



CIO Council of South Florida 2017 State of the CIO

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Technology - at the core of business

“...the CIO’s role is becoming increasingly critical and core to the business. This is demonstrated in the BoD compositions across industries <with> more tech savvy or CIO board members.”

- Naufal Khan, Partner, McKinsey & Co., Digital McKinsey



- 4500 flights/day
- 339 airports in 5 continents
- 1.6M flights
- 143 customers
- 82,272 employees
- 737 mainline aircraft, 434 regional aircraft
- Founding member, Star Alliance
- NYSE: UAL



The role of CIO at United

- 2013 CIO, SVP -

- 2017 CIO, EVP -

Strategy Focus	IT Strategy	IT Strategy, Corporate Strategy
Digital	Shared with Marketing	Digital Program, Digital Center
Innovation	Early IT program	Priority, Partnerships, Sensing
Governance	Changing priorities, funding	Enterprise governance Pipeline management
Platform	Bimodal	Bimodal
Performance	Stability, Timeliness, Quality	Timeliness, Quality, Stability
Talent	Low attrition, slow hiring, culture challenge	Low attrition, changing talent
Customer Satisfaction	Low per business teams, visible outages	YOY increasing CS rates

The role of CIO at United

- 2017 CIO, EVP -

- What's Changed¹ -

Strategy Focus	IT Strategy, Corporate Strategy
Digital	Digital Program, Digital Center
Innovation	Priority, Partnerships, Sensing
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- CIO - peer relationship
- Strategy focus & leadership
- Formalizing Digital²
- Formalizing Innovation
- Business ownership & role
- IT Platform performance

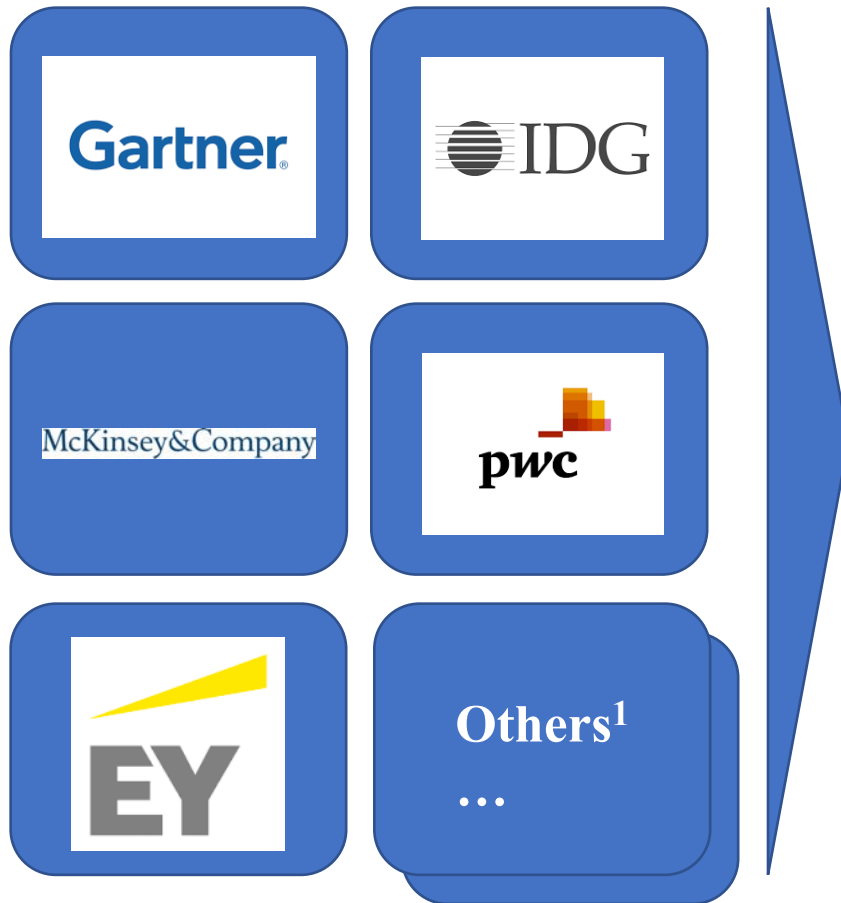
¹ Summary by The Hammer Group based publicly available data

² Digital includes ownership of Data and Analytics

Source: United Investor Relations, Public Relations

Perspectives of the role of CIO

- Common Themes² -



- ✓ Growing CIO Role in Strategy
- ✓ Lead Digital, Innovation, Data & Analytics
- ✓ Reset Program Ownership
- ✓ Customer Focus
- ✓ Talent Management
- ✓ Bimodal CIO Continues

¹ See additional sources in References

² Summary of sources in Reference conducted by The Hammer Group, One-On-One With the CIO

Challenges to the Role of CIO

"By 2018, 70% of siloed digital transformation (DX) initiatives will ultimately fail because of insufficient collaboration, integration, sourcing, or project management."

- 2016 IDC FutureScape CIO Agenda Prediction

"We see a growing role in technology by the CMO as well as the rise of roles like the CDO..."

- One-on-One with the CIO, The Hammer Group

Priorities¹ to increase the value proposition of the CIO

- 2010-2013 -

- Productivity & efficient process
- Security & risk management
- IT services efficiency
- IT technology-focused innovation

- 2014-2016 -

- Security & risk management
- Improve IT process
- Cost Management
- IT issues management
- Digital

- 2017+ -

- Business Strategy leader
- Digital leader
- Innovation
- Data & Analysis
- Customer
- Talent
- Bimodal

Factors in perceived CIO value

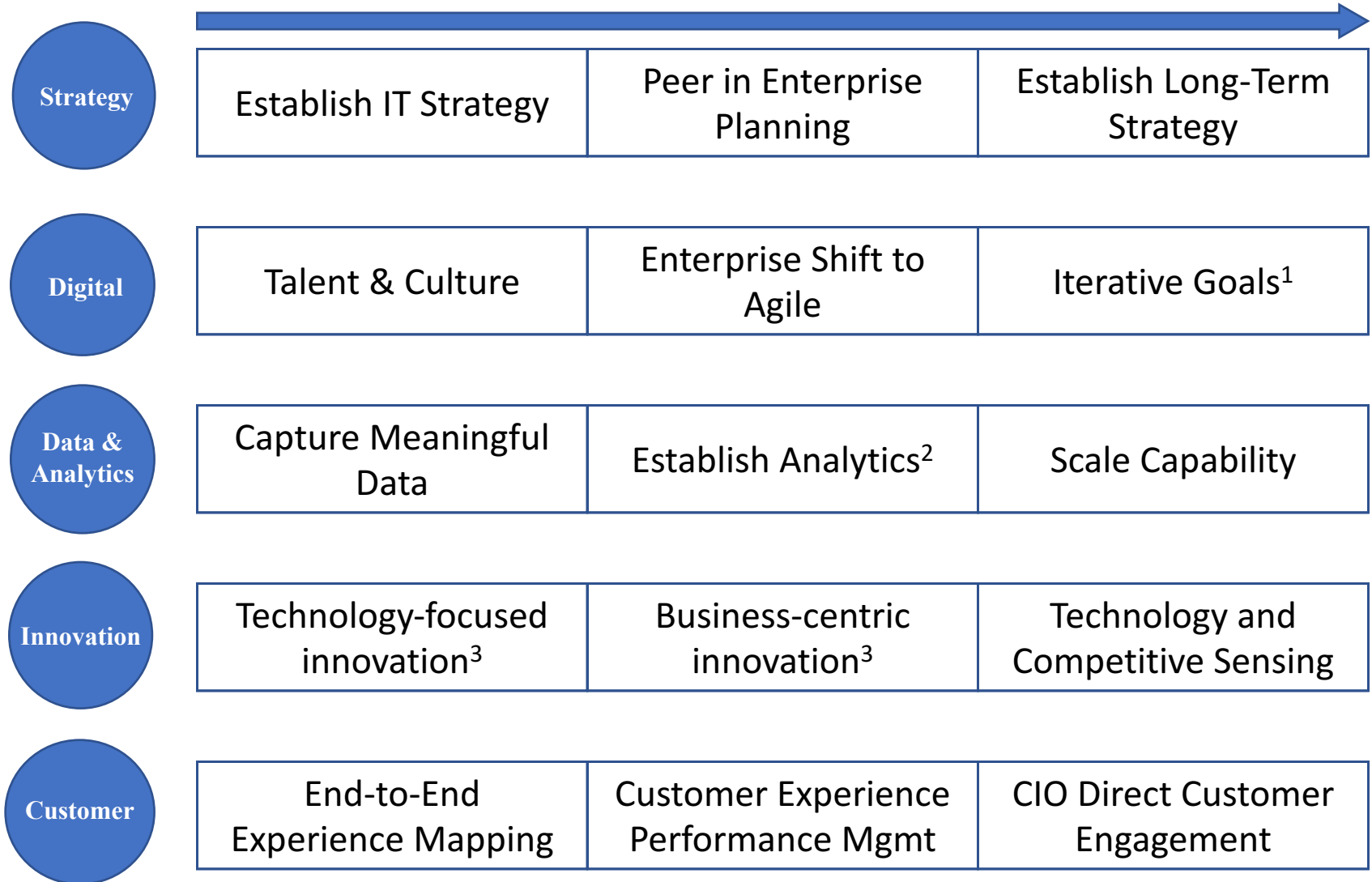
- Digital Marketing and the confluence of CMO/CIO
- Emergence of the CDO role
- IT platform stability
- Peer relationship

¹ Source: summary of key survey documents. See References.

Growing the role of the CIO



Move Forward as CIO



1 i.e. goals by customer experience, employee experience, operations processes

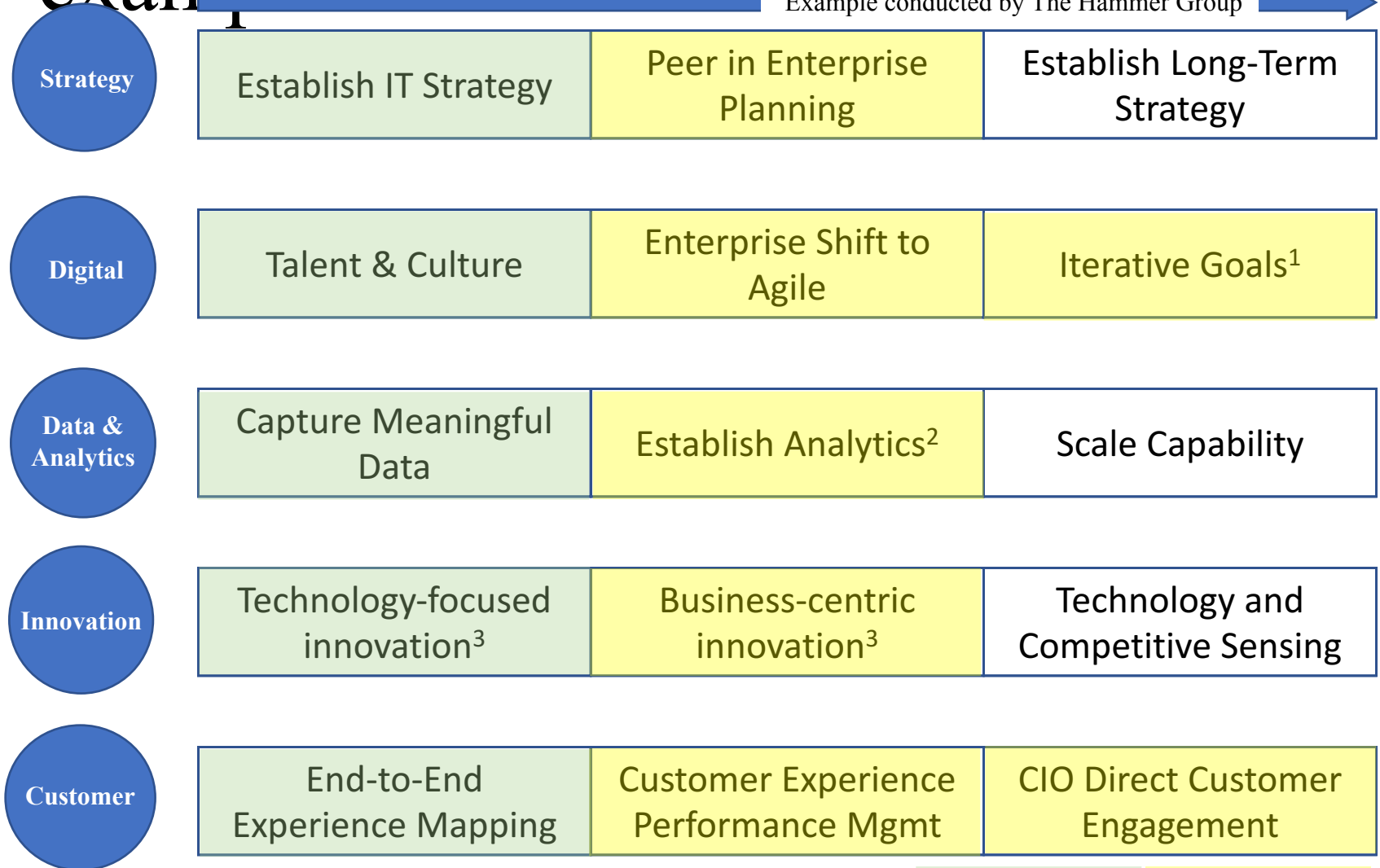
2 Analytics includes Talent, Location, Business Value Focus

3 Establish Innovation Programs using approaches like McKinsey “Testing for Innovation” Eight Essentials of Innovation, McKinsey & Co 2015

Move Forward as CIO – United

example

Example conducted by The Hammer Group



Established

2017+ Focus

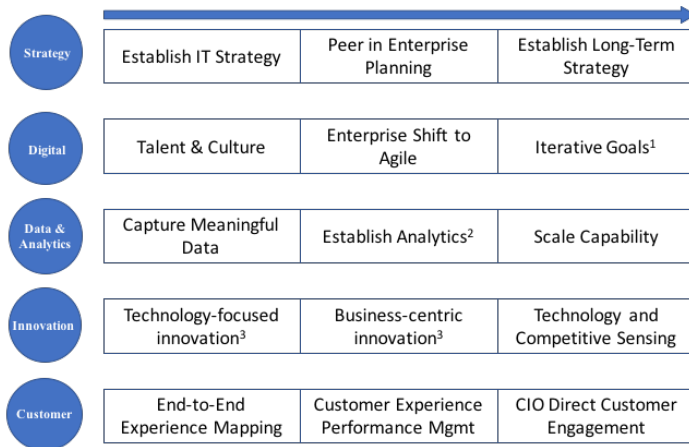
1 i.e. goals by customer experience, employee experience, operations processes

2 Analytics includes Talent, Location, Business Value Focus within the IT organization

3 Establish Innovation Programs using approaches like McKinsey “Testing for Innovation” Eight Essentials of Innovation, McKinsey & Co 2015

What to get right in the journey to increase the CIO value proposition

2017 CIO priorities to grow the value proposition



- Establish 2017+ priorities for each factor
- Establish a long-term strategic plan¹
- Implement enterprise change management
- Establish real time feedback to customer input and innovation trials
- Create a multi-channel talent sourcing model
- Establish IT Operations and Business Value scorecards to measure IT
- Grow Communications skills

References

- 2016 / 2017 CIO Survey, The Hammer Group
- 2016 IDC FutureScape CIO Agenda, IDC
- 2017 CIO Agenda, Gartner (Resolutions)
- 2017 Digital IQ Survey, PwC
- 2017 State of the CIO, CIO from IDG
- CIO Dashboards, CIO Magazine
- One-On-One With The CIO, The Hammer Group
- Redefining Connections: The CIO Point of View, IBM
- The CIO Dilemma: What New Surveys Say About IT's Delivering Strategic Role, Forbes Tech
- The DNA of the CIO, EY
- United Airlines Investor Relations, Public Relations
- Why CIOs Should Be Business Strategy Advisors, McKinsey & Co.
- Winning The Battle For Technology Talent, McKinsey & Co.

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