Digital vision as a success factor for digital transformation

KEYNOTE

"The future belongs to digital ecosystems that offer their customers an exceptional user experience. What is needed first of all is a strong vision with emotional appeal from the future: what contribution does the company want to make for its customers and society? Once this is identified, a strategy and appropriate measures can be developed. And not vice versa. A vision is the common "purpose" that orientates an entire company. And if managers become genuinely enthusiastic about their own products, take pride in their personal contribution and actively strive for joint success, a company can unfold its bundled potential instead of becoming entangled in individual activities and internal resistance."

Beate Junginger

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Digital vision as a success factor for digital transformation

Many companies have indeed made progress in digital transformation, but the results are often still mediocre: either apps were put together in a rush and did not prove popular with users, or the IT behind them is still from the 1990s. Corporations have founded incubators and CEOs have exchanged hand-sewn leather shoes for sneakers; but despite actionism and aesthetic changes, disillusionment usually came quickly. Internal critics felt vindicated; innovations were often only expensive test balloons that quickly fell under the wheels of the existing culture or were not accepted by customers. Although digital agencies report a gold-digger mood, they often report in parallel that customers want to become digital as soon as possible but have no idea how and above all about what neds to be changed. And even in those companies that are well on their way, vast amounts of valuable energy are being wasted, because the need for innovation and the speed of implementation are perceived so differently internally.

However, there are also many excellent examples. What is needed first of all is a strong vision: what meaningful contribution does the company want to make for its customers and society? And from there, a strategy and appropriate steps can be developed. The future belongs to digital ecosystems that provide customers with a positive (service) experience. The possibilities offered by IoT-based services are a wide, still largely unexploited field.

Anyone equipping their existing products and processes with IoT, or their sales department with iPads, is far too short sighted. They will soon be overtaken by entrepreneurs who are close to their customers and will take the leap to develop themselves and their company into new ecosystems.

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Digitalization requires creativity and courage

Fears and the resulting resistance are the biggest obstacles on the road to great change, especially digitalization. Even the best innovations fail because of managers' fears, ego and lack of technical know-how. And they are not even aware of this. Yet this is the only way to explain why, according to current surveys, 80% of corporate leaders consider digitalization to be inevitable, but only 5% have a concrete plan for it.
In order to remain competitive, business leaders need the creativity and courage to rethink their company and their products from scratch and to turn products and traditional distribution channels into completely new digital ecosystems.

But middle management can also be a strong brake on innovation if its own status or even its position in these digital ecosystems is suddenly endangered, or if essential knowledge and know-how is lacking. And how can those employees who find themselves in a new "world", often still without appropriate digital skills and abilities, deal effectively with massive change? If any, a handful of fancy workshops with colorful post-it's may take place, accompanying the changes on a cultural level, but these are only supplementary actions, which have minimal benefit.

Psychology, people's conscious and unconscious experience and behaviour, is probably the No. 1 factor that promotes, hinders or even prevents internal processes, necessary management initiatives and even digitalization from coming to fruition.

What people need today is courage. There are no ready-made trails; paths must be found and levelled while we walk on them. **To find this courage, to think anew and to let go of the past, requires a personal transformation of thinking and acting, starting with top management, through to executives and all individual employees.**

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Impulse

Successfully into the digital future

This short speech is about the three core human challenges of digitalization:

1. How can decision-makers develop courage and creativity and overcome their own fears and resistance, in order to develop a vision with emotional appeal and, on this basis, digital ecosystems?

2. How can (all) managers and employees become (even more) enthusiastic about digitalization, and discover within themselves the courage and desire for change?

3. How can the differently perceived need for change and the resulting speeds of management, IT, production, sales and marketing be synchronized?

Only when these questions have been meaningfully answered and when decision-makers have transformed themselves personally, and thus changed the (management) culture of the company, can classic success drivers, such as strategies, structures and processes, be meaningfully designed and successfully implemented.

"There is much talk about digital transformation, i.e. doing things differently, but in fact managers are mainly busy undertaking activities using tried and tested practices, simply for activity's sake and hereby carrying out a digital transaction. Yet transformation requires a greater awareness of one's perceptions and actions in order to be able to adapt them to new requirements and thus really break new ground. The realization that only cultural transformation makes digital transformation possible is only slowly filtering through to top management."

Beate Junginger

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Beate Junginger

is founder and managing partner of aergon
inside-out leadership-transformation Munich.

Beate and her team support managers, teams and organizations from DAX corporations and medium-sized and start-up companies, with the definition and implementation of holistic transformation processes and executive coaching throughout Europe, North America and Asia. Their aim is to form sustainable communities of meaning and trust and thereby increase entrepreneurial success.

In her book <u>Gesunde Psyche – Gesundes Immunsystem</u> (Healthy Psyche – Healthy Immune System) (Knaur/MensSana), Beate discusses the interdependencies between psyche, behavior and health in relation to burnout. Since her book was published, she has appeared as a coaching expert on various German television magazines as well as on the leading TV channels ZDF and ProSieben.

Beate has extensive experience with the transformation challenges of digitalization and has accompanied several digital transformation processes. She is a certified Scrum Master and conducts culture surveys in teams and companies in cooperation with the Barrett Values Centre.

Also recently, <u>dlead – Führen in digitalen Zeiten</u> (Leadership in Digital Times) has been published and focuses on the challenges of digital transformation for executives.

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Credentials

"Intervention in existing products, processes and teams does not happen intuitively, and past experience is only of limited help. Now is the time – and the chance(!) to reinvent your own corporate culture."

Alexander Gebauer
CEO Allianz Real Estate West Europe

"SPS supports companies in the digitalization of their business processes. Successful transformation requires a corporate culture that supports proactivity and digital competence."

Jörg Vollmer, CEO SPS und Member of the
Swiss Post Executive Management

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