

Shift to Embrace Digital Transformation

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Ben Stroup

Problem: Digital transformation is being dismissed by executive leaders and legacy organizations without fully considering the implications of not participating in this important shift in business strategy and market engagement.

Opportunity: Leaders who embrace digital transformation as an opportunity to skill up for the next decade of business strategy will reap monumental returns on investment as the market grows in its demand to integrate technology, digital communication, and contextually relevant experiences into service and product delivery.

Resolution: Leaders must make key shifts in their thinking, habits, and behavior in order to allow digital transformation to take root in the organizations and teams they lead.

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Digital transformation is happening whether you are in a digital business or not—and at a more rapid, dramatic rate than ever.

Unfortunately, even now, many senior leaders are so far removed from the field that they don’t fully appreciate just how much technology has been infused into day-to-day operations. And this can create complications at the executive table, especially when it comes to prioritization and allocation of operational resources such as time, money, and people. Moving forward, this tension will likely only continue to be exacerbated.

Digital transformation sounds like a complicated and scary term. It shouldn’t be, though, because its application goes well beyond the products or services you sell. Even today’s single-shingle car detailer is building a website, using online scheduling software, utilizing text messages to confirm appointments, and taking electronic payments via a hand reader or smartphone.

What Is Digital Transformation?

Digital transformation is both technical and philosophical. The philosophical nature gives you the opportunity to organize your company around the needs of your ideal client or customer much better than you ever have before. Until now, organizations were engineered and organized around efficiency and process. That means very defined and clean lines between departments and functions.

Today, digital transformation provides leaders with the opportunity to organize cross-functional, interdisciplinary teams designed around created value for customer segment groups. Those times might be comprised of technology, marketing, project management, sales, finance, product or service

development, etc. By creating a 360-degree view around the customer experience through intentional collaboration, what you deliver to market not only gets there faster than ever but is also more complete.

Your ability to organize multiple disciplines and rally leaders around a shared strategic outcome reduces time to market, increases success rates, and provides for a steady stream of internal and external research that isn't just collected but processed in context and from many perspectives. Everyone wins! Further, your teams aren't bound by payroll or geography. You can assemble those teams and disassemble them, providing for a more conducive environment for adaptive leadership and change.

Digital Transformation Requires a Shift in Leadership Skills to Succeed

Your communication goes digital. Yes, I know you used to carry on an internal argument for weeks at a time through interoffice mail. But social media, email, and team conversations are digitally centric and driven by the smart device in your pocket. This includes internal and external communication. Every person in your organization with a smartphone is now a media outlet.

Your demands for perfection subside. Agile leadership affords the opportunity to release a minimum viable product and measure what happens. This shortens the distance between success and failure. And working through your best ideas that won't work faster means you'll also arrive at the right formula for success faster too.

Your product development cycles shorten. Since you're measuring how the market is engaging with and buying from you at every stage of the buying process, you can measure lead generation, sales development, average purchase price, margins, and supply chain in concert with each other. This means you get to bring most things to market faster. And at the end of the day, you can't predict the market. Your models will always be based on historical data. Now you get to work with real-time data.

You make compliance and risk become part of the innovation cycle. Let's face it. Compliance activities and risk management are reactive in nature. But what if that expertise sat at the same table working out ideas in real time about design, development, and sales. This allows leaders the opportunity to identify and mitigate risk before it becomes a problem. Instead of relying on compliance officers to clean up messes, they advise innovation teams to make the best decision.

You think like a customer, not a corporate executive. This is what journeys are all about. You get to design human-centric experiences that are then translated through technology into a series of trips and triggers that create trust, affinity, and connection with your target audience. This is what's required to transition prospects to buyers and convert buyers into raving fans and evangelists.

You embrace technology as a way to accelerate access to teams. Knowledge management is one of the greatest assets a company has, because it is the direct result of the people and experiences that are part of your organization. The ability to work on documents with teams scattered around the country or around the world is essential for collaboration. The ability to answer a question through a quick search is critical to having the best information available to you at the moment you need it. You can't do this if everything contained in paper documents and sitting in file folders or, worse, stored in archive boxes hiding in the basement.

You give data a seat at the executive table. You extend your relationship with data beyond the ability to confirm or explain what has already happened. You want to equip all the leaders in your organization to have access to structured and unstructured data so they can make informed key decisions each day. And when new information is available, you give yourself permission to make a different decision.

Digital Transformation Means Your Leadership Must Change

Whatever you did to get where you are right now is not going to work going forward. To arrive at your next destination, you'll probably need a different level of thinking, activities, or disciplines, and your willingness to shift, adapt, and grow will fuel your future success. But your reluctance to embrace these shifts will ensure you are left behind and outpaced by new innovators and unexpected competitors in the market.

Just ask music executives about iTunes. Ask book publishers about Amazon. And ask taxi companies about Uber. All of these established industries were immovable objects until they were disrupted by technology that they either didn't see coming or didn't believe would impact their business so vastly.

You can either make the change before you have to or because you have to. It's your choice. Will you be the leader who gets comfortable in the substantial dividends of yesterday's habits and hunkers down for the long haul? Or will you hold loosely to methods and tactics while reaching for the skills, habits, and disciplines necessary to be successful tomorrow?

The good news is you get to choose. The bad news is you won't get to hide your choice. Time will reveal your choice to your entire company and the market eventually. Amid today's environment supercharged by uncertainty, "eventually" will likely be sooner rather than later.

About

Ben Stroup is Chief Growth Architect and President at Velocity Strategy Solutions where he helps leaders design, develop, and deploy smarter business growth strategies. Ben is a futurist, disruptor, and data champion. He leads a team that takes a structured learning approach to business challenges, which allows them to assist leaders in bridging the gap between ideas, innovation, and revenue—taking ideas from mind to market.

Velocity Strategy Solutions is an on-demand, next-generation business strategy and management consulting firm which provides clients with a relentless focus on data, execution, and results that positively impact the bottom line. Velocity delivers integrated people and revenue strategies combined with a disciplined approach to growth architecture that elevates the capacity of leaders, teams, and organizations to succeed and win more.