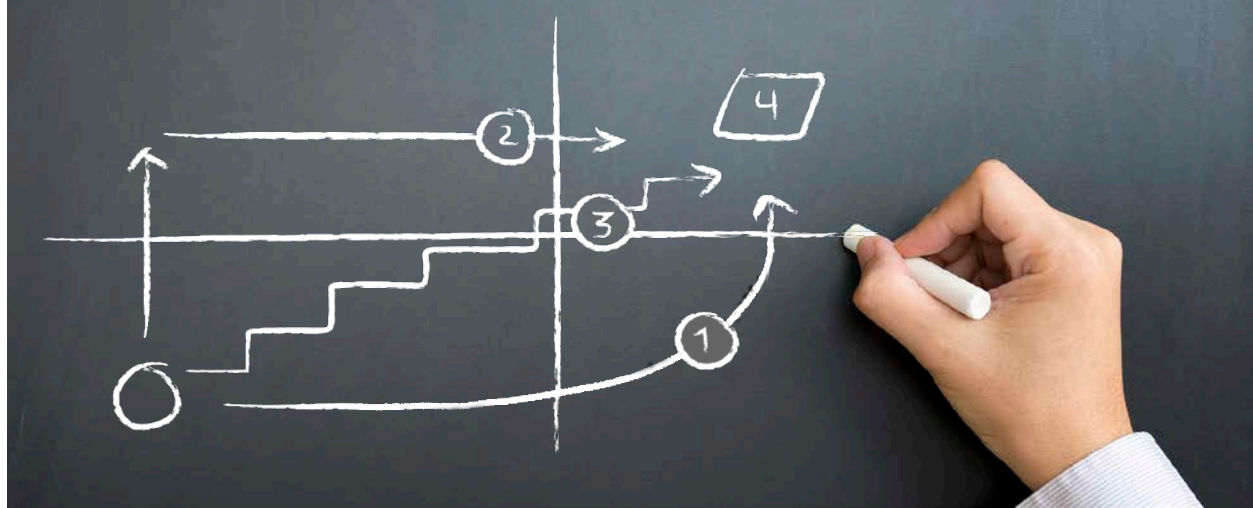




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This research was made possible by the support of MIT CISR sponsors and patrons.



LTI@MIT CISR: Effectively Delivering on Digital Transformation

Future Ready: Four Pathways to Digital Transformation

Friday, November 3, 2017 | MIT, Cambridge, MA

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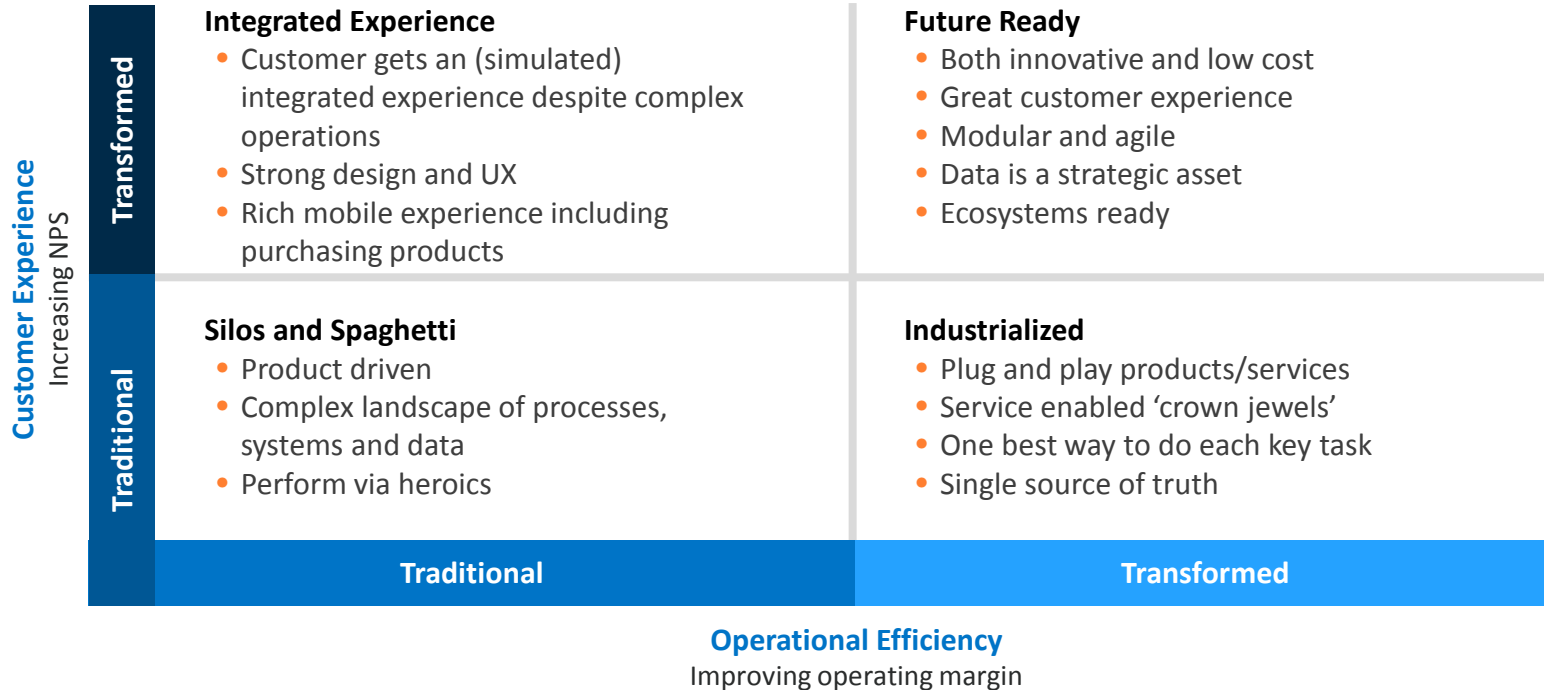
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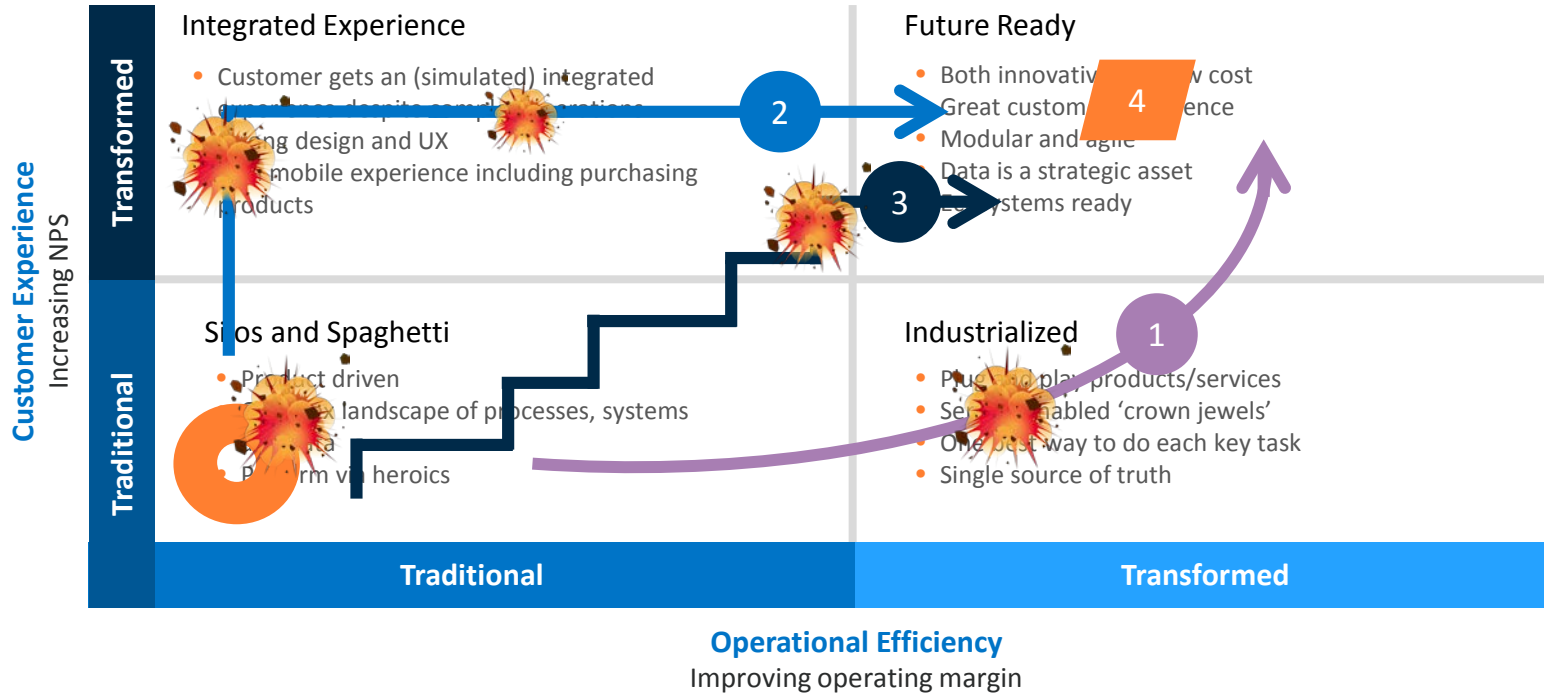
- What Types of Digital Business Transformations Require Organizational Surgery?
- AutoData 2.0: Answering Hard Questions About Your Customers Using Your Own Data and Comparables
- What Are the Different Types of Digital Ecosystem Drivers... and How to Get There
- Cognitive Computing: Developing the Human/Machine Partnership
- Designing Digital Organizations for Integration, Innovation, and Agility
- Exploring Blockchain
- Data Wrapping: How Companies Effectively Use Data to Create Competitive Products and Services
- Re-thinking Talent Management for Digital
- Orchestrating the Digital Workplace for Business Value
- Getting Digital Innovation Right

What is digital business transformation?



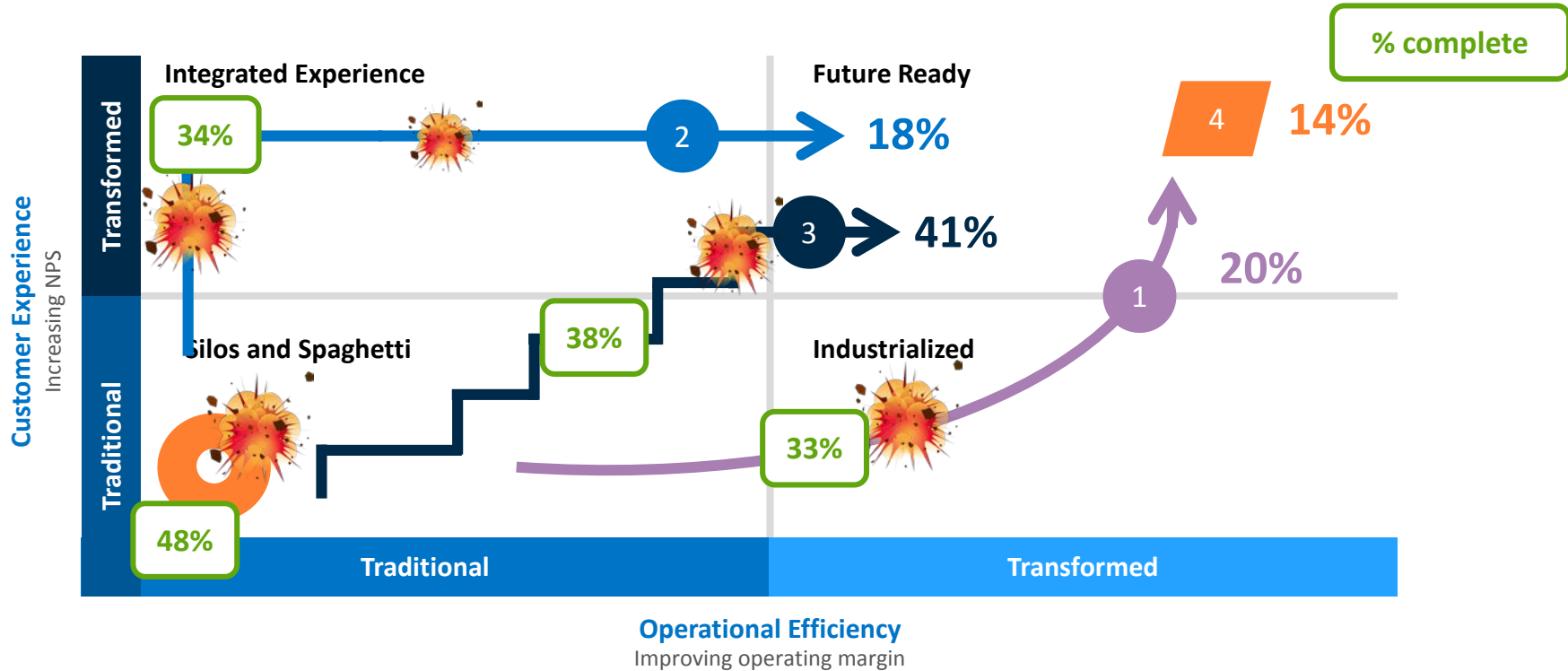
Source: MIT CISR 2015 CIO Digital Disruption Survey (N=413 and 2016 interviews) and 2016 company interviews. Customer Experience=effectiveness on customer knowledge+omnichannel capability+customer experience projects+customer experience performance. Operational Efficiency=effectiveness on automation and employee productivity projects+% of core capabilities with APIs+cost of operations performance. Quadrants are splits at 2/3 along each axis.

The four pathways to Future Ready



The lines are the transformation pathways. Explosions are major changes in decision rights and organizational surgery. Quadrants are splits at 2/3 along each axis. Customer Experience= effectiveness on customer knowledge+ omnichannel capability+customer experience projects+customer experience performance. Operational Efficiency =effectiveness on automation and employee productivity projects+% of core capabilities with APIs+cost of operations performance. Sources: Quadrants are derived from data from MIT CISR 2015 CIO Digital Disruption Survey (N=413) and 2016 company interviews.

The four pathways to Future Ready



The lines are the transformation pathways. 5% of firms have not yet started and 2% are not transforming

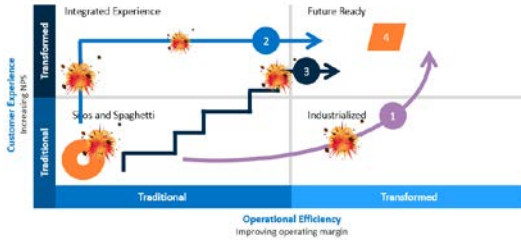
Source of quadrants: MIT CISR 2015 CIO Digital Disruption Survey (N=413) and over fifty conversations with executives in 2016 about their goals for digital business transformation.

Source of transformation pathways (lines): MIT CISR 2017 Digital Pathways Survey (N=400). Explosions represent significant organizational disruption such as changes in decision rights.

Discussion questions



The four pathways to Future Ready



Which pathway(s) are you on and what percent of your transformation is complete?

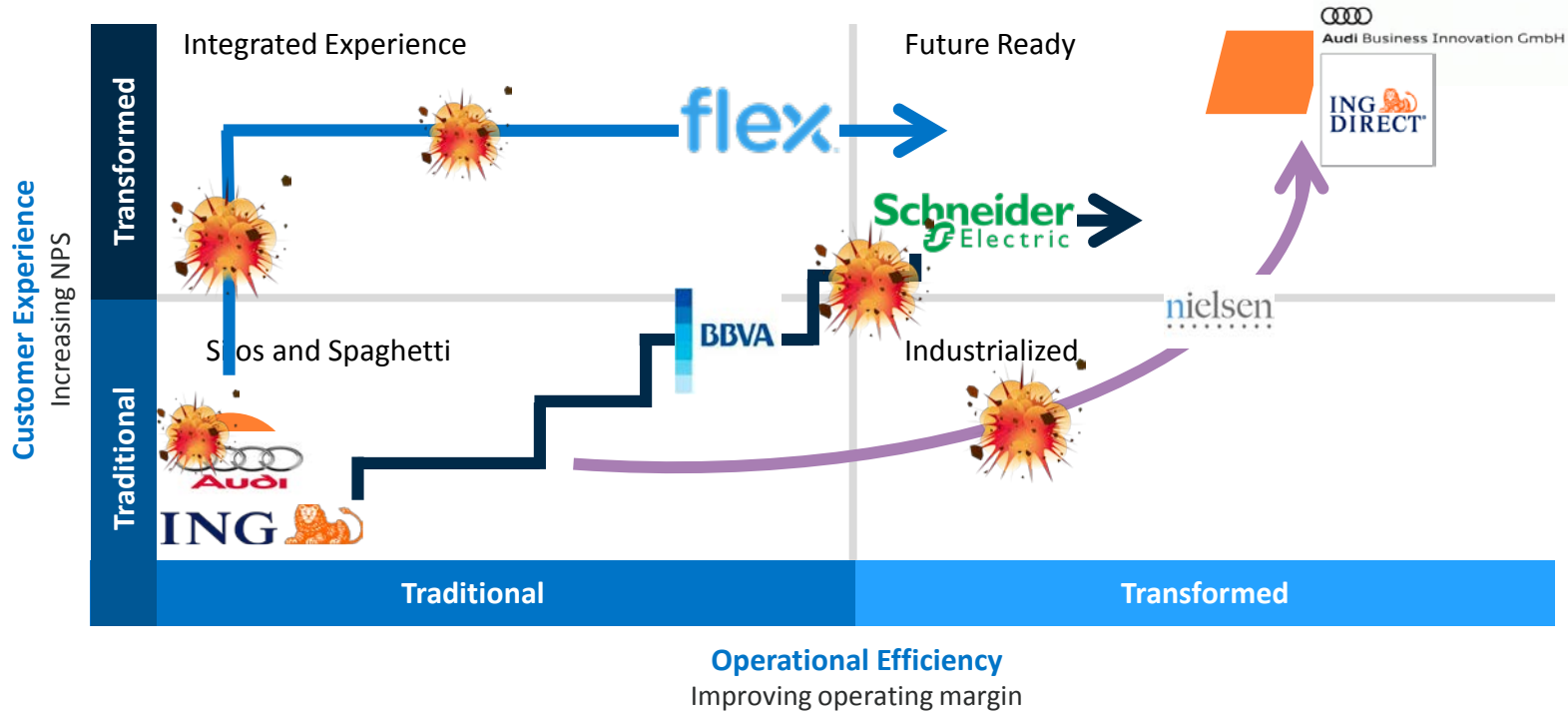


What is the key lesson you have learnt?



Please prepare a one-sentence summary to share.

The four pathways to Future Ready















The lines are the transformation pathways. Companies are MIT CISR researcher estimates.

Source: MIT CISR 2015 & 2017 CIO Digital Disruption Survey (N=800) and 2016/7 company interviews. Customer Experience= effectiveness on customer knowledge+ omnichannel capability+customer experience projects+customer experience performance. Operational Efficiency =effectiveness on automation and employee productivity projects+% of core capabilities with APIs+cost of operations performance. Quadrants are splits at splits at 2/3 along each axis.

All pathways pay off

Average margin 66% higher
and growth 84% higher
comparing firms above and
below 50% complete on
transformation

Pathway	Margin	Growth
		
		
		
		

Source: MIT CISR 2017 Pathways to Digital Business Transformation survey (n=400).

Circles represent average performance change relative to competitors above and below 50% complete. Full circle = margin (growth) = 12.7 (15.9) percentage points improvement.