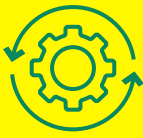




# **UNVEILING THE PATH TO SEAMLESS DIGITAL TRANSFORMATION**



In an era defined by rapid technological advancements, the landscape of business and industry is undergoing an unprecedented digital revolution. Forbes says that 70% of companies either have a digital transformation strategy in place or are working on one, and in 2019 companies spent a total of more than \$2 trillion on digital transformation.<sup>1</sup>

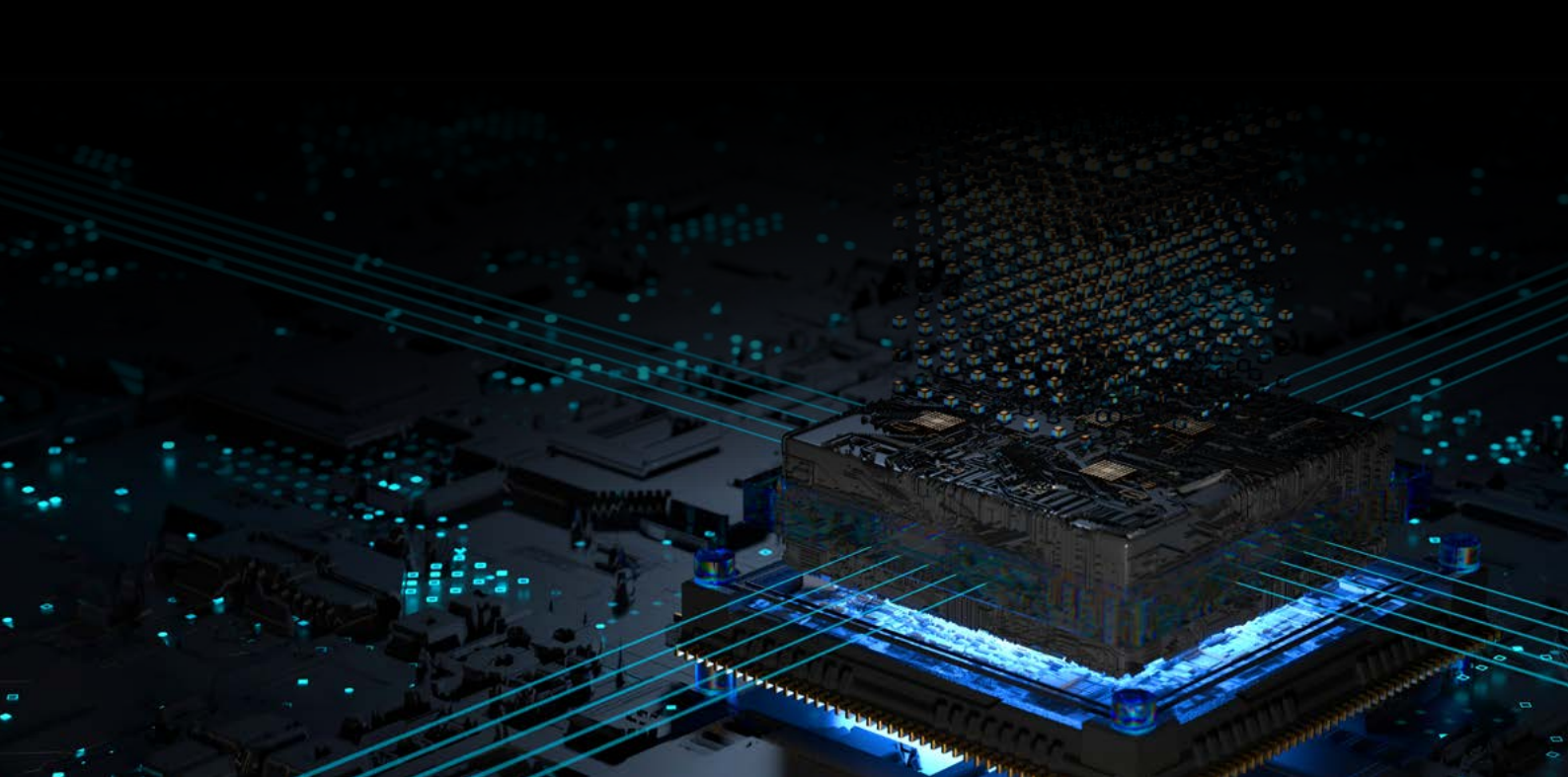
Yet, despite all that, Forbes also denotes that only 7% of companies have fully implemented their digital transformations. But why? Experts maintain that the lack of adoption is a mix of an internal resistance to change, legacy systems, and more often than not, companies not having the skilled work

force to lead the transformation charge. The essence of this paper lies not only in recognizing the urgency to adapt, but also in comprehending the strategic manoeuvres required to thrive in an increasingly digitized world. It explains the significance of not just adopting digital technologies, but also fostering a cultural shift that champions innovation, agility, and customer-centricity. In addition, it also serves to outline the demand for highly skilled individuals that organizations are seeking out to lead the digital transformation charge and how the gaps between supply and demand can be filled through employees enrolling in programs at leading higher learning institutions.

## WHAT IS DIGITAL TRANSFORMATION?

Forbes defines digital transformation as “The integration of digital technology into all aspects of a business, fundamentally changing how organizations operate and deliver value to customers. It involves a cultural change that requires organizations to continually challenge the status quo, experiment, and get comfortable with failure while fostering a mindset that embraces agility and innovation.”

In their view, digital transformation is not merely about adopting modern technologies; it encompasses a strategic reimagining of business processes, customer experiences, and organizational culture. It involves leveraging technology to drive efficiencies, create new business models, enhance customer experiences, and stay competitive in an increasingly digital world.





# WHY SHOULD BUSINESSES CARE ABOUT DIGITAL TRANSFORMATION?



Overall, digital transformation is not just a choice but increasingly a necessity for companies aiming to thrive in today's competitive

business world as they adapt to the evolving digital landscape and meet changing customer expectations. 70% of businesses believe that digital transformation initiatives are critical in improving customer experiences, so companies still sitting on the fence need to adapt or face the consequences of reduced customers and revenue, or worse still, being drummed out of business.

As in all things on the cutting edge of business there are leaders and there are laggards. Astute business leaders have recognised the importance of implementing a digital transformation strategy as according to a report by McKinsey, 80% of executives believe their current business models are at risk due to digital advances.

Time is ticking, so corporations need to react quickly and make a conscious decision to be in, rather than sit on the fence. The benefits of being in are quite clear.

## The Benefits for Digitally Transformed Companies<sup>2</sup>



69%

improved efficiency  
& reduced cost



67%

increase in  
revenue



40%

rise in employee  
productivity



36%

faster time  
to market

# THE BEST ROUTE TO DIGITAL TRANSFORMATION

There is no hard and fast rule as it differs from company to company. Many experts will differ in opinion, but across the board the path to digital transformation redemption will be paved with some challenges, but also many opportunities. This is provided a clear-cut route is well defined and thought through, because, as they say in the classics, 'If you fail to plan, you plan to fail.'

## 6 STAGES OF DIGITAL TRANSFORMATION

**01 Business as usual**  
This one is pretty self-explanatory

**02 Present and active**  
Various experiments throughout the organization drive digital literacy and creativity

**03 Formalized**  
This is where the business relevance comes in. If it's not relevant for the business, the leadership shouldn't support it - although that's not always the case, unfortunately

**04 Strategic**  
Individuals realize the power of collaboration. Their shared efforts and insights lead to new strategic roadmaps

**05 Converged**  
This is where a dedicated digital transformation team is formed to guide the company strategy and operations

**06 Innovative and adaptive**  
Digital transformation has become the new 'business as usual' and a new ecosystem is established

That is of course a broad-brush overview of the path to digital transformation, so it is worth bearing in mind that it's not a one size fits all solution. The best route to digital transformation can vary significantly depending on the unique needs, goals, and context of each organization. However, there are several key steps and considerations that companies can follow to navigate the journey of digital transformation effectively.

## **1 Vision and strategy**

Begin by defining a clear vision and strategy for digital transformation aligned with the overall business objectives. This should include identifying key areas for improvement, setting specific goals, and outlining the desired outcomes.

## **2 Leadership and cultural change**

Cultivate a culture of innovation and digital readiness starting from the top leadership levels. Encourage a mindset that embraces change, fosters collaboration, and prioritizes continuous learning and adaptation.

## **3 Customer-centric approach**

Focus on understanding and meeting customer needs by leveraging digital technologies to enhance customer experiences. Collect and analyze customer data to tailor products, services, and interactions accordingly.

## **4 Technology integration and infrastructure**

Assess current technological capabilities and invest in the right technologies that align with the digital transformation goals. This may involve adopting cloud computing, implementing automation, utilizing AI and analytics, and upgrading IT infrastructure.

## **5 Data utilization and analytics**

Develop robust data strategies to collect, manage, and utilize data effectively. Implement analytics tools to derive actionable insights that drive informed decision-making and optimize business processes.

## **6 Agile implementation and iterative approach**

Embrace an agile methodology that allows for iterative development, testing, and implementation of digital initiatives. This enables flexibility, quick adjustments, and continuous improvement.

## **7 Talent and skills development**

Invest in talent development and upskilling to ensure employees have the necessary digital skills to support and drive the transformation. This might involve sending employees on relevant programs at universities, hiring tech-savvy talent, and creating a supportive learning environment.

## **8 Collaboration and partnerships**

Collaborate with external partners, startups, or tech vendors to leverage expertise, gain access to innovative solutions, and accelerate the digital transformation journey.

## **9 Change management and communication**

Communicate the vision, goals, and progress of the digital transformation initiatives transparently across the organization. Implement effective change management strategies to address resistance and facilitate smooth transitions.

## **10 Continuous evaluation and adaption**

Regularly assess the progress, performance, and impact of digital initiatives. Adapt strategies as needed based on feedback, market changes, and technological advancements.

# NOT ALL DIGITAL TRANSFORMATION PROGRAMS ARE A ROARING SUCCESS

You may ask yourself if a digital transformation strategy is so easy, and experts maintain that there is a clear-cut route to digital Nirvana, why then do so many organizations still fail at it? According to Deloitte, 70% of transformation efforts fail,<sup>3</sup> and it takes around three years for organizations to begin competing in the digital market, even when they get it right.

## 4 REASONS WHY ORGANIZATIONS FAIL AT DIGITAL TRANSFORMATION<sup>4</sup>

**1** Lack of clear strategic direction

**2** Resistance to change

**3** Insufficient talent and skills gaps

**4** Poor execution and implementation



### Lack of clear strategy and vision

One primary reason for failure is the absence of a clear digital transformation strategy aligned with the organization's overall goals. Without a well-defined roadmap, organizations may struggle to prioritize initiatives, allocate resources effectively, and gain buy-in from stakeholders. A lack of vision often leads to fragmented efforts and confusion among employees, hindering progress.



### Resistance to change and cultural barriers

Resistance to change within an organization can significantly impede digital transformation efforts. Cultural barriers, including rigid hierarchies, siloed departments, or a reluctance to embrace innovative technologies, can prevent successful adoption of digital initiatives. Resistance from employees due to fear of job displacement or inadequate training can also hinder transformation efforts.



### Insufficient talent and skills gaps

A shortage of skilled talent or an inability to upskill existing employees to adapt to new technologies and processes can stall digital transformation. Without the necessary expertise, organizations may struggle to implement and manage new systems effectively, limiting the potential benefits of the transformation.



### Poor execution and ineffective implementation

Even with a well-defined strategy, poor execution can lead to failure. Inadequate project management, unrealistic timelines, budget overruns, or a lack of accountability can derail digital initiatives. Additionally, organizations might encounter challenges in integrating modern technologies with existing systems or fail to address cybersecurity concerns adequately.

# A DIGITAL TRANSFORMATION STRATEGY IS NOT A ONCE OFF

Once you have successfully transformed your organization and you've digitally empowered employees to be more productive and happier at work and your customers are queuing up to buy your products or services, that's the end of the journey, right? Wrong!

The end of your digital transformation journey is not the end, it is just the beginning. No company can ever just rest on its digital laurels and think that everything is sorted. After 5 years, and some would argue even less time, organizations need to relook their strategy.

## Reasons to update your digital transformation strategy<sup>5</sup>

- ✓ Rapid advancements in technology
- ✓ Changes in business priorities
- ✓ Continuous evolution
- ✓ Need for business agility



### Technological advancements

Rapid advancements in technology can influence the lifespan of a digital transformation strategy. As technology evolves, new tools and approaches may emerge, prompting companies to update or adapt their strategies more frequently to remain competitive.

### Business environment and goals

Changes in business priorities, market dynamics, or shifts in organizational goals may necessitate adjustments to the digital transformation strategy. If the business landscape undergoes significant changes, the strategy might need to be reevaluated sooner.

### Continuous evolution

Digital transformation is an ongoing journey rather than a one-time project. As companies evolve, their digital strategies also need to adapt. This suggests that there might not be a definitive endpoint for digital transformation, but rather a continual evolution.

### Business agility

Organizations adopting an agile methodology often break down transformations into smaller, manageable phases. This iterative approach allows for continuous improvements and adjustments.



# TIME TO CLOSE YOUR SKILLS GAPS

It's not just internal resistance to change that can derail your transformation efforts, it's also the lack of a skilled labor force.

Udacity's CEO Gabriel Dalporto, says that "The talent shortage has reached a crisis pitch," adding that if companies do not invest in talent transformation they are destined to fail, as the lack of job-ready digital talent has become an existential threat to businesses around the world.

Udacity conducted a Talent Transformation Global Impact Report study with leading independent market research company Ipsos that focussed on the digital divide and the results were clear:

**59%**

of employers report not having enough skilled employees which had a major to moderate impact on their business.

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**80%**

of employers think their learning and development programs are at least moderately successful, but just 45% of employees say they are completely satisfied with them.

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**44%**

of employers report that employee turnover is hindering the company's ability to achieve goals.



# COMPETENCY-BASED PROGRAMS FROM UNIVERSITIES CAN CLOSE DIGITAL TRANSFORMATION SKILLS GAPS

So where do companies start if they are looking to address the skills gaps and move to a more digitally empowered labor force? They need to partner with leading educational institutions to send workers on relevant training programs. Establishing partnerships allows access to specialized curriculum and resources.

By investing in continuous learning and development opportunities, companies can effectively upskill their workforce, preparing them to adapt to the evolving digital landscape and contribute to the success of transformation initiatives.



# LEARN, ADAPT, THEN DO!

Nexford University's Master of Science in Digital Transformation (MSDT) program is aimed at upskilling workforces so that they can provide essential contributions to make transformation journeys a success and as a result, drive growth and profitability across the organization. By sending your employees to learn at Nexford, they will develop specialized technical skills and essential business knowledge to lead tech solutions at your company to reduce costs and expand your revenue.

You need leaders to transform, innovate, and shape your digital future. The Nexford MSDT program will equip your staff to be leaders in transforming your organization by harnessing technology for innovation and sustainability in a rapidly evolving digital economy.

When your staff complete the program, they will be better skilled to be able to:



## **Lead collaborative innovation**

Develop strong communication channels and apply critical thinking skills to facilitate collaboration, leverage technology for innovation, and analyze digital business trends affecting the global landscape.



## **Create scalable strategies**

Construct strategies that emphasize scalability using horizontal-enabling technology, and craft tech-centric solutions through a systems analysis approach to pre-emptively address emerging business challenges.



## **Tackle ethical tech challenges**

Distinguish and address the modern social, legal, and ethical challenges posed by emerging technologies, ensuring your organization remains compliant and socially responsible.



## **Elevate continuous growth**

Propose comprehensive plans that utilize technology for holistic business process management and assess personal and professional avenues for continuous learning and industry best practice alignment.

Plus, you won't have to wait a million years or break the bank to see the transformation progress in employees and as a net result, reap the benefits.

1. Employees will be able to complete an MSDT in an average of 18 months. So, the faster they finish, the more money you'll save.
2. The degree is 100% online, so employees can learn regardless of physical location. They can learn on their own time, with minimal to no disruption to your business.
3. The cost is affordable: The program starts from \$280/month (\$5,040 for 18 months).

# THE FUTURE OF UNIVERSITY EDUCATION IS NEXFORD

There's no quick fix to remedy the skills gap but any long-term solution will require a radical re-evaluation of the role of higher education. Online education gives students access to world-class teaching from the comfort of their own homes and greater flexibility in their education. Learning institutions, in turn, gain access to a broader range of global students.

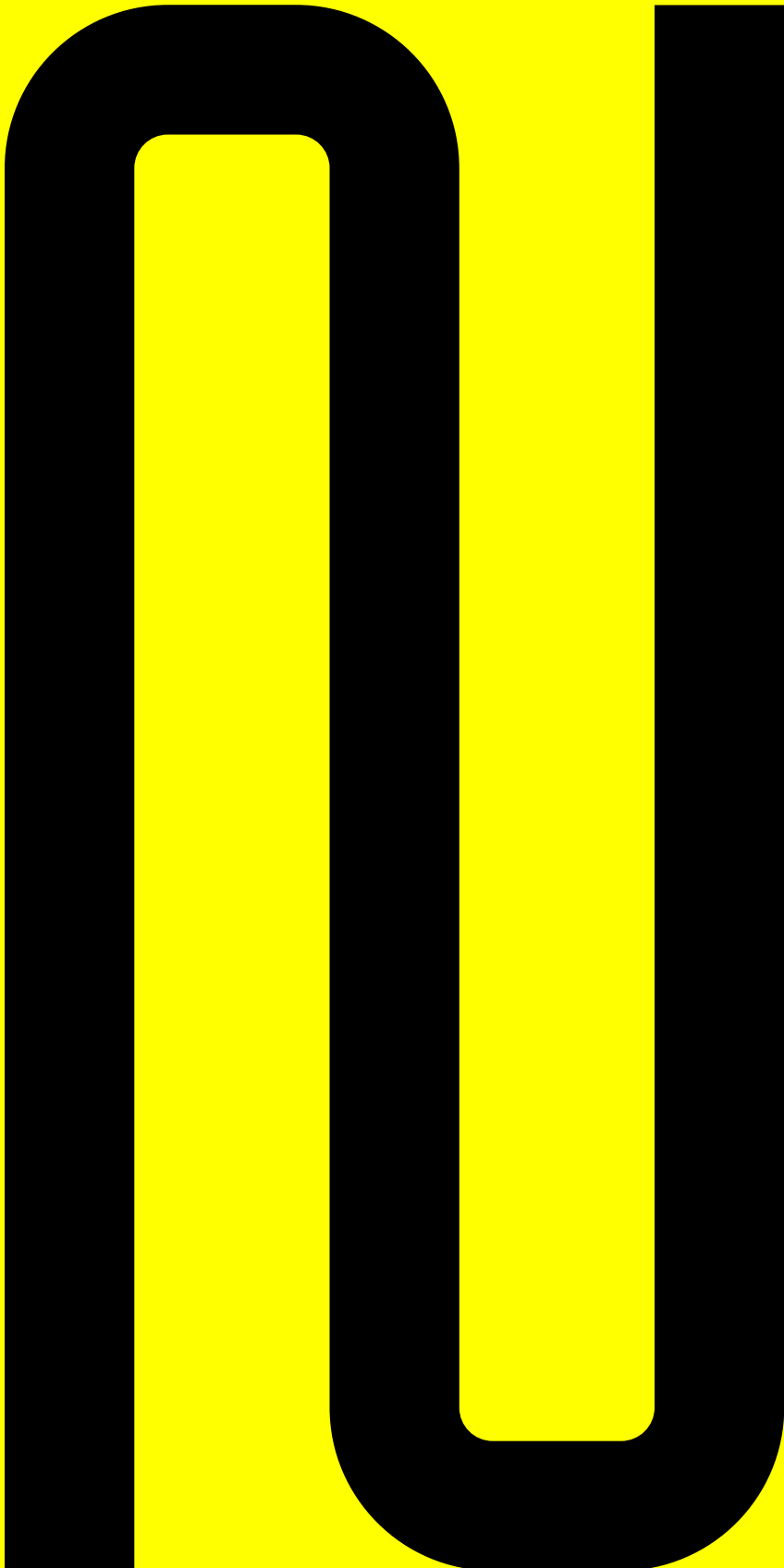
There's no doubt remote learning is here to stay.

For more information on Nexford's business programs mail [partner@nexford.edu](mailto:partner@nexford.edu)

## Sources:

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3. Deloitte: Digital Transformation are people still our greatest asset
4. whatfix: 11 Critical Digital Transformation Challenges to Overcome (2024)
5. Forbes: Why Do Companies Need Digital Transformation?





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