

Soft Skills Top Technology in Driving Digital Transformation

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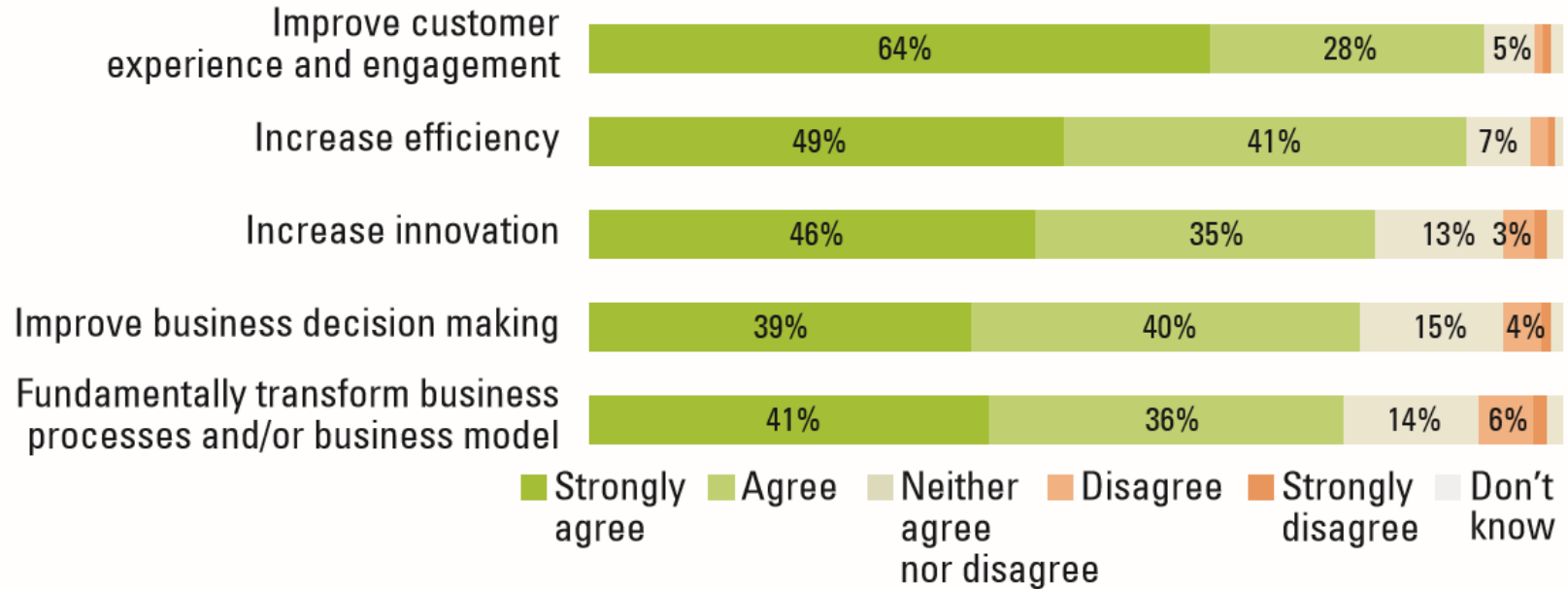
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● The path I'm going to follow during this webinar. . .

- ◆ **What's driving the digital revolution?**
 - * Desired digital outcomes (keep your eye on the prize)
- ◆ **What are the obstacles we can do something about?**
 - * Barriers keeping organizations from taking advantage of digital trends
- ◆ **What do we mean by digital trends?**
 - * Digital trends today
- ◆ **How can we address some of these barriers?**
 - * We'll look at some real, practical solutions

Typical Strategies Driving Digital Transformation

To what extent do you agree that the following are objective(s) of your organization's digital strategy?



● Five Key “Soft Skill Enablers” Drive Digital Transformation

- ◆ Strategic Alignment
- ◆ Cultural Competencies
- ◆ Leadership Traits
- ◆ Targeted Training
- ◆ Recruiting for Digital Skills



Demographics of the MIT-Sloan / Deloitte Study

Which best describes your organization's primary industry?





Implications of the Digital Revolution

- ◆ Strategic alignment – driving technology in the areas indicated below
- ◆ Leadership & management development
- ◆ Cultural activities – risk-taking, rapid experimentation
- ◆ Recruiting and/ or training – digital competence

Digital Strategists

Digital Finance Managers

Chief Digital Officers

Digital Engagement Mgrs.

Digital Marketing Mgrs.

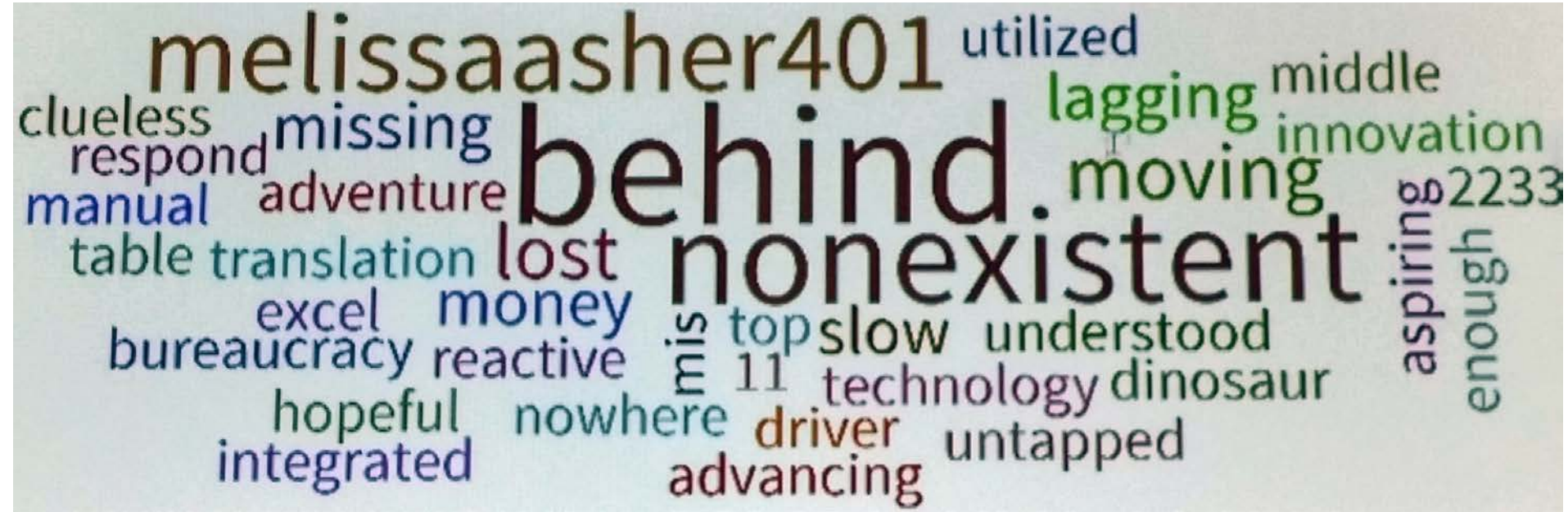
Digital Supply Chain Mgrs.

● How Ready Are We? How Ready is Your Agency?

- ◆ “Nearly **90%** of respondents to a 2015 global survey of managers and executives anticipate that their industries will be disrupted by digital trends to a great or moderate extent.”
- ◆ “...but only **44%** say their organizations are adequately preparing for the disruption to come.”

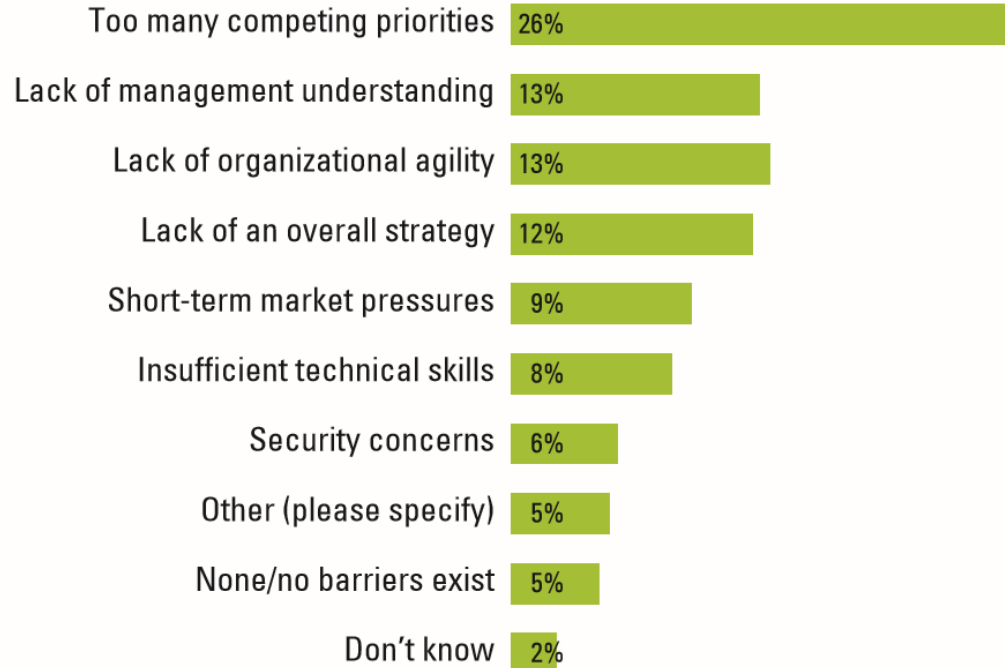
● Results of a CPS Client Poll – February 2017

In one word, where is HR in the Technology Conversation?



Identified Barriers from MIT-Sloan / Deloitte Study

10. What is the biggest barrier impeding your organization from taking advantage of digital trends? (Please select one.)



Identified Barriers from MIT-Sloan / Deloitte Study

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Barriers to Digital Success

- Strategy Issue
- Leadership Issue
- Cultural Issue
- Recruiting Issue
- Training Issue



This is a company with too much money! ;-)



Developing Digital Capabilities

- ◆ “Soft Skills Trump Technology in Driving Digital Transformation”
- ◆ The soft skills area we’re discussing are:
 - * Strengthening culture – in specific ways
 - * Developing talent – in specific ways
 - * Choosing & developing leaders – specific attributes
 - * Training Staff – in specific ways
 - * Recruiting – to augment and obtain as needed

However...We Have These Constraints

- ◆ Lack of resources
- ◆ Lack of talent
- ◆ The pull of other priorities
- ◆ The “pink elephant”

Why Talk About Constraints?

- ◆ Leaves executives to manage digital initiatives in one of two ways:
 - * Projects, or
 - * Limited to activities within a given division, function, or channel.

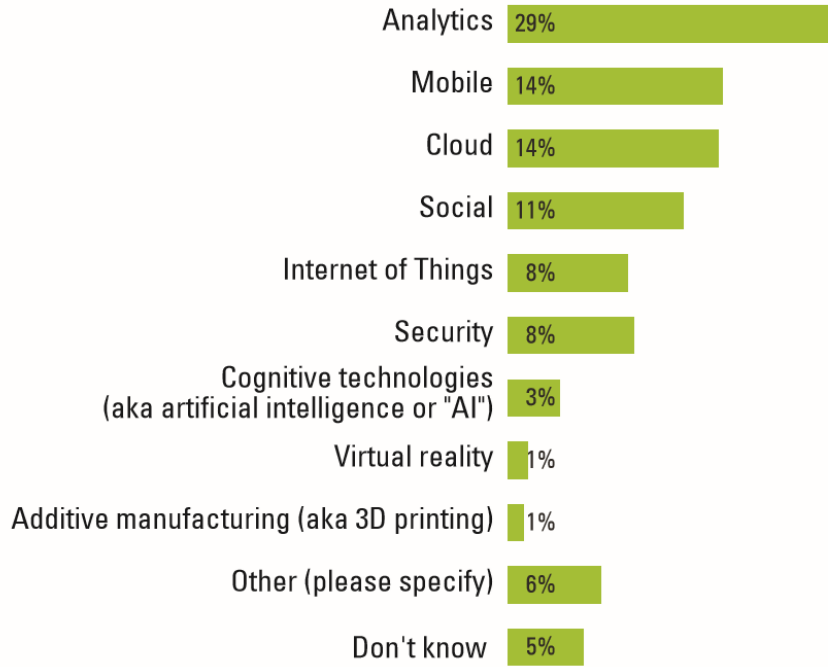
So ... What's the Solution?

- ◆ Some companies are transcending these constraints
- ◆ Achieving digital capabilities that cut across the organization
- ◆ Nearly 90% of digitally maturing organizations are integrating their digital strategy with the company's overall strategy.

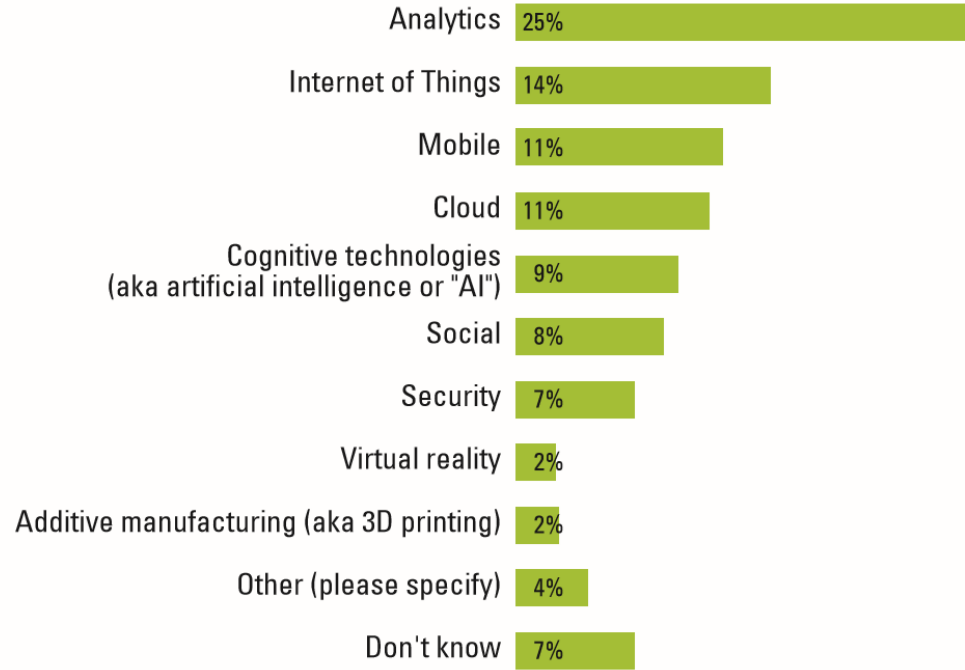
“Strategy, not technology drives Digital Transformation”

Examples of Digital Technology

Which specific technology is the most important to your organization this year?



Which of the following specific technologies will be the most important to your organization in the next 3 to 5 years?



Quick “Birdwalk” Regarding IoT (Internet of Things)

- ◆ Evolution is desktop → mobile phones → any device can be internet-enabled (IoT) and thus makes it smart
- ◆ Early govt. activity has centered around smart cities to improve citizen services (smart parking)
- ◆ “Big Belly Solar” in NYC (smart waste)
- ◆ DOD uses RFID chips to monitor its supply chains
- ◆ GSA uses sensors to measure and verify the energy efficiency of “green” buildings.

More Futuristic ... Regarding IoT (Internet of Things)

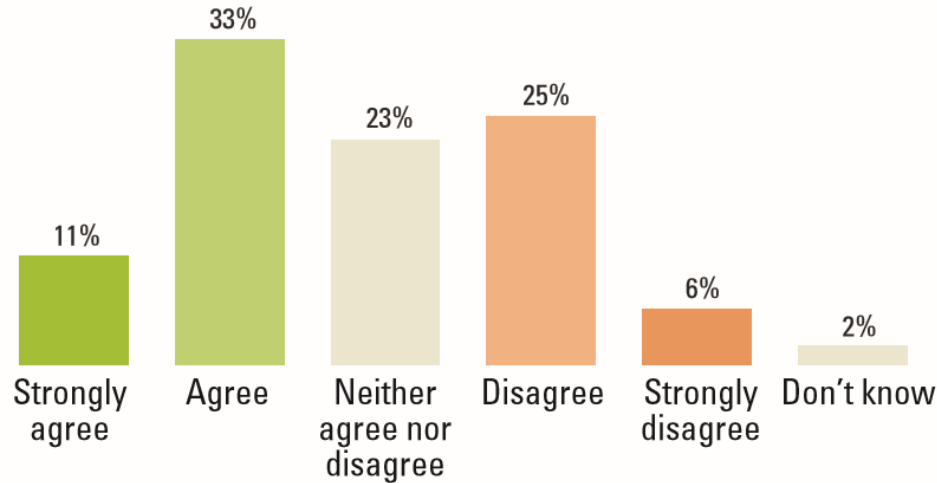
- ◆ American students average 1025 of classroom time with more than 300 hours lost to interruptions
 - * transitions, distributing materials, starting / ending class
- ◆ Attendance can be logged via wearable smartbands
- ◆ A beacon might push a warm-up exercise
- ◆ Teacher could send a “haptic” vibration – similar to silent notifications on mobile devices – to a student’s wearable or tablet, redirecting their attention or behavior, in a way that limits public embarrassment or direct confrontation
- ◆ ((See any application in the public sector? ☺))

Digital Mature Organizations – a Closer Look

“Managers in these digitally maturing companies are much more likely to believe that they are adequately preparing for the industry disruptions they anticipate arising from digital trends.”

Preparing for the Digital Future

● To what extent do you agree with the following statement: **My organization is adequately preparing for disruptions projected to occur in my industry due to digital trends.**



◆ Polling Question: Expected Disruptions

The Culture Factor

- ◆ Digitally maturing organizations have organizational cultures that share common features:
 - 1). Expanded appetite for risk
 - 2). Rapid experimentation
 - 3). Heavy investment in talent, recruiting and developing leaders who excel at “soft skills.”



Strengthen Culture & Develop Talent

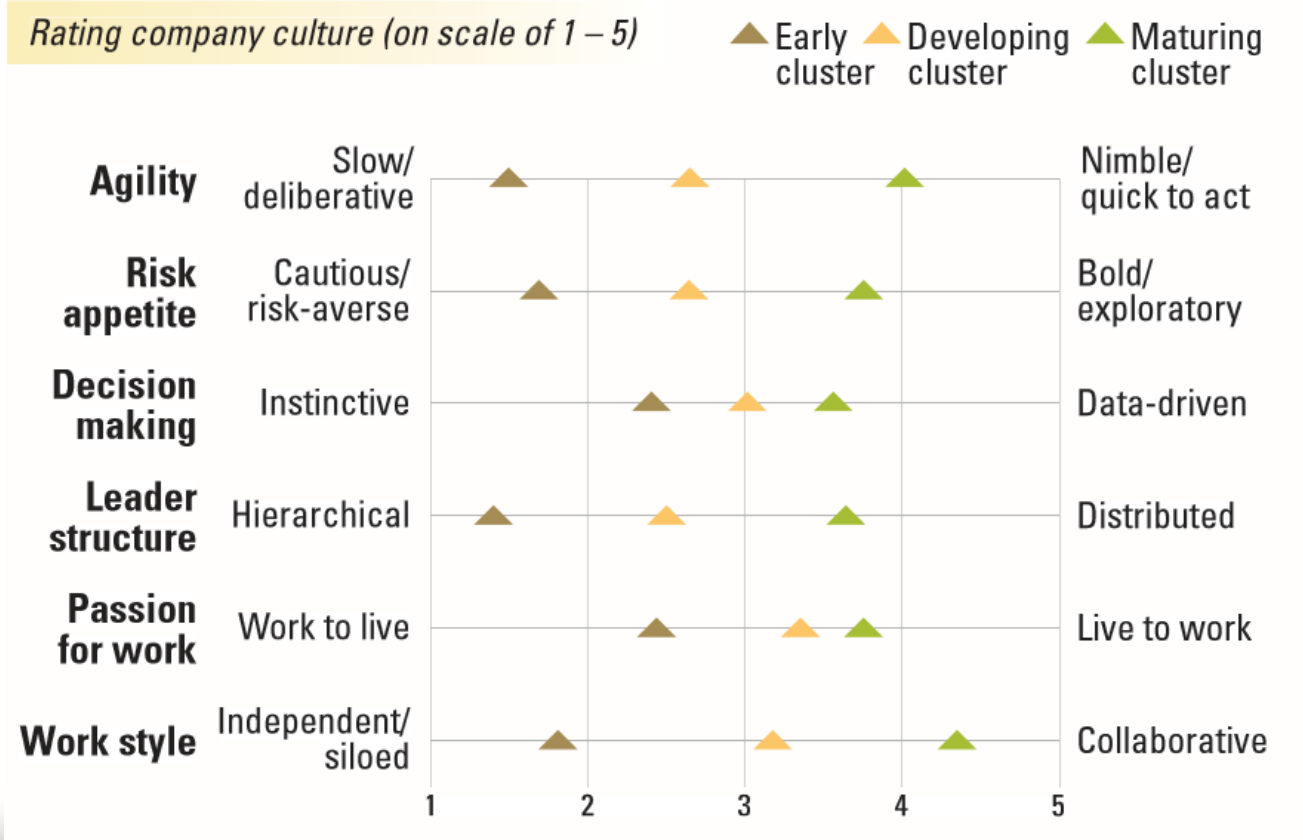
#1. Creating an effective digital culture is an intentional effort

“80% of respondents from digitally maturing companies say their companies are actively engaged in efforts to bolster risk-taking, agility, and collaboration.”

“Only 23% of companies at the early stages of digital development are doing so.”

Question: How might you bolster risk-taking, agility, and collaboration in your public sector agencies?

Digital Cultures Don't Vary as Much as Digital Strategies





Strengthen Culture & Develop Talent

#2. Senior-level talent appears more committed to digitally maturing enterprises

“Companies that give their senior VPs, VPs, and Directors the resources and opportunities to develop themselves in a digital environment are more likely to retain their talent.”

“Approximately 30% of such leaders who lack such opportunities are planning to find new jobs in less than one year.”



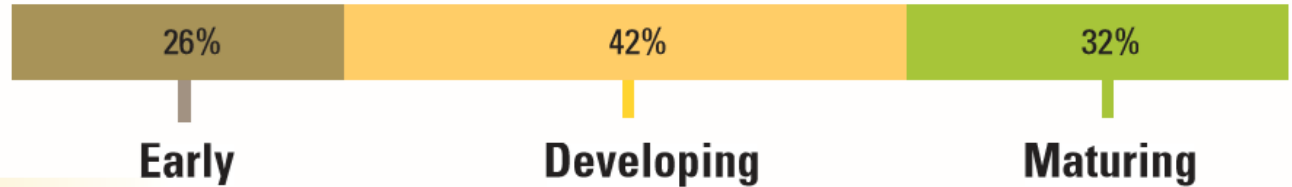
Strengthen Culture & Develop Talent

#3. Digitally maturing organizations invest in their own talent

“More than 75% of digitally maturing organizations surveyed provide their employees with resources and opportunities to develop their digital acumen, compared to only 14% of early-stage companies.”

“71% of digitally maturing companies say they are able to attract new talent based on their use of digital, while only 10% of their early-stage peers can do so.”

Developing Talent & Recruiting New Talent



How companies are primarily strengthening digital innovation capabilities

1. Hire contractors/consultants
2. Don't know
3. External relationships
4. Develop employees

1. Develop employees
2. External relationships
3. Hire contractors/consultants
4. Recruit digital employees

1. Develop employees
2. Recruit digital employees
3. External relationships
4. Recruit digital leaders



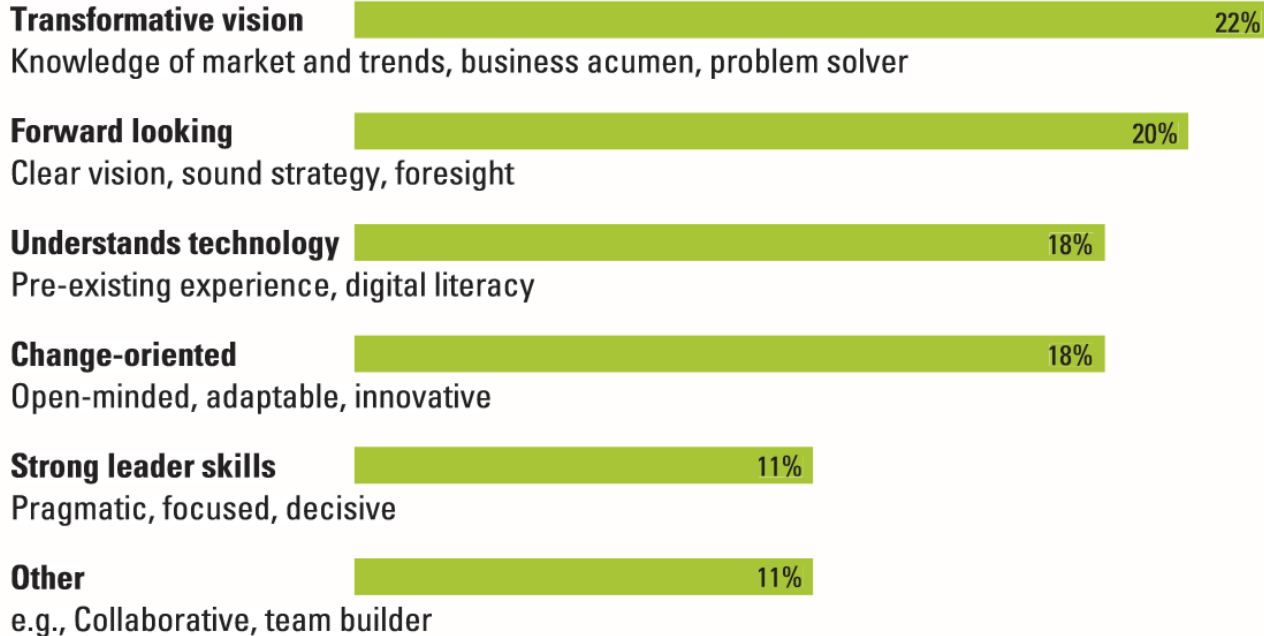
Strengthen Culture & Develop Talent

#4. Soft skills trump technology knowledge in driving digital transformation

“When asked about the most important skill for leaders to succeed in a digital environment, only 18% of respondents listed technological skills as most important.”

Soft Skills Needed by Organizational Leaders

What is the most important skill an organizational leader should have to succeed in a digital workplace?





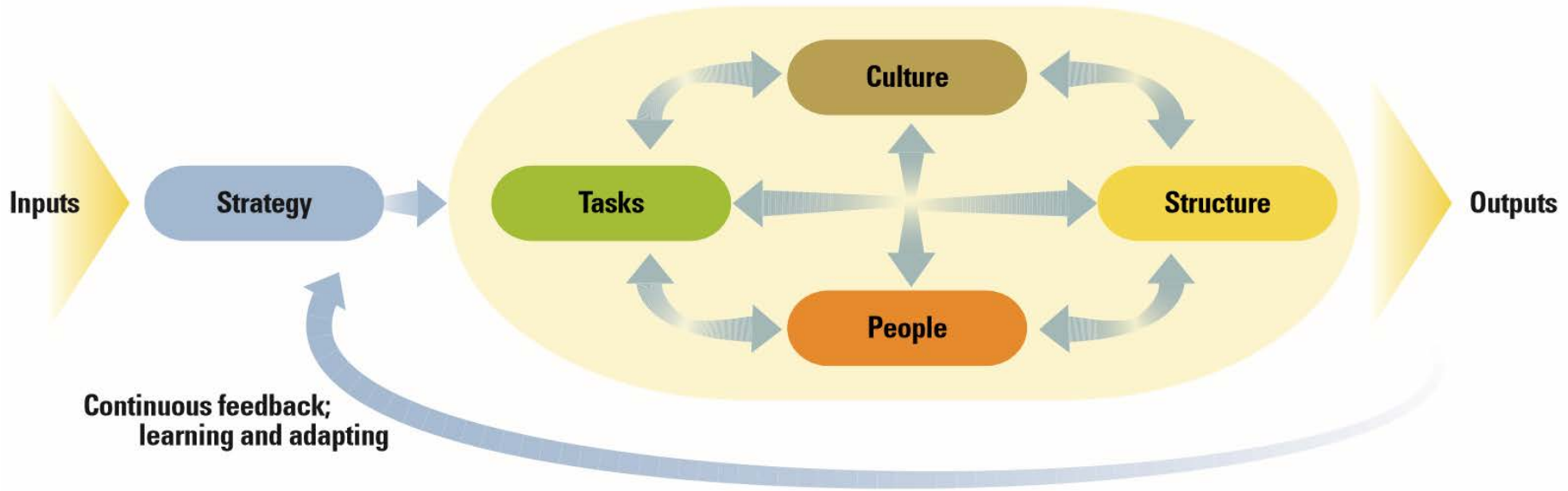
Strengthen Culture & Develop Talent

#5. Digital Congruence is the Crux

“To navigate the complexity of digital business, organizations should consider embracing what MIT Sloan calls “digital congruence:

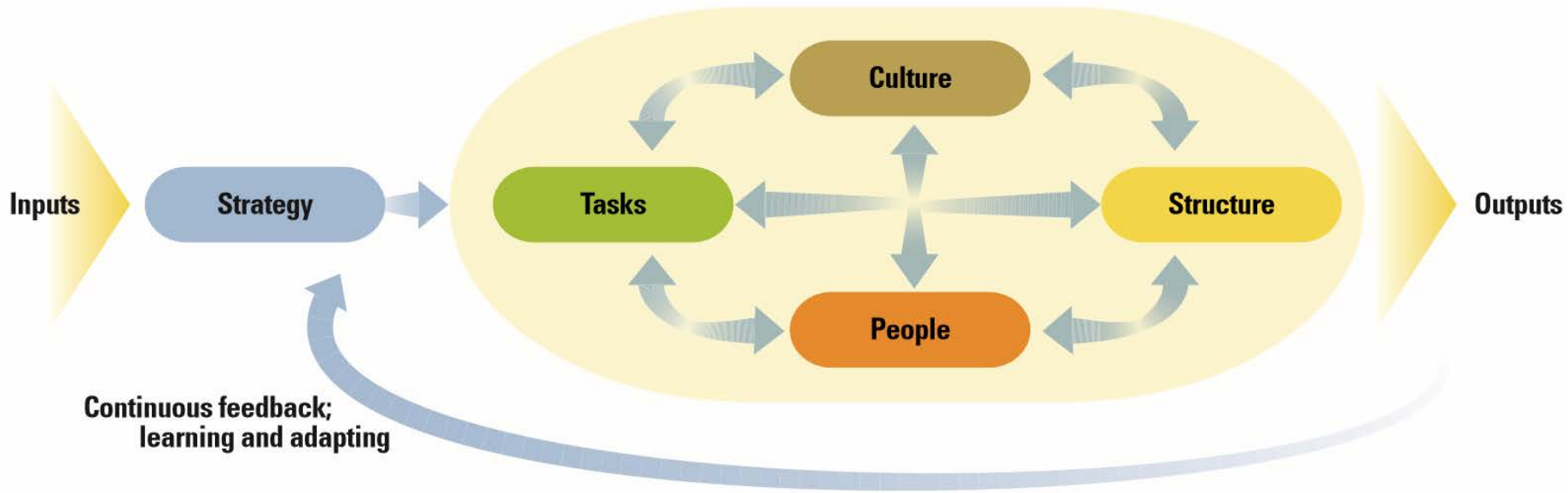
- * Culture
- * People
- * Structure
- * Tasks aligned with each other
- * Company strategy
- * Constantly changing digital landscape

Digital Transformation is not about implanting more and better technology



... it involves “digital congruence” – aligning your company’s culture, people, structure, and tasks.

- Digital Transformation is not about implanting more and better technology...it's about "digital congruence"



..... More ideas for you to consider to make this happen?



Thanks for your time and attention!

And I hope you see there's much that we can be doing in HR, in collaboration with the leaders in our organizations, in terms of:



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