



**CHIEF DIGITAL
OFFICER CLUB**

FROM CHIEF DIGITAL OFFICER TO CEO: 8 TIPS ON MAKING THE TRANSITION



David Mathison: Curator, CDO Summit. Founder: CDO Club

“Chief Digital Officers are next in line to run the show,” said CDO Club founder David Mathison. “If they’re successful in turning an incumbent company around, and bringing it into the digital age, they may be next in line.”

As more Chief Digital Officers (CDO’s) became CEO’s last year than ever before, it has become increasingly clear that the CDO title can be a launchpad to CEO.

In 2013, seven Chief Digital Officers became CEO or President of their companies in 2013 and four became board directors, according to [research conducted](#) by the CDO Club and presented in David Mathison’s CDO Talent Map 2014 at the second annual [CDO Summit](#) held at the Time Warner Conference Center in New York City on April 22.

This figure is all the more impressive when one considers that there are only about 800 Chief Digital Officers globally to date.

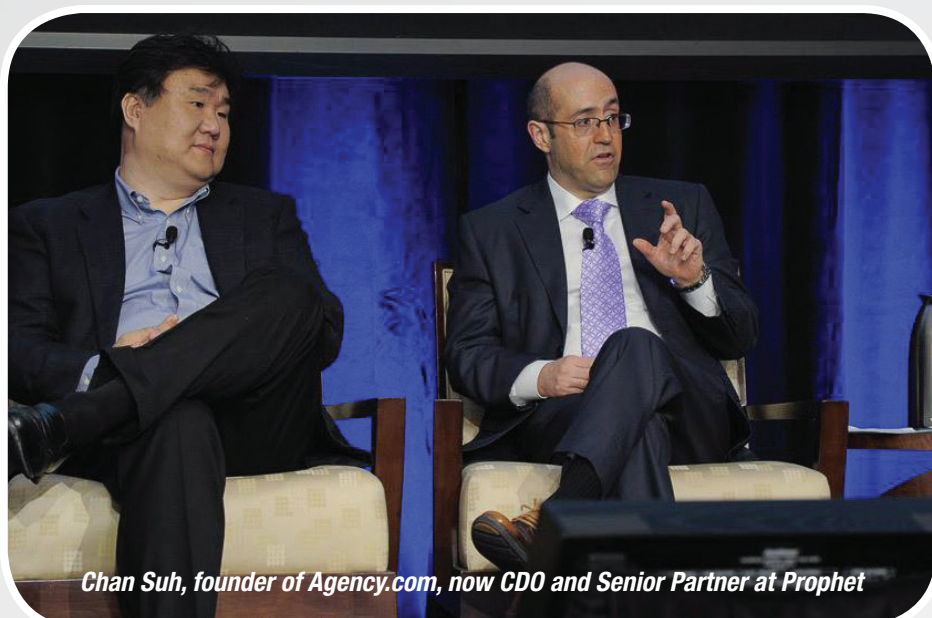
The [CDO Talent Map 2014](#) offers a few more telling statistics that give a clearer perspective on this new, trendsetting career path:

- More than 60% of Chief Digital Officers in the Advertising sector had previous experience as CEO, President, GM, or Executive Director.
- More than 30% of Chief Digital Officers in the Media sector had previous experience as CEO, President, GM, or Executive Director.

Combined with the fact that, globally, Chief Digital Officers were predominantly represented in the Advertising and Media sectors (at 36% and 18%, respectively), aspiring CDO’s can look to these already “mature” sectors for reliable indicators on how the CDO to CEO transition can (and will) occur in sectors new to the CDO game – such as Retail, CPG (Consumer Packaged Goods), Sports, Luxury, and Food and Beverage.

That’s why the CDO Club gathered several top executives from the Advertising industry for its panel discussing career strategies for Chief Digital Officers seeking to make the jump to CEO, at the 2014 CDO Summit at Time Warner in New York City.

Panelists included Jonathan Sackett, who went from CDO to CEO at Mashburn Sackett (with partner and former NBA All-Star Jamal Mashburn), and Chan Suh, the renowned founder of Agency.com, who recently transitioned from CEO to CDO and Senior Partner at Prophet. Jay Rosenzweig, Founding Partner at Rosenzweig and Company, rounded out the distinguished panel with perspectives from the world of board and C-level executive recruitment and retained search.



Chan Suh, founder of Agency.com, now CDO and Senior Partner at Prophet

Suh explains how the role of the Chief Digital Officer has grown in importance, concurrently with the increasing digital demands placed on businesses, in his [Wired article](#) “*Is 2014 the Year of the Chief Digital Officer?*”

The CDO position is expanding so rapidly that Suh even concluded, paradoxically, that “the ultimate success of the Chief Digital Officer trend may mean the death of the Chief Digital Officer title.”



Chan Suh's Wired article, "Is 2014 the Year of the CDO?"

Yet things weren't always so optimistic in the digital realm. Suh, who founded Agency.com in 1994, reminded attendees that, "Twenty years ago, the Internet, believe it or not, was not a sure thing. But it was an exciting thing. And so there were quite a few of us who thought it was a risk worth taking."

Return to today...and the digital trend has become so great that many companies are jumping to hire Chief Digital Officers.

Still, Suh warns that not all roles are created equal when it comes to career advancement, especially what he calls the "decorative CDO."

"Sometimes large companies need to have one," he explains, "so they can say they have one... that to me is a glorified digital marketing manager type of role."

Suh said that businesses that take the role seriously tend to hire CDO's with business management backgrounds, IT backgrounds, and marketing backgrounds.

"Those are the people who are on the fast track to becoming major executives in the company."

He went on to say that the digital role of board members is even less defined. "There are quite a few board members... who are not quite sure what their job is and where their responsibilities begin and end."



Chan Suh, Chief Digital Officer and Senior Partner at Prophet

While the CDO Talent Map 2014 revealed that four CDO's became board directors in 2013, the [Harvard Business Review](#) reported that only 2% of Fortune 500 companies have digitally savvy boards.

Likewise, a study by global executive search firm [Russell Reynolds Associates](#) reported that only three companies on the FTSE 100 and FTSE 250 have three or more tech-savvy board members.

Mathison said this is "crazy," considering how many Chief Digital Officers are board-ready, such as NBC's Vivian Schiller (now at Twitter) and Gannett's David Payne, among others. Not surprisingly, immediately after the New York Summit, Starbuck's Chief Digital Officer, Adam Brotman, joined the board of [Neiman Marcus Group](#).



Jay Rosenzweig, Founding Partner at Rosenzweig & Company

Jay Rosenzweig, Founding Partner at Rosenzweig and Company Executive Recruitment, said that negative stereotypes of those working in the digital sphere may play a role in this discrepancy.

"There is a little bit of skepticism...when you look at traditional industries such as financial services, so my advice to CDO's looking to get ahead at the board level or on the CEO track is to talk outside your silos."

He advised, "Get to know the CFO, the CMO, and the organization in a broader way. Respect the previous heritage of the company while you're looking to ignite change."

So why are so many Chief Digital Officers in the Advertising sector moving to the CEO position or the board?

Jonathan Sackett believes the diverse skill set required of an Ad executive can result from CDO's having to work across the Advertising agency as a jack of all trades.

"That makes it very difficult to hire a good CDO, because what should they do? Should they be a salesperson, should they know the technology, should they know CPG, verticals, categories...?"

Basically, the model is broken. Sackett explains, "The goal of an agency is to stay ahead of the client. In order to do so, you've got to get somebody who's a master of all trades, which is very difficult to do."

Suh offers another perspective. "We have to get out of the little ad ghetto, and start thinking a little bit bigger. Those of us who come from media backgrounds were confronted with digital media a lot earlier... It's not that we had much better executive ideas, it's just that we knew a little bit more than the other guy," he said.

"Now comes the phase where that CDO idea has to go out to the wider industry — the Boeings of the world, the GE's of the world..."



Jonathan Sackett, President and CEO at MashburnSackett



From Chief Digital Officer to Chief Executive Officer: Digital Executives Share Career Advice

So what is an aspiring CDO to do in such a rapidly changing field?

Here are the top 8 tips on making the transition from Chief Digital Officer to Chief Executive:

1. Be flexible

The New York Summit panel was unanimous that, to succeed, the CDO must adapt to and even foresee the needs of the client. “I’ve become a master of some trades by default, not by design,” Sackett said. “The titles and the roles people are looking for don’t exist yet...so the role of a CDO needs to be a constant education.”

2. Build and motivate a good team

“It’s about being able to attract and motivate and leverage high-performance teams,” said Rosenzweig. “It’s not only about selecting, but also about leveraging these teams.”

3. Get the experience required of all CEO’s

To run the show, you’ll need to get cross-silo experience across Operations, Tech/MIS, Sales, Finance, Marketing, and more. As CEO, you’ll need experience working with the COO, CIO, CTO, CFO, CMO, and board members too. As Chan Suh said, “You can no longer silo these things, and Chief ‘X’ Officer naturally silos this incredible trend.”

4. Don’t take the CDO job if your title is clearly restricted

“There is a risk in this title,” warned Suh. “In most cases, a Chief Digital Officer is ‘Chief Digital’ first, and ‘Officer’ second.” He explained that sometimes large companies will offer the CDO title to an employee to placate them, rather than giving them the opportunity to advance to CEO as part of a well-defined succession plan. “People should not take that title, should not take that job, if it’s just bullcrap,” said Suh.

“Now people have to define the role they want to play, and be careful of the title that comes with it,” Sackett added.

5. Act for the good of the broader organization

To be considered a true executive, the CDO must achieve the organization’s goals in an omnichannel world, rather than getting mired down in mismatched expectations, like simply gaining Twitter followers, YouTube views, or Facebook “likes.”

“Social...is not a destination. It’s one of the pistons inside of an engine,” said Sackett. “‘Make a viral video’ and ‘we’ve got to get social’—forget all that crap! At the end of the day, what is the objective and what are you trying to do, and how does ‘social’ fit into it? What are we trying to do as an organization, and how we can best help?”

6. Gain experience in various roles and organizations

“Nine times out of ten, when I’m looking to place a CEO for a business, adaptability is so important. When candidates are too silo’d, it’s much more difficult to predict their success as a leader,” said Rosenzweig. “Now you have unattractive candidates because of how long they’ve been in their role.”

This is backed up by the CDO Club’s research that shows how many CDO’s previously held executive positions. “When you’re President, you get a better perspective of all the needs of the company,” explained Rosenzweig.

7. Collaborate with your C-suite colleagues

As discussed in point 3, you need to work in collaboration with the COO, CMO, CIO, CFO, CTO, and sales, especially when it comes to defining your role in the company. “You’re here to inspire and not disrupt,” said Sackett. He advises CDO’s to find things they’re good at, in relation to the organization as a whole. “People have to define the role they want to play, and be careful of the title that comes with it.”

8. Work at the highest levels of the organization

You need to work with both the board and the CEO on setting the strategy and getting their buy-in and commitment. “Fostering open, two-way communication with the people that you’re working with, both up and down and sideways, is really a key enabler in this day and age,” noted Rosenzweig.