

Clarifying Digital Business Intent Matters

To lead strategic business change, CIOs must clearly define disruption, innovation and transformation.



If you ask 10 executives to define “digital business,” you will get 10 different answers. The same holds true for “disruption,” “innovation” and “transformation.” These terms are so overused that they have lost their impact and specificity — but specificity is exactly what digital transformation programs need to be effective.

Without a clear, consistent, organizationwide understanding of digital business ambition, any such programs and initiatives will lack coordination and collaboration and fail to become reality.

“Today’s typical innovation and digital transformation programs are still operating well below their potential,” says Nick Evans, VP Analyst, Gartner. “The ratio between ideas surfaced and those actually implemented often ranges from 1 in 10 to 1 in 500.”

Read more: [How Innovation Labs Can Drive Digital Business](#)



Align definitions with a unifying framework

One business leader may define transformation as the creation of net new revenue or business models. Another might interpret it as the reinvention of processes, products or services. Without consensus on what these terms mean to the organization, the teams responsible may be unclear on what’s expected.

Consider critical questions. How do you measure disruption? What qualifies something as disruptive? What level of disruption is the organization looking to achieve, and how soon?

By understanding the organization’s attitude and approach to disruption, you better position the innovation and transformation teams to seize opportunities. CIOs can generate more than twice the innovation throughput of their peers by actively aligning disruption, innovation and transformation programs.

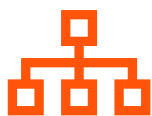
Because your strategic plan provides a roadmap of your initiatives, it’s an excellent opportunity to document how your innovation and transformation programs will create value and help deliver new capabilities required by the business. Use it to define disruption, innovation and transformation, as well as address how teams will work together.

“By 2021, organizations actively aligning disruption, innovation, and transformation programs and activities will generate more than twice the innovation throughput of their peers.”

To align the organization and the board, CIOs must align definitions, context and principles across all disruption, innovation, and transformation programs, teams and initiatives.

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Clarifying Digital Business Intent Matters (continued)



Provide principles to direct what you will pursue

It's a challenge to harmonize innovation across the entire organization when teams are located across functions.

Read more: [Avoid These 9 Corporate Digital Business Transformation Mistakes](#)

The digital transformation team may reside within the business. The innovation team may reside within IT. There may be multiple innovation teams, each with a slightly different purview. Creating effective, unambiguous principles can bring order to the process, decreasing the odds of missed opportunities.

Example: We will only focus on innovation initiatives that have a business sponsor and show a positive financial business case within one year.



Clarify context and objectives with a program charter

Each program and initiative also needs clear context documenting the current environment (internal and external), level of ambition and other constraints. By outlining boundaries, you can pursue the activities most likely to deliver on established goals, as well as verify expectations with other business leaders in the early stages.

For example, in the context of an innovation program, include factors such as staffing, scale, target, time frame, trigger and technology focus.

Use a program charter to define programs goals, context and principles. These short, 3-6 page documents clarify strategic intent so it's crystal clear where your focus lies. They help the team communicate the program and gain stakeholder buy-in.

[Navigating the Landscape of Disruption, Innovation and Transformation](#)

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