Why are digital and IT transformations are different and what are the challenges?

Questions and answers from the Inform webinar

Wednesday, 21 July 2021

What you asked us

Here are the Q&A from our webinar on Wednesday 21 July, 2021.

The webinar was about the differences and challenges of digital transformation vs IT transformation. IT transformation unlocks waste. Digital transformation unlocks future business value. In just two years the Covid pandemic has turned business upside down. Home working is now widespread, with customers more likely to work digitally. It's brought digitalisation from hype to the new normal. If organisations are to survive and prosper in this new normal, they need to reimagine strategies and operations to unlock future value through digital technology. Harnessing the power of organisational data through AI and automation without losing the confidence and support of the workforce is no easy task!

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About the speakers

David Lynam, International Strategic Transformation Specialist

David is a veteran with over 30 years' experience in the British Army. During this time he specialised in capability planning and acquisition, taking part in several major MOD transformation programmes and providing the thought leadership for the early attempts at digital transformation of the battlefield. Since leaving the Army in 2002, David has held appointments in Lockheed Martin, was the IT Director for a branch of the Foreign & Commonwealth Office and, also the Chief Information Officer for the Atomic Weapons Establishment (AWE). Again, being part of and leading IT enabled change programmes. He rejoined the MOD in January 2015 where he became the MOD's Director Service Development, responsible for the development and procurement of their communication, information systems and services, with an annual budget of £1.67Bn. In this role he led the largest roll out at the time in Europe of Microsoft 365 and subsequent change programme, to over 200,000 users.

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Natasha Bradley, Commercial Manager at The Inform Team

Natasha has worked in the IT industry for over 12 years and has a good understanding of technology and how it can be used to overcome business challenges. Before joining Inform, Natasha ran a sales and marketing business for five years, delivering services to a range of Microsoft partners in the UK. Natasha has innovative ideas on how to use technology and is working with several large NHS trusts to introduce new ways of working with Microsoft Teams.

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The questions

We've indicated the initials of the person answering the questions. The answers are either as they were given in the session or with some additional information added after more time for reflection.

Question	By	Answers
In an agile environment you're encouraging innovation and creativity, what skills do you need that can support that environment? You're asking people do to new things but they've still got to do business as usual. What sort of person is the best to recruit for that sort of work?	DL	When you look at your workforce and your leadership – and coming back to communication and to people – don't think you just need to have a single workforce. You have to understand your workforce, you have to understand the kind of people you have. There will be varying types of people. There will be those that are really good at keeping the lights on, really good at customer service. There are those who are always innovators, who want to change. You must harness those. What I've done in the past and found relatively successful, is to have an organisation where you can allow these people to flourish. You can do this without scaring people in the business and until you've got something to roll out. And then take to those that are less comfortable with change.

		You've got to look at people's skills, you can't just say "I don't want those kind of people anymore". You must bring all your workforce along. Because they'll all be important to you. Those with soft skills as well as technical skills. And you'll find people who are actually good at business change or they're great at innovation. So, look at your workforce, work through your workforce, don't think you've got to recruit a whole pile of people. You might want to bring in some new disruptors for new perspective, but as we've said you've still got to deliver your business. Understand deeply the skills your people have and then segment your workforce and then as part of digital transformation find those people with the skills. Find your change champions. And your skills champions.
What are some instances that digital transformations might fail? What are the common road blocks and barriers?	DL	Digital transformation fails often because boards want quick wins and they want immediate return on investment. Yet as I've said, you will meet failures. And having the courage and having the determination people often fail because they can't see it though. And it must be a recognition of that's it's not a one off. "I'll do digital transformation and I'm done, when is digital transformation over?" It's like anything else that involves transformation, if you're reimagining your business models and you're always reimagining your business models, it's never done! It just continues, technology will change and you've got to have that culture of continuous change. Humans are conditioned to change. Yet it's the speed of which everything is happening that makes people uncertain.

		So, seeing it through, getting that cultural view that says this is something we culturally always want to do, helps you look and see whether you'll be relevant in the years to come. It's not where you'll be in 10 years' time. It's a question of "will I still be relevant?".
		You see this with Google and with Netflix, these are the darling children of digital transformation. Netflix starts off as a rival to postal videos and DVDs and now they provide content and AI to put it in front of you. Amazon looking at delivery by drone. Google looking at how they can use quantum computing. Always looking at where you can be next which brings that view of change.
		And there's that culture that leadership gets tired, and second is not prepping for the technology. And the technology then failing on you and you're then losing your customer base. Because you're not surfacing them now and correctly. You don't have that reliability you don't have that always on mentality and you lose because you haven't spent enough time getting the infrastructure in place. And for public sector, as I've said, people want to savings and they want savings quickly. If the savings don't occur then they'll move on to the next idea of how savings will come. And you've got to get your board, and your national health service trust, your council to have belief and to be a leader in that.
One observation I would make, from my experience (which may not apply to SMEs), is that existing leadership in mid-to-large organisations are typically good at operational	DL	It's a great consultancy question and of course the answer is yes.

excellence, but struggle with transformation. It is the transformation side that these organisation can most benefit from bringing external expertise on-board - through NEDs and/or consultants		Yet I'm afraid the answer to an extent is also no. Because if they are embedded in that way then consultancy per say will just as we've seen

with many transformations, the consultants start to take over the transformation, not the board, not the leadership. They'll say we've given that to the consultants.

Consultants, or I would say mentors, are people who are actually going to

make the leaders change rather than consultants that are going to make

the business change. Because it's the leaders that have probably got to change.

There's a fabulous book called The Psychology of Military Incompetence. It's quite a heavy read, but it was after the Second World War, and it looked at promotion of when a board gets to a stage where it's been promoting people from inside the business.

And Marks and Spencer went through this a decade ago. Sometimes you have to bring in disruption of leadership or sometimes you have to bring in disruption of juniors who you empower to disrupt. And that's why I said some companies, because they know their leadership won't do this and so their chief executive just makes a spinoff company and then just allows

it to go off and do because he knows he can't change the internal company. |

		And bit by bit the company will change as the leadership changes.
		So yes, you've probably got to bring in some kind of external disruptor or find your internal disruptors. Empower them to make that change. But be prepared to experiment.