Leg 9. From Newport to Cardiff

Digital Disruption
03. Digital Leadership

Picture Source: http://decide.usc.edu/next-generation-ethics-book

OUTLINE. Digital Disruption

01
Introduction & Concept

02
Digital Transformation

03
Digital Leadership

04
Digital Technologies Rating

05
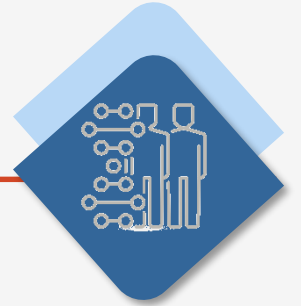*Impact of Digital Technologies on Education*

06
Summary and Conclusions

Digital Leadership

What is digital leadership? Who are digital leaders?

- A big mistake has happened during the last decade. Board of Directors and business owners believed that a digital transformation meant to hire a digital leader, incorporate him-her at the decision making process to include social media and data analytics into revenues making, without understanding the difficulty of "going digital".
- Please, going digital is one of the most difficult things that Board of Directors and companies are facing. It is tough!
- The digital transformation must have at least 4 building blocks:

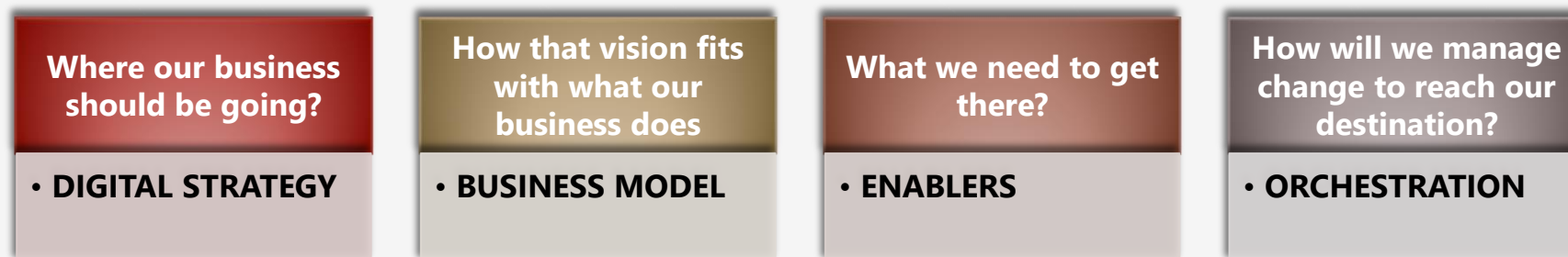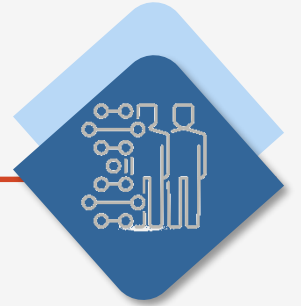| Where our business should be going?	How that vision fits with what our business does	What we need to get there?	How will we manage change to reach our destination?
• DIGITAL STRATEGY	• BUSINESS MODEL	• ENABLERS	• ORCHESTRATION

Diagram source: http://www.bain.com/publications/articles/a-step-by-step-guide-to-digital-transformation-world-economic-forum.aspx

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Digital Leadership

What is digital leadership? Who are digital leaders?

- A Digital Leader has to be **everyone** in the organization. It is impossible to create successful digital transformations without digesting .
- Each level of the organization requires a change of mindset into digital. Requires a transformation of "doing digital" to "being digital".
- "Moreover Digital transformation requires top to bottom organizational transformation, which requires leaders who are willing and able to leverage everyone in the organization who is evolving into digital to innovate, fail fast and drive value in an ambiguous context".
- When a company decides to go digital, everyone inside the company has to go digital (from the CEO to the janitor or the security team member who opens the entrance door).

The right Chief Digital Officer or CDO is merely a "digital facilitator" which has to tackle the following main obstacles:
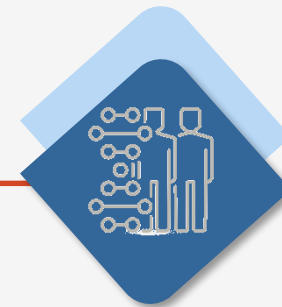1. Ad hoc digital initiatives spread throughout a large organization,
2. Lacking central oversight;
3. A traditional culture that resists change;
4. A gap in the talent required; and
5. Legacy systems and structures that threaten to derail their digital ambitions.

Source: https://www.strategy-business.com/article/The-New-Class-of-Digital-Leaders?gko=a250f

Digital Leadership

Digital Transformation requires Leadership Wisdom explained as follows:

- After understanding that **everyone** in the organization has to believe in "being digital".
- The facilitators of the whole process have to be the CEO, the CDO (Chief Digital Officer) and his team, and the Human Talent digital leaders.
- Digital Leaders don't just possess a wealth of digital knowledge, they also demonstrate solid interpersonal skills that will help others to share in their vision.
- It is surprising to find that many successful digital leaders are not coming from a IT background! In fact, technology may not be the number one requirement when looking for a digital CDO.

Vision and Inspirational Leadership

Business Judgement

Strategic Direction

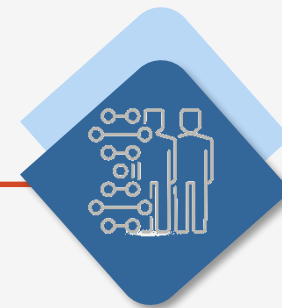Experimental Execution

Collaboration

Building Talent

Influence

Influence

Diagram source: https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Technology/gx-technology-building-your-digital-dna.pdf
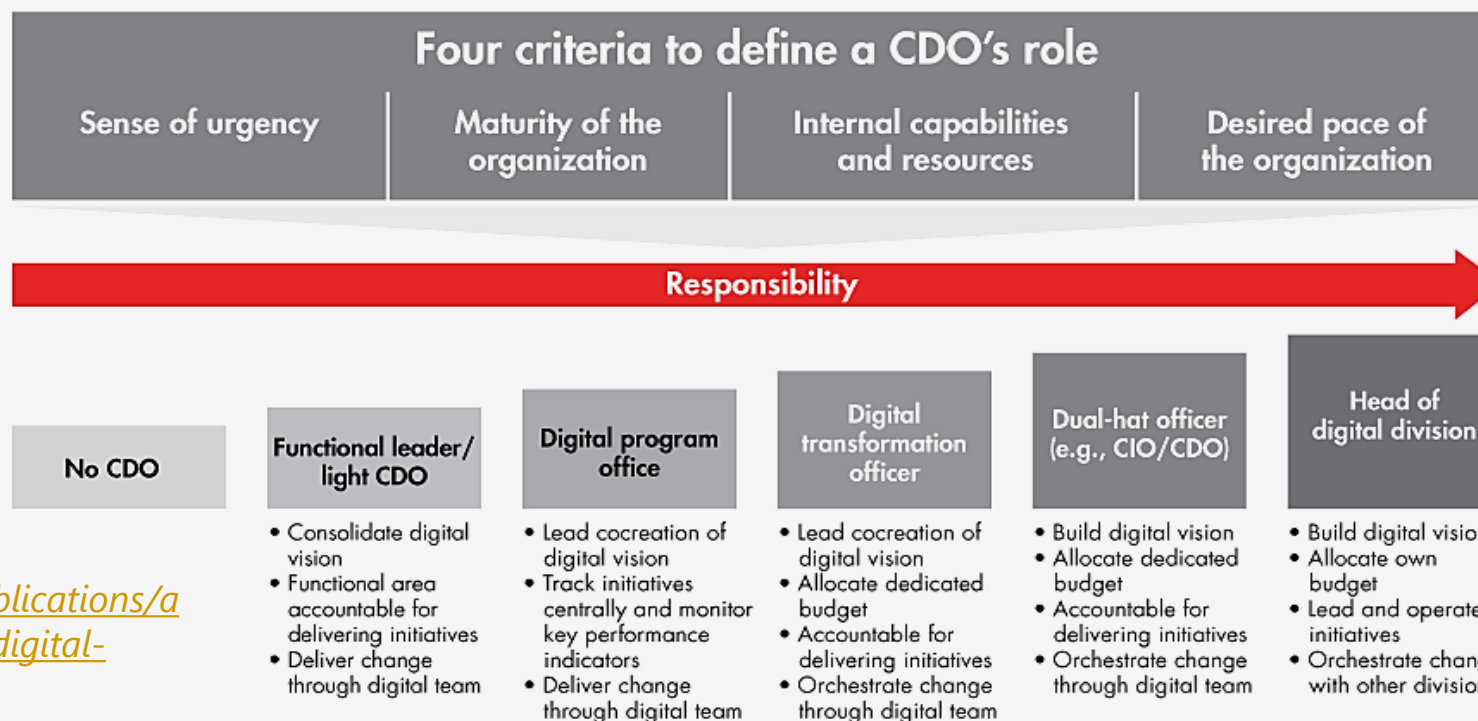
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Digital Leadership

It is too soon to understand what is the best path to become a great CDO, but his-her role is different depending of the organization and the industry of it...

Figure 4

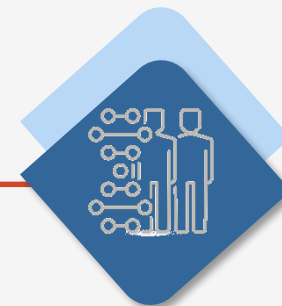■ The role of chief digital officer can span a variety of responsibilities

Four criteria to define a CDO's role			
Sense of urgency	Maturity of the organization	Internal capabilities and resources	Desired pace of the organization

Responsibility →

No CDO	Functional leader/ light CDO	Digital program office	Digital transformation officer	Dual-hat officer (e.g., CIO/CDO)	Head of digital division
	• Consolidate digital vision • Functional area accountable for delivering initiatives • Deliver change through digital team	• Lead cocreation of digital vision • Track initiatives centrally and monitor key performance indicators • Deliver change through digital team	• Lead cocreation of digital vision • Allocate dedicated budget • Accountable for delivering initiatives • Orchestrate change through digital team	• Build digital vision • Allocate dedicated budget • Accountable for delivering initiatives • Orchestrate change through digital team	• Build digital vision • Allocate own budget • Lead and operate initiatives • Orchestrate change with other divisions

Source: Bain & Company

http://www.bain.com/publications/articles/organizing-for-a-digital-world.aspx
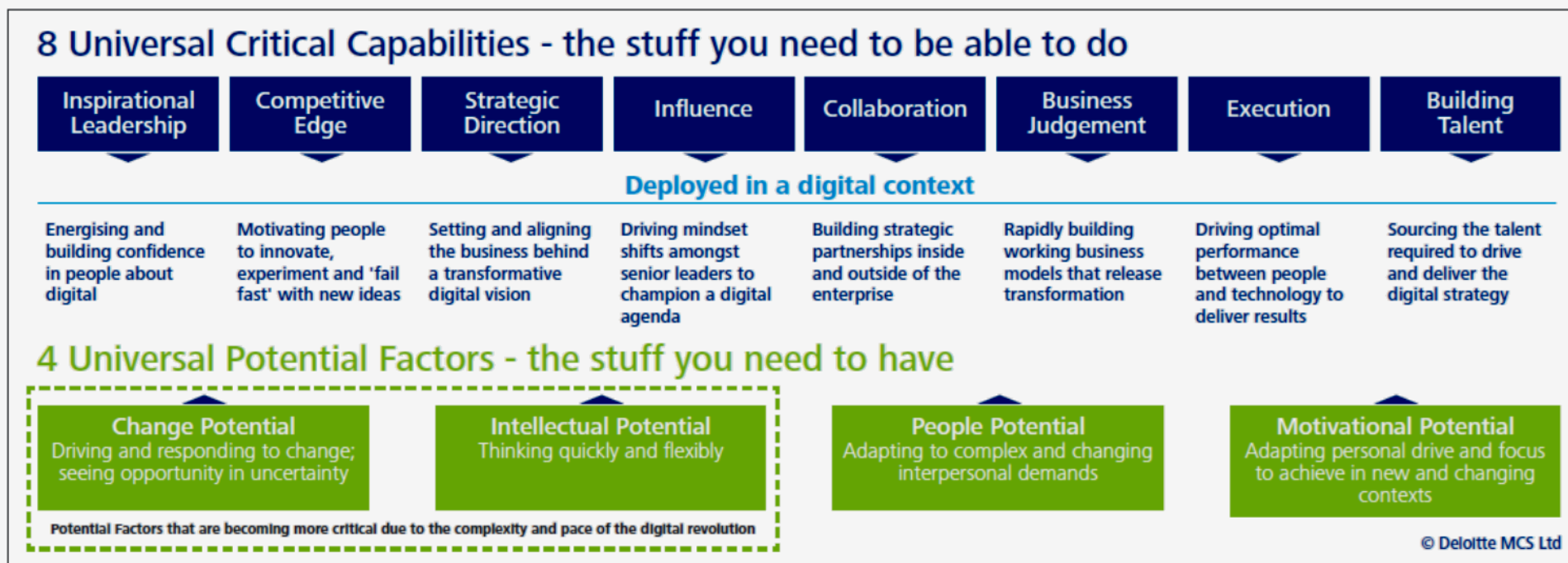
Digital Leadership

During the last 6 years, the solution to create digital leadership has been to appoint a digital responsible called CDO (Chief Digital Officer) without giving him or her the support from the corporate board of directors and CEO...
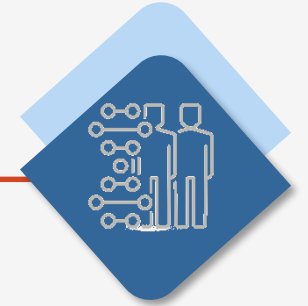

8 Universal Critical Capabilities - the stuff you need to be able to do

Inspirational Leadership	Competitive Edge	Strategic Direction	Influence	Collaboration	Business Judgement	Execution	Building Talent
Energising and building confidence in people about digital	Motivating people to innovate, experiment and 'fail fast' with new ideas	Setting and aligning the business behind a transformative digital vision	Driving mindset shifts amongst senior leaders to champion a digital agenda	Building strategic partnerships inside and outside of the enterprise	Rapidly building working business models that release transformation	Driving optimal performance between people and technology to deliver results	Sourcing the talent required to drive and deliver the digital strategy

Deployed in a digital context

4 Universal Potential Factors - the stuff you need to have

Change Potential	Intellectual Potential	People Potential	Motivational Potential
Driving and responding to change; seeing opportunity in uncertainty	Thinking quickly and flexibly	Adapting to complex and changing interpersonal demands	Adapting personal drive and focus to achieve in new and changing contexts

Potential Factors that are becoming more critical due to the complexity and pace of the digital revolution

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https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Technology/gx-technology-building-your-digital-dna.pdf

Digital Leadership

The Board of Directors´ role in digital transformation... to train themselves, and empower digital leaders in the organization to be digital teachers.

Knowledge Worker

Information gathering

Information analysis

Information dissemination

Structured learning

Knowledge management

Team building

Digital Worker

Real-time data availability

Scenarios and prognosis

Decision making

Self-development

Virtual collaboration

Virtual team building

The transformation of a knowledge worker into a digital worker takes time and investments. For example, for a company of 100,000 employees it can take more than 5 years to build and retrain a digital workforce.

**From a knowledge worker into a digital worker.**   *Figure Source: SAP*
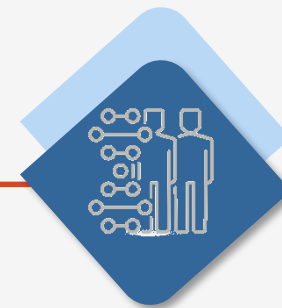
Digital Leadership

Digital Leaders must help to barren immoral practices in businesses. These non-ethical practices can be eliminated by the nature of the digital technologies: by installing transparency and collaborative systems.

- Digital leaders must be moral persons if we wish to build ethical digital businesses. Probably digital leaders will have to teach CEO´s to be ethical too.
- The Digital Transformation is the opportunity to create **transparent systems and working structures with ethics at the core**...
- Building a good society starts with building good and transparent businesses. A good society must have certain amount of security for its people and enough economic freedom of ethical economic activities.
- If being digital will help us to create a society with justice, sufficient amount of wealth distributed in such a way that more than 7 billion people in the planet will have their basic needs satisfied and enough resources in addition for them to enjoy some of the goods of life. **That is the beginning of business wisdom, for me!**
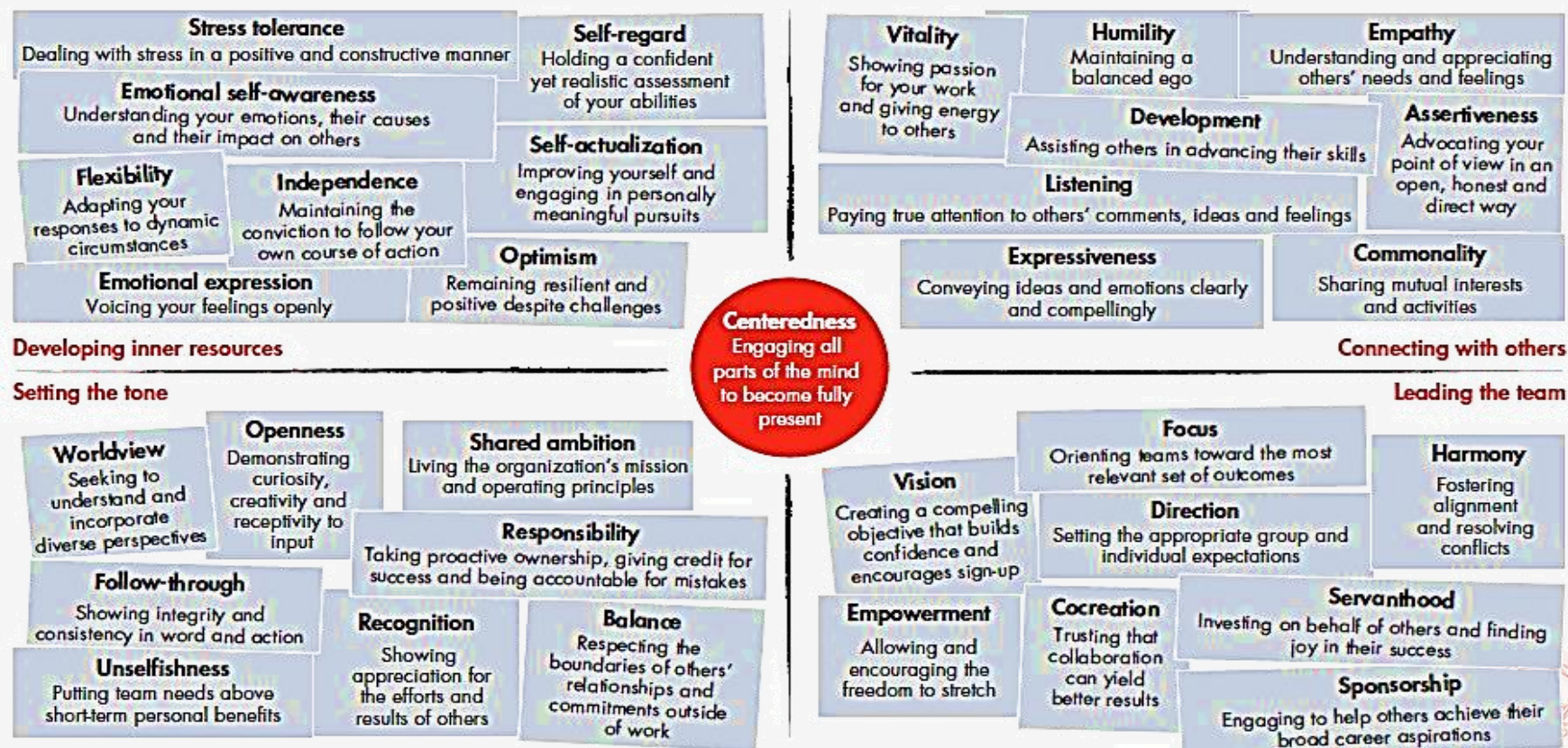
A man without ethics is a wild beast loosed upon this world.
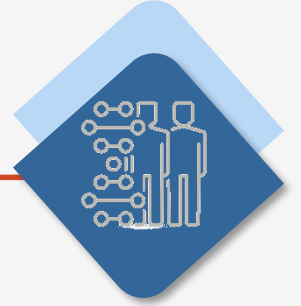Albert Camus

BrainyQuote
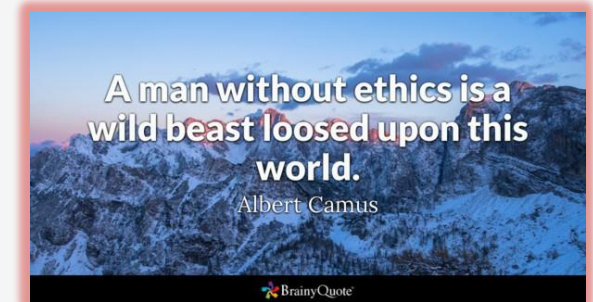
Digital Leadership

Figure 1: Bain Inspirational Leadership model

Digital Leaders have to learn to become inspirational and educational digital teachers, they have to embrace the mechanisms to educate the existing and new workforce for the new challenges...

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Digital Leadership

- Digital Leaders must become **educational** teachers to give a grounding in high levels of ethical behavior and ethical policies through the process of digital transformation.
- Digital Leaders have to radiate unpretentiousness and modesty. They will need high doses of patience and wisdom. To teach others is the most difficult thing.
- Digital Leaders will also learn and relearn in the process of teaching others to become digital.

Thank you!