



HOW TO

conquer the murky
path by focusing on
three key steps

DECODING DIGITAL TRANSFORMATION

THE **SIX STAGES** OF DIGITAL TRANSFORMATION

STAGE 1

Business
as usual

STAGE 2

Experimental

STAGE 3

Formalized

STAGE 4

Strategic

STAGE 5

Systematic

STAGE 6

Integrated

The six stages of digital transformation range from doing nothing (business as usual) to being fully integrated into an organization that eats, drinks and sleeps transformation.

The answers you provided, tell us if you're in the early stages or close to total transformation.

(Did you miss our quiz? Take it to find out how you score.)

JUST STARTING ON YOUR JOURNEY

If you're in the early stages of digital transformation, it means you're either your leadership and teams do not see a need to change so everything is operating business as usual.

Or, you're in the second stage where isolated teams are experimenting with some new technologies designed to fix a single or specific painpoint they encounter.

Ideally, we all want to get to the last stage: Integrated. That's when digital has transformed the DNA of your organization. It is no longer a project. It's a mindset on how you approach everything.

To get started on your journey and move from stage 1 and stage 2, you need to address strategy, execution and technology.

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Breaking transformation down

Digital transformation can seem like a buzzword wrapped inside a project that's too expensive, too vague and too time-consuming.

But it doesn't have to be.

Digital transformation can be translated into tangible, achievable steps that will help your organization connect, transform and grow.

CHARTING YOUR JOURNEY

Digital transformation, just like any other journey, has specific stages that we all go through as we evolve.

No matter where you are on your journey, there are three critical elements of digital transformation:

1. STRATEGY

2. EXECUTION

3. TECHNOLOGY

And technology is intentionally listed last. More than 70% of all transformation projects fail due to people — not the technology.





Earnings growth for digital leaders is **1.8 TIMES HIGHER** than their less mature counterparts.



STRATEGY

STOP THINKING ABOUT DIGITAL STRATEGY AS SOMETHING SEPARATE FROM YOUR BUSINESS STRATEGY.

The two are now completely intertwined.

Identify your organization's top goals and use those goals to drive your digital strategy.

- **Is your goal to increase employee retention?** Strong tech ecosystems can often help improve retention by creating a better employee experience, reducing routine tasks or delivering digital learning opportunities.
- **Do you want to beat your competitors' delivery time and costs?** An ERP can support that.
- **Do you want to increase sales by turning new customers into loyal ones?** A CRM can deliver personalized experiences driven by buyer intent data.

- **Do you need to move your records online and ensure you can protect them from hackers?** The right cloud-based system and cyber team can achieve that and neutralize threats.

The more specific a goal is, the better you can source a solution. "Make customers happy" isn't clear enough to achieve. Instead, consider defining what goal their happiness would achieve for you.

While digital can't achieve every goal, it can open doors to growth more than most realize.

Entwining it with business strategy can also help you overcome one chief hurdle in digital transformation: getting C-suite support. Ensuring the transformation will help achieve their business goals will help reduce that resistance.

EXECUTION

A hand in a dark suit sleeve is pointing at a tablet screen. The screen is illuminated with a blue light, and the word "EXECUTION" is overlaid in large, bold, white capital letters across the center of the image. The background is dark with some blurred blue and orange lights.

No one is excited when they encounter a 404 error. Or when they have to input data for a second time because a program ate it. That's why, after strategy, you should focus on **BUILDING YOUR EXECUTION** around people and processes.

This can be the longest and most arduous part of digital transformation, but it's where the biggest payoff is.

A person is standing in a server room aisle, looking at a server rack. The room is dimly lit with blue and red lights from the server racks. The person is silhouetted against the light from the aisle.

**DIGITAL TRANSFORMATION
IS MORE ABOUT PEOPLE
AND PROCESS THAN A
TECHNOLOGY STACK.**

PEOPLE



If internal and external clients aren't at the core of your execution, then you could end up with some great technology that no one is using. B2B customers and employees are demanding a more seamless user experience that accomplishes tasks with no bumps, no misdirects and no dozens of clicks.

That's why you need to use human-centered design thinking in developing and deploying tech solutions.

Digital transformation reimagines every process with the customer in mind. What pain points can you eliminate? How can you make their lives better? How will the technology be used? What's the experience on mobile? Is it fast enough? Is it easy to execute?

1. Internal customers

Getting buy-in from your team is invaluable when it comes to transformation.

To start, involve employees in the decision. Pull them together on a team, send out surveys or conduct interviews. Find out what eats most of their time. What repetitive tasks can you take off their plate? What new skills do they need? What processes need to change? Those closest to processes and clients should be at the heart of your decisions.

Design a digital transformation plan with tangible steps and timelines to meet each goal — plus a strong communications plan to share it all.

Don't forget to explain the why and how to allay fears and reduce confusion. Be clear on the scope of the project and establish a communications schedule (and stick with it).

2. External customers

To help you make real, lasting decisions about the future of your digital experience, you need to get into the minds of your customers and understand what makes them tick. And to do that, start developing user personas. Gather as much real information about your clients — or the ones you want to capture — as you can.

You'll also need to map the entire journey for your ideal client. Do you know how your customers find you? How they need to talk to you? What device they are using? Where they are using it? What information they need to make a decision?

Test your theories on focus groups. Gather feedback. Record reactions. Revise your plans. The more you prioritize their needs, the better their user experience will be.

And remember to review your research and technology periodically. What works for a customer today might not work tomorrow.



Successful digital transformations are
3.1x likely to employ **EFFECTIVE CHANGE MANAGEMENT**
than unsuccessful ones.




PROCESS

The design-thinking, customer-centric approach does not affect just your company's sales and marketing division. If done truly well, digital transformation reboots your business model in every aspect — from accounting to supply chain, procurement and beyond.

Explore in depth how the change will impact your processes. How will you define and measure success?

What repetitive, manual and boring tasks will be cut? What new roles can you upskill people to? What vendors can you eliminate? What supplies can you cut? What new teams do you need? Do reporting structures, benefits or pay need to change?





TECHNOLOGY

What you might think is the first step is really the last one.

Once you know what you want to achieve and have laid the foundation with your people, it's time to find the right technology.

There are plenty of worthy and high-performing technologies out there. But not all of them might further your organization's digital transformation goals.



CHANGE IS THE ONE CONSTANT in the business landscape today.

Digital transformation **HELPS YOU NAVIGATE** it.

HERE IS HOW TO CHOOSE TECHNOLOGY WISELY:

Work backward

Start with your strategy and work backward. Are you looking to understand how your customer researches and buys your product? A 360-degree customer data platform might help. Are you looking for predictive maintenance of manufacturing floor assets? IoT technology might be the ticket.

Inventory your tech

One of the biggest challenges companies wrestle with is in balancing legacy equipment with new shiny technology, so you should conduct an inventory of all your assets to determine what your strengths (and weaknesses) are. Ask yourself, how old is the tech? How often does it need repairs or updates? Why is it not meeting your strategy?

Get agreement on needs

Meet with all stakeholders to start building a list of what's critical, what's nice to have and what's not important. The upside of pulling together cross-functional teams is that you get a lot of input and ideas. The downside is that each brings their own perspective of what's critical. Getting the entire team on the same page now will save you a lot of heartache later.

Explore integrations

Modern technologies function in an ecosystem. They will not be successful if siloed. For example, to play with artificial intelligence (AI), you need data analytics. Make sure you look at your entire picture to ensure any new tech will work with your overall stack.

Recruit external help

Recruit independent external experts and shop around for solutions that work for you and your organization's digital transformation goals. They know the latest systems and how to use them. They have experience with products created by different companies. And, most importantly, you can take advantage of what they've learned on other projects to avoid wrinkles with yours.

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CONTINUE YOUR JOURNEY

Read the other two books
on our digital transformation
ebook series.



Is your transformation stuck?

Move from isolated projects and disconnected priorities to a formalized and strategic digital transformation with cross-departmental teams.

[DOWNLOAD](#)



Digital. Transformed.

Ready for be an agile, innovative and transformative organization? See how successfully navigate the final two stages of digital transformation.

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LET'S TAKE ON WHAT'S NEXT TOGETHER

OUR TEAM IS READY TO HELP YOU
EMBRACE THE FUTURE.

CONTACT US AT
DIGITALDONE@WIPFLI.COM

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**CAN YOUR DIGITAL
DO MORE?**

WE THINK SO.

**SEE HOW OUR
TEAM DELIVERS
THE DIGITAL
SOLUTIONS YOU
NEED AT DIGITAL.
WIPFLI.COM**

Custom software and apps

Custom software is more than unique code. We build hyper-tailored solutions that create new experiences.

Digital strategy

Our team goes beyond software selection to help you move the needle on your digital dial.

Data and analytics

Harness the power of data to modernize your operations and grow efficiently.

Enterprise solutions

Our CRM and ERP specialists can help you optimize speed, flexibility and resilience.

E-commerce

We can power e-commerce storefronts with integrated systems and modern processes.

Managed services

Outsource your IT challenges and let us support you with the right solution.

Cybersecurity

From the right tools and testing to full cyber strategy, we can help protect you.

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