In the Digitalization Game the Winners Are the Ones Who Challenge the Present!

Every game has a structure including rules, players, and targets. For example, *Snakes and Ladders*, a worldwide classic, is played between two or more players on a game board that has numbered, gridded squares. The objective of the game is to navigate the player’s pawn from start to finish, helped or hindered by ladders and snakes respectively.

This article studies digitalization as a game like Snakes and Ladders. The article is for business leaders and managers who understand the potential opportunities of digitalization and wish to develop a strategic roadmap for digital transformation, but they do not know:

- How to play the game?
- What’s the next move?
- How to win the game?

- **The Object** of the game is to stay competitive
- **The Winners** are the ones who succeed in digital transformation
- **The Ground Rule** is to create the best customer experience and engagement
INTRODUCTION

Back in the day, the traditional organizations ruled the markets.

Players in a certain market competed against the same size organizations and it was difficult for rookies to challenge the champions.

Then came the Wave of Digitalization and changed everything overnight.

Today “every business is digital business” and traditional organizations are struggling to reinvent themselves to become digital businesses.

DEFINITION

The digitalization game is a strategic business game that requires new ways of thinking and leading.

Innovative start-ups, like Air BnB and Über, have no physical limitations, and are so dominant in their play that they forced a change in the ground rules of the traditional market.

The ground rule is no more the best products or the cheapest prices, but the best customer experience and engagement, as market power has moved from companies to consumers.

“Digitization is rewriting the rules of competition, with incumbent companies most at risk of being left behind” McKinsey&Company

The object of the game is to stay competitive in a truly global market, compared to before where the target was to win a single match with the main competitor in a specific isolated market.

The winners in the long term, are the ones, who succeed in digital transformation and challenge the present.
DIGITAL TRANSFORMATION

**Digital transformation** means business revolution from traditional into digital. BCG defines transformation as a profound change in a company’s strategy, business model, organization, culture, people, or processes. Digital transformation is about all of those.

The **players** of the digitalization game can be divided into leaders and challengers.

The **leaders**, which are often those innovative start-ups, create disruptive business models. The leaders have reaped most of the benefits of digitalization so far.

“The Leaders are designed to be as agile as possible and streamlined to perfection.”

The **challengers** are traditional organizations trying to reach the leaders’ level. Traditional organizations are in the challenging position, because they have no or limited experience in digitalization.

**Organizations** in the challenger’s role are forced to move their business as quickly as possible to the next stage in the digitalization game. According to the IDC, digital transformation includes five stages with different business outcomes:

Source: IDC 2015
THE GAME BOARD

Change is inevitable, but it is rarely easy, states Brian Solis, a Digital analyst.

Today that’s a hard fact for many organizations, who are at the beginning or in the middle of digital transformation.

The digitalization game board includes blue and grey bricks:

The blue bricks are moves that an average organization with low digital maturity level can make in the digitalization game. The blue bricks move the organization steadily closer to the digital business. Unfortunately this is not the full picture.

In the game board, there are also grey bricks: Emerging technologies. Both challengers’ and leaders’ management need to take these into consideration even if the time scale and impact for the organization is not yet clear.
THE WINNING STRATEGY

The playbook is always unique for an organization. Like in the Blue ocean strategy, by W. Chan Kim and Renée Mauborgne, companies can succeed not by battling competitors, but rather by creating their own “blue oceans”.

The blue ocean strategy of digitalization is a visualization of the top management’s game plan in order to ensure rapid results while avoiding the snakes.

The snakes are barriers that slow down or preclude digital transformation. For example, KPMG lists top five barriers to a successful business transformation: applying appropriate metrics, inadequate or legacy technology, resource constrains, understanding significance of operating model changes and existing corporate culture.

Strategic Planners, Business Managers, and IT Leaders! You are the key players in the game of digitalization with two options: either you just give up “Checkmate” or you keep on “Playing”.

Playing any game includes luck, but more often a chance to succeed. All successful players use coaches to increase the probability of winning.

A coach can help a single player and an organization to clarify the goals by challenging, reflecting, and listening. Changing something in how they operate or how they behave affords the participants the ability to use the ladders to accelerate digital transformation.

“Understanding where your enterprise is on this journey and where you need to go will not only determine the amount of change expected for your enterprise, but also map out which combination of technologies support your progression.”

Hung LeHong, Vice President and Gartner fellow

The ladders are experience-based, next generation best practises that a coach users to challenge the present. For example, BCG has a general transformation framework and ICT Standard Forum has A Map to Lead Digitalization in order to help implement transformation across industries.

GAME ON - GOOD LUCK!

Writer works as an Advisor in Sofigate and coaches both face-to-face and online in ICT Academy for Management. He is focused to facilitate effective decision-making and building capabilities across the organization.
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