

# 4 Reasons Digital Transformation Fail

AND HOW TO BE SUCCESSFUL



# about://me

- Chief Architect @ Keyhole Software
- Digitally transform organizations w/ user-centric apps
- 3 WIP projects to digitally transform healthcare, utilities



# Everyone is talking about “Digital Transformation”

*“We’ve seen two years’ worth of digital transformation in two months. From remote teamwork and learning, to sales and customer service, to critical cloud infrastructure and security - we are working alongside customers every day to help them adapt and stay open for business in a world of remote everything.”*

Satya Nadella  
Microsoft CEO



# Everyone is talking about “Digital Transformation”



# Everyone is offering services around “Digital Transformation”

## How Gartner helps you achieve your digital transformation objectives



### Tools

- Measure your outcomes against 5 critical digital priorities
- Accelerate the execution of your digital strategy and communicate your digital roadmap

[Learn more about Gartner Digital Execution Scorecard™ >](#)



### Research

- Compare your views of the future with more than 1,800 peers
- Learn from top-performing organizations

[Download 2021 CIO Agenda >](#)



### Experts

- Access unbiased, one-on-one advice to stay ahead of the trends that matter
- Leverage our benchmarking tools and peer sourced research to inform your strategy

[Explore Our Expert-Led Webinars >](#)



### Community

- Real-world advice from peers in live cohorts and virtual discussion boards
- Strategic guidance on the trends shaping your function, company performance and personal leadership

[Explore Gartner IT Symposium/Xpo™ >](#)

Successfully implement digital business transformation in your organization

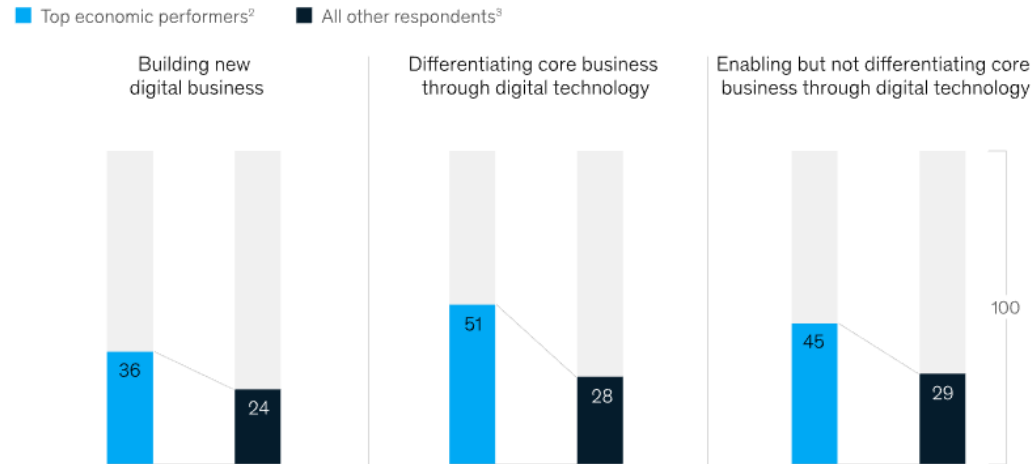
[Become a Client](#)



# Everyone is offering services around “Digital Transformation”

**While few companies have sustained the benefits of a digital transformation over time, the top economic performers fare much better.**

**Success rate for sustaining digital transformation’s targets, % of respondents<sup>1</sup>**



<sup>1</sup>Includes respondents who said their organizations were “completely successful” or “very successful” in sustaining the achieved financial and operational targets. Respondents answered only for digital transformations that their organizations have pursued in past 2 years.

<sup>2</sup>Companies with respondents who reported increases of  $\geq 15\%$  in their organizations’ revenue and EBIT over past 3 years; n = 162. For “building new digital business,” n = 33; for “differentiating core business,” n = 81; and for “enabling but not differentiating core business,” n = 114.

<sup>3</sup>For “building new digital business,” n = 255; for “differentiating core business,” n = 603; and for “enabling but not differentiating core business,” n = 945. Source: McKinsey Global Survey on digital investments and transformations, January 25–February 4, 2022, of 1,331 business leaders

McKinsey  
& Company



# Everyone is offering services around “Digital Transformation”

Perspectives

## The Power of With:

The future of tax and legal functions, today

Digital transformation is here, and it's impacting tax and legal departments. Today,...

[Read more >](#)



Article

## Digital Transformation

Future-proof your business

[Read more >](#)



## Digital Transformation

Digital transformation is the end-to-end business transformation of an organisation, from strategy to operations, from leadership to enterprise-wide culture; enabled by exponential technologies.

[Find out more](#)

## Solutions

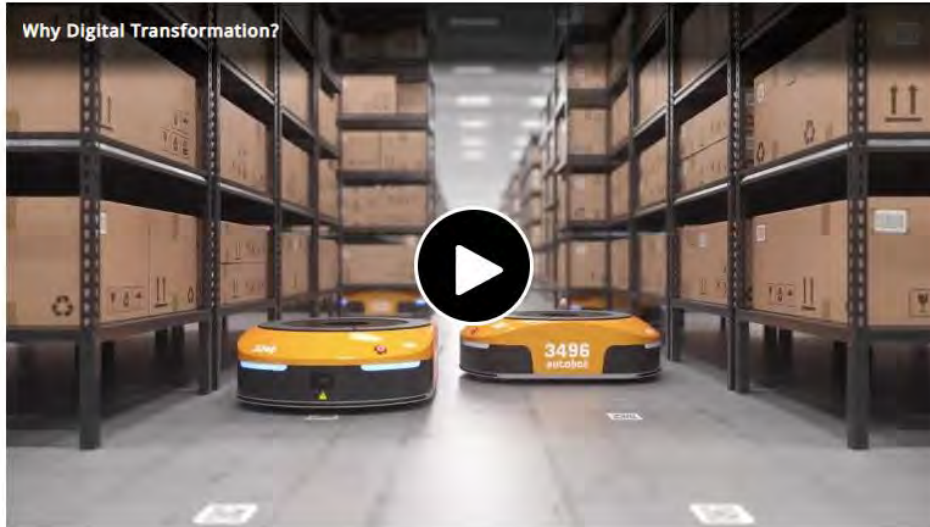
### The Chief Digital Officer Lab

The Deloitte Digital Leadership Programme supports CDOs and Digital Leaders as they navigate the complexities of the role, anticipate upcoming trends, and respond to challenges with agile strategies.


### The Digital Multiplier Lab

The Digital Multiplier Lab supports leaders as they navigate the complexities of the digital economy, anticipate upcoming trends and respond to challenges with agile strategies.

### Why Digital Transformation?



# Everyone is offering services around “Digital Transformation”



**FREE TRIAL**

Ready to digitally transform your own business? Try Salesforce Essentials today.

[START MY FREE TRIAL](#)



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Technology

# Digital transformation

Understand digital transformation and how our insights can help drive business value.

# REASON 1

No tool will digitally transform your business



# SOA (Service-Oriented Architecture)

“ESOA...positions you not only for the present by also for:

- Flexibility and responsiveness so that the services offered both within and outside the enterprise can respond fast to the evolution of the business.”

*Enterprise Service Oriented Architectures* by McGovern et al, 2006



# ESB (Enterprise Service Bus)

“The ESB...is capable of being adopted for any general-purpose integration project. It is also capable of scaling pervasively across enterprise applications.”

*Enterprise Service Bus* by Chappell, 2014



# Microservices

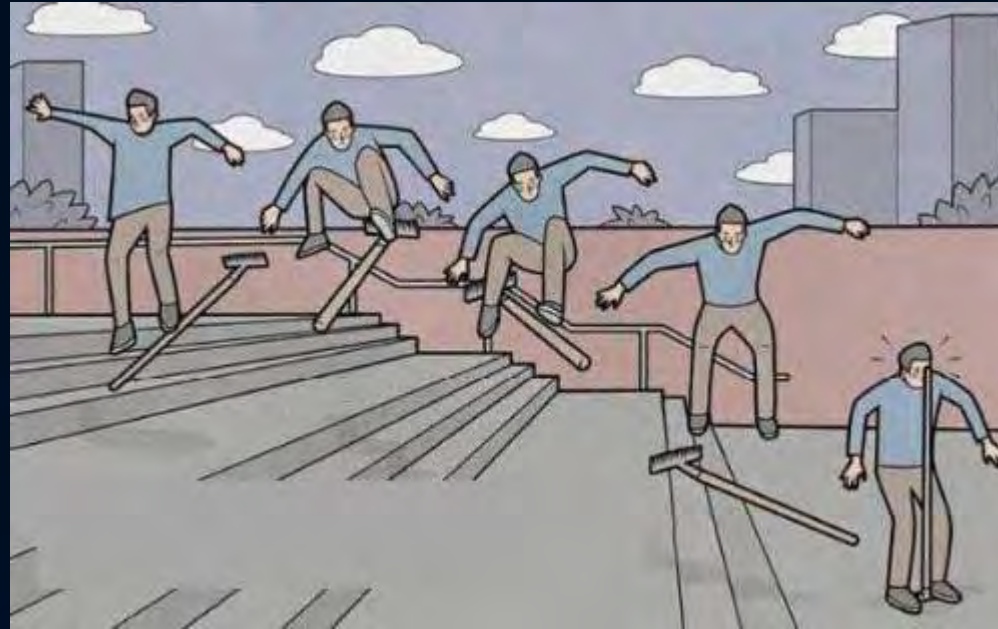
“The microservice architecture has the following benefits:

- ...
- Services are small and easily maintained.
- Services are independently deployable.
- ...
- The microservice architecture enables teams to be autonomous.”

*Microservice Patterns with Examples in Java* by Richardson, 2018



“This time its different”



# REASON 2

This time will not be different



So plan accordingly





# How to plan accordingly?

- Define what “digital transformation” means
- Look at case studies for those that have done it well



# Case Study 1 - DHL

- Did market research on what their customers found lacking in their services, and what made them choose a competitor instead
- Created a chatbot to get real time information on packages, schedule on-demand delivery
- Generates QR codes for labels



## Case Study 2 - Disney

- Optimized existing offerings, and experimented with new ones
- Disney+ had a rocky start, then took off during COVID
- MyMagic+ wristbands have RFID
- Genie helps optimize trips around the parks



## Case Study 3 – Casey's

- "Guests told us that they wanted us to make it easy to order pizza, so they wanted a mobile app. They told us they wanted a loyalty program like other restaurant chains. So, building the roadmap was pretty easy: listen to our guests and give them exactly what they want"
- Using Salesforce to consolidate all disparate systems, "Casey's has a unified platform for customer profiles, which is approaching the 14 million mark, compared to 300,000 nearly four years ago."



# How to plan accordingly?

- Compelling stories that makes a director, VP, or CTO look like a rockstar



# REASON 3

You are not the star of the digital transformation



The end user is the star



**“Every \$1 invested in UX  
brings in \$100 in return”**

Forbes, 2015





# Case Study Commonalities

- Increased profits by understanding the needs and desires of the end user, and providing novel ways of solving their problems
- Doesn't need to be technologically complicated or advanced
- Need to fit a unique niche



# Methodology

- Design Sprints are powerful tools to extract effective feedback
- Ride-along are critical to understand the current pain points
- Accept that what you make is likely wrong, figure out why, and iterate, don't focus on making everything an "enterprise service"



# What we do is how we think

- If a BA is put in charge of digital transformation, we'll get a requirements doc
- If a PO is put in charge of digital transformation, we'll have to story point everything
- If an Enterprise Architect is put in charge of digital transformation, everything will be an enterprise service
- If a developer is put in charge, they'll want to rewrite everything in a new framework that came out last week



# Observe, Dig, Iterate

- Not every user does the same thing
- Focus first on power users and leaders within the end user community, not on their managers
- “Single pane of glass” lightbulb moment



# User Journey, not Infrastructure

- IaaS, and even PaaS are all a means to an end
- Business problems are the reason any of us have jobs
- All of us in IT provide the tools to the end users to solve those business problems
- AppDev needs to do a better job of sharing the joys and sorrows of the experience of using custom software



# REASON 4

Wrong people on the bus



The journey is not for everyone



# “This is how we do X around here”

- Inertia is a metaphysical phenomenon, too
- People are creatures of habit, so accept that, it will not “be different this time”





# The Wrong People off the Bus

- What got you here won't get you there
- Make them spend a day in the life of a user. They won't.
- Ask them if they are ok with losing to the competition
- Software "X" will make us digitally transform



# The Right People on the Bus

- Are not afraid of being wrong, and want to find the right thing
- Cross functional teams
- A mix of ideas from boots on the ground, executives, and external resources that have done this before
- Requires infrastructure, governance, agile, etc. but those all serve the end user, who is served by the tools they work with every day



# Need Your Feedback

