

# ConnectedCEO

Leading successful digital  
transformation in the age  
of disruption

**DELL**Technologies

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## Welcome to the age of disruption

**When digital transformation is a survival issue, what differentiates great business leaders from those who thrive and those who merely survive? Never before have we realized so much turmoil, such a massive disruption that is hard to overcome and win.**

Working with our clients on a daily basis, digital transformation is on every CEO's agenda, as more profitable business models emerge as a result of technological innovation. Yet many business leaders are still grappling with the terminology, let alone its implications.

Digital transformation is not simply making paper-based back-office tasks electronic, or improving processes; it's about applying digital capabilities and change mechanisms to fundamentally reimagine your business. Established organizations bold enough to reinvent themselves stand to achieve unprecedented efficiency and agility, enhance customer value, manage risk, or create new monetization opportunities through their digital efforts.

Across all walks of organizational life, I have seen the rise of one key person who remains strong and overcomes this volatile and complex world. Leading a digital business calls for a Connected CEO. I refer to such leaders as "win-ologists" – a rare breed of executive who can join the dots between the business, the customer experience, and technology, and who sees winning as an art form. He or she understands that digital transformation requires a "digital first" enterprise mindset, and will involve radically redefining business processes and corporate planning. That transformation is a human as well as technology challenge – one which presents an unrivalled opportunity to leapfrog competitors or become a disruptor. And that digital transformation must be propelled by him- or herself as the engine of change.

In this Executive Briefing, we explore why digital transformation is an escalating priority for CEOs in an uncertain and ambiguous world; the five defining traits of the Connected CEO; the need to assemble an empowered Transformation Team; and how to embed digital transformation into your business strategy and objectives through IT, Workforce and security transformation. Dell Technologies recently commissioned unique, in-depth interviews with the people leading some of Europe's largest and most cutting-edge organizations, and I'm delighted that their insights flow throughout the pages that follow.

I hope that this handbook helps you gain inspiration from the outside and embrace the spirit of adaptive leadership and convert uncertainty to understanding and ambiguity to agility, all while staying true to your organization's DNA.

Best wishes

Adrian McDonald  
President, Dell EMC EMEA





*“When disruption changes the design rules, you have to catch the next wave.”*

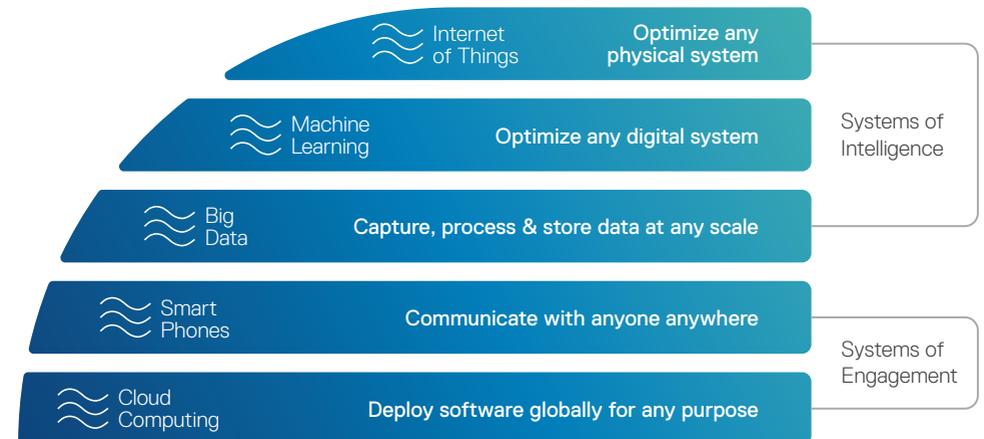
Geoffrey A. Moore

In a globalized and digital world, the traditional competitor is no longer the only threat. There is the risk of being outmaneuvered by smarter entrants who embrace digital solutions and have been born into this world.

Think of a construction company in the past. You won the race when you had the best masons or having good craftsmen was the Olympic minimum, but you also needed project managers and engineers, because building was requiring other levels of complexity and sophistication. Nowadays, companies need to think on how to embrace new technologies, from AI to augmented reality and robotics because otherwise they will not stand their ground.

Geoffrey Moore, summarizes balancing competing zones of organizational transformation in his book *'Zone to Win: Organizing to Win in an Age of Disruption'*.

He states that 'to compete effectively, management must free itself to be able to reconfigure its enterprise to fight independently on multiple fronts, acting in parallel but not in lock-step'. He recommends segregating investments in disruptive innovation from those in sustaining innovation, while at the same time separating its mission-critical activities from its enabling ones. These two divisions result in four zones of management activity, each internally aligned around its own goals and objectives, each demanding a different style of leadership to achieve those ends.



## Aligning your business strategy to the digital world

An unflinching self-appraisal is vital if you don't want your business to go the way of Blockbuster. The US-based home movie rental provider went from employing over 80,000 people worldwide in 2004 to filing for bankruptcy in 2010 after video-on-demand rendered its rental shops and DVD-by-mail services obsolete.

As new business models are emerging in the digital economy, is yours still fit for purpose? Businesses – and indeed entire industries – are already feeling the impact of disruptive models that have become the norm.



### Experience

Typified by disruptive mobile and online platforms like facial recognition payments technology.

## UBER

### Marketplaces

such as eBay and Uber, which connect buyers and sellers directly in return for a transaction fee or commission.

## NETFLIX

### Subscription

Which locks in repeat custom, such as Netflix and shaving clubs.



### On-demand

Bridging online platforms with offline services to monetize people's time, like Taskrabbit.



### Access-over-ownership

Providing short-term access to goods and services that traditionally would be purchased, e.g. AirBnB.



### Freemium

Where users pay for a basic service with their data or 'eyeballs' then pay to upgrade to the full offer, à la Spotify.

*“Digital business will often present an even deeper and more difficult structural challenge than e-Business for many industries. It blurs the boundaries between the digital and physical worlds, revolutionizes products (not just how they are sold) and can dissolve the traditional boundary lines that separate industries from one another.”*

Gartner Inc.\*



CEOs with a digital business agenda are articulating a broad strategic outline, and the purpose and context for change. According to Gartner,\* almost two-thirds (62%) currently have a management initiative or transformation program to make their business more digital.

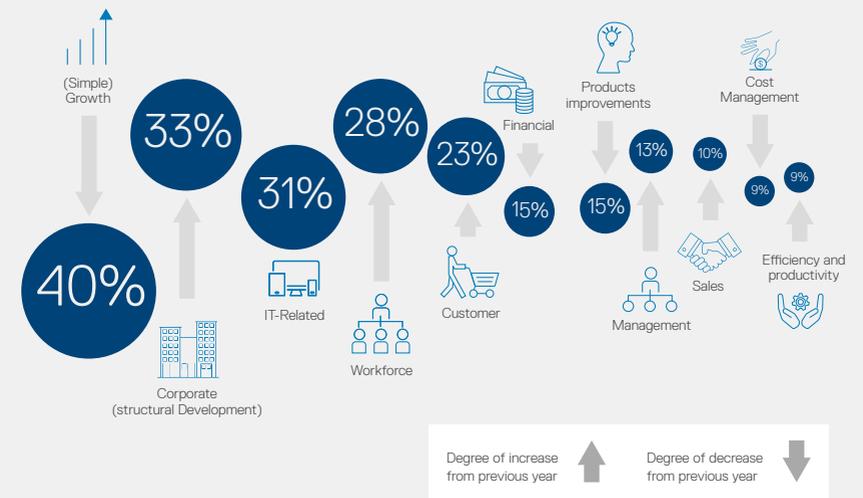
Meanwhile, CEOs' use of the word “digital” has been steadily rising.

Technology is a tool that can be used to help tackle and reduce many kinds of business problems both directly and indirectly. In 2018, the majority of businesses are planning to increase investment in IT (61%) and digital capabilities (54%).

This suggests that CEOs are inclined to work on changing the deeper engine of the business, rather than driving it harder for incremental growth, through initiatives such as replacing legacy systems and building services with cloud-based technologies.

## CEO Top Business Priorities

Percentage of respondents, ranked by summary top three mentions



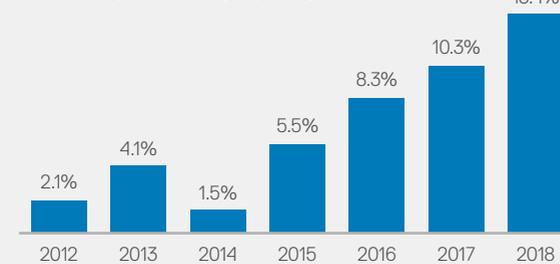
n= 460  
Please tell us about your organization's top five strategic priorities for the next two years (2018/2019)  
ID: 354611

©Gartner Inc., 2018 CEO Survey: CIOs Should Guide Business Leaders Toward Deep-Discipline Digital Business, Mark Raskino, 6 April 2018

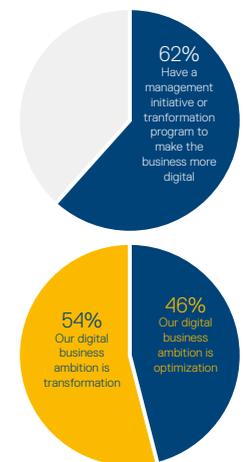
## CEO perspectives on digital business

Percentage of respondents

Percentage of respondents who used the word “digital” in their top five business priorities (unprompted)



Gartner Inc., 2018 CEO Survey: CIOs Should Guide Business Leaders Toward Deep-Discipline Digital Business, Mark Raskino, 6 April 2018



\*Gartner Inc., 2018 CEO Survey: CIOs Should Guide Business Leaders Toward Deep-Discipline Digital Business, Mark Raskino, 6 April 2018

# Doing good by doing well: The story of the CEO who grew vegetables in the air



Our population is growing, our resources are not. We will need 50% more food by 2058, but we are losing arable farm land and running out of fresh water.

David Rosenberg is co-founder and CEO of AeroFarms. He is working to solve one of society's greatest challenges. He builds farms vertically, indoors, without pesticides, in cities for the most efficient supply chain. These farms achieve 390x greater productivity while using 95% less water.

The Connected CEO has a responsibility not only to do well, by increasing profit, but to do good, by putting more into the world and society than what is taken from it, and creating a net positive. To drive real change, the Connected CEO applies technology, expertise and volunteerism to solving pressing social issues, from reducing pollution to protecting human rights, labor standards and a conflict-free supply chain.



## AeroFarms: A harvest full of insights

AeroFarms is innovating with commercial-scale indoor farming that disrupts traditional growing seasons. Using modern imaging, Big Data and machine learning, they're turning everything about a plant into data, then applying these insights to ultimately produce greater yields and higher quality food for our planet. Every farmer is a data scientist. Every plant is a data point. Everything is connected.



## A bullish outlook

Leaders are optimistic about their digital status: According to Gartner's 2018 CEO survey shows that the percentage of respondents who think their company is an innovation pioneer has reached a high of 41% and the fast followers are 37%.

63%

63% of CEOs said that they are likely to change their business models between 2018 and 2020.

We believe that as digital business becomes more important and is scaled up, the business is no longer on a journey to augment what it does with better technology, but a path to reinvent what it does. That explains why 63% of CEOs are likely to make a change to their business model – the way their organization creates, delivers and captures value – between now and 2020. With growth as CEOs' perennial top priority, it makes sense to ask what kind of constraints might be getting in the way.

\*Gartner Inc., 2018 CEO Survey: CIOs Should Guide Business Leaders Toward Deep-Discipline Digital Business, Mark Raskino, 6 April 2018

# IS THERE A FORMULA FOR A CONNECTED CEO?

While business models and their respective dynamics vary, no matter whether their companies are asset builders, service providers, technology creators or network orchestrators, Connected CEOs all share five defining traits. Let's explore how you can adopt and apply these characteristics to your own transformation.



## 1. Passionate about transformation

Reinventing your business to stay competitive is not a trivial undertaking – it will impact every corner of your enterprise. Change must come from the top, from an impassioned leadership team and ecosystem, with a willingness to adapt, adjust and move forward. While learning from best practices, don't mistake emulation for innovation, or your only differentiator will be price, and take compliance and time to market into consideration at every stage.

***"The first thing you must have when you want to drive digital transformation is a very engaged CEO."***

*Pascale Witz, Member of the Supervisory Board, Fresenius Medical Care*

## 2. Visionary yet detailed

Of course, asset-intensive businesses relying on plant, inventory and real estate are more difficult to adapt than service-based models. But no matter what industry you're in, the digital business vision must look further ahead than the next three years. That means decoupling from the habits of the past and even questioning fundamental principles – for example, "what is a bank?" and "who else could provide banking services?". Anticipate and plan for disruption to your core business and existing, valued partnerships. Be creative, take risks, fail fast and learn quickly.

***"Remember three things: be revolutionary, not incremental; keep scalability in mind; and that you are never done."***

*Peter Salzer, CEO, GE Capital's Legacy Solutions Group*

## 4. Empowering and entrepreneurial

If you can't help people evolve, technology alone won't get you to digital nirvana. Successful transformation efforts rely on the right entrepreneurial culture, people, work practices, skills and behaviors. Your CIO should act as a business enabler and help you lead the change. You'll also need to empower your HR organization to develop forward-looking strategies to attract, develop and retain the digitally-skilled workforce that will propel your success. While providing incisive leadership, it's vital to avoid the perception that strategy-setting is an "ivory tower" exercise. Make employees an integral part of your transformation from the outset, as they may see and feel opportunities and threats in the market long before the C-suite. To that end, prepare to shift from a "define and tell" mindset to an "align and agree" approach.

***"Digital transformation is like immigrating to a new country. You absolutely have to work with the indigenous people."***

*Denis Olivennes, CEO, Lagardère Active*

## 5. Truly connected to the customer

Too many companies tend to look inward, ignoring market forces including technologies, trends and preferences. Everything you do as a business needs to be driven by your customers' wants and needs. So when approaching digital transformation, ask yourself whether you will focus on the same customers you've previously targeted, or instead build a whole new direction for your brand.

***"Digital means providing another level of customer service."***

*Adrian McDonald, President, EMEA, Dell EMC*



The challenges of the current business climate can be characterized by a useful acronym – VUCA (Volatile, Uncertain, Complex, Ambiguous). Futurist Bob Johansen uses the term to describe the challenges faced by businesses across all industries.

The good news is that if businesses tackle digital transformation correctly, the VUCA outlook can evolve to mean Vision, Understanding, Clarity and Agility.

## Digital business is driven from the top

In days gone by, digital innovation was introduced to industry through the IT organization: the CIO was responsible for technology adoption and the CEO was periodically briefed on the cost and the outcomes. Today, however, global corporate transformations are more typically initiated and personally mandated by the CEO, and propelled by the board.

Given that digital transformation is a whole-business endeavor, C-suite alignment is crucial to driving a unified vision and bridging the divide between corporate strategy and digital business. The more disruptive your digital initiatives, the greater the need to liberate your organization from the shackles of legacy and habit.

Think of the C-suite table as an engine, with the individuals as cylinders and working relationships as connecting rods. It is a complex machine that may need careful re-tuning to find its digital direction. For example, your CMO will need to spearhead initiatives relating to customer experience and personalized services, while your COO leads the shift to new working methods.

Look around your executive table and determine whether everyone has the desire, ability and resources they need to execute digital business at scale. Connected CEOs are individually the engines of massive change that is unprecedented in the history of IT. These visionaries are updating their strategies with business targets that include specific expectations for digital value creation, thinking through scenarios to anticipate future disruption, and crafting a roadmap for next-generation application.

### How digital business can require the involvement of all executive team members



*“However, at this point in time, CEOs seem inclined to invite CIOs to lean forward more – particularly in helping the whole executive team find better collective performance in digital business.”*

Gartner Inc.\*

\*Gartner Inc., 2018 CEO Survey: CIOs Should Guide Business Leaders Toward Deep-Discipline Digital Business, Mark Raskino, 6 April 2018



Among the board, the collaboration of the CIO and CFO is a distinguishing factor in successful digital business initiatives. Forbes Insights, in association with Dell EMC, conducted a survey of 500 global executives across a range of sectors, and discovered that less-than-stellar IT transformation results often center on tensions between these two pivotal players and their struggle to work together as a cohesive team.

Successful collaboration between CIOs and CFOs is deemed “critical” to IT transformation by 44% of executives and “important” by 52%. So it’s concerning that only 36% of CFOs and 38% of CIOs themselves describe their collaboration as “excellent” and only 11% see no significant barriers to closer working relationships between the two. The biggest barriers to CFO/CIO collaboration were revealed to be:

- CIO’s lack of business expertise.
- Conflicts arising over traditional reporting structure.
- Lack of incentives to work more closely.
- CFOs have an outdated attitude towards the primary role of the CIO.

Collaboration is challenged when a CFO sees IT as “just” a cost center, but left to their own devices, CIOs in turn may not understand the overarching financial goals of the organization.

As a CEO, you and your CFO must be able to clearly outline your business and financial goals, while your CIO identifies the technology options for achieving them and frames the business case. You must be aware of any conflict between the CFO and CIO agendas. Look to update reporting structures, cultivate change agents among your board, and both measure and reward CIO performance according to business outcomes.



## According to Forbes, the biggest consequences when CFOs and CIOs don’t work together successfully are:

- ♦ Increased risk of falling behind competitors (63%).
- ♦ Decisions about technology investments aren’t as timely or accurate as possible (49%).
- ♦ Struggle to scale as business demands change (34%).
- ♦ Slow to capitalize on technology innovation (21%).
- ♦ Can’t roll out new products and services fast enough to satisfy business demands (21%).

Source: Copyright © 2017 Forbes Insights, IT TRANSFORMATION: SUCCESS HINGES ON CIO/CFO COLLABORATION

## KEY FINDINGS



The top goals for IT Transformation are reduced IT costs (75%), being first to market with new products and services (73%) and reallocating funds to strategic business projects (67%)

**75%**

of global enterprises surveyed will invest in IT process re-engineering, while 69% will automate IT as a service and 67% will install new server technologies



Companies with the most successful transformation efforts see 7+% gains in sales and profits

**85%**

of global executives surveyed plan to spend up to a quarter of their total enterprise budgets on IT Transformation in 2018



The top two investment areas in the next year will be big data platforms (77%) and social media activities (72%)

**89%**

of senior executives surveyed acknowledge that significant barriers keep CIOs and CFOs from collaborating more closely on IT transformation



Leading companies see significantly faster returns on their transformation investments, with a quarter registering paybacks within 12 months

Practice doesn't always make perfect – to improve our performance, we need to learn from our errors. Golf is all about the details: every shot carries infinite variables and possibilities, and every player and course is unique.

To stay ahead of the game demands precision. Callaway is transforming one data-driven swing at a time. To get the right club, in the right hands, right on time takes digital transformation. Callaway Golf is using data-driven swing analysis to lead to performance breakthroughs for golfers everywhere.



## A streamlined process from tee to green.

Callaway benefits from extraordinary gains made in efficiencies, as IT transforms itself from a point of resistance to a point of reliance. Sales, marketing and operations are accelerated. Today, because of their agile infrastructure, new clubs can be custom-designed online, built and shipped the day after an order is received. R&D can capture, analyze and act upon hundreds of gigabytes of data from thousands of clubs simultaneously. Managing inventory and shipping is more predictive than ever, with greater visibility into retail demands and improved reporting and analysis. All across Callaway, the team is more free than ever to innovate and elevate the game.





In a globalized and digital world, the traditional competitor is no longer the only threat. There is the risk of being outmaneuvered by smarter entrants who embrace digital solutions and have been born into this world.

So, how do you navigate digital transformation if it is advisable to break it down and take measured yet innovative steps? Taken pragmatically, you can look at it from an Infrastructural or IT level, a transformative Workforce approach and Security at all steps of the transformation journey.

81%

of respondents agree that if they don't embrace IT Transformation, their companies won't be competitive. That's a ten percentage point increase from 2017.

Dell EMC / Enterprise Strategy Group Research Insights Paper, 2018

Digital Transformation emphasizes evolving to thrive in a digital economy – for example, using smart devices, connected sensors, and data-driven insights to out-innovate, out-think, and out-pace competitors. Digital transformation focuses on embracing end-to-end change to become the disruptor, not the disrupted.

*"To bring new products to market very quickly, our digital systems must be flexible enough for us to change them every day – we can't wait 6-18 months to respond if the business comes up with a fantastic idea. As a result, I have to build incredible flexibility into our systems to make sure we can react at that kind of speed."*

*Pete Marsden, Digital CIO, Aviva*

As a Connected CEO, you may have to challenge assumptions that bias technology choices, such as “we’ve always done it like this”, or “but we’re used to working with such-and-such technology vendor.”

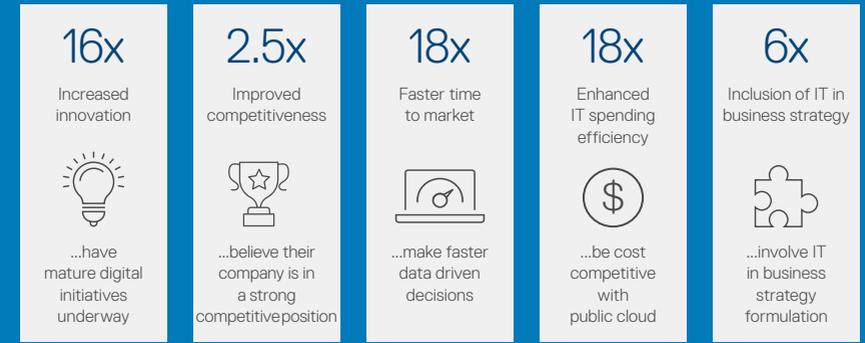
### The difference between Digital Transformation and IT Transformation

IT Transformation centers on modernizing the business backbone that is technology infrastructure. The business transforms by growing beyond its reliance on rigid, manual, hard-to-maintain legacy technologies. IT Transformation enables speed, efficiency, scale, and cost-effectiveness — automating manual tasks and streamlining operations to free up resources and fuel digital transformation initiatives.

### The need for stability as well as agility

Before IT can be agile, it must be optimized and efficient. For established businesses, investment and consolidation is typically needed, even though it may not seem to contribute directly to revenue or profit. It’s the Connected CEO’s responsibility to facilitate the Connected CIO in balancing daily operations with innovation in a two-speed IT approach.

### IT Transformation outcomes



Source: Dell EMC / Enterprise Strategy Group, ESG Research Insights Paper, “Research proves IT Transformation’s persistent link to agility, innovation and business value”, 2018

### Stability

Traditional enterprises – those that weren’t born digital – don’t have the luxury of a starting over with a clean slate. Stability initiatives are pragmatically focused on the modernization of legacy infrastructure and systems, such as transactional platforms, to ensure the scalability and resilience of their IT architecture, applications and processes. This dexterous foundation provides the means for IT to respond to business needs in a more agile manner, while controlling IT costs.

### Agility

Agility is about solving new problems through digitization and being able to test new ideas quickly. Naturally, this is more disruptive and requires a high level of business involvement, fast turnaround, and frequent iteration. That means getting comfortable with developing digital IT products in an environment of uncertainty.

As a Connected CEO, you should have a clear view of which change initiatives fall into which category.

*“You need centralization for the backbone infrastructure to enable an efficient digital strategy. Then you need business leaders with the authority and flexibility to build on top of this backbone.”*

*Pascale Witz, Member of Supervisory Board, Fresenius Medical Care*

# Warmer. Cooler. Drier. Faster.



## Accelerating outdoor innovation

As you know, getting thousands of employees to collaborate with, and react to, each other as a seamless team is no easy task for a growing company. Growing global demand for Columbia Sportswear's outdoor apparel and accessories necessitates working smarter, with IT transformation as both the backbone and the vanguard. With a move to cloud, and the ability to quickly design and iterate in 3D, now the outdoors outfitter takes aim at the top of its mountain.

As data grows exponentially, companies must work harder to draw out the right customer, product and market insights. Integrating cutting-edge analytics technology with existing IT can unlock new opportunities to meet customer needs.

It's Columbia Sportswear's passion for the outdoors that drives its famously rigorous product testing, development and design. Staying competitive requires the intelligence to do it well and the agility to do it fast.

### How technology and data transform the sportswear industry.

Start-ups are disrupting entrenched competitors and there are new mash-ups of how big data is being leveraged in new ways to enhance customer experience and increase business.

The IT team at Columbia supports the marketing department by giving them the tools needed to optimize the business to determine the impact the Columbia marketing message has on the customer purchase cycle. Or in terms of product development and design, 3D enables developing garments in a virtual environment within a very quick timeline while working closely with cross-functional teams. Innovative thinking by a company that is always thinking of the customer and views itself as a transformative technology company selling apparel products.



*“Leveraging the long-term relationship we’ve had with Dell EMC and the suite of the products that they provide, we have been able to take our infrastructure, modernize it, make it more efficient, make it more flexible, robust and reliable.”*

*Mike Hirt, Columbia CIO*

## Making wise technology choices

Making the right technology choices is crucial to IT Transformation success. Organizations need to achieve standardization before they can become more agile, so your choice of technology platform must endorse and enable that aim. Amid business and technology uncertainty, your IT investments need to be fit not just for today and tomorrow, but indefinitely: the Connected CEO knows that business never stands still.

IT is becoming more service-oriented towards its internal customers, and more market-driven towards end customers. This requires IT teams to think beyond 'systems' and become a broker and builder of services to all internal and external customers.

Your IT team will also need to get used to thinking more outside-in, and learn to speak the language of the business. They should be held accountable for the services they deliver, and continuously update their own knowledge to maintain sufficient technical breadth and depth.



### Transformation need not be a solo exercise

In an ever-shifting business and technology landscape, keeping on top of advances can be a demanding challenge. Any platform must be capable of supporting emerging technologies including, artificial intelligence and machine learning; robotics; virtual and augmented reality; cloud computing; the Internet of Things; blockchain and distributed ledger technologies.

But businesses don't have to navigate the journey alone – the Connected CEO knows when to turn to digital strategy options including:

- Engaging in a technology or digital strategic partnership.
- Creating an open innovation challenge.
- Setting up a new digital corporate venture.
- Acquiring a technology or digital business entity.
- Taking an equity stake in a technology or digital business entity.

Lastly, prepare to consider the often-overlooked option of asset disposals and divestitures. The transition to digital business can lead to exiting at least part of the old business, and in the process free up assets including land, intellectual property rights or entire business units to be sold.

## Making decisions better, faster, everywhere

McLaren Racing knows that the fearless pursuit of perfection is the key to winning. Drawing on a 30-year heritage leading the digital transformation of motor sport through complex simulation tools and data, McLaren Technology Group continues to deliver successful outcomes time and time again.

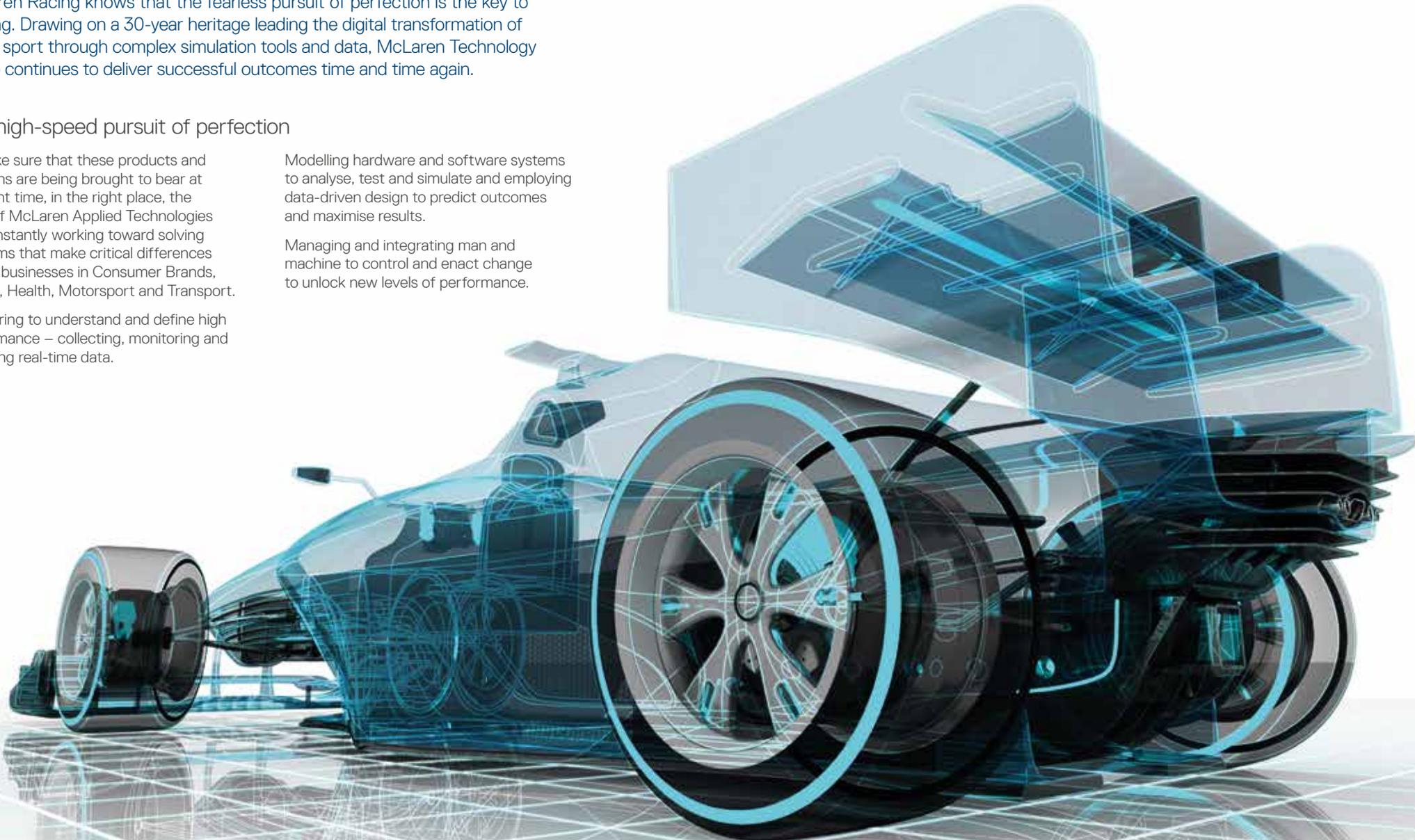
### The high-speed pursuit of perfection

To make sure that these products and solutions are being brought to bear at the right time, in the right place, the team of McLaren Applied Technologies are constantly working toward solving problems that make critical differences across businesses in Consumer Brands, Energy, Health, Motorsport and Transport.

Measuring to understand and define high performance – collecting, monitoring and analysing real-time data.

Modelling hardware and software systems to analyse, test and simulate and employing data-driven design to predict outcomes and maximise results.

Managing and integrating man and machine to control and enact change to unlock new levels of performance.





*“Many of the roles, skills and job titles of tomorrow are unknown to us today. How can organizations prepare for a future that few of us can define?”*

*PWC, “Workforce of the Future: The competing forces shaping 2030”*

People have lived and worked alongside machines for centuries. From the hand axe, possibly the first example of a human-made device designed to enhance human power, to time-saving home devices such as lawn mowers and vacuum cleaners, to calculators, personal computers, and the proliferation of mobile devices. However, society is about to enter a new phase, characterized by even greater efficiency and possibility than ever before.

People leave jobs because of poor managers but also when they are not provided the tools necessary to perform effectively.

### Digital transformation demands a culture shift

People, as well as technology, are key to the success of digital transformation. Over a third (37%) of CEOs say they will be making a deep or significant change to their company culture, rising to 42% among businesses that already have digital initiatives underway; 43% acknowledge the need for “tuning” the culture, with only one in five claiming they do not see the need for cultural change.

### Talent shortage is the #1 impediment to digital transformation

According to Gartner,\* a lack of appropriate talent and capability in the workforce was cited by CEOs as today’s #1 inhibitor to digital business progress. There is a shift in the culture of employees in general, as

millennials want more flexibility in their working life and can view corporate life as restrictive. Establishing a digital culture is therefore crucial to enabling the CIO and CHRO to maintain a sufficiently skilled IT organization to advance your strategy. As companies get excited about digital business initiatives, there simply aren’t enough great platform architects, high-grade UX designers, inquisitive data scientists and experienced neural network specialists to go round.

The CEOs’ focus throughout 2018/19 will be therefore split between building up internal IT and digital capabilities (59%) and outsourcing (41%). Technology will be closer to the core, as the goal of much of today’s technology endeavors is to win customers and markets, not just to achieve operational efficiency.

## The rise of automation

No exploration of digital transformation would be complete without considering the rise of automation. According to Geoffrey Moore, “You need to secure the data science expertise to work the algorithms, and then you need to get access to enormous amounts of data to feed the beast.” An increasing number of jobs will be outsourced to ‘machines’ – typically robotic software. Estimates vary but, according to the Institute for the Future,\* it’s anticipated that robots will take over 38% of current US jobs in the next 15 years. This progression will be enabled by:

### Assisted intelligence

Repetitive, standardized or time-consuming tasks are already being partially automated through assisted intelligence, although discretionary or judgement-based tasks and decisions are still made by humans.

### Augmented intelligence

Artificial Intelligence takes an assistive role to enhance human intelligence rather than replace it; this relies on the analysis of patterns in large data sets, but human creativity and inventiveness are required to interpret and apply insights.

### Autonomous intelligence

As AI and machine learning evolve and become smarter, more tasks can be outsourced to robots and machines. As computers develop the ability to reason, learn and plan, they will increasingly take over certain operations without any human intervention. This will no doubt prompt ethical and social considerations of how to re-skill or redeploy the human workforce.

Today, people do their jobs and live their lives in ways that are becoming indistinguishable. They use the most advanced technology to get things done and stay connected at home and they expect work to be just as good or better.



*“Human-machine partnerships are a great opportunity for mankind. By offloading more, we’ll be able to focus on what humanity does best”*

*Institute for the Future / Dell Technologies*

\*Gartner Inc., 2018 CEO Survey: CIOs Should Guide Business Leaders Toward Deep-Discipline Digital Business, Mark Raskino, 6 April 2018



# Five steps to empower your digital workforce

*"I firmly believe there is no industry where one company can win this alone. You need to consider your ecosystem and bring other people on board."*

*Peter Salzer, CEO, GE Capital Legacy Solutions Group*

*"Diversity creates a healthy conflict that leads to the development of the best ideas."*

*Andrew Moore, Former General Manager,  
The Digital Transformation Office, Intel's Industry Sales Group*



## Five steps to empower your digital workforce



### Step #1: encourage collaboration and learning

As the workforce becomes a lifelong learner, not everyone may be as adept at picking up new skills. HR leaders will have to adapt the ways they find and manage the talent lifecycle – in particular, by becoming more data-driven – and as a Connected CEO, you will need to facilitate this process.

Workforce transformation demands a new approach to collaboration and learning. The market is moving towards a career of projects rather than a career of jobs, breaking down the traditional

hierarchies. With each new project comes the opportunity to be challenged and learn new skills, offering continuous growth.

In parallel, the regular team structure is disintegrating: virtual workspaces and virtual, global teams that collaborate across geographies, companies and time zones are filling the void, in a practice referred to as “working apart together”.

*“85% of the jobs that today’s learners will be doing in 2030 haven’t been invented yet.”*

*Institute for the Future / Dell Technologies: The next era of human/machine partnerships – emerging technologies’ impact on society and work in 2030.*



### Step #2: foster a culture of innovation

Digital transformation will drive innovation within and across organizations, and redefine how we collaborate, communicate, and develop new products and services. Innovation rarely occurs spontaneously in the form of a “Eureka moment”: it needs to be planned for, managed and supported. What’s more, innovation is no longer confined to the R&D function: it’s a team effort, which can – and should – happen anywhere in the organization, through the combined and cumulative efforts of

multiple people. Innovation doesn’t have to be radical or disruptive, however – when combined judiciously, incremental improvements can generate substantial business benefits.

To foster the spirit of innovation and entrepreneurialism, you’ll need to build a listening culture, flatten your organization to encourage cross-departmental collaboration, and allow people to fail fast and actively pursue new ideas.

### Step #3: equip your people with the right technology

Employees have come to expect the same technology experience from their employer as they enjoy in their personal life. Giving employees the latest devices is not about novelty – these tools are designed for the way people work today, with powerful processors, and enabled for touch, voice, gesture and wireless technology.

Businesses need to balance user productivity with IT costs throughout the technology lifecycle. But as hardware ages, user productivity dwindles, and maintenance and support costs and security risks dramatically increase. That makes hanging on to ageing equipment a false economy.

Organizations need more efficient, flexible technology lifecycle management services that turn hardware, software and support into predictable OPEX. An “as-a-Service” approach to IT hardware enables your business to satisfy employees’ expectations for modern workplace technology (which is becoming increasingly necessary to retaining digital talent) with more frequent upgrades; benefit from more predictable budgeting; reduce total cost of ownership over the lifecycle of the equipment; and free up IT department resources to focus on business transformation.



*“The days of hierarchical, slow and autocratic decision-making are over.”*

*Peter Salzer, CEO, GE Capital Legacy Solutions Group.*



### Step #4: lead by example

Organizations looking to seize the advantages of digital business typically need leadership transformation. The days of hierarchical, slow and autocratic decision-making are over: today’s business environment is one of collaboration, co-creation and openness. A more inclusive style of leadership is required to keep today’s talent motivated and engaged.

That means titles and perks may become a thing of the past as more inclusive, flat, and democratic structures that cross organizational boundaries become more commonplace. Even the demands and dynamics of your own role, as a Connected CEO, will shift from “knowing it all” to “learning it all”.

### Step #5: build a sustainable business ecosystem

It’s not just people that need to collaborate intensely – it’s organizations, too. No single company can deliver a product or service in a vacuum; every product or service relies on a complete ecosystem to bring it to market.

Organizations’ boundaries are becoming more porous, and business success increasingly hinges on how well an organization is able to build sustainable relationships.

The Connected CEO looks to partnerships between individuals within teams, between teams within the organization, and between their own organization and others. By joining forces with strong digital partners, the Connected CEO brings on board the expertise or reach their own organization lacks.



# Making robots a reality

Welcome to the dawn of the robot era.

Try to imagine life without the internet. One day, we'll be feeling the same way about robots. That's why the brilliant minds at OTTO Motors are leading the charge, with robots solving very human problems in a very practical way – at scale – doing the work that frees up humans to perform higher-value tasks, driving profitability and enhancing quality of life.

OTTO  
MOTORS

*"At the very core, robots are going to improve people's lives."*

*Matt Rendall, Otto Motors CEO and Co-founder*



## Driven to be disruptive.

In the fast-paced, exciting world of self-driving technology, a daring idea has become reality. As a market leader that's paving the way in powering one of the most important technological revolutions of our lifetime, OTTO Motors is a Canadian mid-sized business that's creating autonomous vehicles that build maps of their environment and move independently.

By partnering with Dell Technologies, and harnessing the power of cloud, big data and IoT, OTTO Motors is democratizing robotics technology for their customers, and making it possible for companies of all sizes to adopt self-driving vehicles in their work environments.

*“Professional cyber criminals will cost businesses over \$2 trillion annually by 2019.”*

*Juniper Research, The Future of Cybercrime & Security: Financial and corporate threats and mitigation*

Concerns about cyber risks are the second biggest impediment to digital business progress, with 24% of CEOs\* admitting this keeps them awake at night – and it’s easy to see why. Every business is effectively becoming a technology business, characterized by pervasive digitization, more open collaboration, and initiatives like agile and DevOps that are focused on improving speed to market.

Securing the digital enterprise comes with a new set of demands and challenges. The increasing use of data to accelerate

decision-making and generate new revenue streams multiplies the threat targets for would-be cyber criminals and other malicious actors. Many of the “traditional” ways of securing IT and networks aren’t readily applicable to today’s new, distributed networks, which are touched by a growing number of vulnerable IoT and endpoint devices.

Digital opportunity and risk are two sides of the same coin. On one hand, digital business moves at a faster pace than traditional business, so traditional security approaches designed for maximum control could stifle digital innovation. On the other, data theft and cyber attacks – including malware, phishing and social engineering, botnets, malicious insiders and denial-of-service attacks – can pose an existential threat to businesses, whether their attackers are motivated by competitive advantage, financial gain or simply bragging rights.

\*Gartner 2018 CEO Survey



Innovative uses of data are revolutionizing entire industries, but to exploit these new opportunities, data must flow freely across workforces, ecosystems and economies. Yet the explosion of information, user preferences, connected devices and the

realities of managing virtual and hybrid cloud environments has introduced new complexities. A secure, modern infrastructure should therefore protect data across devices, identities, endpoints and storage in a virtual or hybrid environment.

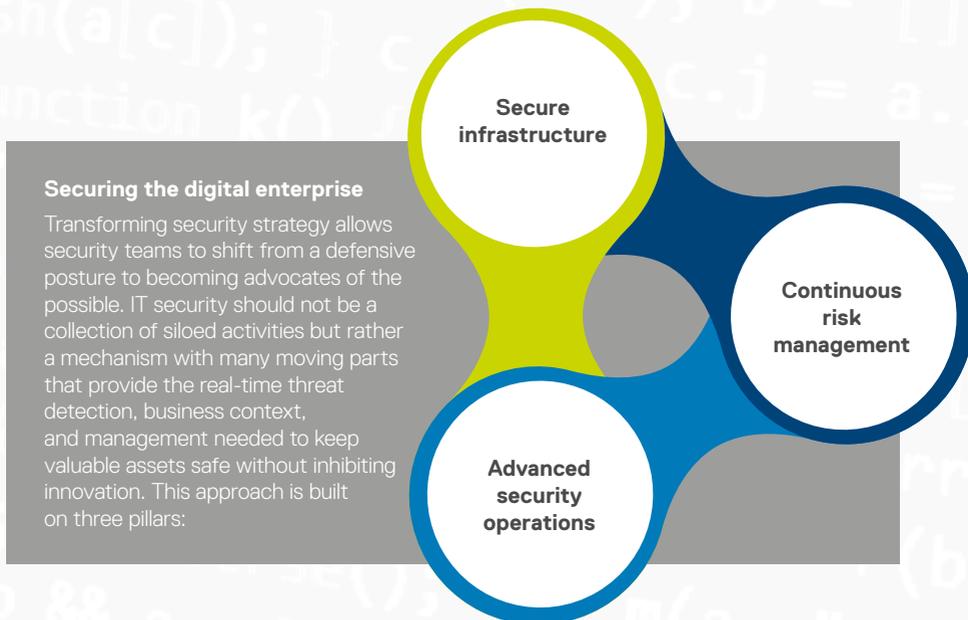


Government bodies are pushing more and more accountability for data protection and privacy onto businesses by implementing sweeping regulations, such as the EU General Data Protection Regulation (GDPR). Organizations must better manage business risk by unifying security and risk management strategies, and interconnecting visibility with context to identify, assess and respond to risk. This will help to determine the likelihood and potential impact of an event, the best approach to deal with risks (avoid, transfer, accept or mitigate), and what kind of security controls to apply (prevent, deter, detect, correct).



No business is an impenetrable fortress – cyber criminals are well-resourced and have more tools at their disposal than ever, so a determined hacker will find a way to get in. To mitigate threats, security must therefore evolve towards an automated

response to intrusion that will accelerate threat detection and limit the impact of a breach. This may be managed by your internal IT team, or outsourced to an information security provider.





## Limit your people-related cyber risk exposure

In the digital enterprise, security is everyone's business. That's because your biggest asset – your people – can also become your biggest liability when it comes to IT security.

Dell's 2017 End User Security Survey discovered that a staggering 72% of employees are willing to share sensitive, confidential or regulated company information – not through malicious intent, but simply to accomplish their day-to-day tasks as efficiently as possible. More than half (56%) use Dropbox, Google Drive, iCloud and other public cloud services to back up their work, and 45% use email to share files with contractors and other parties. It's therefore crucial that cyber security education, awareness, policies, and procedures trickle down to every employee in the company, so they can "buy into" the consequences that can arise from risky behaviors.

Security shouldn't be a productivity-killing chore for employees, nor an uphill battle for IT teams, but rather a frictionless collaboration between the two. Effective security should embrace the way people actually work, whether in the office, at home or on the road.

The Connected CEO looks to advance along the IT maturity curve and understands the imperative for the organization to evolve beyond a dependence on obsolete IT products and processes. For example, over 95% of security breaches originate at the communications end point (such as a desktop, laptop, smart phone, tablet or server). By optimizing technology refresh cycles, you can cost-effectively equip your people with the latest devices, services and solutions, safe in the knowledge that they are continuously updated to adapt to ever-changing threats and compliance mandates.

*"Between Q1 2016 and Q1 2017, cloud-based user account attacks tripled."*

*Microsoft Security Intelligence Report, Vol 22, 2017*

# Embarking on your own transformation journey



*“Connected CEOs provide a vision: they insist on an outside-in view of where their company is, they understand the levers to pull to make change, build the right team, and monitor those accelerated changes.”*

*Adrian McDonald, President, EMEA, Dell EMC*

We hope this Executive Briefing has inspired you to set your own digital transformation in motion (or indeed, accelerate it, if you're already on the path to digital business). We've offered insights from leading CEOs, inspiring examples of our customers' own digital transformations, and pragmatic guidance on IT, Workforce and Security transformation.

To round off, here are five tips to advance your progress and maximize your digital business success:

#### **1. Benchmark yourself against your peers**

Every business transforms at its own pace, but it pays to check how your competitors are faring along the digital maturity curve, as well as what digital startups – or upstarts – may be trying to overthrow your industry. If you're not leading the pack, find ways to become a fast follower.

#### **2. Set priorities**

It's not easy to come up with innovative products, services and models while keeping the engine running on what has, until now, been your main source of revenues. Geoffrey A. Moore's "Zone to Win: Organizing to Compete in an Age of Disruption" is an edifying read that shows how you can prioritize and focus your efforts where they'll yield the greatest return.

#### **3. Agile communications**

The successful implementation of digital transformation projects hinges on more than just the underlying technologies. The unsung heroes of lasting digital business value are the interpersonal communication, negotiation and change management skills that can help to reduce project risk and enhance your chances of success.

#### **4. Join a digital ecosystem – or build your own**

Digital ecosystems are communities that use shared, scalable resources to pursue challenging objectives and common interests. They can be key to navigating digital transformation, disrupting existing markets and competing effectively in today's hyper-connected economy.

#### **5. Find the right technology partner**

Since technology forms the building blocks of your transformation, the right technology partner will act as your trusted advisor as well as provider of proven solutions, drawing on experience in your sector. They can sanity-check solutions, finesse your strategy, and ensure you extract maximum business value – putting you firmly on the front foot. This provides you the flexibility to inject new blood into aging infrastructure and grow as you go without "open heart surgery".

In a digital world, companies must be ready for one thing: **anything.**



#### Digital transformation

The fastest-growing companies are undergoing Digital Transformation: they are enabling themselves to use and monetize the power of software, data analytics, IoT, and artificial intelligence. Digitally driven businesses aren't just the new normal; they're the new mandatory.



#### IT Transformation

Transforming your IT comes down to modernizing your infrastructure so that it can support highly automated processes. Achieving this enables very fast delivery of technology services to your own organization as well as your customers. The result is that your IT department transforms from being a cost center to a profit center.



#### Workforce transformation

People expect technology to help them get more done faster and collaborate in a natural, seamless way. It's what's required for organizations to compete and succeed. You can do more than keep up with this exciting trend. You can lead it.



#### Security transformation

One of the biggest accelerators – and roadblocks – to growth is the ability to protect and secure growing amounts of critical data. Security Transformation helps you address this with solutions that are resilient, adaptable and unified. This frees you to focus on what matters most – your business.



# The **power of 7** technology leaders committed to your transformation



Technology now has the single greatest impact on an organization's ability to react, innovate and succeed. Today's industry leaders have embraced this, and literally transformed their organizations. Of course, everyone uses technology to transform in different ways, but we believe customers can take four strategic and parallel approaches to ensure success:



Digital Transformation



IT Transformation



Workforce Transformation



Security Transformation

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Lined area for notes and inspirations.





