

# IoT's promise requires strong leadership

The Internet of Things (IoT) offers improved efficiencies, lower costs and brand loyalty, but bringing safe, secure and sustainable IoT products to market isn't easy.

Executives need to understand the intricacies of the connected ecosystem and its impact on markets, products, services and distribution channels. Before saying yes to the next IoT opportunity, explore the issues holding companies back and discover how to overcome them for IoT success.



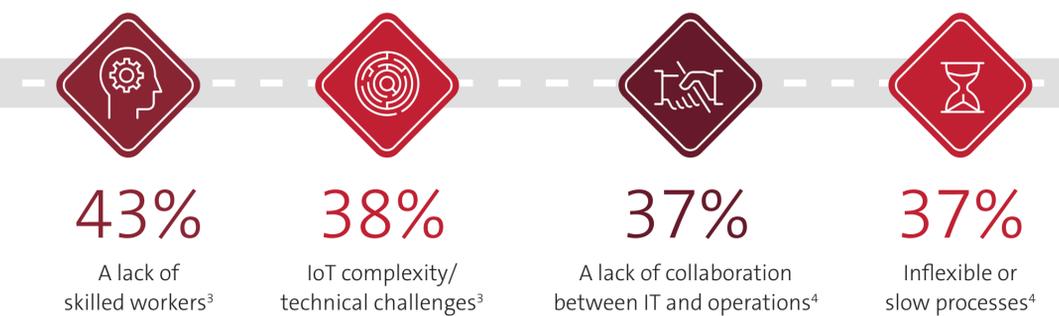
## The digital IQ slide

Organizations continue to invest in new technologies, equipment and tools yet focus little on building up their employees' digital intelligence. This lack of detail can hamper digital transformation initiatives.



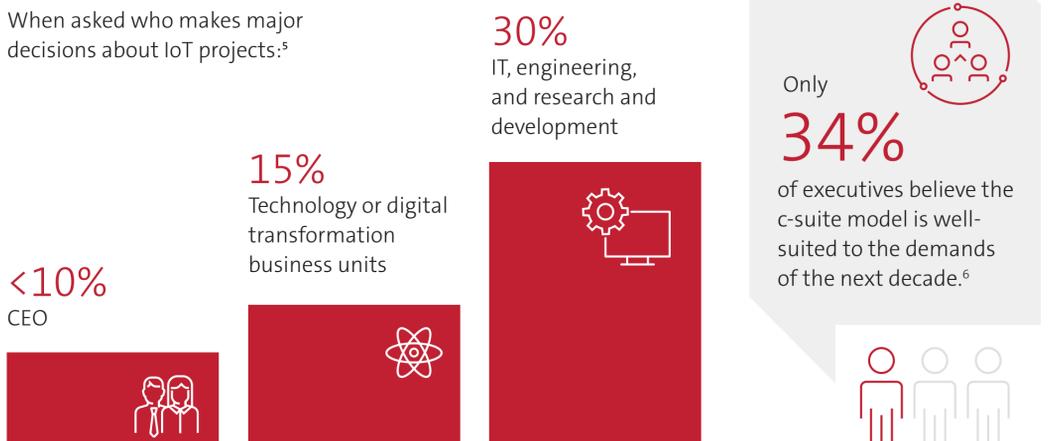
## It's a long road, filled with barriers

When asked about the biggest digital transformation challenges, executives said:



## A fragmented landscape

When asked who makes major decisions about IoT projects:<sup>5</sup>

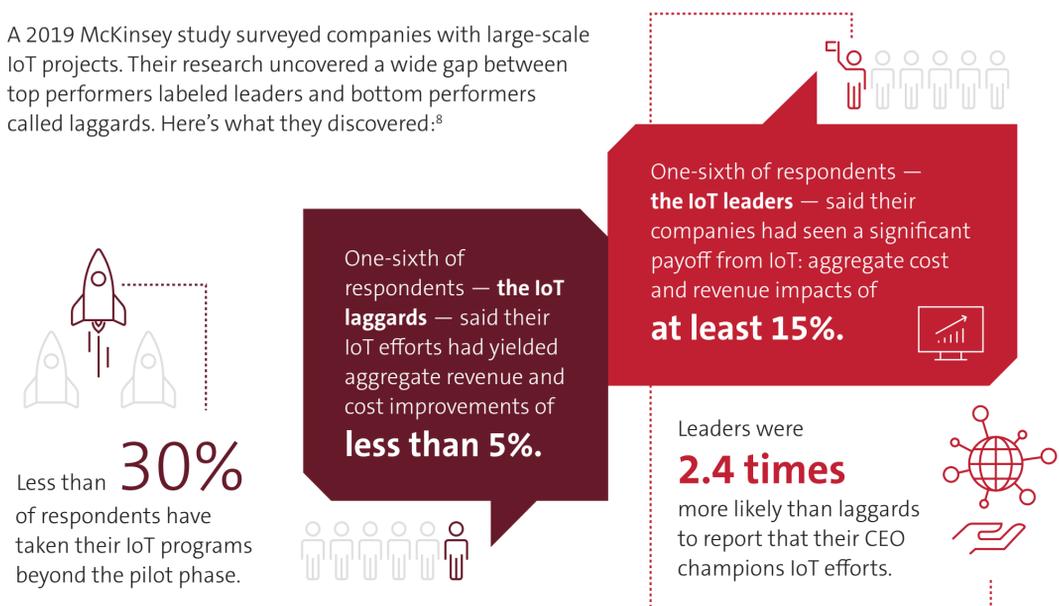


*"There is a significant contrast in risk perspectives across c-suite positions, which will require discussion and analysis of the factors influencing overall impressions among key leaders, especially at the highest level of the organization."*<sup>7</sup>

Don Pagach, professor of accounting, Director of Research Enterprise Risk Management Initiative, Poole College of Management, North Carolina State University.

## Without strong leadership, projects wither; but when CEOs lead, projects thrive

A 2019 McKinsey study surveyed companies with large-scale IoT projects. Their research uncovered a wide gap between top performers labeled leaders and bottom performers called laggards. Here's what they discovered:<sup>8</sup>



## Three takeaways to confidently move projects ahead:

**Demonstrate IoT commitment**  
There is a strong correlation between CEO buy-in and IoT success. When CEOs demonstrate a clear commitment to winning in IoT, projects are more sophisticated and earn more over time.

**Foster cross-functional collaboration**  
Leaders at every level must work together for projects to progress. IoT success requires extensive coordination between departments, including research and development, product design, customer engagement, data management and IT. Ultimately, collaboration hinges on CEOs who can unite and inspire employees with their vision.

**Prioritize IoT safety and security**  
Safety and security are on everyone's minds when it comes to IoT. The safety and security of devices, sensors, networks and applications should be a top priority for all IoT strategies. As technology evolves, complexity increases; it's up to CEOs to prioritize IoT safety and security.

Sources:  
 1 PwC. (January 2020). 2020 Global Digital Survey.  
 2 European Commission. (May 2017). Digital Skills in the Workplace.  
 3 Microsoft (July 2019). IoT Signals.  
 4 PwC. (January 2020). 2020 Global Digital Survey.  
 5 Transforma Insights. (May 2020). Enterprise IoT Market Research Survey.  
 6 EY. (July 2019). CEO Imperative Study 2019.  
 7 Protiviti®. (December 2019). Executives Perspectives on Top Risks for 2020.  
 8 McKinsey. (January 2019). What Separates Leaders from Laggards in the Internet of Things.