

Enterprise Architecture

Grow, Transform

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Enterprise Architecture

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The Growth Mindset

Video: understanding mindset



Play Video

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Fixed mindset:
ability is static



Leads to a desire to look smart and therefore a tendency to:

Give up easily

See failures as fruitless or worse

Ignore useful negative feedback

Feel threatened by the success of others

Avoid challenges

Growth mindset:
ability can be developed



Leads to a desire to learn and therefore a tendency to:

Persist in the face of setbacks

See failures as essential to mastery

Learn from criticism

Find lessons and inspiration in the success of others

Embrace challenges with agility

How do mindsets show up in us & others?

Our mindsets can be applied to any ability and are flexible depending on context.

Fixed Mindset:
ability is static

Growth Mindset:
Ability can be developed



What is one personal example of when I exercised a fixed mindset?

I tried public speaking once, but I think I'm just not a natural. I think even if I did it more, I'd never be good at it.

What is one personal example of when I exercised a growth mindset?

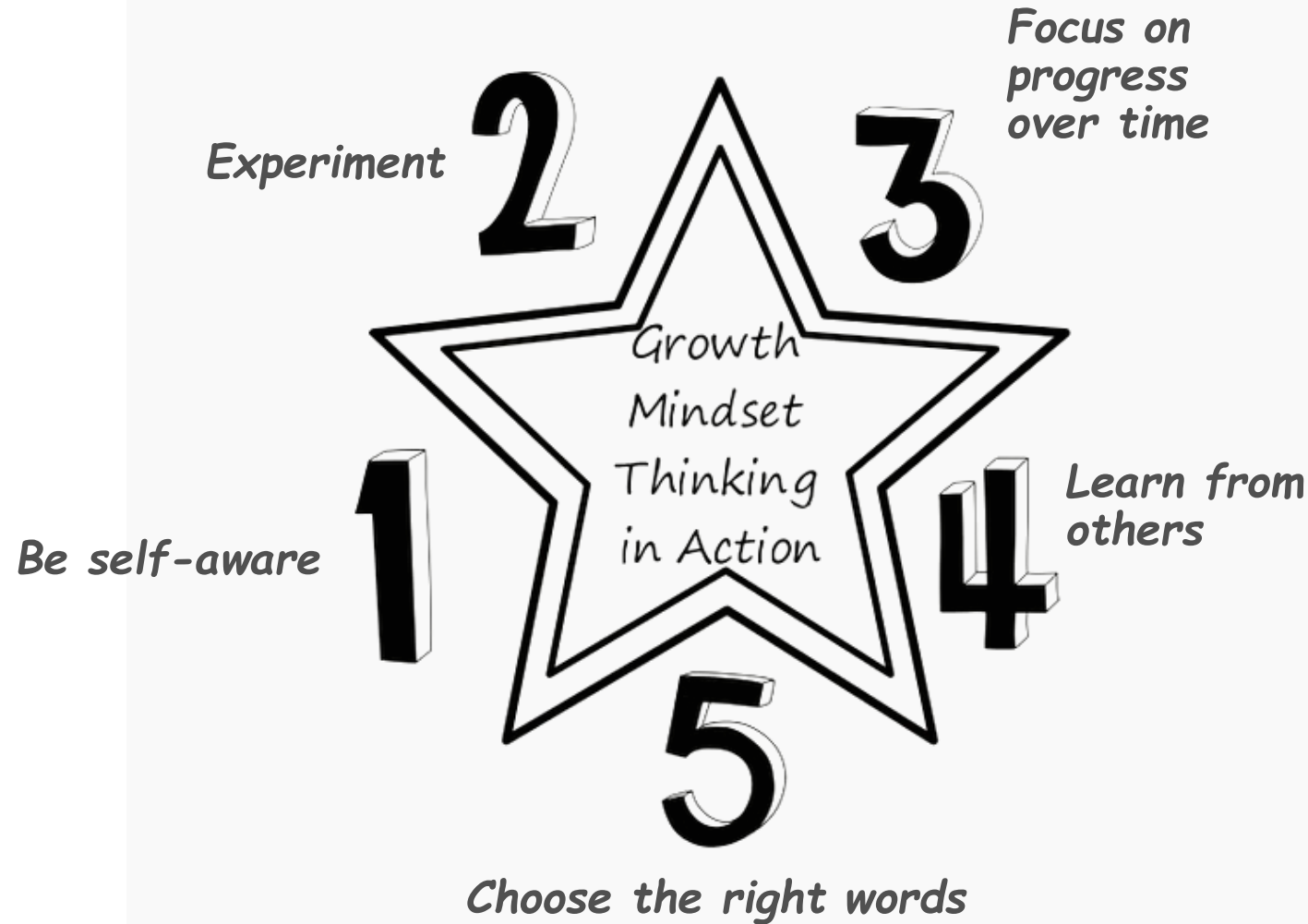
I recently started working out; what a pain, at first! I knew if I kept it up, I'd get better. Now, I'm setting bigger goals!

Video: growth mindset thinking in action



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The Digital Transformation Story

Global economies are exiting, entering or emphasizing various paradigms



The experience based economic paradigm accelerates in the Digital Era

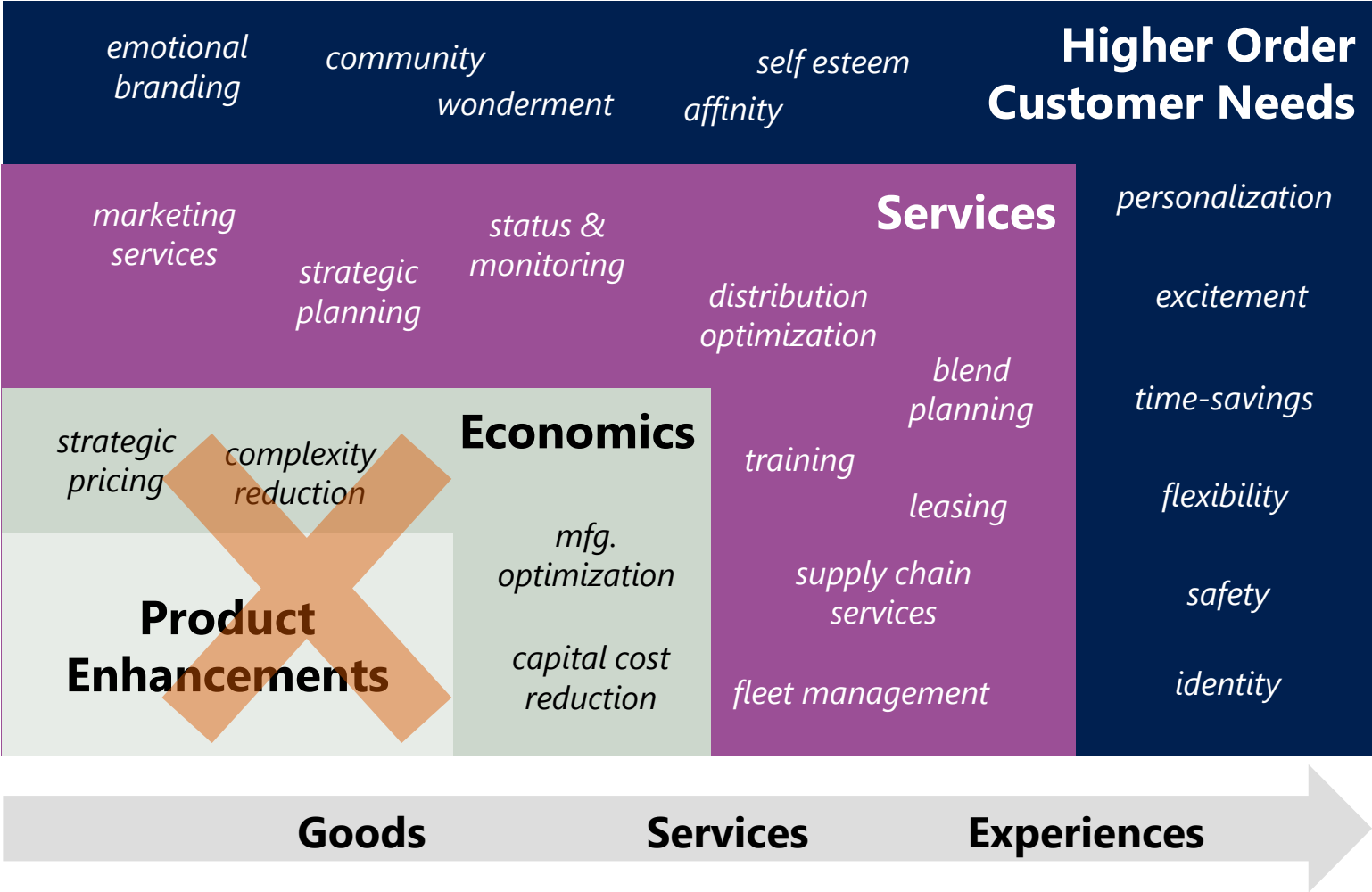
Experience Economy Growth

“Future economic growth lies in the value of experiences and transformations; goods and services are no longer enough.”

Source: Editorial Review of “The Experience Economy”

The new digital customer experience requires that companies think “outside-in” about their customers and markets. Instead of thinking about finding customers for their products and solutions, marketers need to think about finding products and solutions for their customers.

Source: Capgemini - Transform to the Power of Digital



Source: “Value Migration,” Slywotzky

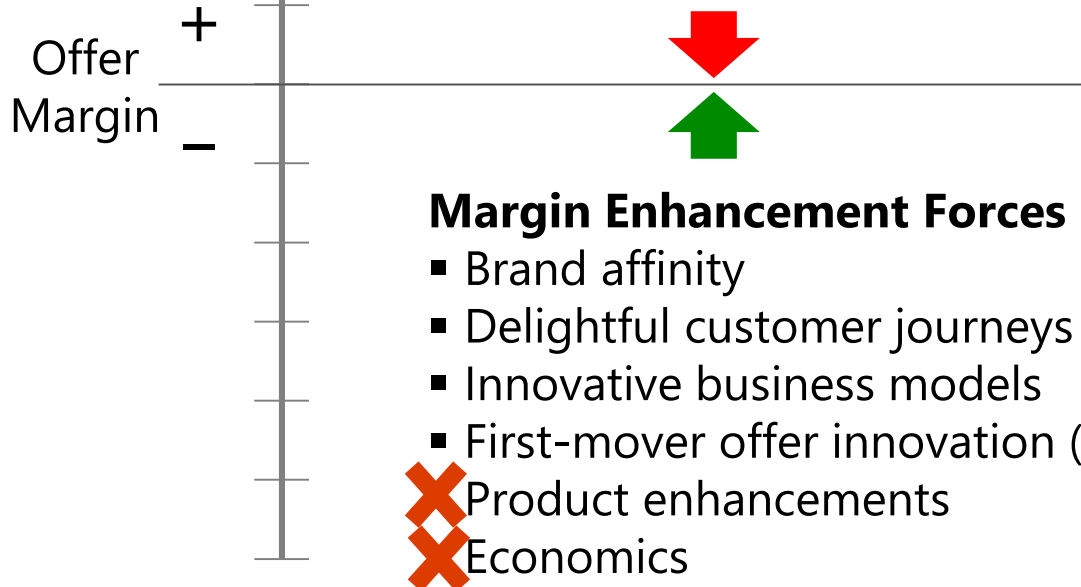
The "Experience Economy" is illustrated by the Starbucks business model



What has sparked the Digital Era?

Margin Erosion Forces

- Globalization
- Ease of market entry through digital value net connections
- Blurring industry boundaries
- Informed customers and rising expectations
- Rapid imitation, substitutes
- Unexpected competitors



Margin Enhancement Forces

- Brand affinity
- Delightful customer journeys
- Innovative business models
- First-mover offer innovation (disruption)

Root Cause: dwindling sources of competitive advantage

"Brands are increasingly the only real and enduring source of business advantage...brands must emotionally connect like never before."

Source: Oliver Wyman

"Many business and IT leaders see the customer experience as a sustainable source of competitive differentiation."

Source: Gartner, "Customer Experience Is the New Competitive Battlefield," 04 June 2015

Business leaders are retooling



- "The world has now entered a digital era that will be the biggest technology transition ever ...dwarfing what's occurred in the information era."
- "It will create \$19 trillion in economic value over the next decade...but, it will also result in tremendous disruption...you either disrupt or you get disrupted."
- "Technologies like cloud or mobility and cybersecurity and IoT are very important. That's actually the easy part. **The hard part is how do you change your organization structure...**your culture to be able to think in terms of outcomes for your customers."
- "Business models will rise and fall at a tremendous speed...it's all about speed of innovation and **changing the way you do business.**"

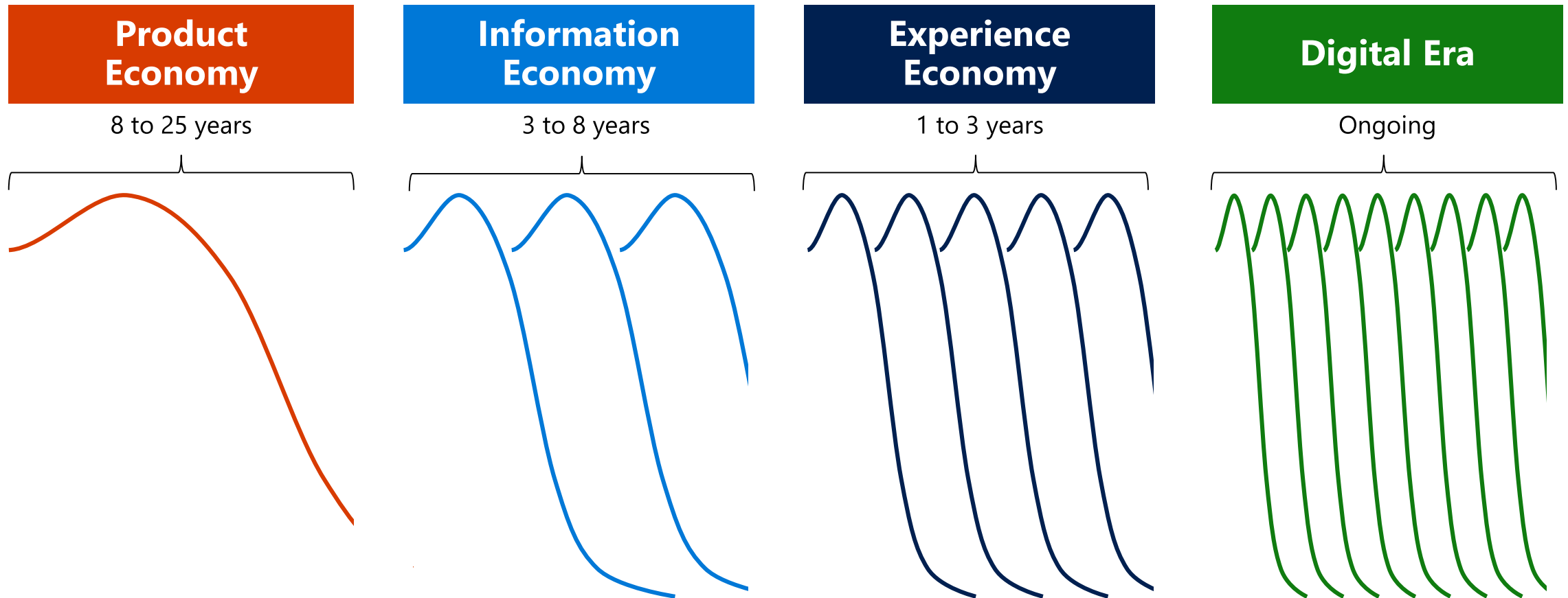


- "We can't be an industrial company anymore ...industrial companies are in the information business whether they want to be or not."
- "In the digital age, sitting down once a year to do anything is weird...**business reviews or strategic planning is much more continuous.**"
- "I thought it was all about technology. This is something I got wrong...product managers, salespeople, on-site support has to be different. **We've had to drill and change a lot about the company.**"
- "We're in a permanently complex world...we've tried to drive what we call a 'culture of simplification:' fewer layers, fewer processes, fewer decision points, democratizing information inside the company."

Global Business Leaders

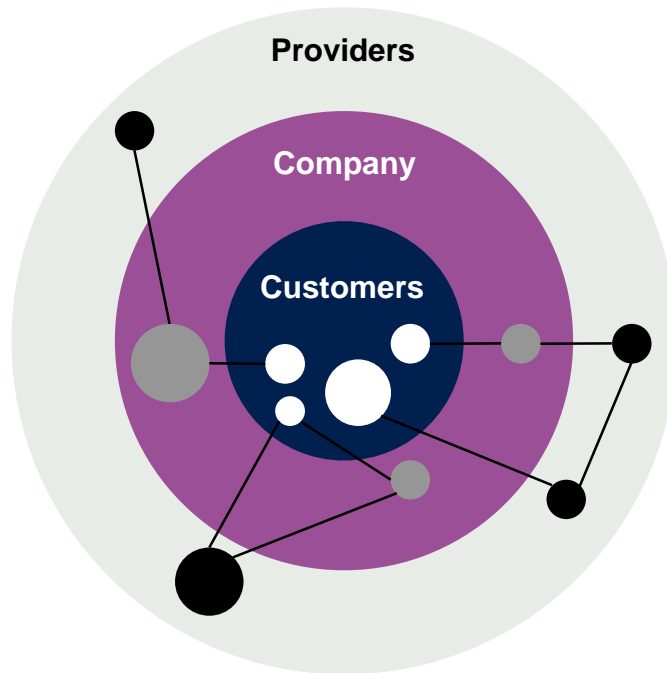
- Ironically, the Digital Era is less about technology and more about business design and a customer centric culture.
- Impact is much greater than most executives appreciate.
- Adapt or get left behind.
- Sense of urgency...the Digital Era is upon us and unfolding quickly.
- Align organization structures to the Digital Era.
- Culture still eats strategy for lunch; proper cultural mindset and adoption are crucial.

We have entered the hyper-paced “Digital Era” with ongoing business design refresh



New Value Nets are a key aspect

Increasingly, customers are entwined in
'Value Nets' of relationships



"Constituents are inter-connected circles. Boundaries are becoming more permeable. More and more business models are inter-organization. To win, companies have to be at ease with linkage with and management of outside constituents." —Stan Davis, futurist and author of *2020 Vision*, *FuturePerfect*, and *Blurh*

Source: Adam Brandenburger and Barry Nalebuff in Co-opetition, CEO magazine.

Co-opetition increasing in importance

- Co-opetition refers to the increasing collaboration among firms that have traditionally been competitors.
- *"To create value, people can't act in isolation. They have to recognize their interdependence. To create value, a business needs to align itself with customers, suppliers, employees, and many others. That's the way to develop new markets and expand existing ones."*

Adam Brandenburger and Barry Nalebuff in Co-opetition

- *"Although it's hard to get used to the idea, sometimes the best way to succeed is to let others do well, including your competitors."*
- *"Clearly the world is now too complex, changing too fast, and far too competitive for any firm to do all the functions within their business on their own."*

CEO, CSFB Direct

Business leaders agree on a set of imperatives that are key to success in the Digital Era

Ongoing Business
Strategy Refresh

Brand and
Customer Centricity

Innovation
Throughput

Organization,
Culture Alignment

High Asset
Leverage

Agility by Design

Simplicity by
Design

Value Network
Interconnections

Greater Risk
Appetite

Smarter, Faster
Business Decisions

Key sources: McKinsey CxO Digital Era interviews,
Gartner "Digital Business" research



Engage your
customers



Empower your
employees



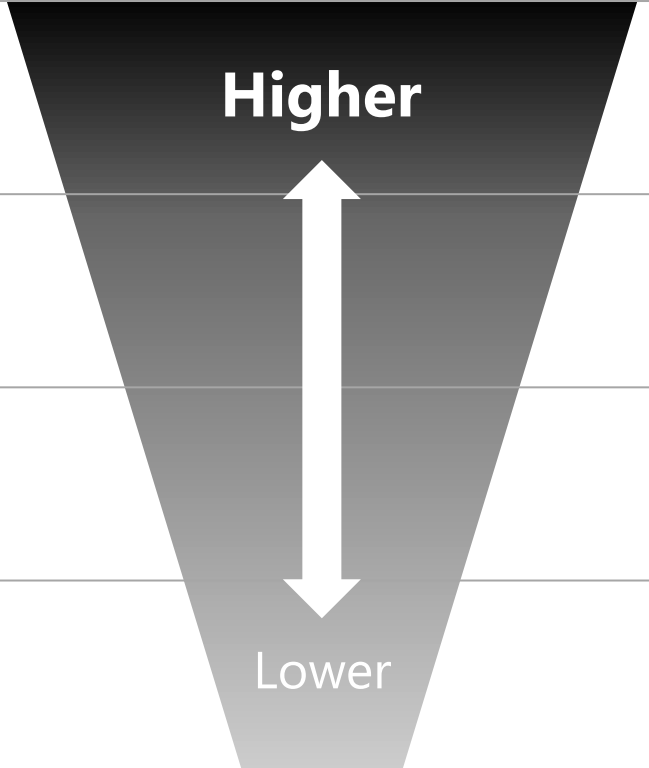
Optimize your
operations



Transform
your products

...and we frame these conversations around four pillars

There are many ways to realize high impact business outcomes

	Type of Change	Key Benefits	Relative Impact
Transform your products	New Value Streams	Revenue, New Markets	 Higher
Engage your customers	Customer Experience	Revenue, Attract & Retain Customers	
Empower your employees	Employee Experience	Effectiveness, Attract & Retain Employees	
Optimize your operations	Efficiencies and Effectiveness	Cost, Effectiveness	

Book of Dreams

Digital Transformation Journey – Service Mapping



Dream

Imagine and envision the art of the possible



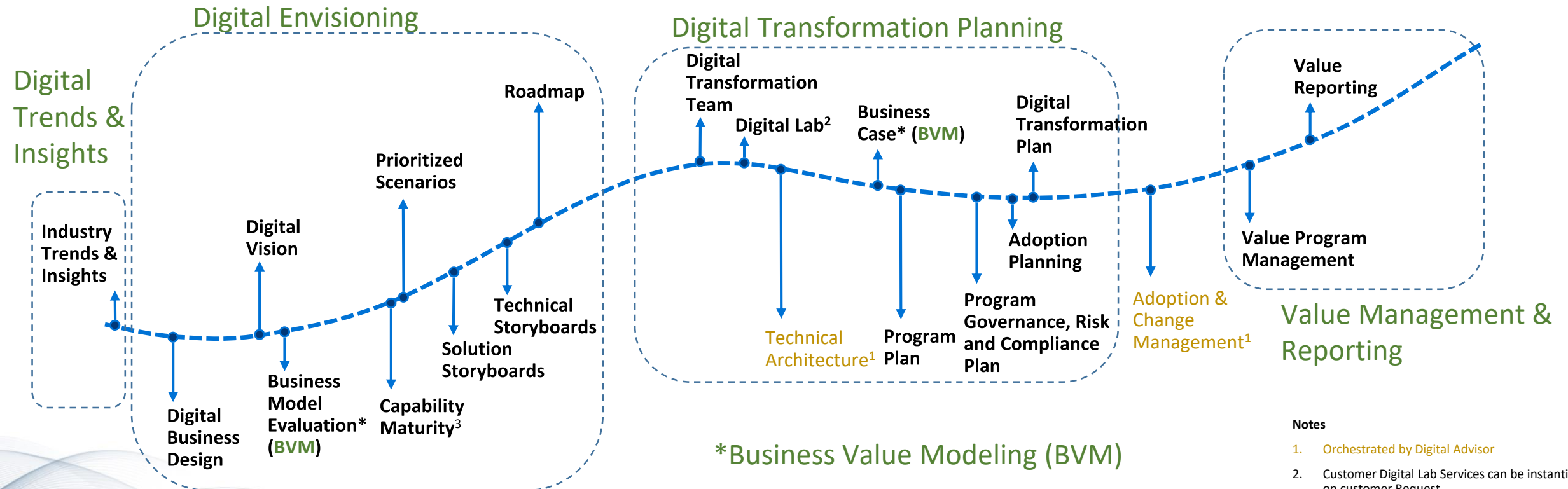
Design

Design to realize the value of the vision



Deliver

Deliver, adopt and realize the vision and value



Notes

1. Orchestrated by Digital Advisor
2. Customer Digital Lab Services can be instantiated on customer Request
3. Digital Maturity Modeling (DMM) or VRF/CMMI Capability Modeling

Dream



Dream

Ideate, and document your digital transformation journey.
Your Book of Dreams



Design

Build your desired state and roadmap. Form your **Digital Dream Team**



Deliver

Bring your Book of Dreams to life. Your **Digital Dream Lab**



Trends and Insights

What are the key trends and insights that are relevant to your organization?



Digital Vision

How do you envision the future reality of your organization?



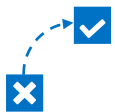
Digital Journey Map

How do your customers engage with your organization?



Scenario Planning

What three ideas will you try?



Scenario Narrative

What are the pains, needs, and desired outcomes of your customers?



Solution Storyboard

What solutions would address your scenarios?



Value Scorecard

What's the value of the new outcomes?



Roadmap

What are the phases and milestones to get there?

Design



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Ideate, and document your digital transformation journey.
Your Book of Dreams



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Digital Dream Team



Deliver

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Economic Justification

How will this drive revenue?



ACM Plan, and Roadmap

How can we address implementation challenges through an adoption and change management plan, and roadmap?



Prototype

What will the future look like?



Digital Transformation Unit

What team will get us there?

Deliver



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Agile Storyboarding

What are the project features' sequence and interconnectedness?



Value Engineering

Are we making the right tradeoffs to deliver the lowest cost, consistent with required performance, quality, and reliability?



Value Delivery and Management

As we deliver, how will we monitor and control?



Rapid Prototyping

Can we see it in action?



Transformation Roadmap

How will we move forward in a prioritized manner?

Vision for Digital Transformation

Imagine if you could...

Engage Your Customers

Deliver personalized, rich, connected experiences in journeys your customers choose.

Empower Your Employees

Keep up with your fast-moving customers, efficiently collaborating to anticipate and meet customer demands.

Optimize Your Operations

Increase the flow of information across your entire business operations, better manage your resources, and keep your business processes synchronized across all boundaries.

Transform Your Products

Expand the reach of your business using digital channels, anticipate customer needs, understand how your products are used, and quickly develop and improve products and services.

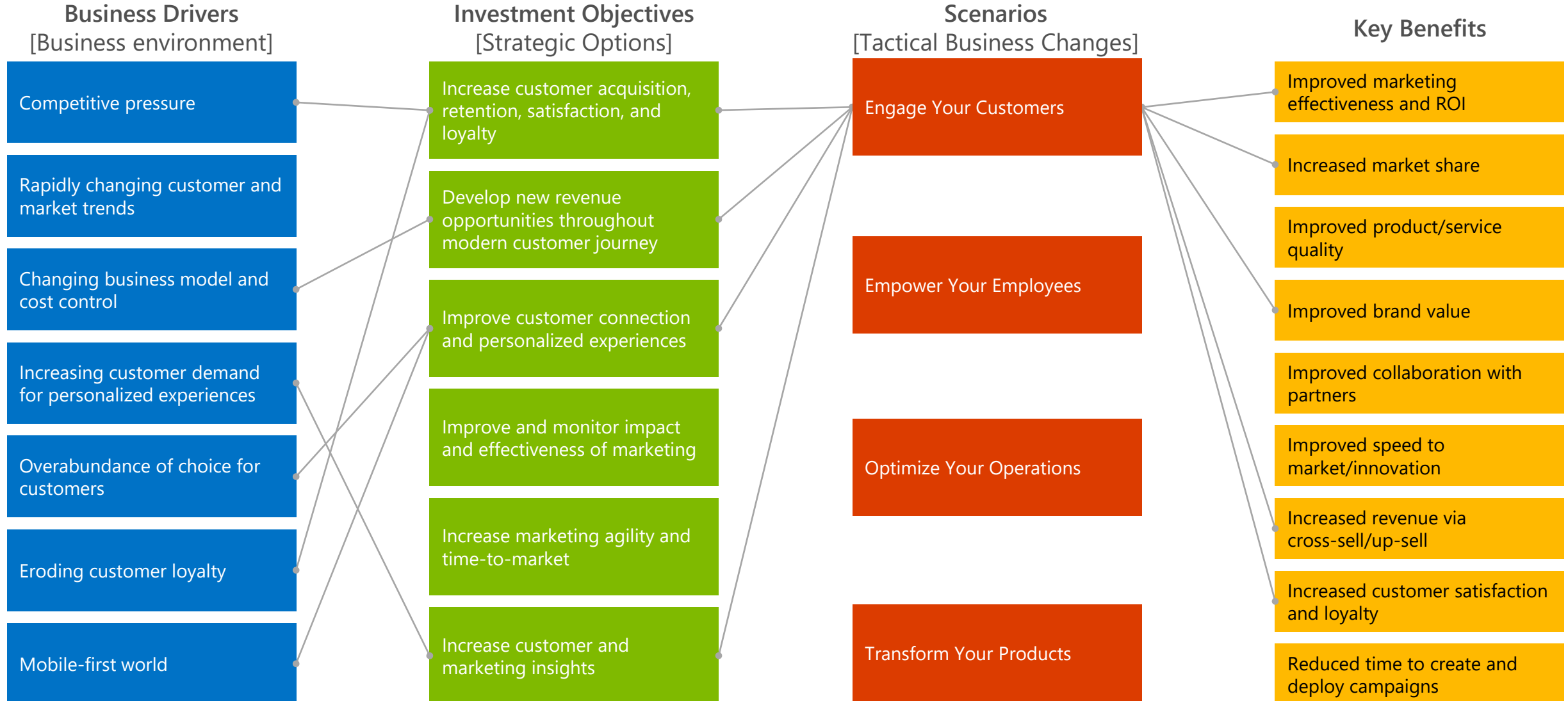
Business Drivers for Digital Transformation



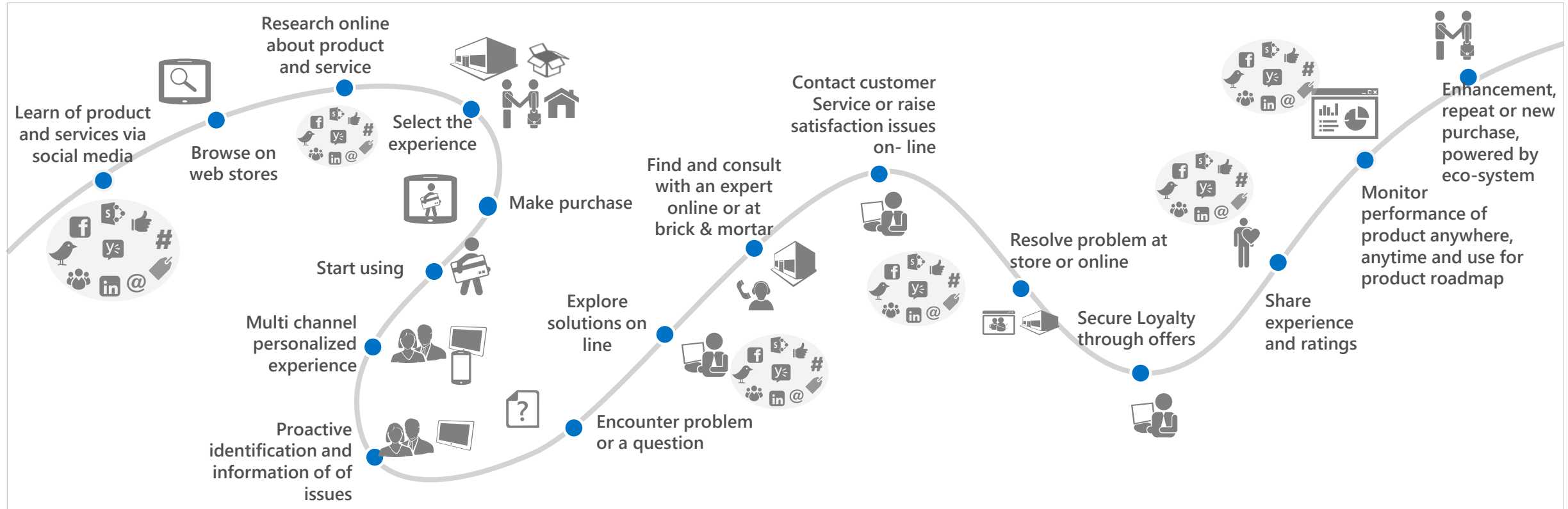
Engage Your Customers

Enterprise Scenarios Mapped to Benefits

Scenario Chain



Customer Experience Journey Map



Digital Hotspots

Pre-Purchase

- Digital presence for products and store awareness
- Omni channel purchase
- Multi channel distribution and interactivity

Purchase

- Omni channel, multi device solution for purchase
- Customer support
- Arranging payment
- Tracking shipment

Post-Purchase

- Social network presence and management
- Receiving customer service
- Resolving problems anywhere
- Continuoud the experience
- Developing eco-system
- Product life cycle and organisations interlocks

Capability Map

Provide Strategy & Direction	Develop Products & Services	Market & Sell Products & Services	Manage the Total Supply Chain	Provide Customer Service
Focus the Customer Value Proposition	Continually Assess Viability and Strategic Fit and Adapt the Development Portfolio	Gather and analyze data to Identify Markets, Segment Customers, and Leverage the Customer Base	Forecast Finished Goods and Raw Materials	Develop, Deploy, and Deliver the Customer Experience
Collect, communicate, and Understand the Customer, Market, Competitive and Regulatory Environment			Plan Materials and Production Demand and Capacity	Collaborate with Customers to Design/Build Products
Understand Customer Needs and Map to Strategic Direction	Manage the Full Product Service Life Cycle	Communicate the Brand	Acquire Materials, Services, and Products	Analyze Service Issues and Implement Process Improvements
Communicate and Manage to Goals and Measures	Design and Prototype New Products		Develop and Operate and/or Acquire Manufacturing Capacity	Measure and Report Service and product Quality Delivery Performance
Develop and Direct Risk Mitigation and Management	Pilot New Products and Product Refinements	Continually Adapt Product Packaging and Pricing	Optimize Supply Chain Performance	Assess Customer Satisfaction and Report Net Promoter Score
Develop and Direct Lean/Continuous Improvement	Continually Improve Production Capacity and Performance	Target Markets, Customers, and Segments and Execute Plans for Attraction, Acquisition, and Conversion	Assure Product and Service Quality	Proactively Assure Product Satisfaction (Save Sales)
	Manage Iterative Release/Certification Processes		Provide On-Site Assembly and Configuration	Communicate with Customers via any communication channel

Engage Your Customers

Scenario Narrative

Understand and engage with customers to drive their buying decisions

Current State

We have difficulty finding ways to maximize reach and deliver personalized experiences that resonate with our customers.

Our customers are using more devices in more locations than ever before.

Our lack of ongoing engagement with our customers is affecting their loyalty.

We need to find interactive solutions that allow us to be a part of the moments that matter and modernize the customer experience.

Desired Future State

We engage with our customers in personalized and interactive ways, and deliver experiences and relevant content on any devices.

We react to real-time insights about each customer.

Our connection with each customer is inviting throughout the entire journey chosen by the customer

We have the solutions to connect to customers in the moments that matter.

CMO



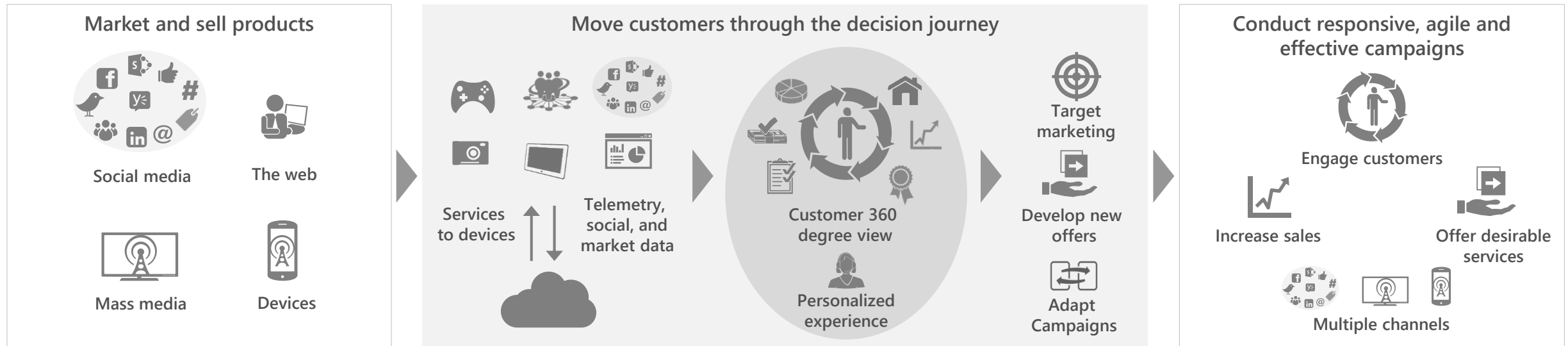
We are always looking to...

- Improve our marketing and sales effectiveness
- Reduce the cost of gaining new customers and maintaining customer loyalty
- Control our message in the market at all times and in all situations
- Drive each customer to buy across a range of products through cross-selling and up-selling

Engage Your Customers

Solution Storyboard

Understand product use, customer sentiment, and brand perception. Gain insight into customer preferences. Market across multiple channels.



Top-line Impact

Enhance and improve customer engagement and generate ongoing revenue with personalized, interactive experiences throughout a customer's chosen journey.

Benefits

- Improved marketing, sales, and service effectiveness
- Increased market share
- Improved product and service quality
- Improved brand and shareholder satisfaction
- Improved speed to market

Start

- Personalized marketing created with help of social listening analytics
- Evaluate device usage to identify new marketing opportunities
- Using customer analytics to connect customers with the most pertinent products and services
- Personalizing mobile marketing

Stop

- Restrict listening to only brand and not beyond (Competitors)
- Restrict sharing sentiment analysis data throughout the organization

Continue

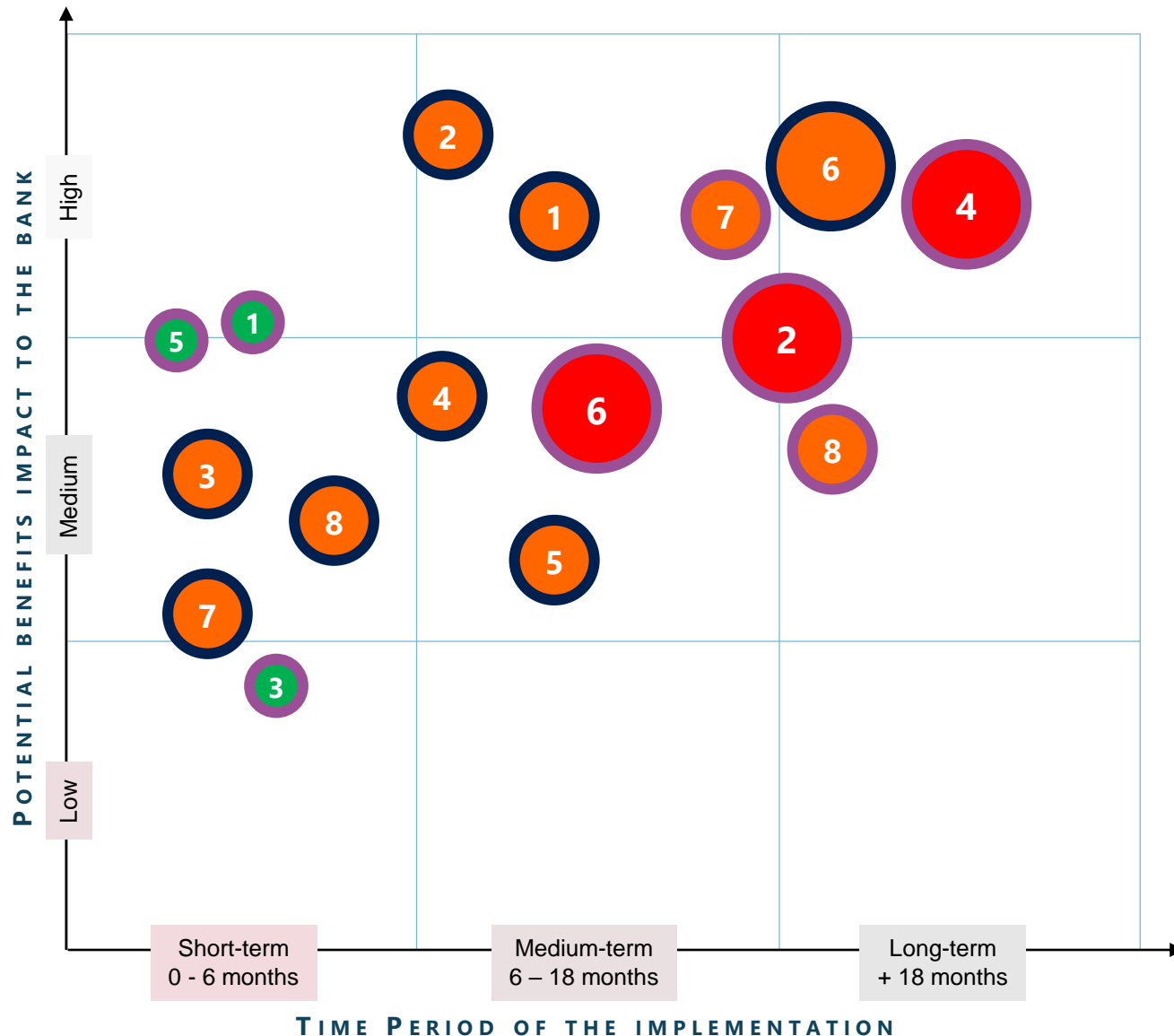
- Perform customer and market intelligence analysis
- Develop and manage social media channels
- Develop and manage promotional activities

Engage Your Customers

Value Touchpoints

	Value for Customers	Value for Business Leaders	Value for IT Leaders
Strategic	<ul style="list-style-type: none">• Personalized solutions to meet each customer's needs and desires.• Increased respect and relevance to the company leading to preferential treatment (loyalty programs)	<ul style="list-style-type: none">• Increased understanding of customer's wants and needs• Increased brand recognition and recall• Increased customer engagement and loyalty	<ul style="list-style-type: none">• Increase technology innovations• Amplify the customer experience• Improve channel integration
Time to Value	<ul style="list-style-type: none">• Geographic based offers provides awareness to customer and timeliness• Reduced time researching	<ul style="list-style-type: none">• Reduced time to sales conversion• Reduced time to increase customer awareness• Reduced time for offer/pricing experiment results• Rapid offer experimentation to test ideas.	<ul style="list-style-type: none">• Reduced time to gather, transform and process customer data• Reduced time to create, manage and deploy campaign sites
Increase Revenue		<ul style="list-style-type: none">• Increased cross-sell/up-sell• Increased customer wallet share• Increased geographic proximity sale• Acquisition of new customers	
Decrease Cost	<ul style="list-style-type: none">• Loyalty based discounts• Improve satisfaction levels	<ul style="list-style-type: none">• Reduced capital expense• Reduced customer acquisition costs	<ul style="list-style-type: none">• Reduce cost of data analytics• Reduce cost of data acquisition, storage, and management• Reduced cost of creating, managing and deploying campaign sites
Decrease Risk	<ul style="list-style-type: none">• Understanding what's available with lower personal expense and avoiding a purchase made without full knowledge (i.e. research, etc.)	<ul style="list-style-type: none">• Reduced failure of new product and service offerings by leveraging insights about customer preferences	<ul style="list-style-type: none">• Increased automation, less risk for process failures

Heat map example: select priority projects



SCENARIOS (INTERNAL ECOSYSTEM)

- 1 Collaborative Expertise & Information Discovery
- 2 Enable meetings with remote participants
- 3 Collaborative work on a document
- 4 Create communities & workspaces
- 5 Collaboration ideation
- 6 Enable work & collaboration anywhere
- 7 Support teleworking experience
- 8 Deliver online events & trainings



SCENARIOS (EXTERNAL ECOSYSTEM)

- 1 Access to bank advisors via video conferencing
- 2 Connect customers to banking specialists
- 3 Remote interview of job candidates
- 4 Leverage social media to reach clients
- 5 Remote supervisor approvals
- 6 Collaborate with external organizations
- 7 Digital product catalog & signature
- 8 Skype buttons & online banking chat

COMPLEXITY

Low

Medium

High