

DIGITAL TRANSFORMATION IS **YEARS** AWAY. I DON'T SEE OUR COMPANY HAVING TO CHANGE ANY TIME SOON.



TOM
FISH
BURNE

**MOST AGILE
TRANSFORMATIONS
WILL FAIL**



WHY
DIGITAL
TRANSFORMATIONS

FAIL

THE SURPRISING DISCIPLINES
OF HOW TO TAKE OFF AND STAY AHEAD

TONY SALDANHA

FOREWORD BY ROBERT A. McDONALD, retired Chairman, President, and CEO
of Procter & Gamble and Secretary of the Department of Veterans Affairs

SINCE IT'S OUR TOP PRIORITY,
WHAT DO WE MEAN BY
DIGITAL TRANSFORMATION?



ZOOM
MEETINGS



USING
SLACK



DIGITAL-FIRST,
DATA-DRIVEN
UM...
CUSTOMER-
CENTRIC
UM...



DON'T
FORGET
AGILE



AND SOME-
THING WITH
THE CLOUD



MAKING
TIKTOK
VIDEOS



MAYBE WE SHOULD
START WITH WHAT IT
DOESN'T MEAN.



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Getting the right information to the right person in charge of implementing a particular phase of a project

75%

Lack of robust, enterprise-information governance policies

75%

Reliance on paper instead of digital media

72%

Migrating data from legacy systems into more modern technology

59%

8 reasons why so many digital transformation initiatives fail

Research by McKinsey shows that 70% of large-scale change programs don't reach their stated goals. Here are the primary causes for digital transformation failure in today's enterprises and the percentage of organizations that cite these issues as problems.

Lack of executive buy-in

38%

Insufficient in-house training

38%

IT bottlenecks

33%

Insufficient training for employees

32%

The 7 Challenges To Doing Digital Right

7

1.

Executives
mandates are
not enough

2.

Openness to
alternative
strategies drives
digital

4.

Expectations
chasm

5.

Success comes
inside out and
not from
outside in

6.

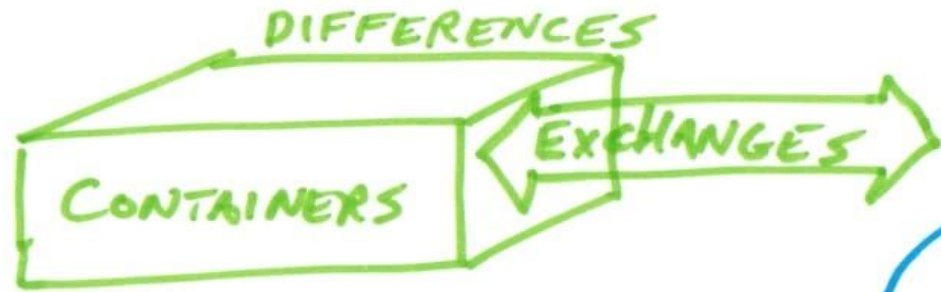
Digital takes
different
metrics

3.

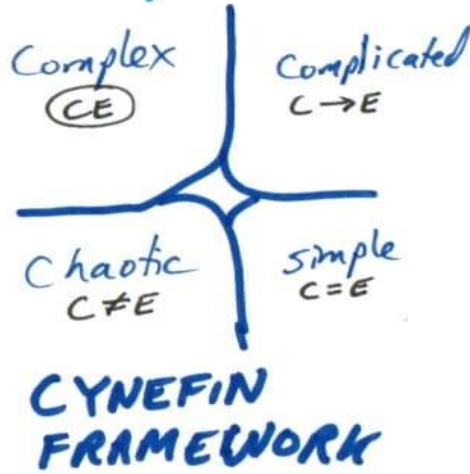
Digital requires
a village and an
architecture

7.

Digital is not
just customer
focused



Social Complexity Theory



1. Urgency
2. Coalition
3. Vision
4. Communication
5. Act, Empower
6. Wins
7. Consolidate
8. Institutionalize

KOTTER'S 8 COMMANDMENTS OF ORG. CHANGE



ADOPTION

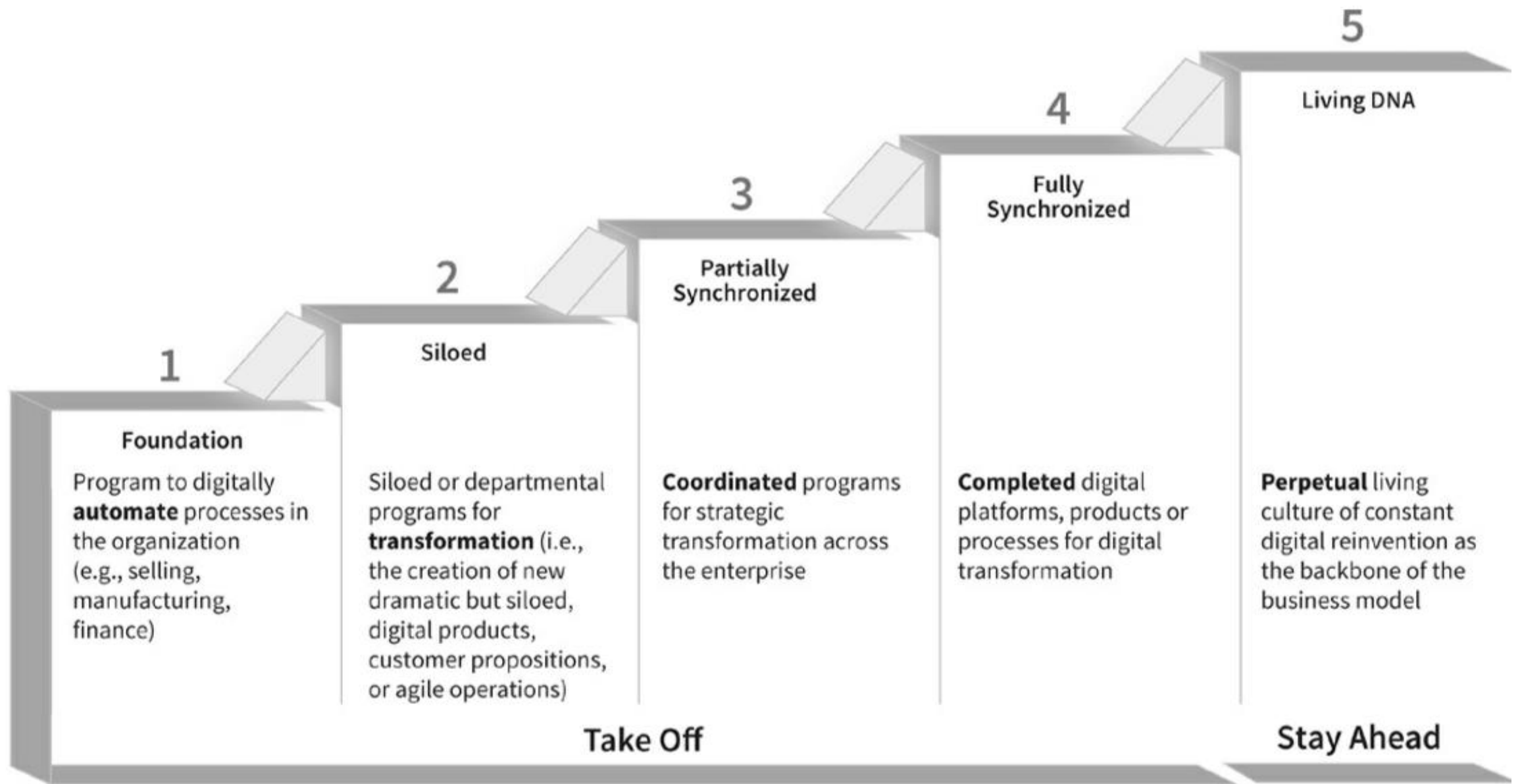
TRANSFORMATION



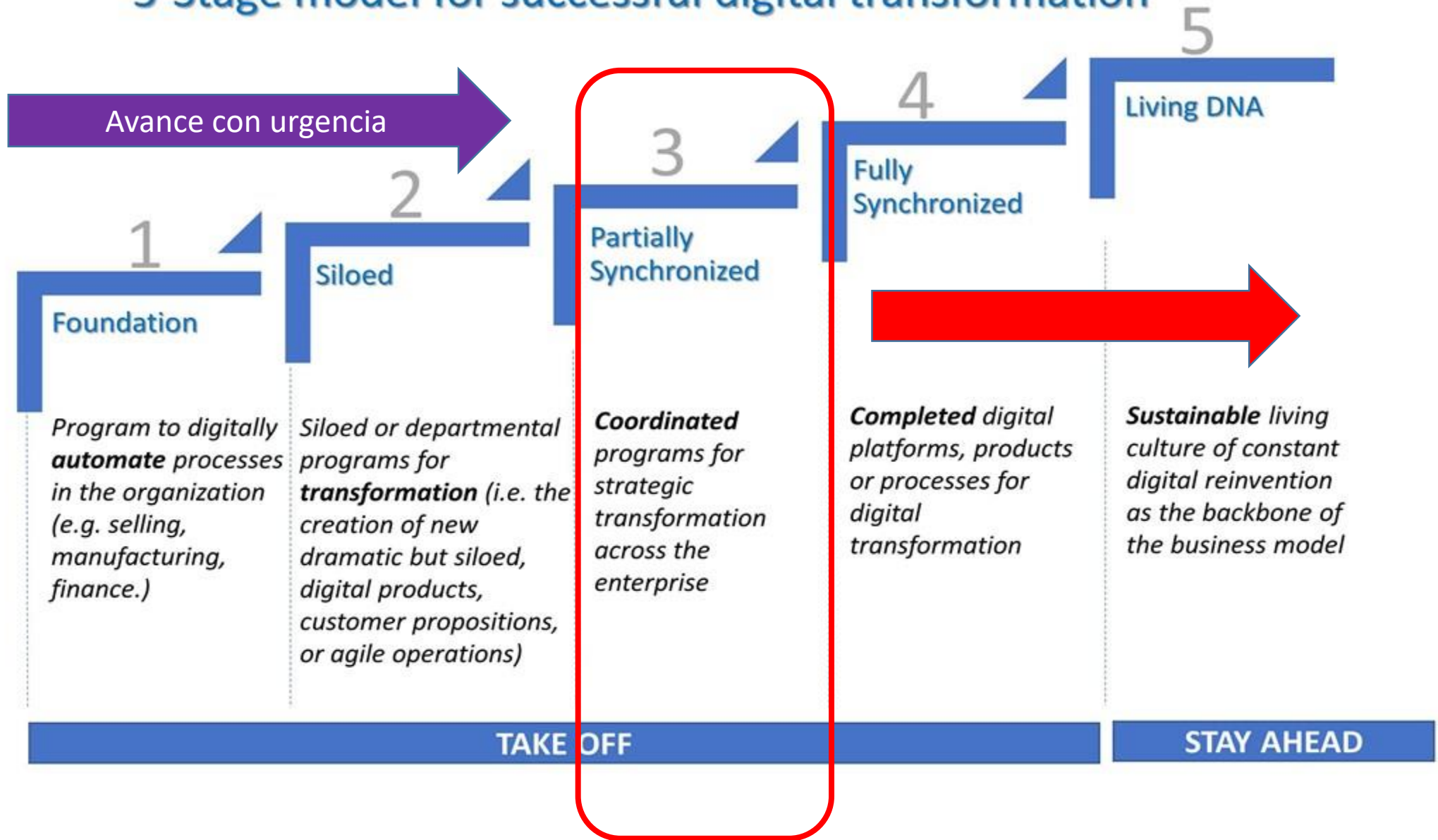
Becoming Agile in an imperfect world

INSPECT & ADAPT with Scrum Transition Teams

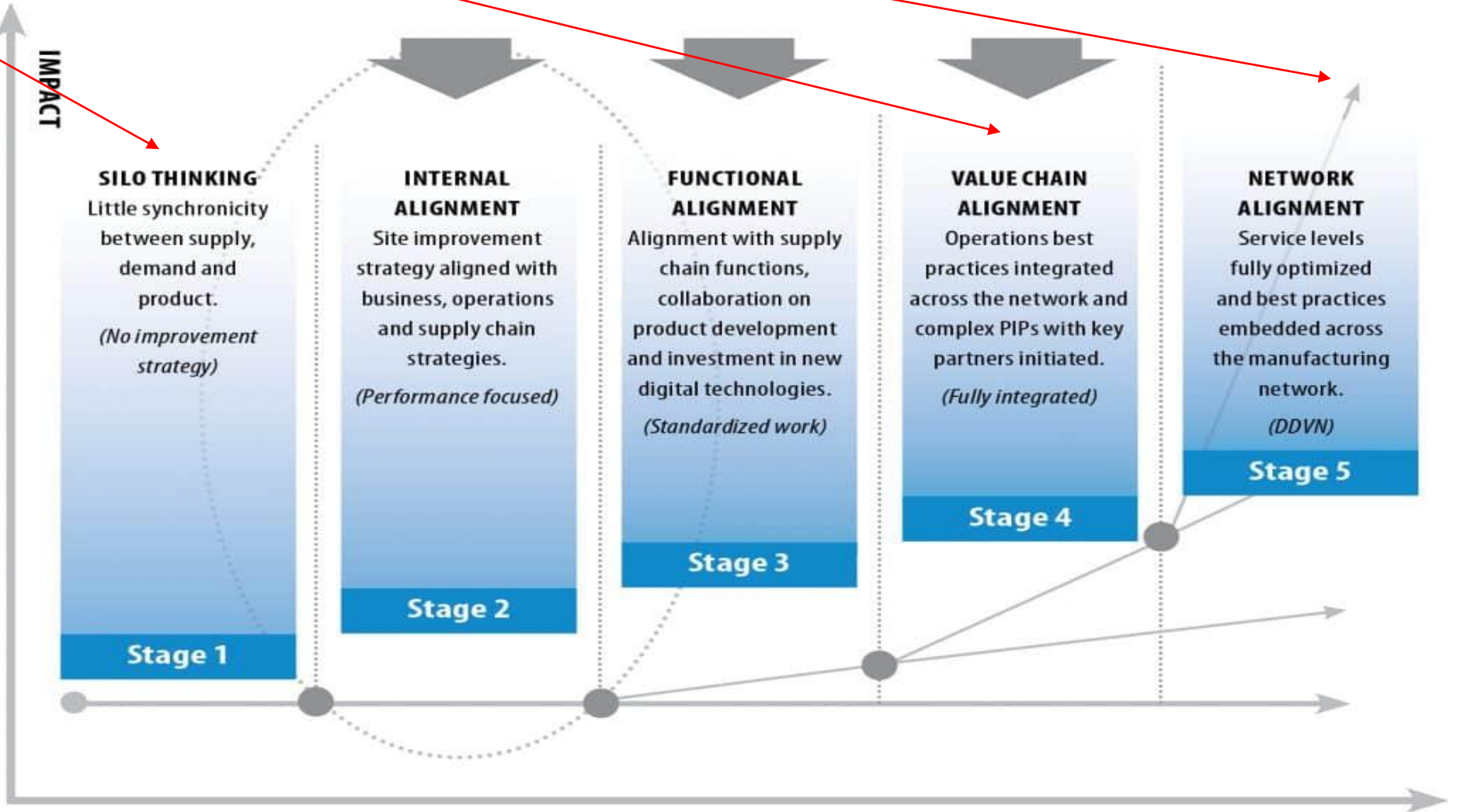
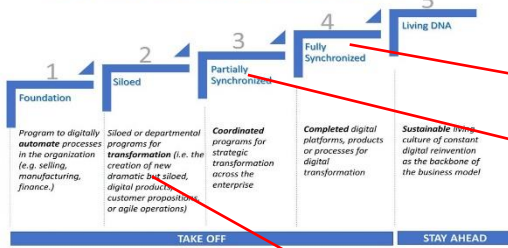
Awareness
Desire
Ability
Promote
Transfer



5-Stage model for successful digital transformation



5-Stage model for successful digital transformation



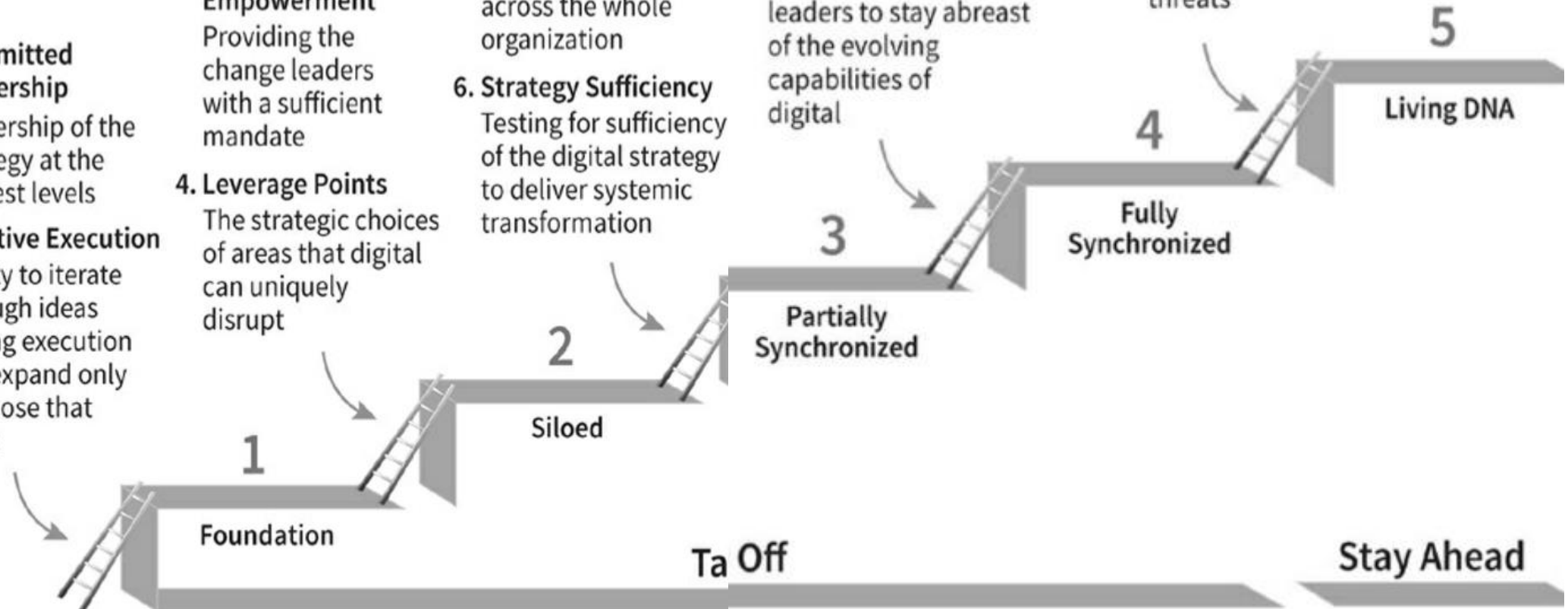
- 1. Committed Ownership**
Ownership of the strategy at the highest levels
- 2. Iterative Execution**
Ability to iterate through ideas during execution and expand only on those that work

- 3. Disruption Empowerment**
Providing the change leaders with a sufficient mandate
- 4. Leverage Points**
The strategic choices of areas that digital can uniquely disrupt

- 5. Effective Change Model**
Choosing the most effective strategy to deliver change caused by the transformation across the whole organization
- 6. Strategy Sufficiency**
Testing for sufficiency of the digital strategy to deliver systemic transformation

- 7. Digital Reorganization**
Redesign the organization for digital capabilities to become a horizontal skill set across all functions
- 8. Staying Current**
Drive the ability for leaders to stay abreast of the evolving capabilities of digital

- 9. Agile Culture**
Set up a culture that supports constant change
- 10. Staying Current**
Create an ongoing assessment and action against digital disruption threats



Checklist to Move up the 5-Stage Transformation Model

1. Committed Ownership

- Ownership of the strategy at the highest levels

2. Iterative Execution

- Ability to iterate through ideas during execution and expand only on those that work

3. Disruption Empowerment

- Providing the change leaders with a sufficient mandate

4. Leverage Points

The strategic choices of areas that digital can uniquely disrupt

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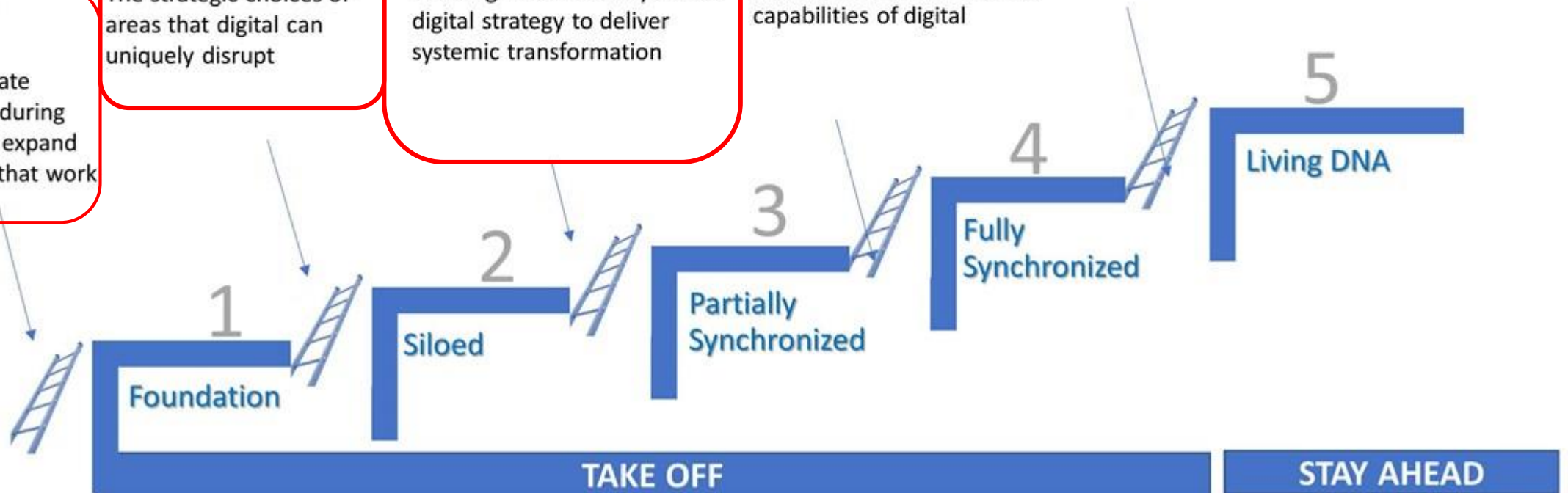
- Drive the ability for leaders to stay abreast of the evolving capabilities of digital

9. Agile Culture

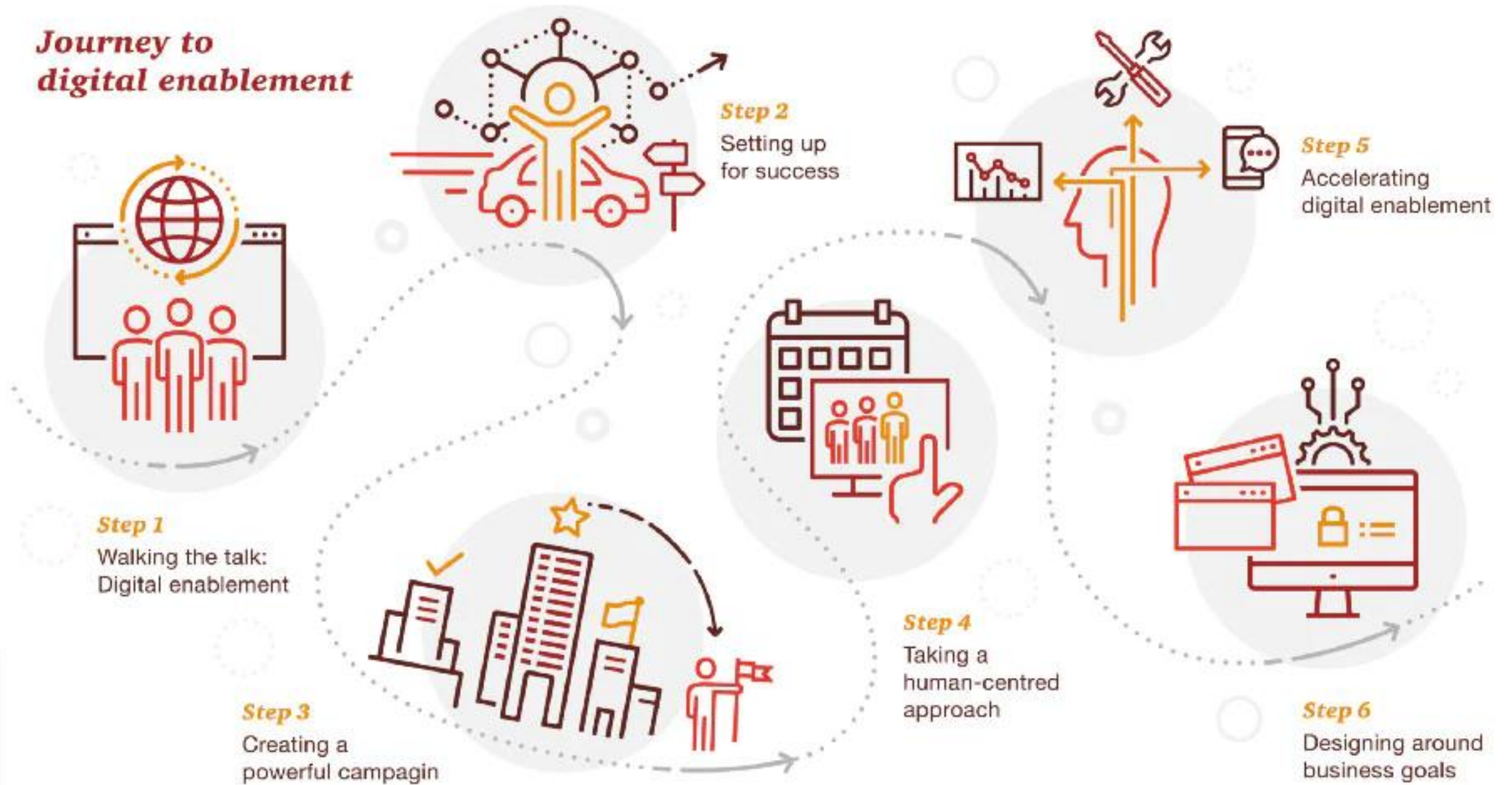
- Set up a culture that supports constant change

10. Sensing Risk

- Create an ongoing assessment and action against digital disruption threats



Journey to digital enablement



THE SIX STAGES OF DIGITAL TRANSFORMATION



BUSINESS AS USUAL:

Organizations operate with a familiar legacy perspective of customers, processes, metrics, business models, and technology, believing that it remains the solution to digital relevance.



PRESENT AND ACTIVE:

Pockets of experimentation are driving digital literacy and creativity, albeit disparately, throughout the organization while aiming to improve and amplify specific touch-points and processes.



FORMALIZED:

Experimentation becomes intentional while executing at more promising and capable levels. Initiatives become bolder and, as a result, change agents seek executive support for new resources and technology.



STRATEGIC:

Individual groups recognize the strength in collaboration as their research, work, and shared insights contribute to new strategic roadmaps that plan for digital transformation ownership, efforts, and investments.



CONVERGED:

A dedicated digital transformation team forms to guide strategy and operations based on business and customer-centric goals. The new infrastructure of the organization takes shape as roles, expertise, models, processes, and systems to support transformation are solidified.



INNOVATIVE AND ADAPTIVE:

Digital transformation becomes a way of business as executives and strategists recognize that change is constant. A new ecosystem is established to identify and act upon technology and market trends in pilot and, eventually, at scale.