



Maximizing Value vs Minimizing Cost

Building a More Valuable IT Department

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“It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is the most adaptable to change.” - Charles Darwin

The Shifting IT Landscape

- Digital businesses demand speed and agility.
- CIOs are moving IT from projects to products.
- Business-led IT is expanding—more employees now influence tech initiatives.
- Managing expectations - support innovation, efficiency, and business scalability.
- *How do we optimize IT spend while maximizing business value?*



The Ever-Changing CIO



From Support to Strategy

IT now drives business decisions, ensuring tech aligns with corporate goals.

From Cost Center to Revenue Engine

AI and automation transform IT into a revenue generator.

From Projects to Products

Leaders manage evolving digital platforms, not just one-time projects.

From Security to Risk Management

IT oversees cybersecurity, data privacy, and regulatory compliance.

From Operations to Experience



IT directly shapes customer interactions, from marketing to e-commerce.

Why the Shift?

Better Alignment with Business Goals – IT teams work on products that directly support business objectives rather than isolated projects.

Continuous Innovation – Instead of delivering a one-time solution, IT teams iterate and improve products over time.

Faster Delivery & Agility – Product teams can adapt quickly to changing business needs, unlike rigid project timelines.

Improved Customer & Employee Experience – IT products are designed with user needs in mind, ensuring long-term satisfaction.

More Efficient Resource Allocation – IT investments are focused on sustained value creation rather than short-term project budgets.



Example:

Instead of treating a new CRM system as a one-time project, CIOs now manage it as a product—continuously updating features, improving user experience, and integrating new technologies

The Challenge—Cost vs. Value

- Traditional IT models often prioritize cost reduction over innovation.
- Reactive calls to cut IT budgets limit long-term growth.
- IT Spending Benchmarks: Organizations typically budget around 8% of revenue for IT.
- *How do we optimize IT spend while maximizing business value?*

Prioritize IT projects that **directly impact revenue and customer experience**

Reduce manual processes with **intelligent automation**

Optimize cloud spending by eliminating unused resources

Recurring health checks – cyber, infrastructure, cloud, legacy apps, etc.

Elevating IT Maturity

- Moving from cost control to strategic investment.
- Strengthening governance and transparency.
- Leveraging technology to create competitive advantage.



Practical Tactics for Value-Driven IT

- Adopt product-based budgeting over project-based funding.
- Align IT initiatives with measurable business outcomes.
- Enhance collaboration between IT and business units.
- Automate to drive efficiency and free up resources for innovation.



Reducing Reactive Cost-Cutting

- Proactive planning eliminates rushed budget cuts.
- Strong financial discipline allows IT to maintain agility and innovation.
- Communicate IT's impact clearly to business stakeholders.



Conclusion & Key Takeaways

- IT should be a business enabler, not just a cost center.
- Shifting from cost minimization to value creation benefits the entire organization.
- Proactive investment ensures IT remains agile, strategic, and aligned with business needs.



Business Outcomes through

• Collaboration

- **Lower labor expenses** by streamlining outdated and time-consuming processes through automation.
- **Data-driven decision-making** enabled by automated reporting and real-time metrics, showcasing ROI and process improvements.
- **Enhanced business agility**, allowing for faster adaptation to market changes and operational demands.
- **Optimized costs**, both internally and externally, through strategic vendor management, contract efficiencies, and reduced reliance on contract labor.
- **Improved customer satisfaction (CSAT)** with a more consistent experience, quicker resolution times, and expanded self-service capabilities.
- **Boosted employee engagement and retention**, reducing turnover while standardizing onboarding, training, and operational consistency.

Key Success Agents

- Visionary Thinking: Technology as an Asset and Enabler
- Embracing Innovation: Risk vs. Reward
- Strategic Agility: Fail Fast, Stand Up Even Faster, Pivot on the Way Back Up
- Collaborative Leadership: Align, Educate & Empower
- Customer-Centric Approach: Focus on User Experience, $AX + CX =$ Success
- Continuous Learning and Development: You AND Your Team

Q&A



Safe travels!!

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Growth and comfort do not coexist. – Ginni Rometty, former CEO of IBM