A Digital Transformation Checklist

for Your Whole Business.

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If this is the first digital transformation checklist you're looking at, we'd be surprised. The internet is full of PDFs and 10-point lists trying to make the elusive concept of digital transformation tangible.

By the time you read this, you're likely starting to suspect it's not possible for your digital transformation to be anything but complex.

Make no mistake. There's value in the idea of a digital transformation checklist — besides just having clear boxes to check one-by-one. What you need, however, is a framework. Something flexible, adaptable, and focused on the critical questions you need to answer about your business.

At Deft, we're in the business of digital transformation. Technology is now so pervasive that the only way we can successfully achieve digital transformation initiatives is by embracing the comprehensive infrastructure, applications, and processes that make up your business. We aim to understand every aspect of our clients' businesses and prepare them to treat any major IT investment as an opportunity for change.

The digital transformation framework we created is based on this new reality, pulling fromthe discovery process we use to give our clients solutions that become a competitive advantage.

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Understanding the parts of a digital checklist

A successful digital transformation framework will break the process into three equally important segments:

Technical architecture
Process improvement
Organizational learning

The three may run in tandem and towards the same goal, but the way they're managed and messaged should be different. Each segment requires a different audience and looks to affect a different type of change in how an organization operates.

Depending on your organization, it may also make sense for each segment of responsibilities to be owned by different people or departments. Regardless of how you approach your digital transformation initiative, you're going to need to identify and empower a leader — someone with whom lies responsibility and accountability for the complete initiative.

We created a digital transformation checklist that works with this reality — a three-part initiative that can adapt to your organization. Maybe enterprise IT architecture is there, but process management isn't. Maybe the way you measure performance doesn't properly incentivize working technology solutions into your larger business strategy. Or, maybe you do need to start at the beginning and work through all three phases, but you recognize that this project is too big, and needs too much buy-in, for any one person or one team to do alone.

Wherever you're at, our three-part digital transformation framework is meant to turn a total organizational shift into a series of executable steps.

"Customer expectations are far exceeding what you can really do. That means a fundamental rethinking about what we do with technology in organizations."

George Westerman

MIT principal research scientist and author of Leading Digital: Turning Technology into Business Transformation

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Technical architecture, the foundation of digital transformation

"In 2020, digital transformation will start to become synonymous with business modernization and innovation."

Brian Solis

Digital Analyst

While it seems like the actual transformation of digital systems would be the biggest job, in some ways it's the most straightforward and manageable.

• You take stock of what you have
• You list out what you need
• You work with a partner to develop a custom solution that accounts for the first two

If you're talking about digital transformation in 2020, however, you are likely considering a migration to one or more cloud platforms, either in whole or in part, as well as the introduction of DevOps practices to your organization. It's really the combination of the two that give you the flexibility, reliability, and speed to truly change your business.

But it's not the technologies behind your digital transformation that matter —it's what they're there for that matters:

"There are as many cloud cost optimization success stories as there are horror stories. Planning is the difference."

Brendan Caulfield

Deft Co-Founder

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Process improvement, the implementation of business transformation

DevOps is a series of principals — collaboration, continuous integration, monitoring, automation — that combine to create an always improving, sustainable process. Contrary to popular belief, DevOps is a method of process design, execution and management, not a technology or a tool. You don't work faster because of the cloud or Kubernetes or anything else. You work faster because you adapt your process to take advantage of the gains new technology offers.

A combination of cloud infrastructure and a DevOps approach can turn that process improvement into an iterative and ongoing aspect of your job. There's no upfront procurement process, no setup, no silos. Just have the idea, test the idea, move forward.

"Since DevOps processes and methods aren't merely some pre-packaged software product you can buy off the shelf, the transformation is never instantaneous." What changes during a DevOps transformation is more around human interactions than technical tooling. It requires good leadership and unity across the organization to facilitate the changes in process and team integration.

Smart digital transformations will make the IT resources you need for your business instantly accessible — and low risk, seeing as you can spin them up and spin them down just as easily. These benefits are enough to satisfy the technical teams, but they won't always deliver the recognition or even the understanding required from the rest of the staff.

"The first rule of any technology used in a business is that automation applied to an efficient operation will magnify the efficiency. The second is that automation applied to an inefficient operation will magnify the inefficiency."

Bill Gates

CEO of Microsoft

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The DevOps Process Checklist

- ☐ Bring together all of your technical teams to brainstorm new processes for working together.

- ☐ Document these processes and continue to refine them until the team is certain they are correct and sustainable for your business.

- ☐ Identify the requirements necessary to will make these processes automatic and as painless as possible.

- ☐ Implement these tools and train the entire team on the new methods.

- ☐ Establish a unified code repository.

- ☐ Add automatic tests, checks and security precautions.

- ☐ Build a habit of updating often enough to reduce fears and risks around deployment.

- ☐ Don't be afraid of failure; this is an iterative and adaptable process.

- ☐ Mitigate failures through small incremental changes that can be rolled back.

- ☐ Create a cross-team working agreement to let each team know their expectations of each other.

- ☐ Don't automate out the approval process at key points in the deployment. Make sure there's a "circuit breaker" in place to prevent catastrophic automation.

Translating transformation from the digital to the practical

In the technical checklist, you laid out where your business was and the benefits you needed to see from a digital transformation. Now's the time to turn them into actual numbers.

If you know what success looks like, you can apply measurements to it. Part of that will be technical — how often you're deploying, for example — but even the technical aspects of your metrics will affect the broader business. Set measurable benchmarks and goals, such as becoming entirely cloud-based within four years. Even if you're not hitting the goals, you can be tracking progress. Start to stall or slip, and you can take steps to correct right away. After all, you can't manage what you can't measure.

One of those measurements — and no doubt the most closely watched — will be cost. Most businesses move to the cloud to save money, either in total or to transition to an operating expense model from a capital expense budget. Looking to steadily decrease spend while investing in brand new

technology and processes isn't exactly realistic, however. One of those measurements — and no doubt the most closely watched — will be cost. Most businesses move to the cloud to save money, either in total or to transition to an operating expense model from a capital expense budget. Looking to steadily decrease spend while investing in brand new technology and processes isn't exactly realistic, however.

Instead, start by controlling costs. Knowing what you should be spending and then spending what you expected gives you the room to make the investments you need. From there, you can shift to minimizing and avoiding costs that are not actively contributing to your business. As you get established in a new digital rhythm, you'll start to see the things you've been spending money on that no longer deliver value to the organization. These can be removed from your budget and re-allocated or applied directly to cost savings. The improvements in cost, availability, and efficiency remain the ultimate gold stars in support of any digital transformation.

"If a clever CIO comes up with a clever idea to change something with new tech, that's great. The next step is bringing it to the business and having the business own the process. When they own the process, you drive end-to-end transformation that includes processes, people, policies and tech. The siloed approach always fails."

Tiger Tyagarajan

CEO of Genpact

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The Business Process Checklist

- ☐ Know what needs to change — and lay out the ways you'll measure that change.

- ☐ Set benchmarks for everything you hope to improve over the course of the transformation.

- ☐ Identify the processes that are known to be inefficient, but the opportunity to improve them hasn't come up yet.

- ☐ Identify the processes you wish you had the time to implement.

- ☐ Set specific goals about these process changes, introductions, eliminations or improvements.

- ☐ Identify the sources of data, how frequently the data can be updated, and the stakeholders who will need to review it.

- ☐ Develop a reporting structure that gives everyone a chance to regularly check in.

- ☐ Evaluate the progress you've made toward your goals for each process.

- ☐ Set concrete steps to change course if you're not seeing the results you need and incorporate those updates into the reporting schedule.

Organizational learning, the transformation of business strategies

"They have no choice. Either they move forward full throttle with digital transformation, or there's a risk that the next hot startup would displace them, no matter what industry they are in."

Peter Russo

Vice President of
Product Marketing of SAP

As we move away from technology and into process, we also expand past the IT team and into operations, finance and eventually, everyone in the organization. Today, everything is digital. A digital transformation may just as well be called a business transformation or just a transformation. It only works if the minds change alongside the technology.

It's easy to think that this box can be checked simply with education. As anyone who's ever hostedmandatory webinars for their colleagues knows, it cannot. To get the organization to change along with the technology, you need to include the organization from the very beginning.

The more people who work to define your digital transformation strategy, the more champions you'll have when it comes time to implement it.

Your colleagues across the business need to see technology as an opportunity, not an obstacle.

Start your digital transformation process with listening. Simple fact-finding at the start can help people understand how the new system really will address their concerns, making them more likely to embrace the change when the time comes.

If you can, consider this an opportunity to change how people think across the company. Involving disparate people in ideation and design thinking exercises at the start of the project will do more than give you the best information to build a plan on. It will show people how to try on an innovation mindset — a skill you'll be asking them to use again when the technology and processes are fully implemented.

"Technology is nothing. What's important is that you have faith in people, that they're basically good and smart, and if you give them tools, they'll do wonderful things with them."

Steve Jobs

CEO of Apple

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The Mindset Change Checklist

- ☐ Collaborate on a vision for what success looks like.

- ☐ Communicate how that vision is being translated into reality.

- ☐ Work together on a clear governance strategy.

- ☐ Create ambassadors for innovative thinking across the company.

- ☐ Do user testing with the audience that matters first — your colleagues.

- ☐ Train staff on new policies and best practices.

- ☐ Give permission to deviate from traditional rules.

- ☐ Build sandboxes where people can posit new ideas and see them tested out.

- ☐ Shift to short-term, iterative planning, creating a culture of working, analyzing and adapting.

Bringing digital transformation up to the level of change management

That last item on the checklist goes a bit beyond the brief of changing someone's individual approach. It starts to tip into organizational change. To ultimately undertake a successful digital transformation initiative, it needs to happen.

If the technology changes and the processes change and the culture doesn't, you'll be looking at the same problems you started with: slow movement, siloed behavior, lagging ideas, resistance to innovation.

Again, what this looks like will be different for every company. It should, however, be as dramatic as looking at your entire organizational structure. Can teams be made smaller and nimbler? Would cross-disciplinary groups better address your complex problems? Would a different reporting structure help the best ideas get tested quickly and rise to the top? Are there local solutions that could be helpful on a global level?

Innovation isn't top down. To make it happen in a lasting, sustainable way, you have to shift the individual, shift the team, and then shift the way things work writ large.

"The biggest part of our digital transformation is changing the way we think."

Monique Shivanandan

Group Chief Information Officer of Aviva

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Organizational Change Checklist

☐ Consider team size and structure, identifying opportunities to increase cross-functional work and reduce team size.

☐ Pool resources to get the best results with the least effort.

☐ Share best practices constantly, giving everyone a chance to improve faster.

☐ Constantly improve communication, making it as iterative as your technology.

☐ Constantly share the successes and failures of the initiative, enabling the entire organization to celebrate the work being done.

☐ Write documentation from the perspective of the team that needs to use the product, not the team that created the product.

☐ Documentation should also be a collaborative and iterative development process across multiple teams.

☐ Encourage teams to cross-train with other groups to break down the walls and build understanding between them.

☐ Build time into projects for professional development and research.

Bringing the three together to support your growth strategies

It may sound silly, but if you want to successfully execute a digital transformation, you need to have a transformation. It's not enough to change what you do. You have to change how you do it, and, ultimately, how you think about it in the first place.

Do all three in tandem, and a technological upgrade can turn into a competitive advantage. That does not, however, mean that you should be doing three things at once. We separated these checklists because we believe you should separate these tasks. Each one is an opportunity to bring in new people, new resources and new ideas. The days of changing technology on people are long gone. For true transformation, you have to change it with them.

"This isn't about technology for technology's sake. CIOs have a responsibility to recognize that the lines between IT and business are blurring."

Renee McKaskle

Chief Information Officer of Hitachi Data Systems

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Additional Questions

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About Deft

At Deft, we are our clients' most Trusted Advisor.

The Deft team humanizes technology. We actively listen to our clients, learning and collaborating to develop tailored proposals that perfectly fit your company's needs.

We then design, build, operate, secure, and scale unique technology solutions with a singular purpose: to deftly deliver on the promise of technology for you and your customers.

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