

Gartner Research

Digital Business Acceleration: Leadership Tactics for Faster Progress

Kristin Moyer, Distinguished VP Analyst

Hung LeHong, Distinguished VP Analyst

Mark Raskino, Distinguished VP Analyst

Jorge Lopez, Distinguished VP Analyst

Stephen Smith, VP Analyst

Chris Howard, Distinguished VP Analyst

17 September 2020

Digital Business Acceleration: Leadership Tactics for Faster Progress

Published 17 September 2020 - ID G00733268 - 10 min read

By Analysts [Kristin Moyer](#), [Hung LeHong](#), [Mark Raskino](#), [Jorge Lopez](#), [Stephen Smith](#), [Chris Howard](#)

Initiatives: [Executive Leadership: Digital Business Transformation](#); [CIO Leadership of Innovation](#), [Disruptive Trends and Emerging Practices](#)

The COVID-19 lockdown accelerated digital business by necessity for many enterprises. Executive leaders should use digital accelerators to speed up progress and effectiveness: unleash force multipliers, banish drags, redirect resources and win differently.

Additional Perspectives

- [Summary Translation: Digital Business Acceleration: Leadership Tactics for Faster Progress](#)
(16 October 2020)

More on This Topic

This is part of an in-depth collection of research. See the collection:

- [The Digital Business Acceleration Imperative](#)

Overview

Key Challenges

- Board members want executive leaders to accelerate digital business, but it's challenging to maintain a high pace of change over time.

Recommendations

As executives leaders that want to make faster digital business progress, you should:

- Win differently by stepping back, assess where you are and where you're going. Set up a strategy think tank to investigate and report on your most lucrative new digital opportunities.
- Unleash force multipliers by taking purposeful actions that will create momentum, like spending one day to create three perfect memes, or units of culture, of the digital culture shifts you need.
- Banish drags by getting rid of things that limit or restrict progress, like replacing human/committee debate with A/B testing when possible.

- Redirect resources by stopping something old to do something new, like shifting travel and expense savings into SaaS and cloud migration.

Introduction

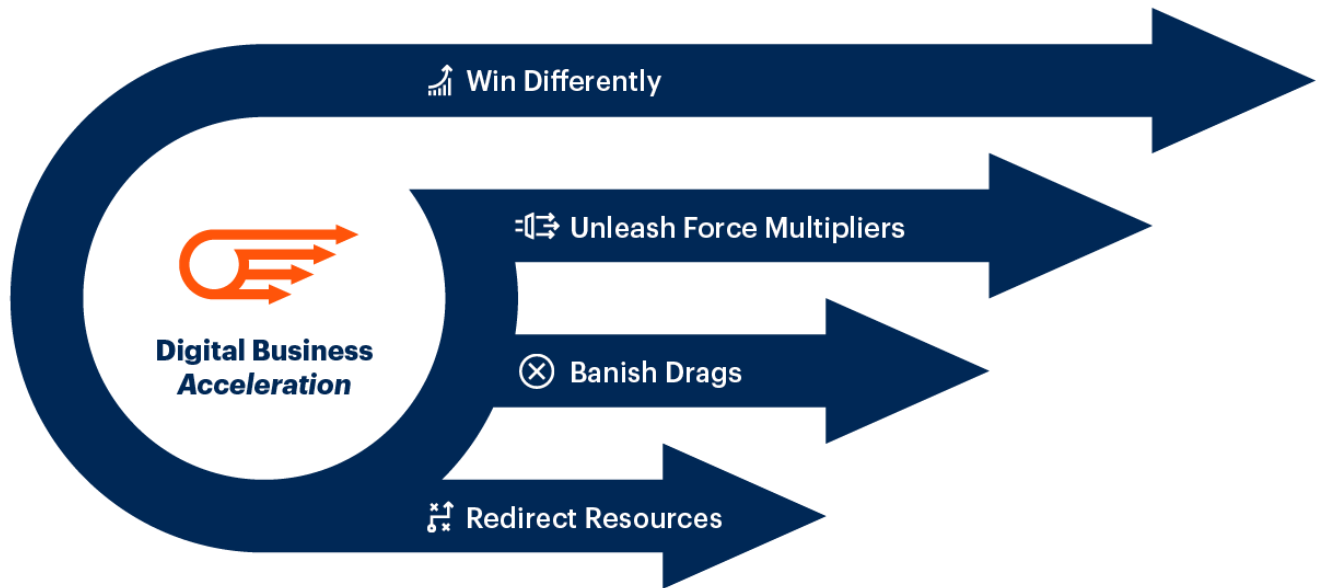
For many, the onset of COVID-19 spurred rapid action to get digital commerce; contactless, remote customer relationships; remote learning; and working from home up and running within days and weeks. As Satya Nadella (CEO of Microsoft) put it, “We’ve seen two years’ worth of digital transformation in two months.”

CEOs and boards are now signaling they are accelerating digital business. But the surge of energy that existed at the onset of the crisis has waned as the situation has dragged on without a clear endpoint. Executive leaders need new tactics to make faster digital progress. Digital accelerators are one way to accomplish this.

Digital Accelerators — Leadership tactics executives can apply to make faster digital business progress.

Here’s what executive leaders should do to accelerate digital business over the immediate-, medium- and longer-term (see Figure 1).

Figure 1: Execute Digital Business Initiatives More Rapidly and More Effectively

Digital Business Acceleration is Execution at Speed

Source: Gartner
205031_C

Gartner®

Analysis

Win Differently

Sometimes you need to go slow to go fast. Executive leaders should step back, pause and reassess where their enterprise is now and where it should go next.

Executive leaders need the ability to win differently by identifying and capturing the new digital demand that emerges from this crisis. This will require creating new strategies, business models, operating models and ways of working.

Here are examples of how executive leaders can win differently:

Quick fixes

- Get the executive team speaking directly with end users from your service contact center.
- Interview customers to find out what they want in the new normal.

Smart tactics

- Create a “virtual global tour” video of what’s going on digitally in your industry around the world — especially in advanced geographies where you do not operate.

- Drive deeper digitalization and intelligence into all products.
- Use forced work-from-home, noncolocated teams to deliver follow-the-sun, time-to-market development speedups.
- Continue enabling more digital and contactless customer interactions on a continuum from 100% digital to 100% human. Use chatbots to provide what can feel like a middle ground to customers: digital, but with a humanlike feel to it.
- Sell more of your existing product through a third-party platform, marketplace or ecosystem.

New directions

- Set up a strategy think tank to investigate and report on your most lucrative digital adjacency opportunities.
- Use crisis news cycle “white out” periods to quietly make digital business market moves like techquisitions.
- Orchestrate the customer journey beyond your product and into a new, adjacent space and business model.
- Create a data platform for your customers and your customers’ ecosystem.
- Move from products to services or services to products.
- Create a marketplace for resale products or parts.

Unleash Force Multipliers

A force multiplier is a power activator. It’s an action that will create momentum. A force multiplier can be:

- **Internal** — for example, a business model creativity workshop
- **External** — for example, a regulatory change (like buying a home with an e-signature) or an acquisition to move into a new or previously nonexistent market space

Force multipliers can be contextual levers, like changing where you play broadly within the current business (see [Mastering Business Dynamics](#)). They can be strategic levers, like adopting and adapting business models within specific business units or functions to enable the enterprise “to win.” And a force multiplier can be operational levers, like evolving the operational model for how the enterprise delivers value to customers.

Executives should assess the long-term impact of COVID-19 on their current and future demand sides, as well as potential supply side issues (for example, an escalating U.S.-China trade war). A trade war could

be even more detrimental than COVID-19 to supply and demand dynamics for some companies, especially tech companies.

Here are examples of how executive leaders can unleash force multipliers:

Quick fixes

- Spend one working day to come up with three perfect memetic statements, that are three to five words each, of the digital culture shifts you need.
- Print the three memes you have perfected on face masks and give them to employees.
- Get executive leaders speaking directly with employees in your service contact center.
- Add rights-free PR assets (such as images, b-roll or story points) about your digital products and services to the press page of your corporate site.
- At (supervisory) board meetings, ask every board member to bring one brief external example of something digital that impressed them recently (like a product, service, interaction, corporate result or strategy move).
- Add a prominent “how to buy from us” page to your B2B website.
- Run a business model creativity workshop.
- Run a product digitalization creativity workshop.
- Sketch an “antistrategy” — state what your company won’t do and what it won’t be.
- Create new, “common sense” behavior goals — for example, seek diverse opinions.

Smart tactics

- Start online open innovation challenges (these are highly rated by CEOs who have used them).
- Sharpen digital business key performance indicators (KPIs) and set more ambitious targets.
- Increase the quality range and resolution of product photography.
- Create minimum viable product (MVP) mobile apps to partner your main products (informational first, functional later).
- Open a useful API to your industry and publicize it.
- Run product innovation hackathons (with externals such as students or customers).

New directions

- White-label an x-tech's (for example, fintech, regtech and climatetech) product/service to create your own.
- Make the identification, examinations and eventual pursuit of options a corporate capability by creating a set of beliefs, value and principles.
- Execute a data literacy program.
- Develop an agile learning program to build competence, skills and confidence of employees to fully commit to digital acceleration (see [Agile Learning Manifesto](#)).
- Connect to more ecosystem partners.
- Create digital product manager roles and start filling them internally.
- Professionalize a work-at-home kit (with items such as desk risers, selfie lights, external webcams, noise canceling tech and background scenes).
- Ask your local university (most of which are facing a funding crisis from a student number collapse) whether some of its business school lecturers could come in to teach digital business concepts to your executive team.

Banish Drags

Drags are negative internal or external forces that are impacting a business. External examples include upstream stock shortages, limited online capabilities, government shutdowns, employee strikes, supply chain disruptions and poor liquidity. Internal examples include structures that no longer make sense for how work is done and efforts to create resource stability that ends up creating rigidity and bottlenecks instead. Like force multipliers, drags can be contextual, strategic or operational.

Here are examples of how executive leaders can defuse drags:

Quick fixes

- Use crisis culture hacks to help employees remain productive; focus on hope, belonging, agency and pride.
- Terminate the last phase of the large-scale, precrisis conventional IT/nondigital transformation program.
- Rightsize digital funding to those projects delivering the best returns.
- Switch to agile funding only.

Smart tactics

- Move resource decisions closer to the end user by devolving decision making and unbundling resources (see [Designing Work to Unlock a Responsive Culture](#)).
- Use robotic process automation (RPA) to automate mundane tasks.
- Remove human/committee debate from online design choices that can be A/B tested.
- Diversify your board.
- Increase the privacy and compliance focus on partners.
- Empower auditors to grasp new technology risks due to digital acceleration.
- Plug holes in the cybersecurity risks COVID-19 has escalated.
- Declare home working as the default assumption going forward, and use it to justify the admin business process reengineering/automation that was being resisted.
- Adapt cybersecurity for working from home and an increased digital presence, in addition to new risks posed by COVID-19.
- Limit your recording of health information to minimal, factual information needed for a predetermined and documented purpose. Making informed decisions to protect health and safety requires organizations to know who is sick, who is quarantining and who has recently traveled internationally, but that information can also pose privacy risks (see [How to Manage Privacy Risks of COVID-19](#)).
- Identify new privacy risks as vendors' employees go remote by reviewing relevant vendor policies, training, contracts and subcontracts.
- Shorten the decision distance. Evaluate the number of intermediaries between experts and executive leaders, and question the necessity of that practice resuming. Assess the amount of time that hierarchy adds to decision making, and remove steps that add time, but minimal value (see [New Leadership Frameworks From Disruption](#)).
- Reduce decision scope. Consider how the executive leadership team scopes decisions. Is an unnecessarily large decision scope creating inertia? If so, consider breaking decisions into minimally viable decision increments.

New directions

- Thaw the frozen middle. Let the change agents lead. Part ways with those that fail to embrace change or actively block it.
- Embed work design assessments into broader talent management activities to better sync work design with how work gets done.

- Formalize how processes can flex by creating boundaries for autonomy and proceeding with consent rather than waiting for consensus.
- Drive agile into “blocking departments” (like legal, compliance or finance).
- Surface any regulatory changes that limited digital, but have been eased or removed because of lockdown.
- Accelerate the digitalization of enterprise risk management (ERM) and audit.
- Use an agile learning program to close critical skills gaps impeding progress.
- Use the crisis news cycle “white out” periods to announce exits from legacy products, services or channels.
- Use furloughs and short-time working for staff reskilling.
- Exploit forced home working to reorganize for more effective sprint teams on a noncolocation basis.
- Use forced work-from-home, noncolocated teams to deliver follow-the-sun, time-to-market development speedups.
- To keep information secure as workers go remote, coordinate with IT, IS and/or HR to ensure your remote work policies are complete, then update employees with links and resources. Most security failures result from missteps by employees.
- Deliver radically transparent communications. Review and document the most effective communications techniques the enterprise used at the height of the disruption. Institutionalize improved communications going forward by making those techniques best practices, particularly in situations where the enterprise is stressed by further disruption and stakeholder trust is essential.

Redirect Resources

Two-thirds of CFOs are delaying capital investments, but many say they’re using cost savings to protect or even increase spending on strategic work (see [CFO Actions in Response to COVID-19: Shifting Plans to a Longer Horizon](#)). Capital, upskilling talent, facilities and technology, among other things, are examples of resources that are being redirected.

Here are examples of how executive leaders can redirect resources:

Quick fixes

- Decide to terminate marginal, nondigital distribution channels (such as low-volume stores or wholesalers) and shift supporting headcount.
- Create acceleration goals and KPIs.

- Freeze enhancements and optimization that are lower priority in a post-COVID-19 world, freeing capital and talent resources for redeployment.

Smart tactics

- Shift more work from complex sourcing providers to gig workers.
- Identify out-of-band vendor maintenance fees and renegotiate them.
- Reduce the number of new projects and divert the money saved to the projects that are the future of the enterprise.
- Rightsize digital funding to initiatives with the greatest future potential.
- Reassert total technology spend oversight and discipline to reduce duplication wastage.
- Shift some marketing ad spend to cloud spend.
- Create a talent marketplace with incentives to match skills demand and supply needs for digital acceleration.

New directions

- Retrain and transfer staff with high numeracy and relevant psychometrics to become data scientists.
- Rightsize real estate to the future hybrid workplace (working from home, blended with working on campus).
- Sell legacy assets or business units that are not fueling your digital business future.
- In the next budget cycle, shift restrictions for travel and entertainment (T&E) budget cuts into SaaS and cloud acceleration.
- Use international political dispute news to justify/require activity location changes.
- Factor access to renewable energy, rising sea levels and extreme weather into activity location changes.

Recommended by the Authors

[Digital Business Acceleration: Where to Focus Now?](#)

[Designing Work to Unlock a Responsive Culture](#)

[Agile Learning Manifesto](#)

[Mastering Business Dynamics](#)

© 2021 Gartner, Inc. and/or its affiliates. All rights reserved. Gartner is a registered trademark of Gartner, Inc. and its affiliates. This publication may not be reproduced or distributed in any form without Gartner's prior written permission. It consists of the opinions of Gartner's research organization, which should not be construed as statements of fact. While the information contained in this publication has been obtained from sources believed to be reliable, Gartner disclaims all warranties as to the accuracy, completeness or adequacy of such information. Although Gartner research may address legal and financial issues, Gartner does not provide legal or investment advice and its research should not be construed or used as such. Your access and use of this publication are governed by [Gartner's Usage Policy](#). Gartner prides itself on its reputation for independence and objectivity. Its research is produced independently by its research organization without input or influence from any third party. For further information, see "[Guiding Principles on Independence and Objectivity](#)."

Learn more. Dig deep. Stay ahead.

With technology becoming a major enabler for businesses, the role of the CIO is evolving from technology expert to business strategist. With increasing expectations, CIOs today are facing unprecedented challenges to improve business outcomes, transform business models, modernize technology and enhance the customer experience.

Gartner insights, advice, and tools help CIOs find solutions to their most pressing challenges and help them learn about the latest developments that matter most to their role.

Learn more: gartner.com/en/information-technology/role/cio-it-executives

Become a Client

Get access to this level of insight all year long — plus contextualized support for your strategic priorities — by becoming a client.

Learn more: gartner.com/en/become-a-client

U.S.: 1 800 213 4848

International: +44 (0) 3331 306 809

About Gartner

Gartner is the world's leading research and advisory company and a member of the S&P 500. We equip business leaders with indispensable insights, advice and tools to achieve their mission-critical priorities today and build the successful organizations of tomorrow.

Our unmatched combination of expert-led, practitioner-sourced and data-driven research steers clients toward the right decisions on the issues that matter most. We are a trusted advisor and an objective resource for more than 14,000 enterprises in more than 100 countries — across all major functions, in every industry and enterprise size. To learn more about how we help decision makers fuel the future of business, visit gartner.com.