

WBMS INSIGHTS

The Digital Advisory Board

Businesses face a serious digital skills gap. This gap is exacerbated for enterprises that are either outside the digital hub of Central London, or outside the locus of desirable, digital names-to-have-on-your-CV.

Just before Christmas, a group of seasoned and senior digital experts joined the WBMS Insights panel to discuss the challenges facing “Digital” in business.

So, what *is* digital? Digital is not simply running a website, or even having a Twitter presence. Today, digital technology pervades the whole value chain.

“Digital *is* business. The same principles apply, only the execution is different.”

Digital is mainstream

Digital is now clearly mainstream. Digital technology reaches all along the value chain and has penetrated deep into many organisations. For others though, there are significant challenges. If a firm is not already digital, where does it start?

The members of the WBMS Insights panel were all at relatively early stages of taking their organisations digital. They shared three, interrelated challenges:

- The digital skills gap
- Integrating digital and non-digital
- Legacy versus agility

The digital skills gap

Many of the panel were building digital skills within their new businesses. The digital skills gap presents a very real problem to established industry. As James Humphreys, who leads Commercial Practices at WBMS, observed, “It is very hard for an established, but less ‘sexy’ brand or sector to hire digital natives. How do you attract someone who has grown up with Facebook or Google to join a traditionally more steady-state sector like manufacturing or transport?”

“Digital *is* business. The same principles apply, only the execution is different.”

If the skills can't be hired, where can businesses go? Panellists felt that traditional consulting firms could not supply the necessary innovation: "The Big Four consultancies are steeped in established, Old World best practice. Often, we know more than the consultants about the New World."

Equally, panellists cautioned about the inappropriate use of marketing agencies, "You can't outsource what you don't understand. You must have the skills internally to manage an agency."

You can successfully outsource tactical execution, but not strategic thinking.

There is also a subtler aspect of the digital skills gap: larger projects are typically run by the most senior people ... who often have the largest personal skills gap: "Many organisations underestimate the level of change in marketing over recent years and their senior teams are simply not up to skill. Too often, digital skills stop where seniority starts."

Many organisations are looking at training or mentoring to develop digital skills at senior levels.

With knowledge transfer a key requirement, many panellists "in-sourced" the required skills, choosing to work very closely over a short period of time with one or several hands-on experts. These were typically highly-skilled individuals hired on an interim, or consulting basis, with a remit to deliver results and to transfer skills, leaving the organisation in a stronger position.

The panel discussed the current vogue for Digital Advisory Boards (DABs). While there might be a limited "halo effect" from a DAB comprising high-profile, celebrated digital champions, there is a risk that such bodies are too removed from the business – and too vulnerable to poor or incomplete information – to be of real value in driving digital change.

Integrating digital and non-digital

Should a digital team be separate from its non-digital counterparts? Some panellists had inherited this situation and the tensions it created. Some challenges are obvious, some less so.

If digital is now mainstream, how do you fold the digital team back into the main business? A separate team of digital marketers (say) is invariably viewed as the 'sexy' side of the business. How then do you maintain interest, skills and talent in un-sexy but vital, non-digital roles?

"You can't outsource what you don't understand."

How do you prevent the digital team drawing its own not-my-business boundaries?

And, when digital offers such clearly measurable ROI, how do you defend still-vital but hard-to-measure activities like events?

Panellists felt that, other than in a small set of unique circumstances, it was vital that “digital” was no longer a separate team: “Digital is business”.

Only marketers think in channels. While the common business mantra is for a “single view of the customer”, in reality the customer wants a single view of the business.

Nor can this be any sort of digital takeover. Digital technology pervades the entire business but it cannot *be* the entire business. Success is coming to those who take a “Digital Plus” approach.

Digital Plus combines the best of online with great offline service, whether that is having access to the same products online and in store, or combining digital data with physical assets like Virgin Money’s new customer Lounge service.

Legacy versus agility

Digital is synonymous with agility; legacy IT systems are not. Panellists frequently wrestled with developing agile, customer-centric solutions on top of their business’s existing systems. One panellist described the challenge of using new technology to drive utility across the brand, to truly enable the customer journey.

The general approach was: “think big, move quick and be smart.”

Panellists favoured building small teams of high calibre individuals and taking a Lean Start-Up approach of quickly developing, low cost “minimum viable” prototypes. Small scale A/B testing and rapid roll-out was often the solution. Today’s technology supports fast, low-cost solutions that provide the required functionality at a fraction of the legacy systems’ cost. Many organisations are taking the approach of developing a new user interface over the top of legacy systems and then working to replace the old system piece by piece.

A good CTO, it was agreed, is like gold-dust.

“Technology is changing. It used to be that IT supported business strategy. Today, IT is *shaping* business strategy.”

“Too often, digital skills stop where seniority starts.”

Another important ally for change? “Get the CFO on-board.” Digital activities in all areas of the value-chain are attractive because they can clearly be measured. Legacy IT systems typically carry a huge amount of operating cost. Anything that reduces that and produces measurable results will be attractive to the finance team.

Wilton & Bain Management Solutions

WBMS is an exclusive, invitation-only network of independent, trusted professionals focused on providing innovative solutions to technology-enabled businesses across the globe.

To learn more about how WBMS can support your business in the digital age, please contact James Humphreys

James.Humphreys@wilton-bain.com

+44 (0) 20 7621 2395

+447788 316 955.

“start small, think big,
move fast”

Credits

Wilton & Bain Management Solutions would like to thank the following executives for their participation in the WBMS Insights panel:

Arif Harbott, Chief Digital Officer at Booker Wholesale

Paul Clarke, Global Head of Marketing at Avios Group

Darren Coomer, CTO at LV=

Hemant Desai, Digital Consultant at Virgin Money

Vicki Harris, Group Strategy & Marketing Director at Aldermore Bank

Jean-Michel Maltais, Interim Consultant at Pearson UK

Pascal Moyon, Chief Digital Officer at Lastminute.com

Isabelle Ratinaud, Group Marketing Director at Local World

David Young, Director of Change & Innovation at Metro Bank UK