



Real World Futures

Navigating The Future of Digital Transformation Risk

Thursday 3 September 2020

Welcome



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What is Digital Transformation?



- Digital transformation **leverages technologies to create value** for various stakeholders (customers in the broadest possible sense), innovate and acquire the capabilities to rapidly adapt to changing circumstances.
- Digital transformation is the cultural, organisational and operational change of an organisation, industry or ecosystem through a smart **integration of digital technologies, processes and competencies** across all levels and functions in a staged way.

Source: <https://www.i-scoop.eu/digital-transformation/>

What is transforming?



- In the context of digital transformation the focus on technology can often overshadow the need to spend considerable time and effort on understanding the paradigm and mindset shifts needed to work in new ways.
- Technology can be transformative (i.e. the catalyst), but only if it is adopted into human culture which changes to accommodate or adapt to it. It is our ways of working, collaborating, communicating and getting thing done that actually transform.
- The cultural and human imperatives of transformation have been made salient by the pandemic and this momentum can be harnessed.

How is Digital Investment Different?



Imperfectly Designed Systems



- IT Systems Design and Development is fundamentally an Engineering Discipline
- Yet many software vendors fail to adhere to a robust software engineering discipline
- IT solutions **MUST** integrate with an IT Enterprise Architecture to be sustainable
- IT (Digital) Architecture is **Critical** to the future of the Digital Enterprise

IT Systems as Incubators for Chaos



- The fundamental laws of physics (motion, electromagnetism, relativity and thermodynamics) do not apply to IT systems!
- More specifically, predictable human interaction with the physical world gives way to unpredictable human interaction with IT systems
- In IT systems, the butterfly effect is real and difficult to predict
- For every data action there is a resultant 'state' either conceived or unconceived

Misguided Accountability



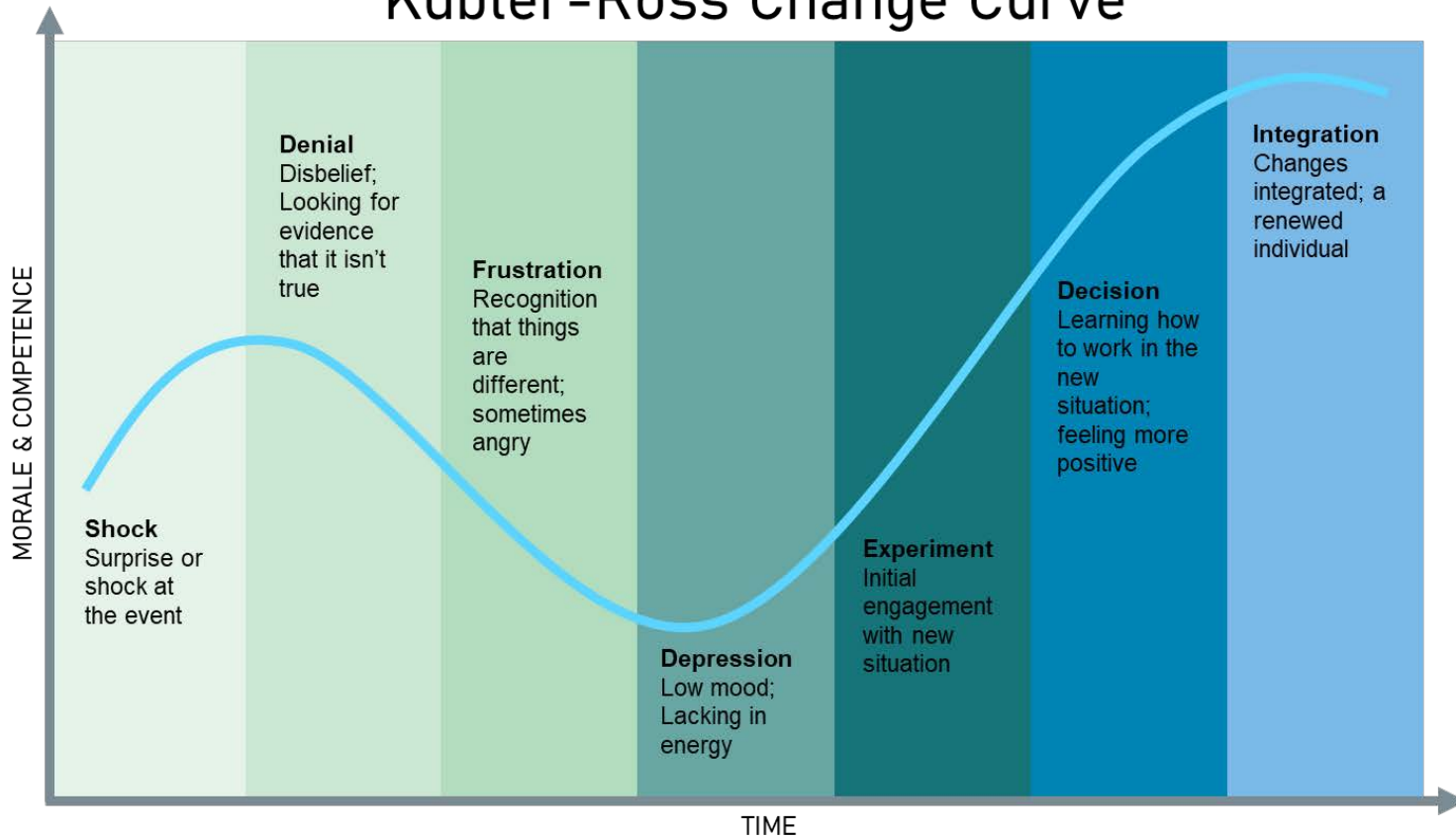
- Lack of business ownership clarity
- Inappropriate business ownership
- Insufficient investment (*TIE* principle)
- Need for authenticity regarding whether or not the initiative is truly important to the organisation



- Human factors ultimately determine the success or not of the project. Full Stop!
- The more significant the change the greater the impact of human emotion
- Denial, Anger, Bargaining, Depression
- And if you're lucky – Acceptance
- Change Management is not enough – you need to be good at change leadership

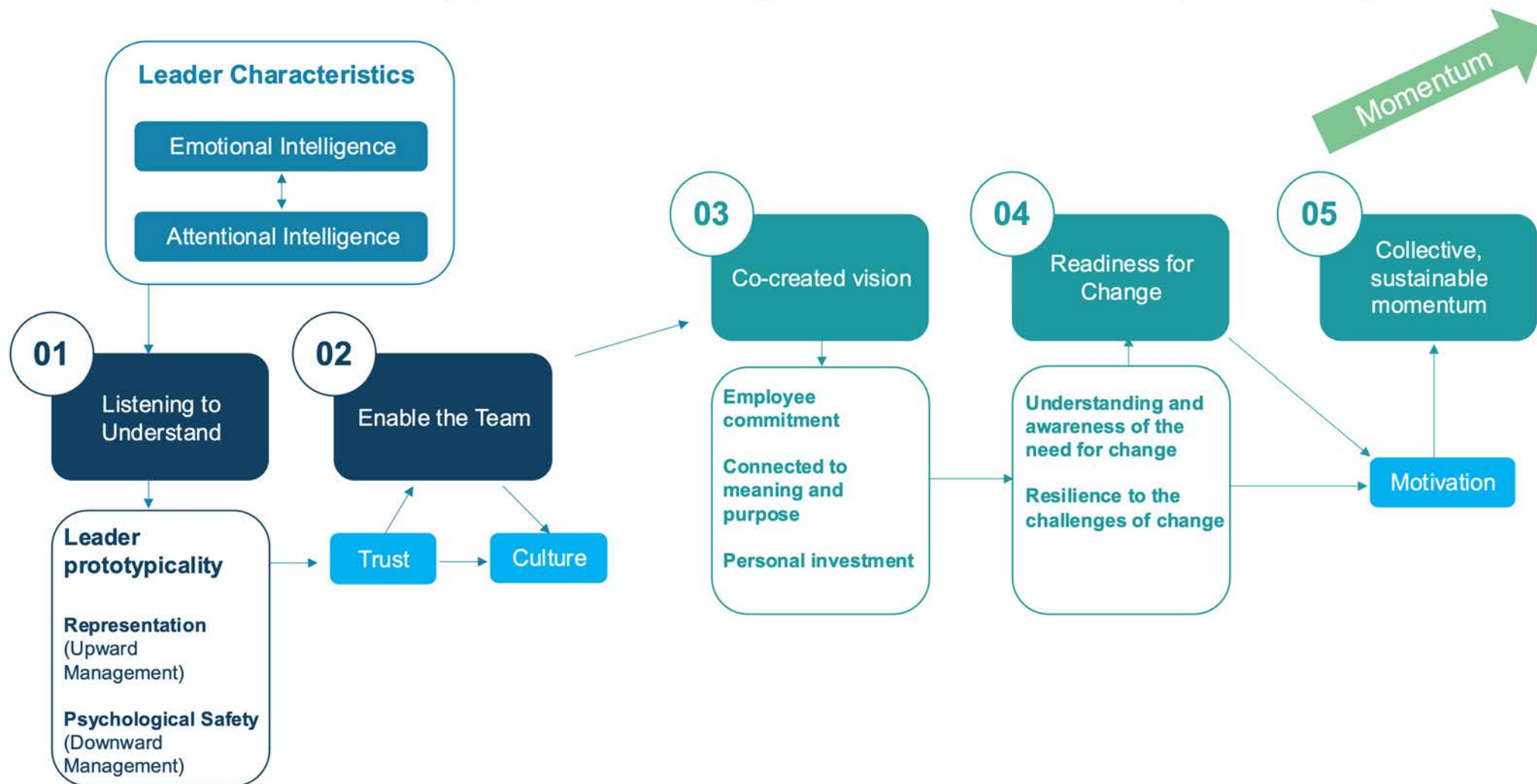
Reimagining Transformation

Kübler-Ross Change Curve



- Many organisations build the 'valley of tears' into their expectations of the digital transformation project.
- What if there was another way?
- What if transformation doesn't have to involve grief?
- What if we re-think it? Reconceptualise?

Human-Centered approach to change and transformation (Read n.d.)

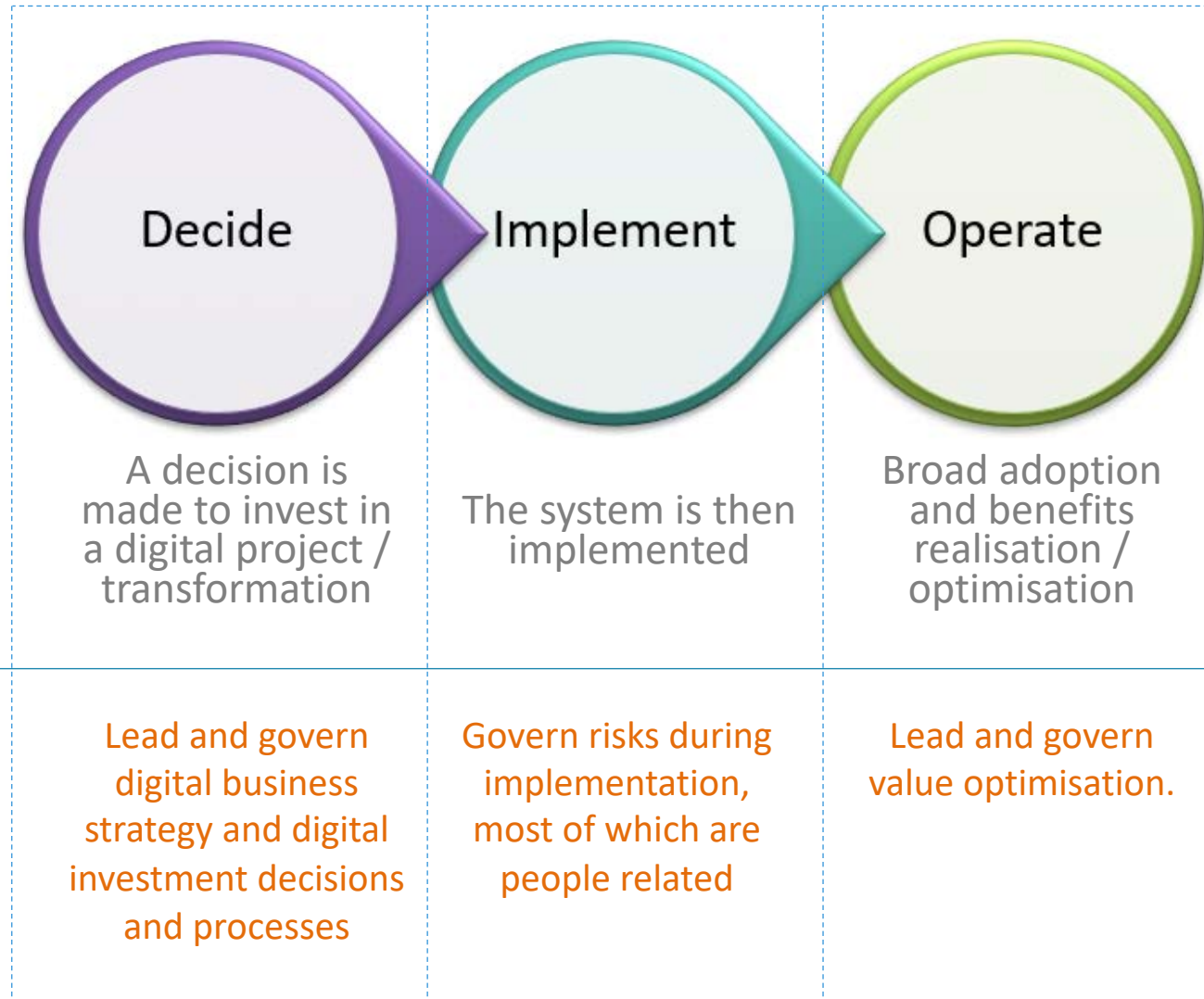


Bridging Paradigms

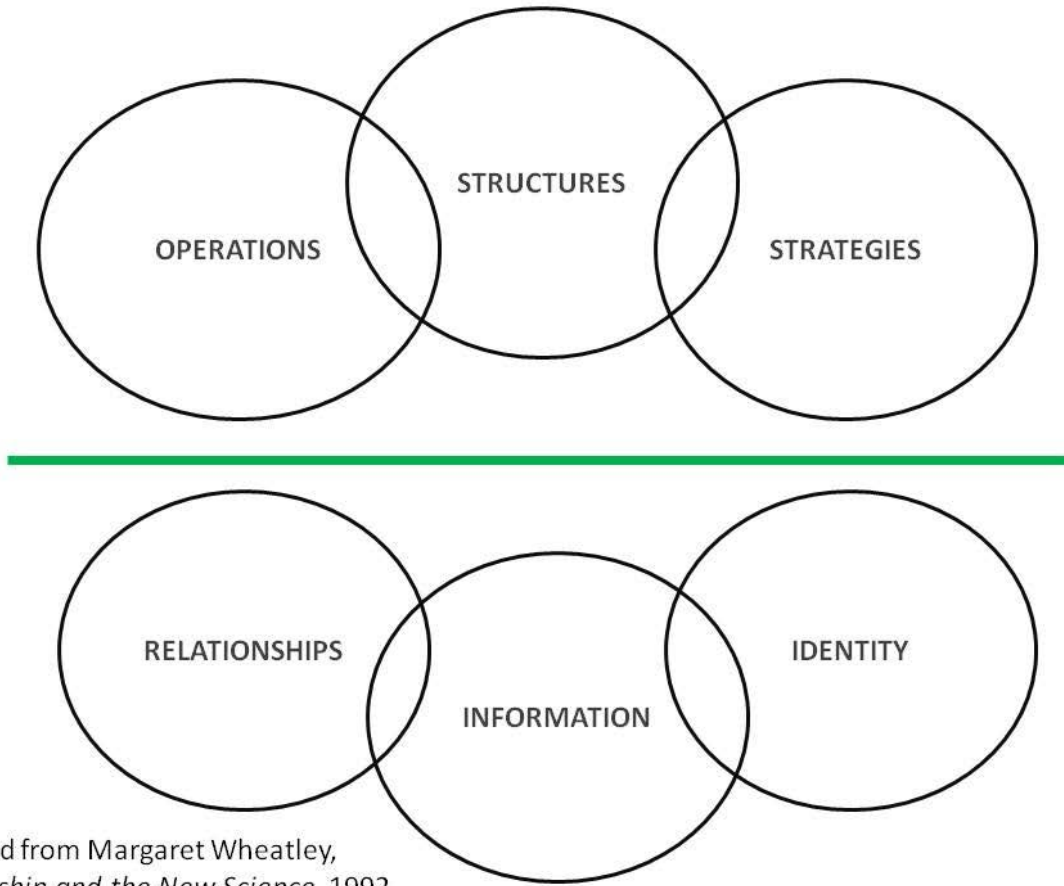


- Transformation occurs as people recognise and accept the need to do things differently.
- Starting with ownership, accountability and enablement from the leadership team.
- The hard work is in listening, understanding, and honouring the human imperative
 - In the changes to the way we work
 - In the way we deploy and make sense of digital

Digital Investment Lifecycle Leadership



Below the Line Leadership...



Adapted from Margaret Wheatley,
Leadership and the New Science, 1992

- The six areas of focus include (Wheatley, 1994):
 - three areas that are part of the system infrastructure; and
 - three areas that have more to do with human capital.
- Immunity to change and the need for commitment not just intention (Kegan and Leahy, 2001).

Being Thorough is Key to Change Success



- **Thoroughly** understand the outcomes you are seeking
- **Thoroughly** plan the implementation
- **Thoroughly** design how the organisation will use the system (co-designed with staff and consumers)
- **Thoroughly** test every aspect of how the system will or could be used
- **Thoroughly** engage and train staff in how they will use the system



Questions?



For more information, please get in touch



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Thank You
See you at our next Real World Futures event

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