



Digital Business Maturity - Cross Industry V2.1

This Digital Business Maturity Assessment report was created for Waldemar Roberti on 15 April 2020.

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Industry: Professional Services

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Overview

Gartner's Digital Business Maturity Assessment for CIOs, CDOs and Senior Executives enables digital business leaders to determine their enterprise's digital maturity by measuring the enterprise's maturity across nine key competencies of digital business.

The maturity model provides an overall digital business maturity score as well as individual scores on each of the nine competencies.

The results report includes industry benchmarks. We will aggregate your responses with those of other participant responses to provide industry average scores for comparison.

The results and recommendations from this survey are based upon your responses and common issues discovered within those responses.

Based on the results from your assessment, we recommend the following actions for improved performance:

- Review your overall enterprise digital business maturity score
- Review the scores for each of the nine competencies that directly result in the overall enterprise maturity score above
- Pick the 3 competencies you scored the lowest and assess how to improve in those competencies, since an improvement in the underlying competencies will result in an increase in the overall maturity score
- Review the initial remedial action suggested for your maturity level in each competency to see immediate corrective action that we recommend
- Review the detailed research and talk to the relevant analysts (if you have inquiry privilege) to conduct a deeper assessment of how to improve your capability in each relevant competency
- Take the assessment again after a reasonable period (maybe 6 months) to assess the improvements you may have achieved.

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The instructions, intent and objective of this results document are contained in the source document. Please refer back to that document for details.

Your Results - Digital Business Maturity Score

Your organization scored a maturity level of 3 which is a Digital intermediate.

Maturity Level	Definition
Level 5: Digital Leader	There is a very high degree of digitalization within your organization, which is reflected by mature IT and business strategies, as well as a high degree of digital maturity across different value network activities. You seem to embrace both the technology and the business opportunities to become a digital leader in the marketplace.
Level 4: Digital Progressive	Your organization is aware of the competitive impact and the benefits of digitalization. Although there seems to be an enterprisewide adoption of digitalization within your organization, there are still a couple of areas to further improve your maturity in this area.
Level 3: Digital Intermediate	Your organization has embraced the concept of digitalization in many departments, and you have also gained some experience. There still seems to be a lack of digital leadership, however, and your organization can't be characterized as an early adopter of digital practices.
Level 2: Digital Beginner	Your organization shows some early signs of digitalization. However, it seems to be poorly orchestrated and executed in most cases. The overall maturity of your digital strategy is still immature, and you require further efforts to keep up with the digital transformation in the marketplace.
Level 1: Digital Embryonic	Your organization shows little to no sign or a few scattered signs of digitalization. The enterprise-wide focus and adoption of digitalization is non-existent or very low. You may run the risk of putting your competitive position at stake.

The Nine Digital Business Competencies

The nine digital business competencies are summarized below, but described more exhaustively in the accompanying research "[Digital Business Maturity Model: 9 Competencies Determine Maturity](#)".

1 **Digital Business Strategy and Execution**

The existence of a digital business strategy and allocation of the resources required to execute on that strategy.

2 **Customer Experience Management**

A strategy to build the enterprise' entire core competence strategy around the customer, with the enterprise focused on delivering an excellent customer experience across every customer interaction

3 **Digital Product/Service Design & Digital Revenue**

Digital design elements of the product or service are used to establish core competence and drive digital revenue

4 **Infonomics**

Develop and optimize applications, information products and digital solutions in the context of information assets to factor in the 'economics of information'

5 **Digital Channels & Ecosystem**

Traditional supply chain considerations have been expanded to include digital channels and digital interactions, including measuring the quality of those interactions

6 **Business Model Agility**

The business model is constantly being developed at a pace that is ahead of external changes in the marketplace and traditional and non-traditional competitors

7 **Innovation Culture**

A culture of innovation is a hallmark of enterprise differentiation and core competence

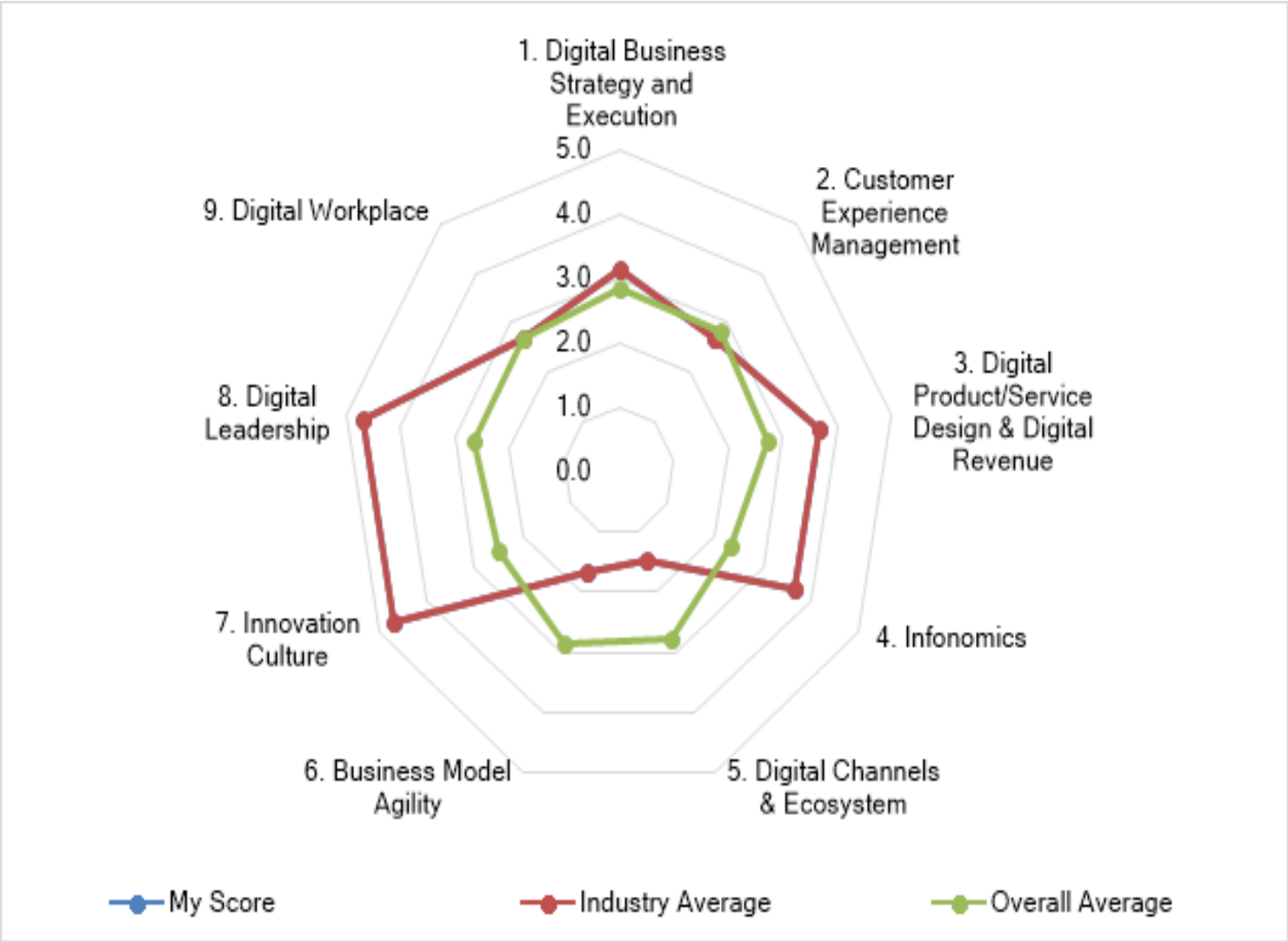
8 **Digital Leadership**

Effectively expanding enterprise capability to leverage the impact of all digital elements (the 'Nexus', digital channels et al) in a cohesive and consistent manner while managing business risk effectively

9 **Digital Workplace**

To help organizations thrive in the digital economy, Gartner advocates a strategy called the digital workplace, which enables new, more effective ways of working, raises employee engagement and agility, and exploits consumer-oriented styles and technologies.

Your Results - Detailed Scores for the Nine Digital Business Competencies



Enterprise Digital Business Maturity Index			
Characterstics	My Score	Industry Average (Insufficient Data)	Overall Average (based on 367 responses)
1. Digital Business Strategy and Execution	3.14	3.14	2.84
2. Customer Experience Management	2.67	2.67	2.86
3. Digital Product/Service Design & Digital Revenue	3.67	3.67	2.72
4. Infonomics	3.67	3.67	2.32
5. Digital Channels & Ecosystem	1.50	1.50	2.77
6. Business Model Agility	1.67	1.67	2.87
7. Innovation Culture	4.67	4.67	2.48
8. Digital Leadership	4.67	4.67	2.67
9. Digital Workplace	2.67	2.67	2.67
Enterprise Digital Business Maturity Score	3.15	3.15	2.69

Maturity Scores for the Nine Competencies

The Maturity levels for each of the nine competencies are depicted in the tables below. Your score, the interpretation of the score and the immediate remedial action recommended for that particular maturity level for each competency are also highlighted below.

For a more detailed evaluation of the remedial action to improve your performance for each competency please review the research recommended for each competency, and (if you have inquiry privilege) have a discussion with the relevant analysts for each competency.

Digital Business Strategy and Execution (Your Score: 3)

This relates to the existence of a digital business design effort along with the strategy and allocation of the resources required to execute on that strategy.

Ideally the digital business design is clearly articulated and understood across the organization and the execution path is equally well understood. Successful digital business depends on connecting data and process across disparate parts of the enterprise, this can't happen in organizations that are compartmentalized. There also has to be a common understanding of the strategy across the enterprise coupled with a level of 'virtual' integration across the silos for digital business execution to be effective. A strong and well communicated digital business strategy and associated execution path should be the connective tissue that provides that virtual integration.

Recommended Research

[Use Business Capability Modeling to Drive Your Digital Business Design](#)
[Business Model Design in Digital Business: What the Board Needs to Know](#)
[Four Definitions Make a Digital Business Strategy Process More Effective](#)
[Use Business Models to Guide Digital Business Transformation](#)

Digital Business Strategy and Execution

Level	Description	Initial Remediation Steps
1	No capability exists around business model innovation / design. Leadership does not have the ability to make strategic choices of customers and customer segments and to choose between optimization and driving digital transformation or even optimization.	<ul style="list-style-type: none"> • Leadership should work to determine the organization's digital ambitions • Create an understanding of what digital means – optimization vs. creating digital businesses • Do the needed education and research to understand the potential of digital to change your business model and create the competency to intelligently explore digital business designs
2	Digital business ambitions exist and there are unstructured pockets of digital business initiatives driven at a granular project level. No organization-wide visibility of these initiatives exists.	<ul style="list-style-type: none"> • Make the 'digital pockets' aware of each other and see where learnings and best (or worst) practices can be shared • Identify some wins at the project level and communicate these at senior and mid leadership levels • Identify one or two 'champions' at the executive (or Board) level who will support and actively advocate the cause of an enterprise-wide digital business effort
3	The leadership team recognizes the value potential of digital and is acting to define ambitions to inform business model design and strategy development.	<ul style="list-style-type: none"> • Accelerate the speed of delivery by ensuring the business strategy reflects the enterprise's digital ambition and strategy • Identify changes to the enterprise operating model required to deliver the digital business strategy. • Communicate the threat and opportunity of disruption to create a sense of urgency around the delivery of digital initiatives.
4	Digital business ambitions are clearly defined. Business model innovation / design has been performed to determine what to optimize and where new value propositions based on digital need to be developed. This design guides organizational investments and a unified approach to customers, markets, and competition.	<ul style="list-style-type: none"> • Integrate digital business strategy and overall business strategy so they are one and the same • Continue to align organizational structures, decision making and associated compensation mechanisms to keep the focus on increasing digital revenue and digital margins • Ensure the entire organization remains focused on executing on the digital vision in an integrated manner. • Ensure there is strong visibility of the enterprise' digital business evolution and success at the board level
5	The digital business strategy IS the business strategy and the entire organization is focused on digital business success as the overarching goal. Goals are clearly defined, strategies are developed, responsibilities are assigned to deliver the optimized performance of the current business model. New digital businesses are being developed and executed.	<ul style="list-style-type: none"> • Ensure organizational mechanisms, including strong governance, is in place to keep the (digital) business strategy current in the face of changing market, customer, competition, technology and ecosystem conditions

Customer Experience Management (Your Score: 2)

Most digital business initiatives center around the customer and involve a high level of focus in working with customers in completely new ways, either through new channels or through new (digital) products and services. This requires that the enterprise develop a high degree of competence around managing the customer and consistently delivering an excellent customer experience across every interaction.

Recommended Research

[The Definition of Customer Experience Management](#)

[The Gartner Customer Experience Management Maturity Model](#)

Customer Experience Management

Level	Description	Initial Remediation Steps
1	The organization's approach to customer experience is fragmented, departmental and siloed. There are multiple individual advocates, but they are not working together. There is no senior level focus or endorsement. If there is a focus, it is largely on reducing customer complaints. Customer surveys and platforms are disconnected or non-existent. There is wide variance and inconsistent approach to how or if customer data is used.	<ul style="list-style-type: none"> Find like-minded business colleagues who also see the need for improving the customer experience. Recommend and actively advocate to the operating committee that there needs to be a program manager or better still a VP or director of customer experience to lead and coordinate the initiative enterprise-wide. Educate your executive colleagues about the business need for an improved customer experience, what Customer Experience Management (CEM) is and why your organization needs it. Assist in creating a business case for a more strategic effort to manage the customer experience Initiate a focused effort to understand the customers' voice – by allocating analytical resources to pull together customer complaints, surveys, feedback and behavioral data needs in the context of digital business.
2	A CX leader has been appointed and is initiating shared processes. A steering committee is being established with a low level of inconsistent cross-functional sharing and collaboration. An inventory of customer data sources, feedback tools, personas and projects has been taken and gaps, requirements and responsibilities are being identified. Voice of the customer (VoC) data gathering is fragmented and ad hoc. Processes are inside-out based on executive perception of customer needs, and the goal is to reduce customer dissatisfiers. Journey maps may be oriented more toward existing processes than desired state. A CX metrics dashboard may exist but there is no rigor in its use.	<ul style="list-style-type: none"> Provide analytical resource and tools to assist the customer insight team. Appoint a member from the IT department to be part of the steering committee or take part yourself. Contribute actively to customer journey mapping work by sharing intelligence about customer facing processes and customer journey touchpoints. Review all planned IT projects to determine which are claiming to be contributing to an improvement in the customer experience; share with the steering committee. Volunteer to find consultants, technology vendors, researchers, academics or analysts to share insight for the steering committee and to bring in external viewpoints. Communicate to IT employees the importance of the increased focus on the external customer, not just the internal customer.
3	The steering committee is functioning well with alliance on organization-wide metrics, goals, policies, practices, and processes, however execution and budgeting of CX projects is largely departmental. CX processes are unified including a single VoC platform, a common set of personas and journey maps, and a clear prioritization process for CX investments. Leaders actively support CX, and some executive compensation is tied to CX performance. Detailed CX goals are inconsistent for other employees. The business value of improved CX has been established, so the focus is on lifting customer satisfaction based on an outside-in on understanding of customers wants, needs and perceptions.	<ul style="list-style-type: none"> Assist in the selection and implementation of the VoC platform. Prioritize those technology projects with goals to improve customer satisfaction, loyalty and advocacy so that IT is actively contributing to the enterprise effort. Tie CIO and the IT leadership team's goals and compensation to the enterprise's CX goals. Set CX goals for IT employees as part of personal objectives and in line with the rest of the enterprise. Train all full-time IT department employees in the basics of design thinking, customer journey mapping, service design and UX development to widen understanding.
4	Permanent, established CX representative roles are in place in all departments. There is strong cross-functional strategy, design, budgeting, and execution of CX. A hierarchy of linked CX metrics are in place and used to set business goals and validate financial ROI. All employees have CX objectives that are used to align compensation. Training is in place to reinforce CX goals and expectations. The customer insight team has a standing budget, and a test-and-learn culture is prevalent. CX processes expand to include innovation and on identifying and delivering customers satisfiers.	<ul style="list-style-type: none"> Align key IT departmental objectives to the enterprise CX objectives. Increase the percentage of IT employees with CX skills such as design thinking, devops, service design, customer analytics and UX development in the recruitment of IT professionals. Seek out innovative new technologies that will improve the customer experience and demonstrate them to the steering committee.
5	Executives manage the organization with an equal balance of leading indicators of CX success and lagging indicators of financial success. CX data is infused in day-to-day operational management as well as long-term investment plans. Leadership keeps customers front and center in their priorities and communications to employees. Employee engagement and satisfaction are an organizational priority. Employees feel empowered to do the right thing to improve customers' experiences without asking permission. Hiring, onboarding, and training consistently reinforce CX expectations. The organization is co-creating the CX with customers. Leaders embrace and manage more risk to improve the CX.	<ul style="list-style-type: none"> Measure IT employee engagement and its impact on external customer satisfaction. Train all IT employees on customer experience management with emphasis on employee rights and responsibilities as they relate to external customers. Contribute key resources from IT to work on co-creating solutions with customers. Seek out more risky and unproven innovative new technologies that will improve the customer experience and propose being the first in your industry to try them.

Digital Product/Service Design & Digital Revenue (Your Score: 3)

As digital business initiatives mature and scale a critical aspect of digital business success is the extent of digital revenue generated through the creation of digital products and services.

Recommended Research

[How to Establish a Product Management Practice to Drive Digital Business Success](#)
[Six Ways to Earn New Digital Revenue](#)

Digital Product/Service Design & Digital Revenue

Level	Description	Initial Remediation Steps
1	There is no concept of 'digital products / services or digital revenue' within the enterprise. Revenue focus remains on traditional products. There are no metrics in place to track digital revenue.	<ul style="list-style-type: none"> • Identify case studies and examples of digital products/digital revenue success from within your industry and in related industries and educate business leaders within your organization • Identify an appropriate product or service area with a supportive product manager and run a 'proof of concept' of adding some digital capabilities • Communicate the results of the POC to senior leadership with a recommendation for next steps
2	There are stray pockets of 'digital products / services or digital revenue' emerging within the enterprise. No organization-wide visibility on this. Digital revenue metrics are usually internal and only tracked by the business unit that is pursuing it in pockets.	<ul style="list-style-type: none"> • Look to scale the pockets of digital success to become an identifiable and recognizable, though still localized, digital revenue stream • Identify and partner with a senior stake-holder who will champion the broader digital revenue effort with the executive committee and board of directors
3	Senior management recognizes the potential and value of digital revenue and driving it strategically. An enterprise-wide effort to identify and leverage digital revenue opportunities has begun. Digital revenue is measured at the enterprise level.	<ul style="list-style-type: none"> • Study the financial structure of startups and other companies offering new digital products and services for indicators of the new financial norms and economic models in your industry. • Gather a group of IT, business and financial leaders to discuss the six digital approaches for generating revenue (as defined by Gartner). Determine which of the six your enterprise could/will pursue. Repeat the exercise and determine what competitors and new entrants will do. • Establish a senior - executive council level - governance mechanism to guide, coordinate and invest in digital revenue growth.
4	Digital products and services are well understood across the enterprise and digital revenue is an accepted part of the enterprise' financial statements, with specific revenue targets for the future. Digital revenue is measured at the enterprise level and is one of the important enterprise metrics. They are widely shared internally and in some cases shared externally with investors/shareholders.	<ul style="list-style-type: none"> • Establish a 'digital economic architecture' as the template and approach for the continued identification and creation of high margin digital products and services • Determine what proportion of your ongoing digital transformation initiatives will focus on using digital technologies and approaches to improve existing revenue streams vs. creating net-new ones. • Consider integrating the technology and product development functions to increase the focus on the digital components of new products and services
5	Digital products & services and digital revenue have transformed the financials of the organization and as a digital leader, established new bench-marks in the industry. Digital revenue is measured like Level 4. In addition, target goals are communicated in earnings calls.	<ul style="list-style-type: none"> • Establish the new digital revenue driven financial norms and economic trends in your industry. • Digital products & services business will have a strong effect on many financial metrics such as employee productivity, margins and inventory turns and these should now be 'baked in' to the overall performance of the enterprise. • Continue to focus on maintaining the levers of digital leadership, since digital products and services dominance in any market can be quickly challenged.

Infonomics (Your Score: 3)

Infonomics is associated with and derived from overall Enterprise Information Management (EIM) practices. Data and the associated analytics driven insights are at the heart of digital business success. Evolving this capability into the ability to successfully monetize data and analytics is key in digital business. This requires the ability to develop and optimize applications, information products and digital solutions in the context of information assets to factor in the 'economics of information'.

Recommended Research

[How CIOs and CDOs Can Use Infonomics to Identify, Justify and Fund Initiatives](#)
[Toolkit: Enterprise Information Management Maturity Self-Assessment](#)

Infonomics

Level	Description	Initial Remediation Steps
1	The organization is unaware of and has no processes or capabilities in place to understand or measure metrics around the value of available information assets.	<ul style="list-style-type: none"> • Become more aware of the variety of information assets throughout your organization, and especially alternate data sources available from third parties • Know who throughout your organization is making use of the data collected, created or modified, and understand their role. • Identify areas of investment and organizational roles/governance required to establish an understanding of the information assets availability, potential use and value of that information..
2	Business and information leaders are increasingly aware that the organization's information and analytics capabilities drive the value of the business itself — even though information isn't (yet) a balance sheet asset. They recognize that information is a significant source of hidden value.	<ul style="list-style-type: none"> • Lay out an overall approach to managing information in support of current and future planned business initiatives, and in line with anticipated advances in information technology and data growth • Answer the question: How will information be managed effectively, and by whom? • Leadership should go beyond the "lip service" of referring to information as an asset, and start managing it like one — starting with creating an inventory of what you have.
3	The organization has established the management ability to gauge, understand and leverage various metrics about the quality, relevance, impact, cost and realized value of available information assets.	<ul style="list-style-type: none"> • Establish an information product management function tasked with generating measurable economic benefits from available information assets, • Develop and maintain an inventory of possible information assets from throughout the organization, as well as from second- and third-party sources, • Evaluate alternatives for both direct and indirect information monetization,
4	Business leaders understand the range of information available and can put this information into the context of organizational goals. They are also able to refine the raw information by using various technologies such as information governance, data profiling, and metadata management.	<ul style="list-style-type: none"> • Identify, adopt, and adapt high-value information monetization ideas from other organizations, especially those in other industries, • Test information monetization ideas for feasibility, • Prepare and package information for monetization, and • Establish and cultivate a market for the information asset.
5	The organization generates significant transformational economic benefits from its information assets.	<ul style="list-style-type: none"> • Ensure a well-defined set of information architecture and flows (conceptual, logical and physical) that continually support information governance precepts, information value optimization and (changing) business objectives. • Document and enable the proper flow of information from its creation or capture through to when it is ultimately archived or deleted. • Embed information architects as key players in the EIM program. • Information life cycles and metadata are documented, implemented and aligned. • Establish information life cycles as business processes, not as IT workflows or tasks.

Digital Channels & Ecosystem (Your Score: 1)

Traditional supply chain considerations have been expanded to include digital channels and digital interactions, including measuring the quality of those interactions. Digital business success is increasingly revolves around how enterprises leverage relevant external ecosystems as part of an expanded digital channel strategy.

Recommended Research

[Capitalizing on Your Business Ecosystems Economy: A Gartner Trend Insight Report](#)
[Eight Dimensions of Business Ecosystems Enable the Digital Age](#)

Digital Channels & Ecosystem

Level	Description	Initial Remediation Steps
1	There is little consideration of digital channels or ecosystems as part of business strategy, or there is a disjointed tactical digital channel strategy in place.	<ul style="list-style-type: none"> • Educate senior leadership on the opportunities around digital channels and being a part of external ecosystems for business growth. • Reach out proactively to collaborate with business counterparts on how and why to integrate business ecosystems to improve the overall corporate strategy. • Assign resources to proactively reach out to your business strategy counterparts to include ecosystem planning into their strategic planning efforts.
2	A rudimentary digital channel strategy is in place, but is seen as an incremental augmentation of existing (analog) channels. The enterprise is starting to use ecosystem partners as customer and sales channels.	<ul style="list-style-type: none"> • Identify and track metrics for digital channel revenue growth and use that as a lever to create a broad based digital channel strategy • Assign your enterprise architecture team to develop deliverables (such as scenarios, business capability models and ecosystem models) that illustrate key business ecosystems of the future. • Ensure that any customer-, partner-, employee- or supplier-focused applications or solutions being developed today are at least considering these future channels and ecosystems.
3	The need for an integrated digital channels and ecosystem strategy is recognized as part of the overall business strategy. Ecosystem partnerships are being used for sales, customer interaction, extended capabilities, and to deliver new products and services.	<ul style="list-style-type: none"> • Assign your enterprise architecture team to develop deliverables (such as scenarios, business capability models and ecosystem models) that illustrate key business ecosystems of the future. • Ensure that any customer-, partner-, employee- or supplier-focused applications or solutions being developed today are at least considering these future channels and ecosystems. • Metrics and dashboards are focused towards measuring the growth / success of the channels and ecosystem plays.
4	Starting to be the driver of small ecosystems. Organization leaders have shifted and expanded their mindset and approach to adopt an outside-in business ecosystems perspective in their organization's strategy and execution. This shift in perspective creates a worldview that recognizes ecosystems, connectedness, interdependence and relationships as perspectives that open up new possibilities.	<ul style="list-style-type: none"> • Build channel and ecosystem agility around the eight dimensions of business ecosystems ("Eight Dimensions of Business Ecosystems Enable the Digital Age") • Align business metrics to digital channel and ecosystem contributions and set targets for improvement. • Align organization structure, roles & responsibilities to continue to scale digital channel and ecosystem capabilities and contributions.
5	The organization is actively pursuing platform business models. It is able to leverage relationships in the ecosystem by gathering vast quantities of information and using analytics to add value to create information-driven business models. There is recognition that value exchange is much broader than just financial metrics and the organization understands the future forms of value exchange and compensation within their business ecosystems.	<ul style="list-style-type: none"> • Continue to enhance the organic capabilities to identify and establish channel and ecosystem connections as business dynamics, competitive realities and technology changes. • Ensure that digital channel and ecosystem evolution and changes are embedded in business model changes. • Report digital channel and ecosystem value contributions externally to the investment / shareholder community.

Business Model Agility (Your Score: 1)

The business model is constantly being developed at a pace that is ahead of external changes in the marketplace and traditional and non-traditional competitors. A constantly evolving business model has proven to be a key differentiator, or even a requirement for survival, in a number of industries. Kodak is a classic example of a company that came close to extinction because of an inability to adapt its business model in light of the increasing digitalization of its core product. However, it was able to return in a new form with a new business model a few years later. Two other examples of dominant companies that did not survive due to an inability to adapt their business models are Circuit City, which was disintermediated by e-commerce, and Blockbuster, which was disintermediated by another intermediary with a better business model based on streaming (Netflix).

Recommended Research

[Use Business Models to Guide Digital Business Transformation](#)

Business Model Agility

Level	Description	Initial Remediation Steps
1	There is no recognition of the need to change the business model. The primary focus is to sell more of their current solutions in new ways, including through some digital channels.	<ul style="list-style-type: none"> • Educate senior leadership on the disruptive threat or potential of digital business using (practical) examples from related or even un-related industries • Paint a picture of how those forces might play out in your industry and what the impact on the organization could be • Identify reasonable what-if scenarios of competitive disruption from existing or new competitors, including the potential impact on the organization
2	There is an emerging (but slow) recognition of the threat to the current business model. Some indicators could be loss of market share, disruptive products from non-traditional competitors and customer desertion.	<ul style="list-style-type: none"> • Establish the level of urgency for business model change by identifying catalysts for change such as smaller returns on productivity investments, growth targets that exceed current product capabilities and industry disruption. • Educate senior leadership on potential threats from technology centric business models or 'digital giant' (Google, Alibaba et al) business models in the industry. • Use practical case studies of disrupted organizations from other industries to paint a picture of what is possible within your industry. • Present options, along with the pros/cons for business model evolution depending on the 'digital ambition' of the organization
3	There is significant visible pressure on the organization's business model (or elements of it) from external forces and the organization is creating the capability to respond. However, responses are reactive and the organization is frequently in 'catch up' mode.	<ul style="list-style-type: none"> • Learn to recognize unanticipated market shifts that could undermine your business model • Establish a process and capability to respond effectively depending on the magnitude of the shift as measured by the impact on your business model • Track emerging technology trends and conduct planning exercises to determine what their potential impact on your established business model(s) can be • Create a forward path to digital business model change by identifying and favoring new digital capabilities that deliver optimization now but also enable digital business transformation in the future.
4	The organization recognizes the need for constant business model change. However, all of the organizational 'constructs' (structure, leadership, culture, etc.) are not completely aligned to drive organic business model evolution. There is significant leadership focus on 'fixing' these issues.	<ul style="list-style-type: none"> • Reduce the risk of digital business transformation by using business models to develop options, plan pilot projects, analyze results and make refinements. • Plan holistically for business model change to succeed in a world that shifts to digital products. • Work with business models to evaluate individual business model attributes as pieces of a puzzle that need to fit together into a workable design. • Use business models as a diagnostic tool to identify questions that need to be answered to establish if a new business model design is viable.
5	The organization is focused on constant business model change. It is able to identify when the jump to a new 'S curve' is possible or necessary before someone else seizes the advantage –and is able to execute on the change in a timely manner. This enables the organization to continually 'self-disrupt' as needed and jump to a new, growth-oriented S-curve.	<ul style="list-style-type: none"> • Maintain continual business model transformation and innovation as a core competence in itself • Nurture the ability to create and test new business model designs • Keep a healthy sense of 'paranoia' about new disruptive business models in your industry and be prepared to invest in structural changes before the organization gets disrupted. • Align organizational structures, culture, capabilities and change appetite to the need for constant business model evolution • Continually embrace business model ambiguity as the path to innovation, transformation and, ultimately, strategic advantage.

A culture of innovation is a hallmark of enterprise differentiation and core competence and a key requirement for digital business success. A culture of innovation characterizes and distinguishes some enterprises as a hallmark of their differentiation and core competence. Innovation culture is not just limited to internal innovation - successful organizations innovate with outside partners as well. For example P&G has adopted a crowdsourcing approach to innovation and the benefits are significant. As quoted from the P&G website, with reference to its crowdsourcing initiative, "External collaboration plays a key role in nearly 50% of P&G's products. We have collaborated with outside partners for generations, but the importance of these alliances has never been greater."

Recommended Research

[Create a Research Engagement Plan to Advance Your Innovation Culture and Processes](#)
[Best Practices for Developing a Digital Innovation Playbook](#)

Innovation Culture

Level	Description	Initial Remediation Steps
1	Innovation is given lip service within the organization but there is no dedicated focus, methodology, or strategic management commitment to it. Innovations tend to be ad hoc and opportunistic.	<ul style="list-style-type: none"> • Educate business leaders about the need for and potential of innovation using examples of innovative disruptions from within and outside your industry. • Look for a supportive business leader who will champion and invest in some POC activity around innovation. • Communicate and 'market' the results of the POC to business leaders to gain support for broader innovation initiatives. • Identify elements of the enterprise's business plan that would benefit from a more disciplined innovation approach
2	Innovation has a limited role and focus in the organization, primarily around a silo'ed and contained R&D centric approach.	<ul style="list-style-type: none"> • Ensure the R&D effort and budget is at least aligned with industry benchmarks and standards, measured as a percent of revenue • Create an innovation pipeline by identifying appropriate POC candidates across the enterprise • Create an awareness of the potential of innovation beyond a limited R&D focus and the need to develop a broader innovation culture within the enterprise • Encourage organization to build innovation goals and metrics into strategic plan.
3	Innovation is increasingly seen as a critical competency within the enterprise. There are concerted cross-organization efforts to create an innovation culture with strong top management support.	<ul style="list-style-type: none"> • Maximize the potential of the front end of your innovation pipeline by providing your team and your cross-functional partners with plenty of digital business examples. • Include use cases from industries outside your own. • Establish a culture of experimentation and incremental innovation, by recruiting proven innovators and by establishing metrics that reward both success and failure. • Evaluate the role an innovation center of excellence could play in your organization. • Ensure that organization is tying specific innovation activities back to the enterprises strategic plan and goals.
4	Innovation is an organization-wide responsibility and is clearly seen as such. There is a CXO level responsibility for innovation (e.g. a Chief Innovation Officer).	<ul style="list-style-type: none"> • Lead the digital innovation effort to protect your company against disruption by identifying key technology trends in your industry and leveraging them to take innovation to the next level. • Identify technology shifts outside your industry that will have a secondary effect on your industry. • Train the existing team to react in an agile manner to major disruptions, and recruit for individuals who have the proven ability to find and exploit disruptive opportunities. • Seek out operational technology (OT) and IT projects initiated outside of IT, and get involved with those teams and help them to succeed. • Ensure enterprise has a specific innovation component in the strategic plan that includes revenue and/or cost targets.
5	The innovation culture of the organization is seen as a strong competitive differentiator. Innovation is linked directly to creating new capabilities and insights and to drive growth in new markets and customers.	<ul style="list-style-type: none"> • Continue taking existing products, brands and businesses to new places by understanding customer requirements and reimagining how those value propositions get delivered. • Create entirely new businesses and products built from the combination of physical products and digital services through disruptive innovation. • Drive customer, third-party and even 'crowd-sourced' innovation engagement. • Build capabilities to leverage collaborative cross industry partnerships • Build technology-driven innovation into the long range strategic plan

Digital Leadership (Your Score: 4)

A different approach to leadership is critical for digital business success. One of the fundamental requirements for digital business is that the traditional silos within the enterprise be 'integrated', even if in a virtual manner. Secondly, Gartner's CEO survey indicates that CEOs state that enterprise culture is the biggest barrier to digital business success. Addressing both of these issues – breaking down silos and driving cultural change – require a very different approach and mindset to leadership.

Recommended Research

[Five Steps for CIOs to Cultivate Digital Leadership Mindsets and Behaviors](#)

[Reframing Your Mindset to Match Digital-Era Reality](#)

[Leadership Mindset and Behavior Shifts in Digital Business: What the Board Needs to Know](#)

[Closing the Digital Dexterity Gap in Digital Business Strategies](#)

Digital Leadership

Level	Description	Initial Remediation Steps
1	Leadership mindset is very much 'industrial-era' driven with a focus on certainty of outcomes, optimization centric paradigms and 'fail-safe' business cases for every investment.	<ul style="list-style-type: none"> • Challenge the status-quo of 'certainty centric' decision making. • Highlight the ambiguities inherent in digital business and the fact that analysis paralysis could be the biggest risk to the business • Communicate and 'market' the results of digital transformation value hypothesis and experiments to business leaders to gain support for broader innovation initiatives. • Develop and communicate a set of business use cases where delays or the inability to make decisions in the absence of perfect information create significant business risk
2	The CEO and business leaders are starting to recognize the challenges with the 'industrial-era' driven mindset. However the organization is struggling to establish new thinking in organization leaders.	<ul style="list-style-type: none"> • Identify 'best practice' leaders who have demonstrated a comfort level with the traits of digital leadership. Note that some of them may be more 'junior' leaders from the millennial ranks. • Partner with HR to create leadership development training programs to build digital dexterity mindsets and behaviors across the business leadership team. • Start to reconstruct compensation mechanisms to reinforce the need for new leadership thinking and behavior and align what is rewarded with this new thinking. • Embrace a growth mindset to augment current (traditional) thinking
3	The need for and sense of urgency to create a different leadership mindset is well acknowledged within the organization and there is a strong effort on to create this new leadership capability.	<ul style="list-style-type: none"> • Calibrate your digital acuity against disruptive digital leader traits. • Account for the digital-era market reality gap. • Reframe your core mindset beliefs to build digital acuity. • Leadership should focus on exploiting digital-era competitive levers
4	There is inclusive distributed leadership that thrives despite uncertainty and fuels creativity. Leadership focus is on constantly achieving breakthrough outcomes.	<ul style="list-style-type: none"> • Focus on developing digital dexterity broadly across leadership and within the workforce. • Ensure that the pace of leadership evolution internally matches the external digital-disruption industry/context change. • Establish a permanent board technology subcommittee with a focus on continually enhancing digital leadership readiness.
5	A 'disruptor' mindset is embedded in leaders and broadly across the workforce. The enterprise sees opportunity in uncertainty and decision making is organized around that uncertainty.	<ul style="list-style-type: none"> • Continue to push the boundary of 'experiment/ fail fast / learn fast' thinking and investment approaches amongst enterprise leaders • Nurture measured risk taking leadership and reinforce the leadership mindset that the biggest risk is being unwilling to take risks • Make the expansion of this leadership thinking, mindset and capability deeper within the organization a core part of enterprise culture.

Digital Workplace (Your Score: 2)

A digital business approach for the enterprise externally with its customers, ecosystem partners and stakeholders cannot be adequately and effectively supported by a 'traditional' workplace. Gartner advocates a strategy called the digital workplace to help organizations thrive in the digital economy. The digital workplace enables new, more effective ways of working, raises employee engagement and agility, and exploits consumer-oriented styles and technologies.

Recommended Research

[A Maturity Framework to Advance Digital Workplace Programs](#)

[Toolkit: Survey Your Workers on the State of Your Digital Workplace](#)

[Future of Work Scenarios 2035: How Will Leaders Manage in a Majority-Bot Workforce World?](#)

Digital Workplace

Level	Description	Initial Remediation Steps
1	No enterprise-wide vision for a digital workplace exists and senior leadership does not recognize the importance of digital dexterity skills for digital business transformation. Workplace technologies are deployed as a series of independent product rollouts. No metrics exist for measuring the outcomes of workplace initiatives.	<ul style="list-style-type: none"> • Educate business leaders on the promise and benefits of a strategic approach to digital workplace initiatives • Identify the disruptors and catalysts for change and form a powerful coalition of top leaders and their delegates with an attempt to deliver quick and visible wins. • Include a narrative around workforce digital dexterity that focuses on the digital skills and roles needed to achieve mid- and long-term business goals for the entire enterprise. • Collect IT, HR and business metrics that reveal digital workplace efforts and synthesize the three collections of metrics.
2	There is an emerging recognition of the need to focus on digital workplace initiatives but no long-term strategic approach is in place. Digital workplace is approached more as a set of technology refreshes.	<ul style="list-style-type: none"> • Identify a potential candidate to become the digital workplace leader who will commence a digital workplace pilot. • Validate expectations of business relevance and employee experience and work toward achieving the desired results in a shorter time frame.
3	The IT department uses digital workplace extensively to guide its business strategy. However, opportunities to improve employee experience are pursued sporadically. Some efforts attract the attention of the senior leadership, but generally there is limited leadership support.	<ul style="list-style-type: none"> • Create a branding campaign to socialize the digital workplace value proposition • Create a steering committee or digital workplace team. • Work with HR on strategic workforce skills planning. • Use digital dexterity planning to identify the digital competencies needed for competitive advantage
4	A formal digital workplace steering committee is in place to ensure consistent, coordinated best practices are shared and responded to. The required skills and competencies for digital workplace success are harvested and augmented by citizen developers from amongst the workforce. Workforce digital dexterity is driven by adopting practices that consumer technology companies use in creating new products, such as design thinking, guided navigation and A/B testing.	<ul style="list-style-type: none"> • Create a strong "citizen x" employee-driven culture. • Work with facilities management on activity-based and smart workspaces • Collect and analyze data linked to employee activities and experiences for the purpose of designing new journeys. • Use digital workplace service offerings to guide architecture and operations, including roadmap planning and the service catalog.
5	The digital workplace is a key component of business/digital strategy. A continuous focus on and efforts to bring about employee engagement are embedded in corporate culture. There is wide-spread access to friction free proactive content and associated analytics	<ul style="list-style-type: none"> • The digital workplace must continually evolve, based on changes in both the internal and the external business environments. • The digital workplace steering committee must be a credible, well-established body. Its program of work must be proactively reviewed and improved as business conditions change. • The organization's ability to sense change (or even anticipate it using advanced predictive analytics) must be kept well-honed. • The digital workplace team continuously tracks the technologies that will have a profound impact on job profiles within their organization. Digital dexterity initiatives exist to ensure there is an optimum mix of talent for those new skills. • The steering committee must continuously track and improve digital workplace metrics with the help of a balanced scorecard for the digital workplace.

Summary

Use this assessment report to plan your remedial action for digital business success and to improve overall enterprise digital business maturity. Use each assessment as a benchmark to demonstrate improvement when you take successive assessments over time.

Additional Recommendations

The following additional research notes, in addition to the competency specific research highlighted above, are also useful in terms of planning for digital business success.

This is by no means a comprehensive list of research but is just a good place to start.

Additional inquiries (if you have inquiry privilege) with various analysts that are the subject matter experts in the specific competencies and/or overall digital business capabilities will help provide you with specific guidance on how you can improve your scores in each of these areas.

Some documents may not be available as part of your current Gartner subscription.

[Get Ready for Digital Business With the Digital Business Development Path](#)

[Digital Business Demands Leadership Networks](#)

[Digital Business: 10 Ways Technology Will Disrupt Existing Business Practices](#)

[Eight Dimensions of Business Ecosystems Enable the Digital Age](#)

[Create a Research Engagement Plan to Advance Your Innovation Culture and Processes](#)

[Best Practices for Developing a Digital Innovation Playbook](#)

[Five Steps for CIOs to Cultivate Digital Leadership Mindsets and Behaviors](#)

<https://www.gartner.com/document/3313719?ref=solrAll&refval=206838007&qid=54014f90217ae57e0581b198a9378278>
[Reframing Your Mindset to Match Digital - Era Reality](#)

[Use Business Models to Guide Digital Business Transformation](#)

[The Case for Change: Why Digital Business Needs a New Approach to Strategy](#)

[The Gartner Customer Experience Management Maturity Model](#)

[Strengthen Five Key Pillars of Product Management to Scale for Digital Business Success](#)

[Six Ways to Earn New Digital Revenue](#)

[Information 2020: Beyond Big Data](#)

[Eight Dimensions of Business Ecosystems Enable the Digital Age](#)

[Platform Business Models That Adapt and Disrupt](#)

[Create a Research Engagement Plan to Advance Your Innovation Culture and Processes](#)

[Five Steps for CIOs to Cultivate Digital Leadership Mindsets and Behaviors](#)

[Toolkit: IT Strategy Template 2.0 – Embedding Information and Technology in Business Strategy](#)

[Information and Technology Strategy for the Enterprise on the Cusp of Digital Business](#)

[Strategic Actions Describe the Path to Success](#)

[Strategic Principles Act as Guardrails to Success](#)

[Words Matter: Use the Right Language When Developing Strategy](#)

[Master Four Types of Strategy to Perfect Your Digital Transformation](#)

[A Maturity Framework to Advance Digital Workplace Programs](#)

[Toolkit: Survey Your Workers on the State of Your Digital Workplace](#)

Books

"[Infonomics](#)" , Doug Laney

"[Digital to the Core](#)", Mark Raskino, Graham Waller