



“The biggest impediment to a company’s future success is its past success.”

Dan Schulman, CEO of PayPal

The stats are scary:

- Forbes says, “84% of Companies Fail At Digital Transformation.”
- A recently published Harvey Nash/KPMG CIO Survey points out that only 41% of companies have an enterprise wide digital strategy,
- and only 18% of companies rate their use of digital technology as “very effective”

Existing, well-established organisations are facing competition from new digital savvy companies who are shaping their organisations based on a digital ecosystem that drives efficiency and customer experience. You only need to look at the new fintech companies who are stealing customers from the traditional banks or the rise of Amazon to see the impact of digital on today’s customers who seek immediacy and experience.

Digital transformation is sited as the holy grail in revolutionising the way we do business. It is seen as an opportunity to reduce operating costs whilst improving customer experience. So why is it that so many digital projects are doomed to fail before they have even started?

What do the 16% of companies (who are successful in digital transformation) do to secure their success?

1. Connected thinking

Organisations have developed a silo based mentality that encourages independence of thinking and working. In organisations that are successful they have a powerful ecosystem in which people naturally collaborate and seek out connections in their work.

2. Encourage critical thinking

Existing organisations have developed systems and procedures to ensure compliance. They have managed to the lowest common denominator and reduced the need to think and make decisions - someone else will do that for you. For digital transformation to really work your culture needs to actively encourage people to develop critical thinking skills and seek out improvements

3. Lighting a fire

By nature people like routine and existing organisations have majored on this in the way they have worked. Digital transformation on the other hand is about dealing with uncertainty. The new challengers have capitalised on adventure drawing those who crave excitement to them. Existing organisations need to manage people push back by being transparent and collaborative. Time and care needs to be taken. Investment in upskilling people with essential skills of collaboration, team work and critical thinking will all help to make them feel more comfortable with the uncertainty that digital change is bringing.

4. Be clear on your strategy

Sounds logical and straight forward right? Yet many organisations tackle digital transformation piece meal and end up with a service department who have to navigate five different systems to solve a customer query; none of which talk to each other. Many organisations still have individual departments making investment decisions based on their own needs. A clearly defined strategy will ensure that any digital investment decision helps to build an ecosystem that is defined to support your customers.

5. UX and innovation

Your customer really is king. Your company was created to satisfy an unmet need. Let that guide you into who you are, what you do and why you do it in the digital transformation as well. Digital currently represents one of the biggest challenges for any company anywhere because the rules keep changing. This means working on staying ahead of the technology curve and this requires an innovative attitude. You need to stay ahead of the customer's expectation so you can digitally serve them more effectively. This is what the modern digital customer expects.