible, ultimately leading to better customer experiences – and revenues.

**!** **CIO Action Item:** Creating next-generation business models and experiences is the goal – but getting there won't happen without the right foundation in place. It's time to audit your data, supply chain and operations, while investigating “as a Service” products and platforms, to enable advanced capabilities without starting from scratch.




# SPORTS ENTERTAINMENT

The battle for the fan is on, as sporting entertainment companies seek to deliver heightened experiences to turn around years of declining sales. Take for example two [new sporting centers for the Minnesota Vikings and The Texas Rangers](#). These ambitious, billion-dollar projects are using digital to motivate fans to come often, stay longer and spend more – all while having a blast. From thousands of Wi-Fi hotspots, to live streaming applications and digital subscriptions, these arenas are literally changing the game. Our IEF members know how to play ball, too.

“Public Wi-Fi has been a game-changer.”

## From the IEF Table:

- Our IEF entertainment innovators shared several examples of fan-focused initiatives making a positive impact on the bottom line. The IT leader at a major West Coast sporting center said rolling out public Wi-Fi has been a “game changer,” leading fans to stick around longer, spend 20 percent more while they are there and have a more engaging, delightful time.
- In a Southern U.S. city, another major sporting events company said it’s using data and an ecosystem of vendors to change up its fan experience. The IT leader said his team has recently started providing customer data to suppliers, to allow them personalization and to cater services.

 **CIO Action Item:** Don’t be afraid to leave (some of) the innovation up to partners in your supply chain or ecosystem. Sometimes, all you need to do is open up the data – in a clean, protected and ethical way – and watch as they optimize the way they serve your shared customer base.



# CONCLUSION

## What we can learn by looking outside our lane?

When we take a close look at what innovation leaders are doing across various industries, we can't help but notice what they all have in common. They are all facing a disruption problem – and the right response seems to line up across three broad and connected categories:

### **As data fuels innovation, IT leaders are driving toward more ethical, secure approaches.**

- FinTech leaders are using data to identify “stickier” customers, but they caution about peering too far into the “dark underbelly” of the data economy
- AI can be used to spot diseases more rapidly or automate legal processes, but is giving healthcare and legal leaders plenty of privacy and compliance concerns
- Restaurants are under pressure to compete with startups, but they need to be cautious as they expand their data footprint – and exposure to risk

### **They are focused primarily on improving experiences, for customers, partners, and employees.**

- FinTech leaders see AI and automation as a way to streamline insurance claims processes; and they will have to wait to adopt modern workplace tools like Teams as compliance and security fears remain top of mind
- HealthTech leaders are looking to build “Alexa type” experiences for patients; retailers are focusing on AI infrastructure; and law firms in NYC are building new office spaces to foster creativity
- Construction companies are bringing video-game remote controls of heavy machinery; while energy companies are using smart meters to enable cost savings and customer efficiencies

### **And they are doing all this while having to prove the strategic value transformation has to the business.**

- Federal government leaders are finally embracing cloud, using objective metrics to determine feasibility; while legal firms are starting to pull the brakes on cloud investments after a few surprising and costly experiments
- Shipping industry leaders are using proofs-of-concept and putting AI promises in business terms to generate support
- Nothing happens with big data until one restaurant can explain the value and need to amass those insights – “what will you do with it, differently?”

**If you feel it's time to leave your lane to drive innovation forward, we can help you reach your destination. Visit our [IEF home page](#) to learn more.**

TELL  
YOUR STORY



We are now accepting applications for new members of the Innovation Executive Forum. To find out how you can get involved, please visit our website to [learn more](#).

“Our vision for this forum is to bring together a group of forward-thinking senior IT leaders from across North America to learn from each other and challenge their ideas through active, meaningful discussion focused on driving innovation back into our businesses collectively.”

— Erika Van Noort, Innovation Executive Forum Chair