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**Digital Transformation & Execution Strategy Template**

**By 2021.ai**

Date:

VERSION TYPE

Table of Contents

[Introduction 3](#_Toc483406698)

[Executive Summary 4](#_Toc483406699)

[Ambition 4](#_Toc483406700)

[1. Envision Digital Future 4](#_Toc483406701)

[Design 7](#_Toc483406702)

[2) Define Future Models & Identify Capability Needs 7](#_Toc483406703)

[Deliver 9](#_Toc483406704)

[3) Compile the strategy and the road map 9](#_Toc483406705)

[Risks and Issues 11](#_Toc483406706)

[Appendices 11](#_Toc483406707)

## Introduction

This template presents suggested sections, content and format for a digital strategy & execution document. It is applicable to both private and public sector enterprises.

Excepting this introduction and the reference section at the end, this document forms the structure for a digital strategy & execution document, and is intended to be used as a template. The main sections of the strategy are grouped into three categories: *Ambition Strategy, Design Strategy and Delivery Strategy.* In addition, there is an *Executive Summary* at the beginning and a *Risks and Issues* section at the end.

A concise digital strategy & execution document is a key success factor and an indicator of a well-run digitally transformed organization. The digital strategy & execution document should be clear, compelling, and useful for business executives and staff alike. It should summarize how the digital organization and technology services will contribute to the success of the enterprise, but be specific enough to drive digital decision making.

A digital strategy & execution document is one of the set of documents a well-run digitalized organization should maintain. Together with business strategy, financial planning and other functional strategies (such as production and marketing strategies), these form part of the overall enterprise strategic document set.

The strategy document should be a brief, high-level, business-oriented digital strategy & execution that refers to supporting detailed documents.

Guiding principles for creating the document are:

* Use business language wherever possible. Avoid overly technical terms, and ensure that any specialist terms (IoT Capability, for example) are in a glossary at the end.
* Be as brief as possible, referring the reader to more detailed documents
* Avoid generic statements, focus on what is specific to your enterprise.

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# Executive Summary

**Recommended length:** Half a page

**Purpose:** A summary of the document, written for senior business executives.

**Contents:** This section should capture the essence of the strategy, including the “trail of evidence” from Digital transformation strategy to business value.

# Ambition

### 1. Envision Digital Future

**A) Business Model  
Recommended length:** Half a page

**Purpose:**

(i) Educate

(ii) Identify

**Contents:**

(i) Educate Stake holders and Establish Business Context Objectives and Strategies

(ii) Identify and Priorities Opportunities with a Design Led thinking approach.   
 **B) Operating and Technology Model**

**Recommended length:** Half a page

**Purpose:**

(i) Explore

() Define

**Contents:**

(i) Explore strategic choices i.e. Business capabilities, People & culture, Ecosystems, Information & Technology.

(ii) Define a compelling digital business vision strategic principles, success criteria and key metrics.

**Outputs:**

To envision industrial visions, the digital business vision, Business Capability Model, Innovation Opportunities and Success Criteria and Metrics.

**1.1) Business Context  
Recommended length:** Half a page

**Purpose:** A summary of key facts about the area(s) of the business included in the scope of this Digital Transformation strategy, to provide context and to highlight challenges and opportunities the business faces.

**Contents:**

(i) The value proposition (what value we provide to which customers and markets).

(ii) Our position in the value chain/business ecosystem.

(iii) Our business model.

**1.2) Business Success  
Recommended length:** Half a page

**Purpose:** A clear expression of the *strategic posture* of the business: why customers will buy from us and/or why we will win. In a public-sector context, this is about why we will succeed in fulfilling and/or growing our mission.

**Contents:** This section should clarify what will make the business win. Ideally, it will identify no more than one or two aspects of our business. which state that successful businesses choose to be excellent at one of three things—customer intimacy, operational excellence or product leadership—and choose to be good enough at the other two. This section must answer the question, “Why will we win?” and may include the business’s mission, vision, goals and/or business principles. A useful framing question here is, “What won’t we do?” Ensure that this section is in plain English, understandable to the layman.

**1.3) Business Capabilities   
Recommended length:** Half a page

**Purpose:** A description of the business capabilities that will be needed to support the strategic posture described in the previous section.

**Contents:** This section should clarify business capabilities required for the business to win, and then outline the gaps between existing and needed capabilities. Examples include the ability to collaborate within the enterprise, the ability to conduct mergers and acquisitions, product innovation capabilities and the transparency of performance metrics. This should list capabilities at a strategic level; typically, there should be no more than five.

**1.4) Digital Strategy contribution to business success  
Recommended length:** Half a page

**Purpose:** An explanation of how digitalization capabilities and plans will contribute to business success.

**Contents:** This section specifically connects digitalizing activities to business success and business capabilities, as described in the previous sections. For example: “By making business process costs in customer service more variable, digitalization will reduce the impact of demand volatility.” This section should be pulled out and used in very high-level presentations (e.g., to the board of directors). It represents the “elevator pitch” as to how digitalizing adds value to the business.

# Design

### 2) Define Future Models & Identify Capability Needs

**A) Business Model**

**Recommended length:** whole page

**Purpose:** A description of the future Models & Identify Capability needs that

**Contents:**   
i) Develop future customer Journeys  
ii) Define future business capabilities

**B) Operating and Technology Model**

**Recommended length:** whole page

**Purpose:** Gap analysis between current and future business operating and technology models

**Contents:**

i) Define future ecosystem model

ii) Define future delivery & org model

iii) Define future IoT Capability Model

iiii) Define future technical architecture

**Outputs:**

To design customer journeys, minimum viable products, ecosystem and partnership model, future delivery and org model, technology principles. To establish current state baseline and gap assessment.

**2.1) Digital Principles**

**Recommended length:** Half a page

**Purpose:** A high-level set of principles that guide digitalized decision making and reflect the digital contribution. Digital principles guide day-to-day decision making and governance. It is preferable to present the digitalizing principles alongside a set of business principles, if available.

**Contents:** Typical topics covered by the technology principles include: where agility is needed, how digitalizing organization will be structured, how to approach risk, how to approach sourcing and what kind of staff/skills are key. An example of a principle concerning agility would be: “We will prepare digital assets and services that can rapidly scale to support acquisitions.” An organizational structure example would be: “We will centralize every asset and process identified as a business commodity.” The test for inclusion in this section is, will the principle guide decisions that contribute to business success in my enterprise, or could it apply to any enterprise? Clearly connected to business success and be specific to your enterprise. It is important to avoid truisms that apply to all digitalized organizations (e.g., “We will provide high-quality, reliable digital services.”).

**2.2) Digital Governance   
Recommended length:** One page

**Purpose:** An explanation of how digitalized decisions will be made.

**Contents:** For each type of digital-related decision, this section explains who will have input, who will make the decision, and what tools and mechanisms will be used in making, communicating and enforcing the decision. Typical types of decision include: technology principles, investment, infrastructure, architecture, security and risk, projects, programs and benefits.

**2.3) Criteria & Metrics  
Recommended length:** One page

**Purpose:** A description of how the success of the digitalized organization will be measured.

**Contents:** This section summarizes the metrics used to measure the digitalized organization’s performance. Ideally, the number of high-level digital metrics will be small (four or five) and will map directly to a similarly small number of business success metrics. The digital metrics may then expand into a larger list. The business success metrics should be those recognized by senior business leadership, if they exist. Ideally, both business and digital metrics will be a mix of lead and lag indicators. The focus of this section should be on how the metrics link to business success, rather than on specific targets for the metrics over time. (The targets should be part of the digital strategic plan.)

# Deliver

### 3) Compile the strategy and the road map

**A) Business Model  
Recommended length:** whole page

**Purpose:** Determine prioritization of initiatives and Build a high-level case for change

**Contents:**   
i) (Customers) High-level business model propositions

**B) Operating and Technology Model**

**Recommended length:** whole page

**Purpose:** Create investment portfolio transformation roadmap and actionable next steps

**Contents:**

i) (Ecosystems) High-level operating model definition   
ii) (Things) High-level reference architectures

**Outputs:**

To deliver high-level initiatives, prioritized business model propositions, target operating model, technical reference architecture.

**3.1) Digital Services and Processes  
Recommended length:** One page

**Purpose:** An explanation of the scope of, and the approach to, digital services.

**Contents:**

(i) A list of services provided. This should be a relatively small high-level list of up to 15 items. Similar services should be grouped together in a way meaningful to a senior business person. Focus on any nonstandard choices of services included/excluded that differ from the normal scope of a digital organization.

**3.2) Enterprise Architecture  
Recommended length:** Two pages

**Purpose:** A clarification of how business processes, digital assets and services are designed to support current and future business models.

**Contents:** This section presents a high-level overview of the as-is and to-be enterprise architecture, as well as the benefits of moving from as-is to to-be. It should include business process, information, application and infrastructure layers.

**3.3) People   
Recommended length:** One page

**Purpose:** A summary of the key human capital management aspects of the digital strategy.

**Contents:** This section summarizes the as-is and to-be human capital management picture, including current and needed digital organizational structure (org model), and

current and needed skills inventories.

**3.4) Sourcing   
Recommended length:** One page

**Purpose:** A summary of the approach to sourcing and any important relationships.

**Contents:** This section explains the approach to sourcing, along with the rationale. This may be expressed as a set of sourcing principles. In addition, any important relationships (e.g., a long-term contract with a provider of support services) should be highlighted, with relevant details such as the relationship’s scope and duration.

# Risks and Issues

**Recommended length:** Half a page

**Purpose:** An outline of the major risks and issues associated with the digital strategy, with approaches for mitigating them.

**Contents:** This section, like the risks section of annual reports and business plans, should focus on the most material high-level categories of risk and not be a laundry list of hundreds of detailed risks. For example, a digital strategy heavily dependent on external partners is a high-level category of risk, and the mitigation might be to ensure that partners use standard methodologies that are well documented. Ideally, there should be less than 10 risks covered here. If there are more, shorten the list by combining several related issues into one, and then choose only the highest-impact ones.

## Appendices

**Recommended length:** Variable

**Purpose:** A collection of detailed facts and figures, not easily available from other documents, that supports statements made in the main document.

**Contents:** This section typically includes a glossary and further details on subjects covered in the previous sections, as well as references to other documents.