



**VIETNAM
WEB
SUMMIT**



DIGITAL TRANSFORMATION SUCCESSFUL AND FAILURE CASES

HOW TO TURN TECHNOLOGY INTO BUSINESS TRANSFORMATION



About me



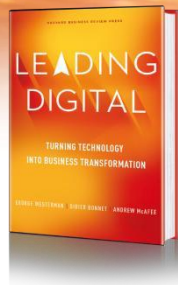
Tran Quang Kien

CEO&Founder Entrust Consulting Company

Former Product Manager Adayroi/Vingroup

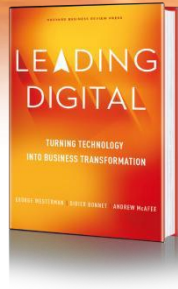
Former Chief Product Officer VNP Group

Kien@entrustlab.com – 0984 449 549



“Leading Digital” Was Born Out Of 3 Years Of Research

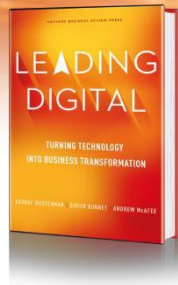




What Is Digital Transformation?

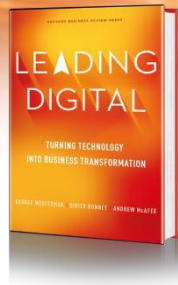


Digital Transformation \ di-jə-ˈtɪl tran(t)s-fər-ˈmā-shən\ (1) the use of digital technology to radically improve the performance and/or reach of a company.



What Do These Great Companies Have In Common?





The DNA Of Digital Masters

Digital Capability

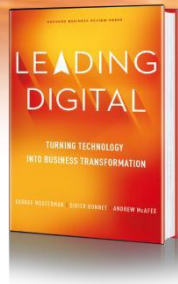
The What:

Using digital technology to transform the customer experience, operational processes and business models

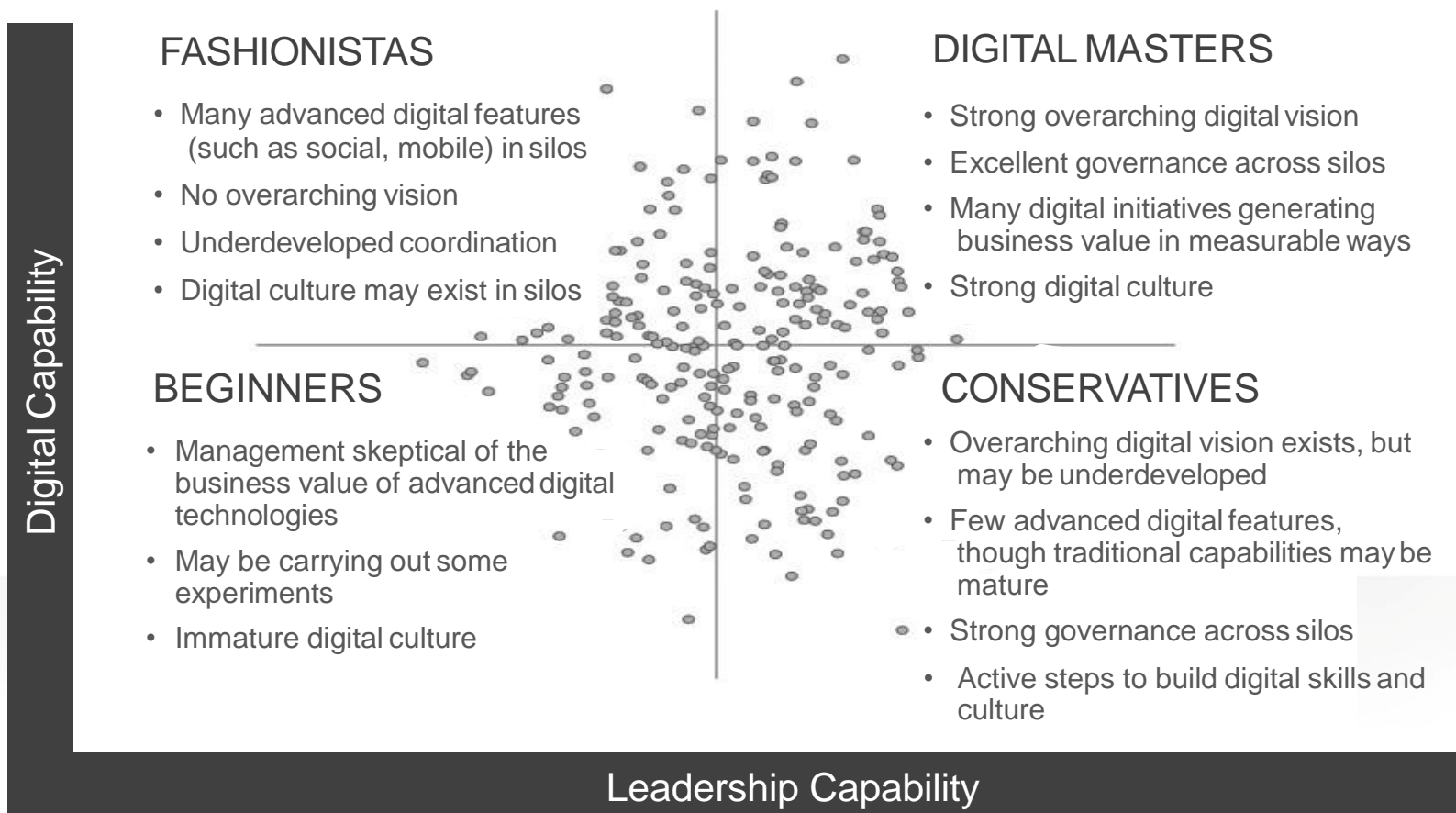
The How:

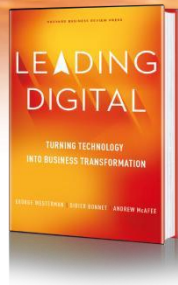
Successful transformations depend as much on how firms manage digital transformation than solely on implementing new technologies

Leadership Capability



4 Levels Of Digital Mastery





Mastering Both Dimensions Is The Key

1. DIGITAL CAPABILITY

Social Media

Digital Product
Design

Customized
Manufacturing



2. LEADERSHIP CAPABILITY

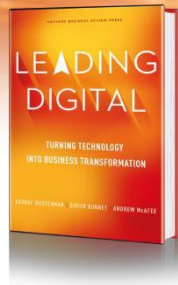
Digital Division:
Nike Digital
Sport

- Digital marketing
- Digital product innovation/design
- Digital commerce (e/m-commerce)
- Digital technologies (GPS, mobile, etc.)
- Customer analytics

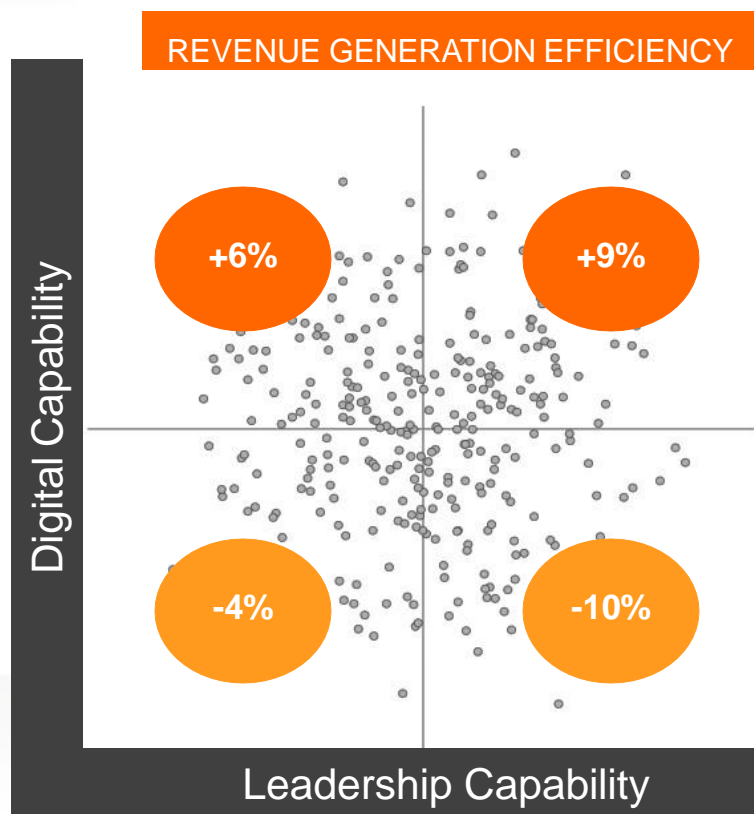


Firm-Level
Digital
Transformation

Source: "The Digital Advantage: How digital leaders outperform their peers in every industry" G. Westerman, M. Tannou, D. Bonnet, P. Ferraris, A. McAfee, MIT Center for Digital Business and Capgemini Consulting, Nov. 2012.

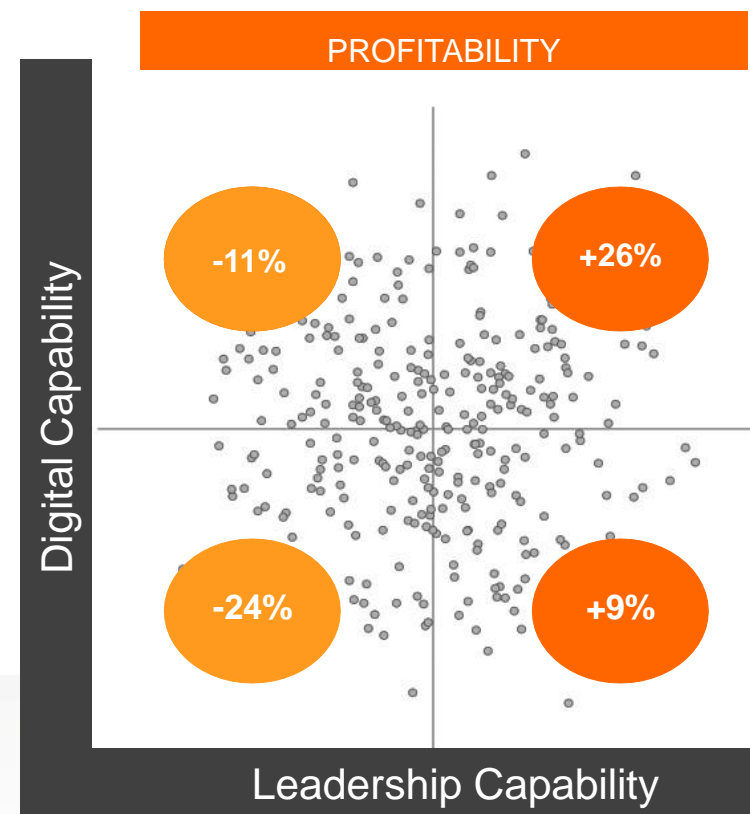


The Time To Act Is Now: Digital Masters Have Significantly Better Financial Performance



Basket of indicators:

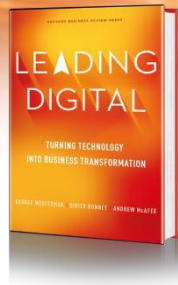
- Revenue / Employee
- Fixed Asset Turnover



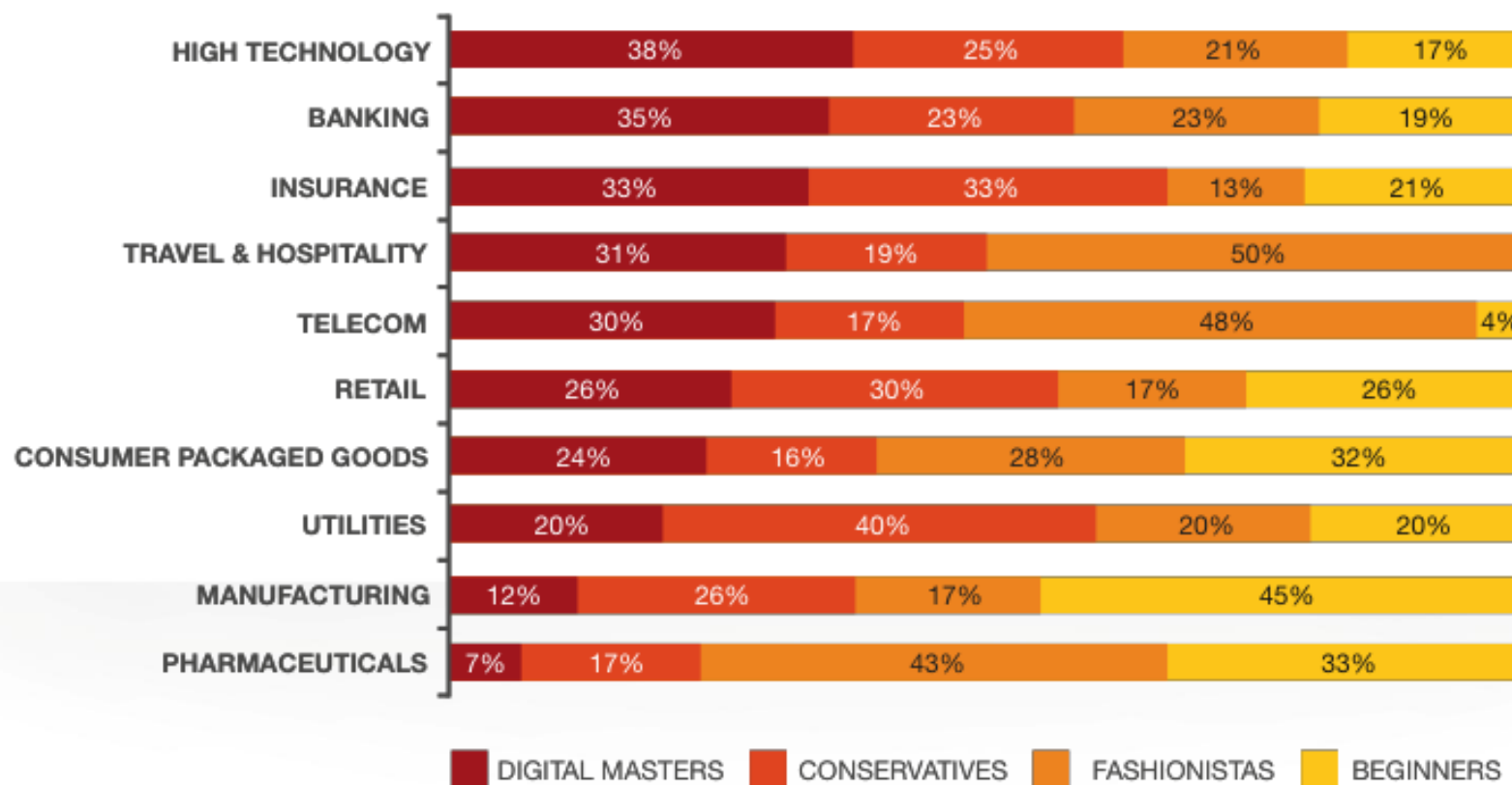
Basket of indicators:

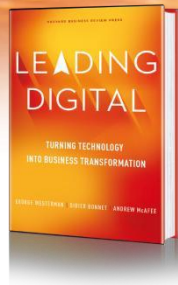
- EBIT Margin
- Net Profit Margin

* Average performance difference for firms in each quadrant versus the average performance of all large firms in the same industry for the 184 publicly-traded companies in our sample

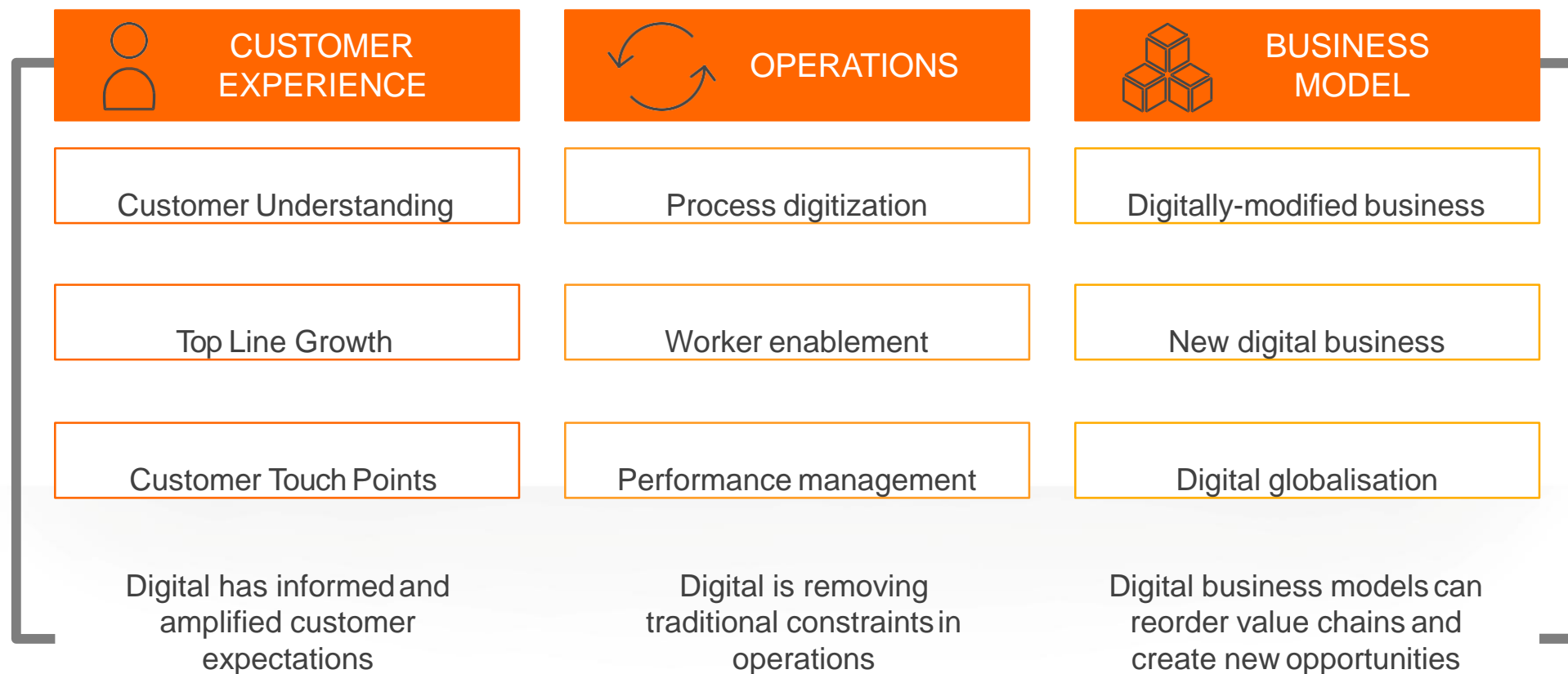


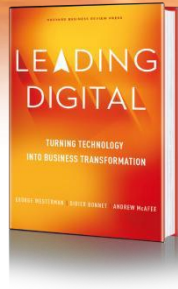
The Time To Act Is Now: Every Industry We've Studied Already Has Digital Masters



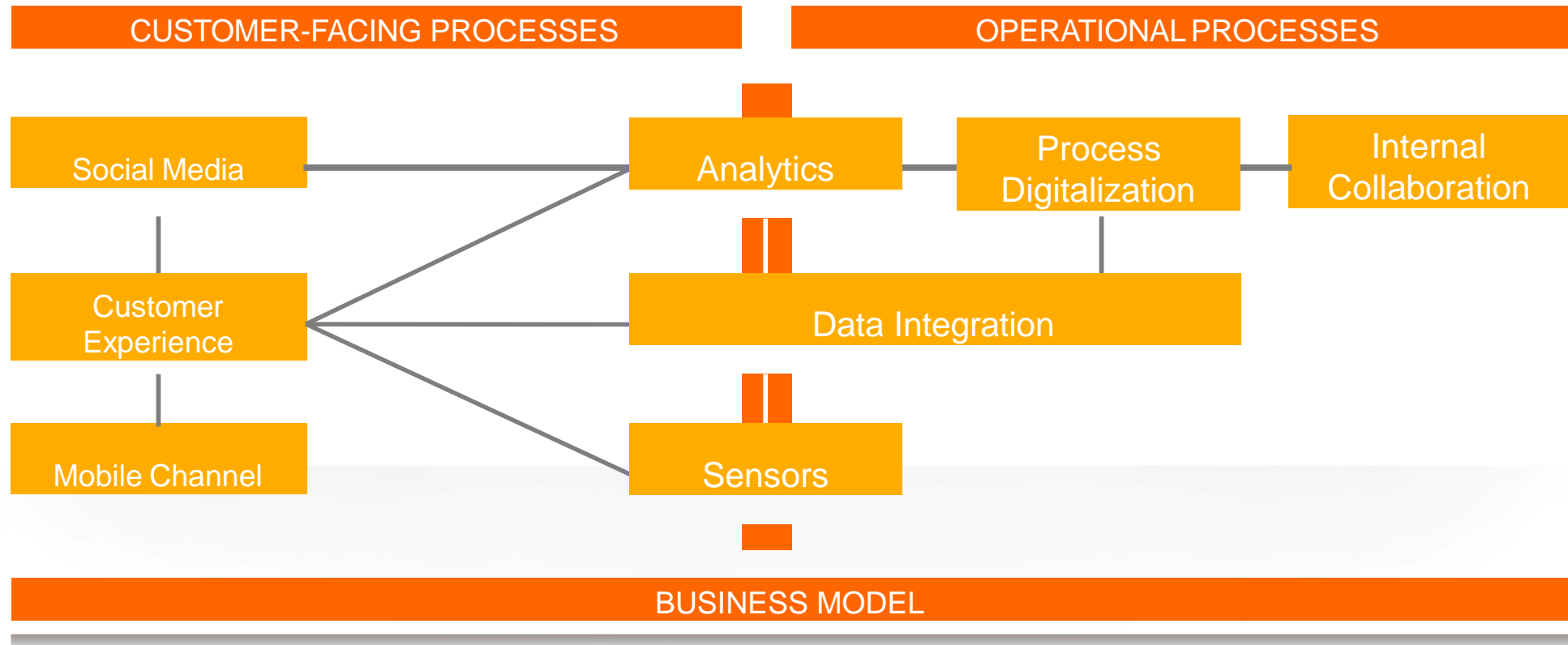


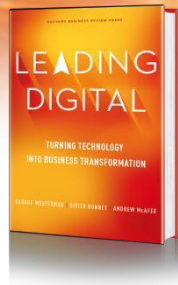
The What: Building Blocks Of Digital Capability



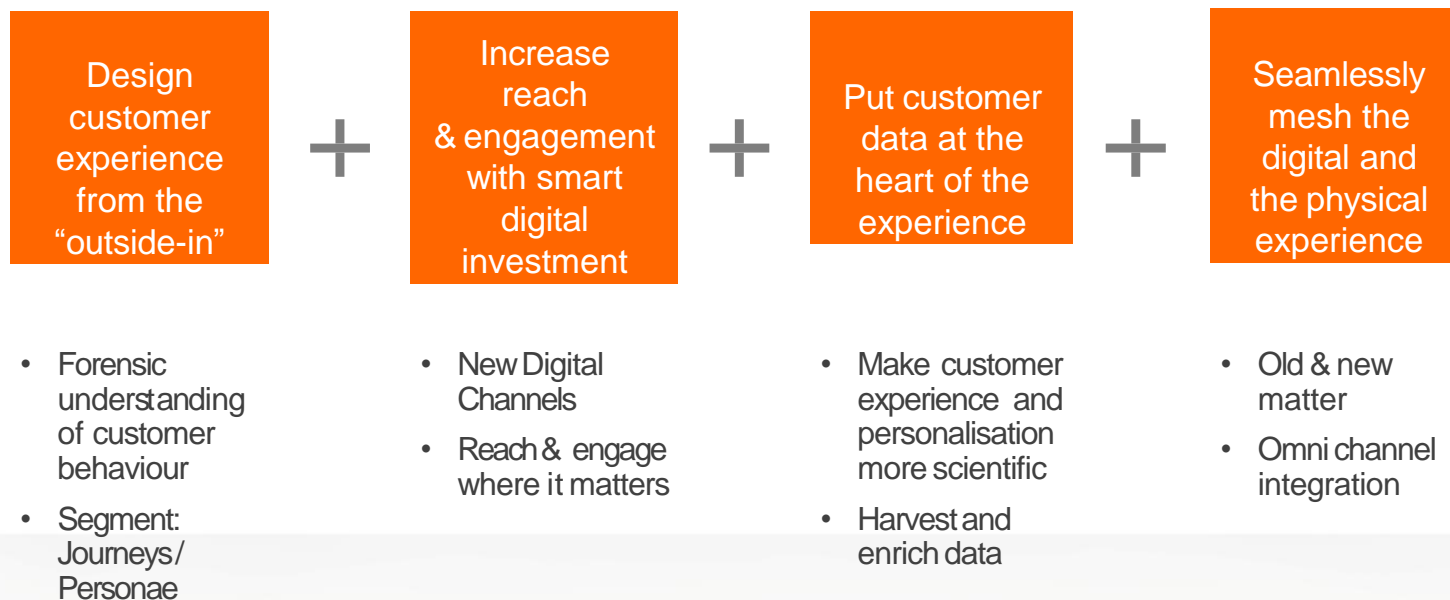


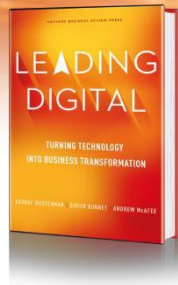
There Are Clear Patterns In How And Where Digital Masters Invest In Digital Capabilities



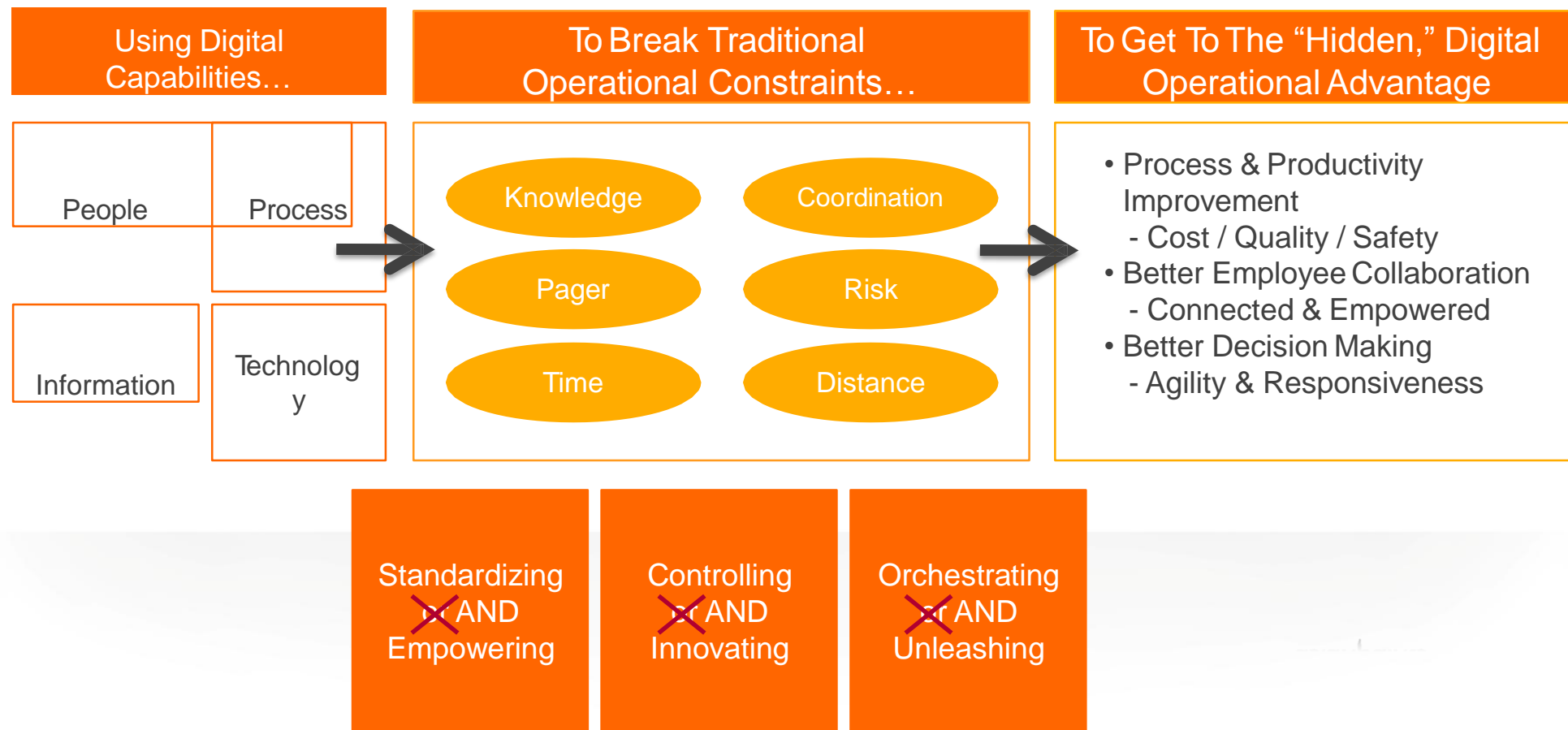


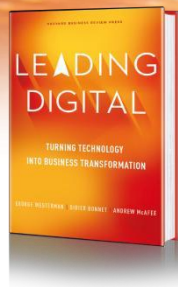
Four Interventions That Together Change The Customer Value Equation





Operations: The Less Visible Competitive Advantage





Challenge Your Business Model Before Someone Else Does

THE COMPETITIVE LANDSCAPE IS IN PERPETUAL MOTION

Globalized Competition

Falling Barriers To Entry

Access Vs. Ownership Of Assets

Blurring Industry Boundaries

Everything Connected

FIVE ARCHETYPE CHOICES

Re-inventing Industries

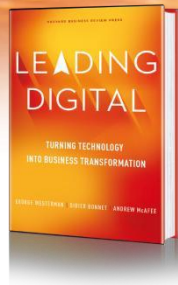
Substituting Products & services

Crafting New Digital Businesses

Reconfiguring Delivery Models

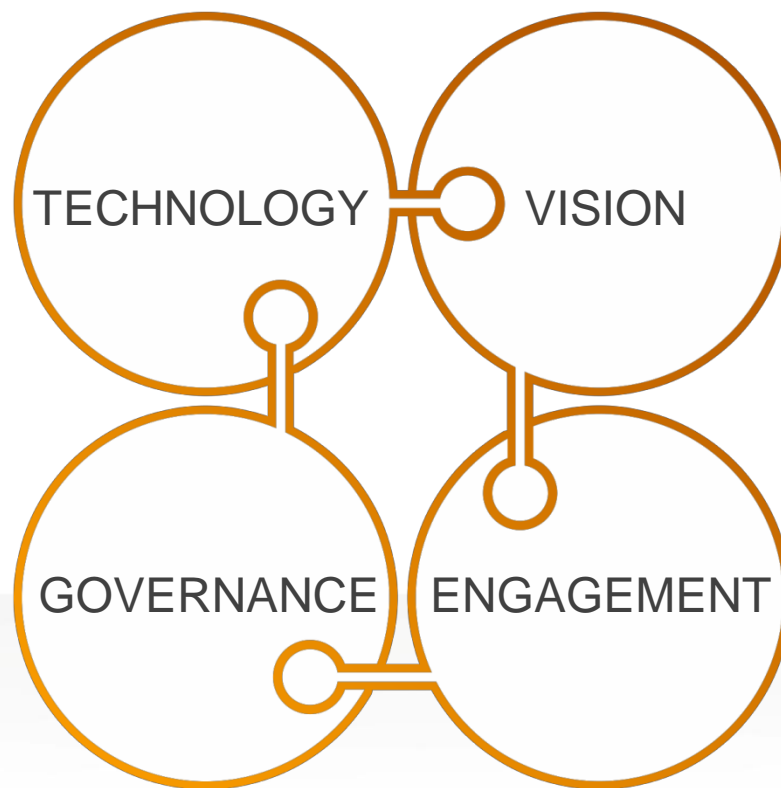
Rethinking Value-Propositions





The How: Leadership Capabilities Is What Turns Digital Investment Into Digital Advantage

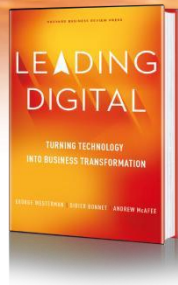
Fuse IT & business communities to build digital skills & transform technology platforms



Create a shared transformative vision of the digital future

Establish strong digital governance to steer the course

Engage employees at scale to make vision a reality



Only the senior-most executives can create a compelling vision of the future

- 1.0: Real time operation
- 2.0: Full automation
- 3.0: Human free mines

Evolve The
Vision Over
Time

Identify
Strategic
Assets

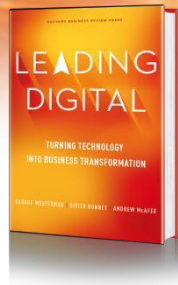
- Sales team customer relationships were high value
- Shift to sell digital services not books

Define A Clear
Intent And
Outcome

Create A
Transformative
Vision

- Fully digital end-to-end
- Align same experience across channels worldwide

- Industrial Internet – marriage of industrial engineering and Big Data analysis



Vision Sets Direction. Engaged People Make It Happen

CONNECT THE ORGANIZATION

- Wikis
- Microblogs
- Social Networks
- Video Conferencing

WIRING

“Communities that are created on the network are free from geographical, functional or hierarchical boundaries.”



ENCOURAGE WIDER CONVERSATIONS

- Executive involvement
- Digital champions
- Reverse mentoring
- Use cases

ADOPTING

“With executive engagement, you don’t have to mandate activity.”



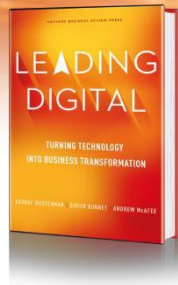
FOSTER NEW WAYS OF WORKING

- Closing knowledge gaps
- Increasing engagement
- Solving business issues
- Generating new ideas

SCALING

New innovation process is creating more innovation, collaboration, and employee engagement across the company’s business units.





Strong Digital Governance Keeps The Company On Track

GOVERNANCE GOALS

COORDINATION

- Prioritizing
- Synchronizing
- Aligning

SHARING

- Capabilities
- People
- Processes
- Technology
- Information

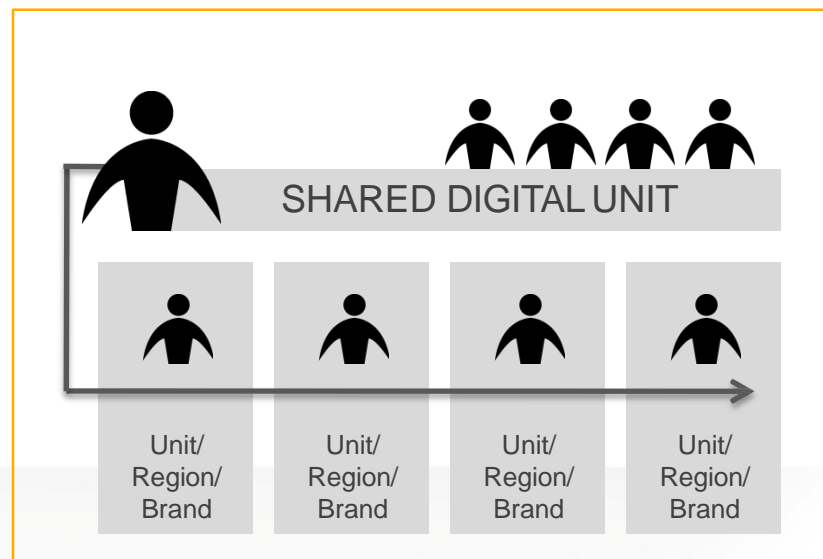
KEY MECHANISMS

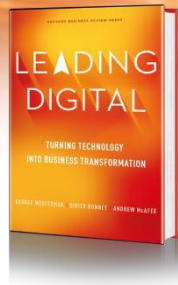
Digital Leadership Roles

Shared Digital Units

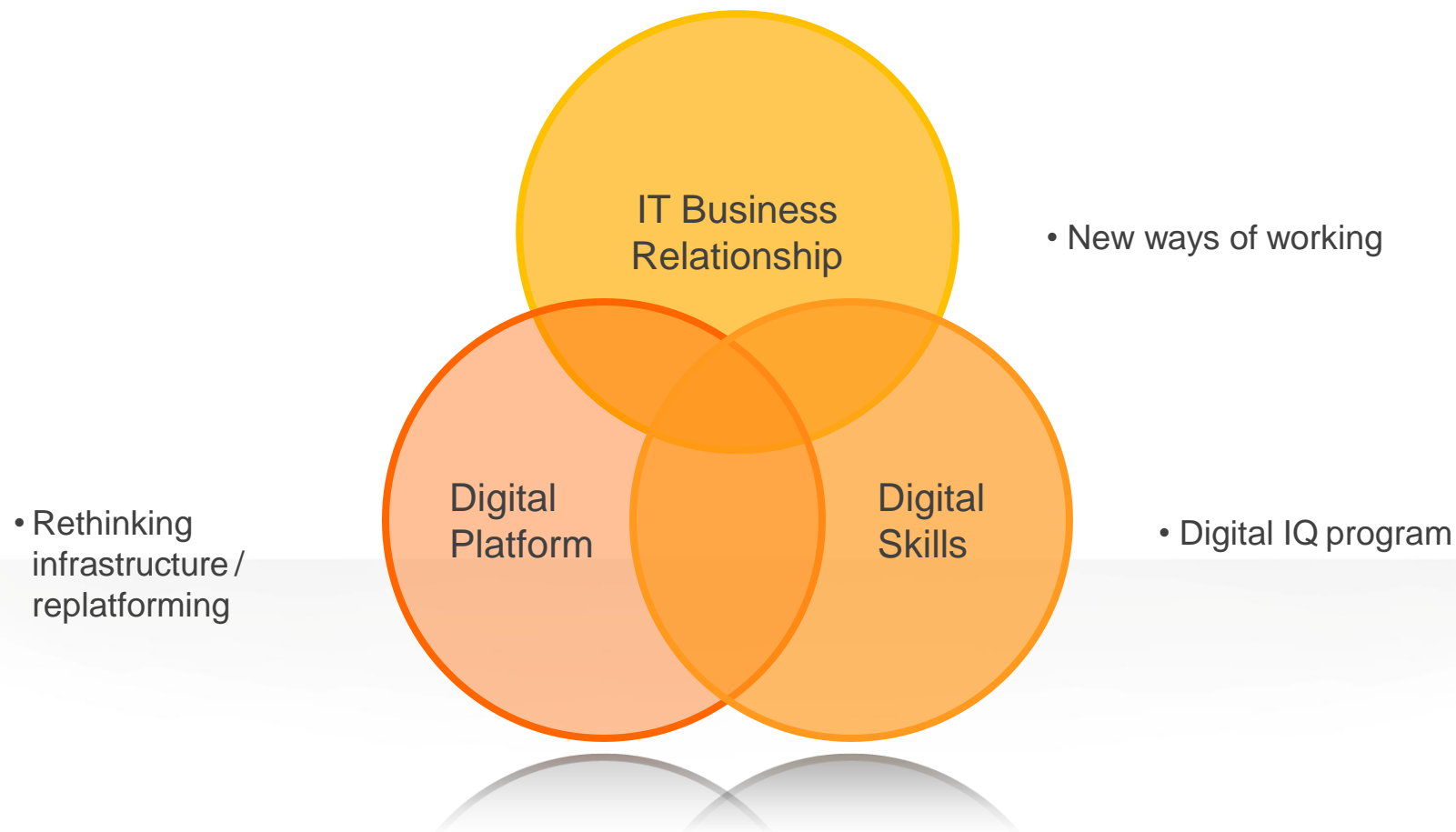
Digital Governance Committees

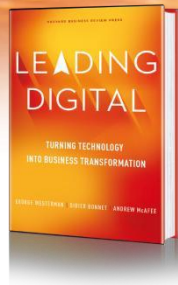
MULTIPLE MECHANISMS TO SUIT CULTURE & REACH





Business And IT Leaders Together Drive Transformation Efforts Better Than They Do Apart





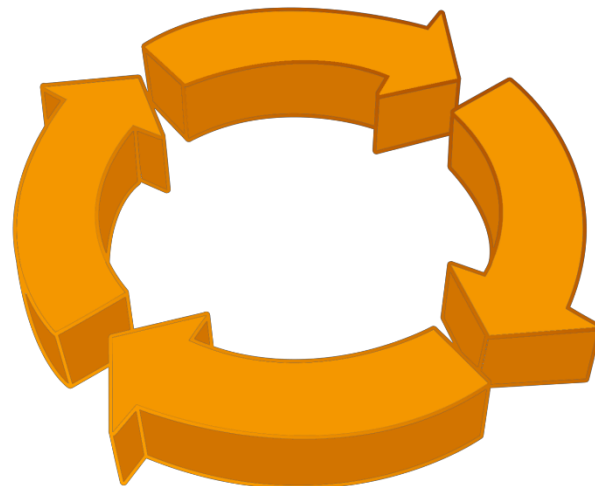
Digital Transformation Is A Job For Now: The Digital Transformation Compass

Sustain the Transformation

- Build Foundation Skills
- Align Incentives & Rewards
- Measure, Monitor & Iterate

Mobilize the Organization

- Signal your Ambitions
- Earn the Right to Engage
- Set New Behavior & Evolve Culture

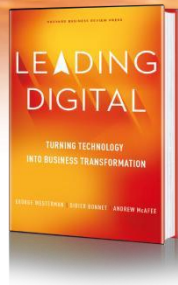


Frame the Digital Challenge

- Build Awareness/Understand Impact
- Know your Starting Point
- Craft Vision & Align Top Team

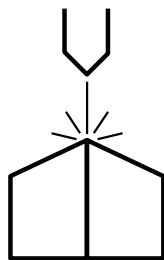
Focus Investments

- Translate Vision into Action
- Build Your Governance
- Fund the Transformation

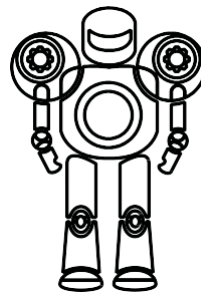


You Ain't Seen Nothin' Yet

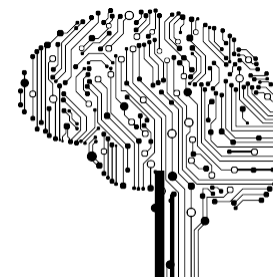
3D Printing



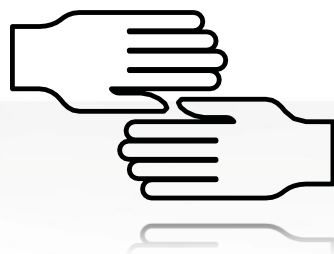
Robotics



Artificial Intelligence



Sharing Economies



Wearables



Augmented Reality



Digital Technology Will Remain The Endless Agitator Of The Business World



**VIETNAM
WEB
SUMMIT**



THANK YOU

Tran Quang Kien

CEO&Founder Entrust Consulting Company

Kien@entrustlab.com – 0984 449 549

Facebook.com/trqkien